



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

Drilling starts on HEG HPA Project

Highlights

- Drilling has started to delineate the initial kaolin resource for the HEG high purity alumina (HPA) project.
- The Yendon kaolin deposit near Lal Lal, Victoria is the initial target and is located on EL5457 and EL 5461, which are part of HEG's 100% acquisition of the HPA Project.
- Previous drilling of the Yendon kaolin deposit for the paper and filler markets was done during the 1980s and outlined (non-JORC) ~1Mt of -53micron material with ~95% kaolin and low contaminant material; ideal feedstock for the HPA purification process.
- The Yendon drilling program is for 120 aircore drill holes and some cored holes in three areas on either 100m x 100m or 50m x 50m spacing to a depth of 10-20m.
- The resource delineation and estimation is planned to be completed by September 2017.
- A composite bulk sample of the drilled deposit will be metallurgically tested under the management of BHM Process leading to the design of the kaolin beneficiation plant, the high purity alumina purification facility and HPA product specification.
- The preliminary feasibility study for the HPA Project is to be completed in early 2018.

Hill End Gold Limited 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 its HPA Project. The terms of the agreement have been advised in previous announcements.

Re-drilling of the initial deposit at Yendon, near Lal Lal, Victoria is being done in preparation for a JORC 2012 compliant resource estimate. 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 general meeting is to be held to ratify resolutions in respect of this acquisition shortly.

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.

For further information:

Philip Bruce
Chairman
0412 409555

Kevin Lynn
Company Secretary
0411 403585