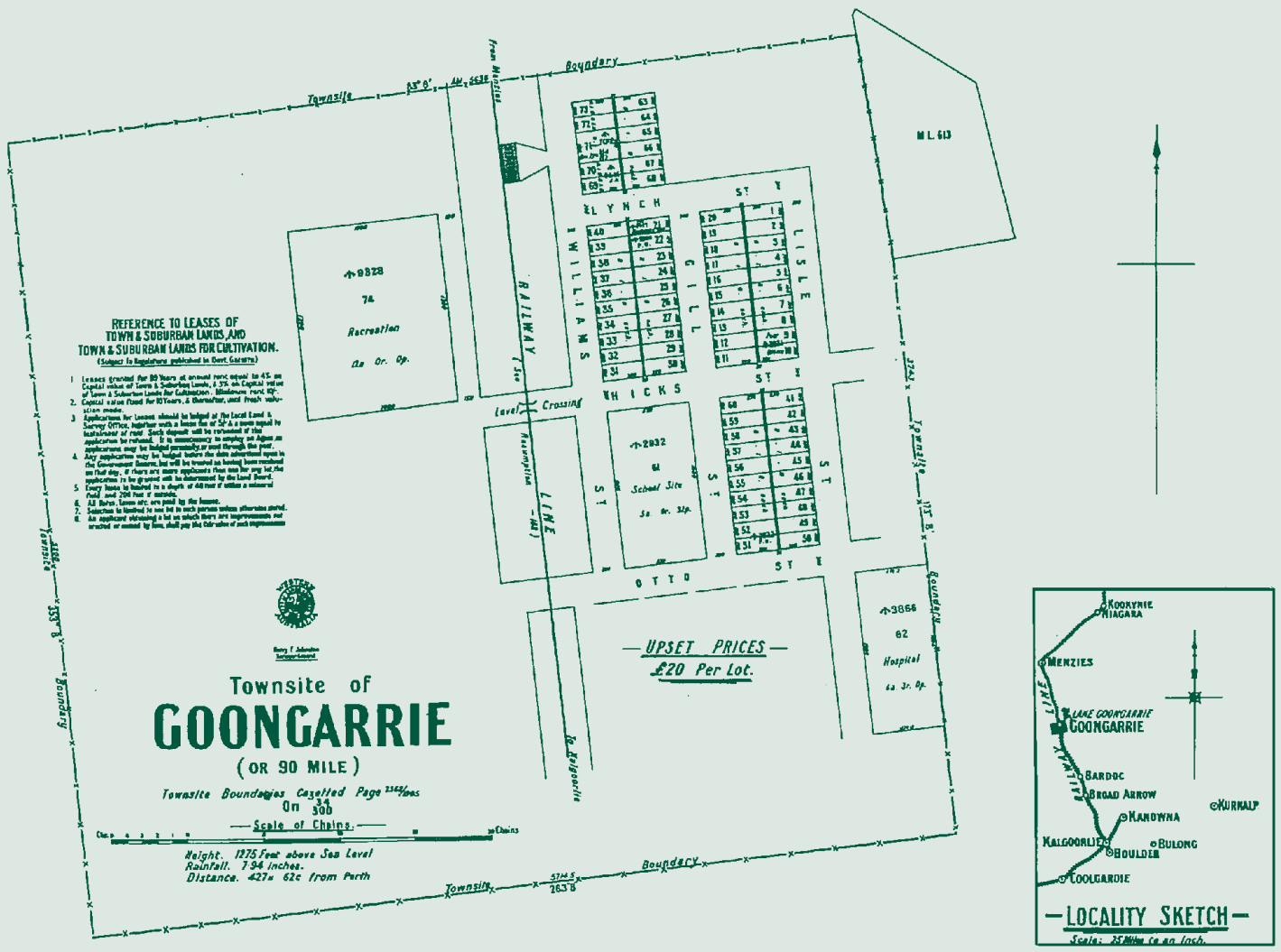


Statutory Information

3.0	Corporate Profile	38
	Corporate Governance Practices	38
4.0	Directors' Report	40
5.0	Financial Statements	45
	Profit And Loss Account	45
	Balance Sheet	46
	Statement Of Cash Flows	47
	Notes To And Forming Part Of The Accounts	48
	Directors' Declaration	60
6.0	Independent Audit Report	61
7.0	Shareholder Information	62
8.0	Interest In Mining Tenements	65
	Glossary of Terms	79



3.0 Corporate Profile

Heron Resources NL is a Kalgoorlie-based exploration and development company. The corporate aim is to become a profitable mining company through the development of mineral deposits. Heron is focused on the exploration and development of its nickel laterite projects in the Eastern Goldfields of Western Australia.

The Company undertakes cost-effective exploration based on literature reviews, aeromagnetic interpretation, and ore resource drill testing of targets so generated.

The management of the Company is based in Kalgoorlie. Accordingly, the Company has excellent access to tenement acquisition opportunities, and to specialist contractor services. Administrative overheads are also maintained at lower levels due to the Kalgoorlie base.

The Company is managed and staffed by a team of five professional geoscientists with extensive industry experience. Specialist consultants are used as required, particularly in disciplines where future project due diligence may be required. Field programs such as drill rig access, drill site rehabilitation and hydrological monitoring are implemented under long-term contracts to experienced operators.

OBJECTIVES

- a) To convert the existing nickel laterite mineral resources into profitable mining operations for the Company;
- b) To increase the value of the Company through the continued acquisition, exploration and development of mineral resources;
- c) To establish mining cash flows that increase the Company's market capitalisation and value to Shareholders;
- d) To conduct operations in a safe and environmentally responsible manner, to offer employment opportunities to those who live in the exploration provinces, and to respect and nurture the Indigenous culture of the exploration provinces; and
- e) Manage the risk in all exploration, development and corporate endeavours.

STRATEGY

- a) Acquire the maximum available equity in nickel laterite and associated commodity projects through pegging, optioning or outright purchase, concentrating within the Eastern Goldfields of Western Australia;
- b) Focus on cost-effective drill exploration to convert exploration targets into mineral resources;
- c) Location of the corporate base at Kalgoorlie within the principal area of operation;
- d) Active acquisition and testing of new exploration concepts and targets, such as the Bremer-Eucla oil shale project;
- e) Use of best management, technical and financial control techniques; and
- f) Utilise farm-outs where appropriate to spread exploration and commodity risk.

CORPORATE GOVERNANCE PRACTICES

General

The Company does not have any formally constituted committees of the Board of Directors. The Company is not of a size nor are its affairs of such complexity to justify the formation of separate or special committees. The Board as a whole is able to address the governance aspects of the full scope of the Company's activities and to ensure that it adheres to appropriate ethical standards.

Composition of the Board

At the date of this statement the Board comprises four Directors, three of whom are non executive Directors. The names, qualifications and relative experience of each Director are included in the Directors' Report, Section 4.0.

The Company's Articles provide that the number of Directors shall not be less than three and not more than nine (Article 19.1). There is no requirement for any Share holding qualification although it is preferable that Directors will become significant Shareholders. An Employee Option Plan has been in operation to encourage Directors to take significant Shareholdings.

As the Company's activities increase in their size, nature and scope, the size of the Board will be reviewed periodically and the optimum number of Directors required to adequately supervise the Company's activities determined within the limitations imposed by the Articles and as circumstances demand.

Board Membership

The membership of the Board, its activities and composition is subject to periodic review. The criteria for determining the appointment of a suitable candidate for the Board shall include the quality of the individual, experience and achievement, compatibility with other Board members, credibility within the Company's scope of activities and the mining industry, intellectual ability to contribute to the Board's duties and physical ability to undertake the Board's duties and responsibilities.

Under the Company's Articles the tenure of the Directors (other than the Managing Director) is subject to re-appointment by Shareholders not later than the third anniversary following their last appointment (Article 19.7). The Board does not subscribe to the principle of a retirement age and there is no maximum period of service as a Director.

Appointment to Other Boards

Directors are required to take into consideration any conflicts when accepting appointment to other boards. Accordingly, Directors wishing to accept appointment to other boards must first seek approval from the Board, approval of which will not unreasonably be withheld.

Directors' Remuneration

At the date of this statement the maximum per annum total amount payable to Directors as Director's fees was set by Shareholders at a general meeting on 21 June 1996 at \$100,000.

No Director's fees are paid to the Managing Director, who receives a salary approved by the Board.

Independent Support

The Board has determined that individual Directors may in appropriate circumstances engage outside advisers at the Company's expense. The engagement of an outside adviser is subject to the prior approval of the Board, approval of which will not unreasonably be withheld.

Compensation Arrangements

The Board is responsible for reviewing compensation arrangements (including superannuation and other benefits) for the Managing Director and other senior executives.

Continuous Review of Corporate Governance

Directors consider on an ongoing basis how management information is presented to them and whether such information is sufficient to enable them to discharge their duties as Directors of the Company. Such information must be sufficient to enable Directors to determine appropriate operating and financial strategies from time to time in light of changing circumstances and economic conditions.

The Directors recognise that mineral exploration has inherent risks and that operational strategies adopted should, notwithstanding, be directed towards improving the value of the net worth of the Company.

4.0 Directors' Report

The Directors submit their Report on the operations of the Company and its controlled entities for the year ended 30 June 2000 including the accounts for the financial year ended on that date in accordance with a resolution of the Directors of the Company.

DIRECTORS

The names and details of the Directors of the Company in office at any time during or since the end of the year are:

Director Rodney Michael Evans - FCA, FCIS, FCIM, AIArBA

Appointed 26 March 1996

Position Chairman (Non-Executive)

Rod Evans is a chartered accountant and consultant who has had wide experience in corporate administration and finance. Mr Evans is a Director and Chairman of RAC WA Holdings Pty Ltd and RAC Finance Limited, and a past Chairman of Clark Kenneth Leventhal a world-wide association of accounting firms, the Australian Automobile Association, and a number of publicly listed companies involved in mining and exploration in Australia.

Director Ian James Buchhorn - BSc (Hons), Dip Geosci, MAusIMM

Appointed 17 February 1995

Position Managing Director

Ian Buchhorn is a Mineral Economist and Geologist. He has worked on nickel, gold, lead-zinc and diamond projects in southern Africa. In Australia, Mr Buchhorn has worked on bauxite and industrial mineral mining and exploration, gold and base metal project generation, gold mine operation and in corporate evaluations. He has 27 years' experience as an economic geologist, and for the last 14 years, has acquired and developed projects throughout the Eastern Goldfields of Western Australia, commissioned several open cut gold mines, and has been a Registered Mine Manager. Mr Buchhorn is responsible for the day to day technical management of the Company. He is active within the local community, serving as a Councillor for the City of Kalgoorlie-Boulder.

Director Robert George Colville - AssocRMIT, MAusIMM

Appointed 09 December 1996

Position Director (Non-Executive)

Bob Colville has over 28 years' exploration experience predominantly within the Eastern Goldfields of Western Australia. Mr Colville has held a number of senior and executive positions with both major companies and junior explorers. He has been associated with the discovery and development of mines at Ranger Uranium (NT), and New Celebration, Goongarrie and Davyhurst (Eastern Goldfields WA). Mr Colville is an executive director of Barmenco Pty Ltd, the largest private underground mining contractor in Australia.

Director Peter James Lee - BBus, CA, FCIS, MAICD

Appointed 26 May 2000

Position Director (Non-Executive)

Peter Lee joined Centaur Mining & Exploration Limited in June 1987 and is currently company secretary of Centaur. Mr Lee has over 20 years' experience in the accounting, company secretarial and commercial fields in both Australia and overseas. Mr Lee has been involved in the development and introduction of a number of corporate issues including registration of several companies in the United States of America, chairing due diligence committees, preparation of prospectuses and takeover documents and project management. Prior to joining Centaur, Mr Lee spent six years with PriceWaterhouse in Melbourne and Papua New Guinea.

Ken Hellsten was appointed as a Director on 17 September 1999. Mr Hellsten was the Centaur Nickel Pty Limited and Centaur Mining & Exploration Limited ("Centaur") nominee to the Board pursuant to the Strategic Alliance Agreement between Heron and Centaur. Mr Hellsten resigned on 26 May 2000 following which Peter James Lee was appointed as Centaur's nominee pursuant to the Strategic Alliance.

PRINCIPAL ACTIVITIES

The principal activities of the economic entity during the year were:

- a) Lateritic nickel mineral exploration and development; and
- b) Various non-nickel mineral exploration activities, often implemented through farm-out.

There has been no significant change in the nature of these activities during the year.

OPERATING RESULTS

The consolidated loss of the economic entity for the 2000 financial year after income tax of nil (1999 : nil) was \$535,636 (1999 : \$5,680,473).

DIVIDENDS

No dividends were paid during the year and the Directors do not recommend the payment of a dividend.

OPERATIONS REVIEW

The detailed Operations Review of the economic entity for the year is contained in Section 2.0 of this Annual Report.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

Other than noted below there were no significant changes in the state of affairs of the economic entity during the year.

On 17 September 1999 the Company entered into a Strategic Alliance Agreement with Centaur Mining & Exploration Limited. The Alliance supports the planned Stage II expansion of the Cawse Nickel Project to a production level of more than 40,000 tonnes per annum of LME grade nickel. Pursuant to the Agreement the Company received \$3,132,000 and granted Centaur Mining & Exploration Limited an option, at no additional cost, to call for the issue of 10,440,000 Shares in the Company. On 28 September 1999 Centaur Mining & Exploration Limited called for the issue of the 10,440,000 Shares, which Shares have since been issued.

There were no significant changes in the state of affairs of controlled entities during the year.

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

Other than mentioned below at the date of this Report there is no matter or circumstance which has arisen since 30 June 2000 that has significantly affected or may significantly affect:

- a) The operations, in the financial years subsequent to 30 June 2000, of the economic entity;
- b) The results of those operations; or
- c) The state of affairs, in the financial years subsequent to 30 June 2000, of the economic entity.

In June 2000 Optionholders of the Company exercised 10,000,000 Options at 25 cents each which were to expire on 30 June 2000 and 150,000 Options at 25 cents each which were to expire on 15 December 2001. Shares were allotted and issued to Optionholders on 13 July 2000.

Directors' Report

4.0 Continued

OPTIONS

10,150,000 Options in the Company were exercised during the year.

1,000,000 Options were issued by the Company during the year.

