PACIFIC ANDES RESOURCES DEVELOPMENT LIMITED

(Incorporated in Bermuda with limited liability)

(the "**Company**")

APPOINTMENT OF JOINT PROVISIONAL LIQUIDATORS FOR AN INDIRECT SUBSIDIARY OF THE COMPANY

The Company wishes to inform shareholders of the Company that, pursuant to an ex parte application on 28th October 2016 made by Cooperatieve Rabobank U.A., Hong Kong Branch and Standard Chartered Bank (Hong Kong) Limited, on 31st October 2016, the Eastern Caribbean Supreme Court in the High Court of Justice of British Virgin Islands ordered that Mr. Ian Mortan (of FTI Consulting British Virgin Islands) and Mr. Nicholas James Gronow and Mr. Joshua Taylor (both of FTI Consulting Singapore) be appointed jointly and severally as provisional liquidators of Pacific Andes Enterprises (BVI) Limited (PAEBVI), an indirect subsidiary of the Company, with immediate effect.

On 3 November 2016, the Company was notified that the joint provisional liquidators had taken steps to remove the existing board of directors of Parkmond Group Limited (Parkmond), an indirect subsidiary of the Company and appointed Mr. Kurt Parant Metzger, Mr. Paul Christmas and Mr. Khuat Leok Choong (Lionel) as directors of Parkmond.

The Company and its subsidiaries intend to vigorously contest these matters by all available legal means.

The Company will keep the public informed of further developments by making announcement(s) as and when appropriate.

By Order of the Board

Ng Puay Yee (Jessie)
Executive Chairman

3 November 2016