

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement. This announcement is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities.

PB ISSUER (NO.3) LIMITED (the “Issuer”)
(incorporated in the British Virgin Islands with limited liability)

US\$123,800,000
1.875% Guaranteed Convertible Bonds due 2018
(the “Bonds”)
(Stock Code:4573)
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”)

**NOTICE OF EXPIRATION OF THE EXERCISE PERIOD
OF THE PUT OPTION RIGHT**

Reference is made to the announcements of the Guarantor dated 20 September 2012, 22 October 2012 and 17 August 2016. Unless otherwise defined here, terms used in this announcement shall have the same meaning given to the terms in those announcements.

During the exercise period of the Put Option Right from 25 August 2016 to 23 September 2016 (both days inclusive), all holders of the Bonds holding an aggregate principal amount of US\$123,800,000, being the total principal amount of the Bonds originally issued, have given instruction to exercise their Put Option Right pursuant to Condition 8.4 of the terms and conditions of the Bonds. Accordingly, the Bonds will be redeemed at 100% of their principal amount, together with accrued but unpaid interest thereon on 24 October 2016.

When the redemption and cancellation of the Bonds are complete, there will be no outstanding Bonds and the Issuer shall then apply to The Stock Exchange of Hong Kong Limited to withdraw the listing of the Bonds.

By order of the Board of
Pacific Basin Shipping Limited
MOK Kit Ting, Kitty
Company Secretary

Hong Kong, 23 September 2016

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