

ASX Release

Wednesday 21st November 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

Pacific American Coal Limited
ABN 83 127 131 604
GPO Box 1546
SYDNEY, NSW, 2001

www.pamcoal.com

Initial Drilling Results Exceed Expectation

Summary

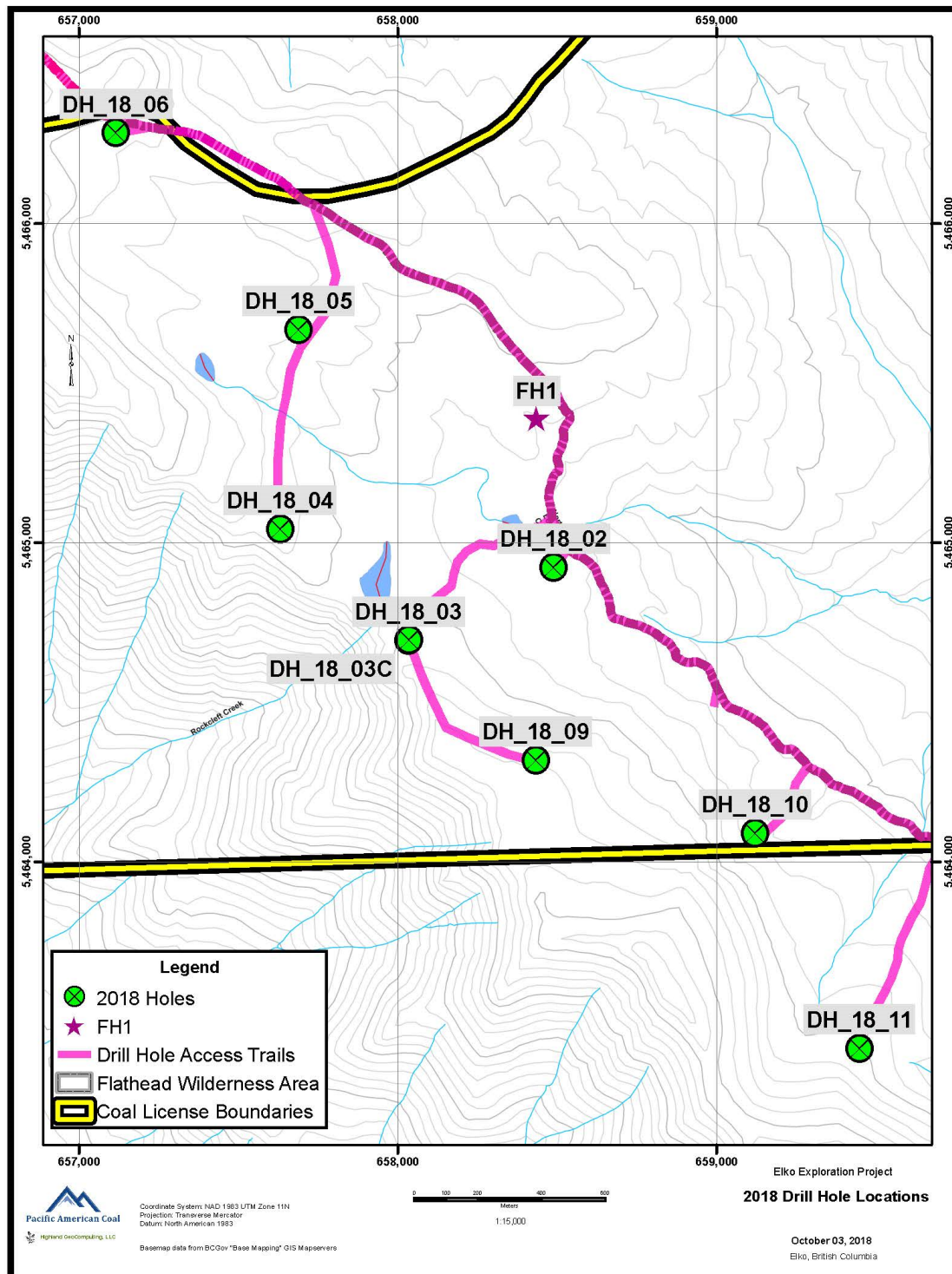
Pacific American Coal Limited (**ASX: PAK**) is pleased to announce the initial drilling results from the 2018 exploration program at the Company's 100% owned Elko Coking Coal Project in the East Kootenay Coal Basin of British Columbia.

