



HILL END GOLD LIMITED

ACN 072 692 365

Report for March Quarter

29 April 2014

ASX Code: HEG, HEGOA

CORPORATE

- On 13 January 2014 a placement of 63,500,528 shares at 0.7 cents per share was made according to the Supplementary Prospectus dated 18 October 2013
- HEGL Investments Pty Ltd, a wholly-owned subsidiary of Hill End Gold Limited (ASX:HEG), pursuant to a loan agreement with Bassari Resources Limited (ASX:BSR), elected to convert a loan of \$250,000 to BSR with the issue of 31.25 million BSR ordinary shares at a price of 0.8 cents per share

HARGRAVES PROJECT

- Red Hill scoping study proceeding to identify mining options for the mineralisation at Red Hill
- Exploration Licence 6996 has been extended for a further two years over a reduced area which concentrates on Hargraves and satellite deposits within a 10km radius

HILL END PROJECT

- Review of resource and exploration opportunities in progress
- Exploration Licence 7014 has been extended for a further 2 years

About Hill End Gold Limited

Hill End Gold Limited (ASX:HEG) is a gold explorer with the objective of becoming a mid-tier gold producer based on its two flagship projects at Hill End and Hargraves in an historically gold-rich region in central New South Wales, Australia and with the acquisition of high potential projects. Existing gold resources estimated under JORC 2004 by the Company total 581,000 ounces.

CORPORATE

Shortfall Placement

On 13 January, HEG made a placement of 63,500,528 shares at 0.7 cents per share according to the Supplementary Prospectus dated 18 October 2013.

Conversion of Loan to Bassari Resources Limited

On 19 March, HEGL Investments Pty Ltd, a wholly-owned subsidiary of HEG, pursuant to a loan agreement with Bassari Resources Limited (ASX:BSR), elected to convert a loan of \$250,000 to BSR with the issue of 31.25 million BSR ordinary shares at an issue price of 0.8 cents per share.

Following the conversion, HEGL Investments Pty Ltd held 14.2% of BSR.

PROJECTS

Hargraves Project - EL 6996 & EL 8206 (HEG 100%)

The wholly-owned Hargraves Project is located approximately 30 km south-west of Mudgee in central New South Wales (Figure 1).

HEG proposes to develop a staged open pit mine on the BNH Deposit near Hargraves to recover 1.2 Mt with an average grade of 2.5 g/t gold. Two initial open pits are proposed to be mined at a combined production of 300,000 tonnes per year, one over the Central area and a smaller one over the Southern area. The Southern Pit will be approximately 70m deep and the Central one about 165m deep. There is excellent potential for extensions to the current pit optimisation design.

HEG has been working with stakeholders during the quarter to identify social and environmental issues of concern that can be addressed as part of the assessment and approval process.

At EL 8206 (Boiga), 13 rock chip samples of laminated quartz veins have been taken during mapping of mineralisation in the hinge of the southern extension of the Big Nugget Anticline. Samples have been analysed for gold by fire assay at SGS Laboratories in West Wyalong and ALS in Orange. All samples have returned less than 0.1 g/t gold. Work continues to determine the potential of the mineralisation on EL 8206.



