



4 September 2018

Dear Shareholder

## NOTICE OF INTENTION TO SELL YOUR UNMARKETABLE PARCEL OF SHARES IN HERON RESOURCES LIMITED

We are writing to advise you that Heron Resources Limited (**Heron** or **Company**) has established a share sale facility (**Facility**) for shareholders that hold less than \$500 in value of Heron's shares (**Unmarketable Parcel**) as at 5.00pm (AEST) on 31 August 2018 (**Record Date**).

The Company is offering this Facility to assist holders of Unmarketable Parcels to sell shares who might otherwise find it difficult to sell their shares due to the small size of their holding without incurring brokerage or handling costs.

The Company's registry records show that you held an Unmarketable Parcel based on the closing price of the Company's closing share price of \$0.58 cents on 31 August 2018. Unless you advise the Company by 5.00pm (EST) on 16 October 2018 (**Closing Date**) that you do **not** wish to sell your shares, the Company intends to sell your shares through the Facility in accordance with article 2.12 and schedule 4 of the Company's constitution.

The Company will pay all costs of the sale for holders of an Unmarketable Parcel who use this Facility, excluding tax consequences from the sale which remain the shareholder's responsibility. The sale proceeds will be determined once all the shares under the Facility are sold. You will receive your proportionate share of the sale proceeds, based on your initial shareholding, from all shares sold under the Facility without any deduction for brokerage or handling costs.

The price that you receive for your shares under the Facility will be determined by when and how the shares are sold. The Company may sell your shares on market or in any other way it considers fair and reasonable in the circumstances. If the shares are sold on market the price will depend on a number of factors, including market conditions at the time of sale.

### ***What do you need to do if you wish to sell your Unmarketable Parcel?***

You do not need to take any action. Your shares will be sold through the Facility after the Closing Date and the proceeds of the sale will be paid to you.

If you have previously provided the Company with details of an account with an Australian financial institution, your sale proceeds will be paid in Australian dollars by direct credit into that account. The Company encourages you to notify it of your account details by completing Step B of Option B of the enclosed Share Sale Election Form and return it before the Closing Date, being 5.00pm (AEST) on 16 October 2018. In all other circumstances, sale proceeds will be paid in Australian dollars by cheque.



By refraining from taking any action, you will be deemed to have irrevocably appointed the Company as your agent:

- to sell all your shares at a price to be determined by when and how the shares are sold and without any cost being incurred by you; and
- to deal with the proceeds of the sale as detailed in the attached Information Sheet.

#### PERTH OFFICE:

 L 1, 7 Havelock Street, West Perth WA 6005  
 P O Box 1380, West Perth WA 6872  
 +61 8 6500 9200

#### WOODLAWN OFFICE:

 507 Collector Rad, Tarago NSW 2580  
 +61 2 4816 6300

### **What do you need to do if you wish to retain your Unmarketable Parcel?**

If you wish to retain your shares, you must:

- complete and return the attached Share Sale Election Form before the Closing Date, being 5.00pm (WST) on 16 October 2018. Alternatively, you may visit <http://investor.automic.com.au/#/home> before the Closing Date to submit your intention to retain your existing holding; or
- increase your shareholding so that you hold more than \$500 in value of Heron shares at the Closing Date.

### **Key Dates**

A summary of the key dates in relation to the Facility are as follows:

Unmarketable Parcels Record Date	7.00pm (AEST) on 31 August 2018
Unmarketable Parcel announcement to ASX	4 September 2018
Letters sent to shareholders holding Unmarketable Parcels	4 September 2018
Closing Date for receipt of Share Sale Election Form	5.00pm (AEST) on 16 October 2018
Estimated Unmarketable Parcels payment date	As soon as practicable after 18 October 2018

The Company makes no recommendation as to whether you should participate in the Facility.

If you need help deciding what to do or if you require information regarding the financial, legal or tax consequences of participating in the Facility, you should consult your legal, financial, taxation or other professional adviser.

The attached Information Sheet provides further information about the Facility. Please read it carefully and if you have any questions, please contact Mr. Simon Smith, Company Secretary, on +61 2 9119 8111.

Yours sincerely



Simon Smith  
Company Secretary

## INFORMATION SHEET – HERON RESOURCES LIMITED UNMARKETABLE PARCEL SALE FACILITY

### 1. What is the Share Sale Facility?

The share sale facility (**Facility**) is a share sale arrangement which Heron Resources Limited (**Heron or Company**) has established to sell shares held by its shareholders who hold shares in the Company valued at less than \$500 (**Unmarketable Parcel**) as at 5.00pm (AEST) on 31 August 2018 (**Record Date**).

### 2. Why is the Facility being offered?

The Company is providing the Facility to allow shareholders with a small size holding to dispose of their shares without incurring brokerage or handling costs, or who might otherwise find it difficult to sell their shares due to the small size of their holding. Further, by making the Facility available, the Company expects to reduce the administrative costs associated with maintaining the Unmarketable Parcels.

