



ABN 30 068 263 098

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14 February 2003

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: PLACEMENT

Heron Resources Limited ("Heron") wishes to advise that it has completed a placement to private investors for 3.2 million ordinary shares in the capital of Heron at 16.3 cents per share, to raise \$521,600.

The funds are for additional working capital, related to the proposed "spin-offs" of the Company's nickel sulphide assets into Pioneer Nickel Limited, and base metal/gold assets into Regent Resources Limited.

There is no requirement for shareholder approval, since the placement represents less than 15% of the Heron shares on issue.

An Appendix 3B is attached.

Yours sincerely

Ian Buchhorn
Managing Director

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

New Issue Announcement,

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000,30/9/2001,11/3/2002,1/1/2003.

Name of Entity

Heron Resources Ltd

ACN

068 263 098

We (the entity) give the ASX the following information.

Part 1 - All Issues

1	Class of securities issued or to be issued	Ordinary shares
2	Number of securities to be issued or to be issued (if known) or maximum number which may be issued	3,200,000
3	Principal terms of the securities	As per existing ordinary fully paid shares on issue
4	Do the securities rank equally in all respects from the date of allotment with an existing class of securities	Yes
5	Issue price or consideration	\$0.163
6	Purpose of issue	Additional working capital

Appendix 3B
New Issue Announcement

7	Date of entering securities into uncertificated holdings or despatch of certificates	14 February 2003
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		Number	Class
8	Number and class of all securities quoted on ASX	108,358,727	ordinary fully paid shares

		Number	Class
9	Number and class of all securities not quoted on ASX	100,000	options exercisable at 25 cents on or before 04/02/2004
		785,000	options exercisable at 35 cents on or before 19/10/2004
		785,000	options exercisable at 50 cents on or before 19/10/2004
		2,000,000	options exercisable at 35 cents on or before 20/12/2004
		500,000	options exercisable at 35 cents on or before 30/06/2005
		500,000	options exercisable at 50 cents on or before 30/06/2005
		500,000	options exercisable at 30 cents on or before 23/04/2006

Appendix 3B
New Issue Announcement

10	Dividend policy on the increased capital	n/a
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Part 2 – Bonus issue or pro rata issue

11	Is security holder approval required?	n/a
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12	Is the issue renounceable or non-renounceable	n/a
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13	Ratio in which the securities will be offered	n/a
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14	Class of securities to which the offer relates	n/a
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15	Record date to determine entitlements	n/a
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16	Will holdings on different registers (or sub-registers) be aggregated for calculating entitlements	n/a
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17	Policy for deciding entitlements in relation to fractions	n/a
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18	Names of countries in which the entity has security holders who will not be sent new issue documents	n/a
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19	Closing date for receipt of acceptances or renunciations	n/a
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20	Names of any underwriters	n/a
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21	Amount of any underwriting fee or commission	n/a
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22	Names of any brokers to the issue	n/a
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Appendix 3B
New Issue Announcement

23	Fee or commission payable to the broker to the issue	n/a
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	n/a
25	If the issue is contingent on security holders' approval, the date of the meeting	n/a
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	n/a
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	n/a
28	Date rights trading will begin (if applicable)	n/a
29	Date rights trading will end (if applicable)	n/a
30	How do security holders sell their entitlements in full through a broker	n/a
31	How do security holders sell part of their through a broker and accept for the balance	n/a
32	How do security holders dispose of their entitlements (except by sale through a broker)	n/a
33	Despatch date	n/a

Part 3 – Quotation of securities

- 34 Type of securities
(tick one)
- (a) Securities described in
Part 1
- (b) All other securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 If the securities are equity securities the names of the 20 largest holders of the additional securities, and the number and percentage of additional securities held by those holders
- 36 If the securities are equity securities a distribution schedule of the additional securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over
- 37 A copy of any trust deed for the additional securities

Entities that have ticked box 34(b)

- | | | |
|----|--|-----|
| 38 | Number of securities for which quotation is sought | n/a |
| 39 | Class of securities for which quotation is sought | n/a |
| 40 | Do the securities rank equally in all respects from the date of allotment with an existing class of quoted securities?

If the securities do not rank equally please state: <ul style="list-style-type: none">• the date from which they do• the extent to which they participate for the next dividend | n/a |

**Appendix 3B
New Issue Announcement**

- or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or dividend payment

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41 Reason for request for quotation now (if issued upon conversion of another security, clearly identify that other security)

n/a


42 Number and class of all securities quoted on ASX (including the securities in clause 38)

Number	Class

Quotation agreement

- 1 Quotation of our additional securities is in ASX’s absolute discretion. ASX may quote the securities on any conditions it decides.

2. We warrant the following to ASX:
 - The issue of the securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why the securities should not be granted quotation.
 - An offer of the securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.
 - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any securities to be quoted and the no-one has any right to return any securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the securities be quoted.
 - We warrant that if confirmation is required under section 1017F of the Corporations Act in relation to the securities to be quoted, it has been provided at the time that we request that the securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the securities to be quoted under section 1019B of the Corporations Act at the time that we request that the securities be quoted.

Sign here: 
Company Secretary

14/2/2003
Date

Print name **Ross James Arancini**