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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)
convertible into ordinary shares of, and
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\$7.35 per Share to HK\$7.26 per Share with effect from 24 April 2012.

Reference is made to the announcements of the Guarantor dated 4 March 2010, 8 April 2010, 16 April 2010, 13 April 2011 and 16 August 2011. 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\$7.35 per Share to HK\$7.26 per Share with effect from 24 April 2012. Such adjustment is the result of the final dividend of HK\$0.05 per Share for the year ended 31 December 2011 (the “**2011 Final Dividend**”) to be paid on 10 May 2012 by the Guarantor.

The above adjustment to the Conversion Price shall become effective on the first date on which the Shares are traded ex-dividend for the determination of Shareholders entitled to receive the 2011 Final Dividend. The above adjustment 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 adjustment to 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
Director and Company Secretary

Hong Kong, 24 April 2012

As at the date of this announcement, the directors of the Issuer are Andrew Thomas Broomhead, Sainath Venkatrao and Mok Kit Ting Kitty.

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