



20 May 2010

The Companies Announcements Office
The Australian Stock Exchange Limited
10th Floor
20 Bond Street
Sydney NSW 2000
Australia

Mr Vincent Ivosa
Port Moresby Stock Exchange
PO Box 1531
Port Moresby NCD
Papua New Guinea

Dear Sirs

RE: ANNUAL GENERAL MEETING – RESOLUTIONS ADOPTED

As required by Listing Rule 3.13.2, we advise that at the Annual General Meeting of the Company held this morning, the following were carried as **ordinary resolutions**:

Ordinary Business

- Item 1 - Adopted Accounts and Directors' Report;
- Item 2 - Elected Mr D Simonsen as a director;
- Item 3 - Appointed PricewaterhouseCoopers as Auditors of the Company; and

Special Business

- Item 4 - Approved the issue of executive options to the Managing Director.

The proxies received with respect of each resolution are detailed in the attached proxy summary.



1. To receive accounts and reports

The instructions given to validly appointed proxies in respect of the resolution were as follows:

In Favour	Against	Abstention	Proxy's discretion
207,119,773	806,825	636,403	31,042,698

The motion was carried on a show of hands as an ordinary resolution.

2. Election of Director – Drew Simonsen

The instructions given to validly appointed proxies in respect of the resolution were as follows:

In Favour	Against	Abstention	Proxy's discretion
208,041,007	330,952	298,248	30,935,492

The motion was carried on a show of hands as an ordinary resolution.

3. Approval of Auditors

The instructions given to validly appointed proxies in respect of the resolution were as follows:

In Favour	Against	Abstention	Proxy's discretion
207,406,084	699,598	490,421	31,009,596

The motion was carried on a show of hands as an ordinary resolution.

4. Approval of issue of Executive Options to Managing Director

The instructions given to validly appointed proxies in respect of the resolution were as follows:

In Favour	Against	Abstention	Proxy's discretion
159,613,493	47,596,665	1,624,820	30,770,721

The motion was carried on a show of hands as a special resolution.

Yours faithfully

CRAIG LENNON
COMPANY SECRETARY



ASX Code: HIG

PoMSox Code: HIG

Shares on Issue: 665 million

Options on Issue: 35 million

Market Capitalisation **A\$176m**

Cash on Hand (31/03/10) **A\$24m**

Directors

Ken MacDonald, *Chairman*

John Gooding, *Managing Director*

Mike Carroll

Rod Mitchell

Drew Simonsen

Fiu Williame-Igara

Management

Craig Lennon, *CFO & Co.Sec*

Larry Queen, *Chief Geologist*

Terry Smith, *GM Mining & BD*

Peter Jolly, *GM Projects*

For further information, please contact:

John Gooding or Craig Lennon

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Media Enquiries to:

Simon Jemison

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Investor Enquiries to:

David Waterhouse

Waterhouse IR - 03 9670 5008

Website: [.highlandspacific.com](http://highlandspacific.com)

About Highlands Pacific Limited

Highlands Pacific is listed on the ASX and PoMSox exchanges. Its major development assets include the US\$1.4bn Ramu nickel cobalt project, the Frieda River copper gold project and exploration on the highly prospective Nong River and Tifalmin licenses approximately 20km north of Ok Tedi. Highlands also holds exploration ground in the Wau/Bulolo close to the new Hidden Valley and Wafi gold projects and has cash reserves of A\$24 million with no debt.

Frieda Copper/Gold Project

The Frieda copper project is one of the world's largest undeveloped copper/gold resources. Frieda River is 170 kms NW of the giant Porgera gold mine. The project owners are Xstrata (81.82%) and Highlands (18.18%). Highlands has a free-carried interest through to completion of a bankable feasibility study (required by Jan 2012). Xstrata's spend for Frieda in 2009 was US\$38m and in 2010 will be US\$77.5m. A extended scoping study released in early 2009 indicated a 40Mtpa plant with a 27 year mine life averaging 160,000 tpa of copper metal and 240,000 ozpa of gold (with higher output in the first 10 years). The pre-feasibility study due in the third quarter of 2010 is currently considering larger throughput and production options. Subject to the project continuing to meet its project hurdles, a 12-month feasibility study would commence in 3Q 2010 with possible construction in 2012 and production in 2017.

Ramu Nickel Cobalt Project

The Ramu nickel project is located 75 km west of the provincial capital of Madang, PNG and will produce an annual output of 31,150 tonnes of nickel and 3,300 tonnes of cobalt contained in high grade concentrate over a 20 year mine life. The mineral resources at Ramu have the potential to increase the mine life by a further 15-20 years. Highlands 8.56% interest in the Ramu will increase to 11.3% at no cost after repayment of the project debt (estimated to be 8 years). From commissioning, Highlands has access to its pro-rata 8.56% share of Ramu's post-debt servicing net cash flow. Highlands also has an option to acquire an additional 9.25% at fair market value which could increase its interest to 20.55%. Progressive commissioning commenced late in the December quarter 2009 and is expected to continue through to June quarter 2010. Production is expected to commence after that with a staged ramp up through the December quarter 2010 and in 2011.