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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **Pan Asia Mining Limited**, you should at once hand this circular with the enclosed form of proxy to the purchaser or the transferee or to the bank, licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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PAN ASIA MINING LIMITED
寰亞礦業有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8173)

**GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES,
RE-ELECTION OF DIRECTORS,
REFRESHMENT OF THE SCHEME MANDATE LIMIT OF
SHARE OPTION SCHEME,
AND
NOTICE OF ANNUAL GENERAL MEETING**

This circular, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement in this circular misleading.

This circular will remain on the GEM website with the domain name of www.hkgem.com on the "Latest Company Announcements" page for at least 7 days from the date of its posting.

27 June 2011

CHARACTERISTICS OF GEM

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

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DEFINITIONS

In this circular, the following expressions shall have the following meanings unless the context requires otherwise:

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| “AGM” | 2011 annual general meeting of the Company to be held at Suite 3008, Tower One, Times Square, 1 Matheson Street, Causeway Bay, Hong Kong on 27 July 2011 at 11:00 a.m. or any adjournment thereof |
| “Annual Report” | the annual report of the Company for the financial year as at 31 March 2011 |
| “Articles of Association” | the articles of association of the Company |
| “associate” | shall have the meaning as defined in the GEM Listing Rules |
| “Board” | board of Directors |
| “Company” | Pan Asia Mining Limited, a company incorporated in the Cayman Islands with limited liability and the issued shares of which are listed on the Stock Exchange |
| “Director(s)” | director(s) of the Company |
| “Extension Mandate” | a general and unconditional mandate to be granted to the Directors as set out in resolution No. 4C of the Notice to allot, issue and otherwise deal with the Shares with an aggregate amount not exceeding the aggregate nominal amount of the Shares purchased pursuant to the Repurchase Mandate |
| “GEM” | Growth Enterprise Market on the Stock Exchange |
| “GEM Listing Rules” | Rules Governing the Listing of Securities on GEM of the Stock Exchange |
| “Group” | the Company and its subsidiaries |
| “Hong Kong” | the Hong Kong Special Administrative Region of the Republic of China |
| “HK\$” | Hong Kong dollar(s), the lawful currency of Hong Kong |
| “Issue Mandate” | a general and unconditional mandate to be granted to the Directors as set out in resolution no. 4A of the Notice to allot, issue, and deal with Shares up to a maximum of 20% of the issued share capital of the Company as at the date of passing of the relevant resolution |

DEFINITIONS

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| “Latest Practicable Date” | 22 June 2011, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular |
| “Listing Committee” | has the meaning ascribed to it under the GEM Listing Rules |
| “Notice” | the notice convening the AGM as set out on pages 15 to 19 of this circular |
| “Repurchase Mandate” | a general and unconditional mandate to be granted to the Directors as set out in resolution no. 4B of the Notice to exercise all powers of the Company to repurchase on the Stock Exchange, or any other stock exchange on which the Shares of the Company may be listed, Shares up to a maximum of 10% of the issued share capital of the Company as at the date of passing of the relevant resolution |
| “Scheme Mandate Limit” | the total number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share option scheme of the Company in aggregate not exceeding 10% of the Shares in issue as at the date of approval or refreshment of the scheme limit of the Share Option Scheme |
| “SFO” | Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) |
| “Share(s)” | ordinary share(s), with voting rights, of HK\$0.5 each in the capital of the Company |
| “Share Consolidation” | the consolidation of every fifty (50) issued and unissued shares of HK\$0.01 each into one (1) consolidated Share of HK\$0.5 each on 10 February 2011 |
| “Shareholder(s)” | holder(s) of the Shares |
| “Share Option Scheme” | the share option scheme of the Company approved and adopted by the Company on 25 April 2002 |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “subsidiary” | a subsidiary within the meaning of the Companies Ordinance (Chapter 32 of the Laws of Hong Kong) |
| “Takeovers Code” | Code on Takeovers and Mergers issued by the Hong Kong Securities and Futures Commission |
| “%” | per cent |

LETTER FROM THE BOARD



PAN ASIA MINING LIMITED
寰亞礦業有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8173)

Executive Directors:

Mr. Wong Chung Yu, Denny (*Chairman*)

Mr. Liu Junqing

Mr. Eng Wee Meng

Non-executive Director:

Mr. Yin Mark Teh-min

Independent Non-executive Directors:

Mr. Lai Kai Jin, Michael

Mr. Chu Hung Lin, Victor

Mr. Tong Wan Sze

Registered office:

P.O. Box 309,

Ugland House

South Church Street

George Town

Grand Cayman

Cayman Islands

British West Indies

*Head office and principal place
of business in Hong Kong:*

Suite 3008, Tower 1

Times Square

1 Matheson Street

Causeway Bay

Hong Kong

27 June 2011

To the Shareholders

Dear Sir or Madam,

**GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES,
RE-ELECTION OF DIRECTORS,
REFRESHMENT OF THE SCHEME MANDATE LIMIT OF
SHARE OPTION SCHEME,
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide Shareholders with details regarding (i) the proposed grant of general mandate to allot, issue and deal with Shares and to repurchase Shares; (ii) the refreshment of the Scheme Mandate Limit; and (iii) the proposed re-election of Directors to be dealt with at the AGM.

