



29 April 2019

## HIGHLIGHTS

### Woodlawn Zinc-Copper Project Development Progress

#### PLANT CONSTRUCTION

- Overall EPC completion at 99% and process plant commissioning at 77%
- Construction work completed
- Commissioning with reclaim tailings ore from Tailings Dam South on a 24 hour basis
- Concentrate production imminent

#### UNDERGROUND

- 1.3km of underground development completed
- Raiseboring of the primary ventilation shaft completed from surface
- First ore from underground delivered to ROM

#### RETREATMENT

- Hydraulic mining transitioning to production mode

### Woodlawn Exploration

- An Induced Polarisation (IP) geophysical survey completed north of Woodlawn. Significant chargeability and resistivity anomalies were detected; modelling of the data is being finalised.

### Corporate

- **Cash:** Heron held A\$66.5 million in cash (including bonds of A\$7.77 million) and A\$2 million in investments as at 31 March 2019.
- **Sedgman Claim:** Progress claims were received from Sedgman, Woodlawn EPC Contractor, in February and March which exceeded the agreed guaranteed maximum price contract value, both of which were rejected by the Contract Superintendent. No progress claim has been received in April.



# Heron Resources Limited

## Quarterly Report

March 2019

Heron Resources Ltd (“Heron” or the “Company”) is pleased to provide its report for the March 2019 Quarter. During this reporting period, the Company continued its focus on construction and commenced commissioning at its Woodlawn Zinc-Copper Project.

### WOODLAWN ZINC-COPPER PROJECT

Heron holds a direct 100% ownership of the mineral rights at the Woodlawn Mine site situated 40km south of Goulburn and 250km south-west of Sydney, in southern NSW, Australia (Figure 1). It is Heron’s aim to create a profitable, long-life, low-cost mining operation, producing base metal concentrates.

Heron also holds a portfolio of advanced stage exploration tenements adjacent to, and contiguous with, the Woodlawn site covering the prospective felsic volcanic units that host the Volcanogenic Massive Sulphide (VMS) deposit at Woodlawn.

The last four years have seen Heron directing its efforts to developing the Woodlawn Zinc-Copper Project with the successful completion of a Preliminary Economic Assessment (PEA) in 2015, followed by the Feasibility Study (FS) in June 2016 and the completion of project financing in September 2017. Construction activities commenced in September 2017. The Project is in the final stages of commissioning with first mineral production planned for the June quarter.

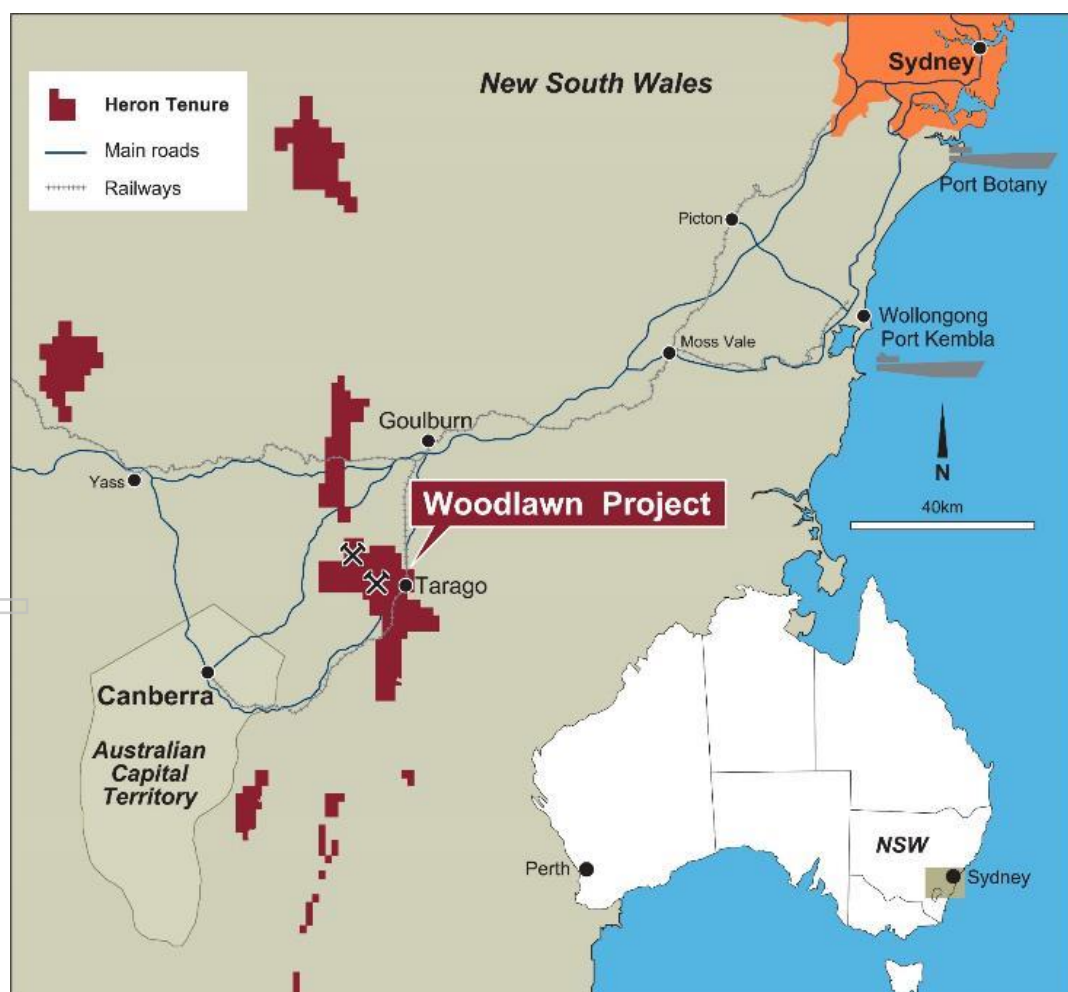


Figure 1 Woodlawn Project location and tenement map.



