



Heron Enters Into Farm-out Agreement on Non-Core Tenements in NSW

- Two non-core projects in NSW, owned 100% by Heron, farmed-out to Sky Metals Ltd (Sky)
- Sky will be required to spend \$400k in first year, and then spend a further \$1.6M over 3 years to earn an 80% interest and free-carry Heron to DFS or \$10M of expenditure
- Heron to receive 10M Sky options at a strike price of 15c and exercisable when Sky proceeds to commits to \$2m farm-in stage
- The agreement is in keeping with Heron's strategy to focus on production and near mine-exploration at its Woodlawn operation whilst generating value from its other non-core assets.

Heron Resources Limited (ASX:HRR "Heron") is pleased to report it has entered into an Agreement with Sky Metals Limited (Sky) whereby Sky will earn into three Heron tenements in eastern NSW, under the following terms:

- The Agreement is for two project areas Cullarin (21km west of Goulburn) and Kangiara (27km north of Yass) covered by three tenements, see Figure 1.
- Sky will spend \$400,000 in the first year and a total of \$2.0M over 3 years to earn an 80% interest.
- Heron will then be free carried at 80% until a definitive feasibility study (DFS) is completed or \$10M of total expenditure is reached.
- Heron receives 10M Sky options at a strike price of 15c and exercisable when Sky proceeds to \$2m farm-in stage.
- Additional details are provided in the attached report produced by Sky.

Commenting on the agreement Heron's Chairman, Mr. Stephen Dennis, said: *"The Agreement provides Heron an opportunity to generate value from a number of non-core tenements whilst it focusses on the business of maximizing the return from our operations at Woodlawn."*

About Heron Resources Limited (ASX:HRR)

Heron Resources Limited (ASX:HRR) 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. 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

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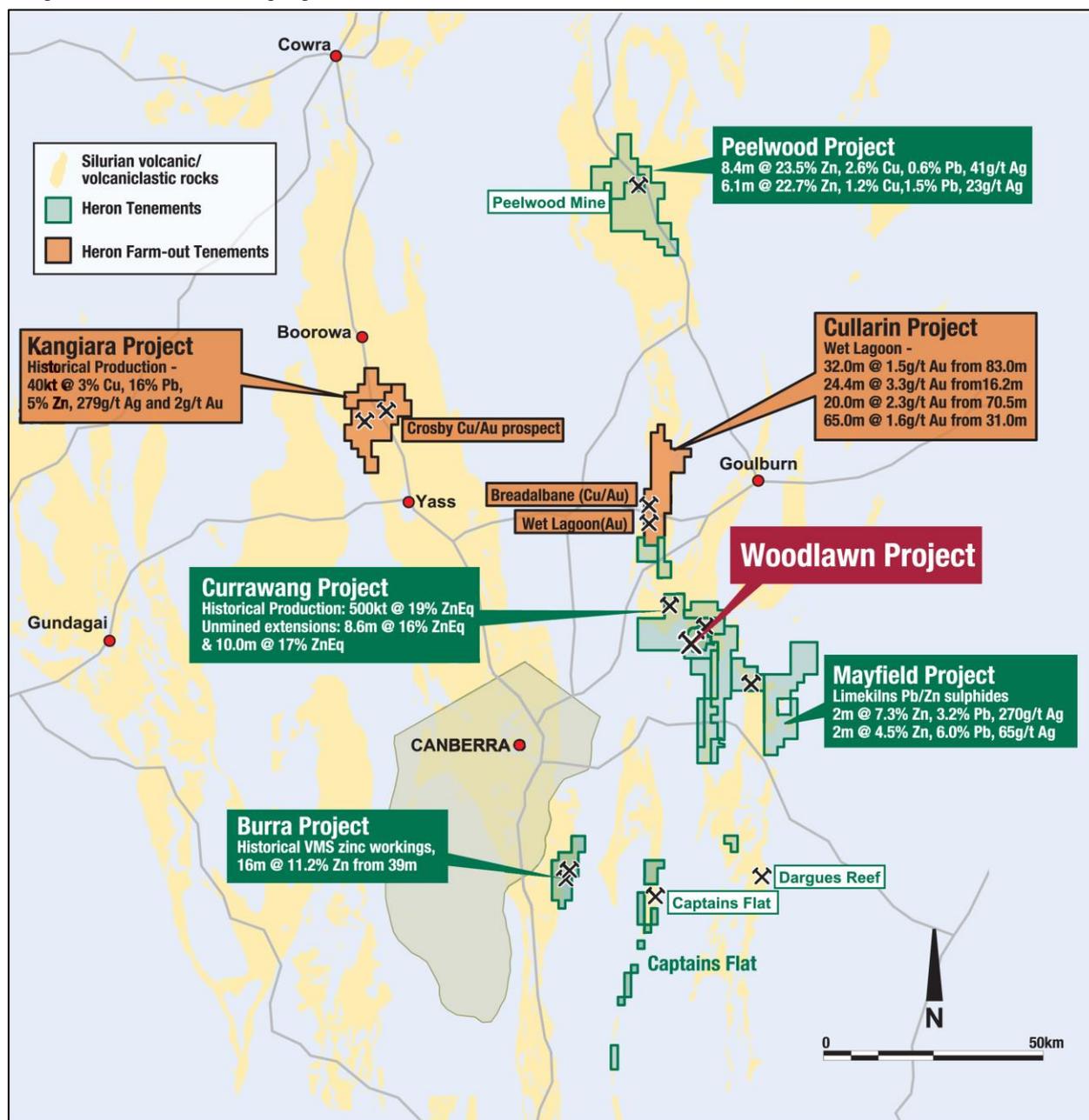


Heron Resources Limited

ASX Release

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Figure 1 Heron's projects in eastern New South Wales. The two projects being farmed out to Sky Metals Ltd, Kangiara and Cullarin, are highlighted.



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.