



# Regent Pacific Group Limited

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

Stock Code: 0575

2 August 2012

## ANNOUNCEMENT

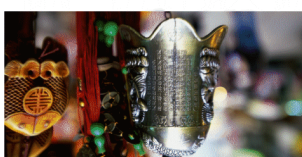
*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*

### DISCLOSEABLE TRANSACTION: FURTHER ACQUISITIONS OF SHARES IN VENTUREX RESOURCES 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 on 1 August 2012 it executed an order with its broker to acquire 66 million additional Venturex Shares on-market at A\$0.036 (or approximately US\$0.038 or HK\$0.296) per Venturex Share, representing approximately 4.80 per cent of the existing issued share capital of Venturex, for an aggregate amount of cash consideration (excluding brokerage) of A\$2,376,000 (or approximately US\$2,497,889 or HK\$19,483,534).





Prior to the above-referenced acquisition, the Company held 281,847,024 Venturex Shares in late February 2011, representing approximately 25.92 per cent of the then issued share capital of Venturex. Subsequently, the Company further acquired an aggregate of 90,548,609 Venturex Shares following: (i) a series of on-market trades during the period from 4 to 17 November 2011; and (ii) the Subscription for new Venturex Shares under Venturex's recently completed Entitlements Issue (which were allotted and issued to the Company on 10 July 2012), representing approximately 6.58 per cent of the existing issued share capital of Venturex, for an aggregate amount of cash consideration of A\$5,174,452 (or approximately US\$5,439,901 or HK\$42,431,228).

Following the above-referenced acquisitions and the Subscription, the Company currently holds 438,395,633 Venturex Shares, representing approximately 31.87 per cent of the enlarged issued share capital of Venturex.

The further acquisition of 66 million Venturex Shares does not, in isolation, constitute a notifiable transaction of the Company under Chapter 14 of the HK Listing Rules. However, such further acquisition, when aggregated with the Company's acquisitions and Subscription in respect of an aggregate of 90,548,609 Venturex Shares in the last 12 months, does constitute a discloseable transaction of the Company under Chapter 14 of the HK Listing Rules on an aggregated basis.

This announcement is made by the Company in compliance with the disclosure requirements under Chapter 14 of the HK Listing Rules.

### **Further acquisitions and subscription of shares in Venturex**

The Company announces that on 1 August 2012 it executed an order with its broker to acquire 66 million additional Venturex Shares on-market at A\$0.036 (or approximately US\$0.038 or HK\$0.296) per Venturex Share, representing approximately 4.80 per cent of the existing issued share capital of Venturex, for an aggregate amount of cash consideration (excluding brokerage) of A\$2,376,000 (or approximately US\$2,497,889 or HK\$19,483,534).

Prior to the above-referenced acquisition, the Company held 281,847,024 Venturex Shares in late February 2011, representing approximately 25.92 per cent of the then issued share capital of Venturex. Subsequently, the Company further acquired an aggregate of 90,548,609 Venturex Shares following: (i) a series of on-market trades during the period from 4 to 17 November 2011; and (ii) the Subscription for new Venturex Shares under Venturex's recently completed Entitlements Issue (which were allotted and issued to the Company on 10 July



2012), representing approximately 6.58 per cent of the existing issued share capital of Venturex, for an aggregate amount of cash consideration of A\$5,174,452 (or approximately US\$5,439,901 or HK\$42,431,228).

Following the above-referenced acquisitions and Subscription, the Company currently holds 438,395,633 Venturex Shares, representing approximately 31.87 per cent of the enlarged issued share capital of Venturex.

The further acquisition of 66 million Venturex Shares does not, in isolation, constitute a notifiable transaction of the Company under Chapter 14 of the HK Listing Rules. However, such further acquisition, when aggregated with the Company's acquisitions and Subscription in respect of 90,548,609 Venturex Shares in the last 12 months, does constitute a discloseable transaction of the Company under Chapter 14 of the HK Listing Rules on an aggregated basis.

### **Basis of consideration**

The consideration payable in respect of the further acquisitions and the Subscription of Venturex Shares have all been determined on normal commercial terms and negotiated on an arm's length basis between the relevant parties.

