



April 2018
121 Hong Kong



Corporate Presentation
Building an Australian zinc producer

ASX:HRR

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Compliance Statement (JORC 2012 and NI 43-101)

This presentation incorporates by reference the complete ASX announcement relating to the Feasibility Study results which were released to the market on 29 June 2016 and is entitled "Heron Resources delivers robust Feasibility Study for Woodlawn Project" ("FS Announcement"). The FS Announcement is available from the Company's website at www.heronresources.com.au or from the ASX or SEDAR, and contains the JORC Table 1 relating to the Mineral Resources and Ore Reserves as well as the detailed technical and financial assumptions which underpin the FS results. These detail assumptions are included in the 'Technical Report (NI 43-101) Feasibility Study for the Woodlawn Project' as released on SEDAR 25 July 2016.

The technical information in this release relating to the exploration results and forward program at the Woodlawn Project 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 mineralization and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the JORC Code (2012 edition) and "qualified person" as this term is defined in Canadian National Instrument 43-101 ("NI 43-101"). Mr von Perger has reviewed and approved the technical information this presentation.

The zinc equivalent ZnEq calculation takes into account, mining costs, milling costs, recoveries, payability (including transport and refining charges) and metal prices in generating a Zinc equivalent value for Au, Ag, Cu, Pb and Zn. $ZnEq = Zn\% + Cu\% \cdot 3.12 + Pb\% \cdot 0.81 + Au \text{ g/t} \cdot 0.86 + Ag \text{ g/t} \cdot 0.03$. Metal prices used in the calculation are: Zn US\$2,300/t, Pb US\$ 2,050/t, Cu US\$6,600/t, Au US\$1,250/oz and Ag US\$18/oz. These metal prices are based on Heron's long term view on average metal prices. It is Heron's view that all the metals within this formula are expected to be recovered and sold. Metallurgical metal recoveries used for the formula are: 88% Zn, 70% Pb, 70% Cu, 33% Au and 82% Ag; these are based on historical recoveries at Woodlawn and supported by metallurgical testwork undertaken during the 2015-16 feasibility study. Commodity prices and metallurgical recoveries are factored into the zinc equivalent calculation using a standard metal equivalent formula.

HERON RESOURCES INVESTMENT PROPOSITION

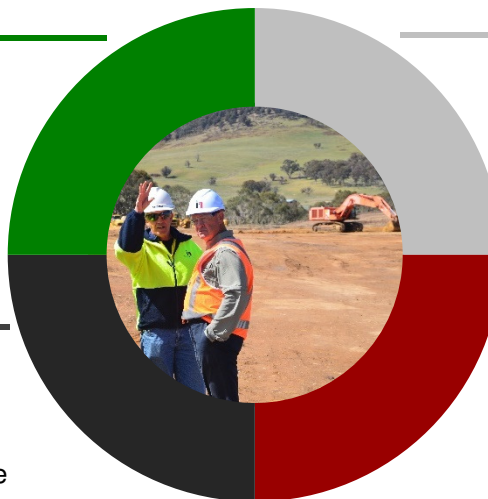
ASX:HRR

MARKET - ZINC

- Supply / demand fundamentals support price strength
- Woodlawn production timed to meet tight physical market

ASSET - WOODLAWN PROJECT

- High quality deposit
- Compelling 'starter' business case
- Favourable jurisdiction & excellent infrastructure
- Longevity through resource conversion & discovery



FINANCED - FOR DEVELOPMENT

- A\$240M full funding package
- Three supportive cornerstone investors

FOCUS - EXCLUSIVELY WOODLAWN

- 100% focus – Woodlawn production
- Construction underway – 39% COMPLETE
- First product shipment – Q1 2019
- Growth through strong regional position

HERON OVERVIEW

Company snapshot



CAPITAL STRUCTURE

ASX listing:	ASX: HRR
Shares:	242 million
Options:	2 million
Share Price:	A\$0.65
Market Cap:	A\$157 million
Cash: (31 Mar 2018)	A\$94 million (unrestricted)
Investments:	A\$11 million (Includes 10 million 25c ASX: ARL options)

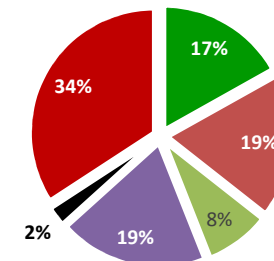


BOARD

Chairman	Stephen Dennis
MD & CEO	Wayne Taylor
Non-Executive Director	Borden Putnam III
Non-Executive Director	Fiona Robertson
Non-Executive Director	Mark Sawyer
Non-Executive Director	Peter Rozenauers
Non-Executive Director	Ricardo De Armas
Non-Executive Director	Ian Pattison



SHARE REGISTER

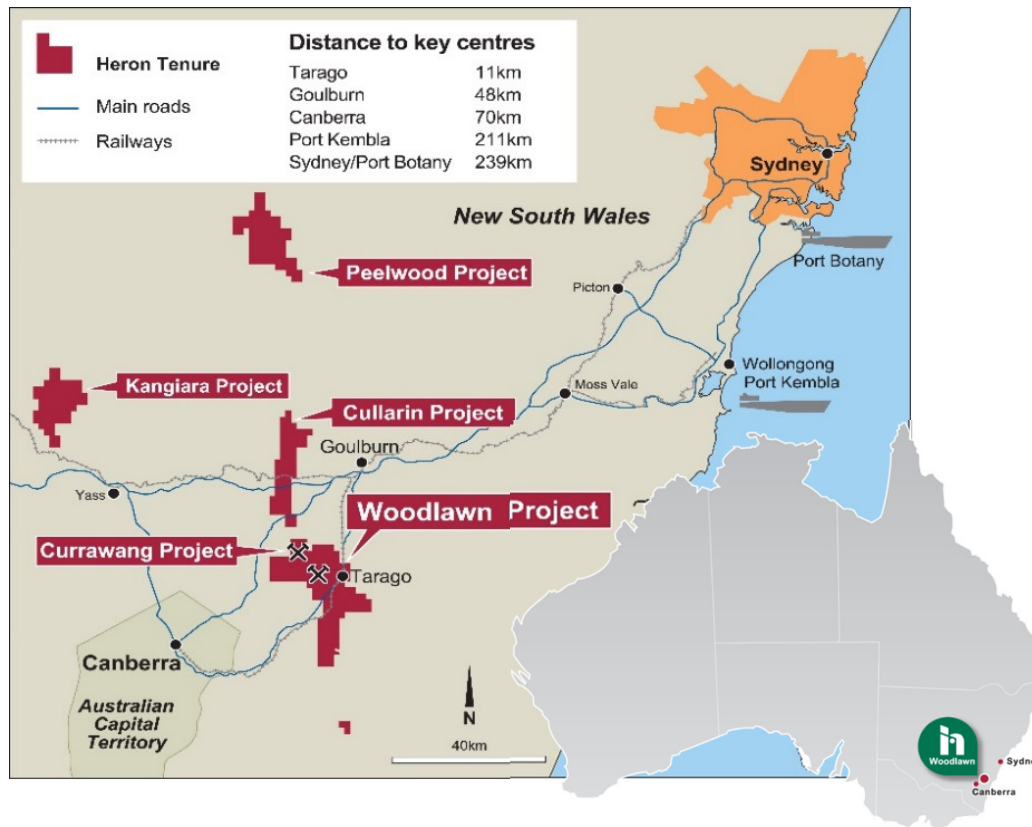


- Orion
- Greenstone
- Greenstone Aff
- Castlake
- Canadian Register
- Australian Register



