

ASX Release

Friday 29th October 2021

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. The Company continues to invest in the exploration of gold and based metal projects that give shareholders exposure to high value assets.

Board

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

Company Secretary

Wayne Kernaghan

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

QUARTERLY REPORT FOR THE QUARTER TO SEPTEMBER 2021

Summary

Pacific American Holdings Limited (**ASX: PAK**) is pleased to provide its Quarterly Activities Report for the three months ended 30th September 2021.

Idaho Gold Staking of Federal Lode Claims

- PAK stakes first Gold Claims in Idaho
- Claim area covers 496 acres with existing access roads
- Anderson Creek is the first of a series of projects being developed by the Company's USA based team
- In field sampling completed and submitted for testing

Preparation of additional staking program in Idaho

- Identified prospective areas for copper and base metals in Idaho and advanced a staking program to commence in Q4-2022

Elko Coking Coal Project

- Prices for coking coal products rally to the highest levels in 5 years
- With 303MT of JORC 2012 compliant resources, the Company continues to seek out project partners for the next round of exploration activity and to take Elko through to development.

Corporate

- Commenced a Rights Issue to eligible Shareholders to support the Company's Idaho gold initiative
- Notice of withdrawal from the Porphyry North Gold Project

This market announcement has been authorised for release to the market by the Board of Pacific American Holdings Limited.

Pacific American Holdings Limited

ABN 83 127 131 604
Suite 706, Level 7, 89 York Street, Sydney NSW 2000
GPO Box 1546, Sydney NSW 2001

P: +61 (0) 2 9238 1175

W: www.pacificamerican.com.au

Idaho Gold Activity

The Anderson Creek Gold Project is the Company's first self-originated gold project in the USA. The Anderson Creek Gold Project covers 496 acres of ground in a highly prospective gold bearing region of the Gibbonsville Mining District in northern Lemhi County, Idaho.

