



HILL END GOLD LIMITED

ACN 072 692 365

The Manager
ASX Announcements Office
Australian Securities Exchange
20 Bridge Street
Sydney NSW 2000

2 July 2014

ASX:HEG

ADDENDUM : HEG SIGNS NON-BINDING HEADS OF AGREEMENT WITH LIONGOLD

Further to our announcement dated 30 June 2014 regarding the non-binding heads of agreement with LionGold Corp over the proposed disposal by Hill End Gold Limited (**HEG:ASX**) of the Hargraves and Boiga Projects to LionGold Australia Pty Ltd (**Buyer**), we wish to provide the following information with respect to some content of that announcement.

Whilst the Hargraves and Boiga Projects are not HEG's main undertakings, nor is this transaction a change in the nature or scale of the activities of HEG, Item 3.1 (g) of the announcement of 30 June 2014, stated that a condition precedent of the transaction is that (among other matters) "HEG obtains the approval of its shareholders, in general meeting, for the sale of the Assets to the Buyer". The notice of meeting of the intended general meeting will be provided in due course.

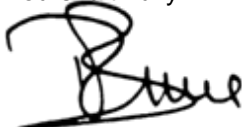
The current total resource (JORC 2004, announced on 10 October 2011 and 30 April 2013) for the Hargraves Gold Project is set out in the table below.

| Category | Tonnage (Mt) | Gold Grade (g/t) | Contained Gold (Koz) |
|-----------------|---------------------|-------------------------|-----------------------------|
| Indicated | 1.26 | 3.5 | 143 |
| Inferred | 1.59 | 2.0 | 102 |
| Total | 2.85 | 2.7 | 245 |

It should be noted that the tonnage total is 2.85Mt at 2.7g/t and that under the streamlining provisions of the updated Chapter 5 of the Listing Rules allowing the above cross-referencing of the original sources of the resource statement, we advise that this information was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

HEG will update the market, as appropriate, in respect of the Proposed Transaction.

Yours faithfully



Philip Bruce
Managing Director

About LionGold

LionGold Corp Ltd is an SGX-listed company that has rapidly established itself in the global gold mining industry and now holds 7.5 million ounces of gold resources, with 810,000 ounces classified as reserves.

Since March 2012, LionGold has acquired interests in eight gold mining and exploration companies. Primary concessions are in Australia, Bolivia, Canada and Ghana. The Group's wholly owned Castlemaine Goldfields in Australia has a target annualised production of 40,000 to 50,000 ounces of gold. LionGold intends to raise its gold resources to 10 million ounces, reserves to 2 million ounces and production to 200,000 ounces, through acquisitions and organic growth.

About Hill End Gold

Hill End Gold Limited is an ASX-listed gold exploration and resource investment company with projects and investments that have advanced development potential as drivers for share price growth.

HEG has a substantial investment in ASX-listed Bassari Resources Limited, which has over one million ounces in resources in Senegal. Bassari has announced the results of a Feasibility Study for the profitable development of a low cost open project, which is currently being permitted.

HEG continues to seek out and acquire project and corporate acquisition opportunities in Australia, and in selected countries throughout the world to increase its asset value apart from its projects in the historically gold-rich region of Hill End in central New South Wales, Australia. Existing gold resources estimated under JORC 2004 by the Company total 581,000 ounces.