

9 October 2012

The Company Announcement Officer  
Australian Securities Exchange Limited  
4<sup>th</sup> Floor  
20 Bridge Street  
SYDNEY NSW 2000

Dear Sir/Madam

**CANCELLATION OF UNLISTED OPTIONS**

The Board wishes to advise that the following unlisted options have lapsed and been cancelled by the company.

Number of Unlisted Options	Exercise Price	Expiry Date
2,000,000	\$0.27	23 June 2015
2,000,000	\$0.31	23 June 2016
<b>4,000,000</b>		

Yours faithfully



Bryan Horan  
Company Secretary  
**HERON RESOURCES LIMITED**