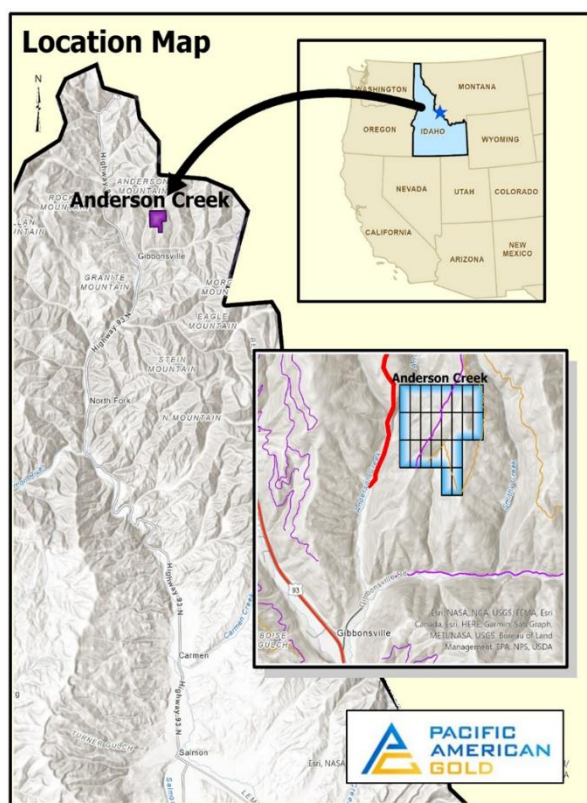


Figure 1 – Location of Anderson Creek

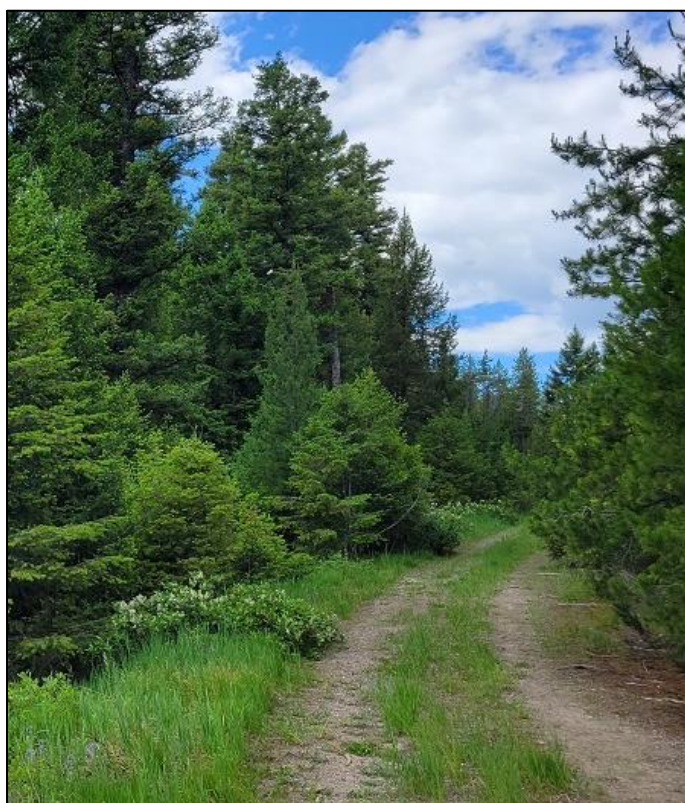


Figure 2 - Access Roads leading into Claim Area

Anderson Creek was chosen as a potential high value asset due to the geology, historical gold production, mineralogy and historical grades as well as access to existing infrastructure and ability to expand the claim area and project footprint.

Anderson Creek Veins

At least nine veins have been explored on the claim group with all having an east orientated strike except for two, with one of these having a strike N. 55° E. along a fault and the another with a strike N. 35 0 W. along a dyke. Four of the east-striking veins are shown on Historic Claims Map. The main veins, the Diane 1 and 2, referred to as D1 and D2 respectively, are composed mainly of brecciated quartz, abundant iron oxides (derived from the oxidation of pyrite), minor copper stain, and sparse chalcopyrite and bornite.

