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Pacific Basin Shipping Limited

(incorporated in Bermuda with limited liability)
(Stock Code: 2343)

CLARIFICATION ANNOUNCEMENT

Reference is made to (i) the Company's announcement dated 9 August 2016 in relation to the proposed issue (the "**Proposed Issue**") of the New Shares under a general mandate pursuant to the 2013 Share Award Scheme of the Company (the "**Announcement**"); and (ii) the next day disclosure return (the "**Next Day Disclosure Return**") submitted by the Company on 9 August 2016 in relation to the Proposed Issue. Unless otherwise stated, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcement.

The Company would like to clarify that the issue of the New Shares as stated in the Next Day Disclosure Return is yet to be materialised as such issue is still subject to the approval of the listing of, and permission to deal in, the New Shares to be granted by the Stock Exchange. The Company will publish another announcement after the said approval has been granted by the Stock Exchange.

By Order of the Board
Pacific Basin Shipping Limited
Mok Kit Ting Kitty
Company Secretary

Hong Kong, 9 August 2016

As at the date of this announcement, the Directors of the Company are:

Executive Directors:

David Muir Turnbull, Mats Henrik Berglund, Andrew Thomas Broomhead and Chanakya Kocherla

Independent non-executive Directors:

Patrick Blackwell Paul, Robert Charles Nicholson, Alasdair George Morrison, Daniel Rochfort Bradshaw, Irene Waage Basili and Stanley Hutter Ryan