


ASX Code

PAK

About Us

Pacific American Holdings Limited (the Company) has diversified investment portfolio that is focused on the development and exploration of Company' 100% owned Elko Coking Coal Project and the expansion of the Company' 50% Joint Venture in GP Hydro, a hydro renewable power generation business.

Board

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

Company Secretary

Ian Morgan

Management

Chief Executive Coal – Matthew Wall
GM Business Development – Dom Hill

Portfolio of Assets

Elko Coking Coal Project

- 100% ownership in 3 Coal Leases in the East Kootenay Coal Field in British Columbia, Canada

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

- 50% ownership in GP Hydro, a renewables hydro business building a pipeline of opportunities in the Pacific and Australasian Region

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Quarterly Report for the quarter to 30th June 2019

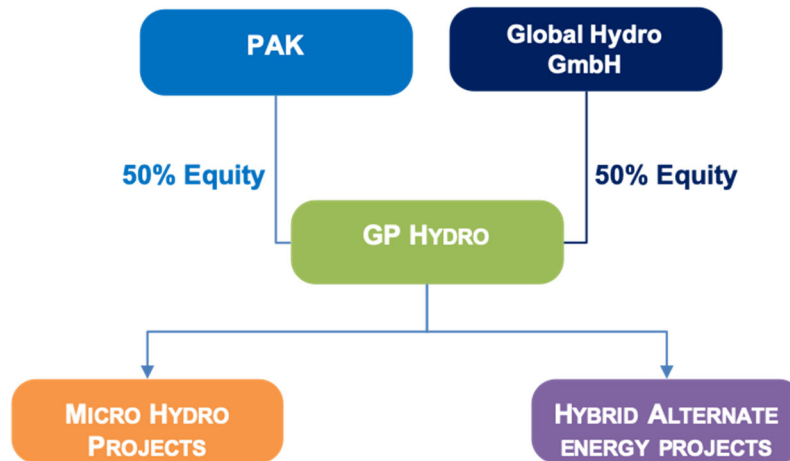
Summary

Pacific American Holdings Limited (**ASX: PAK**) is pleased to provide its Quarterly Activities Report for the three months ended 30th June 2019.

- **Finalised strategic partnership with Global Hydro Energy GmbH to form our joint venture company GP Hydro Pte Ltd (50% PAK)**
- **GP Hydro will take advantage of hydro power opportunities and develop a renewable energy business focused in the Asia Pacific region and Australia**
- **GP Hydro has been formed in Singapore with executive management appointments underway**
 - Implementation of GP Hydro Business model will give PAK Shareholders the opportunities to:
 - participate in hydroelectric generating projects utilising established global technology, and
 - Take advantage of the energy efficiencies provided by hydropower through the introduction of Global Hydro Energy GmbH suite of products into the Australasian market
 - PAK will operate and develop its hydro and alternative energy investments as a separate division
- **Resourcing and advancing the Elko Coking Coal Project**
 - Appointment of USA investment firm B. Riley FBR to advise on project fundraising to move the Elko Coking Coal Project forward
 - Conducted additional coal quality analysis of RC drill Samples
 - Completed an Independent Market Report to identify key target markets for indicative products types
 - Engaged Stantec to identify outstanding tasks to complete a Prefeasibility study
 - Completed Planned site visits in July
- **Corporate**
 - Annual General Meeting,
 - Change of Business Name and Details,
 - New Logo and Business Structure.

GP HYDRO

During the quarter, Pacific American Holdings finalised a joint venture agreement with international leaders in the renewable hydro generation sector, Global Hydro Energy GmbH. Based on the 50/50 JV, Pacific American Holdings (PAK) and Global Hydro Energy GmbH (GHE) have formed GP Hydro Pte Ltd, a Singaporean based company with the strategic focus to develop a renewable energy business in the Pacific region including Australia.



GP Hydro's business model will be to give PAK shareholders the opportunity to:

- Participate in an advanced but proven hydroelectric generating business, and
- Take advantage of the energy efficiencies provided by hydropower

through the introduction of Global Hydro Energy GmbH products into the Australasian market.