Heron Resources Limited

WOODLAWN ZINC-COPPER PROJECT



Premier Location

ACCESS ✓

POWER ✓

PORT ✓

WATER ✓

LABOUR ✓

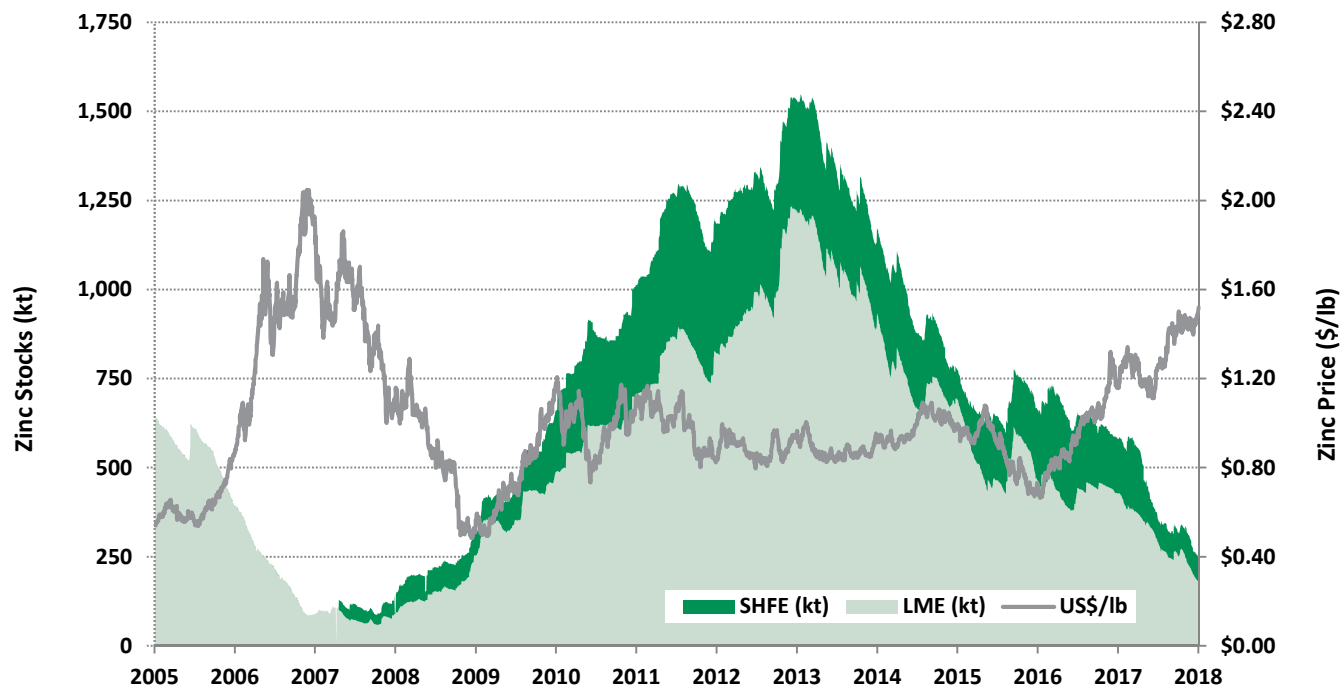
PERMITTING ✓

MINING LEASE ✓

COMMUNITY ✓

MARKET ZINC FUNDAMENTALS

Prices at 10-year highs with strong outlook



Market fundamentals provide the basis for extended pricing support

Chart Source: LME, RBA, SHFE, Terra Studio

Market Drivers

A Supply Side Story

- Aging production base
- Project pipeline lacking incentive
- Producer discipline
- Chinese production at 5 year lows
- Treatment charges at historical lows

+

Demand growth

- Steady consumption growth
- Increasing Chinese crude steel galvanisation driving consumption

= MARKET IMBALANCE

ASSET WOODLAWN ZINC-COPPER PROJECT

Unrivalled infrastructure



Feasibility Review

(Feasibility Study - June 2016)

1.5Mtpa Production Rate

9.3yr LOM (Reserves only)

- Significant Resource upside

Reserves

- UG 2.8Mt @ 14% ZnEq¹
- Reprocessing 9.5Mt @ 6% ZnEq

Steady State Gross Production

- 40ktpa Zn (88Mlbs)
- 10ktpa Cu (20Mlbs)
- 12ktpa Pb (25Mlbs)
- + Ag / + Au

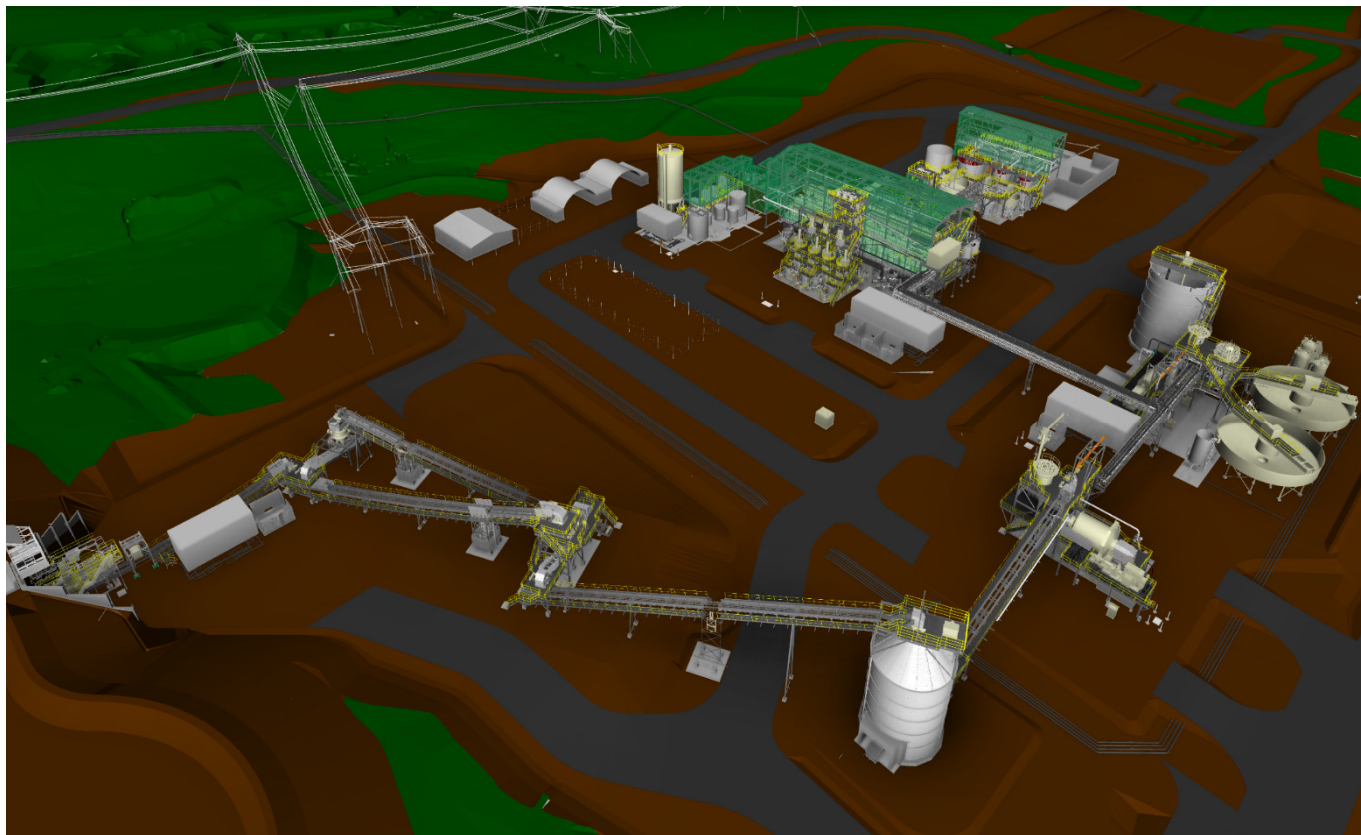
Infrastructure (In Place)

