



# Heron Resources Limited

## ASX/TSX Release

22 December 2014

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## Woodlawn High Grade Assays and New Massive Sulphide Intercepts

### Assay Results:

WNDD0006: 5.6m @ 13.3% Zn, 0.7% Cu, 5.4% Pb, 1.2g/t Au, 26g/t Ag from 626m (I Lens)

WNDD0006: 4.0m @ 4.8% Zn, 0.5% Cu, 0.2% Pb, 14g/t Ag from 679m (I Lens)

WNDD0006: 8.1m @ 3.0% Zn, 2.3% Cu, 3.1% Pb, 2.6g/t Au, 68.8g/t Ag from 699m (D Lens)

WNDD0006: 10.0m @ 1.6% Zn, 1.7% Cu, 0.2% Pb, 0.2g/t Au, 15g/t Ag from 759m (D Lens)

WNDD0008: 5.4m @ 11.1% Zn, 1.6% Cu, 0.8% Pb, 0.6g/t Au, 11g/t Ag from 434m (Kate Lens)

### New Significant Sulphide Intercepts:

WNDD0011: 6.0m massive sulphides from 348m (Kate Lens)

WNDD0012: 4.8m massive sulphides from 135m (E Lens)

WNDD0013: 6.0m massive sulphides from 76m (G Lens)

Heron Resources Limited (ASX:HRR, TSX:HER) ("Heron" or the "Company") is pleased to report a number of high grade assay results for several massive sulphide intercepts at Woodlawn, and to advise that recent drilling has also intersected a number of typical high-grade massive sulphide zones in shallow up-dip positions to known lenses.

In WNDD0006, persistent sulphide mineralisation occurred over a stratigraphic interval of 257m, from 610m to 867m, with seven individual I and D Lens mineralised events, confirming a substantial exhalative system.

The latest assay results and massive sulphide intercepts form part of the highly successful 2014 drilling program targeting the expansion of the Woodlawn Inferred Resource base to be used in the Preliminary Economic Assessment for the Woodlawn Underground Project. Woodlawn is a high-grade volcanogenic massive sulphide (VMS) deposit, located some 50km north-east of Canberra and 250km south-west of Sydney in New South Wales, Australia.

### Assay Results

Assay results for diamond hole WNDD0006 (I and D Lenses) have been received for the multiple lenses intersected in this north-west extension to the Woodlawn mineralised system. The stronger intercepts include:

WNDD0006: 5.6m @ 13.3% Zn, 0.7% Cu, 5.4% Pb, 1.2g/t Au & 26g/t Ag from 626m (I Lens)

WNDD0006: 4.0m @ 4.8% Zn, 0.5% Cu, 0.2% Pb & 14g/t Ag from 679m (I Lens)

WNDD0006: 8.1m @ 3.0% Zn, 2.3% Cu, 3.1% Pb, 2.6g/t Au & 68.8g/t Ag from 699m (D Lens)

WNDD0006: 10.0m @ 1.6% Zn, 1.7% Cu, 0.2% Pb, 0.2g/t Au & 15g/t Ag from 759m (D Lens)

This hole was designed to extend the known mineralisation in this area and also provide a platform for down-hole electro-magnetic surveying (DHEM). The results confirm a series of stacked sulphide lenses down dip from known lenses as shown in Figures 1 and 3. Modelled DHEM results have delineated 3 main conductive "plates" that provides critical information in guiding future drilling in this area. The hole also confirms the strength of the Woodlawn mineralising system in the north-west corridor and the potential for significant additional tonnages to be defined from these zones.

### ASX:HRR/TSX:HER

Issued Shares	361M
Share Price	\$0.125
Market Cap	\$45M
Cash (30 Nov 2014)	\$28.9M
Investments	\$ 3.4M
Total C+I	\$32.3M



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In addition, the results of the massive sulphide intercept in WNDD0008 (Kate Lens) have been received and confirm the presence of additional high-grade mineralisation in the northern, down-plunge, portion of the modelled Kate Lens (Figures 1 and 2).

**WNDD0008: 5.4m @ 11.1% Zn, 1.6% Cu, 0.8% Pb, 0.6g/t Au & 11g/t Ag from 434m**

### New Sulphide Intercepts

A further diamond drill hole into the top northern corner of the modelled Kate Lens has been completed and returned the following result:

**WNDD0011: 6.0m of complex massive sulphides from 348m (Kate Lens)**

This hole intersected massive sulphide mineralisation some 20 metres higher up than predicted before passing through a complex and broad zone of faulting.

