



Regent Pacific Group Limited

(Incorporated in the Cayman Islands with Limited Liability)

Stock Code: 0575

10 November 2010

ANNOUNCEMENT

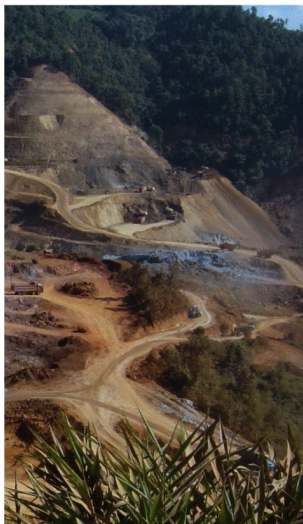
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DISCLOSEABLE TRANSACTION FURTHER SUBSCRIPTION IN BC IRON LIMITED AND PERFORMANCE OF THE GROUP'S LISTED EQUITY PORTFOLIO

SUMMARY

This announcement is made by the Company in compliance with the disclosure requirements under Rule 13.09 and Chapter 14 of the HK Listing Rules.

On 10 November 2010 the Company executed a firm commitment letter with Argonaut Securities Pty Limited, as broker, pursuant to which it agreed to subscribe for 4 million new BCI Shares pursuant to the Placing each at AUD 2.30 (or approximately US\$2.30 or HK\$17.94) per BCI Share, representing approximately 4.34 per cent. of the enlarged issued share capital of BCI, following the Placing, for an aggregate amount of AUD 9.2 million (or approximately US\$9.2 million or HK\$71.8 million).





The subscription will be executed and completed in conjunction with the larger Placing of up to 8 million new BCI Shares (inclusive of the 4 million BCI Shares allocated to the Company), pursuant to which BCI will raise up to AUD 18.4 million (or approximately US\$18.4 million or HK\$143.5 million). In this respect, Argonaut Securities Pty Limited has also executed arrangements and sought irrevocable commitments from other institutional investors.

The Placing is expected to occur in two equal tranches, with each such tranche expected to close and trading in such shares on ASX to commence on or about Wednesday, 17 November 2010 and Friday, 17 December 2010, respectively.

Prior to the Company's above referenced subscription, the Company held 13,881,725 BCI Shares, representing approximately 16.51 per cent. of the issued share capital of BCI, prior to the Placing. Following completion of the Placing the Company will hold an aggregate of 17,881,725 BCI Shares, representing approximately 19.42 per cent. of the enlarged issued share capital of BCI.

In respect of the Company's current holding in BCI, the majority of which has been held for more than 12 months, the Company is currently enjoying an unrealised gain before expenses of approximately AUD 17.5 million (or approximately US\$17.5 million or HK\$136.5 million), calculated by deducting the acquisition costs from the aggregate value of this holding based on the closing price of BCI on ASX on 9 November 2010.

The total unrealised and realised gain represents a 113 per cent. return on investment.

The Company is also pleased to report that the total unrealised and realised gains in respect of its listed equity portfolio are US\$40.4 million (or approximately HK\$315.1 million), in respect of the period from 1 January 2010 to 9 November 2010, having an internal return rate of 92.28 per cent. This is a very satisfactory result.

As at 9 November 2010, the total value of our listed equity portfolio is US\$85.1 million (or approximately HK\$663.8 million), up from US\$48.9 million (or approximately HK\$381.4 million) as at 30 June 2010 resulting from the marked-to-market increase in the value of our listed equities and acquisitions made.

The Company's total cash as at 9 November 2010, inclusive of 60 per cent. or the unrestricted portion of the deposit paid in respect of the Company's announced disposal of its interest in Dapingzhang, now stands at US\$43.6 million (or approximately HK\$340.1 million), a significant increase from US\$6.3 million (or approximately HK\$48.8 million) reported as at 30 June 2010.



The unaudited NAV per Share is currently US\$0.065 (or approximately HK\$0.51), a 73 per cent. premium to the closing price of the Shares on 10 November 2010.

