



Incorporated in New Zealand ABN 009 474 702

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

Major Restructuring of Heritage Gold to Advance Talisman Mine Project

HIGHLIGHTS

- **Heritage Gold to split into two entities**
- **Heritage Gold to solely focus on Talisman Mine Project and change its name to New Talisman Gold Mines Ltd**
- **Non-core assets transferred to the wholly-owned Coromandel Gold Ltd**
- **Boards of both companies will be restructured**
- **General Manager appointed to Heritage Gold to oversee development of mine project**

Heritage Gold NZ Limited has resolved to significantly restructure its assets, allowing the company to focus exclusively on the development of its Talisman Gold Mine Project, near Waihi in New Zealand. The company intends to change its name to New Talisman Gold Mines Ltd and apply to the stock exchange for new codes.

All of the company's existing non-core assets will be transferred to a wholly-owned subsidiary, Coromandel Gold Limited (CGL), which in due course will consider its own on-going funding.

The move comes in the wake of a recently completed Scoping Study Review, which found there was potential to develop a highly profitable gold mine at Talisman based on estimates that the project had a net present value of more than A\$150 million (see reports to ASX & NZSX of 20 & 21 March 2012). The Review was enhanced by a substantially improved gold price and considerable advances in mining and processing technology.

Directors have decided to divide the company between its core and non-core assets so that management can focus solely on developing Talisman without distractions from exploration ventures and a portfolio of other assets.

NEW APPOINTMENT

To accelerate development of the Talisman Project, the board has appointed a very experienced mining engineer, Mr Paul Griffin, to oversee the project. Mr Griffin is a graduate of the University of Otago (NZ) and has more than 20 years' overseas experience in underground and open pit mining. He has been appointed General Manager, Mining.

Mr Griffin's principal role is to plan and oversee the development of the Talisman underground mine at Karangahake.

"Paul brings essential underground mining skills to the Talisman project and I'm very pleased he has joined the company", said Peter Atkinson, Executive Director.

BOARD CHANGES

Mr Geoffrey Hill steps down today as chairman of Heritage Gold after serving for 12 years and playing an important role in advancing the company's mining portfolio.

Mr Peter Atkinson, a founding director of Heritage Gold, steps down as executive director effective today.

Mr Hill and Mr Atkinson also indicated that they would be retiring from the Board of Heritage Gold to concentrate on the affairs of Coromandel Gold; they agreed to retire as soon as practical but in any event by May 31st 2012

Mr Murray McKee will continue as deputy chairman. Mr Matthew Hill and Dr Ian Pringle will continue as directors.

Director Appointment and Initial Disclosure Notice

Mr Robert Pearce, an experienced mining company director from Perth, Western Australia, has accepted an invitation to join the Board to fill the casual vacancy as an independent director and chairman.

Mr Pearce has been chairman and/or finance director or CEO of numerous Australian and overseas mining companies over the past 25 years including Metals Exploration Ltd, North Kalgurli Mines Ltd, Hampton Gold Mining Areas Plc, Toucan Gold Inc and, more recently, Gladstone Pacific Nickel Ltd and Marenica Energy Ltd.

Mr Pearce said, "I am looking forward to being part of the team to accelerate the mining and production of gold from the Talisman mine in the very near future"

"In handing over to Robert Pearce I know the company will be in capable hands and will follow its progress with interest", said Mr Geoffrey Hill.

These changes are effective from today, 11 April 2012.

RESTRUCTURING OF ASSETS

In order to effect the restructuring, Heritage Gold's Board has agreed to:

- Immediately cease exploration and project assessment work outside New Zealand
- Transfer all non-Talisman related assets to CGL.

The non-core assets, which have a book value of NZ\$2,116,000 include:

- Golden Valley exploration permit (EP), which covers a gold prospect situated east of Waihi
- All shares in the wholly-owned subsidiary, Northland Minerals Limited (NML), which holds an EP application over a copper prospect in Northland, NZ
- 17,929,000 shares in Broken Hill Prospecting Limited, which owns a promising cobalt development project near Broken Hill in NSW, Australia
- A small portfolio of shares in SX-listed and unlisted companies with a total value of less than NZ\$20,000
- The sum of NZ\$60,000.

The restructuring also involves the appointment of Mr Geoffrey Hill to the board of CGL, on which Mr McKee and Mr Atkinson will continue as directors. The CGL Board will be responsible for the funding of the subsidiary company.

Peter Atkinson
Director
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About Heritage Gold

Heritage Gold (NZ) Limited is a leading New Zealand, dual listed (NZSX: HGD, ASX: HTM) minerals exploration company with 1800 Australasian shareholders and a portfolio of high quality mineral interests.

The Company has two attractive gold properties (Talisman and Rahu) at Karangahake in the Coromandel, New Zealand, where the historic Talisman mine has a JORC compliant mineral resource within a granted mining permit. Planning for the development of the Talisman gold mine is underway, following completion of a Scoping Study Review.

The Company also holds the Golden Valley exploration permit on the east side of Newmont's gold tenements at Waihi and has applied for an exploration permit over a copper prospect in Northland.

Heritage Gold owns 21.7% of Broken Hill Prospecting Limited (BPL), which is planning to develop a cobalt project at Thackaringa, about 25 kilometres southwest of Broken Hill in Australia. BPL is listed on the ASX and NZSX (Code: BPL).

More about Heritage Gold at www.heritagegold.co.nz