



**HILL END GOLD LIMITED**

Increasing resources and gold production  
at Hill End and Hargraves

# Projects

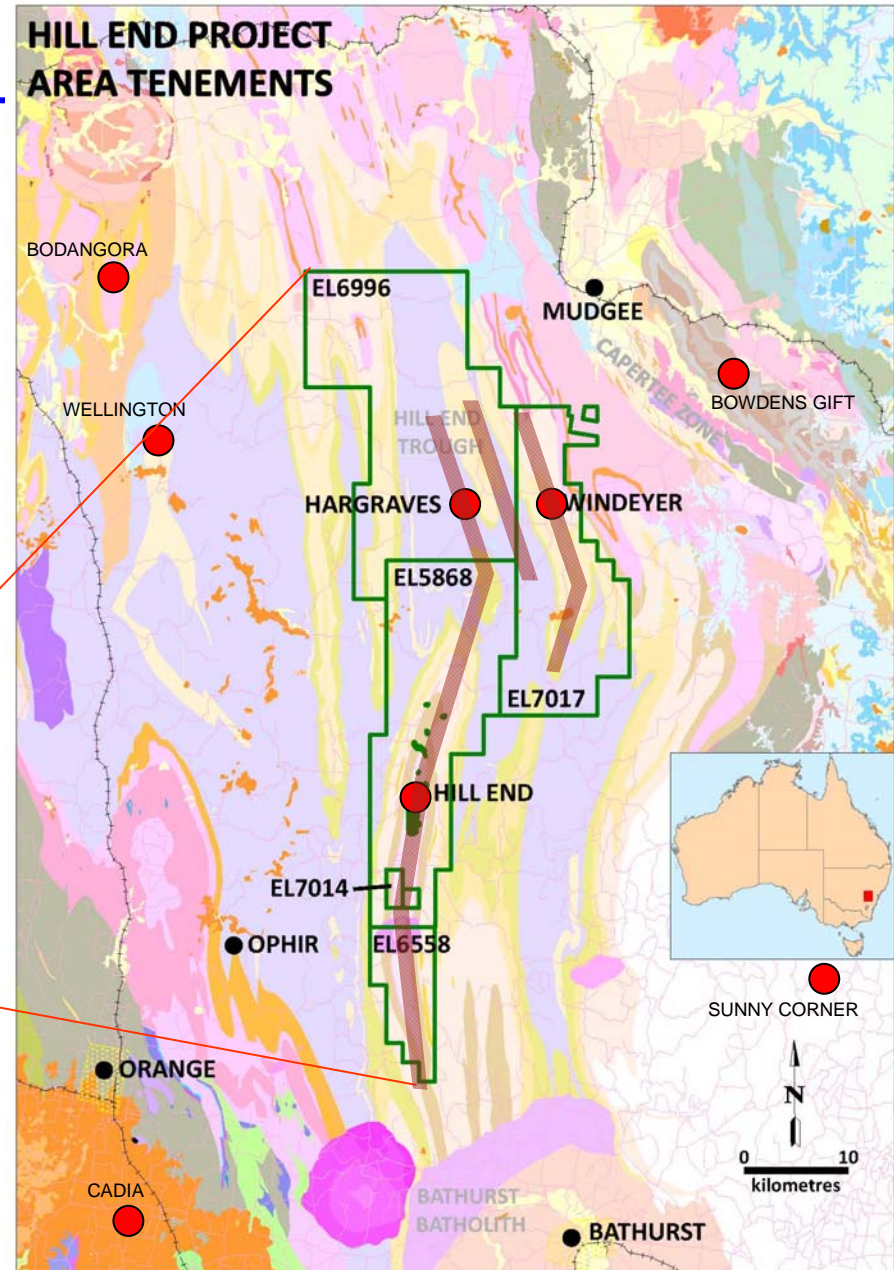
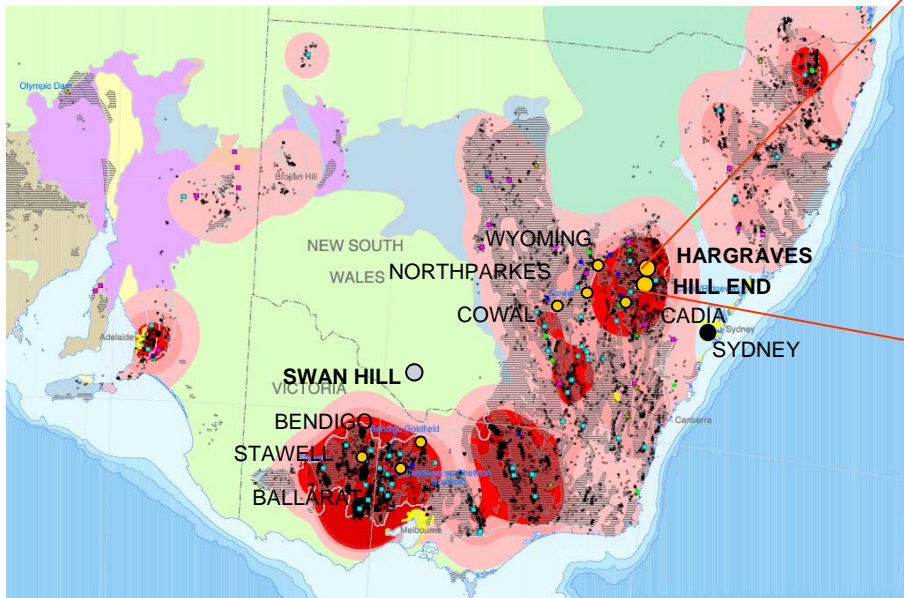
South East Asia-LAOS  
Lak Sao Project

AUSTRALIA :  
Hill End  
Hargraves-Windeyer  
Swan Hill



# Hill End – Hargraves Project

- ❑ 1,210km<sup>2</sup> granted tenements
- ❑ Over 75km strike of gold deposits
- ❑ Reported +2m oz from tenements
- ❑ Project potential scope of 4 – 5m oz



Lachlan Fold Belt hosts world class deposits

## Hill End – Hargraves is focus of development

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Increasing resources and gold production

### HILL END

- ❑ High grade gold production at Hill End.
- ❑ Increasing to ~4,000oz/quarter at \$500/oz.
- ❑ Hill End scope 1,500,000t at 10g/t.
- ❑ Potential project expansion to ~40-50,000ozpa 2010.

