



HILL END GOLD LIMITED

ACN 072 692 365

Report for September 2009 Quarter

30 October 2009

ASX Code : HEG

Hill End Project, NSW

- *Quarterly gold production of 1,612 ounces from 5,673 tonnes at 9.4g/t gold, while accelerating development for proposed project expansion.*
- *Hawkins Hill – Reward resource updated to 660,000 tonnes at 10.6g/t gold.*
- *New Patriarch wide zone intersections of up to 6g/t over 15m true width.*
- *Plant capacity increased by 10% to over 100 tonnes per day.*
- *Paxton’s underground sample returns over 500 ounces per tonne in 0.2m vein.*
- *Underground drilling continues to extend the Patriarch – Reward Central Broad Zone (Mica to Frenchman’s veinsets) with intersections up to 6.5g/t over 15 metres true width.*
- *Emmett’s zone Mica 1 veinset intersected in 640 level drive north averages 35g/t for 110 metres strike at a 1.1m nominal width.*
- *Planning underway for proposed expansion of the Hill End Project to 100,000 tonnes per year.*

Hargraves Project, NSW

- *Early diamond drilling confirms continuity of wide reef zones in Big Nugget Hill deposit.*
- *Three holes have extended the high grade Hill End Shaft reef zone 55 metres along strike at a depth of 40 metres below surface.*
- *At 60 metres below the Hill End Shaft reef zone, four holes have intersected a targeted reef zone of 17 metre true width with multiple veins carrying abundant visible gold and indicator sphalerite.*

Lak Sao, Laos

- *Lak Sao Mineral Reconnaissance and Exploration Agreement (MREA) pending.*
- *Additional near-production JV projects under review.*

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Hill End Gold Limited (HEG) is a strongly growing junior gold mining company with a clear focus on increasing resources and profitable gold production.

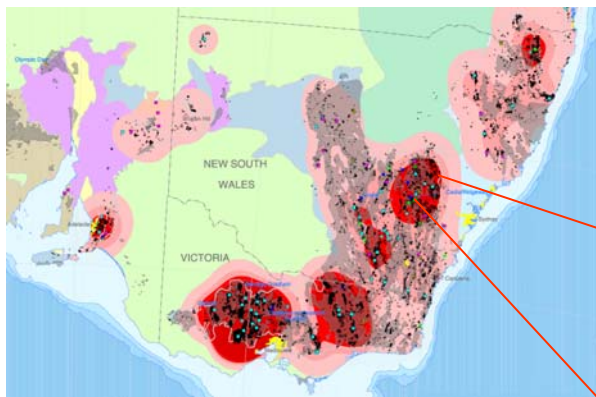
The Hill End Project tenements in New South Wales, Australia cover 1,210 square kilometres including the rich historical Hill End, Hargraves and Windeyer Goldfields, which together were one of the world's richest gold mining areas. Previous underground production from the Hawkins Hill – Reward deposit of over 400,000 ounces, averaged 10 ounces per tonne and large specimens were mined containing up to 3,000 ounces of gold.

Underground production started from Hawkins Hill – Reward in 2008 to confirm the continuity and tenor of the high grade quartz vein system and has been successful in outlining resources of 660,000 tonnes at 10.6g/t, which are being assessed to support a mine expansion to approximately 40,000 ounces per year during 2010.

The HEG development strategy for the Hill End Project is to increase gold production from the Hawkins Hill - Reward deposit at Hill End and to develop the larger Hargraves BNH deposit with a targeted resource potential for the Project of 4–5 million ounces.

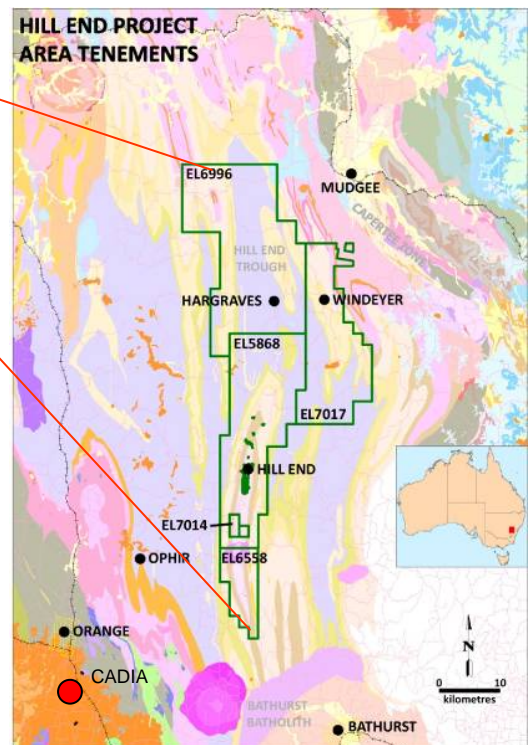
Hargraves is located 35km north of Hill End and HEG has partly diamond drilled the Big Nugget Hill deposit to a depth of 400 metres with intersections of up to 4.2g/t over 75 metres from near surface. The deposit was discovered in 1851 with a 50kg piece of gold in quartz at surface and has been mined to only 50 metres below surface. A 12,000 metre drilling program has commenced to delineate resources and mining targets.

The Company holds a minimum 85% beneficial interest in the Mining Leases in the Hill End area and the area formerly subject to Exploration Licence 2037, which is now part of Exploration Licence 5868, and holds a 100% interest in all other tenements.



LACHLAN FOLD BELT GOLD ENDOWMENT

HILL END/HARGRAVES TENEMENTS ARE IN A PROLIFIC GOLD PROVINCE IN THE LACHLAN FOLD BELT IN NEW SOUTH WALES.



GOLD POUR AT HILL END

SUMMARY OF QUARTER

During the quarter \$16.4 million was raised, before costs, through the issue of 74.8 million ordinary fully paid shares for a total of 399.0 million shares on issue.

The Hawkins Hill – Reward mineral resource was updated to 660,000 tonnes at 10.6g/t containing 224,000 ounces of gold, which is three times the previous estimate, with many areas yet to be drilled and included into the estimate of resources.

