



Incorporated in New Zealand ABN 009 474 702

REGISTERED (HEAD) OFFICE

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15 December 2010

RE: ANNOUNCEMENT BY HERITAGE GOLD NZ LIMITED (ASX: HTM, NZSX: HGD)

FOR IMMEDIATE RELEASE

Dear shareholder

BGF Equities Company Research Report on Broken Hill Prospecting Limited is attached and is available on the Heritage Gold website.

Broken Hill Prospecting Limited is seeking to raise \$5 million through the issue of 25 million shares at 20 cents (or NZ 26.2 cents). Each comes with a free attaching 3 year option for every 2 shares subscribed for. Heritage shareholders have priority entitlement and New Zealand Shareholders can apply in NZ\$.

Funds will be utilized to further develop our existing cobalt resource at Thackaringa near Broken Hill and our highly promising discoveries of Broken Hill style mineralization in the surrounding area.

BHPL has applied to be listed on the NZX and ASX.

Please use the priority mail out form included with the prospectus.

If you wish to receive another copy of the Replacement Prospectus or application form please contact Computershare Investor Services Pty Limited on free phone 1800 144 213 in Australia or 0800 734 626 in New Zealand.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Geoffrey Hill".

Geoffrey G Hill
Chairman
Heritage Gold NZ Limited

Disclosure: Warwick Grigor is an independent director of Heritage Gold NZ Limited. Geoffrey Hill and Peter Atkinson are directors of Broken Hill Prospecting Limited.

About Heritage Gold

Heritage Gold (NZ) Limited is a leading New Zealand, dual listed (NZSX: HGD, ASX: HTM) minerals exploration company with over 1600 Australasian shareholders and a portfolio of high quality mineral prospects in both countries.

Heritage Gold owns 29.78% of Broken Hill Prospecting Limited (BHPL), which is planning to develop a cobalt project at Thackaringa, about 20 km southwest of Broken Hill in New South Wales. BHPL has identified several new Broken Hill-style base metal occurrences, as well as a near-surface cobalt deposit.

BHPL has recently registered a prospectus for its IPO and is seeking listing on the ASX and NZSX.

Learn more about the company at www.heritagegold.co.nz

END