



ASX Release – 20 June 2007

## AUBILS NICKEL PROJECT A SIGNIFICANT NEW NICKEL DISCOVERY

### HIGHLIGHTS

- Significant drilling results from Heron's 100%-owned Aubils Nickel Project.
- Nickel mineralisation from Aubils and Boyce Creek provide potential satellite feed to Heron's Jump-up Dam nickel operation.
- Heron to investigate potential for early Aubils production through mining, beneficiation and sale of beneficiated product to local and overseas customers.

Heron Resources Limited (ASX: HRR) (Heron) is pleased to announce encouraging nickel laterite drill results from its 100%-owned Aubils Nickel Project (Aubils), in Western Australia. Aubils is 50km north of Jump-up Dam.

In terms of regional nickel infrastructure, Aubils is approximately 60km south of the Minara-Glencore Murrin Murrin operation and 140km northeast of the Norilsk Cawse operation (Figure 1). Aubils is 40km east of the rail link to the BHP Billiton utilised nickel shipping ports of Fremantle-Kwinana and Esperance.

Significant nickel drilling results from Aubils include:

Hole	Northing	Easting	From	To	Width	Ni %	Co %
AURC0143	6766000	389120	4	36	32	1.33	0.20
AURC0091	6762240	391520	18	32	14	1.12	0.05
AURC0099	6762560	391200	54	68	14	1.17	0.04
AURC0101	6762560	391040	48	88	40	0.85	0.11

The attributes of the Aubils Project are:

- A potential major new nickel laterite discovery, clearly demonstrating the value of Heron's land position.
- A mineralised zone of 8,000 X 1000 metres has the potential to add significant resources to Jump-up Dam and provide ore for other production opportunities.
- Siliceous limonite mineralisation is likely to have the same beneficiation characteristics as the premium screen upgrade mineralisation of the KNP

Broad spaced (320m X 160m) vertical reverse circulation (RC) drilling at Aubils returned significant results that indicate potential for a number of nickel laterite mineralised zones (Figure 2).

Aubils has a current strike length of over 8 kilometres, and width of up to 1000 metres, and the identified zones are open into Heron-owned pending tenements to the west. These zones, and their extensions, will form the focus of planned drilling to estimate mineral resources upon grant of pending tenements.

Significant results are shown in Table 1. It should be noted that the area of mineralised occurrences defined to date is entirely comparable to that of Heron's benchmark nickel discovery, Goongarrie.

Due to the interpreted metallurgical characteristics of the drilled mineralisation at Aubils, Heron is exploring the potential for early production through mining, beneficiation and sale of nickel-cobalt product. The clay-based component of the Aubils nickel mineralisation is potentially suitable for heap leaching as part of Heron's Jump-up Dam project, while siliceous limonite mineralisation may be better suited to sale.

From Heron's experience, the siliceous limonite can be suitable for various mineral processing routes that would produce a beneficiated product with properties desirable to domestic and overseas processing customers. Additionally, the siliceous limonite in future could be assessed as an additional resource in the Heron-CVRD KNP feasibility study, but at this stage is 100% Heron-owned and thus outside the KNP.

Initial drilling of the Boyce Creek prospect located 25km north of Jump-up Dam is nearing completion. A drill pattern of 160m X 80m was drilled in preparation for completing an inferred resource estimate. Assay results from current reconnaissance drilling are pending and like the drilling at Aubils, indicate a mix of clay mineralisation along with siliceous limonite.

Heron's Managing Director, Mr Mathew Longworth, said other nickel laterite prospects within a 60 kilometre radius of Jump-up Dam are also being assessed for their resource potential.

"Results from Aubils and Boyce Creek provide significant encouragement for satellite feed into Jump-up Dam along with the potential for exploitation of the siliceous limonite mineralisation identified," Mr Longworth said.

"These results highlight the prospectivity of Heron's large land holding in the Yerilla project area north of Kalgoorlie. The potential additional resources available in the area are forming the basis of an important new nickel-laterite province outside our Kalgoorlie Nickel Project."

