



8 November 2016

The Manager
The Company Announcements Office
Australian Securities Exchange

PRO-RATA NON-RENOUCEABLE ENTITLEMENT OFFER UPDATE

Pacific American Coal Limited (ASX: PAK) (**Company**) is pleased to provide an update on the previously announced pro-rata non-renounceable rights offer.

As announced to the ASX on Friday 21 October 2016, the Company is undertaking a pro-rata non-renounceable entitlement offer of one (1) New Share in the Company for every eight (8) fully paid ordinary shares held in the Company at an issue price of \$0.10 per New Share (together with one (1) attaching New Option for every two (2) New Shares subscribed for and issued) to raise up to approximately AUD\$1,800,000 (before costs) (**Entitlement Offer**).

Far East Capital Limited (**FEC**) agreed to act as Lead Manager to the Entitlement Offer.

FEC subsequently agreed to fully underwrite any Entitlement Offer shortfall totalling up to \$1,778,824 (**Underwritten Amount**), representing 17,788,235 New Shares and 8,894,117 New Options (subject to rounding).

FEC's underwriting fee is 6% (exclusive of any GST) of the Underwritten Amount.

Should you have any questions regarding the Entitlement Offer, please contact the Company.

For further information please contact:

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