



Regent Pacific Group Limited

(Incorporated in the Cayman Islands with Limited Liability)

Stock Code: 0575

1 June 2012

ANNOUNCEMENT

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DISCLOSEABLE TRANSACTION: FURTHER ACQUISITIONS OF SHARES IN BC IRON LIMITED

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 during the period from 15 February 2012 to 15 March 2012 and on 1 June 2012, it has further acquired, in aggregate, 2,273,327 BCI Shares by a series of on-market transactions at an average price of A\$2.76 (or approximately US\$2.69 or HK\$20.98) per BCI Share, representing approximately 2.19 per cent of the existing issued share capital of BCI, for an aggregate amount of cash consideration of A\$6,280,675 (or approximately US\$6,114,237 or HK\$47,691,049).

Following the above referenced acquisitions, the Company now holds 23,849,646 BCI Shares, representing approximately 22.96 per cent of the existing issued share capital of BCI.





The above referenced acquisitions of 2,273,327 BCI Shares, in isolation, constitutes a discloseable transaction of the Company under Chapter 14 of the HK Listing Rules. Moreover, the Company's total acquisition of 5,465,203 BCI Shares during the last 12 months (including the above referenced acquisitions), on an aggregated basis, 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.

Further acquisitions of shares in BC Iron Limited

Following the announcement issued by the Company on 14 July 2011, the Company announces that during the period from 15 February 2012 to 15 March 2012 and on 1 June 2012, it has further acquired, in aggregate, 2,273,327 BCI Shares by a series of on-market transactions at an average price of A\$2.76 (or approximately US\$2.69 or HK\$20.98) per BCI Share, representing approximately 2.19 per cent of the existing issued share capital of BCI, for an aggregate amount of cash consideration of A\$6,280,675 (or approximately US\$6,114,237 or HK\$47,691,049).

As announced on 14 July 2011, the Company previously held 21,584,131 BCI Shares, representing approximately 22.87 per cent of the then issued share capital of BCI. Subsequently, the Company disposed of 7,812 BCI Shares on market on 20 April 2012 at A\$3.00 (or approximately US\$2.92 or HK\$22.78) per BCI Share, for an aggregate amount of cash consideration of A\$23,436 (or approximately US\$22,815 or HK\$177,957). Following the above referenced acquisitions, the Company now holds 23,849,646 BCI Shares, representing approximately 22.96 per cent of the existing issued share capital of BCI.

The above referenced acquisitions of 2,273,327 BCI Shares, in isolation, constitutes a discloseable transaction of the Company under Chapter 14 of the HK Listing Rules. Moreover, the Company's total acquisition of 5,465,203 BCI Shares during the last 12 months (including the above referenced acquisitions), on an aggregated basis, continues to constitute a discloseable transaction of the Company under Chapter 14 of the HK Listing Rules.



Basis of consideration

The consideration was determined on the basis of normal commercial terms and arm's length transactions by on-market trades.

The Directors consider the above referenced acquisitions 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 acquisitions referred to above are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

In respect of the Company's interest in BCI, the Company's attributable share (being 22.96 per cent) of BCI's: (i) net profit for the financial year ended 30 June 2011 from continued operations is A\$211,881 (or approximately US\$206,266 or HK\$1,608,875); and (ii) net profit for the financial year ended 30 June 2010 from continued operations is A\$553,551 (or approximately US\$538,882 or HK\$4,203,280), both before taxation and extraordinary items.

