

**ASX Release**

Monday, 19<sup>th</sup> March 2018

**ASX Codes**

PAK

**About Us**

Pacific American Coal Limited is focused on the production, development and exploration of metallurgical coal assets in North America. The Company's strategic focus is on the 100% owned Elko hard coking coal project in British Columbia. PAK has 100% ownership in a total of 6 Coal Leases in the East Kootenay Coal Field in British Columbia - Canada and tenements in application in low volatile bituminous region of the Arkoma coal basin in Oklahoma. The company is also actively reviewing other potential investments.

**Board**

Non-Executive Chairman – Geoff Hill  
Executive Director & CEO – Mark Sykes  
Non-Executive Director – Simon Bird

**Company Secretary**

Ian Morgan

**Management**

Business Development – Dom Hill  
Investor Relations – Simon Klimt

Project	Stage	Location
Elko	Exploration	Canada
Hazell	Exploration	Canada
Howe	Exploration	Oklahoma
Bokoshe	Exploration	Oklahoma

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## Proactive Investors Presentation

Pacific American Coal Limited (**ASX: PAK**) is pleased to be presenting the attached corporate update at the Proactive Investors lunches in Sydney (19 March) and Melbourne (20 March).

### FOR FURTHER INFORMATION CONTACT

**Australia**

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Pacific American Coal Ltd  
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More details are available on PAK's website [www.pamcoal.com](http://www.pamcoal.com)

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**Pacific American Coal**



# **Pacific American Coal**

**Proactive Investors Lunch March 2018**

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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



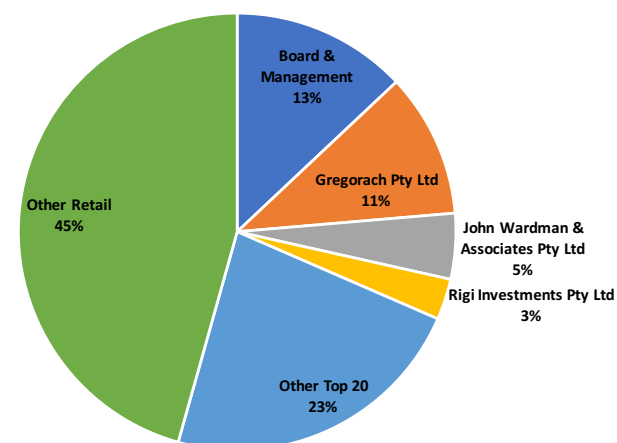
## Capital Structure<sup>1</sup>

ASX:	PAK
Shares Outstanding	165,305,889
Share Price <sup>2</sup> :	\$0.04
Market Capitalisation:	\$6,612,236
Cash on Hand (31 Dec 2017):	\$4,203,000

## JORC 2012 Resources (MT)

Measured	19.2
Indicated	57.0
Inferred	181.3
<b>Total Resource</b>	<b>257.5</b>

## Share Register



1. Corporate information as 31 Dec 2017
2. Share Price as at 13 March 2018



# 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



## Strategically Positioned

- Tenements in highly prolific East Kootenay Coal Basin
- 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

