

Notice of Annual General Meeting and Explanatory Statement

**Annual General Meeting to be held at
the Christie Conference Centre, Yuan Room,
Level 2, 3 Spring Street, Sydney, NSW,
on Monday, 10 November 2014 at 10.00 a.m. (Sydney Time)**



HILL END GOLD LIMITED

ACN 072 692 365

This Notice of Annual General Meeting, Explanatory Statement and Proxy Form should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser without delay.

Notice of Annual General Meeting

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the 2014 Annual General Meeting of Hill End Gold Limited ("Company") will be convened at Christie Conference Centre, Yuan Room, Level 2, 3 Spring Street, Sydney, NSW, on Monday, 10 November 2014 at 10.00 a.m. (Sydney Time).

If you are unable to attend the meeting, we encourage you to complete and return the enclosed Proxy Form. The completed Proxy Form must be received by the Company at least 48 hours before the commencement of the meeting.

An Explanatory Statement, which accompanies and forms part of this Notice, describes the various matters to be considered.

Terms used in this Notice will, unless the context otherwise requires, have the same meaning as explained in the Explanatory Statement.

AGENDA

Financial Statements and Reports

To receive and consider the Annual Financial Report of the Company, together with the Directors' and Auditor's Reports for the period ending 30 June 2014.

Resolution 1: Non-binding approval of Remuneration Report

To consider, and if thought fit, to pass, with or without modification, the following resolution as an **ordinary resolution**:

"That, for all purposes, Shareholders adopt the Remuneration Report set out in the Directors' Report for the year ended 30 June 2014."

- (a) The vote on this resolution is advisory only and does not bind the Directors or the Company.
- (b) The Company's key management personnel ('KMP') and their closely related parties must not cast a vote in relation to the Remuneration Report unless they are appointed in writing as a proxy for a member eligible to vote on the resolution and that proxy specifies how to vote on the resolution.
- (c) The Chairman will vote all undirected proxies in favour of this resolution. If you wish to vote "against" or "abstain" you should mark the relevant box on the attached Proxy Form.

Voting Exclusion Statement: The Company will disregard and not count any vote cast (in any capacity) on Resolution 1 by or on behalf of either or both of the following persons:

- (a) a member of the KMP of the Company, details of whose remuneration are included in the Remuneration Report for the year ended 30 June 2014;
- (b) a closely related party of such a person, unless:
- (c) the person
 - (i) does so in relation to the Item as a proxy where the proxy form appointing the person as a proxy specifies how the person is to vote on the Item; or
 - (ii) is the Chairman of the meeting and the appointment of the Chairman as proxy expressly authorises the Chairman to exercise the proxy (even though the resolution is connected directly or indirectly with the remuneration of a member of the KMP); and
- (d) the vote is not cast on behalf of a person described in paragraph (a) or (b) above.

Resolution 2: Re-election of Director – Mr Graham Reveleigh

To consider, and if thought fit, to pass, with or without modification, the following resolution as an **ordinary resolution**:

“That, for all purposes, Mr Graham Reveleigh, being a Director of the Company who retires in accordance with the Company’s Constitution and being eligible offers himself for re-election, is re-elected as a Director.”

Resolution 3: Ratify an Issue of Shares

To consider and, if thought fit, to pass, with or without modification, the following resolution as an **ordinary resolution**:

“That for the purposes of Listing Rule 7.4 of the Listing Rules of ASX Limited and for all other purposes, the Company ratifies the issue of 63,500,528 fully paid ordinary shares to Rights Issue Shortfall Placees at \$0.007 per share.”

Short Explanation: Approval is sought under Listing Rule 7.4 to ratify the issue of these securities. Please refer to the Explanatory Statement for details.

Voting Exclusion Statement: The Company will disregard any votes cast on Resolution 3 by any person who participated in the issue and any associate of any such person. However, the Company need not disregard a vote if:

- The vote is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- The vote is cast by a person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Resolution 4: Ratify an Issue of Shares

To consider and, if thought fit, to pass, with or without modification, the following resolution as an **ordinary resolution**:

“That for the purposes of Listing Rule 7.4 of the Listing Rules of ASX Limited and for all other purposes, the Company ratifies the issue of 50,000,000 fully paid ordinary shares at \$0.004 per share.”

Short Explanation: Approval is sought under Listing Rule 7.4 to ratify the issue of these securities. Please refer to the Explanatory Statement for details.

Voting Exclusion Statement: The Company will disregard any votes cast on Resolution 4 by any person who participated in the issue and any associate of any such person. However, the Company need not disregard a vote if:

- * The vote is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- * The vote is cast by a person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Resolution 5: Ratification of Previous Issue of the Convertible Unsecured Notes

To consider, and if thought fit, to pass, with or without modification, the following resolution as an **ordinary resolution**:

Ratification of 20 million Convertible Unsecured Notes issued 7 July 2014

“That, for the purposes of ASX Listing Rules 7.1 and 7.4 and for all other purposes:

- *the Company ratifies and approves the previous issue of 20 million Convertible Unsecured Notes for an aggregate subscription amount of \$0.1 million to Mr Loh Kuwei Lam on 7 July 2014, as contemplated in the Company’s announcement to the ASX on 7 July 2014; and,*
- *the Company approves the issue of the maximum number of Shares that may be required to be issued on conversion of the Convertible Unsecured Notes, on the terms set out or described in the Explanatory Statement accompanying this Notice of General Meeting.*

Voting Exclusion Statement: The Company will disregard any votes cast on Resolution 5 by Mr Loh Kuwei Lam and any of his associates;

However, the Company need not disregard a vote if it is cast:

- * by a person as proxy for a person who is entitled to vote (in accordance with the directions on the proxy form); or
- * by the person chairing the meeting as proxy for a person who is entitled to vote (in accordance with a direction on the proxy form to vote as the proxy decides).