Hill End Project focus is on increasing underground development and extending the production areas to support an expansion to approximately 100,000 tonnes per year at ~10g/t during 2010.

The original processing plant now has the capacity to process over 100 tonnes per day at approximately 95% gold recovery and studies are underway for a low cost expansion of the existing plant to process 100,000 tonnes per year.

During the quarter the underground activities were increasingly directed towards development for the proposed expansion and gold output was 1,612 ounces from 5,673 tonnes at 9.4g/t gold.

Underground diamond drilling continues to outline the Central Broad Zone in the Patriarch – Reward areas, which is now interpreted to extend for over 250 metres along strike. Based on drilling to date the zone is estimated to contain over 30,000 ounces in 250,000 tonnes and to extend along strike to the north and south.

The first hole in the drilling program in the Central Broad Zone in the Patriarch area CZUG01 has returned final assays of 6.5g/t gold over 15 metres true thickness and holes along strike have intersected similar wide zones of mineralisation. The Central Broad Zone is interpreted to be a series of stacked blocks of sheeted veinsets, aligned along the intersection of a major Indicator fault with the individual veinsets. The wide zones of mineralisation have a projected vertical extent of over 150 metres. This same Indicator fault is interpreted to be associated with the bonanza grade production of the 1870's and ongoing studies indicate that much high grade mineralisation remains adjacent to the old workings.

At Hargraves, diamond drilling of the Big Nugget Hill deposit has recommenced and early holes confirm that the high grade reef zones, which were drilled in the 2008 program, continue at depth to the south. Three holes have extended the Hill End Shaft reef zone for 55 metres strike at a depth of 40 metres below surface and show visible gold and indicator minerals. The Hill End Shaft was last worked in 1915 on a narrow reef zone carrying approximately 15oz/t over a 30 metre strike length.

At about 60 metres below the Hill End Shaft reef zone, four of the early diamond drill holes have intersected a targeted reef zone of 17 metre true width with multiple veins carrying abundant visible gold and indicator sphalerite.

A second dual purpose drilling rig is currently being mobilised for Hargraves.

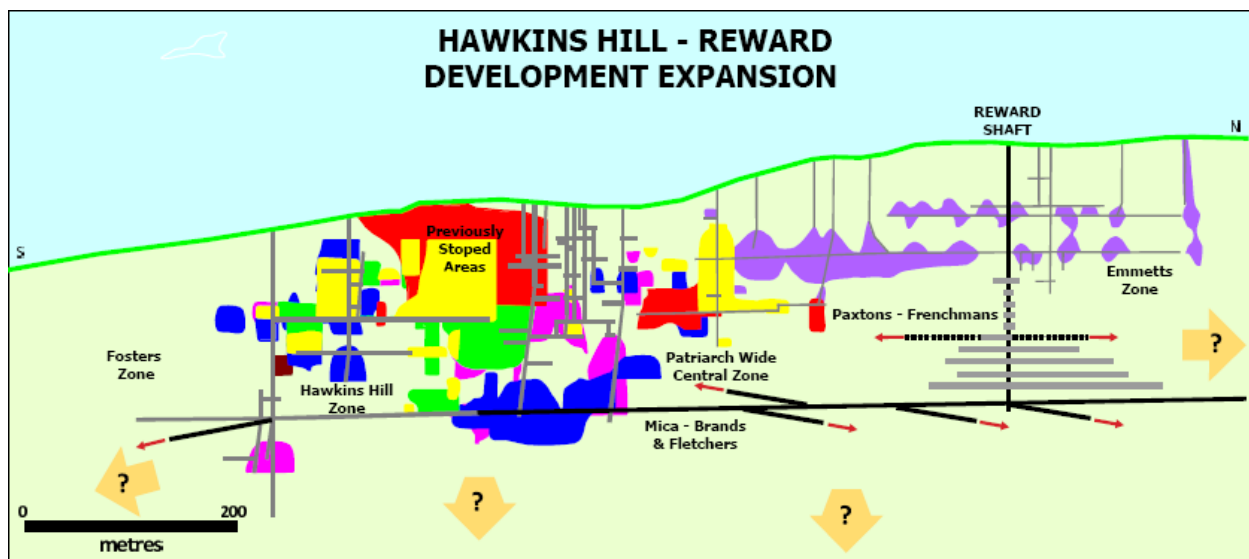
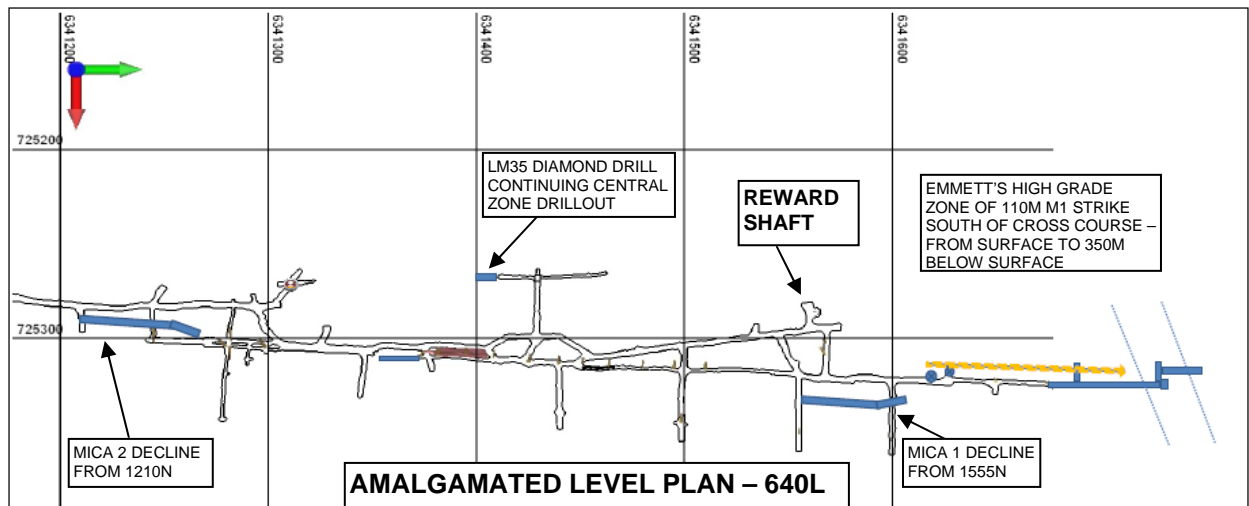
HAWKINS HILL – REWARD

Mine

The underground development advanced a total of 750 metres, which is a 30% increase over the previous quarter and new areas are being developed below the 640 level by decline ramps.

