



# Regent Pacific Group Limited

*(Incorporated in the Cayman Islands with Limited Liability)*

Stock Code: 0575

1 August 2011

## ANNOUNCEMENT

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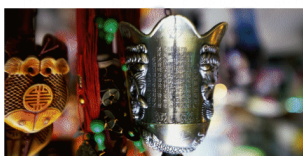
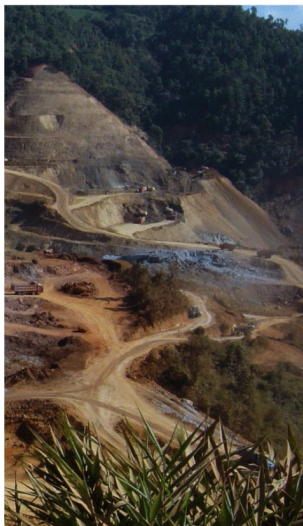
### **DISCLOSEABLE TRANSACTION: SUBSCRIPTION FOR UNITS IN GOLDRICH MINING COMPANY**

#### **SUMMARY**

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

The Company is pleased to announce that on 27 July 2011 it executed a subscription agreement with Goldrich, pursuant to which it subscribed for units affording the Company an aggregate of: (i) 7,300,000 new Goldrich Shares; (ii) 3,991,121 Goldrich Class I Warrants; and (iii) 3,991,121 Goldrich Class J Warrants, with such securities to be allotted and issued to the Company, by way of a private placement, for an aggregate cash consideration of approximately US\$1,432,710 (or approximately HK\$11,175,138).

The Company was advised that the above-referenced subscription closed after market in the United States on Friday, 29 July 2011, so on Saturday, 30 July 2011 in Hong Kong.





Prior to the aforementioned subscription, the Company held units affording the Company an aggregate of: (i) 5,306,427 Goldrich Shares; (ii) 2,702,023 Goldrich Class H Warrants; and (iii) 2,702,022 Goldrich Class I Warrants, which were allotted and issued to the Company upon closing of a previous private placement on or about 27 May 2011 for an aggregate cash consideration of approximately US\$1.1 million (or approximately HK\$8.58 million).

Following the closing of the subscription executed on 27 July 2011, the Company now holds 12,606,427 Goldrich Shares (which include all commission-based Goldrich Shares issued and to be issued to the Company), representing approximately 13.94 per cent of the enlarged issued share capital of Goldrich. On the assumption that the Company elects to convert all of its 2,702,023 Goldrich Class H Warrants, 6,693,143 Goldrich Class I Warrants and 3,991,121 Goldrich Class J Warrants (which include all commission-based Goldrich Warrants issued and to be issued to the Company), and no other Goldrich Warrants, options and other convertible securities are converted or exercised, the Company will then hold approximately 25.03 per cent of the share capital of Goldrich on this partially diluted basis.

The subscription of, in aggregate, 12,606,427 new Goldrich Shares, 2,702,023 Goldrich Class H Warrants, 6,693,143 Goldrich Class I Warrants and 3,991,121 Goldrich Class J Warrants (which include all commission-based Goldrich Shares and Goldrich Warrants issued and to be issued to the Company) and the conversion of such Goldrich Warrants, together, constitute a discloseable transaction of the Company under Chapter 14 of the HK Listing Rules by virtue of the fact that the total revenue attributable to the Goldrich Shares subscribed and to be subscribed for by the Company exceeds 5 per cent of the total revenue of the Company.

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

## **Subscription of shares in Goldrich**

### **1. Further subscription**

The Company is pleased to announce that on 27 July 2011 it executed a subscription agreement with Goldrich Mining Company (“Goldrich”, OTCBB: GRMC), pursuant to which the Company subscribed for units affording the Company, *inter alia*, an aggregate of 6,822,430 new Goldrich Shares by way of a private placement at the price of US\$0.21 (or approximately HK\$1.638) per Goldrich Share, representing approximately 7.54 per cent of the share capital of Goldrich as enlarged by the said subscription (having included the new Goldrich Shares to be allotted and issued to the Company as a commission regarding the



said subscription, as referred to below), for an aggregate cash consideration of US\$1,432,710 (or HK\$11,175,138).

Each Goldrich unit subscribed for by the Company also affords the Company one half of one Goldrich Class I Warrant and one half of one Goldrich Class J Warrant. Accordingly, an aggregate of 3,411,215 Goldrich Class I Warrants and an aggregate of 3,411,215 Goldrich Class J Warrants are to be allotted and issued to the Company.

