



ASX Release – 18 January 2010

HERON NETS \$37.9 MILLION FROM SALE OF MINERAL RESOURCES SHARES

Heron Resources Limited (ASX:HRR) has finalised the sale of 5,324,324 shares in Mineral Resources Limited (**MIN**), being Heron's entire shareholding in MIN that Heron received as part consideration for the sale of its stake in Polaris Metals NL to MIN as part of MIN's successful takeover of Polaris (**Takeover**). The sale was completed at a price of \$7.15 resulting in net proceeds to Heron of \$37.9 million.

After adding the cash component of the Takeover consideration Heron received in excess of \$40 million for its stake in Polaris Metals NL. The carrying value recorded in Heron's accounts as at 30 June 2009 was \$6.5 million.

Heron's Managing Director Mathew Longworth said that the Board was pleased with the price realised for the shares, completing an orderly exit and monetizing the MIN investment.

"The cash realised means that Heron now has in excess of \$60 million cash at bank. This strong financial position will enable Heron to complete the assessment of the A1 Gold project, and if warranted, commission a mining operation. Significantly, Heron is now well positioned to pursue additional resource business opportunities. "

A handwritten signature in blue ink that reads 'N. Mathew Longworth'.

N Mathew Longworth
Managing Director

For media inquiries, please contact: Paul Downie, FD Third Person, 0414 947 129, (08) 9386 1233

About Heron

Heron is a mining development Company with primary interests in the Eastern Goldfields of Western Australia and Eastern Victoria.

The Kalgoorlie Nickel Project (KNP) is one of the largest undeveloped nickel laterite projects in the world. The KNP has a large resource, good infrastructure, low sovereign risk and extensive studies.

The Yerilla Nickel Cobalt Project is located 140km north east of Kalgoorlie, where Heron's partner Shanshan Ningbo is undertaking piloting of Shanshan's technology as part of a feasibility study into developing the Project.

Heron has a two year option to purchase the A1 Gold Mine in eastern Victoria, where the Company is developing a decline to evaluate this large historic gold mine. The A1 Gold Mine offers the opportunity for near term cash flow through the project's low capital and operating costs and low entry cost.