### HARGRAVES

- ❑ Numerous parallel structures in 5km x 10km zone.
- ❑ Big Nugget Hill 40m wide structure being drilled.
- ❑ BNH potential scope 10mt at 4g/t.
- ❑ Expansion potential to 150,000ozpa.



## Project Summary for 2008/9

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### HILL END

- ❑ Commenced mining and processing of high grade Paxton's.
- ❑ Commissioned 240m Alimak / Reward shaft.
- ❑ Discovered wide Patriarch zone of up to 15m width at 6g/t.
- ❑ Identified Indicator Fault system with strike length over one kilometre.
- ❑ Increased project output to over 2000tpm on continuous 24/7 basis.
- ❑ Commenced three declines below 640 level.
- ❑ Discovered high grade Emmett's zone at north Reward area.
- ❑ Discovered the Reward Ore Zone (ROZ) as the linking ore zone for all veinsets.
- ❑ Resource upgrade to 660,000 tonnes at 10.6g/t.
- ❑ Large underground drilling program continues to upgrade resource.
- ❑ Potential project expansion to ~40-50,000ozpa 2010.

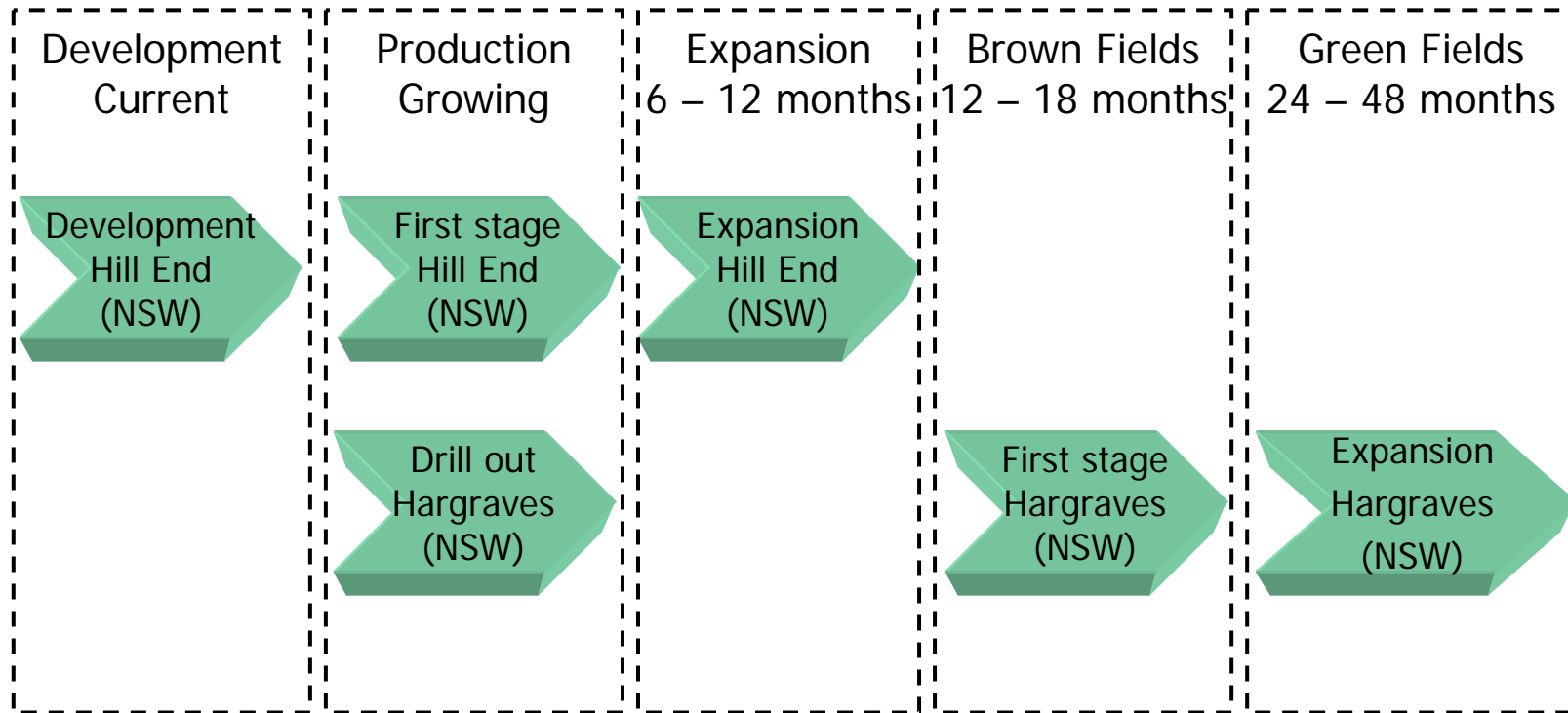
### HARGRAVES

- ❑ Commenced 12,000 drilling program for maiden resource.

## Hill End Project quarterly output

Quarter	Total ore (dt)	Gold Grade (g/t)	Processing rate (tph)	Gold Recovery (%)	Mill availability (%)	Gold Produced (oz)
September 2008	<b>1152</b>	<b>23.5</b>	<b>3.3</b>	<b>79%</b>	<b>26%</b>	<b>688</b>
December 2008	<b>1772</b>	<b>23.9</b>	<b>3.5</b>	<b>88%</b>	<b>45%</b>	<b>1202</b>
March 2009	<b>4242</b>	<b>16.5</b>	<b>4.1</b>	<b>95%</b>	<b>64%</b>	<b>2130</b>
June 2009	<b>5425</b>	<b>11.2</b>	<b>4.0</b>	<b>95%</b>	<b>72%</b>	<b>1851</b>
September 2009	<b>5673</b>	<b>9.4</b>	<b>4.6</b>	<b>94%</b>	<b>66%</b>	<b>1612</b>

# Hill End – Hargraves Project Pipeline



7,000oz/yr    ~ 15,000oz/yr    40-50,000oz/yr    60-80,000oz/yr    150-250,000oz/yr

## Corporate Profile

Issued shares :	399,404,886
Unlisted Options :	12,635,000
Working Capital	A\$17m
Market Capitalisation at 25c	A\$100m

### Top Ten Shareholders

October 2009

Wanabee Holdings	62,243,702	15.6
HSBC Nominees	40,437,195	10.1
Citicorp Nominees	26,360,504	6.6
National Nominees Limited	20,413,107	5.1
Link Traders	11,000,000	2.8
Forty Traders	8,532,467	2.4
ANZ Nominees	8,313,845	2.1
Catholic Church Insurances	7,363,189	1.8
MT&M Price	7,050,000	1.8
Bruce Thomas (Director)	5,973,265	1.5
	206,687,274	49.8

## Board of Directors

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### **Alfred Paton BE(Mech), FAIM, MIE, MAusIMM, FAICD – Chairman,**

Ex-Managing Director and Chairman of Placer Pacific Limited and Kidston Gold Mines Limited, Director of Placer Dome Inc. Canada, Wiluna Gold Mines, Golden Shamrock, AusPac Resources, Aurlron Energy.

