5 October 2016

Information Update

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Imagine Intelligent Materials Receives

Australian Engineering Excellence Awards 2016 – Victoria

Innovation, Research and Development

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Pacific American Coal Limited (**ASX:PAK**) is pleased to provide shareholders the latest Imagine Intelligent Materials (**Imagine IM**) update. PAK holds a 40% equity interest in Imagine IM, which forms the cornerstone of the Company's investment into technology companies. Imagine IM is focused on delivering value through the commercialisation of graphene based technologies.

 "At the Australian Engineering Excellence Awards (AEEA) Victoria Awards ceremony in Melbourne last night Geelong's premier engineering company, Austeng and Australia's leading graphene commercialization company, Imagine IM were jointly honoured at the Australian Engineering Excellence Awards, Victoria with the award for Innovation, Research and Development. The award was given for the development of the first commercial graphene plant in Australia, which is located in Geelong."

For information further on the Imagine IM Market Update, please contact:

      Chris Gilbey OAM

      Chief Executive Officer

      Imagine Intelligent Materials Pty Ltd

      By visiting http://imgne.com/

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

Imagine IM and Austeng Win AEEA Victoria Innovation Award.

5th October 2016

At the Australian Engineering Excellence Awards (AEEA) Victoria Awards ceremony in Melbourne last night Geelong's premier engineering company, Austeng and Australia's leading graphene commercialization company, Imagine IM were jointly honoured at the Australian Engineering Excellence Awards, Victoria with the award for Innovation, Research and Development. The award was given for the development of the first commercial graphene plant in Australia, which is located in Geelong.

The award was accepted on behalf of Austeng and Imagine Intelligent Materials by Ross George, Managing Director of Austeng.

Ross George, MD of Austeng, said, "This award highlights that local manufacturing can transition into high value-add, advancing technology given the right circumstances. Austeng thanks Imagine IM for the confidence shown in Austeng. Imagine IM has very much shown the way forward by recognizing and embracing this new technology collaborating with universities on research, joining with local engineering/manufacturing and bringing on board a launch customer. This collaborative model has enabled Australia to take its place as a world leader in commercialisation of graphene".

Phil Aitchison, Head of R&D and Operations at Imagine IM said, "I'm very pleased that this award recognises the importance of graphene to advanced manufacturing in Australia. Our innovative ideas and drive to bring graphene to the market are showing that Australia can be a world leader in manufacturing. Graphene is a platform technology and Imagine and Austeng have taken graphene out of the laboratory and into commercial application. We shall continue to advance our roadmap for large scale industrial uses of graphene for sensing and in smart materials."

The criteria for the judging included the contribution of the work to the economy, the impact of the work on the quality of life of the relevant communities, the significance of the work as a benchmark of Australian engineering, the extent to which the work represents world best practise.

The output of graphene from the Geelong plant will be up to 10 tonnes per year. The first product to be made in the plant is imgne® X3, a conductive coating for geotextiles which enables low cost and environmentally friendly leak detection in dam and landfill liners. The product has already undergone field trials and will be commercially released by the leading Australian manufacturer of geosynthetic materials, Geofabrics Australasia.

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About graphene
Graphene's discoverers were awarded the Nobel Prize in 2010. Graphene is the first two dimensional material and is classed as a "super-material" offering extremely high electrical and thermal conductivity, hydrophobicity, strength, and impermeability to all gases.

About Imagine Intelligent Materials:
Imagine IM is the leading Australian developer of graphene-based coatings for industrial textiles and fibres. It was founded in 2014 by a group of scientists led by Chris Gilbey and Phil Aitchison, with a vision to create disruptive products and solutions that use graphene. Imagine IM has developed a licensing and certification model to ensure that participants in the supply chain are required to meet a set of standards of materials quality. Imagine IM is the first company in the world to develop conductive geosynthetic materials using functionalised graphene.

About Austeng:
Geelong-based Austeng has worked with a number of companies in the past to commercialise their Technology by assisting them in researching and testing to produce prototype and/or production scale equipment. Austeng's outstanding reputation and track record in the industry was recognized when it was inducted in the Victorian Manufacturing Hall Of Fame. It is a previous winner of the Australian Engineering Excellence Awards (2014)

Australian Engineering Excellence Awards 2016

Division   Victoria

Category   Innovation, Research and Development

Project   Pioneer Commercial Graphene Production Plant

Winner   Austeng and Imagine Intelligent Materials

Figure 1 - Left to Right: Marcus Cowie (General Manager, Austeng), Vito Giorgio (Graphene Plant Manager, Imagine IM), Ross George (Managing Director, Austeng), Dave Giles Kaye (Certification Manager and Business Development, Imagine IM).