



Regent Pacific Group Limited

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 0575

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PRESS RELEASE

DEBT FINANCE REINSTATED FOR BC IRON ACQUISITION

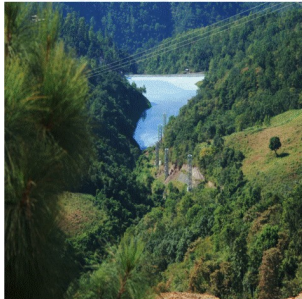
REGENT PACIFIC BOARD RECOMMENDS SHAREHOLDERS VOTE IN FAVOUR OF THE TRANSACTION

Regent Pacific Group Limited ("**Regent Pacific**" or the "**Company**") is pleased to announce that debt finance for the acquisition of BC Iron Limited ("**BCI**") has been successfully reinstated. As a result, the Company will proceed with the Transaction to acquire BCI via a Scheme of Arrangement ("**Scheme**"), and the Board has recommended that Regent Pacific shareholders vote in favour of the Transaction.

As set out in the Company's announcement dated 6 April 2011, the debt finance to fund the acquisition had previously ceased to be available following a change of recommendation from the Board of Regent Pacific. This change of recommendation resulted from the major shareholder in BCI, Consolidated Minerals Pty Limited ("**ConsMin**"), declining to clarify an unqualified public position that it is "flatly opposed" to the Scheme, as set out in more detail in the Company's announcements dated 15 and 18 March 2011.

Following public statements by ConsMin of its position, and orders of the Australian Takeovers Panel, the Company reconsidered its recommendation and initiated discussions with Standard Chartered Bank (Hong Kong) Limited ("**SCB**") and Westpac Banking Corporation ("**Westpac**"), with a view to reinstating the debt finance facility.

The Company is pleased to advise it has executed a binding mandate letter with SCB and Westpac to provide a facility of US\$155 million for the acquisition, on substantially similar terms to the original lending agreement.





Commenting on the development, Jamie Gibson, Chief Executive Officer of Regent Pacific:

"I am delighted that the offer to acquire BCI is back on track and we have the financing package available to allow the Board of Regent Pacific to resume its positive recommendation to Regent Pacific shareholders.

"I am sure that the developments of the last month have been confusing to many observers, not least of which shareholders and employees of both Regent Pacific and BCI. The course of action was unfortunate but largely unavoidable from Regent Pacific's perspective, and reflected a unique situation with BCI's major shareholder.

"Now that the offer is on foot again, the Board of Regent Pacific reiterates its view that acquiring BCI is an opportunity for Regent Pacific to establish a wholly-owned operating subsidiary in the Pilbara, one of the world's leading iron ore regions. The proposed transaction is a key element in the company's strategy to expand its footprint and increase its diversification across geographies and mineral types.

"The all cash offer price of A\$3.30 per share represents a premium of 33.8% to the volume-weighted average price at which BCI's shares have traded since 15 March 2011, being the date at which the Board of Regent Pacific changed its recommendation regarding the offer for BCI.

"Now that the positive recommendation has been reinstated, and the offer is unanimously recommended by the Boards of Regent Pacific and BCI, we look forward to the resumption of the Scheme approvals process and intend to continue to work closely with the management and staff of BCI."

Delay in despatch of circular relating to very substantial acquisition

Given the delays which have occurred as a result of the proceedings in the Australian Takeovers Panel, the negotiations to reinstate the debt finance and the additional time required by the Company to prepare and finalise certain information required for the Circular, the despatch date of the Circular to Regent Pacific shareholders will be postponed to no later than 13 May 2011.

Conditions to the Transaction remain

As completion of the acquisition of BCI by way of the Scheme remains subject to the fulfilment of a number of conditions that were outlined in the Scheme Implementation Agreement, the Scheme may or may not proceed. The Company therefore cautions persons trading in any securities of BCI or the Company that there can be no assurance that the Scheme will be implemented.



General

Please refer to Regent Pacific's detailed announcement, to be found at www.hkexnews.hk or www.regentpac.com, for more details about the announcement, the acquisition, the SIA and the conditions to the offer. The Circular containing, among other things, further details of the Transaction, and notice of EGM, will be despatched to the Regent Pacific shareholders by 13 May 2011.

Standard Chartered Bank (Hong Kong) Limited is acting as the financial advisor to Regent Pacific on this transaction.

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