



# HILL END GOLD LIMITED

ACN 072 692 365

ASX Limited  
Exchange Centre  
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Sydney NSW 2000

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ASX Code: HEG

## PROPOSED RED HILL ECONOMIC FEASIBILITY STUDY

Hill End Gold Limited is pleased to advise that an economic feasibility study to assess the development of the Red Hill Gold Project is to commence.

Red Hill is located three kilometres north of Hill End on EL5868 and preliminary studies have indicated that the development of Red Hill may be viable as a stand-alone project or could add significant value to any development of the Hargraves Gold Project.

The initial scope for Red Hill Gold Project is to establish a 300,000 tonne per year mine and processing facility at Red Hill and produce approximately 20,000 ounces per year from shallow open pits at an operating cost of ~\$900/ounce. The pit designs currently contain approximately 30% Indicated Resource based on the recent JORC 2012 estimate for Red Hill totalling 80,000 ounces as detailed in the ASX release dated 30 November 2015.

The style of mineralisation at Red Hill is similar to that at the Hill End Reward deposit. It only needs gravity processing after coarse grinding without the use of cyanide for a high gold recovery and consequently the processing plant, power requirements and infrastructure are a very low capital cost and of low environmental impact.

The Company's existing gravity processing plant located at Hill End can be modified and relocated for the Red Hill Gold Project, which has sufficient water supply and there are existing facilities and infrastructure available in the nearby town of Hill End for significant savings in development and operating costs.

Detailed studies to be conducted for the Red Hill Gold Project include open pit optimisation and mine planning, metallurgical test work to optimise the grind size and process design parameters and environmental and social studies to determine issues that may arise for the local and regional community.

The engineering group Mincore is to provide estimating and design input for the economic feasibility study, which is expected to be completed within the next quarter.

The Company has a 100% beneficial interest in its Hill End tenements, while a portion of the ground now encompassed by EL 5868 is subject to a reduction to 85% if an 'economic feasibility study' is completed by the Company, and First Tiffany Resource Corporation, if it establishes that it continues to hold a right against the Company to do so, contributes at the 15% level.

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