



Heron Purchases Long Lead Items for the Woodlawn Project

- First project orders have been placed for long lead, critical path equipment at Woodlawn
- Equipment orders include:
 - IsaMill M10000 fine grinding mill
 - Outotec floatation cells
 - Outotec thickeners
- Orders have been placed under the EPC contract with Sedgman and are expected to have a positive impact on the project delivery schedule

Heron Resources Limited (ASX:HRR TSX:HER, “Heron” or the “Company”) is pleased to advise that it has placed initial orders for a number of items of equipment that are on the project critical path for the development of the Woodlawn Zinc-Copper Project located 250km southwest of Sydney, New South Wales, Australia.

The procurement of this equipment follows an analysis of the development schedule aimed at identifying the long lead items sitting on the critical path to first production. The items are integral to the processing facility and include:

- IsaMill M10000 fine grinding mill (value USD4.4M)
- Outotec floatation cells (value AUD4.9M)
- Outotec thickeners (value AUD1.2M)

The placement of the orders is expected to have a positive impact on the overall schedule and have been placed under the EPC contract with Sedgman.

Commenting on this development, Heron’s Managing Director, Mr Wayne Taylor said “*The placement of orders for long lead items will ensure that after securing project finance we are able to optimise the development schedule for Woodlawn. We expect construction will commence immediately after our project financing is completed at the end of this month*”.



Figure 1: 3D view of the Woodlawn process plant



Heron Resources Limited

ASX/TSX Release

14 August 2017

The process treatment facility will be delivered in stages that aligns with mine development at Woodlawn. The processing facility will have a rated throughput capacity of 1.5 Mtpa when treating the reclaimed tailings ore and 1.0Mtpa when treating underground ore. The facility will commence with the tailings reprocessing and will switch over to underground processing when ore is available. Three separate base metal concentrates will be produced, namely, zinc, copper and lead with precious metal credits in the copper and lead concentrates.

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.

Following the release of the Woodlawn Feasibility Study in 2016, the Company announced on 30 June 2017 that it had secured an A\$240 million financing package for the development of the project¹.

For further information, please visit www.heronresources.com.au or contact:

Australia:

Mr Wayne Taylor
Managing Director and Chief Executive Officer
Tel: +61 2 9119 8111 or +61 8 6500 9200
Email: heron@heronresources.com.au

Jon Snowball
FTI Consulting
+61 2 8298 6100
jon.snowball@fticonsulting.com

Canada:

Tel: +1 647-862-1157
(Toronto)

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

This report 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 report. 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 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, 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 report 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

¹ Transaction is subject to various conditions precedent including Heron shareholder approval. Refer to Heron's market release of 30 June 2017 'Heron Secures Complete A\$240 Million Funding Package for Development of its Woodlawn Zinc-Copper Project'



Heron Resources Limited

ASX/TSX Release

14 August 2017

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 report.