



First revenue from Zinc and Lead Concentrate Shipments from Woodlawn

- First shipment of 5,000t of zinc concentrate has departed from Port Kembla bound for China
- Zinc concentrate sold under contract with IXM, with modified penalties for iron and lead content
- Shipments of lead “commissioning” concentrates commenced in September 2019, with 2,700t of concentrate sold to date under contract with IXM
- Shipments continue to ramp-up in accordance with the latest mine production schedule

Heron Resources Limited (ASX:HRR, “Heron” or the “Company”) is pleased to confirm the successful commencement of export shipments from its 100% owned Woodlawn Zinc-Copper mine located 250km southwest of Sydney, in New South Wales.

Zinc and lead concentrates from Woodlawn have been sold under the offtake agreement with IXM (formerly Louis Dreyfus Company Metals) which extends from commencement of production through to the end of 2021. The off-take contract covers 100% of the zinc, copper and lead concentrates produced over this period.

The first shipment of 5,000 tonnes of zinc concentrates comprises “commissioning” material together with more recent production. The average concentrate grade of approximately 46% zinc is within contract specifications and is consistent with the current production plan. This blended concentrate grade is particularly pleasing given the inclusion of a significant proportion of material produced during the early commissioning process. The concentrate contains higher grades of lead and iron compared to specification, and the off-take terms have been adjusted accordingly in line with the market.

All loading and logistics procedures from site to Port Kembla and Port Botany ran smoothly and to agreed timetables.

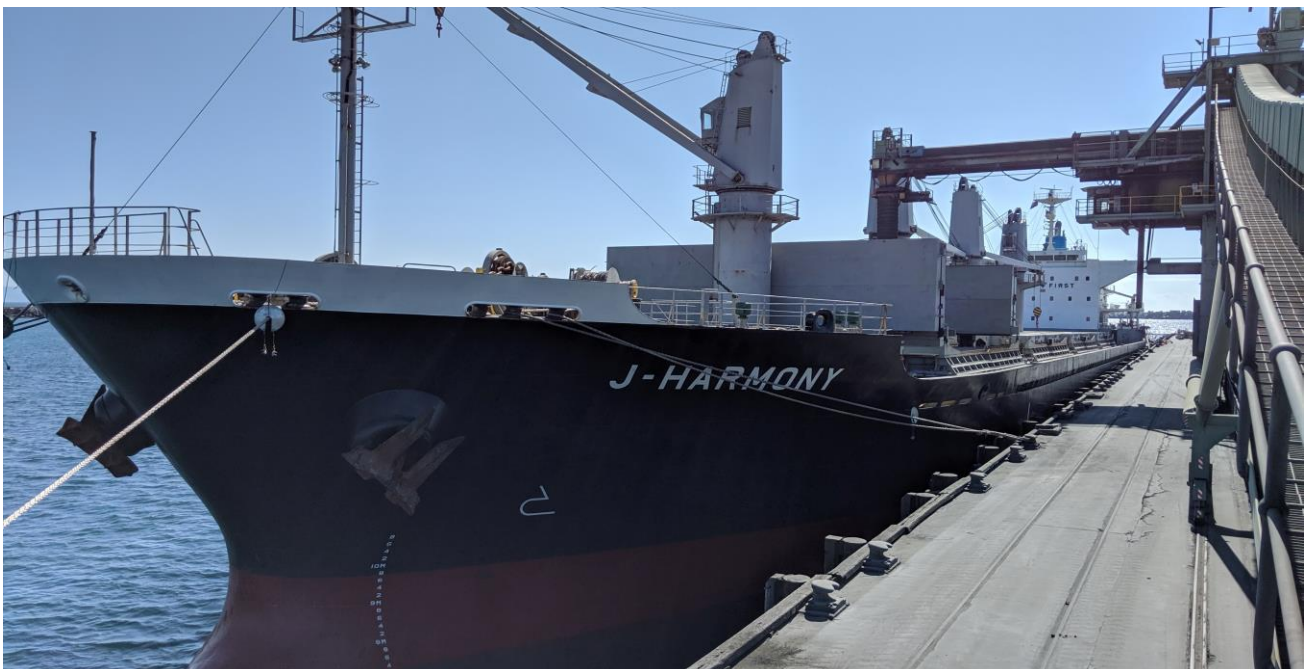


Image: MV “J-Harmony” during loading at Port Kembla



Heron Resources Limited

ASX Release

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Image: Zinc Concentrate loading at Gateway facility at Port Kembla

Shipments of lead concentrates have also commenced, with the first sales parcel of 700 tonnes of commissioning grade lead concentrates being shipped out of Port Botany on September 28. The sale of an additional 2,000 tonnes of lead concentrate has been agreed and is expected to ship during November and December.

Processing of reclaimed tailings is ongoing and underground ore campaigns are being scheduled in line with the current production plan. Ramp-up of the processing plant continues to progress well and full plant capacity is expected to be achieved on a sustainable basis in mid-2020.

Commenting on the shipment of first concentrates, Heron's Chairman, Stephen Dennis said *"The achievement of first cashflow from operations at Woodlawn is another key milestone for Heron. Although significantly later than planned due to delays in completion of construction and plant commissioning, this achievement confirms the marketability of the Woodlawn products. With all export logistics arrangements now proven, the continuing focus of operations is on ramping-up production, further improving product quality, and accelerating deliveries to our customers."*

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 has recently commenced placing 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.hearonresources.com.au or contact

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