



# Regent Pacific Group Limited



(Incorporated in the Cayman Islands with Limited Liability)

Stock Code: 0575

15 December 2009



## ANNOUNCEMENT

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## MAJOR TRANSACTION DISPOSAL OF THE ZHUN DONG COAL PROJECT UPDATE



### SUMMARY

The Deposit has now been released (in full) to Regent Coal (BVI) on a non-refundable basis.

The time for satisfaction of the New Condition has been extended to 28 February 2010.

The total Consideration has now increased to the US\$ Equivalent of RMB 460 million (or approximately US\$67,374,588 or HK\$525,521,786), all of which (to the extent not already paid) shall be payable at Completion with no deferred consideration.

The Long Stop Date has been extended to 31 May 2010.



The directors (the “**Directors**” or the “**Board**”) of Regent Pacific Group Limited (the “**Company**” and collectively with its subsidiaries, the “**Group**”) refer to the circular and supplemental circular issued by



the Company on 11 September 2009 and 22 October 2009 respectively (collectively the “**Circulars**”) and to the announcement released on 11 November 2009 (the “**Announcement**”), each in respect of the contemplated Disposal of the Zhun Dong Project. Unless the context otherwise requires, capitalized terms used in this announcement shall have the same meaning given to them in the Circulars and the Announcement.

The Deposit has now been released (in full) to Regent Coal (BVI) on a non-refundable basis.

As stated in the Announcement, the New Condition was to have been satisfied by today, 15 December 2009.

In light of evidence that the Company has received demonstrating the further progress that the Purchaser has made towards the satisfaction of the New Condition, the Directors hereby announce that the parties to the Amendment Agreement have mutually agreed (under the letter dated 15 December 2009 signed after market close in Hong Kong) (the “**Further Extension Letter**”) to further extend the time for satisfaction of the New Condition to 28 February 2010. By way of progress, the Purchaser has informed the Company that the potential counterparty to the agreement in respect of the New Condition has received internal board approval of the same and is in the process of obtaining State-owned Assets Supervision and Administration Commission (SASAC) approval, which is expected to follow on or before 28 February 2010.

Against the before mentioned extension of time in which the Purchaser has to satisfy the New Condition, the Purchaser agreed in the Further Extension Letter to pay an increase in total Consideration of the US\$ Equivalent of RMB 80 million (or approximately US\$11,717,320 or HK\$91,395,096), bringing the total Consideration now payable (including the Deposit already paid) to the US\$ Equivalent of RMB 460 million (or approximately US\$67,374,588 or HK\$525,521,786). All remaining Consideration shall now be payable by the Purchaser at Completion, without any deferred consideration.

In light of the revised total Consideration, following Completion the Group would expect to realise a net gain before expenses of approximately US\$5,374,589 (or approximately HK\$41,921,794), which is the difference between: (i) the revised total Consideration and the Shareholder Loans Amount (but ignoring the Cash and Drilling Adjustment, if any); and (ii) the value (book value) of the Zhun Dong Project as included in the Company’s latest audited accounts for the year ended 31 December 2008, being US\$62 million (or approximately HK\$483.60 million), comprising goodwill of approximately US\$38 million (or approximately HK\$296.40 million) and exploration and evaluation assets of approximately US\$24 million (or approximately HK\$187.20 million). Shareholders shall note that, the Company paid approximately US\$26.06 million (or approximately HK\$203.27 million) in cash for acquiring the Zhun Dong Project, which does not take into account the consideration shares issued in conjunction with this acquisition. Therefore, the Company will receive back a total net cash contribution of approximately US\$41.31 million (or approximately HK\$322.22 million).



Subject to the satisfaction or, where capable of waiver, waiver of the last of the conditions (including the New Condition), it is now expected that the Completion will take place in or around late May 2010.

The long stop date for the Disposal (the “**Long Stop Date**”) has also been extended to 31 May 2010.

The Company will continue to keep Shareholders informed as to when Completion is likely to take place.

**Shareholders and potential investors should note that the Share Purchase Agreement (as amended by the Amendment Agreement and the Further Extension Letter) is subject to the satisfaction of a number of conditions, including, in respect of the maximum amount of consideration payable, the New Condition. As these conditions, including the New Condition, may or may not be fulfilled, Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.**

Note: Unless otherwise specified herein, amounts denominated in US\$ have been translated, for the purpose of illustration only, into RMB and HK\$ using the exchange rate of US\$1.00 = RMB 6.8275 and 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*)  
Clara Cheung  
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, 15 December 2009