

Pacific American Coal Limited

2 January 2015

THIRD SUPPLEMENTARY PROSPECTUS

IMPORTANT NOTICE

This Third Supplementary Prospectus contains particulars of changes to and supplements the Prospectus dated 1 October 2014 (**Prospectus**), First Supplementary Prospectus date 11 November 2014 (**First Supplementary Prospectus**), and Second Supplementary Prospectus date 28 November 2014 (**Second Supplementary Prospectus**) issued by Pacific American Coal Limited (formerly Metals Finance Limited) ABN 83 127 131 604 (**Company**) in respect of the offer of up to 25,000,000 Shares at \$0.20 each to raise up to \$5,000,000, with a minimum subscription of \$3,500,000.

This Third Supplementary Prospectus is dated 2 January 2015 (**Third Supplementary Prospectus**) and was lodged with ASIC on that date. Neither ASIC nor ASX take any responsibility as to the contents of this Third Supplementary Prospectus.

This Third Supplementary Prospectus must be read together with the Prospectus, First Supplementary Prospectus, and Second Supplementary Prospectus. To the extent of any inconsistency between this Third Supplementary Prospectus, the Prospectus, First Supplementary Prospectus, and Second Supplementary Prospectus, the provisions of this Third Supplementary Prospectus will prevail. Unless otherwise indicated, terms defined and used in the Prospectus, First Supplementary Prospectus, and Second Supplementary Prospectus have the same meaning in this Third Supplementary Prospectus.

This Third Supplementary Prospectus, the Prospectus, First Supplementary Prospectus, and Second Supplementary Prospectus are important documents that should be read in their entirety. If you have any questions about the Shares being offered under the Prospectus or any other matter, you should consult your professional advisers.

REASONS FOR THIRD SUPPLEMENTARY PROSPECTUS

1. Effect of this Third Supplementary Prospectus

The effect of this Third Supplementary Prospectus is that the Company must give subscribers to the Prospectus who have lodged Applications prior to the date of this Third Supplementary Prospectus, a copy of this Third Supplementary Prospectus and the right, for a period of one month from the date of this Third Supplementary Prospectus, to withdraw their Application and be repaid their Application Money.

As stated in the Prospectus, the Board expects that the Company's securities will be re-quoted on the ASX. On 7 October 2014, the Company applied to ASX for the re-admission to quotation of its securities.

The Corporations Act 2001 (Cth) (**Corporations Act**) provides that if the Company's securities are not admitted to quotation within three months after the date of the disclosure document (ie the Prospectus), the Company must either repay the money received by the Company from Applicants OR give the Applicants a supplementary prospectus and one month to withdraw their application and be repaid OR issue the securities to the Applicants and give them a supplementary prospectus and one month to withdraw their application and be repaid.

The Company has received Applications pursuant to the Prospectus. Applications have been processed and Shares and Options have been issued.

The Company's issue of Shares and Options was a condition precedent, required by ASX for re-admission of its securities to quotation on the ASX.

As at the date of this Third Supplementary Prospectus, the Company has received Application Money totalling \$3,725,200 from 198 Applicants, and issued and allotted 18,626,000 Shares and granted 18,626,000 Options under the Prospectus on 19 December 2014.

A requirement of the ASX Listing Rules, and an ASX condition precedent for re-admission of its securities to quotation on the ASX, is that the Company has an appropriate spread of shareholders and in any case that:

(a) There are at least 300 holders of securities, each having a parcel of Shares with a value of at least \$2,000; and

(b) At least 50% of the Company's ordinary shares are not held by related parties,

in each case excluding restricted securities (**spread requirements**).

The Company provided the ASX with details of its securities registers on 12 December 2014 to enable the ASX to determine whether the Company has satisfied the spread requirements of the ASX.

On 23 December 2014, the ASX advised the Company that it required further information to determine whether the Company has satisfied the spread requirements of the ASX.

On 23 December 2014, the ASX indicated that in light of the holiday period it would be unlikely that the Company's securities would be re-admitted to quotation before 1 January 2015 (within three months of 1 October 2014).

