



Regent Pacific Group Limited

(Incorporated in the Cayman Islands with Limited Liability)

Stock Code: 0575

15 February 2013

ANNOUNCEMENT

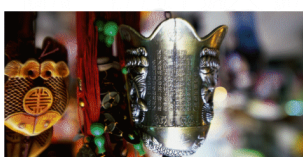
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DISCLOSEABLE TRANSACTION: SUBSCRIPTION OF NEW SHARES AND WARRANTS IN CONDOR GOLD PLC

SUMMARY

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

The Company announces that on 15 February 2013 (after market close in Hong Kong) it executed the Subscription Agreement with Condor, pursuant to which: (i) it has agreed to subscribe for up to 6,250,000 new Condor Shares at GBP 1.60 (or approximately US\$2.48 or HK\$19.34) per Condor Share in cash, for an aggregate consideration of GBP 10,000,000 (or approximately US\$15,493,000 or HK\$120,845,400); (ii) in consideration for agreeing to underwrite the Offer, it shall be issued with 12,500 new Condor Shares (being an underwriting fee of 1 per cent of GBP 2,000,000 (or approximately US\$3,098,600 or HK\$24,169,080) , payable in new Condor Shares and calculated by reference to the subscription price of GBP 1.60 (or approximately US\$2.48 or HK\$19.34) per Condor Share); and (iii) it shall be issued with Condor Warrants on a one for three basis to subscribe, in aggregate, for up to 2,083,333 new Condor Shares at GBP 2.20 (or approximately US\$3.41 or HK\$26.60) per Condor Share, which are exercisable at an aggregate consideration of GBP 4,583,333 (or approximately US\$7,100,958 or HK\$55,387,472), as detailed in this announcement.





Prior to the subscription, the Company held 291,149 Condor Shares, which were acquired in October 2012 by way of subscription in respect of Condor's private placing at a price of GBP 1.60 (or approximately US\$2.48 or HK\$19.34) per Condor Share, for an aggregate amount of cash consideration of GBP 465,839 (or approximately US\$721,724 or HK\$5,629,447), representing approximately 0.87 per cent of the existing issued share capital of Condor.

Following the Subscription and assuming that the Company will be required to take up all 1,250,000 new Condor Shares under the Offer, the Company will hold 6,553,649 Condor Shares, representing approximately 16.49 per cent of the enlarged issued share capital of Condor (which excludes the exercise or conversion of any options or Condor Warrants).

With effect from the date of the Subscription Agreement and for so long as the Company holds 10 per cent or more of the issued share capital of Condor from time to time, the Company shall be entitled to: (i) nominate and have appointed one director to the board of the Condor (and the first director so nominated and appointed is James Mellon, who is currently a non-executive director of Condor); and (ii) designate one person who shall have observer status at any board meeting of the Condor but for the avoidance of doubt, shall have no right to speak or vote at any such board meeting.

The Subscription of up to 6,250,000 new Condor Shares pursuant to the Subscription Agreement, either in isolation or when viewed in aggregate with the Company's subscription of 291,149 Condor Shares during the last 12 months, constitutes a discloseable transaction of the Company under Chapter 14 of the HK Listing Rules. Moreover, such Subscription, when viewed in aggregate with the Company's subscription of 291,149 Condor Shares during the last 12 months and the full exercise of the Condor Warrants to subscribe for up to 2,083,333 new Condor Shares (assuming that the Company will be required to take up all 1,250,000 new Condor Shares under the Offer), continues to constitute 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 Chapter 14 of the HK Listing Rules.