As at 30 June 2000 the Company had the following Options on issue:

Number Issued	Expiry Date	Exercise Price
125,000	28 August 2001	25 cents
150,000	01 September 2001	25 cents
350,000	15 December 2001	25 cents
65,000	05 March 2002	25 cents
200,000	19 December 2002	25 cents
200,000	19 December 2002	35 cents
200,000	19 December 2002	45 cents
200,000	19 December 2002	55 cents
200,000	19 December 2002	65 cents
1,690,000		

LIKELY DEVELOPMENTS

The Company will continue its core nickel development activities through sole funded exploration and joint ventures where appropriate. Inferred Mineral Resources at Goongarrie are being drilled out to an Indicated status for the Cawse Stage II Bankable Feasibility Study to be completed by Centaur Mining & Exploration Limited on or before 19 August 2001.

The Company is continually assessing commercial opportunities for corporate growth. Because of the unpredictable nature of these opportunities, developments could occur at short notice.

Further information is not included on the likely developments in the operations of the economic entity and the expected results of those operations, as it is the opinion of the Directors that this would prejudice the interests of the economic entity if included in this Report.

DIRECTORS' BENEFITS

Disclosure of benefits provided to Directors during the financial year is made in Notes 14 and 16 of the financial statements, in accordance with ASC class order 98/2395.

DIRECTORS' INTEREST IN CONTRACTS WITH THE COMPANY

There are no material contracts involving Directors' interests at the end of the financial year nor have any been entered into since the end of the previous financial year not otherwise disclosed in this Report.

DIRECTORS' SHAREHOLDING IN THE COMPANY

As at the date of this Report the interests of the Directors in the Shares of the Company were:

Director	Ordinary Shares		Options over Ordinary Shares	
	Direct	Indirect	Direct	Indirect
R M Evans	-	800,000	-	200,000
I J Buchhorn	2,447,857	28,221,998	1,000,000	-
R G Colville	-	140,000	-	150,000
P J Lee	-	-	-	-

DIRECTORS MEETINGS

During the year the Company held 10 meetings of Directors. The attendance of the Directors at meetings of the Board were:

Director	Meetings held while a Director	Number of meetings attended
R M Evans	10	10
I J Buchhorn	10	10
R G Colville	10	9
K J Hellsten (resigned 26 May 2000)	6	6
P J Lee (appointed 26 May 2000)	1	1

EMOLUMENTS OF DIRECTORS AND SENIOR EXECUTIVES

Executive remuneration and other terms of employment are reviewed by the Board on an ongoing basis having regard to performance against goals set at the start of the year, the relevant comparative information and independent expert advice. Remuneration packages are set at levels that are intended to attract and retain executives capable of managing the economic entity's operations.

Director	Salary	Directors Fees	Superannuation	Other	Options
	\$	\$	\$	\$	\$
R M Evans	-	-	43,938	-	-
I J Buchhorn	130,000	-	20,000	-	60,000
R G Colville	-	20,000	1,400	-	-
K J Hellsten	-	13,337	934	-	-
P J Lee	-	1,663	116	-	-

Senior Executive

D J Crook	90,118	-	29,880	30,002	-
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Mr Crook is the only employee of the economic entity qualifying as a Senior Executive.

1,000,000 Options in the parent entity were issued to Ian James Buchhorn during the year as approved by Shareholders at the Company's 1999 Annual General Meeting on the following terms:

Number Issued	Expiry Date	Exercise Price
200,000	19 December 2002	25 cents
200,000	19 December 2002	35 cents
200,000	19 December 2002	45 cents
200,000	19 December 2002	55 cents
200,000	19 December 2002	65 cents

The value of the 1,000,000 19 December 2002 Options issued to I J Buchhorn is calculated to be \$60,000.

AUDIT COMMITTEE

At the date of this Report the Company has not formed an Audit Committee. The Directors discuss the Company's activities with the auditors throughout the year. Due to the size and nature of operations, it has not been considered necessary to form an Audit Committee of the Board of Directors.

INSURANCE OF OFFICERS

During the financial year the Company has paid an insurance premium in respect of a Directors' and Officers Liability Insurance Contract. The insurance premium relates to liabilities that may arise from an officer's position, with the exception of conduct involving a wilful breach of duty or improper use of information or position to gain personal advantage.

The officers covered by the insurance policies are the Directors and the Company Secretary.

CORPORATE GOVERNANCE

In recognising the need for the highest standards of corporate behaviour and accountability, the Directors of Heron Resources NL support and have adhered to the principles of corporate governance. The economic entity's corporate governance statement is contained in the Section 3.0 Corporate Profile of the Annual Report.

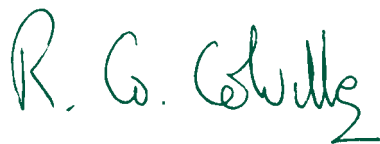
ENVIRONMENTAL REGULATION

The economic entity is subject to and compliant with all aspects of environmental regulation in respect of its exploration activities. The Directors are not aware of any environmental regulation which is not being complied with.

ABORIGINAL CULTURE AND HERITAGE

The economic entity is subject to and compliant with all aspects of Aboriginal Heritage regulation in respect of its exploration and development activities. The Directors are not aware of any regulation which is not being complied with. The Directors are committed to cultural respect and Indigenous Reconciliation.

Signed in accordance with a resolution of Directors



R G COLVILLE
Director

Perth, 29 September 2000



Financial Statements

5.0 Financial Statements

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 JUNE 2000

	Notes	Economic Entity		Parent Entity	
		2000 \$	1999 \$	2000 \$	1999 \$
REVENUE	2(c)	171,718	149,287	171,718	149,287
OPERATING LOSS BEFORE ABNORMAL ITEMS AND INCOME TAX		(535,636)	(539,483)	(535,636)	(539,483)
ABNORMAL ITEMS BEFORE INCOME TAX	3	-	(5,140,990)	-	(5,140,990)
OPERATING LOSS BEFORE INCOME TAX		(535,636)	(5,680,473)	(535,636)	(5,680,473)
INCOME TAX ATTRIBUTABLE TO OPERATING LOSS	4	-	-	-	-
OPERATING LOSS AFTER INCOME TAX		(535,636)	(5,680,473)	(535,636)	(5,680,473)
ACCUMULATED LOSSES at the beginning of the financial year		(6,770,768)	(1,090,295)	(6,770,768)	(1,090,295)
ACCUMULATED LOSSES at the end of the financial year		(7,306,404)	(6,770,768)	(7,306,404)	(6,770,768)

The accompanying notes form part of these financial statements

Financial Statements 5.0 Continued

BALANCE SHEET

AT 30 JUNE 2000

	Notes	Economic Entity		Parent Entity	
		2000 \$	1999 \$	2000 \$	1999 \$
CURRENT ASSETS					
Cash		3,925,296	1,286,067	3,925,286	1,286,067
Receivables	5	6,661	4,289	6,661	4,289
TOTAL CURRENT ASSETS		3,931,957	1,290,356	3,931,947	1,290,356
NON-CURRENT ASSETS					
Receivables	6	-	-	363,346	-
Investments	7	-	-	10	-
Property, plant and equipment	8	117,632	166,135	117,632	166,135
Exploration and evaluation costs carried forward	9	10,263,600	7,681,825	9,900,254	7,681,825
TOTAL NON-CURRENT ASSETS		10,381,232	7,847,960	10,381,242	7,847,960
TOTAL ASSETS		14,313,189	9,138,316	14,313,189	9,138,316
CURRENT LIABILITIES					
Accounts payable	10	172,323	14,614	172,323	14,614
Provisions	11	77,769	64,469	77,769	64,469
TOTAL CURRENT LIABILITIES		250,092	79,083	250,092	79,083
TOTAL LIABILITIES		250,092	79,083	250,092	79,083
NET ASSETS		14,063,097	9,059,233	14,063,097	9,059,233
SHAREHOLDERS' EQUITY					
Share capital	12	21,369,501	15,830,001	21,369,501	15,830,001
Accumulated losses		(7,306,404)	(6,770,768)	(7,306,404)	(6,770,768)
TOTAL SHAREHOLDERS' EQUITY		14,063,097	9,059,233	14,063,097	9,059,233

The accompanying notes form part of these financial statements

Financial Statements 5.0 Continued

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2000

	Notes	Economic Entity		Parent Entity	
		2000 \$	1999 \$	2000 \$	1999 \$
CASH FLOWS FROM OPERATING ACTIVITIES					
Interest received		161,007	83,844	161,007	83,844
Proceeds from sale of tenements		15,000	67,500	15,000	67,500
Payments to suppliers		(619,699)	(531,218)	(619,699)	(531,218)
NET CASH OUTFLOWS FROM OPERATING ACTIVITIES	13(a)	(443,692)	(379,874)	(443,692)	(379,874)
CASH FLOWS FROM INVESTING ACTIVITIES					
Exploration expenditure		(2,454,234)	(2,030,861)	(2,090,888)	(2,030,861)
Acquisition of plant & equipment		(2,355)	(20,940)	(2,355)	(20,940)
NET CASH OUTFLOWS FROM INVESTING ACTIVITIES		(2,456,589)	(2,051,801)	(2,093,243)	(2,051,801)
CASH FLOWS FROM FINANCING ACTIVITIES					
Loan to controlled entity		-	-	(363,346)	-
Proceeds from issue of shares		5,669,510	1,250,000	5,669,500	1,250,000
Share issue costs		(130,000)	-	(130,000)	-
NET CASH INFLOWS FROM FINANCING ACTIVITIES		5,539,510	1,250,000	5,176,154	1,250,000
NET INCREASE / (DECREASE) IN CASH HELD		2,639,229	(1,181,675)	2,639,219	(1,181,675)
Cash at the beginning of the financial year		1,286,067	2,467,742	1,286,067	2,467,742
CASH AT THE END OF THE FINANCIAL YEAR	13(c)	3,925,296	1,286,067	3,925,286	1,286,067
Non-cash financing and investing activities	13(b)	176,841	30,000	176,841	30,000

The accompanying notes form part of these financial statements

NOTES TO AND FORMING PART OF THE ACCOUNTS

FOR THE YEAR ENDED 30 JUNE 2000

NOTE 1. STATEMENT OF ACCOUNTING POLICIES

The financial statements are a general purpose financial report that has been prepared in accordance with applicable Accounting Standards and other mandatory professional reporting requirements (Urgent Issues Group Consensus Views) and the Corporations Law. The financial statements have been prepared on the basis of historical costs and do not take into account changing money values or, except where stated, current valuations of non-current assets. The accounting policies have been consistently applied, unless otherwise stated.

The following is a summary of the material accounting policies adopted by the economic entity in the preparation of the financial statements.

a) Principles of Consolidation

The consolidated accounts comprise the accounts of Heron Resources NL and its controlled entities. A controlled entity is any entity controlled by Heron Resources NL. Control exists where Heron Resources NL has the capacity to dominate the decision making in relation to the financial and operating policies of another entity so that the other entity operates with Heron Resources NL to achieve the objectives of Heron Resources NL. A list of controlled entities is contained in Note 22.

All inter-company balances and transactions between entities in the economic entity, including any unrealised profits or losses, have been eliminated on consolidation.

Where controlled entities have entered or left the economic entity during the year, their operating results have been included from the date of control was obtained or until the date control ceased.

Outside interests in the equity and results of the entities that are controlled are shown as a separate item in the consolidated financial report.

b) Income Tax

The economic entity adopts the liability method of tax-effect accounting whereby the income tax expense shown in the profit and loss account is based on the operating profit before income tax adjusted for any permanent differences.

Timing differences which arise due to the different accounting periods in which items of revenue and expense are included in the determination of operating profit before income tax and taxable income are brought to account as either a provision for deferred income tax or an asset described as future income tax benefit at the rate of income tax applicable to the period in which the benefit will be received or the liability will become payable.

Future income tax benefits are not brought to account unless realisation of the asset is assured beyond any reasonable doubt. Future income tax benefits in relation to tax losses are not brought to account unless there is virtual certainty of the realisation of the benefit.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income tax legislation and the anticipation that the Company will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

c) Exploration, Evaluation and Development Expenditure

Exploration, evaluation and development expenditure incurred is accumulated in respect of each identifiable area of interest.

Accumulated costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area, or by its sale, or where the activities in the area have not reached a stage which permits a reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made.

Accumulated costs are not carried forward in respect of any area of interest unless rights to tenure of that area are current.

Financial Statements

d) Investments

Investments are brought to account at cost or at Directors' valuation. The carrying amount of investments is reviewed annually by Directors to ensure it is not in excess of the recoverable amount of these investments.

e) Depreciation

Depreciation is calculated on a straight line or diminishing value basis to write off the net cost of each item of property, plant and equipment over its expected useful life. Rates of depreciation are 15% for motor vehicles, 15% to 100% for plant & equipment and 20% to 36% for office furniture and equipment.

f) Interests in Joint Ventures

The economic entity's share of the assets, liabilities, revenue and expenses of joint ventures is included in the appropriate items of the balance sheet and the profit and loss account.

Details of the joint ventures are set out in Note 21.

g) Employee Entitlements

Liabilities for wages and salaries, annual leave and sick leave are recognised and are measured as the amount unpaid at the reporting date at current pay rates in respect of employees' service up to that date.

h) Cash

For the purposes of the statement of cash flows, cash includes cash on hand and in banks, and money market investments readily convertible to cash within two working days, net of outstanding bank overdrafts.

i) Acquisition of Assets

The cost method of accounting is used for all acquisitions of assets regardless of whether shares or other assets are acquired. Cost is determined as the fair value of the assets given up at the date of acquisition plus costs incidental to the acquisition. Where shares are issued in an acquisition, the value of the shares is determined by reference to the fair value of the assets acquired, including goodwill where applicable.

Costs relating to the acquisition of new areas of interest are classified as either exploration and evaluation expenditure, development properties or mine properties based on the stage of development reached at the date of acquisition. Assets acquired may also include mineral reserves, mineral resources and unexplored and unevaluated acreage.

Where settlement of any part of a cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of acquisition. The discount rate used is the rate at which a similar borrowing could be obtained under comparable terms and conditions.

A liability for restructuring costs is recognised as at the date of acquisition of an entity or part thereof when there is a demonstrable commitment to a restructuring of the acquired entity and a reliable estimate of the amount of the liability can be made.

j) Recoverable Amount of Non-Current Assets

The recoverable amount of an asset is the net amount expected to be recovered through the net cash inflows arising from its continued use and subsequent disposal.

