



Dear Shareholder,

**NOTICE OF ANNUAL GENERAL MEETING OF MEMBERS OF PACIFIC AMERICAN COAL LIMITED  
ABN 83 127 131 604 (COMPANY)**

Notice is hereby given that the Annual General Meeting (**AGM**) of the Company's members is to be held at:

Venue: Level 10, 171 Clarence Street Sydney NSW 2000

Time: 11.00 am (Sydney time)

Date: Wednesday 9 May 2018

You are encouraged to attend the AGM, but if you cannot you are requested to complete and return the enclosed Proxy Form without delay as follows:

Proxies may be lodged using the reply-paid envelope, or

**BY MAIL**

Share Registry  
Boardroom Pty Ltd  
GPO Box 3993  
Sydney NSW 2001

**BY FAX**

+ 61 2 9290 9655

**IN PERSON**

Share Registry  
Boardroom Pty Ltd  
Level 12  
225 George Street  
Sydney NSW 2000 Australia

By order of the Board

Ian Morgan  
Company Secretary  
5 April 2018

**This is an important document that should be read in its entirety.**

**If you are in any doubt about the action you should take, you should consult with your professional advisers without delay.**

**If you wish to discuss any aspects of this document with the Company, please contact:**

**Mr Ian Morgan, Company Secretary of Pacific American Coal Limited on +61 2 9238 1175.**

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**NOTICE IS GIVEN** that the Annual General Meeting of Pacific American Coal Limited ABN 83 127 131 604 (**Company**) will be held at 11.00 am (Sydney time) on Wednesday 9 May 2018 at Level 10, 171 Clarence Street Sydney NSW 2000.

The Proxy Form accompanying this Notice is incorporated in and comprises part of this Notice.

Explanatory notes appearing under each item of business below have been prepared to provide you with material information reasonably required to enable you to make an informed decision on how to vote upon the business to be conducted at the AGM.

The Explanatory Memorandum explains in greater detail the background to the Resolutions. Defined terms not otherwise defined in this Notice or the Explanatory Memorandum are defined in the Glossary which appears on page 7 of this Notice.

The purpose of the AGM is to consider and if thought fit, pass the Resolutions.

Directors recommend that Members read this Notice in its entirety.

## ITEMS OF GENERAL BUSINESS

### Receive and consider Financial Statements

To receive the Financial Statements, Directors' Report and Auditor's Report for the Company and its controlled entities for the year ended 31 December 2017 (**2017 Annual Report**).

Notes:

- There is no requirement for Members to approve the 2017 Annual Report.
- The 2017 Annual Report is available at [www.pamcoal.com](http://www.pamcoal.com) for Members to access and download.
- Members will be given an opportunity to raise questions of the Directors and the Company's Auditor on the 2017 Annual Report at the AGM.
- If you would like to receive a hard copy of the 2017 Annual Report free of charge you can contact the Company by telephoning +61 2 9238 1175.
- Further information regarding the 2017 Annual Report, including the financial statements, appears in the attached Explanatory Memorandum.

### RESOLUTION 1 Remuneration Report

To consider, and if thought fit, to pass, with or without amendment, the following resolution as a **non-binding advisory-only resolution**:

*"That the Company adopt the Remuneration Report for the year ended 31 December 2017."*

Notes on Resolution 1:

- Resolution 1 is advisory only and does not bind the Company or the Directors.
- The Directors will consider the outcome of the vote and comments made by Members on the Remuneration Report at the AGM when reviewing the Company's remuneration policies.
- The Chairman intends to vote all undirected proxies in favour of Resolution 1.
- If 25% or more votes that are cast are voted against the adoption of the Remuneration Report at two consecutive AGMs, Members will be required to vote at the second of those AGMs on a resolution (a "spill resolution") that another meeting will be held within 90 days, at which all of Directors must go up for re-election.

Further information regarding the Remuneration Report appears in the attached Explanatory Memorandum.



