



PACIFIC AMERICAN HOLDINGS LIMITED ABN 83 127 131 604
(formerly Pacific American Coal Limited)

CONSOLIDATED INTERIM FINANCIAL REPORT FOR THE HALF YEAR ENDED 30 JUNE 2019

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CORPORATE INFORMATION

Registered Office

Suite 706, Level 7
89 York Street
Sydney, NSW, 2000

Directors

Geoff Hill (Chairman)
Simon Bird (Non-Executive Director)
Mark Sykes (Executive Director/Chief Executive Officer)

Company Secretary

Ian Morgan

Principal Place of Business

Suite 706, Level 7
89 York Street
Sydney, NSW, 2000
Email: info@pamcoal.com
Telephone: +61 2 8964-4373
Website: www.pacificamerican.com.au/

Solicitor

Thomson Geer
Level 25
1 O'Connell Street
Sydney NSW 2000

Share Registry

Boardroom Pty Limited
Grosvenor Place
Level 12
225 George Street
Sydney, NSW, 2000
Telephone: 1300 737 760 (in Australia)
+61 2 9290 9600 (International)
Website: www.boardroomlimited.com.au

Banker

National Australia Bank
Westpac Banking Corporation
Bank of Queensland

Auditor

Hall Chadwick
Level 40, 2 Park Street
Sydney NSW 2000

Investor enquiries

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89 York Street
Sydney, NSW, 2000
Telephone: +61 2 8964-4373
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Website: www.pacificamerican.com.au/

DIRECTORS' REPORT

The Directors of Pacific American Holdings Limited (formerly Pacific American Coal Limited) ASX code: **PAK (the Company)** present their report for the half-year ended 30 June 2019. The Directors report as follows:

1. Directors

The names of the Directors of the Company during the half-year and up to the date of this report are:

Geoff Hill (Chairman) Appointed 15 May 2009

Simon Bird (Non-Executive Director) Appointed 13 July 2010

Mark Sykes (Executive Director/Chief Executive Officer) Appointed 31 December 2017

2. Review of operations

The consolidated loss after income tax for the half-year ended 30 June 2019 was \$669,633 (2018: Gain \$455,409, including a gain of \$944,163 from the sale of the Company's South Hazell exploration tenements).

Over the past half year, the Company has focused on the strategic development and exploration of metallurgical coal assets in North America.

Key activities include:

- Exploration activity continuing on the Company's 100% owned coking coal leases at Elko, BC Canada
- Investigations of investment opportunities in renewable energy technologies,

During the half year ended 30 June 2019, PAK's net cash used in operating activities totalled \$696,959 (2018: \$686,668).

3. Outlook

The Company and its controlled entities (**the Consolidated Entity**) are focused on the production, development and exploration of coking coal assets in North America. The Consolidated Entity's strategic focus is on the 100% owned Elko coking coal project in British Columbia, Canada.

In January 2019, the Consolidated Entity released the results from the 2018 drilling program at the Elko Coking Coal Project. The results included an expansion of the JORC 2012 compliant resources to 303MT and identified 3 new coal seams within the Elko Formation. The drilling results also confirmed the correlation of the coal seams and mineable seam thickness ranging from 1.5 – 12 metres.

Subsequent to the JORC 2012 resource update, the Consolidated Entity appointed Matthew Wall as CEO – Coal to focus specifically on funding and development activities for the Elko Coking Coal Project.

At the annual general meeting held in May 2019, the Consolidated Entity announced it is expanding its business activities to include opportunities in the hydro renewable energy sector. The delivery of this new business initiative is through a joint venture with Austrian based Global Hydro Energy GmbH and is being developed through a newly formed joint venture vehicle, GP Hydro Pte. Ltd., a company registered in Singapore.

To acknowledge the Consolidated Entity's expanded investment portfolio, a change of business name was proposed and approved by shareholders at the last annual general meeting. The name change was from Pacific American Coal Limited to Pacific American Holdings Limited. The Company's website and logo are modified to reflect this change.

4. Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

The Auditor's Independence Declaration pursuant to Section 307C of the *Corporations Act 2001* (Cth) is set out on page 6.

5. Rounding of Amounts to the Nearest Dollar

The Company is not of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 dated 24 March 2016 and, as such, amounts in the Half Year Financial Report and Directors' Report have been reported to the nearest dollar, unless otherwise stated.

6. Competent Person's Statement

Previously Released Information

This Interim Financial Report refers to information extracted from reports available for viewing on PAK's website www.pacificamerican.com.au 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.

