INVESTOR PRESENTATION – SEPTEMBER 2012

Pan Asia Corporation Ltd (the “Company”; ASX: PZC) is pleased to provide the attached Company presentation which was presented by CEO, Alan Hopkins this week at the Kalimantan Coal Conference, in Balikpapan Indonesia.
"IT’S TIME!"

Underground Coal Mining in Indonesia

September 2012
Structure

➤ Why Underground Now?

➤ Key Factors to Consider

➤ The TCM Project
Indonesia – Underground History

Long History of Underground Mining

GOLD
• Traditional underground mining since 700 AD in Sumatra
• Extensive underground mining in Sumatra and West Java during the Dutch era

TIN
• Largest underground tin mine in the world - Belitung Island; pre World War 2

COAL
• Ombilin in West Sumatra from the late 1800’s
Notable Underground Projects – Past & Present

Underground Mining Indonesia Past & Present

- Ombilin
- Bukit Sunur
- Indominco Mandiri
- Bukit Baiduri
- Fajar Mineral Sakti (PT)
- Transcoal Minery (PT)
- Wahana Baratama (PT)
- Merge Continental Mining (PT)

- Lebong Tandai
- Lebong Siman (Simau)
- Lebong Donok
- Way Linggo
- Kelapa Kampit
- Cibaliung
- Cirotan; Cikotok
- Cipicung
- Gunung Pongkor
- Cikondang
- Gosowong / Kencana
- Ertsberg / Grasberg
Why it’s Time for Underground Coal in Indonesia

INDONESIA’S COAL CLOCK

3rd Generation Coal Projects
- Near Coast
- High Coal Quality Available
- Infrastructure Already In
- Big Tonnages Possible
- High CAPEX & Mining OPEX
- Minimum Impact

2nd Generation Coal Projects
- Open Pit
- Longer Haul/Barge
- Lesser Coal Quality
- Needs Big Tonnage
- May Need Infrastructure

1st Generation Coal Projects
- Open Pit
- Near Coast
- Big Tonnages Available
- Low CAPEX/OPEX
What Does Underground Mining Offer Investors?

**OFFERS**
- High Coal Quality
- Large Tonnage
- Good Location
- Infrastructure In
- Minimum Impact on Other Stakeholders
- Forestry
- Possible Incentives

**NEEDS**
- Expertise
- Technology
- High CAPEX
- Higher Mining OPEX
- Up Front Analysis & Long Term Thinking
Commodity Intensive Stage of Development

- Commodity intensive stage is USD 3,000 - USD 20,000

- 10 years ago, 25% of World population in this phase

- Now 60% of World population in this phase
World Growth – Commodity Demand Driven

Share of Global Growth in Commodity Intensive Usage Stage

Top Ten Countries Based on Per Capita Income Filter (3000; 20000)

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<tbody>
<tr>
<td>1</td>
<td>United States</td>
<td>China</td>
<td>United States</td>
<td>China</td>
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<tr>
<td>2</td>
<td>Germany</td>
<td>India</td>
<td>Japan</td>
<td>India</td>
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<tr>
<td>3</td>
<td>United Kingdom</td>
<td>Russian Federation</td>
<td>Brazil</td>
<td>Indonesia</td>
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<td>4</td>
<td>Japan</td>
<td>Brazil</td>
<td>Germany</td>
<td>Brazil</td>
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<tr>
<td>5</td>
<td>France</td>
<td>Mexico</td>
<td>United Kingdom</td>
<td>Russian Federation</td>
</tr>
<tr>
<td>6</td>
<td>Italy</td>
<td>Indonesia</td>
<td>Italy</td>
<td>Mexico</td>
</tr>
<tr>
<td>7</td>
<td>Canada</td>
<td>Turkey</td>
<td>France</td>
<td>Philippines</td>
</tr>
<tr>
<td>8</td>
<td>Brazil</td>
<td>Iran</td>
<td>Mexico</td>
<td>Vietnam</td>
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<tr>
<td>9</td>
<td>Mexico</td>
<td>Thailand</td>
<td>Spain</td>
<td>Egypt</td>
</tr>
<tr>
<td>10</td>
<td>Spain</td>
<td>Argentina</td>
<td>Poland</td>
<td>Turkey</td>
</tr>
</tbody>
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Sources: Total Economy Database, HSBC estimates, HSBC Commodities & the Global Economy publication – August 2012
## Coal Demand – Long Cycle