# Heron Resources Limited

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March 2019

### Woodlawn Project – Development Progress

Construction activities commenced in September 2017, and overall project progress was 99% complete by the end of the March quarter. Structural, mechanical, piping electrical and instrumentation works are now complete. The project is behind the original EPC Contractors schedule, and it is expected the first shipment of concentrate will be delivered to market in the June quarter. Recent project developments include:

- **Safety:** Heron is pleased to report there were no lost time injuries for the March quarter. The Company remains committed to achieving zero harm and is focused on the continuous improvement of its risk management systems and processes that target the wellbeing of its employees and contractors.
- **Environment:** There has been a significant increase in the resources applied to environmental management on site commensurate with the ramp-up in site activity. The seeding of Hickory's Paddock, east of the plant site has been completed and with favourable weather conditions has taken well to the area. Further rehabilitation plans are in place and where possible will continue being implemented alongside daily operations on site.
- **Project Development Schedule:** At the start of March, Heron was advised by the EPC Contractor, Sedgman Pty Ltd (Sedgman), that the anticipated date for first ore to be fed to the process plant would be delayed. After seeking clarification on the extent of the delay, the Company now expects first concentrates ready for shipment later in the June quarter. Subsequent to the end of the quarter, commissioning with reclaim tailings ore from Tailings Dam South commenced in April.
- **Project EPC Works:** As announced on March 4, 2019 (*Process Plant Wet Commissioning Commences at Woodlawn*), the Company is fast approaching the end of the project development phase. Sedgman report the Project as being 99% complete at the end of March and plant commissioning at 77%. Site construction activity is complete and workforce numbers have reduced accordingly. The EPC Contractor's personnel are progressing Woodlawn through the wet commissioning stage, then followed by ore commissioning, ramp-up and performance testing.
- **Water Treatment:** The supply and installation of the water treatment plant is complete and commissioning underway.
- **Underground Mine:** The underground operation has made steady progress with 1.3km of development completed by the end of the quarter. The mine has transitioned to multiple headings which has allowed increased advance rates for mine development. The G2 lens was accessed during the quarter and is the first ore mined (as announced on March 12, 2019 *Woodlawn Zinc-Copper Project Update*). Ore is being stockpiled on the ROM pad ready for processing. The raiseboring component of the 5.0m diameter primary ventilation raise was completed from surface and a short strip and line section remains to complete this excavation. In addition, the mining of the second means of egress (small diameter raise) is also well advanced.
- **Hydraulic Mining:** The hydraulic mining circuit is fully operational and ready for production. Final hand-over of the plant is expected to be complete in the coming months after a final performance test. Paragon Tailings has completed operator training, production readiness and ramp-up. As noted above, subsequent to the end of the quarter retreatment ore was delivered to the process plant to commence the reclaim tailings commissioning phase.
- **Community:** Heron was an active participant in the local annual Tarago Show in early March. The Company welcomes opportunities to connect and support the Community and continues to receive supportive local feedback for the project and the wider benefits it provides the local community through employment opportunities, use of local suppliers, and participation in community advancement initiatives.
- **Personnel:** All recruitment of operational roles is complete, although a few technical positions remain to be filled (covered by contract staff) - the workforce is operationally ready.



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**Quarterly Report**

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*Figure 2 Woodlawn underground mining operations.*



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*Figure 3 Establishing the production channel at Tailings Dam South during hydraulic mining operations.*



# Heron Resources Limited Quarterly Report

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*Figure 4 Woodlawn process plant in the final stages of commissioning.*



*Figure 5 IsaMill™ commissioning.*

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# Heron Resources Limited Quarterly Report

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*Figure 6 Flotation building - piping and electrics were completed during the March quarter.*



*Figure 7 Tailings and reclaim thickeners undergoing wet commissioning.*



# Heron Resources Limited Quarterly Report

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*Figure 8 Seeding of Hickory's Paddock – east of the Woodlawn Plant site.*

## Woodlawn Project – Exploration

Near-mine exploration is focused on the discovery and delineation of additional mineralised VMS lenses north of Woodlawn. Particular prospects targeted are within a 2.5km arc to the NW and NE of the Woodlawn Mine, and include Kalua, Murphy's and Bucklands.





