



**Heron Resources Limited**  
**ASX Release**  
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## KNP Partnership Process – Adviser Appointed

Heron Resources Limited (ASX: HRR) is pleased to provide an update on its wholly owned Kalgoorlie Nickel Project (KNP) located near Kalgoorlie in Western Australia:

- Heron has received strong in-bound interest in the KNP from a number of parties
- Heron has mandated KPMG Corporate Finance as its adviser to coordinate the partnership process, with a focus on downstream nickel-cobalt end-users from China, Japan and Korea

### ASX:HRR

Issued Shares	253M
Share Price	\$0.115
Market Cap	\$29.1M
Cash (Mar 2014)	\$33.6M
Investments	\$ 5.1M
Convert Note	\$ 1.3M
Total C+I	\$40.0M

## Kalgoorlie Nickel Project (Heron 100%)

### Partnership Process

Heron is pleased to report that strong in-bound interest has been received from a number of parties considering the merits of partnering on the KNP.

This interest appears to be driven by a number of factors including:

- the relatively strong nickel price environment and outlook;
- the decline in ore exports from the Indonesian laterite nickel industry and the consequent need to identify alternative sources of nickel ore or concentrate;
- the flowsheet advances made by Heron through its partnership with Simulus including the recently announced Scoping Study results; and
- Heron's recent public disclosures around the commencement of a partnership process.

A summary update on the status of the KNP is being published alongside this release. Please refer to Heron's announcements of 7 and 22 April 2014 for details regarding the Scoping Study results and the forward work program for the KNP.

As a result of the interest shown in the KNP, Heron is pleased to announce that it has mandated **KPMG Corporate Finance** to assist the Company in running a process to identify and work with potential partners on investment terms. The process will develop interest from existing interested parties as well as seeking out other potential partners, and will have a focus on companies who can assist in taking the KNP through the feasibility stage into production.

Whilst encouraging, there is no certainty that any of these enquiries or expressions of interest will result in a joint venture, partnership or investment agreement.

Heron expects the process to be substantially completed during 2014.

Ian Buchhorn

Managing Director