Signed in accordance with a resolution of the Board of Directors.



Simon Bird
Director
Sydney
12 September 2019

**PACIFIC AMERICAN HOLDINGS LIMITED
(FORMERLY PACIFIC AMERICAN COAL LIMITED)
ABN 83 127 131 604
AND ITS CONTROLLED ENTITIES**

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF PACIFIC AMERICAN HOLDINGS LIMITED**

SYDNEY

Level 40
2 Park Street
Sydney NSW 2000
Australia

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In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of Pacific American Holdings Limited. As the lead audit partner for the audit of the financial report of Pacific American Holdings Limited for the half-year ended 30 June 2019, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.



HALL CHADWICK
Level 40, 2 Park Street
Sydney NSW 2000



DREW TOWNSEND
Partner
Dated: 12 September 2019

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CONSOLIDATED INTERIM STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

For the Half-Year Ended 30 June 2019

	Note	Consolidated Entity June 2019	June 2018
		\$	\$
Other revenue			
Gain on the sale of investment		-	944,163
Interest income		4,371	11,350
Other income		18,113	-
Foreign currency exchange gain		-	55,741
Expenses			
Employee expenses		(167,816)	(133,895)
Administration costs		(500,903)	(421,950)
Foreign currency exchange loss		(23,398)	-
(Loss) / Gain before income tax		(669,633)	455,409
Income tax benefit / (expense)		-	-
(Loss) / Gain after income tax		(669,633)	455,409
Other comprehensive income			
Items that may be reclassified to profit or loss			
Foreign currency translation differences		50,121	32,618
Total other comprehensive income		50,121	32,618
Total comprehensive income		(619,512)	488,027
		Cents per share	Cents per share
(Loss) / Gain per share:			
Basic	7	(0.41)	0.28
Diluted	7	(0.41)	0.28

The Consolidated Interim Statement of Profit and Loss and Other Comprehensive Income is to be read in conjunction with the Notes to the Financial Statements

CONSOLIDATED INTERIM BALANCE SHEET

As at 30 June 2019

	Note	Consolidated Entity June 2019 \$	December 2018 \$
Current Assets			
Cash and cash equivalents		976,507	1,820,183
Trade and other receivables	3	21,287	41,798
Other assets		94,620	52,964
Total Current Assets		<u>1,092,414</u>	<u>1,914,945</u>
Non-Current Assets			
Fixed assets		-	2,485
Security deposits		105,711	105,037
Deferred exploration and evaluation costs	4	2,932,571	2,749,916
Total Non-Current Assets		<u>3,038,282</u>	<u>2,857,438</u>
Total Assets		<u>4,130,696</u>	<u>4,772,383</u>
Current Liabilities			
Trade and other payables		163,804	196,629
Total Current Liabilities		<u>163,804</u>	<u>196,629</u>
Total Liabilities		<u>163,804</u>	<u>196,629</u>
Net Assets		<u>3,966,892</u>	<u>4,575,754</u>
Equity			
Contributed equity	5	13,170,374	13,170,374
Share option reserve	6	10,650	-
Foreign currency exchange reserve		176,447	126,326
Accumulated losses		(9,390,579)	(8,720,946)
Total Equity		<u>3,966,892</u>	<u>4,575,754</u>

The Consolidated Interim Balance Sheet is to be read in conjunction with the Notes to the Financial Statements

CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

For the Half-Year Ended 30 June 2019

	Note	Contributed Equity \$	Share Option Reserve \$	Foreign Currency Translation Reserve \$	Accumulated Losses \$	Total Equity \$
Balance at 1 January 2018		13,170,374	-	9,592	(8,617,585)	4,562,381
Transactions with owners in their capacity as owners						
Issue of share capital		-	-	-	-	-
Options issued		-	-	-	-	-
Share issue costs		-	-	-	-	-
		-	-	-	-	-
Comprehensive income						
Gain after tax		-	-	-	455,409	455,409
Foreign currency translation differences		-	-	32,618	-	32,618
Total comprehensive income for the half-year		-	-	32,618	455,409	488,027
Balance at 30 June 2018		13,170,374	-	42,210	(8,162,176)	5,050,408
Balance at 1 January 2019		13,170,374	-	126,326	(8,720,946)	4,575,754
Transactions with owners in their capacity as owners						
Issue of share capital		-	-	-	-	-
Options issued		-	10,650	-	-	10,650
Share issue costs		-	-	-	-	-
		-	10,650	-	-	10,650
Comprehensive income						
Loss after tax		-	-	-	(669,633)	(669,633)
Foreign currency translation differences		-	-	50,121	-	50,121
Total comprehensive income for the half-year		-	-	50,121	(669,633)	(619,512)
Balance at 30 June 2019		13,170,374	10,650	176,447	(9,390,579)	3,966,892

