REGENT PACIFIC GROUP LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 0575)

Financial Adviser

ACCESS CAPITAL

MAJOR TRANSACTION

Further to the Company's announcement on 30 September 2005, the Board is pleased to announce that RML has entered into an agreement with YRC and SSM relating to the establishment of a Sino-foreign equity joint venture enterprise to co-explore and co-develop certain mineral resources in the PRC subject to satisfaction of certain conditions. The principal terms of the Commitment Agreement and the Joint Venture Contract are set out below.

The Transaction constitutes a major transaction of the Company under the Listing Rules. Accordingly, the Transaction is subject to approval by Shareholders of the Company at the EGM.

The Directors will also seek shareholders' approval at the EGM of specific mandates to be granted to the Directors to issue, allot and otherwise deal with the Consideration Shares upon Further Completion and the new shares arising upon conversion.

The Company will dispatch a circular setting out further details of the Transaction to each Shareholder of the Company as soon as practicable.

At the request of the Company, trading in the shares of the Company was suspended on the HK Stock Exchange from 3:37 p.m. on 8 November 2005 pending the release of a major transaction announcement. Application will be made to the HK Stock Exchange for resumption of trading in the shares of the Company on the HK Stock Exchange with effect from 9:30 a.m. on 23 November 2005.

INTRODUCTION

Further to the Company's announcement on 30 September 2005, the Board is pleased to announce that RML has entered into an agreement with YRC and SSM relating to the establishment of a Sino-foreign equity joint venture enterprise to co-explore and co-develop certain mineral resources in the PRC subject to satisfaction of certain conditions.

THE COMMITMENT AGREEMENT

Date

7 November 2005

Parties

Regent Metals Limited, Yuxi Resources Corporation and Simao Shanshui Minerals Ltd.

Material terms

1 The parties agree to execute the Joint Venture Contract upon satisfaction of the following conditions:

- review of the Joint Venture Contract by the relevant PRC governmental authorities and necessary amendment to the Joint Venture Contract (if required by the relevant PRC governmental authorities) to the satisfaction of the relevant PRC governmental authorities (and any other relevant PRC regulators); and

- approval of the Transaction by the Shareholders of the Company in general meeting, in compliance with the Listing Rules.

2 If the conditions set out in paragraph 1 above are not satisfied on or before 30 June 2006 either party may, in its sole discretion, terminate the Commitment Agreement and neither party shall have any claim against the other under it.

3 The parties shall enter into the Joint Venture Contract (as amended if required) within seven business days (which means a day which is not a Saturday, Sunday or public holiday in Hong Kong or the PRC) from the date on which each party becomes aware that the conditions set out in paragraph 1 above have been satisfied, upon which the executed copy shall be submitted to the relevant PRC governmental authorities.

Shareholders should note that the Joint Venture Contract is subject to review and approval by the relevant PRC governmental authorities.

THE JOINT VENTURE CONTRACT

Date

The Joint Venture Contract will become effective upon satisfaction of all conditions set out in the Commitment Agreement. Shareholders should note that the principal terms of the Joint Venture Contract as set out below are subject to amendments if required by the relevant PRC governmental authorities.

Parties

Regent Metals Limited, Yuxi Resources Corporation and Simao Shanshui Minerals Ltd.

The Joint Venture Company

Establishment

A Sino-foreign equity joint venture enterprise will be established to co-explore and co-develop certain mineral resources in the PRC pursuant to the Joint Venture Contract. The Joint Venture Company shall have a term of 20 years and may be extended if all parties elect to do so.

Purpose

It is currently intended by the parties that the Joint Venture Company shall apply advanced technology, equipment and skills to conduct exploration, mining and processing of copper ore, its symbiotic and associated precious metals including gold, silver, lead and zinc and other associated mineral resources within the Dapingzhang Copper Mine in order to achieve economic returns for the parties.

Total investment amount and registered capital

The total investment amount of the Joint Venture Company shall be RMB 400 million and its registered capital shall also be RMB 400 million, which shall be contributed by the parties in cash in the following proportions:

- RMB 200 million by YRC which is payable in two installments, (a) the first installment of RMB 50 million shall be payable within 15 days after the Joint Venture Company has opened its Renminbi account and (b) the remaining balance shall be payable by YRC no later than 45 days from the date on which the Joint Venture Company has opened its Renminbi account.

- RMB 160 million (to be paid in US Dollars) by RML. RML has already deposited a sum of US$3 million into a temporary acquisition foreign exchange account to be used as start-up capital of the Joint Venture Company and for any acquisition of mining facilities, which sum shall constitute part of RML's capital contribution. The US Dollar equivalent to the remaining balance of RML's capital contribution calculated in Renminbi shall be payable by RML in one lump sum within 15 days after the Joint Venture Company has opened its USD capital account.

- RMB 40 million by SSM which is payable in one lump sum no later than 30 days from the date on which the Joint Venture Company has opened its Renminbi account.

Equity interests in the Joint Venture Company shall be held in the following proportions:

- 50% by YRC

- 40% by RML

- 10% by SSM

The registered capital shall be contributed, and the profit of the Joint Venture Company shall be distributed, proportionally to the parties' respective equity interests in the Joint Venture Company.