The Directors consider the acquisitions and the Subscription 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 transactions 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 interests in Venturex, the Company's attributable share (being 31.87 per cent) of Venturex's: (i) net loss for the financial year ended 30 June 2011 from continued operations is A\$1,751,861 (or approximately US\$1,841,731 or HK\$14,365,502); and (ii) net loss for the financial year ended 30 June 2010 from continued operations is A\$1,903,100 (or approximately US\$2,000,729 or HK\$15,605,686), both before taxation and extraordinary items.

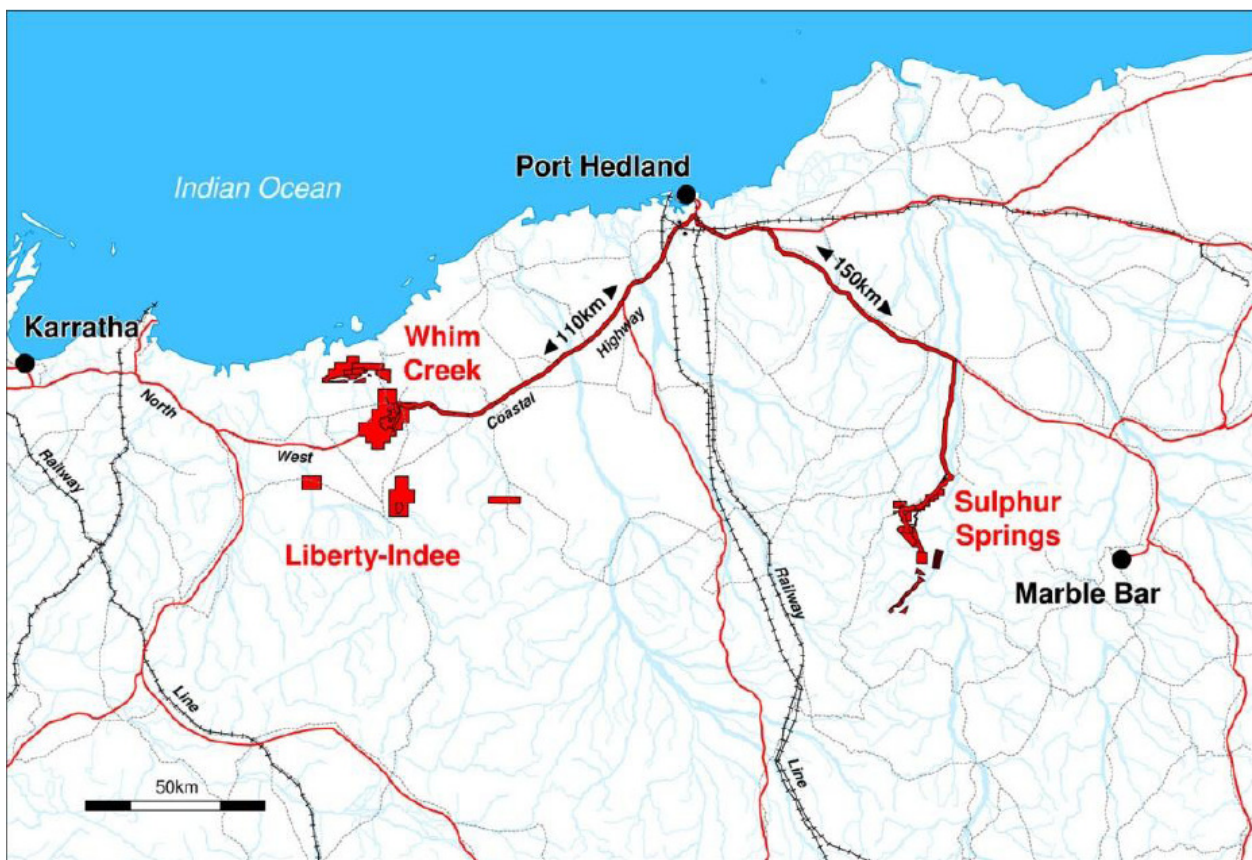
In respect of the Company's interests in Venturex, the Company's attributable share (being 31.87 per cent) of Venturex's: (i) net loss for the financial year ended 30 June 2011 from continued operations is A\$2,841,454 (or approximately US\$2,987,221 or HK\$23,300,324); and (ii) net loss for the financial year ended 30 June 2010 from continued operations is A\$1,903,100 (or approximately US\$2,000,729 or HK\$15,605,686), both after taxation and extraordinary items.

