



Pacific American Coal

Corporate Presentation October 2017

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Competent Person Statement

The information in this document that relates to JORC 2012 Resources based on information compiled by Mr. Dwight Kinnes, B.Sc Colorado State University, Geology, who is a Member of a Recognised Overseas Professional Organisation (ROPO) included in a list promulgated by the ASX from time to time, being the Society for Mining, Metallurgy, and Exploration and American Institute of Professional Geologists – Cert. No. 10244.

Mr Kinnes is Principal Consultant/President of Highland GeoComputing, LLC and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration by them and to the activity which they are undertaking to qualify as a 'Competent Person' as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code 2012). Mr Kinnes consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Company Overview



Capital Structure¹

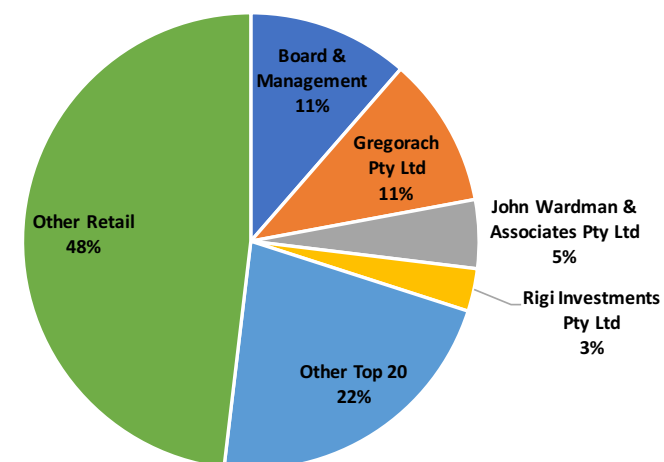
ASX:	PAK
Shares Outstanding	165,305,889
Share Price:	\$0.025
Market Capitalisation:	\$4,132,647
Cash on Hand:	\$3,884,000

JORC 2012 Resources (MT)

Measured	19.2
Indicated	57.0
Inferred	181.3

Total Resource	257.5
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Share Register



1. As at 29 September 2017

Key Personnel

Board of Directors



Geoff Hill,
(Non-Executive Chairman)



Simon Bird,
(Non-Executive Director)



Paul Chappell,
(Non-Executive Director)

Senior Management

- **Mark Sykes** Chief Executive Officer
- **Ian Morgan** Company Secretary
- **Dom Hill** General Manager, Business Development
- **Simon Klimt** General Manager, Investor Relations

PAK team has experience financing and developing resource projects

Key Stakeholders

Shareholders

Focus on delivering shareholder value through minerals exploration and investment. The company will continue to review opportunities and invest in assets that add value to shareholders.



Community

PAK is committed to working with the communities in which it works. The company is using local personnel to complete tasks and will continue to work with communities in a transparent way.



ENVIRONMENT

PAK is committed to developing environmentally sustainable projects that have minimal impact on the environment and the community as a whole. PAK sees its environmental stewardship as paramount to the viability of its projects and will continue to work with its partners to ensure the company is doing everything possible to preserve the environment.



PAK is committed to the environment and the community

Focused Strategy



Elko – Significant Coking Coal Resource

- Total Resource 257.5MT (JORC 2012)
- Elko coals are high quality met coal
- Add value through targeted exploration program:
 - Complete approval process
 - Drilling program focused on defining JORC reserves and expanding JORC resources
 - Commercialisation activities

Strategic Priority



Hazell – Strategically Positioned

- Tenements cover area between Teck's Coal Mountain Mine and CoalMont's Michael Head Project
- Excellent exploration potential
- Proximity to existing infrastructure

Exploration Upside



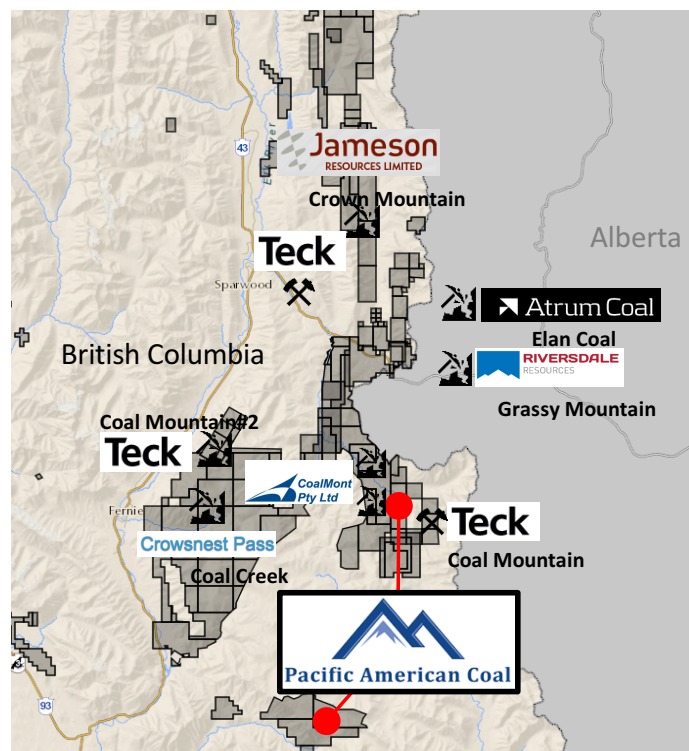
Ongoing review of investment opportunities:

- Sale of non-core assets allows PAK to focus on BC Coal Assets, and
- Reinvestment of cash reserves in new accretive investments