The Consolidated Interim Statement of Changes in Equity is to be read in conjunction with the Notes to the Financial Statements

CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS

For the Half-Year Ended 30 June 2019

	Consolidated Entity June 2019 \$	June 2018 \$
Cash Flows (Used In) / From Operating Activities		
Interest received	4,371	10,196
Cash payments in the course of operations	(701,330)	(696,864)
Net Cash used in Operating Activities	(696,959)	(686,668)
Cash Flows (Used In) / From Investing Activities		
Security deposits paid	-	(100,304)
Payment for exploration and evaluation costs	(190,411)	(60,560)
Cash received from sale of investment	-	1,004,000
Net Cash (used in) / from Investing Activities	(190,411)	843,136
Cash Flows (Used In) / from Financing Activities		
Proceeds from the issue of securities	-	-
Costs associated with the issue of securities	-	-
Net Cash (used in) / from Financing Activities	-	-
Net (decrease) / increase in cash and cash equivalents	(887,370)	156,468
Net foreign exchange differences	43,694	57,400
Cash and cash equivalents at beginning of financial period	1,820,183	4,203,074
Cash and cash equivalents at end of financial period	976,507	4,416,942

The Consolidated Interim Statement of Cash Flows is to be read in conjunction with the Notes to the Financial Statements

NOTES TO THE FINANCIAL STATEMENTS

1. Statement of Significant Accounting Policies

Reporting Entity

Pacific American Holdings Limited (formerly Pacific American Coal Limited) (**the Company**) is a company domiciled in Australia. The consolidated interim financial report of the Company as at and for the half year ended 30 June 2019 comprises the Company and its controlled entities (together referred to as **the Consolidated Entity**). The comparative period is the six months ended 30 June 2018.

Statement of Compliance

The consolidated interim financial report is a general-purpose financial report which has been prepared in accordance with AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001* (Cth).

The consolidated interim financial report does not include all of the information required for a full annual financial report and should be read in conjunction with the consolidated annual financial reports of the Consolidated Entity as at and for the year ended 31 December 2018.

This consolidated interim financial report was approved on 12 September 2019 by the Board of Directors.

Going Concern

The Consolidated Entity had a net loss of \$669,633 and a net operating cash outflow of \$696,959 for the 6 months ended 30 June 2019. As at 30 June 2019, the Consolidated Entity had cash and cash equivalents of \$976,507, net current assets of \$928,610 and net assets of \$3,966,892.

Management continues to preserve operating cash. Current cash levels are sufficient to fund ongoing administration and budgeted exploration. In the event additional exploration activities are undertaken, there may be a requirement to raise capital. The ability of the Consolidated Entity to continue as a going concern is principally dependent upon one or more of the following:

- the ability of the Consolidated Entity to raise additional capital in the form of equity;
- the continued support of current shareholders; and
- the ability to successfully develop and extract value from its projects that are under development.

These conditions give rise to a material uncertainty over the Consolidated Entity's ability to continue as a going concern.

Directors believe that the going concern basis of preparation is appropriate due to the following reasons:

- To date the Consolidated Entity has funded its activities through issuance of equity securities and it is expected that the Consolidated Entity will be able to fund its future activities through further issuances of equity securities; and
- Directors believe there is sufficient cash available for the Consolidated Entity to continue operating until it can raise sufficient further capital to fund its ongoing activities within the forecast period.

Should the Consolidated Entity be unable to continue as a going concern, it may be required to realise its assets and extinguish its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements.

The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts or classification of liabilities and appropriate disclosures that may be necessary should the Consolidated Entity be unable to continue as a going concern.

Notes to the Financial Statements (continued)

1. Statement of Significant Accounting Policies (continued)

Accounting Policies

The accounting policies and methods of computation applied by the Consolidated Entity in the consolidated interim financial report are the same as those applied by the Consolidated Entity in its consolidated financial report as at and for the year ended 31 December 2018.

Associates

Associates are all entities over which the Consolidated Entity has significant influence but not control or joint control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting after initially being recognised at cost.

