



ACN 072 692 365

23 September 2013

Dear Shareholder,

Participation in Renounceable Rights Issue

On 23 September 2013, Hill End Gold Limited announced that it had lodged a Prospectus with ASIC 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.

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.

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

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**"). The Company has decided that it is unreasonable to make offers under the Rights Issue Offer to Excluded Shareholders having regard to:

- the number of Shareholders in those places;
- the number and value of the New Shares they would be offered; and
- the cost of complying with the legal and regulatory requirements in those places.

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 have the absolute and sole discretion, taking into account market conditions for such rights, to determine the timing and the price at which the Entitlements may be sold, to whom and the manner of any such sale. The nominee will remit any proceeds of the sale of the Entitlements (less costs) to the Excluded Shareholders.

Neither the Company nor the nominee will be subject to any liability for failure to sell the rights or to sell them at a particular price. If, in the reasonable opinion of the Nominee, there is no market, or no viable market, for the rights, or a surplus of sale proceeds over the expenses of sale cannot be obtained for the rights that would have been offered to the Excluded Shareholders, then such rights will be allowed to lapse and they will form part of the Shortfall Shares.

You are not required to do anything in response to this letter

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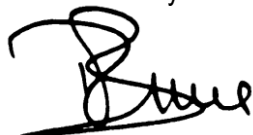
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It should be noted that it may be possible that no proceeds will be available for distribution to Excluded Shareholders after the costs of the sale have been paid by the Nominee. You will be informed in due course of the outcome of the sale of your Rights.

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, or the nominee - Foxfire Capital Pty Ltd on +61 3 9830 7676, or facsimile +61 3 9836 3056.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Philip Bruce', written in a cursive style.

Philip Bruce
Managing Director