- Preliminary lithology and gamma logs indicate all drill holes intersected multiple coal seams
- Preliminary coal seam correlations appear to show stratigraphic continuity between exploration holes.
- Exploration drilling indicates that the top seams, previously identified by PAK as high value Hard Coking Coal target seams, occur between exploration holes and potentially extend into the central block
- An updated JORC Resource Statement, expected Q1 2019 will incorporate coal quality results and finalised coal seam modelling

Elko Drilling Results

Pacific American Coal Limited (PAK) is pleased to announce the initial drilling results from the 2018 exploration drilling program at the Elko Coking Coal Project in British Columbia.

A total of 9 holes were completed for 3,451m of drilling with all holes intersecting multiple coal seams (ASX release 10 Oct 2018). Of the 9 holes, 8 were completed using Reverse Circulation (RC) drilling with 1 core hole.



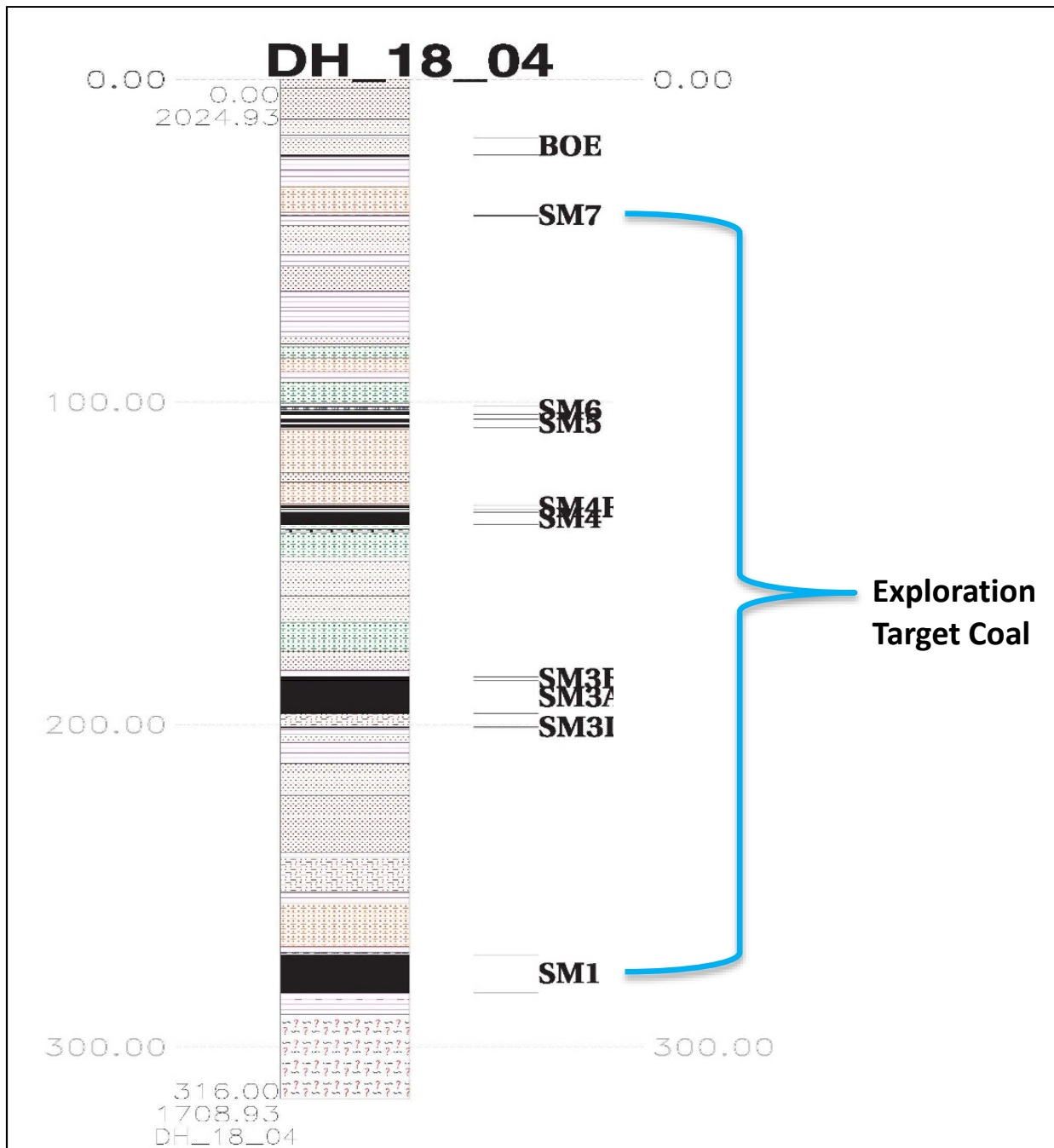
Drill Hole	Drill Type	Date Drilled	Collar	Total Depth	Preliminary Coal Seams Intersected	Samples Taken
DH_18_02	RC	8-Sep-18	1963	400m	SM4, SM5, SM6, SM7	13
DH_18_03	RC	11-Sep-18	2007	364m	SM1, SM3, SM4, SM5, SM6, SM7	15
