



NOT FOR RELEASE TO US WIRE SERVICES OR DISTRIBUTION IN THE UNITED STATES

RESULTS OF THE RETAIL COMPONENT OF ENTITLEMENT OFFER

Heron Resources Limited (ASX:HRR “Heron” or the “Company”) is pleased to announce that the retail component of the 0.7324 for 1 accelerated non-renounceable entitlement offer (**Entitlement Offer**) announced on 4 October 2019 is complete, with the Company successfully raising the full \$35.4 million as follows:

- (a) approximately \$11.52 million through the completion of the institutional component of the Entitlement Offer (**Institutional Entitlement Offer**), as announced on 8 October 2019;
- (b) approximately \$13.51 million to be raised by the issue of an aggregate of 67,543,054 ordinary shares in the Company (**New Shares**) under the retail component of the Entitlement Offer (**Retail Entitlement Offer**) and pursuant to commitments by each of CL V Investment Solutions LLC (**Castlelake**) and Greenstone Management (Delaware) II LLC in its capacity as a general partner of Greenstone Resources II (Australia) Holdings L.P. (**Greenstone**) (together, the **Underwriters**) to underwrite the take up of entitlements by their respective associates under the Entitlement Offer;
- (c) approximately \$0.20 million to be raised through the issue of an aggregate of 996,648 New Shares to eligible shareholders who elected to apply for more than their entitlement under the Entitlement Offer and to new third party investors introduced by the joint lead managers to the Entitlement Offer (**Shortfall Offer**); and
- (d) an additional \$10.17 million to be raised by the issue of the remaining 50,873,364 New Shares that were not taken up under the Retail Entitlement Offer (including under the Shortfall Offer) to the Underwriters who have agreed to subscribe for those New Shares on the basis of 68.1% (34,644,761 New Shares) being allocated to Greenstone and 31.9% (16,228,603 New Shares) being allocated to Castlelake.

The Retail Entitlement Offer, the Institutional Entitlement Offer and the Shortfall Offer were each conducted at an issue price of 20 cents per New Share.

The following table sets out the number of New Shares that have been issued under the Institutional Entitlement Offer as well as the New Shares to be issued to the following persons, as disclosed in the prospectus dated 4 October 2019 prepared by the Company in relation to the Retail Entitlement Offer (**Prospectus**):

- (a) eligible shareholders pursuant to applications for entitlements under the Retail Entitlement Offer;
- (b) the Underwriters in respect of any entitlements not taken up by their respective associates under the Retail Entitlement Offer;
- (c) eligible shareholders pursuant to applications for New Shares under the Shortfall Offer;
- (d) any non-eligible shareholder investor who applied for New Shares under the Shortfall Offer; and
- (e) the Underwriters in respect of any remaining New Shares which were not subscribed for pursuant to the Entitlement Offer or the Shortfall Offer (the **Remaining New Shares**).



Heron Resources Limited

ASX Release

25 October 2019

Level 8, 309 Kent St, Sydney, NSW, 2000

heron@heronresources.com.au

+61 2 9119 8111

ABN: 30 068 263 098

	Number of New Shares	Amount (\$m)
New Shares issued under the Institutional Entitlement Offer on 14 October 2019	57,584,627	\$11.52
New Shares to be issued under the Retail Entitlement Offer to eligible shareholders	11,385,590	\$2.28
New Shares to be issued to the Underwriters in respect of any entitlements not taken up by their respective associates under the Retail Entitlement Offer	56,157,464	\$11.23
New Shares to be issued under the Shortfall Offer to eligible shareholders	132,055	\$0.03
New Shares to be issued under the Shortfall Offer to non-eligible Shareholder Investors	864,593	\$0.17
Remaining New Shares to be issued to the Underwriters	50,873,364	\$10.17
TOTAL	176,997,693	\$35.40

New Shares issued under the Retail Entitlement Offer and the Shortfall Offer will rank equally with existing fully paid ordinary shares, including those issued under the Institutional Entitlement Offer.

Allotment and quotation of New Shares under the Retail Entitlement Offer and the Shortfall Offer is expected to take place on 30 October 2019 and despatch of holding statements is expected to occur on or about 31 October 2019. Allotment and quotation of Remaining New Shares to the Underwriters is expected to take place on or before 12 November 2019.

The Company will use the funds raised to provide additional financial support in connection with the ongoing ramp-up of the Woodlawn Project to nameplate capacity, repay a portion of the outstanding loan under the loan facility provided by OMF Fund II (H) Ltd, provide working capital and to pay the costs of the Entitlement Offer.

Additional information regarding the Retail Entitlement Offer is contained in the announcements and Prospectus released to the ASX on 4 October 2019.

For and on behalf of the Board

Stephen Dennis

Chairman

This announcement has been prepared for publication in Australia and may not be released or distributed in the United States. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or any other jurisdiction. Any securities described in this announcement have not been, and will not be, registered under the US Securities Act of 1933, as amended (the "US Securities Act") and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration of the US Securities Act and applicable US state securities laws.