Where the carrying amount of a non-current asset is greater than its recoverable amount the asset is revalued to its recoverable amount. Where the net cash inflows are derived from a group of assets working together, recoverable amount is determined on the basis of the relevant group of assets. To the extent that a revaluation decrement reverses a revaluation increment previously credited to, and still included in the balance of the asset revaluation reserve, the decrement is debited directly to that reserve. Otherwise the decrement is recognised as an expense in the profit and loss account.

The expected net cash flows included in determining recoverable amounts of non-current assets are discounted to their present values using a market-determined, risk adjusted discount rate.

Financial Statements 5.0 Continued

k) Trade and Other Creditors

These amounts represent liabilities for goods and services provided to the economic entity prior to the end of the financial year and which are unpaid. These amounts are unsecured and are usually paid within 30 days of recognition.

l) Receivables and Revenue Recognition

Bills of Exchange

Bills of Exchange have been purchased in the market at a discount to face value. The Bills are carried at an amount representing cost and a portion of the discount recognised as income on an effective yield basis. The discount brought to account each period is accounted for as interest received.

m) Earnings per Share

i) Basic Earnings per Share

Basic earnings per Share is determined by dividing the operating profit/(loss) after income tax by the weighted average number of ordinary Shares outstanding during the financial year, adjusted for bonus elements in ordinary Shares issued during the year.

ii) Diluted Earnings per Share

Diluted earnings per Share adjusts the figures used in the determination of basic earnings per Share by taking into account amounts unpaid on ordinary Shares and Options and any reduction in earnings per Share that will probably arise from the exercise of Options outstanding during the financial year.

Economic Entity		Parent Entity	
2000	1999	2000	1999
\$	\$	\$	\$

NOTE 2. OPERATING LOSS

The operating loss before income tax is arrived at after:

a) Charging as Expenses:

Depreciation	50,858	48,761	50,858	48,761
Loss on sale of tenements	-	77,563	-	77,563
Employee entitlements	1,330	1,623	1,330	1,623
Exploration expenditure written off	29,354	-	29,354	-

b) Crediting as Income:

Interest received from other persons	156,718	81,787	156,718	81,787
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c) Revenue:

Other revenue				
Interest received	156,718	81,787	156,718	81,787
Proceeds from sale of tenements	15,000	67,500	15,000	67,500
	171,718	149,287	171,718	149,287

Financial Statements 5.0 Continued

	Economic Entity		Parent Entity	
	2000	1999	2000	1999
	\$	\$	\$	\$

NOTE 3. ABNORMAL ITEMS

Included in the operating loss after tax is the following abnormal item:

Exploration expenditure written off	-	5,140,990	-	5,140,990
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NOTE 4. INCOME TAX

Prima facie income tax benefit on operating loss reconciles to the income tax expense as follows:

Operating loss before tax	(535,636)	(5,680,473)	(535,636)	(5,680,473)
Prima facie tax at 36%	(192,829)	(2,044,970)	(192,829)	(2,044,970)
Non deductible items	62,492	1,728,904	62,492	1,728,904
Timing differences and tax losses not brought to account	130,337	316,066	130,337	316,066
Income tax expense	-	-	-	-

The Directors estimate the potential tax losses and section 330 exploration expenditure deduction entitlements available to the economic entity to be \$7,748,391 (1999 : \$5,119,000).

The future income tax benefit arising from tax losses has not been recognised as an asset because recovery is not virtually certain.

The tax benefits will only be obtained if:

- The economic entity derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the losses to be realised;
- The economic entity continues to comply with the conditions for deductibility imposed by tax legislation; and
- No changes in tax legislation adversely affect the economic entity in realising the benefit from the deductions for losses.

NOTE 5. RECEIVABLES (CURRENT)

Accrued interest	-	4,289	-	4,289
Goods & Services Tax Paid	6,661	-	6,661	-
	6,661	4,289	6,661	4,289

NOTE 6. RECEIVABLES (NON CURRENT)

Loan to controlled entity	-	-	363,346	-
	-	-	363,346	-

NOTE 7. INVESTMENTS IN CONTROLLED ENTITIES

Shares in controlled entities – at cost (Note 22)	-	-	10	-
	-	-	10	-

Financial Statements 5.0 Continued

	Economic Entity		Parent Entity	
	2000	1999	2000	1999
	\$	\$	\$	\$
NOTE 8. PROPERTY PLANT AND EQUIPMENT				
Plant and equipment at cost	62,605	61,576	62,605	61,576
Accumulated depreciation	(48,995)	(31,480)	(48,995)	(31,480)
	<u>13,610</u>	<u>30,096</u>	<u>13,610</u>	<u>30,096</u>
Office equipment & furniture at cost	24,251	22,925	24,251	22,925
Accumulated depreciation	(14,625)	(7,681)	(14,625)	(7,681)
	<u>9,626</u>	<u>15,244</u>	<u>9,626</u>	<u>15,244</u>
Motor vehicles at cost	176,168	176,168	176,168	176,168
Accumulated depreciation	(81,772)	(55,373)	(81,772)	(55,373)
	<u>94,396</u>	<u>120,795</u>	<u>94,396</u>	<u>120,795</u>
Total property, plant and equipment	<u>117,632</u>	<u>166,135</u>	<u>117,632</u>	<u>166,135</u>

NOTE 9. EXPLORATION AND EVALUATION COSTS CARRIED FORWARD

Balance at beginning of year	7,681,825	11,072,712	7,681,825	11,072,712
Acquisition costs	350,286	381,215	350,286	381,215
Exploration and evaluation costs incurred during the year	2,260,843	1,513,951	1,897,497	1,513,951
Exploration and evaluation costs of mining tenements disposed of	-	(145,063)	-	(145,063)
Exploration and evaluation costs written off	(29,354)	(5,140,990)	(29,354)	(5,140,990)
Balance at end of year	<u>10,263,600</u>	<u>7,681,825</u>	<u>9,900,254</u>	<u>7,681,825</u>

The ultimate recoupment of costs carried forward is dependant upon the successful development and/or commercial exploitation or alternatively, sale of respective areas of interest.

NOTE 10. ACCOUNTS PAYABLE (CURRENT)

Trade creditors and accruals	<u>172,323</u>	<u>14,614</u>	<u>172,323</u>	<u>14,614</u>
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NOTE 11. PROVISIONS (CURRENT)

Employee entitlements	<u>77,769</u>	<u>64,469</u>	<u>77,769</u>	<u>64,469</u>
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Financial Statements

5.0 Continued

Economic Entity		Parent Entity	
2000	1999	2000	1999
\$	\$	\$	\$

NOTE 12. SHARE CAPITAL

Issued Capital

90,958,872 (1999 : 69,600,000) ordinary Shares	21,676,342	15,830,001	21,676,342	15,830,001
Less: Capital Raising Expenses	(306,841)	-	(306,841)	-
	<u>21,369,501</u>	<u>15,830,001</u>	<u>21,369,501</u>	<u>15,830,001</u>

Movements in issued and paid up capital of the parent entity during the year are as follows:

	2000	
	Number	\$
Balance at beginning of year	69,600,000	15,830,001
Issued during the year	10,440,000	3,132,000
Issued during the year	768,872	176,841
Issued during the year	<u>10,150,000</u>	<u>2,537,500</u>
Balance at end of year	<u>90,958,872</u>	<u>21,676,342</u>

On 17 September 1999 the Company entered into a Strategic Alliance Agreement with Centaur Mining & Exploration Limited. The Alliance supports the planned Stage II expansion of the Cawse Nickel Project to a production level of more than 40,000 tonnes per annum of LME grade nickel. Pursuant to the Agreement the Company received \$3,132,000 and granted Centaur Mining & Exploration Limited an option, at no additional cost, to call for the issue of 10,440,000 Shares in the Company. On 28 September 1999 Centaur Mining & Exploration Limited called for the issue of the 10,440,000 Shares, which Shares have since been issued.

768,872 Shares were issued to a nominee of Carmichael First Capital Pty Ltd pursuant to the terms of a capital raising mandate as a negotiated success fee, which was crystallised with the Heron-Centaur Strategic Alliance.

Options

10,000,000 Options expiring on 30 June 2000 exercisable at 25 cents were exercised during June 2000. Shares were allotted and issued to Optionholders on 13 July 2000.

150,000 Options expiring on 15 December 2001 exercisable at 25 cents were exercised during June 2000. Shares were allotted and issued to the Optionholder on 13 July 2000.

As at 30 June 2000 there were a total of 1,690,000 Options on issue as follows:

Number Issued	Expiry Date	Exercise Price
125,000	28 August 2001	25 cents
150,000	01 September 2001	25 cents
350,000	15 December 2001	25 cents
65,000	05 March 2002	25 cents
200,000	19 December 2002	25 cents
200,000	19 December 2002	35 cents
200,000	19 December 2002	45 cents
200,000	19 December 2002	55 cents
200,000	19 December 2002	65 cents

Financial Statements 5.0 Continued

	Economic Entity		Parent Entity	
	2000	1999	2000	1999
	\$	\$	\$	\$

NOTE 13. STATEMENT OF CASH FLOWS

- a) Reconciliation of operating loss after income tax to the net cash flows from operations

Operating loss after income tax	(535,636)	(5,680,473)	(535,636)	(5,680,473)
Add/(less)				
Exploration and evaluation costs written off	29,354	5,140,990	29,354	5,140,990
Exploration and evaluation costs of mining tenements disposed of	-	145,063	-	145,063
Depreciation	50,858	48,761	50,858	48,761
(Increase)/decrease in accrued interest	4,289	2,057	4,289	2,057
Increase/(decrease) in creditors and accruals	7,443	(36,272)	7,443	(36,272)
	(443,692)	(379,874)	(443,692)	(379,874)

- b) Non-Cash Financing and Investing Activities

Issue of 768,872 Shares to a nominee of Carmichael First Capital Pty Ltd pursuant to a negotiated Success Fee, crystallised with the signing of the Strategic Alliance (Note 12).

	176,841	-	176,841	-
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Issue of Shares to purchase interests in mining tenements.

	-	30,000	-	30,000
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- c) Reconciliation of Cash

Cash on hand and at bank	2,431,839	1,286,067	2,431,829	1,286,067
Commercial Bills	1,493,457	-	1,493,457	-
Closing cash balance	3,925,296	1,286,067	3,925,286	1,286,067

NOTE 14. REMUNERATION OF DIRECTORS

Income paid or payable, or otherwise made available to Directors by the economic entity and related parties in connection with the management of affairs of the economic entity:

	291,388	184,752	291,388	184,752
--	---------	---------	---------	---------

The numbers of the economic entity's Directors whose income (including superannuation contributions) was within the specified bands are as follows:

	2000 Number	1999 Number
\$0 - \$9,999	1	-
\$20,000 - \$29,999	2	1
\$40,000 - \$49,999	1	1
\$110,000 - \$119,999	-	1
\$210,000 - \$219,999	1	-

Financial Statements

2000	1999
\$	\$

NOTE 15. REMUNERATION OF EXECUTIVES

Income paid or payable, or otherwise made available to Executives by the economic entity and related parties in connection with the management of affairs of the economic entity:

150,000	150,000
---------	---------

2000 Number	1999 Number
----------------	----------------

The numbers of the economic entity Executives whose income (including superannuation contributions) was within the specified bands are as follows:

\$150,000 - \$159,999

1	1
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The economic entity employs a single Senior Executive, being the Exploration Manager.

The terms Director and Executive Officer have been treated as mutually exclusive for the purposes of this disclosure.

In the opinion of the Directors, remuneration paid to Directors and Executives is considered fair and reasonable.

NOTE 16. RELATED PARTY DISCLOSURES

a) The Directors of the parent entity during the financial year were:

Rodney Michael Evans

Ian James Buchhorn

Robert George Colville

Kenneth John Hellsten (appointed 17 September 1999, resigned 26 May 2000)

Peter James Lee (appointed 26 May 2000)

b) Related party transactions during the financial year were:

- Payment of \$61,256 (1999 : \$75,622) to parties related to Mr I J Buchhorn for the provision of office accommodation and secretarial services on normal commercial terms and conditions;
- Payment of \$1,068 (1999 : \$3,680) for residential accommodation secured by the economic entity for an employee from a party related to Mr I J Buchhorn on normal commercial terms and conditions;
- Payments of \$75,000 (1999 : nil) for acquisition of mining tenements from parties related to Mr I J Buchhorn on normal terms and conditions;
- Information on remuneration of Directors and Executives of the economic entity is disclosed in Notes 14 and 15; and
- Interest-free loan of \$363,346 (1999 : nil) was made by the parent entity to the controlled entity Balladonia Energy NL.

c) Transactions of Directors and Director related entities concerning Shares or Options were:

- Aggregate number of Shares and Options of the parent entity held directly, indirectly or beneficially by Directors or Director-related entities at balance date:

	2000	1999
Ordinary Shares held	31,609,855	22,109,856
Options over Ordinary Shares held	1,350,000	9,500,000

- During the year, Directors and Director related entities acquired 9,499,999 Shares of the Company of which 9,150,000 were acquired by exercise of Options and the balance of Shares were acquired on the same basis as similar transactions with other Shareholders;

Financial Statements

5.0 Continued

- 1,000,000 Options were issued to I J Buchhorn during the year as approved by Shareholders at the 1999 Annual General Meeting on the following terms:

Number Issued	Expiry Date	Exercise Price
200,000	19 December 2002	25 cents
200,000	19 December 2002	35 cents
200,000	19 December 2002	45 cents
200,000	19 December 2002	55 cents
200,000	19 December 2002	65 cents

The value of Options is calculated to be \$60,000. This amount has been included in the remuneration of Directors (Note 14).

- d) No other benefits have been received or are receivable by Directors or Director related entities, other than those already disclosed in the notes to the accounts.
- e) Heron Resources NL is the ultimate parent entity. Ownership interest in the controlled entity is as set out in Note 22.

NOTE 17. FINANCIAL INSTRUMENTS

- a) Terms, conditions and accounting policies

The economic entity's accounting policies, including the terms and conditions of each class of financial asset, financial liability and equity instrument, both recognised and unrecognised at the balance date, are as follows:

Recognised Financial Instruments	Balance Sheet Notes	Accounting Policies	Terms and Conditions
<i>i) Financial assets</i>			
11am Call Accounts		11am Call Accounts are carried at cost.	The 11am Call Accounts are at call with an interest rate of 5.75% (1999 : 4.5%).
Commercial Bills		Commercial Bills are carried at an amount representing cost and a portion of the discount recognised as income on an effective yield basis.	Commercial Bills have a term of 26 days with an interest rate of 6.15% (1999 : nil).
Environmental Bonds		Environmental Bonds are carried at cost.	Environmental Bonds are security term deposits with a 6 month term with an interest rate of 5.5% (1999 : nil).
<i>ii) Financial liabilities</i>			
Trade creditors and accruals	10	Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the economic entity.	Trade liabilities are normally settled on 30 day terms.
<i>iii) Equity</i>			
Ordinary Shares	12	Ordinary Share capital is recognised at the fair value of the consideration received by the economic entity.	Details of the Shares issued and the terms and conditions of the Options outstanding over ordinary Shares at balance date are set out in Note 12.