- Access – sealed B-double rated road
- Power – NSW state grid sub-station
- Local Population Centres
- Port – Port Kembla 211km
- Water – Willaroo Bore Field

¹ Refer to Slide 2 for definition

FOCUS WOODLAWN EPC

Construction underway



Project Delivery

Contractor: Sedgman

Value: A\$107M GMP
(Guaranteed Max. Price)

Personnel: 100+ FTE (current)
250 (peak)

Current Site Activities:

- Earthworks
- Detailed Design
- Equip Purchase
- Site Facilities
- Package Tenders
- Foundations

FOCUS WOODLAWN OPERATIONAL READINESS

Building strong foundations

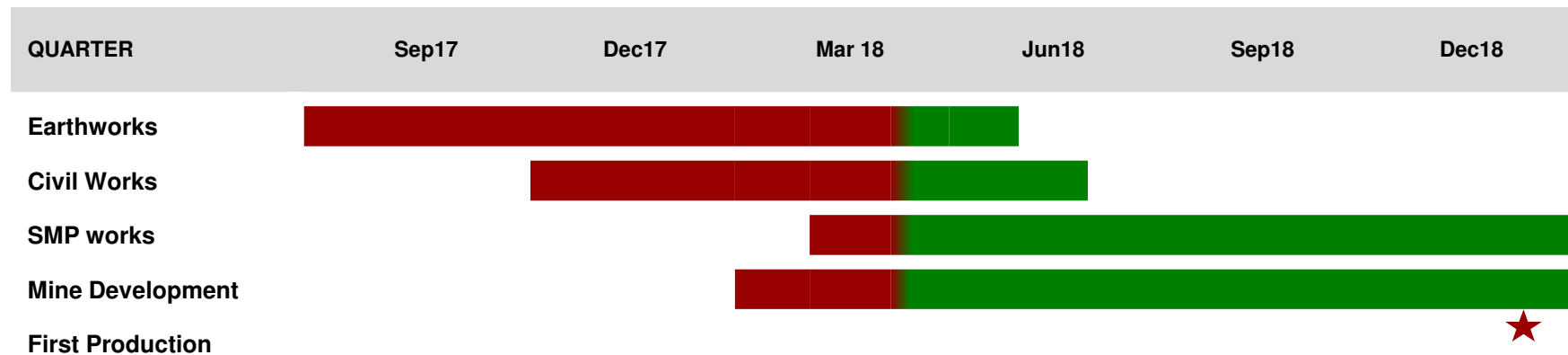


Current Activities

UG Mining Contract	Awarded
Tails Mining Contract	Tendered
Port Contract	Awarded
Haulage Logistics	Tendered
Power Contract	Pre-tender
Compliance	Env. Monitoring
	Statutory Reporting
	Management Plan
Ops Team	Actively Recruiting

FOCUS WOODLAWN DELIVERY SCHEDULE

Expedited project schedule



Project currently 39% complete as at 31 March 2018
Targeting first production end 2018 / early 2019

FOCUS UNDERGROUND ACCESS (BOX CUT)

Box Cut (lower right) – last 10m bench to dig



FOCUS TSF4 CONSTRUCTION



FOCUS PLANT SITE PROGRESS

ROM Pad / Retaining Wall / Primary Crusher Foundations

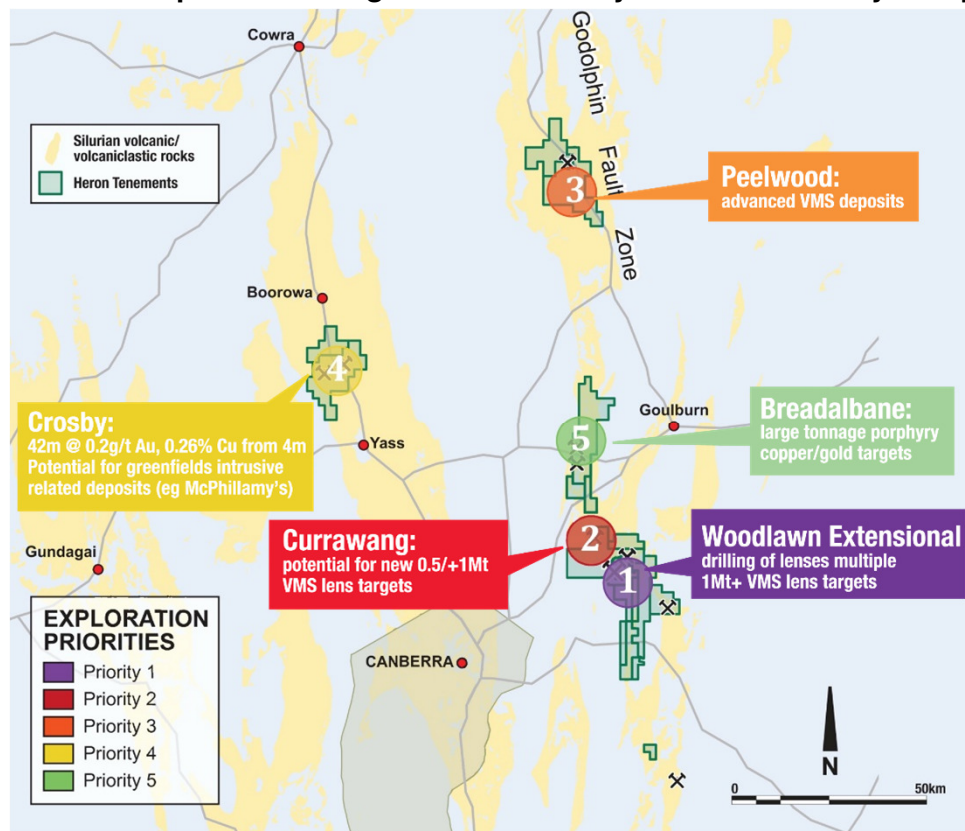


Float / Concentrate Handling / Grinding AREAS



GROWTH WOODLAWN EXPLORATION STRATEGY

Value Multiplier – building the business beyond the Feasibility Study ‘Starter Case’



Prioritised Organic Growth

1

In Mine Exploration

- Advancing Inferred Resources
 - UG 2.6Mt @ 15% ZnEq
 - Tailings 1.1Mt @ 5.8% ZnEq
- Shallow extensions – G, G2, Lisa, D lenses
- Adjacent trends & step out targets
- Deeper extensions – all 12 lenses