Conditions precedent to the payment of registered capital

Payment of the registered capital is subject to the following conditions:

1 the Joint Venture Contract and the articles of association of the Joint Venture Company having been approved by the relevant governmental authority in the PRC;

2 the business licence of the Joint Venture Company having been issued by the administration authority for industry and commerce;

3 a Renminbi account having been opened by the Joint Venture Company; and

4 the Joint Venture Company having received the foreign exchange permit issued by the foreign exchange administration bureau and a foreign exchange account having been opened.

RML's responsibilities

In addition to the payment of registered capital as set out above, pursuant to the Joint Venture Contract, RML shall also:

1 provide all necessary assistance for the establishment and registration of the Joint Venture Company;

2 provide advanced technology (including management and services) on exploration, mining and processing;

3 assist the Joint Venture Company to conduct the Pre-Feasibility Study;

4 assist the Joint Venture Company to design the open pit mine;

5 assist the Joint Venture Company in supplying management and professional staff;

6 assist the Joint Venture Company in formulating the procedures and standards on employment of senior management personnel and conducting technology and management training; and

7 assist with other matters reasonably required by the Joint Venture Company, YRC and/or SSM.

It is RML's understanding that based on the findings of the Pre-Feasibility Study (which has yet to be carried out), the Joint Venture Company will then decide whether to maintain the existing operations of the Dapingzhang Copper Mine or whether it is appropriate to expand, improve or modify its operations. If expansion or further improvement is to be undertaken, this may involve further significant expenditure. Depending on the nature and extent of such improvement or modification plan, funding will be provided by the Joint Venture Company's internal working capital, debt and/or equity financing.

Under the Joint Venture Contract, the liability of each shareholder of the Joint Venture Company shall be limited to each shareholder's capital contribution.

RML will not be directly involved in the daily operations of the Joint Venture Company other than participating through the board of the Joint Venture Company, through other personnel which are nominated by RML and/or seconded to the Joint Venture Company by RML, and by exercising its rights as a shareholder.

Other relevant terms

1. The Heads of Agreement will be terminated once the Joint Venture Contract becomes effective.

2. The board of directors of the Joint Venture Company shall consist of 9 directors, of which YRC shall appoint 4 directors, RML shall appoint 3 directors and SSM shall appoint 2 directors. SSM shall appoint the Chairman and 2 vice-chairmen shall be appointed by each of YRC and RML. Furthermore, YRC will be entitled to nominate the General Manager of the Joint Venture Company and each of RML and SSM will be entitled to nominate one Deputy General Manager. The Chief Financial Officer will also be nominated by RML.

3. The Joint Venture Company, after its establishment, will purchase from SSM the relevant exploration licences and mining licences, as referred to in the Joint Venture Contract, and all relevant mining facilities. The negotiations in respect of the purchase price of these assets were conducted by the parties on an arm's length basis. It is intended that the Joint Venture Company will also enter into an agreement with an associate of YRC in relation to the sale of copper concentrate and other products from the Dapingzhang Copper Mine site. Such agreement is subject to negotiations between the Joint Venture Company and the associate of YRC.

4. Upon payment of RMB 190 million, being the first payment in respect of the acquisition of the mining assets, SSM will grant the Joint Venture Company the exclusive right to use the exploration and mining licences and will apply for the transfer of such licences to it.

5. The parties agree to distribute at least 40% of the distributable profits of the Joint Venture Company annually (or semi annually if agreed between the parties) to the parties proportionately to their equity interest in the Joint Venture Company.

6. The Joint Venture Company shall initially maintain the scale of mining production and processing of the Dapingzhang Copper Mine and at the same time conduct

supplementary exploration. If, upon completion of the supplementary exploration and the Pre-Feasibility Study, the Dapingzhang Copper Mine is determined to have potential mining value, the Joint Venture Company will enlarge the scale of mining subject to approval of the board of the Joint Venture Company.

7. The Joint Venture Contract contains pre-emption rights in relation to the transfer of an equity interest.

8. The Joint Venture Contract sets out the agreement among the parties on the manner in which the Joint Venture Company is to be operated and the way in which the affairs of the Joint Venture Company are to be regulated.

9. The Joint Venture Contract is written in both Chinese and English and both versions are equally binding.

10. The Joint Venture Company and the Joint Venture Contract may be dissolved or terminated upon the occurrence of certain events (subject to the approval of the relevant governmental authorities in the PRC), including the following:

    (a) upon expiration of the term of operation of the Joint Venture Company, unless otherwise extended by the parties;

    (b) the parties agreeing in writing to terminate the Joint Venture Contract;

    (c) the board of directors of the Joint Venture Company deciding to terminate the Joint Venture Company;

    (d) if a party breaches the Joint Venture Contract and is unable to rectify the breach within 60 days, the non-defaulting party may apply to the relevant governmental authorities in the PRC to discharge the Joint Venture Contract and dissolve the Joint Venture Company;