Subscription of new shares and warrants in Condor

The Company announces that on 15 February 2013 (after market close in Hong Kong) it executed the Subscription Agreement with Condor, pursuant to which it has agreed to, in each case at GBP 1.60 (or approximately US\$2.48 or HK\$19.34) per Condor Share in cash:

- (i) subscribe for 3,125,000 new Condor Shares, for an aggregate consideration of GBP 5,000,000 (or approximately US\$7,746,500 or HK\$60,422,700);
- (ii) further subscribe for 1,875,000 new Condor Shares, on or before 21 March 2013, for an aggregate consideration of GBP 3,000,000 (or approximately US\$4,647,900 or HK\$36,253,620), conditional upon the Company's completion of confirmatory due diligence, including a site visit, to the Company's sole satisfaction; and
- (iii) undertake, irrevocably and unconditionally, to subscribe for all the unallocated new Condor Shares that are not to be taken up by existing shareholders of Condor under the Offer, upon notification to be received from Condor following close of the Offer on the third business day after the date of the Subscription Agreement, which will amount to a maximum of 1,250,000 new Condor Shares, for an aggregate consideration of GBP 2,000,000 (or approximately US\$3,098,600 or HK\$24,169,080).

In consideration for agreeing to underwrite the Offer, the Company shall be paid an underwriting fee of 1 per cent of GBP 2,000,000 (or approximately US\$3,098,600 or HK\$24,169,080), payable in new Condor Shares and calculated by reference to the subscription price of GBP 1.60 (or approximately US\$2.48 or HK\$19.34) per Condor Share. The total number of new Condor Shares to be issued to the Company in consideration for underwriting the Offer shall be 12,500 new Condor Shares, to be issued to the Company following the receipt of the subscription proceeds payable by the Company to the Condor for the unallocated offer shares as referred to in (iii) above.

It is expected that Condor will issue all the Condor Shares referred to in (i), (ii) and (iii) above and the Condor Shares in respect of the underwriting fee to the Company within a maximum of 10 working days of receipt of cleared funds from the Company for the relevant subscriptions.

Furthermore, Condor has agreed to issue to the Company, on 29 March 2013, Condor Warrants on a one for three basis to subscribe, in aggregate, for up to 2,083,333 new Condor Shares (assuming that the Company will be required to take up all 1,250,000 new Condor Shares under the Offer), which are exercisable at GBP 2.20 (or approximately US\$3.41 or HK\$26.60) per Condor Share at an aggregate consideration of GBP 4,583,333 (or approximately US\$7,100,958 or HK\$55,387,472). Existing shareholders of Condor who participate in the Offer



will also be issued with Condor Warrants on a one for three basis on identical terms to those offered to the Company.

The new Condor Shares to be issued under the Subscription, the Offer and following exercise of the Condor Warrants shall be credited as fully paid up and shall rank *pari passu* with the existing Condor Shares in issue.

Prior to the subscription, the Company held 291,149 Condor Shares, which were acquired in October 2012 by way of subscription in respect of Condor's private placing at a price of GBP 1.60 (or approximately US\$2.48 or HK\$19.34) per Condor Share, for an aggregate amount of cash consideration of GBP 465,839 (or approximately US\$721,724 or HK\$5,629,447), representing approximately 0.87 per cent of the existing issued share capital of Condor.

Following the Subscription and assuming that the Company will be required to take up all 1,250,000 new Condor Shares under the Offer, the Company will hold 6,553,649 Condor Shares, representing approximately 16.49 per cent of the enlarged issued share capital of Condor (which excludes the exercise or conversion of any options or Condor Warrants).

With effect from the date of the Subscription Agreement and for so long as the Company holds 10 per cent or more of the issued share capital of Condor from time to time, the Company shall be entitled to: (i) nominate and have appointed one director to the board of the Condor (and the first director so nominated and appointed is James Mellon, who is currently a non-executive director of Condor); and (ii) designate one person who shall have observer status at any board meeting of the Condor but for the avoidance of doubt, shall have no right to speak or vote at any such board meeting.

At any time on or before the date which is five (5) years after the date of the Subscription Agreement, the Company shall have the right to participate at the offer price and on identical terms and conditions in any issue of Condor Shares of and by Condor in order to maintain its then percentage shareholding in Condor after the completion of the issue of Condor Shares. Condor Shares issued following the exercise or conversion of options or Condor Warrants are excluded from calculations of the Company's relevant percentage shareholding for these purposes.