# Heron Resources Limited Quarterly Report

March 2019

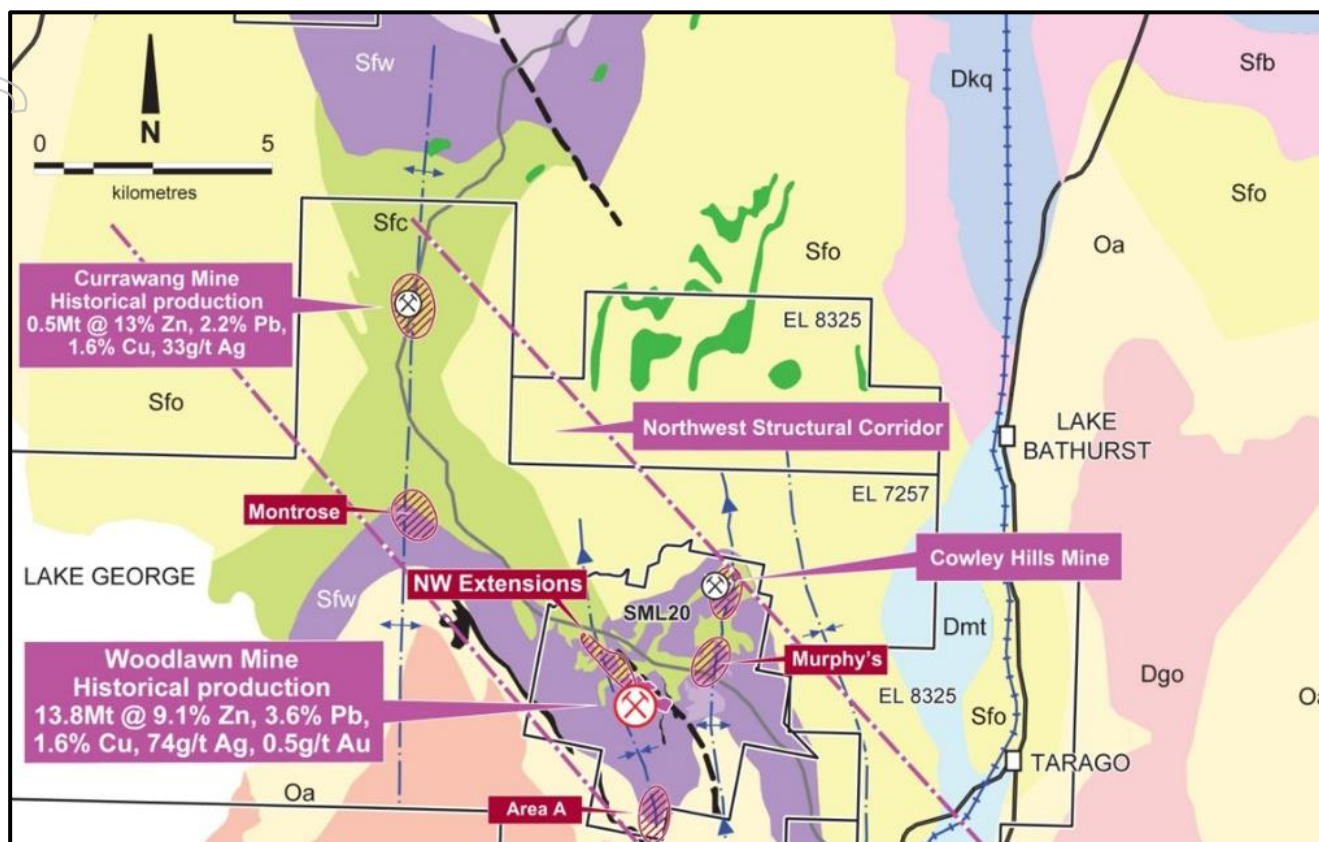


Figure 9 Woodlawn near-mine exploration prospects with underlying geology.

## Induced Polarisation Survey (IP) – Woodlawn North

An IP geophysical program was completed during the quarter with seven lines surveyed directly north of the Woodlawn Mine. Lines were spaced 200m and 400m apart and extended 4km in an east-west direction. The survey was focused along the 2.5km arc to the NW and NE of the Woodlawn Mine and includes the Murphy's to Cowley Hills trend (refer Figure 9).

The IP results are encouraging with a strong chargeability and resistivity anomaly detected over some 500m of strike-length associated with the Murphy's – Cowley Hills mineralization corridor (refer Figures 10 and 11). Another large-area, coherent, chargeability anomaly was detected near the centre of the survey lines, directly north-west of the Woodlawn pit. The main Murphy's prospect anomaly potentially extends below 600m depth, well below the level of previous drilling. Re-logging and selected sampling of historical DDH from the area is being completed to provide geological control to guide the interpretation of the IP responses.



# Heron Resources Limited Quarterly Report

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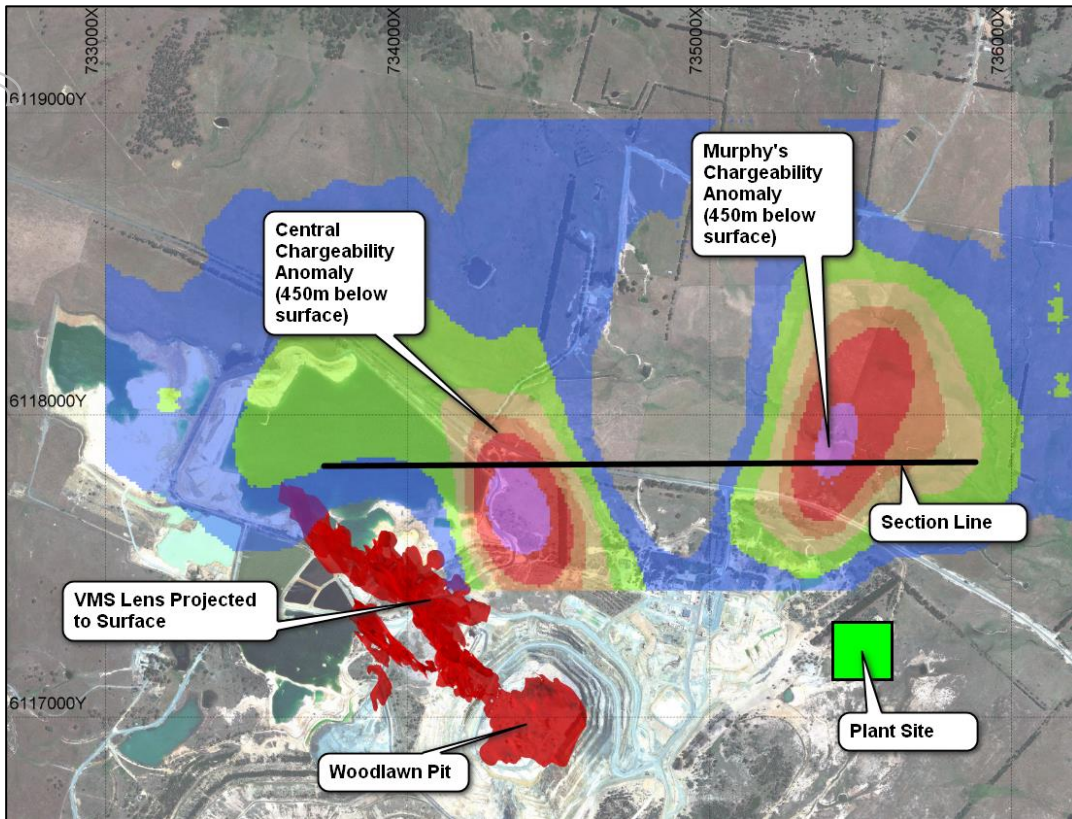


Figure 1: Woodlawn north target area – plan view showing key IP chargeability anomalies north of Woodlawn projected to surface from approximately 450m depth.