### **Philip Bruce BE(Mining), FAusIMM, MAICD – Managing Director**

Ex-Managing Director of Triako Resources Limited, General Manager – Development for Plutonic Resources Limited, Resident Manager of North Kalgurli and Paringa Gold Mines, Chief Executive Officer of BHP Indonesia, Underground Manager of Leslie Gold Mine - South Africa.

### **Ian Daymond BA, LLB – Director**

Solicitor and a consultant in mining and resources, ex-senior in-house lawyer Hunter Resources and Delta Gold.

### **Graham Reveleigh MSc, MAusIMM, MCIMM – Director**

Ex-General Manager, Noble's Nob and Project Manager Red Dome, Moline and Gold Ridge – Solomon Islands.

### **Bruce Thomas ACA, ACIS, ASA, ASIA – Director**

Ex-funds manager including Zurich Insurance Company, Public Authorities Superannuation Board, Hambros Australia Ltd and FAI Insurance.

### **Ian Sloan BTech (Mech), JP, MAICD – Director**

Ex-Production Engineer for Nauru Phosphate Corporation and National Manufacturing Manager for Harbison ACI Pty Ltd.



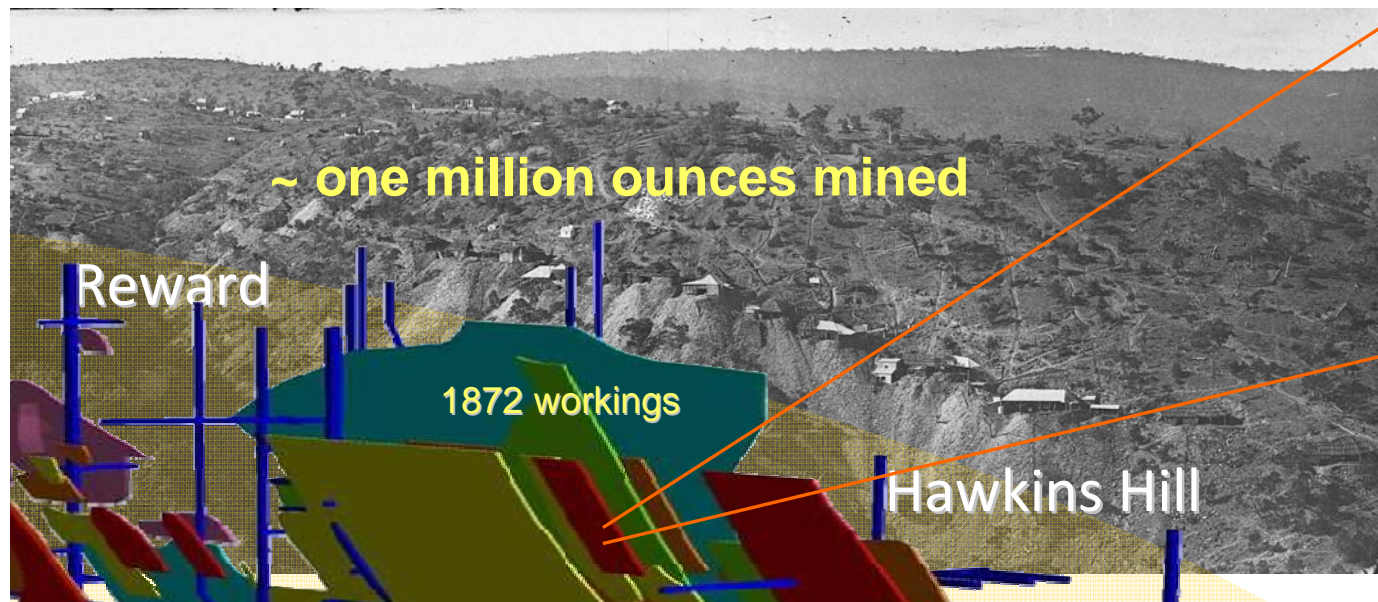


## Historical Perspective

- ❑ Past production from tenements of 2moz from near surface.
- ❑ Hawkins Hill alone reported over 400,000 ounces at 10oz/t.  
including ... *24,480 ounces from 443 tonnes* ...  
... *16,280 ounces from 422 tonnes* ...
- ❑ Hill End Gold commenced at Hill End in 1993.