Resolution 6: Approval to Issue, or Ratification of the Convertible Unsecured Notes

To consider, and if thought fit, to pass, with or without modification, the following resolution as an **ordinary resolution**:

Approval of 80 million Convertible Unsecured Notes

"That, for the purposes of ASX Listing Rules 7.1 and 7.4 and for all other purposes:

- *the Company approves the issue of 80 million Convertible Unsecured Notes for an aggregate subscription amount of \$0.4 million to Mr Loh Kuwei Lam, as contemplated in the Company's announcement to the ASX on 7 July 2014; and, in the event that the Convertible Unsecured Notes have been issued prior to the meeting, ratification of the issue of the Convertible Unsecured Notes, on the terms and conditions in the Explanatory Statement, be approved; and*
- *the Company approves the issue of the maximum number of Shares that may be required to be issued on conversion of the Convertible Unsecured Notes, on the terms set out or described in the Explanatory Statement accompanying this Notice of General Meeting."*

Voting Exclusion Statement: The Company will disregard any votes cast on Resolution 6 by Mr Loh Kuwei Lam and any of his associates;

However, the Company need not disregard a vote if it is cast:

- by a person as proxy for a person who is entitled to vote (in accordance with the directions on the proxy form); or
- by the person chairing the meeting as proxy for a person who is entitled to vote (in accordance with a direction on the proxy form to vote as the proxy decides).

Resolution 7: Approval of 10% Placement Facility

To consider and, if thought fit, to pass, with or without modification, the following resolution as a **special resolution**:

"That pursuant to and in accordance with Listing Rule 7.1A of the Listing Rules of ASX Limited and for all other purposes, Shareholders approve the issue of equity securities up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Statement."

Voting Exclusion Statement: The Company will disregard any votes cast on Resolution 7 by any person who participated in the 10% Placement Facility and any associate of any such person and a person who may obtain a benefit, except a benefit solely in the capacity of a holder of shares, if this resolution is passed.

However, the Company need not disregard a vote if:

- (a) The vote is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the Proxy Form; or
- (b) The vote is cast by a person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

By Order of the Board of Directors

Kevin Lynn
Company Secretary

7 October 2014

Explanatory Statement

This Explanatory Statement has been prepared for the information of Shareholders in relation to the business to be conducted at the Company's 2014 Annual General Meeting.

The purpose of this Explanatory Statement is to provide Shareholders with all information known to the Company which is material to a decision on how to vote on the resolutions in the accompanying Notice of Annual General Meeting.

This Explanatory Statement should be read in conjunction with the Notice of Annual General Meeting.

The Explanatory Statement consists of the following sections:

1. **Financial Statements and Reports**
2. **Resolution 1: Non-binding approval of Remuneration Report**
3. **Resolution 2: Re- election of Director – Mr Graham Reveleigh**
4. **Resolution 3: Ratify an Issue of 63,500,528 Shortfall Placement Shares**
5. **Resolution 4: Ratify an Issue of 50,000,000 Shares to Mr Keith Knowles**
6. **Resolution 5: Ratification of Previous Issue of the Convertible Unsecured Notes**
7. **Resolution 6: Approval to Issue, or Ratification of the Convertible Unsecured Notes**
8. **Resolution 7: Approval of 10% Placement Facility**
9. **Questions from Shareholders**

1. Financial Statements and Reports


The Annual Financial Report, Directors' Report and Auditor's Report for the Company for the period ending 30 June 2014 will be laid before the meeting.

There is no requirement for Shareholders to approve these reports. However, the Chairman will allow a reasonable opportunity for Shareholders to ask questions or make comments about those reports and the management of the Company. Shareholders will also be given a reasonable opportunity to ask the auditor questions about the conduct of the audit and the preparation and content of the Auditor's Report.

In addition to taking questions at the meeting, written questions to the Chairman about the management of the Company, or to the Company's auditor may be made about:

- the preparation and content of the Auditor's Report;
- the conduct of the audit;
- accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- the independence of the auditor in relation to the conduct of the audit.

To assist the Board and the auditor of the Company in responding to your questions please submit any questions you may have using the enclosed Question Form at Annexure A of the Explanatory Statement so that it is received no later than 10.00 a.m. (Sydney Time) on Monday, 3 November 2014 to:



Stephen Peterson
Chief Financial Officer

Hill End Gold Limited
3 Spring Street
SYDNEY NSW 2000
Australia

– or –

Fax: +61 2 8249 4919

As required under section 250PA of the Corporations Act, at the Annual General Meeting, the Company will distribute a list setting out the questions directed to the auditor received in writing, being questions which the auditor considers relevant to the content of the auditor's report or the conduct of the audit of the financial report for the period ended 30 June 2014. The Chairman will allow a reasonable opportunity to respond to the questions set out on this list.

2. Resolution 1: Adoption of Remuneration Report/Board Spill Motion

The Annual Report for the financial year ended 30 June 2014 contains a Remuneration Report, which forms part of the Directors' Report and sets out the remuneration policy for the Company and reports on the remuneration arrangements in place for executive directors, senior management and non-executive directors.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the meeting.

