



## Press Release

### **Pacific Basin Sells and Charters Back Two Handysize Vessels**

*Hong Kong, October 3, 2007* – **Pacific Basin Shipping Limited** (“Pacific Basin” or “the Company”; SEHK: 2343), one of the world’s leading dry bulk shipping companies, announced today that it has agreed to sell two handysize ships, namely “Mount Cook” and “Amazonia” for US\$32,000,000 and US\$30,000,000 respectively. These two ships will be chartered back into the Company’s fleet for two years from delivery to buyers.

“Mount Cook” is a 1996 built handysize dry bulk carrier of 27,940dwt, while “Amazonia” is a 1994 built handysize dry bulk carrier of 28,475dwt. The sale of the two vessels will result in disposal gains estimated to be US\$22,270,000 and US\$18,738,000 respectively, or US\$41,008,000 in total. These disposal gains are expected to accrue to the consolidated income statement of the Company in the financial year ending 31 December 2007.

The sale of these two ships will enable the Company to release two of the oldest vessels from its owned fleet and to generate cash which is intended to be used for general working capital and for funding any investment projects that the Company may enter into in future. The simultaneous time charter of the vessels back into the Company’s chartered fleet will allow the Company to retain commercial control and hence the earnings over the vessels during their charters.

Mr. Richard Hext, CEO of Pacific Basin said, “Sale and charter back of our older vessels helps us to maintain a young core fleet. We can also take advantage of the current high market price of vessels to lock in substantial cash value for our shareholders whilst retaining the vessels’ earnings power for the two year charter period.”

Pacific Basin’s handysize and handymax core fleet shall consist of 90 ships including 14 newbuildings on order. The Company also has 3 post-panamax newbuildings on order, for two of which it has a 50% interest.

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## **About Pacific Basin**

Pacific Basin Shipping Limited is one of the world's leading commercial dry bulk shipping companies with an owned, chartered and managed fleet under the name of Pacific Basin ([www.pacbasin.com](http://www.pacbasin.com)) and International Handybulk Carriers ("IHC"). It commenced its handymax activity in December 2005 under the name of International Handymax Carriers ("IHX").

The Company specializes in shipping a broad range of dry bulk commodities which include forestry products, cement, minerals, grains and fertilizers and scrap steel from resource-rich regions such as Australia, New Zealand, West Coast North America and South East Asia to high commodity consumption countries such as Japan, China, and South Korea.

Pacific Basin has a global presence with its headquarters in Hong Kong and operating offices in London, Tokyo, Melbourne, Shanghai, Dalian, Beijing, Vancouver, Auckland, Dubai, Fujairah, Seoul and Singapore.

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