The declines will open the high grade Mica 1 and 2 veinset extensions in the Reward and Patriarch areas and the Brand and Fletcher’s veinset to the south of the Hawkins Hill – Reward workings towards the Foster’s area. The declines will also provide access to other target veinsets below the 640 level.

Mine planning is now being modelled on the Indicator fault intersections with the main veinsets, where very high grade zones occur. The initial Reward Paxton’s sublevel development and stoping was found to be in close association with an Indicator fault intersection and a recent face sample from the interpreted extension of the same intersection returned an assay of approximately 520 ounces per tonne of gold from a Paxton’s 0.15m vein.



640 Level North Drive intersects the Emmett's zone

The 640 level north drive intersected an extensive zone of high grade mineralisation, which abuts the south side of the Emmett's crosscourse. Assay results from the north drive along the Mica 1 veinset from 1630N averaged 35.4g/t gold diluted over a 1.1 metre width for 110 metres up to the Emmett's crosscourse, including 25 metres averaging 54g/t gold.

Stope preparation has started with a sublevel at the 657 level along the Mica 1 vein set and a decline has started at 1555N to ramp down beneath the 640 level to open up the Mica veinset at depth

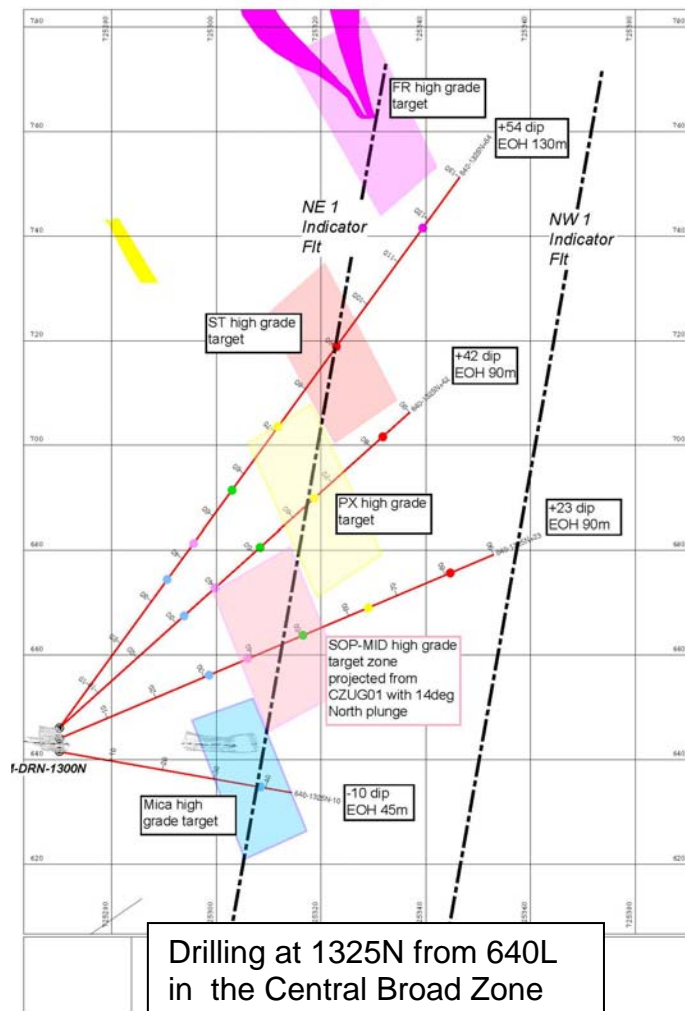
Sparse drilling in the area has not yet tested the Emmett's zone and underground and surface drilling is planned to drill this highly mineralised area to a depth of approximately 350 metres from surface.

Patriarch – Reward Central Broad Zone drilling

In the Patriarch – Reward areas a wide zone (Central Broad Zone) has been outlined over at least 250 metres strike length, up to 17 metres wide and 30 metre dip extent at an average preliminary grade of approximately 4.2g/t gold. Based on drilling to date the zone is estimated to contain over 30,000 ounces in 250,000 tonnes. It is expected that this zone will continue

further along strike to the north and south and it is interpreted to be a stacked en echelon series of wide vein sets, similar to the individual vein sets only wider. Drilling is expected to confirm the continuity of this mineralisation along the Indicator fault system and include the entire sequence of veinsets from Brand and Fletcher's, in the footwall, to Frenchman's above, with a dip length of more than 150 metres.

Hole CZUG01, drilled on section 1250N testing the Central Broad Zone, intersected intense quartz veining extending over 35 metres true width from the Star of Peace to Paxton's zones. Visible gold mineralisation from the Star of Peace to Middle veinsets returned a composite final grade of 6.5 g/t gold over a true width of 15 metres. This mineralised interval is the updip extension 20 metres above HHUG09 which returned 4.1g/t gold over 16 metres true width.



HHUG48 and 49, which were drilled on section 1440N to target the Mica vein set in the vicinity of the Indicator Fault below the Amalgamated level, intersected visible gold mineralisation and abundant quartz veining of up to 11 metres true width, which is interpreted to be the northern extension of the Central Broad Zone to below the 640 level.