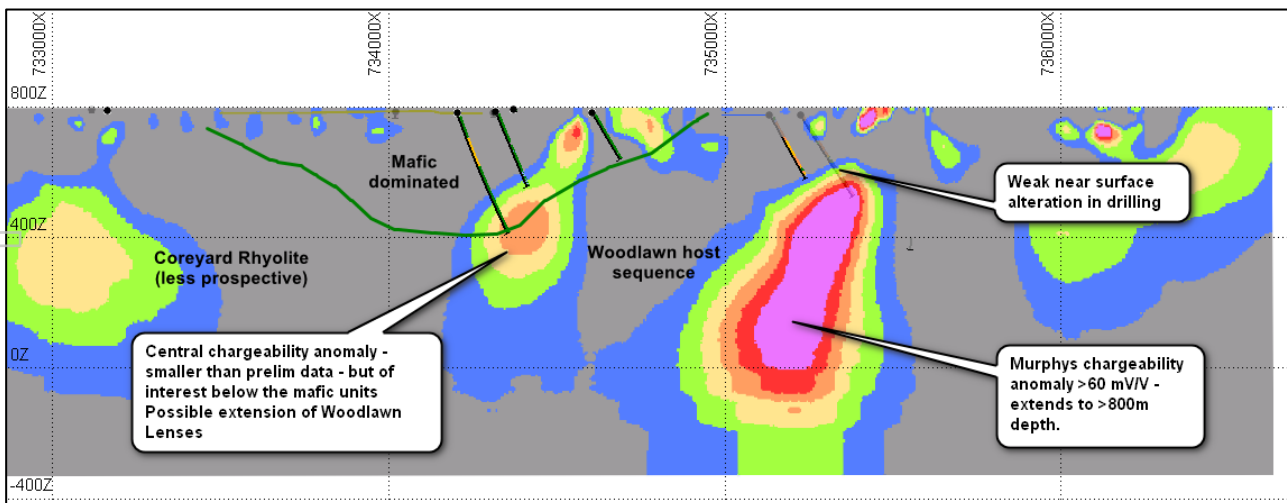


Figure 11. Cross-section looking north (section line in Figure above) showing chargeability anomalies directly north of Woodlawn.

Further 3D inversions of the IP data are being undertaken to better understand the significance of these IP responses and a drilling program is being planned for the testing of these anomalies.



# Heron Resources Limited

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### Montrose Prospect Drilling Results and Future Work

The Montrose prospect is located 6.5km NW of Woodlawn, straddling the contact between the Woodlawn Volcanics and the Currawang basalts (Figure 9). Previous drilling at Montrose included 16 diamond-core drill holes for 3,848m with a best result of 5.3m @ 4.9% ZnEq<sup>1</sup> from 145m. Re-modelling of the surface moving-loop EM and down-hole EM survey data at Montrose identified several conductors within a 700m long zone.

During the previous quarter Heron completed four reverse circulation (RC) drill holes for 981m (MNRC001 to MNRC004) at Montrose that targeted four separate EM anomalies. All drilling intersected weak to moderate disseminated pyrite / pyrrhotite mineralisation within either the Currawang Basalt or the underlying Woodlawn Volcanics; holes MNRC003 and MNRC004 also encountered chalcopyrite. Assay results confirm the weakly mineralised zones associated with the pyrite / pyrrhotite alteration. A best result of 1m @ 0.32% Zn, 0.28% Cu, 0.4% Pb, 12g/t Ag from 144m in MNRC003, plus a 15m zone of anomalous Zn (480ppm) and Cu (200ppm) from 245m in MNRC004.

Whole rock geochemistry from Montrose RC drilling has confirmed the proximity of Montrose to VMS mineralisation and Downhole EM surveying will be undertaken to test for lenses at depth.

### CORPORATE

**Cash:** Heron held A\$66.5 million in cash (including bonds of A\$7.77 million) and A\$2 million in investments as at 31 March 2019.

**Sedgman Claim:** Progress claims were received from Sedgman, Woodlawn's EPC Contractor, in February and March, both of which exceeded the agreed guaranteed maximum price contract value. These claims have been rejected by the Contract Superintendent. No progress claim has been received in April.

**Listed Investments:** The Company advises that one of its listed investments – Centennial Mining (ASX:CTL) was placed into voluntary administration in March 2019. Heron holds 23,161,012 shares with a market value at the time of entering into voluntary administration of \$208,000. The Administrators have determined to continue operating CTL on a limited mining basis in the short term as they consider this is in the best interests of stakeholders as it provides CTL with the opportunity to better pursue a recapitalisation process.

<sup>1</sup> Refer to Page 13 for ZnEq calculation assumptions



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## APPENDIX A – REGIONAL EXPLORATION PROJECTS

### WOODLAWN REGIONAL PROSPECTS

Heron continues to maintain and explore its strategic 1,206km<sup>2</sup> tenement package which covers the prospective Silurian volcanic rocks which host the Woodlawn VMS deposit. Heron's exploration strategy is to focus on historically known mineralisation zones with prospective geology and comparable grade and metallurgy to Woodlawn, and within potential trucking distance of the Woodlawn processing facility. Figure 12 shows the location of key projects.