The Corporations Act 2001 requires each listed company to put to a vote at its AGM a non-binding resolution to shareholders to adopt the Remuneration Report. Whilst under the legislation this vote will be advisory only, and does not bind the Directors or the Company, the Directors recognise the vote as an indication of shareholder sentiment and have careful regard to the outcome of the vote and any discussion when setting the Company's remuneration policies.

The Board will consider the outcome of the vote and comments made by Shareholders on the Remuneration Report at this meeting when reviewing the Company's Remuneration policies. If 25% or more of the votes that are cast are voted against the adoption of the Remuneration Report at two consecutive Annual General Meetings Shareholders will be required at the second of those Annual General meetings on a resolution (a "spill resolution") that another meeting be held within 90 days at which all of the Company's Directors other than the Managing Director must stand for re-election.

Key management personnel (including Directors) and their closely related parties must not cast a vote on the report on the Remuneration Report unless as holders of directed proxies for Shareholders eligible to vote on the resolution and that proxy specifies how to vote on the resolution.

The Company encourages all shareholders to cast their votes on this resolution. The Chairman will vote all undirected proxies in favour of this resolution. If you wish to vote "against" or "abstain" you should mark the relevant box in the attached Proxy Form.

*The Directors unanimously recommend that shareholders vote **in favour** of adopting the Remuneration Report.*

*The Chairman of the Meeting intends to vote all available proxies **in favour** of this item of business.*

3. Resolutions 2: Re-election of Director – Mr Graham Reveleigh

This Resolution deals with the re-election of Mr Graham Reveleigh as Director of the Company.

In accordance with ASX Listing Rule 14.4 and the Company's Constitution, at every Annual General Meeting, one third of the Directors for the time being must retire from office and are eligible for re-election. The Directors to retire are:

- those who have been in office for 3 years since their appointment or last re-appointment;
- those who have been longest in office since their appointment or last re-appointment; or
- if the Directors have been in office for an equal length of time, by agreement.

In accordance with the Company's Constitution, Mr Graham Reveleigh retires and being eligible, has offered himself re-election. The remaining Directors recommend to Shareholders that Mr Graham Reveleigh be re-elected as a director.

Details of Mr Graham Reveleigh's background and experience are set out in the Annual Report.

The Chairman of the Meeting intends to vote all available proxies in favour of this Resolution (item of business).

4. Resolutions 3: Ratify an Issue of Shares

Background

On 28 January 2014 the Company issued by way of share placement a total of 63,500,528 shortfall placement shares at 0.7 cent to raise \$469,904 before issue costs.

Regulatory Requirements – ASX Listing Rule 7.1 and 7.4

The Company did not breach Listing Rule 7.1.

Resolution 3 is required to be approved in accordance with ASX Listing Rule 7.4 to allow the Company to ratify the issue and allotment of 63,500,528 fully paid ordinary shares ("Shares").

The reason for an approval under ASX Listing Rule 7.1 is to reinstate the capacity of the Company to issue up to 15% of its securities without the approval of its shareholders.

The following information is provided to Shareholders for the purposes of obtaining shareholder approval pursuant to the ASX Listing Rules:

- the number of Shares allotted and by the Company was 63,500,528;
- the allottees of the Shares were professional and sophisticated by way of a shortfall placement;
- the Shares rank equally with the existing Shares on issue;
- the Shares were allotted at an issue price of 0.7 cent per share for gross proceeds of \$469,904; and
- the funds raised from this issue were used for the continued exploration at the Company's projects in and around Hill End in NSW, acquisitions and for ongoing working capital requirements.

Directors' Recommendation

The Board recommends Shareholders vote in favour of Resolution 3.

5. Resolutions 4: Ratify an Issue of Shares

Background

On 8 May 2014, the Company agreed to issue, by way of a share placement a total of 50,000,000 shares at 0.4 cents to raise \$200,000 before issue costs.

The issue was in two tranches, tranche one of 12.5 million shares was issued and allocated to the investor on 8 May 2014; tranche two of 37.5 million HEG shares was issued and allocated to the investor on 28 May 2014.

Regulatory Requirements – ASX Listing Rule 7.1 and 7.4

The Company did not breach Listing Rule 7.1.

Resolution 4 is required to be approved in accordance with ASX Listing Rule 7.4 to allow the Company to ratify the issue and allotment of 50,000,000 fully paid ordinary shares ("Shares").

The reason for an approval under ASX Listing Rule 7.1 is to reinstate the capacity of the Company to issue up to 15% of its securities without the approval of its shareholders.

The following information is provided to Shareholders for the purposes of obtaining shareholder approval pursuant to the ASX Listing Rules:

- the number of Shares allotted and by the Company was 50,000,000;
- the allottees of the Shares was Mr Keith Knowles;
- the Shares rank equally with the existing Shares on issue;
- the Shares were allotted at an issue price of 0.4 cent per share for gross proceeds of \$200,000; and
- the funds raised from this issue were used for the continued exploration at the Company's projects in and around Hill End in NSW, acquisitions and for ongoing working capital requirements.

Directors' Recommendation

The Board recommends Shareholders vote in favour of Resolution 4.