Figure 1. Hill End Gold Project locations

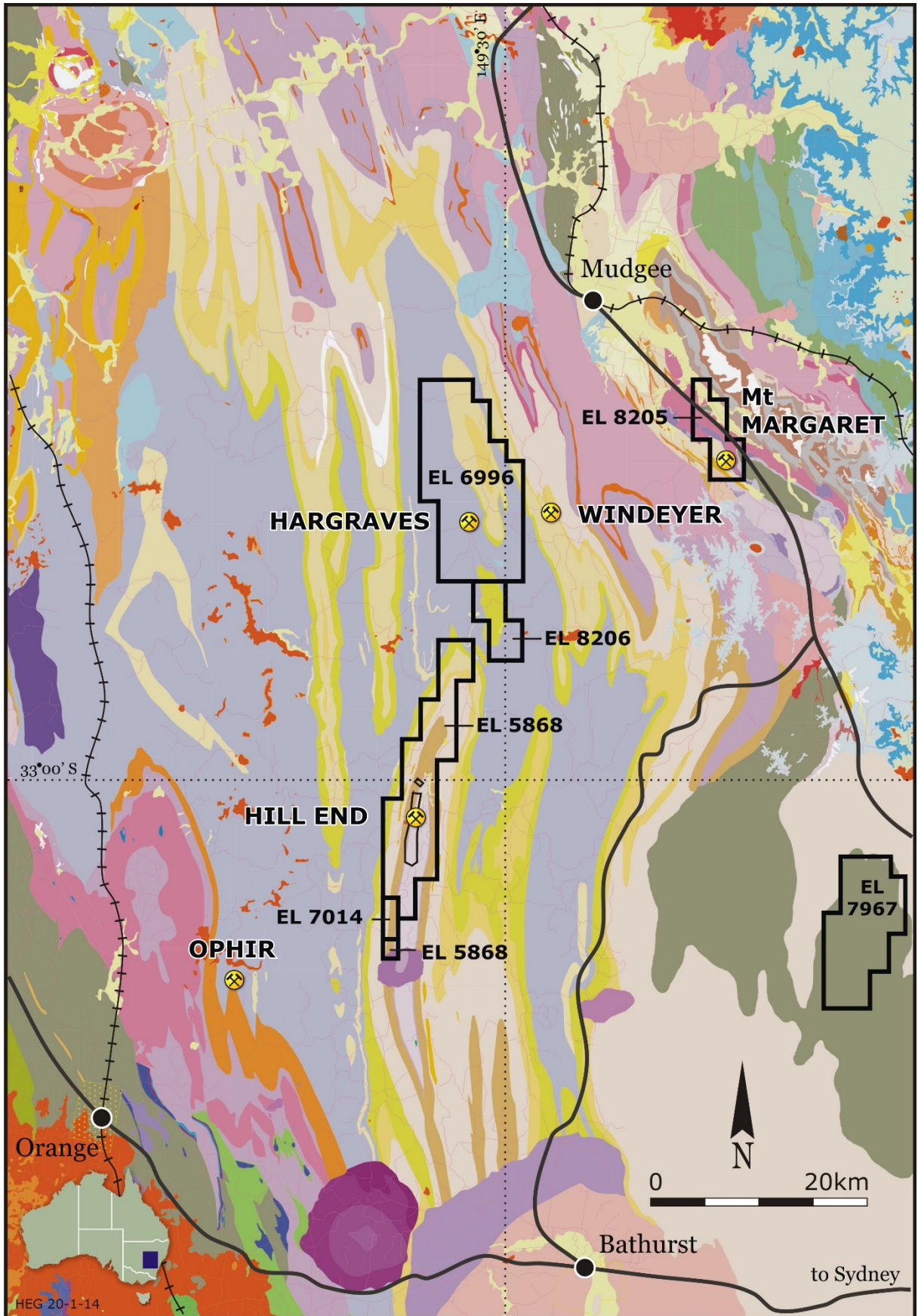


Figure 2 – Hargraves – Hill End tenement location plan

Hill End Project - EL 5868 (and Mining Leases) (HEG minimum 85%) & EL 7014 (HEG 100%)

The Hill End Project is located approximately 50 kilometres north of Bathurst in central New South Wales (Figure 1).

Hawkins Hill - Reward

Shallow (<150m) drilling targets have been identified on the Frenchman's Vein and the Paxton's Vein that have the potential to increase the Hawkins Hill – Reward resource.

Underground and surface drill holes that have previously been reported indicate a 3 to 8m thick mineralised zone grading 4 to 8 g/t gold on the Frenchman's Vein at approximately 120m depth. In addition, there is further potential on the Paxton's Vein at similar levels.

