



New High-Potential Drill Targets Identified Adjacent to Woodlawn Mine

- Large area (4.0km x 2.4km) Induced Polarisation (IP) survey recently completed north of the Woodlawn Mine has delineated a number of significant IP anomalies, with two key targets:
 - Coincident chargeability and conductivity anomaly at Murphy's prospect
 - Large chargeability anomaly at Bucklands North prospect
- Anomalies lie on Heron's granted mining lease and within 2.5km of the Woodlawn plant site, currently being commissioned
- Targets will be drill tested in the coming weeks

Heron Resources Limited (ASX:HRR "Heron" or the "Company") is pleased to report on the results of an IP geophysical survey at its wholly-owned Woodlawn Zinc-Copper Project, located 250km south-west of Sydney, New South Wales, Australia. The program consisted of a modern IP survey within Heron's granted mining lease and covers an area of 4.0km x 2.4km directly north of the Woodlawn Mine.

Commenting on the new program, Heron Resources Managing Director and CEO, Mr. Wayne Taylor said: "Our exploration team is focusing on the area around the Woodlawn Mine with the specific aim of discovering a new Woodlawn-style deposit. Modern geophysical techniques are ideally suited for this style of mineralisation and this IP survey has generated some of the most exciting responses since the discovery of the Kate Lens electro-magnetic anomaly. We look forward to mobilising a drilling rig in the coming weeks to drill test these anomalies."

IP geophysical surveys were successful in identifying the original Woodlawn deposit in the early 1970s; however, the early surveys could penetrate only to depths of approximately 150m whereas the modern high powered surveys can penetrate considerably deeper to approximately 700m. An IP survey was recently completed directly north of Woodlawn (Figure 1) in an area which contains the Woodlawn volcanogenic massive sulphide (VMS) host rocks, in an effort to identify anomalies at depth that could be related to potential new Woodlawn style deposits. Survey lines were spaced at 400m with some infill in the south to 200m.

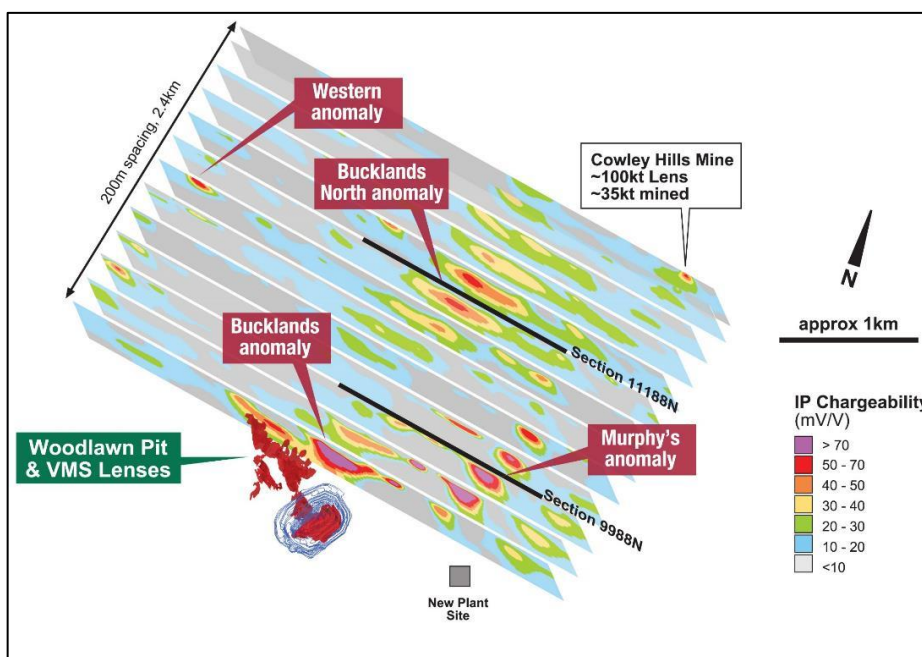


Figure 1: 2D slices through 3D IP geophysical model showing chargeability responses in the area surveyed. The Woodlawn open pit and VMS lenses are shown to scale; and position relative to the plant site.



