

11 May 2010

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

Dear Shareholders

MAIDEN RESOURCE STATEMENT FOR TCM COAL PROJECT, INDONESIA

HIGHLIGHTS:

- **Indicated resource of 19.7Mt and Inferred resource of 11Mt**
- **High quality bituminous thermal coal with high calorific value, low ash, low moisture and moderate sulphur**
- **Exploration completed on ~16% of the total 4,150Ha concession area**
- **Drilling planned to restart in coming weeks, focus on expanding resource base**
- **Active discussions with potential partners to develop both open pit and underground mining operations**

The Directors of **Pan Asia Corporation Ltd** (the “Company”; ASX: **PZC**) are very pleased to announce the maiden resource statement, reported in accordance with the JORC Code, for the TCM Coal Project located in South Kalimantan, Indonesia.

The maiden resource comprises 19.7 million tonnes of coal in an Indicated category. In addition, there is an Inferred resource totalling 11 million tonnes.

Coal quality for each of these resources has been included in Table 1, below.

	JORC-compliant Coal Resources								
	TONNAGE	TM	IM	ASH	VM	FC	S	GCV	CV
		(%)	(%)	(%)	(%)	(%)	(%)	(adb)	(daf)
Indicated	19,745,000	4.64	5.28	12.09	42.66	41.09	1.83	6682	7984
Inferred	11,000,000	3.90	5.47	11.58	43.10	41.36	1.74	6749	7974

Table 1 – Indicated and inferred resources with coal quality for TCM.

The coal resources have been defined in the southern part of the TCM concession, covering approximately 16% of the 4,150Ha concession area and immediately adjacent to the 2Mtpa ATA open pit mine currently operated by PT Arutmin Indonesia (part of PT Bumi Resources Tbk Group) (Figure 2). Drilling undertaken by PZC has targeted the down-dip position of the coal seams mined in the ATA open pit.

Resources calculations have been conducted by independent consultants, PT GMT Indonesia, based on 2,835.9m of open-hole and diamond core drilling. A total of twelve (12) holes have been drilled, with nine (9) holes used in the resource calculations. Down-hole geophysical logging was performed on all drill holes.

