

HILL END GOLD LIMITED

ACN 072 692 365

PROSPECTUS

For an Offer to each Applicant of up to 37,500,000 free Options for every New Share applied for under the Share Placement

IMPORTANT NOTICE

This document is important and should be read in its entirety. If after reading this Prospectus you have any questions about the securities being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser.

The securities offered by this Prospectus should be considered as speculative.

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IMPORTANT NOTICE

Before applying for Options, you should consider whether they are a suitable investment for you in light of your own investment objectives and financial circumstances and having regard to the merits and risks involved. Various risks may affect the future operating and financial performance of Hill End Gold Limited and the value of an investment in Hill End Gold Limited. Some of these risks are discussed in more detail in Section 4 of this Prospectus.

This Offer is only available to each Applicant under the Company's recent Share Placement.

Date and Lodgement of Prospectus

This Prospectus is dated 23 November 2005 and was lodged with the ASIC on 23 November 2005. The ASIC takes no responsibility for the content of this Prospectus. The Expiry Date of the Prospectus is 18 December 2006. No securities will be allotted or issued on the basis of this Prospectus after the Expiry Date.

Hill End Gold Limited will apply within seven days after the date of this Prospectus for the grant by the ASX of official quotation of the Options issued under this Prospectus. ASX takes no responsibility for the contents of this Prospectus.

Disclaimer

No person is authorised to give any information or to make any representation in connection with the Offer that is not contained in this Prospectus. Any interpretation or representation that is not contained in this Prospectus may not be relied on as having been authorised by Hill End Gold Limited in connection with the Offer.

Disclosing Entity

In making representations in this Prospectus regard has been had to the fact that Hill End Gold Limited is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

Definitions and Abbreviations

Certain terms and abbreviations used in this Prospectus have defined meanings as set out in the glossary in Section 6.

Financial Amounts

All financial amounts shown in this Prospectus are expressed in Australian dollars unless otherwise stated.

Questions

Questions relating to the Offer can be directed to Gordon Hart, The Venture Group Limited, on +61 2 9247 8526, your accountant, stockbroker, solicitor or other professional adviser.

SUMMARY OF KEY DATES

Event	Date
Lodgement of Options Prospectus with the ASIC	23 November 2005
Prospectus Despatch Date	25 November 2005
Opening Date for receipt of Application Form for Options	28 November 2005
Closing Date for receipt of Application Form for Options	5 December 2005
Annual General Meeting of Shareholders	28 November 2005
Issue of Shares and Options (Issue Date)	5 December 2005
Despatch of certificates/holding statements for Shares and Options	5 December 2005
Trading for Shares issued under the Share Placement commences	8 December 2005

These dates are indicative only and subject to change. The Directors reserve the right to amend this timetable including, subject to the *Corporations Act 2001* (Cth) and ASX Listing Rules, to extend the period of the Offer or bring forward the Closing Date at their discretion without prior notice.

CORPORATE DIRECTORY

<p>Directors Alfred Lampard Paton - <i>Non Executive Chairman</i> Philip Francis Bruce - <i>Managing Director</i> Graham Charles Reveleigh - <i>Executive Director</i> Ian Noel Stuart Sloan - <i>Non Executive Director</i> Bruce Geoffrey Thomas - <i>Non Executive Director</i></p>	<p>Stock Exchange Listing Australian Stock Exchange Limited Home Branch - Sydney Exchange House 60 Bridge Street Sydney NSW 2000</p>
<p>Company Secretary Kevin Martin Lynn</p>	<p>ASX Code Shares – HEG Options – HEGAK</p>
<p>Principal Office Suite 1310, 3 Spring Street Sydney NSW 2000 Telephone: +61 2 82494416 Facsimile: +61 2 82494919 Website: www.hillendgold.com.au Email: Contact via website</p>	<p>Auditors William Buck Level 1, 74 Abbott Street Cairns QLD 4870 Telephone: +61 7 4052 3222 Facsimile: +61 7 4051 8827</p>
<p>Registered Office 41 Cavendish Street P O Box 92 Earlville QLD 4870 Telephone: +61 7 4033 1805 Facsimile: +61 7 4033 6415</p>	<p>Placement Agent The Venture Group Ltd Level 2, 52 Phillip Street Sydney NSW 2000 Tel: +61 2 9241 4777 Fax: +61 2 9247 4838</p>
<p>Share Registry Registries Limited Level 2, 28 Margaret Street Sydney NSW 2000 Telephone: +61 2 9290 9600 Facsimile: +61 2 9279 0664 www.registriesltd.com.au</p>	

These entities have not been involved in the preparation of this Prospectus and appear for information purposes only.

LETTER FROM THE CHAIRMAN

18 November 2005

Dear Applicant,

As Chairman of Hill End Gold Limited (**the Company**), I present this Prospectus to you.

