



HILL END GOLD LIMITED

ACN 072 692 365

Gold plant up to operating performance

20 March 2008

ASX Code : HEG, HEGO

The gold recovery plant for the Reward Gold Mine at Hill End has been fully commissioned and is producing gravity gold and gold-in-concentrate.

The plant is operating at approximately three tonnes per hour for up to eight hours per day while processing the high grade development material from the test drive on the M2 veinset and other material stockpiled during development to the Reward area. Initial indication of the contained grade of the M2 material is of the order of one ounce per tonne.

Optimisation of material flow through the plant is underway to increase the throughput rate to five tonnes per hour or more. Commissioning of the goldroom facilities will be completed during the coming week and the first gold pour will take place soon thereafter.

Underground development is proceeding to the north of the Reward area along the M2 veinset and the raise bore back reaming head is being moved into place to bore out the new 2.4m shaft. The underground diamond drill rig has commenced drilling to delineate resource extensions in the Reward area and to outline additional high grade mining areas above and below the Amalgamated level.

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