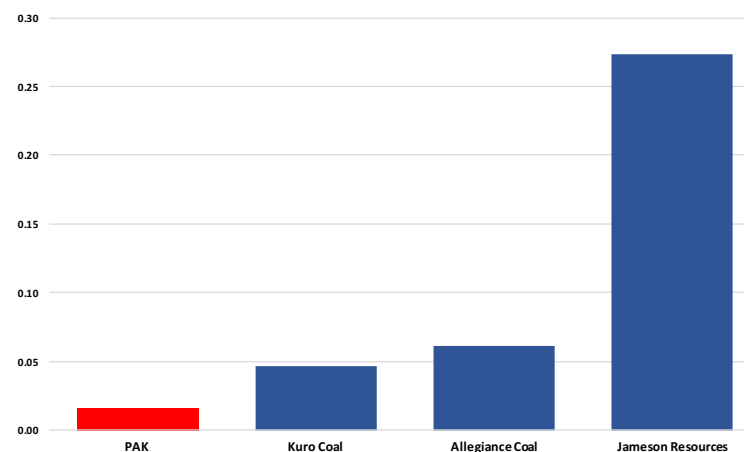
Growth

Strategic focus on Elko and other accretive investments

Significantly Undervalued



Mkt Cap/ Resources (A\$/mt)



	Share Price ¹	Market Cap	Resources (MT)	Mkt Cap / Resources
Jameson Resources	0.105	26,945,523	98,600,000	0.27
Kuro Coal ²		6,750,000	146,500,000	0.05
Allegiance Coal	0.036	8,136,000	133,290,000	0.06
PAK	0.025	4,132,647	257,000,000	0.02

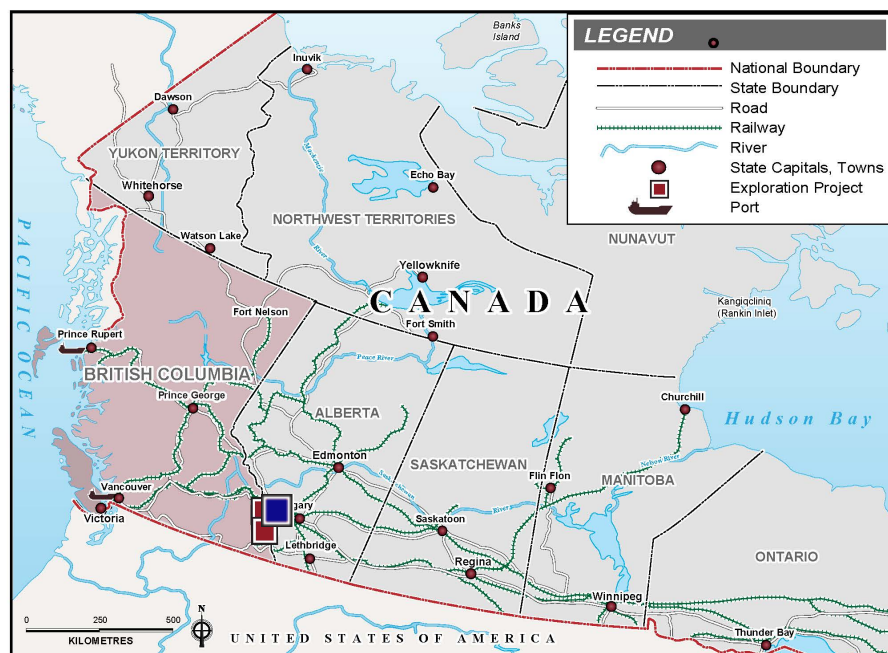
1. As at 29/9/2017

2. Based on acquisition price of 100% Elan Coal Mine announced 23 Aug 2017

PAK provides investors leverage into the Crowsnest coking coal play

Canada Project Overview

Strategic Location



Legend

- Elko
- Hazell Exploration Project

Elko JORC 2012 Resources (MT)

Measured	19.2
Indicated	57.0
Inferred	181.3
Total Resource	257.5

Hazell JORC 2012 Exploration Target

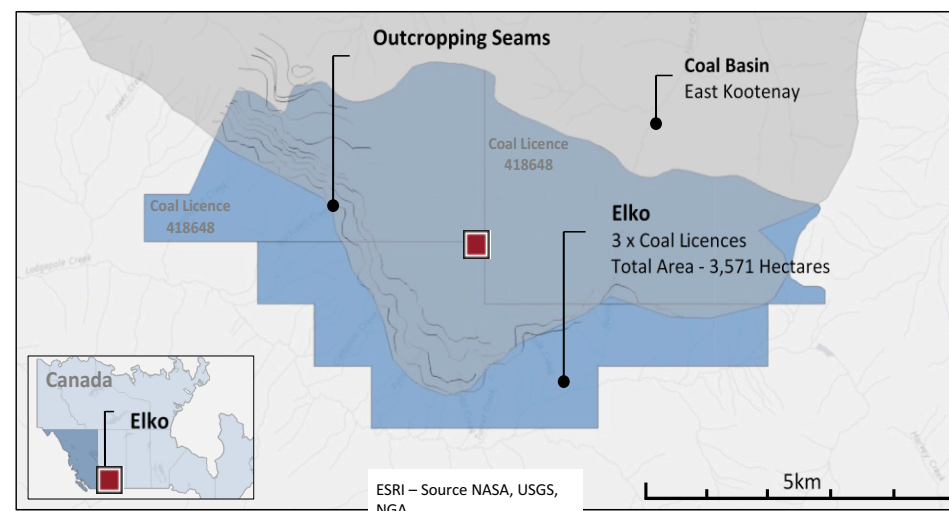
Low	57Mts
High	86Mt

PAK is focused on developing its 257MT Elko Coking Coal Project in BC, Canada

Targeting High Value Coal

- **Targeting 3 coking coal seams**
 - FSI ranging from 7-8
- **High quality coking coal product**
 - Low sulphur and ash
- **Bench mark coal qualities**
 - Coal compares favourably with benchmark coals
- **Coal tested and blended**
 - Coal seams 6 & 7 have been tested extensively by six Japanese steel mills
- **Coal Seams Outcropping**
 - Coal seams have been previously mapped