The funding structure of GP Hydro is to ensure the investment by the Company is only made when milestones are reached. The milestones are set as:

Tranche	PAK	GHE	Total	Milestone
1	US\$50K	US\$50K	US\$100K	Company setup
2	US\$150K	US\$150K	US\$300K	Hire key personnel
3	US\$150K	US\$150K	US\$300K	Sales intake US1.4M
4	US\$150K	US\$150K	US\$300K	Sales intake US5.5M
Total	US\$500K	US\$500K	US\$1M	

The JV partners have identified a significant opportunity within the clean energy sector across the Pacific and Australasia region. With a global focus on alternative energy, global investment in clean energy exceeded \$300B for the fifth year, refer Figure 1. The energy sector in Australia is also moving its focus to clean energy, with \$9.5 billion invested in clean energy during 2018.

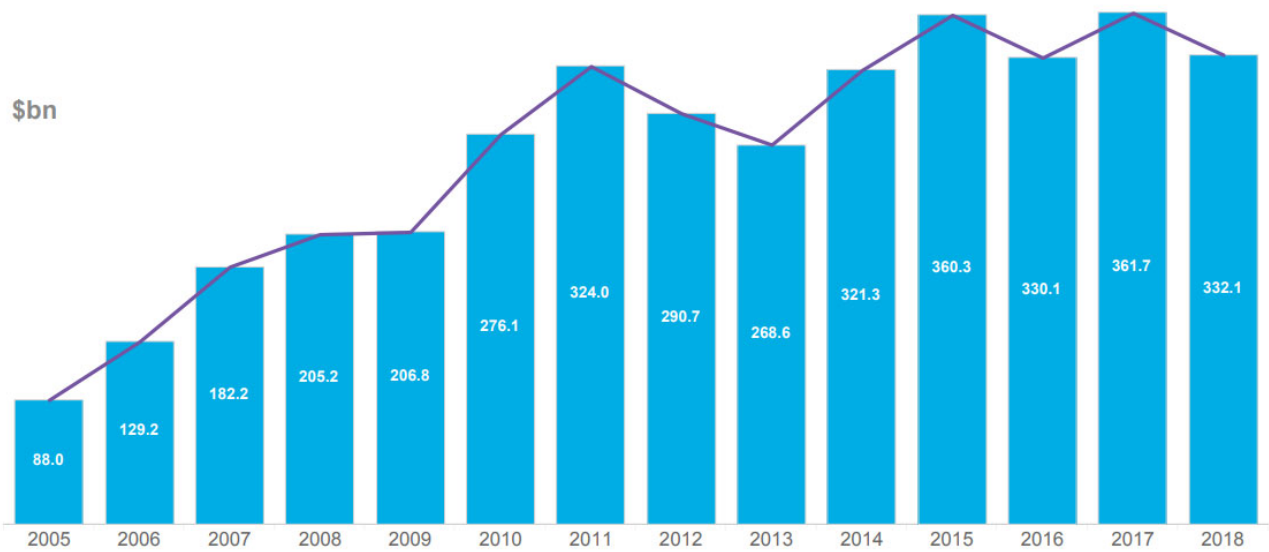


Figure 1: Global New Investment in Clean Energy – 2005 to 2018

Source: Bloomberg NEF, Jan 2019

Across the region, private and public funding of renewable energy has grown substantially over the last five years. Private companies have mainly targeted solar and battery projects. Large hydro projects are being targeted by multinationals and governments. This leaves the small and micro size projects as a primary opportunity for GP Hydro.

To combat global warming, several Pacific Island nations are pushing towards 100% renewable energy. Australia is at the forefront of developing renewable projects and offering aid for Pacific Island nations to switch from high cost and environmentally unfriendly diesel to renewable energy. Additionally, institutional investors and sovereign wealth funds are investing heavily into renewables. PAK, through its 50% owned joint venture GP Hydro, has an opportunity to develop projects with a world leader in hydro and micro hydro products.

RESOURCING AND ADVANCING THE ELKO COKING COAL PROJECT

During the quarter, PAK undertook numerous activities to advance the Elko Coking Coal Project, including the appointment of USA based investment firm B. Riley FBR Inc. to advise on North American fundraising and project investment options.

The recapitalisation of Elko as a separate project through PAK's 100% owned subsidiary Pacific American Coal Canada Ltd, being the title owner of the Elko Coal Licences, is an important milestone in advancing the Elko Coking Coal Project as it moves towards the completion of a prefeasibility study.