Recently, the Company entered arrangements to raise up to \$3 million by way of a placement of up to 37,500,000 ordinary shares (**Shares**) at an issue price of 8 cents per Share to institutional and sophisticated investors (**Placement**). This Placement is subject to Shareholder approval at the Annual General Meeting of the Company on 28 November 2005 and Shares will be issued shortly after the meeting provided approval is obtained.

The Directors have decided to offer those applicants who applied for Shares under the Placement one free Option for every Share applied for under the Placement. The Options are exercisable at 15 cents per share and will expire on the 31 May 2007. This Prospectus relates only to the offer of the Options (**Offer**) so that the Options and Shares issued upon the exercise of those Options will be available to be sold without requiring a prospectus or other disclosure document to be prepared for the purposes of the sale under section 707 of the *Corporations Act 2001* (Cth).

The funds raised, if the Options are exercised, will be used to fund further exploration and development and possible acquisitions if and as they arise.

This Prospectus sets out the key factors that you should consider in determining whether to take up the Offer.

The Directors join me in offering you the opportunity to participate in the future growth of the Company.

Yours faithfully,

Alfred L Paton

Chairman

1. THE HILL END GOLD PROJECT

Overview

- Hill End Gold has the majority of the Hill End goldfield under tenement with a number of high potential targets ready for drilling.
- The Company has targeted a resource potential of 4 – 5 million ounces in new deposits below shallow high grade workings along the almost unexplored Hill End Anticline.
- Our growth objectives are to discover and develop substantial gold deposits and to acquire projects to increase its share price and asset value.

Key Points

- Tenements of 540 square kilometres include the very high grade operations of the 1870's such as the Hawkins Hill and Red Hill – Tambaroora deposits which together produced 1.6 million ounces.
- The Hawkins Hill deposit is estimated to have been one million ounces prior to mining in the 1870's. Reported production was 45 – 50,000 tonnes at approximately 300g/t.
- Extensive high grade surface workings along the Hill End Anticline indicate the potential for additional significant deposits at shallow depth which are similar to Hawkins Hill.
- HEG plans to drill along the Hill End structural corridor particularly in the richly mineralised ten kilometre strike length between Hawkins Hill And Red Hill.

Background

Hill End Gold Limited is a gold exploration and development company which listed on the ASX in July 2003.

The Company has tenements over the majority of the historic Hill End goldfield, which is located approximately sixty kilometres north-west of Bathurst, New South Wales. Reported gold production from the area of the Company's tenements is approximately 1.6 million ounces from high grade hard rock workings and alluvial sources. Hill End is located in the north-eastern Lachlan Fold Belt, which is the fastest growing gold producing area in Australia with over 40 million ounces of gold in new projects developed since the 1980's.

The potential for discovery of significant gold deposits in the Hill End area is high given the limited amount of modern exploration in the area.

Digital compilation of previous mining and exploration records for the Hill End area and mapping of the mineralisation has led to a new understanding of the controlling structural features for the high grade gold deposits on the Company's Hill End tenements.

Outlook for 2005 /2006

- Outline of the high grade gold deposit in the Reward area by drilling along strike and down dip of the existing intersections;
- Drilling beneath the surface workings along the Hill End Anticline, particularly at Red Hill, to identify new high grade deposits at shallow depth;
- Preparation for further project development and drilling during 2006;
- Acquisition of mineral projects not yet identified.

Potential for Discovery

Exploration is focused on additional discoveries of deposits in the Hill End area, which may be mined by underground or open pit methods. Prospectivity is considered high by Australian standards given the minor exploration undertaken to date on such a prolific gold field. During the coming year surface exploration will focus on drilling in the mineralised structural corridors to a relatively shallow depth to test for significant gold deposits, particularly beneath the old workings.

Many previous drill holes at Hill End were too shallow to test the now recognised structural corridor which hosts the majority of the high grade gold mineralisation. The very large Hill End mineralised system extends over 25 kilometres along the Hill End Anticline.

The Reward deposit is approximately 400 metres north along strike from the Hawkins Hill deposit and is located in the upper part of the same 120 metre thick slate unit which hosts the Hawkins Hill deposit.

Two recent drilling programs completed on the Reward area were designed to intersect the interpreted strike extensions of the high grade zone at Reward. Wide zones containing coarse and visible gold in quartz veins have been intersected over approximately 400 metres of strike.

A predictive model for the Reward mineralisation has now been established by Hill End and detailed logging and sampling of the drill core is in progress to interpret the different vein sets and to establish gold grades prior to resource estimation.

The outcropping Red Hill deposits are hosted by a relatively tight stratigraphic unit which is predominantly greywacke/sandstone and located on the eastern flank of the shallow north-plunging Hill End Anticline. The mineralisation is within the eastern structural corridor and at a depth of approximately 100 metres below surface, historical mining and diamond drilling during the 1980's have identified a mineralised slate unit which is similar to the Hawkins Hill – Reward deposits.

Tenements

In the Hill End area the Company holds a minimum 85% beneficial interest in the Mining Leases and the area formerly subject to Exploration Licence 2037, which is now part of Exploration Licence 5868 and the Company holds a 100% interest in Exploration Licence Application 2551.