# Canada Project Overview



## Strategic Location



## Elko JORC 2012 Resources (MT)

Measured	19.2
Indicated	57.0
Inferred	181.3
<b>Total Resource</b>	<b>257.5</b>

**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



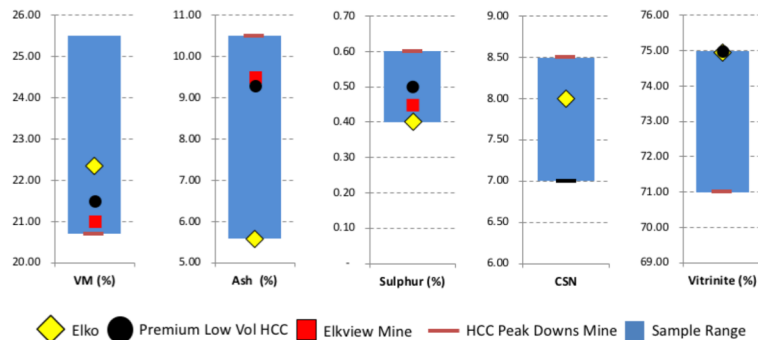
BC Coal Adit Quality							
Adit	Seam	Sample thickness	Clean				
			Ash	VM	FC	S	FSI
F-5	7 Seam	5.9 m	3.9	21.9	74.3	0.5	7.5
F-6	6 Seam	3.0 m	6.3	21.3	72.4	0.6	8.0
F-4	5 Seam	11.2 m	7.4	21.5	71.1	0.5	6.0
F-3	4 Seam	6.7 m	8.4	19.6	72.0	0.4	5.0
F-2	3 Seam	12.2 m	11.3	17.7	71.0	0.7	2.5
F-1	1 Seam	14.0m	10.4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

High quality coking coal

## 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

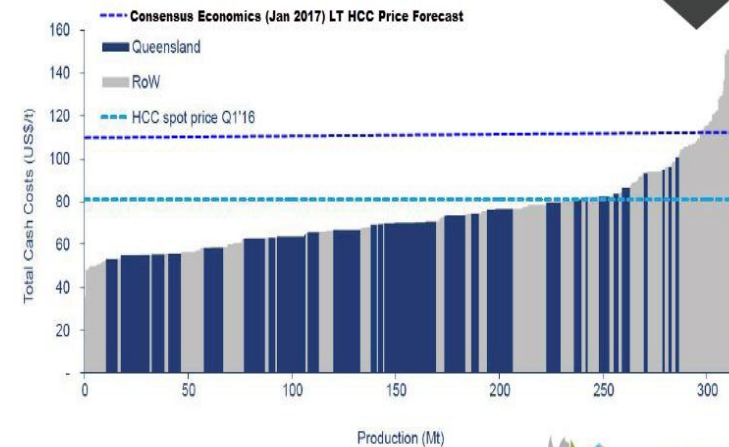
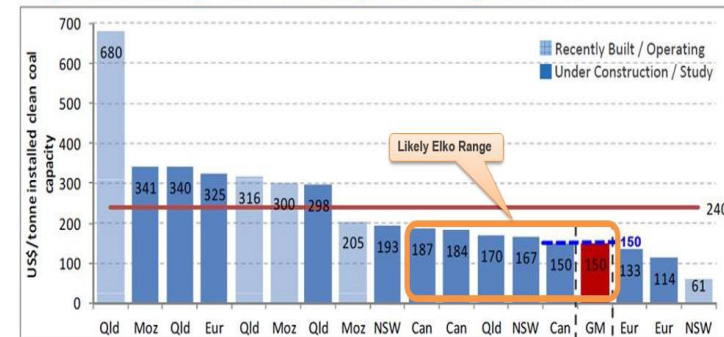
### High Value Coal



Elko has a large resource base in a competitive basin



### Capital Intensity - Recent/Proposed Project Basis



Source: Wood Mackenzie



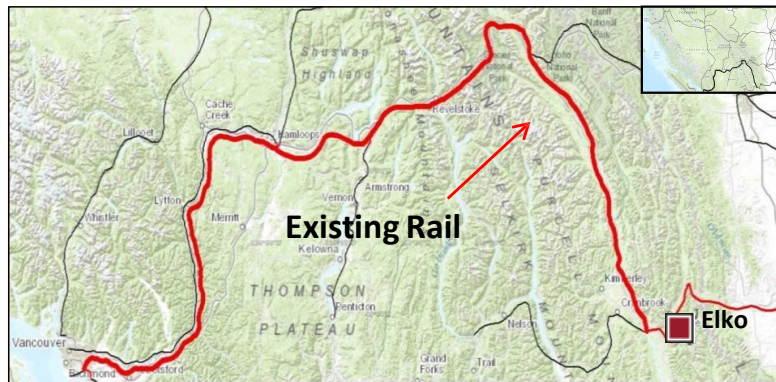
Source: 2016 Seaborne Metallurgical Coal FOB Cash Cost Curve adapted from QRC State of the Sector - December Quarter 2015<sup>4</sup>