6. Resolutions 5: Ratification of Previous Issue of the Convertible Unsecured Notes

General Background

The resolution is being considered so the Company's Shareholders can consider the resolutions set out in the Notice, in accordance with ASX Listing Rules 7.1 and 7.4.

Resolution 5 is in relation to a Convertible Note Deed entered into with Mr Loh Kuwei Lam on 2 July 2014 and announced to the ASX on 2 July 2014.

Resolution 5 seeks Shareholder ratification and approval of the previous issue of 20,000,000 Convertible Unsecured Notes (Tranche 1 Notes) to Mr Loh Kuwei Lam on 2 July 2014 for an aggregate subscription amount of \$0.1 million.

Shareholder approval under ASX Listing Rule 7.1 was not required for the issue by the Company of the Tranche 1 Notes. The Company confirms that it was not in breach of ASX Listing Rule 7.1 at the time of the issue. However, the Company is now seeking that the issue of the Tranche 1 Notes be treated as having been made with Shareholder approval for the purposes of ASX Listing Rule 7.1, pursuant to ASX Listing Rule 7.4.

If Shareholder approval is obtained under Resolution 5, the issue of Tranche 1 Notes and the issue of Shares on conversion of the Tranche 1 Notes will be excluded from the calculation of the 15% limit under ASX Listing Rule 7.1. This will provide the Company with flexibility during the next 12-month period to issue further equity securities without seeking further shareholder approval.

The following information is required by ASX Listing Rule 7.5 for the purposes of Shareholder approval under ASX Listing Rule 7.4:

- The Tranche 1 Notes comprising 20,000,000 Notes with a face value of \$0.005 each were issued to Mr Loh Kuwei Lam on 2 July 2014 for a total subscription price of \$0.1 million.
- The Tranche 1 Notes are convertible into Shares. The maximum number of Shares that may be issued upon conversion of the Tranche 1 Notes is 20,000,000 Shares, based on the conversion price of \$0.005 per Share.
- Shares issued on the conversion of Convertible Unsecured Notes will have the same terms and rank equally in all respects with existing Shares in the Company and will be quoted on the ASX.
- Funds raised by the issue of the Tranche 1 Notes are to be used to provide continued exploration at the Company's projects in and around Hill End in NSW, acquisitions and for ongoing working capital requirements.
- A summary of the principal terms of the Convertible Unsecured Notes are as follows:
 1. Interest Rate: 5% per annum (payable in arrears on the Redemption Date or the Conversion Date).
 2. Conversion Rate: 1:1 (each Note is convertible into one fully paid ordinary share).
 3. Maturity date: the date being 2 years from the First Issue Date, being the date which is 5 Business Days after the date this signing Convertible Note Agreement (7 July 2016).
 4. Convertible at any time prior to maturity.
 5. Redeemable – one month after receipt of the second tranche of \$500,000 by the Company from LionGold Corp in relation to the Proposed Disposal of the Hargraves/Boiga Projects (as announced on ASX 30 June 2014 and 30 September 2014), which is at the three month anniversary of the completion of the Proposed Disposal, and shall expire on the second anniversary of the First Issue Date. Not redeemable if the Proposed Disposal does not complete.

Board Recommendation


The Board believes that the ratification of this issue is beneficial for the Company, and in the best interests of Shareholders. It allows the Company the flexibility to issue the maximum number of equity securities permitted under ASX Listing Rule 7.1 without Shareholder approval during the next 12 months, providing the Company with the flexibility to respond in a timely manner to any funding requirements that may arise.

The Board unanimously recommends that Shareholders vote in favour of Resolution 5.

7. Resolutions 6: Approval to Issue, or Ratification of the Convertible Unsecured Notes

General Background

The resolution is being considered so the Company's Shareholders can consider the resolutions set out in the Notice, in accordance with ASX Listing Rules 7.1 and 7.4.



Resolution 6 is in relation to a Convertible Note Deed entered into with Mr Loh Kuwei Lam on 2 July 2014 and announced to the ASX on 2 July 2014.

Resolution 6 seeks Shareholder approval of an issue of 80,000,000 Convertible Unsecured Notes (Tranche 2–5 Notes) Mr Loh Kuwei Lam for an aggregate subscription amount of \$0.4 million, alternatively, in the event that the Convertible Unsecured Notes (Tranche 2–5 Notes) have been issued prior to the meeting, Resolution 6 seeks the approval of shareholders to ratify the issue of the Consideration Shares.

Shareholder approval under ASX Listing Rule 7.1 was not required for the entry into the Convertible Note Deed by the Company for the Tranches 2–5 Notes. The Company confirms that it was not in breach of ASX Listing Rule 7.1 at the time of entry into the Convertible Note Deed. The Company is now seeking Shareholder approval for the issue of the Tranches 2-5 Notes for the purposes of ASX Listing Rule 7.1, accordingly should the Convertible Unsecured Notes have been issued under Listing Rule 7.1 prior to the meeting, refresh the Company's ability, to the extent of the Convertible Unsecured Notes, to issue further shares during the next 12-months pursuant to Listing Rule 7.1 without the need to obtain further shareholder approval (subject to the Listing Rules and the Corporations Act). If Resolution 6 is not passed, the Consideration Shares will be counted toward the 15% limit pursuant to Listing Rule 7.1 for a period of 12-months from the date of issue.

If Shareholder approval is obtained under Resolution 6, the issue of Tranche 2–5 Notes and the issue of Shares on conversion of the Tranche 2–5 Notes will be excluded from the calculation of the 15% limit under ASX Listing Rule 7.1. This will provide the Company with flexibility during the next 12-month period to issue further equity securities without seeking further shareholder approval.

