



# HILL END GOLD LIMITED

ACN 072 692 365

ASX Limited  
Exchange Centre  
Level 6, 20 Bridge Street  
Sydney NSW 1215

1 February 2017

ASX Announcement

ASX Code: HEG

## Placement

Hill End Gold Limited (HEG) is pleased to announce that it has completed the first tranche of the Placement announced 23 January 2017 with the issue of 374,000,000 shares to raise \$748,000 (before fees) to sophisticated and professional investor clients of Patersons Securities Limited.

Key details of the Placement are as follows:

- raise up to \$1,400,000 by way of a placement of up to 700 million fully paid ordinary shares to sophisticated and professional investors at an issue price of 0.2 cents per share ("New Shares");
- for each New Share, one (1) option exercisable at 0.3 cents each and expiring 30 July 2020 will be issued and application will be made to the ASX for listing ("Placement Options"); and
- the Placement will settle in two tranches:
  - the first tranche of 374,000,000 shares (\$748,000) will utilise the Company's issuance capacity pursuant to ASX Listing Rule 7.1 and 7.1a; and
  - the second tranche of 326,000,000 shares (\$652,000) and all Placement Options will be issued subject to shareholder approval and / or following shareholder refresh of the Company placement capacity pursuant to ASX Listing Rule 7.1

The funds raised from this issue will be used for the continued exploration and development of the Company's projects in and around Hill End in NSW, acquisitions and for ongoing working capital requirements.

## Notice pursuant to section 708A(5)(e) of the Corporations Act 2001 (Cth)

In accordance with the requirements of section 708A(5)(e) of the Corporations Act 2001 (Cth) ("the Act") under which this notice is given, the Company confirms that:

- 1 The securities being offered under the agreement were offered without disclosure to investors under Part 6D.2 of the Act.
- 2 As at the date of this notice, the Company has complied with:
  - (a) the provisions of Chapter 2M of the Act as they apply to the Company; and
  - (b) section 674 of the Act.

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4 Bowen Street  
Hill End NSW 2850  
Phone +612 6337 8343  
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Sydney and Registered Office  
Suite 111, 350 George Street  
Sydney NSW 2000  
Phone +612 8283 1915

Website: [www.hillendgold.com.au](http://www.hillendgold.com.au)  
Email: [admin@hillendgold.com.au](mailto:admin@hillendgold.com.au)

- 3 As at the date of this notice, there is no information:
- (a) that has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules; and
  - (b) that investors and their professional advisers would reasonably require for the purpose of making an informed assessment of:
    - (i) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; or
    - (ii) the rights and liabilities attaching to the ordinary shares of the Company, to the extent to which it is reasonable for investors and their professional advisers to expect to find the information in a disclosure document.

The Appendix 3B is attached.

Yours faithfully  
Kevin Lynn  
Company Secretary

For further information please contact: Philip Bruce 0412 409555



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### Listing Rule 7.1A.4(b) Disclosure

The Company provides the following information in accordance with ASX Listing Rule 7.1A.4(b) in relation to proposed shares to be issued under ASX Listing Rule 7.1A.

- (a) Dilution to existing holders of ordinary shares as a result of the issue made under ASX Listing Rule 7.1A. The Company issued 374 million ordinary shares under 7.1A. The existing holders of ordinary shares before the issue under Listing Rule 7.1A will own 80% of issued capital following the proposed issue under Listing Rule 7.1A.
- (b) The Company conducted the Placement rather than a pro rata issue or other type of issue in which existing security holders would have been eligible to participate as it was considered to be the most efficient and expedient manner to raise capital at this time.
- (c) No Underwriting Agreement was in place in relation to the issue of the Placement shares.
- (d) Fees under the Placement Mandate:
  - Management Fee - \$37,500; and
  - Selling Fee - 6.0% on the total amount raised by Patersons in the Placement.

Yours sincerely  
Kevin Lynn  
Company Secretary

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# Appendix 3B

## New issue announcement, application for quotation of additional securities and agreement

*Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.*

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

Hill End Gold Limited

ACN

072 692 365

We (the entity) give ASX the following information.