-ENDS-

**For further questions, please contact:**

N. Mathew Longworth  
Managing Director  
Heron Resources Limited  
+61 (0)8 9215 4444

**For media inquiries, please contact:** Paul Downie, Porter Novelli, 0414 947 129, +61(0)8 9386 1233

**TABLE 1 Significant RC Drill Intercepts (0.5% Ni cut-off)**

Hole	North	East	From	To	Width	Ni_ %	Co_ %
AURC0050	6766640	388400	4	24	20	0.97	0.06
AURC0054	6765040	390080	48	59	11	0.91	0.06
AURC0058	6764400	390240	6	42	36	0.82	0.08
AURC0059	6764400	390160	6	38	32	0.89	0.20
AURC0060	6764400	390080	8	38	30	0.73	0.12
AURC0061	6764400	389920	26	40	14	0.53	0.08
AURC0062	6764400	390000	12	18	6	0.69	0.09
AURC0062	6764400	390000	36	48	12	0.57	0.04
AURC0064	6764080	390080	4	24	20	1.01	0.13
AURC0064	6764080	390080	30	42	12	0.90	0.25
AURC0065	6764080	390240	20	60	40	0.96	0.10
AURC0068	6763840	390160	4	30	26	1.14	0.13
AURC0079	6763200	390640	40	48	8	0.98	0.02
AURC0091	6762240	391520	18	32	14	1.12	0.05
AURC0091	6762240	391520	38	46	8	0.79	0.05
AURC0095	6762240	391280	48	54	6	0.73	0.02
AURC0099	6762560	391200	54	68	14	1.17	0.04
AURC0100	6762560	391120	54	58	4	0.65	0.02
AURC0101	6762560	391040	48	88	40	0.85	0.11
AURC0117	6761280	391840	18	30	12	0.93	0.23
AURC0123	6760960	392000	16	34	18	0.74	0.05
AURC0124	6760640	392320	6	10	4	0.62	0.06
AURC0130	6760640	391840	42	54	12	0.63	0.05
AURC0131	6760320	392640	44	54	10	0.54	0.02
AURC0132	6760320	392800	52	72	20	0.54	0.02
AURC0135	6766320	388320	8	32	24	0.78	0.08
AURC0139	6766000	388480	10	18	8	0.86	0.08
AURC0139	6766000	388480	24	34	10	0.64	0.02
AURC0140	6766000	388640	8	14	6	0.70	0.08
AURC0143	6766000	389120	4	36	32	1.33	0.20
AURC0144	6766000	389280	16	28	12	0.93	0.16
AURC0149	6765680	388560	28	38	10	1.00	0.06
AURC0155	6765680	389520	26	42	16	0.77	0.04

The information in this report is based on information compiled by David von Perger who is a member of Australian Institute of Mining and Metallurgy. David von Perger is a full time employee of Heron Resources Limited. David von Perger has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration, and to the exploration activity that he is undertaking to qualify as Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. David von Perger consents to the inclusion in this report of the matters based on his information in the form and context that it appears