LETTER FROM THE BOARD

GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES

The mandates to issue and repurchase Shares granted at the annual general meeting of the Company held on 10 August 2010 will lapse at the conclusion of the AGM. In this regard, ordinary resolutions nos. 4A, 4B and 4C set out in the Notice will be proposed at the AGM. With reference to the Repurchase Mandate, the Directors wish to state that they have no present intention to repurchase any Shares.

At the AGM, ordinary resolutions will be proposed to grant the general mandates (collectively, the “**Mandates**”) to the Directors (i) to allot, issue and otherwise deal with Shares not exceeding 182,436,816 Shares, representing 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing the resolution no. 4A as set out in the Notice (assuming no further Shares issued or repurchased from the Latest Practicable Date to the date of AGM); (ii) to repurchase Shares not exceeding 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing the resolution no. 4B as set out in the Notice; and (iii) to extend the general mandate granted pursuant to resolution no. 4A as set out in the Notice, to allot, issue and otherwise deal with the Shares with an aggregate nominal amount not exceeding the aggregate nominal amount of the share capital of the Company purchased pursuant to the Repurchase Mandate (as more particularly described in the resolution no. 4C in the Notice), during the period from the date of passing of the relevant resolutions up to (a) the conclusion of the next annual general meeting of the Company; (b) the expiration of the period within which the next annual general meeting of the Company is required by any applicable laws or the Articles of Association to be held; or (c) the revocation, variation or renewal of the Mandates by ordinary resolution of the Shareholders in a general meeting, whichever occurs first.

EXPLANATORY STATEMENT

An explanatory statement containing all relevant information relating to the Repurchase Mandate is set out in Appendix II to this circular. The information in the explanatory statement is to provide you with the information reasonably necessary to enable you to make an informed decision on whether to vote for or against the resolution to grant to the Directors the Repurchase Mandate at the AGM.

RE-ELECTION OF DIRECTORS

The Board currently consists of seven Directors, namely Mr. Wong Chung Yu Denny, Mr. Liu Junqing and Mr. Eng Wee Meng, being the executive Directors, Mr. Yin Mark Teh-min, being a non-executive Director, and Mr. Lai Kai Jin, Michael, Mr. Chu Hung Lin, Victor and Mr. Tong Wan Sze, being the independent non-executive Directors.

Pursuant to Article 99 of the Articles of Association, any Director appointed to fill any casual vacancy or as an additional to the Board shall hold office until the next annual general meeting of the Company and that any Director who so retires shall not be taken into account in determining the number of Directors who are to retire at such meeting by rotation pursuant to Article 116 of the Articles of Association. As such, Mr. Tong Wan Sze and Mr. Eng Wee Meng shall retire at the AGM and being eligible, will offer themselves for re-election at the AGM.

LETTER FROM THE BOARD

Pursuant to Article 116 of the Articles of Association, at each annual general meeting of the Company, one-third of the Directors for the time being shall retire from office by rotation, Mr. Lai Kai Jin, Michael and Mr. Chu Hung Lin, Victor shall retire by rotation at the AGM and being eligible, will offer themselves for re-election at the AGM.

Brief biographical details of the Directors proposed for re-election are set out in Appendix I to this circular. Under ordinary resolution no 2 set out in the Notice, the re-election of retiring Directors will be individually voted on by Shareholders.

REFRESHMENT OF THE SCHEME MANDATE LIMIT OF SHARE OPTION SCHEME

The Share Option Scheme was adopted by the Company on 25 April 2002. Under the rules of the Share Option Scheme, the total number of Shares which may be issued upon the exercise of all options granted under the Share Option Scheme is limited to 10% of the Company's issued share capital as at the date of refreshment of the Scheme Mandate Limit of the Share Option Scheme. At present, the Company does not operate any other share option scheme(s) other than the Share Option Scheme.

Under the rules of the Share Option Scheme:

- (1) the overall limit on the number of Shares which may be issued upon the exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option scheme(s) of the Company must not exceed 30% of the Shares in issue from time to time;
- (2) no options may be granted under the Share Option Scheme and any other share option scheme(s) of the Company if it results in the Scheme Mandate Limit being exceeded, unless approval of the Shareholders has been obtained. Options lapsed in accordance with the terms of the Share Option Scheme will not be counted for the purpose of calculating the Scheme Mandate Limit;
- (3) unless approved by the Shareholders at a general meeting, the total number of Shares issued and to be issued upon exercise of options granted to each eligible participant of the Share Option Scheme (including both exercised and outstanding options) in any twelve months period shall not exceed 1% of the issued share capital of the Company.