Target
Seams



BC Coal Adit Quality

Adit	Seam	Sample thickness	Clean				
			Ash	VM	FC	S	FSI
F-5	7 Seam	5.9 m	3.9	21.9	74.3	0.5	7.5
F-6	6 Seam	3.0 m	6.3	21.3	72.4	0.6	8.0
F-4	5 Seam	11.2 m	7.4	21.5	71.1	0.5	6.0
F-3	4 Seam	6.7 m	8.4	19.6	72.0	0.4	5.0
F-2	3 Seam	12.2 m	11.3	17.7	71.0	0.7	2.5
F-1	1 Seam	14.0m	10.4	18.0	71.6	0.8	1.0

High quality coking coal

Project Activities

2017 Exploration Activities

Field Work

- Initial site preparation work completed included:
 - Exploration road layout and drill pad location
 - Review of existing road upgrades
 - Stream crossing locations
- Field work was hampered by the unprecedented wild fire season with uncontrolled fires closing down the Elko Project site

Permitting

- Government approvals in place, awaiting drilling and construction permits

Environmental Plans and Studies Commenced

- Water Sampling plan completed
- Fish assessment review completed
- Grizzly Bear habitat assessment commenced
- GAP analysis commenced
- Archeological Assessment Commenced

Outcropping coal seems at Elko



On ground field work has commenced at Elko

Exploration Program

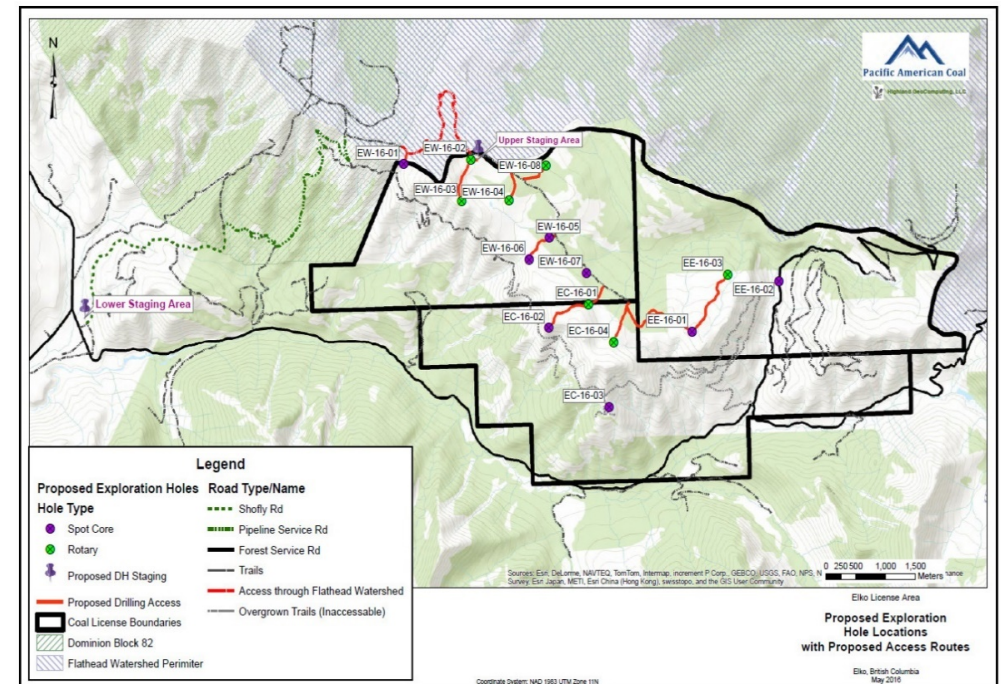
- Exploration program proposes 8,500m of drilling
- Rotary and spot core drilling

The exploration program will aid in:

- Improve coal quality information
- Determining down-dip extent of the coal bearing strata,
- Identifying general structural trends, features and domains,
- Collecting coal core for the SM5/SM6 and SM7 seams.

The Program will assist to provide:

- Detailed geological mapping, and preliminary environmental data,
- Ongoing working relationships with local contractors & First Nations groups.

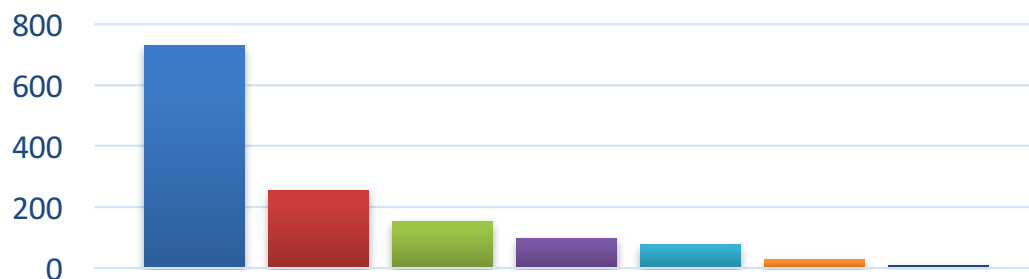


Focus on defining JORC reserves and expanding JORC resources

Unrivalled Resource Amongst Juniors

- Strategically located in known coking coal basin
- Significant resource compared to other juniors
 - Large resource with upside potential
- Strong product mix – HCC and premium quality PCI
- Three coal seams identified having the potential to produce a hard coking coal product.

