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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**

(incorporated in Bermuda with limited liability)

(Stock Code: 2343)

(the “Guarantor”)

ADJUSTMENT TO CONVERSION PRICE

<p>The Issuer and the Guarantor jointly announce that the Conversion Price will be adjusted from HK\$7.10 per Share to HK\$6.97 per Share with effect from 27 April 2015.</p>
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Reference is made to the announcements of the Guarantor dated 4 March 2010 and 8 April 2010 for the issuance of the Bonds, and the subsequent Conversion Price adjustments dated 16 April 2010, 13 April 2011, 16 August 2011, 24 April 2012, 24 April 2013 and 23 April 2014. 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\$7.10 per Share to HK\$6.97 per Share with effect from 27 April 2015. Such adjustment is the result of the final dividend of HK\$0.05 per Share for the year ended 31 December 2014 (the “**2014 Final Dividend**”) to be paid on 12 May 2015 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 2014 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
MOK Kit Ting, Kitty
Company Secretary

Hong Kong, 27 April 2015

As at the date of this announcement, the Directors of the Issuer are Mats Henrik Berglund, Andrew Thomas Broomhead, Mok Kit Ting Kitty and Kong Hoi Yan Karen.

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

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

Independent Non-executive Directors: Robert Charles Nicholson, Patrick Blackwell Paul, Alasdair George Morrison, Daniel Rochfort Bradshaw and Irene Waage Basili