The Company may seek approval from the Shareholders in general meeting for refreshing the Scheme Mandate Limit. However, the total number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share option scheme(s) of the Company as refreshed must not exceed 10% of the Share in issue as at the date of approval of the refreshed Scheme Mandate Limit. Options previously granted under the Share Option Scheme and any other share option scheme(s) of the Company (including options outstanding, cancelled, lapsed or exercised in accordance with the Share Option Scheme and any other share option scheme(s) of the Company) will not be counted for the purpose of calculating the Scheme Mandate Limit as refreshed.

LETTER FROM THE BOARD

The purposes of the Share Option Scheme are to provide opportunities and incentives to the eligible participants for their contribution to work towards enhancing values of the Group. Eligible participants include all full time employee, Directors (including independent non-executive Directors) and part time employees with weekly working hours of 10 hours and above, of the Group, substantial Shareholders of each member of the Group, associates of the Directors and substantial shareholders of any member of the Group, trustee of any trust pre-approved by the Board; and any advisor (professional or otherwise), consultant, distributor, supplier, agent, customer, joint venture partner, service provider to the Group whom the board of Directors considers, in its sole discretion, has contributed or contributes to the Group. Given that the number of issued shares has been significantly increased after the rights issue completed in March 2011, the Share Option Scheme cannot continue to serve the intended purpose for the benefits of the Group unless the Scheme Mandate Limit is refreshed in accordance with the rules of the Share Option Scheme.

The Scheme Mandate Limit was refreshed by way of passing resolution in the annual general meeting on 22 July 2009. There were 5,000,000 share options total outstanding as at the date of refreshment. After refreshment, the Scheme Mandate Limit was 434,653,402 Shares. The Scheme Mandate Limit was then adjusted to 8,693,068 Shares after the Share Consolidation completed in February 2011. Since the refreshment of the Scheme Mandate Limit, no share option has been granted, exercised, lapsed or cancelled. After the adjustment due to the Share Consolidation and Right Issue in February 2011 (which was announced by the Company in its announcement dated 14 March 2011) and as at the Latest Practicable Date, there are 262,800 outstanding options entitling the holder thereof to subscribe for an aggregate of 262,800 Shares, representing approximately 0.03% of the Shares in issue as at the Latest Practicable Date. None of these options granted have been exercised nor been cancelled. Unless the Scheme Mandate Limit is refreshed, only up to 8,430,268 Shares, representing approximately 0.92% of the Shares in issue as at the Latest Practicable Date, may be issued pursuant to the grant of further options under the Share Option Scheme.

If the refreshment of the Scheme Mandate Limit is approved at the Annual General Meeting based on the 912,184,080 Shares in issue as at the Latest Practicable Date and assuming no further Shares are issued and no Shares are repurchased after the Latest Practicable Date and up to the date of the Annual General Meeting, the Directors will be able to grant options for up to a total of 91,218,408 Shares under the refreshed Scheme Mandate Limit, representing 10% of the total number of Shares in issue as at the date of the Annual General Meeting. Assuming no further Shares are issued and no Shares are repurchased after the Latest Practicable Date and up to the date of the Annual General Meeting, the total number of Shares which may be issued upon exercise of the refreshed Scheme Mandate Limit of 91,218,408 Shares together with all outstanding options as at the Latest Practicable Date carrying the right to subscribe 262,800 Shares is 91,481,208 Shares, representing approximately 10.03% of the total number of Shares in issue as at the date of the Annual General Meeting which does not exceed the 30% limit as required by the GEM Listing Rules.

The refreshment of the Scheme Mandate Limit is conditional upon:

1. the passing of an ordinary resolution by the Shareholders to approve the refreshment of the Scheme Mandate Limit at the Annual General Meeting; and
2. the Stock Exchange granting the listing of, and the permission to deal in, such number of Shares representing 10% of the issued share capital of the Company as at the date of the Annual General Meeting.

LETTER FROM THE BOARD

The Directors consider that it is in the interests of the Company to refresh the Scheme Mandate Limit to permit the grant of further options under the Share Option Scheme. The Directors will propose the passing of an ordinary resolution at the Annual General Meeting for refreshing the Scheme Mandate Limit.

Application will be made to the Stock Exchange for the listing of, and permission to deal in, any Shares, approving the refreshed Scheme Mandate Limit, to be issued upon the exercise of the options granted under the refreshed Scheme Mandate Limit of the Share Option Scheme.