Attribution

Exploration comment and data herein are based on information provided by Mr Philip Bruce. Mr Bruce is a Fellow of the Australasian Institute of Mining and Metallurgy and has sufficient relevant experience in the styles of mineralisation being reported on to qualify as a Competent Person as defined in the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves".

2. DETAILS OF THE OFFER

2.1 Background

On 21 October 2005, the Company announced that it had arranged the placement to institutional and sophisticated investors of up to 37,500,000 Shares at an issue price of 8 cents each to raise up to \$3,000,000 (**Placement**) before expenses of the issue. The issue of the Shares is subject to shareholder approval at the Annual General Meeting of the Company on 28 November 2005.

The funds raised from the Placement will be applied as follows:

Funds Raised	\$m
(a) Drilling at the Reward area.	0.75
(b) Drilling at the Red Hill area.	0.75
(c) Engineering studies and testwork for initial project scope.	0.10
(d) Other exploration expenses.	0.20
(e) Placement expenses and working capital over the next 24 months	1.20
TOTAL	3.00

2.2 The Offer

By this Prospectus, the Company offers for subscription up to 37,500,000 free Options on the basis of one Option for every Share applied for by investors under the Share Placement described in paragraph 2.1 above. The Options are exercisable at 15 cents per share and will expire on the 31 May 2007.

You may only apply for Options under this Prospectus by using the personalised Application Form which sets out the maximum number of Options you may apply for, being equal to the number of Shares you applied for under the Share Placement. The Offer is not underwritten.

2.3 Purpose of the Offer

Subject to the Shareholders passing Resolution 5 to approve the Share Placement at the Annual General Meeting of the Company on 28 November 2005, the Directors have decided that the Applicants should have an opportunity to benefit from any success achieved in the next round of exploration, having applied for Shares under the Placement and hence are offered to apply for Options under this Prospectus.

The funds raised, if the Options are exercised, will be used to fund further exploration and development and possible acquisitions if and as they arise.

2.4 Application for Options

Applications for Options must be made using the Application Form accompanying this Prospectus. Separate holding statements for the Options will be dispatched by post to Optionholders on or soon after the Issue Date.

Completed Application Forms must be mailed or delivered to:

The Company Secretary
Hill End Gold Limited
c/- The Venture Group
Attn Mr G Hart
Level 2, 52 Phillip St
Sydney NSW 2000

2.5 Opening and Closing Dates of the Offer

The Opening Date for receipt of completed Application Forms is 28 November 2005 and the Closing Date is 5 December 2005.

The Directors reserve the right to close the Offer early or extend the Closing Date (as the case may be).

2.6 Minimum Subscription

There is no minimum subscription.

2.7 Right attaching to Shares on exercise of Options

Shares issued on exercise of the Options will rank equally in all respects with existing Shares at the time of exercise.

2.8 Quotation on ASX of Options

The Company's shares are currently quoted on the ASX. No later than 7 business days after the date of issue of this Prospectus, the Company will apply to ASX for official quotation of the Options. There is no guarantee that the Options will be quoted as the ASX has a discretion in these matters and there has to be a minimum spread requirement which may not be satisfied.

The ASX takes no responsibility for the contents of this Prospectus.

2.9 Restrictions on the Distribution of the Prospectus

The distribution of this Prospectus outside Australia may be restricted by law.

This Prospectus is not intended to, and does not, constitute an offer of, or invitation to apply for, securities in any place which, or to any person to whom, the making of such offer or invitation would not be lawful under the laws of any jurisdiction outside Australia.

2.10 Clearing House Electronic Sub-Register System ("CHESS") and Issuer Sponsorship

The Options will participate in the security transfer system known as the CHESS. Under CHESS, an Optionholder will not receive a certificate as the sub-register is electronic and ownership of securities is transferred without having to rely on paper documentation. Optionholders will be provided with a statement (similar to a bank account statement) that sets out the number of Options allotted to them under this Prospectus.

The notice will also advise holders of their Holder Identification Number ('HIN') and Sponsoring Issuer Number or Security Holder Reference Number ('SRN') in the case of a holding on the issuer sponsored sub-register allowing the Options to be traded electronically. These notices explain, for reference, the sale and purchase procedures under CHESS. Further monthly statements will be provided to holders, which reflect any changes in their holding in the Company during that month.

Optionholders may request a statement at other times, although the Company may charge an administrative fee in the circumstances.

2.11 Taxation

The Company does not propose to give any taxation advice and neither the Company, its Directors nor its offices accept any responsibility or liability for any taxation consequence to Applicants. Applicants should consult their own professional tax advisers in regard to taxation implications of the Offer.

2.12 Privacy Act

If you complete an Application Form, you will be providing personal information to the Company

(directly or by the Company's share registry). The Company collects, holds and will use that information to assess your application, service your needs as an Optionholder, facilitate distribution payments and corporate communications to you as an Optionholder and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Company's Share Registry.

