



HILL END GOLD LIMITED

ACN 072 692 365

23 September 2013

Dear Shareholder,

Renounceable Rights Issue to raise up to \$10.4m

Hill End Gold Limited is pleased to announce that it lodged a Prospectus with ASIC on 23 September 2013 in respect of the offer of a pro rata seven (7) for four (4) Renounceable Rights Issue, which is to raise up to \$10.4m at a price of 0.7 cents per share.

Details of the Rights Issue

The Rights Issue Offer is being made to Shareholders with a registered address in Australia or New Zealand ("**Eligible Shareholders**").

Under the Renounceable Rights Issue, Eligible Shareholders of Hill End Gold Limited, who are registered on the Record Date, being Tuesday 1 October 2013, will be able to subscribe for seven New Shares at a price of 0.7 cents per New Share for every four Hill End Gold Limited ordinary fully paid shares held at the Record Date. Shareholders will also be able to apply for additional shares under the Shortfall Offer, which will make available New Shares for which other shareholders have foregone their Rights.

As a Renounceable Rights Issue, the Rights will be traded on the ASX under a code to be advised and will be transferable. This will allow Shareholders to transfer their Rights or sell their Rights and for investors to buy and sell the Rights on the ASX. Rights trading will commence on Wednesday 25 September 2013, and will end on Monday 14 October 2013.

The Rights Issue Offer is not being extended to, and does not qualify for distribution or sale, and no New Shares will be issued under the Rights Issue Offer to, Shareholders having registered addresses outside Australia and New Zealand ("**Excluded Shareholders**"). Subject to ASIC approval, Hill End Gold Limited has appointed Foxfire Capital Pty Ltd (ACN 147 300 865) as nominee to arrange the sale of the Entitlements which would have been offered to Excluded Shareholders had they been entitled to participate in the Rights Issue Offer. The nominee will remit any proceeds of the sale of the Entitlements (less costs) to the Excluded Shareholders.

The Prospectus for the Renounceable Rights Issue will be dispatched on 4 October 2013.

Use of Proceeds from the Rights Issue

Hill End Gold Limited's business strategy is focused on creating value for Shareholders through the advancement of its exploration and pre-development projects, principally the wholly owned Hargraves Project and the Hill End Project, and through the acquisition of, or investment in, direct and indirect

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interests in other attractive gold projects.

The Company considers that the anticipated net proceeds from the Rights Issue and its existing cash will provide adequate funds for on-going operations, currently planned exploration and pre-development studies at Hargraves and Hill End and for some selective acquisitions of, or investments in, interests in new projects.

Important Dates

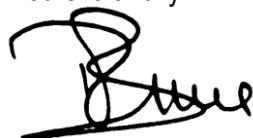
Announcement of the Offer	Monday 23 September 2013
Lodge Appendix 3B with ASX	Monday 23 September 2013
Lodgement of Prospectus with ASIC and ASX	Monday 23 September 2013
Notice sent to Shareholders containing information required by Appendix 3B	Tuesday 24 September 2013
Existing Shares quoted on 'ex' basis	Wednesday 25 September 2013
Rights trading commences	Wednesday 25 September 2013
Record Date for determining Shareholder entitlements	Tuesday 1 October 2013
Prospectus and Entitlement and Acceptance Forms despatched to Eligible Shareholders	Friday 4 October 2013 (9:00am (AEST))
Rights trading ends	Monday 14 October 2013 (5:00pm (AEST))
Shares quoted on a deferred settlement basis	Tuesday 15 October 2013
Closing Date of Offer	Monday 21 October 2013 (5:00pm (AEST))
Notify ASX of under-subscriptions	Thursday 24 October 2013
Despatch date/Shares entered into Shareholders' security holdings	By Tuesday 29 October 2013
Deferred settlement trading ends	Tuesday 29 October 2013
Date of quotation of Shares issued under the Offer	By Wednesday 30 October 2013

Notes:

** This timetable is indicative only and is subject to change. HEG reserves the right to vary the timetable without prior notice, including by closing the Offer before the scheduled Closing Date or by extending the Closing Date, subject to the Corporations Act and the ASX Listing Rules. Applicants are encouraged to submit their Application Forms as soon as possible after the Offer opens.*

Should you have any questions in relation to the above matters, please contact our Share Registry - Boardroom Pty Limited on +61 2 9290 9600 or 1300 737 760.

Yours faithfully



Philip Bruce
Managing Director