ANNUAL GENERAL MEETING

The AGM shall be held at Suite 3008, Tower One, Times Square, 1 Matheson Street, Causeway Bay, Hong Kong on Wednesday, 27 July 2011 at 11:00 a.m. for the purpose of considering and if thought fit, approving the resolutions to, among others, adopt the proposals for re-election of Directors, approving the grant of the Issue Mandate, the Repurchase Mandate and the Extension Mandate as set out in the Notice.

According to rule 17.47(4) of the GEM Listing Rules, all resolutions at general meeting must be taken by poll. The chairman of the AGM will demand that a poll be taken in respect of each of the resolutions to be proposed at the AGM for the approval of the ordinary business of an annual general meeting, the re-election of Directors, the grant of the Issue Mandate, the Repurchase Mandate and the Extension Mandate.

GENERAL INFORMATION

The Notice is set out on page 15 to 19 of this circular.

A form of proxy for the AGM is enclosed with this circular. Whether or not you intend to be present at the AGM, you are requested to complete and return the form of proxy in accordance with the instructions printed thereon to the Company's share registrar in Hong Kong, Tricor Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the AGM or any adjourned meeting (as the case may be). Completion and deposit of the form of proxy will not preclude you from attending and voting at the AGM or any adjourned meeting (as the case may be) should you so wish.

RECOMMENDATION

The Board considers that (i) the resolution relating to the Issue Mandate; (ii) the resolution relating to the Repurchase Mandate; (iii) the resolution relating to the extension of the Issue Mandate; (iv) the resolution relating to the re-elections of Directors; and (v) the resolution relating to the refreshment of the Scheme Mandate Limit to be put forward at the AGM are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Board therefore recommends all Shareholders to vote in favour of all resolutions to be proposed at the AGM.

By Order of the Board
Pan Asia Mining Limited
Wong Chung Yu, Denny
Chairman

The biographical details of the Directors proposed for re-election at the AGM are set out as follows:

1. MR. ENG WEE MENG — EXECUTIVE DIRECTOR

Mr. Eng Wee Meng (“Mr. Eng”), aged 44, is an executive Director of the Company since 11 April 2011. Mr. Eng is also the director of Black Sand Enterprises Limited and Black Sand Resources Trading Limited, both are wholly-owned subsidiaries of the Company. Mr. Eng holds a bachelor’s degree in business administration specializing in accounting, finance, and management science from the University of California, Berkeley, U.S.A. He has accumulated over 18 years of experience in commercial banking, international trade, distribution, retail operations, international fund raising, corporate finance and pharmaceutical developments from various senior positions in different international and regional companies. Before joining the Company he was the General Manager of PDC Pharmaceutical Development (China) Company Limited, a wholly owned foreign entity and medical packaging company that produces intravenous injection solutions packaging located in Zhongshan, Guangdong Province. He was responsible for full profit and loss and strategic development of the company. In 2008 to 2009, he held the position of General Manager, Business Development Department of New-AIKOR Company Limited (currently known as New A-Innovation Company Limited), a biotech company involved in the development of intravenous therapeutic products and was responsible for all matters related to the PRC market which includes liaison with the State Food and Drug Administration, local government departments of its Research and Development and production facility, and identifying investment opportunities in PRC; In 2006 to 2008, he was the Director of Corporate Finance of Advantek Biologics (Hong Kong) Ltd., a biotech company involved in human plasma derived therapeutics products, responsible for mergers and acquisitions, strategic planning, and international fund raising.

Saved as disclosed above, Mr. Eng (i) has not previously held any other position in the Company or any subsidiaries of the Company (ii) does not have any relationship with any director, chief executive, senior management, significant or substantial or controlling shareholder of the Company; (iii) does not have any interest or short position in the shares of the Company within the meaning of Part XV of the SFO; and (iv) did not hold any other directorship in the last three years up to the Latest Practicable Date in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Mr. Eng has entered into a service agreement with a wholly owned subsidiary of the Company with no defined service period and his appointment is subject to retirement by rotation and re-election in accordance with the Article of Association. Mr. Eng will be entitled to a fee of HK\$960,000 per annum with reference to his duties and responsibilities and the prevailing market conditions plus discretionary bonus which is determined by the Board with reference to Mr. Eng’s duties and responsibilities and the prevailing market conditions.

Save as disclosed in this circular, Mr. Eng has confirmed that there are no other matters that need to be brought to the attention of the shareholders of the Company in connection with his re-election, nor is there any information required to be disclosed pursuant to Rules 17.50(2)(h) to (v) of the GEM Listing Rules.