### 3. What is the amount that I will receive for sale of my shares?

You will receive your proportionate share of the sale proceeds, based on your initial shareholding, from all shares sold under the Facility without any deduction for brokerage or handling costs.

The price that you receive for your shares under the Facility will be determined by when and how the shares are sold. The Company may sell your shares on market or in any other way it considers fair and reasonable in the circumstances. If the shares are sold on market the price will depend on a number of factors, including market conditions at the time of sale.

### 4. Does Heron have the right to sell my Shares?

The Company has the right under its constitution (article 2.12 and schedule 4) and ASX Listing Rule 15.13 to sell Unmarketable Parcels of shares, unless those shareholders elect to retain their shares by returning their Share Sale Election Form by 5.00pm (AEST) 16 October 2018.

### 5. What are the benefits of selling through the Facility?

Shareholders who utilise the Facility will have their shares sold without incurring any brokerage or handling costs. Any tax consequences arising from the sale of your shares will be your responsibility.

### 6. What should I do if I wish to sell my Unmarketable Parcel of shares?

If you wish to sell your shares without incurring brokerage or handling costs, you do not need to take any action other than completing the enclosed Share Sale Facility Form. Your shares will be sold through the Facility after 16 October 2018 (**Closing Date**) and your portion of the proceeds received from all of the shares sold under the Facility will be paid to you.

By refraining from taking any action, you will be deemed to have irrevocably appointed the Company as your agent:

- to sell all your shares at a price to be determined by when and how the shares are sold and without any cost being incurred by you; and
- to deal with the proceeds of the sale as detailed in this Information Sheet.

### 7. What should I do if it wish to retain my Unmarketable Parcel of shares?

If you wish to retain your existing holding, then you must either:

- lodge your election online at <https://investor.automic.com.au/#/home> or correctly complete, sign and return the enclosed Share Sale Election Form so that it is received by the Closing Date. Please read the instructions on your personalised Share Sale Election Form carefully before completing it;

- arrange to have multiple holdings consolidated into the one holding, which has \$500 or more in value of Heron shares on the Closing Date; or
- make your own arrangements outside this Facility to purchase additional shares so that you are the registered holder of \$500 or more in value of Heron shares on the Closing Date. For a purchase to be an effective notification that you wish to retain your shares, any additional shares purchased must be registered by the Closing Date under the same name and address and with the same holder number (SRN or HIN) as set out in this letter.

If you successfully take one of these steps, the Company will not be entitled to sell your shares under this Facility.

#### **8. When will my shares be sold under the Facility?**

The sale of shares under the Facility is expected to occur as soon as practicable after the Closing Date.

#### **9. What if I purchase more shares in Heron?**

If you increase your shareholding so that it is valued at \$500 or more by the Closing Date, the Company will not sell your shares under the Facility.

#### **10. When and how will I receive my sale proceeds?**

If you have previously provided the Company with details of an account with an Australian financial institution, your sale proceeds will be paid in Australia dollars by direct credit into that account. The Company encourages you to notify it of your account details by completing Step B of Option B of the enclosed Share Sale Election Form and return it before the Closing Date, being 5.00pm (WST) on 16 October 2018. In all other circumstances, sale proceeds will be paid in Australian dollars by cheque.

The proceeds to which you are entitled will be remitted to you as soon as practicable after the sale.

#### **Important Notes**

This Information Sheet and accompanying letter do not constitute advice, nor a recommendation to buy, sell or hold shares in the Company, nor that the Facility is the best way to sell your shares. If you are in doubt about what to do, you should consult your legal, financial, taxation or other professional advisers.






Heron reserves the right to change any of the dates referred to in the accompanying letter, this Information Sheet or the Share Sale Election Form by written notice to ASX. The Company may, before a sale of shares is completed under the Facility, suspend or terminate the Facility, either generally or in specific cases.



HERON RESOURCES LIMITED | ACN 068 263 098

All Registry Communication to:



-  PO Box 2226, Strawberry Hills NSW 2012
-  1300 288 664 (within Australia)
-  +61 2 9698 5414 (international)
-  [corporate.actions@automic.com.au](mailto:corporate.actions@automic.com.au)
-  [www.automic.com.au](http://www.automic.com.au)

[EntityRegistrationDetailsLine1Envelope]  
 [EntityRegistrationDetailsLine2Envelope]  
 [EntityRegistrationDetailsLine3Envelope]  
 [EntityRegistrationDetailsLine4Envelope]  
 [EntityRegistrationDetailsLine5Envelope]  
 [EntityRegistrationDetailsLine6Envelope]

No. of Securities Held: [HRRUMPWRK Holding]
Security Code: HRR
Holder Reference (SRN/HIN): [HolderNumber]

## LESS THAN MARKETABLE PARCEL: SHARE SALE ELECTION FORM

**IMPORTANT:** YOUR ELECTION MUST BE RECEIVED BY NO LATER THAN 5.00PM (AEST) ON TUESDAY 16 OCTOBER 2018.

This is an important document and requires your immediate attention. This document should be read in conjunction with the enclosed shareholder letter. If you are in any doubt as to how to deal with this form, you should consult your professional advisor.