Work will commence shortly to update the Hawkins Hill – Reward resource estimate and estimate the exploration potential of the shallow zones at Reward.

Chambers Creek

Chambers Creek is located approximately four kilometres along strike south of Mares Nest on EL 7014 and EL 5868. Chambers Creek is the site of an early gold mining township and battery. An unknown amount of gold was recovered from two lines of workings striking north-north-east with a strike extent of 1.5 kilometres (General Bourke Reef) and a further vein set immediately north of Chambers Creek that has a strike of 0.6 km (Nuggetty Reef).

Systematic sampling of the quartz veins exposed at surface has been completed during the quarter and analysis of results will be done before a decision is made on future work. Final assays from 33 samples of quartz veins from the old workings and from quartz veins exposed at surface were received during the quarter. The quartz veins at surface are generally poorly mineralised. Two samples returned greater than 0.5 g/t gold with the best result being 2.4 g/t gold from a quartz vein at the northern end of the Chambers Creek prospect. The mineralisation may be largely blind at surface in shallowly plunging shoots as is the case at Hawkins Hill – Reward near Hill End. Further work in the next quarter will identify the best drill targets to test the mineralisation at shallow depths (from 50 – 150m below surface).

During the quarter, another party relinquished a single unit east of EL 7014 and a new application (ELA 5000) was made by HEG for the relinquished unit.

Willandra Project – EL 7967 (HEG 100%)

Exploration Licence 7967 covers 86 km² of the eastern Lachlan Fold Belt approximately 40 kilometres east of Hill End in central New South Wales.

Previous soil geochemical surveys identified a 1.5 kilometre long gold-arsenic anomaly at the Willandra prospect near the contact of Ordovician age Sofala Volcanic.

No work was done on EL 7967 during the quarter. Work is planned for the next quarter to map surface mineralisation in greater detail and plan drill targets.

Eurongilly Project – EL 7992 (HEG 100%)

EL 7992 covers 62 km² and is located approximately 16 kilometres east of Junee in southern New South Wales. The area is located near a major north-west striking fault (Gilmore Fault) that is associated with a number of significant gold deposits in a belt extending from Adelong to West Wyalong.

Drilling by previous explorers at the Kurrajong prospect has established the presence of gold and copper mineralisation over an area of approximately 250 x 400 m which is open to the east.

No work was done on EL 7992 during the quarter.

Mt Margaret Project – EL 8205 (HEG 100%)

EL 8205 (Mt Margaret) covers 26 km² at the western edge of the Hill End Trough, approximately 17 km south-east of Mudgee where Silurian age volcanic rocks overlie Ordovician volcanic rocks of the Sofala – Gulgong volcanic belt. The geological setting is similar to that east of Orange (NSW) where a number of gold deposits are associated with volcanogenic massive sulphide (VMS) Cu-Pb-Zn (Au-Ag) mineralisation.

During the quarter, access agreements were signed, and mapping, rock chip sampling and soil sampling of the Apple Tree Flat area started. Several narrow quartz veins were found that trend ESE and dip 30-60° north. 70 soil samples were analysed using a portable XRF analyser in the partially completed soil survey. Further work will be done to establish the extent of the mineralisation.

Seven rock chip samples were taken at the Apple Tree Flat prospect. The samples were analysed for Au, Cu, Zn and Pb at ALS in Orange. The highest gold grade returned is 1.4 g/t gold. A significant correlation of Au with Cu and Zn is noted.

Current Tenement Schedule

Table 1 contains details of tenements currently held by HEG. During the quarter the following changes occurred:

- EL 6996 (Hargraves) was renewed for a further period of two years to 21 December 2015. 48 units were retained around the Hargraves resource and 48 units relinquished in the northern area of the EL.
- EL 7014 (Chambers Creek) was renewed for a further period of two years to 20 January 2016.
- Exploration Licence Application 5000 (Chambers Creek) was made on 24 March 2014. The Application area includes 2 units currently held under EL 7014 and one additional unit adjacent to EL 7014 which became available during the quarter (total of 3 units).

