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**PB ISSUER (NO. 2) LIMITED (the “Issuer”)**

*(incorporated in the British Virgin Islands with limited liability)*

**US\$230,000,000**

**1.75% Guaranteed Convertible Bonds due 2016**

**(the “Bonds”)**

**(Stock Code: 4319)**

**unconditionally and irrevocably guaranteed by**



**PACIFIC BASIN SHIPPING LIMITED (the “Guarantor”)**

*(incorporated in Bermuda with limited liability)*

**(Stock Code: 2343)**

**ADJUSTMENT TO CONVERSION PRICE**

The Issuer and the Guarantor jointly announce that the Conversion Price will be adjusted from HK\$7.98 per Share to HK\$7.79 per Share with effect from 16 April 2010, subject to the approval of the payment of the Final Dividend by the Shareholders at the forthcoming annual general meeting of the Guarantor to be held on 22 April 2010.

Reference is made to the announcements of the Guarantor dated 4 March 2010 and 8 April 2010. Unless otherwise defined here, terms used in this announcement shall have the meaning given to such terms in the Guarantor’s announcement dated 4 March 2010.

The Issuer and the Guarantor jointly announce that the Conversion Price will be adjusted from HK\$7.98 per Share to HK\$7.79 per Share with effect from 16 April 2010, subject to the condition stated below. Such adjustment is the result of the proposed final dividend of HK\$0.15 per Share for the year ended 31 December 2009 (the “**Final Dividend**”) to be paid on 30 April 2010.

The adjustment of the Conversion Price will be conditional upon the approval of the payment of the Final Dividend by the Shareholders at the forthcoming annual general meeting of the Guarantor to be held on 22 April 2010, and once approved the adjustment shall become effective from 16 April 2010, being the first date on which the Shares are traded ex-dividend for the determination of Shareholders entitled to receive the Final Dividend. The Issuer and the Guarantor shall notify the Bondholders if and when the Final Dividend is not approved as aforementioned.

The above adjustment in relation to the Conversion Price has been computed in accordance with the terms and conditions of the Bonds. Apart from the above adjustment, all the other terms of the Bonds remain unchanged.

This announcement also serves as a notification to the Bondholders in respect of the change in the Conversion Price as per the terms and conditions of the Bonds.

By order of the Board of  
**Pacific Basin Shipping Limited**  
**Andrew T. Broomhead**  
*Company Secretary*

Hong Kong, 16 April 2010

*As at the date of this announcement, the directors of the Issuer are Klaus Nyborg, Andrew Thomas Broomhead, Sainath Venkatrao, Mok Kit Ting Kitty and Morten Andreas Hay Ingebrigtsen.*

*As at the date of this announcement, the executive Directors of the Guarantor are David Muir Turnbull, Klaus Nyborg, Jan Rindbo and Wang Chunlin, the non-executive Directors of the Guarantor are Daniel Rochfort Bradshaw and Richard Maurice Hext, and the independent non-executive Directors of the Guarantor are Robert Charles Nicholson, Patrick Blackwell Paul and Alasdair George Morrison.*