In recent weeks the diamond drilling at Woodlawn has concentrated on a number of shallower up-dip targets that have been generated through 3D geological modelling and a number of DHEM conductors. In particular, WNRC0010 generated a strong off-hole conductor that was targeted by WNDD0012 and also a down-plunge conductor that was targeted by WNDD0013. Both of these holes intersected zones of typical Woodlawn high-grade massive sulphides in the approximate target positions:

**WNDD0012: 4.8m of complex massive sulphides from 135m (E Lens)**

**WNDD0013: 6.0m of complex massive sulphides from 76m (G Lens)**

The shallow intercepts assist in defining zones that have the potential to provide high-grade feed in the early years of a new mining operation and confirm the ability to use DHEM on less well mineralised holes to target high-grade areas.

Full details of the intercepts drilled and assayed to date are provided in Tables 1 and 2 at the end of this report.

**WNDD0013** 6.0m of complex massive sulphides from 76.4m (G Lens)

**WNDD0012** 4.75m of complex massive sulphides from 135.4m (E Lens up-dip)

**Open Pit** (Waste disposal site)

**G Lens**

**F Lens**

**H Lens**

**E Lens**

**Kate Lens**

**A Lens**

**C Lens**

**I Lens**

**New I2 Lens**

**D Lens**

**B Lens**

**J Lens**

**J Lens** (2012 & 2013 results)  
4.0m @ 3.1% Cu, 8g/t Ag

**Selection of 2012-2013 drilling results**

**Kate Lens** (2012 & 2013 results)  
32m @ 4.6% Zn, 1.8% Cu, 1.2% Pb, 0.6g/t Au, 21g/t Ag  
incl 9m @ 16.1% Zn, 2% Cu, 4% Pb, 0.8g/t Au, 52g/t Ag

**I Lens** (2012 & 2013 results)  
9.45m @ 6.2% Zn, 1.7% Cu, 1.2% Pb, 0.8g/t Au, 14.6g/t Ag  
14.5m @ 11.7% Zn, 3.7% Cu, 3.7% Pb, 1.9g/t Au, 121g/t Ag  
9.0m @ 8.6% Zn, 2.9% Cu, 4.6% Pb, 2.1g/t Au, 167g/t Ag

**NEW I2 Lens** (2012 & 2013 results)  
7.3m @ 6.0% Zn, 1.7% Cu, 1.8% Pb, 2.9g/t Au, 54g/t Ag  
8.9m @ 6.3% Zn, 2.7% Cu, 3.0% Pb, 1.2g/t Au, 71g/t Ag

**D Lens** (2012 & 2013 results)  
11.1m @ 8.3% Zn, 0.9% Cu, 3.6% Pb, 0.4g/t Au, 61.2g/t Ag  
13m @ 5.5% Zn, 0.2% Cu, 2.2% Pb, 0.2g/t Au, 23.7g/t Ag  
8.0m @ 10.7% Zn, 1.2% Cu, 3.9% Pb, 0.6g/t Au, 57g/t Ag

