



HIGHLANDS PACIFIC LIMITED ARBN 078 118 653
 Incorporated in Papua New Guinea

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KAINANTU PROJECT – REFINANCING UPDATE

Highlands Pacific Limited (HPL) advises that it continues to work with its banking syndicate to restructure the Kainantu project gold forward sales program and the financing facility, which is yet to be agreed.

The current forward sales program is as set out below.

Delivery Date	Ounces	Gold Price
December 22, 2006	2,750	404.70
December 22, 2006	13,500	404.40
December 22, 2006	4,750	409.90
December 22, 2006	6,500	407.27
December 22, 2006	3,200	422.67
December 22, 2006	2,500	418.85
December 29, 2006	20,000	403.15
December 29, 2006	5,000	418.88
December 29, 2006	6,500	415.54
March 30, 2007	19,000	403.17
March 30, 2007	5,000	417.90
June 29, 2007	18,000	403.18
June 29, 2007	5,000	417.90
September 28, 2007	19,000	403.18
September 28, 2007	5,000	417.90
December 31, 2007	22,000	403.18
December 31, 2007	2,300	417.90
March 31, 2008	25,000	402.60
March 31, 2008	5,000	417.90
June 30, 2008	30,000	402.60
September 30, 2008	15,000	404.34
December 31, 2008	15,000	404.34
Total	250,000	405.86



The balance outstanding in the project financing facility provided by ABN AMRO, SG Australia and RMB Resources now stands at \$US 24.77 million following a repayment of \$US 2.5 million in November 2006.

Current cash reserves are \$US 17 million.

For further information contact:

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