Financial Statements

b) Interest rate risk

The economic entity's exposure to interest rate risks and the effective interest rates of financial assets and financial liabilities, both recognised and unrecognised at the balance date are as follows:

Financial Instruments	Floating interest rate		Fixed interest rate maturing in 1 year or less		Total carrying amount as per balance sheet		Weighted average effective interest rate	
	2000	1999	2000	1999	2000	1999	2000	1999
	\$	\$	\$	\$	\$	\$	%	%
<i>i) Financial assets</i>								
Cash at bank	1,866,425	209,376	-	-	1,866,425	209,376	4.85	2.50
Commercial Bills	-	-	1,493,457	-	1,493,457	-	6.15	-
11am Call Accounts	539,454	1,076,691	-	-	539,454	1,076,691	5.75	4.50
Environmental Bonds	-	-	25,960	-	25,960	-	5.50	-
Total financial assets	2,405,879	1,286,067	1,519,417	-	3,925,296	1,286,067	n/a	n/a

	Non-Interest Bearing		Total carrying amount as per balance sheet		Weighted average effective interest rate	
	2000	1999	2000	1999	2000	1999
	\$	\$	\$	\$	%	%
<i>ii) Financial liabilities</i>						
Trade creditors and accruals	172,323	14,614	172,323	14,614	n/a	n/a
Total financial liabilities	172,323	14,614	172,323	14,614	n/a	n/a

c) Net fair values

	Total carrying amount as per balance sheet		Aggregate net fair value ⁱ⁾	
	2000	1999	2000	1999
	\$	\$	\$	\$
<i>Financial assets</i>				
Cash at bank	1,866,425	209,376	1,866,425	209,376
Commercial Bills	1,493,457	-	1,493,457	-
11am Call accounts	539,454	1,076,691	539,454	1,076,691
Environmental Bonds	25,960	-	25,960	-
Total financial assets	3,925,296	1,268,067	3,925,296	1,268,067
<i>Financial liabilities</i>				
Trade creditors and accruals	172,323	14,614	172,323	14,614
Total financial liabilities	172,323	14,614	172,323	14,614

i) The following methods and assumptions are used to determine the net fair values of financial assets and liabilities.

Recognised financial instruments:

Cash, cash equivalents and short-term investments: The carrying amount approximates fair value because of their short-term maturity.

Receivables and trade creditors: The carrying amount approximates fair value.

Financial Statements

5.0 Continued

NOTE 18. AUDITORS' REMUNERATION

	Economic Entity		Parent Entity	
	2000	1999	2000	1999
	\$	\$	\$	\$
Amounts received or due and receivable by the auditors for:				
- audit services	11,345	12,500	11,345	12,500
- other services	-	7,785	-	7,785

NOTE 19. COMMITMENTS FOR EXPENDITURE

Exploration Commitments

In order to maintain current rights of tenure to exploration and mining tenements, the economic entity has the following discretionary exploration expenditure requirements up until expiry of leases. These obligations, which are subject to renegotiation upon expiry of the leases, are not provided for in the financial statements and are payable:

	Economic Entity		Parent Entity	
	2000	1999	2000	1999
	\$	\$	\$	\$
Not later than 1 year	2,000,000	2,000,000	1,800,000	2,000,000
Later than 1 year but not later than 2 years	2,000,000	2,000,000	1,800,000	2,000,000
Later than 2 years but not later than 5 years	6,000,000	6,000,000	5,000,000	6,000,000

If the economic entity decides to relinquish certain leases and/or does not meet these obligations, assets recognised in the balance sheet may require review to determine the appropriateness of carrying values. The sale or farm-out of exploration rights to third parties will reduce or extinguish these obligations. Those amounts detailed above do not include expenditure commitments which are the responsibility of joint venture partners (Note 21).

NOTE 20. SEGMENT INFORMATION

The economic entity operates in the mineral exploration industry in Australia.

NOTE 21. JOINT VENTURE AGREEMENTS

The economic entity has entered into or is negotiating the following joint venture agreements:

Project	Operator	Right to Earn	Farm-in Expenditure
Menzies East	Golden State Resources Limited	60%	\$250,000
Laverton	Metex Resources NL	70%	\$500,000
Mt Morgans	Metex Resources NL	70%	\$200,000
Snake Hill	Connemara Gold Mines Pty Ltd	70%	\$300,000
Mungari Northwest	Kundana Gold Pty Ltd	50%	\$3,000,000
Southern Laverton Tectonic Zone	Gutnick Resources NL	80%	\$1,200,000
Edjudina and Laverton	Croesus Mining NL	80%	\$1,000,000
Bungalbin and Mount Jackson	Portman Limited	100%*	\$250,000
Karonie South	WMC Resources Limited	80%	\$300,000
Scotia Kanowna	Delta Gold Ltd	70%	\$1,000,000
Transline	New Hampton Goldfields Limited	80%	\$800,000
Binduli East	AngloGold Australasia Limited	75%	\$500,000
Widjiemooltha ⁺	WMC Resources Limited	80%	\$300,000
Kookynie ⁺	Barmenco Pty Ltd & Kookynie Resources NL	70%	\$750,000
Kurnalpi	In negotiation	80%	\$200,000
Victory	In negotiation	80%	\$100,000
Frances Lesley	In negotiation	100%**	-
Mineral Hill	In negotiation	0%***	-
	TOTAL		\$10,650,000

* The Company has a royalty based on tonnes of iron ore sold by Portman Limited.

** The Company retains all nickel rights. Another entity acquires all gold rights and maintains tenements in good standing.

*** The Company acquires all nickel rights and maintains the tenements in good standing. Another entity retains all gold rights.

+ Subject to final documentation.

Financial Statements

NOTE 22. INVESTMENTS IN CONTROLLED ENTITIES

Name of Entity	Country of Incorporation	Class of Shares	Equity Holding		Cost of Parent Entity's Investment	
			2000	1999	2000	1999
					\$	\$
Balladonia Energy NL	Australia	Ordinary	100%	-	10	-

Balladonia Energy NL was incorporated to evaluate the economic potential of documented oil shale occurrences in the Balladonia area to contribute to the generation of the energy, sulphur and lime requirements of Heron's Nickel Laterite projects. The corporate objective has been to introduce a technical partner with demonstrated oil shale expertise, to further advance the oil shale projects.

NOTE 23. CONTINGENT LIABILITIES

Native title claims have been made with respect to areas which include tenements in which the economic entity has interests. The economic entity is unable to determine the prospects for success or otherwise of the claims and, in any event, whether or not and to what extent the claims may significantly affect the economic entity or its projects.

NOTE 24. EARNINGS PER SHARE

	2000	1999
	\$	\$
Basic earnings per Share	(0.0068)	(0.0891)
Weighted average number of ordinary Shares outstanding during the year used in the calculation of basic earnings per Share.	77,925,300	63,757,808

As diluted earnings per Share is not materially different from basic earnings per Share it has not been disclosed.

NOTE 25. SUBSEQUENT EVENTS

Option Exercise

10,000,000 Options expiring on 30 June 2000 exercisable at 25 cents were exercised during June 2000. Shares were allotted and issued to Optionholders on 13 July 2000.

150,000 Options expiring on 15 December 2001 exercisable at 25 cents were exercised during June 2000. Shares were allotted and issued to the Optionholder on 13 July 2000.

Tenement Plaints

Plaints for forfeiture have been lodged on six tenements. The Directors believe that the plaintiff action will not succeed.

5.0 Continued Directors' Declaration

5.0 Directors' Declaration

In accordance with a resolution of the Directors of Heron Resources NL it is declared that:

- a) The financial statements and notes comply with Accounting Standards, the Corporations Regulations and other mandatory professional reporting requirements; and
- b) Give a true and fair view of the Company's and consolidated entity's financial position as at 30 June 2000 and of their performance, as represented by the results of their operations and their cash flows, for the financial year ended on that date.

In the Directors' opinion:

- a) The financial statements and notes are in accordance with the Corporations Law; and
- b) At the date of this declaration there are reasonable grounds to believe that the Company will be able to pay its debts when they become due and payable.

On behalf of the Board



R G COLVILLE
Director

Perth, 29 September 2000

6.0 Independent Audit Report

To the members of Heron Resources NL

Scope

We have audited the financial report of Heron Resources NL for the year ended 30 June 2000 as set out on pages 45 to 60. The Company's Directors are responsible for the financial report which includes the financial statements of the Company and the consolidated financial statements of the consolidated entity comprising the Company and the entities it controlled at the end of, or during, the financial year. We have conducted an independent audit of the financial report in order to express an opinion on it to the members of the Company.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the financial report is free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial report is presented fairly in accordance with Accounting Standards, other mandatory professional reporting requirements and statutory requirements, so as to present a view which is consistent with our understanding of the Company's and the consolidated entity's financial position and performance as represented by the results of their operations and their cash flows.

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In our opinion, the financial report of Heron Resources NL is in accordance with:

- a) The Corporations Law including:
 - i) Giving a true and fair view of the Company's and consolidated entity's financial position as at 30 June 2000 and of their performance for the year ended on that date; and
 - ii) Complying with Accounting Standards and the Corporations Regulations; and
- b) Other mandatory professional reporting requirements.



BUTLER SETTINERI
Chartered Accountants



COLIN BUTLER
Partner

Perth, 29 September 2000

Shareholder Information

7.0 Shareholder Information

SHAREHOLDER INFORMATION AT 13 SEPTEMBER 2000

1. Issued Shares and Options

a) Distribution of Shareholders:

Size of Holding	Number of Holders	Shares Held
1 - 1,000	46	33,851
1,001 - 5,000	512	1,670,350
5,001 - 10,000	467	3,992,663
10,001 - 100,000	651	18,775,360
100,001 -	63	66,486,648
	1739	90,958,872

b) The twenty largest Shareholders hold 63.45% of the issued fully paid capital of the Company.

c) Substantial Shareholder who has notified the Company:

Holder	Number of Shares	%
Hazurn Pty Ltd	26,250,000	28.86
Centaur Nickel Investments Pty Ltd	15,890,310	17.47

d) Distribution of Optionholders:

The following Options were on issue:

i)	100,000	exercisable on or before 28 August 2001	payment of 25 cents per Option exercised;
ii)	150,000	exercisable on or before 01 September 2001	payment of 25 cents per Option exercised;
iii)	350,000	exercisable on or before 15 December 2001	payment of 25 cents per Option exercised;
iv)	50,000	exercisable on or before 05 March 2002	payment of 25 cents per Option exercised;
v)	200,000	exercisable on or before 19 December 2002	payment of 25 cents per Option exercised;
vi)	200,000	exercisable on or before 19 December 2002	payment of 35 cents per Option exercised;
vii)	200,000	exercisable on or before 19 December 2002	payment of 45 cents per Option exercised;
viii)	200,000	exercisable on or before 19 December 2002	payment of 55 cents per Option exercised;
ix)	200,000	exercisable on or before 19 December 2002	payment of 65 cents per Option exercised;

Size of Holding	Number of Holders	Options Held
1 - 1,000	0	0
1,001 - 5,000	0	0
5,001 - 10,000	0	0
10,001 - 100,000	1	50,000
100,001 -	5	1,600,000
	6	1,650,000

e) There were 54 Shareholders who held less than a marketable parcel.

f) Nil securities have been classified by ASX as restricted.



VOTING RIGHTS

In accordance with Regulation 18.1 of the Company's Articles, voting rights are on the basis of a show of hands, one vote for every registered holder and on a poll, one vote for each Share held by registered holders.

Twenty Largest Shareholders as at 13 September 2000

	Number of Shares	%
1. Hazurn Pty Ltd	26,250,000	28.86
2. Centaur Nickel Investments Pty Ltd	15,890,310	17.47
3. Koltai Holdings Pty Ltd	2,675,679	2.94
4. Buchhorn Ian James	2,447,857	2.69
5. Buchhorn Pamela Jean	1,519,998	1.67
6. Barmenco Pty Ltd	1,000,000	1.10
7. GHK Mining Pty Ltd	990,000	1.09
8. Bronwen Pty Ltd	800,000	0.88
9. Overnight Nominees Pty Ltd	586,985	0.65
10. Jindabyne Pty Ltd	585,000	0.64
11. P K Trading (WA) Pty Ltd	582,198	0.64
12. Dolerite Investments Pty	580,000	0.64
13. Hawke Robert Lawrence	506,666	0.56
14. Kett Peter John	504,998	0.56
15. Goldenstate Holdings Pty Ltd	500,000	0.55
16. Blue Sky Pty Ltd	500,000	0.55
17. Erlup Nominee Pty Ltd	480,893	0.53
18. Everest William and Roseanne	450,000	0.49
19. Ufar Pty Ltd	430,000	0.47
20. Moate Investments Inc	428,900	0.47
TOTAL	57,709,484	63.45%

Optionholders as at 13 September 2000

Optionholders (Options exercisable on or before 28 August 2001) were:

	Number of Options	% of Issued Options
Crook Jennifer Anne	100,000	100.00

Optionholders (Options exercisable on or before 01 September 2001) were:

	Number of Options	% of Issued Options
Red Oaks Pty Ltd	150,000	100.00

Optionholders (Options exercisable on or before 15 December 2001) were:

	Number of Options	% of Issued Options
Whitebeach Pty Ltd	200,000	57.14
Colville Marilyn	150,000	42.86
TOTAL	350,000	100.00

Shareholder Information ^{7.0 Continued}

Optionholders (Options exercisable on or before 05 March 2002) were:

	Number of Options	% of Issued Options
Rudd Mara	<u>50,000</u>	<u>100.00</u>

Optionholders (Options exercisable on or before 19 December 2002) were:

	Number of Options	% of Issued Options
Buchhorn Ian James	<u>1,000,000</u>	<u>100.00</u>

