



ASX Release

Heron Resources Limited

2 September 2013

Exploration Update – Bedonia Nickel-Copper Drilling Commences

Heron Resources Limited (ASX:HRR) is pleased to provide an update on drill exploration being carried out at its wholly owned Bedonia Nickel-Copper Project in Western Australia.

Heron Resources Limited	
ASX:HRR	
Issued Shares	253M
Share Price	\$0.165
Market Cap	\$41.7M
Cash (Jun 2013) \$39.6M	

- At Bedonia, RC drilling has now commenced to test magnetic anomalies and an EM conductor adjacent to a nickel-copper soil auger anomaly.
- Drilling aims to confirm the presence of sulphides and favourable mafic host rocks, and provide platforms for later Down-Hole EM surveys.
- The principal target of the drilling is intrusive-related nickel-copper mineralisation of the Nova-Bollinger style, hosted in a Proterozoic-aged gneiss complex.

Bedonia Nickel-Copper Project (Heron 100%)

The Company's Bedonia Project covers 720km² and is located 75km east of Norseman, Western Australia (Figure 1) and some 60km west-southwest of the Nova-Bollinger nickel-copper discovery (by Sirius Resources NL). The Company is seeking similar nickel-copper mineralisation hosted within interpreted Proterozoic-aged Mount Andrews Gneiss Complex where there is potential for discrete mineralised mafic intrusive bodies.

Heron has now secured all the required statutory approvals and initial Reverse Circulation (RC) drilling has commenced, first testing magnetic targets to better understand the host stratigraphy, and then the main conductor target.

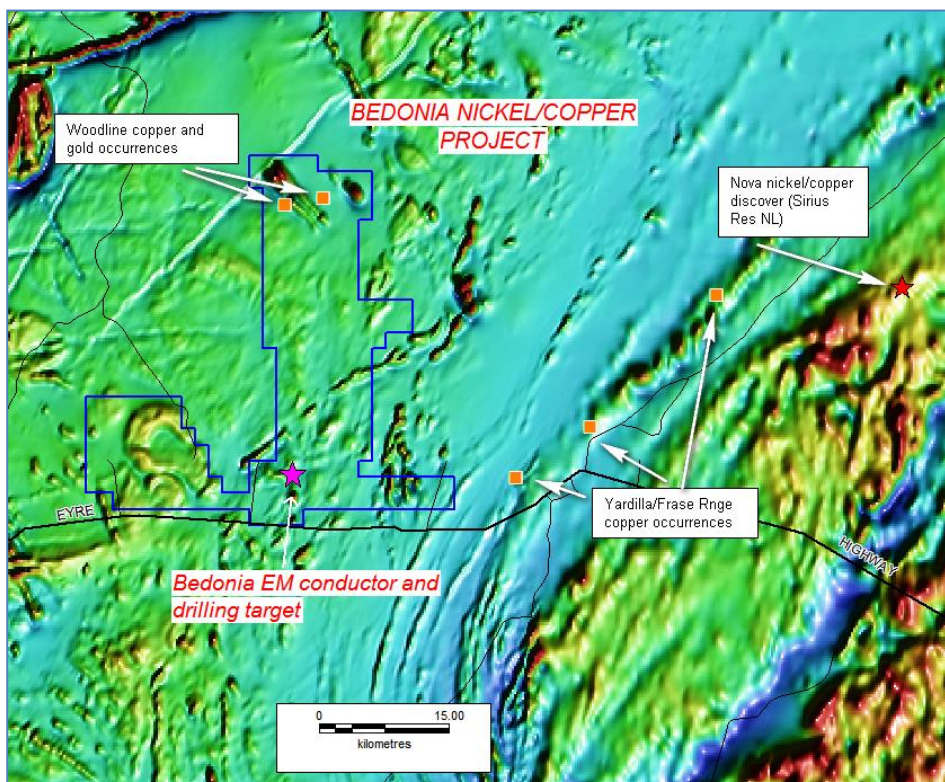


Figure 1
Aeromagnetic image showing Bedonia Project tenements with known mineral occurrences and Heron EM conductor drilling target.

The previously reported Bedonia Electro-Magnetic (EM) survey consisted of a moving loop survey followed by fixed loop surveys to better define anomalies.

The anomalies are considered to be related to a bedrock conductive body with a time constant modelled at around 14 milli-seconds. The conductive unit is modelled as being some 200 metres below the surface which is relatively deep and may account for the more subtle response seen in the surface EM surveys.

The EM conductor has an apparent WNW strike, oblique to the regional N-S magnetic trend suggesting remobilisation along a cross-cutting structure. The conductor is adjacent to and partly overlaps a coherent nickel and copper soil auger geochemical anomaly. In addition, there is a subtle magnetic high on the shoulder of the broader magnetic high in the area. This magnetic feature has also been modelled and is being drill tested as part of the RC program (Figure 2, 3).



Figure 2 Recently commenced Bedonia RC drilling – Figure 3 Bedonia RC drilling initially testing the magnetic anomaly

The Bedonia target area is entirely soil covered, so local geological settings are not well understood. Initial drilling has intersected zones of sheared mafic gneiss and amphibolite with carbonate-pyrite alteration all within a broader alternating mafic and felsic gneiss sequence. This is clearly an Albany-Fraser Mobile Zone Proterozoic-aged gneiss sequence, which is the favourable target stratigraphy.

The rig is expected to remain on site for 7 to 10 days, after which it will re-locate to Heron's Siberia South Gold Project to drill beneath the recently discovered RAB gold anomalies.

A handwritten signature in black ink, appearing to read 'I. Buchhorn'.

Ian Buchhorn
Managing Director

The information in this report that relates to Exploration is based on information compiled by David von Perger who is a Member of the Australasian Institute of Mining and Metallurgy. David von Perger is a full time employee of Heron Resources Limited and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration, and to the exploration activity that is being undertaking to qualify as a 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 has consented to the inclusion in this report of the matters based on his information in the form and context that it appears.