Quarterly Report

ASX Release

ASX Release

Friday 30 Oct 2020

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.

Board

Non-Executive Chairman – Geoff Hill

Executive Director – Mark Sykes

Non-Executive Director – Simon Bird

Company Secretary

Ian Morgan

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

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QUARTERLY REPORT FOR THE QUARTER TO SEPTEMBER 2020

Summary

Pacific American Holdings Limited (**ASX: PAK**) is pleased to provide its Quarterly Activities Report for the three months ended 30th September 2020.

Gold Investment Opportunity

- Entered into a binding term sheet with Salazar Gold Pty Ltd
- Highly prospective Porphyry North Gold Project located 150km NE of Kalgoorlie in the Yilgarn area
- Three gold targets have been identified on the exploration licence at:
    - Rainbow Dam,
    - Nugget Patch Anticline, and
    - Red Gate Shear.
- PAK have actively engaged subject matter experts to assist with the due diligence with the expectation of completing the Conditions Precedent prior to the expiry of the Exclusivity Period.

Corporate

- Successful Placement to raise $0.750M at an issue price of $0.02 per share

GP Hydro Joint Venture

- Accelerating activity in the South Pacific region

Elko Coking Coal Project

- Project status and update

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

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Gold Investment Opportunity

During the Quarter the Company entered into a binding term sheet with Salazar Gold Pty Ltd as part of a Farm-In Agreement to its significant Porphyry North Gold Project located 150km NE of Kalgoorlie in the Yilgarn area.