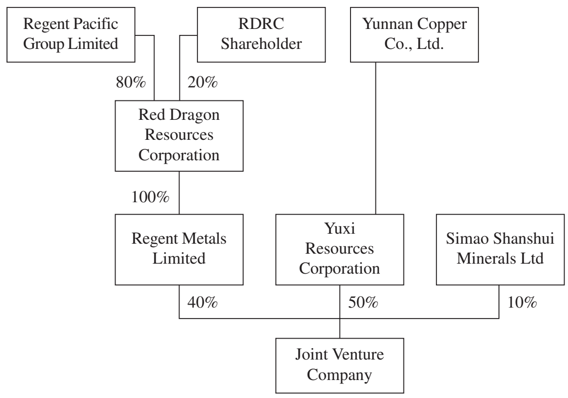
    (e) if the transfer of the exploration and mining licences or the mining facilities and other assets as contemplated under the Joint Venture Contract is not approved by the relevant PRC governmental authorities or is revoked or terminated early for any reason; and

    (f) the occurrence of a force majeure event which makes the Joint Venture Company unable to continue its operations.

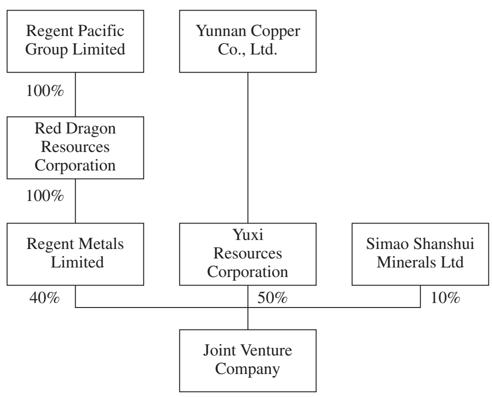
SHAREHOLDING STRUCTURE OF THE GROUP AFTER THE ESTABLISHMENT OF THE JOINT VENTURE COMPANY AND COMPLETION OF FURTHER COMPLETION

Shareholders should note that the Further Completion is subject to satisfaction of several conditions, including, among others, the approval by the relevant PRC government authorities of the Joint Venture Contract and the approval by Shareholders for the issue of the Consideration Shares.

(1) Shareholding structure of the Group immediately after establishment of the Joint Venture Company but before completion of Further Completion:



(2) Shareholding structure of the Group immediately after establishment of the Joint Venture Company and completion of Further Completion:



FINANCIAL EFFECTS OF THE TRANSACTION ON THE GROUP

The Directors do not expect the Transaction will have any material adverse effect on the consolidated results of the Group.

SOURCES OF FUNDS

The Group will determine in due course in what proportion to use its own internal resources, any cash proceeds retained from the scrip dividend issue (details of which are set out in the Company's circular dated 31 October 2005) and/or funding (whether equity and/or debt) to be raised in the future for meeting its capital commitment of RMB 160 million as set out in the Joint Venture Contract and this announcement.

REASONS FOR AND BENEFITS OF THE TRANSACTION

The Company is of the view that by entering into the Joint Venture Contract, the Company will be able to capture a good opportunity for investment in the minerals exploration, mining and processing industry in the PRC.

In particular, the Joint Venture Company will be acquiring from SSM for RMB 340 million operating mining assets comprising, among others, mining, crushing and processing equipment and related necessary utilities and facilities, that are currently used for the mining and processing of the mineralization. The Joint Venture Company will produce and sell copper concentrate containing credits of zinc, lead, gold and silver.

In addition, the Joint Venture Company will also be acquiring from SSM for RMB 10 million the mining and exploration licences which cover the area within which is located the mineralization and mining assets situated at the Dapingzhang Copper Mine. There are currently two exploration licences which entitle the licensee to the exclusive right to explore the area for mineral occurrences before the expiration of such licences, namely 13 April 2006 and 12 April 2007 respectively. It is the Company's understanding that the Joint Venture Company, once it has acquired the licences, will apply for renewal of such licences. The mining licence, which allows the holder to extract any minerals contained or found in the permitted area, subject to the terms of the permit, will be valid until August 2015.

The consideration payable by the Joint Venture Company for the acquisition of the licences and assets was determined after arm's length negotiations between RML and YRC on one side and SSM on the other. Factors taken into account by the parties (including RML) included, among others, an assessment of the future business potential of the Joint Venture Company after acquiring the assets and the licences and the prospect of forming a partnership with the PRC parties who have extensive expertise and experience in the copper mining business in the PRC. The book value of the assets was not a determining factor in assessing the consideration payable.

The Board believes that the Transaction presents the Group with an opportunity to acquire a significant interest in a copper mining business that is in production in Yunnan Province with established operations. In addition, the Board believes that the combination of YRC's expertise in the copper processing business together with its parent company, Yunnan Copper Co., Ltd. (a state-owned enterprise and, in 2004, it was the third largest copper producer in the PRC as measured by copper output tonnage), has the potential to offer significant investment returns for the Company and its shareholders.

The Directors, including the independent non-executive Directors, believe that the terms of the Joint Venture Contract are fair and reasonable and in the interests of the Shareholders of the Company as a whole.

The Joint Venture Company will be accounted for as an associated company of the Company pursuant to the terms of the Joint Venture Contract. As at the date of this announcement, the Company has no current intention for the Joint Venture Company to become a subsidiary.

The Company will continue to be an investment holding company and as such is regularly evaluating and considering new investment areas although in the foreseeable future, its investments will be focused in the minerals exploration, mining and processing industry in the PRC.