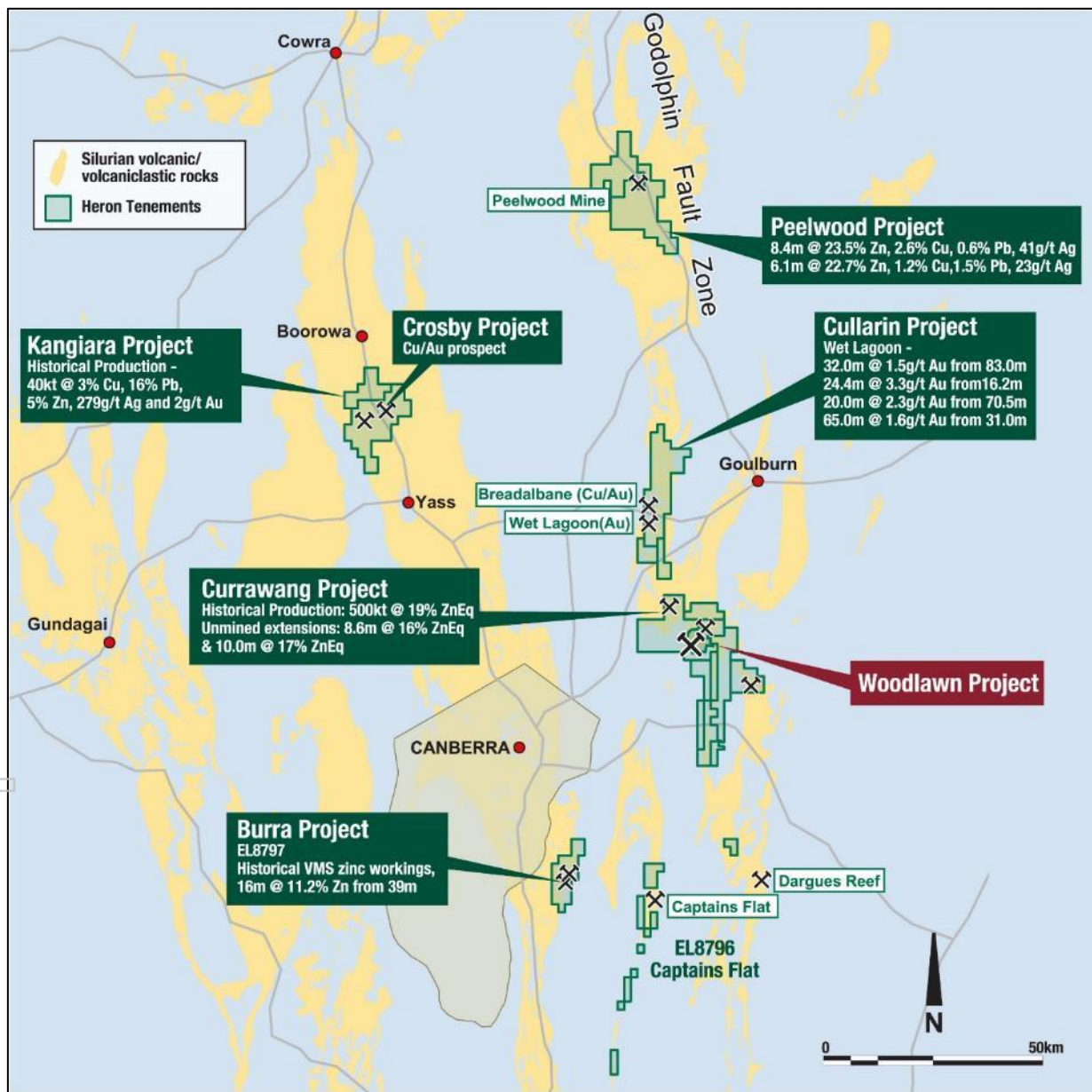


Figure 12: Heron's Woodlawn Regional Projects



# Heron Resources Limited

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### EXPLORATION JOINT VENTURE PROJECTS

Heron retains interests in tenement holdings within the Lachlan Fold Belt of NSW and the Eastern Goldfields of Western Australia (Figure 13). This tenure is held through farm-in and joint venture interests which include a number of other free-carried residual or royalty interests which results in minimal costs to Heron.

#### Alchemy Farm-In and JV (Overflow, Girilambone, Eurow and Yellow Mountain)

Heron entered into a Farm-In Agreement with Alchemy Resources Limited (Alchemy) (ASX: ALY) covering a portfolio of Heron's NSW exploration tenements in May 2016. The Farm-In Agreement covers 674 km<sup>2</sup> of the central Lachlan Orogen in NSW (refer Figure 15). At the end of the previous quarter Alchemy had earned a 51% interest in the JV tenements after spending \$1 million and have the option to earn 80% by spending an additional \$1 million over the next 2 years. Alchemy now have the right to earn up to an 80% interest in the JV tenements by expending a further \$1 million by April 2021.

During the quarter Alchemy announced a maiden Mineral Resource Estimate at the West Lynn Ni-Co-Al Project near Nyngan of: **21.3Mt @ 0.84% Ni, 0.05% Co, 2.4% Al and 20.0% Fe** (ASX:ALY, 21 Feb 2019). This resource was defined from a 3 phase drilling campaign completed in 2018 and comprising 178 holes for 8,646m. The Ni-Co mineralisation is flat lying and associated with variably lateritic clay, saprolite and weathered serpentinite units. Mineralisation remains open along and across strike with potential to expand this resource.

At the Overflow Project, following clearance of Native Title and establishment of a Land Access Agreement, a Moving Loop EM Survey (MLEM) with two DDH drilled into anomalies (OFDD001 and OFDD002). A broad zone of weak to moderate mineralisation was intersected in OFDD001 including: **14m @ 0.4g/t Au, 0.4% Zn from 368m (incl. 1m @ 2.1g/t Au, 12g/t Ag, 2.0% Zn, 1.0% Pb, 0.19% Cu from 379m)**. OFDD002 intercepted intense silica alteration but did not encounter epithermal style quartz veining or the steeply dipping, cross-cutting, quartz vein sets seen in the high-grade gold-silver portion of OFDD001. However, OFDD002 did confirm the presence of structures controlling mineralisation and intercepted an elevated copper zone of 1m @ 0.19% Cu from 379m, consistent with elevated copper values seen in the lower parts of OFDD001. The results have helped define the known extent of mineralisation at Overflow and confirmed an increase in copper mineralisation with depth. A Down-Hole Electro-Magnetic survey (DHEM) is planned on OFDD002 to test for significant off-hole conductors and potential high-grade mineralisation at depth.

