



HILL END GOLD LIMITED

ACN 072 692 365

Hargraves Project Update

8 December 2010

ASX Code : HEG, HEGO

HIGHLIGHTS

- Resource definition diamond drilling is underway on the Big Nugget Hill Central Zone to increase and upgrade resources between 150m and 300m below surface.
- Early logging indicates that the gold mineralisation continues at depth down the Big Nugget Hill structure.
- Approximately 800m has been completed to date in five extension holes.
- The program of eleven holes in the 1,750m program is expected to increase the Central Zone resource materially.
- Visible gold has been identified in three reef positions in HGAD02 in the Alma Zone, which is located in the Big Nugget Hill structure 1250m to the south of the Central Zone.
- Initial assay returns for the Hargraves drilling are expected within a few weeks.

In October 2010 an initial resource for the Big Nugget Hill deposit was announced with a total of 1.44mt at 5.1g/t containing **234,400 ounces** to a depth of about 200m below surface.

A 1,750m diamond drilling program commenced at Hargraves on 8 November 2010 to test the deeper part of the Central Zone of the Big Nugget Hill Deposit between 150m and 300m below surface. Previous wide spaced holes indicated that the gold mineralisation extends to at least 400m depth and this program is expected to define material additions to the resource estimate.

The current program is expected to be completed in January 2011 and re-logging and sampling of some existing holes and those previously drilled in the Alma Zone will also be undertaken.

Five extension holes have been completed for 800m within the Big Nugget Hill fold axis position, where the gold mineralisation is most intense. The first assay results are expected within a few weeks.

The first hole, an extension of HGCD28, contained abundant visible gold in three significant reef positions between 270 and 320m depth. The second, an extension of HGCD29, traversed obliquely through the saddle position ending on the west limb, with at least ten reefs

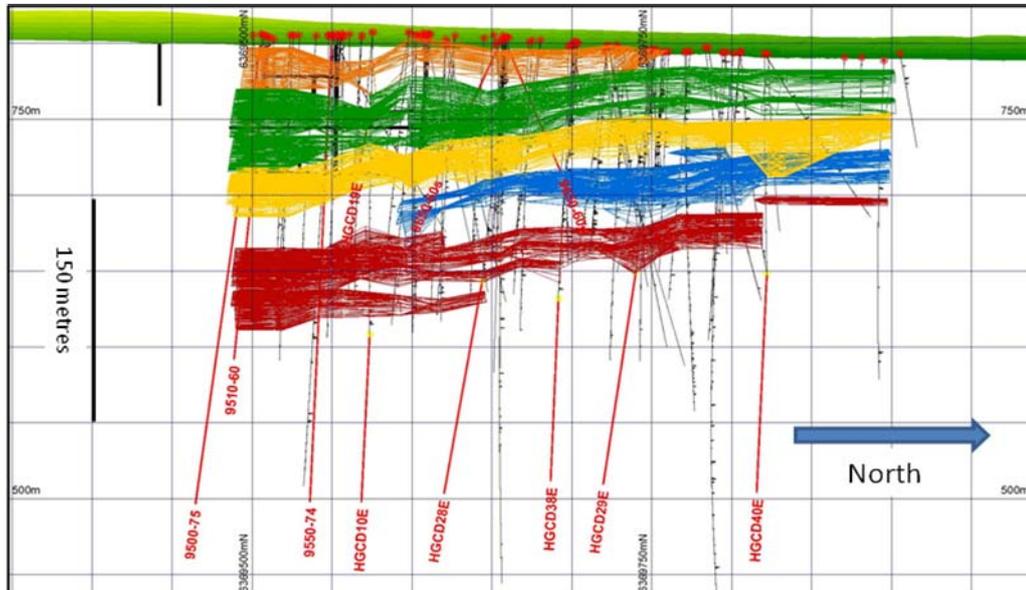
Hill End Site and Registered Office
4 Bowen Street
Hill End NSW 2850
Phone +612 6337 8343
Fax +612 6337 8345

Sydney Principal Office
3 Spring Street
Sydney NSW 2000
Phone +612 8249 4416
Fax +612 8249 4919

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

intersected with a thickness greater than one metre and containing abundant silicified chlorite and indicator minerals.

The Alma Zone is a group of old workings located in the Big Nugget Hill structure approximately 1250m to the south of the Central Zone. Five drill holes into the Alma Zone are being re-logged and sampled and visible gold was observed in three separate veins in HGAD02.



Long section of the Big Nugget Hill Central Zone showing interpreted reef positions and current drilling program.

Hill End Gold Limited (ASX.HEG) has a clear focus on increasing resources and moving to significant gold production.

The HEG development strategy for the combined Hargraves and Hill End Gold Projects is to increase mineral resources to over one million ounces and to commence profitable production.

The Hargraves and Hill End Project tenements cover 860 square kilometres between Bathurst and Mudgee in New South Wales, Australia and include the three historic goldfields of Hill End, Hargraves and Windeyer, which are located within a radius of 35 kilometres.

During this past year, exploration programs have significantly uplifted resources, for the combined Hargraves and Hill End Projects, to 570,400 ounces through the 12,000m surface diamond drill program at Hargraves, and 6,900m of underground diamond drilling at Hill End, as well as the Hill End trial mining project, which has recovered a total of 35,000 tonnes at 11g/t since March 2008.

The initial resource estimate for the Big Nugget Hill deposit at Hargraves was recently completed and totals 1.44mt at 5.1g/t containing 234,400 ounces to a depth of about 200m below surface.

At both Hargraves and Hill End there are numerous gold prospects in multiple parallel mineralised structures with evidence of significant previous production that are to be explored.

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 other tenements. Other less advanced exploration projects are located in southern NSW and Laos.

For further information: Philip Bruce 0412 409 555