

# Hardman & Co

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## Gladstone Pacific Nickel New Chief Executive 193p 1 February 2007



Gladstone Pacific Nickel has recruited a Chief Executive. This is a new position and we view it as a favourable development.

The new man is John Downie, aged 56, who until recently was Director of Mines at CVRD/Inco's Goro Nickel project in New Caledonia. There, he led the teams responsible for the construction and establishment of the mining, feed preparation and residue storage facilities. Both the Goro project and the Gladstone project are based on High Pressure Acid Leach technology.

The Executive Chairman Robert Pearce, who until now has in effect been performing this role without having the title, becomes Non-Executive Chairman.

Clearly the company is strengthening the management team ahead of the completion of the Definitive Feasibility Study in mid-2007.

We continue to believe that this company will attract interest from possible bidders before construction work begins. Over the last twelve months, however, the industry background has moved strongly in Gladstone's favour. Other options, including joint venturing with a customer and the possibility of remaining totally independent, will now need to be considered by the board.

The company is likely to release its results in the second half of February.

*Gladstone Pacific Nickel shares have risen by 58% since our last research note in September.*

**Share Price:** 193p  
**12m High:** 193p  
**12m Low:** 92p  
**Market Cap:** £58m  
**Shares in Issue:** 30m diluted and undiluted  
**NAV/Share:** 126p  
**Gearing:** Nil (A\$19m net cash)  
**Interest Cover:** n.a.  
**EPIC Code:** GPN  
**Sector:** Mining  
**Market:** London AIM  
**PR:** Bankside  
**Nominated Advisor and Broker:** Insinger de Beaufort  
**Website:** www.gladstonepacific.com.au  
**Previous Research Note:** 'Further Forward', 29.9.2006, 122.5p

**Analysts:** Ian Falconer/Roger Hardman

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