

news release

For immediate release: 11 December 2007

GLADSTONE PACIFIC NICKEL LIMITED (“the Company”)
(ACN 104 261 887)

DIRECTORS DEALINGS

The Directors advise that the Company has allotted 250,000 and 150,000 Ordinary Shares in the Company following the exercise of Director Options by Belgrave Square Pty Ltd (associated company of resigning Director, Mr P J Matheson) and Mustang Asset Pty Ltd (associated company of resigning Director and Chairman Mr R. A. Pearce) respectively, at A\$2.86 per share in accordance with the terms and conditions under which the options were issued. The Company received \$1,144,000. Application will be made for 400,000 ordinary shares to be admitted to trading on AIM and dealings are expected to commence on 17th December 2007.

As a result of this allotment the company has 39,890,646 shares on issue.

Dalenier Enterprises Pty Ltd (associated entity of resigning Director Mr A. E. Daley) sold 225,000 Ordinary Shares in the Company to Robash Pty Ltd (associated entity of resigning Director Mr R. A. Pearce) for £371,250.

Cortar Pty Ltd (associated company of resigning Director, Mr P. J. Matheson), Mustang Asset Pty Ltd and Robash Pty Ltd (associated companies of resigning Director, Mr. R. A. Pearce) and Mrs J. Watson (spouse of resigning Director, Mr P. J. Watson) have sold or agreed to sell 2,800,000, 2,150,000, 875,000 and 75,000 Ordinary Shares in the Company respectively to Mr Clive Palmer (newly appointed Director) at approximately AU\$3.88 per share for consideration of AU\$10,875,706.21, AU\$8,350,988.70, AU\$3,398,658.19 and AU\$291,313.56 respectively.

Cortar Pty Ltd (an associated company of resigning Director, Mr P. J. Matheson) and Robash Pty Ltd (associated company of resigning Director, Mr. R. A. Pearce) have each agreed to sell 1,250,000 Ordinary Shares in the Company to Transocean Group holdings Pty Ltd (associated company of Director, Mr. J. G. Henderson) or its nominee at \$3.88 per share for a consideration of AU\$4,850,000 each.

Upon conclusion of these transactions the interests of the directors and resigning directors held outright and in their associated entities are as follows:

Director	Total holding	% of issued share capital
Mr R. A Pearce	315,000	0.79%
Mr P.J. Matheson	215,000	0.54%
Mr J.G. Henderson	2,500,000	6.26%
Mr A. E. Daley	1,025,000	2.57%
Mr C. Palmer	5,900,000	14.79%

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Note to Editors:

Gladstone Pacific Nickel Limited is an Australian mining development company presently undertaking an Integrated Definitive Feasibility Study (IDFS) for the Gladstone Nickel Project (GNP). The Company's vision is to build a major long-life nickel cobalt refinery at the deepwater Port of Gladstone, in Central Queensland, Australia, treating abundant high grade nickel laterite ores from New Caledonia and other south-west Pacific islands, underpinned by beneficiated ores from its own Marlborough deposits. The Project has the potential to be one of the largest of its type in the world producing some 126,000 tpa nickel (8 -10% of global nickel demand) and 10,400 tpa of cobalt metal from its first two stages.

This news release includes certain statements that may be deemed "forward-looking statements". All statements in this news release, other than statements of historical facts, that address future exploration drilling, exploration activities and events or developments that the Company expects, are forward looking statements. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in forward-looking

statements. Factors that could cause actual results to differ materially from those in forward-looking statements include metal prices, exploration success, continued availability of capital and financing, and general economic, market or business conditions.