Coal Resources (MT)



Coal Resources

■ Teck Elkview
■ Jameson Crown Mountain
■ Coalmont Tent Mountain

■ PAK Elko

■ Teck Coal Mountain

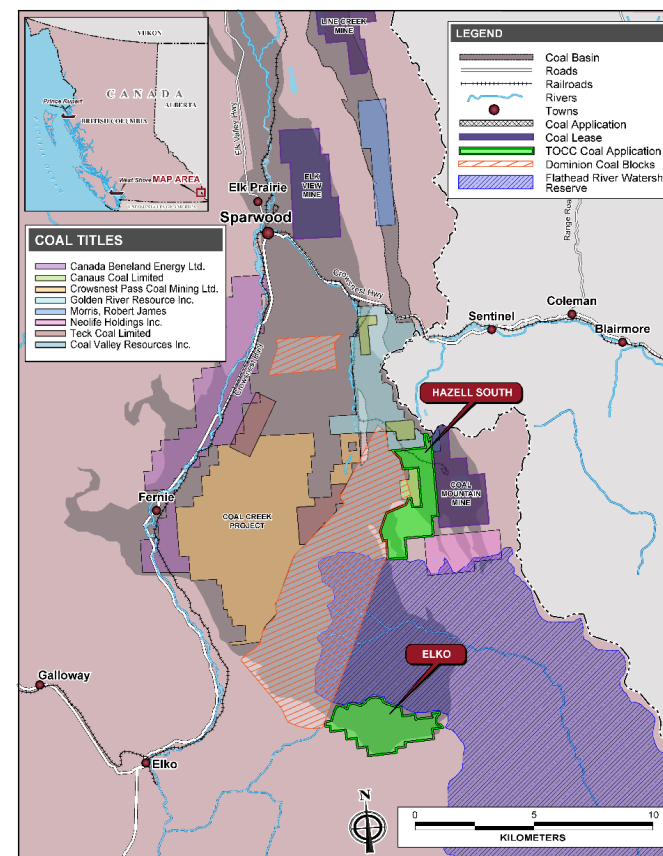
■ Coalmont Loop Ridge

■ Coalmont Michel Head

Tech - <http://www.empr.gov.bc.ca/Mining/Geoscience/PublicationsCatalogue/InformationCirculars/Documents/IC2015-2/Exploration%20and%20Mining%20in%20BC%202014.pdf>

Coalmont - http://montpelliercorp.com/images/File/Montpellier_Coalmont%20flyer.pdf

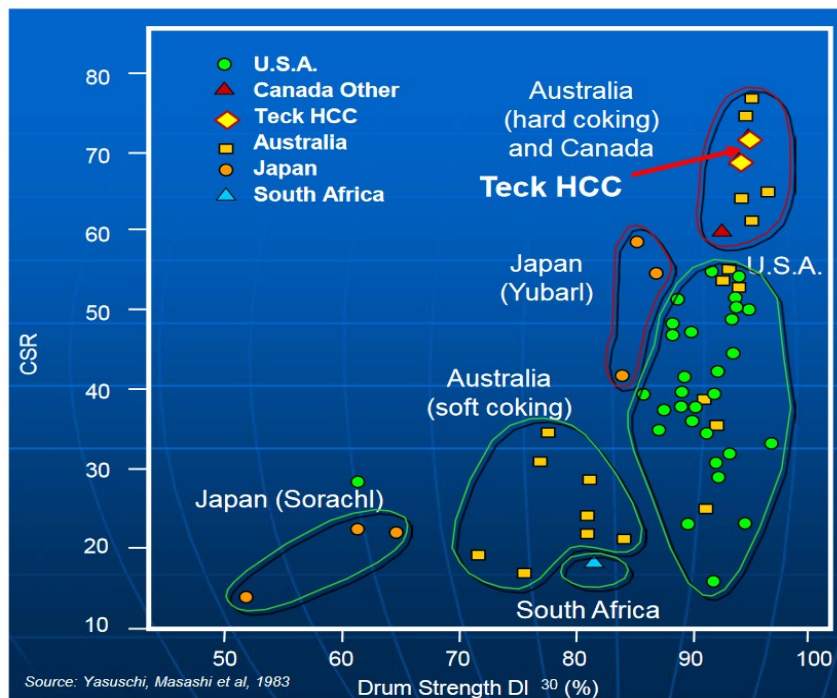
Jameson - <http://www.jamesonresources.com.au/index.php/investor-centre/asx-announcements?task=document.download&id=488>



