PACIFIC ANDES RESOURCES DEVELOPMENT LIMITED

(Incorporated in Bermuda with limited liability)

(the **"Company"**)

WINDING UP PROCEEDINGS IN THE BRITISH VIRGIN ISLANDS FOR THREE INDIRECT SUBSIDIARIES

Reference is made to the Company's previous announcements regarding winding up proceedings commenced against certain indirect subsidiaries of the Company in the British Virgin Islands.

Bank of America, N.A., Cooperatieve Rabobank U.A., Hong Kong Branch and Standard Chartered (Hong Kong) Limited made applications to the Eastern Caribbean Supreme Court in the British Virgin Islands (the "BVI Court") to wind up and appoint liquidators for certain indirect subsidiaries of the Company, Pacific Andes Enterprises (BVI) Limited ("PAEBVI"), Parkmond Group Limited ("Parkmond") and PARD Trade Limited ("PARD Trade"). In particular, on 3 November 2016, the Company announced that the BVI Court had 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 PAEBVI, with immediate effect.

The BVI Court heard the applications for the winding up of PAEBVI, Parkmond and PARD Trade on 18 November 2016. Following a contested evidentiary hearing, the BVI Court made orders winding up the three indirect subsidiaries, and the previously announced joint provisional liquidators for PAEBVI, were appointed as liquidators for the three companies.

The Company remains committed to its efforts to deliver the best possible outcome for all creditors and stakeholders, and will continue to proceed with the Chapter 11 restructuring process under the supervision of the US Bankruptcy Court in New York.

Further announcements will be made as material developments arise.

By Order of the Board

Ng Puay Yee (Jessie)
Executive Chairman

21 November 2016