In consideration for the Company agreeing to further subscribe for units in Goldrich, the Company is to receive:

- a cash commission in the amount of 7 per cent of the consideration paid for the subscription, being US\$100,290 (or HK\$782,262), which may be subscribed for new Goldrich units affording the Company 477,570 new Goldrich Shares at US\$0.21 per Goldrich Share, together with 238,785 Goldrich Class I Warrants and 238,785 Goldrich Class J Warrants; and
- Goldrich Warrants equal to 10 per cent of the consideration paid for the subscription, being 341,121 Goldrich Class I Warrants and 341,121 Goldrich Class J Warrants.

The Company was advised that the above-referenced subscription closed after market in the United States on Friday, 29 July 2011, so on Saturday, 30 July 2011 in Hong Kong.

## 2. Previous holding

Prior to the above-referenced subscription, the following Goldrich Shares and Goldrich Warrants were allotted and issued to Company upon closing of a previous private placement on or about 27 May 2011 on substantially the same terms as the above-referenced subscription:

- (i) 4,761,904 new Goldrich Shares at the price of US\$0.21 (or approximately HK\$1.638) per Goldrich Share, representing approximately 6.21 per cent of the share capital of Goldrich as at 27 May 2011, for an aggregate cash consideration of approximately US\$1 million (or approximately HK\$7.8 million);
- (ii) further 476,190 new Goldrich Shares at the price of US\$0.21 (or approximately HK\$1.638) per Goldrich Share, representing approximately 0.62 per cent of the share capital of Goldrich as at 27 May 2011, for an aggregate cash consideration of US\$100,000 (or approximately HK\$780,000);



- (iii) 33,333 new Goldrich Shares (upon subscription of the cash commission of US\$7,000 (or approximately HK\$54,600) (being 7 per cent of the consideration paid in the Company's subscription referred to in (ii) above) for Goldrich Shares at US\$0.21 per Goldrich Share), representing approximately 0.04 per cent of the share capital of Goldrich as at 27 May 2011;
- (iv) 35,000 new Goldrich Shares (upon subscription of the cash introduction fee of US\$7,350 (or approximately HK\$57,330) (being 7 per cent of the consideration in the aggregate amount of US\$105,000 (or approximately HK\$819,000) paid in the subscriptions by third parties introduced by the Company) for Goldrich Shares at US\$0.21 per Goldrich Share), representing approximately 0.05 per cent of the share capital of Goldrich as at 27 May 2011;
- (v) an aggregate of 2,653,213 Goldrich Class H Warrants and an aggregate of 2,653,213 Goldrich Class I Warrants which accompanied the Goldrich Shares allotted and issued to the Company under (i) to (iv) above; and
- (vi) further 48,810 Goldrich Class H Warrants and 48,809 Goldrich Class I Warrants (being 10 per cent of the aggregate consideration in the amount of US\$205,000 paid in the subscriptions by the Company (as referred to in (ii) above) and by the third parties introduced by the Company).

The existing and new Goldrich Shares subscribed for by the Company, rank *pari passu* in all respects with the existing issued common shares of Goldrich, including the right to receive any dividends and other distributions declared following their admission to OTCBB.

Following the closing of the subscription executed on 27 July 2011, the Company now holds 12,606,427 Goldrich Shares (which include all commission-based Goldrich Shares issued and to be issued to the Company), representing approximately 13.94 per cent of the enlarged issued share capital of Goldrich. On the assumption that the Company elects to convert all of its 2,702,023 Goldrich Class H Warrants, 6,693,143 Goldrich Class I Warrants and 3,991,121 Goldrich Class J Warrants (which include all commission-based Goldrich Warrants issued and to be issued to the Company), and no other Goldrich Warrants, options and other convertible securities are converted or exercised, the Company will then hold approximately 25.03 per cent of the share capital of Goldrich on this partially diluted basis.

The subscription of, in aggregate, 12,606,427 new Goldrich Shares, 2,702,023 Goldrich Class H Warrants, 6,693,143 Goldrich Class I Warrants and 3,991,121 Goldrich Class J Warrants (which include all commission-based Goldrich Shares and Goldrich Warrants issued and to be issued to the Company) and the conversion of such Goldrich Warrants, together, constitute a





discloseable transaction of the Company under Chapter 14 of the HK Listing Rules by virtue of the fact that the total revenue attributable to the Goldrich Shares subscribed and to be subscribed for by the Company exceeds 5 per cent of the total revenue of the Company.