## RESOLUTION 2 Re-election of Director – Simon Bird

To consider, and if thought fit, to pass the following resolution as an **ordinary resolution**:

*“That Mr Simon Bird being a director of the Company who retires by rotation pursuant to rule 13.4 of the Company’s Constitution, and being eligible, is re-elected as a Director of the Company.”*

Notes:

- Mr Bird consents to be re-elected as a director of the Company.
- Non-candidate Directors unanimously support the re-election of Mr Bird.
- The Chairman intends to vote undirected proxies in favour of Resolution 2.

Further information about Mr Bird appears in the attached Explanatory Memorandum.

## RESOLUTION 3 Election of Director – Mark Sykes

To consider, and if thought fit, to pass the following resolution as an ordinary resolution:

*“That Mr Mark Sykes being a Director of the Company who was elected to fill a casual vacancy pursuant to rule 13.1 of the Company’s Constitution, and being eligible, is elected as a Director of the Company.”*

Notes:

- Mr Sykes consents to be elected as a Director of the Company.
- The non-candidate Directors unanimously support the election of Mr Sykes.
- The Chairman intends to vote undirected proxies in favour of Resolution 3.

Further information about Mr Sykes appears in the attached Explanatory Memorandum.

## VOTING RIGHTS AND PROXIES

Members are encouraged to attend the AGM, but if you are unable to attend the AGM we encourage you to complete and return the enclosed proxy form.

- A Member entitled to attend and vote at the AGM has a right to appoint a proxy.
- This appointment may specify the proportion or number of votes that the proxy may exercise.
- The proxy need not be a Member of the Company.
- A Member who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes that each proxy is appointed to exercise. If the Member appoints two proxies and the appointment does not specify the proportion or number of the Member’s votes that each proxy may exercise, each proxy may exercise half of the votes.

## HOW THE CHAIRMAN WILL VOTE UNDIRECTED PROXIES

The Chairman of the AGM will vote all undirected proxies in favour of all proposed resolutions.



## VOTING EXCLUSIONS

### Resolution 1

The Company will disregard any votes cast on Resolution 1 (Remuneration Report):

- (a) by or on behalf of a member of the Key Management Personnel whose remuneration is disclosed in the Remuneration Report and any Closely Related Party of that Key Management Personnel;
- (b) any Associate of those persons; and
- (c) as a proxy by a member of the Key Management Personnel or a Closely Related Party of that Key Management Personnel.

However, the Company need not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

## PROXY VOTING

To vote by proxy, please complete, sign and return the enclosed Proxy Form without delay as follows:

BY MAIL	BY FAX	IN PERSON
Share Registry	+ 61 2 9290 9655	Share Registry
Boardroom Pty Ltd		Boardroom Pty Ltd
GPO Box 3993		Level 12
Sydney NSW 2001		225 George Street
		Sydney NSW 2000 Australia

Proxy Forms must be received not later than 48 hours before the time specified for the commencement of the AGM.

## DATE FOR DETERMINING HOLDERS OF SHARES

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at End of Day on Monday 7 May 2018.

## INTERPRETATION

For the purposes of interpreting the Explanatory Memorandum and the Notice:

- (a) the singular includes the plural and vice versa;
- (b) words importing any gender include the other genders;
- (c) reference to any statute, ordinance, regulation, rule or other law includes all regulations and other instruments and all consolidations, amendments, re-enactments or replacements for the time being in force;



- (d) all headings, bold typing and italics (if any) have been inserted for convenience of reference only and do not define limit or affect the meaning or interpretation of the Explanatory Memorandum and the Notice;
- (e) reference to persons includes bodies corporate and government authorities and in each and every case, includes a reference to the person's executors, administrators, successors, substitutes (including without limitation persons taking by novation and assignment); and
- (f) reference to **cents**, **\$**, **A\$**, **Australian Dollars** or **dollars** is a reference to the lawful tender for the time being and from time to time of the Commonwealth of Australia.