#### Compliance Statements (JORC 2012)

*The technical information in this report relating to the exploration results 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 mineralisation 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. Mr. von Perger has reviewed this report and approves the scientific and technical disclosure related to exploration results within.*

#### Zinc equivalent calculation

*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.  $ZnEq = Zn\% + Cu\% * 3.12 + Pb\% * 0.81 + Au\ g/t * 0.86 + Ag\ g/t * 0.03$ . 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 test work undertaken during the 2015-16 feasibility study.*



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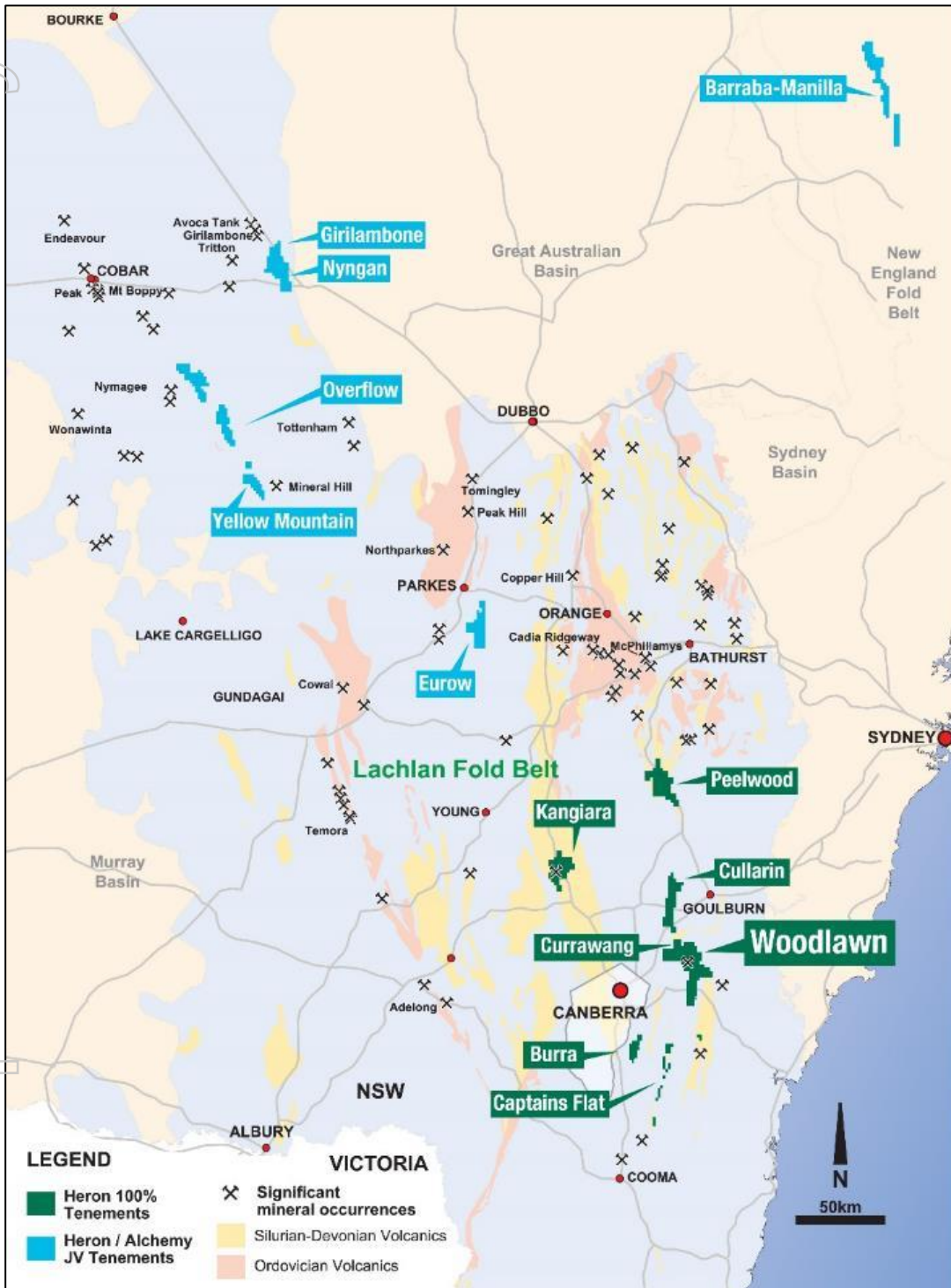


Figure 13: Heron NSW Projects (including Alchemy JV tenure).