The following information is required by ASX Listing Rule 7.5 for the purposes of Shareholder approval under ASX Listing Rule 7.4:

- The Tranche 2–5 Notes comprising 80,000,000 Notes with a face value of \$0.005 each to be issued to Mr Loh Kuwei Lam for a total subscription price of \$0.4 million.
- The Tranche 2–5 Notes are convertible into Shares. The maximum number of Shares that may be issued upon conversion of the Tranche 2–5 Notes is 80,000,000 Shares, based on the conversion price of \$0.005 per Share.
- Shares issued on the conversion of Convertible Unsecured Notes will have the same terms and rank equally in all respects with existing Shares in the Company and will be quoted on the ASX.
- Funds raised by the issue of the Tranche 2 -5 Notes are to be used to provide continued exploration at the Company's projects in and around Hill End in NSW, acquisitions and for ongoing working capital requirements.
- A summary of the principal terms of the Convertible Unsecured Notes are as follows:
 1. Interest Rate: 5% per annum (payable in arrears on the Redemption Date or the Conversion Date).
 2. Conversion Rate: 1:1 (each Note is convertible into one fully paid ordinary share).
 3. Maturity date: the date being 2 years from the First Issue Date, being the date which is 5 Business Days after the date this signing Convertible Note Agreement (7 July 2016).
 4. Convertible at any time prior to maturity.
 5. Redeemable – one month after receipt of the second tranche of \$500,000 by the Company from LionGold Corp in relation to the Proposed Disposal of the Hargraves/Boiga Projects (as announced on ASX 30 June 2014 and 30 September 2014), which is at the three month anniversary of the completion of the Proposed Disposal, and shall expire on the second anniversary of the First Issue Date. Not redeemable if the Proposed Disposal does not complete.

Board Recommendation

The Board believes that the approval of this issue is beneficial for the Company, and in the best interests of Shareholders. It allows the Company the flexibility to issue the maximum number of equity securities permitted under ASX Listing Rule 7.1 without Shareholder approval during the next 12 months, providing the Company with the flexibility to respond in a timely manner to any funding requirements that may arise.

The Board unanimously recommends that Shareholders vote in favour of Resolution 6.

8. Resolution 7 – Approval of 10% Placement Facility

8.1 General

Listing Rule 7.1 A enables eligible entities to issue Equity Securities up to 10% of its issued share capital through placements over a 12 month period after the annual general meeting (10% Placement Facility). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1 A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an eligible entity. The Company is now seeking shareholder approval by way of a **special resolution** to have the ability to issue Equity Securities under the 10% Placement Facility.

The exact number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 8.2(c) below). The Company actively seeks to continue exploration. The Company may use the 10% Placement Facility to facilitate further exploration.

The Directors of the Company believe that Resolution 7 is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of this resolution.

8.2 Description of Listing Rule 7.1A

(a) Shareholder approval

The ability to issue Equity Securities under the 10% Placement Facility is subject to shareholder approval by way of a **special resolution** at an annual general meeting.

(b) Equity Securities

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company. The Company, as at the date of the Notice, has on issue two classes of quoted Equity Securities, Shares and Listed Options.

(c) Formula for calculating 10% Placement Facility

Listing Rule 7.1 A.2 provides that eligible entities which have obtained shareholder approval at an annual general meeting may issue or agree to issue, during the 12 month period after the date of the annual general meeting, a number of Equity Securities calculated in accordance with the following formula:

$$(AxD)-E$$

A is the number of shares on issue 12 months before the date of issue or agreement:

- (i) plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;
- (ii) plus the number of partly paid shares that became fully paid in the 12 months;
- (iii) plus the number of fully paid shares issued in the 12 months with approval of holders of shares under Listing Rule 7.1 and 7.4. This does not include an issue of fully paid shares under the entity's 15% placement capacity without shareholder approval; and
- (iv) less the number of fully paid shares cancelled in the 12 months.

Note that A has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

D is 10%

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of Shareholders under Listing Rule 7.1 or 7.4.

(d) Listing Rule 7.1 and Listing Rule 7.1A

The ability of an entity to issue Equity Securities under Listing Rule 7.1 A is in addition to the entity's 15% placement capacity under Listing Rule 7.1.

At the date of this Notice, the Company has on issue 1,064,704,385 Shares and therefore has a capacity to issue:

- (i) 159,705,725 Equity Securities under Listing Rule 7.1; and
- (ii) Subject to shareholder approval being sought under Resolution 7, 106,470,484 Equity Securities under Listing Rule 7.1A.

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1 A.2 (refer to Section 8.2(c) above).

(e) Minimum Issue Price

The issue price of Equity Securities issued under Listing Rule 7.1 A must be not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 Trading Days immediately before:

- (i) The date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) If the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

(f) 10% Placement Period

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1 A is valid from the date of the annual general meeting at which the approval is obtained and expires on the earlier to occur of:

- (i) the date that is 12 months after the date of the annual general meeting at which the approval is obtained; or
- (ii) the date of the approval by Shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking), or such longer period if allowed by ASX (10% Placement Period).

8.3 Listing Rule 7.1A

The effect of Resolution 7 will be to allow the Directors to issue the Equity Securities under Listing Rule 7.1 A during the 10% Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1.