Figure 1 – Heron's Nickel Laterite Projects

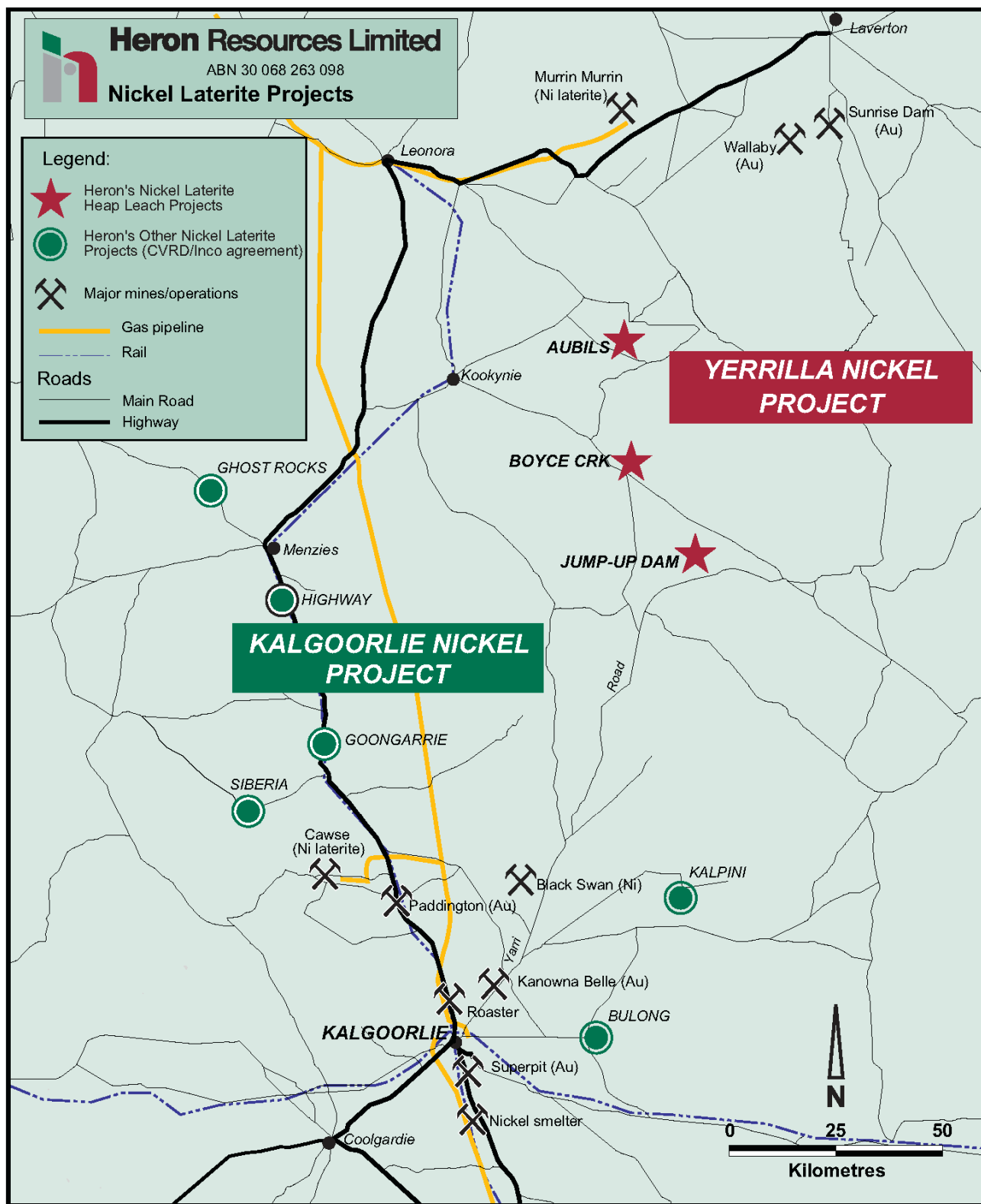
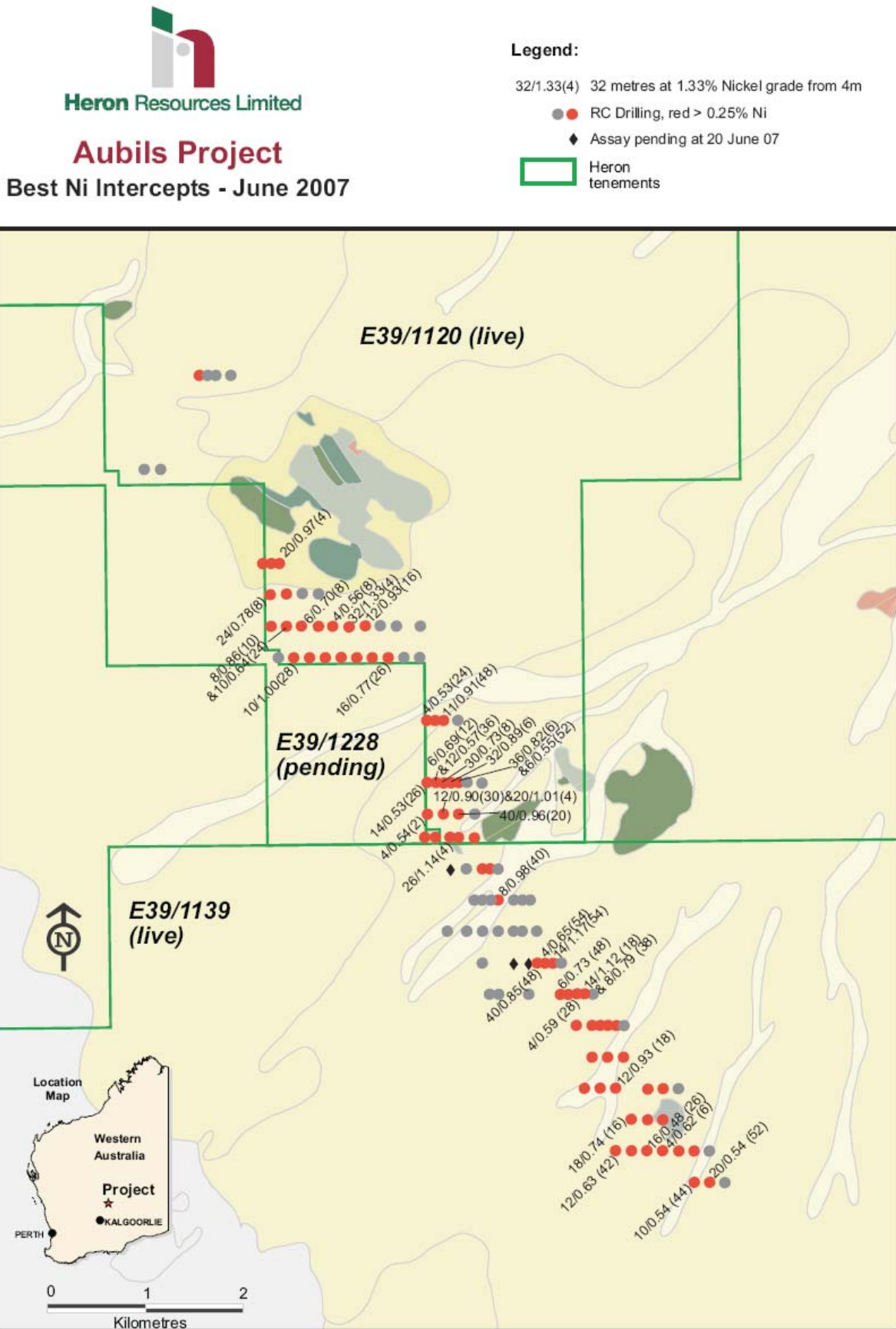