### Developing Countries Provide Long Term Demand...

#### Long cycle ahead....

<table>
<thead>
<tr>
<th></th>
<th>Historical 5 Year Growth</th>
<th>China Current Intensity (per person)</th>
<th>Developed Economy Intensity (per person)</th>
<th>Potential Upside</th>
<th>Length of Growth Phase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electricity Generation</td>
<td>10%</td>
<td>2.8 MWh</td>
<td>10.0 MWh</td>
<td>260%</td>
<td>15 – 20</td>
</tr>
<tr>
<td>Coal Demand</td>
<td>8%</td>
<td>2.2 tonnes</td>
<td>6.0 tonnes</td>
<td>170%</td>
<td>15 - 20</td>
</tr>
</tbody>
</table>

1.8 Billion People in Indonesia, India & Brazil also at Early Stage
(Indonesia 0.6MWh/per person & 8.5% p.a growth in electricity consumption/per person)
Coal Outlook Over the Next 15 – 20 Years (Life of Mine)

Long Term: thermal coal stabilises through continued Asian demand and rationalisation of supply

- China and India will drive this rebound with rapidly growing economies which are heavily reliant on coal
- Longer term fundamentals suggest the high demand growth trend will continue
- China and India in particular have little alternative but to expand coal use in the power sector
- Meeting the substantial demand growth will require expansion of existing supply basins and development of new reserves in more remote regions, exerting price pressure across the entire global supply chain
- New mining projects, at current pricing levels and capital intensity, likely to be shelved.

Source: globalCOAL (History), Wood Mackenzie Coal Market Service (Forecasts)
Key Positive Factors – TCM Underground Project

THE BIG PICTURE

- High Quality Coal
  - High Revenue per tonne
- Big Tonnage Potential
  - Supports High CAPEX
- Location and Infrastructure
  - Offsets Higher Mining Costs

KEY DETAIL - Technical

- GEOTECH
  - Rock Integrity
  - Faulting
- PARTING
  - None or small (washing /yield)
- OTHERS
  - Gas, water, spontaneous combustion etc
Flagship Pre Development Project – “TCM”
South Kalimantan

75% interest (25% Local Partners) (3,440Ha)

- Immediately adjacent to PT Arutmin ATA mine
- Coal seams dip into TCM
- High calorific value thermal coal
  6,200 kcal / kg (AR)
- 128Mt of JORC measured, indicated & inferred resource, with potential to increase
- Haul road in
  (51kms to Batulicin Barge Loading Terminal)
TCM Project - Drilling

- Feasibility Study based on Southern half (128mt)
- Drilling in North
- Targeting 200 - 220mt Total
TCM Project - Resource

- JORC measured resource = 50Mt
- JORC indicated resource = 38Mt
- JORC inferred resource = 40Mt

TOTAL JORC RESOURCE = 128Mt*

✓ Production IUP Issued (“C & C”)
✓ PMA Status

* Refer Appendix 1 for details
# TCM Project Overview

<table>
<thead>
<tr>
<th><strong>Style of Mining</strong></th>
<th>Mechanized Longwall</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Target Sellable Coal</strong></td>
<td>1.5Mt pa</td>
</tr>
<tr>
<td><strong>Mine Life</strong></td>
<td>15 years +</td>
</tr>
<tr>
<td><strong>Target Sellable Coal C.V</strong></td>
<td>6200 + GAR</td>
</tr>
<tr>
<td><strong>Operating Cost /t on Mother Vessel</strong></td>
<td>~ USD$52/t</td>
</tr>
<tr>
<td><strong>CAPEX + OPEX pre production</strong></td>
<td>~ US$190m</td>
</tr>
</tbody>
</table>

Project parameters targeted by the company as a result of Full Base Case Feasibility Study completed by PT Kopex Mining Contractors (KMC).
Milestones – TCM Project

4th QUARTER 2012

- JORC Update – TCM North
- Optimise Mine Plan
- Discussions with Development Partners

1st HALF 2013

- Development Agreement
- Permitting & Project Execution Plan

2nd HALF 2013

- Project Execution
- Development
1. It’s Time for Underground Coal Mining in Indonesia

