

news release

For immediate release: 6 October 2005

Gladstone Pacific Nickel Ltd

Stage One of Central Queensland Nickel Project declared a "Significant Project" by Queensland Premier, The Honourable Peter Beattie

Gladstone Pacific Nickel Limited ("GPNL" or the "Company") is pleased to announce that Stage 1 of its Central Queensland Nickel Project (the "Project") has been declared a 'Significant Project' under Queensland legislation. This follows a statement on 4 October 2005 from the office of the Coordinator-General of Queensland announcing that the Wiggins Island Coal Terminal, together with the associated major infrastructure, rail and wharf development and the Fisherman's Landing wharf centre, have also attracted 'Significant Project' status.

The declaration of Significant Project status for Stage 1 ensures that the Queensland Government will become involved in expediting the various processes and infrastructure improvements necessary for the Project to go ahead. In his ministerial statement, the Premier said:

"The declaration opens the way for the Company to begin an environmental impact statement for the refinery and associated pipelines, and present it to my Government for consideration in 2006."

Robert Pearce, Chairman of the Company commented:

"This declaration is affirmation of the importance that the Queensland Government attaches to the development of the Project overall, which together with the announcement of Significant Project status for the Wiggins Island Coal Facility (through which the Company will import ore from the southwest Pacific region) and accelerating its completion to 2010, the associated rail infrastructure and Fisherman's Landing facility (through which we intend initially to import sulphur for the HPAL plant), demonstrates the overall viability of the Project."

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