Elko contains the second largest coal resource in the Crowsnest Coalfield

Compares Favorably to Peers

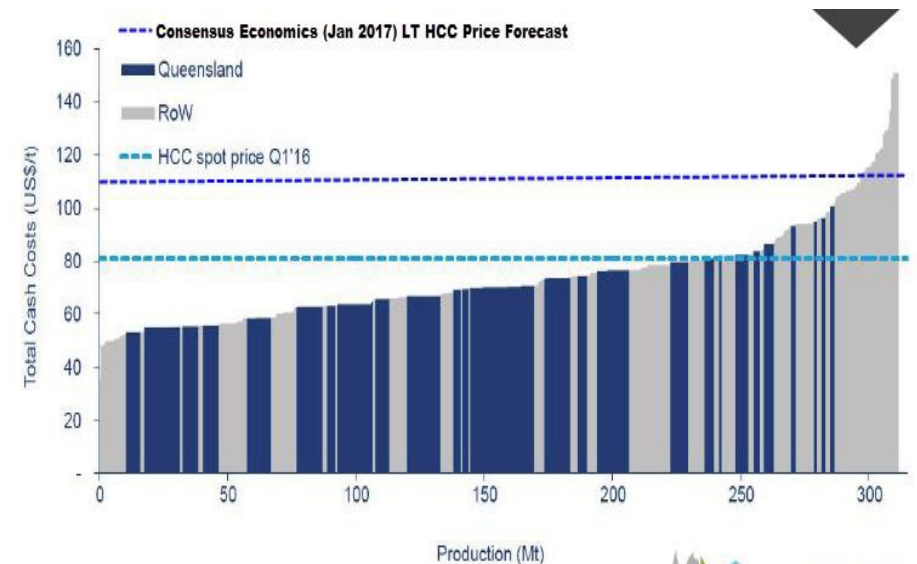
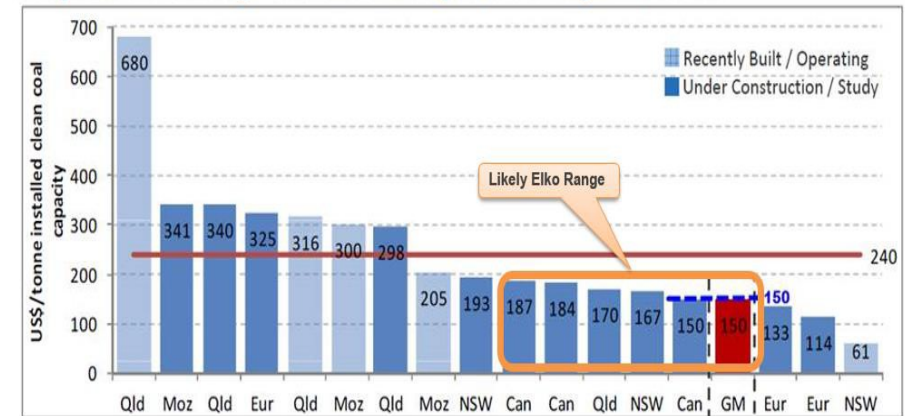
- Elko compares favorably with other Canadian projects in terms of coal quality and capital intensity
- Large coal resource with high quality metallurgical coal
- Open cut and underground mining available
- Favourable capital intensity vs global peers



Source: <http://www.teck.com/media/2017-Whistler-Institutional-Investor-Conference-Jan-26.pdf>

Figure 2.5 High CSR Canadian HCC products vs. global competitors

Capital Intensity - Recent/Proposed Project Basis



Source: Wood Mackenzie

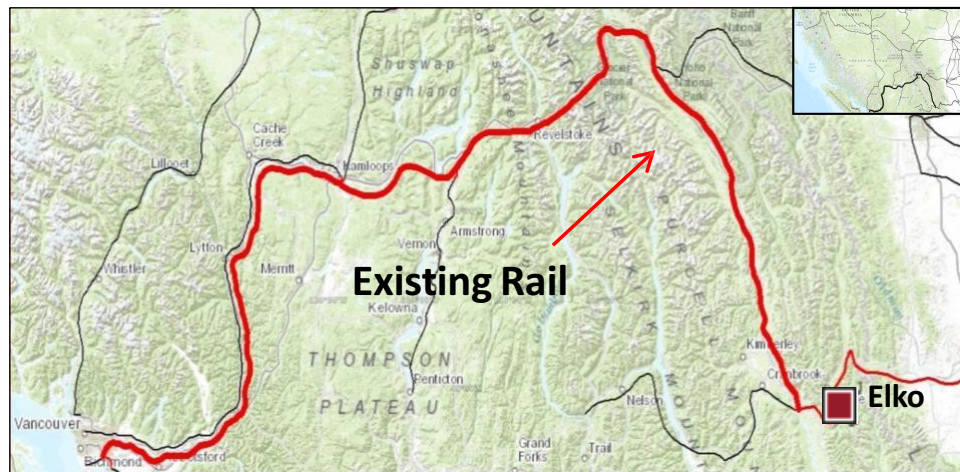
Source: 2016 Seaborne Metallurgical Coal FOB Cash Cost Curve adapted from QRC State of the Sector - December Quarter 2015⁴

Figure 2.4 FOB Operating Cost Benchmarking

Elko has a large resource base in a competitive basin

Infrastructure Advantage

Rail Logistics



Road transport to rail head
Rail to Port of Vancouver
Alternative Route to Prince Rupert

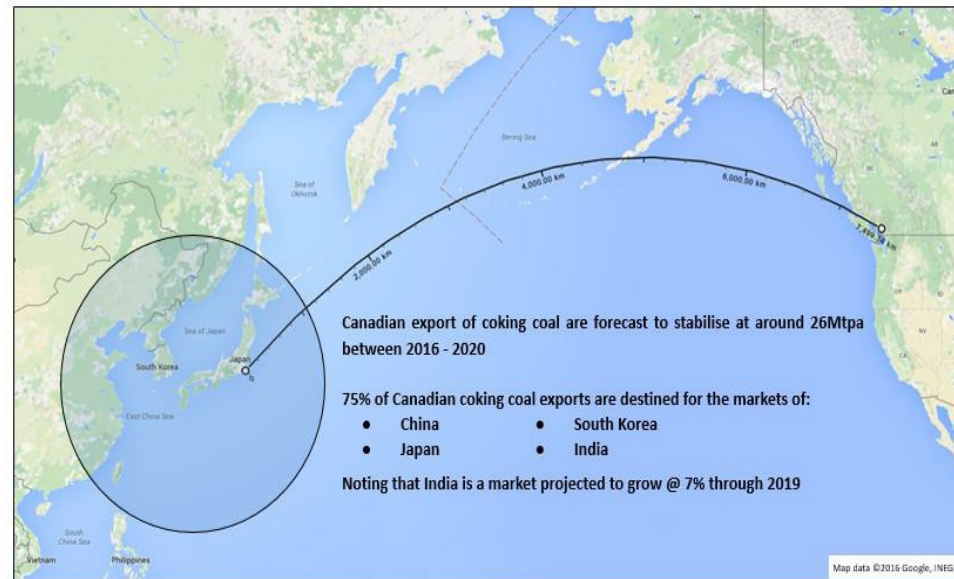
20 km
1,000 km
2,000 km

Rail Freight Providers

- Eastbound bulk haulage agreements are available
- Bulk rail provider to Vancouver