Summary of Optionholders as at 13 September 2000

	Number of Options	% of Issued Options
1. Buchhorn Ian James	1,000,000	60.61
2. Whitebeach Pty Ltd	200,000	12.12
3. Red Oaks Pty Ltd	150,000	9.09
4. Colville Marilyn	150,000	9.09
5. Crook Jennifer Anne	100,000	6.06
6. Rudd Mara	50,000	3.03
	<u>1,650,000</u>	<u>100.00</u>

Interest in Mining Tenements 8.0 Continued

8.0 Interest in Mining Tenements

Prospect	Geographic Location	Tenement Identifier	Area km ²	Status	Interest Held
CENTAUR MINING & EXPLORATION STRATEGIC ALLIANCE Goongarrie Nickel Project: Ni(-Au)					
Goongarrie South	75km NNW of Kalgoorlie	E29/00148	30.80	G	100% ¹
		M29/00272		A	100% ¹
		M29/00278		A	100% ¹
Siberia	70km NW of Kalgoorlie	E29/00356	4.78	G	100% ¹
Menzies South	109km NNW of Kalgoorlie	E29/00433	11.20	A	100% ¹
Goongarrie	88km NNW of Kalgoorlie	E29/00437	19.60	A	100% ¹
Comet Vale	90km NNW of Kalgoorlie	E29/00462	89.60	A	100% ¹
Goongarrie Hill	87km NNW of Kalgoorlie	M29/00167	1.09	G	100% ¹
Scotia Dam	65km NNW of Kalgoorlie	P24/02749	1.28	G	100% ¹
Scotia Dam	63km NNW of Kalgoorlie	P24/02750	1.12	G	100% ¹
Scotia Dam	61km NNW of Kalgoorlie	P24/02751	2.00	G	100% ¹
Scotia Dam	63km NNW of Kalgoorlie	P24/02752	1.81	G	100% ¹
Scotia Dam	65km NNW of Kalgoorlie	P24/02753	1.10	G	100% ¹
		M24/00542		A	100% ¹
Scotia Dam	65km NNW of Kalgoorlie	P24/02754	1.82	G	100% ¹
Scotia Dam	66km NNW of Kalgoorlie	P24/02755	2.00	G	100% ¹
Scotia Dam	67km NNW of Kalgoorlie	P24/02756	1.28	G	100% ¹
		M24/00541		A	100% ¹
Scotia North	75km NW of Kalgoorlie	P24/03273	0.06	G	100% ¹
		M24/00744		A	100% ¹
Scotia	68km NNW of Kalgoorlie	P24/03479	0.28	G	100% ¹
		M24/00798		A	100% ¹
Goongarrie West	88km NNW of Kalgoorlie	P29/01338	2.00	G	100% ¹
Goongarrie West	88km NNW of Kalgoorlie	P29/01339	2.00	G	100% ¹
Goongarrie West	86km NNW of Kalgoorlie	P29/01340	1.97	G	100% ¹
		M29/00202		A	100% ¹
Goongarrie West	82km NNW of Kalgoorlie	P29/01634	1.84	G	100% ¹
Goongarrie West	82km NNW of Kalgoorlie	P29/01635	1.39	G	100% ¹
Scotia North	74km NNW of Kalgoorlie	P29/01636	1.16	G	100% ¹
Scotia North	74km NNW of Kalgoorlie	P29/01637	1.16	G	100% ¹
Goongarrie	89km NNW of Kalgoorlie	P29/01671	0.39	A	100% ¹
24			181.74		

¹ Heron has the right to process ore through the proposed Centaur Mining & Exploration Ltd Cawse Stage II plant, subject to a favourable BFS.

CENTAUR MINING & EXPLORATION STRATEGIC ALLIANCE Ghost Rocks Nickel Project: Ni(-Au)

Ghost Rocks	146km NNW of Kalgoorlie	E29/00147	84.00	G	100% ¹
Ghost Rocks	146km NNW of Kalgoorlie	E29/00464	61.60	A	100% ¹
Ghost Rocks	145km NNW of Kalgoorlie	E29/00465	61.60	A	100% ¹
3			207.20		

¹ Heron has the right to process ore through the proposed Centaur Mining & Exploration Ltd Cawse Stage II plant, subject to a favourable BFS.

Interest in Mining Tenements

Prospect	Geographic Location	Tenement Identifier	Area km ²	Status	Interest Held
CENTAUR MINING & EXPLORATION STRATEGIC ALLIANCE Kalpini Nickel Project: Ni(-Au)					
Acra North	65km NE of Kalgoorlie	E27/00076	1.14	G	100% ¹
		M27/00349		A	100% ¹
Wellington East	65km NE of Kalgoorlie	E27/00129	33.60	G	100% ¹
		M27/00364		A	100% ¹
		M27/00365		A	100% ¹
North Burton	58km NE of Kalgoorlie	E27/00210	5.60	A	100% ¹
Kalpini Hill South	60km NE of Kalgoorlie	E27/00211	2.80	A	100% ¹
Wellington	65km NE of Kalgoorlie	E27/00223	162.40	A	100% ¹
Acra North	65km NE of Kalgoorlie	E28/00426	36.99	G	100% ¹
		M28/00199		A	100% ¹
		M28/00200		A	100% ¹
		M28/00201		A	100% ¹
		M28/00202		A	100% ¹
Betsy Bore	65km NE of Kalgoorlie	E28/00459	20.68	G	100% ¹
		M28/00169		A	100% ¹
		M28/00205		A	100% ¹
		M28/00206		A	100% ¹
		M28/00215		A	100% ¹
Grey Dam	70km NE of Kalgoorlie	E28/00991	11.20	A	100% ¹
Kurnalpi Hill	87km NE of Kalgoorlie	E28/01012	61.60	A	100% ¹
Betsy Bore	79km NE of Kalgoorlie	E28/01100	173.60	A	100% ¹
Acra Chrysoprase	65km NE of Kalgoorlie	M28/00127	0.32	A	100% ¹
Wellington North	70km NE of Kalgoorlie	P27/01448	1.60	G	100% ¹
Wellington North	70km NE of Kalgoorlie	P27/01449	1.08	G	100% ¹
Wellington North	70km NE of Kalgoorlie	P27/01450	1.59	G	100% ¹
		M27/00361		A	100% ¹
Wellington North	70km NE of Kalgoorlie	P27/01451	1.90	G	100% ¹
Wellington North	70km NE of Kalgoorlie	P27/01452	1.86	G	100% ¹
		M27/00362		A	100% ¹
Wellington North	70km NE of Kalgoorlie	P27/01453	1.56	G	100% ¹
17			519.52		

¹ Heron has the right to process ore through the proposed Centaur Mining & Exploration Ltd Cawse Stage II plant, subject to a favourable BFS.



Interest in Mining Tenements

8.0 Continued

Prospect	Geographic Location	Tenement Identifier	Area km ²	Status	Interest Held
SCOTIA KANOWNA PROVINCE Scotia Kanowna Project: Ni(-Au)					
Scotia	65km NW of Kalgoorlie	E24/00113	5.60	A	100%
Twin Hills	150km N of Kalgoorlie	E29/00490	42.00	A	100%
Vettersberg	60km NNW of Kalgoorlie	M24/00453	1.84	A	100%
Scotia	62km NNE of Kalgoorlie	M24/00843	4.71	A	100%
Silver Swan North	47km NNE of Kalgoorlie	M27/00388	5.54	A	100%
Vettersberg	59km NNW of Kalgoorlie	P24/03695	1.95	A	100%
Ghost Rocks	134km NNW of Kalgoorlie	P29/01682	0.75	A	100%
<hr/>			7	62.39	
SCOTIA KANOWNA PROVINCE Kurnalpi Nickel Project: NI(-Au)					
Kalpini	60km NE of Kalgoorlie	M27/00350	4.28	A	100%
Binti Binti South	80km NE of Kalgoorlie	E27/00251	39.20	A	100%
Kurnalpi East	100km NE of Kalgoorlie	E28/00886	53.20	G	100%
Kurnalpi Hill	88km NE of Kalgoorlie	E28/01108	92.40	A	100%
Binti Binti	82km NE of Kalgoorlie	E31/00261	14.00	G	100%
		M31/00297		A	100%
<hr/>			5	203.08	
SCOTIA KANOWNA PROVINCE Menzies East JV Project: Au(-Ni)					
Menzies East	112km NNW of Kalgoorlie	P29/01381	1.29	G	100% ²
		M29/00231		A	100% ²
Menzies East	112km NNW of Kalgoorlie	P29/01413	0.10	G	100% ²
		M29/00230		A	100% ²
Menzies East	112km NNW of Kalgoorlie	P29/01496	1.70	G	100% ²
Menzies East	112km NNW of Kalgoorlie	P29/01498	1.35	G	100% ²
Menzies East	112km NNW of Kalgoorlie	P29/01499	1.52	G	100% ²
Menzies East	112km NNW of Kalgoorlie	P29/01500	1.20	G	100% ²
Menzies East	112km NNW of Kalgoorlie	P29/01520	0.94	G	100% ²
Menzies East	112km NNW of Kalgoorlie	P29/01521	0.28	G	100% ²
		M29/00274		A	100% ²
<hr/>			8	8.38	
² Golden State Resources Ltd right to earn 60%.					
SCOTIA KANOWNA PROVINCE Gindalbie Terrain JV Project: Au-Ni					
Mulgarrie North	47km N of Kalgoorlie	E24/00097	28.00	G	100% ³
Gindalbie	50km NNE of Kalgoorlie	E27/00145	47.60	G	100% ³
Scotia East	60km N of Kalgoorlie	E27/00169	108.40	G	100% ³
Scotia East	55km NNW of Kalgoorlie	M24/00799	9.53	A	100% ³
Scotia East	55km NNW of Kalgoorlie	M24/00800	6.41	A	100% ³
Kanowna East	23km NE of Kalgoorlie	M27/00272	2.01	A	100% ³
<hr/>			6	201.95	
³ Delta Gold Ltd right to earn 70% of gold rights.					
SCOTIA KANOWNA PROVINCE Yindarlgooda Project: Ni(-Au)					
Clinker Hill	32km SE of Kalgoorlie	E25/00250	58.80	A	100%
<hr/>			1	58.80	

Interest in Mining Tenements

Prospect	Geographic Location	Tenement Identifier	Area km ²	Status	Interest Held
EMU FAULT PROVINCE Kurnalpi Gold Joint Venture Project: Au					
Tap Rock Hill	90km E of Kalgoorlie	E28/00927	190.40	A	100% ⁴
Hampton	70km E of Kalgoorlie	E28/01117	33.60	A	100% ⁴
Hampton	73km E of Kalgoorlie	E28/01118	5.60	A	100% ⁴
Acra South	67km E of Kalgoorlie	E28/01146	30.80	A	100% ⁴
4			260.40		

⁴ Farm-inee right to earn 80%.

EMU FAULT PROVINCE Kurnalpi Gold Project: Au					
Transline	72km E of Kalgoorlie	E25/00234	53.20	A	100%
Pipeclay Peaks	62km E of Kalgoorlie	E25/00241	11.20	A	100%
Lake Sloan	98km SSE of Kalgoorlie	E25/00248	196.00	A	100%
Yindi Dam	100km E of Kalgoorlie	E28/00995	67.20	A	100%
Gundockerta Hill	70km E of Kalgoorlie	E28/01116	140.00	A	100%
Sawmill Dam	77km E of Kalgoorlie	E28/01129	19.60	A	100%
Transline	86km E of Kalgoorlie	E28/01136	14.00	A	100%
Transline	90km E of Kalgoorlie	E28/01137	33.60	A	100%
Round Hill	107km SE of Kalgoorlie	E28/01148	196.00	A	100%
9			730.80		

EMU FAULT PROVINCE Kalpini Gold Project: Au					
Yindargooda	52km NE of Kalgoorlie	E25/00222	58.80	A	100%
Mt McLeay	51km NE of Kalgoorlie	E27/00243	16.80	A	100%
Lindsays Find	55km NNE of Kalgoorlie	M27/00305	1.20	A	100%
Kalpini West	48km NE of Kalgoorlie	M27/00371	3.37	A	100%
Kalpini West	52km NE of Kalgoorlie	M27/00372	1.64	A	100%
Lindsays North	55km NNE of Kalgoorlie	M27/00382	1.15	A	100%
Gindalbie	45km NE of Kalgoorlie	M27/00383	3.57	A	100%
Garibaldi	48km NE of Kalgoorlie	M27/00386	0.29	A	100%
Lindsays Find	55km NNE of Kalgoorlie	P27/01474	0.08	G	100%
Garibaldi	48km NE of Kalgoorlie	P27/01491	1.34	G	100%
10			88.23		

EMU FAULT PROVINCE Transline Joint Venture Project: Au-Ni					
Gundockerta Hill	60km ESE of Kalgoorlie	E25/00114	16.80	G	100% ⁵
		M25/00267		A	100% ⁵
Gundockerta Hill	60km ESE of Kalgoorlie	E25/00167	2.80	G	100% ⁵
Gundockerta Hill	60km ESE of Kalgoorlie	E25/00168	2.80	G	100% ⁵
Trans Find North	60km ESE of Kalgoorlie	E25/00179	89.60	G	100% ⁵
Trans Find	60km ESE of Kalgoorlie	E25/00184	53.20	G	100% ⁵
Gundockerta Hill West	60km ESE of Kalgoorlie	E25/00186	8.40	G	100% ⁵
Seabrook Hills	60km ESE of Kalgoorlie	E25/00189	2.80	G	100% ⁵
Seabrook Hills	60km ESE of Kalgoorlie	E25/00191	14.00	A	100% ⁵
Trans Find	60km ESE of Kalgoorlie	E25/00195	44.80	G	100% ⁵
Hawke Hill	60km ESE of Kalgoorlie	E25/00204	8.40	G	100% ⁵
Pipeclay Peaks	62km E of Kalgoorlie	E25/00216	120.40	A	100% ⁵
Kim's Dam	86km E of Kalgoorlie	E28/01003	56.00	A	100% ⁵
Randalls	60km ESE of Kalgoorlie	P25/01580	1.00	A	100% ⁵
13			421.00		

⁵ New Hampton Goldfields Limited right to earn 80%.

