

ASX Release

Wednesday, 20th January 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, precious metals 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

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

Pacific American Holdings Limited

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Commencement of Maiden Drilling Program

Gold exploration starts at the Porphyry North Gold Project

Highlights

- **Drilling has commenced at the Porphyry North Gold Project**
- **Four high priority gold target areas will be broadly tested with 79 holes for 3160m of aircore drilling**
- **Two advanced targets will be tested with deep Reverse Circulation drilling with 8 holes for a planned 420m**
- **All Programs of Work covering this work have been submitted and authorised**

Pacific American Holdings Limited (ASX: PAK), (“Company”) is pleased to announce that the maiden drilling campaign at the Porphyry North Gold Project has commenced.

As announced on 1 October 2020, the Company has entered into a farm-in agreement with Salazar Gold Pty Ltd (“Salazar”). This agreement covers the 113km² that encompasses the Porphyry North Gold Project. The area is an underexplored region of the highly prospective Keith-Kilkenny Tectonic Zone which extends from north of Leonora to south of Carosue, a distance of over 200km (Figure 1).

The team has identified four high priority gold targets where 3,580m of planned drilling will occur, being:

- One Tree Well
- Rainbow Dam
- The Nugget Patch
- SOG Anomaly

Commenting on the maiden drilling program, the Company’s Chairman Mr Geoff Hill said:

“This marks an exciting milestone for both PAK and Salazar. It is the result of extensive in-field work by Salazar and planning that has made this a reality. We are now drilling in an underexplored region of Western Australia that has four outstanding prospects within the Porphyry North Gold Project. We look forward to updating shareholders as to our progress in the weeks ahead.”