Close proximity to existing rail infrastructure

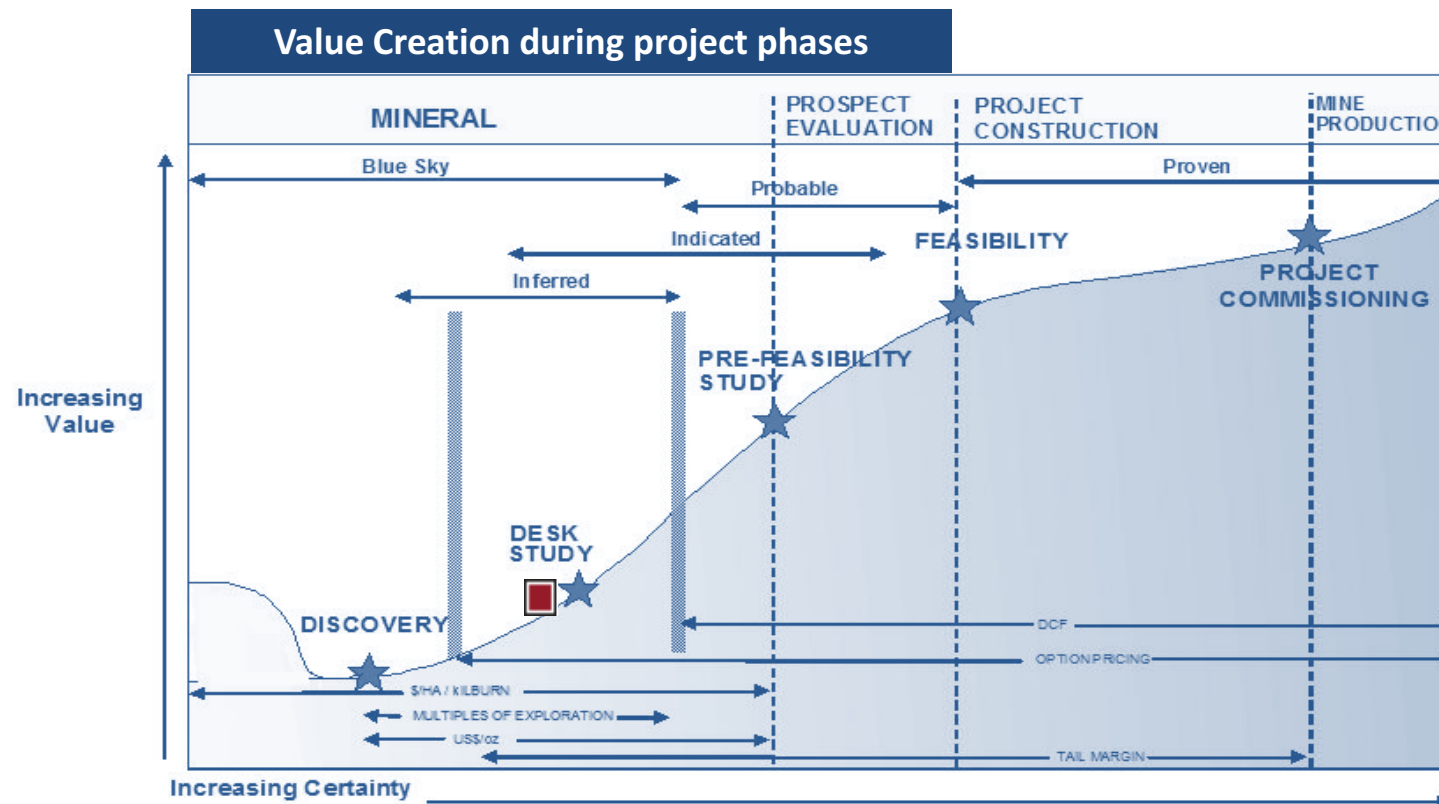
Ports & Shipping



Vancouver Ports	Capacity	Destination	Days Shipping	
			Vancouver	Hay point
Westshore	33Mt	Kobe, Japan	13	11.4
Neptune Terminals	12.5Mt Expanding to 18.5Mt	Pusan, Korea	13	11.9
Fraser Surry Docks	Planned Capacity 4Mt	Shanghai, PRC	14	11.9

Existing infrastructure with optionality

Elko at early stage of value capture



Capturing value through phased approach

Partners



Technical



Legal



Accounting



Exploration and Geological

Highland GeoComputing, LLC

First Nations Consultants



Partnered with recognized consultants

Appendix – Elko Project Geology & Coal Quality

Kootenay Coal Basin

Overview

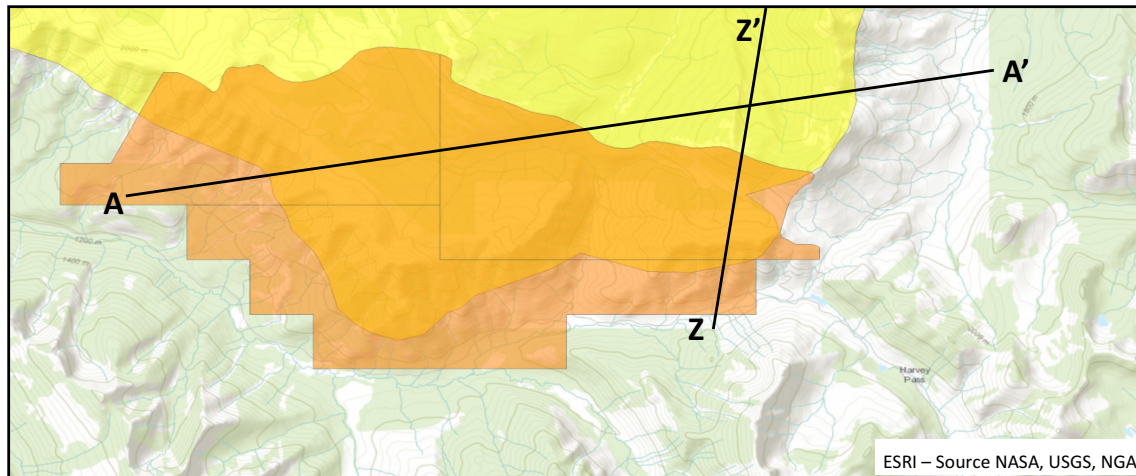
- The southeast corner of the province, often referred to as the East Kootenay region, contains three separate coalfields known respectively as Crowsnest, Elk Valley and Flathead.
- Since 1898, these coalfields have produced over 500 million tonnes of mainly coking coal and presently host five active mines.
- Coal occurs in the Mist Mountain Formation of the Jurassic-Cretaceous Kootenay Group. The formation averages 500 to 600 metres in thickness and contains from 4 to 30 plus seams; cumulative coal thickness ranges up to over 60 metres.
- Seams range in rank from high to low-volatile bituminous.



