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14 October 2003

The Company Announcement Officer
Australian Stock Exchange Limited
Post Office Box H224 - Australia Square
Sydney NSW 2000

Dear Sir / Madam

RE: ENTITLEMENTS ISSUE

Heron Resources Limited advises that its 1 for 10 entitlements issue has closed fully subscribed.

The Heron Shares to be issued pursuant to this entitlements issue will qualify for both Heron's in-specie distribution of Pioneer Nickel Limited shares and the priority entitlement to subscribe for shares in the Pioneer initial public offering as announced on 28 August 2003.

For queries in respect of the entitlements issue please contact either Ian Buchhorn (tel 08 9091 9253) or Company Secretary, Ross Arancini (tel 08 9367 1213).

Yours sincerely

Ian Buchhorn
Managing Director