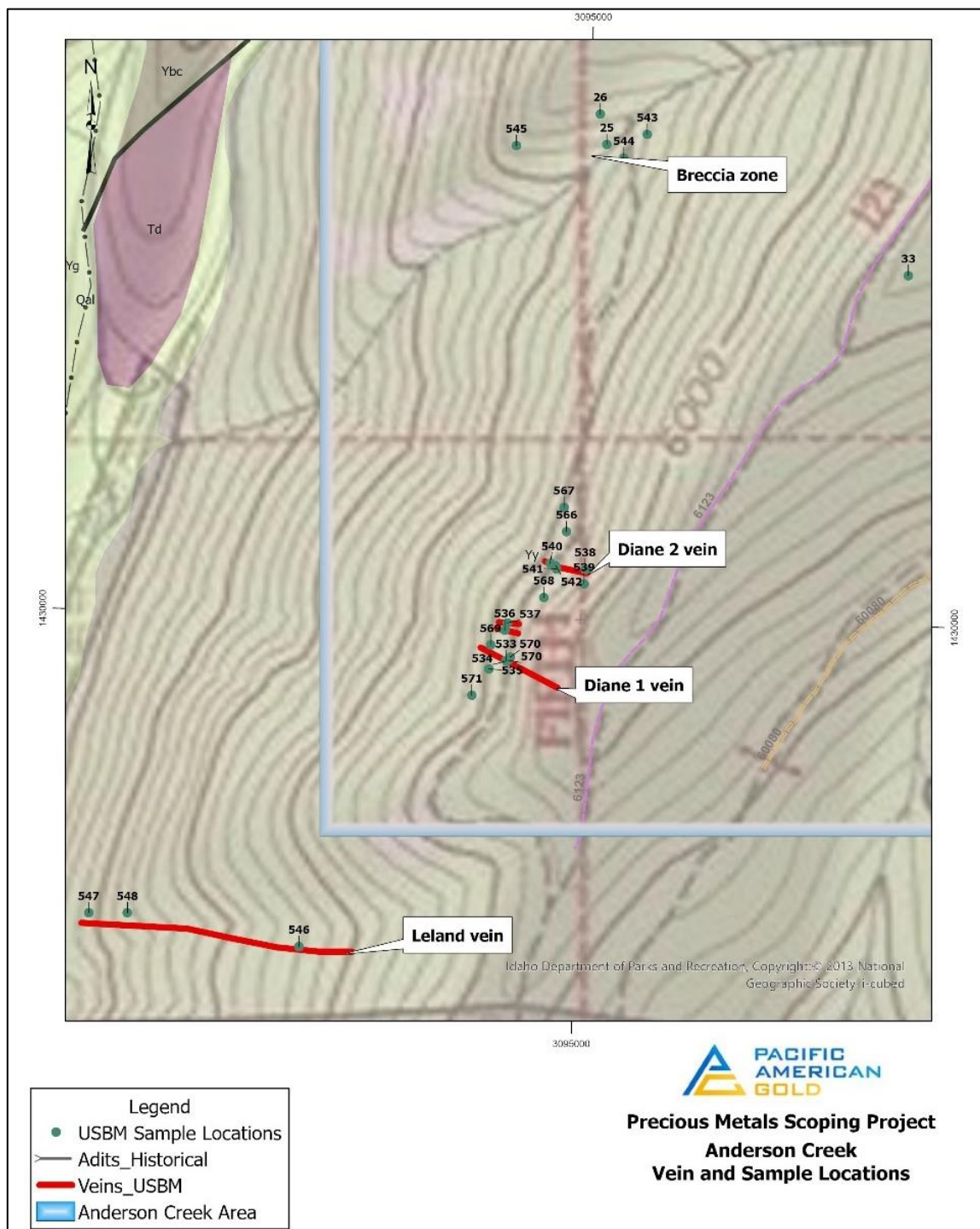


Fig 2 - Historic Vein and Sample Locations

Historic field and geophysical data indicates encouraging potential for the discovery of economic vein mineralisation. Historic reports indicate that primarily only oxide ores were mined and that rich sulphide ores encountered below the zone of oxidation were left. Modern metallurgical practices now make these ores, in many cases, an economical proposition.

Historical grades from Diane 1 vein returned gold values of up to 160g/t as well as other high grade gold values, detailed in the table below.

Exploration Entity	Sample ID	Grams / Tonne
ECM Co	D1- D Rerun	160.46
ECM Co	D1 Head	110.45
ECM Co	D2	79.38
ECM Co	D1	62.94
ECM Co	D2 Head	60.33
ECM Co	D1	44.79
ECM Co	D2	36.50
ECM Co	D2	23.25
ECM Co	D2	12.47
ECM Co	D2	10.21
ECM Co	D1 Tail	8.56
ECM Co	D2Tail	3.23
US BoM	536	33.16
US BoM	535	30.50
US BoM	540	2.85
US BoM	542	0.86
US BoM	547	0.52

Anderson Creek Project Area historic samples greater than 0.5 g/t

During the quarter the Company completed in-field geological surveys and sample collection. Based on the nature of the samples and their proximity to several large known gold bearing quartz veins, the Company is seeking to advance its understanding of the project area, including targeting the three key areas:

- D1 and D2 quartz veins,
- Additional 9 veins orientated parallel to the D1 & D2 veins, and
- Breccia Zone to the north of the project area.

Access to the Anderson Creek project was restricted during the period due to regional fires and limits of access being applied to the area by local authorities. The Company will continue to seek permission to visit the site again in Q4-2022 and will update the market on the progress of this work once it has been complete.

Elko Coking Coal Project

Over the September Quarter, premium hard coking coal prices rallied to record levels, breaking through US\$300 per tonne for the first time in 5 years. The demand for high quality seaborne coking coal underpins the Company's view that the Elko Coking Coal Project is a high value mid to long term project. The indicative product types that were identified through our drilling campaigns and subsequent testing and analysis are suited to those required to support the growth of the steel industry. With multiple seams and a diverse range of coal qualities, the Elko Coking Coal Project has the flexibility to meet the changing needs of the coking coal market over time.

As such, the Company continues to explore for partners that will support the ongoing exploration and potential development of the Elko Project over the medium - long term. The Company reconfirms its position that the Elko Coking Coal Projects holds significant value for shareholders

The Elko Project highlights remain compelling and include the follow metrics:

Location:	East Kootenay Coal Basin - Crowsnest Coal Field	
Ownership:	100%	
Area	8,824 acres (3 adjoining tenements)	
Product Coal Type:	Coking Coal	
Resources (Million Tonnes) ⁽¹⁾ :		
Measured	117.6	
Indicated	93.2	
Inferred	<u>92.3</u>	
Total Resource	303.1	
Coal Seams:	9 Mineable thick Seams	
Mining Method	Underground (Bord and Pillar / Augur)	
Logistics	Existing rail and port infrastructure	
Approvals	Notice of Work valid until September 2024	
Targeted Saleable Production ⁽²⁾	1.25Mt - 1.75Mt per annum	
Mine Life ⁽²⁾	20+ years	
Validation	Historical metallurgical testing was completed by Japanese trading houses	