Known coal regions

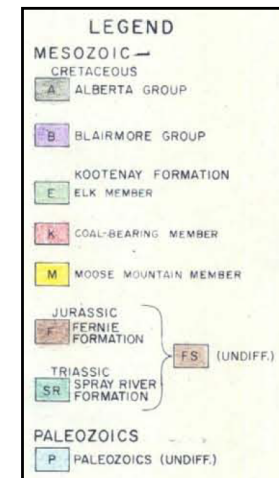
Geology

Structural Geology Supportive of Underground Operation

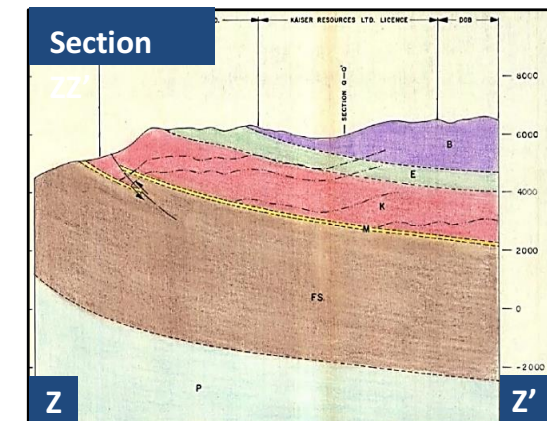
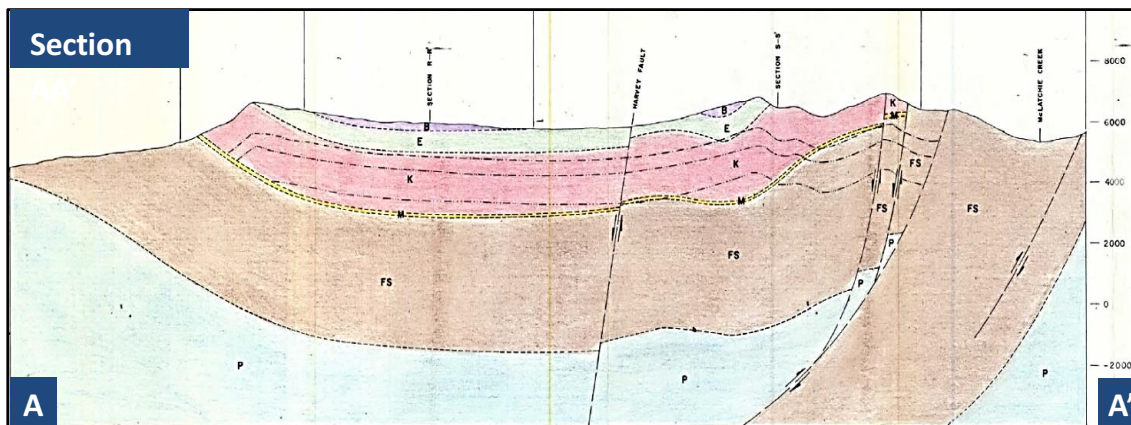


Coal Report 339

Mining Operations



Structural geology and geo-technical data are to gathered through planned exploration activity to support mine design.