## GLOSSARY

- **AEST** means Australian Eastern Standard time.
- **AGM or Annual General Meeting** means the annual general meeting to commence 11.00 am (Sydney time) on Wednesday 9 May 2018 and notified to the Company's Members by this Notice.
- **Associate** has the meaning given to that term in Part 1.2 Division 2 of the Corporations Act.
- **ASX** means ASX Limited ABN 98 008 624 691.
- **ASX Listing Rules** means the official listing rules issued and enforced by the ASX, as amended from time to time.
- **Board or Board of Directors** means the board of directors of the Company.
- **Closely Related Party** of a member of the Key Management Personnel means:
  - a spouse or child of the member;
  - a child of the member's spouse;
  - a dependent of the member or the member's spouse;
  - anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
  - a company the member controls; or
  - a person prescribed by the Corporations Regulations 2001 (Cth) as a "closely related party".
- **Company** means Pacific American Coal Limited ABN 83 127 131 604.
- **Consolidated Entity** means the Company together with all the entities it is required by the accounting standards to include in consolidated financial statements.
- **Constitution** means the constitution of the Company, as amended from time to time.
- **Corporations Act** means the *Corporations Act 2001* (Cth).
- **Director** means a director of the Company.
- **End of Day** means on any trading day, 7.00pm AEST or such other time as ASX Settlement may from time to time determine.
- **Equity Securities** has the same meaning as in the ASX Listing Rules.
- **Explanatory Memorandum** means the explanatory memorandum accompanying the Notice which convened this AGM.
- **Key Management Personnel** has the same meaning as in the accounting standards and broadly includes those persons having authority and responsibility for planning, directing and controlling the activities of the Consolidated Entity, directly or indirectly, including any Director (whether executive or otherwise) of the Company.
- **Notice** means this notice of Annual General Meeting.
- **Remuneration Report** means the remuneration report which forms part of the financial statements of the Company and its controlled entities.
- **Member** means a shareholder of the Company.
- **Trading Day** means a day determined by the ASX to be a trading day, notified to market participants, and otherwise as defined by the ASX Listing Rules.



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## EXPLANATORY MEMORANDUM TO MEMBERS

This Explanatory Memorandum has been prepared to assist members of the Company to understand the business to be put to the Company's members, for their consideration at the forthcoming Annual General Meeting of the Company.

The Directors recommend that you read this Explanatory Memorandum in its entirety and attend the forthcoming Annual General Meeting.

### Financial Statements

The Corporations Act requires the Company's financial statements for the year ended 31 December 2017, and reports of the Directors and Auditor, to be laid before the Annual General Meeting. The Company's financial statements for the year ended 31 December 2017 and reports of the Directors and Auditor are contained in the Company's 2017 Annual Report, a copy of which is available on the Company's website at [www.pamcoal.com](http://www.pamcoal.com).

While no resolution is required in relation to this item, Members should consider these documents and raise any matters of interest with the Company's Directors when this item is being considered.

The Company's Auditor will be present at the AGM and Members will have an opportunity to ask the Auditor questions in relation to the conduct of the audit, the Auditor's report, the Company's accounting policies and the independence of the Auditor.

### RESOLUTION 1 Remuneration Report

The Remuneration Report of the Company for the year ended 31 December 2017 is set out in the Company's 2017 Annual Report available on the Company's website [www.pamcoal.com](http://www.pamcoal.com).

The Remuneration Report sets out the Company's remuneration arrangements for Directors. The Chairman will allow a reasonable opportunity for Members to ask questions about, or make comments on, the Remuneration Report at the AGM. In addition, Members will be asked to vote on the Remuneration Report.

The Resolution is advisory only and does not bind the Company or its Directors. The Board will consider the outcome of the votes and comments made by Members on the Remuneration Report at the AGM when reviewing the Company's remuneration policies.

Under the Corporations Act, if 25% or more of votes cast are voted against the adoption of a remuneration report at two consecutive AGMs, Members will be required to vote at the second of those AGMs on a resolution (a "spill resolution") that another Members' meeting will be held within 90 days.

If the spill resolution is passed at the second AGM, all the Company's Directors must go up for re-election within 90 days - at the next Members' meeting.

The Company encourages all Members to cast their votes on Resolution 1 (Remuneration Report). Members not attending the AGM may use the enclosed Proxy Form to lodge their vote by appointing a proxy.

Any undirected proxies held by the Chairman, other Directors or other Key Management Personnel or any of their Closely Related Parties will not be voted on Resolution 1 (Remuneration Report), unless the vote is cast by the Chairman pursuant to an express authorisation on the Proxy Form made by a Member who is entitled to vote on Resolution 1.