INFORMATION ON THE GROUP AND RML

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 the Frankfurt Stock Exchange. It is engaged principally in investment holding.

RML is a limited liability company, which was incorporated under the laws of Barbados on 31 October 2005. It is engaged principally in seeking investment opportunities in businesses that are engaged in the exploration, processing and mining of natural resources.

The management team of RML consists of:

Kaiqiang FAN, M.Sc (Mineral Exploration), AusIMM
Chief Geologist and Head of Exploration

Mr. Fan obtained a Bachelor of Science degree in Geology from Chengdu University of Technology, China in 1986 and a Master of Science degree in Mineral Exploration from Queen's University, Canada in 1995. He has 20 years of experience in the mineral exploration and mining industry. Previously, Mr. Fan was employed by Royal Oak Mines, Asia Minerals Corp. and Copper Mountain Mines for 5 years, working in Canada, United States and China, and was then for five years chief mine geologist of Sino Gold Ltd. (ASX listed), which was the first foreign company in China that concluded a Sino-foreign joint venture. He was instrumental in bringing Sino Gold's first gold exploration project into production in the PRC. Mr. Fan is a member of the Australasian Institute of Mining and Metallurgy (AusIMM) and a qualified person for the purposes of Canadian National Instrument 43-101.

Mingsheng ZHAO, B.Sc (Geology)
Senior Project Geologist

Mr. Zhao holds a Bachelor of Science degree in Geology from Guilin Institute of Technology, China in 1995. He has over 10 years experience in the mineral exploration and mining industry. He has previously held positions with JiangXi Copper (SEHK listed), Sino Gold (ASX listed) and Griffin mining (AIM listed) companies where he was responsible for core logging, mapping, managing grade control and diamond drilling program, in roles ranging from geologist to senior geologist and relief chief mine geologist. He has particular strengths in Surpac mining software.

Xiaohuan WANG, B.Sc (Geology)
Senior Geologist

Mr. Wang received his Bachelor of Science degree in Geology from Changchun University of Earth Sciences, China in 1982. He has extensive experience in base metal and gold exploration and previously held positions with Heilongjiang Geological survey as geologist, project geologist and chief geologist.

Adrian LUNGAN, B.Sc (Geology)
Consultant

Mr. Lungan has over 25 years exploration and mining experience specializing in gold, copper, diamond and base metals in Australia, Asia, China, Africa, South America and the Pacific Rim. He has been employed at senior and corporate management level with major gold mining companies from 1989 to 1998. Mr. Lungan negotiated the first gold agreement with the Laotian Government for Newmont Mining Corporation; planned and implemented the Laotian programme. He has established and managed the Placer Dome Inc./Placer Pacific Ltd. joint-venture in Indonesia. Mr. Lungan was appointed as a director of Placer Pacific Asia Ltd. and Placer Emas Indonesia; General Manager and President respectively of two Canadian Junior Mining Companies. He has negotiated and concluded agreements for diamond concessions in D.R.Congo (Zaire). Mr. Lungan established African Gold PLC in Ghana and was the past Chief Operating Officer.

Mr. Lungan has extensive experience at both a corporate and a technical level, having established major mining companies in new countries, including negotiating mineral contracts. In addition, Mr. Lungan has hands-on mineral property evaluation, financing, project evaluation and development experience including project design and implementation in Indonesia, Australia, Thailand, Laos, Argentina, Oman, Congo, China and Africa. Mr. Lungan is presently a non-executive director of Red Dragon Resources Corporation, whose shares are listed on the TSX Venture Exchange and in which the Company owns, directly and indirectly, approximately 11.56% of the issued capital.

Dr. Peter Shi YUE, PhD (Geology)
Consultant

Dr. Yue was educated at Changchun University of Earth Sciences, Changchun, PRC where he obtained a B.Sc, M.Sc and PhD in Geology. After graduation in 1988, Dr. Yue became a Professor of Geology at Changchun University from 1988 to 1992. Since leaving Changchun University in 1992, he was a research fellow at Department of Geology, University of California at Davis, California, USA from 1993 to 1996. From 1996 to 2002, Dr. Yue was Vice President (exploration) Thunder Sword Resources Inc. Vancouver, Canada where headed the Derni Copper-Cobalt Exploration Project in Qinghai, PRC (an experimental study on mineralization process). From 2002 to 2004, he was a consultant geologist, with Golden China Resources (formerly called Apac Minerals Inc.) Vancouver, where he was involved with the Nibao Gold Exploration Project, Guizhou Province, PRC and the Baiyinhar Gold Exploration Project, Inner

Mongolia, PRC. Dr. Yue is presently the President and an executive director of Red Dragon Resources Corporation, whose shares are listed on the TSX Venture Exchange and in which the Company owns, directly and indirectly, approximately 11.56% of the issued capital.

INFORMATION ON YRC AND SSM

YRC is a company with independent legal person status established under the laws of the PRC and is a subsidiary of Yunnan Copper Co., Ltd., which is a state-owned enterprise based in Kunming, Yunnan Province, whose shares are listed on the Shenzhen Stock Exchange. In 2004, Yunnan Copper Co., Ltd. was the third largest cathode copper producer in the PRC in terms of output tonnage and it has recently become the first Chinese member of the International Copper Association. YRC is engaged principally in the exploration, processing and mining of metals in Yunnan Province of the PRC.