2

Near Mine (Regional) Exploration

3

- Historical satellite production sources

4

- Advanced regional deposits

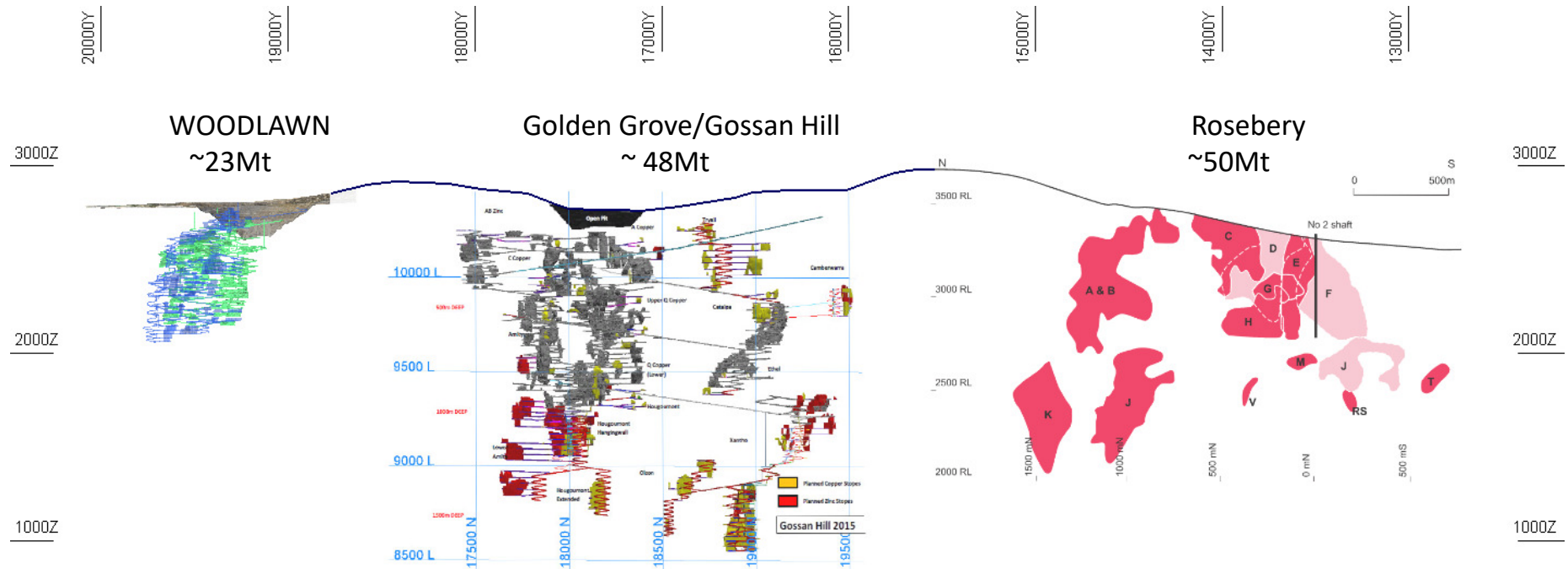
5

- Regional prospects

- Commanding land tenure position

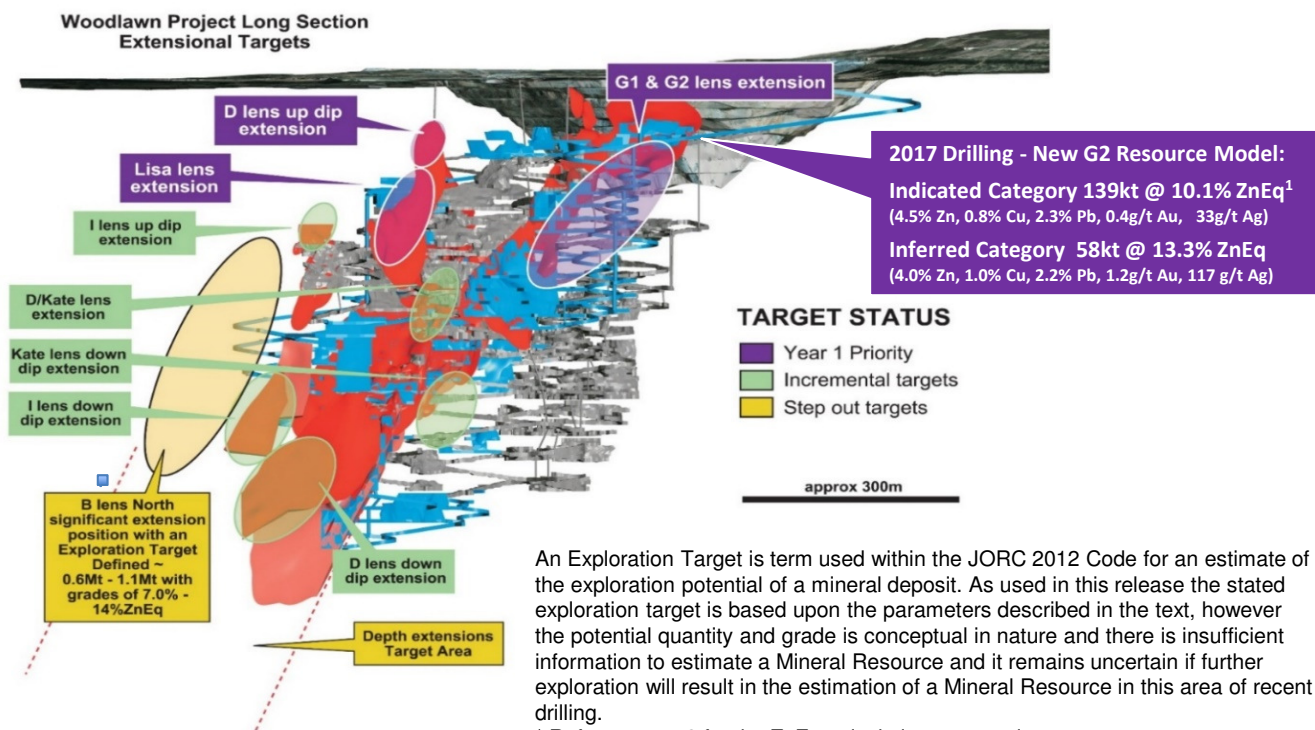
GROWTH WOODLAWN IN-MINE EXPLORATION

Limited Footprint Tested To Date - Comparison with other VMS deposits



GROWTH WOODLAWN IN-MINE EXPLORATION

Targeted additions to the Mine Plan



¹ Refer to page 2 for the ZnEq calculation assumptions.

Immediate Value-Add

Significant untapped potential remains 'in-mine'

Numerous extensional positions

Majority supported by existing planned capital development

Initial step – G2 Lens resource addition first mineralisation to be mined

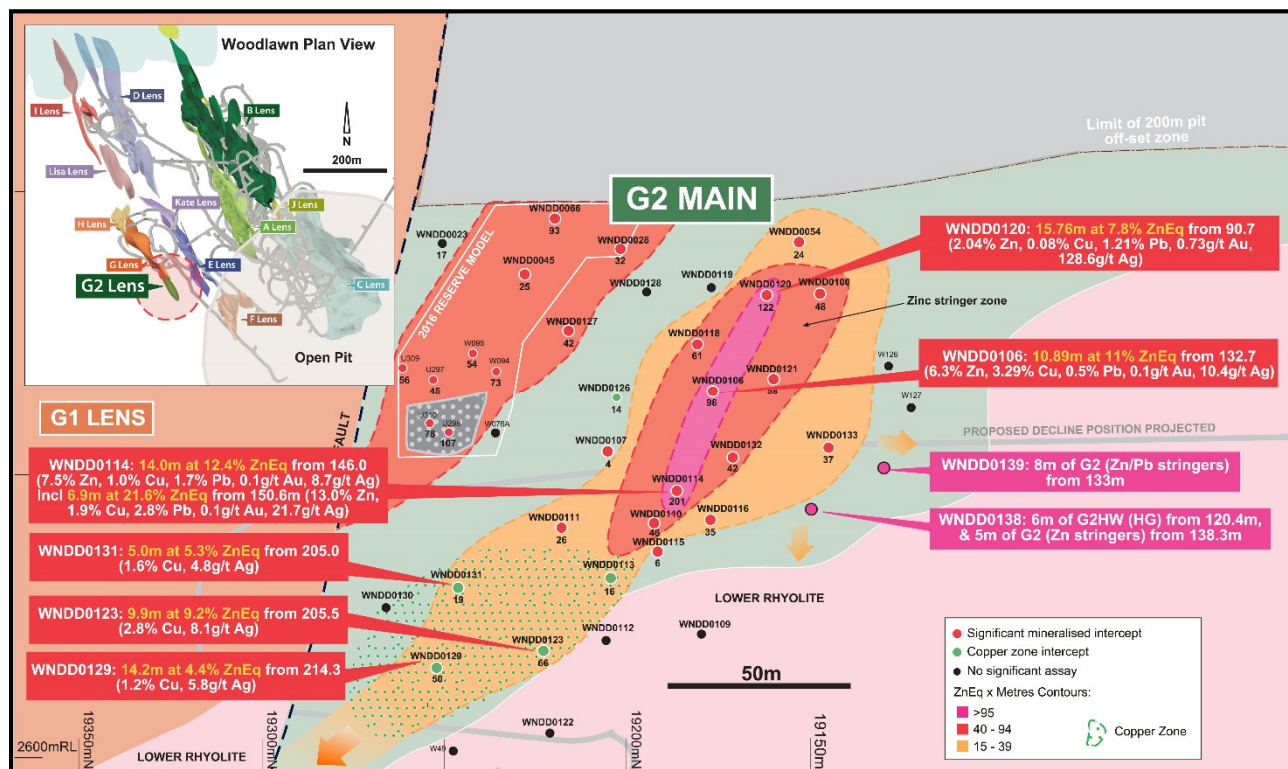
Short term focus turning to the next shallow positions:

