

ASX Release

Friday 24th April, 2020

ASX Code

PAK

About Us

Pacific American Holdings Limited (the Company) is an ASX listed company with a diversified asset portfolio with a focus on renewable energy including hydro power generation and bulk commodities for steel making. PAK is advancing the development of its Primary Power subsidiary to expand its portfolio of renewable energy technologies. PAK holds a 50% interest in GP Hydro Pte Ltd and 100% ownership of the Elko Project with 303MT of JORC 2012 compliant resources in the highly productive East Kootenay region of British Columbia.

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

Investment GP Hydro Pte Ltd

Ownership 50%

Project Elko Project

Ownership 100%

JORC 2012 303MT Resource,

117MT Measured

Stage Exploration

Pacific American Holdings Limited

ABN 83 127 131 604

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Rights Issue to Accelerate Growth Strategy

40% discount to last closing price

Highlights

Pacific American Holdings Limited (**ASX: PAK**) is pleased to announce its intention to raise up to **\$1.799 million** through a Non-Renounceable Rights Issue to Eligible Shareholders at a **40% discount** to the closing price on 23 April 2020. The Company has priced the Rights Issue as to encourage all eligible shareholders to participate and benefit from the renewable strategy the Company is delivering on, while maintaining our valuable asset at Elko. Eligible Shareholders will be able to subscribe for one [1] New Share for every one [1] Existing Share they hold on the Record date

Funds will primarily be used to:

- Initiate the activity of our GP Hydro Joint Venture with Global Hydro GmbH of Austria,
 - Global Hydro Austria is a world leading Hydro manufacturing and project development company whose founding family has been running hydro businesses for over **120 years** across the globe. Global Hydro has identified the Pacific Region as an area for growth and has selected PAK as its exclusive partner in the region for their Smart products,
 - Each company will invest **USD500K** over a period against well-defined milestones for a total of **USD1M** into the GP Hydro JV.
- Maintain and continue the development of the Elko Project ,
 - Continue discussions with potential development partners.
 - Elko remains a valuable asset as a potential supply source of raw materials to the steelmaking industry
- Advance investment opportunities through Primary Power in other renewable energy businesses. The Company has identified other unique opportunities in the areas of solar energy generation and battery storage,
 - Expand the Company's expertise in renewable energy through engaging highly qualified professionals and project identification and delivery experts.

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The Non-Renounceable Rights Issue

The Non-Renounceable Rights Issue provides the opportunity for Eligible Shareholders to each subscribe for one [1] New Share for every one [1] existing fully paid ordinary shares held in the Company as at the Record date at an offer price of \$0.01 per New Share. **The offer price represents a 40% discount to the last trading price on the 23 April 2020 and will only be available to Eligible Shareholders.**

Registered holders of Shares as at 7.00pm (AEST) on 29 April 2020 (Record Date) with a registered address in Australia or New Zealand will be eligible to participate in the Rights Issue. The shares to be issued under the Rights Issue will rank equally with existing PAK fully paid ordinary shares on issue.

Full details of the Rights Issue will be contained in an offer document which is scheduled to be dispatched to Eligible Shareholders on or around 4 May 2020.

Set out below is the proposed timetable for the Rights Issue. Directors reserve the right to vary the dates and times without notice.

Timetable for the Offer	
24 April 2020	Announcement to ASX of the Offer.
28 April 2020	Shares commence trading on the ASX on an ex-rights basis.
29 April 2020 7.00pm (Sydney time)	Record Date – the date for identifying Shareholders entitled to participate in the Offer.
4 May 2020	Offer Document with Entitlement and Acceptance Forms sent to Eligible Shareholders.
4 May 2020	Opening Date – the first day for receipt of acceptances under the Offer and the Shortfall Offer.
22 May 2020 5.00pm (Sydney time)	Closing Date – the last day for receipt of acceptances under the Offer and the Shortfall Offer, unless extended.
25 May 2020	New Shares quoted on ASX on a deferred settlement basis
27 May 2020	Announcement to ASX of the results of the Offer.
29 May 2020	Issue Date - New Shares issued under the Offer and the Shortfall Offer and deferred settlement trading ends. In the event that the Offer is extended, the Company reserves the right to allot applications for New Shares on or about the time of the extension, and weekly thereafter as any further applications are received.
1 June 2020	New Shares expected to commence normal (T+2) trading on ASX.

The above events, dates and times are indicative only and may be subject to change. The Company reserves the right to amend any of these events, dates and times without notice, subject to the Corporations Act, the ASX listing rules and other applicable laws. In particular, the Company reserves the right to extend the Closing Date and to accept late applications. The commencement of trading of New Shares on ASX is subject to confirmation by ASX.

As a significant shareholder in PAK, Chairman Mr Geoff Hill stated:

“It makes sense to undertake an entitlement issue over a placement, even at these lower prices, as it gives all shareholders the opportunity to participate at a fair entry price. This an exciting opportunity for our shareholder base to take a bigger position in a growth focused company.”