2. Underground Coal Brings Something New to the Partnership with Indonesia
   - Expertise / Technology / Large, Long Term Investment

3. Potential to Deliver Significant New Reserves for Indonesia, with Lowest Impact on Other Stakeholders
   - Forestry / Agriculture / Local Communities

4. Mining is “A Marriage, Not A Date”
   - Underground Mining – A Long Engagement
Disclaimer

Forward Looking Statements
This presentation includes certain “forward looking Statements”. All statements other than statements of historical fact are forward looking statements that involve various risks and uncertainties. There can be no assurances that such statements will prove accurate and actual results and future events could differ materially from those anticipated in such statements. Such information contained herein represents management’s best judgement as of the date hereof based on information currently available. The Company does not assume the obligation to update any forward looking statement.

Exploration Targets
The estimates of exploration target sizes mentioned in this announcement should not be misunderstood or misconstrued as estimates of mineral resources. The potential quantity and grade of the exploration targets are conceptual in nature and there has been insufficient exploration to define a mineral resource and it is uncertain if further exploration will result in a determination of a mineral resource.

Qualified Person
The technical information in this presentation is derived from Pan Asia’s ASX releases, each of which has been reviewed by our competent person, Marek Rosa, as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Copies of prior releases are available on the ASX website or www.panasiacorp.com.au

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.

MAREK ROSA M.Sc. (Geology), MAusIMM
Appendix 1

Current JORC Resources at TCM

<table>
<thead>
<tr>
<th></th>
<th>TCM JORC RESOURCES</th>
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<tbody>
<tr>
<td>MEASURED (tonnes)</td>
<td>50,270,464</td>
</tr>
<tr>
<td>INDICATED (tonnes)</td>
<td>38,108,017</td>
</tr>
<tr>
<td>INFERRED (tonnes)</td>
<td>40,436,597</td>
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<tr>
<td>TOTAL (tonnes)</td>
<td>128,815,078</td>
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</table>

Coal Quality

<table>
<thead>
<tr>
<th>Proximate Analysis</th>
<th>%</th>
<th>14% Ash Spec</th>
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<tbody>
<tr>
<td>Total Moisture</td>
<td>ar</td>
<td>8.5</td>
</tr>
<tr>
<td></td>
<td>ad</td>
<td></td>
</tr>
<tr>
<td>Inherent Moisture</td>
<td>b</td>
<td>3.0</td>
</tr>
<tr>
<td>Ash content</td>
<td>ar</td>
<td>14.0</td>
</tr>
<tr>
<td></td>
<td>ad</td>
<td></td>
</tr>
<tr>
<td></td>
<td>b</td>
<td></td>
</tr>
<tr>
<td>Volatile Matter</td>
<td>ar</td>
<td>38.1</td>
</tr>
<tr>
<td></td>
<td>daf</td>
<td>49.8</td>
</tr>
<tr>
<td>Fixed Carbon</td>
<td></td>
<td>by difference</td>
</tr>
<tr>
<td>Total Sulfur</td>
<td>ar</td>
<td>1.00</td>
</tr>
<tr>
<td>Calorific Value</td>
<td>ar</td>
<td>6200</td>
</tr>
<tr>
<td></td>
<td>ad</td>
<td></td>
</tr>
<tr>
<td></td>
<td>b</td>
<td>6600</td>
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<tr>
<td></td>
<td>daf</td>
<td>8000</td>
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PARAMETERS USED IN JORC UPGRADE

1. Completed 55 boreholes (typically >200m depth);
2. All finished boreholes were drilled vertically and geophysically logged at the completion of the each borehole;
3. A number of boreholes have been ‘touch’ cored for coal quality analysis;
4. All borehole locations have been surveyed;
5. Profiles, logs of boreholes, seams correlation and collar co-ordinates completed;
6. Laboratory testing: quality, geotech, gas methane completed;
7. All data was put into an electronic database;
8. Minimum thickness of 0.20m coal is reported in the model;
9. Maximum thickness of parting included in seam thickness is 0.10m;
10. Minimum thickness of 1.00m is established for resources dedicated for potentially underground exploitation.

Based on the level of complexity of the TCM deposit, KMC sub-divided resources into categories based on the following drill spacing:

- Measured <500m
- Indicated 500 - 1000m
- Inferred 1,000 - 2,000m
“IT’S TIME!”
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