You can access, correct and update the personal information that we hold about you. Please contact the Company or its registry if you wish to do so at the relevant contact numbers set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the Privacy Act 1988 (as amended), the Corporations Act and certain rules such as the ASTC Settlement Rules. You should note that if you do not provide the information required on the Application Form, the Company may not be able to accept or process your application.

3. EFFECT OF THE OFFER ON THE COMPANY

3.1 Capital Structure

- (a) The Company presently has 57,209,625 Shares on issue.
- (b) The Company presently has the following Options on issue as of the date of this Prospectus:

Type of Options	Description	Number
Unlisted Options	Exercisable at 15 cents on or before 31 May 2007	7,500,000
Managing Director Options	Exercisable at various prices on or before 30 November 2009	5,000,000
Employee	Exercisable at 20 cents on or before 30 August 2006	950,000
	Total Options on issue	13,450,000

3.2 Impact of the Offer

The effect of the Offer on the Company's issued capital will be as follows:

		Number
Shares	Ordinary Shares as at the date of this Prospectus	57,209,625
	Number of Shares after the Placement*	94,709,625
Options	Options granted as at the date of this Prospectus	13,450,000
	Options granted on completion of this Issue*	50,950,000

* Based on the assumption that all resolutions for the Placement are approved at the Annual General Meeting and the maximum permitted number of shares 37,500,000 are issued.

If all of the Options, the subject of this Prospectus are exercised, the Company will receive approximately \$7,642,500. The ability of the Company in raising this additional capital through the exercise of the Options is dependent on the price of the Share from time to time up to the expiry date of the Options. The issue of the Options provides approximately \$7,642,500 contingent capital that may be received by the Company over the life of the Options and will, if received, be used to extensively explore and develop the Hill End Project Area.

The exercise of the Managing Director Options will raise a further \$897,500.

3.3 Financial Forecasts

As a result of the early stages of development and commercialisation of the Company's business, the uncertainties associated with that business and the lack of operating history, the

Directors have not included in this Prospectus financial forecasts in relation to the Company's business.

3.4 Prior issue of Options

In December 2004 the Company issued 5,000,000 Options (December Issued Options) to subscribe for 1 ordinary Share each in the capital of the Company at an exercise price of \$0.15 expiring at 5pm on 31 May 2007.

In July 2005 the Company issued 2,500,000 Options (July Issued Options) to subscribe for 1 ordinary Share in the capital of the Company at an exercise price of \$0.15 expiring at 5pm on 31 May 2007.

This Prospectus should also serve as a prospectus lodged with ASIC after the issue of the December Issued Options and July Issued Options for the purpose of Section 708A(11)(b)(i) relating to the same class of securities to those offered under this Prospectus.

4. RISK FACTORS

4.1 General

An investment in the Company is not risk free and investors should consider the risk factors described below, together with information contained elsewhere in this Prospectus, before deciding whether to apply for Options or exercise the Options. Potential investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to lodge an Application Form.

The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

4.2 Economic Risks

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration, development and future production activities, as well as on its ability to fund those activities.

4.3 Market conditions

The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities and in particular, resources stocks. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

4.4 Security investments

Applicants should be aware that there are risks associated with any securities investment. Securities listed on the stock market, and in particular securities of mining and exploration companies have experienced extreme price and volume fluctuations that have often been unrelated to the operating performances of such companies. These factors may materially affect the market price of the securities regardless of the Company's performance.

Mineral exploration and mining are speculative operations that may be hampered by circumstances beyond the control of the Company. Profitability depends on successful exploration and/or acquisition of reserves, design and construction of efficient processing facilities, competent operation and management and proficient financial management.

Exploration in itself is a speculative endeavour, while mining operations can be hampered by force majeure circumstances and cost overruns for unforeseen events.

4.5 Exploration and Evaluation Risks

The success of the Company depends on the delineation of economically mineable reserves and resources, access to required development capital, movement in the price of commodities, securing and maintaining title to the Company's exploration and mining tenements and obtaining all consents and approvals necessary for the conduct of its exploration activities.

Exploration on the Company's existing exploration and mining tenements may be unsuccessful, resulting in a reduction of the value of those tenements, diminution in the cash reserves of the Company and possible relinquishment of the exploration and mining tenements.

4.6 Commodity Price and Exchange Rate Risks

To the extent the Company is involved in mineral production the revenue derived through the sale of commodities may expose the potential income of the Company to commodity price and exchange rate risks. Commodity prices fluctuate and are affected by many factors beyond the control of the Company. Such factors include supply and demand fluctuations for precious and base metals, technological advancements, forward selling activities and other macro-economic factors.

Furthermore, international prices of various commodities are denominated in United States dollars, whereas the income and expenditure of the Company are and will be taken into account in

Australian currency, exposing the Company to the fluctuations and volatility of the rate of exchange between the United States dollar and the Australian dollar as determined in international markets.

4.7 Environmental Risks

The operations and proposed activities of the Company are subject to State and Federal laws and regulation concerning the environment. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. The Company attempts to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws.