Table 1. Details of All Tenements Currently Held by Hill End Gold Limited

Lease	Project	Lease Status	Application Date	Grant Date	Expiry Date	Current Area
EL 5868	HILL END	Granted	12/11/1999	18/06/2001	17/06/2015	32 Units
EL 6996	HARGRAVES	Renewal Pending	23/08/2007	21/12/2007	21/12/2015	48 Units
EL 7014	CHAMBERS CREEK	Granted	06/07/2007	20/01/2008	20/01/2016	2 Units
EL 7967	WILLANDRA	Granted	2/12/2011	25/09/2012	25/09/2014	30 Units
EL 7992	KURRAJONG	Granted	18/6/2012	23/10/2012	23/10/2015	22 Units
EL 8205	MT MARGARET	Granted	18/7/2013	26/11/2013	26/11/2016	9 Units
EL 8206	BOIGA	Granted	19/7/2013	26/11/2013	26/11/2016	8 Units
ELA 4938	WATTLE FLAT	Application Pending	2/12/2013			42 Units
ELA 5000	CHAMBERS CREEK	Application Pending	24/3/2013			3 Units
GL 5846	HILL END	Granted		15/02/1968	7/12/2019	2.044 Ha
ML 1116	HILL END	Granted		28/03/1984	16/10/2024	15.71 Ha
ML 1541	HILL END	Granted	26/11/1999	17/10/2003	16/10/2024	279.2 Ha
ML 315	HILL END	Granted		8/12/1976	7/12/2019	6.671 Ha
ML 316	HILL END	Granted		8/12/1976	7/12/2019	8.846 Ha
ML 317	HILL END	Granted		8/12/1976	7/12/2019	7 Ha
ML 49	HILL END	Granted		30/07/1975	7/12/2019	1.618 Ha
ML 50	HILL END	Granted		30/07/1975	7/12/2019	3.02 Ha
ML 913	HILL END	Granted		20/01/1981	19/01/2023	22 Ha
ML 914	HILL END	Granted		20/01/1981	19/01/2023	21.69 Ha
ML 915	HILL END	Granted		4/02/1981	3/02/2023	13.27 Ha

EL – Exploration Licence

ELA – Exploration Licence Application

ML / GL – Mining Lease

Philip Bruce
Managing Director

Competent Persons' Statement

The information in this report that relates to Reward and Red Hill Mineral Resources is based on information reviewed by Philip Bruce, for Hargraves Mineral Resources and for Exploration results is based on information reviewed by Stuart Munroe and Philip Bruce. Dr Munroe is a Member of the Australasian Institute of Mining and Metallurgy and Mr Bruce is a Fellow of the Australasian Institute of Mining and Metallurgy and both are full-time employees of HEG. Dr Munroe and Mr Bruce have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as Competent Persons as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (The JORC Code). Dr Munroe and Mr Bruce consent to the inclusion of the matters based on their information in the form and context in which it appears.

The Mineral Resource information referred to in this document was prepared and first disclosed under the JORC Code 2004.

Hill End Gold Limited
 Exploration - Surface Rock Sampling
 JORC Code (2012) - Table 1