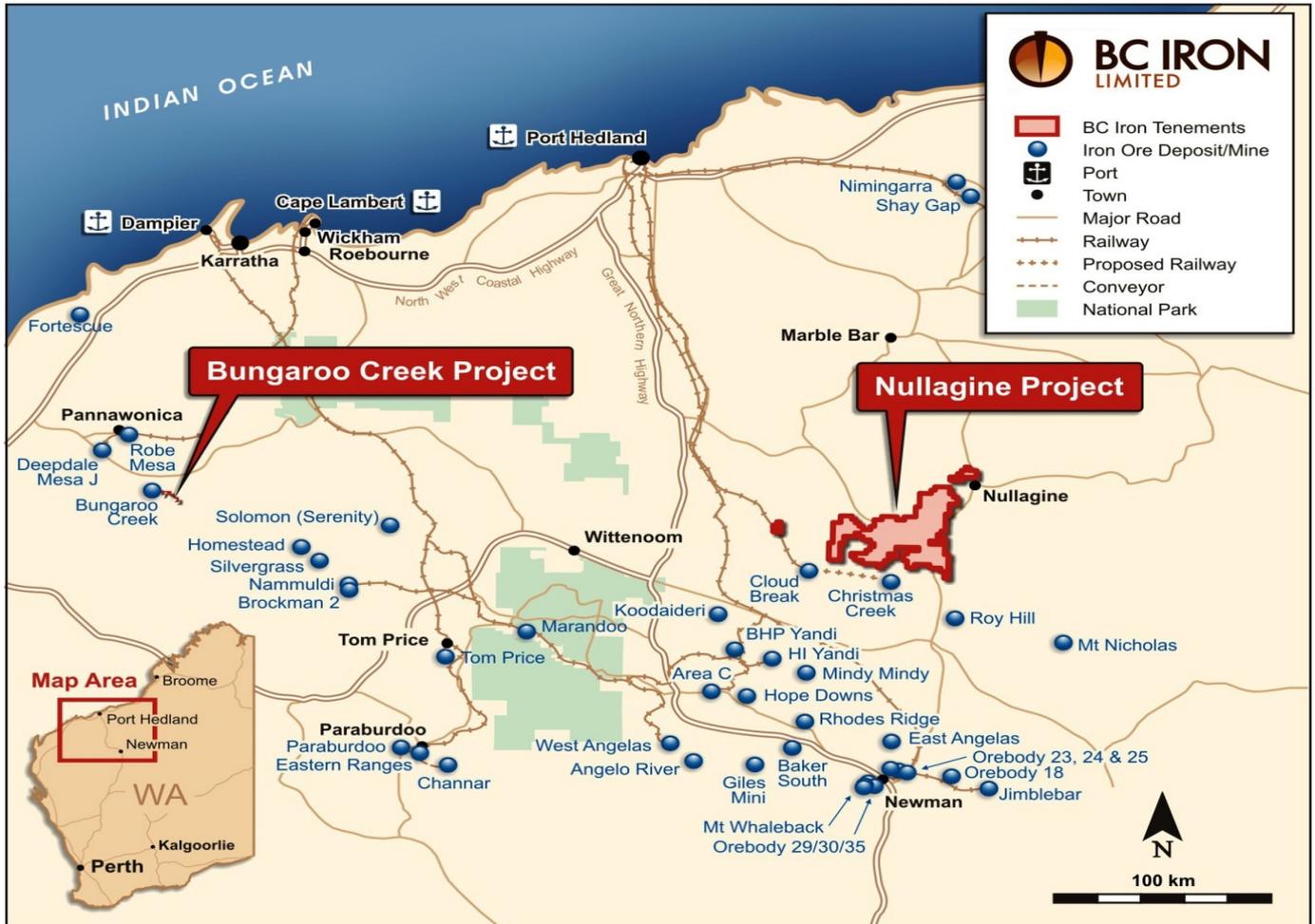
The Company's attributable share (being 22.96 per cent of BCI's: (i) net profit for the financial year ended 30 June 2011 from continued operations is A\$226,047 (or approximately US\$220,057 or HK\$1,716,445); and (ii) net loss for the financial year ended 30 June 2010 from continued operations is A\$318,084 (or approximately US\$309,655 or HK\$2,415,309), both after taxation and extraordinary items.

The net asset value of BCI was A\$74,456,455 (or approximately US\$72,483,359 or HK\$565,370,200) as at 31 December 2011, as reported in BCI's latest publicly disclosed interim financial statements for the period ended 31 December 2011.