4.8 Native Title and Title Risks

Interests in tenements in Australia are governed by the respective State legislation and are evidenced by the granting of licenses or leases. Each licence or lease is for a specific term and carries with it annual expenditure and reporting commitments, as well as other conditions requiring compliance. Consequently, the Company could lose title to or its interest in tenements if licence conditions are not met or if insufficient funds are available to meet expenditure commitments.

It is also possible that, in relation to tenements which the Company has an interest in or will in the future acquire such an interest, there may be areas over which legitimate common law native title rights of Aboriginal Australians exist. If native title rights do exist, the ability of the Company to gain access to tenements (through obtaining consent of any relevant landowners), or to progress from the exploration phase to the development and mining phases of operations may be affected.

The Directors closely monitor the potential effect of native title claims involving tenements in which the Company has or may have an interest.

4.9 Joint Venture Parties, Agents and Contractors

The Directors are unable to predict the risk of financial failure or default by a participant in any joint venture to which the Company is or may become a party or the insolvency or managerial failure by any of the contractors used by the Company in any of its activities or the insolvency or other managerial failure by any of the other service providers used by the Company for any activity.

4.10 Future Capital Requirements

The Company's activities will require substantial expenditures. There can be no guarantees that the funds raised through both the Share Placement and the exercise of any Options offered under this Prospectus will be sufficient to successfully achieve all the objectives of the Company's overall business strategy. If the Company is unable to use debt or equity to fund expansion, there can be no assurances that the Company will have sufficient capital resources for that purpose, or other purposes, or that it will be able to obtain additional resources on terms acceptable to the Company or at all. Any additional equity financing may be dilutive to Shareholders and Optionholders and any debt financing if available may involve restrictive covenants, which limit the Company's operations and business strategy.

The Company's failure to raise capital if and when needed could delay or suspend the Company's business strategy and could have a material adverse effect on the Company's activities.

4.11 Potential Acquisitions

As part of its business strategy, the Company may make acquisitions of or significant investments in companies, products, technologies or resource projects. Any such future transactions would be accompanied by the risks commonly encountered in making acquisitions of companies, products, technologies or resource projects.

4.12 Changes to Accounting Standards

For reporting periods beginning on or after 1 January 2005, the Company must comply with

International Financial Reporting Standards (**IFRS**). These changes will affect the way certain items are reported in the Company's financial statements. The most significant changes to accounting treatment under the IFRS as it applies to the Company are likely to be related to the accounting for research and development costs, and intangible assets being patents, licenses, goodwill and carried forward exploration costs. The Company must review the amortisation period and the amortisation method at least at the end of each annual reporting period.

5. ADDITIONAL INFORMATION

5.1 Nature of this Prospectus

This Prospectus is a prospectus to which the special content rules under section 713 of the Corporations Act apply. That provision allows the issue of a more concise prospectus in relation to the offer of options to acquire securities in a class which have been continuously quoted by ASX for the 12 months prior to the date of the Prospectus.

5.2 Reporting and continuous disclosure obligations

The Company is a disclosing entity for the purposes of the Corporations Act and is therefore subject to regular reporting and disclosure obligations under the Corporations Act and the Listing Rules.

These obligations require ASX to be continuously notified of information about specific events and matters as they arise for the purpose of ASX making the information available to the stock market conducted by ASX.

In particular, the Company has an obligation under the Listing Rules to notify ASX immediately of any information, of which it becomes aware, which a reasonable person would expect to have a material effect on the price or the value of its securities.

Having taken such precautions and having made such enquiries as are reasonable, the Company believes that it has complied with the provisions of the ASX Listing Rules as in force from time to time which apply to disclosing entities, and which require the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

5.3 Availability of other documents

ASX maintains detailed records of company announcements for all companies listed on ASX. The Company's file is available for inspection at ASX during normal business hours and the Company's announcements may be viewed on ASX's website at www.asx.com.au. The most recent Company announcements are listed at paragraph 5.4 below.

ASIC also maintains records in respect of documents lodged with it by the Company. Copies of documents lodged with ASIC in relation to the Company may be obtained from, or inspected at, an office of ASIC.

The Company will provide a copy of any of the following documents, free of charge, to any person on request before the Closing Date:

- (a) the annual financial report most recently lodged by the Company with ASIC;
- (b) any half year financial report lodged with ASIC by the Company after the lodgement of the annual financial report referred to in (a) and before the lodgement of this Prospectus with ASIC; and
- (c) any continuous disclosure notices given by the Company after the lodgement of the annual financial report referred to above and before the lodgement of the copy of this Prospectus with ASIC.

