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HERON RESOURCES LIMITED

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Manager
Company Announcements Office
Australian Stock Exchange Limited
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SYDNEY NSW 2000

SETTLEMENT OF HIGHWAY NICKEL PROJECT PURCHASE

Heron Resources Limited ("Heron") is pleased to announce that settlement has been completed with Helix Resources Limited ("Helix") for the purchase of Helix's 25% equity in the Highway Lateritic Nickel Project.

Consideration for the sale totals \$610,000 and has been settled by a combination of \$150,000 in cash and \$460,000 in shares. The share component will be satisfied by the transfer of 1,541,880 shares in Scimitar Resources Limited ("Scimitar") from Heron to Helix.

The JORC compliant resource at Highway as previously published is 96.2 million tonne at 0.74% Ni and 0.054% Co for 707,600 tonnes contained nickel metal.

The acquisition of full unencumbered ownership of the Highway lateritic nickel resource allows operational advantages for Heron in the potential future development the project.

Yours faithfully

Ian Buchhorn
Managing Director

"The information in this report that relates to Mineral Resources or mineralisation is based on information compiled by Ian James Buchhorn, who is a Member of the Australasian Institute of Mining and Metallurgy. Ian James Buchhorn has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 1999 Edition of the "Australasian Code for Reporting of Mineral Resources and Ore Reserves".

For more information, please contact:

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