



# REVIVING HISTORIC FIELD WITH A NEW APPROACH

One New South Wales mining company is gearing up towards production as two of its projects soar ahead.

**H**ILL END GOLD'S MAIN project is its namesake and a nearby key deposit at Hargraves.

The project tenements cover 860 square kilometres between Bathurst and Mudgee, New South Wales – an area well known for large nuggets at surface and shoots of coarse gold in underground workings.

Not only was Hargraves the site of Australia's earliest gold reef mining in 1851, large pieces of gold have also been discovered there in quartz. For example, Kerr's Hundredweight nugget was found at the site, containing about 1500 ounces of gold.

Countless other finds have been made there also, broken off the quartz vein outcrops at the project's four kilometre Big Nugget Hill structure.

Hill End managing director Philip Bruce said the mineralisation was open at depth and along strike, with a number of similar gold-bearing structures situated nearby.

"And, while historical production remains relatively untested, we still have a good understanding of the ore body because we can interpret previous drill core results," Bruce said.

However, the company does not have to rely solely on historical results.

"With around 16,000 metres of drilling we have been able to estimate 234,000 ounces JORC resources to both an indicated and inferred level to about 200 metres down," Bruce said.

"It brings the total resource on our tenements to 570,000 ounces of gold.

"We've also intersected the mineralisation continuing below 400 metres – which is great news."

Bruce said the mineralisation was also highly continuous along strike, which was where the current effort was focused.

"We're about to start drilling for open pit potential with an initial reverse circulation drilling program of 2000 metres," he said.

"The gold mineralisation is close to surface and it definitely has open pit potential.

"Already we've had high grade hits in diamond drilling of up to 20 ounces, 30 metres down – which is very encouraging."

Bruce added the company had already managed to determine the structural controls of the coarse gold mineralisation at the project.

"It can be mined and explored in a predictable and productive way," Bruce said.

"The Big Nugget Hill deposit is metallurgically similar to our Reward and Red Hill projects, located about 30 kilometres south of Hargraves.

"Reward has a gravity processing plant we used for bulk sampling, which was running at an equivalent of 30,000 tonnes per year with a recovery of 95 per cent of gold, at a grind of just under a millimetre."

Bruce said these gravity-only plants were very inexpensive and highly efficient.

"They can be easily expanded and are environmentally clean with very small impact," he said.

The Reward project is a real feather in Hill End's cap, with a 247,000oz JORC resource in a 100m wide structural zone.

The company has developed, mined and mapped the deposit over 800m of strike and has found that the mineralisation extends for about 4km.

To date, surface and underground diamond drilling have been carried out on the Reward deposit, targeting the narrow veins, with a combined resource of 900,000t at 8.6 grams of gold per tonne.

The company has many irons in the fire in the Hill End and Hargraves area.

"Gold mining so far has only gone down a few metres on the numerous zones of old workings," Bruce said.

"Each zone is associated with an unexplored vertical structure that is waiting for modern exploration to unlock the extensions at depth."

He said three drilling programs were planned to cover open pit potential at Big Nugget Hill and Red Hill and extensions along strike in the Reward deposit.

The next project in the pipeline is the Red Hill deposit, which is part ▶

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**PHILIP BRUCE**  
HILL END GOLD



**Resourcestocks**

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of the Hill End project area, located about 4km north of Reward.

“We’ve got drill programs planned for the near surface and deeper extensions of Red Hill and our earlier resource estimate of about 90,000 ounces is being reviewed based on a bulk mining approach,” Bruce said.

Looking at the Hill End and Hargraves’ projects, Bruce said the company had made an important decision to change mining techniques.

“Rather than targeting highly selective mining with high grade veins, we’ve now decided to employ a non-selective mining approach for broader zones of mineralisation,” Bruce said.

“We realised there would be more continuity and we’re already expecting to boost our resources because of it.

“Scoping studies are underway to see whether a substantial expansion of Reward is economic.”

Bruce said the current drilling at Big Nugget Hill, Reward and Red Hill projects showed potential for near-term open pit and underground development.

“We’re now trying to work out what the near-term development will look like,” Bruce said.

“Some areas are open pit, while others are underground.”

In particular at Reward the company is in the process of

progressing from a small-scale, high-grade operation to a much larger bulk mining of the lower grade zone of mineralisation.

“We’re looking to move the project onto a larger footing,” Bruce said.

Bruce outlined why the company was a good investment.

“The board and management have strong technical and commercial experience in the resources industry, with a background in growing successful companies and projects,” Bruce said.

He also noted the company had the bonus of possessing a rare mix of a large resource base and existing operating infrastructure.

“We also benefit from near-term low cost project development potential, together with an undervalued share price – which has recently bottomed out after the removal of a selling shareholder,” Bruce said.

It’s clear that Hill End Gold has made a name for itself by slowly but surely building up its resources.

Production is close and once it kicks into overdrive, this junior is destined to emerge as a sturdy mid-tier producer.

And, with \$2.6 million in the bank and a relatively low burn rate, Hill End is right on track.

– **Samantha Cairns**

**HILL END GOLD AT A GLANCE**



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**MARKET CAPITALISATION**

\$A28.7 million (at press time)

**QUOTED SHARES ON ISSUE**

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**MAJOR SHAREHOLDERS**

HSBC Custody Nominees 10.4%  
JP Morgan Nominees 7.8%  
National Nominees 6.5%  
Link Traders 5.5%  
Citicorp Nominees 5.5%



Underground loader during exploration development of Reward