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> • Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). • Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. • Aspects of the determination of mineralisation that are Material to the Public Report. • In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. 	<ul style="list-style-type: none"> • Chip samples from surface exposed rocks either in-situ (rock chip) or suspected to have been displaced (float) or discarded from an adjacent pit or shaft (cutting). • The sample is collected to include a cross section of the material present in the rock being sampled to ensure the sample is as representative as possible of the material that presents at surface. • Gold mineralisation is contained in quartz veins. • A 2-4 kg samples is collected in a calico bag and transported to the laboratory by road. The sample is crushed to approximately 2mm and pulverized to 75 um. A 50g or 30g sub sample is split from the pulverised sample for fire assay. Coarse gold may present in the samples, so the entire sample is pulverized before splitting off the sub-sample for fire assay.
Drilling techniques	<ul style="list-style-type: none"> • Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc). 	<ul style="list-style-type: none"> • Not relevant – no drill samples reported.
Drill sample recovery	<ul style="list-style-type: none"> • Method of recording and assessing core and chip sample recoveries and results assessed. • Measures taken to maximise sample recovery and ensure representative nature of the samples. • Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. 	<ul style="list-style-type: none"> • Not relevant – no drill samples reported.
Logging	<ul style="list-style-type: none"> • Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. 	<ul style="list-style-type: none"> • A qualitative description of the sample is taken in the field and entered into a data base in the office before the sample is submitted to the laboratory.

	<ul style="list-style-type: none"> • <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i> • <i>The total length and percentage of the relevant intersections logged.</i> 	
<i>Sub-sampling techniques and sample preparation</i>	<ul style="list-style-type: none"> • <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i> • <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i> • <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i> • <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i> • <i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i> • <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i> 	<ul style="list-style-type: none"> • The sample collected is not sub-sampled. • The samples are taken so as to fairly represent the rock as it presents at surface. Usually this involved breaking rock chips with a hammer from multiple outcrops, float samples or discarded rock fragments. • Field duplicates have not been taken. • A 2-4kg sample size is appropriate for the quartz vein material being sampled.
<i>Quality of assay data and laboratory tests</i>	<ul style="list-style-type: none"> • <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> • <i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i> • <i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i> 	<ul style="list-style-type: none"> • Samples have been analysed by 50g fire assay (SGS Laboratories in Townsville) or 30g fire assay (ALS Orange). The assay is a partial analysis of a homogenized sample and is appropriate for these samples where the primary objective is to identify the presence or absence of the elements being analysed (gold). • A sample of standard reference material and a blank sample (no gold) are inserted into batches sent to the laboratory. The reference sample and blank sample assay results are checked against expected value ranges before the analysis is declared final. If the blank sample or standard samples return values outside the acceptable range the batch is repeat analysed.
<i>Verification of sampling and assaying</i>	<ul style="list-style-type: none"> • <i>The verification of significant intersections by either independent or alternative company personnel.</i> • <i>The use of twinned holes.</i> • <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> • <i>Discuss any adjustment to assay data.</i> 	<ul style="list-style-type: none"> • No repeat sampling or repeat analysis has been done. • Not relevant - Sample are not from drill holes • Field data collected is transferred from notebook to excel spreadsheets, including sample number, location and description. Assays are received via e-mail and backed up onto hard drive. Assay data is copied to the location and description table using the sample number as the unique identifier. • There is no adjustment of the assay data.
<i>Location of data points</i>	<ul style="list-style-type: none"> • <i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i> • <i>Specification of the grid system used.</i> • <i>Quality and adequacy of topographic control.</i> 	<ul style="list-style-type: none"> • Sample location is determined by hand held GPS which is commonly accurate to +/- 5m in easting and northing and 10m in elevation and is subject to satellite availability. • Samples are recorded in East, North and mASL according to MGA, zone 55.

