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## **RESOURCE ESTIMATE FOR AUBILS NICKEL LATERITE DEPOSIT**

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### **SUMMARY**

- An Inferred Mineral Resource of 43.8 Mt grading 0.78% nickel at a 0.50% nickel cut-off has been estimated for Heron's Aubils nickel laterite deposit.
- The Aubils deposit is respectively 30km and 60km north of the other two Yerilla Project deposits, Boyce Creek and Jump-up Dam. Aubils will be included in Heron's Scoping Study evaluation of the Yerilla Project using beneficiation and atmospheric leaching.
- The total JORC compliant resource at the three Yerilla Project deposits (Jump-up Dam, Boyce Creek, and Aubils) now stands at 135.4Mt grading 0.77% nickel at 0.50% nickel cut off (see below table for JORC category delineation).

Heron Resources Limited (ASX: HRR) (Heron) is pleased to announce the completion of a mineral resource estimate on its 100% owned Aubils nickel laterite deposit. Aubils is located approximately 200 kilometres northeast of Kalgoorlie (Figure 1). An Inferred Mineral Resource of 43.8 Mt grading 0.78% nickel at a 0.5% nickel cut off has been estimated in accordance with the JORC Code (JORC 2004).

Estimated by Heron Resources from mostly recent Heron drilling data, the mineral resource is based on 323 reverse circulation (RC) drill holes for 18,650 metres of drilling at hole spacings ranging from 80 metres east by 160 metres north to 160 metres east by 320 metres north.

Heron's Managing Director, Mr Longworth, said that the Company is very pleased with this initial resource estimate for the Aubils project.

"Heron's total Yerilla resource now well surpasses the 100 million tonne mark. This is a significant milestone for the company especially in combination with the resource in the Company's Kalgoorlie Nickel Project." said Mr Longworth.

"These resources give the Company confidence for the expanded Yerilla Project Scoping Study currently underway which is evaluating the production of 20,000 tpa of nickel in intermediate product."

### **Estimation Methodology**

The resource was estimated by ordinary kriging into 80mE by 80mN by 4mRL size panels. Uniform conditioning (UC) was subsequently carried out for nickel using selective mining unit (SMU) dimensions of 10mE by 10mN by 4mRL. This was done in order to produce an estimate of the tonnage and grade recoverable by selective mining once close spaced drilling (grade control) is carried out during future mining. Both the ordinary kriged parent block estimate and the uniform conditioning selective mining unit estimate have been classified as Inferred Mineral Resources in accordance with the JORC Code (JORC 2004). They are reported below for 0.50%, 0.70%, 0.75%, and 1.00% nickel block cut off grades:

**Aubils Mineral Resource Estimate by Ordinary Kriging into  
80mE by 80mN by 4mRL Mining Panels**

| Resource Category | Block Cutoff Grade (Ni%) | Tonnage (Mt Dry) | Ni % | Co % |
|-------------------|--------------------------|------------------|------|------|
| Inferred          | 0.50                     | 55.2             | 0.69 | 0.06 |
|                   | 0.70                     | 19.5             | 0.87 | 0.10 |
|                   | 0.75                     | 14.2             | 0.92 | 0.11 |
|                   | 1.00                     | 3.5              | 1.15 | 0.16 |

**Aubils Mineral Resource Estimate by Uniform Conditioning  
10mE by 10mN by 4mRL Selective Mining Units**

| Resource Category | Block Cutoff Grade (Ni%) | Tonnage (Mt Dry) | Ni % |
|-------------------|--------------------------|------------------|------|
| Inferred          | 0.50                     | 43.8             | 0.78 |
|                   | 0.70                     | 22.1             | 0.97 |
|                   | 0.75                     | 18.5             | 1.02 |
|                   | 1.00                     | 7.3              | 1.25 |

The Yerilla Project Mineral Resources based on the selective mining unit resource estimates for the Jump-up Dam, Boyce Creek, and Aubils deposits is shown below for 0.50%, 0.70%, 0.75%, and 1.00% nickel block cut off grades.

**Yerilla Project Mineral Resources  
Based on Selective Mining Unit Estimates**

| Resource Category                  | Block Cutoff Grade (Ni%) | Tonnage (Mt Dry) | Ni % |
|------------------------------------|--------------------------|------------------|------|
| Measured                           | 0.50                     | 3.9              | 0.94 |
|                                    | 0.70                     | 2.8              | 1.07 |
|                                    | 0.75                     | 2.5              | 1.10 |
|                                    | 1.00                     | 1.4              | 1.30 |
| Indicated                          | 0.50                     | 67.5             | 0.79 |
|                                    | 0.70                     | 36.2             | 0.97 |
|                                    | 0.75                     | 30.6             | 1.02 |
|                                    | 1.00                     | 12.4             | 1.24 |
| Inferred                           | 0.50                     | 64.0             | 0.73 |
|                                    | 0.70                     | 26.4             | 0.95 |
|                                    | 0.75                     | 21.3             | 1.00 |
|                                    | 1.00                     | 7.8              | 1.25 |
| Measured + Indicated<br>+ Inferred | 0.50                     | 135.4            | 0.77 |
|                                    | 0.70                     | 65.4             | 0.97 |
|                                    | 0.75                     | 54.4             | 1.01 |
|                                    | 1.00                     | 21.6             | 1.25 |



N. Mathew Longworth  
Managing Director  
Heron Resources Limited  
+61 8 9215 4444

The information in this report that relates to Mineral Resources is based on information compiled by James Ridley who is a Member of the Australasian Institute of Mining and Metallurgy. James Ridley is full time employee of Heron Resources Limited 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'. James Ridley 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 and 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.

**For media inquiries, please contact: Paul Downie, Porter Novelli, +61 414 947 129, +61 8 9386 1233**

Figure 1 Heron's Nickel Laterite Projects

