



Hill End Gold

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Author : Jeff Coote
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Australian explorer Hill End Gold (ASX: HEG) has appointed Dr Stuart Munroe as exploration manager to bolster its management team as the company moves towards project development at both the Hill End and Hargraves Projects.

Hill End aims to increase resources to more than one million ounces in the short term to form a basis for profitable production on a significant scale. Gold resources defined by the company currently total 570,400 ounces.

Munroe has a track record of twenty years experience across many commodities with Sino Gold, SRK Consulting, CRA Exploration and as an independent consultant in Australia and overseas.

He has been involved in numerous feasibility studies and his experience includes managing exploration

projects through to operations, managing resource estimation to a JORC and NI43-101 standard, project evaluation, exploration strategy and risk management.

In May Hill End raised A\$2.43 million in order to fund assessment of open pit potential at the Hargraves and Red Hill projects in an historically gold-rich region in central New South Wales.

Hargraves Project

Hargraves is wholly owned by Hill End, located around 30 kilometres south west of Mudgee, New South Wales, and has an update of the resource estimate at the Big Nugget Hill Deposit currently pending.

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Big Nugget Hill contains a JORC Resource of 234,400 ounces of gold in the Inferred and Indicated categories.

This initial resource estimate relates to an 800 metre portion of Big Nugget Hill to a depth of around 200 metres.

Since late 2010 ten additional holes have been drilled principally to further test the Big Nugget Hill Deposit below 150 metres, and had further encouraging high-grade gold results.

Importantly, initial mining optimisation studies have indicated that open pit mining of the near surface portion of the deposit is potentially economic.

The company has also been encouraged by preliminary results from a reverse circulation drilling program to test open pit potential at the South Zone of the Big Nugget Hill Deposit.

Geological mapping has discovered an 80-100 metre wide mineralised shear zone 100 metres west of the Big Nugget Hill Deposit that represents a compelling target with potential for shallow, large scale, low grade gold mineralisation.

A program of shallow (30-62 metres) reverse circulation drilling (47 holes, 2,488 metres) was recently completed at the Southern Zone of the Big Nugget Hill Deposit as a preliminary test of the open pit potential in that area.

Drilling was concentrated within a 500 metre segment of the trend of the Big Nugget Hill Deposit and focused primarily on testing Reef 1 at a depth of 30-50 metres below surface.

Results from the first round indicate strong structural continuity of Reef 1 over a length of approximately 200m with the Reef being well mineralised.

In addition, wide-spaced holes to test for Reef 1 extensions further to the south were part of this program and one hole intersected 8 metres at 1.2g/t from 35 metres below surface in the Reef 1 position.

This hole has intersected the Big Nugget Hill structure approximately 200 metres south of the current Southern Zone resource block limit.

A second round of assaying is underway to test low grade halo mineralisation adjacent to high grade quartz reefs. Preliminary results have confirmed that low grade halo mineralisation extends up to 8m beyond some of the high grade reef intersections.

Although results are currently incomplete, they provide encouragement to continue evaluation of the shallow open pit potential with optimisation studies and further selective drilling.

Work continues on a Scoping Study into development of the Big Nugget Hill Deposit.

New targets parallel to the Big Nugget Hill Deposit

Late in the June quarter, detailed mapping and structural interpretation discovered a potentially significant zone of gold mineralisation different to that at the Big Nugget Hill Deposit.

A wide, near vertical mineralised shear zone was discovered only 100 metres west of the Big Nugget Hill Deposit.

This zone, named the Gundowda Shear, is 80-100 metres wide and over 1000 metres long. The company considers it to form a high priority target.

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There are also targets at Frenchmans Area, Florence Anticline and Alma Area.

Hill End Project

A shallow RC drilling program has commenced at Red Hill, which has a 89,200 oz resource, to test a new ore deposit model and to define potential open-pittable mineralisation.

A re-estimation of the Red Hill resource based on the new ore deposit model is in progress.

Geological and structural studies have identified several new zones of mineralisation adjacent to Reward Deposit that will be tested by future drilling programs.

The Scoping Study into bulk mining of the Reward and Hawkins Hill Deposits is being progressed.

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Contact us ■ +61 2 9222 2832 ■ andrew@proactiveinvestors.com.au

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