Coal Quality Analysis and Independent Market Report

As part of the scope of works moving towards a Prefeasibility status for the Elko Coking Coal Project, the Company conducted further metallurgical coal analysis on RC samples from last year's drill program. These results enabled the Company to prepare indicative coal specifications noting that they have been compiled independently of the JORC 2012 report released by the Company on 16 Jan 2019. Subsequently, PAK appointed the firm 'Commodity Insights' to review the indicative specification sheets and to conduct an Independent Market Report (IMR) on the Elko Coking Coal. The objective of the IMR is provide the Company with:

- an evaluation of the marketability of the Elko Coking Coal,
- an overview of the metallurgical coking coal market, and
- a price forecast for the Elko Coking coal products.

Findings from the report are supportive that the Elko Coking Coal Project could produce a range of the metallurgical properties. If sold into the global seaborne coking coal market, these products could be classified as Mid Volatile Hard Coking Coal, Mid Volatile Semi Hard Coking Coal or a Mid-Tier PCI coal.

Indicative properties of the lower seams SM1 & SM3, previously earmarked as a Mid Volatile Semi Soft Coking Coal or PCI coal, have the potential to be sold as a Mid Volatile Semi Hard Coking Coal based on the indicative specification sheets that included Calculated CSR, ash, sulphur and phosphorous. The coal from these seams also remains suitable for the PCI market.

Matt Wall, CEO Coal stated:

"The results are encouraging as they highlight better than expected coal quality characteristics attributed to Seams 1 and 3. The findings from Commodity Insights point towards the coal from these seams being a Mid Volatile Semi Hard Coking Coal. This is encouraging in that these seams represent a large portion of the In-Situ Resources and would

provide a significant improvement in long term price expectations and revenue flows if further detailed metallurgical analysis and coke oven testing from core samples validates the results.”

Appointment of Stantec for desktop review

The Company engaged the independent consultancy firm Stantec, to review all available data generated to date, so as to provide guidance on the activities the Elko Coking Coal Project is required to undertake so as to achieve Prefeasibility status. The recommendations addressed:

- Geological Model
- Geotechnical Characterizations
- Structural Model
- Rock Properties
- Overburden Material Properties
- Geohazard Study
- Hydrogeological and Hydrological Studies
- Coal Handling and Preparation Plant design and testing
- Recommendations

JV Discussions

The Company is encouraged by the level of interest from third parties seeking to understand in greater detail the potential of the Elko Coking Coal Project. As such, potential joint venture discussions with prospective investors in the Elko Coking Project are ongoing with site visits planned for July – Sept 2019.

Tenement Management Updates

During the Quarter, there was no change to the ownership in PAK’s tenements.

	Tenement Reference	Nature of interest
Mining tenements held at the end of the quarter	Elko Coal Licences in British Columbia, Canada. Licences 418648, 418649 and 418650.	100% ownership
Mining tenements acquired during the quarter	Nil	Nil
Mining tenements relinquished during the quarter	Nil	Nil
Beneficial percentage interests held in farm-in or farm-out agreements at the end of the quarter	Nil	Nil
Beneficial percentage interests in farm-in or farm-out agreements acquired or disposed during the quarter	Nil	Nil



CORPORATE

During the Quarter the Company held its Annual General Meeting with all Resolutions put to shareholders passing, including the re-election of the Chairman Mr Geoffrey Hill.

Shareholders also approved the change of company name from Pacific American Coal to Pacific American Holdings to more accurately reflect the business activities of the company.

Reflecting the broader investment approach of the company the Company has changed the logo of the Company and its 100% owned subsidiaries. The branding of the Company is as follows, with the website under development:

Then:

ASX Listed Entity	Active Subsidiary
Pacific American Coal Limited  Pacific American Coal	Texas and Oklahoma Coal Company (Canada) Ltd - 100% holder of Elko Coking Coal Project 

Now:



FOR FURTHER INFORMATION CONTACT

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More details are available on PAK's website

Dom Hill

Business Development Manager

Pacific American Holdings - North America

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COMPETENT PERSON'S STATEMENT***Previously Released Information***

These ASX announcements refer to information extracted from reports available for viewing on PAK's website www.pamcoal.com and announced on 16.01.2019 "Elko Coking Coal Project JORC Resource Increased to 303Mt"

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.