

12 December 2016

ASX Market Announcements

ASX Announcement – For immediate release

Australian Securities Exchange
20 Bridge Street
Sydney NSW 2000

Successful Closure of \$1.8m Entitlement Offer with Top Up Placement

Highlights

- **Entitlement Offer strongly supported, closing with 81% acceptances**
- **Shortfall being placed by the Underwriter, Far East Capital Limited**
- **Total raising of \$2m, comprised of \$1.8m entitlement offer and \$0.2m placement**
- **The Company is now well positioned to advanced the Elko coking coal project**

Entitlement Offer Closed

As announced to the ASX on Friday 21 October 2016, Pacific American Coal Limited (ASX: PAK) (**Company**) undertook a pro-rata non-renounceable entitlement offer of one (1) New Share in the Company for every eight (8) fully paid ordinary shares held in the Company at an issue price of A\$0.10 per New Share (together with one (1) attaching New Option for every two (2) New Shares subscribed for and issued) to raise up to approximately A\$1.8 million (before costs) (**Entitlement Offer**). Far East Capital Limited (**FEC**) agreed to act as Lead Manager and Underwriter to the Entitlement Offer.

Eligible Shareholders applied for approximately A\$1,448,483 in New Shares and New Options (including the top-up facility), or 14,484,833 New Shares and 7,242,416 New Options equivalent to approximately 81% of the Entitlement Offer.

The Entitlement Offer closed at 5.00pm (Sydney time) on 7 December 2016, raising A\$1,778,838 (upon completion of the placement of the shortfall). 17,788,380 New Shares and 8,894,190 New Options will be issued on 14 December 2016 to successful applicants.

Shortfall

A shortfall of A\$330,355, or 3,303,547 New Shares and 1,651,774 New Options, equivalent to approximately 19% of the Entitlement Offer will be taken up through FEC as underwriter.

	Number	A\$
	<u>New Shares</u>	<u>New Options</u>
Entitlement Offer Applications and Top-ups	14,484,833	7,242,416
Shortfall being taken up	3,303,547	1,651,774
Total Entitlement Offer	17,788,380	8,894,190
		1,778,838

Timing

The issue of New Shares and New Options under the Entitlement Offer and despatch of holding statements will occur on 14 December 2016. New Shares and New Options are expected to commence trading on ASX on 15 December 2016.

Shareholders who want to trade New Shares and New Options issued to them prior to receiving their holding statement should confirm their allocation before doing so.

Top Up Placement

Given the strong level of demand for the Entitlement Offer, directors agreed with Far East Capital Limited to place an additional 2.2 million shares and 1.1 million options on the same terms and conditions as the Entitlement Offer, raising another A\$220,000 before costs. This will be completed pursuant to ASX Listing Rule 7.1 and the *Corporations Act 2001* (Cth).

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More details are available on PAK's website
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