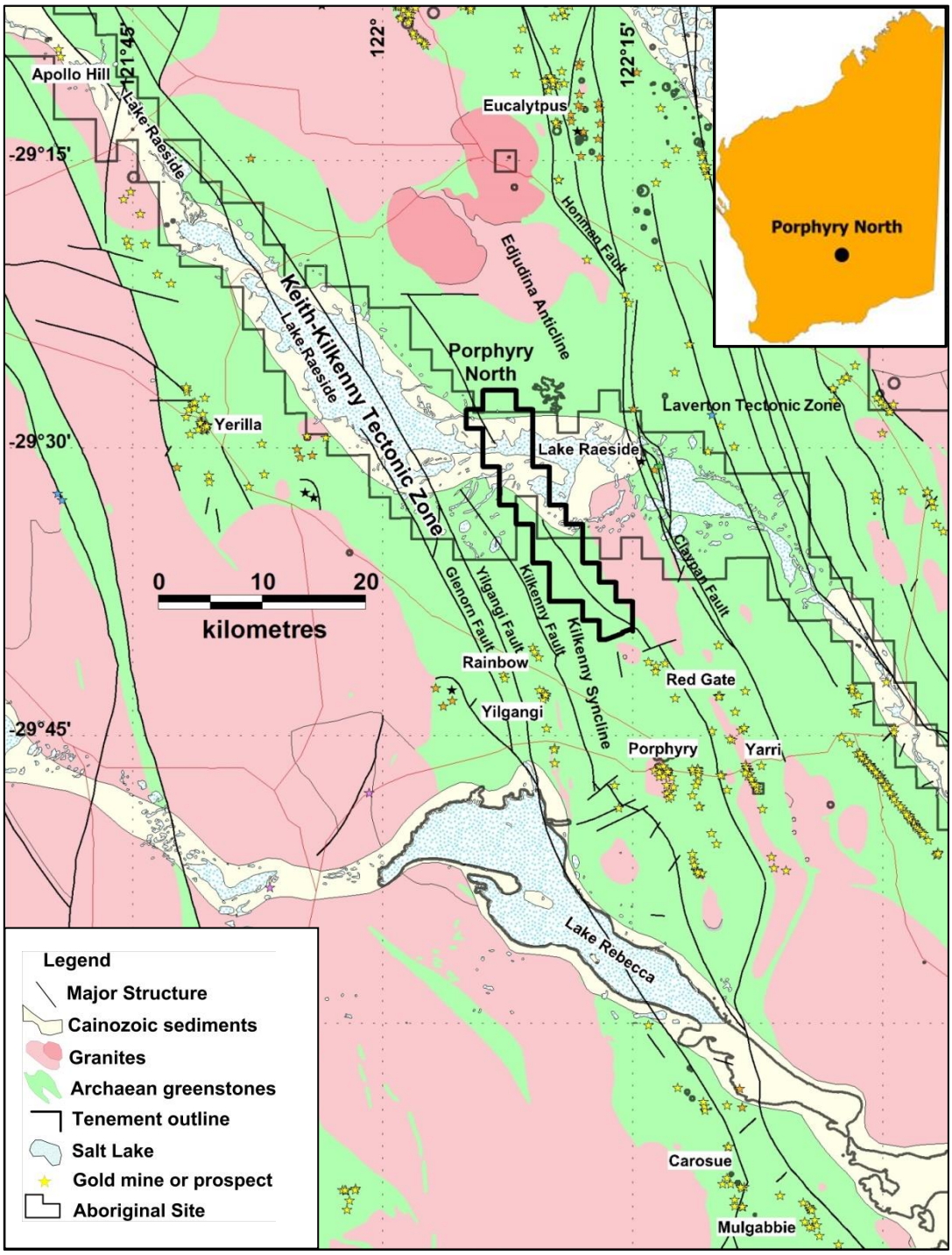


Figure 1: Porphyry North Project location within the Keith-Kilkenny Zone between the new Apollo Hill discovery and the Porphyry and Carosue Dam gold mines. Stars show gold mines and prospects.

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The Porphyry North Gold Project has three identified gold targets being the **Rainbow Dam, Nugget Patch Anticline, and Red Gate Shear**. Upon completion of the Conditions Precedent leading to the signing of the deal, the Company will focus exploration on:

- RC drilling of the **Nugget Patch** and **One Tree Well** targets to follow-up the historical gold- mineralised drill intersections and testing the mine workings at depth.
- Geological mapping and sampling and geochemical surveys (soil, auger) of the **Rainbow Dam** target, to be integrated with lithostructural geophysical interpretation, to better define drill targets
- Targeted RC drilling of the **Rainbow Dam** prospect.
- Heritage clearances, permitting and RC drilling of the **Rainbow Dam** and **One Tree Well** extensions.

Generative exploration to identify and test additional targets over the remainder of the 113km^2 property, especially the covered northern part of the Rainbow Dam target, will comprise:

- High resolution magnetic surveys to better define rock types, alteration and structures.
- Heritage clearances and drill permitting.
- Systematic, grid-based reconnaissance aircore drilling to penetrate through the alluvial cover and sample for top of bedrock for multi-element and spectral geochemistry; and
- Deeper RC drilling to follow-up identified bedrock targets.

Status of Conditions Precedent to the proposed Farm-In Agreement

- PAK has engaged legal, geological and tenement experts to assist in the completion of due diligence.
- PAK and Salazar have commenced the preparation of documentation that is under review and negotiation
- Salazar and PAK have developed the framework for a work programme to carry out work on the most highly prospective areas of the Porphyry North Gold Project

Corporate

Successful Share Placement

During the Quarter the Company closed out a Placement that raised $750,000 through the issue of 37,500,000 shares at an issue price of $0.02 per share to new investors. The issue price was equal to the previous days trading price representing strong support for the Company's investment strategy in high value assets. The capital raise underpins a direction by the Company to invest in highly prospective early stage gold projects.

Far East Capital Limited (FEC) and Cadmon Advisory Pty Ltd acted as Joint lead advisors to the Placement Offer.

GP Hydro Joint Venture

Focused Market Development

During the Quarter the Company's JV entity GP Hydro has actively engaged with the market and has received strong feedback regarding the need for off-grid micro hydro projects. GP Hydro is developing a broad brand awareness engagement with Water Utilities, Energy Utilities and Private Operators.

GP Hydro has identified a number of projects that support the value proposition of installing autonomous renewable hydro energy as an offset to reliance on diesel as a fuel source. GP Hydro has been working with these projects in the development and preparation of tender documentation.

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Elko Coking Coal Project

During the period the Company was actively engaged with licencing renewals and regulatory bodies at the Elko Coking Coal Project. Site inspections were carried out to investigate drainage and rehabilitation work carried out at the end of the last drilling program and demonstrated the Company's compliance with its permits and obligations to the project area.

While Coking Coal prices have been subdued over the past 12 months, the last quarter did see some strengthening in coking coal prices, which supports the Company's view that Elko is a high value mid to long term project.

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 Indicated Inferred **Total Resource**	 117.6 93.2 92.3 **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

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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.	100% ownership
Mining tenements acquired during the quarter	Nil	Nil
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

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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.pamcoal.com and announced on 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.