- D Lens
- Lisa Lens (drilling Q1 2018)

Progressively targeting to optimise mine development

GROWTH WOODLAWN IN-MINE EXPLORATION

G2 Main Lens – early stage mine plan addition



Immediate Value-Add

First mineralisation to be accessed underground

Returned high grade results from G2 & G2 H/W

New Resource model:-

Indicated Category 139kt @ 10.1% ZnEq¹
(4.5% Zn, 0.8% Cu, 2.3% Pb, 0.4g/t Au, 33g/t Ag)

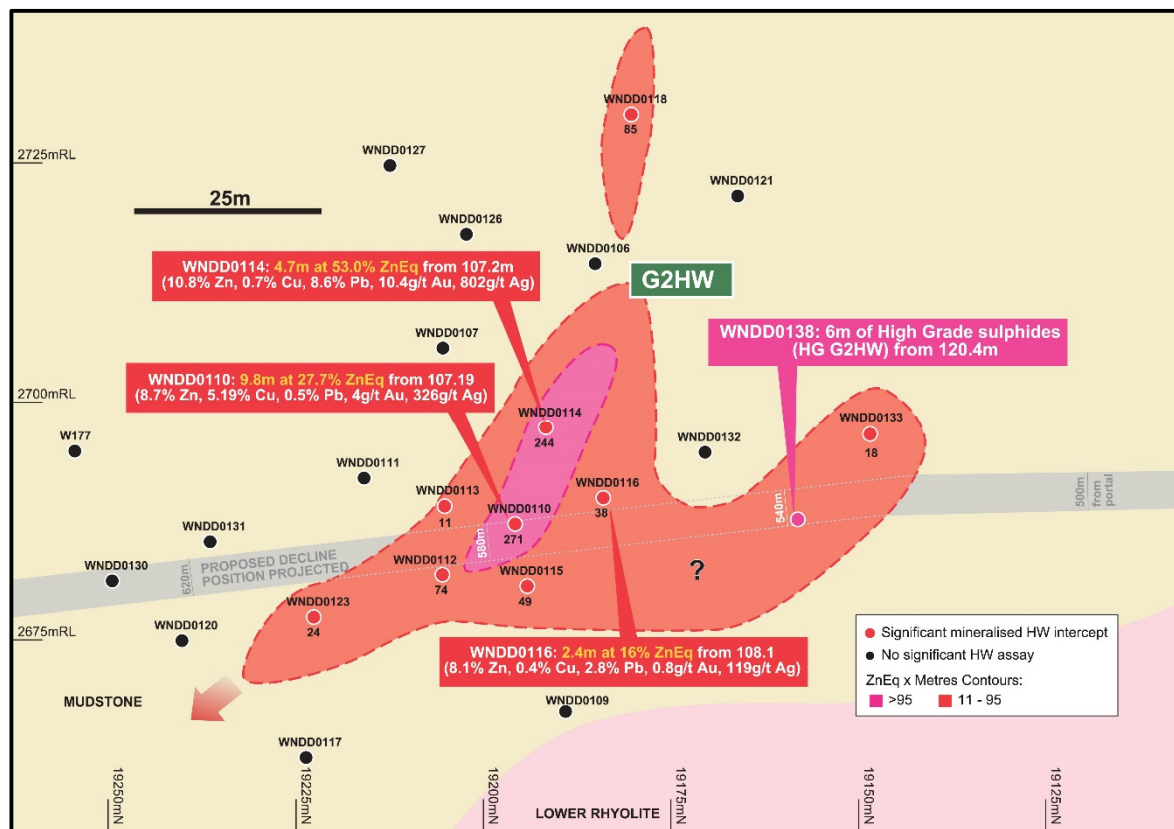
Inferred Category 58kt @ 13.3% ZnEq
(4.0% Zn, 1.0% Cu, 2.2% Pb, 1.2g/t Au, 117 g/t Ag)

Positive initial metallurgical test work results

Extension potential (not closed off)

GROWTH WOODLAWN IN-MINE EXPLORATION

G2 Hanging Wall Lens – early stage mine plan addition



Immediate Value-Add

First mineralisation to be accessed underground

Returned high grade results from G2 & G2 H/W

New Resource model:-

Indicated Category 139kt @ 10.1% ZnEq¹
(4.5% Zn, 0.8% Cu, 2.3% Pb, 0.4g/t Au, 33g/t Ag)

Inferred Category 58kt @ 13.3% ZnEq
(4.0% Zn, 1.0% Cu, 2.2% Pb, 1.2g/t Au, 117 g/t Ag)

Positive initial metallurgical test work results

Extension potential (not closed off)