Deployment of Capital

The \$1,799,212 raised through the Non-Renounceable Rights Issue will be deployed into the company's business portfolio including; the newly established renewables business Primary Power which holds the 50% equity in GP Hydro, maintain the Elko Project and working capital. These funds will be applied towards expanding the development of our existing businesses.

The funds raised from the rights issue will be deployed to continue the development of the group's portfolio including but not limited to:

Primary Power

- Developing our Primary Power business to advance investment opportunities in other renewable energy business's
- Primary Power is focused on delivering best in class products and developing projects in the Asia Pacific region, including Australia. The Company has identified in the areas of solar energy generation and battery storage.

GP Hydro (Joint Venture)

- Finalising our investment in the GP Hydro Joint Venture with Global Hydro GmbH of Austria
- Bring on board a leading Chief Executive Officer with expertise in developing start-up businesses in the renewables space.

Elko Exploration Project

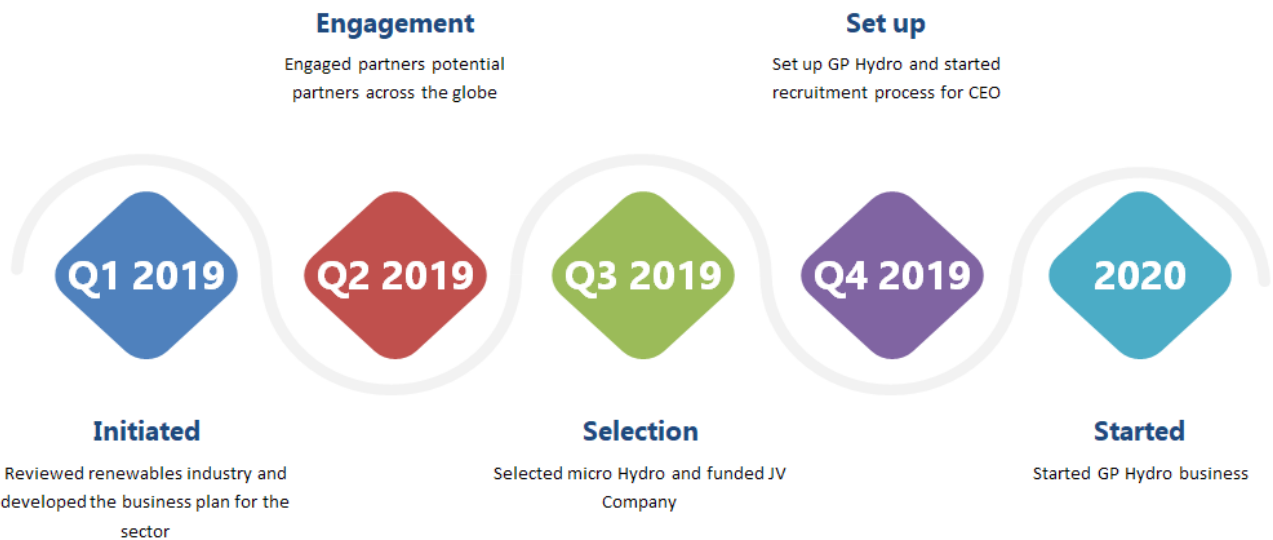
- Maintain our Elko Project in good standing and completing different tasks to advance the project
- PAK continues to seek out partners to advance and unlock the value potential of a 303MT JORC 2012 high quality resource.
- The company is currently in discussions with potential partners to fund the project to Pre-Feasibility and beyond.

Working Capital

- Maintain our and continue to develop our portfolio of businesses including the Elko Project and our new renewables business.

Primary Power

Primary Power is our renewable energy investment vehicle that has been steadily building our strategy to transitioning to a renewable energy business. We have been developing the business over the past 15 months to initiate, engage, conduct due diligence and execute agreements that is turning this strategy into a reality. We have established Primary Power as our dedicated entity to grow our renewable investment portfolio which includes our first investment into GP Hydro. Primary Power will continue to seek other opportunities in solar, wind, and battery storage to bring together a portfolio of renewable energy sources to deliver economically sustainable energy solutions.



Mr Geoff Hill - Chairman, commented that:

“PAK has already demonstrated its ability to identify and secure a joint venture with a global leader in hydro renewable energy. Our intent is to continue to look globally for the best technology that has been successfully deployed and bring it locally to the benefit of our regional communities while also continuing to maintain our world class Elko Exploration Project.”

For Further Information Contact

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

Forward Looking Statements

Statements contained in this release, particularly those regarding possible or assumed future performance, revenue, costs, dividends, production levels or rates, prices or potential growth of the Company, are, or may be, forward looking statements. Such statements relate to future events and expectations and, as such, involve known and unknown risks and uncertainties. Actual results and developments may differ materially from those expressed or implied by these forward-looking.

Previously Released Information

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

The Company confirms it is not aware of any new information or data that materially affects the information included in the original market announcement, and, in the case of exploration targets, that all material assumptions and technical parameters underpinning the exploration targets in the relevant market announcement continues 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 announcement.

Competent Person's 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 (Registered Member No. 4063295), 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.