Resolution 7 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate shareholder, by a corporate representative).

8.4 Specific Information required by Listing Rule 7.3A

Pursuant to and in accordance with Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Facility as follows:

- (a) The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities over the 15 Trading Days immediately before:
 - (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
 - (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (b) If Resolution 7 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the table below (in the case of Listed Options, only if the Listed Options are exercised). There is a risk that:
 - (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting; and
 - (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date or the Equity Securities are issued as part of consideration for the acquisition of a new asset, which may have an effect on the amount of funds raised by the issue of the Equity Securities.

The table below shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A(2) as at the date of this Notice.

The table also shows:

- (i) two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- (ii) two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market price.

Variable 'A' in Listing Rule 7.1A.2		Dilution		
		\$0.010 100% increase in Issue Price	\$0.005 Issue Price	\$0.0025 50% decrease in Issue Price
Current Variable A 1,064,704,385 Shares	10% Voting Dilution	106,470,439 shares	106,470,439 shares	106,470,439 shares
	Funds Raised	\$1,064,704	\$532,352	\$266,176
50% increase in current Variable A 1,597,056,578 Shares	10% Voting Dilution	159,705,658 shares	159,705,658 shares	159,705,658 shares
	Funds Raised	\$1,597,057	\$798,528	\$399,264
100% increase in current Variable A 2,129,408,770 Shares	10% Voting Dilution	212,940,877 shares	212,940,877 shares	212,940,877 shares
	Funds Raised	\$2,129,409	\$1,064,704	\$532,352

The table has been prepared on the following assumptions:

- (i) The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
 - (ii) No Listed Options (including any Listed Options issued under the 10% Placement Facility) are exercised into Shares before the date of the issue of the Equity Securities:
 - (iii) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
 - (iv) The table does not show an example of dilution that may be caused to a particular shareholder by reason of placements under the 10% Placement Facility, based on that shareholder's holding at the date of the meeting.
 - (v) The table shows only the effect of issues of Equity Securities under Listing Rule 7.1 A, not under the 15% placement capacity under Listing Rule 7.1.
 - (vi) The issue of Equity Securities under the 10% Placement Facility consists only of shares. If the issue of Equity Securities includes Listed Options, it is assumed that those Listed Options are exercised into shares for the purpose of calculating the voting dilution effect on existing Shareholders.
 - (vii) The issue price is \$0.005, being the intraday price of the shares on ASX on 28 September 2014.
- (c) The Company will only issue and allot the Equity Securities during the 10% Placement Period. The approval under Resolution 7 for the issue of the Equity Securities will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or Listing Rule 11.2 (disposal of main undertaking).
- (d) The Company may seek to issue the Equity Securities for the following purposes:
- (i) non-cash consideration for the provision of services in relation to the continued exploration of its projects. In such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3; or
 - (ii) cash consideration. In such circumstances, the Company intends to use the funds raised towards continued exploration on its projects.

The Company will comply with the disclosure obligations under Listing Rules 7.1A (4) and 3.1 0.5A upon issue of any Equity Securities.

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

- (iii) the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;
- (iv) the effect of the issue of the Equity Securities on the control of the Company;
- (v) the financial situation and solvency of the Company; and
- (vi) advice from corporate, financial and banking advisers (if applicable).


The allottees under the 10% Placement Facility have not been determined as at the date of this Notice but may include existing substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.

Further, if the Company is successful in acquiring new resources assets or investments, it is likely that the allottees under the 10% Placement Facility will be the vendors of the new resources assets or investments.

- (e) The Company previously obtained Shareholder approval under Listing Rule 7.1A at its Annual General Meeting held on 28 November 2013. The Company has not issued Equity Securities pursuant to that Listing Rule 7.1A approval.

Information relating to issues of Equity Securities by the Company in the 12 months prior to 10 November 2014 is as follows:

Date of issue:	28 January 2014	8 May 2014	2 July 2014	Prior to 10 November 2014
Number issued:	63,500,528	50,000,000	20,000,000	80,000,000
Class/Type of equity security:	Ordinary Shares	Ordinary Shares	Convertible Notes	Convertible Notes
Summary of terms:	Placement of Ordinary Shares at an issue price of \$0.007 per share	Placement of Ordinary Shares at an issue price of \$0.004 per share	For the issue of Ordinary Shares at an issue price of \$0.005 per share	For the issue of Ordinary Shares at an issue price of \$0.005 per share
Names of persons who received securities or basis on which those persons was determined:	Shortfall Placement for rights issue announced 23 September 2013	Mr Keith Knowles	Mr Loh Kuwei Lam	Mr Loh Kuwei Lam
Price:	Issued at \$0.007 per share	Issued at \$0.004 per share	Issued at \$0.005 per share	Issued at \$0.005 per share
Discount to market price (if any):	N/A	N/A	N/A	N/A
FOR CASH ISSUES				
Total cash consideration received:	\$469,904	\$200,000	\$100,000	\$400,000
Amount of cash consideration spent:	\$469,904	\$200,000	\$100,000	\$400,000
Use of cash consideration:	The funds raised were used for exploration, working capital and acquisition of potential growth opportunities.	The funds raised were used for exploration, working capital and acquisition of potential growth opportunities.	The funds raised were used for exploration, working capital and acquisition of potential growth opportunities.	The funds raised were used for exploration, working capital and acquisition of potential growth opportunities.
Intended use for remaining amount of cash (if any):	N/A	Nil	Nil	Nil
FOR NON-CASH ISSUES				
Non-cash consideration paid:	N/A	N/A	N/A	N/A
Current value of that non-cash consideration:	N/A	N/A	N/A	N/A



(f) A voting exclusion statement is included in the Notice. At the date of the Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

Directors' Recommendation

The Board recommends Shareholders vote in favour of Resolution 7.

