

16 October 2006

Newcastle Stock Exchange
384 Hunter Street
Newcastle
NSW 2300
AUSTRALIA

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FOR PUBLIC RELEASE

HERITAGE GOLD REGISTERS PROSPECTUS AND INVESTMENT STATEMENT

Heritage Gold NZ Limited is pleased to announce its combined Investment Statement and Short Form Prospectus, and the Transaction Specific Prospectus for its pro rata renounceable rights issue have been registered in New Zealand.

Heritage has also lodged the documents with the Australian Securities and Investment Commission (ASIC), under section 713 of the Australian Corporations Act 2001.

The documents relate to the pro rata renounceable rights issue of up to 37,064,433 New Shares to be made to all shareholders with a registered address in New Zealand or Australia on the register at 5.00pm New Zealand time on 24 October 2006. The shares will be allocated in the ratio of one new share for every four existing shares held.

NZ\$0.029 or AU\$0.025 will be payable for subscription for each new share.

Subject to the ASX granting official quotation, Heritage Gold may allot and issue new shares progressively under the offer.

Applications for New Shares will close at 5.00pm NZT on 22 November 2006.

The funds raised will be used for further exploration of Heritage Gold's current exploration targets, to advance the spin off of its New Zealand gold properties, to progress the Thackaringa Cobalt project, and for working capital.

The disclosure document lodged with ASIC in Australia on 13 October 2006 and the Short Form Prospectus registered in New Zealand on the same date can be accessed through the Company's website at: www.heritagegold.co.nz

Sue Sangster
Company Secretary