**Woodlawn Cross Section**  
Looking North

400m

See Figure 3 for details on WNDD0006

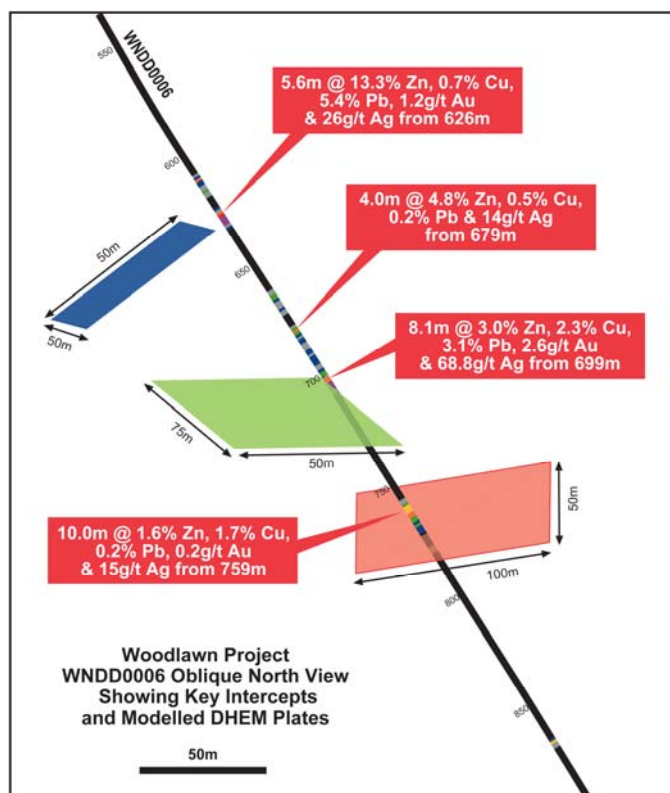




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*Figure 3: Oblique cross section looking approximately north for WNDD0006 showing the key intercepts and the relationship between the intercepts and the modelled DHEM plates. This view only shows WNDD0006 and demonstrates the way in which DHEM is providing clear targets for future drilling, which then, through further DHEM surveys has the potential to extend the limits of the mineralisation. The size of the modelled plates is indicative only and shows where the most conductive parts of the lenses exist, which does not necessarily correspond to the highest grades.*



The 2014 drilling program at Woodlawn continues to deliver robust, high grade results from the targeted positions. The program has been an outstanding success and the results continue to provide strong support for defining further extensions to the known mineralised positions along with improving the discovery potential for new lenses. A further update will be provided as results become available.

### About Heron Resources Limited:

Heron is engaged in the exploration and development of base and precious metal deposits in Australia. Heron's projects include the high grade Woodlawn Zinc-Copper Project located 250km southwest of Sydney, New South Wales, and the Kalgoorlie Nickel Project located north of Kalgoorlie, Western Australia. In addition the Company holds a number of other high quality exploration properties located in the Lachlan Fold Belt, New South Wales.

For further information, please visit [www.heronresources.com.au](http://www.heronresources.com.au) or contact:

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### Technical Information

Table 1 Drill hole details for diamond drill holes relevant to this update

Hole No	WMG East (m)	WMG North (m)	WMG RL (m)	Surface Dip	WMG Surface Azimuth	Depth (m)	Target
WNDD0001	8,995	19,402	2,793	-65.0	88.0	425.5	Kate Lens
WNDD0002	9,011	19,400	2,793	-58.2	95.1	434.5	Kate Lens
WNDD0003	8,996	19,402	2,793	-71.1	88.8	463.2	Kate Lens
WNDD0004	8,977	19,637	2,786	-70.4	86.0	272.5	I Lens (up-dip)
WNDD0005	8,976	19,638	2,787	-65.3	78.7	263.6	I Lens (up-dip)
WNDD0006	8,548	19,749	2,787	-70.0	96.8	95.2	I/I2/D Lens (down-dip)
WNDD0007	8,997	19,350	2,792	-60.0	91.0	580.6	Kate Lens
WNDD0008	8,969	19,353	2,791	-68.1	88.6	469.1	Kate Lens
WNDD0009	9,155	19,342	2,793	-76.9	80.9	480.2	H Lens & Kate Lens
WNDD0010	9,151	19,302	2,791	-78.6	80.2	377.0	H Lens & Kate Lens
WNDD0011	8,995	19,402	2,793	-65.0	80.5	440	Kate Lens
WNDD0012	9,299	19,282	2,801	-62	87.0	190	E Lens
WNDD0013	9,249	19,309	2,798	-58	82.0	120	G Lens

Notes: WMG = Woodlawn Mine Grid

Table 2 Details of massive sulphide intercepts and reported grades from current Heron campaign