Interest in Mining Tenements

8.0 Continued

Prospect	Geographic Location	Tenement Identifier	Area km ²	Status	Interest Held
KEITH KILKENNY PROVINCE Kookynie Joint Venture Project: Au-Ni					
Glenorn Station South	45km SE of Leonora	E31/00410	67.20	G	100% ⁶
Friday Well	58km SE of Leonora	E31/00484	16.80	G	100% ⁶
Boomerang Lake	110km SSE of Leonora	E31/00519	156.80	A	100% ⁶
Desdemona North	20km S of Leonora	E40/00122	2.80	A	100% ⁶
Morapoi	55km S of Leonora	E40/00132	5.97	A	100% ⁶
Tampa	40km SSE of Leonora	E40/00140	8.98	A	100% ⁶
Tampa	40km SSE of Leonora	E40/00141	2.99	A	100% ⁶
Tampa	40km SSE of Leonora	E40/00142	14.00	G	100% ⁶

8 275.54

⁶ Barmingo Pty Ltd and Kookynie Resources NL right to earn 70% of gold rights.

KEITH KILKENNY PROVINCE Kookynie Project: Au

Mount Melita East	36km SE of Leonora	E40/00127	2.80	G	100%
Malcolm East	25km SE of Leonora	M37/00727	4.43	A	100%
Malcolm East	25km SE of Leonora	M37/00728	5.73	A	100%
Malcolm East	25km SE of Leonora	M37/00729	9.74	A	100%
Malcolm East	25km SE of Leonora	M37/00730	8.00	A	100%
Alice Gold Mine	17km ESE of Leonora	M37/00953	0.10	A	100%
Eulaminna	50km SE of Leonora	M39/00428	6.13	A	100%

7 36.93

KEITH KILKENNY PROVINCE Edjudina Nickel Project: Ni(-Au)

Mt Catherine South	145km NNE of Kalgoorlie	E31/00279	28.00	G	100%
Boyce Creek East	150km NNE of Kalgoorlie	E31/00304	11.20	G	100%
		M31/00296		A	100%
Mt Remarkable East	155km NNE of Kalgoorlie	E31/00346	2.80	B	100%
Claypan Dam	155km NNE of Kalgoorlie	E31/00347	2.80	B	100%
Yerilla Creek Dam	155km NNE of Kalgoorlie	E31/00348	11.20	B	100%
Mt Catherine East	145km NNE of Kalgoorlie	E31/00372	5.60	B	100%
Mt Catherine East	145km NNE of Kalgoorlie	E31/00373	2.80	B	100%
Yerilla	150km NNE of Kalgoorlie	E31/00399	2.80	A	100%
McAuliffe Well	155km NNE of Kalgoorlie	E31/00518	50.40	A	100%
Mt Catherine	145km NNE of Kalgoorlie	E31/00529	2.80	A	100%
Aubils Bore	175km NNE of Kalgoorlie	E39/00345	33.60	G	100%
Larkin Well	170km NNE of Kalgoorlie	E39/00641	5.60	A	100%
Kilmore Hill	175km NNE of Kalgoorlie	E39/00648	26.93	G	100%
Mount Percy	175km NNE of Kalgoorlie	E39/00680	2.98	A	100%
Mount Percy	175km NNE of Kalgoorlie	E39/00681	2.98	A	100%
Mount Percy	175km NNE of Kalgoorlie	E39/00682	17.90	A	100%
Kilmore Hill	175km NNE of Kalgoorlie	E39/00694	42.00	G	100%
Kilmore Hill	175km NNE of Kalgoorlie	E39/00695	8.40	G	100%
Lake Raeside	175km NNE of Kalgoorlie	E39/00700	32.88	A	100%
Lake Raeside	175km NNE of Kalgoorlie	E39/00725	16.80	A	100%
Kilmore Hill	175km NNE of Kalgoorlie	E39/00758	2.80	G	100%
Yerilla	150km NNE of Kalgoorlie	M31/00105	2.40	G	100%
Yerilla	150km NNE of Kalgoorlie	M31/00110	7.20	G	100%
Yerilla	150km NNE of Kalgoorlie	M31/00278	0.70	A	100%
Aubils Bore	175km NNE of Kalgoorlie	M39/00656	1.48	A	100%
Aubils Bore	175km NNE of Kalgoorlie	M39/00657	4.44	A	100%
Aubils Bore	175km NNE of Kalgoorlie	M39/00658	1.48	A	100%
Aubils Bore	175km NNE of Kalgoorlie	M39/00659	1.48	A	100%
Aubils Bore	175km NNE of Kalgoorlie	M39/00660	1.48	A	100%
Aubils Bore	175km NNE of Kalgoorlie	M39/00662	2.96	A	100%
Yerilla	150km NNE of Kalgoorlie	P31/01538	1.11	G	100%

31 338.00

Interest in Mining Tenements

8.0 Continued

Prospect	Geographic Location	Tenement Identifier	Area km ²	Status	Interest Held
KEITH KILKENNY PROVINCE Laverton Tectonic Zone JV: Au					
Yarri South	135km NE of Kalgoorlie	E31/00235	5.60	G	100% ⁷
Yilgangi East	140km NE of Kalgoorlie	E31/00236	1.60	G	100% ⁷
Yarri East	155km NE of Kalgoorlie	E31/00312	68.41	A	100% ⁷
Seddon Bore	155km NE of Kalgoorlie	E31/00354	16.80	A	100% ⁷
Webb Find West	145km NNE of Kalgoorlie	E31/00374	14.00	G	100% ⁷
Boyce Creek South	150km NNE of Kalgoorlie	E31/00377	28.00	G	100% ⁷
Duck Hill West	165km NNE of Kalgoorlie	E31/00430	84.00	G	100% ⁷
Lake Rebecca	116km NE of Kalgoorlie	E31/00465	2.80	G	100% ⁷
Lake Rebecca	115km NE of Kalgoorlie	E31/00479	11.20	A	100% ⁷
Mount Boyce	150km NNE of Kalgoorlie	E31/00524	176.40	A	100% ⁷
Camel Hump	55km N of Laverton	E38/00945	9.06	G	100% ⁷
Mount Varden West	55km N of Laverton	E38/01152	117.60	G	100% ⁷
Mount Varden West	55km N of Laverton	E38/01153	19.60	G	100% ⁷
Yabboo Hill East	156km NE of Kalgoorlie	E39/00795	8.40	G	100% ⁷
Edjudina South	135km NE of Kalgoorlie	P31/01548	0.40	G	100% ⁷
Yilgangi North	131km NNE of Kalgoorlie	P31/01580	1.85	G	100% ⁷
Yilgangi North	132km NNE of Kalgoorlie	P31/01581	1.76	G	100% ⁷
Yilgangi North	134km NNE of Kalgoorlie	P31/01582	1.65	G	100% ⁷
18			569.13		

⁷ Croesus Mining NL right to earn 80%, Heron retains all nickel rights.

KEITH KILKENNY PROVINCE South Laverton Tectonic Zone JV: Au

Pinjin South	140km ENE of Kalgoorlie	E28/00891	11.20	G	100% ⁸
Patricia West	155km ENE of Kalgoorlie	E31/00244	16.80	A	100% ⁸
Pinjin	140km ENE of Kalgoorlie	E31/00263	2.80	G	100% ⁸
Stophanis East	155km ENE of Kalgoorlie	E31/00265	2.80	G	100% ⁸
Yarri North East	160km NE of Kalgoorlie	E31/00313	2.80	G	100% ⁸
Yarri North East	160km NE of Kalgoorlie	E31/00315	2.80	G	100% ⁸
Edjudina East	160km NE of Kalgoorlie	E31/00317	38.65	G	100% ⁸
Stophanis East	150km ENE of Kalgoorlie	E31/00343	2.97	G	100% ⁸
Broken Hill Bore	160km NE of Kalgoorlie	E31/00352	2.86	A	100% ⁸
Clymies Well	160km NE of Kalgoorlie	E31/00353	37.46	A	100% ⁸
Hobble Gap	160km NE of Kalgoorlie	E31/00434	44.80	G	100% ⁸
Patricia South	155km ENE of Kalgoorlie	E31/00489	16.80	G	100% ⁸
Deep Well South	170km NE of Kalgoorlie	E39/00661	2.80	G	100% ⁸
Deep Well North	170km NE of Kalgoorlie	E39/00662	2.98	A	100% ⁸
Deep Well	170km NE of Kalgoorlie	E39/00663	2.98	A	100% ⁸
Gairdiners Find	170km NNE of Kalgoorlie	E39/00721	47.60	G	100% ⁸
Mount Hornet	170km NNE of Kalgoorlie	E39/00729	33.60	G	100% ⁸
Gairdiners Find	170km NNE of Kalgoorlie	E39/00734	5.60	A	100% ⁸
Crab Hill	135km ENE of Kalgoorlie	P28/00923	1.38	G	100% ⁸
Crab Hill	135km ENE of Kalgoorlie	P28/00924	1.71	G	100% ⁸
Crab Hill	135km ENE of Kalgoorlie	P28/00925	1.95	G	100% ⁸
Crab Hill	135km ENE of Kalgoorlie	P28/00926	1.64	G	100% ⁸
Crab Hill	135km ENE of Kalgoorlie	P28/00927	1.14	G	100% ⁸
Stophanis South	150km ENE of Kalgoorlie	P31/01546	1.61	G	100% ⁸
Stophanis South	150km ENE of Kalgoorlie	P31/01547	1.20	A	100% ⁸
Edjudina	160km NE of Kalgoorlie	P31/01569	1.79	A	100% ⁸
Edjudina	160km NE of Kalgoorlie	P31/01570	2.00	A	100% ⁸
Edjudina	160km NE of Kalgoorlie	P31/01571	1.83	A	100% ⁸
Edjudina	160km NE of Kalgoorlie	P31/01572	1.86	A	100% ⁸
Edjudina	160km NE of Kalgoorlie	P31/01573	0.76	A	100% ⁸
Edjudina	160km NE of Kalgoorlie	P31/01574	1.87	A	100% ⁸
Edjudina	160km NE of Kalgoorlie	P31/01575	1.72	A	100% ⁸
Gairdiners Find	170km NNE of Kalgoorlie	P39/03691	2.00	G	100% ⁸
33			302.76		

⁸ Gutnick Resources NL right to earn 80%, Heron retains all nickel rights.

Interest in Mining Tenements

8.0 Continued

Prospect	Geographic Location	Tenement Identifier	Area km ²	Status	Interest Held
KEITH KILKENNY PROVINCE Edjudina Gold Project: Au					
Crab Hill	137km E of Kalgoorlie	E28/01138	5.60	A	100%
Outcamp Bore	155km NE of Kalgoorlie	E31/00190	11.20	G	100%
Oak Bore	155km NE of Kalgoorlie	E31/00233	2.80	G	100%
Oak Bore South	155km NE of Kalgoorlie	E31/00234	2.80	G	100%
Wallbrook Hill	125km NE of Kalgoorlie	E31/00237	5.60	G	100%
Yilgangi	155km NE of Kalgoorlie	E31/00494	81.20	A	100%
Gairdner West	170km NNE of Kalgoorlie	E39/00642	2.80	A	100%
Larkin West	170km NNE of Kalgoorlie	E39/00643	5.60	A	100%
Murphy Well	180km NNE of Kalgoorlie	E39/00831	33.60	A	100%
Banjo Well	145km NE of Kalgoorlie	M31/00047	4.70	G	100%
Yarri	145km NE of Kalgoorlie	M31/00115	4.21	G	100%
Yilgangi Castle	140km NE of Kalgoorlie	M31/00173	0.34	A	100%
Mt Catherine	145km NNE of Kalgoorlie	M31/00249	0.58	A	100%
Webb Find	145km NE of Kalgoorlie	M31/00281	1.20	A	100%
Yarri	145km NE of Kalgoorlie	P31/01398	0.19	G	100%
		M31/00141		A	100%
Porphyry North	155km NE of Kalgoorlie	P31/01537	0.85	G	100%
16			163.28		
KEITH KILKENNY PROVINCE Mulgabbie Nickel Project: Ni(-Au)					
Lake Rebecca	110km NE of Kalgoorlie	M31/00080	2.02	G	100%
Lake Rebecca	110km NE of Kalgoorlie	M31/00081	1.21	G	100%
Lake Rebecca	110km NE of Kalgoorlie	M31/00118	1.14	G	100%
3			4.37		
KEITH KILKENNY PROVINCE Karonie South JV Project: Au(-Ni)					
Karonie South	140km SE of Kalgoorlie	E28/00631	196.00	G	100% ⁹
Karonie South	140km SE of Kalgoorlie	E28/00638	14.00	G	100% ⁹
Karonie South	140km SE of Kalgoorlie	E28/00665	67.20	G	100% ⁹
Karonie South	140km SE of Kalgoorlie	E28/00860	8.78	A	100% ⁹
Karonie South	140km SE of Kalgoorlie	E28/00861	58.54	A	100% ⁹
Karonie South	140km SE of Kalgoorlie	E28/00862	33.60	G	100% ⁹
Karonie South	140km SE of Kalgoorlie	E28/00929	95.20	G	100% ⁹
Buningonia	156km SE of Kalgoorlie	E28/01014	42.00	G	100% ⁹
Fraser	168km SE of Kalgoorlie	E63/00691	151.20	A	100% ⁹
9			666.52		
⁹ WMC Resources Limited right to earn 80%.					
KEITH KILKENNY PROVINCE Karonie South Project: Au(-Ni)					
Karonie South	70km E of Norseman	E63/00707	196.00	A	100%
Karonie South	73km E of Norseman	E63/00708	196.00	A	100%
Karonie South	70km E of Norseman	E63/00711	196.00	A	100%
Karonie South	70km E of Norseman	E63/00713	103.60	A	100%
4			691.60		