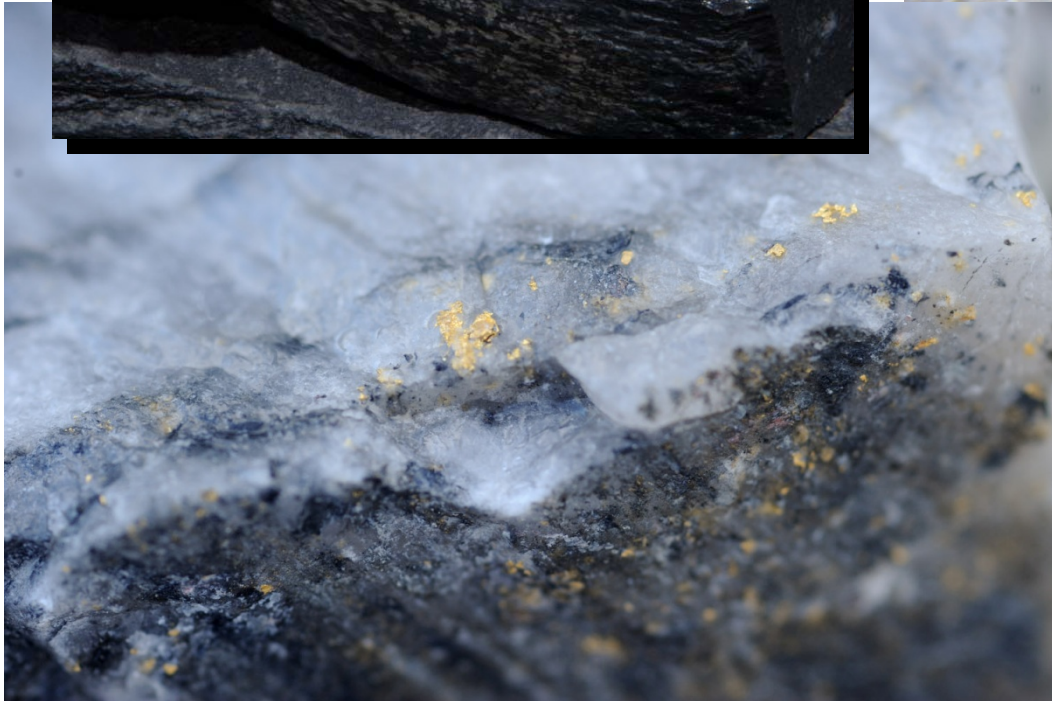
Reward – Hawkins Hill mineralisation :  
+1500m long x 100m wide x 250m downdip

