
Hill End drilling extends Reward gold zones

1 June 2006

**ASX Code : HEG
HEGOA**

Excellent continuity of the Reward gold mineralisation has been confirmed by assays received and interpreted for the latest three diamond drill holes (HHRCD23, HHRCD24, HHD25) in the current stage of drilling at the Reward project.

It is clear that the gold mineralisation in the Hawkins Hill – Reward mine sequence is more extensive and more continuous than anticipated so that the original target area has been expanded along strike and at depth. An initial resource estimate for the Reward area is expected within the next week based on the drilling to date in the Steven's, Paxton's, Mica and Phillipson's vein sets.

The Stevens, Paxtons, Mica and Phillipson's vein sets have now returned good gold assays over strike lengths of 380 metres, 285 metres, 265 and 280 metres respectively with each of these sets having a dip length of about 50 metres and the system open along strike and at depth.

Along strike to the north and south of the Reward area drilled to date there are high grade intersections in all vein sets, including the Rowleys, Frenchman's and Amalgamated. Drilling is planned to extend the high grade zone, and to the north, to test the Emmett's Crosscourse veins and the Scandinavian and Germantown areas. No drilling has yet been done on these targets within the mineralised corridor.

The recently completed Reward diamond drilling program was planned to intersect the Hangingwall, Central and Footwall zones and to extend the high grade intersections previously reported, such as hole HHD22, which returned 0.40 metre at 31.85g/t Au in the Phillipson's vein set, 0.25 metre at 34.8g/t Au and 0.12 metre at 32.7g/t Au in the Mica vein set and 0.08m at 220g/t Au in the Amalgamated vein.

Hole HHRCD23, which is located 40 metres to the south of the high grade intersections in hole HHD22, was completed early after hitting a stope in the Frenchman's vein set. The hole has intersected a new vein between Rowley's and Frenchman's vein sets with 43.8g/tAu over 0.07 metre. Hole HHRCD24 replaced HHRCD23 by drilling deeper on the same section.

Hole HHRCD24 intersected the following vein sets:

- Stevens vein set with five veins over a 9 metre interval including a leader vein assaying 34.90g/tAu over 0.15 metre with numerous grains of visible gold;

- Paxton's vein set with five veins over a 14 metre interval including a bedding vein assaying 39.60g/tAu over 0.30 metre;
- Mica vein set (including Star of Peace and Middle Workings veins) with eight veins over a 10 metre interval including a bedding vein assaying 8.59g/tAu over 0.14 metre;
- Phillipson's vein set with four veins over a 4 metre interval including a bedding vein assaying 47.90g/tAu over 0.20 metre.

Hole HHD25, which is located 30 metres north of NRI005, extends the Paxton's vein set to the north where the Reward mineralisation is still open. The hole intersected significant assays in the Mountain Maid, Steven's, Paxton's, Mica and Phillipson's vein sets. Paxton's contains thirteen mineralised veins over a 10 metre interval with a number of veins containing visible gold and moderate assays.

The recently completed drilling program at Reward has focused on the Hangingwall and Central Zone mineralisation with some holes testing the Footwall Zone. All zones contain significant mineralisation which is interpreted to be a strike extension of the rich Hawkins Hill workings located approximately 400 metres to the south. These zones and the deeper Footwall Zone have been partially tested in the Reward area. The high grade shoots within the Hawkins Hill – Reward mine sequence are interpreted to occur repetitively within the mineralised corridor for some 50 kilometres on the Hill End Gold tenements.

Reverse circulation and diamond drilling at Red Hill totals 2,488 metres to date. On 19 May 2006 an accident occurred at the rig causing serious injuries to two Hill End Gold personnel. Emergency assistance and response procedures worked very well and a Careflight doctor from Orange was on site providing medical treatment within forty five minutes of the accident. Both men are in a satisfactory condition and are expected to re-commence work this coming week. The drill rig is undergoing some repairs and is expected to continue drilling at Red Hill by early June 2006.

Drill hole assays and interpretation are pending for the Red Hill drilling.

Philip Bruce
Managing Director

For further information : Philip Bruce 0412 409555

Attached: Table : Reward Drilling Stage 3 Significant Assay Results

Reward Project – Stage 3 Drilling Program Significant Assay Results

Hole Number	MGA Easting	MGA Northing	Dip (°)	Azimuth (MGA)	Hole Depth (m)	From (m)	To (m)	Interval (m)	Gold Grade (Au g/t)
HHRCD23	725,410	6,341,400	-65	270	136.5	106.23	106.3	0.07	43.80
						131.1	133.13	2.03	2.52
HHRCD24	725,410	6,341,400	-75	270	324.7	157.30	157.45	0.15	1.18
						187.02	187.19	0.17	1.00
						193.40	193.55	0.15	34.90
						210.22	210.34	0.12	2.28
						218.16	218.46	0.30	39.60
						224.00	224.12	0.12	2.57
						230.25	230.42	0.17	1.82
						230.42	230.59	0.17	1.58
						231.06	231.22	0.16	2.28
						233.40	233.54	0.14	1.20
						233.84	233.94	0.10	3.10
						236.50	236.63	0.13	1.16
HHD25	725,425	6,341,610	-66	273	285.6	183.06	183.2	0.14	1.04
						201.2	201.3	0.10	10.05
						202.07	202.16	0.09	2.76
						203.68	203.78	0.10	6.99
						206.64	206.84	0.20	1.56
						230.6	230.71	0.11	7.28

Gold content by Screen Fire Assay of half HQ3 core.
 True widths are approximately 90% of the measured down hole intervals.