



9 July 2018

## **ASX AND POMSoX WAIVER GRANTED FROM LISTING RULE 6.18**

**Highlands Pacific Limited (ASX:HIG)** announced on 23 May 2018 that it had entered into a streaming arrangement, a private placement of Highlands shares, and a strategic relationship with Cobalt 27.

On completion of the placement, Cobalt 27 was granted a customary anti-dilution right by Highlands to maintain its shareholding in Highlands, subject to the receipt of waivers from ASX Listing Rule 6.18 and POMSoX Listing Rule 6.18.

The ASX and POMSoX have now provided these waivers to enable Highlands to grant the anti-dilution right to Cobalt 27.

Each waiver has been granted subject to customary terms and conditions, which are set out in the attachments to this announcement.

**For further information, please contact:**  
**Joe Dowling, Stockwork Corporate Communications**  
**0421 587 755**



**ASX Code: HIG**  
**POMSoX Code: HIG**  
**Shares on Issue: 1,093 million**  
**Performance Rights: Nil**

#### **Directors**

Ron Douglas, Chairman  
 Craig Lennon, MD/CEO  
 Bart Philemon  
 John Wylie  
 Anthony Milewski

#### **Management**

Sylvie Moser, CFO and Co. Sec  
 Ron Gawi, GM Port Moresby

#### **Investor and Media Enquiries to:**

Joe Dowling,  
 Stockwork Corporate  
 0421 587 755

#### **Website:**

[www.highlandspacific.com](http://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).

#### **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.

#### **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, however this 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). Highlands recently announced plans to repay the debt to MCC following finalization of a streaming transaction with Cobalt27. Highlands also has an option to acquire an additional 9.25% interest in Ramu at fair market value, which could increase the company's interest in the mine to 20.55% if the option were exercised.

#### **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%.

#### **About Cobalt 27 Capital Corp.**

Cobalt 27 Capital Corp. is a leading electric metals investment vehicle offering exposure to metals integral to key technologies of the electric vehicle and battery energy storage markets. The Company owns 2,982 Mt of physical cobalt and is acquiring the world's first producing cobalt nickel stream on the low-cost, long-life Ramu Nickel-Cobalt Mine and a cobalt stream on Vale's world-class Voisey's Bay mine beginning in 2021 including the announced underground expansion. The Company also manages a portfolio of eight royalties and intends to continue to invest in a cobalt-focused portfolio of streams, royalties and direct interests in mineral properties containing cobalt, while potentially adding to its cobalt physical holdings when opportunities arise.



## Attachment 1 – Terms of the ASX Listing Rule 6.18 Waiver

1. Based solely on the information provided, and pursuant to the subscription and relationship agreement ("**Subscription and Relationship Agreement**") between Highlands Pacific Limited (the "**Company**") and Cobalt 27 Capital Corp. ("**Cobalt 27**"), ASX Limited ("**ASX**") grants the Company a waiver from listing rule 6.18 to the extent necessary to permit Cobalt 27 to maintain, by way of a right to participate in any issue of securities or to subscribe for securities, its percentage interest in the issued share capital of the Company (the "**Top Up Right**") in respect of a diluting event which occurs, on the following conditions.
  - 1.1 The Top Up Right lapses on the earlier of:
    - 1.1.1 the date on which Cobalt 27 ceases to hold in aggregate at least 10% voting power in the Company (other than as a result of shares (or equity securities) to which the Top Up Right applies and in respect of which Cobalt 27 is still entitled to exercise, or has exercised, the Top Up Right);
    - 1.1.2 the date on which Cobalt 27's voting power in the Company exceeds 19.9%; or
    - 1.1.3 the strategic relationship between the Company and Cobalt 27 ceasing or changing in such a way that it effectively ceases.
  - 1.2 The Top Up Right may only be transferred to a related body corporate of Cobalt 27.
  - 1.3 Any securities issued under the Top Up Right offered to Cobalt 27 must be issued to Cobalt 27 for cash consideration that is:
    - 1.3.1 no more favourable than cash consideration paid by third parties (in the case of issues of securities to third parties for cash consideration); or
    - 1.3.2 equivalent in value to non-cash consideration offered by third parties (in the case of issues of securities to third parties for non-cash consideration).
  - 1.4 The number of securities that may be issued to Cobalt 27 under the Top Up Right in the case of any diluting event must not be greater than the number required in order for Cobalt 27 to maintain its percentage holding in the issued share capital of the Company immediately before that diluting event.
  - 1.5 The Company discloses a summary of the Top Up Right to persons who may subscribe for securities under a prospectus and undertakes to include in each annual report a summary of the Top Up Right.
  - 1.6 The Company immediately releases the terms of the waiver to the market.



## **Attachment 2 – Terms of the POMSoX Listing Rule 6.18 Waiver**

In consideration of the information provided which is in accordance to the "Subscription and Relationship Agreement" between Highlands Pacific Limited (the "Company") and Cobalt 27 Capital Corp. ("Cobalt 27") and regard to the ASX policy relating to strategic planning, POMSoX has agreed to rely on the Company's home exchange decision to grant the waiver from listing rule 6.18.

The Company is therefore encouraged to comply with the conditions of ASX Listing Rules and its policies for this waiver to be effective.