



# Regent Pacific Group Limited

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

Stock Code: 0575

22 November 2010

## ANNOUNCEMENT

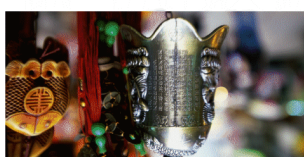
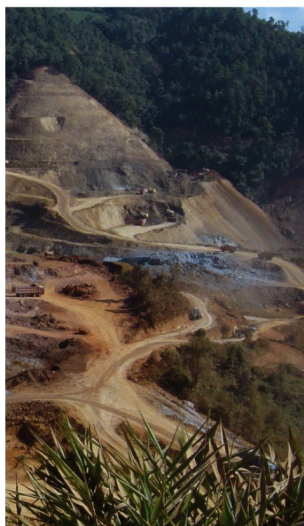
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### MAJOR TRANSACTION DISPOSAL OF THE ZHUN DONG COAL PROJECT UPDATE

#### SUMMARY

The Company is pleased to report that on 22 November 2010 (and after market close) Regent Coal (BVI) executed a letter agreement with the other parties to the Share Purchase Agreement, pursuant to which it was agreed that the Purchaser would assume or otherwise discharge at Completion: (i) all outstanding exploration and drilling expenses of Xin Jiang Regent Coal (over and above the Cash and Drilling Adjustment) estimated (as at the date of this announcement) to be approximately no more than RMB 7 million (or approximately US\$1.05 million or HK\$8.22 million); and (ii) the Finder's Fee, otherwise payable by Regent Coal (BVI) in respect of the Finder's Fee Agreement, the details of which have been previously disclosed.

The Cash and Drilling Adjustment, being an amount payable over and above the Consideration, has been agreed at the upper limit previously disclosed of the US\$ Equivalent of RMB 35 million (or approximately US\$5.27 million or HK\$41.11 million).





As previously disclosed, the total Consideration for the Disposal is the US\$ Equivalent of RMB 460 million (or approximately US\$69.28 million or HK\$540.36 million) which, together with the Cash and Drilling Adjustment (agreed to be the US\$ Equivalent of RMB 35 million) and the Shareholder Loans Amount (being US\$1.00 for the assignment of the Shareholder Loans), represents the entire consideration payable to Regent Coal (BVI) in respect of the Disposal. To date, RMB 24 million (or approximately US\$3.61 million or HK\$28.19 million) has been paid and released to Regent Coal (BVI), with the Deposit (RMB 400 million (or approximately US\$60.24 million or HK\$469.88 million)) having been paid into Regent Coal (BVI)'s bank account in Beijing, subject to co-signatory rights with the Purchaser.

To facilitate the payment of all outstanding consideration payable under the Share Purchase Agreement (as amended) into Regent Coal (BVI)'s Hong Kong account at or prior to Completion, Regent Coal (BVI) has agreed to transfer the Deposit into the CMBC Account, subject to and conditional upon: (i) the Purchaser having first deposited (into the same CMBC Account) all the remaining consideration (in RMB), being an additional RMB 71 million (or approximately US\$10.69 million or HK\$83.40 million); and (ii) Regent Coal (BVI) having been granted co-signatory rights over such account pending Completion.

The Company can now confirm that the entire amount of outstanding consideration (in RMB) payable to Regent Coal (BVI) under the Share Purchase Agreement (as amended), including the Cash and Drilling Adjustment referenced above, but not including the RMB 24 million already paid, being an aggregate of RMB 471 million (or approximately US\$70.93 million or HK\$553.28 million), has now been deposited into the CMBC Account over which Regent Coal (BVI) has been granted co-signatory rights.

These positive developments are further evidence of the Purchaser's renewed confidence to be able to meet its obligations and close the Disposal by the Long Stop Date.

The Long Stop Date for completion of the Disposal under the Share Purchase Agreement (including the full payment of Consideration in US\$ into our offshore account) remains 30 November 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) is subject to the satisfaction of a number of conditions. As these conditions may or may not be fulfilled, Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.**



The directors (the “**Directors**” or the “**Board**”) of Regent Pacific Group Limited (the “**Company**”) 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 announcements released on 11 November 2009, 15 December 2009, 26 and 28 February 2010, 30 April 2010, 1 and 9 November 2010 (the “**Announcements**”), 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 Announcements.

The Company is pleased to report that on 22 November 2010 (and after market close) Regent Coal (BVI) executed a letter agreement with the other parties to the Share Purchase Agreement, pursuant to which it was agreed that the Purchaser would assume or otherwise discharge at Completion: (i) all outstanding exploration and drilling expenses of Xin Jiang Regent Coal (over and above the Cash and Drilling Adjustment) estimated (as at the date of this announcement) to be approximately no more than RMB 7 million (or approximately US\$1.05 million or HK\$8.22 million); and (ii) the Finder’s Fee, otherwise payable by Regent Coal (BVI) in respect of the Finder’s Fee Agreement, the details of which have been previously disclosed.

The Cash and Drilling Adjustment, being an amount payable over and above the Consideration, has been agreed at the upper limit previously disclosed of the US\$ Equivalent of RMB 35 million (or approximately US\$5.27 million or HK\$41.11 million).

As previously disclosed, the total Consideration for the Disposal is the US\$ Equivalent of RMB 460 million (or approximately US\$69.28 million or HK\$540.36 million) which, together with the Cash and Drilling Adjustment (agreed to be the US\$ Equivalent of RMB 35 million) and the Shareholder Loans Amount (being US\$1.00 for the assignment of the Shareholder Loans), represents the entire consideration payable to Regent Coal (BVI) in respect of the Disposal. To date, RMB 24 million (or approximately US\$3.61 million or HK\$28.19 million) has been paid and released to Regent Coal (BVI), with the Deposit (RMB 400 million (or approximately US\$60.24 million or HK\$469.88 million)) having been paid into Regent Coal (BVI)’s bank account in Beijing, subject to co-signatory rights with the Purchaser.

To facilitate the payment of all outstanding consideration payable under the Share Purchase Agreement (as amended) into Regent Coal (BVI)’s Hong Kong account at or prior to Completion, Regent Coal (BVI) has agreed to transfer the Deposit into a bank account held in the name of the Purchaser or an affiliate thereof with China Minsheng Banking Corp. Ltd., Beijing Xi Chang’an Jie Branch (the “**CMBC Account**”), subject to and conditional upon: (i) the Purchaser having first deposited (into the same CMBC Account) all the remaining consideration (in RMB), being an additional RMB 71 million (or approximately US\$10.69 million or HK\$83.40 million);



and (ii) Regent Coal (BVI) having been granted co-signatory rights over such account pending Completion.

The Company can now confirm that the entire amount of outstanding consideration (in RMB) payable to Regent Coal (BVI) under the Share Purchase Agreement (as amended), including the Cash and Drilling Adjustment referenced above, but not including the RMB 24 million already paid, being an aggregate of RMB 471 million (or approximately US\$70.93 million or HK\$553.28 million), has now been deposited into the CMBC Account over which Regent Coal (BVI) has been granted co-signatory rights.

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The Long Stop Date for completion of the Disposal under the Share Purchase Agreement (including the full payment of Consideration in US\$ into our offshore account) remains 30 November 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) is subject to the satisfaction of a number of conditions. As these conditions 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, (i) 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; and (ii) amounts denominated in RMB have been translated, for the purpose of illustration only, into US\$ using the exchange rate of US\$1.00 = RMB 6.64.

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, 22 November 2010