Heron Resources Limited

ASX Release

7 May 2019

The data was collected on 2D lines and then modelled in 3D to provide the slices shown in Figure 1. The survey recorded chargeability, conductivity and magneto telluric data. Electrical noise (interference) levels were low, providing the survey with good depth of penetration and signal resolution. The northern-most line covered the Cowley Hills VMS deposit (35kt of massive sulphides mined in the 1990s) and showed a relatively weak response, which provides a guide for the other responses detected in the current survey.

The two main IP anomalies at the Murphy's and Bucklands North prospects have been selected for immediate drill follow-up. The anomalies at Bucklands (directly north-west of the Woodlawn pit) and the Western prospect also warrant follow-up drilling but have been prioritised below the two initial anomalies.

The anomaly at the Murphy's prospect is a strong coincident chargeability and conductivity anomaly extending down 600-800 m below the surface (Figures 2 and 3) and covering a strike extent of some 600 m. Murphy's has a strong surface geochemical anomaly and shallow drilling here in the 1980s and 1990s intersected broad zones of relatively weak zinc, lead and copper mineralisation within a mixed sequence of hydrothermally altered Woodlawn Volcanics and De Drack Formation volcanoclastic and sedimentary package. The IP results indicate the mineralisation may continue and potentially get stronger at depth. A proposed 780 m deep drill hole is being planned to provide an initial test of this anomaly (Figures 2 & 3).

Figure 2: Cross section looking north through the Murphy's prospect showing chargeability response and proposed drill hole.

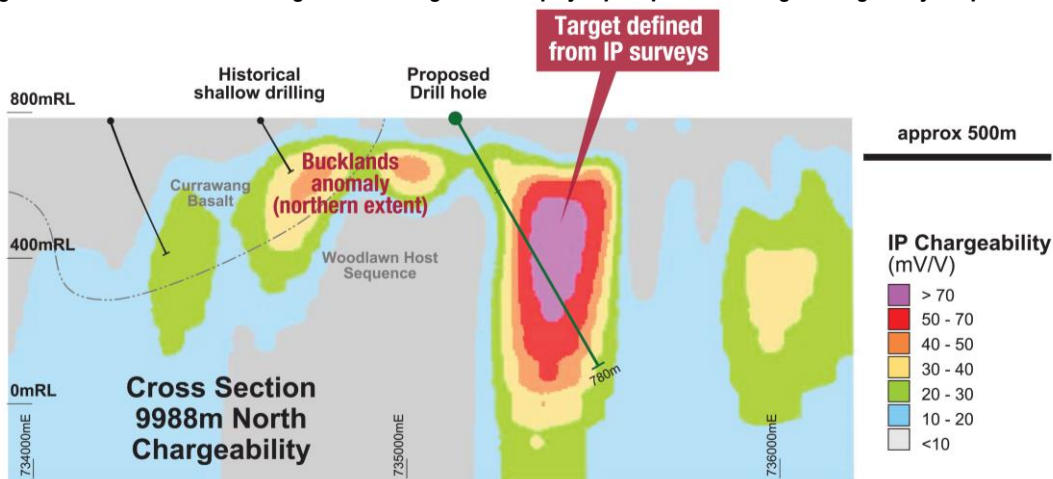


Figure 3: Cross section looking north through the Murphy's prospect showing conductivity response and proposed drill hole.