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

Porphyry North Gold Project

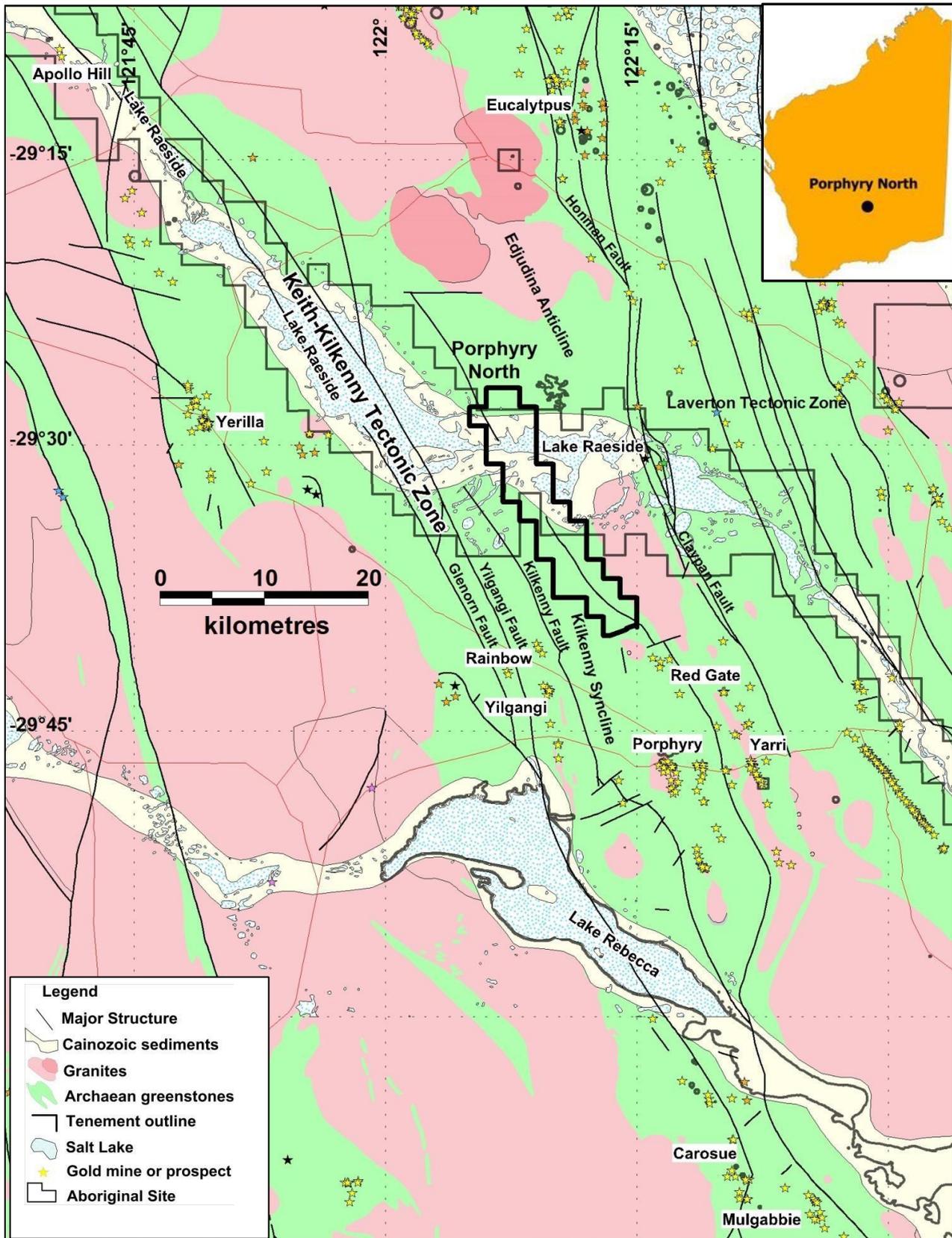


Figure 1: Porphyry North Gold Project location within the Keith-Kilkenny Zone between the new Apollo Hill discovery and the Porphyry and Carosue gold mines. Gold stars responds to mines and prospects.

Rainbow Dam and One Tree Well

Rainbow Dam is identified as a geophysical target forming a NNW-trending elongated refolded antiform of prospective lithologies bounded by shears and dissected with late stage faults. This area has some outcrop and anomalous historical gold-in-soil BLEG and reconnaissance rock chip grab samples, but no previous drilling. The best gold results in the rock chip grab samples are associated with quartz veined and sericite altered schist and a white quartz vein outcrop with spot values of up to **16g/t** gold.

RC drilling of this prospect is targeting an area where two closely spaced inferred NW-trending late shears appear to splay off at a flexure in a major regional structure. Four RC drill holes will interrogate this target at depth.

The One Tree Well historical gold working occurs to the south east of the Rainbow Dam target and may represent a continuation of this auriferous zone. One Tree Well comprises three shafts and a small pit over a distance of 60m. Mullock heap sampling returned assays up to **7.66g/t** gold. Four RC drill holes have been designed to test the depth extent of the previously worked quartz veins in this mine area (Figure 2).

The Nugget Patch and SOG Anomaly

The Nugget Patch prospect comprises a NNW-trending sequence of sheared, folded, faulted and altered intermediate-felsic volcanoclastics and sediments intruded by magnetic, linear monzonite and tonalite porphyry dykes. The area has numerous NNW trending white quartz vein outcrops. Whilst the Nugget Patch, renown for hosting nuggets won by metal detectorists, has been surface sampled by previous explorers, it has never been systematically drilled. Salazar has undertaken a methodical soil geochemistry survey over the main zone. The area will be drilled with 53 AC holes for a planned 2,120m at a nominal 25m centres on four lines.

The SOG Anomaly is a 1 x 1.7km area defined by previous explorer, Sons of Gwalia north west of the Nugget Patch. The area will be tested with a planned 26 AC holes for 1,040m, with holes spaced on nominal 25m centres (Figure 2).

Red Gate

The Red Gate area of the Porphyry North Gold Project remains a prospective region, however will not be drilled during this campaign. Previous explorer's work, including more recent work by Salazar, returned surface samples up to **32g/t** gold. Quartz veining appears to be the source of this gold. The area is located to the north east and north of the Red gate Granite. Compilation of previous results, backed up by geological mapping, will be undertaken prior to testing by drilling (Figure 2).

The above information on the drill targets has been previously reported in our ASX announcement dated 1 October 2020 – "Drill Ready Western Australian Gold Project".