5.4 ASX Announcements

The following ASX announcements have been issued by the Company since 30 June 2005:

31/10/2005	First Quarter Cash flow Report
31/10/2005	First Quarter Activities Report
28/10/2005	Full Annual Report 2005
27/10/2005	Annual Report
27/10/2005	Notice of Annual General Meeting
26/10/2005	\$3 Million Placement Broker Presentation Material
21/10/2005	Placement of \$3 Million
21/10/2005	Placement
12/10/2005	Change of Director's Interest Notice
29/09/2005	Full Year Accounts
21/09/2005	Change of Director's Interest Notice
19/09/2005	Change of Director's Interest Notice
19/09/2005	Change of Director's Interest Notice
12/09/2005	Additional visible gold intersection at Hill End
16/08/2005	Drilling program continues at Hill End
05/08/2005	Change of Director's Interest Notice
29/07/2005	Fourth Quarter Cash flow Report
29/07/2005	Fourth Quarter Activities Report
29/07/2005	Appendix 3B
29/07/2005	Placement
11/07/2005	Change of Director's Interest Notice
06/07/2005	Change of Director's Interest Notice
01/07/2005	Appendix 3B
01/07/2005	Cancellation of Lapsed Options

5.5 Rights attaching to Options and underlying Shares

The following is a summary of the more significant rights attaching to the Options and Shares upon exercise of the Options. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Optionholders and Shareholders in the Company. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights attaching to the underlying Shares are set out in the Company's Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

5.6 Rights attaching to Options

A summary of the terms and conditions of the Options is as follows:

Consideration	Nil
<i>Shares issued on exercise of Options</i>	Each Option entitles the Optionholder to subscribe for 1 fully paid ordinary share in the Capital of the Company
<i>Exercise Price</i>	\$0.15
<i>Option Period</i>	Exercise any time up to and including 5 pm AEST on 31 May 2007
<i>Quotation</i>	The Company will seek quotation of the Options on ASX. There is no guarantee the Options will be quoted as the ASX has a discretion in these matters and there has to be a minimum spread requirement which may not be satisfied.

- (a) each Option entitles the Holder to one (1) Share in the Company upon exercise;
- (b) the Expiry Date for the Options will be 31 May 2007;
- (c) the Options are exercisable at any time on or prior to 5.00 p.m. (Australian Eastern Standard Time) on the Expiry Date listed above by completing an Option Exercise Form and delivering it together with the payment for the number of Shares in respect of which the Options are exercised to the registered office of the Company. If the above Expiry Date falls on a weekend or a Public Holiday, then the Expiry Date will be deemed to be the next business day after that date;
- (d) the Option exercise price is \$0.15;
- (e) an Option does not confer the right to a change in exercise price or a change in the number of underlying Shares over which the Option can be exercised;
- (f) subject to the Corporations Act, the Listing Rules and the Company's Constitution, the Options are freely transferable, and the Company will apply to the ASX for official quotation of the Options, however there is no guarantee that the Options will be quoted as the ASX has a discretion in these matters and there has to be a minimum spread requirement which may not be met;
- (g) all Shares issued upon exercise of the Options will rank pari passu in all respects with the Company's then issued Shares (the rights attaching to the Shares are detailed below);
- (h) there are no participating rights or entitlements inherent in the Options and Optionholders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 7 Business Days after the issue is announced. This will give Optionholders the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue; and
- (i) if at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules applying at the time of the reorganisation.

5.7 Rights attaching to underlying Shares

(a) General Meetings

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with Section 249D of the Corporations Act and the Constitution of the Company.

(b) Voting Rights

Subject to any rights or restrictions for the time being attached to any class or classes of Shares, at general meetings of Shareholders or classes of Shareholders:

- (i) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative:
- (ii) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote: and
- (iii) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by him/her, or in respect of which he/she is appointed a proxy, attorney or representative, have one vote for the share, but in respect of partly paid Shares shall have such number of votes being equivalent to the proportion which the amount paid is of the total amounts paid and payable in respect of those Shares.

(c) Dividend Rights

The Directors may from time to time declare a dividend to be paid to Shareholders entitled to the dividend. The dividend shall subject to the Company's Constitution and to the rights of any preference Shareholders and to the rights of the holders of any Shares created or raised under any special arrangement as to dividends) be payable on all Shares according to the proportion that the amount paid is of the total amounts paid and payable in respect of such Shares in accordance with the Corporations Act. The Directors may from time to time pay to the Shareholders such interim dividends as they may determine. No dividends shall be payable except out of profits. A determination by the Directors as to the profits of the Company shall be conclusive. No dividend shall carry interest as against the Company.

(d) Winding-Up

If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so decided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders and that surplus will be divided among the Shareholders in proportion to the number of Shares they hold (irrespective of the amounts paid upon those Shares). The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any Shares or other securities in respect of which there is any liability. Where an order is made for the winding up of the Company or it is resolved by special resolution to wind up the Company, then on a distribution of assets to members, Shares classified by ASX as restricted securities shall rank in priority after all other Shares.

(e) Transfer of Shares

Generally, Shares in the Company are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the

Corporations Act or the Listing Rules.

(f) Changes to Capital Structure

The Company may by ordinary resolution and subject to the Corporations Act and the Listing Rules:

- (i) consolidate and divide all or any of its share capital into Shares of larger amounts than its existing Shares;
- (ii) cancel Shares that, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person or have been forfeited and reduce its share capital by the amount of the Shares so cancelled.