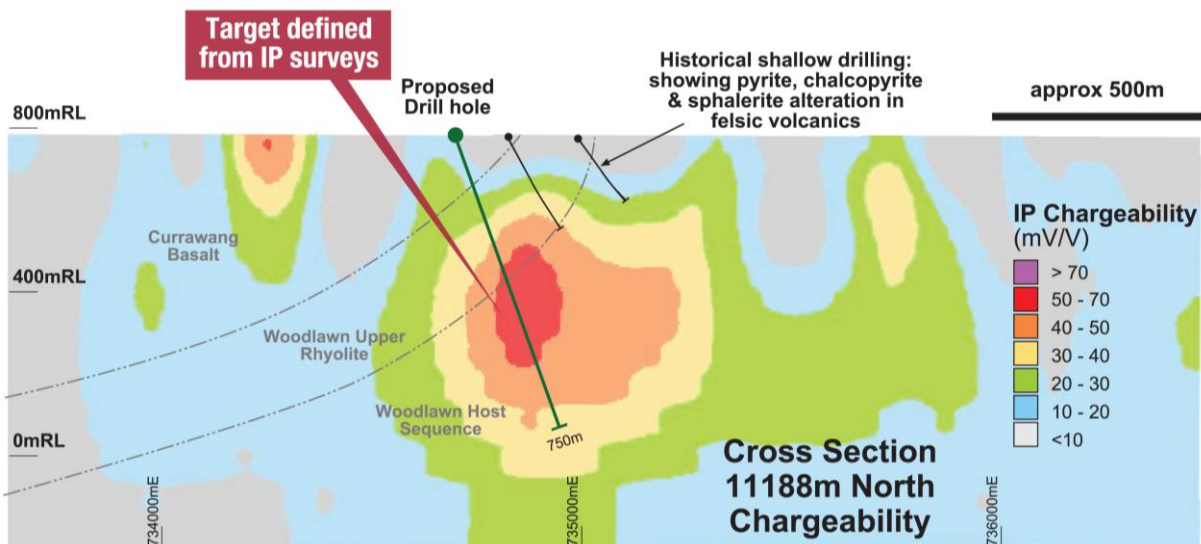
Heron Resources Limited

ASX Release

7 May 2019

At the Bucklands North prospect a large, strong chargeability anomaly has been identified over some 600 m of strike (Figure 4). This chargeability anomaly is deeper and larger than the Murphy's target and may reflect a broad zone of disseminated sulphides surrounding a sulphide lens at depth. Weak base-metal sulphide mineralisation was returned from shallow drilling undertaken in the 1990s and indicates the possibility of a distal alteration halo surrounding a VMS system. The absence of a coincident conductivity anomaly in this area does not diminish the targets prospectivity: Woodlawn-style ore bodies produce relatively narrow conductivity anomalies compared to chargeability because the conductivity responds to small, narrow massive sulphide 'core' only, while the chargeability maps the volumetrically much larger disseminated sulphide halo. Therefore, it can be expected that a deep orebody may only be visible in the chargeability data and not in the conductivity data. A proposed 750 m deep drill hole has been planned to provide an initial test of this anomaly (Figure 4).

Figure 4: Cross section looking north through the Bucklands North prospect showing chargeability response and proposed drill hole.



The drill program is in the final stages of planning with drilling expected to commence in the next few weeks.

About Heron Resources Limited (ASX:HRR)

Heron Resources Limited is engaged in the exploration and development of base and precious metal deposits in Australia. Heron's primary focus is on its 100% owned, high grade Woodlawn Zinc-Copper Project located 250km southwest of Sydney, New South Wales, Australia – one of the few new zinc projects that is fully-funded to production. Production of base metal concentrates is due to commence imminently and this places the Company on track to participate in the pricing environment supported by a strong zinc physical market. In addition, the Company holds a number of significant high quality, base and precious metal tenements regional to the Woodlawn Project.

To learn more, please visit: www.heronresources.com.au or contact

Mr. Wayne Taylor
Managing Director and Chief Executive Officer
Tel: +61 2 9119 8111 or +61 8 6500 9200
Email: heron@heronresources.com.au Or follow us on Twitter [@Heron_Resources](https://twitter.com/Heron_Resources)

Compliance Statement (JORC 2012)

The technical information in this report relating to the exploration results is based on information compiled by Mr. David von Perger, who is a Member of the Australian Institute of Mining and Metallurgy (Chartered Professional – Geology). Mr. von Perger is a full time employee of Heron Resources Limited and has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results'. Mr. von Perger has approved the technical disclosure in the news release.