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FOR IMMEDIATE RELEASE

**RESULTS FOR ANNOUNCEMENT TO THE MARKET
(ASX: HTM, NZSX: HGD)**

Half Year Preliminary Announcement

Reporting period 6 months to 30 September 2011

Previous reporting period 6 months to 30 September 2010

Amount (\$); percentage change

Revenue from ordinary activities 19,281; 41,298; +193%

Loss from ordinary activities after tax attributable to members
of the listed issuer 331,145; 241,541; - 21%

No dividend attributed to this period

EXPLORATION ACTIVITY

During the six months to 30 September 2011 the company was active on a number of fronts, maintaining a level of activity at least equal to the previous corresponding period.

Gold Tenements (Waihi, New Zealand)

At Talisman the company advanced joint venture discussions with a number of companies and undertook surface rock sampling at Taukani Hill that yielded bonanza gold grades. The results increased the possibility of additional resources being developed north along strike from the mine. The 2008 mine scoping study is under review.

Geophysical results at Rahu were highly encouraging and point to deeper feeder veins at depth that may be mineralised. Rahu has excellent medium term potential to add to resources for the Talisman mine.

Assessment of Golden Valley data was very encouraging and fill-in soil sampling is warranted to refine anomalies.

Base Metals (Northland, New Zealand)

Following earlier prospecting, Heritage applied for a permit over a copper prospect in Northland. The area had a small scale mining operation many years ago and is prospective for base metals and gold.

South West Pacific

The company continued its search for potentially large gold prospects and has expressed its interest in one area in Papua New Guinea.

Thackaringa Cobalt Project (New South Wales, Australia)

Heritage Gold has a strategic 21.7% interest in Broken Hill Prospecting Limited (BHPL) which owns the project.

Drilling by BHPL extended the cobalt-bearing zone at Pyrite Hill at least 300 metres down dip and it remains open at depth.

A new resource estimate after the end of the period was expected to increase the existing inferred resource figures.

FINANCIAL RESULTS

Tenement expenditure was \$193,037 compared to \$213,088 in the previous reporting period.

Overhead expenditure for the reporting period was 9% less than in the previous reporting period.

At the end of the half year the Company had a cash balance of \$778,446.

LOOKING AHEAD

The Board is confident of the Talisman mine's potential and determined to see it into production, either through Heritage or in joint venture with a company with strong technical and financial capability.

Apart from Talisman there are other opportunities the Board is keen to take advantage of in 2012.

Peter Atkinson

Executive Director

Interim results are outlined below:

Consolidated Statement of Comprehensive Income

Reporting period 6 months to 30 September 2011

Previous reporting period 6 months to 30 September 2010

Reporting period; previous reporting period

(\$)

Revenue 19,281; 41,298

Total revenue 19,281; 41,298

Audit fees 4,725; 4,450

Depreciation 450; 1,443

Director fees 37,793; 48,000

Director remuneration 45,000; 45,031

Foreign exchange loss 974; 2

Share revaluation loss 11,300; 611

Rent and leasing 6,595; 6,724

Operating expenses 131,942; 251,225

Write off exploration expenses Nil; 25,616

Total operating expenses 247,992; 297,278

Loss from operations 228,711; 255,980

Share of results of associate using equity method (102,434); 14,439
(Broken Hill Prospecting Ltd)

Net deficit attributable to members 331,145; 241,541

Earnings per share:

Basic earnings/(loss) per share (0.10) cents; (0.07) cents

Diluted earnings/(loss) per share (0.10) cents; (0.07) cents

Consolidated Statement of Financial Position

Reporting period 30 September 2011

Previous reporting periods 31 March 2011, 30 September 2010

Reporting period; previous reporting period

(\$)

