



HILL END GOLD LIMITED

ACN 072 692 365

Report for June Quarter

31 July 2014

ASX Code: HEG, HEGOA

CORPORATE

- HEG has signed a non-binding Heads of Agreement with LionGold Australia Pty Ltd (LionGold) which is a wholly-owned Australian subsidiary of LionGold Corp Ltd (an entity listed on the Singapore Securities Exchange) in respect of a proposed acquisition from HEG of the rights, title and interest in and to the Hargraves Gold Project and the Boiga Gold Project.
- LionGold and HEG will, on completion, enter into the Management Agreement under which LionGold will engage HEG to manage and operate the Hargraves project.
- The Heads of Agreement is subject to the Parties entering into a definitive Sale Agreement in relation to the proposed acquisition. LionGold's decision to enter into the Sale Agreement or proceed with the proposed acquisition is conditional on it completing and being satisfied with the results of its diligence investigations, which has been extended to 31 August 2014.

HILL END PROJECT

- A Review of the Hawkins Hill – Reward resource and exploration opportunities continued during the Quarter.
- Further channel sampling of exposed quartz veins at Mares Nest has been completed with final assays pending.

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.

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Hargraves non-binding Heads of Agreement for sale of Hargraves Project

During the quarter, HEG entered into a non-binding heads of agreement (HOA) with LionGold Australia Pty Ltd in respect of the proposed acquisition of the rights, title and interest in and to the Hargraves Gold Project (EL 6996) and the Boiga Gold Project (EL 8206) from HEG.

These wholly-owned projects are located approximately 30 km south-west of Mudgee in central New South Wales (Figure 1).

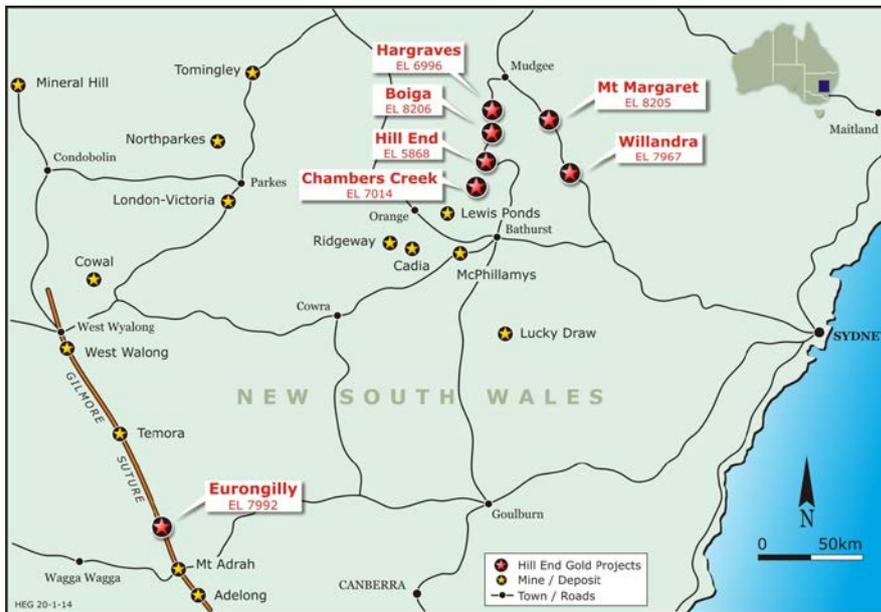


Figure 1. Hill End Gold Project locations

LionGold Australia is the wholly-owned Australian subsidiary of LionGold Corp Ltd (an entity listed on the Singapore Securities Exchange).

The HOA is subject to the parties entering into a definitive sale agreement in relation to the proposed acquisition, and LionGold Australia being satisfied with the results of due diligence. The date for these matters to be finalised has been extended to 31 August 2014.

Details of the proposed Sale and Management Agreements were reported in announcements made to the Australian Securities Exchange on 30 June and 2 July 2014.

Bassari Resources Investment

HEG's wholly owned subsidiary, HEG Investments Pty Ltd, has 139.6m shares in Bassari Resources Limited (BSR.ASX), which is currently a 12.2% holding. BSR own 70% of extensive tenements in Senegal and have a high grade gold open pit development project that is being permitted.