### Option A: Elect Online (Recommended)

**Visit <https://investor.automic.com.au/#/home>**

To elect online, simply scan the barcode to the right with your tablet or mobile device or enter the above link into your browser. Once logged in to the Investor Portal you will be able to access your election by clicking on the 'Offers' menu on the left-hand navigation panel.

- ✓ **It's fast and simple:** Electing online is very easy to do, it eliminates any postal delays and removes any potential risk of it being lost in transit.
- ✓ **It's secure and confirmed:** Electing online provides you with greater privacy over your instructions and provides you with confirmation that your Election has been successfully processed.




### Option B: Paper Election

**Step 1:** Make your election below:

**A PLEASE TICK THE BOX TO INDICATE YOU WISH TO RETAIN YOUR SHARES**

**B REQUEST FOR DIRECT CREDITING OF PAYMENTS – SELL YOUR SHARES**  
 Please provide your EFT details below.

BSB Number <input type="text"/>	Account Number <input type="text"/>
Name in which account is held (e.g.: John Smith) <input type="text"/>	



**DO NOT USE YOUR CARD NUMBER**  
 If you are unsure of your account or BSB number, please check with your bank, building society or credit union.

**Note:** Do not complete section B if you wish to retain your shares. By completing your details online OR above you are agreeing to the sale of your shares even if you tick the above box in section A.

**Step 2:** Provide your contact details:

Telephone Number <input type="text"/>	Contact Name (PLEASE PRINT) <input type="text"/>
Email Address <input type="text"/>	

**SUPPORT YOUR COMPANY:** By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible).

**Step 3:** Sign and return the form in accordance with the instructions provided:

I/We authorise you to act in accordance with my/our instructions set out above. I/We acknowledge that these instructions supersede and have priority over all previous instructions relating to payments to which I/we am/are entitled to be paid in cash.

Individual or Securityholder 1	Securityholder 2	Securityholder 3
<input style="width: 100%; height: 30px;" type="text"/>	<input style="width: 100%; height: 30px;" type="text"/>	<input style="width: 100%; height: 30px;" type="text"/>
Sole Director or Sole Director & Sole Company Secretary	Director	Director/Company Secretary

# INSTRUCTIONS FOR COMPLETION OF THIS FORM

## ELECTION OPTIONS

### **A** RETENTION OF SHARES

If you wish to retain your shares, please place a tick in the box provided. Should you validly sign the form but fail to place a tick in the box, it will be at the Company's discretion as to whether or not it is your intention to retain your shares.

### **B** SELLING YOUR SHARES - REQUEST FOR DIRECT CREDITING OF PAYMENTS

If you wish to sell your shares, please provide your bank details in this section. Do not complete this section if you wish to retain your shares. If you provide your direct credit instruction details, you are agreeing to the sale of your shares even if you have placed a tick in Box A.

## SIGNING REQUIREMENTS

- Individual:** Where the holding is in one name, the Shareholder must sign.
- Joint holding:** Where the holding is in more than one name, all of the Shareholders must sign.
- Power of Attorney:** If any signatory signs under Power of Attorney, please attach an originally certified photocopy of the Power of Attorney to this Form when you return it.
- Companies:** To be signed in accordance with your Constitution. Please sign in the box which indicates the office held by you.
- Estates:** If any signatory signs in the capacity of Executor/s, please attach to this Form when you return it, a certified photocopy of the Probate or Death Certificate together with the Will.

LOGGING YOUR SHARE SALE FACILITY FORM
This form must be received at an address given below by 5.00PM (AEST) on Tuesday, 16 October 2018.
<b>ONLINE</b> By following the instructions overleaf
<b>BY EMAIL</b> Scan and email a copy of your form to <a href="mailto:corporate.actions@automic.com.au">corporate.actions@automic.com.au</a>
<b>BY FACSIMILE</b> +61 2 8583 3040
<b>BY MAIL</b> Heron Limited C/- Automic PO Box 2226 Strawberry Hills NSW 2012
<b>BY HAND DELIVERY (Between Sydney office hours 9.00am – 5.00pm AEST)</b> Automic Level 29 201 Elizabeth Street Sydney NSW 2010

**YOUR SHARE SALE FACILITY FORM MUST BE RECEIVED BY NO LATER THAN  
5.00PM (AEST) ON TUESDAY 16 OCTOBER 2018**