Pursuant to the Subscription Agreement, each of the Company and Condor has provided the other with representations and warranties customary for a transaction of this nature, principally in respect of enforceability, capacity, authority, compliance with applicable laws and solvency.



The Subscription of up to 6,250,000 new Condor Shares pursuant to the Subscription Agreement, either in isolation or when viewed in aggregate with the Company's subscription of 291,149 Condor Shares during the last 12 months, constitutes a discloseable transaction of the Company under Chapter 14 of the HK Listing Rules. Moreover, such Subscription, when viewed in aggregate with the Company's subscription of 291,149 Condor Shares during the last 12 months and the full exercise of the Condor Warrants to subscribe for 2,083,333 new Condor Shares (assuming that the Company will be required to take up all 1,250,000 new Condor Shares under the Offer), continues to constitute a discloseable transaction of the Company under Chapter 14 of the HK Listing Rules.

Condition

The further subscription of 1,875,000 new Condor Shares on or before 21 March 2013 (as referred to in (ii) under the paragraph headed "Subscription of new shares and warrants in Condor" above) is conditional upon the Company's completion of confirmatory due diligence, including a site visit, to the Company's sole satisfaction by that time.

Basis of consideration

The consideration payable in respect of the Subscription of up to 6,250,000 new Condor Shares, and exercise of the Condor Warrants to subscribe for up to 2,083,333 Condor Shares, has been determined on normal commercial terms and negotiated on an arm's length basis between the relevant parties, by reference to the prevailing market price of Condor Shares on AIM, with the subscription price of GBP 1.60 (or approximately US\$2.48 or HK\$19.34) per Condor Share, in respect of each of the new Condor Shares subscribed for by the Company under the Subscription, representing a discount of 4.19 per cent to the closing price of Condor Shares on AIM on 14 February 2013, its last day trading prior to the date of the Subscription Agreement.

The Directors consider the Subscription 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 Subscription are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

In respect of the Company's projected interests in Condor, the Company's attributable share (being 16.49 per cent upon completion of the Subscription, but before taking into account the exercise or conversion of the Condor Warrants or any outstanding options over Condor Shares) of Condor's: (i) net loss for the financial year ended 31 December 2011 from continued operations is GBP 325,184 (or approximately US\$503,808 or HK\$3,929,702); and (ii) net loss for the financial year ended 31 December 2010 from continued operations is GBP 215,377 (or approximately US\$333,684 or HK\$2,602,735), both before taxation and extraordinary items.



In respect of the Company's projected interests in Condor, the Company's attributable share (being 16.49 per cent upon completion of the Subscription, but before taking into account the exercise or conversion of the Condor Warrants or any outstanding options over Condor Shares) of Condor's: (i) net loss for the financial year ended 31 December 2011 from continued operations is GBP 325,207 (or approximately US\$503,843 or HK\$3,929,975); and (ii) net loss for the financial year ended 31 December 2010 from continued operations is GBP 216,093 (or approximately US\$334,793 or HK\$2,611,385), both after taxation and extraordinary items.

The net asset value of Condor was GBP 9,729,179 (or approximately US\$15,073,417 or HK\$117,572,653) as at 30 June 2012, as set out in Condor's last published interim report for the period ended 30 June 2012.

Background on Condor

Condor Gold plc (AIM: CNR and FSX: W5X) is a UK based exploration Company dually listed on AIM and the Frankfurt Stock Exchange, focused on proving a large commercial reserve on its 100 per cent owned La India Project in Nicaragua.