(1) Elko Coking Coal Project JORC Resource report

(2) PAK Estimates

Corporate

Capital Raising

On the 10th September 2021, the Company announced a 1 for 2 Non-Renounceable Rights Issue to Eligible Shareholders at a 20% discount to the share price on the 9th September 2021. The Rights Issue was priced to attract Eligible Shareholders to participate in the capital raising and recognised the significant value of the assets held by the Company including our Idaho Gold project and the Elko Coking Coal Project.

Funds from the Capital Raise are to be used towards:

- Advancing the Company's Anderson Creek Gold Project in Idaho,
- Expanding our North American asset base through project origination of additional gold and copper opportunities,
- Further positioning the Elko Coking Coal Project for partnership investment.

Remaining funds will be applied towards working capital and sustaining other existing business investments.

The Offer opened on the 20th September and subsequently closed on the 28th October. The Company looks forward to making an announcement on the results of the Capital Raise.

Notice of withdrawal from the Porphyry North Gold Project

During the period the Company has also announced its decision to withdraw from the Farm-in and Joint Venture Agreement on the Porphyry Gold Project with Salazar Gold Pty Ltd (Salazar). This decision follows a full review of the latest drilling results and the future capital and human resource expectations required to identify a gold resource capable of being progressed through to development.

USA Base Team

During the period the Company worked with multiple groups as we bolster our resources based in the USA to deliver on our gold and base metal initiatives. The Company will continue to seek suitably qualified professionals that can assist in optimising the outcome of our staking and exploration activity in Idaho, USA while supporting our programs of works at the Elko Coking Coal Project.

This expertise will be used to identify and prioritise gold project opportunities along with other potential gold and copper projects in North America. The Company considers copper having a positive long term outlook due to its enabling role in an electrified economy.

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. Federal Lode Claims, Idaho, USA, Claims AC01-AC24	100% ownership
Mining tenements acquired during the quarter	Federal Lode Claims, Idaho, USA, Claims AC01-AC24	100%
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

FOR FURTHER INFORMATION CONTACT

Mark Sykes
Executive Director
Pacific American Holdings - Australia
info@pamcoal.com

Dom Hill
Business Development Manager
Pacific American Holdings - North America
info@pamcoal.com

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

COMPETENT PERSON'S STATEMENT
Previously Released Information

These ASX announcements refer to information extracted from reports available for viewing on PAK's website www.pacificamerican.com.au and announced on:

- 06.09.2021 "Historic Gold Assays - Anderson Creek Gold Project"
- 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.

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.

The interpretations and conclusions reached in this announcement are based on current geological theory and the best evidence available to the authors at the time of writing.

It is the nature of all scientific conclusions that they are founded on an assessment of probabilities and, however high these probabilities might be, they make no claim for absolute certainty.

Any economic decisions which might be taken on the basis of interpretations or conclusions contained in this report will therefore carry an element of risk.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Pacific American Holdings Limited

ABN

83 127 131 604

Quarter ended ("current quarter")

30 September 2021

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	118	118
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	-	-
	(e) administration and corporate costs	(181)	(572)
1.3	Dividends received (see note 3)		
1.4	Interest received	-	1
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
1.9	Net cash from / (used in) operating activities	(63)	(453)
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation	(72)	(333)
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(72)	(333)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	80
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(2)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	78

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	442	1,015
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(63)	(453)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(72)	(333)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	78

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	(1)	(1)
4.6	Cash and cash equivalents at end of period	306	306

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	306	442
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	306	442

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	-
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(63)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(72)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(135)
8.4	Cash and cash equivalents at quarter end (item 4.6)	306
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	306
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	2.27
	<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer: The Company expects it will continue to have the current level of net operating cash flows for the time being.	
8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer: The Company on 10 September 2021 announced a pro-rata non-renounceable rights offer to raise approximately \$2.5 million which closed on 28 October 2021. The funds raised will be available to finance future operations and exploration activities and for working capital.	

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: The Company expects to be able to continue its operations and to meet its business objectives using the funds raised as described in item 8.8 Answer 2.

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 29 October 2021

Authorised by: The Board

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.