Central Broad Zone drilling on the Amalgamated 640 level at sections 1300N and 1325N is currently in progress and has intersected a distinctive pipe-like zone of hydrothermal quartz infill breccia comprising 80% quartz and hosting multiple specks of coarse gold over true widths of approximately 5 metres. This zone could represent a dilational jog between en echelon Indicator faults. The significance of this discovery is that the quartz, being coeval, is likely to be mineralised throughout and may have significant strike continuity. This breccia zone will be specifically targeted in the next drill holes to identify strike and dip continuity.

Frenchman's and Steven's wide veinsets

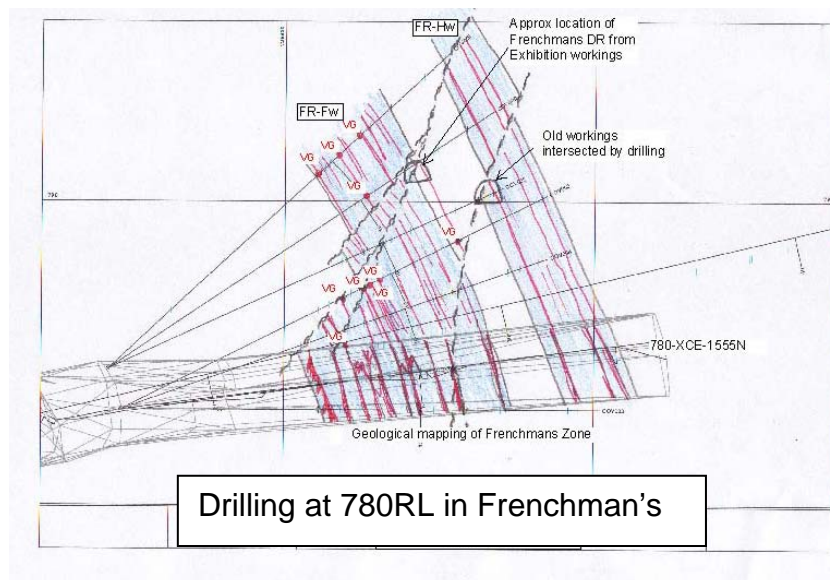
In the upper levels of the Reward area, the Frenchman's and Steven's veinsets have been previously mined to 100 metres below surface (785L) in widths reported to be up to 24 metres and grades of up to 32 ounces per tonne.

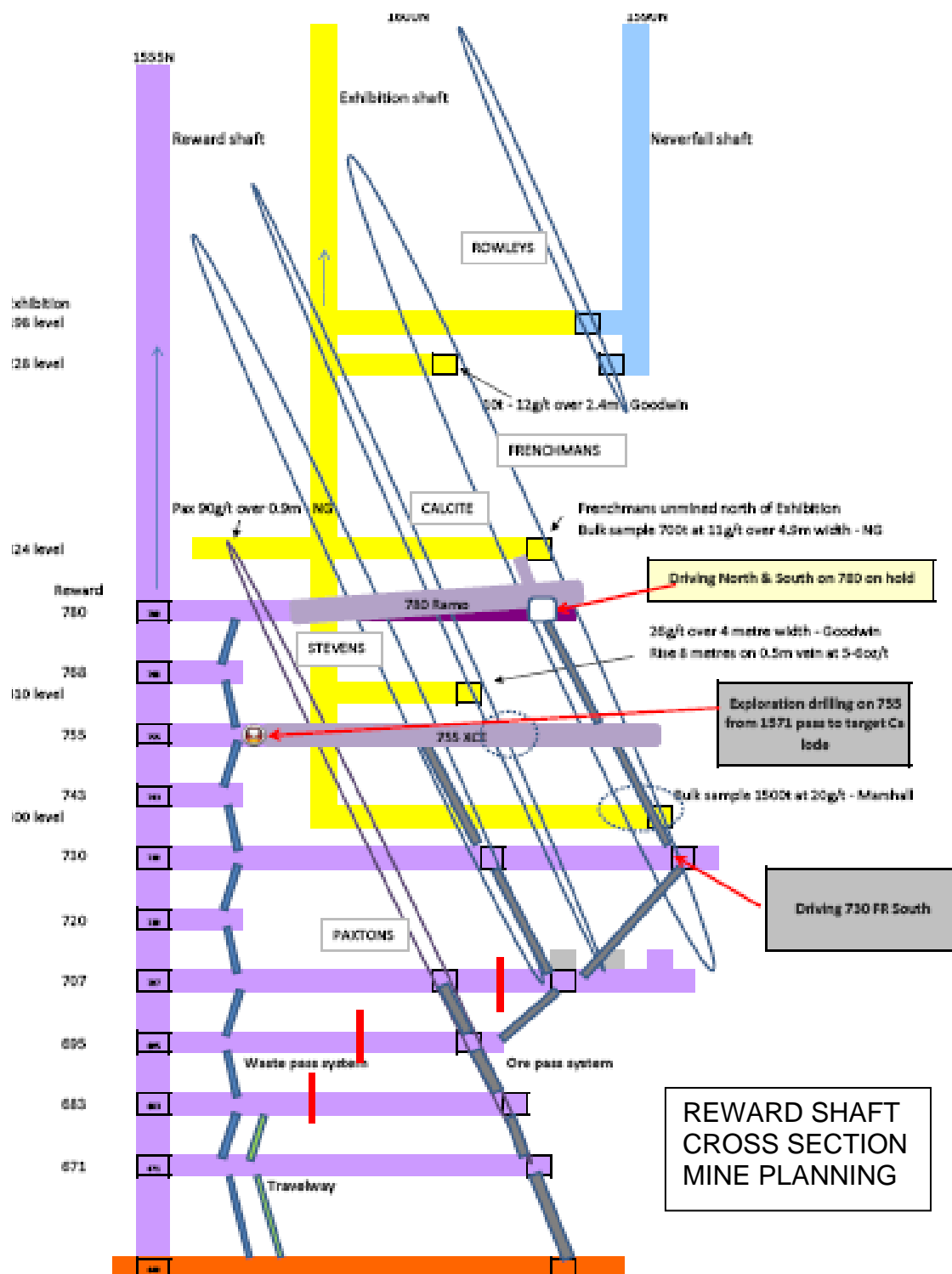
When mining ceased in 1919 following a labour dispute, much was left unmined in the Reward area, particularly material that was less than approximately 15g/t. Old records have noted that of the upper level veinsets, including the Steven's, Calcite, Frenchman's and Rowley's vein sets, only Rowley's has been extensively mined above 785 level to the north of the old Exhibition shaft (50 metres north of Reward). Almost none of the other veinsets have been mined below the 785 level, although historical reports of the unmined Frenchman's veinset at and below the 785 level include 1,500 tonnes at 20g/t gold over 9 metres width from 732 level, tonnes at 11g/t gold over 4.9 metres width from 785 level and an intersection on the 755 level of 26g/t gold over a 4 metre width. The Reward 730 level is currently advancing north and south along the Frenchman's veinset.

