



Pacific Basin Shipping Limited
太平洋航運集團有限公司*

Press Release

Pacific Basin Upgrades Fleet and Increases Revenue Days
Also Announces Board Member Change

Hong Kong, September 12, 2006 - Pacific Basin Shipping Limited (SEHK: 2343) today announced four vessel transactions including the purchase of two younger vessels and the sale and charter back of two older vessels. The Group also announced that executive director Mr. Paul Over will step down from the Board of Pacific Basin when his contract expires at the end of March 2007, but that he will continue to play a key role as Senior Advisor to the Group.

Pacific Basin has acquired two 32,834 dwt 6-year old vessels, 'Aries Forest' (to be renamed 'English Bay') and 'Ocean Melody' (to be renamed 'Champion Bay') for a consideration of US\$27.7 million each.

At the same time, Pacific Basin has sold and chartered back the 11-year old 27,860 dwt 'Patagonia' for US\$21.0 million and 12-year old 28,429 dwt 'Ocean Logger' for US\$19.8 million.

Group Chief Executive Richard Hext said: "These transactions will enable Pacific Basin to improve the age profile of our owned fleet while retaining operational control of the older vessels for a further 3.5 years. We thereby increase our fleet revenue days and enhance our competitiveness and our customer service."

Pacific Basin now expects to have approximately 16,310 total handysize revenue days in 2006 and approximately 19,270 total handysize revenue days in 2007. The estimated disposal gains are expected to be US\$23.7 million. With the completion of this transaction, the Company's core fleet will comprise a total of 73 owned, managed, and long term chartered in vessels (including newbuildings).

Following Mr Klaus Nyborg's appointment as Group Deputy Chief Executive Officer and the appointment of Mr C L Wang as an Executive Director, Pacific Basin has announced that Mr Paul Over will step down from the Group's Board when his contract expires at the end of March 2007.

Mr Over will continue to play an active role as Senior Advisor to the Group, with special responsibilities for marketing the International Handymax Carriers ("IHX") pool as well as business development in the Middle East and Atlantic markets. Mr Over is also a director of the Baltic Exchange and a director of the London Steamship P&I Club.

Group Chief Executive Richard Hext said: "Paul Over has always been closely associated with Pacific Basin and has played an integral role in our Company's development. Following the appointment of Klaus Nyborg and of C.L. Wang as Executive Directors, Paul has decided to step down from the Board, but we are delighted that he will continue to play a key role as Senior Advisor to the Group, helping us to take our business to the next level."

About Pacific Basin

Pacific Basin Shipping Limited is one of the world's leading commercial dry bulk shipping companies with an owned, chartered and managed fleet under the name of Pacific Basin (www.pacbasin.com) and International Handybulk Carriers ("IHC") (www.handybulkpool.com). It commenced its handymax activity in January 2006 under the name of International Handymax Carriers ("IHX") (www.handymaxpool.com).

The company specializes in shipping a broad range of dry bulk commodities which include forestry products, cement, minerals, grains and fertilizers and scrap steel from resource-rich regions such as Australia, New Zealand, West Coast North America and South East Asia to high commodity consumption countries such as Japan, China, and Korea.

Pacific Basin has a global presence with its headquarters in Hong Kong and operating offices in London, Tokyo, Melbourne, Shanghai, Dalian, Beijing, Vancouver, Dubai, Fujairah, Seoul and Singapore.

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* For identification purposes only

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