The above referenced subscription into the Placing, together with the Company's on-market acquisitions of BCI Shares in the last 12 months, are, together, a discloseable transaction of the Company under Chapter 14 of the HK Listing Rules.

This announcement is made by the Company in compliance with the disclosure requirements under Rule 13.09 and Chapter 14 of the HK Listing Rules.

Further Subscription for Shares in BC Iron Limited

The Board is pleased to announce that on 10 November 2010 the Company executed a firm commitment letter with Argonaut Securities Pty Limited, as broker, pursuant to which it agreed to subscribe for 4 million new BCI Shares pursuant to the Placing each at AUD 2.30 (or approximately US\$2.30 or HK\$17.94) per BCI Share, representing approximately 4.34 per cent. of the enlarged issued share capital of BCI, following the Placing, for an aggregate amount of AUD 9.2 million (or approximately US\$9.2 million or HK\$71.8 million).

The subscription will be executed and completed in conjunction with the larger Placing of up to 8 million new BCI Shares (inclusive of the 4 million BCI Shares allocated to the Company), pursuant to which BCI will raise up to AUD 18.4 million (or approximately US\$18.4 million or HK\$143.5 million). In this respect, Argonaut Securities Pty Limited has also executed arrangements and sought irrevocable commitments from other institutional investors.

The Placing is expected to occur in two equal tranches, with each such tranche expected to close and trading in such shares on ASX to commence on or about Wednesday, 17 November 2010 and Friday, 17 December 2010, respectively. The second tranche of the Placing remains subject to approval of BCI's shareholders.

Prior to the Company's above referenced subscription, the Company held 13,881,725 BCI Shares, representing approximately 16.51 per cent. of the issued share capital of BCI, prior to the Placing. Following completion of the Placing the Company will hold an aggregate of 17,881,725 BCI Shares, representing approximately 19.42 per cent. of the enlarged issued share capital of BCI.

In respect of the Company's current holding in BCI, the majority of which has been held for more than 12 months, the Company is currently enjoying an unrealised gain before expenses of approximately AUD 17.5 million (or approximately US\$17.5 million or HK\$136.5), calculated by



deducting the acquisition costs from the aggregate value of this holding based on the closing price of BCI on ASX on 9 November 2010.

The total unrealised and realised gain represents a 113 per cent. return on investment.

The BCI Shares placed under the Placing will, when issued, rank pari passu in all respects with the existing issued shares of BCI, including the right to receive any dividends and other distributions declared following their admission to ASX.

There are no applicable restrictions to the subsequent sale of any of the Company's newly subscribed BCI Shares.

The above referenced subscription into the Placing, together with the Company's on-market acquisitions of BCI Shares in the last 12 months, are, together, a discloseable transaction of the Company under Chapter 14 of the HK Listing Rules.

Performance of the Group's Listed Equity Portfolio and Cash Position

The Company is also pleased to report that its other listed equity investments have continued to enjoy a significant period of growth, noting in particular that the total unrealised and realised gains in respect of its listed equity portfolio is US\$40.4 million (or approximately HK\$315.1 million), in respect of the period from 1 January 2010 to 9 November 2010, having an internal return rate of 92.28 per cent. This is a very satisfactory result.

As at 9 November 2010, the total value of our listed equity portfolio is US\$85.1 million (or approximately HK\$663.8 million), up from US\$48.9 million (or approximately HK\$381.4 million) as at 30 June 2010 resulting from the marked-to-market increase in the value of our listed equities and acquisitions made.

The Company's total cash as at 9 November 2010, inclusive of 60 per cent. or the unrestricted portion of the deposit paid in respect of the Company's announced disposal of its interest in Dapingzhang, now stands at US\$43.6 million (or approximately HK\$340.1 million), a significant increase from US\$6.3 million (or approximately HK\$48.8 million) reported as at 30 June 2010.

The unaudited NAV per Share is currently US\$0.065 (or approximately HK\$0.51), a 73 per cent. premium to the closing price of the Shares on 10 November 2010.

