



Regent Pacific Group Limited



(Incorporated in the Cayman Islands with Limited Liability)

Stock Code: 0575

23 March 2009



ANNOUNCEMENT

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OPERATIONS UPDATE REGARDING PRODUCTION AT DAPINGZHANG



SUMMARY

This announcement is made by the Company in compliance with Rule 13.09 of the Listing Rules and provides an operational update.

The Company is pleased to announce that it has today (and after market close), following recent discussions with its joint venture partners in YSSCL, decided that YSSCL shall resume full production, including the recommencement of mining operations at Dapingzhang, Yunnan Province, China.

YSSCL has not sold any of its copper or zinc concentrate that it has produced from 1 January 2009 to the date of this announcement.

YSSCL declared a dividend of RMB 110.7 million (approximately US\$16.2 million) for the year ended 31 December 2008, from which the Company will be entitled to receive RMB 44.28 million (approximately US\$6.5 million).

The Company remains without external debt or hedging arrangements in respect of its exposure to certain metal prices and foreign exchange.



Regent Pacific Group Limited (“**Regent Pacific**” or the “**Company**”) is a diversified mining company with interests in copper and zinc, together with various interests in thermal coal assets in Asia, principally in China. In accordance with Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) the directors (the “**Directors**” or the “**Board**”) of the Company are pleased to provide the following operational update.



Production at Dapingzhang

Regent Pacific is pleased to announce that it has today (and after market close), following recent discussions with its joint venture partners in Yunnan Simao Shanshui Copper Company Limited (“**YSSCL**”), Yuxi Resources Corporation (50%) and Yunnan Dingtai Investment Co., Ltd (10%), both shareholders of YSSCL (of which the Company holds the remaining 40% interest), that YSSCL shall resume full production, including the recommencement of mining operations at Dapingzhang, Yunnan Province, China. YSSCL will continue to monitor and review its cost base as an ongoing matter.

Consistent with Regent Pacific’s last operations update (dated 25 November 2008), YSSCL has not sold any of its copper or zinc concentrate that it has produced from 1 January 2009 to the date of this announcement. Total copper concentrate on stockpile is approximately 5,400 tonnes, containing approximately 972 tonnes of copper metal. The Board expects that YSSCL will resume concentrate sales shortly following the recent rally in metal prices on the Shanghai Futures Exchange (of some 30% when compared with the same metal prices at the start of 2009), which today closed at RMB 34,780 per tonne (approximately US\$5,092 per tonne).

Currently, the daily production capacity of the mills at YSSCL is just over 3,000 tonnes per day. YSSCL will continue to process disseminated copper ore containing a head grade of approximately 0.6% from stockpiles at the mine site. However, from April 2009, mills 2 and 3 will process disseminated ore into a copper concentrate and mill 4 will revert to processing massive sulphide ore into a separate copper and zinc concentrate. The estimated head grade for copper and zinc for 2009 is 1.19% and 1.81% respectively. It is estimated that approximately 6,500 tonnes copper metal and 8,700 tonnes zinc metal will be produced and sold in 2009.

YSSCL is currently reviewing the expansion plans in respect of its processing facilities.

The Company is also pleased to disclose that YSSCL declared a dividend of RMB 110.7 million (approximately US\$16.2 million) for the year ended 31 December 2008, from which the Company will be entitled to receive RMB 44.28 million (approximately US\$6.5 million).

The Company, YSSCL and its shareholders will continue to closely monitor the commodities and global economic environment and will take appropriate actions in the best interest of the Company, its employees and its shareholders to continue the successful operation of YSSCL.



Anticipated Impairment to Goodwill

The Company is currently undergoing an audit in respect of its financial year ended 31 December 2008. Company management expects there to be a significant write down (by way of impairment) to the goodwill previously attributed to the Ji Ri Ga Lang and the Zhun Dong coal assets acquired as part of the CCEC acquisition in December 2007. The extent of any such write down or impairment remains subject to completion of the audit and will be fully disclosed in the Company's annual results announcement and annual report.

No Debt and No Hedging

As at the date of this announcement, the Group remains without any external debt, bank borrowings, forward contracts, derivatives or other hedging instruments in respect of its exposure to certain metal prices and foreign exchange.

On Behalf of the Board of
Regent Pacific Group Limited

Jamie Gibson
Director

For reference only, the figures in RMB referred to in this circular have been translated into United States Dollars on the basis of an assumed exchange rate of US\$1 = RMB 6.83.

Directors of the Company:

James Mellon (*Co-Chairman*)^{*}

Stephen Dattels (*Co-Chairman*)^{*}

Jamie Gibson (*Chief Executive Officer*)

Stephen Bywater^{*}

Clara Cheung

David Comba[#]

Julie Oates[#]

Mark Searle[#]

John Stalker^{*}

Jayne Sutcliffe^{*}

^{*} *Non-Executive Directors*

[#] *Independent Non-Executive Directors*

Hong Kong, 23 March 2009