



311 – 313 Hay Street
SUBIACO WA 6008
P: + 61 8 9381 5819
F: + 61 8 9388 3701
ABN: 45 098 448 269

31 March 2010

The Manager
Company Announcements Platform
Australian Securities Exchange
Exchange Plaza, 2 The Esplanade
PERTH WA 6000

Dear Shareholders

AGREEMENT TO RAISE \$5,000,000

The Directors of **Pan Asia Corporation Ltd** (the “Company”; **ASX: PZC**) are pleased to announce that the Company has agreed, subject to shareholder approval, to raise AUD 5,000,000 through Cedrus Investments Ltd (“Cedrus”) as a lead manager. It is proposed that the funds be raised through a placement of 175,438,596 fully paid ordinary shares at 2.85 cents per share and one free 2 year unlisted option per share, each exercisable at 4.5 cents.

The additional funds will enable the Company to continue its rapid growth and development by assisting it in securing rights over new projects in the Republic of Indonesia and in conducting exploration activities with regard to additional Indonesian projects.

The Company is pleased to announce this transaction with Cedrus, a highly respected privately-owned boutique investment firm headquartered in the Cayman Islands. Further information is available at <http://www.cedrusinvestments.com>.

To obtain the necessary shareholder approval for this capital raising, the Company looks forward to posting a notice of general meeting to shareholders tomorrow and to holding the general meeting on 30 April 2010.

Yours faithfully

A handwritten signature in black ink, appearing to read "Alan G. Hopkins", is written over a horizontal line.

ALAN G. HOPKINS
Chief Executive Officer

About Pan Asia Corporation Limited

Pan Asia Corporation Limited is a rapidly growing diversified resources company listed on the Australian Securities Exchange with offices in Perth, Australia and Jakarta, Indonesia.

The Company aims to be a major supplier of key resources into the expanding Asian markets and is well advanced in its due diligence and requirements for regulatory and shareholder approval for the acquisition of a number of significant coal and manganese assets in Indonesia. This diversified portfolio of assets includes projects in both production and exploration stages as well as a significant opportunity to participate in key infrastructure development which will complement the existing coal projects held by the Company.

The evaluation and development of the current suite of assets in addition to new opportunities that arise from a strong local partner network will be the foundation for Pan Asia's aim to become a top tier coal and manganese company in Indonesia over the next three years. An extensive international financial network provides support for the Company's rapid growth plans.

About Cedrus Investments Ltd

Cedrus Investments Ltd ("Cedrus") is a global boutique Asset Management, Private Wealth Management and Financial Advisory Firm. Cedrus resides in the Cayman Islands, a British overseas territory and one of the most trusted Financial Centers in the world. The firm's clients include High Net Worth Individuals, Family Offices, Pension Funds, Foundations, Endowments, Government Funds, Mutual Funds and Hedge Funds from around the globe.