



Heron Resources Limited

ASX/TSX Release

6 June 2016

Heron's Woodlawn Zinc-Copper Project Feasibility Study is on Track

Highlights

- Definitive Feasibility Study (DFS) is on track to provide results for release prior to the end of the June quarter 2016
- Initial Ore Reserve Statement for the planned high-grade underground mine is incorporated in DFS
- Tightening global supply provides the basis for a strengthening zinc price
- A new drilling program to test high-ranking near-mine exploration targets to commence post DFS release

Heron Resources Limited (**Heron** or the **Company**) is pleased to advise that the DFS for its wholly owned Woodlawn Project is progressing well and study results are scheduled for release, as previously announced, before the end of the June quarter 2016.

The fully-funded DFS for Heron's 100%-owned and fully permitted Woodlawn Zinc-Copper Project will provide an updated Mineral Resource statement, an initial Ore Reserve statement for the underground project, an updated Ore Reserve statement for the tailings project, updated operating and capital costs estimates and business case modelling. This study will underpin the Company's funding campaign to bring the Woodlawn Project into production in 2018.

Heron Resources Managing Director and Chief Executive Officer, Wayne Taylor, said that he was pleased with the progress made to date and that the DFS remained on budget and on schedule for release before the end of June 2016.

"The team is working very hard to make sure that we meet the DFS release schedule which pleasingly, also coincides with a fundamental shift taking place in the zinc market impacted by restricting global supply which in turn will support improved prices," said Mr Taylor.

"The restriction in global supply has been a result of some key industry players either curtailing their production output or closing their operations due to Ore Reserve depletion. This gives near term development projects such as Heron's the opportunity to step up and satisfy the growing demand needs."

"Woodlawn is perfectly placed to become a meaningful producer in the zinc market as early as 2018," said Mr Taylor.

The Company is also pleased to advise that following the release of the DFS results, a 2,500m drilling program will be undertaken focusing on the B Lens North and other near-mine targets previously defined within SML20. These are considered to be the highest ranking exploration targets that have the potential to significantly grow the project post the current development phase. The Company will provide a further update on this program closer to the commencement date.

About Heron Resources Limited:

Heron's primary focus is the development of its 100% owned, high grade Woodlawn Zinc-Copper Project located 250km southwest of Sydney, New South Wales, Australia. In addition, the Company holds a significant high quality tenement holding in the Lachlan Fold Belt of New South Wales and the Kalgoorlie Nickel Project in Western Australia.



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CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

This news release contains forward-looking statements and forward-looking information within the meaning of applicable Canadian securities laws, which are based on expectations, estimates and projections as of the date of this news release. This forward-looking information includes, or may be based upon, without limitation, estimates, forecasts and statements as to management's expectations with respect to, among other things, the timing of delivery of the Woodlawn Zinc-Copper Project Feasibility Study, the timing and amount of funding required to execute the Company's exploration, development and business plans, capital and exploration expenditures, the effect on the Company of any changes to existing legislation or policy, government regulation of mining operations, the length of time required to obtain permits, certifications and approvals, the success of exploration, development and mining activities, the geology of the Company's properties, environmental risks, the availability of labour, the focus of the Company in the future, demand and market outlook for precious metals and the prices thereof, progress in development of mineral properties, the Company's ability to raise funding privately or on a public market in the future, the Company's future growth, results of operations, performance, and business prospects and opportunities. Wherever possible, words such as "anticipate", "believe", "expect", "intend", "may" and similar expressions have been used to identify such forward-looking information. Forward-looking information is based on the opinions and estimates of management at the date the information is given, and on information available to management at such time. Forward-looking information involves significant risks, uncertainties, assumptions and other factors that could cause actual results, performance or achievements to differ materially from the results discussed or implied in the forward-looking information. These factors, including, but not limited to, the ability to complete the Woodlawn Zinc-Copper Project Feasibility Study on time or at all, and whether the feasibility study is positive and otherwise consistent with the business plans of the Company, fluctuations in currency markets, fluctuations in commodity prices, the ability of the Company to access sufficient capital on favourable terms or at all, changes in national and local government legislation, taxation, controls, regulations, political or economic developments in Canada, Australia or other countries in which the Company does business or may carry on business in the future, operational or technical difficulties in connection with exploration or development activities, employee relations, the speculative nature of mineral exploration and development, obtaining necessary licenses and permits, diminishing quantities and grades of mineral reserves, contests over title to properties, especially title to undeveloped properties, the inherent risks involved in the exploration and development of mineral properties, the uncertainties involved in interpreting drill results and other geological data, environmental hazards, industrial accidents, unusual or unexpected formations, pressures, cave-ins and flooding, limitations of insurance coverage and the possibility of project cost overruns or unanticipated costs and expenses, and should be considered carefully. Many of these uncertainties and contingencies can affect the Company's actual results and could cause actual results to differ materially from those expressed or implied in any forward-looking statements made by, or on behalf of, the Company. Prospective investors should not place undue reliance on any forward-looking information. Although the forward-looking information contained in this news release is based upon what management believes, or believed at the time, to be reasonable assumptions, the Company cannot assure prospective purchasers that actual results will be consistent with such forward-looking information, as there may be other factors that cause results not to be as anticipated, estimated or intended, and neither the Company nor any other person assumes responsibility for the accuracy and completeness of any such forward-looking information. The Company does not undertake, and assumes no obligation, to update or revise any such forward-looking statements or forward-looking information contained herein to reflect new events or circumstances, except as may be required by law.

No stock exchange, regulation services provider, securities commission or other regulatory authority has approved or disapproved the information contained in this news release.