HHUG37 and HHUG38, which were drilled above the 640 level on section 1430N intersected gold mineralisation in the Paxton's and Steven's veinsets, at about the 730 level, associated with an Indicator fault and the upper portion of the Central Broad Zone. These veinsets were approximately 7 metres true width with multiple quartz veins returning grades such as 52.1g/t gold over 0.07m and 841.3g/t gold over 0.06m.

The Reward 730 level is currently driving 100 metres south along the Frenchman's veinset to connect with the old Consolidated 725 level, which was developed extensively along the Steven's and Frenchman's veinsets and connects with the Patriarch shaft.

Drilling from the 780 level into the Frenchman's veinset was undertaken to identify the position of the old workings and to outline the extent of mineralisation. The cover drilling provided a number of holes which intersected approximately 6 metres average true width in the Frenchman's veinset with low to moderate composite grades up to 1.1g/t gold.





Hill End Project Outlook

The focus at Hill End is to increase development in the Hawkins Hill – Reward deposit and open additional production areas to support an expansion of the project to approximately 100,000 tonnes per year during 2010.

Improvements are being made in infrastructure and facilities and the acquisition of additional underground equipment is underway. Underground drilling has been accelerated to delineate additional production areas and to extend resources and the strategy is to have a minimum of two years reserves and five years resources life in front of production.

Hawkins Hill - Reward underground diamond drilling

Underground diamond drilling continued during the quarter using the air-driven Kempe and Bazooka rigs drilling LTK48 core. An additional Bobcat-mounted LM35 rig was contracted and the three rigs are currently working in the Hawkins Hill – Reward deposit at a rate of up to 60 metres per day.

A total of twenty seven holes for a total of 1,526 metres were drilled during the quarter and drilling is currently targeting the following:

- the Patriarch/Cornelian area Mica – Frenchman’s veinsets between 1200-1500N above and below the 640 level (Patriarch – Reward Central Broad Zone);
- the Emmett’s area Brand and Fletcher’s – Frenchman’s veinsets between 1630-1750N above and below the 640 level (Emmett’s zone);
- the Hawkins Hill area Brand and Fletcher’s to Mica veinsets 400-1200N below 640 level.

A shortage of underground drillers is being overcome by the training of additional operators based in the Hill End area and an additional diesel powered rig is being contracted to increase underground drilling capacity to over 100 metres per day.

Underground diamond drill holes for the September 2009 quarter

Hole ID	MGA_N	MGA_E	RL	Dip	Grid Az	EOH	Rig
HHUG37R	6341429.5	725269.9	648.4	+55°	90°	139.4m	Kempe
HHUG38	6341429.5	725269.9	648.4	+40°	90°	140.57m	Kempe
HHUG39	6341429.5	725269.9	648.4	+85°	90°	119.7m	Kempe
HHUG40	6341429.5	725269.9	648.4	+78°	90°	81.9m	Kempe
HHUG41	6341429.5	725269.9	648.4	+68°	90°	98.8m	Kempe
HHUG44	6341552.8	725317.5	783.7	+30°	90°	15.3m	Bazooka
HHUG45	6341552.8	725311.8	783.7	-10°	77°	24.4m	Bazooka
HHUG46	6341553.7	725310.3	784.9	+70°	77°	40.57m	Bazooka
HHUG47	6341550.4	725310.3	782.4	+4°	131°	27.32m	Bazooka
HHUG48	6341440	725339	644	-29°	270°	20.75m	Bazooka
HHUG48R	6341440	725339	644	-29°	270°	33.14m	Bazooka
HHUG49	6341440	725341	644	-55°	270°	38.55m	Bazooka
HHUG50	6340920	725210.7	636.75	+24°	285°	40.5m	Bazooka
HHUG51	6340920	725210.4	634.94	-30°	285°	28.9m	Bazooka
HHUG52	6341280	725300.3	643.04	+20°	90°	42.55m	Bazooka
HHUG53	6341280	725300.3	643.04	+43°	90°	43m	Bazooka
HHUG54	6341280	725300.3	643.04	+63°	90°	51.4m	Bazooka
COV008	6341551.5	725314.3	784.6	+24°	104°	14.35m	Bazooka
COV009	6341551.5	725314.3	784.6	+33°	104°	15.3m	Bazooka
COV010	6341564.2	725328.3	732	+1°	5°	23.35m	Bazooka
COV011	6341555.7	725357	732.8	+1°	5°	20.35m	Bazooka
COV012	6341555.7	725357	782.8	+9°	5°	20.46m	Bazooka
CZUG01	6341248.7	725277.3	642.66	+54°	90°	97.2m	Kempe
CZUG02	6341248.7	725277.3	642.66	+65°	90°	107.8m	Kempe
CZUG03	6341249	725277.3	642.66	+75°	90°	153.2m	Kempe
CZUG04	6341325	725270.1	646.05	+23°	90°	92.9m	Kempe
CZUG05	6341325	725270.1	646.05	+42°	90°	93.4m	Kempe
CZUG06*	6341325	725270.1	646.05	+54°	90°	9.85m	Kempe
				Total metres		1525.61m	

Resource estimation

The resource estimation process is a progressive exercise, which starts with a relatively low estimate of an Inferred resource category, based on surface drilling results and moderate confidence in geology and grade continuity, which may then increase with additional data and confidence in the reliability of the estimates, with the inclusion of the Measured and Indicated categories.

