

23 January 2017

ASX Market Announcements  
Australian Securities Exchange  
20 Bridge Street  
Sydney NSW 2000

**ASX Market Announcement – For immediate release**

**COAL INDUSTRY EXPERT TO LEAD COMPANY DEVELOPMENT OF FLAGSHIP ELKO PROJECT**

Pacific American Coal (**ASX: PAK** or **Company**) announced today the appointment of Mr Mark Lochtenberg as Managing Director to push forward development of the Company's flagship hard coking coal project, Elko, in British Columbia, Canada. He will commence on February 1, 2017.

Mr Lochtenberg has substantial global and Australian coal industry experience, including as former co-head of Glencore International AG's worldwide coal division overseeing its trading division and identifying and negotiating the acquisition and aggregation of a project portfolio that became Xstrata Coal. He was also Executive Chairman and founding Managing Director of ASX listed Cockatoo Coal Limited, taking that company from grass roots explorer to mainstream metallurgical coal producer.

He is the Chairman of ASX-listed Equus Limited and a Director of rail infrastructure group Australian Transport and Energy Corridor Pty Limited. Mr Lochtenberg has previously been a Director of ASX- listed Cumnock Coal Limited and privately held United Collieries Pty Limited.

PAK's Chairman Geoff Hill said: "Mark's experience in the coal industry and corporate arenas will be invaluable as the Company moves quickly to advance the Elko project. We have recently raised \$2.3 million to fund a mid-year drilling program and a scoping study on the development, which will provide us with initial mine concept design and provisional capital cost estimates."

Mr Mark Sykes, our Chief Executive Officer, will continue to make a significant contribution to PAK focusing on the Elko Project.

**Material Terms of Mr Lochtenberg's Executive Service Agreement**

Total Fixed Remuneration: \$ 180,000 per annum plus statutory superannuation, reviewed each year on the 31<sup>st</sup> December.

Short and Long term Incentive plan: Subject to applicable rules and the discretion of the Board.

Term and Notice Period: After 12 months, the appointment is ongoing with three month termination notice.

Termination benefit: Greater of three months or one month for each year of service of annual remuneration package applicable at termination.

**About Pacific American Coal Limited**

The Company's flagship Elko Coal Project contains an identified Mineral Resource of 257 million tonnes of hard coking coal. It is located in the Crowsnest Coalfield of the East Kootenay Basin in British Columbia, Canada, which hosts a number of operational coal mines. Coal from the Elko region has been tested and confirmed to contain properties sought after by South East Asian steel mills. It has established geographically proximate infrastructure and supportive local communities.

**For further information please contact:**

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PAK's website: [www.pamcoal.com](http://www.pamcoal.com)

### **Competent Person's Statement**

This announcement refers to information extracted from the report released 2 November 2015 and titled "Elko Project Maiden JORC Resource 257.5 Million Tonnes", which is available for viewing on PAK's website [www.pamcoal.com](http://www.pamcoal.com).

PAK confirms it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources, that all material assumptions and technical parameters underpinning the estimates 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 announcement.

