

ASX / MEDIA ANNOUNCEMENT

311 – 313 Hay Street
SUBIACO WA 6008
P: + 61 8 6489 0600
F: + 61 8 9388 3701
ABN: 45 098 448 269

27 November 2014

Revised Kopex Repayment Terms

- **Parties agree to extend repayment terms post 30 November 2014**
- **Outstanding Loan and Interest to be repaid in two tranches**
- **Kopex rescinds pre-emptive right to participate in development and production of TCM**

Pan Asia Corporation Limited (ASX: PZC) (“**the Company**”) is pleased to advise that it has negotiated revised repayment terms for the debt owing by PT Transcoal Minergy (“**TCM**”) (which is guaranteed by the Company) to PT Kopex Mining Contractors (“**Kopex**”) to a date beyond the original due date of 30 November 2014.

The principal loan outstanding of US\$2,530,000 relates to previous funding provided by Kopex on the TCM Project in respect of drilling and pre-feasibility study work. Interest of US\$237,600 will be paid in addition to the principal with the total amount outstanding to Kopex being US\$2,767,600. This interest component also covers payment for consultancy services provided by the Company’s competent person, Marek Rosa (on behalf of Kopex), for the 12 month period to 30 November 2014.

The Company, TCM and Kopex have agreed to the following repayment schedule:

- US\$1,500,000 is to be repaid to Kopex by 15 January 2014 (subject to any approvals required by the Company) and no later than 30 days following this date;
- US\$1,267,600 is to be repaid by 15 June 2015. This second payment will accrue interest at 15% per annum calculated from 15 January 2015.

Importantly, as part of the revised agreement for repayment, Kopex has rescinded its pre-emptive rights to participate in the development and production of the TCM Project including the provision of mining services, mining equipment and financing of development and production.

Further, Kopex has agreed to forgo its option to convert the loan into a 10% interest in the TCM Project in the event of default. Kopex has, however, retained its ability to convert any amount in default into shares in the Company at a conversion price equal to the average closing price of the shares in the 20 trading days prior to Kopex exercising the option.

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.

Alan Hopkins

Chief Executive Officer
Pan Asia Corporation Limited
Tel: + 61 8 6489 0600

Jason Campbell

Commercial Manager & Company Secretary
Pan Asia Corporation Limited
Tel: +61 8 6489 0600