DH_18_03C	Core	17-Sep-18	2007	220m	SM4, SM5, SM6	4
DH_18_04	RC	17-Aug-18	2025	316m	SM1, SM3, SM4, SM5, SM6, SM7	13
DH_18_05	RC	25-Aug-18	2038	421m	SM3, SM4, SM5, SM6, SM7	12
DH_18_06	RC	13-Aug-18	2082	402m	SM3, SM4, SM5, SM6, SM7	14
DH_18_09	RC	15-Sep-18	2054	455m	SM3, SM4, SM5, SM6, SM7	10
DH_18_10	RC	2-Sep-18	1947	438m	SM4, SM5, SM6, SM7	10
DH_18_11	RC	23-Sep-18	2001	435m	SM7	4
				3,451m		95

Note: Preliminary coal seam correlations prior to examination of coal quality analyses

Consistent Geological Continuity

The initial drilling program indicates the geological continuity of coal seams across the Western Coal License (Number 418648). These early indications suggest that all holes intersected the SM4, SM5/6 and SM7 seams, including the first hole to be drilled into the Central Coal License (Number 418650) which shows the potential propagation of the SM7 seam into that block.

Due to the weather window available in that part of British Columbia, the decision was taken to drill to depths which were known to contain the top seams, whilst extending drilling below in certain cases where drilling conditions were most favorable to also test the continuity of the lower SM1 and SM3 seams.