### **Special provisions to Goldrich Shares and Goldrich Warrants**

New Goldrich Shares subscribed for by the Company or issued upon conversion of any Goldrich Warrants shall be restricted from trading for a period of six months from the date of their allotment and issue.

In the event that Goldrich Shares trade on OTCBB at a closing price of greater than certain levels for a specified period, Goldrich may, in its sole discretion, accelerate the expiration date of the respective classes of Goldrich Warrants by giving written notice to the holders thereof.

The Company has the right to exercise the Goldrich Warrants at any time, however, certain restrictions may become applicable depending on the percentage holding of the Company at that particular time, with such restrictions being driven by particular requirements under the Securities Exchange Act of 1934, as amended, of the United States. The restrictions, if any, are capable of waiver as between the holder of the Goldrich Warrants and Goldrich. Accordingly, a waiver of such restrictions was duly agreed between the Company and Goldrich in respect of the Goldrich Warrants issued and to be issued to the Company.

### **Basis of consideration**

The subscription of units affording the Company in aggregate: (i) 12,606,427 new Goldrich Shares; (ii) 2,702,023 Goldrich Class H Warrants; (iii) 6,693,143 Goldrich Class I Warrants; and (iv) 3,991,121 Goldrich Class J Warrants (which include all commission-based Goldrich Shares and Goldrich Warrants issued and to be issued to the Company) was negotiated on an arm's length basis between Goldrich, on the one hand, and the Company, on the other, by reference to the then market price of Goldrich Shares, with the subscription price of US\$0.21 per Goldrich Share representing: (i) a discount of approximately 32.26 per cent to the closing price of US\$0.31 of Goldrich Shares on OTCBB on 27 July 2011; and (ii) a discount of approximately 19.23 per cent to the 30 days' volume-weighted average price of US\$0.26 of Goldrich on OTCBB immediately preceding 27 July 2011.

In respect of the Company's interest in Goldrich, the Company's attributable share (being 25.03 per cent on a partially diluted basis, as referred to above) of Goldrich's: (i) net loss for the financial year ended 31 December 2010 from continued operations is US\$594,748 (or approximately HK\$4,639,034); and (ii) net loss for the financial year ended 31 December 2009



from continued operations is US\$379,192 (or approximately HK\$2,957,698), both before and after taxation and extraordinary items.

The net liability value of Goldrich was US\$219,991 (or approximately HK\$1,715,930) as at 31 December 2010, as reported in Goldrich's latest publicly disclosed annual financial statements for the year ended 31 December 2010.

### **Principal business activities of Goldrich**

Goldrich is a United States junior mining company with world-class exploration potential and experienced management. Goldrich owns 100 per cent of the historic Alaskan Chandalar gold district, approximately 7,000 hectares in size, located 305 kilometres north of Fairbanks, where gold was first discovered in 1905.

Since Chandalar's discovery, both high-grade gold veins at a cut-off of 1 troy ounce per tonne (31g/t) and alluvial gold deposits have been mined at various sites throughout the property. In addition, Goldrich has discovered evidence of a stratabound, Carlin type gold sediment-hosted mineralization target approximately eight kilometres long by 550 metres wide that may have the potential for a large bulk-tonnage gold deposit.

Goldrich completed a test mine in 2009 on one of the seven alluvial deposits at Chandalar and commenced its first step in commercial production in 2010, producing approximately 1,500 ounces of gold. The deposit is estimated to contain approximately 8 million tonnes of alluvial ore at an average grade of 1.0 gram per tonne and is open for expansion with further drilling.

Goldrich has an exploration field work underway during the 2011 summer (June to September) to gain a preliminary understanding for the potential of the hard rock to host gold mineralisation.

Further information on Goldrich can also be found on Goldrich's website [www.goldrichmining.com](http://www.goldrichmining.com).

### **Use of proceeds by Goldrich**

The proceeds of the private placement will be used by Goldrich to complete the financing for its 2011 hard-rock drilling gold exploration program at its Chandalar property in Alaska, completely satisfy its notes payable in gold of approximately US\$960,000, repay a related party account payable of approximately US\$263,000 and fund general operating expenses.



## **Reasons for subscription of shares in Goldrich**

The opportunity to invest in Goldrich is an exciting and strategic one for the Company as it enables the Company to acquire a meaningful stake and thereby support an early stage gold explorer in an established jurisdiction at what the Company considers to be a low entry point.