Figure 2.4 FOB Operating Cost Benchmarking

# 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

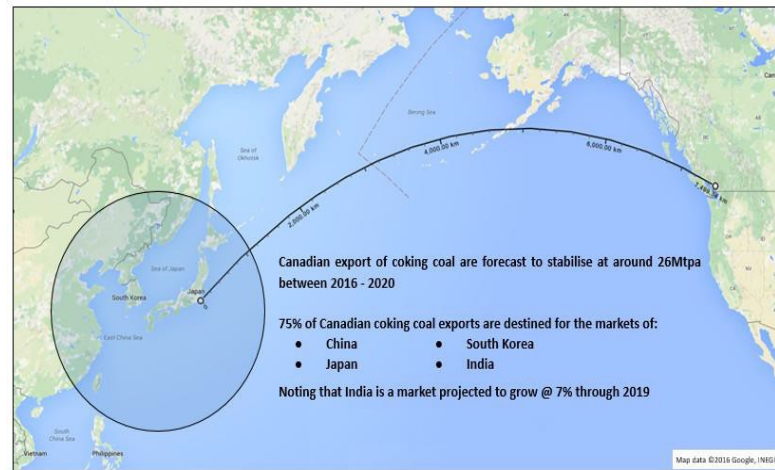
### Rail Freight Providers

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

**Close proximity to existing rail infrastructure**



# Ports & Shipping

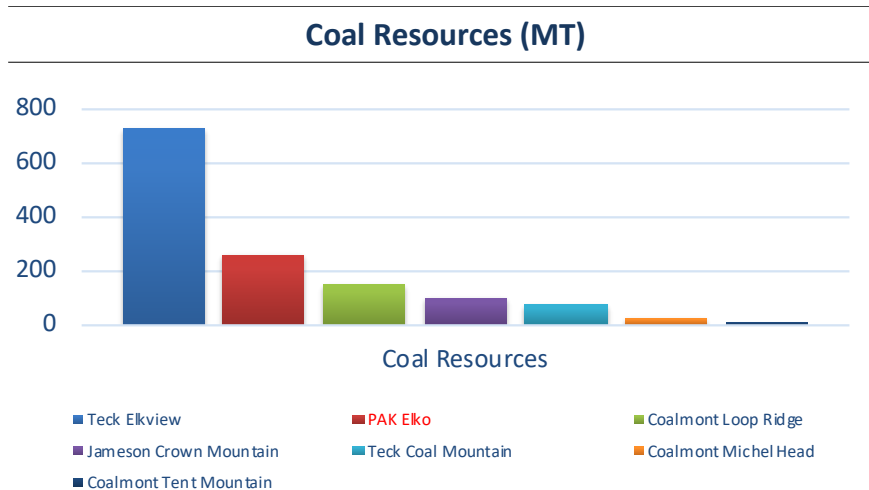


Vancouver Ports	Capacity	Destination	Days Shipping	
			Vancouver	Hay Point
Westshore	33Mt	Kobe, Japan	13	11.4
Neptune Terminals	12.5Mt Expanding to 18.5Mt	Pusan, Korea	13	11.9
Fraser Surry Docks	Planned Capacity 4Mt	Shanghai, PRC	14	11.9