The net asset value of Venturex was A\$62,754,965 (or approximately US\$62,974,295 or HK\$514,599,501) as at 31 December 2011, as reported in Venturex's latest publicly disclosed interim report for the period ended 31 December 2011.



## Background on Venturex

Venturex is a junior ASX listed resources company focused on developing the Pilbara Copper-Zinc Project which includes the highly prospective Sulphur Springs, Whim Creek and Mons Cupri VMS deposits. The company plans on being the next significant Australian copper-zinc producer with a project Feasibility Study well advanced for the development of a 1.0Mtpa mining operation producing 18,000 tonnes of copper, 30,000 tonnes of zinc and 250,000 ounces of silver per year with a C1 operating cost of A\$1.15/lb of payable copper. Venturex has recently guided the Australian market by way of its announcement of 26 July 2012 that the project Feasibility Study is on schedule and is to be delivered by the end of September 2012. A centralised processing hub will be developed at Sulphur Springs with the ore sourced from existing reserves at Sulphur Springs and from reserves within the Whim Creek complex. It is anticipated that mining operations will commence at Sulphur Springs at some time in 2014. The figure below depicts the key locations of the Pilbara Copper-Zinc Project.



Venturex also has interests in a significant tenement package located in established gold provinces in Brazil. The interests are via a wholly owned, incorporated and registered Brazilian minerals exploration company called CMG Mineração Ltda (CMGM). CMGM has acquired, directly and indirectly, 100% interest in a portfolio of gold exploration projects which are located in the Tapajós gold province in Pará, and the Alta Floresta and Cuiabá Basin gold provinces in



Mato Grosso. Exploration to date has been limited to field mapping, geophysics and air-core drilling with results indicating the potential for gold resources in excess of 1 million ounces [www.venturexresources.com.au]. A maiden diamond drilling program at the prospective Nova Canaã project has recently commenced with assay results likely to be available in September 2012. The location CMGM's Brazilian gold projects is depicted in the figure below.



Additional background information on Venturex and the progress of the Pilbara Copper-Zinc Project Feasibility Study, can be found on Venturex's web site [www.venturexresources.com.au](http://www.venturexresources.com.au).

### **Reasons for further acquisitions and subscription of shares in Venturex**

The further acquisition of Venturex Shares is entirely consistent with one of the Company's core areas of investment focus, being base metal projects in the Asia Pacific region.

The Company is of the view that the long term outlook for copper and zinc remains robust with copper and zinc market fundamentals appearing tight. While the strength of demand for copper and zinc is underpinned with the growing realisation that sustainable demand from China (the world's largest consumer of copper and zinc) will continue in the foreseeable future, this demand is not being matched with weakness on the supply side due to mining majors delaying capital programs, a reduction in copper grades from existing operations and a slow-down in greenfield discoveries forcing companies into higher risk jurisdictions.

In respect of Venturex specifically, we see the potential for Venturex to commence production at the end of 2014 and increase its resource base through ongoing exploration of known targets. In addition, the scale and favourable location of the Pilbara Copper-Zinc Project in Western Australia presents an attractive investment opportunity in a sophisticated and low risk regulatory



environment. The Company hopes to assist Venturex to create a substantial platform from which to consolidate and grow in due course.

The Company considers that a further acquisition of Venturex Shares is sensible in light of the fact that Venturex has recently acquired fourteen additional tenements in the Sulphur Springs Region which complement Venturex's current assets in the area. The tenement package covers 35 square kilometres and includes the Kangaroo Caves deposit which has a JORC mineral resource estimate of 6.3 Mt @ 0.5% Cu and 3.3% Zn and remains open in a number of directions. Kangaroo Caves is only six kilometres south east of the planned 1.0 Mtpa centralised Sulphur Springs processing hub making it a likely source of ore that will extend the life of the Pilbara Copper-Zinc Project.

In short, the Board considers our further acquisitions and subscription into Venturex to be good value with the potential for significant growth.

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

### **Source of funds**

The investment into Venturex by way of the above-referenced on-market acquisitions and the Subscription have been funded from the working capital of the Company.

