

## An insight from Heron's new Chief Operating Officer, **Mat Longworth**



### Can you give investors a brief summary of your background?

I started work with Billiton in the 1980s gold boom, in those days Billiton was part of the Shell Oil Company. After postings in New South Wales, Queensland and a secondment to Shell Coal to work as a mining engineer in the Hunter Valley, I was sent to Kalgoorlie for what was supposed to be a 6 week secondment. That was 15 years ago; I spent three years in Kalgoorlie with Billiton, including working on the initial discovery of Sunrise Dam before joining Pancontinental, which through a series of takeovers eventually became Placer Dome. During this time I was responsible for the Kalgoorlie based exploration For Goldfields and AurionGold.

### How long have you been at Heron and what was your role?

I joined Heron in December 2003 as Exploration Manager prior to being made a Director in May 2004 and more recently being made Chief Operating Officer.

### You have recently been made Chief Operating Officer. What will your new role involve?

As COO I will have a greater involvement in finalising the current joint ventures and operational matters. This move allows sharing of some of the work load which used to fall directly to Ian Buchhorn as Managing Director, which allows Heron to move forward on several fronts simultaneously. Heron has a great team devoted to driving shareholder value.

### How have you found the role so far?

Enjoyable and very busy. I have been dealing with the Inco Sulphide JV negotiation, uranium asset disposal, looking at options for the iron ore assets, preparing Regent for IPO later in the year as well as monitoring Inco's progress with the KNP Laterite Project.

### Heron is opening an office in Perth, how will that affect your role?

The Perth office is a natural expansion for the company; especially in light of the corporate activity at the moment. Being close to the majority of other mining companies in Perth and in particular to Inco and the engineering consultants is an advantage. We will maintain our Kalgoorlie office as the key exploration base for the company, which is where I will operate from. Our style of exploration and aggressive ground acquisition requires the Kalgoorlie presence.

### What is your focus at the moment?

Currently we are working with Inco on the Nickel Sulphide agreement. Inco has a negotiation team in Perth at the moment and this is progressing. We are concurrently progressing all the other facets of the business.

### How has the advancement of the KNP affected Heron operationally?

The Laterite Agreement with Inco was a turning point for the company. Once that was bedded down management has been able to focus on Sulphides and to turn our



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attention to the other assets we have had in the background. The next logical step for the Company is to look toward production. Heron is currently evaluating a range of opportunities for production of both sulphide and laterite nickel.

### **What milestones should shareholders look out for in coming months?**

The next milestone should be the completion of Step 1 under the KNP laterite agreement due at the end of July. On the non-nickel front, we are looking at options for the uranium and iron ore assets along with progressing Regent Resources. All these transactions have to deliver value to shareholders.

### **Have you met Heron's shareholders? How did this go?**

Since joining Heron I have met most of the major shareholders. A few days after announcing the new role, I undertook a road show to Sydney and Melbourne where I met with a number of shareholders. Our shareholders are

very supportive of the steps the Company has taken over the last couple of years and are excited about the opportunities in the future. A majority of our shareholders understand the large scale and potential long life of the KNP and realize development of such a project takes time. Heron is now focused on the medium and shorter term programs to deliver value.

### **What is your outlook for the nickel market?**

Strong!

I believe China post 2007 can not afford to reduce growth too much, as the differences between provinces and classes could lead to political unrest. Whilst China may reduce growth from say 9% to 7%, India is also emerging as a significant growth economy. India has a very large educated population, an efficient capital market, and well developed industrial sector. I see this as a major driving force in the nickel market over the coming years. The producers are commencing consolidation of the market and the corporate activity has only just begun.

