



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

Registered Office

PO Box 1486, Port Moresby NCD 121
Papua New Guinea
Level 1, Allotment 6, Section 58, Sir
Hubert Murray Highway
Boroko NCD
Papua New Guinea

Telephone: (675) 323 5966

Facsimile: (675) 323 5990

Website: www.highlandspacific.com

Registered Office in Australia

GPO Box 3086, Brisbane QLD 4001
Australia
Level 4, 167 Eagle Street

Brisbane Qld 4000
Australia

Telephone: (617) 3239 7800

Facsimile: (617) 3221 6727

Email: info@highlandspacific.com

8 September 2008

PROGRESS UPDATE – RAMU NICKEL COBALT PROJECT

Memorandum of Agreement Review of Ramu Successfully Completed

Highlands Pacific (ASX: HIG) is pleased to announce that the review of the Memorandum of Agreement for the Ramu nickel/cobalt project conducted last week in Madang, Papua New Guinea, has been successfully completed.

The stakeholders in the Ramu project concluded a five day conference on the Memorandum of Agreement and agreed it was beneficial and constructive, said Highlands Pacific Managing Director John Gooding.

"The review enabled frank and sincere discussions to take place, while ensuring that all stakeholders' entitlements are fulfilled," Mr Gooding said. He added that future regular reviews of all the commitments will be undertaken in the spirit of co-operation to ensure the success of this nationally important project for PNG which will be commissioned during 2009.

The stakeholders at the conference included: the four Local Landowner associations, the PNG National, Provincial and Local Area Governments, together with Ramu NiCo Management (MCC) Ltd representing Highlands Pacific Ltd and MRDC Ltd's (Mineral Resources Development Company Ltd) interests in the project.

Highlands has an 8.56% interest in the Ramu project which will increase to 11.30% at no cost to the Company after repayment of the debt raised to finance the project has been completed (estimated to be 10 years). From commissioning, Highlands is able to have access to its pro-rata 8.56% share of Ramu's post-debt servicing net cash flow.

Highlands' share of product based on its 8.56% share is 2,666 tonnes of nickel and 282 tonnes of cobalt per annum, rising to 3,520 tonnes of nickel and 373 tonnes of cobalt when equity increases to 11.3%.

For further information contact:

Mr John Gooding
Managing Director
Highlands Pacific Ltd
Phone: (61 7) 3239 7800

or

Mr Craig Lennon
Chief Financial Officer
Highlands Pacific Ltd
Phone: (61 7) 3239 7800

Mr David Waterhouse
Waterhouse IR
Investor Relations
Phone: (61 3) 9639 9099

Mr Brian Thornton
Farrington Group
Media Relations
Phone: (61 2) 9332 4448