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The Company Announcement Officer
Australian Stock Exchange Limited
Post Office Box H224 - Australia Square
Sydney NSW 2000

facsimile 1300 300 021

Dear Sir / Madam

RE: Jinchuan Evaluation of the North Kalgoorlie Nickel Project

Heron Resources Limited ("Heron") wishes to advise that Jinchuan Group Limited ("Jinchuan") is continuing to conduct Nickel Laterite test work at its metallurgical facility on ore samples collected in November 2002 from the North Kalgoorlie Nickel Project ("NKN Project").

Jinchuan and Heron intend having preliminary meetings in the Peoples Republic of China during February 2003, to further discuss the NKN Project.

Jinchuan is the largest producer of nickel and cobalt in China, and in 2002 announced a strategy to significantly increase its production capacity.

Yours sincerely

Ian Buchhorn
Managing Director