



Incorporated in New Zealand ABN 009 474 702

28 May 2009

Limited Company Relations  
New Zealand Stock Exchange  
Level 2, NZX Centre  
11 Cable Street  
Wellington

**REGISTERED (HEAD) OFFICE**

541 Parnell Road, Parnell, Auckland, New Zealand  
Phone: (+64 9) 303-1893 • Fax: (+64 9) 303-1612  
Email: office@heritagegold.co.nz

**AUSTRALIAN OFFICE**

1<sup>st</sup> floor, 25 Richardson Street, West Perth,  
Western Australia 6005  
Phone: (+61 8) 9481-2040 • Fax: (+61 8) 9481-2041

## RESULTS FOR ANNOUNCEMENT TO THE MARKET

### Full Year Preliminary Announcement

**Reporting period 12 months to 31 March 2009**

**Previous reporting period 12 months to 31 March 2008**

Amount (\$); percentage change

Revenue from ordinary activities 290,297; + 150%

Loss from ordinary activities after tax attributable to members  
of the listed issuer 678,388; - 31%

No dividend attributed to this period

During the financial year to 31 March 2009 \$1,832,221 was spent developing tenements compared to \$1,547,270 in the previous reporting period. Uranium exploration costs of \$374,673 at Dunmarra Basin (NT, Australia) were written off in the reporting period after the tenement was released when reconnaissance drilling failed to uncover a significant uranium occurrence. No tenement expenditure was written off in the previous year.

90% of exploration expenditure over the reporting period was on the Waihi district (NZ) tenements (predominantly Talisman, Waihi North and Rahu). The current activity, interim results and other highlights are outlined below.

Tenements at 31 March 2009 were \$9.5m compared to \$8.1m in the previous year.

At the end of the reporting period the Company had a cash balance of \$807,000.

### Key Highlights

#### **Gold Projects (Waihi district, New Zealand)**

\$1.6m was invested in exploration work in the Waihi district in geophysical surveys and diamond drilling projects at Rahu and Waihi North and a Scoping Study of the Talisman Mine.

The diamond drilling programmes carried out at Rahu and Waihi North encountered gold values ranging from anomalous to low grade. Subsequently, the Waihi North application for an extension of duration was declined by the Ministry of Economic Development (MED), and the company is now considering its options.

The results from Rahu were encouraging and indicated the need for deeper drilling to test for feeder zones at depth.

Fuller evaluation of the aerial geophysical data acquired over Golden Valley has improved the geological model developed for the area. Further work is under way to test the interpretation beneath cover rocks. The features identified to date suggest likely gold bearing structures.

#### **Talisman Mine Project**

The Scoping Study outlined a preferred development path for the project and provided an economic assessment of the resource. This was confirmed later by a peer review of the study.

Heritage applied for a Mining Permit over Talisman and Dominion Knoll and is progressing it with MED. A phased development, commencing with bulk metallurgical sampling, leading to full commercialisation over a two year timeframe, has been scoped. Various treatment options are being considered, along with mining methods.

### **Thackaringa Cobalt Project (New South Wales, Australia)**

Shallow drilling of surface gossans has been completed at Thackaringa by Broken Hill Cobalt Limited ('BHCL'), in which Heritage has a 33% shareholding. The drilling followed a programme of additional detailed mapping and sampling of mineralised horizons at several localities within the exploration licence, which extended the strike length of mineralisation that includes gold, silver, cobalt, copper, lead and zinc.

Results of the drilling are now being collated and interpreted by the company's consultant.

### **Looking Ahead**

#### **Talisman Project (Waihi, New Zealand)**

The company is involved in discussions with potential joint venture partners, all of whom are overseas companies, to advance development of the project. Several companies have undertaken site visits and preliminary due diligence.

The access arrangement has been maintained with the Department of Conservation, who have advised the annual work plan will be approved.

#### **Waihi Gold Projects**

Interpretation of the geophysical data will guide further work in this area to examine the sources of the anomalies identified to date.

The anomalies at Golden Valley are generally aligned with those from previous ground-based geophysical surveys. Soil geochemical sampling for gold and pathfinder elements and other techniques are also aiding selection of drilling targets.

#### **Peter Atkinson**

Director

#### **Reporting period 12 months to 31 March 2009**

#### **Previous reporting period 12 months to 31 March 2008**

Reporting period; previous reporting period  
(\$)

Revenue 290,297; 116,059

Audit fees 10,693; 20,909

Depreciation 3,582; 3,658

Director fees 82,998; 40,886

Loss on share revaluation Nil; 113,100

Rent and leasing 30,841; 23,310

Operating expenses 434,308; 791,356

Write off field expenditure 374,673; Nil

Total operating expenses 937,095; 993,219

Share of associate retained deficit after tax 31,590; 100,197

Net deficit attributable to members 678,388; 977,357

#### **Balance Sheet**

Reporting period; previous reporting period  
(\$)

Current assets 1,125,010; 3,552,576

Non-current assets 10,539,465; 9,115,372  
Total assets 11,664,475; 12,667,948  
Current liabilities 95,960; 421,045  
Total liabilities 95,960; 421,045  
Net assets 11,664,475; 12,246,903

Capital 22,339,695; 22,339,695  
Reserves 335,341; 335,341  
Retained profit/(loss) (11,106,521); (10,428,133)  
Total equity 11,568,515; 12,246,903

### **Statement of Cash Flows**

Reporting period; previous reporting period  
(\$)

Cash flows relating to operating activities

Interest received 99,330; 96,212

Other income Nil; Nil

Payments to supplies and employees 783,495; 847,744

Net operating cash flows (684,165); (751,532)

Cash flows relating to investing activities

Purchases of property, plant & equipment 10,842; 27,448

Purchases of equity investments Nil; 157,568

Prospecting expenditure 1,893,087; 1,144,421

Net investing cash flows (1,903,929); (1,329,437)

Cash flows relating to financial activities

Issue of securities Nil; 4,517,064

Net financing cash flows Nil; 4,517,064

Net increase/(decrease) in cash held (2,588,094); (2,436,095)

Cash at beginning of period 3,240,884; 787,314

Exchange rate adjustments 154,324; 17,475

Cash at end of period 807,114; 3,240,884

No dividends or distributions were paid or are planned.

### **Statement of changes in equity**

Reporting period; previous reporting period  
(\$)

Equity at start of year 12,246,903; 8,738,903

Net loss 678,388; 977,357

Shares issued Nil; 4,485,771

Equity at end of year 11,568,515; 12,246,903

Net tangible assets per security

Reporting period; previous reporting period

Net tangible assets 2,074,110; 4,535,131

Net tangible assets per security 0.7 cents; 1.5 cents

Heritage ownership in Broken Hill Cobalt Ltd

Reporting period; previous reporting period

Percentage held 33%; 33%

Contribution to net loss 31,590; 100,197

All statements are prepared in accordance with New Zealand equivalents to International Financial Reporting Standards.

There are no accounting policies which the directors believe are critical to the portrayal of Heritage's financial condition and results which require the directors to make judgements and estimates about matters that are inherently uncertain.

All accounting policies have been applied on bases consistent with those used in previous years.

The annual financial statements are subject to completion of the audit.

END