### Part 1 - All issues

*You must complete the relevant sections (attach sheets if there is not enough space).*

- |   |   |   |
|---|---|---|
| 1 | +Class of +securities issued or to be issued  | Ordinary Shares   |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued   | 224,273,511 – LR 7.1<br>149,726,489 – LR 7.1A<br><b>374,000,000</b> |
| 3 | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Ordinary fully paid shares  |

<p>4 Do the <sup>+</sup>securities rank equally in all respects from the <sup>+</sup>issue date with an existing <sup>+</sup>class of quoted <sup>+</sup>securities?</p> <p>If the additional <sup>+</sup>securities do not rank equally, please state:</p> <ul style="list-style-type: none"> <li>• the date from which they do</li> <li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul>	<p>Yes</p>
<p>5 Issue price or consideration</p>	<p>\$0.002 per share</p>
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>The funds raised from this issue will be used for the continued exploration of the Company's projects in and around Hill End in NSW, acquisitions and for ongoing working capital requirements.</p>
<p>6a Is the entity an <sup>+</sup>eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h <i>in relation to the <sup>+</sup>securities the subject of this Appendix 3B</i>, and comply with section 6i</p>	<p>Yes</p>
<p>6b The date the security holder resolution under rule 7.1A was passed</p>	<p>23 November 2016</p>
<p>6c Number of <sup>+</sup>securities issued without security holder approval under rule 7.1</p>	
<p>6d Number of <sup>+</sup>securities issued with security holder approval under rule 7.1A</p>	<p>149,726,489</p>

<sup>+</sup> See chapter 19 for defined terms.

6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	224,273,511				
6f	Number of +securities issued under an exception in rule 7.2					
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	YES Issue Date: 31 January 2017 Issue Price: \$0.002 VWAP:\$0.0021454 VWAP source: Iress				
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A				
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	Rule 7.1 – 316,222  Rule 7.1A – Nil				
7	+Issue dates  Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.  Cross reference: item 33 of Appendix 3B.	31 January 2017				
8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	<table border="1"> <thead> <tr> <th>Number</th> <th>+Class</th> </tr> </thead> <tbody> <tr> <td>1,871,264,885</td> <td>ORD</td> </tr> </tbody> </table>	Number	+Class	1,871,264,885	ORD
Number	+Class					
1,871,264,885	ORD					
9	Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)	<table border="1"> <thead> <tr> <th>Number</th> <th>+Class</th> </tr> </thead> <tbody> <tr> <td>37,500,000</td> <td>Unlisted Options at 5 cents per share expiring 29 Nov 2017</td> </tr> </tbody> </table>	Number	+Class	37,500,000	Unlisted Options at 5 cents per share expiring 29 Nov 2017
Number	+Class					
37,500,000	Unlisted Options at 5 cents per share expiring 29 Nov 2017					

10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)

**Part 2 - Pro rata issue**

11 Is security holder approval required?

12 Is the issue renounceable or non-renounceable?

13 Ratio in which the +securities will be offered

14 +Class of +securities to which the offer relates

15 +Record date to determine entitlements

16 Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?

17 Policy for deciding entitlements in relation to fractions

18 Names of countries in which the entity has security holders who will not be sent new offer documents  
Note: Security holders must be told how their entitlements are to be dealt with.  
Cross reference: rule 7.7.

19 Closing date for receipt of acceptances or renunciations

20 Names of any underwriters

21 Amount of any underwriting fee or commission

22 Names of any brokers to the issue

23 Fee or commission payable to the broker to the issue

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+ See chapter 19 for defined terms.

- 24 Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders
- 25 If the issue is contingent on security holders' approval, the date of the meeting
- 26 Date entitlement and acceptance form and offer documents will be sent to persons entitled
- 27 If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders
- 28 Date rights trading will begin (if applicable)
- 29 Date rights trading will end (if applicable)
- 30 How do security holders sell their entitlements *in full* through a broker?
- 31 How do security holders sell *part* of their entitlements through a broker and accept for the balance?
- 32 How do security holders dispose of their entitlements (except by sale through a broker)?
- 33 †Issue date



## Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of <sup>+</sup>securities  
(tick one)

(a)  <sup>+</sup>Securities described in Part 1

(b)  All other <sup>+</sup>securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

### Entities that have ticked box 34(a)

#### Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35  If the <sup>+</sup>securities are <sup>+</sup>equity securities, the names of the 20 largest holders of the additional <sup>+</sup>securities, and the number and percentage of additional <sup>+</sup>securities held by those holders

36  If the <sup>+</sup>securities are <sup>+</sup>equity securities, a distribution schedule of the additional <sup>+</sup>securities setting out the number of holders in the categories  
1 - 1,000  
1,001 - 5,000  
5,001 - 10,000  
10,001 - 100,000  
100,001 and over

37  A copy of any trust deed for the additional <sup>+</sup>securities

### Entities that have ticked box 34(b)

38 Number of <sup>+</sup>securities for which <sup>+</sup>quotation is sought

39 <sup>+</sup>Class of <sup>+</sup>securities for which quotation is sought

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+ See chapter 19 for defined terms.

