



ASX Release – 20 March 2008

EXPLORATION & RESOURCE DRILLING UPDATE

HIGHLIGHTS

- 16,195m of drilling completed at Boyce Creek – updated Resource estimate underway
- Significant Nickel Laterite intersections from Boyce Creek drilling
- 17,541m of drilling completed at Aubils – initial Resource estimate underway
- Reconnaissance drilling intersects new Nickel Laterite zone at Pianto Road – Assays pending
- Close spaced drilling at Jump-up Dam – increased confidence Resource estimate underway
- Drilling results show potential to expand current Atmospheric Leaching scoping study to encompass a multi deposit Nickel Laterite operation

Heron Resources Limited (ASX: HRR) (“Heron”) is pleased to announce the results from drill programs at Aubils, Boyce Creek, Jump-up Dam and Pianto Road.

At Boyce Creek, drilling has been underway to form the basis for an updated resource estimate. Resources at Boyce Creek currently stand at 18.4 Mt grading 0.82% Nickel in the inferred category. At Aubils, work is underway for the initial resource estimate. A total of 341 holes for 16,195 metres were completed at Boyce Creek and 290 holes for 17,541 metres at Aubils. The Boyce Creek program included 8 Sonic Core holes (150mm diameter) for 329 metres which are providing geotechnical data as well as ideal samples for beneficiation test work. During the course of Boyce Creek drilling a number of significant drill intersections were received and are summarised in Table 1.

During the last 9 months drilling has been ongoing at Jump-up Dam reducing the drill spacing down to 40mX40m over the key resource areas and down to 20mX20m and 10mX10m in two regions on the deposit for the purposes of ore type and grade continuity investigations and grade control for trial mining. Resource estimation is currently underway on this data to provide a more accurate resource model for use in the atmospheric leach studies. A total of 774 new drill holes for 37,500 metres will be included in this resource model as will results from the close-spaced control drilling and mining reconciliation.

Reconnaissance RC drilling comprising 55 holes for 2,526 meters was recently completed at the Pianto Road nickel laterite prospect, located some 25km south-west of Jump-up Dam. A zone of nickel laterite some 40-100 metres wide has been intersected on the 480 meters spaced lines over a strike length of some 1.4 kilometres. Assays for this drilling are pending.

Heron Resources Managing Director, Mr Mathew Longworth, said that Heron has maintained a rapid pace of exploration and resource drilling over the past few months.

“We have a continuing exploration and development program progressing over a number of regional targets in the Kalgoorlie area, with substantial amounts of drilling just completed,” said Mr Longworth.

“We have some good results from Boyce Creek, and Resource estimation work underway at Aubils, Boyce Creek and Jump-up Dam. We would expect the increased confidence Resource at Jump-up Dam to be completed first, with Boyce Creek and Aubils to follow.”

“The results we are seeing from all of these locations are suggesting that a Nickel Laterite Atmospheric Leaching operation based on multiple deposits may be possible. We will be expanding the scoping study to evaluate this possibility, along with the use of beneficiation in treating the Nickel Laterite ore.”

“Dependent upon the study results, an expansion to a multi deposit operation has the potential to significantly modify the financial parameters of the project.”

To distinguish the ongoing work Heron is conducting outside the Kalgoorlie Nickel Project with Vale Inco, Heron has collectively named the Aubils, Boyce Creek and Jump-up Dam areas the “Yerilla Project”. Future discoveries outside the KNP, such as the potential find at Pianto Road, may also form part of the Yerilla Project.

Based on resources reported to the ASX during 2007, the Yerilla Project has total resources in the Indicated and Inferred categories of **84 million tonnes at 0.73% nickel** based on a 0.5% nickel cut-off grade, as detailed in table 2.



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The exploration and Mineral Resource 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

Table 1 Boyce Creek Project significant intercepts (0.7% Ni cut-off and >1.2% Ni)

Hole	East	North	From	To	Width	Ni%	Co%
YERC0241	396920	6732160	26	30	4	1.23	0.01
YERC0253	397280	6732320	20	30	10	1.30	0.13
YERC0262	397240	6732642	10	14	4	1.27	0.02
YERC0263	397160	6732640	12	18	6	1.22	0.02
YERC0275	396760	6732802	4	16	12	1.23	0.03
YERC0290	396760	6733122	22	36	14	1.33	0.08
YERC0291	396680	6733122	26	41	15	1.23	0.12
YERC0294	396920	6733282	32	58	26	1.27	0.11
YERC0343	394718	6736398	2	24	22	1.37	0.01
YERC0344	394599	6736560	8	20	12	1.43	0.06
YERC0352	394761	6736400	14	18	4	1.28	0.02
YERC0352	394761	6736400	4	10	6	1.20	0.03
YERC0364	394960	6736079	14	32	18	1.42	0.07
YERC0374	394997	6735838	16	36	20	1.21	0.12
YERC0378	394921	6735760	2	6	4	1.36	0.09
YERC0441	397080	6732400	12	16	4	1.50	0.02
YERC0442	397040	6732400	8	26	18	1.26	0.16
YERC0447	396840	6732400	2	10	8	1.20	0.18
YERC0448	396800	6732400	4	12	8	1.28	0.20
YERC0453	397120	6732562	14	26	12	1.42	0.07
YERC0454	397080	6732562	12	24	12	1.24	0.06
YERC0459	396880	6732562	24	34	10	1.30	0.04
YERC0475	396800	6732720	10	24	14	1.21	0.05
YERC0488	396720	6732880	12	28	16	1.43	0.16
YERC0523	397000	6733362	18	24	6	1.22	0.07
YERC0528	396800	6733362	20	48	28	1.22	0.10

Table 2 Yerilla Project resources at 0.5% Ni Cut-off

Project Area	Inferred Category	Indicated Category	Total	Announcement Date
Jump-up Dam	16.6 Mt @ 0.61% Ni	49 Mt @ 0.75% Ni	65.6Mt @ 0.71% Ni	31 May 2007
Boyce Creek	18.4Mt @0.82% Ni		18.4Mt @0.82%Ni	29 August 2007
Total Yerilla Project			84Mt @ 0.73%Ni	