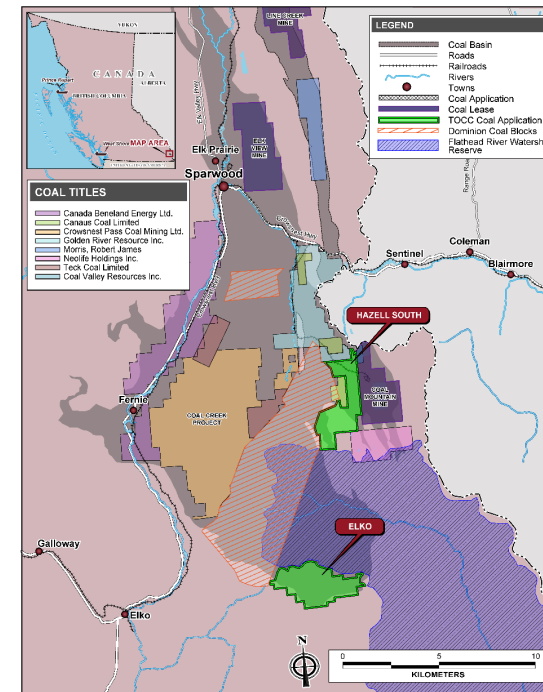
Existing infrastructure with optionality

## 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.

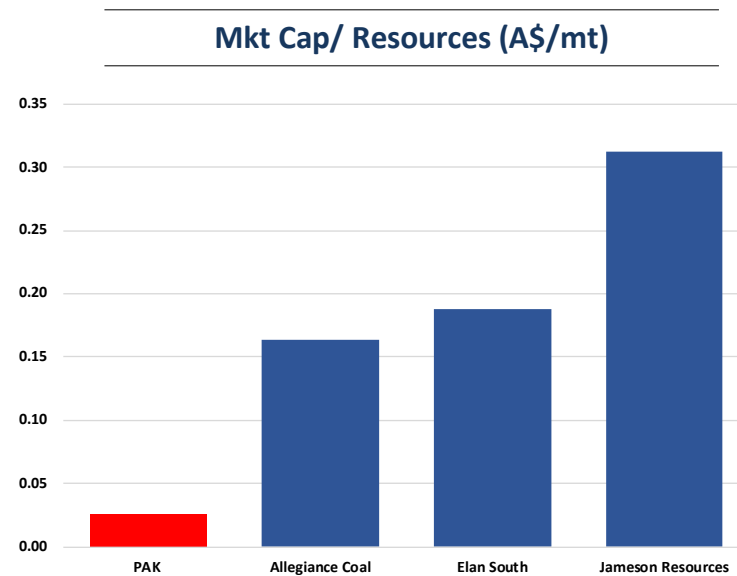
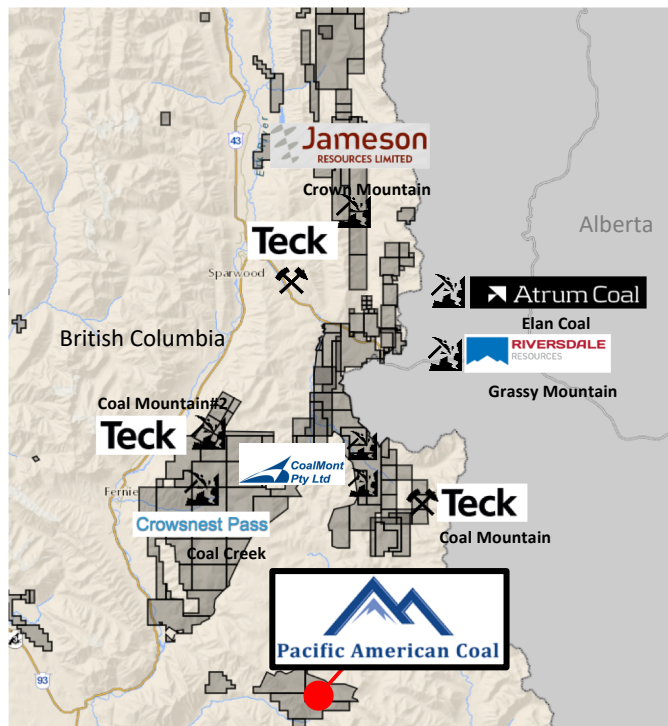