On 24 December 2014, the Company applied to ASIC for relief to modify section 723(3) of the Corporations Act pursuant to section 741 of the Corporations Act, so the Company may extend the Offer for a further period of three months commencing the date of the Third Supplementary Prospectus (2 January 2015).

ASIC granted the relief sought and the Company has an additional three months from 2 January 2015 within which its securities must be re-admitted to quotation on ASX.

In accordance with the relief from ASIC, the Company must give each Applicant one month to withdraw their Application and be repaid their application money.

Since 23 December 2014, the Company has continued working with the ASX to satisfy the spread requirements of the ASX.

To assist the Company's compliance with the ASX's spread requirements, the Board has resolved to re-open the Offer on 2 January 2015. Further details in relation to the changes to the Offer are set out below.

2. Action required by investors

Investors who have lodged an Application Form

The Company has decided give each Applicant one month from the date of this Third Supplementary Prospectus to withdraw their application and be repaid their application money.

Investors who have not previously made any Application

All new applications for Shares can only be accepted on the Application Form attached to or accompanying this Third Supplementary Prospectus. The Application Form should be completed in accordance with the instructions set out on the back of the form. Applications **must not** be made on the Application Form attached to or accompanying the Prospectus, First Supplementary Prospectus, and Second Supplementary Prospectus.

CONTENT SUPPLEMENTED

The Prospectus is supplemented by making the following amendments to the Prospectus:

1. KEY OFFER INFORMATION – Page 7 of the Prospectus

Important Dates

Top-Up Offer Record date 30 September 2014	Prospectus date 1 October 2014	Offer opens 14 October 2014	Meeting of shareholders of Metals Finance 28 October 2014
First Offer closes 4 December 2014	First Allotment and issue of Securities 19 December 2014	First despatch of holding statements 19 December 2014	Offer re-opened 2 January 2015
Second Offer expected to close 2 February 2015	Expected second allotment and issue of securities 9 February 2015	Expected second despatch of holding statements 9 February 2015	Securities expected to begin trading on ASX 16 February 2015

These date and times are indicative only. The Company reserves the right to vary the dates and times of the Offer without prior notice including closing the Offer before the scheduled Closing Date. Applicants are encouraged to submit their Application Forms as soon as possible after the Offer Opens. All times are AEDT.

2. KEY OFFER DETAILS – Page 12 of the Prospectus

Indicative Timetable

The indicative timetable for the Offer is now as follows:

Top Up Offer Record Date	30 September 2014
Lodgement of Prospectus with ASIC	1 October 2014
First Opening Date	14 October 2014
Lodgement of First Supplementary Prospectus with ASIC	11 November 2014
Lodgement of Second Supplementary Prospectus with ASIC	28 November 2014
First Closing Date 5.00pm	4 December 2014
First Despatch of holding statements	19 December 2014
Lodgement of Third Supplementary Prospectus with ASIC	2 January 2015
Second Opening Date	2 January 2015
Second Closing Date 5.00pm	2 February 2015
Second Despatch of holding statements	9 February 2015
Expected date for re-listing on ASX	16 February 2015
Deadline for re-listing on ASX	2 April 2015

This timetable is indicative only and subject to change. The Directors of the Company reserve the right to amend the timetable without notice.

Paragraph titled “Will the securities be listed?” will be amended to read:

The Company applied to ASX within 7 days of the date of the Prospectus for ASX quotation of the Shares and Options offered by the Prospectus.

If ASX does not grant permission for the quotation of the Shares and Options offered under the Prospectus within three months after the date of the Third Supplementary Prospectus, or such longer period as is permitted by the Corporations Act, the Company would, where an Applicant withdraws their Application and requires repayment, make a return of capital to the Applicant and cancel the Shares and Options.

KEY TERMS AND CONDITIONS OF THE OFFER – Page 51 of the Prospectus

Paragraph titled “Will the securities be listed?” will be amended to read:

The Company applied to ASX within 7 days of the date of the Prospectus for ASX quotation of the Shares and Options offered by the Prospectus.