The BSR tenements are reported to have a resource of 11.9 Mt at 2.6 g/t gold containing one million ounces of gold estimated according to JORC 2004, which has not been updated since it was last reported (BSR 31 July 2014). The tenements have extensive gold mineralisation over 80km of strike and are located in the Birimian sequences of the Kedougou-Kenieba Inlier in Senegal, West Africa. This area contains over 55 million ounces of known gold endowment to date and BSR has recently announced the results of a feasibility study to develop the Makabingui Deposit.

The initial development phase for the Makabingui Gold Project focuses on the indicated component of the resource and is proposed to be an open pit mine with a conventional gravity and carbon-in-leach processing circuit.

The initial project development and economic parameters are as follows:

Makabingui Project Study summary at US\$1200/oz gold price:

○ <i>Production (recovered gold)</i>	<i>171,000 ounces</i>
○ <i>Average annual gold production</i>	<i>50,000 ounces</i>
○ <i>Average gold grade to the mill</i>	<i>>5.6 g/t gold</i>
○ <i>High processing recovery</i>	<i>95%</i>
○ <i>Processing rate</i>	<i>300,000 tpa</i>
○ <i>Initial project mine life</i>	<i>3.4 years</i>
○ <i>Cash Cost (C1)</i>	<i>US\$683/oz</i>
○ <i>Low additional capital</i>	<i>US\$12 M</i>
○ <i>NPV (8% discount rate)</i>	<i>US\$63 M</i>
○ <i>IRR</i>	<i>404%</i>
○ <i>Pre-capex free cash flow (after tax)</i>	<i>US\$88 M</i>
○ <i>Payback from production start</i>	<i><12 months</i>

Bassari has announced that it intends to fast-track the project and has appointed a project development team, and has in place a strategic alliance with a China-sourcing and equipment procurement firm to assist with the supply and delivery of high quality, low cost equipment.

Development funding options are being reviewed and BSR has recently announced a rights issue to raise up to \$4.6m at 2c per share.

PROJECTS

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

Blue Spec Prospect

During the quarter, the Blue Spec (Figure 2) and Oakey Creek prospects at the Hargraves Project were the subject of reconnaissance mapping and sampling. These prospects are on the Tuckers Hill Line of workings, parallel to the Hargraves Line of workings but located approximately 3 km to the east. A deep shaft is evident at Blue Spec although historic production has not been recorded for the area. Eight rock chip samples were collected and the workings mapped. Assay results are yet to be received.