World's Largest Gold Specimen  
from Hawkins Hill





# Coarse gold – low sulphides

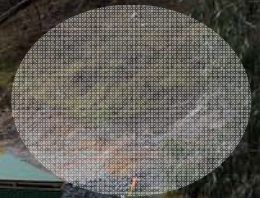




# Hawkins Hill – Reward Site

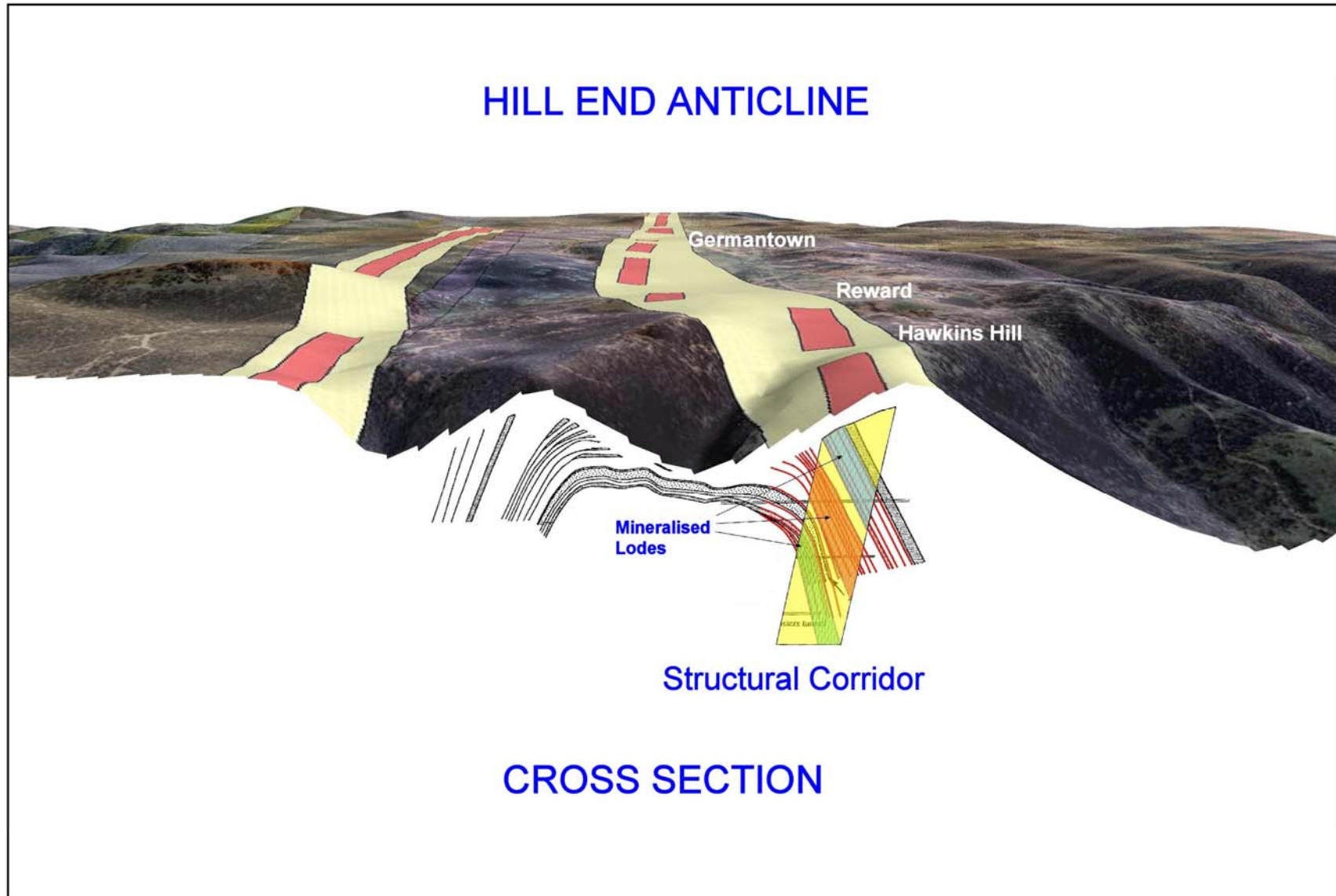


TAILINGS  
STORAGE



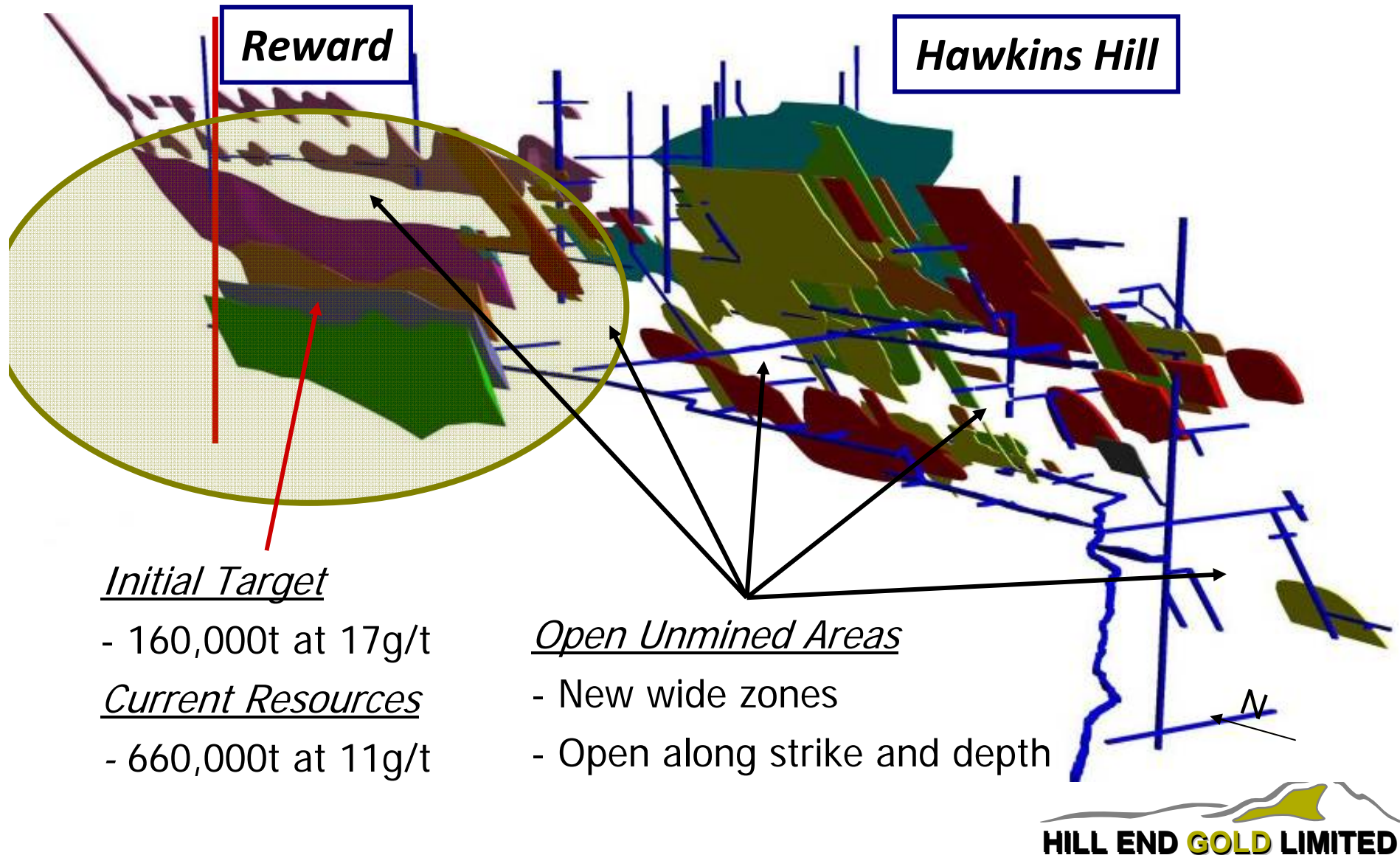


# Hill End Mineralisation



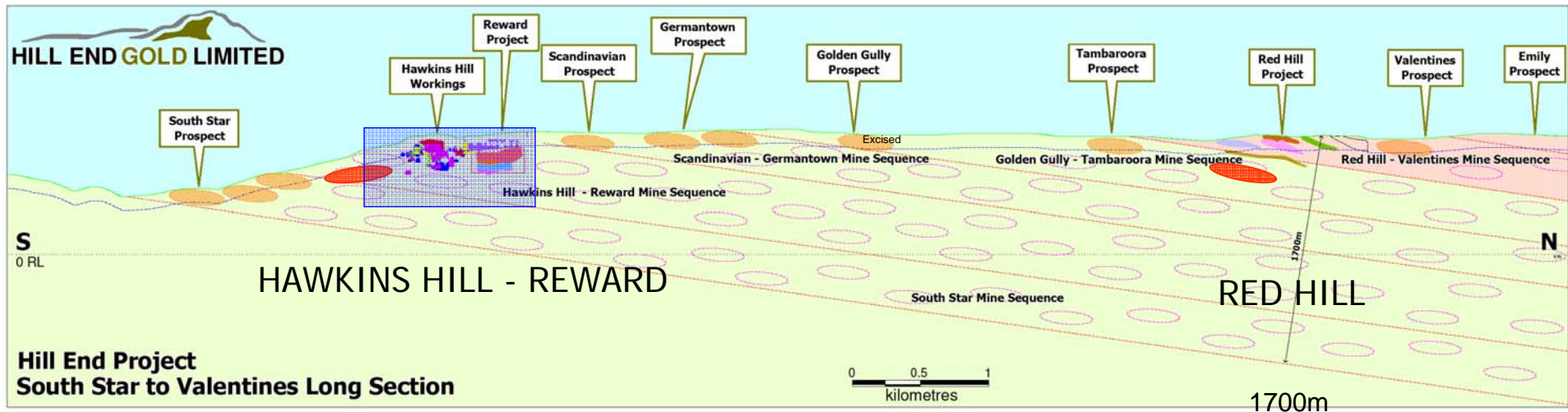
## Hawkins Hill – Reward resource expansion

