



30 April 2019

HIGHLANDS SHAREHOLDERS APPROVE SCHEME OF ARRANGEMENT

Highlands Pacific Limited (ASX/POMSoX: HIG, **Highlands**) is pleased to announce that at the shareholders meeting held earlier today, Highlands shareholders approved the scheme of arrangement under which Cobalt 27 Capital Corp. will acquire all the issued share capital of Highlands that it does not already own (**Scheme**).

VOTING RESULTS

Highlands advises that the resolution to approve the Scheme, as set out in the Notice of Meeting dated 12 March 2019, was passed by the requisite majority of shareholders, with 86.91% of the votes cast in favour of the resolution.

The voting results of the Scheme Meeting were as follows:

Vote	Number	%
For:	470,012,133	86.91%
Against:	70,768,972	13.09%
Abstain:	1,906,729	N/A

NEXT STEPS AND INDICATIVE TIMETABLE

The Scheme remains subject to court approval in order to be implemented. Highlands has applied to the National Court of Papua New Guinea, Port Moresby, Papua New Guinea (**Court**) for approval of the Scheme at a hearing scheduled to be held at 8:45am (AEST/Port Moresby time) on Thursday, 2 May 2019.

Highlands will make a further announcement after the Court has considered the matter. If the Court approves the Scheme, Highlands intends to lodge the orders of the Court with the PNG Registrar of Companies on Friday, 3 May 2019. If this occurs, the Scheme will become effective and Highlands shares will be suspended from trading on the Australian Securities Exchange (**ASX**) and the Port Moresby Stock Exchange (**POMSoX**) with effect from the close of trading on Friday, 3 May 2019.



The indicative timetable for the implementation of the Scheme remains as disclosed in the Scheme Booklet:

Event	Date
Second Court Date for approval of the Scheme	Thursday 2 May 2019
Effective Date Announcement to ASX and POMSoX Last day of trading in Highlands Shares – Highlands suspended from trading on ASX and POMSoX from close of trading	Friday 3 May 2019
Record Date for determining entitlements to Scheme Consideration	7.00pm (Sydney Time) Friday 10 May 2019
Implementation Date Payment of Scheme Consideration to Scheme Participants	Friday 17 May 2019

All dates following the date of the Scheme Meeting are indicative only and, among other things, are subject to all necessary approvals from the Court and any other regulatory authority. Any changes to the above timetable (which may include an earlier or later date for the Second Court Hearing) will be announced through ASX and POMSoX and notified on Highlands' website at www.highlandspacific.com.

SCHEME CONSIDERATION

If Court approval is granted, Highlands shareholders will receive the scheme consideration of A\$0.105 per Highlands share, rising to A\$0.115 per Highlands share if before 31 December 2019 the closing spot price of nickel¹ exceeds US\$13,220 per tonne over a period of 5 consecutive trading days (**Scheme Consideration**), for each Highlands share held at 7.00pm (Sydney Time) on the Record Date, Friday 10 May 2019.

Subject to approval of the Scheme by the Court, shareholders will be paid their Scheme Consideration on Friday, 17 May 2019, being the Implementation Date for the Scheme.

¹ Determined as the mid-point of the London Metal Exchange (LME) Official Closing Cash Bid and Cash Offer prices.



Shareholders, other than those with PNG registered addresses, will be paid the scheme consideration in A\$, by cheque or, if the requirements outlined in the Scheme Booklet for receiving payments electronically have been complied with, by electronic funds transfer into an Australian dollar denominated bank account. Shareholders with PNG registered addresses will be paid the PNG Kina equivalent of the scheme consideration², by cheque or, if the requirements outlined in the Scheme Booklet for receiving payments electronically have been complied with, by electronic funds transfer into a PNG Kina denominated bank account.

SHAREHOLDER INFORMATION LINE

Highlands shareholders who have questions in relation to the Scheme should contact the Highlands Shareholder Information Line on 1300 352 248 (within Australia) or +61 3 9415 4125 (outside Australia), Monday to Friday between 8.30am to 5.00pm (AEST/Port Moresby time).

² Calculated at the A\$/PNG Kina exchange rate on the Record Date, as determined by Highlands acting reasonably.



ASX Code: HIG

POMSoX Code: HIG

Shares on Issue: 1,093 million

Performance Rights: Nil

Directors

Ron Douglas, Chairman

Craig Lennon, MD/CEO

Ernie Gangloff

Anthony Milewski

Management

Sylvie Moser, CFO / Co Sec.

Ron Gawi, GM Port Moresby

Investor and Media Enquiries:

Joe Dowling,

Stockwork Corporate

0421 587 755

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www.highlandspacific.com

About Highlands Pacific Limited

Highlands Pacific is a PNG incorporated and registered mining and exploration company listed on the ASX and POMSoX. Its major assets are interests in the producing Ramu nickel cobalt mine and the Frieda River copper gold project; with exploration in progress in the Star Mountains. Highlands also has exploration tenements at on Normanby Island (Sewa Bay).

Ramu Nickel Cobalt Mine

The producing Ramu nickel cobalt mine is located 75km west of the provincial capital of Madang, PNG. Highlands holds an 8.56% interest in the Ramu project that will increase to 11.3% at no cost to Highlands once Highlands' share of Ramu project debt is repaid to the project manager and joint venture partner Metallurgical Corporation of China (MCC).

Star Mountains Prospects

The Star Mountains exploration tenements are located approximately 20km north of the Ok Tedi mine, in the West Sepik Province, PNG. They lie within the highly prospective New Guinean Orogenic Belt, which hosts the Grasberg, Ok Tedi, Porgera and Hidden Valley mines, as well as the Frieda deposit.

Frieda River Copper/Gold Project

The Frieda River copper gold project is located 175km north-west of the Porgera gold mine and 75km north-east of the Ok Tedi mine. Highlands has a 20% interest in the project and Frieda River Limited (a wholly owned subsidiary of PanAust Limited which in turn is a wholly owned subsidiary of Guangdong Rising Assets Management Co. Ltd.) has 80%.