The current resource estimate for the Hawkins Hill – Reward deposit of 658,100 tonnes at 10.6g/t gold is three times the previous one and there are many areas that are yet to be drilled, developed and included in the resource estimate.

The Hawkins Hill – Reward resource estimate is based on two main sources of data. The first is a block model calculated resource which is based on a cutoff grade of 2g/t gold over a minimum veinset width of 1.1 metres and an inverse distance squared gold grade influence.

The block model has a 104% reconciliation against gold production to the end of June 2009 and the Measured, Indicated and Inferred categories are estimated according to proximity to data.

The second model used to estimate Inferred resources only is based on our understanding of the controls of the gold mineralisation in the deposit and the extrapolation of resources from previous workings into areas of low drilling information.

The current resource estimate includes only those areas which have provided drilling or development data and some areas adjacent to old workings within a strike length of 800 metres and depth of 300 metres below surface, however the deposit continues along strike and at depth. The previously announced 5,000 metre underground drilling program is only partially complete and accelerated drilling and development is underway to increase the resources.

Processing

The coarse gold mineralisation in the Hill End area requires crushing to less than a millimetre size for almost complete liberation of the gold particles from the waste rock. The Amalgamated gravity plant is highly efficient in recovering the gold as gold-in-concentrate, which is cleaned to a smeltable concentrate on a Wilfley table and an Action Mining Wave table. The gold is smelted on site and poured into gold bullion bars and then transported to the refinery.

Plant modifications made during the quarter to improve plant throughput include a 1mm aperture DSM tailings screen replacing the previous 600µm screen, jaw crusher feed grizzly vibrator, primary screen waste scalping screen extension, positive displacement pump for settled fines discharge, ball mill discharge hopper level control, secondary crusher hammer redesign and an improved sluice box above the tails DSM screen, which resulted in a 20% improvement in capacity to approximately 100tpd with no material decrease in gold recovery.

Plant availability remained at 65 – 70%, which excludes 10% for a temporary reduction in plant shifts, due to the increase in waste development and less ore being mined underground during the quarter.

The tailings storage facility has continued to perform well with a multiple cell system providing drying capacity to allow dry stacking of tailings and a reduction in land usage.

The Hill End Gold processing plant has been nominated a finalist in the 2009 Australian Mining Prospect Awards as ‘Minerals Processing Plant of the Year’. The criteria for the ‘Processing

Plant of the Year' is improved productivity, safety, environmental standards or reaching notable milestones using new technology, innovative processes or techniques. The AMP Awards are to reward innovation, initiative, hard work and superior performance.

The Hill End gold production results to end September 2009:

Period	Tonnes	Feed Grade (g/t gold)	Gold Recovery (%)	Gold Produced (oz)	Operating hours	Tonnes / operating hour
Prior July 2008	434	30.9	79.0	341		
July 2008	238	43.9	77.2	259	88	2.7
August 2008	289	13.3	83.5	103	92	3.1
September 2008	625	20.4	79.4	326	174	3.6
October 2008	533	24.2	78.5	326	154	3.5
November 2008	564	15.8	81.6	233	165	3.4
December 2008	675	30.5	97.4	643	186	3.6
January 2009	712	13.6	97.6	289	171	4.2
February 2009	1555	14.9	97.9	729	370	4.2
March 2009	1975	18.7	94.8	1112	476	4.1
April 2009	2067	12.5	95.7	791	523	4.0
May 2009	1291	11.1	97.7	450	343 ¹	3.8
June 2009	2067	10.0	95.8	610	500	4.1
July 2009	2203	9.2	92.7	600	521	4.2
August 2009	1774	9.0	94.7	484	369 ²	4.8
September 2009	1696	10.1	95.5	527	357 ²	4.8
Project Total	18698	14.3	91.0	7824	4489	4.2

Plant throughput figures quarter on quarter:

	Total ore (dry tonnes processed)	Plant throughput rate (tonnes per hour)	Mill availability (%)	Gold Produced (oz)
Quarter ending 30 Jun 2009	5425	4.0	72% ¹	1851
Quarter ending 30 Sep 2009	5673	4.6	66% ²	1612
+/- %	+ 5%	+15%	-8%	-13%

¹ Excludes nine days shutdown for scheduled upgrade.

² Reflects 10% reduction in plant shifts to match mine output.

SCANDINAVIAN

The Reward 640 level north drive has advanced about 30 metres into the Scandinavian area from the north of the Emmett's crosscourse. The 640 north drive development is approximately 250 metres below surface and intersected over 100 metres of high grade Mica 1 veinset to the south of the Emmett's and has followed a vein of moderate grade in the Scandinavian area to the current face position.

The high grade Mica mineralisation in the Emmett's zone at the north end of the Reward area confirms the continuity of the high grade portion of the Hawkins Hill – Reward deposit to at least the crosscourse position. The experience on the field is that the crosscourses can be a cusp point at which the high grade mineralisation starts or stops, with bonanza grades in close proximity, such as the Mica 1 run of 35g/t gold along 110 metres, then the high grades pick up again some distance beyond the crosscourse.

The north drive is now stopped pending additional drilling, above and below the 640 level in the Emmett's zone at the north end of the Reward area, which is to outline the extent of the new high grade mineralisation, and to do further drilling in the Scandinavian zone.

Three diamond holes SCD01, SCD02 and SCD03 drilled in the Scandinavian area during 2008, intersected eight new significant quartz veinset with four of these showing visible gold. The veinset are correlated with the Frenchman's (visible gold), Steven's, Paxton's, Middle, Star of Peace (visible gold), Mica (SCD02: 88.4g/t over 0.13m from 265 metres, SCD03: 11.3g/t over 0.33m from 317 metres), Phillipsons and the Amalgamated (visible gold) veinsets.

RED HILL

No drilling was carried out during the quarter.

TAMBAROORA

No drilling was carried out during the quarter and further work is pending review of the recent drilling program.

