

1 June 2010

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

Dear Shareholders

### **PAN ASIA DEEPENS RELATIONSHIP WITH ZIEC AND JIANGXI**

The Directors of **Pan Asia Corporation Ltd (the “Company”; ASX: PZC)** are very pleased to announce the deepening of the Company’s relationship with Zhongding International Engineering Co Ltd (“ZIEC”) and the Jiangxi Provincial People’s Government through the Company’s resigning of a Memorandum of Understanding (“MOU”) with senior ZIEC executives in the presence of the Governor of Jiangxi last week. The resigning occurred at a major materials and energy fair held by the Jiangxi government, at which the Company’s executives were among the honoured guests.



Alan Hopkins, CEO of Pan Asia Corporation Limited, and Hu Lijian, General Manager of Zhongding International Engineering Co Ltd, at the resigning of the Memorandum of Understanding.

The MOU signed last week mirrors that previously signed by PT TransCoal Minergy (“PT TCM”), as announced on 13 May 2010. As previously announced, this MOU represents a valuable opportunity to utilise ZIEC’s experience in the field of underground coal mining in Indonesia and to access project development finance to further the Company’s plans for underground mining operations at the TransCoal Minergy / Mantewe (“TCM”) coal project in South Kalimantan. Upon completion of the Company’s acquisition of Innovation West Pty Ltd and the execution of final transaction documents between Innovation West Pty Ltd and PT TransCoal Minergy, the Company would acquire ultimate ownership of a minimum of 75% of the TCM Project.

CEO Alan Hopkins commented “The strengthening of our relationship with both ZIEC and Jiangxi represents important progress in the advancement of this rapidly emerging project and an endorsement of the Company’s work to date in this regard. We look forward to working together with ZIEC in considering the potential for underground mining operations at the site.”

Yours faithfully

A handwritten signature in black ink, appearing to read 'Alan G. Hopkins', with a long horizontal flourish extending to the right.

**ALAN G. HOPKINS**  
Chief Executive Officer

### **About Pan Asia Corporation Limited**

*Pan Asia Corporation Limited is a rapidly growing diversified resources company primary listed on the Australian Securities Exchange and secondary listed on the Frankfurt Stock Exchange and with offices in Perth and Sydney, 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 commodity trading which will complement these projects.*

*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 the Company'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.*