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**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)**

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

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

Pursuant to the terms and conditions of the Bonds, the Bondholders shall have the right to require the Issuer to redeem all or some of their Bonds at 100% of the principal amount thereof, together with accrued but unpaid interest, on 24 October 2016 (Monday) (the “Put Option Right”) (being the immediate business day following 22 October 2016 stated in Condition 8.4 of the terms and conditions of the Bonds as 22 October 2016 is not a business day in Hong Kong).

To exercise the Put Option Right, the holder of the relevant Bond must complete, sign and deposit a duly completed and signed notice together with the certificate evidencing the Bonds to be redeemed, at the specified office of the paying agent of the Bonds, being Hongkong and Shanghai Banking Corporation Limited (the “Paying Agent”) from 25 August 2016 (Thursday) to 24 September 2016 (Saturday) (both days inclusive).

Bondholders who would like to exercise the Put Option Right should refer to the terms and conditions of the Bonds and consult their stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser as to the necessary action required for exercising the Put Option Right.

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

Hong Kong, 17 August 2016

*As at the date of this announcement, the Paying Agent is Hongkong and Shanghai Banking Corporation Limited (“HSBC”) at its specified office at Level 30, HSBC Main Building, 1 Queen’s Road Central, Hong Kong, appointed under the Paying and Conversion Agency Agreement dated 22 October 2012 entered into between the Issuer, the Guarantor and HSBC (in its capacity as paying agent, conversion agent, transfer agent, principal agent, registrar and trustee).*

*The Paying Agent has sent a notification to the Bondholders through the Euroclear and Clearstream systems and Bondholders should also refer to such notification for details of the Put Option Right.*

*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*