As at 18 September 2012, Condor has publicly reported that its La India Project has a Canadian Institute of Mining, Metallurgy and Petroleum (CIM) Standards resource as follows:

- 751,000 oz gold at 4.4 g/t in Indicated
- 1,624,000 oz gold at 4.6 g/t Inferred, totalling
- 2,375,000 oz gold at 4.6 g/t in Indicated and Inferred

Included within the resource is potential *in situ* open pit mineralization using a 1g/t cut off as follows:

- 534,000 oz gold at 3.9 g/t in Indicated
- 420,000 oz gold at 3.3 g/t in Inferred, totalling
- 954,000 oz gold at 3.6 g/t Indicated and Inferred.

The La India Underground Mine, which operated at this site from 1938 to 1956, produced an estimated 576,000 oz gold from 1.7M tonnes grading 13.4 g/t.

Condor is currently conducting a 7,000m infill drilling programme within the whittle pit shell of the open pit with the objective of converting Inferred resources to the Indicated Category with a target of 800,000 oz gold in the Indicated Category. Condor is also currently conducting a 4,000m drilling programme through the historic mine workings on the America Vein Set, which has a CIM standard mineral resource of 403,000 oz gold at 6.0g/t with the objective of defining a second open pit resource on La India Project.



The Company understands that a preliminary economic assessment is currently underway. In addition to the La India Resource, 87k oz gold on Condor's Rio Luna Resource takes Condor's total resource to 2.5m oz gold in Nicaragua to CIM standards.

Condor also has a JORC Code Resource of 1,004,000 oz gold equivalent in El Salvador, but unfortunately there is a moratorium on all mining in that country currently.

Condor's management team has extensive experience in mineral exploration, project development and project financing, that the Company believes will facilitate Condor to achieve exploration success and take the La India Project through to a bankable feasibility study.

Condor was successfully admitted to AIM on 31 May 2006.

More information is available at www.condorgold.com.

Reasons for the subscription of new Condor Shares

The Subscription will provide the Company with a meaningful and strategic stake in Condor and allow Condor to progress and expedite its exploration programme and to further advance its preliminary economic assessment of the La India Project on an enlarged asset base.

In addition, the scale and favourable location of the La India and surrounding projects present an attractive investment opportunity in a well understood regulatory environment and, through its investment, the Company hopes to assist Condor to create a substantial platform from which to consolidate and grow in due course.

The Company considers its strategic investment in Condor as a long term value play that supports the Company's long term outlook on precious metal commodity prices. In short, the Board considers the Subscription into Condor to be good value with the potential for significant growth.

The Directors consider the Subscription 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 Subscription 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 new Condor Shares will be funded from the working capital of the Company.



Discloseable transaction

In view of the fact that the aggregate amount of cash consideration to be paid for the Subscription of up to 6,250,000 new Condor Shares pursuant to the Subscription Agreement (being GBP 10,000,000 or approximately US\$15,493,000 or HK\$120,845,400), either in isolation or when viewed in aggregate with the Company's subscription of Condor Shares during the last 12 months (being 291,149 Condor Shares for a cash consideration of GBP 465,839 or approximately US\$721,724 or HK\$5,629,447), exceeds 5 per cent but is less than 25 per cent of the Company's market capitalisation, such Subscription, either in isolation or when aggregated with the Company's previous acquisition of Condor Shares in the last 12 months, constitutes a discloseable transaction of the Company under Chapter 14 of the HK Listing Rules. Moreover, such Subscription, when viewed in aggregate with the Company's previous acquisition of Condor Shares during the last 12 months and the full exercise of the Condor Warrants to subscribe for up to 2,083,333 new Condor Shares for an aggregate consideration of up to GBP 4,583,333 (or approximately US\$7,100,958 or HK\$55,387,472) (assuming that the Company will be required to take up all 1,250,000 new Condor Shares under the Offer), continues to constitute 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 Company's Subscription of new Condor Shares under the Subscription Agreement in accordance with the HK Listing Rules.