SSM is a company with independent legal person status established under the laws of the PRC. It is a privately owned enterprise engaged principally in the exploration, processing and mining of natural resources in Yunnan Province of the PRC.

INFORMATION ON DAPINGZHANG COPPER MINE

A summary of a preliminary evaluation of the Dapingzhang Copper Mine conducted by an expert independent mining engineer (the "**Consultant**") dated 14 September 2005 (the "**Preliminary Evaluation Report**"), which was commissioned by the Company during its initial due diligence process, is set out below. Shareholders should note that the Consultant's preliminary evaluation conclusions are based on certain risks, assumptions and the availability and accuracy of historical data. It is noted by the Consultant that further exploration and drilling is required in order to provide a more accurate evaluation and estimation of the reserves.

Shareholders should note that the Preliminary Evaluation Report only sets out the view and opinion of the Consultant and does not represent the opinion of the Company or its Directors.

Shareholders should also note that further detailed analysis (including Pre-Feasibility Study) will be carried out by the Joint Venture Company before deciding on the nature, type and extent of improvement or modification (if any) which will be made. Therefore, the proposals put forward by the Consultant in the Preliminary Evaluation Report may or may not be undertaken. In addition, the financing of any expansion, improvement or modification work of the Dapingzhang Copper Mine will only be arranged after a decision has been made by the board of directors of the Joint Venture Company to undertake such work.

Furthermore, Shareholders should note that the preliminary economic evaluation conclusions set out in the Preliminary Evaluation Report are based on the assumption that the Joint Venture Company will undertake the expansion, improvements or modifications as suggested and that it will have or have access to the financial resources to implement such plan which may or may not be the case. The preliminary evaluation

only presents the Consultant's opinion of the potential of the Dapingzhang Copper Mine based on certain assumptions and should in no way be construed or interpreted as the Company's or the Directors' forecast. Accordingly, Shareholders are advised to exercise extreme caution when dealing in the shares of the Company.

Set out below is a summarised extract from the Preliminary Evaluation Report.

Introduction

The Dapingzhang Copper Mine is located near Simao City in south west Yunnan Province in the PRC, 310 km south west of Kunming, the capital city of Yunnan. The mine is connected to the main highway to Simao City by 38 km of ungraded road.

The exploration licences cover an area of 11.36 km^2 within which is located the 2.75 km^2 area covered by the mining licence, which contains the main zone of the mineralization.

It is understood that over a two-year period, SSM has mined and processed approximately 700,000 tonnes of copper ore. The Consultant is of the view that the operation can be optimized by carrying out certain changes and improvements to the current mining operation.

Based on historical geological exploration and assay data in respect of the Dapingzhang Copper Mine contained in a report issued in 2001 (the "**Geological Report**"), the Consultant has estimated that the maximum potential resource amounts to approximately 63.3 million tonnes, has an overall grading of 0.76% copper (meaning 7.6 kg of copper per tonne) with a possible Strip Ratio of 5.3:1. However, this estimate does not meet international standards for resource/reserve calculations. Some 7 million tonnes of the resource is contained in high-grade, massive sulphide ore, known as V1, with a grading on average of 2% copper and contains credits of zinc, gold and silver. It is understood that the remaining 56 million tonnes is considered to be disseminated ore, known as V2, with a grading on average of 0.6% copper with a significant gold credit.

The Dapingzhang deposit occurs within a 6 km belt of favorable volcanic rocks that strike North-west.

The geological work indicates that the deposit is a typical example of a volcanic massive sulphide deposit. The massive sulphide or V1 ore, occurs as a cap that is draped on top of the V2 ore and represents an intense phase of volcanic activity.

After reviewing the data contained in the Geological Report, the Consultant is of the opinion that it is unlikely that significant mining dilution will be experienced when the deposit is mined. The reason for this categorization of the resources is that the majority of the drill holes are spaced at distances that vary from 200 to 300 metres, though it should be pointed out that on one section the spacing has been reduced to 100 metres, with no significant change in continuity, or grade from hole to hole.

SSM currently utilizes a simple milling operation by bulk floating all of the sulphide mineralization. The result of this process is that the copper recovery is excellent at 92-93%

copper, but on the other hand the grade of the concentrates is very low at 10 to 15% copper per tonne, in addition the concentrates have more than 18% water, when they arrive at the smelter. Both of these parameters are penalized by the smelter, which results in SSM probably losing more than 50% of the value of the copper concentrate.

The reported costs of the operation were examined by the Consultant and although some anomalies appeared, the milling costs, mining costs and concentrate haulage costs appear to be realistic, with reference to North American standards when adjusted for application in the PRC.

The Consultant notes that it is very apparent that if the parties of the Joint Venture Company are to optimize the operation the following changes and improvements will have to be instituted:

(a) to carry out selective flotation and improve the metallurgy, so that the concentrates and other products will not incur smelter penalties.

(b) increase the mining rate, so that the mine life is capped at 12 to 16 years.