GERMANTOWN

No drilling was carried out during the quarter. Mineralisation at depth within the Hill End Anticline mineralised corridor will be drill tested in due course.

HARGRAVES

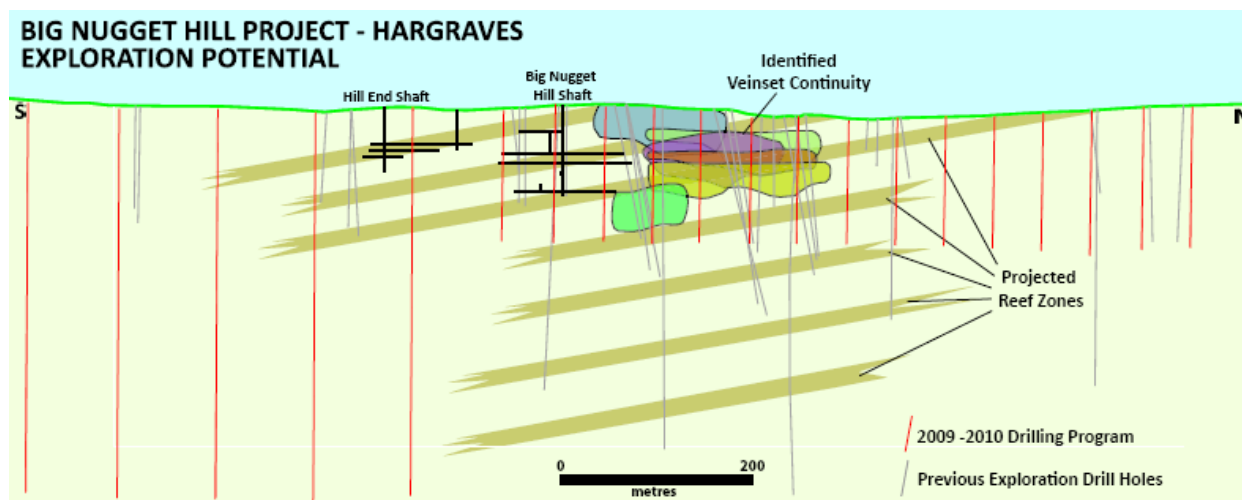
At Hargraves, a 12,000 metre diamond and reverse circulation drilling program of the Big Nugget Hill (BNH) deposit has commenced to follow up 2008 intersections, such as HGD13 with 4.2g/t over 75 metres from 22 metres below surface.

Early holes indicate that the high grade reef zones continue at depth to the south.

Drilling beneath the Hill End Shaft, where last production in 1915 was reported along a narrow

veinset carrying approximately 15oz/t over a 30 metre strike length, has intersected this Hill End Shaft reef zone in three holes, showing visible gold and indicator minerals.

In the Hill End Shaft reef zone, HGD21 intersected a 0.3m vein with visible gold, HGD22 a 1.0 metre vein with indicator sphalerite and HGD24 a 0.6m vein with very coarse gold, which extend the veinset 55 metres to the south at about 40 metres below surface.



Sixty metres below the Hill End Shaft reef a targeted reef zone over a 17 metre true width has been intersected in four of the drill holes to date with multiple veins carrying abundant visible gold and indicator sphalerite.

A second rig is currently being mobilised for Hargraves.

The Company holds 100% of the Hargraves Exploration Licence (EL6996), which is located approximately 35 kilometres north of Hill End, and is an historical goldfield containing a series of parallel, north-striking structurally controlled zones of gold mineralisation.

The BNH deposit is the site of Australia's earliest gold reef mining in 1851, when large pieces of gold in quartz, containing up to 1,546 ounces, were discovered in quartz vein outcrops. Rich alluvial deposits were also mined in the nearby Louisa, Daly and Merroo Creeks and many large nuggets were found up to 2,680 ounces of gold.

The 2008 diamond drilling program on the BNH deposit identified at least six south plunging 'Reef Zones' in a forty metre wide structure to a depth of 400 metres below surface and surface mapping and sampling have indicated a strike extent of over 1,000 metres with no indication of decrease in grade, style or abundance of mineralisation at the strike or depth limits of drilling. Gold occurs in the BNH deposit as coarse free grains in predominantly bedding parallel quartz veins in shale on both limbs, and in the hinge, of a tight anticline. The veins tend to occur as sets of 10 – 20 veins in 'reef zone's about 10 – 20 metres in thickness, which are about 20 – 40 metres apart down structure.

The BNH structure is over four kilometres in length and only the central part of about 1,500 metres strike has been mapped and partially drilled by Hill End Gold and previous explorers. The target scope for the Hargraves project is over 10 million tonnes at 4-5g/t gold.

Further drilling and studies are necessary to confirm these figures and the staged 12,000 combined diamond and reverse circulation drilling program has commenced to outline an initial mining and processing target on the BNH deposit within 150 metres of surface.

WINDEYER

The Company holds 100% of Exploration Licence (EL7017) over the historic Windeyer goldfield area, which is adjacent to the Hargraves and Hill End goldfields and is located on a mineralised structure parallel and to the west of the mineralised Hill End Anticline.

Windeyer has a number of historically rich hardrock deposits and during the 19th century rich alluvial deposits were also mined in Clarkes Creek, which rises in the Boiga Mountain area, which is also covered by EL7017.

Very little modern exploration has been done on the Windeyer-Boiga Mountain area and mapping and quartz reef sampling is planned.

NSW UNDERCOVER – MURRAY RIVER AREA

The company has 100% ownership of granted Exploration Licences (EL6905, 6906, 7124, 7125, 7127 and 7298) in the Barham - Swan Hill area of New South Wales. The Barham area tenements are interpreted to cover the extension of the gold rich Bendigo Zone into New South Wales from Victoria, where the Department of Primary Industries have identified potential of 70 million ounces of gold beneath shallow sediments, in addition to the 50 million ounces already mined from the zone.

FrogTech have completed a geophysical report of the tenements which indicates many targets of a shallow depth to basement for field follow up.