The Company has no debt.



BC Iron Limited Consideration

The subscription of 4 million new BCI Shares was negotiated on an arms length basis between the Company, on the one hand, and Argonaut Securities Pty Limited, on the other, as broker, in conjunction with the Placing by reference to the then market price of BCI Shares, with the placing price of AUD 2.30 representing a discount of approximately 3.4 per cent. to the closing price of BCI Shares on ASX on 9 November 2010.

In respect of the Company's projected shareholding in BCI subscribed for by the Company under the Placing, together with its BCI Shares acquired on market over the last 12 months, the Company's attributable share of BCI's: (i) net loss (both before and after taxation and extraordinary items) for the financial year ended 30 June 2010 is approximately AUD 0.08 million (or approximately US\$0.08 million or HK\$0.62 million); and (ii) net loss (both before and after taxation and extraordinary items) for the financial year ended 30 June 2009 is approximately AUD 0.08 million (or approximately US\$0.08 million or HK\$0.62 million).

The net asset value of BCI is AUD 39.0 million (or approximately US\$39.0 million or HK\$304.2 million) as at 30 June 2010, being the number shown in BCI's latest publicly disclosed audited financial statements for the year ended 30 June 2010.

Background on BC Iron Limited

As previously disclosed in the Company's announcement on 18 June 2009, BCI (ASX code: BCI) is an emerging iron ore producer focused on Western Australia's world-class Pilbara region.

In addition to other projects, BCI has a 50/50 joint venture with Fortescue Metals Group ("**FMG**") at its Nullagine Resource and has entered into a number of key contracts, including contracts for mining crushing and haul-road construction, accommodation camp construction; ore haulage; catering and janitorial services. BCI has also secured a US\$50 million financing arrangement with Hong Kong based Industrial Company, Henghou Industries (Hong Kong) Limited in November 2009, repayable over 5 years in equal instalments.

The Nullagine Iron Ore Joint Venture project is situated approximately 300 kilometres from Port Hedland in Western Australia and 60 kilometres north of Fortescue Metals Group's Chichester operations. The Nullagine JV is committed to deliver first shipment by December 2010.

The proposed mining operation will be relatively simple and low-cost. In particular, the outcropping nature of the resource will result in a low waste-to-ore strip ratio.

BCI's directors have suitable qualifications and experience.



Further details about BCI can be found on its web site www.bciron.com.au

Reasons for subscribing for further shares in BC Iron Limited

The Board considers a further investment in BCI as a sensible expansion of its already significant stake in the company. The Company has been and continues to be supportive of BCI's move into production and views an increased holding of 19.42 per cent. as being important from a strategic investment standpoint, as well sending a clear message to the Board of BCI and the market more generally that it remains supportive of its efforts towards first shipment of iron ore in December 2010.

The Company retains a positive outlook towards iron ore and Pilbara based iron ore in particular (a region of Western Australia, widely regarded as a premium source of iron ore) in the near term based on the current macroeconomic indicators. Moreover, given BCI's pending first shipment of iron ore, the Company expects the value of its investment in BCI to continue to grow at encouraging levels.

Specifically, the Board considers that a further investment in BCI is sensible in light of BCI's reported:

- high quality product, having very low phosphorous, high calcined iron grade DSO product with encouraging sintering characteristics;
- low capital intensity, having a flat lying, outcropping resource with a low strip ratio and capital intensity;
- access to infrastructure, following the announced joint venture with FMG to help unlock value of the Nullagine Project; and
- near term production, with the first shipment of iron ore to be in December 2010, with production ramping up thereafter.

The Directors consider the transaction referred to above to be on normal commercial terms and in the ordinary and usual course of business of the Company. They believe that the terms of the transaction referred to above are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Source of funds

The subscription costs in respect of the BCI Shares were and will be paid from the working capital of the Company.