(c) rationalize the sizes and locations of the mills to minimize transport costs by: (i) shutting down the oldest #1 mill (ii) constructing a new #5 mill at the mine site that in the base case can treat the entire output from the V2 lens.

(d) continue using the existing mills at the highest rate possible for the next two years, which is the estimated time needed to implement the above noted changes.

Two scenarios have been developed by the Consultant to evaluate the project. The first is called the "Base Case" where the V1 ore is processed in the #2 and 3 mills, the V2 ore goes to the #5 mill, with the #4 mill being shut down, once the #5 mill is in operation (i.e. there will only be 3 mills in operation at the same time). The V1 ore is mined over 11 years and the V2 ore over a period of 16 years. The second case has been termed the "Maximum Production Case". Mining and processing of the V1 ore does not change, but with the V2 ore the existing #4 mill is kept in production in addition to the new #5 mill (i.e. there will be 4 mills in operation at the same time). The V1 ore is mined out, as noted above, in 11 years and the V2 ore is mined out over a period of 12 years.

The Consultant's findings include the following operational mill data and statistics:

Mill Number	Start-up Date	Rated Through-put (tonnes per day)	Actual Average Through-put (tonnes per day)	Concentrate Grades (%)	Recovery for Copper (%)	Approximate Running Time (months)
1	April 04	500	420	Zinc: 20-25 Copper: 10-12	92-93	15
2[1]	March 05	600	300	Copper: 15-17	80-84	6
3[2]	April 05	600	125	Copper: 15	N.D.	4
4[3]	June 05	2,000	2,000	Copper: 15	90	2
Totals		3,700	2,845			

1 30% of the profits of mill are shared with a third party.

2 Same as 1 above.

3 20% of the profits of the #4 mill are shared with a subsidiary of Yunnan Copper Co., Ltd.

The Consultant has estimated that the current annualised mining activities consist of mining of 170,000 tonnes of V1 ore per year and 1,088,000 tonnes of V2 ore per year (i.e. a total of 1,258,000 tonnes of ore per year).

The Consultant has estimated that the current annual production which is for sale by the mine is approximately 9,051 tonnes of copper, 11,315 tonnes of zinc, 282,200 grams of gold and 11,390,000 grams of silver. The mine has recovered approximately 700,000 tonnes of V1 and V2 ore with an average grade of around 1.0%. The milling operation has resulted in copper recovery of approximately 90 to 93% copper, but the grade of concentrate is low at approximately 10 to 15% copper. The smelting cost at the current sales price at the time the Consultant prepared his report was approximately US$1.50 per pound with smelter penalties of approximately US$0.62 per pound due to the low grade of the concentrate and its moisture content. The Consultant has mentioned that after detailed metallurgical analysis, it is possible to prepare a better quality concentrate and reduce the moisture content by 50%. The total annual operating costs based on current annual production as estimated by the Consultant is approximately US$10.1 million.

The Consultant has assumed that the total capital expenditure required for the Base Case and the Maximum Production Case is approximately US$60.5 million and US$62.7 million respectively. The capital expenditure largely consist of mine equipment, mine maintenance facilities, camp housing, plant general services, water facilities, road upgrade, power facilities, general plant services, diamond drilling, mineralogy, metallurgical review and test work, pre-feasibility and feasibility studies, renovation and revisions to #2 mill and #3 mill, closure of #1 mill and #4 mill, expanding capacity of #4 mill and pre-production waste stripping.

The Consultant has assumed that the Joint Venture Company's total investment of US$110.5 million or US$112.7 million (as the case may be) will be funded by 100% equity, without any debt component. It is contemplated by the Company that if further funding is required by the Joint Venture Company and the Joint Venture Company decides that the project will not be funded by debt financing, the Joint Venture Company may approach its shareholders for additional funding. In this event, the shareholders of the Joint Venture Company will then consider at the time whether to inject further funding into the Joint Venture Company. If the Company in due course decides it is appropriate to inject further funding, the Company will then decide whether to use its own internal resources and/or to raise further funding (whether equity and/or debt) to meet such funding requirement and, if so, in what proportions. Such assumption, while considered reasonable by the Board in view of the current circumstances, are made upon assumptions with respect to future business decisions which are subject to change and are beyond the control of the Company. In the event that the Joint Venture Company decides to raise any debt finance (which has not yet been determined), then the cost of the debt would have to be factored into the economics of the project.

Summary of the assumptions made and the risks concerning the assumptions in the Preliminary Evaluation Report and their impact on the economics of the project

Assumptions have been made in twelve main areas four of which have risks that are largely external to the project and the parties and another four relate to the deposit cannot be controlled by the Joint Venture Company. The final four areas are more or less under the control of the Joint Venture Company.

Assumptions which have external risks are:

(a) Inflation and the control of foreign exchange in the PRC

(b) Provincial and federal government relations and taxation

(c) Terms under which concentrates are sold to the smelter(s)

(d) Metal prices and price stability

The Consultant believes that the risks associated with the first three areas are quite small since one of the parties is related to a provincial government organization. In the case of the fourth item a separate sensitivity study was made to determine the effect of changing copper prices.