2. MR. LAI KAI JIN, MICHAEL — INDEPENDENT NON-EXECUTIVE DIRECTOR

Mr. Lai Kai Jin, Michael (“Mr. Lai”), aged 41, is an independent non-executive Director, a member of the audit committee and the chairman of the remuneration committee of the Company since 18 February 2008. Mr. Lai graduated from the National University of Singapore with a LL.B (Hons) Degree in 1994 and was called to the Singapore Bar the following year. He was formerly a partner of Messrs. KhattarWong, one of the largest law firms in Singapore with over 100 professional staff and offices in Singapore, Shanghai, Hanoi and Ho Chih Minh, where he headed the firm’s International Trade and Shipping department. Mr. Lai’s practice focused on marine insurance, shipping and admiralty law and involved handling legal disputes arising out of international trade and transport. Mr. Lai has acted as lead counsel in numerous cases before the High Court and Court of Appeal of Singapore and in arbitrations. Mr. Lai was formerly the Chairman of the Advisory Body Legal Matters, FIATA and the Legal Counsel for the Singapore Logistics Association. Mr. Lai is currently the Chairman of PVKeez Pte Limited, a joint venture between EOC Limited (“EOC”), Ezra Holdings Limited, Keppel Corporation Limited and PetroVietnam Transportation Corporation set up for the conversion, management and operation of a Floating Production Storage and Offloading (“FPSO”) facility in Vietnam’s Chim Sao oilfield; a contract worth US\$1 billion, with all options exercised. He sits on the Board of Directors of EOC, a company whose shares is listed on the Oslo Stock Exchange. EOC is the leading owner and operator of FPSOs and offshore construction assets based in Asia. Mr. Lai also sits on the Board of Directors of Select Group Limited, a company whose shares is listed on the Singapore Stock Exchange and Interlink Petroleum Limited, a company whose shares is listed on the Mumbai Stock Exchange. Furthermore, Mr. Lai holds the position as a non-executive Director of NagaCorp Limited, a company whose shares is listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

Pursuant to a letter of appointment entered into between the Company and Mr. Lai dated 18 February 2008, the appointment is for an initial term of one year, which is renewable for successive terms of one year each unless terminated and his appointment is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles of Association. Mr. Lai will be entitled to an annual remuneration of HK\$120,000. His emoluments were determined by the Board which was fixed with reference to his duties and responsibilities with the Company as well as the Company’s remuneration policy. Mr. Lai will not be entitled to any bonus payment.

Mr. Lai is not interested in the share capital of the Company as at the Latest Practicable Date within the meaning of Part XV of the SFO.

Save as disclosed above, (a) Mr. Lai has not previously held any position with the Company or any of its subsidiaries and has not been a director in the past three years in any other public companies the securities of which are listed on any securities market in Hong Kong or overseas, and he has no other major appointments and professional qualifications; (b) Mr. Lai is not connected with any directors, senior management, management shareholders, substantial shareholders or controlling shareholders of the Company; (c) there is no information relating to Mr. Lai that is required to be disclosed pursuant to Rule 17.50(2)(h) to (v) of the GEM Listing Rules; and (d) there is no other matter in relation to Mr. Lai’s re-election that needs to be brought to the attention of the Shareholders.

3. MR. CHU HUNG LIN, VICTOR — INDEPENDENT NON-EXECUTIVE DIRECTOR

Mr. Chu Hung Lin, Victor (“Mr. Chu”), aged 43, is an independent non-executive Director and a member of each of the audit committee and remuneration committee of the Company since 1 June 2009. Mr. Chu has a diversified experience in the industries of film production, land development, private pre-IPO investment and food and catering. During the period from January 2001 to June 2003, he was the deputy chairman and executive director of Climax International Company Limited, shares of which are listed on the Main Board of The Stock Exchange of Hong Kong Limited. Since 2003, he has been actively involved in food and beverage business and has been a shareholder and director of certain private companies. Mr. Chu is responsible for the business development and product development of such companies.

Pursuant to a letter of appointment entered into between the Company and Mr. Chu dated 29 May 2009, the appointment of Mr. Chu is for an initial term of one year, which is renewable for a term of one year and his appointment is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles of Association. Mr. Chu will be entitled to an annual remuneration of HK\$120,000. His remuneration was fixed with reference to his duties and responsibilities with the Company as well as the Company’s remuneration policy. Mr. Chu will not be entitled to any bonus payment.

Mr. Chu is not interested in the share capital of the Company as at the Latest Practicable Date within the meaning of Part XV of the SFO.

Save as disclosed above, (a) Mr. Chu has not previously held any position with the Company or any of its subsidiaries and has not been a director in the past three years in any other public companies the securities of which are listed on any securities market in Hong Kong or overseas, and he has no other major appointments and professional qualifications; (b) Mr. Chu is not connected with any directors, senior management, management shareholders, substantial shareholders or controlling shareholders of the Company; (c) there is no information relating to Mr. Chu that is required to be disclosed pursuant to Rule 17.50(2)(h) to (v) of the GEM Listing Rules; and (d) there is no other matter in relation to Mr. Chu’s re-election that needs to be brought to the attention of the Shareholders.