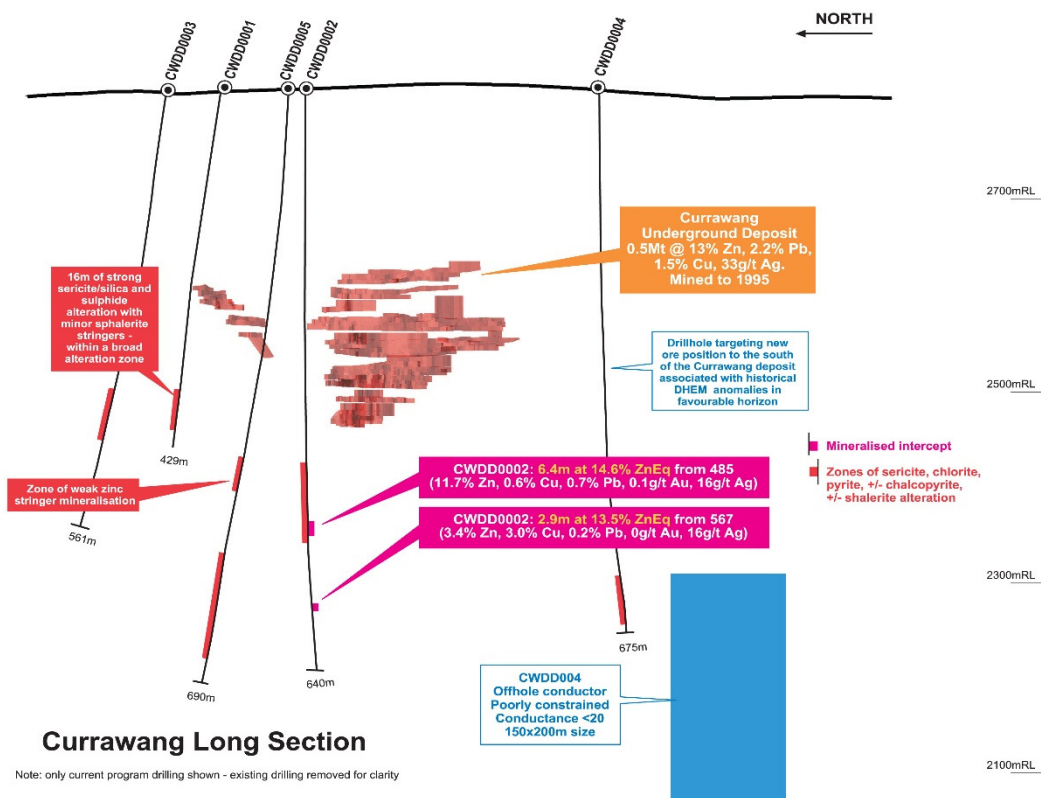
GROWTH WOODLAWN IN-MINE EXPLORATION

G2 Hanging Wall Massive Sphalerite (Zinc Sulphide) Core



GROWTH CURRAWANG

Success with the first exploration program in 20 years



Regional Priority

10km NW of Woodlawn

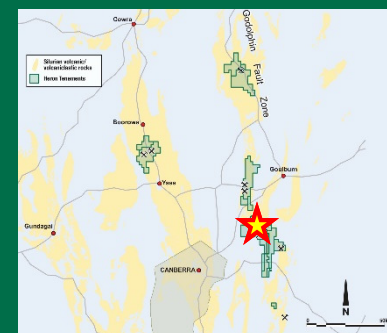
Mined 1992-1996:

- 0.5Mt @ 13% Zn, 1.5% Cu, 2.2% Pb, 33g/t Ag

2017 – Completed 5 hole drilling program

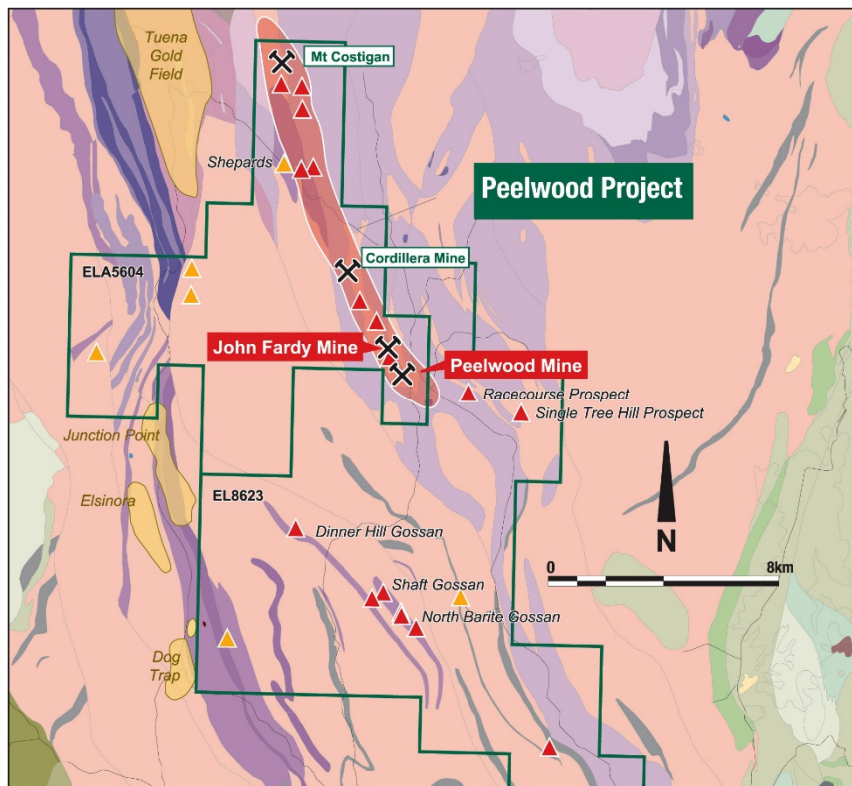
Intercepted semi-massive zinc and copper sulphides:

- 6.4m @ 14.6% ZnEq from 485m (11.7% Zn, 0.6% Cu, 0.7% Pb, 0.1g/t Au, 16g/t Ag)
- 2.9m @ 13.5% ZnEq from 567m (3.4% Zn, 3.0% Cu, 0.2% Pb, 16g/t Ag)



GROWTH PEELWOOD

Advanced VMS deposits



LEGEND

- Base Metal Mine (Red callout -prospects with JORC(2004) Mineral Resources)
- Base-metal prospects
- Gold prospects
- Heron Tenements
- Base-metal 'camps'
- Gold 'camps'

Devonian

- Cunningham Formation, Slaty siltstone with minor shale and sandstone
- Bushranger Volcanics, Porphyritic andesite
- Cooks Vale Granite, Muscovite-biotite granite

Silurian

- Cuddiyong Formation, Sandstone, siltstone and shales with rhyolitic to dacitic volcanoclastic rocks and lavas
- Cuddiyong Formation, Rhyolitic to dacitic, volcanic sandstone and lava
- Cuddiyong Formation, Quartzose sandstone with interbedded, grey to black siltstone
- Cuddiyong Formation, Black, siliceous, carbonaceous, and pyritic siltstone and shale
- Kangaloolah Volcanics, Rhyolitic, volcanic sandstone and breccia with some tuffaceous shales
- Wrens Nest Trachyte, Porphyritic quartz trachyte to rhyolite
- Limestone which locally contains crinoid ossicles

Regional Priority

105km north of Woodlawn

New ELA5604 – VMS camp coverage

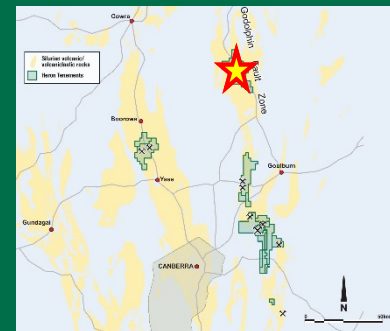
John Fardy & Peelwood Mines – a 'forgotten' asset

High grade VMS drill results:

8.4m from 36m (JF16)
(23.5% Zn, 2.6% Cu, 0.6% Pb, 41g/t Ag)