The Consolidated Entity's share of its associates' post-acquisition profits or losses is recognised in profit or loss, and its share of post-acquisition other comprehensive income is recognised in other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. Any dividends receivable from associates are recognised as reduction in the carrying amount of the investment.

When the Consolidated Entity's share of losses in an associate equal or exceed its interest in the associate, including any other unsecured long-term receivables, the Consolidated Entity does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

Any unrealised gains on transactions between the Consolidated Entity and its associates are eliminated to the extent of the Consolidated Entity's interest in the associates. Any unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Consolidated Entity.

Deferred Exploration and Evaluation Costs

Exploration and evaluation costs related to an area of interest are written off as incurred except they are carried forward as an asset in the balance sheet where the rights of tenure of an area are current and it is considered probable that the costs will be recouped through successful development and exploitation of the area of interest, or alternatively be its sale.

Capital costs include costs directly related to exploration and evaluation activities in the relevant area of interest.

General and administrative costs are allocated to an exploration or evaluation asset only to the extent that those costs can be related directly to operational activities in the relevant area of interest.

Capitalised exploration and evaluation expenditure are written off where the above conditions are no longer satisfied.

Identifiable exploration assets acquired are recognised as assets at their fair value.

Exploration and evaluation expenditure incurred subsequent to the acquisition of an exploration asset in a business combination is accounted for in accordance with the policy outlined above.

All capitalised exploration and evaluation expenditure is assessed for impairment if facts and circumstances indicate that an impairment may exist. Exploration and evaluation assets are also tested for impairment once commercial reserves are found, before the assets are transferred to development properties.

Foreign Currency

Transactions in foreign currencies are translated to the respective functional currencies of the Consolidated Entity at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated to the functional currency at the exchange rate when the fair value was determined. Foreign currency differences are generally recognised in profit or loss. Non-monetary items that are measured based on historical cost in a foreign currency are translated using the exchange rate at the transaction date.

Notes to the Financial Statements (continued)

1. Statement of Significant Accounting Policies (continued)

Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into Australian dollars at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into Australian dollars at exchange rates at the dates of the transactions.

Foreign currency differences are recognised in other comprehensive income and accumulated in the translation reserve, except to the extent that the translation difference is allocated to non-controlling interests.

New and Revised Standards

New and revised standards have been issued by the AASB and are effective for the half-year, however there are no material changes to the policies that affect the recognition and measurement of the results or financial position of the Consolidated Entity.

Fair Values

The fair values of Consolidated Entity's financial assets and liabilities approximate their carrying value. No financial assets or liabilities are readily traded on organised markets in standardised form.

2. Dividends

During the half year, no dividends were paid or provided for (2018: \$ Nil).

3. Trade and other receivables

	30 June 2019	31 December 2018
	\$	\$
Other receivables	21,287	41,798
	<u>21,287</u>	<u>41,798</u>

4. Deferred exploration and evaluation costs

Movements during the period

Balance at beginning of period	2,749,916	635,244
Additions	200,300	2,112,045
Disposal	-	(64,155)
Foreign currency difference to Exchange Reserve	(17,645)	66,782
Balance at end of period	<u>2,932,571</u>	<u>2,749,916</u>

Notes to the Financial Statements (continued)

5. Contributed Equity

	30 June 2019	31 December 2018
Issued Capital – Number of ordinary fully paid shares	<u>165,305,889</u>	165,305,889
Value of Issued Capital	<u>\$13,170,374</u>	\$13,170,374

There were no movements in the issued share capital during the six months to 30 June 2019. (31 December 2018: Nil)

6. Share Option Reserve

On 4 June 2019, there were 1,500,000 (2018: Nil) unquoted options, approved by shareholders at the Annual General Meeting held on 14 May 2019, issued to Directors for a total value of \$10,650 (2018: Nil).

7. Earnings per share

	June 2018 \$	June 2018 \$
(Loss) / Gain used to calculate basic and diluted earnings per share	<u>(669,633)</u>	455,409

Weighted average number of shares and options

	Number of shares	Number of shares
Weighted average number of ordinary fully paid shares outstanding during the period, used in calculating basic and diluted earnings per share	<u>165,305,889</u>	165,305,889

8. Contingent Liabilities and Assets

The Consolidated Entity has no financial guarantees as at 30 June 2019 and 31 December 2018.

9. Subsequent Event

Pursuant to an agreement with Kenosis Capital LLC, on 2 July 2019 the Company issued 500,000 unlisted options for part remuneration of provision of management consulting services. The options are exercisable at A\$0.10 each and expire 12 months after the issue date. On the issue date, the Company's share price was A\$0.042 and the options had no value.