Principal business activities of BCI

As previously disclosed by the Company, BCI (ASX code: BCI) is an iron ore producer and exporter with projects in Western Australia's world-class Pilbara region.

BCI's main project is a 50/50 joint venture with Fortescue Metals Group (ASX code: FMG) ("**FMG**") in respect of the Nullagine Iron Ore Joint Venture project. The Nullagine Iron Ore Joint Venture project (or "**NIOP**") is situated approximately 300km south-east from Port Hedland in Western Australia and approximately 60km north of FMG's Chichester Hub, which comprises the Cloudbreak and Christmas Creek operations. The NIOP is principally comprised of three contiguous districts, Bonnie Creek, Shaw River and Nullagine with initial mining focussed on the Bonnie Creek deposits. The figure below illustrates the location of the NIOP and BCI's (100%) early stage Bungaroo Creek Project in relation to other iron ore mineral deposits in the Pilbara Region.



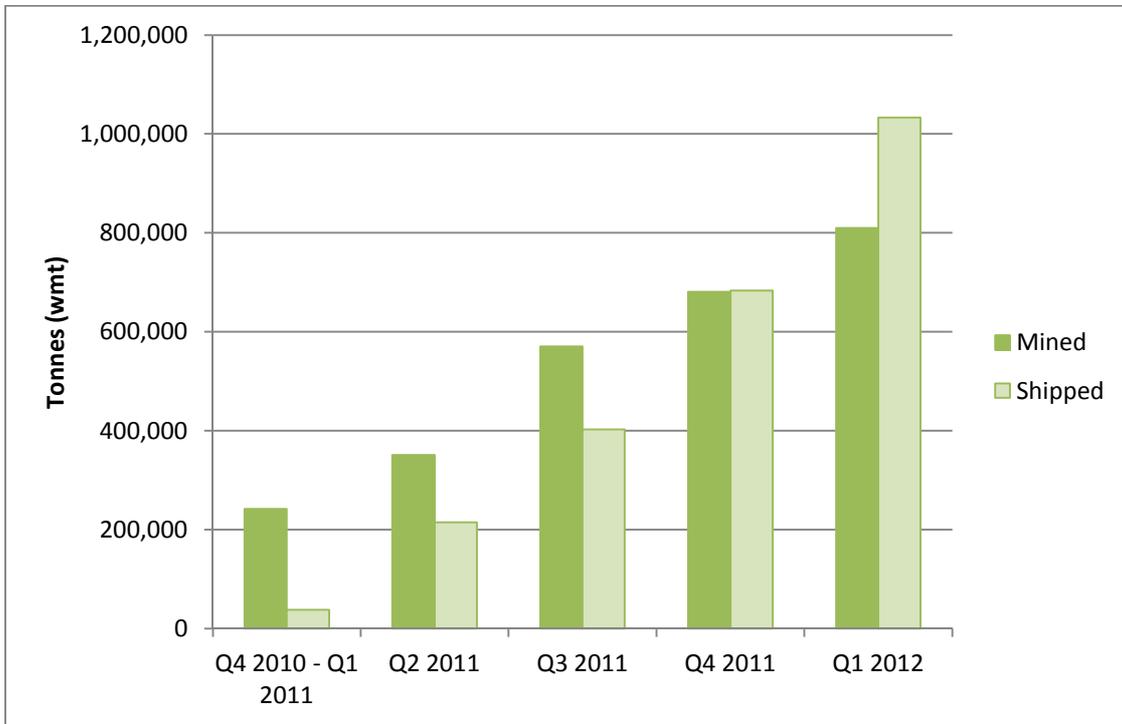
The NIOP's principal activity is the mining of iron ore for sale into the seaborne market, principally into China. Production commenced in November 2010 with 2.38Mt of low impurity, high calcined iron sintering ore exported to 31 March 2012. The Nullagine Iron Ore Joint Venture continues to ramp up its production rates with a sustained 5 Mtpa production rate being achieved in May 2012 (BCI announced on ASX 23 May 2012). BCI has forecast that in the 12 month period to 30 June 2012, the NIOP will export 3.5 Mt of iron ore. The figure below demonstrates the successful ramp up in production and export of the 57% iron ore product from NIOP between the commencement of production and 31 March 2012.