Drilling and development expanding resources and increasing production



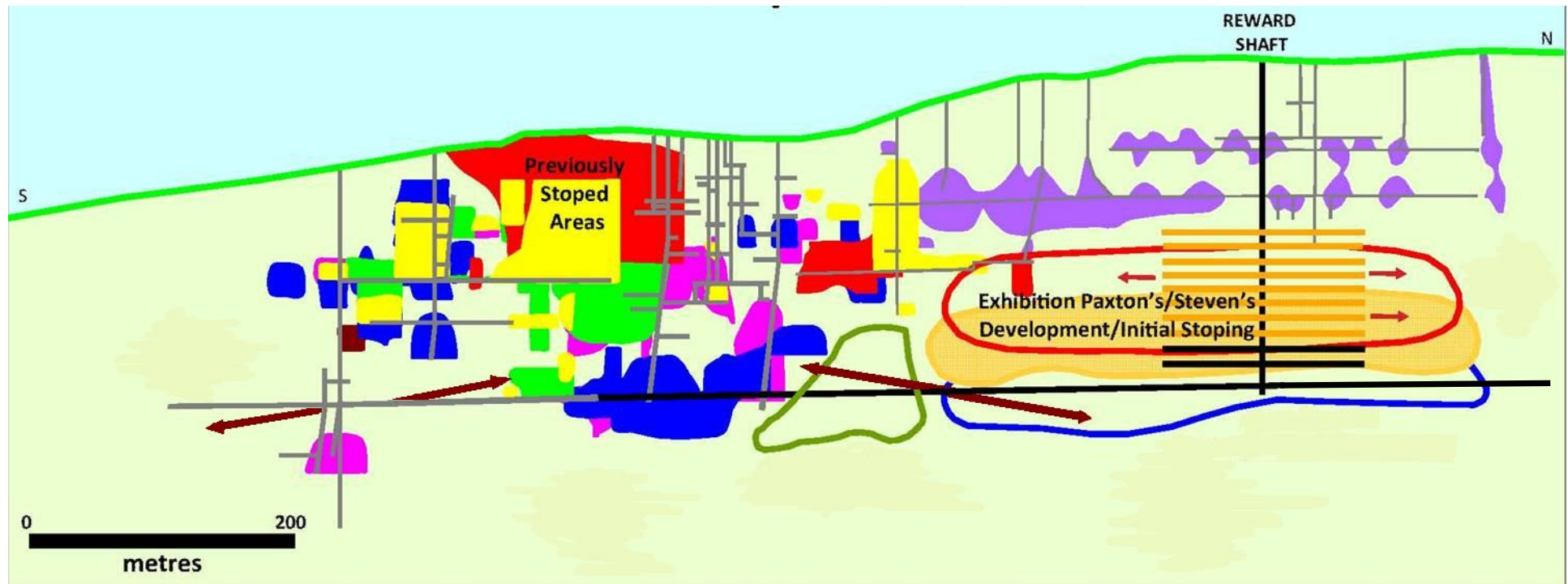


# Hill End Area 10km Long Section



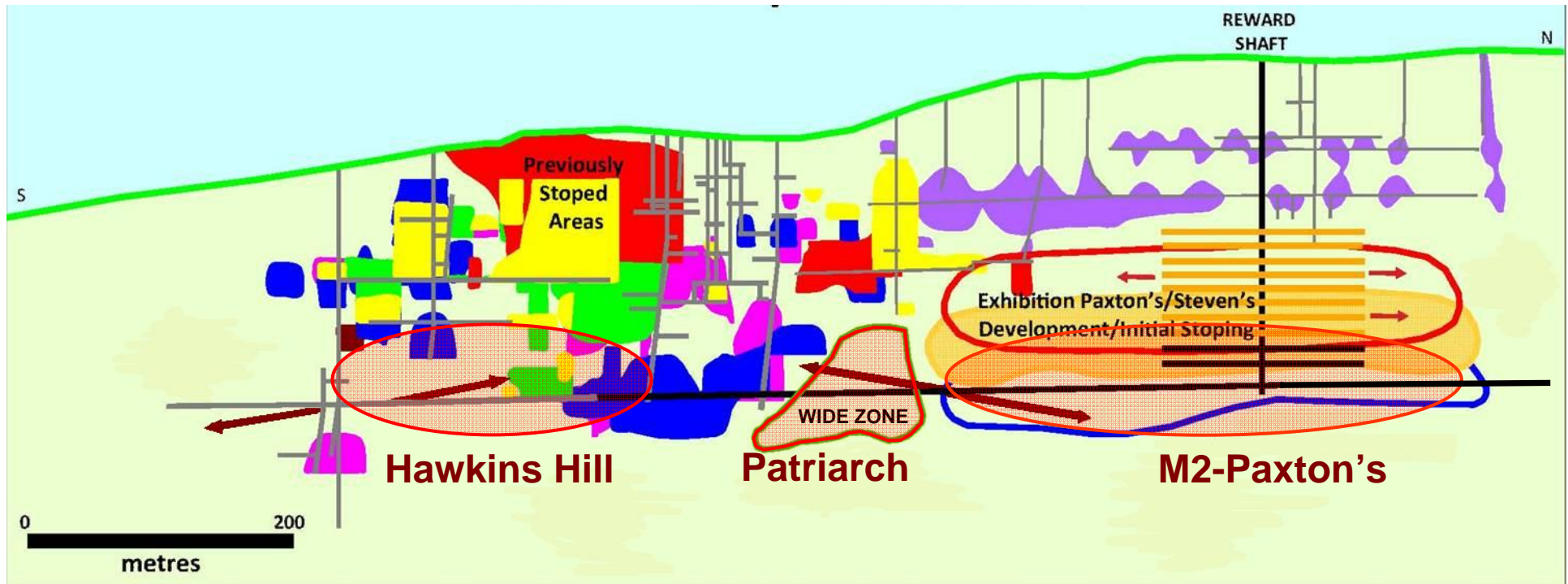
- ❑ Outcropping high grade deposits along structural corridor.
- ❑ Focus is on the Hawkins Hill - Reward deposit.
- ❑ Surface workings mostly untested at depth.
- ❑ Depth extent indicated by outcrop and plunge of system to be +2km.

## Hawkins Hill – Reward Expansion



- ❑ Previous production reported 425,000oz at 10oz/t.
- ❑ Current resources of 660,000 tonnes at 11g/t.