Other Information

There is no other information known to the Company that is material to a Shareholder's decision on how to vote on the resolutions set out in the Notice. However, should any Shareholder be in doubt as to how they should vote on any resolution and/or as to how a resolution may affect them, they should seek advice from their accountant, solicitor or other professional adviser as soon as possible.

Queries as to the lodgement of proxies and other formalities in relation to the meeting should be directed to the Company on Telephone: +61 2 8249 4416.

Action to be taken by Shareholders

Enclosed with the Notice of Meeting and this Explanatory Statement is a proxy form for use by Shareholders. All Shareholders are invited and encouraged to attend the meeting or, if they are unable to attend in person and are eligible to vote, to complete, sign and return the proxy form to the Company in accordance with the instructions contained on the proxy form and the Notice of Meeting. Lodgement of a proxy form will not preclude a Shareholder from attending and voting at the meeting in person.

Proxy and Voting Entitlement Instructions

The Proxy Form (and any power of attorney or other authority, if any, under which it is signed) or a copy or facsimile which appears on its face to be an authentic copy of the proxy form (and the power of attorney or other authority) must be lodged:

In person or by mail: or **Fax:** +61 2 8249 4919

Hill End Gold Limited
3 Spring Street
SYDNEY NSW 2000
Australia

not later than 48 hours before the time for holding the meeting, i.e. no later than 10.00 a.m. (Sydney Time) on Saturday, 8 November 2014. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Voting Entitlement

If you are unable to attend the meeting, you may appoint a proxy to attend and vote on your behalf.

A shareholder entitled to attend and vote at the meeting has a right to appoint a proxy to attend and vote for the shareholder. A Proxy Form is enclosed with this Notice of Meeting. A proxy is entitled to vote on a poll and, provided that only one proxy attends, on a show of hands.

A shareholder may appoint a person or a body corporate as their proxy. If a shareholder appoints a body corporate as proxy, the body corporate will need to ensure that it appoints an individual as corporate representative and provides satisfactory evidence of the appointment of its corporate representative. A proxy need not be a shareholder of the Company.

The Company may specify a time, not more than 48 hours before the meeting, at which a "snap-shot" of shareholders will be taken for the purposes of determining shareholder entitlements to vote at the meeting.

The Company's Directors have determined that all shares of the Company that are quoted on ASX at 10.00 a.m. (Sydney Time) on Saturday, 8 November 2014 shall, for the purposes of determining voting entitlements at the Annual General Meeting, be taken to be held by the persons registered as holding the shares at that time. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the meeting.


Appointment of a Proxy

A member of the Company entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy. The proxy may, but need not be, a member of the Company.

Any directed proxies that are not voted on a poll at the meeting by a shareholder's appointed proxy will automatically default to the Chairman of the Meeting, who is required to vote proxies as directed on a poll.

If you wish to appoint the Chairman of the meeting as your proxy, mark the box. If the person you wish to appoint as your proxy is someone other than the Chairman of the meeting please write the name of that person. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the meeting will be your proxy. A proxy need not be a shareholder of the company.

The Chairman of the meeting will vote all available proxies in accordance with the Board's recommendations set out in the Explanatory Statement accompanying this Notice of Meeting. By appointing the Chairman of the meeting as your proxy, and as long as you are not a member of the KMP of the Company or a closely related party of such a KMP, you expressly direct the



Chairman to vote in favour of Resolution 1 (Adoption of Remuneration Report), even though the respective resolution is connected directly or indirectly with the remuneration of a member of the KMP. If you intend to appoint a member of the KMP (other than the Chairman) as your proxy, please ensure that you direct them how to vote on Resolutions 1.

You are entitled to appoint up to two persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company on +61 2 8249 4416 or you may photocopy this form.

To appoint a second proxy you must on each Proxy Form state (in the appropriate box) the percentage of your voting rights which are the subject of the relevant proxy. If both Proxy Forms do not specify that percentage, each proxy may exercise half your votes. Fractions of votes will be disregarded.

You can direct your proxy how to vote by following the instructions on the Proxy Form. Shareholders are encouraged to direct their proxy how to vote on each item of business (e.g. 'for', 'against' or 'abstain' by ticking the relevant box next to each item of business on the Proxy Form).

Where a shareholder appoints an attorney to act on his or her behalf, such appointment must be made by a duly executed power of attorney.

Votes on Resolutions

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each Resolution. All your shareholding will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any Resolution by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given Resolution, your proxy may vote as he or she chooses. If you mark more than one box on a Resolution your vote on that Resolution will be invalid.

Signing Instructions

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, all of the shareholders should sign.

Power of Attorney: to sign under Power of Attorney, you must have already lodged this document with the company's share registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

If a representative of the corporation is to attend the meeting a "Certificate of Appointment of Corporate Representative" should be produced prior to admission. A form of the certificate is either included in the Notice or may be obtained from the company's share registry.