Gold remains a target commodity for the Company and an increased exposure is sensible in light of the continuing economic uncertainty associated with the European and American sovereign debt levels, together with ongoing inflationary concerns throughout China.

Representatives of the Company have cultivated a close working relationship with Goldrich management and due diligence has included detailed technical and commercial reviews and a site visit. The Company is optimistic that, following Goldrich's successful exploration program and the proposed listing on a National Canadian Exchange (Toronto Stock Exchange or the TSX Venture Exchange), it will achieve an attractive return on this investment.

The Directors consider the above-referenced subscriptions 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 subscriptions referred to above are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## **Source of funds**

The acquisition costs in respect of the Goldrich Shares were paid from the working capital of the Company.

## **Discloseable transaction**

The subscription of, in aggregate, 12,606,427 new Goldrich Shares, 2,702,023 Goldrich Class H Warrants and 6,693,143 Goldrich Class I Warrants and 3,991,121 Goldrich Class J Warrants (which include all commission-based Goldrich Shares and Goldrich Warrants issued and to be issued to the Company) and the conversion of such Goldrich Warrants, together, constitute a discloseable transaction of the Company under Chapter 14 of the HK Listing Rules by virtue of the fact that the total revenue attributable to the Goldrich Shares subscribed and to be subscribed for by the Company exceeds 5 per cent of the total revenue of the Company.

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



## Not a connected transaction

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, as of execution of the aforementioned subscription agreement between the Company and Goldrich on 27 July 2011, each of Goldrich and its respective beneficial owner(s) and associate(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, primarily, on the Asian region. While it explores for and mines copper, zinc, gold, silver, lead and thermal coal, it also has passive interests in a number of mining companies, including Venturex Resources Limited (25.92%). Its principal assets are located in Yunnan Province and Inner Mongolia, China.

## Definitions

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

<b>“associate(s)”</b>	shall have the meaning defined in the HK Listing Rules
<b>“Board”</b>	the board of directors of the Company
<b>“Business Day”</b>	any day except a Saturday, Sunday or other day on which commercial banks in the City of Spokane, Washington are authorised by law to close
<b>“China”</b>	Peoples' Republic of China
<b>“Company”</b>	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
<b>“connected person(s)”</b>	shall have the meaning defined in Chapter 14A of the HK Listing Rules





<b>“Director(s)”</b>	the directors of the Company
<b>“Goldrich”</b>	Goldrich Mining Company, an Alaska corporation having limited liability, the shares of which are listed on OTCBB (OTCBB: GRMC)
<b>“Goldrich Share(s)”</b>	the ordinary voting and listed common shares of US\$0.01 each in Goldrich
<b>“Goldrich Class H Warrant(s)”</b>	the registered warrants of Class H of Goldrich, each of which entitles its holder to subscribe for one Goldrich Share at the initial exercise price of US\$0.30 during the five-year exercise period
<b>“Goldrich Class I Warrant(s)”</b>	the registered warrants of Class I of Goldrich, each of which entitles its holder to subscribe for one Goldrich Share at the initial exercise price of US\$0.40 during the five-year exercise period
<b>“Goldrich Class J Warrant(s)”</b>	the registered warrants of Class J of Goldrich, each of which entitles its holder to subscribe for one Goldrich Share at the initial exercise price of the greater of \$0.30 or the closing price of Goldrich Shares on the OTCBB on the closing date of the share placement during the five-year exercise period
<b>“Goldrich Warrant(s)”</b>	the registered warrants of Goldrich, each of which entitles its holder to subscribe for one Goldrich Share at the relevant exercise price during the exercise period, as specified in the respective title deeds
<b>“HK Listing Rules”</b>	The Rules Governing the Listing of Securities on the HK Stock Exchange, as amended from time to time
<b>“HK Stock Exchange”</b>	The Stock Exchange of Hong Kong Limited
<b>“HK\$”</b>	Hong Kong dollars, the lawful currency in Hong Kong
<b>“OTCBB”</b>	Over the Counter Bulletin Board of the United States



“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, 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*)<sup>\*</sup>  
Stephen Dattels (*Co-Chairman*)<sup>\*</sup>  
Jamie Gibson (*Chief Executive Officer*)  
David Comba<sup>#</sup>  
Julie Oates<sup>#</sup>  
Mark Searle<sup>#</sup>  
Jayne Sutcliffe<sup>\*</sup>

<sup>\*</sup> *Non-Executive Directors*

<sup>#</sup> *Independent Non-Executive Directors*

Hong Kong, 1 August 2011