BCI announced their maiden operation profit of A\$8.9m for the six month period to 31 December 2011 (BCI announced on ASX 16 February 2012). During this period the NIOP shipped 1.1Mt of iron ore at an average CFR (cost and freight) price of US\$125 per dry metric tonne. The project has a forecast LOM cash cost of approximately US\$45 per dry metric tonne, excluding royalties, marketing and corporate costs.

The NIOP has a resource estimate of 106.2Mt which includes 42.4Mt of mineable ore reserves (BCI announced on ASX 17 April 2012). Based on a 5Mtpa production rate and the updated ore reserve, the project currently has a residual mine life of over 8 years. The 106.2Mt resource



estimate offers potential reserve upside which is currently being tested with further exploration and beneficiation test work. These exploration and beneficiation test programs, have the potential to further extend the project's mine life.



Additional background information on BCI can be found on BCI's web site www.bcion.com.au.

Reasons for acquisitions of further shares in BC Iron Limited

The Board considers a further investment in BCI as a sensible expansion of its already significant stake in the company. The Company has been and continues to be supportive of BCI's efforts to ramp up production and views an increased holding of 22.96 per cent as being important from a strategic investment standpoint.

The Board notes that BCI Shares continue to trade at a significant discount to the value range included in the released summary of BCI's independent expert's report (a summary of which was released by BCI on ASX on 17 May 2011), in which the independent expert cited an assessed value range for BCI Shares (inclusive of a full premium for control and subject to various assumptions) to be A\$3.80 (or approximately US\$3.70 or HK\$28.86) to A\$4.13 (or approximately US\$4.02 or HK\$31.36) per BCI Share. Based on closing prices as of 1 June 2012, BCI Shares are trading at a significant discount of 32.63 per cent to the low end of the stated range.

The Directors consider the above referenced acquisitions 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 acquisitions referred to above 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 BCI Shares were paid from the working capital of the Company.

Discloseable transaction

In view of the fact that the aggregate amount of cash consideration paid for the above referenced acquisitions of 2,273,327 BCI Shares (being A\$6,280,675 or approximately US\$6,114,237 or HK\$47,691,049), in isolation or when viewed in aggregate with the Company's total acquisition of 5,465,203 BCI Shares during the last 12 months (for a total cash consideration of A\$15,738,959 or approximately US\$15,321,877 or HK\$119,510,641), exceeds 5 per cent but is less than 25 per cent of the Company's market capitalisation, the acquisitions, both in isolation and in aggregate, 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 above referenced acquisitions in accordance with the HK Listing Rules.

Not a connected transaction

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, each of BCI, the brokers who dealt with the on-market transactions for the Company, the counterparties to the on-market transactions and their respective beneficial owner(s) and associate(s) is a third party independent from 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 asset is located in Yunnan Province, China. The Company also has passive interests in a number of mining companies, including BCI (22.96%) and Venturex Resources Limited (25.11%).



Definitions

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

“A\$”	Australian dollars, the lawful currency in Australia
“associate(s)”	shall have the meaning defined in the HK Listing Rules
“ASX”	Australian Securities Exchange
“BCI”	BC Iron Limited, a company having limited liability, the shares of which are listed on ASX
“BCI Shares”	ordinary voting and listed shares in BCI
“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
“connected person(s)”	shall have the meaning defined in Chapter 14A of the HK Listing Rules
“Director(s)”	the directors of the Company
“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



“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
“US\$”	United States dollars, the lawful currency in the United States

Note: Unless otherwise specified herein, (i) amounts denominated in A\$ have been translated, for the purpose of illustration only, into US\$ using the exchange rate of A\$1.00 = US\$0.9735; and (ii) 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.

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, 1 June 2012