

ASX Release

Thursday, 19th October 2017

ASX Codes

PAK, PAKO

About Us

Pacific American Coal Limited is focused on the production, development and exploration of metallurgical coal assets in North America. The Company's strategic focus is on the 100% owned Elko hard coking coal project in British Columbia and its investments in technological advanced opportunities. PAK has 100% ownership in a total of 6 Coal Leases in the East Kootenay Coal Field in British Columbia - Canada and tenements in application in low volatile bituminous region of the Arkoma coal basin in Oklahoma.

Board

Non-Executive Chairman – Geoff Hill
Non-Executive Director – Simon Bird
Non-Executive Director – Paul Chappell

Company Secretary

Ian Morgan

Management

Chief Executive Officer – Mark Sykes
Business Development – Dom Hill
Investor Relations – Simon Klimt

Project	Stage	Location
Elko	Exploration	Canada
Hazell	Exploration	Canada
Howe	Exploration	Oklahoma
Bokoshe	Exploration	Oklahoma

Pacific American Coal Limited
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100% Recovery from GCI Divestment

Pacific American Coal Limited (**ASX: PAK**) is pleased to announce that it has received US\$408,580 being an early and final payment from GCI. The Company has now recovered 100% of its investment in GCI resulting in more than A\$4.3m in cash reserves.

As previously advised, the Company entered into an agreement to sell its 30% equity investment in GCI, with repayments scheduled over a 24-month period commencing 15 January 2017. The proceeds from the divestment of the Company's interest in GCI have been finalised 15 months early than scheduled. Early repayment was obtained during recent negotiations with our partner Mr. Craig Jackson.

Receipt of these funds means PAK is now extremely well placed, with more than A\$4.3m in cash reserves. PAK's strengthened cash position will enable the Company to pursue its strategic objectives, which include:

- Completion of field studies and approval process at the 100% owned Elko Coking Coal Project,
- Advancing its other exploration assets in North America,
- Reviewing other accretive investments in North America and Australia

In addition to the funds having now been received in full, the Board is pleased to retain a positive on-going relationship with GCI, enabling the Company to collaboratively work with GCI to assess opportunities in Oklahoma which better match PAK's strategy.

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PAK's Chairman Geoff Hill said: "PAK would like to thank the team at GCI and specifically CEO Craig Jackson for all his work over the years. With the recent positive change in US govt coal exploration policy, PAK looks forward to working in partnership with the team at GCI on other opportunities in the Arkoma basin of North America "

FOR FURTHER INFORMATION CONTACT

Australia

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

COMPETENT PERSON'S STATEMENT

Previously Released Information

These ASX announcements refer to information extracted from reports available for viewing on the Company's website www.pamcoal.com

- 16.06.2014 TOCC Assets Independent Review
- 02.11.2015 Elko Coal Project Maiden JORC Resource 257.5 Million Tonnes

The Company 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. 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 announcements.