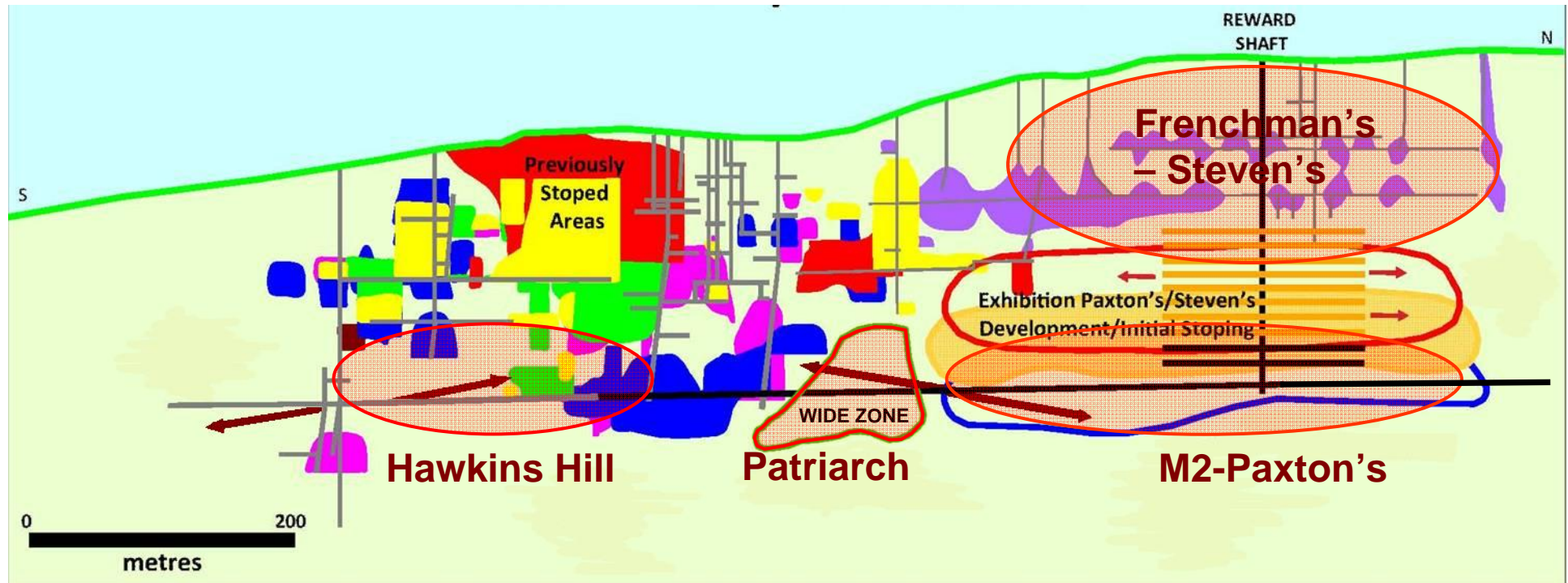
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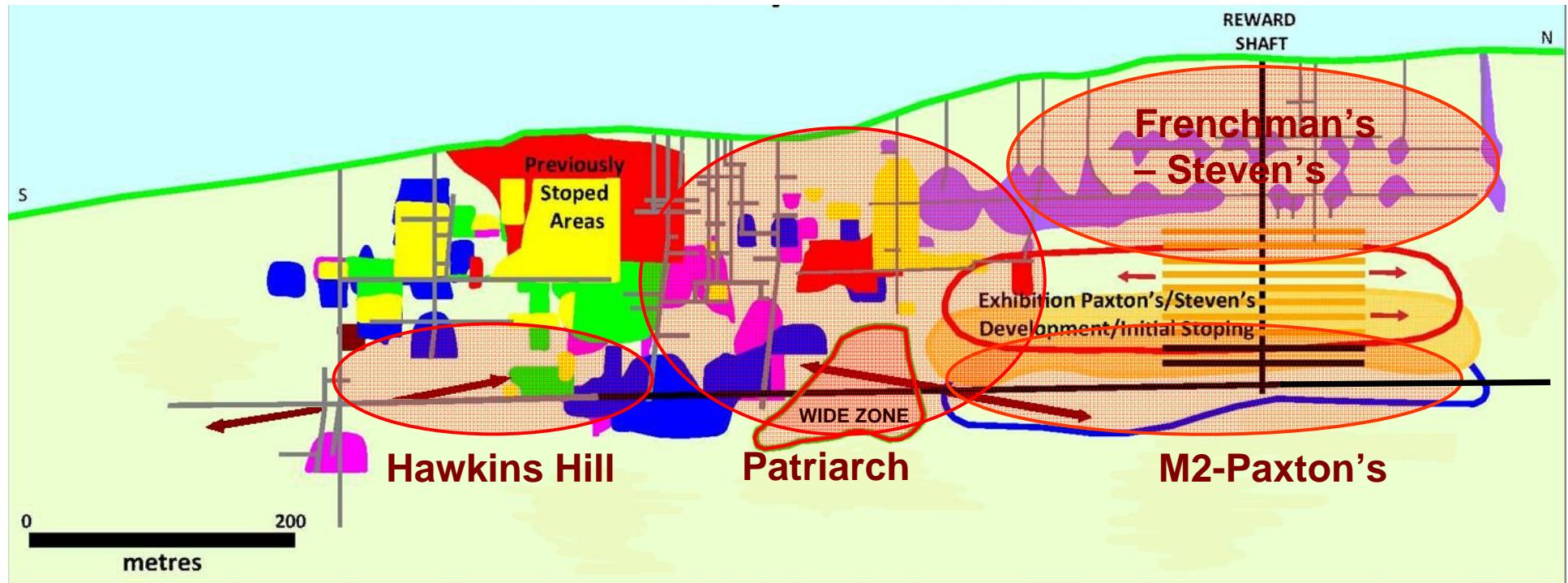