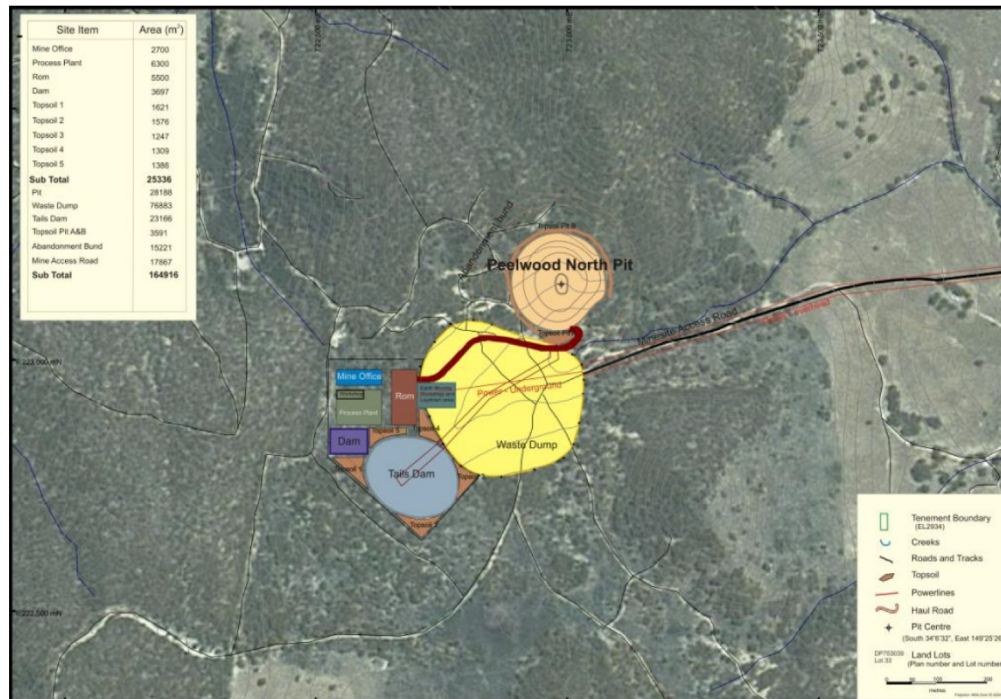
6.1m from 45m (JF38)
(22.7% Zn, 1.2% Cu, 1.5% Pb, 23g/t Ag)

Previously defined resources, reserves and project studies – Balamara 2009

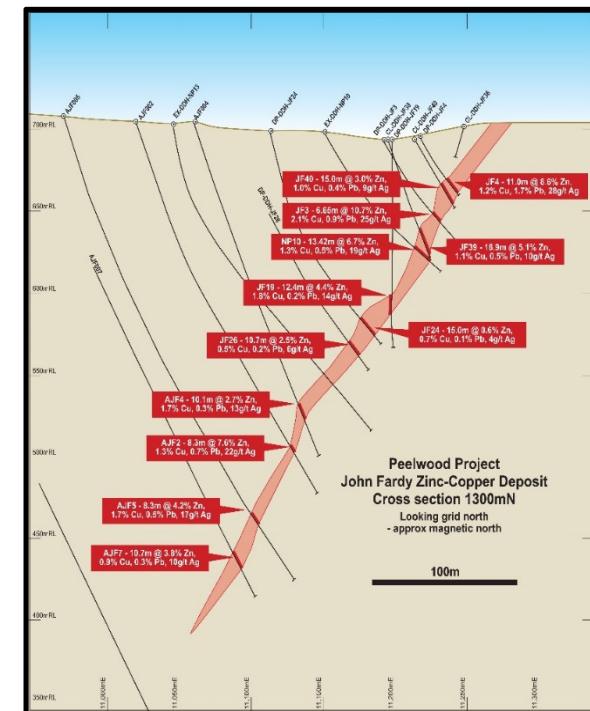


GROWTH PEELWOOD

Accelerated start position – leveraging previous work



Balamara Resources Ltd – Peelwood Mine Design (2 Jan 2014)



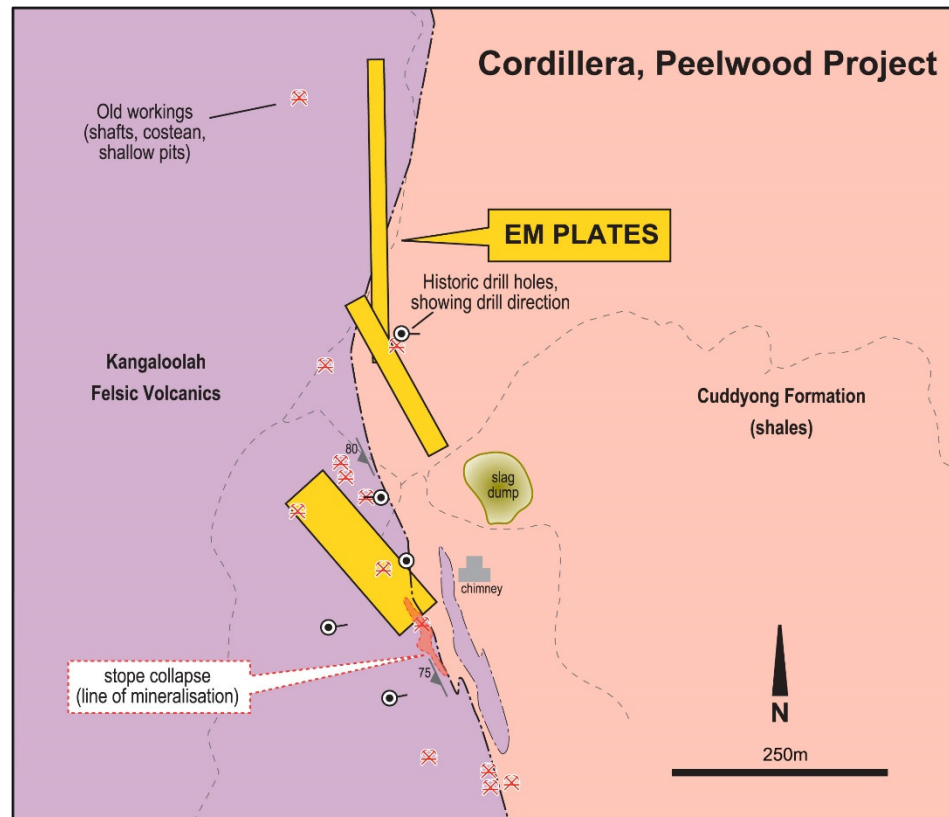
Balamara's full Peelwood Project dataset acquired



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GROWTH PEELWOOD

Cordillera Mine Prospect – Electromagnetic Anomalies Drill Targets



Regional Priority

Historic mine site 4km north – west of Peelwood

Historic mining ceased when zinc rich massive sulphides were encountered at about 60m depth

Grab sample from mine dumps of fresh massive sulphide by Heron returned:

16%Zn, 25%Pb and 497g/t Ag

Review of 2014 airborne EM survey data has revealed a number of EM anomalies extending to the north of the old mine that previous drilling has not tested

Drilling planning commenced

**WOODLAWN IS ONE OF THE FEW NEW ZINC PROJECTS FULLY FUNDED TO PRODUCTION
&
ON TRACK TO TAKE ADVANTAGE OF A HIGHLY ATTRACTIVE PRICING ENVIRONMENT**



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WOODLAWN Mineral Resources and Ore Reserves - Underground

Woodlawn Total Underground Mineral Resource 2017 (ASX Release 13 Nov 2017)
(7% ZnEq cog for Polymetallic and 1% Cu cog for Copper)