Hole No	From (m)	To (m)	Downhole Width (m)	Estimated True Width (m)	Zn (%)	Cu (%)	Pb (%)	Au (g/t)	Ag (g/t)
WNDD0001*	373.6	388.0	14.4	11.5	4.6	4.1	0.8	1.0	56.8
WNDD0002*	368.0	370.3	2.3	1.9	12.0	0.6	5.4	1.3	116
WNDD0002*	374.0	382.7	8.8	7.2	12.6	1.6	7.5	2.3	152
WNDD0006	626.1	631.8	5.6	4.5	13.3	0.7	5.4	1.2	25.9
WNDD0006	679.0	683.0	4.0	3.2	4.8	0.5	0.2	0.0	14.5
WNDD0006	699.4	707.4	8.1	6.5	3.0	2.3	3.1	2.6	68.8
WNDD0006	759.0	769.0	10	8	1.6	1.7	0.2	0.2	15.3
WNDD0007*	414.3	426.6	12.3	9.8	20.0	2.1	6.1	0.8	52.9
WNDD0007*	434.7	437.1	2.4	1.9	20.1	1.6	4.2	2.1	39.7
WNDD0008	434.0	439.4	5.4	4.3	11.1	1.6	0.8	0.6	11.4
WNRC0010*	37.0	45.0	8	6.4	3.6	1.3	2.6	1.0	65.4

Notes: True width is an estimate of the actual thickness of the intercept based on interpreted lens orientation (approximately 80% of downhole width); grades are weighted average grades, weighted by length of samples intervals downhole, which are nominally 1 metre. No weighting was applied for differences in specific gravity. \* Previously reported results.



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### Compliance Statement (JORC 2012 and NI43-101)

*The technical information in this news release relating to the exploration results 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 2012 edition of the “Australasian Code for Reporting of Exploration Results and “qualified person” as this term is defined in Canadian National Instrument 43-101 (“NI 43-101”). Mr von Perger has reviewed this press release and consents to the inclusion in this news release of the information in the form and context in which it appears.*

### CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

*This news release contains forward-looking statements and forward-looking information within the meaning of applicable Canadian securities laws, which are based on expectations, estimates and projections as of the date of this news release. This forward-looking information includes, or may be based upon, without limitation, estimates, forecasts and statements as to management's expectations with respect to, among other things, the timing and amount of funding required to execute the Company's exploration, development and business plans, capital and exploration expenditures, the effect on the Company of any changes to existing legislation or policy, government regulation of mining operations, the length of time required to obtain permits, certifications and approvals, the success of exploration, development and mining activities, the geology of the Company's properties, environmental risks, the availability of labour, the focus of the Company in the future, demand and market outlook for precious metals and the prices thereof, progress in development of mineral properties, the Company's ability to raise funding privately or on a public market in the future, the Company's future growth, results of operations, performance, and business prospects and opportunities. Wherever possible, words such as “anticipate”, “believe”, “expect”, “intend”, “may” and similar expressions have been used to identify such forward-looking information. Forward-looking information is based on the opinions and estimates of management at the date the information is given, and on information available to management at such time. Forward-looking information involves significant risks, uncertainties, assumptions and other factors that could cause actual results, performance or achievements to differ materially from the results discussed or implied in the forward-looking information. These factors, including, but not limited to, fluctuations in currency markets, fluctuations in commodity prices, the ability of the Company to access sufficient capital on favourable terms or at all, changes in national and local government legislation, taxation, controls, regulations, political or economic developments in Canada, Australia or other countries in which the Company does business or may carry on business in the future, operational or technical difficulties in connection with exploration or development activities, employee relations, the speculative nature of mineral exploration and development, obtaining necessary licenses and permits, diminishing quantities and grades of mineral reserves, contests over title to properties, especially title to undeveloped properties, the inherent risks involved in the exploration and development of mineral properties, the uncertainties involved in interpreting drill results and other geological data, environmental hazards, industrial accidents, unusual or unexpected formations, pressures, cave-ins and flooding, limitations of insurance coverage and the possibility of project cost overruns or unanticipated costs and expenses, and should be considered carefully. Many of these uncertainties and contingencies can affect the Company's actual results and could cause actual results to differ materially from those expressed or implied in any forward-looking statements made by, or on behalf of, the Company. Prospective investors should not place undue reliance on any forward-looking information. Although the forward-looking information contained in this news release is based upon what management believes, or believed at the time, to be reasonable assumptions, the Company cannot assure prospective purchasers that actual results will be consistent with such forward-looking information, as there may be other factors that cause results not to be as anticipated, estimated or intended, and neither the Company nor any other person assumes responsibility for the accuracy and completeness of any such forward-looking information. The Company does not undertake, and assumes no obligation, to update or revise any such forward-looking statements or forward-looking information contained herein to reflect new events or circumstances, except as may be required by law.*

***No stock exchange, regulation services provider, securities commission or other regulatory authority has approved or disapproved the information contained in this news release.***



