



# Heron Resources Limited

## ASX/TSX Release

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### Update on Heron Resources Board Spill Meeting

On 21 November 2014, at the annual general meeting (**AGM**) of Heron Resources Limited (**Heron**), Heron received a second strike vote against its remuneration report for the financial year ended 30 June 2014 and the shareholders approved the convening of a spill meeting (**Spill Meeting**).

At the conclusion of the AGM, Sprott Inc, and Exploration Capital Partners 2008 Limited Partnership (together, **Sprott**) presented Heron with a "Notice of Proposal to move Resolutions at next General Meeting pursuant to Sections 248N and 249P of the Corporations Act (Cth)" (**Notices**) being a move to appoint three nominees to the board of directors of Heron (**Board**).

Since that time, Heron has been in discussions with major shareholders, including Sprott, with a view to resolving a board composition that would meet with a high degree of support across the share register. Given the ongoing strong results from the Woodlawn project, both the Board and Sprott are of the view that an unsettled position with respect to Board composition would not be beneficial to any shareholder.

#### **As a result, Heron and Sprott have agreed, effective immediately:**

- The Notices seeking to appoint directors will be withdrawn by Sprott;
- Mr Borden Putnam III will join the Board as a Non-Executive Director (details of Mr Putnam's biography are contained in the Appendix to this announcement);
- The Board will recommend that all shareholders vote in favour of the re-election as directors of Messrs Ian Buchhorn, Stephen Dennis, Borden Putnam III and Craig Readhead at the Spill Meeting; and
- Sprott will vote in favour of the re-election of all of the above, and against any other resolution at the Spill Meeting relating to the election of any other person than those specified above.

Heron Chairman, Mr Craig Readhead said *"I am very pleased that we have been able to resolve for the benefit of all shareholders what was potentially a very significant distraction from the excellent progress the Company continues to make at Woodlawn. Heron has an outstanding asset in Woodlawn, and I am pleased to invite Mr Putnam to the Board to continue our forward progress towards development at Woodlawn."*

Heron will now move to hold the Spill Meeting 12 February 2015 or as soon as practicable thereafter. Following the Spill meeting, Heron will further consider the Board composition having regard to:

- The Board being comprised of a majority of independent directors who have a complimentary mix of skills and expertise best suited to meeting the needs of the Company. This will include a decision on the position of Chairman, with the current Chairman volunteering not to offer himself for consideration in order to resolve differences in classification of independence between Canadian and Australian securities law; and
- That the Chairman of the Board be independent for both the purposes of Australian and Canadian securities regulation.

Heron and Sprott have also jointly agreed to issue this release.



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**For further information, please visit [www.heronresources.com.au](http://www.heronresources.com.au) or contact:**

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**Appendix – Mr Borden Putnam III**

Mr. Putnam is a professional geologist with over 38 years of experience in the mineral industry, with focus on exploration and asset evaluations in the mineral investment business. From 1976-1991 he worked as a Project Geologist and a District Manager for AMAX Exploration and Newmont Exploration Limited respectively. He served as Vice-President and Chief Geologist for MRDI (now AMEC) an internationally recognized mining consultancy firm from 1991-1996. Mr. Putnam was Vice-President and Principal with Robertson Stephens Investment Management from 1996-2001, and from 2001-2009 was Managing Director of Eastbourne Capital Management; both firms which were engaged in mineral investment management principally as private hedge funds. In 2009, Mr Putnam, established his mining industry consultancy business providing technical evaluations, due diligence audits and investment advice to clients in the mineral resource industry.