

16 December 2010

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

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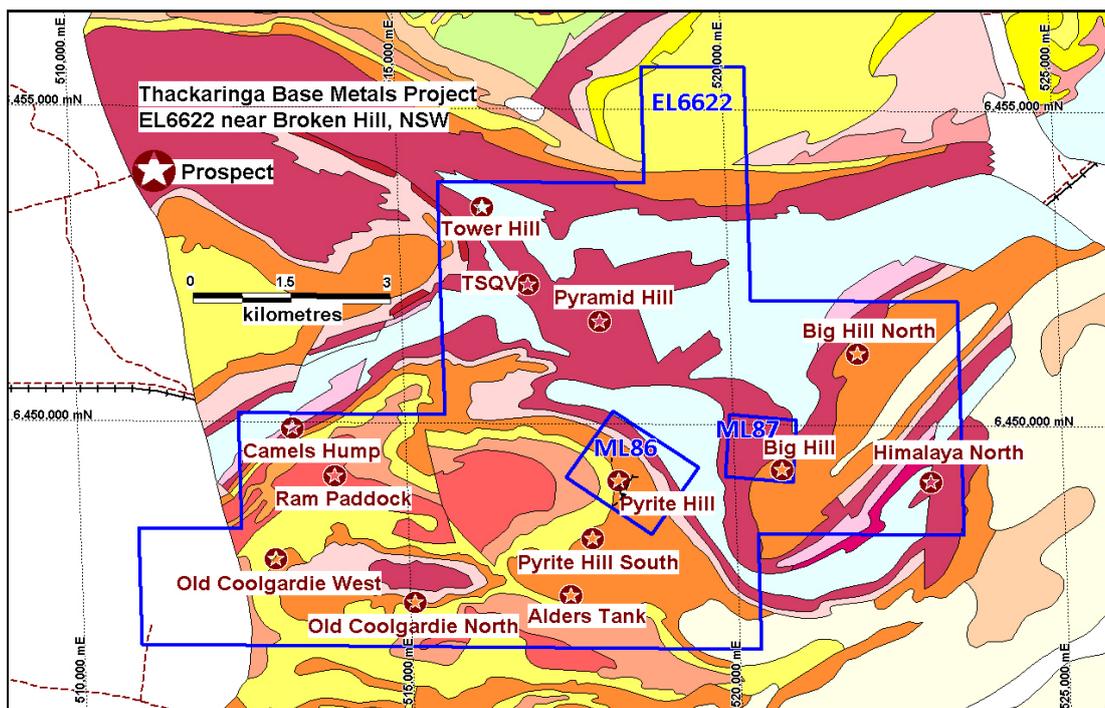
RAB DRILLING AT HIMALAYA NORTH AND PYRAMID HILL, EL 6622 THACKARINGA PROJECT NEAR
BROKEN HILL NSW

Highlights

- Strongly anomalous copper and base metal results from RAB samples
- Lode bearing rocks identified over 500 metre length at each prospect
- Continuity of extended target zones confirmed
- Lode bearing rocks indicated outside the areas drilled

A follow-up close spaced Rotary Air Blast (RAB) drilling program on EL 6622 has been completed at the Himalaya North and Pyramid Hill prospects for a total of 3130 metres (m) from 954 holes, with an average depth of 3.3 m.

The follow-up program was designed to geochemically and geologically refine the near surface footprint of these highly prospective Broken Hill Type (BHT) mineralised lodes, which were originally outlined by detailed geological mapping and gossan sampling, combined with wider spaced RAB drilling.



Himalaya North Prospect

Follow up RAB drilling to the south and infill drilling to the north of the Himalaya North prospect has been completed. Samples were analysed by the AMDEL Laboratory in Adelaide and detailed geological logging of the drill chips has been completed.

The data collectively indicate very positive results.

- The persistent lode rock bearing target zone has now been extended to over 500 m in strike length and may extend for up to 1000 m, providing a larger target area for deeper drilling.
- Additional lodes have been mapped further to the north, suggesting a third zone of interest outside the areas currently drilled.
- Surface gossan sampling of the lodes has previously yielded highly anomalous geochemical values.

Assay results are summarised below in Table 1 and indicate a level of anomalism that is very encouraging.

Table 1

	Copper (ppm)	Lead (ppm)	Zinc (ppm)	Manganese (ppm)
Minimum	1	10	11	140
Maximum	2200	6000	2400	30300
Moderately Anomalous*	330	500	620	6270
Highly Anomalous**	540	810	920	10100

* Moderately anomalous > 91% of samples

** Highly anomalous > 97% of samples

A shallow reverse circulation (RC) drilling program of 6 angled holes, each about 100 m in length, has been designed to test the main target zone. Drilling will commence in early 2011.

Pyramid Hill Prospect

RAB drilling has now been completed over the entire target zone which has a length of at least 500 m. Samples were analysed by the AMDEL Laboratory in Adelaide and detailed geological logging of the drill chips has been completed.

Assay results are summarised in Table 2 below and are most encouraging.

Table 2

	Copper (ppm)	Lead (ppm)	Zinc (ppm)	Manganese (ppm)
Minimum	3	10	14	125
Maximum	4300	140	415	5900
Moderately Anomalous*	450	50	150	1170
Highly Anomalous**	770	60	210	1670

* Moderately anomalous > 91% of samples

** Highly anomalous > 97% of samples

Positive results include:

- Further continuity established for the tightly folded lodes, with higher copper values reported from under shallow soil cover.
- Strong geochemical anomalism in RAB samples supports earlier gossan sampling which gave strongly anomalous geochemical values.

A shallow RC drilling program of 6 angled holes, each about 100 m in length, has been designed to test the main target zone. Drilling will commence in early 2011.

COMPETENT PERSON STATEMENT:

The information in this report that relates to exploration results is based on information compiled by Mr. Wolfgang Rudolf Leyh MScApp; MScQual; BScApp. Mr Leyh is an independent consulting geologist who is a corporate member of the AusIMM. Mr Leyh has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration, and to the activity being undertaken, to qualify as a Competent Person as defined in the 2004 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'.

Mr Leyh consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Peter Atkinson
Executive Director
Heritage Gold NZ 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

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