If ASX does not grant permission for the quotation of the Shares and Options offered under the Prospectus within three months after the date of the Third Supplementary Prospectus, or such longer period as is permitted by the Corporations Act, the Company would, where an Applicant withdraws their Application and requires repayment, make a return of capital to the Applicant and cancel the Shares and Options.

3. QUOTATION OF SHARES AND OPTIONS ON THE ASX – Page 52 of the Prospectus

Paragraph will be amended to read:

The Offer is conditional upon the Company and its Shares being reinstated to Quotation.

The Company is already admitted to the Official List of ASX. However, trading in the Shares was suspended as of 28 October 2014, the date of the General Meeting, until the Company re-complies with all of the requirements under Chapters 1 and 2 of the Listing Rules.

Reinstatement of Quotation is at the discretion of ASX and will be subject to compliance by the Company with the Listing Rules and the Corporations Act.

The Company applied to ASX within 7 days of the date of the Prospectus for ASX quotation of the Shares and Options offered by the Prospectus.

If ASX does not grant permission for the quotation of the Shares and Options offered under the Prospectus within three months after the date of the Third Supplementary Prospectus, or such longer period as is permitted by the Corporations Act, the Company would, where an Applicant withdraws their Application and requires repayment, make a return of capital to the Applicant and cancel the Shares and Options.

4. GLOSSARY – Page 139 of the Prospectus

Closing Date	the date by which valid Applications must be received by the Share Registry being 5.00pm AEDT on 2 February 2015 or such other date and time determined by the Board.
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DIRECTORS’ AUTHORISATION

This Third Supplementary Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

The Directors believe that the Prospectus when read together with this Third Supplementary Prospectus contains all the information that would be required by sections 710 and 711 of the Corporations Act and does not contain any material statement that is misleading or deceptive.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Third Supplementary Prospectus with ASIC and has not withdrawn that consent prior to lodgement.

Signed for and on behalf of;

Pacific American Coal Limited (formerly Metals Finance Limited) ABN 83 127 131 604

A handwritten signature in black ink, appearing to read 'Geoffrey Hill', is positioned above a horizontal line.

Geoffrey Hill

Chairman

2 January 2015

Broker Reference – Stamp Only

Third Supplementary Prospectus Application Form (Application Form)

Fill out this Application Form if you wish to apply for Shares in Pacific American Coal Limited

- Please read the Third Supplementary Prospectus dated 2 January 2015.
- Follow the instructions to complete this Application Form (see reverse).
- Print clearly in capital letters using black or blue pen.

Broker Code	Advisor Code								
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A Number of Shares you are applying for

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x \$0.20 per share =

B Total amount payable

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Minimum of **10,000** Shares (**\$2,000.00**) to be applied for, and thereafter in multiples of **2,500** Shares (**\$500.00**).

C Write the name(s) you wish to register the Shares in (see reverse for instructions)

Applicant 1

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Name of Applicant 2 or < Account Designation >

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Name of Applicant 3 or < Account Designation >

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D Write your postal address here

Number / Street

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Suburb/Town

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State

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Postcode

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E CHES participant – Holder Identification Number (HIN)

X											
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Important please note if the name & address details above in sections C & D do not match exactly with your registration details held at CHES, any Securities issued as a result of your application will be held on the Issuer Sponsored subregister.

F Enter your Tax File Number(s), ABN, or exemption category

Applicant #1

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Applicant #2

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Applicant #3

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G Cheque payment details – PIN CHEQUE(S) HERE

Please enter details of the cheque(s) that accompany this application.

Name of drawer of cheque	Cheque No.	BSB No.	Account No.	Cheque Amount A\$
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H Contact telephone number (daytime/work/mobile)

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I Email address

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By submitting this Application Form, I/We declare that this Application is completed and lodged according to the Prospectus and the instructions on the reverse of the Application Form and declare that all details and statements made by me/us are complete and accurate. I/We agree to be bound by the constitution of **Pacific American Coal Limited** (the Company). I/We was/were given access to the Prospectus together with the application form. I/We represent, warrant and undertake to the Company that our subscription for the above Shares will not cause the Company or me/us to violate the laws of Australia or any other jurisdiction which may be applicable to this subscription for Shares in the Company.