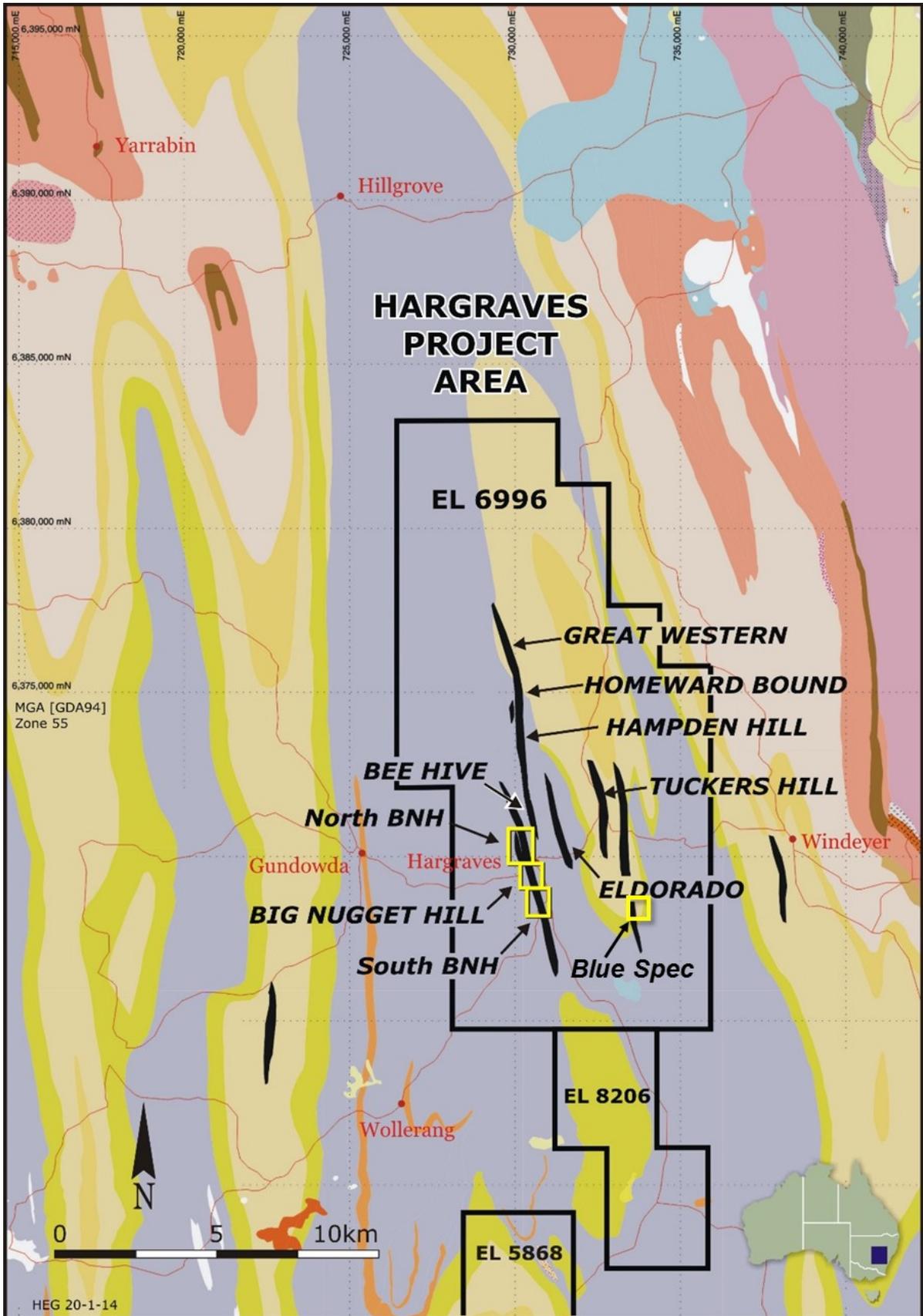


Figure 2 – Hargraves tenement location plan showing location of Blue Spec prospect

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

Hawkins Hill - Reward

Drill targets at depths of 100 – 150 metres below surface that have previously been identified on the Frenchmans Vein and the Paxtons Vein have the potential to increase the Hawkins Hill – Reward resource and provide a larger tonnage target.

Underground and surface drill holes that have previously been reported indicate a 3 to 8m thick mineralised target grading 4 to 8 g/t gold on the Frenchmans Vein which has previously been partially intersected in underground drill holes and workings in the Reward Shaft and near the Exhibition Shaft. In addition, there is further potential on the Stevens, Calcite and Paxtons Veins at similar levels.

Work has commenced to update the Hawkins Hill – Reward resource estimate and include the exploration potential of the shallow zones at Reward.

Mares Nest

Additional surface sampling has been done at Mares Nest during the quarter (Figure 3). Thirty-seven channel samples of exposed quartz veins have been collected in Twenty-three channels and one additional sample has been collected from Mares Nest South. The samples have been collected to infill surface information and assist in prioritising the proposed drilling at Mares Nest. Final assay results are yet to be received.