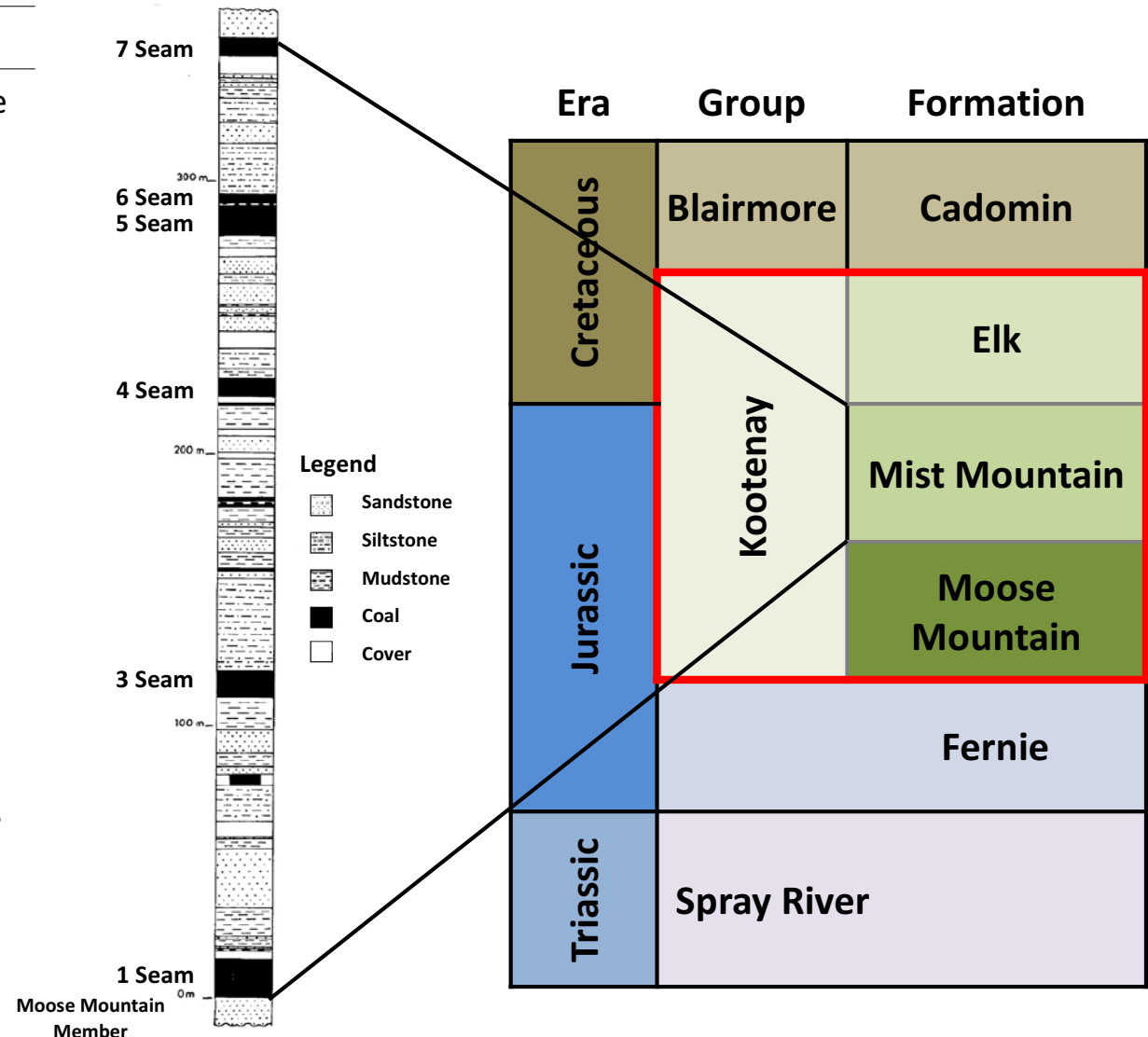


Existing data supports low cost entry with long term underground operation

Elko Geology and Stratigraphy

Overview

- The exploration licenses primarily reside in the Lower Cretaceous Kootenay Formation.
- B.C. Coal Ltd. identified at least seven coal seams with mineable thickness and quality in the Misty Mountain Member
- Elk Member of the Kootenay Formation outcrops along the top of Flathead Ridge forming a resistant cap above the Misty Mountain Member.
- The estimated rank of the Mist Mountain coal seams can be classified as low to medium volatile bituminous coal
- The general strike of the beds is northwest southeast and dip between 20 and 35 degrees to the northeast



Well documented metallurgical coal deposits

High Quality Met Coal



- **Multiple coal seams with variable metallurgical qualities**
- **High quality coking coal and PCI product**
 - Both products are at the top end of the market
- **Low ash, sulfur and phosphorous**
 - Coals are export high value coals

Product	Operator	VM %	Ash %	TS %	CSN	RoMax %	Fluidity ddpm	Phos %	CSR	Vitrinite
Elko (project)	PAK	23	7 - 8	0.50	7 - 9	1.20-1.30	<30	0.060	-	70
Elk Valley premium HCC	Teck	25	8.7	0.55	7 - 9	1.12	200	0.051	71	58
Elk Valley Standard	Teck	23	9.5	0.5	6 - 8	-	150	0.070	72	
Elk Valley Grizzly Creek	Teck	24.5	9.5	0.55	6 - 8	1.16	150	0.050	69	55
Elk Valley mid vol	Teck	27	9.2	0.35	6 - 8	1.06	500	0.040	53	55
Elkview	Teck	21	9.5	0.30	6 - 8	1.35	40	0.053	72	54
Canadian NEBC*	Typical	23-24	8.3-8.6	0.50	7 - 8	1.15-1.25	150 - 300	0.008 - 0.040	58-60	-
Canadian SEBC*	Typical	21-27	8.5-9.6	0.50	6 - 8	1.10-1.35	40-300	0.010 - 0.065	68-72	-
Central Alberta*	Typical	17-27	8.5-9.5	0.45 - 0.5	5 - 7	1.10-1.60	15-700	0.016 - 0.050	58-60	-
Crown Mountain N/E (project)*	JAL	21	9	0.60	7 - 8	1.45	30	0.060	75	-
Crown Mountain South (project)*	JAL	18	9	0.60	4 - 5	1.59	5	0.100	67	-

*Source http://www.resourcesrisingstars.com.au/files/asx_announcements/JAL_110814.pdf

Coal Quality Parameter (adb unless otherwise stated)	Indicative Elko HCC Specification	Indicative Elko PCI Specification
Total Moisture (%) (ar)	9.5	8.0
Inherent Moisture (%)	1.8	1.5
Ash (%)	7-8	7-9
Volatile Matter (%)	22-24	17-19
CSN	7.5-9	1-2
Total Sulphur (%)	0.5	0.5
Phosphorous (%)	0.08	0.08
Vitrinite Content (%)	70	35
RO Max (%)	1.2-1.3	1.49-1.62
Fluidity ddpm	<50	
CSR (estimated range)	64-70	

Coal Seam	Estimated Reflectance %	Estimated Vitrinite %	Product Type
SM7	1.20%	85	MV HCC
SM56	1.29%	65	MV HCC
SM4	1.32%	60	MV HCC
SM3	1.49%	35	LV PCI
SM1	1.62%	40	LV PCI

Multiple product potential