Guide to the Application Form

YOU SHOULD READ THE PROSPECTUS CAREFULLY BEFORE COMPLETING THIS APPLICATION FORM.

Please complete all relevant sections of the appropriate Application Form using **BLOCK LETTERS**.

These instructions are cross-referenced to each section of the Application Form.

Instructions

- A. If applying for Shares insert the **number** of Shares for which you wish to subscribe at Item **A** (not less than **10,000** Shares (**\$2,000.00**) and then in multiples of **2,500** Shares (**\$500.00**)). Multiply by **\$0.20** AUD to calculate the total for Shares and enter the **\$ amount** at B.
- C. Write your **full name**. Initials are not acceptable for first names.
- D. Enter your **postal address** for all correspondence. All communications to you from the Company will be mailed to the person(s) and address as shown. For joint Applicants, only one address can be entered.
- E. If you are sponsored in CHESSE by a stockbroker or other CHESSE participant, you may enter your CHESSE HIN if you would like the allocation to be directed to your HIN.
NB: your registration details provided must match your CHESSE account exactly.
- F. Enter your Australian **tax file number** ("TFN") or ABN or exemption category, if you are an Australian resident. Where applicable, please enter the TFN /ABN of each joint Applicant. Collection of TFN's is authorised by taxation laws. Quotation of your TFN is not compulsory and will not affect your Application Form.
- G. Complete **cheque details** as requested. Make your cheque payable to "**Metals Finance Limited Application Trust Account**", cross it and mark it "**Not negotiable**". Cheques must be made in Australian currency, and cheques must be drawn on an Australian Bank.
- H. Enter your **contact details** so we may contact you regarding your Application Form or Application Monies.
- I. Enter your **email address** so we may contact you regarding your Application Form or Application Monies or other correspondence.

Correct Forms of Registrable Title

Note that **ONLY** legal entities can hold the Shares. The Application must be in the name of a natural person(s), companies or other legal entities acceptable to the Company. At least one full given name and surname is required for each natural person.

Examples of the correct form of registrable title are set out below.

Type of Investor	Correct Form of Registrable Title	Incorrect Form of Registrable Title
Individual	Mr John David Smith	J D Smith
Company	ABC Pty Ltd	ABC P/L or ABC Co
Joint Holdings	Mr John David Smith & Mrs Mary Jane Smith	John David & Mary Jane Smith
Trusts	Mr John David Smith <J D Smith Family A/C>	John Smith Family Trust
Deceased Estates	Mr Michael Peter Smith <Est Lte John Smith A/C>	John Smith (deceased)
Partnerships	Mr John David Smith & Mr Ian Lee Smith	John Smith & Son
Clubs/Unincorporated Bodies	Mr John David Smith <Smith Investment A/C>	Smith Investment Club
Superannuation Funds	John Smith Pty Limited <J Smith Super Fund A/C>	John Smith Superannuation Fund

Lodgement

Mail your completed Application Form with cheque(s) attached to the following address:

Mailing address:

Pacific American Coal Limited
C/- Boardroom Pty Limited
GPO Box 3993
SYDNEY NSW 2001

Delivery address:

Pacific American Coal Limited
C/- Boardroom Pty Limited
Level 7
207 Kent Street
SYDNEY NSW 2000

It is not necessary to sign or otherwise execute the Application Form.

If you have any questions as to how to complete the Application Form, please contact Boardroom Limited on 02 9290 9600.

Privacy Statement:

Boardroom Pty Limited advises that Chapter 2C of the Corporations Act 2001 (Cth) requires information about you as a shareholder (including your name, address and details of the shares you hold) to be included in the public register of the entity in which you hold shares. Information is collected to administer your share holding and if some or all of the information is not collected then it might not be possible to administer your share holding. Your personal information may be disclosed to the entity in which you hold shares. You can obtain access to your personal information by contacting us at the address or telephone number shown on the Application Form.

Our privacy policy is available on our website (<http://www.boardroomlimited.com.au/Privacy.html>).