
Polaris buys Heron's iron ore assets in Western Australia

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Australian Polaris Metals NL will acquire Kalgoorlie's Heron Resources Ltd's Western Australian iron ore projects, comprising a total of 50 tenements covering 4,000 square kilometers in a \$5.5 million deal. Under the deal Heron will receive about \$5.5 million worth of Polaris shares or 29.73 million shares and up to 15 million performance options with MD Mr Ian Buchhorn to accept a board position with Polaris.

The deal includes the Poondano project about 25 kilometers from Port Hedland in WA's North Pilbara region which has a target potential of between 5 million and 15 million tonnes of iron ore and an option over the Bungalbin project in the Yilgarn province. Bungalbin is already being explored by iron ore miner Portman Ltd under an option agreement.

Mr Kevin Schultz MD of Polaris said that the deal underpinned the company's existing iron ore focus. He said "The deal offers a significant boost to Polaris' existing iron ore portfolio at Goldsworthy in the North Pilbara and the company's Evanston project in the proven Yilgarn iron ore province."

The sale of the iron ore assets is part of a broader asset sale to allow Heron to focus on its nickel projects, including the Kalgoorlie nickel project. Heron is also spinning off other non-nickel projects including its uranium and copper-gold interests.

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