



18 December, 2009

Non-Executive Director Changes

ASX Code: HIG
PoMSox Code: HIG
Shares on Issue: 661 million
Options on Issue: 93 million

Directors

Ken MacDonald, *Chairman*
John Gooding, *Managing Director*
Ian Burvill
Mike Carroll
Rod Mitchell
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
Highlands Pacific - 07 3239 7800

Media Enquiries to:

Simon Jemison
Collins Street Media - 03 9224 5319

Investor Enquiries to:

David Waterhouse
Waterhouse IR - 03 9670 5008

Website: www.highlandspacific.com

Highlands Pacific announces the appointment of Mr Drew Simonsen as Non-Executive Director to replace Mr Ian Burvill who is stepping down to concentrate on other work commitments.

Mr Burvill has been with the Company since March 2007 and will officially step down on 31 December 2009. Mr Simonsen's appointment takes effect from 1 January 2010.

Mr Simonsen was the Global Head of Energy & Resources, Telecommunications & IT for Westpac Banking Corporation where he worked for over 15 years. Prior to Westpac, he worked for Bank of America in Australia, the USA and Hong Kong for 10 years including roles as Vice President Project Finance, Director of Investment Banking, Director of Corporate Banking and Director of Financial Markets. He has been involved with many resource project financings including those for the Ok Tedi and Bougainville mines. Mr Simonsen has also worked for CRA Ltd (now Rio Tinto) in mining engineering roles, and has previously lived in PNG.

Chairman of Highlands Pacific Mr Ken MacDonald said today:

"Ian Burvill has made a significant contribution to Highland's and we are disappointed to lose a colleague of his calibre. Drew Simonsen brings significant experience in the area of project financing that will be critical to Highlands' development and growth over the next few years. We are extremely pleased to have Drew join the Board and look forward to working with him through this next exciting growth phase for Highlands."



About Highlands Pacific Limited:

Highlands Pacific is listed on the ASX and PoMSOX exchanges. As at 17 December 2009 it had a market capitalisation of A\$220 million and held approximately A\$25m (US\$22m) in cash. Its major development assets are holdings in two of Papua New Guinea's major resource assets - the US\$1.37bn Ramu nickel cobalt project and the Frieda River copper gold project, where Xstrata have spent approximately US\$47m in the past 18 months. Highlands is also due to commence exploration on the highly prospective Nong River and Tifalmin licences approximately 20km north of Ok Tedi.

About the 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 31,500 tonnes of nickel and 3300 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. The project is currently in construction phase with commissioning due to commence by the end of 2009.

Highlands has an 8.56% interest in the Ramu project which will increase to 11.3% at no cost to the Company after repayment of the debt raised to finance the project has been completed from operating cash flow (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 also has an option to acquire an additional 9.25% at fair market value which could increase its interest to 20.55%.

About the 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 (76.2%), Highlands Pacific (16.9%) and OMRD (6.9%).

Highlands has a free-carried interest through to completion of a Feasibility Study (required by Jan 2012). Xstrata's budgeted spend for Frieda in 2009 was US\$36m, with similar annualised levels expected in the first half of 2010.

A scoping study released in early 2009 indicated a 40Mtpa plant with an 27 year mine life averaging 200,000 tpa of copper metal and 240,000oz pa of gold. The pre-feasibility study due in August 2010 is currently considering larger throughput and production options. Subject to the project continuing to meet its project hurdles, a 12-month definitive feasibility study would commence in August/Sept 2010. This would allow the project to potentially commence construction in 2012 and production in 2016.