After the end of the quarter, a detailed gravity survey was completed over one target in the Tullakool area and a ground magnetics survey is about to commence over the same prospect.

LAOS

The Lak Sao Project application in Laos for a Mineral Reconnaissance and Exploration Agreement application is now pending and Hill End Gold is in discussion with parties with mineral interests adjacent to the application area and other parties with advanced projects.

The Lak Sao Project area of approximately 2,000km² is located in the Bolikhamxay Province in Central Laos between the Mekong River and the Vietnam border. The area is approximately 100 kilometres north of the Sepon copper-gold project, operated by OZ Minerals Limited, in the Truongson Belt.

Previous prospecting has identified numerous precious and base metal occurrences in outcrop and in stream sediment dispersion haloes. Controlled artisanal gold mining of a moderate scale is underway on a small tenement excised from the tenement application.

Hill End Gold has a 51% interest in the Lak Sao Project with Mekong Resources Pty Ltd.

CORPORATE

During the quarter a number of fund raisings were completed as follows:

- completion of June 2009 placement of 28,444,000 ordinary shares at 17 cents per share raising \$4,835,480 (August 2009);
- the exercise of 11,055,437 September 2009 25 cent options (HEGOB) raising \$2,763,859 (September 2009); and
- A shortfall placement of 35,312,614 shares per HEGOB option exercise underwriting agreement to Bell Potter Securities Limited raising \$8,828,154 (September 2009).

The capital structure of the Company is currently:

- 399,042,673 fully paid ordinary shares (HEG.ASX)
- 6,705,000 employee options expiring at various dates to 22 November 2012
- 800,000 director options expiring 1 December 2010
- 5,000,000 managing director options expiring 30 November 2009

Attribution

The information in this report that relates to Exploration Results or Mineral Resources is based on information compiled by Mike Quayle and Philip Bruce. Mr Quayle is a Member of The Australian Institute of Geoscientists and is a full-time geological employee of the company. Mr Bruce is Fellow of the Australasian Institute of Mining and Metallurgy and both Mr Quayle and Mr Bruce have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as Competent Persons as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (The JORC Code). Mr Quayle and Mr Bruce consent to the inclusion in the announcement of the matters based on their information in the form and context in which they appear.

Yours faithfully



Philip Bruce
Managing Director

Att: Significant Drillhole Assay Results

Significant Drillhole Assay Results – September Quarter 2009 (Final assay results)

Hole Number	MGA Easting	MGA Northing	Dip (°)	Azimuth MGA	Total Depth (m)	From (m)	To (m)	Interval (m)	Assay (g/t gold)
HAWKINS HILL UNDERGROUND									
CZUG01	725277	6341249	+54°	90°	97.2	26.06	26.44	0.38	1.01
						29.29	29.49	0.20	1.49
						30.95	31.04	0.09	4.71
						37.73	38.10	0.37	206.40
						39.00	39.04	0.04	2.46
						39.34	39.54	0.20	24.93
						39.97	40.18	0.21	14.64
						41.73	42.16	0.43	1.05
						43.48	43.89	0.41	1.34
						43.89	44.08	0.19	3.79
						47.20	47.46	0.26	3.55
						48.48	48.70	0.22	7.53
						50.01	50.30	0.29	29.14
						53.90	53.97	0.07	2.86
						54.74	55.04	0.30	1.46
						57.38	57.49	0.11	6.74
						63.06	63.19	0.13	1.65
67.47	67.59	0.12	7.37						
CZUG02	725277	6341249	+65°	90°	107.8	30.73	30.84	0.11	1.02
						55.86	56.00	0.14	11.40
						60.37	60.60	0.23	14.20
						66.31	66.40	0.09	1.37
						69.32	69.42	0.10	29.92
						72.80	73.04	0.24	30.60
						75.56	75.66	0.10	4.52
						77.03	77.09	0.06	10.60
						79.28	79.46	0.18	2.05
						81.69	81.83	0.14	1.60
86.46	86.53	0.07	5.71						
107.70	107.80	0.10	4.79						
HHUG37	725270	6341429	+55°	90°	139.4	43.69	43.86	0.17	1.13
						77.24	77.56	0.32	3.51
						81.82	81.92	0.10	2.02
						83.93	83.98	0.05	1.06
						90.80	90.90	0.10	6.42
						93.51	93.58	0.07	2.72
						94.61	94.67	0.06	1.06
						97.80	98.05	0.25	1.37
117.02	117.07	0.05	5.14						

Hole Number	MGA Easting	MGA Northing	Dip (°)	Azimuth MGA	Total Depth (m)	From (m)	To (m)	Interval (m)	Assay (g/t gold)
HHUG38	725270	6341429	+40°	90°	140.57	39.49	39.63	0.14	2.77
						67.52	67.76	0.24	2.37
						69.00	69.13	0.13	1.36
						69.21	69.25	0.04	21.30
						71.36	71.43	0.07	52.05
						82.44	82.50	0.06	841.30
						90.11	90.24	0.13	5.97
						113.73	113.85	0.12	4.43
HHUG48	725338	6341440	-29°	270°	33.14	11.59	11.64	0.05	11.85
						19.39	19.60	0.21	2.47
						20.66	21.14	0.48	1.52
						25.10	25.30	0.20	92.10
						27.50	27.57	0.07	8.75
						27.57	27.75	0.18	1.05
						28.66	28.86	0.20	10.50
						30.70	31.04	0.34	1.01
HHUG49	725341	6341440	-55°	270°	38.55	14.09	14.17	0.08	9.66
						19.85	20.03	0.18	5.32
						26.92	27.00	0.08	38.35
						27.37	27.40	0.03	1.98
						29.91	30.00	0.09	9.16
						32.78	33.00	0.22	1.89
						33.69	33.80	0.11	1.27

Samples from Hawkins Hill Underground have been taken from LTK48 diamond core.

Gold content estimation by Accelerated Cyanide Leach Technique (Leachwell) by SGS Townsville, Queensland, Australia.

Only assay values above 1 g/tAu have been shown.