# Heron Resources Limited

## Quarterly Report

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### Corporate Directory

<p><b>Directors</b></p> <p>Stephen Dennis** <i>Chairman</i>          Borden Putnam III**          Fiona Robertson **          Wayne Taylor          Ian Pattison **          Mark Sawyer**          Peter Rozenauers**          Ricardo De Armas**</p> <p>* Denotes Non-executive          + Denotes Independent</p> <p><b>Executive Management</b></p> <p>Wayne Taylor  <i>Managing Director &amp; Chief Executive Officer</i></p> <p>Simon Smith  <i>General Manager – Finance &amp; Administration &amp; Company Secretary.</i></p> <p>David von Perger  <i>General Manager - Exploration</i></p> <p>Charlie Kempson  <i>General Manager - Strategy &amp; Business Development</i></p> <p>Andrew Lawry  <i>Chief Operating Officer</i></p> <p>Brian Hearne  <i>General Manager - Woodlawn</i></p>	<p><b>Issued Share Capital</b></p> <p>As at the date of this report, Heron Resources Limited had 241,666,912 ordinary shares, 1,915,000 Employee options and 4,916,667 Performance Rights.</p> <p>The options have expiry dates ranging from 4<sup>TH</sup> December 2020 to 1 February 2022 and have exercise prices ranging from A\$0.72 to A\$1.10.</p> <p>The Performance rights are \$nil exercise price options and expire on 1 July 2020 and 1 July 2021.</p> <p>Heron trades on the ASX as HRR.</p> <p><b>Monthly Share Price Activity</b></p> <p>(A\$ per share - ASX)</p> <table border="1"> <thead> <tr> <th>Month</th> <th>High</th> <th>Low</th> <th>Close</th> </tr> </thead> <tbody> <tr> <td>Apr 18</td> <td>0.73</td> <td>0.61</td> <td>0.63</td> </tr> <tr> <td>May 18</td> <td>0.64</td> <td>0.53</td> <td>0.60</td> </tr> <tr> <td>Jun 18</td> <td>0.68</td> <td>0.60</td> <td>0.63</td> </tr> <tr> <td>Jul 18</td> <td>0.65</td> <td>0.54</td> <td>0.61</td> </tr> <tr> <td>Aug 18</td> <td>0.62</td> <td>0.56</td> <td>0.58</td> </tr> <tr> <td>Sept 18</td> <td>0.67</td> <td>0.53</td> <td>0.66</td> </tr> <tr> <td>Oct 18</td> <td>0.67</td> <td>0.56</td> <td>0.56</td> </tr> <tr> <td>Nov 18</td> <td>0.65</td> <td>0.59</td> <td>0.60</td> </tr> <tr> <td>Dec 18</td> <td>0.61</td> <td>0.56</td> <td>0.56</td> </tr> <tr> <td>Jan 19</td> <td>0.66</td> <td>0.56</td> <td>0.63</td> </tr> <tr> <td>Feb 19</td> <td>0.60</td> <td>0.505</td> <td>0.57</td> </tr> <tr> <td>Mar 19</td> <td>0.685</td> <td>0.55</td> <td>0.64</td> </tr> </tbody> </table>	Month	High	Low	Close	Apr 18	0.73	0.61	0.63	May 18	0.64	0.53	0.60	Jun 18	0.68	0.60	0.63	Jul 18	0.65	0.54	0.61	Aug 18	0.62	0.56	0.58	Sept 18	0.67	0.53	0.66	Oct 18	0.67	0.56	0.56	Nov 18	0.65	0.59	0.60	Dec 18	0.61	0.56	0.56	Jan 19	0.66	0.56	0.63	Feb 19	0.60	0.505	0.57	Mar 19	0.685	0.55	0.64	<p><b>Registered Office and Address for Correspondence</b></p> <p><b>Sydney</b>          Suite 702, 191 Clarence Street          Sydney NSW 2000          Telephone +61 2 9119 8111</p> <p><b>Perth</b>          Level 1, 12 Prowse Street          West Perth, WA 6005          Telephone +61 8 6500 9200</p> <p>Email <a href="mailto:heron@heronresources.com.au">heron@heronresources.com.au</a>          Website <a href="http://www.heronresources.com.au">www.heronresources.com.au</a></p> <p><b>Share Registry (Australia)</b></p> <p>Automic          Level 5, 126 Philip Street          Sydney NSW 2000          P: 1300 288 664 (within Australia)          P: +61 (2) 9698 5414 (outside Australia)          E: <a href="mailto:hello@automic.com.au">hello@automic.com.au</a>          W: <a href="http://www.automic.com.au">www.automic.com.au</a></p> <p>All security holder correspondence to:          PO BOX 2226, Strawberry Hills, NSW 2012</p> <p>Please direct enquiries regarding Australian shareholdings to the Share Registrar.</p>
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# Heron Resources Limited

## Quarterly Report

March 2019

### Appendix 5B

#### MINING EXPLORATION ENTITY QUARTERLY REPORT

Name of entity

HERON RESOURCES LIMITED
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ABN

30 068 263 098
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Quarter ended

31 March 2019
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#### Consolidated statement of cash flows

	Current Qtr. \$A'000	Year to Date (9 months) \$A'000
<b>Cash flows related to operating activities</b>		
1.1 Receipts from product sales and related debtors		
1.2 Payments for: (a) production (b) development (c) administration	(979)	(7,331)
1.3 Dividends received	395	681
1.4 Interest and other items of similar nature received		
1.5 Interest and other costs of finance paid	1,007	6,625
1.6 Taxes (paid)/refunded (R&D/GST)	-	-
1.7 Other –GST		
<b>Net Operating Cash Flows</b>	<b>423</b>	<b>(25)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of: (a) plant and equipment (b) equity investment (c) mine under construction (d) exploration activities (e) prospects	(149) - (11,865) (429) -	(673) - (59,772) (984) -
1.9 Proceeds from sale of: (a) prospects (b) equity investment (c) other fixed assets	- - -	- - -
1.10 Loans to other entities		
1.11 Loans repaid by other entities	-	-
<b>Net Investing Cash Flows</b>	<b>(12,443)</b>	<b>(61,429)</b>
1.12 Total operating and investing cash flows (carried forward)	<b>(12,020)</b>	<b>(61,454)</b>





# Heron Resources Limited

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1.12 Total operating and investing cash flows (brought forward)	(12,020)	(61,454)
<b>Cash flows related to financing activities</b>		
1.13 Proceeds from the issue of shares, options, etc.	-	-
1.14 Realised foreign exchange loss – equity raise	-	-
1.15 Payment for FX Hedges	-	(12)
1.16 Proceeds/(repayment) of borrowings	-	53,639
1.17 Dividends paid	-	-
1.18 Payment of Share issue costs	-	-
<b>Net financing cash flows</b>	-	53,627
<b>Net increase (decrease) in cash held</b>	(12,020)	(7,827)
1.19 Cash at beginning of quarter/year	78,546	74,309
1.20 Other (Fx translation)	-	44
1.21 <b>Cash at end of quarter</b>	66,526	66,526

**Payments to directors of the entity and associates of the directors, payments to related entities of the entity and associates of the related entities**

	Current Qtr. \$A'000
1.22 Aggregate amount of payments to the parties included in item 1.2 and 1.8	141
1.23 Aggregate amount of loans to the parties included in item 1.10	-

1.24 Explanation necessary for an understanding of the transactions

Director's fees, salaries and superannuation for the quarter (A\$141,248).