Assumptions that were made with regard to the Dapingzhang deposit are:

(a) Potential environmental problems and concerns

(b) Metallurgy and the beneficiation of the deposit's minerals

(c) Mine design and stripping

(d) Geology, mineralization and resources

The Consultant believes that the risks associated with the first three areas are small since the mine's previous operating history shows that: (i) environmental problems with regard to the tailings disposal can be readily and successfully dealt with, (ii) metallurgical problems can, with the use of proper technology, be successfully overcome and (iii) the design of an open pit and the mining of the mineralized rock and waste materials will be found to be relatively easy. The extent of the continuity of mineralization in the deposit is still to be determined and this will require the completion of the exploratory and in-fill drilling program, the first phase of which is due to be finished by the end of January 2006. Nevertheless the 30 drill holes that were completed during the exploration phase should ensure that the grade of the reserves/resources will not change significantly.

Assumptions made with regard to the Joint Venture Company itself are:

(a) The joint venture parties relationship

(b) The management of the mining operations

(c) The size and quality of the work force

(d) The capital and operating costs

The Consultant believes that the risks associated with the first three sets of assumptions will be quite small given that from the experience to date it would seem that the joint venture parties have both goodwill and good management. The risks associated with the last assumption, concerning the accuracy of the estimated costs, have been quantified by a number of engineering firms as ±18%, but in this case with the benefit of the prior experience and data, the Consultant believes the risks are more likely to be ±10%, which amount will not significantly effect the economic attractiveness of the joint venture.

Two areas, neither under the control of the joint venture, where significant risks are associated with the project are:

(a) Metal prices for the next 15 years, which is the probable life of the project

(b) The quantity of the reserves/ resources

Sensitivity analysis on metal prices shows that the mining project remains economically attractive, for any realistic metal price. The Consultant believes that the quantity of the resources will only affect the life of the project, there can be little doubt that sufficient resources, say half of the current estimate, allowing a mine life of five to six years, will be found to ensure an economically attractive project.

FURTHER COMPLETION OF THE COOPERATION AGREEMENT DATED 23 JUNE 2005

The Directors refer to the announcements dated 4 July 2005 and 30 September 2005 with respect to a cooperation agreement dated 23 June 2005, as amended by a side letter dated 28 September 2005, entered into by the Company with (i) RDRC; (ii) the RDRC Shareholder; and (iii) the beneficial owner of the share interests held by the RDRC Shareholder in RDRC for the conditional acquisition of 10,000 issued shares in RDRC, being all the issued share capital in RDRC then held by the RDRC Shareholder, for a total consideration of US$4.385 million (HK$34.203 million), to be paid, subject to the satisfaction of certain conditions, in instalments. Such consideration comprises US$3.5 million (HK$27.3 million) by way of cash and the remaining US$0.885 million (HK$6.903 million) by way of the issue by the Company, subject to shareholders' approval, of 70,653,197 Ordinary Restricted Shares to the RDRC Shareholder at effectively US$0.013 (HK$0.098) per share on an enlarged basis. The Consideration Shares represent 6.4% of the Company's existing issued ordinary share capital and 6% of the Company's enlarged ordinary share capital upon conversion. On conversion, existing shareholders' interests in the Company will be diluted to 94% of their current shareholding.

The transaction contemplated by the Cooperation Agreement constitutes a discloseable transaction of the Company under Rule 14.06 of the Listing Rules. A circular containing, inter alia, details of the Cooperation Agreement and the terms of the Consideration Shares was despatched to all shareholders of the Company on 25 July 2005 (before the amendments made by way of the aforesaid side letter dated 28 September 2005 as announced on 30 September 2005).

Pursuant to the Cooperation Agreement, an aggregate of US$3.5 million (HK$27.3 million) in cash was paid by the Company in tranches to acquire 80% of the total issued share capital of RDRC on 8 July 2005. It is intended that the transfer of the remaining 2,000 shares in RDRC held by the RDRC Shareholder to the Company in consideration for the issue by the Company of the Consideration Shares to the RDRC Shareholder will take place on or before 31 March 2006.

Following the execution of the Commitment Agreement and in anticipation of the entering into of the Joint Venture Contract, the Directors will also seek shareholders' approval at the EGM of specific mandates to be granted to the Directors to issue, allot and otherwise deal with the Consideration Shares upon Further Completion and the new shares arising upon conversion.

After the Further Completion, the Company will have acquired 100% of the total issued share capital of RDRC from the RDRC Shareholder.

GENERAL

The Transaction constitutes a major transaction of the Company under the Listing Rules. Accordingly, the Transaction must be made conditional upon approval by Shareholders of the Company.

Any Shareholders with a material interest in the Transaction and/or the Cooperation Agreement, and his associates, shall abstain from voting on the proposed resolution(s) purporting to approve the same. So far as the Company is aware, no Shareholder should be required to abstain from voting in the resolution approving the Transaction and the issue of Consideration Shares contemplated under the Cooperation Agreement.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, YRC and SSM and their respective ultimate beneficial owners are independent third parties not connected with and not acting in concert with the Company, the directors, chief executive officer or substantial shareholders of the Company or any of its subsidiaries or any of their respective associates (as defined in the Listing Rules).

