

12 March 2015

FINANCING UPDATE

- **\$5m Facility & Convertible Note Reset with Caldecott Ventures Ltd**
- **Conversion Price of \$0.007 per share**
- **Interest rate 3% per annum**
- **Placement completed 54m shares at \$0.005 per share to investment fund**

CEO Alan Hopkins: “The Company has been able to renew the Convertible Note Facility that had expired, due to delays in receiving approval of documents that would have accompanied the Notice of Meeting to shareholders. With the downturn in market conditions since the original facility was established in November 2014, the terms had to be reset nearer to current market prices. Having this important facility in place provides a platform to move forward on our flagship TCM project”.

Loan & Convertible Note Facility

Pan Asia Corporation Limited (ASX: **PZC**) (“the **Company**”) is pleased to advise it has now entered into a new agreement with Caldecott Ventures Ltd (“Caldecott”) to re-establish the Facility & Loan Agreement (“Agreement”). This replaces the original agreement executed with Caldecott in November 2014.

The key terms of this Agreement are as follows:

1. Total amount available to be drawn under the facility: AUD\$ 5 Million
2. Drawdown Period: Can be drawdown over a 2 year period
3. Drawdown Amounts: Ten notes of \$AUD 500,000 each
4. Conversion Price of notes to shares in PZC: \$0.007 per share
5. Early Conversion: In the event Caldecott elects to convert the loan note to shares within 6 months of making the advance, then it shall be entitled to receive one option exercisable at \$0.01 per share for every two shares in PZC subject to conversion.

The Company will now resubmit the notice of meeting documentation for regulatory review prior to being sent to shareholders for their consideration.

The Company trusts that the despatch to shareholders can now occur within the next month.

Placement

The Company has entered into an agreement to issue 54 million new ordinary fully paid shares in the Company at \$0.005 per share to an investment fund, Select Equity Growth Limited (“SEGL”) to raise \$AUD 270,000. SEGL will have a 15% interest in the Company. This will assist with the Company’s working capital requirements prior to being able to access the funding from the proposed Loan & Convertible Note facility.

ENDS

About Pan Asia

Pan Asia Corporation Limited aims to be a supplier of key energy resources into the expanding Asian markets. Our flagship TCM Project is a high CV thermal coal project in South Kalimantan. The Company seeks to build significant projects, de-risking them ready for development partners / offtake agreements with quality, life of mine partners.

For Further Information Contact:

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