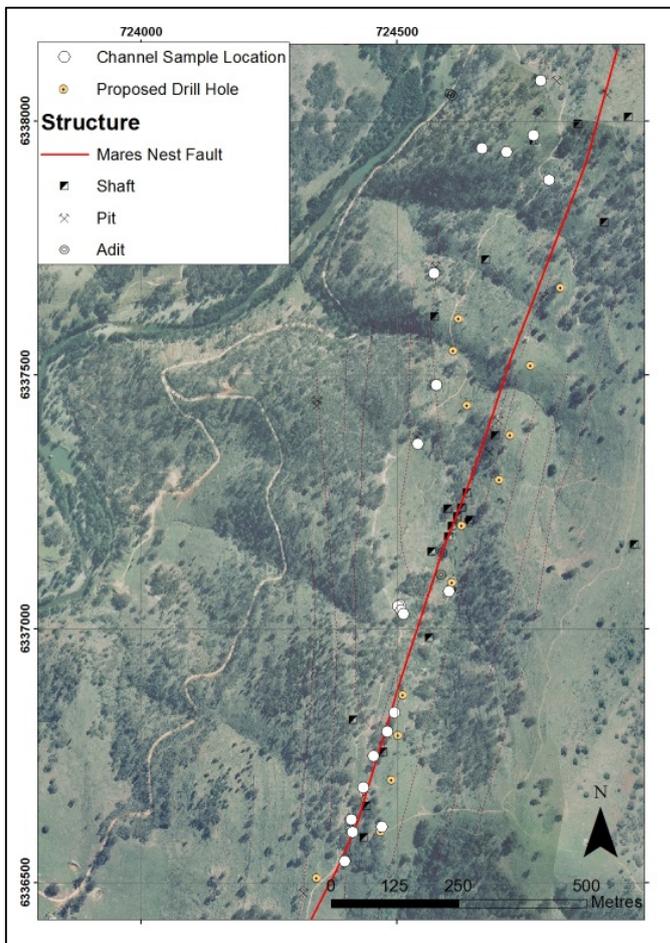


Figure 3. Location of additional channel samples taken at Mares Nest Prospect. Assays pending.

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).

No further ground work was done at Chambers Creek during the quarter pending the granting of ELA 5000 which encompasses EL 7014 plus one additional unit to the east which will extend the area of investigation.

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 (Figure 1).

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.

Additional ground mapping and rock chip sampling was done during the quarter. Stockwork quartz veins and fault breccia with quartz matrix is widespread. Host sandstone, siltstone and rare volcanic rocks are folded about an anticline which strikes north-south through the gold-arsenic soil anomaly. Veins on the eastern side of the anticline dip east and on the western side to the west, approximately parallel to bedding.

Sixteen additional rock chip samples of the quartz vein mineralisation were collected during the mapping program and were assayed for gold by fire assay at ALS Laboratories in Orange. Most samples had elevated gold levels consistent with previous assay results for the area. Previously unsampled, narrow, west dipping quartz veins on the western side of the anticline that have a strike length of approximately 200 metres returned assays of 0.5 g/t gold and 8.4 g/t gold. A series of old shafts, pits and one adit are located in this area which likely date back to the 1880's, when the old Leases were recorded on Parish plans. There is no recorded production from the area.

Work will continue to assess the potential for a significant gold resource.

Eurongilly Project – EL 7992 (HEG 100%)

Exploration Licence 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%)

Exploration Licence 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 in the coming quarter to establish the extent of the mineralisation and to begin assessing the Mt Margaret prospect, located 5 km south-east of the Apple Tree Flat prospect.

Current Tenement Schedule

Table 1 contains details of tenements currently held by HEG. There were no changes to the tenements during the quarter.

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"> Blue Spec (assay results pending) and Willandra prospects: 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). Mares Nest Prospect (assay results pending): Channel samples across exposed veins over widths of 0.3 to 1.0 m that collect a sample which is as representative as possible of the full sample width of the exposed vein. 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 (e.g. 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 	<ul style="list-style-type: none"> Not relevant – no drill samples reported.

	<i>material.</i>	
<i>Logging</i>	<ul style="list-style-type: none"> • <i>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.</i> • <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> 	<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.
<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 (ALS Orange). The assay is a partial analysis of a homogenized sample. The entire sample is pulverized and a sub-sample split off to ensure the partial analysis is a representative as possible. This technique is appropriate for these samples. • 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</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