Figure 2 Aubils Project Map of Significant Drilling Results



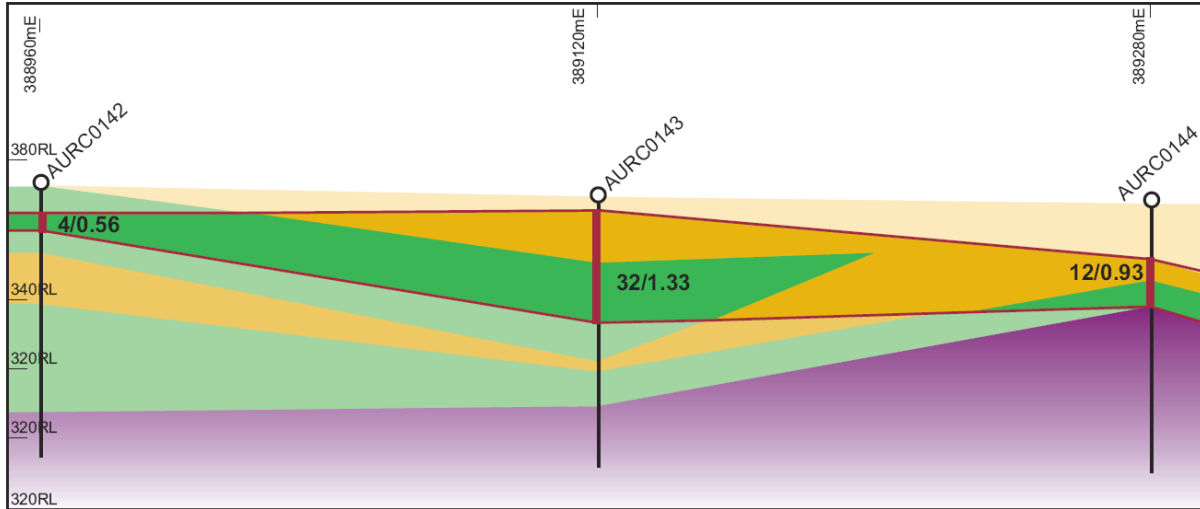
**Yerrilla Project**  
**Aubils Zone**

**Legend**

- Cover
  - Upper Clay
  - Upper Clay mineralisation
  - Lower Clay mineralisation
  - Lower Clay
  - Ultramafic bedrock
- Zone of mineralisation  
 32/1.33  
 32 metres  
 at 1.33%  
 Nickel grade



**Section 6766000N**



**Section 6764400N**

