



ASX Release – 16 April 2008

UPDATED JUMP-UP DAM RESOURCE ESTIMATE

SUMMARY

- Combined Measured and Indicated Mineral Resources of 47.0 Mt grading 0.80% nickel at a 0.50% nickel cut off have been estimated for input into scoping study to investigate beneficiation and agitated atmospheric leaching of mineralised materials.
- Resource estimate incorporates infill RC drilling completed in the latter half of 2007 resulting in a dominant 40m x 40m drill pattern over the deposit, including two regions of 20m x 20m spaced holes and subregions of 10m x 10m spaced holes.
- The estimate is very pleasing with the total resource base (Measured, Indicated and Inferred categories) consisting of 67.2 Mt grading 0.75% nickel based on a 0.5% nickel cut off. This represents an increase of 27% in total resource tonnes and 20% in the contained nickel metal compared to the previous resource estimate at the same lower cut off (May 2007).

Heron Resources Limited (ASX: HRR) (Heron) is pleased to announce the completion of an updated mineral resource estimate on its 100% owned Jump-up Dam Project located 150 kilometres north east of Kalgoorlie. The updated resource includes an additional 750 holes for 35,158 metres drilled since the release of the results of the previous resource estimate on 30 May 2007. Snowden Mining Industry Consultants (Snowden) completed the estimate from data supplied by Heron. The mineral resource is based on a total of 1500 reverse circulation (RC) drill holes mostly on a 40 metre by 40 metre grid pattern, but includes two regions of 20 metre by 20 metre spaced drilling in the northwest and southeast of the deposit, each of which contain a subregion of 10 metre by 10 metre spaced drilling that was used for grade control in Heron's recent trial mining study (see attached drillhole plan). The laterite profile contains goethite, nontronite, chlorite, serpentine and siliceous varieties of nickel mineralisation. Analysis has been conducted on 2 metre RC sample splits with XRF-fusion determination of multi-element geochemistry. Routine monitoring of assay results for Heron and laboratory QAQC samples has shown the assay data to be suitable for use in resource estimation.

The resource estimate has been reported as Measured, Indicated and Inferred Mineral Resources in accordance with the JORC Code (JORC 2004). The resource was estimated using ordinary kriging into 10mE by 10mN by 2mRL size blocks inside the modelled resource constraints which were interpreted based on a nominal 0.4% nickel lower cut off. Areas with wider spaced drilling (greater than 10mE by 10mN) were estimated using a small block estimation technique whereby the grade tonnage curves are calibrated to the global change of support grade tonnage curves (for 10mE by 10mN by 2mRL size blocks) based on the input drill hole data.


The new resource model provides a more accurate representation of the local variability of grades in the deposit compared to the May 2007 model and also contains mineralisation style coding reflecting a significantly improved understanding of the relationships between the multi-element geochemistry and mineralogy in the regolith profile of the deposit. The model will provide important input into Heron's scoping study investigating the use of beneficiation and agitated atmospheric leaching for processing nickel laterite mineralisation from Heron's Jump-up Dam, Boyce Creek and Aubils deposits.

Heron's Managing Director Mathew Longworth said it was very pleasing to see the new resource estimate showing a 20% increase in nickel metal compared to the previous resource model at a 0.5% nickel cut off. With the potential application of ore beneficiation into the Atmospheric Leaching flow sheet it may become viable to process a portion of this lower grade material which would otherwise be considered waste if a Heap Leaching process was employed.

The Measured, Indicated, and Inferred resources based on the updated resource estimate for 10mE by 10mN by 2mRL size blocks at Jump-up Dam are shown below.

Mineral Resources at Jump-up Dam

Classification	Block cut off Grade (%Ni)	Tonnage (Mt dry)	Ni (%)	Co (%)
Measured	0.50	3.9	0.94	0.05
	0.70	2.8	1.07	0.06
Indicated	0.50	43.2	0.78	0.04
	0.70	22.0	0.97	0.05
Inferred	0.50	20.2	0.63	0.03
	0.70	4.3	0.83	0.04
Measured +	0.50	47.0	0.80	0.04
Indicated	0.70	24.8	0.98	0.05
Measured +	0.50	67.2	0.75	0.04
Indicated + Inferred	0.70	29.1	0.96	0.05



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The information in this report that relates to Mineral Resources is based on information compiled by Shaun Hackett who is a Member of the Australasian Institute of Mining and Metallurgy. Shaun Hackett is an employee of Snowden Mining Industry Consultants and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration, and to the resource estimation activity that he is undertaking to qualify as Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Shaun Hackett consents to the inclusion in this report of the matters based on his information in the form and context that it appears. Note that Mineral Resources that are not Ore Reserves do not have demonstrated viability.

The information in this report that relates to Exploration and data (including drilling data, database quality, geological interpretation and density modelling) is based on information compiled by James Ridley who is a member of Australasian Institute of Mining and Metallurgy. James Ridley is a full time employee of Heron Resources Limited. James Ridley has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration, and to the exploration activities undertaken to qualify as Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. James Ridley consents to the inclusion in this report of the matters based on his information in the form and context that it appears

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