	<p><i>used in Mineral Resource estimation.</i></p> <ul style="list-style-type: none"> • <i>Specification of the grid system used.</i> • <i>Quality and adequacy of topographic control.</i> 	<p>and is subject to satellite availability.</p> <ul style="list-style-type: none"> • Samples are recorded in East, North and mASL according to MGA, zone 55. • 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"> • Rock chip sampling does not have an orientation. For Mares Nest Channel samples, the orientations are recorded. The orientation of the sampling is orthogonal to the strike of the vein and parallel to the surface exposure • 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. Samples are transported to the laboratory in Orange 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 6996 (Hargraves) – HEG 100%, EL 7967 (Willandra) – HEG 100%, EL 5869 (Hill End) – Mares Nest Prospect – HEG 100% for that part of the EL There are no third party agreements, joint ventures, partnerships, overriding royalties, native title interests, historic sites, wilderness or national park and environmental settings. EL 6996 is subject to a Heads of Agreement with LionGold Australia Pty Ltd for proposed sale of EL 6996 as detailed in the Quarterly Report. 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 6996 and EL 5868 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 7967 is in Ordovician age sedimentary and volcanic rocks. The gold mineralisation here is associated with stock-work quartz veins and quartz matrix to fault breccia which is located in the core of an anticline.
<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</i> 	<ul style="list-style-type: none"> Not relevant. Data has not been aggregated and no metal equivalent values have been used.

	<p><i>of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</i></p> <ul style="list-style-type: none"> • <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"> • Samples reported are not intercept 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 and results pending have been reported. Where widths are not reported, they 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. • Extensions to mineralisation not known at this stage.

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

Name of entity

HILL END GOLD LIMITED

ABN

74 072 692 365

Quarter ended ("current quarter")

June 2014

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (12..months) \$A'000
1.1 Receipts from product sales and related debtors	93	93
1.2 Payments for		
(a) exploration & evaluation	(40)	(910)
(b) development and mine suspension		
(c) production		
(d) administration	(236)	(1,146)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	3	22
1.5 Interest and other costs of finance paid	(1)	(3)
1.6 Income taxes paid		
1.7 Other (provide details if material) Legal Fees	-	(319)
	(182)	(2,264)
Net Operating Cash Flows		
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects		
(b) equity investments		(1,100)
(c) other fixed assets	-	(22)
1.9 Proceeds from sale of: (a) prospects		
(b) equity investments	-	-
(c) other fixed assets		
1.10 Loans to other entities		
1.11 Loans repaid by other entities		
1.12 Other (provide details if material)		
	-	(1,122)
Net investing cash flows		
1.13 Total operating and investing cash flows (carried forward)	(182)	(3,386)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(182)	(3,386)
Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc.	200	2,580
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings		
1.17	Repayment of borrowings		
1.18	Dividends paid		
1.19	Other (provide details if material)		
	Net financing cash flows	200	2,580
	Net increase (decrease) in cash held	18	(806)
1.20	Cash at beginning of quarter/year to date	36	860
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	54	54

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	60
1.24	Aggregate amount of loans to the parties included in item 1.10	
1.25	Explanation necessary for an understanding of the transactions	
	Directors Fees	

Non-cash financing and investing activities

2.1	Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows	N/A
2.2	Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest	N/A

Financing facilities available

Add notes as necessary for an understanding of the position.

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities	-	-
3.2	Credit standby arrangements	-	-

+ See chapter 19 for defined terms.

Estimated cash outflows for next quarter

		\$A'000
4.1	Exploration and evaluation	100
4.2	Development	-
4.3	Production	-
4.4	Administration	200
Total		300

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter \$A'000	Previous quarter \$A'000
5.1	Cash on hand and at bank	54	36
5.2	Deposits at call	-	-
5.3	Bank overdraft	-	-
5.4	Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)		54	36

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed	-	-	-
6.2	Interests in mining tenements acquired or increased	-	-	-

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference +securities <i>(description)</i>	-	-	-	-
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions	-	-	-	-
7.3 +Ordinary securities	1,064,704,835 OFP	1,064,704,835 OFP		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	50,000,000 OFP	50,000,000 OFP	\$0.004 per share	\$0.004 per share
7.5 +Convertible debt securities <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>	35,000,000	Director	Exercise price 5 cents	Expiry date 29 Nov 2017
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired during quarter	22,080,000	Listed	10 cents	16 May 2014
7.11 Debentures <i>(totals only)</i>				
7.12 Unsecured notes <i>(totals only)</i>	-	-		

+ See chapter 19 for defined terms.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here: Date: ..July 2014....
(Director/Company secretary)

Print name: Kevin Lynn.....

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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