Key Management Personnel of the Consolidated Entity are the Directors of the Company, and those other persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. The Remuneration Report identifies the Company's Key Management Personnel for the year ended 31 December 2017. Their Closely Related Parties are defined in the Corporations Act, and include certain of their family members, dependants and companies they control. If you choose to appoint a proxy, you are encouraged to direct your proxy how to vote on Resolution 1



(Remuneration Report) by marking either "For", "Against" or "Abstain" on the Voting Form for those items of business.

## **RESOLUTION 2: Re-election of Director – Simon Bird**

It is a requirement under rule 13.4 of the Company's Constitution that one third of all Directors (other than the Managing Director and Directors appointed since the last annual general meeting to fill a casual vacancy) retire at each annual general meeting. Accordingly, Mr Simon Bird retires from office, and being eligible, offers himself for re-election as a non-executive Director of the Company.

*Simon Bird Independent Non-Executive Director Appointed 13 July 2010*

Simon Bird B.Compt (University of South Africa), B.Compt (Hons) (University of South Africa), CA, FCPA, FAICD is a Non-Executive Director and Chairman of the Audit Committee

Simon's 30-year professional career in Australia, Africa and Europe includes six years with PricewaterhouseCoopers and senior roles in the resources, financial services, property, infrastructure and agricultural sectors. His time in Australia includes terms as Chief Financial Officer with Stockland Limited, GrainCorp Limited and Wizard Mortgage Corporation.

He is currently Non-Executive Director and Chairman of the Audit Committee of ASX listed Mount Gibson Iron Limited [ASX: MGX] (appointed 23 February 2012).

His former public company directorships include King Island Scheelite Limited [ASX: KIS], Rawson Resources Limited [ASX: RAW], CPA Australia Limited, Kosciusko Alpine Club Limited and Sovereign Gold Company Limited [ASX: SOC].

## **RESOLUTION 3: Election of Director – Mark Sykes**

It is a requirement under rule 13.1 of the Company's Constitution that any person appointed by Directors to fill a casual vacancy, or as an additional Director, shall (unless a Managing Director) hold office only until the Company's next annual general meeting and shall then be eligible for election.

Since the Company's last annual general meeting, Mark Sykes was appointed as a Director to fill a casual vacancy and is eligible to be elected.

*Mark Sykes Executive Director/Chief Executive Officer Appointed 31 December 2017*

Mark Sykes B.Eng (Mining) (WASM), Masters Minerals and Energy Economics (Macquarie University)

Mark is an experienced Mining Engineer with a wealth of operations and business development experience, during a career of some 23 years. Mark's career includes time with BHP in an operational capacity and with Mitsubishi Development in a senior corporate investment role. Mark has exposure to a broad range of commodities including coal, uranium, iron ore, platinum group metals and other minerals. Mark brings exceptional experience in areas of corporate and strategic development, transactional due diligence, operations, technical engineering and project management.

Mark served as Chief Executive Officer before being appointed to the Board on 31 December 2017.



**APPOINTMENT OF CORPORATE REPRESENTATIVE**

Pursuant to Section 250D of the *Corporations Act*

\_\_\_\_\_ (ABN/ACN/ARBN)  
\_\_\_\_\_

(Insert name of Shareholder/Body Corporate & ACN/ARBN)

Hereby Authorises

\_\_\_\_\_  
(Insert name of appointee)

- (\*) 1. To act as the Company's representative at all General Meetings of Pacific American Coal Limited ABN 83 127 131 604.
- (\*) 2. To act as the Company's Representative at the Annual General Meeting to be held commencing 11.00 am (Sydney time) on Wednesday 9 May 2018 and any adjournment thereof.

Dated this \_\_\_\_\_ day of \_\_\_\_\_

**Executed** by the corporation in accordance with its Constitution/Section 127 of the

*Corporations Act* in the presence of:

\_\_\_\_\_  
(\*) Director                      (\*) Sole Director & Sole Secretary

\_\_\_\_\_  
(\*) Director/Secretary

Affix Common Seal here (optional)

(\*) Delete if not applicable

This authority may be sent to the registered office or share registry office of the Company in advance of the meeting as set out in the Notice of Annual General Meeting which this appointment accompanies or handed in at the Annual General Meeting when registering as a company representative. In either case, the authority will be retained by the Company.