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### Appendix 1 – JORC 2012 Table 1

#### Section 1 Sampling Techniques and Data

(Criteria in this section applies to all succeeding sections)

Criteria	JORC Code explanation	Commentary
<i>Sampling techniques</i>	<ul style="list-style-type: none"> <li><i>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i></li> <li><i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i></li> <li><i>Aspects of the determination of mineralisation that are Material to the Public Report.</i></li> </ul>	<ul style="list-style-type: none"> <li>Samples from the diamond-core holes are being taken from mostly NQ sized core (with a small proportion of HQ sized core) and sampled on a nominal 1 metre basis taking into account smaller sample intervals up to geological contacts. The core is cut in half along the core orientation line (where available) and in massive sulphide zones one portion is quartered for assaying, half core is preserved for metallurgical testing and the remaining quarter is retained as reference material in the core trays. In non massive sulphide material half core is sampled.</li> <li>Samples from the RC holes were generated from a 4.5 inch sized bit and sampled on an initial 4 metre down-hole composite basis, with zones of mineralisation being samples over 1 metre intervals. The 4 metre composites are taken via a spear method into the plastic sample bags, while the 1 metre samples are split via a riffle splitter.</li> <li>These sampling methods are standard industry methods and are believed to provide acceptably representative samples for the type of mineralisation likely to be encountered.</li> </ul>
<i>Drilling techniques</i>	<ul style="list-style-type: none"> <li><i>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details.</i></li> </ul>	<ul style="list-style-type: none"> <li>Diamond-core drilling is being undertaken by a McCulloch DR800 rig or similar with HQ sized core being drilled to approximately between 80-200m before switching to NQ size. Various techniques are employed to ensure the hole is kept within limits of the planned position. The core is laid out in standard plastic cores trays.</li> <li>The RC drilling has been undertaken by a Schramm T450WSI rig that is drilling a 4.5 inch hole with face sampling hammer. A booster and auxiliary compressor is used to increase the volume and pressure of air. The 1 metre samples are fed through a cyclone and riffle splitter before passing into green plastic bags which are laid out in rows on the ground. A dust suppression system is in use.</li> </ul>
<i>Drill sample recovery</i>	<ul style="list-style-type: none"> <li><i>Method of recording and assessing core and chip sample recoveries and results assessed.</i></li> </ul>	<ul style="list-style-type: none"> <li>The core is transported to an enclosed core logging area and recoveries are recorded. Recoveries to date have been better than 95%. The core is orientated, where possible and marked with 1 metre downhole intervals for logging and sampling.</li> <li>The recoveries for the RC drilling are also recorded and have mostly been 100%.</li> </ul>
<i>Logging</i>	<ul style="list-style-type: none"> <li><i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i></li> </ul>	<ul style="list-style-type: none"> <li>Both diamond core and RC holes are fully geologically logged by geologists. Geotechnical logging is also being undertaken on selected sections of the core. Samples for metallurgical testing are being kept in a freezer to reduce oxidation prior to</li> </ul>