Interest in Mining Tenements

8.0 Continued

Prospect	Geographic Location	Tenement Identifier	Area km ²	Status	Interest Held
MUNGARI PROVINCE Mungari NW JV Project: Au					
Mungari Northwest	35km WNW of Kalgoorlie	E15/00411	2.08	A	100% ¹⁰
Mungari Northwest	35km WNW of Kalgoorlie	E16/00146	0.34	G	100% ¹⁰
2			2.42		
¹⁰ Kundana Gold Pty Ltd right to earn 50%.					
MUNGARI PROVINCE Mungari Platinum Project: Pt-Au					
Mungari Northwest	35km WNW of Kalgoorlie	E16/00121	25.20	G	100%
Mungari Northwest	35km WNW of Kalgoorlie	M16/00377	2.00	A	100%
Balgarri South	35km WNW of Kalgoorlie	M16/00414	2.00	A	100%
Dryden's Find	35km WNW of Kalgoorlie	P15/04416	0.33	A	100%
Dryden's Find	35km WNW of Kalgoorlie	P15/04417	1.88	A	100%
Dryden's Find	35km WNW of Kalgoorlie	P15/04418	2.00	A	100%
Dryden's Find	35km WNW of Kalgoorlie	P15/04419	1.86	A	100%
Dryden's Find	35km WNW of Kalgoorlie	P15/04420	1.87	A	100%
Dryden's Find	35km WNW of Kalgoorlie	P15/04421	1.86	A	100%
Dryden's Find	35km WNW of Kalgoorlie	P15/04422	1.14	A	100%
Mungari Northwest	35km WNW of Kalgoorlie	P16/01683	1.30	G	100%
Mungari Northwest	35km WNW of Kalgoorlie	P16/01684	1.44	G	100%
		M16/00378		A	100%
Mungari Northwest	35km WNW of Kalgoorlie	P16/01685	1.40	G	100%
Mungari Northwest	35km WNW of Kalgoorlie	P16/01686	1.91	G	100%
Mungari Northwest	35km WNW of Kalgoorlie	P16/01696	1.99	G	100%
Mungari Northwest	35km WNW of Kalgoorlie	P16/01697	2.00	G	100%
		M16/00379		A	100%
16			50.18		

Interest in Mining Tenements

Prospect	Geographic Location	Tenement Identifier	Area km ²	Status	Interest Held
LEONORA LAVERTON PROVINCE Laverton Nickel Project: Ni-Au					
Mineral Patch Hill	60km SE of Laverton	E38/00931	196.00	G	100% ¹¹
Merolia	40km SE of Laverton	E38/01179	196.00	G	100% ¹¹
Bandya Hill	107km NNW of Laverton	E38/01270	36.40	A	100%
Mulga Queen	124km N of Laverton	E38/01329	2.80	A	100%
Doris Well	60km N of Laverton	E38/01368	22.40	A	100%
Russell	72km N of Laverton	E38/01369	11.20	A	100%
King of Creation	54km N of Laverton	E38/01375	2.80	A	100%
Erlistoun	72km N of Laverton	E38/01376	5.60	A	100%
Mineshaft Well	72km N of Laverton	E38/01380	25.20	A	100%
Perseverance Well	60km NW of Laverton	E39/00738	36.40	G	100%
10			534.80		
¹¹ Another entity has gold rights.					
LEONORA LAVERTON PROVINCE Laverton JV Project: Au					
Hawkes Nest	15km WSW of Laverton	E38/00831	16.80	G	100% ¹²
Hawkes Nest South	15km WSW of Laverton	E38/00832	14.00	G	100% ¹²
2			30.80		
¹² Metex Resources NL right to earn 70%.					
LEONORA LAVERTON PROVINCE Mt Morgans JV Project: Au					
Mt Morgans Northwest	40km WSW of Laverton	P39/03454	1.56	G	100% ¹³
		M39/00754		A	100% ¹³
Mt Morgans Northwest	40km WSW of Laverton	P39/03455	1.95	G	100% ¹³
Mt Morgans Northwest	40km WSW of Laverton	P39/03456	1.95	G	100% ¹³
Mt Morgans Northwest	40km WSW of Laverton	P39/03457	1.86	G	100% ¹³
		M39/00755		A	100% ¹³
Mt Morgans West	40km WSW of Laverton	P39/03466	1.71	G	100% ¹³
Mt Morgans West	40km WSW of Laverton	P39/03467	1.71	G	100% ¹³
Mt Morgans West	40km WSW of Laverton	P39/03468	1.71	G	100% ¹³
Mt Morgans West	40km WSW of Laverton	P39/03469	1.71	G	100% ¹³
		M39/00753		A	100% ¹³
8			14.15		
¹³ Metex Resources NL right to earn 70%.					
LEONORA LAVERTON PROVINCE Victory Joint Venture Project: Au-Ni					
Doyle Well	60km NW of Leonora	E37/00406	16.80	G	100% ¹⁴
		M37/01088		A	100% ¹⁴
Victory Gold Mine	55km NW of Leonora	M37/00931	0.18	A	100% ¹⁴
Victory	50km NW of Leonora	P37/05830	1.95	G	100% ¹⁴
Victory	50km NW of Leonora	P37/05831	1.96	G	100% ¹⁴
Victory	50km NW of Leonora	P37/05832	1.87	G	100% ¹⁴
Victory	50km NW of Leonora	P37/05833	1.00	G	100% ¹⁴
6			23.76		
¹⁴ Farm-inee right to earn 80%.					
LEONORA LAVERTON PROVINCE Victory North Project: Au					
Mount McClure	120km NNW of Leonora	E36/00387	16.80	A	100%
Mount McClure	120km NNW of Leonora	E36/00388	5.60	G	100%
Try Again Bore	123km NNW of Leonora	E36/00432	19.60	A	100%
3			42.00		

Interest in Mining Tenements

8.0 Continued

Prospect	Geographic Location	Tenement Identifier	Area km ²	Status	Interest Held
ILLAARA PROVINCE Lawrence Find Project: Cu-Zn-Au-Ni-S					
Ranford Peak	326km NW of Kalgoorlie	E29/00434	98.00	G	100% ¹⁵
Mount Marmion	207km NW of Kalgoorlie	E29/00435	95.20	G	100% ¹⁵
Metzkes Find	213km NW of Kalgoorlie	E29/00455	156.80	A	100% ¹⁵
Lawrence Find	159km NW of Kalgoorlie	E30/00203	208.52	A	100% ¹⁵
Lawrence Find North	188km NW of Kalgoorlie	E30/00226	196.00	G	100% ¹⁵
Lawrence Find	176km NW of Kalgoorlie	E30/00228	64.40	G	100% ¹⁵
Illaara	198km NW of Kalgoorlie	E30/00254	126.00	A	100% ¹⁵
			7	944.92	

¹⁵ Farm-in proposal to earn 70% of gold rights.

IDA FAULT PROVINCE Snake Hill JV Project: Au(-Ni)					
Snake Hill North	140km NW of Kalgoorlie	E29/00290	8.40	G	100% ¹⁶
Mulline	140km NW of Kalgoorlie	E30/00158	39.20	B	100%
Snake Hill	140km NW of Kalgoorlie	E30/00166	8.40	G	100% ¹⁶
			3	56.00	

¹⁶ Connemara Gold Mines Pty Ltd right to earn 70%.

IDA FAULT PROVINCE Frances Lesley Project: Ni					
Frances Lesley	90km NW of Kalgoorlie	E16/00174	5.60	A	100% ¹⁷
Frances Lesley	90km NW of Kalgoorlie	E16/00192	86.80	A	100% ¹⁷
Frances Lesley	90km NW of Kalgoorlie	E16/00239	36.40	A	100% ¹⁷
Frances Lesley	90km NW of Kalgoorlie	E16/00240	2.80	A	100% ¹⁷
Frances Lesley	90km NW of Kalgoorlie	M16/00385	2.00	A	100% ¹⁷
			5	133.60	

¹⁷ Another entity has gold rights.

IDA FAULT PROVINCE Blister Dam Project: Au-Ni					
Blister Dam	70km NW of Kalgoorlie	E24/00088	14.00	G	100%
Blister Dam	70km NW of Kalgoorlie	P24/03577	0.59	G	100%
Blister Dam	70km NW of Kalgoorlie	P24/03578	0.56	G	100%
Blister Dam	70km NW of Kalgoorlie	P24/03579	0.63	G	100%
Blister Dam	70km NW of Kalgoorlie	P24/03580	0.45	G	100%
		M24/00844		A	100%
Blister Dam	70km NW of Kalgoorlie	P16/01842	1.98	G	100%
Blister Dam	70km NW of Kalgoorlie	P16/01843	2.00	G	100%
Blister Dam	70km NW of Kalgoorlie	P16/01847	1.70	G	100%
Blister Dam	70km NW of Kalgoorlie	P16/01848	1.36	G	100%
		M16/00435		A	100%
Blister Dam	70km NW of Kalgoorlie	P24/03566	1.93	G	100%
Blister Dam	70km NW of Kalgoorlie	P24/03567	0.42	G	100%
Blister Dam	70km NW of Kalgoorlie	P24/03568	0.75	G	100%
Blister Dam	70km NW of Kalgoorlie	P24/03569	0.77	G	100%
		M24/00842		A	100%
			13	27.15	

Interest in Mining Tenements

8.0 Continued

Prospect	Geographic Location	Tenement Identifier	Area km ²	Status	Interest Held
IDA FAULT PROVINCE Bullabulling Project: Ni-Au					
Bullabulling	60km WSW of Kalgoorlie	E15/00679	114.80	A	100%
Bullabulling	60km WSW of Kalgoorlie	E16/00172	11.80	A	100%
Bullabulling-Dunnsville	60km W of Kalgoorlie	E16/00181	2.80	A	100%
Bullabulling-Dunnsville	60km W of Kalgoorlie	E16/00182	14.00	A	100%
Bullabulling-Carbine	60km W of Kalgoorlie	E16/00195	44.80	A	100%
5			188.20		
IDA FAULT PROVINCE Widgiemooltha Joint Venture Project: Ni-Au					
Pioneer	120km SSE of Kalgoorlie	E15/00573	47.60	A	100% ¹⁸
Logans Find	76km S of Kalgoorlie	E15/00689	100.80	A	100% ¹⁸
Larkinville	76km S of Kalgoorlie	P15/04213	1.22	A	100% ¹⁸
Larkinville	76km S of Kalgoorlie	P15/04214	1.21	A	100% ¹⁸
4			150.83		
¹⁸ WMC Resources Limited right to earn 80%.					
IDA FAULT PROVINCE Yilmia Hill Project: Ni-Au					
Yilmia Hill	60km S of Kalgoorlie	E15/00550	5.86	G	100%
Spargoville	80km SSW of Kalgoorlie	P15/04150	1.98	A	100%
Spargoville	80km SSW of Kalgoorlie	P15/04151	1.65	A	100%
Spargoville	80km SSW of Kalgoorlie	P15/04152	1.60	A	100%
Spargoville	80km SSW of Kalgoorlie	P15/04153	1.40	A	100%
5			12.49		
IDA FAULT PROVINCE Mount Thirsty Project: Ni(-Au)					
Norseman Highway	9km NW of Norseman	P63/01137	1.19	A	100%
Norseman Highway	9km NW of Norseman	P63/01138	1.43	A	100%
Norseman Highway	8km NW of Norseman	P63/01139	1.21	A	100%
Norseman Highway	8km NW of Norseman	P63/01140	1.21	A	100%
Norseman Highway	9km NW of Norseman	P63/01141	1.96	A	100%
Norseman Highway	10km NW of Norseman	P63/01142	1.21	A	100%
Norseman Highway	9km NW of Norseman	P63/01143	1.24	A	100%
Norseman Highway	8km W of Norseman	P63/01144	1.51	A	100%
Norseman Highway	8km W of Norseman	P63/01145	1.77	A	100%
9			12.74		

Interest in Mining Tenements

Prospect	Geographic Location	Tenement Identifier	Area km ²	Status	Interest Held
KAMBALDA DOMAIN Binduli East JV Project: Au-Ni					
Mount Hunt	10km SW of Kalgoorlie	E26/00081	14.00	A	100% ¹⁹
Binduli East	10km SW of Kalgoorlie	P26/02791	1.98	G	100% ¹⁹
Binduli East	10km SW of Kalgoorlie	P26/02792	1.82	G	100% ¹⁹
Binduli East	10km SW of Kalgoorlie	P26/02794	1.60	G	100% ¹⁹
Binduli East	10km SW of Kalgoorlie	P26/02800	1.68	G	100% ¹⁹
Binduli East	10km SW of Kalgoorlie	P26/02801	1.50	G	100% ¹⁹
Binduli East	10km SW of Kalgoorlie	P26/02802	1.73	G	100% ¹⁹
Binduli East	10km SW of Kalgoorlie	P26/02803	1.96	G	100% ¹⁹
Binduli East	10km SW of Kalgoorlie	P26/02814	0.71	G	100% ¹⁹
Binduli East	10km SW of Kalgoorlie	P26/02815	1.96	G	100% ¹⁹
Binduli East	10km SW of Kalgoorlie	P26/02818	1.04	G	100% ¹⁹
Binduli East	10km SW of Kalgoorlie	P26/02904	1.84	A	100% ¹⁹
Binduli East	10km SW of Kalgoorlie	P26/02905	2.00	A	100% ¹⁹
Binduli East	10km SW of Kalgoorlie	P26/02972	1.96	G	100% ¹⁹
14			35.78		
¹⁹ AngloGold Australasia Limited has the right to earn 75%.					
KAMBALDA DOMAIN Kurramia Project: Au-Ni					
Gidji Roaster	15km N of Kalgoorlie	E24/00111	64.40	A	100%
Five Mill Hill	7km NE of Kalgoorlie	M26/00736	7.04	A	100%
Kanowna	15km NE of Kalgoorlie	M27/00392	7.70	A	100%
Kanowna	18km NE of Kalgoorlie	M27/00393	8.02	A	100%
Kanowna	17km NE of Kalgoorlie	M27/00394	8.02	A	100%
Kurramia	10km N of Kalgoorlie	P26/02883	1.17	G	100%
Kurramia	10km N of Kalgoorlie	P26/02884	1.46	G	100%
Kurramia	10km N of Kalgoorlie	P26/02885	1.33	G	100%
Kurramia	10km N of Kalgoorlie	P26/02886	1.27	G	100%
Kurramia	10km N of Kalgoorlie	P26/02887	1.11	G	100%
Kurramia	10km N of Kalgoorlie	P26/02898	1.60	G	100%
Kurramia South	10km N of Kalgoorlie	P26/02977	0.89	G	100%
Kurramia	10km N of Kalgoorlie	P26/02985	1.93	A	100%
13			105.94		
KAMBALDA DOMAIN Mount Martin Project: Au-Ni					
Cutters Luck	50km SSE of Kalgoorlie	E26/00080	53.20	A	100%
Cutters Luck	50km SSE of Kalgoorlie	M26/00667	2.27	A	100%
Mount Martin	40km SE of Kalgoorlie	P26/02907	1.60	A	100%
Mount Martin	40km SE of Kalgoorlie	P26/02908	2.00	A	100%
Mount Martin	40km SE of Kalgoorlie	P26/02909	1.66	A	100%
5			60.73		