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**All Correspondence to:**

✉ **By Mail** Boardroom Pty Limited  
GPO Box 3993  
Sydney NSW 2001 Australia

📠 **By Fax:** +61 2 9290 9655

💻 **Online:** [www.boardroomlimited.com.au](http://www.boardroomlimited.com.au)

☎ **By Phone:** (within Australia) 1300 737 760  
(outside Australia) +61 2 9290 9600

## YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 11:00am (Sydney time) on Monday 7 May 2018.**

### TO VOTE BY COMPLETING THE PROXY FORM

#### STEP 1 APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy.

If you wish to appoint the Chair of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chair of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting, the Chair of the Meeting will be your proxy. A proxy need not be a securityholder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

##### Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by contacting the company's securities registry or you may copy this form.

To appoint a second proxy you must:

- (a) complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- (b) return both forms together in the same envelope.

#### STEP 2 VOTING DIRECTIONS TO YOUR PROXY

To direct your proxy how to vote, mark one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of securities are to be voted on any item by inserting the percentage or number that you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item for all your securities your vote on that item will be invalid.

##### Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the company's securities registry.

#### STEP 3 SIGN THE FORM

The form **must** be signed as follows:

**Individual:** This form is to be signed by the securityholder.

**Joint Holding:** where the holding is in more than one name, all the securityholders should sign.

**Power of Attorney:** to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form should be signed by that person. **Please indicate the office held by signing in the appropriate place.**

#### STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, therefore by **11:00am (Sydney time) on Monday 7 May 2018.** Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged using the enclosed Reply Paid Envelope or:

📠 **By Fax** + 61 2 9290 9655

✉ **By Mail** Boardroom Pty Limited  
GPO Box 3993,  
Sydney NSW 2001 Australia

👤 **In Person** Boardroom Pty Limited  
Level 12, 225 George Street,  
Sydney NSW 2000 Australia

#### Attending the Meeting

If you wish to attend the meeting please bring this form with you to assist registration.

# Pacific American Coal Limited

ABN 83 127 131 604

☐

## Your Address

This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes. **Please note you cannot change ownership of your securities using this form.**

## PROXY FORM

### STEP 1 APPOINT A PROXY

I/We being a member/s of **Pacific American Coal Limited** (Company) and entitled to attend and vote hereby appoint:

☐

the Chair of the Meeting (mark box)

**OR** if you are **NOT** appointing the Chair of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered securityholder) you are appointing as your proxy below

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the Annual General Meeting of the Company to be held at **Level 10, 171 Clarence Street Sydney NSW 2000 on Wednesday 9 May 2018 at 11.00am (Sydney time)** and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

Chair of the Meeting authorised to exercise undirected proxies on remuneration related matters: If I/we have appointed the Chair of the Meeting as my/our proxy or the Chair of the Meeting becomes my/our proxy by default and I/we have not directed my/our proxy how to vote in respect of Resolution 1, I/we expressly authorise the Chair of the Meeting to exercise my/our proxy in respect of this Resolution even though Resolution 1 is connected with the remuneration of a member of the key management personnel for the Company.

The Chair of the Meeting will vote all undirected proxies in favour of all Items of business (including Resolution 1). If you wish to appoint the Chair of the Meeting as your proxy with a direction to vote against, or to abstain from voting on an item, you must provide a direction by marking the 'Against' or 'Abstain' box opposite that resolution.

### STEP 2 VOTING DIRECTIONS

\* If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your vote will not be counted in calculating the required majority if a poll is called.

		For	Against	Abstain*
Resolution 1	To Adopt the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Director – Simon Bird	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Election of Director – Mark Sykes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

### STEP 3 SIGNATURE OF SECURITYHOLDERS

This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director / Company Secretary

Contact Name.....

Contact Daytime Telephone.....

Date / / 2018