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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

**HERON RESOURCES LIMITED
MAGGIE HAYS JOINT VENTURE WITH LIONORE**

Heron Resources Limited ("**Heron**") wishes to advise that it has entered into a Letter Agreement with LionOre Australia (Nickel) Limited ("**LionOre**") whereby LionOre may earn a 70% interest in all minerals from Heron's Maggie Hays Project through expending \$200,000 within four years.

Once LionOre earns its equity, Heron may at its sole discretion convert to a 20% free-carried equity to the completion of a Bankable Feasibility Study that recommends commencement of mining.

It is expected that any nickel sulphide production from the Joint Venture Project will be toll treated on commercial terms at LionOre's Emily Ann Plant.

Heron has identified two high priority nickel sulphide targets within the Joint Venture Project, including an ElectroMagnetic ("EM") anomaly located 5km southeast along strike from the Maggie Hays nickel sulphide deposit.

In addition, anomalous gold soil geochemistry over regional structural zones will also be targeted.

Heron has the right to assign its Joint Venture rights to its affiliated company Pioneer Nickel Limited ("Pioneer"), should Pioneer proceed to an IPO.

Yours sincerely

Ian Buchhorn
Managing Director