



Pacific Basin Shipping Limited

(incorporated in Bermuda with limited liability)

(Stock Code: 2343)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that a Special General Meeting of Pacific Basin Shipping Limited (the “Company”) will be held at 7/F, Hutchison House, 10 Harcourt Road, Central, Hong Kong on 8 June 2005 at 11:00 a.m. for the purpose of considering and, if thought fit, passing the following resolution which will be proposed as an ordinary resolution:

ORDINARY RESOLUTION

“THAT:

- (a) the proposed amendments to the Share Option Scheme (as defined in the circular (the “Circular”) to shareholders of the Company dated 23 May 2005, a copy of which has been produced to this meeting marked “A” and signed by the Chairman of this meeting for the purpose of identification) as set out in Appendix I to the Circular, be and is hereby approved;
- (b) subject to paragraph (c) of this resolution, the exercise by the directors of the Company of all the powers of the Company to allot, issue and deal with up to 88,690,742 new shares of US\$0.10 each in the capital of the Company (“Shares”) to satisfy Options and Share Awards granted and to be granted under the Long Term Incentive Scheme (as such terms are defined in the Circular), be and is hereby approved;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to paragraph (b) of this resolution to satisfy Share Awards, shall during the Relevant Period not exceed 2% of the aggregate nominal amount of the share capital of the Company in issue as at the beginning of each such financial year (being 25,340,212 Shares in the financial year commencing on 1 January 2005); and
- (d) for the purposes of this resolution, “Relevant Period” means the period from the passing of this resolution until the earlier of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Companies Act 1981 of Bermuda or the Company’s Bye-laws to be held; and
 - (iii) the date on which the authority set out in this resolution is revoked or varied by ordinary resolution of the shareholders of the Company in general meeting.”

By the Order of the Board
Andrew T. Broomhead
Company Secretary

23 May 2005

Notes:

1. Every member entitled to attend and vote at the Special General Meeting is entitled to appoint one or more persons as their proxy to attend and vote on behalf of themselves. A proxy need not be a member of the Company.

2. To be valid, a form of proxy, together with the power of attorney or other document of authority, if any, under which the form is signed, or a certified copy thereof, must be deposited with the Company's Hong Kong branch registrar in Hong Kong at Computershare Hong Kong Investor Services Limited, 46th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the Special General Meeting or any adjournment thereof (as the case may be).
3. Completion and return of the form of proxy will not preclude Shareholders from attending and voting in person at the meeting or any adjourned meeting or upon the poll concerned if Shareholders so wish. In such event, the instrument appointing the proxy shall be deemed to be revoked.

As at the date of this announcement, the executive directors of the Company are Christopher Richard Buttery, Richard Maurice Hext, Mark Malcolm Harris and Paul Charles Over, the non-executive directors of the Company are Lee Kwok Yin, Simon and Brian Paul Friedman, and the independent non-executive directors of the Company are Robert Charles Nicholson, Patrick Blackwell Paul and The Earl of Cromer.

*Please also refer to the published version of this announcement in the **(South China Morning Post)***