

30 August 2011

CLARIFICATION OF RESULTS CONFIRMING POTENTIAL OF OPEN PIT AREA AT TCM PROJECT

Further to the Company's announcement of 23 August 2011 "Results confirm potential of Open Pit Area at TCM Project", the Company would like to clarify that the ~ 3 million tonnes of coal contained within the existing JORC resource that are potentially open pitable, are all of Indicated category.

The Company has further commissioned a LIDAR topographic survey and the results of this are expected within 4 weeks. These results, along with detailed open pit optimisations, sensitivity analysis & preliminary pit designs should enable the resource category to be further upgraded. Similarly, when the entire current drill programme is completed, an upgraded JORC resource for both the underground and open pit areas will be calculated and advised.

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Competent Persons' Statement

The information in this release that relates to the Coal Resources of PT. Transcoal Minergy ("TCM") is based on information compiled and reviewed by Mr. Marek Rosa, who is a Member of the Australasian Institute of Mining and Metallurgy (The AusIMM) and works full time for PT Kopex Mining Contractors based in Jakarta, Indonesia (Member of Kopex Group Poland).

Mr Rosa is a qualified geologist who has more than 20 years of relevant mining and geological experience in coal, working for major mining companies in Poland (17 years) and in Indonesia (4 years) as a consultant. He has National Polish geological license No II-1140 for research, exploration, resource and reserve estimation of deposits of basic minerals and coalbed gas methane. During this time he has either managed or contributed significantly to numerous mining studies related to the estimation, assessment, evaluation and economic extraction of coal in Poland and Indonesia. He has sufficient experience which is relevant to the style and type of deposit under consideration especially for Underground Mining and to the activity he is undertaking to qualify him as a Competent Person for Reporting of Exploration Results, Mineral Resources and Ore Reserves.

The estimates of Coal Resources have been carried out in accordance with the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (December, 2004) and Mr Rosa consents to the inclusion in this release of the Mineral Resources in the form and content in which it appears.

"The Kopex Group offers comprehensive solutions for underground mining. It is a respected and acknowledged manufacturer and supplier of high-class machinery and equipment as well as modern mining technologies and specialist underground mining consultancy works. The Kopex Group comprises over 50 companies worldwide whose activities are complementary to each other during project execution. Kopex is listed on the Warsaw Stock Exchange.

Kopex Mining Contractors has provided an initial geological assessment of the resource and has the ability to complete conceptual, pre feasibility/feasibility studies and underground mine design through to provision of all mining equipment, underground mine construction and operation."

About Pan Asia

Pan Asia Corporation Limited is a rapidly growing diversified resources company primary listed on the Australian Securities Exchange (ASX: PZC) 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 has a number of significant coal assets in Indonesia. These assets provide a balanced mix of thermal coal assets in Indonesia and include:

- 1) Projects that generate cashflow (eg via repayment of loan, royalty and offtake from Ranrich projects)
- 2) A Flagship Pre Development project that has a JORC resource in South Kalimantan (TCM)
- 3) A Flagship Exploration project that has large tonnage potential (BCKP / BIC)
- 4) A Pipeline of other project opportunities covering each of the above categories.

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 significant resource company in Asia over the coming years. An extensive international financial network provides support for the Company's rapid growth plans.

Pan Asia brings together an experienced Board and management team with a proven track record in the identification, funding and development of resources projects.