Indicated + Measured Mineral Resource

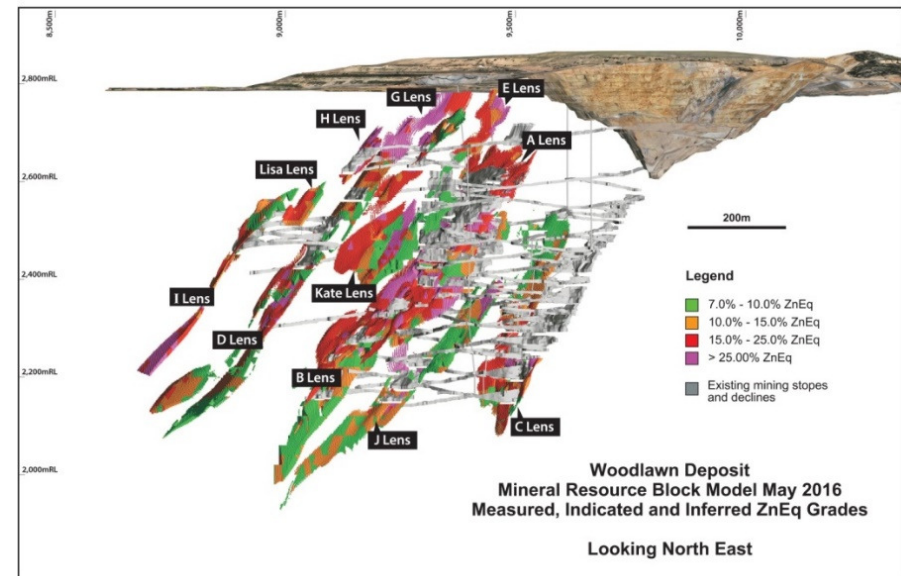
			Tonnes Mt	ZnEq %	Zn %	Cu %	Pb %	Au g/t	Ag g/t
All Lenses	Polymetallic	Ind+Mea	2.7	21.6	10.9	1.5	4.0	0.7	79
All Lenses	Copper	Ind+Mea	1.9	9.7	0.7	2.6	0.1	0.2	14
Total	Combined	Ind+Mea	4.6	16.7	6.7	1.9	2.4	0.5	52

Inferred Mineral Resource

			Tonnes Mt	ZnEq %	Zn %	Cu %	Pb %	Au g/t	Ag g/t
All Lenses	Polymetallic	Inf	1.9	16.9	7.3	1.5	3.0	0.8	61
All Lenses	Copper	Inf	0.7	9.2	0.7	2.5	0.1	0.2	12
Total	Combined	Inf	2.6	14.9	5.6	1.8	2.2	0.6	48

Total Mineral Resource

			Tonnes Mt	ZnEq %	Zn %	Cu %	Pb %	Au g/t	Ag g/t
All Lenses	Polymetallic	Ind+Mea+Inf	4.6	19.7	9.4	1.5	3.6	0.7	71.6
All Lenses	Copper	Ind+Mea+Inf	2.6	9.6	0.7	2.6	0.1	0.2	13.5
Total	Combined	Ind+Mea+Inf	7.2	16.0	6.3	1.9	2.3	0.5	50.6



Woodlawn Underground Mineral Reserve Estimate 2016

Type	Reserve Category	Quantity (Mt)	ZnEq(%)	Zn(%)	Cu(%)	Pb(%)	Au(g/t)	Ag(g/t)
Polymetallic	Proven	0						
Polymetallic	Probable	1.8	16	8.1	1.2	2.9	0.56	57
Copper	Proven	0						
Copper	Probable	0.96	8.8	0.61	2.4	0.13	0.23	14
Total	Probable	2.8	14	5.5	1.6	1.9	0.45	42

WOODLAWN Mineral Resources and Ore Reserves - Tailings

Mineral Resource Estimate - Woodlawn Retreatment Project (2015)

Resource Category	Grades						
	Quantity (Mt)	ZnEq (%)	Zn (%)	Cu (%)	Pb (%)	Au (g/t)	Ag (g/t)
Measured + Indicated Mineral Resources							
North Dam	2.21	6.5	2.56	0.44	1.44	0.29	38
South Dam	3.60	5.9	2.55	0.48	1.19	0.22	24
West Dam	3.59	6.5	1.97	0.60	1.48	0.39	36
Total Mea+ Ind	9.40	6.3	2.33	0.52	1.36	0.30	32
Inferred Mineral Resources							
North Dam	0.87	5.5	2.03	0.33	1.33	0.25	37
South Dam	0.90	5.7	2.32	0.47	1.19	0.23	24
West Dam	0.48	6.3	1.83	0.61	1.47	0.38	34
Total Inferred	2.25	5.7	2.10	0.44	1.30	0.27	31
Total Mea+Ind+Inf	11.6	6.19	2.29	0.50	1.35	0.29	31.81

Woodlawn Tailings Mineral Reserve Estimate 2016

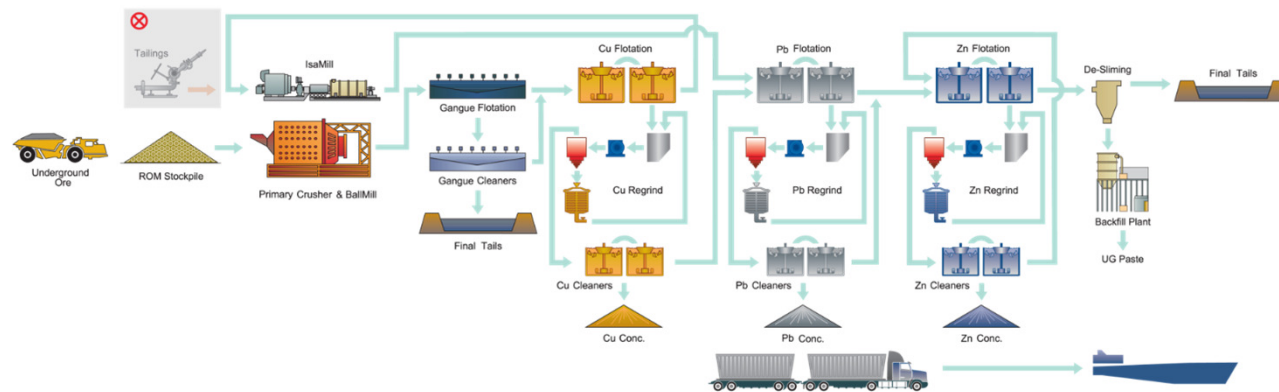
Reported with no cut-off grade applied

Reserve Category	Quantity (Mt)	ZnEq(%)	Zn(%)	Cu(%)	Pb(%)	Au(g/t)	Ag(g/t)
Proven	6.4	6.0	2.2	0.5	1.3	0.29	31
Probable	3.2	6.0	2.1	0.5	1.3	0.33	32
Total (Proven + Probable)	9.5	6.0	2.2	0.5	1.3	0.31	31

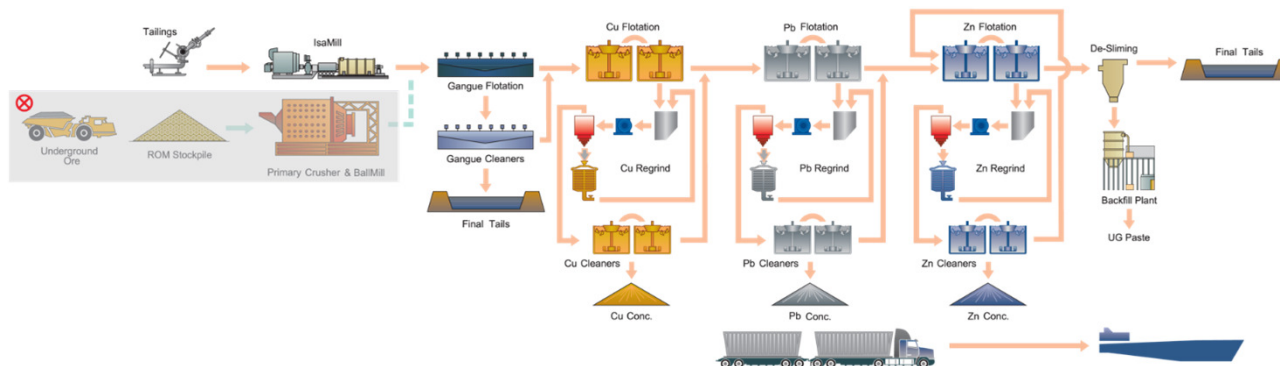


WOODLAWN PROCESS PLANT

Campaign treatment from two de-coupled ore sources



Underground
Ore Configuration
←



Reclaimed Tailings
Ore Configuration
←