

19 October 2007

Dear Shareholder

Re: Annual Report

Thank you for your continued support for this financial year.

Please find enclosed your Annual Report for 2007, our Notice of Meeting for the Annual General Meeting and a form of consent to receive correspondence from Heron electronically.

Annual General Meeting (AGM)

The AGM will be held on Friday, 23 November 2007 commencing at 1.00pm. The venue for the meeting is The Chifley on the Terrace, 185 St Georges Terrace, Perth. Please refer to the Notice of Meeting for further details.

To coincide with the AGM there will be two events, a tour of the Jump-up Dam Project and a Sundowner for Shareholders. RSVP to both these events is essential.

A tour of the Jump-up Dam Project will be held on Wednesday, 21 November 2007; a bus will depart our Kalgoorlie office, 21 Close Way, Kalgoorlie, at 8.30am and return to the office at 5.00pm. Lunch will be provided at site. To attend please RSVP to Mrs Tracy Browning by Monday, 12 November 2007 tbrowning@heronresources.com.au or +61 8 9021 9253.

All Shareholders are invited to attend a Sundowner on the evening of the AGM, Friday, 23 November 2007 at Zamia Café, May Drive, Kings Park, Perth from 6.00pm to 8.00pm. To attend please RSVP to Ms Briony Robertson by Wednesday, 14 November 2007 brobertson@heronresources.com.au or +61 8 9215 4444.

Consent for electronic correspondence

Due to legislative changes we are able to offer you an environmentally friendly option of receiving future annual reports, notices of meetings and other advices electronically. Please review the attached form and make your choice in accordance with the directions provided.

Yours faithfully



Mathew Longworth
Managing Director
HERON RESOURCES LIMITED



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 WEST PERTH WA 6005
 Telephone: 08 9215 4444
 Facsimile: 08 9215 4490
 Email: heron@heronresources.com.au



Security Transfer Registrars

Security Transfer Registrars Pty Ltd
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 Applecross, Western Australia 6153
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 Facsimile +61 8 9315 2233
 Email: registrar@securitytransfer.com.au
 Website: www.securitytransfer.com.au

LEGISLATION CHANGE

IMPORTANT NOTICE




The default option for receiving your annual report has changed from a printed version to be via our website.
www.heronresources.com.au
 You have the choice of continuing to receive a printed annual report.
PLEASE MAKE YOUR SELECTION ON THE BACK OF THIS LETTER

Dear valued Shareholder

NOTIFICATION OF LEGISLATION CHANGE

The Australian Government recently introduced legislation changing the default option for receiving annual reports to be via a company's website. You will now receive timely, cost effective and greener online annual reports unless you request a printed version.

WHAT ARE YOUR OPTIONS?

Option 1: 	NO ACTION If you take no action, information on accessing your annual report online will be provided with your AGM notice and proxy forms by mail.
Option 2: 	ELECT TO RECEIVE AN EMAIL WHEN THE ANNUAL REPORT BECOMES AVAILABLE ONLINE
Option 3: 	ELECT TO RECEIVE A PRINTED VERSION OF THE ANNUAL REPORT BY MAIL

Please refer to the back of this letter to make your report selection and return to Security Transfer Registrars.


To update online all the details on the back of this letter you can visit Security Transfer Registrar's website at:
www.securitytransfer.com.au

The website provides you with a range of shareholder options:

- Check and review your transaction history
- Update your shareholder information online

If you have any questions regarding this letter please contact our share registry, Security Transfer Registrars, on (08) 9315 2333.

Yours sincerely
 HERON RESOURCES LTD


 Sarah Calvert
 Company Secretary



HERON RESOURCES LTD

ABN 30 068 263 098

C/- Security Transfer Registrars Pty Ltd 770 Canning Highway, Applecross Western Australia 6153

All correspondence to: PO Box 535, Applecross Western Australia 6953

Telephone: (08) 9315 2333

Facsimile: (08) 9315 2233

Email: registrar@securitytransfer.com.au

Web: www.securitytransfer.com.au

NAME

Add1

Add2

Add3

Add4

Add5

HRR 1

HRR

«TY»«Holder_No»

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Please use BLOCK letters and a black pen

SECTION ONE: REPORTING OPTIONS

Please select whether you would like to receive the following:

No By By
Mail Email

Annual Report

Any other documents/reports when available

Please note: You can update your details and choose your reporting options via our website at: www.securitytransfer.com.au

If you do not complete and return this form you will not receive a printed version of the Annual Report.

SHAREHOLDER DETAILS

Country Area
Code Code Home Telephone Number

Country Area
Code Code Facsimile Number

Country Area
Code Code Work Telephone Number

Mobile Telephone Number

Email (please print using BLOCK letters)

SECTION TWO: SIGN HERE

Individual or Securityholder 1

Sole Director and Company Secretary

Securityholder 2

Director/Company Secretary

Securityholder 3

Director

Registry Use Only

This information is to be collected by Security Transfer Registrars Pty Ltd ('Security Transfer') in its capacity as a share registry for issuers of securities. Your personal information may be provided on a confidential basis to our clients, companies listed on the Australian Stock Exchange, and other third party providers (including, but not limited to, mailing houses). This information is collected for the purpose of assisting Security Transfer in the proper administration and maintenance of the register of members. By providing this information, you consent to 'Security Transfer' disclosing this information to such organisations for the purposes outlined. Should you have any queries regarding our privacy policy, please contact our office.

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