4. MR. TONG WAN SZE — INDEPENDENT NON-EXECUTIVE DIRECTOR

Mr. Tong Wan Sze (“Mr. Tong”), aged 43, is an independent non-executive Director and the chairman of the audit committee of the Company since 29 December 2010. He is a Fellow of the Association of Chartered Certified Accountants, an Associate of the Hong Kong Institute of Certified Public Accountants and a Certified Tax Advisor in Hong Kong. Mr. Tong has obtained a Master degree in Business Administration from the University of Strathclyde in the United Kingdom. Mr. Tong has over 18 years experience in overseeing financial management, merger and acquisition, investor relations and company secretarial matters. Before joining the Company, Mr. Tong has taken up the position as the Chief Financial Officer and Company Secretary of Solargiga Energy Holdings Limited, a company listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). Previously Mr. Tong was the Financial Controller of China Paradise Electronics Retail Limited, which was delisted, and Pearl Oriental Innovation Limited, a company listed on the Main Board of the Stock Exchange.

Mr. Tong has entered into a service agreement with the Company for an initial term of one year which is renewable for a term of one year. Mr. Tong will hold office until the next annual general meeting of the Company and is thereafter subject to retirement by rotation and re-election in accordance with the Article of Association of the Company. Mr. Tong will be entitled to a salary of HK\$120,000 per annum with reference to his duties and responsibilities and the prevailing market conditions. Mr. Tong will not be entitled to any bonus payment.

Mr. Tong is not interested in the share capital of the Company as at the Latest Practicable Date within the meaning of Part XV of the SFO.

Save as disclosed above, (a) Mr. Tong has not previously held any position with the Company or any of its subsidiaries and has not been a director in the past three years in any other public companies the securities of which are listed on any securities market in Hong Kong or overseas, and he has no other major appointments and professional qualifications; (b) Mr. Tong is not connected with any directors, senior management, management shareholders, substantial shareholders or controlling shareholders of the Company; (c) there is no information relating to Mr. Tong that is required to be disclosed pursuant to Rule 17.50(2)(h) to (v) of the GEM Listing Rules; and (d) there is no other matter in relation to Mr. Tong's re-election that needs to be brought to the attention of the Shareholders.

This is an explanatory statement given to all Shareholders relating to the resolution no. 4B as set out in the Notice to be proposed at the AGM granting the Repurchase Mandate.

This explanatory statement contains all the information required by the GEM Listing Rules which is set out as follows:

1. EXERCISE OF THE REPURCHASE MANDATE

As at the Latest Practicable Date, the issued and fully-paid share capital of the Company comprised 912,184,080 Shares.

Subject to the passing of resolution no. 4B as set out in the Notice and on the basis that no further Shares are issued or repurchased by the Company prior to the AGM, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 91,218,408 Shares (which amounts to 10% of the issued and fully paid share capital of the Company as at the Latest Practicable Date) during the period from the date of passing of resolution no. 4B as set out in the Notice up to (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required by any applicable laws or the Articles of Association to be held; or (iii) the revocation, variation or renewal of the Repurchase Mandate by ordinary resolution of the Shareholders in a general meeting of the Company, whichever occurs first.

2. REASONS FOR REPURCHASES

Although the Directors have no present intention of repurchasing any Shares, the Directors believe that the granting of the Repurchase Mandate is in the best interests of the Company and the Shareholders. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value and/or earnings per Share and will only be made when the Directors believe that such repurchase will benefit the Company and the Shareholders.

3. FUNDING OF REPURCHASES

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with the Memorandum and Articles of Association, and the applicable laws and regulations of the Cayman Islands. The Company may not purchase securities on the GEM for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time.

4. IMPACT ON WORKING CAPITAL OR GEARING POSITION

The Directors consider that there might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited financial statements contained in the Annual Report) in the event that the Repurchase Mandate is exercised in full. However, the Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or on its gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

5. PRICE OF THE SHARES

The highest and lowest prices at which the Shares were traded on the GEM during each of the previous twelve months before the Latest Practicable Date were as follows:

| | Shares | |
|---|----------------|---------------|
| | Highest | Lowest |
| | <i>HK\$</i> | <i>HK\$</i> |
| June 2010 | 1.267 | 0.942 |
| July 2010 | 1.258 | 0.967 |
| August 2010 | 1.192 | 1.050 |
| September 2010 | 1.142 | 1.050 |
| October 2010 | 1.275 | 0.925 |
| November 2010 | 1.000 | 0.708 |
| December 2010 | 0.817 | 0.608 |
| January 2011 | 0.667 | 0.617 |
| February 2011 | 0.860 | 0.470 |
| March 2011 | 0.780 | 0.445 |
| April 2011 | 0.660 | 0.530 |
| May 2011 | 0.680 | 0.510 |
| From 1 June 2011 to the Latest Practicable Date | 0.63 | 0.51 |

