PACIFIC ANDES RESOURCES DEVELOPMENT LIMITED

(Incorporated in Bermuda with limited liability)

(the "**Company**")

UPDATING SHAREHOLDERS OF THE COMPANY AS TO CERTAIN INFORMATION DISCLOSED IN AN ANNOUNCEMENT BY CFG INVESTMENT S.A.C.

The Company wishes to inform shareholders of the Company that an announcement dated 28 January 2016 was made by its subsidiary, CFG Investment S.A.C. ("**CFGI**"), in relation to the Notice issued by CFGI to holders of its US$300 million 9.75% Senior Notes due July 30, 2019. For more information, please refer to the announcement released by CFGI to the Singapore Exchange Securities Trading Limited on 28 January 2016.

The board of directors of the Company (the "**Board**") has not verified the contents of the CFGI announcement. The Board assumes no responsibility for the contents of the CFGI announcement, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in the CFGI announcement.

By Order of the Board

Lynn Wan Tiew Leng
Company Secretary

Singapore, 28 January 2016