Annexure A

Questions from Shareholders

This form is provided with the Notice of the Annual General Meeting of Hill End Gold Limited ACN 072 692 365 ("Company") – to be held at the Christie Conference Centre, Yuan Room, Level 2, 3 Spring Street, Sydney, NSW, on Monday, 10 November 2014 at 10.00 am (Sydney Time) – to assist shareholders in asking questions of:

- the Directors of the Company in relation to the management of the Company; and
- Crowe Horwarth, as the auditor who prepared the auditor's report for the period ended 30 June 2014, in relation to the audit, the preparation and content of the auditor's report, the accounting policies adopted by the Company in relation to the preparation of the financial statements and the independence of the auditor in relation to the conduct of the audit.

The Board of Directors and the auditor will endeavour to respond to the questions received from shareholders as the chair of the meeting determines is reasonable given the time available at the meeting.

Name of shareholder/s:

.....

Questions (please place an "X" in the box next to the question if your question is directed at the auditor)

1.

.....

.....

2.

.....

.....

3.

.....

.....

Lodging this form

If you wish to ask questions using this form, you should submit this form as described below by no later than 10.00 am (Sydney Time) on Monday 3 November 2014.

By mail:

Mr Stephen Peterson, Chief Financial Officer
Hill End Gold Limited
3 Spring Street, SYDNEY NSW 2000 Australia

- or -

By fax: +61 2 8249 4919

Proxy Form

<<Name_Address_1>>
<<Name_Address_2>>
<<Name_Address_3>>
<<Name_Address_4>>
<<Name_Address_5>>
<<Name_Address_6>>

Reference Number: <<Holder_ID>>

Your Address

This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction on the form. Securityholders sponsored by a broker should advise your broker of any changes. Please note, you cannot change ownership of your securities using this form.

Voting

I/We being a Shareholder/s of Hill End Gold Limited and entitled to attend and vote hereby:

Elect to lodge my/our vote(s) directly (mark box with 'X')

In relation to the Annual General Meeting of the Company to be held at Christie Conference Centre, Yuan Room, Level 2, 3 Spring Street, Sydney NSW, on Monday, 10 November 2014 at 10.00 am (Sydney Time) and at any adjournment or postponement of that meeting.

You must mark either 'For', 'Against' or 'Abstain' on each item of business for a valid direct vote to be recorded on that item.

OR **The Chairman of the meeting (mark box with 'X')**

OR **to appoint a Proxy**

Write here the name of the person you are appointing if this person is someone other than the Chairman of the Meeting or failing the person named, or if no person is named, the Chairman of the Meeting, as my/our proxy to attend and act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the Annual General Meeting of Hill End Gold Limited to be held at Christie Conference Centre, Yuan Room, Level 2, 3 Spring Street, Sydney, NSW, on Monday, 10 November 2014 at 10.00 am (Sydney Time) and at any adjournment or postponement of that meeting.

If you appoint a proxy the Company encourages you to direct your proxy how to vote on each item of business.

Voting directions to your proxy – please mark 'X' to indicate your directions

	For	Against	Abstain
Resolution 1. Approve Remuneration Report			
Resolution 2. Re-election of a Director – Mr Graham Reveleigh			
Resolution 3. Ratify an Issue of Shares			
Resolution 4. Ratify an Issue of Shares			
Resolution 5. Ratification of Previous Issue of the Convertible Unsecured Notes			
Resolution 6. Approval to Issue, or Ratification of the Convertible Unsecured Notes			
Resolution 7. Approval of 10% Placement Facility			

If you mark the Abstain box for a particular Resolution, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

Appointment of a second proxy (instructions detailed in the Notice of Annual General Meeting):

If you wish to appoint a second proxy, state the % of your voting rights applicable to the proxy appointed by this form

PLEASE SIGN HERE

This section must be signed in accordance with the instructions detailed in the Notice of Annual General Meeting to enable your directions to be implemented.

Individual or Shareholder 1

Shareholder 2

Shareholder 3

.....
Sole Director and
Sole Company Secretary

.....
Director

.....
Director/Company Secretary

APPOINTMENT OF CORPORATE REPRESENTATIVE

Section 250D of the Corporations Act 2001

Shareholder Details

This is to certify that by a resolution of the Directors of:

..... (Company),

Insert name of shareholder company

the Company has appointed:

.....

Insert name of corporate representative

in accordance with the provisions of section 250D of the Corporations Act 2001, to act as the body corporate representative of that company at the meeting of the members of Hill End Gold Limited to be held at the Christie Conference Centre, Yuan Room, Level 2, 3 Spring Street, Sydney, NSW, on Monday, 10 November 2014 at 10.00 am (Sydney Time) and at any adjournments of that meeting.

DATED: 2014

Please sign here

Executed by the Company)
in accordance with its constituent documents)
)

.....
Signed by authorised representative

.....
Signed by authorised representative

.....
Name of authorised representative (print)

.....
Name of authorised representative (print)

.....
Position of authorised representative (print)

.....
Position of authorised representative (print)

Instructions for Completion

1. Insert name of appointor Company and the name or position of the appointee (eg "John Smith" or "each Director of the Company").
2. Execute the Certificate following the procedure required by your Constitution or other constituent documents.
3. Print the name and position (e.g. Director) of each company officer who signs this Certificate on behalf of the company.
4. Insert the date of execution where indicated.
5. Mail or Deliver the Certificate to the office at Hill End Gold Limited, 3 Spring Street, SYDNEY, NSW 2000, Australia, or by facsimile on +61 2 8249 4919.