6. UNDERTAKING

The Directors have undertaken to the Stock Exchange that, they will exercise the Repurchase Mandate in accordance with the GEM Listing Rules, the Memorandum and Articles of Association of the Company and the applicable laws and regulations of the Cayman Islands.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates (as defined in the GEM Listing Rules), has any present intention to sell any Shares to the Company under the Repurchase Mandate if such is approved by the Shareholders. As at the Latest Practicable Date, no connected person (as defined in the GEM Listing Rules) of the Company has notified the Company that he/she/it has a present intention to sell his/her/its Shares to the Company, nor has undertaken not to do so, in the event that the Repurchase Mandate is approved by the Shareholders.

7. EFFECT OF THE TAKEOVERS CODE

If a Shareholder's proportionate interest in the voting rights of the Company increases as a result of a share repurchase, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder, or a group of Shareholders acting in concert (within the meaning under the Takeovers Code), depending on the level of increase in the Shareholder's interests, could obtain or consolidate control of the Company and become(s) obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Company, the single largest Shareholder, Ms. Eva Wong, beneficially held 272,829,600 Shares, representing approximately 29.91% of the issued share capital of the Company. In the event that the Directors exercise in full the power to repurchase its Shares which is proposed to be granted pursuant to the Repurchase Mandate, the shareholding of Ms. Eva Wong in the Company would be increased to approximately 33.23% of the issued share capital of the Company. Such increase would technically render Ms. Eva Wong an obligation to make a mandatory offer under Rule 26 of the Takeovers Code. For this reason, if the Repurchase Mandate is exercised, the Directors will exercise to the extent that is considered in the best interests of the Company. However, the Directors have no present intention to exercise the Repurchase Mandate to such an extent as would result in takeover obligations or would have a material impact on the Group, as at the Latest Practicable Date. Save as mentioned, the Directors are not aware of any consequence which may arise under the Takeovers Code as a result of any purchase to be made under the Repurchase Mandate.

8. SHARE PURCHASE MADE BY THE COMPANY

No purchases of Shares have been made by the Company in the previous six months preceding the Latest Practicable Date, whether on the Stock Exchange or otherwise.

NOTICE OF ANNUAL GENERAL MEETING



PAN ASIA MINING LIMITED
寰亞礦業有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8173)

NOTICE IS HEREBY GIVEN that the annual general meeting of the shareholders of Pan Asia Mining Limited (the “**Company**”) will be held at Suite 3008, Tower One, Times Square, 1 Matheson Street, Causeway Bay, Hong Kong on 27 July 2011 at 11:00 a.m. (the “**AGM**”) for the following purposes:

1. To receive and adopt the audited financial statements and the reports of the directors (the “**Directors**”) and auditors of the Company for the year ended 31 March 2011.
2. (a) To re-elect the retiring Directors, Mr. Eng Wee Meng, Mr. Tong Wan Sze, Mr. Lai Kai Jin, Michael and Mr. Chu Hung Lin, Victor, the biographical details of the Directors proposed to be re-elected at the AGM are set out in the circular of the Company dated 27 June 2011.

(b) To authorize the board of directors of the Company (the “**Board**”) to fix the Directors’ remuneration.
3. To re-appoint auditors of the Company and to authorise the Board to fix their remuneration.
4. As special business, to consider and, if thought fit, pass with or without amendments, the following resolutions as ordinary resolutions:

ORDINARY RESOLUTIONS

A. “**THAT:**

- (a) subject to paragraph (c) of this resolution and pursuant to the Rules Governing the Listing of Securities on the Growth Enterprise Market (“**GEM**”) of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), the exercise by the directors of the Company (the “**Directors**”) during the Relevant Period (as defined in paragraph (d) of this resolution) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company (the “**Shares**”) and to make or grant offers, agreements and options which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) of this resolution and shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period;

NOTICE OF ANNUAL GENERAL MEETING

- (c) the aggregate nominal value of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to options or otherwise) and issued or dealt with by the Company pursuant to the approval in paragraph (a) of this resolution, otherwise than pursuant to (i) a Rights Issue (as defined in paragraph (d) of this resolution), (ii) the exercise of the right of subscription or conversion attaching to any warrants issued by the Company or any securities which are convertible into Shares, (iii) the exercise of any options under the Share Option Scheme of the Company or any other option scheme or similar arrangement for the time being adopted for the grant or issue to eligible persons of options to subscribe for, or rights to acquire Shares or, (iv) any scrip dividend or similar arrangement providing for the allotment of Shares in lieu of the whole or part of the cash payment for any dividend on Shares pursuant to the articles of association of the Company in force from time to time, shall not in aggregate exceed 20 per cent of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing this resolution and the approval in paragraph (a) of this resolution shall be limited accordingly; and
- (d) the purpose of this resolution:

“**Relevant Period**” means the period from the date of passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws of the Cayman Islands to be held; and
- (iii) the date on which the authority given under this resolution is revoked, varied or renewed by an ordinary resolution of the shareholders of the Company in a general meeting.