Not a connected transaction

James Mellon (Non-Executive Chairman of the Board of the Company) is a non-executive director of Condor (currently one of three directors), holding (himself and through his associate) less than 3 per cent of its total issued share capital, which is not discloseable under the AIM Rules. Moreover, Polo holds less than 3 per cent of its total issued share capital, which is not discloseable under the AIM Rules. It is noted that:

- (i) the Company does not hold any interest in Polo;
- (ii) James Mellon is a non-executive director of Polo, holding less than 3 per cent of its total issued share capital, which is not discloseable under the rules of the relevant regulators; and
- (iii) Stephen Dattels (Non-Executive Chairman of the Board of the Company) is the Joint Executive Chairman of Polo, holding (through an investment company wholly owned by the trustee of a trust, under which Stephen Dattels is a discretionary beneficiary) approximately 15.90 per cent of its total issued share capital.



Notwithstanding the above, to the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, each counterparty to the Subscription and their 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. Its principal assets and investments are located in Yunnan Province, China as well as the Pilbara region of Western Australia where the Company has strategic interests in Venturex Resources Limited (31.87%). The Company also has passive interests in a number of other mining companies.

Definitions

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

"AIM"	Alternative Investment Market of the London Stock Exchange
"AIM Rules"	the rules for companies whose securities are admitted to trading on AIM published by the London Stock Exchange
"associate(s)"	shall have the meaning defined in the HK Listing Rules
"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
"Condor"	Condor Gold plc, a public listed company incorporated in England and Wales, whose shares are dually listed on AIM (AIM: CNR) and the Frankfurt Stock Exchange (FSX: W5X)



“Condor Share(s)”	the ordinary shares of GBP 0.20 each in the capital of Condor
“Condor Warrant(s)”	the registered warrants to be issued by Condor, exercisable for a period of 2 years from 1 March 2013 at the exercise price of GBP 2.20 (or approximately US\$3.41 or HK\$26.60) for each Condor Share
“connected person(s)”	shall have the meaning defined in Chapter 14A of the HK Listing Rules
“Director(s)”	the directors of the Company
“GBP”	Great British Pounds, the lawful currency in the United Kingdom
“Group”	the Company and its subsidiaries
“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
“Offer”	the offer by Condor of up to 1,250,000 new Condor Shares at GBP 1.60 (or approximately US\$2.48 or HK\$19.34) per Condor Share, together with Condor Warrants on a one for three basis, to its existing shareholders to raise up to GBP 2,000,000 (or approximately US\$3,098,600 or HK\$24,169,080) excluding any exercise or conversion of Condor Warrants (to be announced by Condor, together with the Subscription, on or around 18 February 2013)
“Polo”	Polo Resources Limited, a public listed company, whose shares are dually listed on dually listed on AIM (AIM: POL) the TSX Venture Exchange (TSX-V: POL)
“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
- “Subscription”** the subscription by the Company of: (i) up to 6,250,000 new Condor Shares, either pursuant to the Offer or otherwise, at GBP 1.60 (or approximately US\$2.48 or HK\$19.34) per Condor Share, for an aggregate consideration of up to GBP 10,000,000 (or approximately US\$15,493,000 or HK\$120,845,400); and (ii) Condor Warrants to subscribe for up to 2,083,333 new Condor Shares exercisable at GBP 2.20 (or approximately US\$3.41 or HK\$26.60) per Condor Share for an aggregate consideration of GBP 4,583,333 (or approximately US\$7,100,958 or HK\$55,387,472), as detailed in the paragraph headed “Subscription of new shares and warrants in Condor” in this announcement
- “Subscription Agreement”** the subscription agreement entered into between the Company and Condor on 15 February 2013 (after market close in Hong Kong) regarding the Subscription
- “US\$”** United States dollars, the lawful currency of the United States

Note: Unless otherwise specified herein, (i) amounts dominated in GBP have been translated, for the purpose of illustration only, into US\$ using the exchange rate of GBP 1.00 = US\$1.5493; and (ii) amounts dominated 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, 15 February 2013