



ASX Release – 17 May 2007

**IN SPECIE DISTRIBUTION OF HERON RESOURCES LIMITED'S
SHAREHOLDING IN
RUBICON RESOURCES LIMITED**

The Directors of Heron Resources Limited ("Heron") and Rubicon Resources Limited ("Rubicon") wish to advise that Heron's shareholding in Rubicon has been distributed to Heron shareholders with effect on 17 May 2007.

On 24 January 2007, Heron shareholders approved the de-merger of Rubicon from Heron and the transfer of Heron's remaining gold and base metal assets to Rubicon. The consideration for transferring these assets comprised the issue by Rubicon of 15 million ordinary shares adding to the 10 million ordinary shares already held by Heron in Rubicon.

The 25 million ordinary shares that have been held in trust on behalf of Heron shareholders have been distributed to Heron shareholders for no cost as a distribution in specie on a pro rata basis of approximately one Rubicon share for every 7.2 Heron shares held. As previously advised by Heron the record date for Heron shareholders' entitlement to the Rubicon in specie shares was 2 February 2007. Heron will not retain any shareholding in Rubicon following the distribution.

Heron has been granted an ASX waiver from vendor restriction requirements which will allow the shares to be freely traded. However, approximately 25% of the shares will be distributed to Heron Directors and will therefore still be vendor restricted for a period of two years from Rubicon's listing date.

For further details of the in specie distribution reference should be made to Heron's Notice of General Meeting dated 24 January 2007.

Yours sincerely

A handwritten signature in black ink, appearing to read 'N. Mathew Longworth', is written in a cursive style.

N Mathew Longworth
MANAGING DIRECTOR
HERON RESOURCES LIMITED