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Pacific Basin Shipping Limited

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

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that a special general meeting (the “**SGM**”) of Pacific Basin Shipping Limited (the “**Company**”) will be held at Cliftons, Room 508-520, Hutchison House, 10 Harcourt Road, Central, Hong Kong on Friday, 22 May 2015 at 11:00 a.m. for the purposes of considering and, if thought fit, passing the following resolution as an ordinary resolution of the Company:

ORDINARY RESOLUTION

“**THAT**

- (a) the conditional subscription agreement (the “**Subscription Agreement**”) (a copy of which has been produced to the SGM marked “A” and signed by the chairman of the SGM for the purpose of identification) dated 8 April 2015 and entered into among the Company, PB Issuer (No. 4) Limited (the “**Issuer**”) and Goldman Sachs (Asia) L.L.C. and The Hongkong and Shanghai Banking Corporation Limited (each a “**Lead Manager**”, and together the “**Lead Managers**”) pursuant to which the Lead Managers have agreed to subscribe or to procure subscribers to subscribe the 3.25% coupon Guaranteed Convertible Bonds due 2021 (the “**Convertible Bonds**”) in an aggregate principal amount of US\$125 million, convertible into new shares with a par value of US\$0.10 each in the capital of the Company (each, a “**Share**”) on the terms and conditions of the Convertible Bonds (the “**Bond Conditions**”) contained therein and the performance of all the transactions contemplated thereunder and all other matters of and incidental thereto or in connection therewith be and are hereby generally and unconditionally approved, ratified and confirmed;
- (b) any one or more of the directors of the Company (the “**Directors**”) be and is/are hereby authorised to do all such acts and things and execute all such other or further documents which he/they consider necessary, desirable or expedient for the purpose of, or in connection with, the implementation of and giving effect to the terms of, or the transactions contemplated by, the Subscription Agreement and all documents and deeds in connection therewith and to agree to such variation, amendments or waiver or matters relating thereto (including any variation, amendments or waiver of the Bond Conditions) as are, in the opinion of the Directors, in the interest of the Company and its shareholders as a whole;
- (c) the Convertible Bonds to be issued pursuant to the Subscription Agreement and the performance of all the transactions contemplated thereunder (including, without limitation, the issue and allotment of Shares upon exercise of the conversion rights attached thereto) and all other matters of and incidental thereto or in connection therewith be and are hereby generally and unconditionally approved; and
- (d) any one or more of the Directors be and is/are hereby authorised to allot and issue such number of Shares as may fall to be allotted and issued upon exercise of the conversion rights attached to the Convertible Bonds at an initial conversion price of HK\$4.08 per Share (subject to adjustment provided in the Bond Conditions) on and subject to the Bond Conditions.”

By Order of the Board
Mok Kit Ting Kitty
Company Secretary

Notes:

1. Every member entitled to attend and vote at the SGM is entitled to appoint one or more persons as their proxy to attend and vote on behalf of themselves. A proxy need not be a member of the Company.
2. To be valid, a form of proxy, together with the power of attorney or other document of authority, if any, under which the form is signed, or a certified copy thereof, must be deposited with the Company's Hong Kong branch registrar, Computershare Hong Kong Investor Services Limited, 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the SGM or any adjournment thereof (as the case may be).
3. Completion and return of the form of proxy will not preclude shareholders of the Company from attending and voting in person at the meeting or any adjourned meeting or upon the poll concerned if the shareholders so wish. In such event, the instrument appointing the proxy shall be deemed to be revoked.

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 and Irene Waage Basili