**Non-cash financing and investing activities**

2.1 Details of financing and investing transactions that have had a material effect on consolidated assets and liabilities but did not involve cash flows

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

See attached schedule



# Heron Resources Limited

## Quarterly Report

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### Financing facilities available

Add notes as necessary for an understanding of the position

	Amount available \$A'000 (US\$76M at exchange rate of AUD:USD\$0.7058)	Amount used \$A'000
3.1 Loan facilities	\$107,679	\$107,679
3.2 Credit standby arrangements		

### Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	400
4.2 Development	22,400
4.3 Production	500
4.4 Administration	1,600
<b>Total</b>	<b>24,900</b>

### Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to related items in the accounts as follows.

	Current Quarter \$A'000	Previous Quarter \$A'000
5.1 Cash on hand and at bank	2,749	9,769
5.2 Deposits at call	56,000	61,000
5.3 Bank Overdraft		
5.4 Other (provide details)		
Environmental bonds	3,577	3,577
Bank Guarantee	4,200	4,200
<b>Total: cash at end of quarter (Item 1.21)</b>	<b>66,526</b>	<b>78,546</b>



# Heron Resources Limited

## Quarterly Report

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### 6.1 Interests in Mining Tenements transferred, relinquished, withdrawn, reduced or lapsed.

#### Interests in Mining Tenements sold, reduced or relinquished

Tenement	Location	Nature of Interest	% Beginning of Quarter	% At end of Quarter
Nil				

#### Interests in Mining Tenements acquired or increased

Tenement	Location	Nature of Interest	% Beginning of Quarter	% At end of Quarter
Nil				

#### Heron Resources Ltd Tenement Schedule for March 2019 Quarterly Report

Tenement	Location	Heron Interest (%)	Status	Note
<b>New South Wales Projects</b>				
<b>Woodlawn Project</b>				
EL7257	40km SSW of Goulburn	100	Live	
EL7468	5km E of Collector	100	Live	
EL7469	15km E of Bungendore	100	Live	
EL7954	25km W of Goulburn	100	Live	
EL8325	60km ENE of Canberra	100	Live	
EL8353	7.5km SE of Woodlawn	100	Live	
S(C&PL)L20	40km SSW of Goulburn	100	Live	
EL8400	27km NNE of Yass	100	Live	
EL8573	30km NNW of Yass	100	Live	
EL8623	90km north of Woodlawn	100	Live	
EL8712	100km north of Woodlawn	100	Live	
EL8796	65km south of Woodlawn	100	Live	
EL8797	65km south of Woodlawn	100	Live	
<b>Alchemy Farm in &amp; JV Tenements</b>				
<b>Barraba-Manilla</b>				
EL8711	90km W of Armidale	49	Live	Alchemy
<b>Nyngan/Girilambone</b>				
EL8631	10km NW of Nyngan	49	Live	Alchemy
EL8318	27km NW of Nyngan	49	Live	Alchemy
<b>Overflow/Eurow/Parkes</b>				
EL5878	100km NW of Condobolin	49	Live	Alchemy
EL7941	100km NW of Condobolin	49	Live	Alchemy
EL8267	70km SE of Cobar	49	Live	Alchemy
EL8356	59km WSW of Tottenham	49	Live	Alchemy
EL8192	23km SE of Parkes	49	Live	Alchemy

Notes:

Alchemy. Subject to Farm-in and Joint Venture Agreement between Alchemy Resources Ltd and Heron.

#### Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.



# Heron Resources Limited

## Quarterly Report

March 2019

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	Total number	Number quoted	Issue price per security (see note 3) (\$)	Amount paid up per security (see note 3) (\$)
<b>7.1 Preference securities</b> <i>(description)</i>				
<b>7.2 Changes during Quarter</b>				
(a) Increases through share issues				
(b) Decreases through returns of capital, buybacks, redemptions				
<b>Ordinary securities</b>	241,666,912	241,666,912		
<b>7.3 Changes during Quarter</b>				
(a) Increases through share issues				-
(b) Decreases through returns of capital, buybacks				
<b>7.4 Convertible debt securities</b> <i>(description)</i>				
<b>7.5 Changes during Quarter</b>				
(a) Increases through issues				
(b) Decreases through securities matured, converted				
<b>7.6 Options/Performance Rights</b> <i>(description and conversion factor)</i>			<i>Exercise Price</i>	<i>Expiry Date</i>
	1,650,000	Nil	\$0.72	4/12/2020
	265,000	Nil	\$1.10	01/02/2022
	2,895,000 (Perf Rights)	Nil	\$Nil	1 July 2020
	2,021,667 (Perf Rights)	Nil	\$Nil	1 July 2021
<b>7.7 Issued during Quarter</b>				
<b>7.8 Exercised during Quarter</b>				
<b>7.9 Expired during Quarter</b>				
<b>7.10 Debentures</b> <i>(totals only)</i>				
<b>7.11 Unsecured notes</b> <i>(totals only)</i>				

**Compliance 2.2** Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest.

Nothing to report

**Compliance Statement**



# Heron Resources Limited

## Quarterly Report

March 2019

1. This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
2. This statement does give a true and fair view of the matters disclosed.

Sign here: \_\_\_\_\_  
Company Secretary  
Print name: Simon Smith

Date: 29 April 2019

### Notes

1. The Quarterly Report is to provide a basis for informing the market how the entity's activities have been financed for the past Quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
2. The "Nature of Interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
3. **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
4. The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
5. **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.