

ASX Release

Wednesday 1 August 2018

ASX Code

PAK

About Us

Pacific American Coal Limited (the Company) is focused on the production, development and exploration of metallurgical coal assets in North America. PAK's strategic focus is on the 100% owned Elko coking coal project in British Columbia. PAK has 100% ownership in 3 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. PAK 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
Howe	Exploration	Oklahoma
Bokoshe	Exploration	Oklahoma

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Shareholder Update – July 2018

Please find attached the latest Shareholder Update which is being distributed to shareholders, outlining the exciting activities at the Elko Coking Coal Project.

FOR FURTHER INFORMATION CONTACT

Simon Klimt
General Manager Investor Relations
Pacific American Coal Ltd
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More details are available on PAK's website www.pamcoal.com



SHAREHOLDER UPDATE

July 2018

With the commencement of drilling activities at our Elko Coking Coal Project in B.C. Canada, we are entering a very exciting period for our company. As such we felt it was appropriate to commence a more regular direct dialogue with all shareholders.

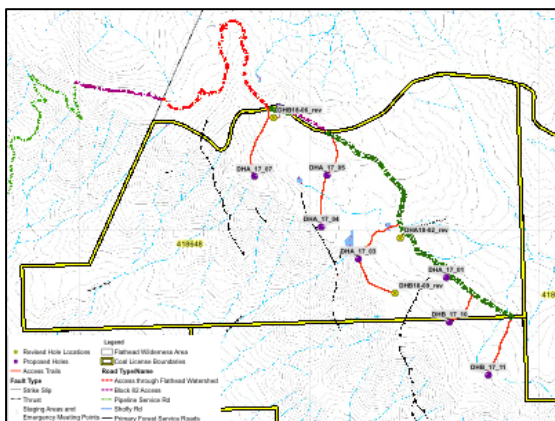
Elko Coking Coal Project:

In Elko we have secured what was one of the last unpegged coal areas in the East Kootenay basin. As a result, we now find ourselves sitting on a large strategic holding in one of the world's premier coking coal basins. The remodelling of all the historic information along with our own work, enabled us to define an initial JORC 2012 compliant resource of 257MT.

Elko Drilling Campaign:

The primary objective of the current drilling program (see Figure 1) is to utilise modern exploration drilling and testing techniques to confirm the quantum and quality of the resource at Elko. Specifically, we have planned a program of up to 11 rotary and spot core holes to test the geology, consistency and thickness of the seams, and recover sufficient core to undertake quality testing of the target seams.

Figure 1 – 2018 Planned Drill Holes and Access Routes:



Planning for this program has been underway for over 12 months. We now have all our approvals, and the project team and equipment are already mobilised to site, with the drill rig due to commence drilling activities in early August.

COMPETENT PERSON'S STATEMENT

Previously Released Information

ASX announcements on 16 June 2014 and 2 November 2015 refer to information extracted from reports available for viewing on PAK's website www.pamcoal.com. PAK confirms it is not aware of any new information or data that materially affects the information included in the original market announcements, and, in the case of exploration targets, that all material assumptions and technical parameters underpinning the exploration targets in the relevant market announcements continue to apply and have not materially changed. PAK confirms that the form and context in which the Competent Person's findings presented have not been materially modified from the original market announcements.

So far the weather has been kind to our team, with the snow melting sufficiently to enable the commencement of the construction activities as planned in early July.



The indicative schedule has us completing all drilling and reclamation activities by the end of October. Assay and lab results will then follow with the intention of publishing and updated resource statement during Q1 2019.

July 2018

- Pre-construction Activities
 - Required environmental surveys
- Construction Activities
 - Install bridges/culverts
 - Access roads
 - Drill-rig mobilization

August - September

- Drill Pad construction
- Drilling
 - 11 rotary holes
 - Spot core on selected holes

October

- Completion of Drilling
- Site reclamation activities
- Lab assaying and analysis

Q1 2019

- Assay and analytical results, including an updated geological model

Strong Fundamentals:

With over \$4.4m in the bank, we are in a strong financial position and focused on driving shareholder value through the further development of Elko, while at the same time evaluating other investment opportunities. Specifically, renewable energy technologies such as solar and hydro have a particular appeal due to their applicability to areas well known by the company. Please follow our progress on our website www.pamcoal.com