40 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?

If the additional +securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

N/A

41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another +security, clearly identify that other +security)

N/A

	Number	+Class
42 Number and +class of all +securities quoted on ASX (including the +securities in clause 38)	N/A	

**Quotation agreement**

1 +Quotation of our additional +securities is in ASX’s absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here: ..... Date: . 1 February 2017  
(Director/Company secretary)

Print name: Kevin Lynn.....  
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+ See chapter 19 for defined terms.

# Appendix 3B – Annexure 1

## Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

### Part 1

<b>Rule 7.1 – Issues exceeding 15% of capital</b>	
<b>Step 1: Calculate “A”, the base figure from which the placement capacity is calculated</b>	
<b>Insert</b> number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	1,220,704,835
<p><b>Add</b> the following:</p> <ul style="list-style-type: none"> <li>• Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2</li> <li>• Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval</li> <li>• Number of partly paid +ordinary securities that became fully paid in that 12 month period</li> </ul> <p><i>Note:</i></p> <ul style="list-style-type: none"> <li>• <i>Include only ordinary securities here – other classes of equity securities cannot be added</i></li> <li>• <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i></li> <li>• <i>It may be useful to set out issues of securities on different dates as separate line items</i></li> </ul>	276,560,050
<b>Subtract</b> the number of fully paid +ordinary securities cancelled during that 12 month period	Nil
<b>“A”</b>	1,497,264,885

+ See chapter 19 for defined terms.

128,328,905

<b>Step 2: Calculate 15% of “A”</b>	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
<b>Multiply</b> “A” by 0.15	224,589,733
<b>Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used</b>	
<p><b>Insert</b> number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> <li>• Under an exception in rule 7.2</li> <li>• Under rule 7.1A</li> <li>• With security holder approval under rule 7.1 or rule 7.4</li> </ul> <p><i>Note:</i></p> <ul style="list-style-type: none"> <li>• <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i></li> <li>• <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i></li> <li>• <i>It may be useful to set out issues of securities on different dates as separate line items</i></li> </ul>	<p>Nil</p> <p>Nil</p> <p>224,273,511</p>
“C”	224,273,511
<b>Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1</b>	
<p>“A” x 0.15</p> <p><i>Note: number must be same as shown in Step 2</i></p>	224,589,733
<p><b>Subtract</b> “C”</p> <p><i>Note: number must be same as shown in Step 3</i></p>	224,273,511
<b>Total</b> [“A” x 0.15] – “C”	<b>316,222</b> <i>[Note: this is the remaining placement capacity under rule 7.1]</i>

+ See chapter 19 for defined terms.

## Part 2

<b>Rule 7.1A – Additional placement capacity for eligible entities</b>	
<b>Step 1: Calculate “A”, the base figure from which the placement capacity is calculated</b>	
<b>“A”</b>  <i>Note: number must be same as shown in Step 1 of Part 1</i>	1,497,264,885
<b>Step 2: Calculate 10% of “A”</b>	
<b>“D”</b>	0.10  <i>Note: this value cannot be changed</i>
<b>Multiply “A” by 0.10</b>	149,726,489
<b>Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used</b>	
<b>Insert</b> number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A  <i>Notes:</i> <ul style="list-style-type: none"> <li>• <i>This applies to equity securities – not just ordinary securities</i></li> <li>• <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i></li> <li>• <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i></li> <li>• <i>It may be useful to set out issues of securities on different dates as separate line items</i></li> </ul>	149,726,489
<b>“E”</b>	149,726,489

+ See chapter 19 for defined terms.

<b>Step 4: Subtract "E" from ["A" x "D"] to calculate remaining placement capacity under rule 7.1A</b>	
"A" x 0.10  <i>Note: number must be same as shown in Step 2</i>	149,726,489
<b>Subtract "E"</b>  <i>Note: number must be same as shown in Step 3</i>	149,726,489
<b>Total</b> ["A" x 0.10] – "E"	-  <i>Note: this is the remaining placement capacity under rule 7.1A</i>

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+ See chapter 19 for defined terms.