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Criteria	JORC Code explanation	Commentary
		being transported to the metallurgical laboratory.
<i>Sub-sampling techniques and sample preparation</i>	<ul style="list-style-type: none"> <li>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</li> </ul>	<ul style="list-style-type: none"> <li>All core samples are crushed then pulverised in a ring pulveriser (LM5) to a nominal 90% passing 75 micron. An approximately 250g pulp sub-sample is taken from the large sample and residual material stored.</li> <li>A quartz flush (approximately 0.5 kilogram of white, medium-grained sand) is put through the LM5 pulveriser prior to each new batch of samples. A number of quartz flushes are also put through the pulveriser after each massive sulphide sample to ensure the bowl is clean prior to the next sample being processed. A selection of this pulverised quartz flush material is then analysed and reported by the lab to gauge the potential level of contamination that may be carried through from one sample to the next.</li> <li>The RC samples are pulverised directly in the LM5 ring pulveriser with the same quartz flush procedure as above.</li> </ul>
<i>Quality of assay data and laboratory tests</i>	<ul style="list-style-type: none"> <li>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</li> <li>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</li> </ul>	<ul style="list-style-type: none"> <li>Sample preparation and assaying is being conducted through ALS Laboratories, Orange, NSW with certain final analysis of pulps being undertaken at the ALS Laboratory in Brisbane QLD.</li> <li>Gold is determined by 30g fire assay fusion with ICP-AES analysis to 1ppb LLD.</li> <li>Other elements by mixed acid digestion followed by ICP-AES analysis.</li> <li>Laboratory quality control standards (blanks, standards and duplicates) are inserted at a rate of 5 per 35 samples for ICP work.</li> </ul>
<i>Verification of sampling and assaying</i>	<ul style="list-style-type: none"> <li>The verification of significant intersections by either independent or alternative company personnel.</li> <li>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</li> <li>Discuss any adjustment to assay data.</li> </ul>	<ul style="list-style-type: none"> <li>An internal review of results was undertaken by company personnel. No independent verification was undertaken at this stage.</li> <li>All field and laboratory data has been entered into an industry standard database using a contract database administrator (DBA) in the Company's Perth office. Validation of both the field and laboratory data is undertaken prior to final acceptance and reporting of the data.</li> <li>Quality control samples from both the Company and the Laboratory are assessed by the DBA and reported to the Company geologists for verification. All assay data must pass this data verification and quality control process before being reported.</li> </ul>
<i>Location of data points</i>	<ul style="list-style-type: none"> <li>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</li> </ul>	<ul style="list-style-type: none"> <li>The drill collars were initially located with a combination of handheld GPS and licenced surveyor using a DGPS system, with accuracy of about 1m. The final drill collars are "picked up" by a licenced surveyor.</li> <li>While drilling is being undertaken, downhole surveys are conducted using an Eastman, Pathfinder survey tool that records the magnetic azimuth and dip of the hole. These recordings are taken approximately</li> </ul>





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Criteria	JORC Code explanation	Commentary
		<p>every 30 metres downhole. Where possible holes are also being surveyed with gyroscopic methods, with some 80 percent of holes drilled in the current program also surveyed by this method after drilling has been completed.</p> <ul style="list-style-type: none"> <li>A north seeking gyroscopic tool has been used to provide collar azimuth data for about half the diamond holes drilled to date.</li> </ul>
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> <li><i>Data spacing for reporting of Exploration Results.</i></li> <li><i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i></li> <li><i>Whether sample compositing has been applied.</i></li> </ul>	<ul style="list-style-type: none"> <li>The diamond drilling is mostly following-up in various directions from previous intercepts with a nominal intercept spacing of no less than 30m. This drill hole spacing will be sufficient to provide certain Mineral Resource estimates in the future.</li> </ul>
<i>Orientation of data in relation to geological structure</i>	<ul style="list-style-type: none"> <li><i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i></li> </ul>	<ul style="list-style-type: none"> <li>The drilling orientation is designed to intersect the mineralised lenses at a close to perpendicular angle. The mineralised lenses are dipping at approximately 50-70 degrees to the west and the drilling is approximately at 60 degrees to the east. This will vary from hole to hole.</li> </ul>
<i>Sample security</i>	<ul style="list-style-type: none"> <li><i>The measures taken to ensure sample security.</i></li> </ul>	<ul style="list-style-type: none"> <li>Samples are being secured in green plastic bags and are being transported to the ALS laboratory in Orange, NSW via a courier service or with Company personnel.</li> </ul>
<i>Audits or reviews</i>	<ul style="list-style-type: none"> <li><i>The results of any audits or reviews of sampling techniques and data.</i></li> </ul>	<ul style="list-style-type: none"> <li>A review and assessment of the laboratory procedures was under taken by company personnel resulting in some changes to their sample pulverising procedure.</li> </ul>

## Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> <li><i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i></li> <li><i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i></li> </ul>	<ul style="list-style-type: none"> <li>The Woodlawn project is located 250km south-west of Sydney in the state of New South Wales. The area is near the top of the Great Australian Dividing range and has an elevation around 800m above sea-level. The mineral and mining rights to the project are owned 100% by the Company through the granted, special mining lease 20 (SML20). The lease is completing its second 21 year term on the 16 November 2014 and the Company has applied for an extension of this term for a further 15 years. The Company is not aware of any reason why SML20 will not be renewed.</li> <li>The project area is on private land owned by Veolia who operate a waste disposal facility that utilises the historical open-pit void. An agreement is in place with Veolia for the Company to purchase certain</li> </ul>