### **Discloseable transaction**

In view of the fact that the aggregate amount of cash consideration (excluding brokerage) paid for the further acquisition of 66 million Venturex Shares (being A\$2,376,000 or approximately US\$2,497,889 or HK\$19,483,534), when viewed in aggregate with the Company's acquisitions and the Subscription in respect of 90,548,609 Venturex Shares in the last 12 months (for a total consideration of A\$5,174,452 or approximately US\$5,439,901 or HK\$42,431,228), exceeds 5 per cent but is less than 25 per cent of the Company's market capitalisation, such further acquisition, when aggregated with the Company's previous acquisitions and the Subscription in respect of Venturex Shares in the last 12 months, constitutes 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 Company's further acquisitions and the Subscription in respect of Venturex Shares 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 counterparty to the relevant transactions and their respective beneficial owner(s) and associate(s) is a third party independent of 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 assets and investments are located in Yunnan Province, China as well as the Pilbara region of Western Australia where the Company has strategic interests in BC Iron Limited (23.11%) and Venturex Resources Limited (31.87%). The Company also has passive interests in a number of other mining companies.

## 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
“Board”	the board of directors of the Company
“C1”	C1 operating costs means the projected cash costs including mining, processing, site administration and concentrate TC/RCs, net of by-product credits
“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



<b>“connected person(s)”</b>	shall have the meaning defined in Chapter 14A of the HK Listing Rules
<b>“Director(s)”</b>	the directors of the Company
<b>“Entitlements Issue”</b>	the underwritten non-renounceable pro-rata offer of entitlements by Venturex (being part of its A\$11 million capital raising proposal, which included the Placement, as announced by Venturex on 29 May 2012) to its existing shareholders to subscribe for one new Venturex Shares for every ten Venturex Shares held, at A\$0.036 (or approximately US\$0.038 or HK\$0.296) per Venturex Share in cash, which resulted in the issue of 125,032,913 new Venturex Shares on 10 July 2012 to raise approximately A\$4.50 million (or approximately US\$4.73 million or HK\$36.89 million), which was fully underwritten by Northern Star Resources Limited (ASX: NST)
<b>“Feasibility Study”</b>	an engineering study based on test work and engineering analysis, which presents enough information to determine whether or not a project should be advanced to the final engineering and construction stage
<b>“Group”</b>	the Company and its subsidiaries
<b>“HK Listing Rules”</b>	The Rules Governing the Listing of Securities on the HK Stock Exchange, as amended from time to time
<b>“HK Stock Exchange”</b>	The Stock Exchange of Hong Kong Limited
<b>“HK\$”</b>	Hong Kong dollars, the lawful currency in Hong Kong
<b>“Placement”</b>	the 15 per cent placement by Venturex (being part of its A\$11 million capital raising proposal as announced by Venturex on 29 May 2012) to Northern Star Resources Limited (ASX: NST) at A\$0.04 (or approximately US\$0.042 or HK\$0.328) per Venturex Share in cash, which resulted in the issue of 163,086,409 new Venturex Shares on 28 May 2012 to raise approximately A\$6.52 million (or approximately US\$6.85 million or HK\$53.43 million)





<b>“Shareholder(s)”</b>	the holders of the Shares
<b>“Share(s)”</b>	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
<b>“Subscription”</b>	the subscription by the Company, in each case at A\$0.036 (or approximately US\$0.038 or HK\$0.296) per Venturex Share in cash, for: (i) 31,399,603 new Venturex Shares by taking up its full entitlement under the Entitlements Issue in respect of the Company’s holding of Venturex Shares; and (ii) 27,000,000 new Ventures Shares by subscribing for certain entitlements not taken up by the remaining Venturex shareholders under the Entitlements Issue, for an aggregate amount of cash consideration of A\$2,102,386 (or approximately US\$2,210,238 or HK\$17,239,856)
<b>“US\$”</b>	United States dollars, the lawful currency in the United States
<b>“Venturex”</b>	Venturex Resources Limited, a company having limited liability, the shares of which are listed on ASX (ASX: VXR)
<b>“Venturex Shares”</b>	ordinary voting and listed shares in Venturex

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\$1.0513; 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*)<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, 2 August 2012