Apart from the above, there has not arisen in the interval between the end of the interim period and the date of this review report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Company, to affect significantly the operations of the Consolidated Entity, the results of those operations, or the state of affairs of the Consolidated Entity.

Notes to the Financial Statements (continued)

10. Segment Reporting

Reportable Segments

The Consolidated Entity has identified its operating segments based on internal reports that are reviewed and used by the executive team in assessing performance and determining the allocation of resources. The Consolidated Entity does not yet have any products or services from which it derives an income.

During the half year to 30 June 2019, management identified the Consolidated Entity as having two reportable segments, being the geographic location of assets in the North America and Australia.

Below is an analysis of the Consolidated Entity's revenue and operating results from reportable segments:

<i>Consolidated 6 months to 30 June 2019</i>	Canada	Australia	Total
	\$	\$	\$
Other revenue			
Gain on sale of investment	-	-	-
Interest income	-	4,371	4,371
Foreign currency exchange (loss) / gain	-	-	-
Other income	18,113	-	18,113
Expenses			
Employee expenses	(107,066)	(60,750)	(167,816)
Administration costs	(39,589)	(461,314)	(500,903)
Foreign currency exchange loss	(725)	(22,673)	(23,398)
Profit / (Loss) before income tax	(129,267)	(540,366)	(669,633)

Consolidated 6 months to 30 June 2018

Other revenue			
Gain on sale of investment	944,163	-	944,163
Interest income	-	11,350	11,350
Foreign currency exchange (loss) / gain	(2,773)	58,514	55,741
Other income	-	-	-
Expenses			
Employee expenses	(83,795)	(50,100)	(133,895)
Administration costs	(27,162)	(394,788)	(421,950)
Foreign currency exchange loss	-	-	-
Profit / (Loss) before income tax	830,433	(375,024)	455,409

Below is an analysis of the Consolidated Entity's assets and liabilities from reportable segments:

<i>Consolidated as at 30 June 2019</i>	Canada	Australia	Total
	\$	\$	\$
Current assets	51,081	1,041,333	1,092,414
Non-current assets	3,038,282	-	3,038,282
Total assets	3,089,363	1,041,333	4,130,696
Current liabilities	89,863	73,941	163,804
Non-current liabilities	-	-	-
Total liabilities	89,863	73,941	163,804
Net segment assets	2,999,500	967,392	3,966,892

Consolidated as at 31 December 2018

Current assets	35,595	1,879,350	1,914,945
Non-current assets	2,857,438	-	2,857,438
Total assets	2,893,033	1,879,350	4,772,383
Current liabilities	96,698	99,931	196,629
Non-current liabilities	-	-	-
Total liabilities	96,698	99,931	196,629
Net segment assets	2,796,335	1,779,419	4,575,754

DIRECTORS' DECLARATION

For the half year ended 30 June 2019

In the Directors' opinion:

- the attached financial statements and notes thereto comply with the *Corporations Act 2001* (Cth), *Australian Accounting Standard AASB 134 'Interim Financial Reporting'*, *Corporations Regulations 2001* and other mandatory professional reporting requirements;
- the attached financial statements and notes thereto give a true and fair view of the Consolidated Entity's financial position as at 30 June 2019 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of Directors made pursuant to section 303(5) of the *Corporations Act 2001* (Cth).



Simon Bird
Director
Sydney
12 September 2019

**PACIFIC AMERICAN HOLDINGS LIMITED
(FORMERLY PACIFIC AMERICAN COAL LIMITED)
ABN 83 127 131 604
AND ITS CONTROLLED ENTITIES**

**INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF
PACIFIC AMERICAN HOLDINGS LIMITED**

SYDNEY

Level 40
2 Park Street
Sydney NSW 2000
Australia
Ph: (612) 9263 2600
Fx: (612) 9263 2800

Report on the Interim Financial Report

We have reviewed the accompanying interim financial report of Pacific American Holdings Limited and its Controlled Entities ("the Group"), which comprises the consolidated statement of financial position as at 30 June 2019, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity, and consolidated statement of cash flows for the period ended on that date, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration.