		<ul style="list-style-type: none"> Topographic control is provided by 1:25,000 scale and 1:50,000 scale plans provided by the NSW Department of Lands.
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> <i>Data spacing for reporting of Exploration Results.</i> <i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i> <i>Whether sample compositing has been applied.</i> 	<ul style="list-style-type: none"> Not relevant – there is no standard data spacing used. Not relevant – samples not taken for <i>Mineral Resource and Ore Reserve estimation.</i> <i>No sample compositing has been applied.</i>
<i>Orientation of data in relation to geological structure</i>	<ul style="list-style-type: none"> <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i> <i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i> 	<ul style="list-style-type: none"> Not relevant – sampling does not have an orientation. Not relevant – sampling is not a result of drilling.
<i>Sample security</i>	<ul style="list-style-type: none"> <i>The measures taken to ensure sample security.</i> 	<ul style="list-style-type: none"> Samples stored in calico bags are transported back to the field office in light vehicle and stored securely in the office compound. Samples are then transferred into polyweave bags which are tied using cable ties. For samples submitted to the laboratory in Townsville, the bags are transported to a truck courier compound in Bathurst via a Company vehicle. The courier is contracted to transport the samples from Bathurst to the laboratory. For samples analysed in Orange, transport to the laboratory is made via Company vehicle. When samples are received they are counted and checked against dispatch order. If bags are damaged a note is received from the laboratory with the sample count.
<i>Audits or reviews</i>	<ul style="list-style-type: none"> <i>The results of any audits or reviews of sampling techniques and data.</i> 	<ul style="list-style-type: none"> There has been no external audit or review of sampling techniques and data.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> <i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i> <i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i> 	<ul style="list-style-type: none"> EL 8206 (Boiga) – HEG 100%, EL 7014 (Chambers Creek) – HEG 100%, EL 8205 (Mt Margaret) – HEG 100% There are no third party agreements, joint ventures, partnerships, overriding royalties, native title interests, historic sites, wilderness or national park and environmental settings Exploration Licences are held with the NSW Department of Trade & Investment, Resources & Energy. There are no known impediments to obtaining a licence to operate.
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> <i>Acknowledgment and appraisal of exploration by other parties.</i> 	<ul style="list-style-type: none"> Various amounts of exploration have been done by other parties. All previous exploration has been reviewed and taken into account in designing and undertaking exploration.
<i>Geology</i>	<ul style="list-style-type: none"> <i>Deposit type, geological setting and style of mineralisation.</i> 	<ul style="list-style-type: none"> EL 8206 and EL 7014 are in the Hill End Trough. Gold mineralisation is associated with quartz veins in the hinge of anticlines, in faults near the hinge of anticlines and in bedding parallel veins. EL 8205 is at the eastern edge of the Hill End Trough near the contact with Ordovician age volcanic rocks. The gold mineralisation here is poorly understood but may be associated with VMS in volcanic near the base of the Hill End Trough.
<i>Drill hole information</i>	<ul style="list-style-type: none"> <i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</i> <ul style="list-style-type: none"> <i>easting and northing of the drill hole collar</i> <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i> <i>dip and azimuth of the hole</i> <i>down hole length and interception depth</i> <i>hole length.</i> <i>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</i> 	<ul style="list-style-type: none"> Not relevant. Data does not relate to drill hole information
<i>Data aggregation methods</i>	<ul style="list-style-type: none"> <i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</i> <i>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should</i> 	<ul style="list-style-type: none"> Not relevant. Data has not been aggregated and no metal equivalent values have been used.

	<ul style="list-style-type: none"> • <i>be shown in detail.</i> • <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i> 	
<i>Relationship between mineralisation widths and intercept lengths</i>	<ul style="list-style-type: none"> • <i>These relationships are particularly important in the reporting of Exploration Results.</i> • <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i> • <i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</i> 	<ul style="list-style-type: none"> • Not relevant. Intercept widths are not used.
<i>Diagrams</i>	<ul style="list-style-type: none"> • <i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i> 	<ul style="list-style-type: none"> • Rock chip samples reported do not continuous samples. No drill resulted reported.
<i>Balanced reporting</i>	<ul style="list-style-type: none"> • <i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i> 	<ul style="list-style-type: none"> • Numbers of samples, low and high grade results have been reported. Widths are not known from surface information gained at this time.
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> • <i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i> 	<ul style="list-style-type: none"> • No other exploration information is relevant at this time
<i>Further work</i>	<ul style="list-style-type: none"> • <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> • <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i> 	<ul style="list-style-type: none"> • Further work will involve further mapping and sampling to determine the potential for a significant resource and drill testing sites. • Extension to mineralisation not anticipated at this stage.