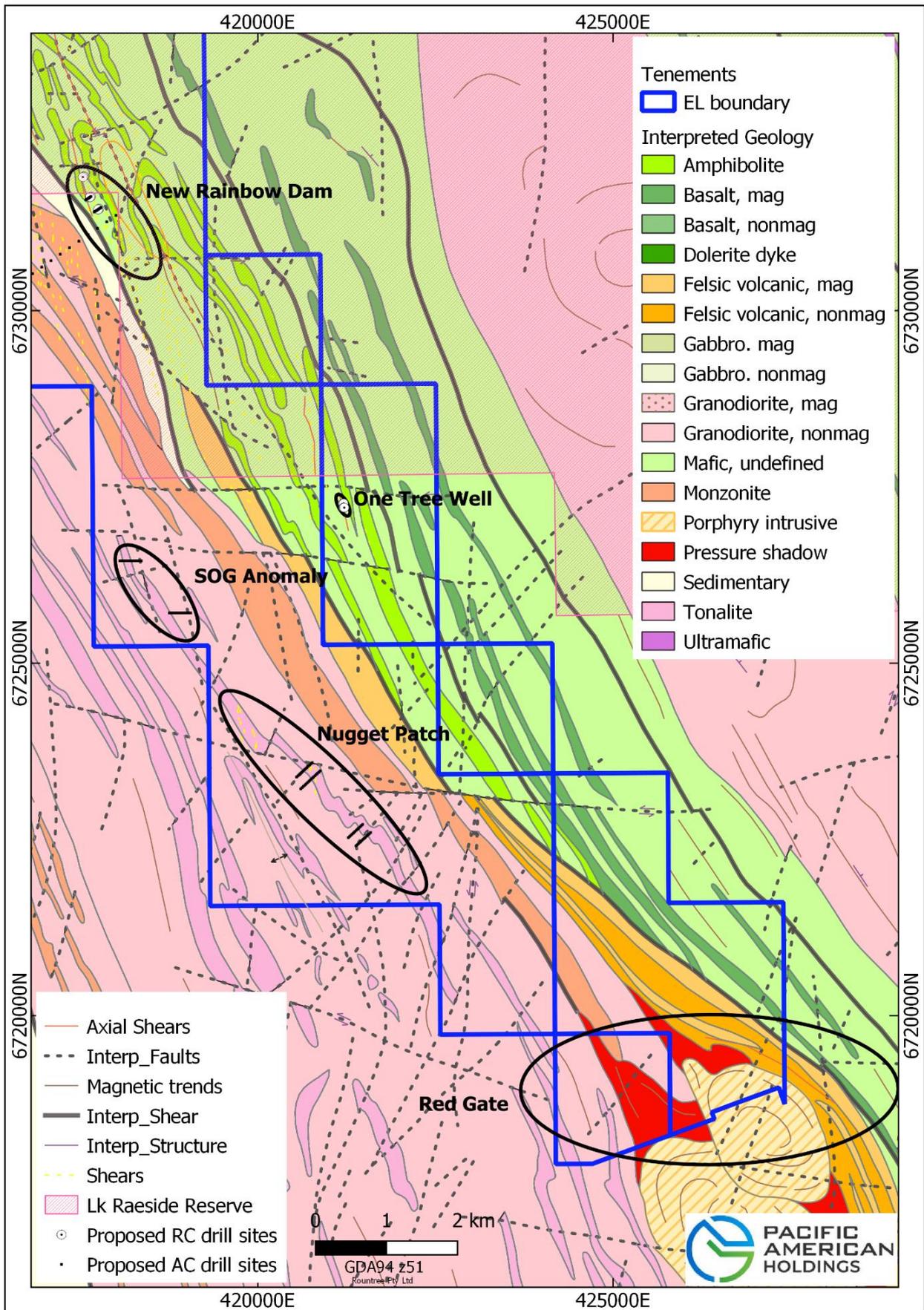


Figure 2: Target areas for activities during 2021 showing approximate locations of proposed drill holes. Note that hole locations are notional and may be moved. Not all holes will necessarily be drilled.

FOR FURTHER INFORMATION CONTACT

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

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:

- 16.01.2019 "Elko Coking Coal Project JORC Resource Increased to 303Mt", and
- 01.10.2020 "Drill Ready Western Australian Gold Project"

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.