Discloseable transaction

In view of the fact that the aggregate amount of cash to be used to subscribe for all of the Company's interest in BCI under the Placing (being AUD 9.2 million or approximately US\$9.2 million or HK\$71.8 million), together with on-market acquisitions of BCI Shares carried out over the last 12 months, exceeds 5 per cent. but is less than 25 per cent. of the Company's market capitalisation, the above referenced subscription and acquisitions in respect of BCI constitutes a discloseable transaction of the Company under Chapter 14 of the HK Listing Rules.

The purpose of this announcement is to provide the Shareholders with information on the details of the above referenced acquisitions and subscription in accordance with the HK Listing Rules.

Not a connected transaction

As at the date of this announcement, to the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, each of Argonaut Securities Pty Limited, BCI and its/their respective beneficial owner(s) is a third party independent of the Company and is not a connected person of the Group.

Principal business activities of the Company

The Company is a limited liability company incorporated under the laws of the Cayman Islands whose Shares are listed on the HK Stock Exchange and are also traded on the OTC market (Freiverkehr) of the Frankfurt Stock Exchange. The Company is a diversified mining group focused on the Asian region. It explores for and mines copper, zinc, gold, silver, lead and thermal coal. Its principal assets are located in Yunnan Province, Inner Mongolia and Xinjiang, China.

Principal business activities of Argonaut Securities Pty Limited

Based in Perth, Western Australia, Argonaut Securities Pty Limited is an integrated Investment house with Corporate, Stockbroking & Research, Funds Management and Principal Investment divisions.

Across its operating divisions, Argonaut focuses on natural resources companies, and businesses that service the natural resources sector.



Definitions

In this announcement, the following expressions have the following meanings unless the context require otherwise:

“associate(s)”	shall have the meaning defined in the HK Listing Rules
“ASX”	Australian Securities Exchange
“AUD”	Australian dollars, the lawful currency in Australia
“BCI”	BC Iron Limited, a company having limited liability, the shares of which are listed on ASX
“BCI Shares”	ordinary voting and listed shares in BCI
“Board”	the board of directors of the Company
“China”	Peoples’ Republic of China
“Company”	Regent Pacific Group Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the HK Stock Exchange and are also traded on the OTC market (Freiverkehr) of the Frankfurt Stock Exchange
“connected person(s)”	shall have the meaning defined in Chapter 14A of the HK Listing Rules
“Director(s)”	the directors of the Company
“HK Listing Rules”	The Rules Governing the Listing of Securities on the HK Stock Exchange, as amended from time to time
“HK Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency in Hong Kong



“Placing”	the placing by Argonaut Securities Pty Limited, as broker, of up to 8 million new BCI Shares, each at AUD 2.30 (or approximately US\$2.30 or HK\$17.94) to raise up to AUD 18.4 million (or approximately US\$18.4 million or HK\$143.5 million), announced by BCI on 10 November 2010
“Shareholder(s)”	the holders of the Shares
“Share(s)”	the ordinary shares, with voting rights, of US\$0.01 each in the capital of the Company, which are listed on the HK Stock Exchange and are also traded on the OTC market (Freiverkehr) of the Frankfurt Stock Exchange
“US\$”	United States dollars, the lawful currency in the United States

Note: Unless otherwise specified herein, (i) amounts denominated in AUD have been translated, for the purpose of illustration only, into US\$ using the exchange rate of AUD 1.00 = US\$1.00; and (ii) amounts denominated in US\$ have been translated, for the purpose of illustration only, into HK\$ using the exchange rate of US\$1.00 = HK\$7.80.

On Behalf of the Board of
Regent Pacific Group Limited

Jamie Gibson
Director

Directors of the Company:

James Mellon (*Co-Chairman*)^{*}
Stephen Dattels (*Co-Chairman*)^{*}
Jamie Gibson (*Chief Executive Officer*)
David Comba[#]
Julie Oates[#]
Mark Searle[#]
Jayne Sutcliffe^{*}

^{*} *Non-Executive Directors*

[#] *Independent Non-Executive Directors*

Hong Kong, 10 November 2010