(g) Variation of Rights

If at any time the share capital is divided into different classes of Shares, the rights attached to any class (unless otherwise provided by the terms of issue of the Shares of that class), whether or not the Company is being wound up may be varied or abrogated with the consent in writing of the holders of three-quarters of the issued Shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the Shares of that class.

5.8 Directors' interests

Other than as set out below or elsewhere in this Prospectus, no Director nor any organisation in which such a Director is a partner or director, has or had within 2 years before the lodgement of this Prospectus with the ASIC, any interest in:

- (a) the promotion or formation of the Company;
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer of Options pursuant to this Prospectus; or
- (c) the Offer of Options pursuant to this Prospectus,

and no amounts have been paid or agreed to be paid (in cash or shares or otherwise) to any Director or to any organisation in which any such Director is a partner or director, either to induce him to become, or to qualify him as, a Director or otherwise for services rendered by him or by the firm in connection with the promotion or formation of the Company.

Each Directors' interests in securities of the Company at the date of this Prospectus is:

Director	Employee Options (1)	Incentive Options (2)	Options (3)	Shares
A Paton	250,000	-	-	392,728
G Reveleigh	200,000	-	-	3,961,450
P Bruce	200,000	5,000,000	-	3,598,550
B Thomas	-	-	615,000	1,827,990
I Sloan	200,000	-	-	921,673

Subject to the passing of Resolution 5 at the Annual General Meeting on the 28 November 2005, the following Directors or their respective nominees, will participate in the Placement and take up Shares and Options as set out below:

Name	Position	Maximum number of options	Maximum number of shares
Bruce Thomas	Non Executive Director	625,000	625,000
Philip Bruce	Managing Director	250,000	250,000

Notes:

- (1) Options exercisable at 20 cents each on or before 30/08/2006.
- (2) 5,000,000 options exercisable as follows:

No. of Options	Vesting Date	Expiry Date	Exercise Price
1,000,000	30.10.04	30.06.05	20 cents/per share
2,000,000	01.07.05	30.06.07	30 cents/per share
2,000,000	01.07.07	30.06.09	40 cents/per share

Options not exercised in any one period will carry over into the next vesting period and be subject to the revised exercise price. Options will be retained on leaving Company for any reason

- (3) Options exercisable at 15 cents and expire 31/05/2007.

The Constitution of the Company provides that the Directors may be paid for their services as Directors, a sum not exceeding such fixed sum per annum as may be determined by the Company in general meeting, where notice of the amount of the suggested increase and the maximum sum that may be paid shall have been given to Shareholders in the notice convening the meeting.

In the last two years, the following amounts have been paid to current directors, companies associated with the directors or their associates in their capacity as directors, consultants or advisors or related companies:

	Salary & Fees (\$)		Superannuation (\$)		Total (\$)	
	2005	2004	2005	2004	2005	2004
Director						
Mr. A Paton	25,000	25,000	-	-	25,000	25,000
Mr. P Bruce	183,486	47,083	15,514	4,237	205,141	16,350
Mr. G Reveleigh	70,000	70,000	6,300	6,300	76,300	76,300
Mr. I Sloan	15,000	15,000	1,350	1,350	16,350	16,350
Mr. B Thomas	5,000	-	450	-	5,450	-

The payment/provision of the following payments were made for consulting and other services to related entities of the following directors and are not included above:

2005	2005 \$	2004 \$
Mr G Reveleigh	56,494	249,749
Mr. I S Sloan	13,592	15,575

All transactions were on normal commercial terms.

No other fees have been paid by the Company by way of remuneration for services provided by the current Directors, companies associated with the Directors or their associates in their capacity as directors, consultants or advisers. However, Directors, companies associated with the Directors or their associates are also reimbursed for all reasonable expenses incurred in the course of conducting their duties which include, but are not in any way limited to, out of pocket expenses, travelling expenses, disbursements made on behalf of the Company and other miscellaneous expenses.

5.9 Interests of Experts and Advisers

Other than as set out below or elsewhere in this Prospectus, no expert nor any organisation in which such expert has an interest, has or had within 2 years before the lodgement of this Prospectus with the ASIC, any interest in:

- (a) the promotion or formation of the Company:
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer of Options pursuant to this Prospectus; or
- (c) the Offer of Options pursuant to this Prospectus,

and no amounts have been paid or agreed to be paid (in cash or shares or otherwise) to any expert or to any firm in which any such expert is a partner, either to induce him to become, or to qualify him as, a expert or otherwise for services rendered by him or by the firm in connection with the promotion or formation of the Company.

William Buck act as auditors to the Company and has received fees of approximately \$10,000 for this service.

Registries Limited act as the Company's share Registrar and has received fees of approximately \$10,000 for this service.

5.10 Consents

The following consents have been given in accordance with the Corporations Act and have not been withdrawn as at the date of lodgment of this Prospectus with ASIC.