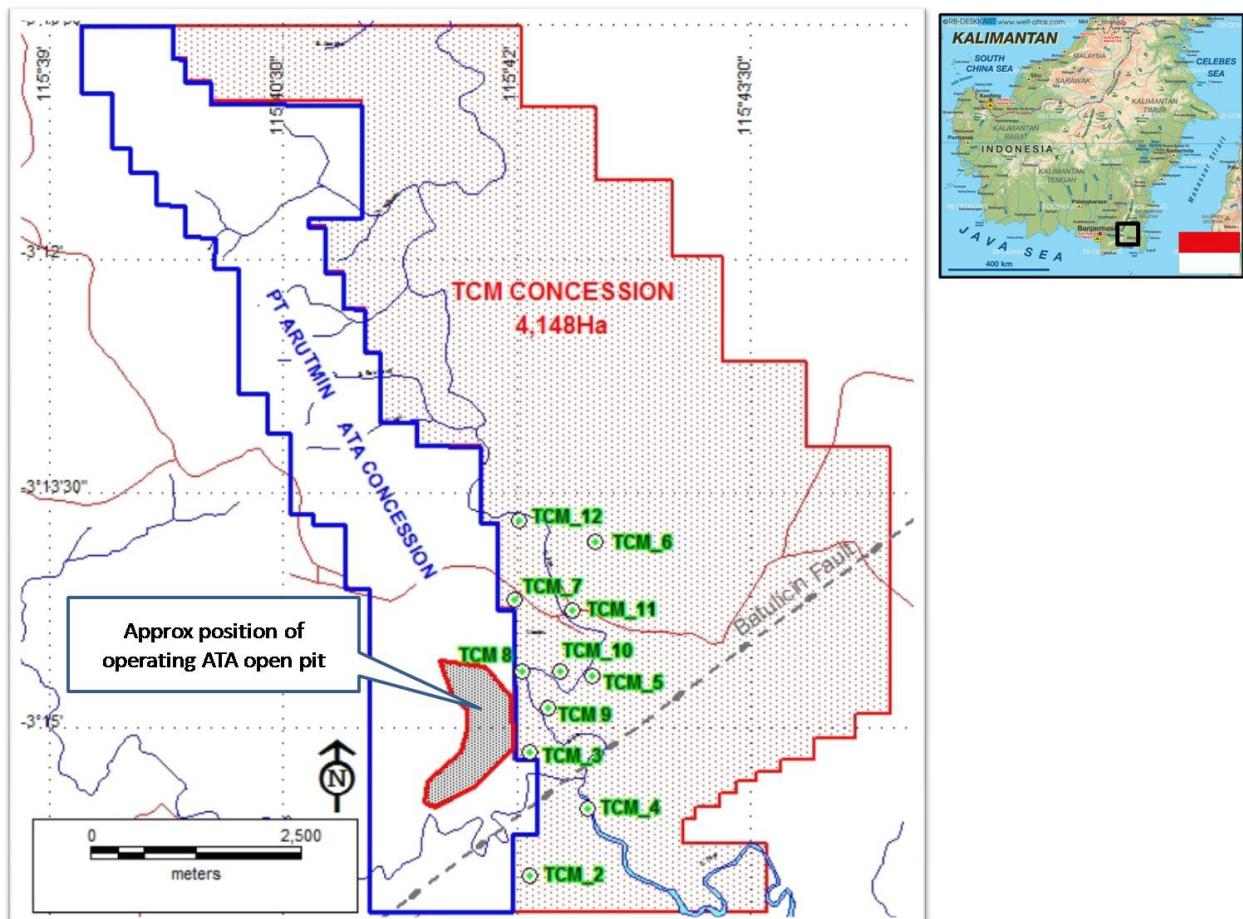


Figure 1 – Drill hole locations at the TCM concession, South Kalimantan, Indonesia.

Further drilling is planned to be undertaken in the central and north-western parts of the TCM concession, focussing along the western boundary. The northern-most hole, TCM-12, returned one of the best coal intersections from drilling to date, indicating good potential for the definition of further coal occurrences as the new drill program advances. This drilling, scheduled to begin in coming weeks, is aimed at defining further resources down-dip of existing coal exposures in the ATA concession area.

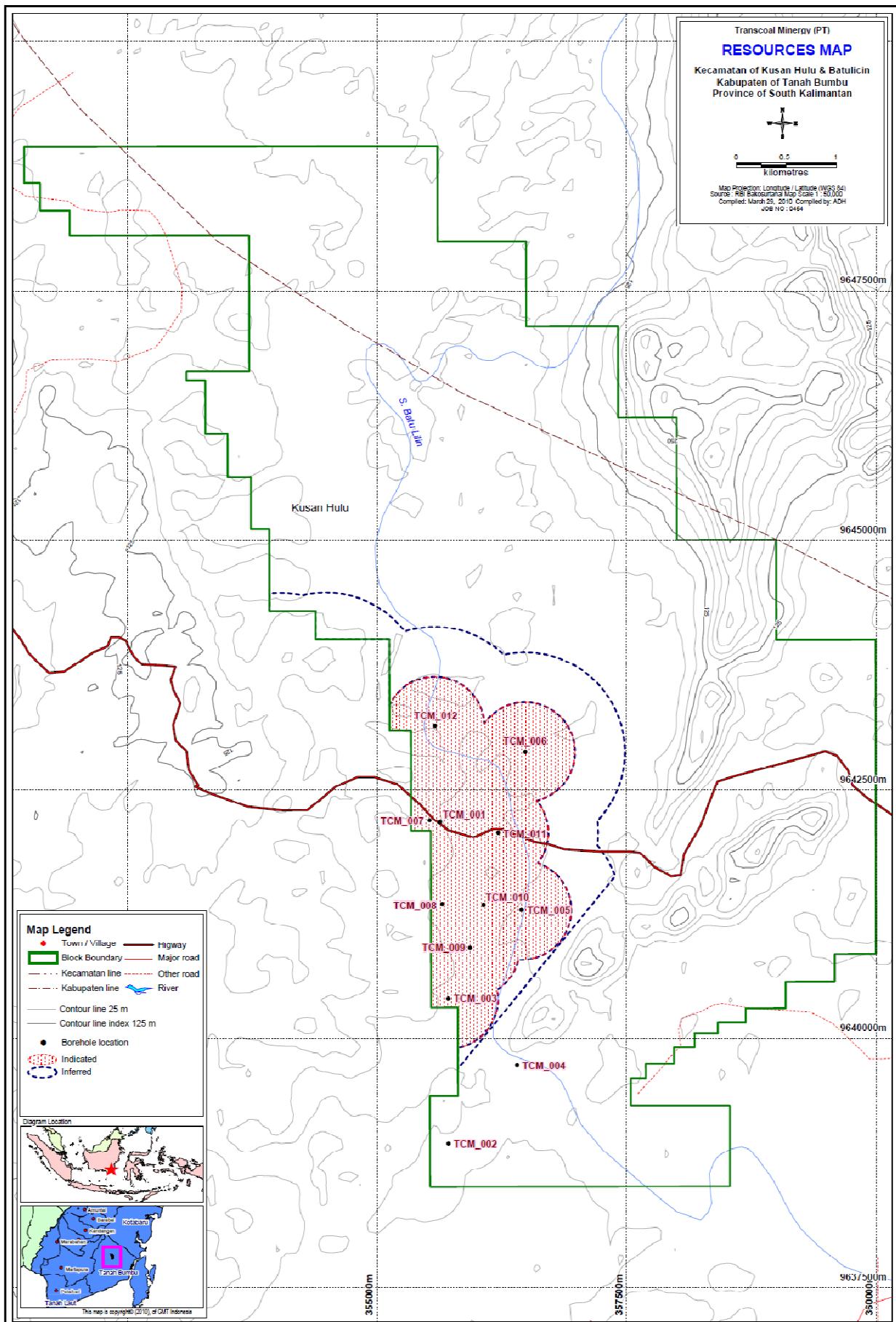
The Company continues to investigate options to develop both an open pit and an underground mining operation at TCM. As previously advised, a MOU has been signed with one of the mining contractors responsible for open pit operations within the ATA concession, whereby the contractor will be looking to expand the ATA open pit into TCM. The current ATA pit high-wall has reached the ATA-TCM boundary thereby limiting further mining activities (Figure 2). Technical investigations and survey work is currently being performed by the contractor and

results are expected to be made available in the coming weeks. Further, PZC continues to evaluate potential partners to undertake underground mining at TCM.

CEO Alan Hopkins commented "This is a significant achievement by the Company, proving a JORC-resource of significant size within a relatively short period of time and within a very modest budget. It again highlights the prospectivity of the Innovation West assets and the excellent relationships with Indonesian stakeholders."



Figure 2 – The ATA open pit mine located immediately adjacent to the TCM concession. Investigations are underway to expand the ATA pit into TCM.



Yours faithfully



ALAN G. HOPKINS
Chief Executive Officer

Competent Person's Statement

The data in this report that relates to Mineral Resources is based on information evaluated by Mr Steve Macmillan who is a member of The Australian Institute of Mining and Metallurgy (MAusIMM) and who has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the "JORC Code"). Mr Macmillan is a fulltime employee of PT GMT Indonesia and he consents to the inclusion in the report of the Mineral Resource in the form and context in which it appears.

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.