Current assets 845,378; 1,269,072; 1,638,664

Cash 778,446; 1,244,128; 1,506,563

Receivables and prepayments 66,932; 24,944; 24,240

Advances to related parties Nil; Nil; 107,861

Non-current assets 9,000,590; 8,922,621; 9,210,678

Property, plant & equipment 9,882; 11,216; 14,935

Intangible assets (prospecting expenditure) 7,894,126; 7,701,089; 7,897,710

Investments 33,905; 45,205; 38,906
Investment in associate using equity method 1,062,677; 1,165,111; 1,259,127
Total assets 9,845,968; 10,191,693; 10,849,342

Current liabilities 89,500; 104,080; 151,979
Payables 86,922, 98,796; 146,631
Employee entitlements 2,578; 5,284; 5,348
Total liabilities 89,500; 104,080; 151,979

Capital 24,269,394; 24,269,394; 24,269,394
Reserves 335,341; 335,341; 335,341
Retained profit/(loss) (14,848,267); (14,517,122); (13,907,372)
Total equity 9,756,468; 10,087,613; 10,697,363

Total Equity and Liabilities 9,845,968; 10,191,693; 10,849,342

Consolidated Statement of Cash Flows

Reporting period six months to 30 September 2011

Previous reporting period six months to 30 September 2010

Reporting period; previous reporting period

(\$)

Cash flows relating to operating activities
Cash inflows 19,146; 16,256
Cash outflows (291,998); (240,087)
Net operating cash flows (272,852); (223,831)

Cash flows relating to investing activities
Cash inflows 6,390; Nil
Cash outflows (197,998); (323,402)
Net investing cash flows (191,608); (323,402)

Cash flows relating to financial activities
Cash inflows Nil; Nil
Cash outflows Nil; Nil
Net financing cash flows Nil; Nil

Net increase/(decrease) in cash held (464,460); (547,233)
Cash at beginning of period 1,244,128; 2,053,730
Exchange rate gain/(loss) (1,222); 66
Cash at end of period 778,446; 1,506,563

No dividends or distributions were paid or are planned.

Consolidated Statement of Changes in Equity

Reporting period six months to 30 September 2011

Previous reporting period six months to 30 September 2010

Reporting period; previous reporting period

(\$)

Equity at start of period 10,087,613; 10,938,904
Net loss 331,145; 241,541
Shares issued Nil; Nil
Equity at end of period 9,756,468; 10,697,363

Net tangible assets per security
Reporting period; previous reporting period
Net tangible assets 1,951,842; 2,951,632
Net tangible assets per security 0.6 cents; 0.9 cents

Heritage ownership in Broken Hill Prospecting Ltd (formerly Broken Hill Cobalt Ltd)
Reporting period; previous reporting period

Percentage held 21.7%; 29.78%

Contribution towards / (against) net loss 102,434; (14,439)

These interim financial statements have been prepared in accordance with IAS-34, Interim Financial Reporting and should be read in conjunction with the accounting policies set out in the annual financial statements for the year ended 31 March 2011.

There have been no changes in accounting policies during the period. The accounting policies and method of computation applied during the previous year were applied on a consistent basis during the current period.

The half yearly financial statements are subject to completion of the audit.

About Heritage Gold

Heritage Gold (NZ) Limited is a leading New Zealand, dual listed (NZSX: HGD, ASX: HTM) minerals exploration company with 1800 Australasian shareholders and a portfolio of high quality mineral interests in both countries.

The Company has attractive gold properties at Karangahake and Golden Valley near Waihi in the Coromandel, New Zealand. The historic Talisman mine has a JORC compliant resource² of 205,000 oz gold and 800,000 oz silver within a granted mining permit and joint venture discussions are under way to develop the mine.

Heritage Gold owns 21.7 % of Broken Hill Prospecting Limited (BPL), which is planning to develop a cobalt project and has found Broken Hill type mineralisation at Thackaringa, about 25 kilometres southwest of Broken Hill in New South Wales. BPL is listed on the ASX (Code BPL) and NZSX (Code BPL).

More about Heritage Gold at www.heritagegold.co.nz

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