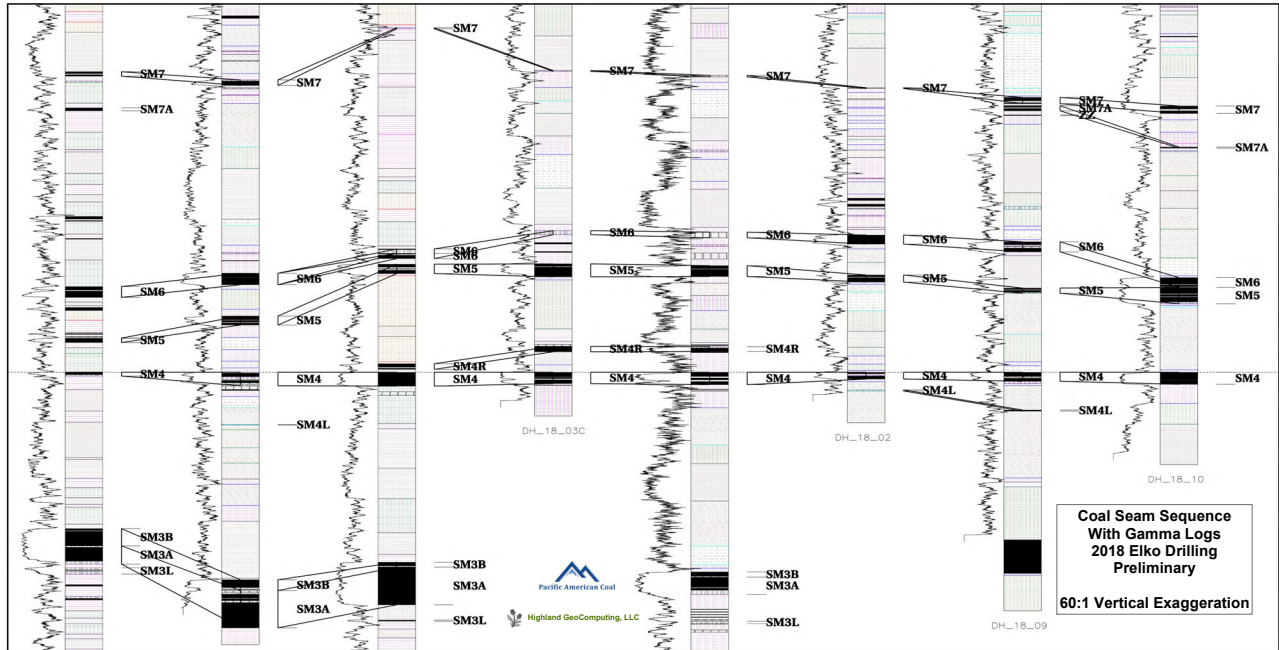
Indicative Lithology from hole DH_18_04

Extension of High Value Coal Seams

Currently all the Indicated and Measured JORC 2012 certified resource are contained within the Western Coal License. DH_18_11 demonstrates the continuity of the resources into the adjoining Central license area. The initial interpretation is that seam SM7 is present in the Central Coal License, provides potential upside to previous understanding of the lateral extension of the higher value coal seams into the Central License area.

