



HILL END GOLD LIMITED

ACN 072 692 365

Paxton's 671 initial high grade results

29 August 2008

ASX Code : HEG, HEGO, HEOB

Initial sampling of the first material mined from the Paxton's vein set at the 671 level crosscut / rise breakthrough has returned a diluted grade of 10-15g/t, which is in line with expectations. This is the first development in the targeted high grade Paxton's resource area, which is to be mined and processed to evaluate against the surface drill resource estimate.

The Paxton's veinset on this level extends for 375 metres along strike and is expected to include several very high grade zones. Based on surface drilling, the conservative 2007 resource estimate for the Paxton's veinset is 23,000 tonnes at 48g/t as part of the +5g/t Reward resource estimate of 124,4000 tonnes at 19g/t.

Further rising on the Paxton's will connect with the levels above and driving will proceed north and south on each level to open up the veinset for sampling, stoping and testing for economic mining at an appropriate scale.

The Reward Exhibition area will continue to be opened up from the shaft position and the Reward resource is expected to be extended through the mining and processing of the Mica, Star of Peace, Middle, Stevens and Frenchmans vein sets. Some of the strong mineralisation in the vein sets is known to open up to many metres width, which has not yet been included in the resource estimates to date.

Steelwork assembly for the Reward Exhibition shaft equipping has commenced.

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