The Company will send a circular within 21 days after the publication of this announcement to Shareholders setting out further details of the Transaction, the issue of the Consideration Shares and other information prescribed by the Listing Rules and containing, inter alia, a notice of the EGM of Shareholders to consider and, if thought fit, approve the Transaction and the issue of the Consideration Shares.

DEFINITIONS

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

"Board"	The board of directors of the Company.
"Commitment Agreement"	An agreement dated 7 November 2005 between YRC, RML and SSM.
"Consideration Shares"	The 70,653,197 Ordinary Restricted Shares to be issued by the Company to the RDRC Shareholder on Further Completion as partial consideration under the Cooperation Agreement.
"Cooperation Agreement"	The cooperation agreement dated 23 June 2005 entered into amongst the Company, RDRC, the RDRC Shareholder and the beneficial owner of the share interests held by the RDRC Shareholder in RDRC with respect to the conditional acquisition by the Company of the entire issued share capital of RDRC.
"Company"	Regent Pacific Group Limited, a company incorporated in the Cayman Islands with limited liability, whose shares are listed on the HK Stock Exchange and the Frankfurt Stock Exchange.
"Dapingzhang Copper Mine"	The Permitted Area and the Prospective Area.
"Director(s)"	The Director(s) of the Company.
"EGM"	The extraordinary general meeting of the Company.
"Further Completion"	The completion of the transfer of the remaining 2,000 shares in RDRC, pursuant to the Cooperation Agreement, by the RDRC Shareholder to the Company in consideration for the issue of the Consideration Shares by the Company to the RDRC Shareholder, upon which the Company will have acquired 100% of the total issued share capital of RDRC from the RDRC Shareholder.
"Group"	The Company and its subsidiaries.
"Heads of Agreement"	The non-binding heads of agreement dated 17 September 2005 entered into amongst YRC, RDRC and SSM.

"HK$"	Hong Kong dollar(s).
"HK Stock Exchange"	The Stock Exchange of Hong Kong Limited.
"Joint Venture Company"	The Sino-foreign equity joint venture enterprise to be established by YRC, RML and SSM pursuant to the Joint Venture Contract.
"Joint Venture Contract"	A joint venture agreement between YRC, RML and SSM, the terms of which have been principally agreed between the parties but which is subject to amendments if required by the relevant PRC governmental authorities.
"Listing Rules"	The Rules Governing the Listing of Securities on the HK Stock Exchange, as amended from time to time.
"Ordinary Restricted Shares"	A new class of ordinary restricted shares of US$0.01 each to be created in the capital of the Company out of which the Consideration Shares will be issued.
"Permitted Area"	The area covered by the exploration or mining licences allowing the Joint Venture Company to conduct exploration or mining and processing in such area, which includes the area covered by the exploration and mining licences to be acquired by the Joint Venture Company from SSM.
"PRC"	The People's Republic of China.
"Pre-Feasibility Study"	A technical and commercial pre-feasibility study on the exploration, mining and processing of copper, its symbiotic and associated and other precious metals (including gold, silver, lead, zinc and other relevant mineral resources) conducted by the Joint Venture Company at the Dapingzhang Copper Mine in conjunction with a reputable independent mining consultancy company.
"Prospective Area"	The extended area in the vicinity of the Permitted Area that possesses similar geological composition with the Permitted Area and indicates certain prospective mineralization potentials. The Joint Venture Company may conduct exploration activities in such area after obtaining the exploration rights.
"RDRC"	Red Dragon Resources Corporation, a company incorporated in the British Virgin Islands, currently a 80% owned subsidiary of the Company. Upon completion of Further Completion, RDRC will become a wholly-owned subsidiary of the Company.
"RDRC Shareholder"	Finistere Limited, which is a company incorporated in the British Virgin Islands with limited liability.
"RMB"	Renminbi, the lawful currency of the People's Republic of China.

"RML"	Regent Metals Limited, a company incorporated in Barbados with limited liability, a wholly-owned subsidiary of RDRC.
"Shareholders"	Shareholders of the Company.
"SSM"	Simao Shanshui Minerals Ltd, a company with independent legal person status established under the laws of the PRC.
"Strip Ratio"	The definition of strip ratio usually applies to a surface mining operation and is defined as the number of tonnes of waste, or material not containing an economic quantity of mineral that has to be mined in order to extract, or mine, 1 tonne of ore, or material that is treated in the mill(s) to concentrate the valuable minerals. The ratio is normally expressed as "tonnes of waste mined: per 1 tonne of ore".
"Transaction"	The matters contemplated in the Commitment Agreement and the Joint Venture Contract, including the establishment of the Joint Venture Company to co-explore and co-develop certain copper base metal deposits in the PRC.
"US$" or "USD" or "US Dollar"	United States dollar(s), the lawful currency of the United States of America.
"YRC"	Yuxi Resources Corporation, a company with independent legal person status established under the laws of the PRC.

On behalf of the Board of
Regent Pacific Group Limited

Jamie Gibson
Director

Directors of the Company:
James Mellon (Chairman)*
Jamie Gibson (Chief Executive Officer)
Clara Cheung
David Comba#
Julie Oates#
Patrick Reid#
Mark Searle#
Jayne Sutcliffe*
Anderson Whamond*

* *Non-Executive Directors*
\# *Independent Non-Executive Directors*

Hong Kong, 22 November 2005