

ACN 072 692 365

Wins Award in 2009 Prospect Awards

17 November 2009

ASX Code: HEG

- The Hill End Gold processing plant was awarded a 'Highly Commended' award in the 'Processing Plant of the Year' category at the recent 2009 Australian Mining Prospect Awards.
- The winner of the category was the Xtrata Copper Ernest Henry Concentrator and other contenders included Rio Tinto Iron Ore - Tom Price, OM Manganese - Bootu Creek and Focus Minerals - Three Mile Hill.
- The awards are to reward innovation, initiative, hard work and superior performance and the criteria for the 'Processing Plant of the Year' are improved productivity, safety, environmental standards or reaching notable milestones using new technology, innovative processes or techniques.

The Hill End processing plant was originally designed and constructed in 2008 to process 10-20 tonne 'ore' batches per day to obtain a bulk sample gold grade to assist with understanding the geology and gold distribution within the Hawkins Hill – Reward deposit.

This was successfully completed in February 2009 and mining and processing moved to a more continuous basis, while underground development and drilling expanded the Hawkins Hill – Reward resources to 660,000 tonnes at 10.6g/t gold.

The difficulties of small-scale plant operation were exacerbated by the variably rocky / soft / wet ore material, which forms a sticky paste when crushed, and handling very coarse slurry materials containing long, flat, slaty particles.

These hurdles were overcome by experience and continuous modifications and optimisation of the equipment in materials handling, crusher design, crusher wear part development and upgrading plant operating and maintenance practices.

At the same time gold recovery has increased from 75% in 2008 to 97% in 2009 and plant throughput has been increased manifold to over 2,000 tonnes per month.

Further expansion of the plant to 100,000 tonnes per year is currently being planned.

For further information: Philip Bruce 0412 409555

Website: www.hillendgold.com.au Email: admin@hillendgold.com.au