Directors' Responsibility for the Interim Financial Report

The directors of the Group are responsible for the preparation of the interim financial report that gives a true and fair view in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the interim financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the interim financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410: Review of a Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the interim financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the Group's financial position as at 30 June 2019 and its performance for the period ended on that date, and complying with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001. As the auditor of the Group, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of an interim financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial report which indicates that the Group had operating cash outflows of \$696,959 for the half-year ended 30 June 2019. This condition, along with other matters as set forth in Note 1 indicate the existence of a material uncertainty that may cast significant doubt about the company's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

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**PACIFIC AMERICAN HOLDINGS LIMITED
(FORMERLY PACIFIC AMERICAN COAL LIMITED)
ABN 83 127 131 604
AND ITS CONTROLLED ENTITIES**

**INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF
PACIFIC AMERICAN HOLDINGS LIMITED**

Independence

In conducting our review, we have complied with the independence requirements of the Corporations Act 2001.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the interim financial report of Pacific American Holdings Limited and its Controlled Entities are not in accordance with the Corporations Act 2001 including:

- (i) giving a true and fair view of the Group's financial position as at 30 June 2019 and of its performance for the period ended on that date; and
- (ii) complying with AASB 134: Interim Financial Reporting and the Corporations Regulations 2001.



HALL CHADWICK
Level 40, 2 Park Street
Sydney NSW 2000



DREW TOWNSEND

Partner

Dated: 12 September 2019

SHAREHOLDER INFORMATION

1. Class of Shares and Voting Rights

There are currently 706 holders of the Company's ordinary fully paid shares.

The voting rights attaching to ordinary shares set out in the Company's Constitution are:

- (a) On a show of hands each person present as a member, proxy, attorney or representative has one vote; and
- (b) On a poll each member present in person or by proxy, attorney or representative has:
 - (i) one vote for each fully paid share held by him; and
 - (ii) in respect of each partly paid share held by him, a fraction of a vote equivalent to the proportion which the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited). Amounts paid in advance of a call shall be ignored when calculating the proportion.

2. Distribution of Shareholders as at 9 September 2019

Holdings Ranges	Number of Holders	Number of Shares	% of Total Shares
1-1,000	113	53,027	0.03%
1,001-5,000	96	276,471	0.17%
5,001-10,000	114	1,040,132	0.63%
10,001-100,000	223	8,663,641	5.24%
100,001-9,999,999,999	160	155,272,618	93.93%
Totals	706	165,305,889	100.00%
Minimum \$ 500.00 parcel (share price 4.3 cents)	332	1,466,462	0.89%

3. Substantial Shareholders as at 9 September 2019

Substantial Holder Name	Balance of Shares Held	% of Total Shares
GREGORACH GROUP (WARWICK GRIGOR)	22,357,645	13.53%
H F T NOMINEES PTY LTD	21,469,879	12.99%
MRS ELISA ANTOSKA & MR MICHAEL ALAN ANTOSKA	9,112,500	5.51%

4. Largest Twenty Shareholders as at 9 September 2019

Holder Name	Balance of Shares Held	% of Total Shares
1 GREGORACH PTY LTD	20,465,957	12.38%
2 INTERNATIONAL PACIFIC SECURITIES LIMITED	16,105,168	9.74%
3 JOHN WARDMAN & ASSOCIATES PTY LTD	8,033,333	4.86%
4 JETOSEA PTY LTD	8,003,059	4.84%
5 DOVIDO PTY LIMITED	7,760,845	4.69%
6 HFT NOMINEES PTY LTD	5,278,877	3.19%
7 MR ROBERT ASHLEY PEARCE	4,847,222	2.93%
8 CITICORP NOMINEES PTY LIMITED	4,786,700	2.90%
9 IPS NOMINEES LIMITED	4,781,250	2.89%
10 MRS ELISA ANTOSKA & MR MICHAEL ALAN ANTOSKA	4,000,000	2.42%
11 AMERICAN COAL INVESTMENTS PTY LTD	2,800,000	1.69%
12 MR ANTHONY JAMES HAGGARTY	2,583,334	1.56%
13 DEVIRU PTY LTD	2,562,500	1.55%
14 MR MATTHEW JAMES DEANE	2,398,091	1.45%
15 PAVARAI PTY LTD	2,250,000	1.36%
16 DR PHILLIP BRETT AITCHISON	1,892,554	1.14%
17 FAR EAST CAPITAL LIMITED	1,891,688	1.14%
18 SWANMIST ENTERPRISES PTY LTD	1,730,000	1.05%
19 GINGA PTY LTD	1,653,821	1.00%
20 DRYCA PTY LTD	1,490,000	0.90%
Totals	105,314,399	63.68%