“**Rights Issue**” means the allotment, issue or grant of Shares pursuant to an offer of Shares, or offer or issue of warrants, options or other securities giving rights to subscribe for Shares open for a period fixed by the Company or the Directors to holders of Shares on the register of members of the Company on a fixed record date in proportion to their then holdings of such Shares (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange applicable to the Company).”

NOTICE OF ANNUAL GENERAL MEETING

B. “THAT:

- (a) subject to paragraph (b) of this resolution, the exercise by the Directors during the Relevant Period (as defined in paragraph (c) of this resolution) of all the powers of the Company to repurchase the Shares on the GEM or any other stock exchange on which the Shares may be listed and which is recognised by the Securities and Futures Commission of Hong Kong (the “**Securities and Futures Commission**”) and the Stock Exchange for such purpose, in accordance with the rules and regulations of the Securities and Futures Commission, the Stock Exchange or of any such other stock exchange from time to time and all applicable laws in this regard, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of Shares which may be repurchased by the Company pursuant to the approval in paragraph (a) of this resolution during the Relevant Period shall not exceed 91,218,408 Shares, being 10 per cent of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of this resolution, and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and
- (c) for the purpose of this resolution:

“**Relevant Period**” means the period from the date of passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws of the Cayman Islands to be held; and
 - (iii) the date on which the authority given under this resolution is revoked, varied, or renewed by an ordinary resolution of the shareholders of the Company in a general meeting.”
- C. “**THAT** subject to the passing of the ordinary resolutions Nos. 4A and 4B as set in the notice convening this meeting, the unconditional general mandate granted to the Directors to exercise the powers of the Company to allot, issue and deal with additional Shares and to make or grant offers, agreements and option pursuant to resolution No. 4A as set in the notice convening this meeting be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company under the authority granted pursuant to resolution No. 4B as set in the notice convening this meeting, provided that such amount shall not exceed 10 per cent of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of this resolution.”

NOTICE OF ANNUAL GENERAL MEETING

5. “**THAT** subject to and conditional upon the granting by the GEM Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Shares to be issued pursuant to the exercise of options granted under the refreshed scheme mandate limit (the “**Scheme Mandate Limit**”) under the share option scheme approved and adopted by the Company on 25 April 2002 in the manner as set out in paragraph (a) of this resolution below,
- (a) the refreshment of the Scheme Mandate Limit of up to 10% of the Shares in issue as at the date of passing of this resolution be and is hereby approved; and
- (b) the Directors be and are hereby authorised do all such acts and things and execute all such documents, including under seal where applicable, as they consider necessary or expedient to give effect to the foregoing arrangement.”

By Order of the Board
Pan Asia Mining Limited
Wong Chung Yu, Denny
Chairman

Hong Kong, 27 June 2011

Principal place of business in Hong Kong:

Suite 3008, Tower 1,
Times Square,
1 Matheson Street
Causeway Bay
Hong Kong

Notes:

1. Any member of the Company entitled to attend and vote at the AGM shall be entitled to appoint a person or persons (if he holds two or more Shares) as his proxy or proxies to attend and vote instead of him and a proxy so appointed shall have the same right as the member to speak at the AGM. A proxy need not be a member of the Company.
2. To be valid, a form of proxy together with any power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power or authority, must be delivered to the Company’s share registrar in Hong Kong, Tengis Limited, 26th floor, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the AGM or any adjourned meeting, and in default thereof the form of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiry of 12 months from the date of its execution.
3. An explanatory statement containing further details regarding ordinary resolution No. 4B above as required by the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited has been dispatched to members of the Company together with the circular of the Company attaching this notice of AGM.
4. Completion and deposit of the form of proxy shall not preclude a shareholder from attending and voting in person at the AGM if the shareholder so desires and in such event the form of proxy shall be deemed to be revoked.

NOTICE OF ANNUAL GENERAL MEETING

As at the date of this announcement, the Board comprises three executive Directors, Mr. Wong Chung Yu Denny, Mr. Liu Junqing and Mr. Eng Wee Meng; one non-executive Director Mr. Yin Mark Teh-min; and three independent non-executive Directors, Mr. Lai Kai Jin, Michael, Mr. Chu Hung Lin, Victor and Mr. Tong Wan Sze.

*This announcement, for which the directors of the Company (the “**Directors**”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquires, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement in this announcement misleading.*

This announcement will remain on the page of “Latest Company Announcement” on the GEM website for at least 7 days from the date of its posting.