Tech - <http://www.empr.gov.bc.ca/Mining/Geoscience/PublicationsCatalogue/InformationCirculars/Documents/IC2015-2/Exploration%20and%20Mining%20in%20BC%202014.pdf>  
 CoalMont - [http://montpelliercorp.com/images/File/Montpellier\\_Coalmont%20flyer.pdf](http://montpelliercorp.com/images/File/Montpellier_Coalmont%20flyer.pdf)  
 Jameson - <http://www.jamesonresources.com.au/index.php/investor-centre/ass-announcements?task=document.download&id=488>



**Elko contains the second largest coal resource in the Crowsnest Coalfield**

# Significantly Undervalued



	Share Price <sup>1</sup>	Market Cap	Resources (MT)	Mkt Cap / Resources
Jameson Resources	0.120	30,794,884	98,600,000	0.31
Elan South <sup>2</sup>		6,750,000	36,000,000	0.19
Allegiance Coal	0.063	24,305,725	148,100,000	0.16
<b>PAK</b>	<b>0.04</b>	<b>6,612,236</b>	<b>257,000,000</b>	<b>0.03</b>

1. As at 13/3/2018
2. Based on acquisition price of 100% Elan South, ATU ASX announcements 23 Aug 2017 & 6 Dec 2017

**PAK provides investors leverage into the Crowsnest coking coal play**

# 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

### Permitting

- Final permitting for 2018 exploration program expected shortly

### Environmental Studies Completed

- All studies requested to complete as part of the approval process for its Notice of Works at the Elko Project have now been completed.

Study	Status
Fish Assessment Stage 1 Study	Completed
Archaeological Stage 1 Study	Completed
Grizzly Bear Study	Completed
Huckleberry Study	Completed
White Bark Pine Desktop Study	Completed
GAP Analysis	In Progress

### Outcropping coal seams at Elko



## Exploration program scheduled for 2018

# 2018 Exploration Program



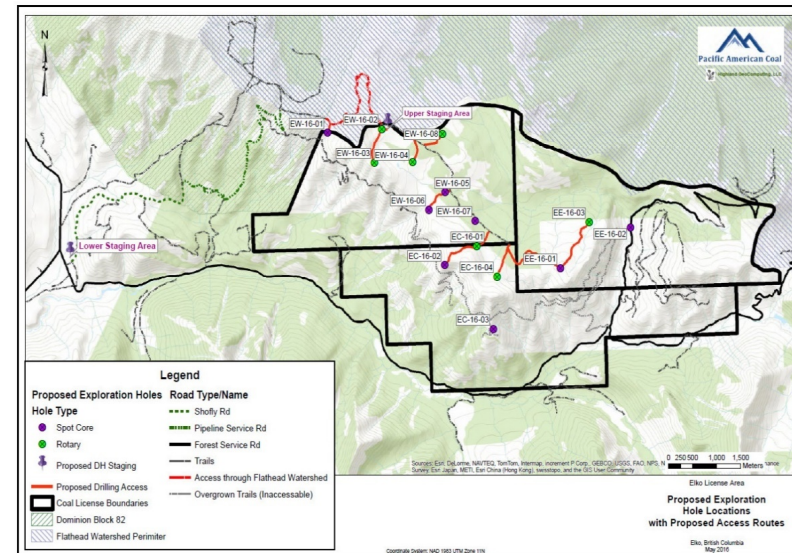
- Exploration program proposes 8,500m of drilling
- Rotary and spot core drilling

## 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



# Summary



- Elko – High value coking coal project
- 257MT JORC 2012 Resource
- **Significantly undervalued compared to peers**
- Exploration program scheduled for mid-2018
- Final approvals expected shortly
- Significant news flow next 6 months



**Preparing to Drill**