Preliminary Coal Correlation

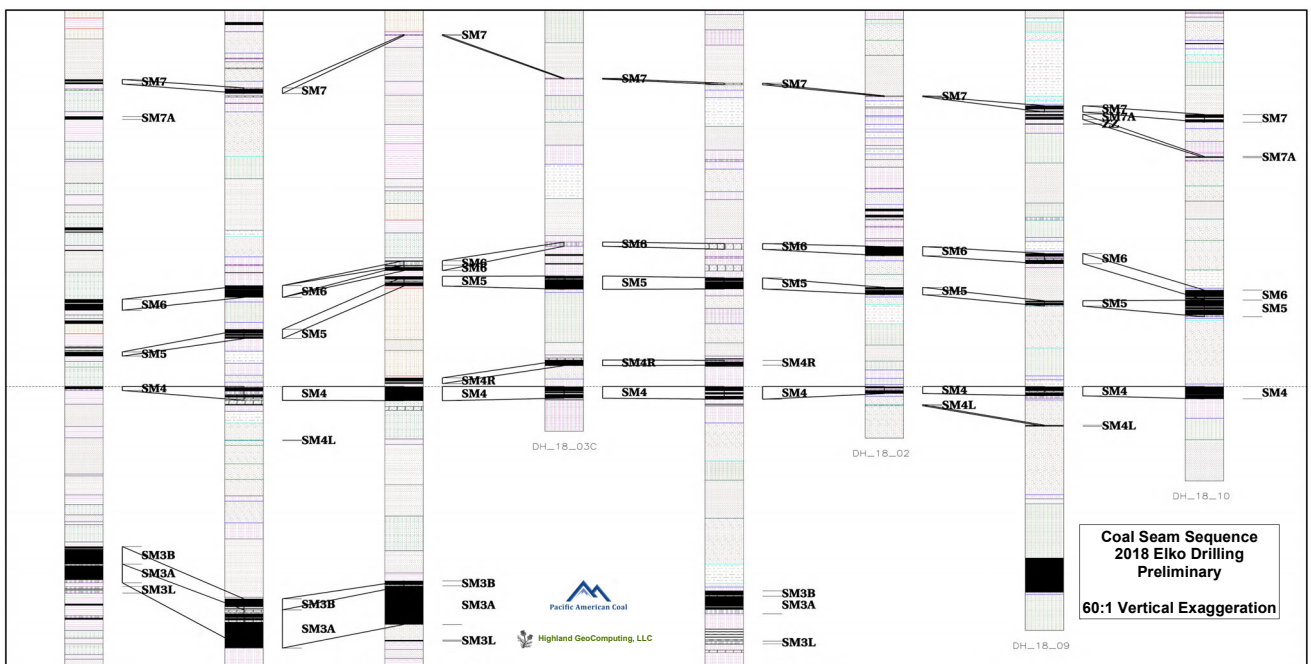
Using geophysical instrumentation, each drill hole was logged in order to confirm the presence of coal and to assist in defining coal seam thicknesses. These logs are shown below:



Preliminary Coal Seam Sequence with Gamma Logs

Correlatable Coal Seams

The Company is pleased to report, that based on these preliminary results and analysis that despite the surface topography, the coal seams appears to be correlate across the property. Final coal assay and analysis will assist in confirming the extent of these correlations.



Next Steps

As outlined in the Company's ASX release on 10 October 2018, PAK has a clearly defined plan for activities relating to the Elko project, a number of which have already been completed including:

Short Term (3-6 months)	Progress
Coal samples from the drilling having been sent from the site for analysis at SGS Denver	✓
Initial drill hole lithology and preliminary review Q4 2018	✓
Results from the laboratory testing including assay results are expected to be available during Q4 2018 in-line with the initial timetable	On Track
Assay results and drill lithology will then be used to improve the geological model with the expectation of releasing an update resource statement during Q1 2019	On Track
The next phase of the exploration program will incorporate the updated geological model	On Track

Medium Term (6-24 months)	
Leverage the existing Notice of Work for the Western Coal License that is valid through May 2022	Commenced
Applying for a more expansive multi-year Notice of Work over the entire project area	Commenced
Commence the process for seeking interest from various parties to support the future development of the project	Commenced

Commenting on the drilling results from the 2018 exploration program, PAK Chairman Geoff Hill said:

"We are thrilled that the initial results from the recent drilling program at Elko are even better than we had expected. Our objectives have been to improve the classification of our JORC Resources and to understand if our coal seams extend further across the Elko project. Early indications are that we have achieved both of these objectives and we are looking forward to updating shareholders on the results from the coal quality work. All our efforts over the past 18 months indicate that we have added significant knowledge and value to the Elko project through this exploration program."

FOR FURTHER INFORMATION CONTACT

Simon Klimt
General Manager Investor Relations
Pacific American Coal Ltd
info@pamcoal.com

More details are available on PAK's website www.pamcoal.com

Competent Person's Statement

Previously Released Information

These ASX announcements refer to information extracted from reports available for viewing on the Company's website www.pamcoal.com

- 16.06.2014 TOCC Assets Independent Review
- 02.11.2015 Elko Coal Project Maiden JORC Resource 257.5 Million Tonnes

The Company 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. The Company confirms that the form and context in which the Competent Person's findings presented have not been materially modified from the original market announcements.