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Criteria	JORC Code explanation	Commentary
		sections of this private land to facilitate future mining and processing activities. A cooperation agreement is also in place between Veolia and the Company that covers drilling and other exploration activities in the area.
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> <li><i>Acknowledgment and appraisal of exploration by other parties.</i></li> </ul>	<ul style="list-style-type: none"> <li>The Woodlawn deposit was discovered by the Jododex JV in 1970 and open-pit mining began in 1978 and continued through to 1987. The project was bought outright by Rio Tinto (CRA) in 1984 who completed the open-pit mining. Underground operations commenced in 1986 and the project was sold to Denehurst Ltd in 1987 who continued underground mining up until 1998. The mineral rights to the project were then acquired by TriAusMin Ltd in 1999 who conducted further studies on a tailings re-treatment and revived underground operation. Heron took 100% ownership of the project in August 2014 following the merger of the two companies. Some 980 surface and underground drill holes have been completed on the project to date and several studies undertaken.</li> </ul>
<i>Geology</i>	<ul style="list-style-type: none"> <li><i>Deposit type, geological setting and style of mineralization.</i></li> </ul>	<ul style="list-style-type: none"> <li>The Woodlawn deposit comprises volcanogenic massive sulphide mineralisation consisting of stratabound lenses of pyrite, sphalerite, galena and chalcopyrite. The mineralisation is hosted in the Silurian aged Woodlawn Felsic Volcanic package of the Goulburn sub-basin on the eastern side of the Lachlan Fold Belt.</li> </ul>
<i>Drill hole Information</i>	<ul style="list-style-type: none"> <li><i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</i> <ul style="list-style-type: none"> <li><i>easting and northing of the drill hole collar</i></li> <li><i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i></li> <li><i>dip and azimuth of the hole</i></li> <li><i>down hole length and interception depth</i></li> <li><i>hole length.</i></li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>A table detailing the drill hole information is given in the body of the report.</li> </ul>
<i>Data aggregation methods</i>	<ul style="list-style-type: none"> <li><i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</i></li> <li><i>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</i></li> </ul>	<ul style="list-style-type: none"> <li>The reported assays are weighted for their assay interval width. The majority of the assay interval widths are 1 metre, but this weighting does take into account the non 1 metre intervals and weights the average assay results accordingly.</li> <li>For the results reported here no weighting was included for specific gravity (SG) measurements that have been taken for all sample intervals as the samples within the intervals are of a similar SG.</li> </ul>
<i>Relationship between mineralization widths and</i>	<ul style="list-style-type: none"> <li><i>These relationships are particularly important in the reporting of Exploration Results.</i></li> <li><i>If the geometry of the mineralisation with respect to the drill hole angle is known, its</i></li> </ul>	<ul style="list-style-type: none"> <li>The massive sulphide zone intercepted in the drilling to date is at an angle to the drill axis and therefore the true width is estimated to be some 0.8 of down-hole width. That is, a down-hole intercept of 16m</li> </ul>



# Heron Resources Limited

## ASX/TSX Release

Criteria	JORC Code explanation	Commentary
<i>intercept lengths</i>	<i>nature should be reported.</i>	equates to a true width of 12m. This is only an approximation at this stage and will be better estimated as the orientation of the lenses is better defined.
<i>Diagrams</i>	<ul style="list-style-type: none"> <li><i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i></li> </ul>	<ul style="list-style-type: none"> <li>A long-section showing the hole positions relevant for current phase of exploration is included in the release. Other maps and diagrams showing the location of the Woodlawn Project are included in other recent Company releases.</li> </ul>
<i>Balanced reporting</i>	<ul style="list-style-type: none"> <li><i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i></li> </ul>	<ul style="list-style-type: none"> <li>The reporting is considered to be balanced and all relevant results have been disclosed for this current phase of exploration.</li> </ul>
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> <li><i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i></li> </ul>	<ul style="list-style-type: none"> <li>There is no other substantive exploration data that has been generated for inclusion in this report.</li> <li>The drill holes are being cased with either 40 or 50 millimetre PVC tubing for down-hole EM surveying.</li> </ul>
<i>Further work</i>	<ul style="list-style-type: none"> <li><i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i></li> </ul>	<ul style="list-style-type: none"> <li>The drilling program is ongoing at the Woodlawn Project and a systematic program is planned to test the up-dip and down-dip extensions to a number of the known ore lenses.</li> </ul>