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PACIFIC ANDES INTERNATIONAL HOLDINGS LIMITED

太平洋恩利國際控股有限公司

(Incorporated in Bermuda with limited liability)

(STOCK CODE: 1174)

OVERSEAS REGULATORY ANNOUNCEMENT

**UPDATE ON RESTRUCTURING PROCESS
OF
PACIFIC ANDES RESOURCES DEVELOPMENT LIMITED**

This announcement is made by Pacific Andes International Holdings Limited (the “Company”) pursuant to Rule 13.10B of the Rules Governing the Listing of Securities on the Stock Exchange.

Attached below is the announcement made by Pacific Andes Resources Development Limited, a company listed on Singapore Exchange Securities Trading Limited (the “SGX-ST”) and a 66% non-wholly-owned subsidiary of the Company, in relation to the update on restructuring process, which has been released to the SGX-ST on 28 March 2017.

For and on behalf of
Pacific Andes International Holdings Limited
Ng Puay Yee (Jessie)
Managing Director

Hong Kong, 28 March 2017

As at the date of this announcement, the executive directors of the Company are Ms. Ng Puay Yee (Jessie), Mr. Ng Joo Kwee and Mr. Ng Joo Puay, Frank, the non-executive director of the Company is Madam Teh Hong Eng, and the independent non-executive directors of the Company are Mr. Lew V Robert, Mr. Tao Kwok Lau, Clement and Mr. Nguyen Van Tu, Peter.

PACIFIC ANDES RESOURCES DEVELOPMENT LIMITED
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("the Company")

UPDATE ON RESTRUCTURING PROCESS

The Company refers to previous announcements made on 1 July 2016, 10 August 2016, 17 August 2016, 9 September 2016, 14 September and 29 September 2016 with respect to the new initiatives in the Company's restructuring process. The Company now wishes to announce that on 27 March 2017 an indirect subsidiary of the Company, Golden Target Pacific Limited ("**Golden Target**"), filed a voluntary petition for relief under Chapter 11 of the United States Bankruptcy Code.

One of the primary reasons the Company and other affiliated entities filed for relief under Chapter 11 was to bring the Pacific Andes Group's many creditors into a single forum so that there could be an efficient, effective and transparent group-wide restructuring of the entire Group's capital structure. The objective is to maximize value for all creditors and stakeholders. The protection afforded by chapter 11 prevents adverse action from third parties frustrating the integrity of the restructuring efforts.

In the Courts of the Virgin Islands we have seen a number of such attempts to frustrate the prospects of a holistic restructuring for the Group in relation to several entities within the Group. Accordingly, the directors of the Company's indirect subsidiary, Golden Target, believe that it is in the best interests of its shareholders to file for protection under Chapter 11 to ensure the continuation of a transparent and comprehensive restructuring process.

The Company will continue to engage and work closely with all creditors, including bondholders, to achieve the best possible consensual restructuring for all interested parties, and will continue to provide regular updates on any material developments.

On behalf of the board of directors

Ng Puay Yee (Jessie)
Executive Chairman

28 March 2017