

## news release

For immediate release:

31 January 2007

### **GLADSTONE PACIFIC NICKEL LTD**

#### **Appointment of John Downie as Chief Executive Officer**

The Board of Gladstone Pacific Ltd (“Gladstone” or “the Company”) is pleased to announce the appointment of John Charles Downie, aged 56, as Chief Executive Officer of the Company.

Until recently Mr. Downie was Director of Mines at CVRD/Inco’s Goro Nickel Project in New Caledonia where he led the teams responsible for the construction and establishment of the mining, feed preparation and residue storage facilities successfully working with the local people, communities and government agencies. Like Gladstone’s Australian based project, the Goro Nickel Project is based upon High Pressure Acid Leach technology.

Mr Downie will relocate to Gladstone’s Brisbane headquarters and commence his duties at the end of February 2007.

Mr Downie has worked continuously in the resources industry for over 27 years. He has been employed in senior executive roles covering construction, development, operations and corporate management in Australia and internationally. Between 1995 and 2001 he was President of Golden West Refining Canada Ltd., where he was responsible for the establishment and management of a precious metal refining business for NM Rothschild in North America, ultimately leading that company’s IPO on Canada’s Venture Exchange. More recently he was General Manager, Project and Technology for Austpac Resources NL where he was involved in preparing the Bankable Feasibility Study for its synthetic rutile processing plant.

Robert Pearce, Chairman of Gladstone Pacific Nickel commented:

“We look forward to welcoming Mr Downie to the team and working with him in the future. During the past 15 years Mr. Downie has managed multiple operations, both large and small in Papua New Guinea, Canada and Australia, demonstrating extensive corporate management experience encompassing company leadership, new process development, operational excellence, safety, successful environmental outcomes, growth and the ability to identify and implement solutions critical to business objectives. He has the experience and expertise to drive our project forward.”

“As I indicated in the Chairman’s Report to Shareholders attached to the Company’s annual accounts for the year 30 June 2006, on Mr Downie taking

up his appointment I intend to relinquish my executive duties with the company and become non-Executive Chairman.”

The following disclosures regarding the appointment of John Downie to the Board of Gladstone are required under Schedule 2 paragraph (g) of the AIM Rules:

Mr Downie is currently a director of Arnose Pty Ltd., having been appointed in December 1989.

ENDS

There are no other matters which are required to be disclosed under Schedule 2 paragraph (g) of the AIM Rules. For further information please contact:

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