Interest in Mining Tenements

Prospect	Geographic Location	Tenement Identifier	Area km ²	Status	Interest Held
SOUTHERN CROSS PROVINCE Bungalbin Project: Au-Ni					
Bungalbin	100km NNE of Southern Cross	E77/00860	2.96	A	100%
Mount Dimer	120km NNE of Southern Cross	E77/00946	196.00	A	100%
Timberfield	130km NNE of Southern Cross	E77/00947	89.60	A	100%
Yeeding Hill South	100km NNE of Southern Cross	E77/00975	196.00	A	100%
Yendilberin Hills	100km N of Southern Cross	E77/00976	109.20	A	100%
Yeeding Hill	110km N of Southern Cross	E77/00978	5.60	G	100%
Bungalbin	100km NNE of Southern Cross	E77/01019	109.20	A	100%
			<hr/>		
			7	708.56	
SOUTHERN CROSS PROVINCE Bungalbin Iron Project: Fe					
Bungalbin	100km NNE of Southern Cross	E77/00842	112.58	G	100% ²⁰
Mount Jackson	105km N of Southern Cross	E77/00896	36.40	G	100% ²⁰
Mount Jackson	105km N of Southern Cross	E77/00919	56.00	G	100% ²⁰
			<hr/>		
			3	204.98	
²⁰ Portman Limited has an Option to acquire the Iron Ore rights through a Production Royalty payment. Heron holds all other mineral rights.					
SOUTHERN CROSS PROVINCE Maggie Hays Hill Project: Ni-Au					
Maggie Hays Hill	140km SE of Southern Cross	E63/00625	81.20	A	100%
			<hr/>		
			1	81.20	

Interest in Mining Tenements

8.0 Continued

Prospect	Geographic Location	Tenement Identifier	Area km ²	Status	Interest Held
BREMER-EUCLA PALAEODRAINAGE PROVINCE Balladonia Oil Shale Project: Oil Shale-Sulphur-Lst					
The Yates	142km S of Norseman	E63/00731	196.00	A	100% ²¹
Mt Beaumont	151km SE of Norseman	E63/00732	196.00	A	100% ²¹
Charlina Rocks	154km ESE of Norseman	E69/01473	196.00	A	100% ²¹
Balladonia	170km E of Norseman	E69/01474	196.00	A	100% ²¹
Boingaring Rocks	156km E of Norseman	E69/01475	196.00	A	100% ²¹
Afghan Rock	184km E of Norseman	E69/01476	196.00	A	100% ²¹
Balladonia West	156km E of Norseman	E69/01477	196.00	A	100% ²¹
Charlina South	150km ESE of Norseman	E69/01478	196.00	A	100% ²¹
Charlina West	142km ESE of Norseman	E69/01479	196.00	A	100% ²¹
Curnadinia Rock	162km ESE of Norseman	E69/01480	196.00	A	100% ²¹
Yalodinya Rock	157km ESE of Norseman	E69/01481	134.40	A	100% ²¹
Charlina East	164km ESE of Norseman	E69/01482	81.20	A	100% ²¹
Balladonia Central	170km E of Norseman	E69/01483	39.20	A	100% ²¹
Chidalinya Rock	185km E of Norseman	E69/01492	106.40	A	100% ²¹
Jerandilla	185km E of Norseman	E69/01493	196.00	A	100% ²¹
Eclipse Hill	185km SE of Norseman	E69/01495	196.00	A	100% ²¹
Bonnie Hill	175km SE of Norseman	E69/01499	196.00	A	100% ²¹
Florabell Hill	195km SE of Norseman	E69/01500	196.00	A	100% ²¹
Heinsman Rock	191km SE of Norseman	E69/01582	196.00	A	100% ²¹
Namelonia Rock	187km SE of Norseman	E69/01583	196.00	A	100% ²¹
20			3,497.20		

²¹ Draft Memorandum of Understanding in preparation to develop Oil Shale resources. Heron holds all other mineral rights.

BREMER-EUCLA PALAEODRAINAGE PROVINCE Ravensthorpe-Norseman Oil Shale: Oil Shale					
Geordie Rock	93km SSW of Norseman	E63/00720	112.00	A	100% ²¹
Lake Cowan	60km NE of Norseman	E15/00570	204.01	A	100%
Lake Cowan	60km NE of Norseman	E15/00632	19.60	A	100%
Balladonia West 9	20km NE of Norseman	E15/00656	61.60	A	100% ²¹
Balladonia West 7	65km E of Norseman	E63/00709	196.00	A	100% ²¹
Balladonia West	10km E of Norseman	E63/00712	196.00	A	100% ²¹
Lake Dundas	35km S of Norseman	E63/00736	64.40	A	100% ²¹
Lort River	110km SSW of Norseman	E74/00278	151.20	A	100% ²¹
Flower	170km SW of Norseman	E74/00279	193.20	A	100% ²¹
Lake Three Star	155km SW of Norseman	E74/00280	193.20	A	100% ²¹
Lake Sharpe	130km SW of Norseman	E74/00281	196.00	A	100% ²¹
Recruit Hill	93km SW of Norseman	E74/00282	196.00	A	100% ²¹
Lake Fitzgerald	92km SW of Norseman	E74/00283	196.00	A	100% ²¹
Mount Deans	10km S of Norseman	M63/00417	9.87	A	100% ²¹
Mount Deans	10km S of Norseman	M63/00418	9.26	A	100% ²¹
Lake Kirk	8km SW of Norseman	P63/01114	1.69	G	100% ²¹
Lake Kirk	10km SW of Norseman	P63/01115	1.86	G	100% ²¹
Lake Kirk	6km SW of Norseman	P63/01116	1.95	A	100% ²¹
Lake Cowan	5km SW of Norseman	P63/01119	1.06	G	100% ²¹
Lake Cowan	4km SW of Norseman	P63/01122	1.77	G	100% ²¹
Lake Cowan	7km SW of Norseman	P63/01123	1.80	G	100% ²¹
Lake Cowan	5km SW of Norseman	P63/01124	0.49	G	100% ²¹
22			2,008.96		

²¹ Draft Memorandum of Understanding in preparation to develop Oil Shale resources. Heron holds all other mineral rights.

TOTAL 419

14,919.00

A = Application

G = Granted

B = Exploration Licence Application in Ballot

Glossary of Terms

- "Aeromagnetic Survey" means a survey made from the air, recording variations in the earth's magnetic field.
- "Alteration" means rock-forming minerals which have been chemically changed.
- "Anomaly" means a value higher or lower than expected, which outlines a zone of potential exploration interest but not necessarily of commercial significance.
- "Aircore drilling" means a rotary drilling technique which uses compressed air to cut a core sample and return core fragments to surface inside the drill rods. The system has problems with the penetration of non-weathered bedrock.
- "Au" means gold.
- "Autoclave" means a reaction vessel in which ore is mixed with high temperature and pressure solutions to enable metals to enter into solution as a precursor to extraction in metallic form. The autoclave is titanium lined, to prevent corrosion.
- "BCM" means Bank Cubic Metre, which is a unit of volumetric measurement of undisturbed rock material.
- "Co" means cobalt.
- "Cu" means copper.
- "Electrowinning" means a metallurgical process whereby metal is recovered from a metal bearing electrolyte solution through deposition onto a metal cathode.
- "Feasibility Study" means:
- A "Pre-feasibility Study" is an engineering and cost study of a mining operation, processing plant and plant infrastructure, which for the Goongarie Nickel Project includes a flow sheet of the "Cawse" type that covers ore beneficiation, high pressure acid leach, Counter Current Decantation washing, solution purification, cobalt and nickel solvent extraction, formation of an intermediate precipitate and electrowinning to produce nickel metal. Included in the cost estimates will be infrastructure, tailings disposal, power supply, and owner's costs. The plant design may change as a result of testwork analysis, optimisation studies and engineering improvements performed during execution of the Pre-feasibility Study. Operating and capital cost estimates are to an accuracy of +/- 30%. In the case of the Goongarie Nickel Project, the drill density would be such that the resource status is Indicated Mineral Resource.
- A "Bankable Feasibility Study" is an engineering and cost study addressing the same issues as a "Pre-feasibility Study", but in such detail that it contains sufficient information to satisfy a bank, that it can rely on cash flows and earnings from the project to repay any project loan, and that the assets of the project are suitable as collateral for the loan. The bank must feel comfortable that on a worst case scenario the loan will be repaid. Engineering design concepts will have largely been finalised, and operating and capital cost estimates are to an accuracy of +/- 10%. In the case of the Goongarie Nickel Project, the drill density would be such that the resource status is Proved Ore Reserve.
- "Geochemical Survey" means the systematic study of the variation of chemical elements in rocks or soils.
- "Gossan" means the weathered oxidised iron-rich surface expression of a sulphide-bearing deposit.
- "g/t" means grams per tonne, which normally relates to precious metals.
- "Granitoid" means a family of coarse-grained igneous rocks that contain abundant quartz and feldspar.
- "km" means kilometres.
- "km²" means square kilometres.
- "Komatiite" means an ultramafic rock with high magnesium content extruded from a volcano. Textural variations include:
- "Orthocumulate" means a rock which exhibits a high proportion of crystallised trapped interstitial ("intercumulus") liquid. The surrounded ("cumulus") olivine crystals are subhedral to euhedral in form. This komatiite type is regarded as very prospective for nickel sulphide mineralisation.
- "Mesocumulate" means a rock with cumulus crystals exhibiting extensive mutual boundary contact, but retaining some recognisable interstitial material. This komatiite type is regarded as prospective for nickel laterite mineralisation.
- "Adcumulate" means a rock with little or no intercumulus material and characterised dominantly by anhedral crystals. This komatiite type is regarded as prospective for nickel laterite mineralisation.
- "Limonite Ore" means nickel-cobalt laterite ore composed mainly of the iron minerals goethite-limonite (+40% Fe₂O₃), which is an optimum ore type in terms of leaching rheology.
- "m" means metres.
- "Mineralisation" means, in economic geology, the introduction of valuable elements into a rock body.
- "Ni" means nickel.
- "Nickel Laterite" means nickel and cobalt occurring as an oxidised ferruginous clay assemblage overlying weathered ultramafic.
- "Oil Shale" means a sedimentary rock containing low grade lignite coal and a hydrocarbon material termed kerogen.
- "Olivine" means a magnesium-iron silicate mineral, often occurring in rocks prospective for nickel.
- "Option" means a Share option to subscribe for fully paid ordinary Shares in Heron.

Glossary of Terms

Continued

"PAL" means Pressure Acid Leach, a nickel laterite processing technique in which ore is dissolved in hot high pressure sulphuric acid contained within a titanium-lined reaction vessel termed an autoclave, to release nickel and cobalt into solution, for precipitation as an intermediate product or pure metal.

"PGE" means Platinum Group Elements.

"prospect" means a target upon which exploration programs are planned or have commenced.

"project" means a grouping of prospects within a specific geographic location, often with a common geological setting.

"province" means a grouping of projects within a geological district defined by a major mineralised crustal structure.

"ppb" means parts per billion.

"ppm" means parts per million.

"RAB drilling" means the drilling technique in which a sample is returned to surface outside the rod string by compressed air. Sample quality is poor.

"RC drilling" means the drilling method employing a rotating or hammering action on a drill bit which returns a sample to the surface inside the rod string by compressed air. Sample quality is very good, particularly if the drill hole is dry.

"Resource and Ore Reserve" means:

"Proved Ore Reserve" is the economically mineable part of a Measured Mineral Resource. It includes diluting materials and allowances for losses which may occur when the material is mined. Appropriate assessments, which may include Feasibility Studies, have been carried out, and include consideration of and modification by realistically assumed mining, metallurgical, economic, marketing, legal, environmental, social and governmental factors. These assessments demonstrate at the time of reporting that extraction could reasonably be justified. The term "economic" implies that extraction of the Ore Reserve has been established or analytically demonstrated to be viable and justifiable under reasonable investment assumptions. Proved Ore Reserve will require some degree of lateral continuity validation through diamond drilling, wide diameter (900mm) bulk sample drilling, trial mining, exploration winze or most likely for Goongarrie, 10x10m pattern RC drilling.

"Measured Mineral Resource" is that part of a Mineral Resource for which tonnage, densities, shape, physical characteristics, grade and mineral content can be estimated with a high level of confidence. It is based on detailed and reliable exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes. The locations are spaced closely enough to confirm geological and/or grade continuity. At the Goongarrie Nickel Project, Heron's least dense drill RC pattern for Measured Mineral Resource status is 20x20m.

"Indicated Mineral Resource" is that part of a Mineral Resource for which tonnage, densities, shape, physical characteristics, grade and mineral content can be estimated with a reasonable level of confidence. It is based on exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes. The locations are too widely or inappropriately spaced to confirm geological and/or grade continuity but are spaced closely enough for continuity to be assumed. At the Goongarrie Nickel Project, Heron's least dense RC drill pattern for Indicated Mineral Resource status is 80x80m.

"Inferred Mineral Resource" is that part of a Mineral Resource for which tonnage, grade and mineral content can be estimated with a low level of confidence. It is inferred from geological evidence and assumed but not verified geological and/or grade continuity. It is based on information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes which may be limited or of uncertain quality and reliability. At the Goongarrie Nickel Project, Heron's least dense RC drill pattern for Inferred Mineral Resource status is 400x80m.

"ROM" means run of mine ore, referring to the grade and type of ore that is expected to be fed to the processing plant on a day to day basis.

"Rift" means a zone of crustal extension in which the predominant sediment deposition is conglomerate, and the predominant volcanic activity is a bimodal basalt-rhyolite association which is intruded by co-magmatic granitoids. The high geothermal gradients of rifts are very favourable for gold deposits.

"Shear Zone" means a zone in which crushed rock has been produced by the action of a shearing stress as on a fault.

"SiCo" means a siliceous pyrolusite bearing Nickel Laterite Ore which typically assays in excess of 0.5% Mn, 0.2% Co and 1.0% Ni. At Goongarrie South, "SiCo" Ore typically occurs at the top of ore zones.

"Specific Gravity" or "SG" means the mass per unit volume of material, usually in reference to ore and waste.

"Waste: Ore ratio" means BCM of waste + BCM of low grade sub-ore divided by BCM of ROM ore.

"Tectonic Zone" means a major structural feature characterised by deformation of several kilometres in width.

"Ultramafic" means rocks composed almost entirely of mafic minerals which are prospective for nickel mineralisation.

"VMS" means volcanogenic massive sulphide, which relates to base metal Cu-Zn-Pb-Au-Ag sulphide mineralisation.

"XRD" means X-ray Diffraction, which is an analytical means of identifying microscopic clay minerals.