- (a) Registries Limited has had no involvement in the preparation of any part of this Prospectus other than the recording of its name as Share Registrar of the Company. Registries Limited has not authorised or caused the issue of this Prospectus.
- (b) William Buck has had no involvement in the preparation of any part of this Prospectus other than the recording of its name as Auditor of the Company. William Buck has not authorised or caused the issue of this Prospectus.
- (c) Mr Bruce has given and has not, before lodgement of this Prospectus with ASIC, withdrawn his written consent to the inclusion in this Prospectus of *[itemise relevant paragraphs in section 1]* in section 1 of this Prospectus in the form and context in

which it is included, and to being named in this Prospectus in the form and context in which he is named..

None of the entities referred to in this paragraph 5.10 have authorised or caused the issue of this Prospectus and do not accept any liability to any persons in respect of any false or misleading statement in, or omission from, any part of this Prospectus.

5.11 Estimated Expenses of Offer

The estimated expenses of this Offer are as follows:

Expenses	\$
ASX Fees	16,470
ASIC Fees	2,010
Print and Mailing Expenses	3,000
Legal Fees	15,000
Brokers Fees and Commissions	200,000
Total	236,480

5.12 Market Price of Shares

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX.

The highest and lowest market sale prices of the Company's Shares on ASX during the 3 months immediately preceding the date of lodgment of this Prospectus with the ASIC and the respective dates of those sales were:

Highest: \$0.099 per Share on 22 August 2005.

Lowest: \$0.075 per Share on 24 October 2005.

The latest available closing sale price of the Company's Shares on ASX prior to the lodgment of this Prospectus with the ASIC was \$0.085 on 22 November 2005.

5.13 Directors' Consent

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with Section 720 of the Corporations Act, each Director has consented in writing to the lodgment of this Prospectus with the ASIC.

Philip Bruce

**For and on behalf of
Hill End Gold Limited**

6. GLOSSARY

AEST means Australian Eastern Standard Time.

Applicant means an investor that has applied for Shares pursuant to the Share Placement.

Application Form means the application form accompanying this Prospectus.

ASIC means the Australian Securities and Investments Commission.

ASX means Australian Stock Exchange Limited (ABN 98 008 624 691).

Closing Date means the closing date for receipt of Application Forms under this Prospectus as set out in Section 2.5.

Company means Hill End Gold Limited (ACN 072 692 365).

Constitution means the Company's Constitution as at the date of this Prospectus.

Corporations Act means the Corporations Act 2001 (Cth).

Directors means directors of the Company at the date of this Prospectus.

Dollar or \$ means Australian dollars.

g/t means grams per tonne.

HEG means Hill End Gold Limited (ACN 072 692 365).

Listing Rules means the Listing Rules of ASX.

Offer means the offer of Options referred to in Section 2 - 'Details of the Offer' of this Prospectus.

Opening Date means the opening date for receipt of Application Forms under this Prospectus as set out in Section 2.5.

Option means an option in the capital of the Company and where the context permits means the Options offered pursuant to this Prospectus.

Optionholder means a holder of Options.

Prospectus means this Prospectus.

Shareholder means a shareholder in the Company.

Share means a fully paid ordinary share in the capital of the Company and where the context permits means the Shares the subject of the Share Placement.

Share Placement means the recent offer by the Company of up to 37,500,000 Shares at \$0.08 per Share to professional and sophisticated investors which is subject to Shareholder approval at the Annual General Meeting of the Company on 28 November 2005.

HILL END GOLD LIMITED

(ACN 072 692 365)

APPLICATION FORM

Hill End Gold Limited
C/- Registries Limited
PO Box R67
Royal Exchange
SYDNEY NSW 1223

I/We, Mr/Mrs/Miss/Ms

(Please use upper case)

Full address

.....State.....Postcode.....

HIN / SRN.....

Hereby apply for (in figures).....

In words).....

Options in Hill End Gold Limited pursuant to the Company's Prospectus accompanying this application form.

You have applied forShares under the Share Placement hence you can apply for a maximum ofOptions.

Number of Options subscribed for

I/We request you allot such Options to me/us and I/we agree to accept them subject to the Company's Constitution.

I/We authorise you to place my/our name(s) on the register of Optionholders in respect of the number of Options allotted to me/us.

Please note:

1. In the case of joint holders, each holder must sign.
2. If this application is signed by an Attorney, the Attorney hereby declares that he has no notice of revocation of the power under authority of which this application is signed.
3. If an application is by a company, the form must be executed by two directors or a director and secretary or by the sole director and sole secretary either with or without the Common Seal of the company (as appropriate) or under the hand of its attorney.
4. Officers of a company must state the capacity in which they are signing.
5. A party signing under Power of Attorney must supply a copy of the Power of Attorney with the application
6. This Application Form will only be accepted upon the issue of the Options.

Signature(s).....

Date.....

My/Our contact numbers in the case of inquiry are:

Telephone () Fax ()

Email: