

Pioneer Marine Inc. Announces Delivery of its Second 38,500 DWT Green Dolphin Eco-Design Vessel

MAJURO -- (Marketwired – January 8, 2016) – Pioneer Marine Inc. (OSLO-OTC: PNRM) ("Pioneer Marine," or the "Company") a leading shipowner and global drybulk handysize transportation service provider announced today that it accepted delivery of a 38,419 DWT Green Dolphin eco-design handysize vessel, the M.V. Kite Bay. The new vessel, which was constructed at Yangzhou Guoyu Shipbuilding Co., Ltd, is Pioneer's second Green Dolphin eco-design handysize vessel. The ship's fuel consumption is about 6 tonnes per day lower than the non-eco design vessels. In addition to eco-friendly efficiencies, Pioneer's Green Dolphin newbuilding series are equipped with features which offer substantial commercial flexibility such as hull strengthened to Ice Class 1C, fully logs fitted, suitable for the carriage of various dangerous cargoes, grab fitted, ABB Octopus system for fuel consumption optimization, mass flow meters on the bunker line and more.

The Kite Bay will commence a 1 year charter on a floating rate based on the Baltic Supramax Index less a small discount. The charterer may extend the charter for up to one additional year.

The delivery of the Kite Bay expands the Company's operating fleet to fourteen handysize vessels and one handymax vessel.

Pankaj Khanna, Chief Executive Officer, commented, "Delivery of our second Green Dolphin newbuilding comes at a very challenging time for the drybulk industry as freight rates today are \$4,000 per day or below for all vessel sizes, and that is if you can achieve index after including idle time. Pioneer continues to earn a premium over index, but when the index is this low it is of little consolation. Pioneer had contracted twelve newbuilds of which three have been cancelled without penalty and two vessels have delivered. The seven remaining newbuildings are scheduled to be delivered in 2016 (four) and 2017 (three). We continue to work with our shipyard to seek possible solutions given the unprecedented market conditions."



About Pioneer Marine Inc.

Pioneer Marine Inc. is a leading shipowner and global drybulk handysize transportation service provider. Pioneer Marine owns thirteen Handysize and one Handymax drybulk carriers with an additional 7 Handysize newbuildings on order for delivery through 2016 and 2017. The Handysize Green Dolphins newbuildings are 'Eco' vessels designed by SDARI.

Forward-Looking Statements

Matters discussed in this press release may constitute forward-looking statements. The Private Securities Litigation Reform Act of 1995 provides safe harbor protections for forward-looking statements in order to encourage companies to provide prospective information about their business. Forward-looking statements include statements concerning plans, objectives, goals, strategies, future events or performance, and underlying assumptions and other statements, which are other than statements of historical facts. The Company desires to take advantage of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 and is including this cautionary statement in connection with this safe harbor legislation. The words "believe," "anticipate," "intends," "estimate," "forecast," "project," "plan," "potential," "may," "should," "expect," "pending" and similar expressions identify forward-looking statements.

The forward-looking statements in this press release are based upon various assumptions, many of which are based, in turn, upon further assumptions, including without limitation, our management's examination of historical operating trends, data contained in our records and other data available from third parties. Although we believe that these assumptions were reasonable when made, because these assumptions are inherently subject to significant uncertainties and contingencies which are difficult or impossible to predict and are beyond our control, we cannot assure you that we will achieve or accomplish these expectations, beliefs or projections.

In addition to these important factors, other important factors that, in our view, could cause actual results to differ materially from those discussed in the forward-looking statements include the failure of counterparties to fully perform their contracts with us, the strength of world economies and currencies, general market conditions, including fluctuations in charter rates and vessel values, changes in demand for dry bulk vessel capacity, changes in our operating expenses, including bunker prices, drydocking and insurance costs, the market for our vessels, availability of financing and refinancing, charter counterparty performance, ability to obtain financing and comply with covenants in such financing arrangements, changes in governmental rules and regulations or actions taken by regulatory authorities, potential liability from pending or future litigation, general domestic and international political conditions, potential disruption of shipping routes due to accidents or political events, vessels breakdowns and instances of off-hires and other factors.

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