



HILL END GOLD LIMITED

ACN 072 692 365

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The Manager
ASX Announcements Office
Australian Securities Exchange
20 Bridge Street
Sydney NSW 2000

ASX: HEG, HEGOC

HEG acquires HPA Project

Highlights

- HEG signs agreement for 100% acquisition of high purity alumina project (**HPA Project**) and Pure Alumina Pty Ltd, a company associated with Tolga Kumova and Tom Eadie.
- HPA is an important material used in the rapidly expanding battery and LED lighting industry.
- Preliminary metallurgical test work indicates HEG can produce a high purity, low cost HPA product for high technology applications.
- First pass kaolin beneficiation testing confirms the project's premium quality source material.
- Simple site processing will produce a minus 53 micron fraction, the optimum feedstock for the HPA process, and it contains approximately 95% kaolin at a yield of +40% from the mined material.
- PFS activities have commenced with a targeted production rate of 10,000tpa of 99.99% (4N) HPA, which sells for US\$15-25,000/tonne, to commence in ~2020/1.
- Preparation for the metallurgical test work and a drilling program commencing August is well underway to further demonstrate the process route and to outline a JORC resource over previously drilled deposits at Lal Lal near Ballarat, Victoria.
- The study team and scope of work for the technical and commercial feasibility of the HPA project has been finalised.

Tolga Kumova says "I am extremely pleased with the level of due diligence that the HEG team has completed. I believe the superior kaolin qualities demonstrated through the recent metallurgical testing, should demonstrate a powerful economic case. Combining this with exponential growth rates being witnessed by high purity alumina end markets, the investment case speaks for itself".

Hill End Gold Limited is pleased to announce that it has entered into a binding asset Sale Agreement to acquire the rights, title and interests in granted exploration licences, tenement applications and the entire issued share capital of Pure Alumina Pty Ltd (ACN 618 881 137), a company associated with Tolga

Kumova and Tom Eadie, for a potential HPA Project. The terms of the agreement have been advised in previous announcements.

Metallurgical testing of the due diligence bulk sample is ongoing and indicates excellent processing parameters for both the kaolin beneficiation and the HPA process. A preliminary financial study has indicated the potential to produce a high purity HPA product at a low unit cost and HEG is proceeding to undertake the feasibility studies under the terms of the Sales Agreement.

Various approvals and agreements have been obtained for HEG to re-drill the initial deposit at Lal Lal to a JORC standard. The drilling program, assaying and JORC resource estimation are expected to be finished during the next quarter.

A reference bulk sample from this drilling program will be provided for kaolin beneficiation and HPA process test work and preliminary HPA product specification.

A shareholder meeting is to be held to ratify various resolutions in respect of this acquisition and recent issues.

Forward-looking Statements

This announcement contains forward-looking statements which are identified by words such as 'anticipates', 'forecasts', 'may', 'will', 'could', 'believes', 'estimates', 'targets', 'expects', 'plan' or 'intends' and other similar words that involve risks and uncertainties. Indications of, and guidelines or outlook on, future earnings, distributions or financial position or performance and targets, estimates and assumptions in respect of production, prices, operating costs, results, capital expenditures, reserves and resources are also forward-looking statements. These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions and estimates regarding future events and actions that, while considered reasonable as at the date of this announcement and are expected to take place, are inherently subject to significant technical, business, economic, competitive, political and social uncertainties and contingencies. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the directors and management. We cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this announcement will actually occur and readers are cautioned not to place undue reliance on these forward-looking statements. These forward-looking statements are subject to various risk factors that could cause actual events or results to differ materially from the events or results estimated, expressed or anticipated in these statements.

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