

31 July 2014

## **JUNE 2014 QUARTERLY ACTIVITIES REPORT**

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Pan Asia Corporation Ltd (ASX: **PZC**) (the **Company**) is pleased to report on its activities for the quarter ending 30 June 2014 (the Quarter).

### **HIGHLIGHTS**

- **\$1.5m raised since March 2014**
- **\$1.6m Fully Underwritten Rights Issue at 2.1c**

Pan Asia CEO Alan Hopkins said:

“During this quarter the Company focused on strengthening its financial position while discussions continued with potential development partners. With the rights issue fully underwritten, it underpins the next stage for the Company’s growth as it moves towards development of its flagship high CV thermal coal project (TCM).”

### **Further equity funding - Placements**

The Company completed two capital raising placements in June and July 2014, each for AUD \$504,000 before costs, to two private offshore groups. The total raised since March 2014 was \$1,512,000 via the issue of 72m shares @ \$0.021 per share. The Company currently has 228,886,286 shares on issue at 31 July 2014.

### **Fully Underwritten Rights Issue implemented**

As the second leg to the balance sheet strengthening process, the Company implemented a fully underwritten pro-rata non-renounceable offer of ordinary fully paid shares to eligible shareholders, on the basis of one (1) new share for every three (3) shares held by eligible shareholders of the Company on the Record Date at an issue price of \$0.021 per New Share to raise \$1,602,204 (before expenses).

The Rights Issue opened on 25 July 2014 and will close on Tuesday 19 August 2014. The Company was pleased with the support of the underwriter to enable the price of the underwriting to be completed at the same price as recent placements.

## **Possible Sale of Interest in TCM Project**

The Company is continuing to advance negotiations with Asian groups for the possible sale / funding of its 75% interest in the TCM project. These negotiations are continuing, with the Company expecting them to be concluded in the coming quarters. A successful completion of such an arrangement could see the asset related with the Company also retaining an interest funded to production.

## **TCM Project – South Kalimantan (75% Owned)**

During the quarter the Company continued its activity on the TCM project including:

- Discussions with Chinese underground mining contractors with specific capability in similar rock conditions
- Progressed outstanding permitting and access arrangements

## **New Office Premises Jakarta**

As part of ongoing streamlining of operations the Company moved to new premises in Jakarta during the quarter, substantially reducing its office lease costs.

**ENDS**

## **About Pan Asia**

Pan Asia Corporation Limited flagship project (“TCM”) is a high CV thermal coal project in South Kalimantan in which PZC owns a 75% interest.

Pan Asia seeks to build significant projects; de-risking them ready for development partnership / offtake agreements with quality, life of mine partners.

## **For Further Information Contact:**

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