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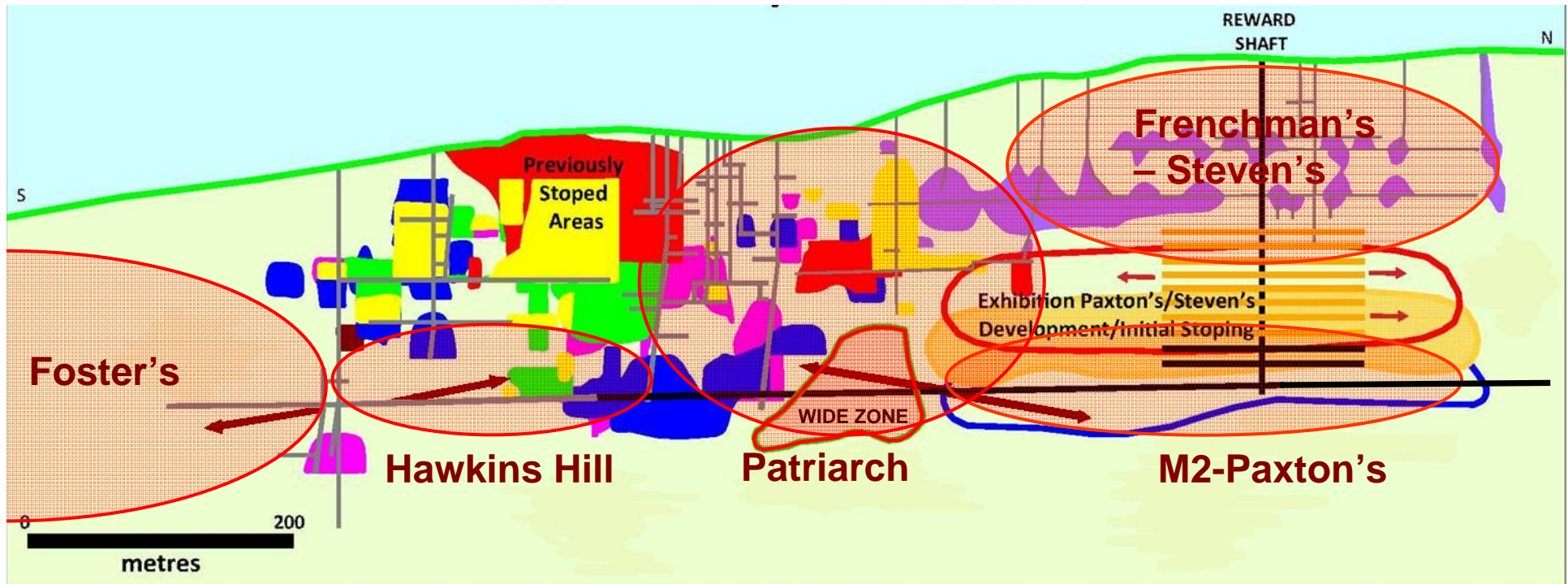
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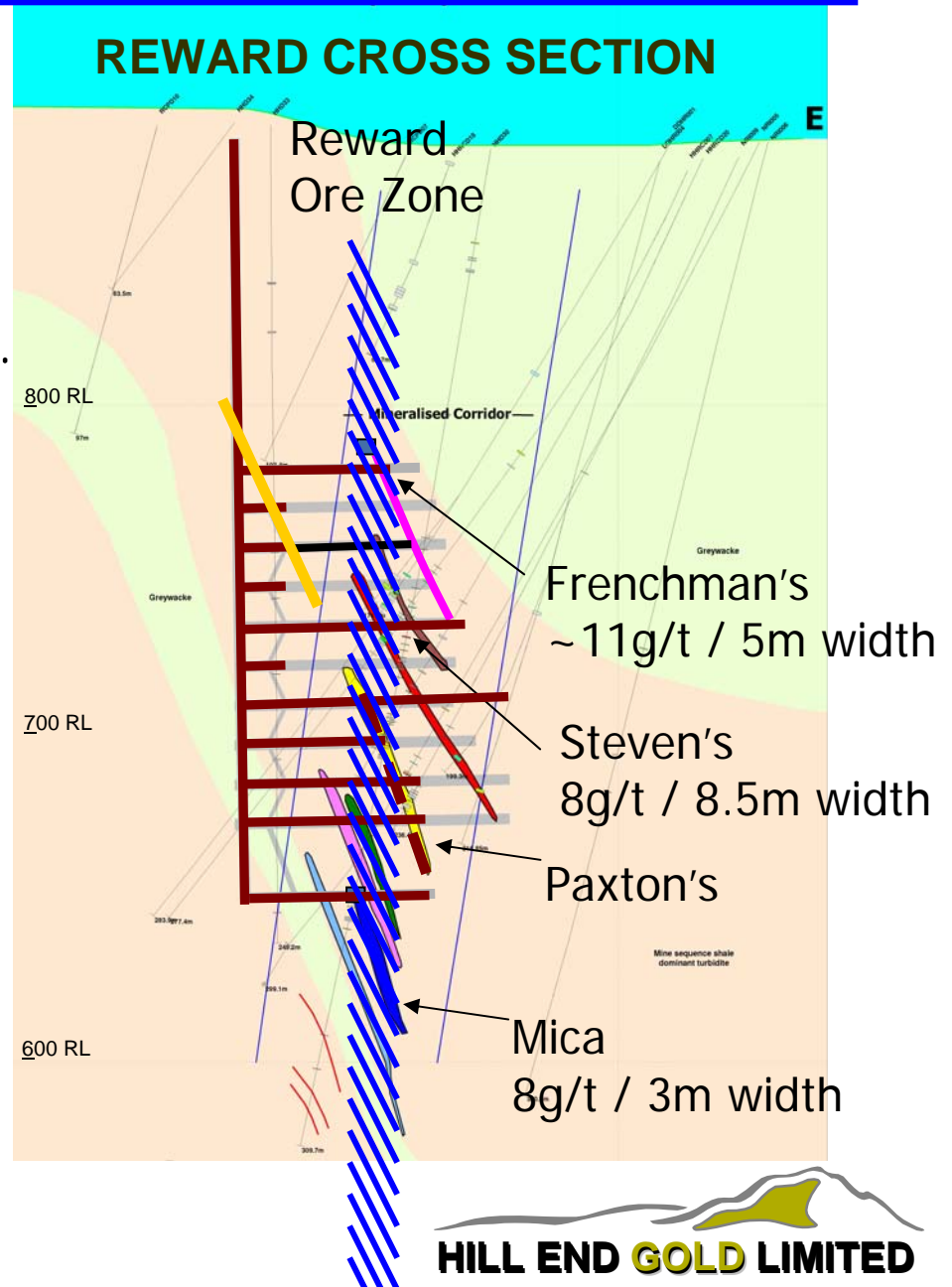
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## Reward shaft and drilling opens up wide zones

- ❑ Veinsets linked for ~300m downdip.
- ❑ New Reward Ore Zone plumbing system for gold.
- ❑ Mostly undrilled.
- ❑ Open at depth.





## Alimak lift in Reward shaft





## Lowering steel modules down shaft





## Reward shaft construction



**SHAFT SUPPORT AND  
STATION CUTTING**













Face sampling 5-10kg -> visual gold estimate within hours









## Narrow vein mining



**640 Mica 2**

**695 Paxtons**

**Scraper drives  
and crosscuts**

**Underhand  
benching**

**Overhand  
shrink stoping**

**Ladder rising**



## Wide zones up to 24m in Frenchmans





## West-dipping structural plumbing – Indicator system

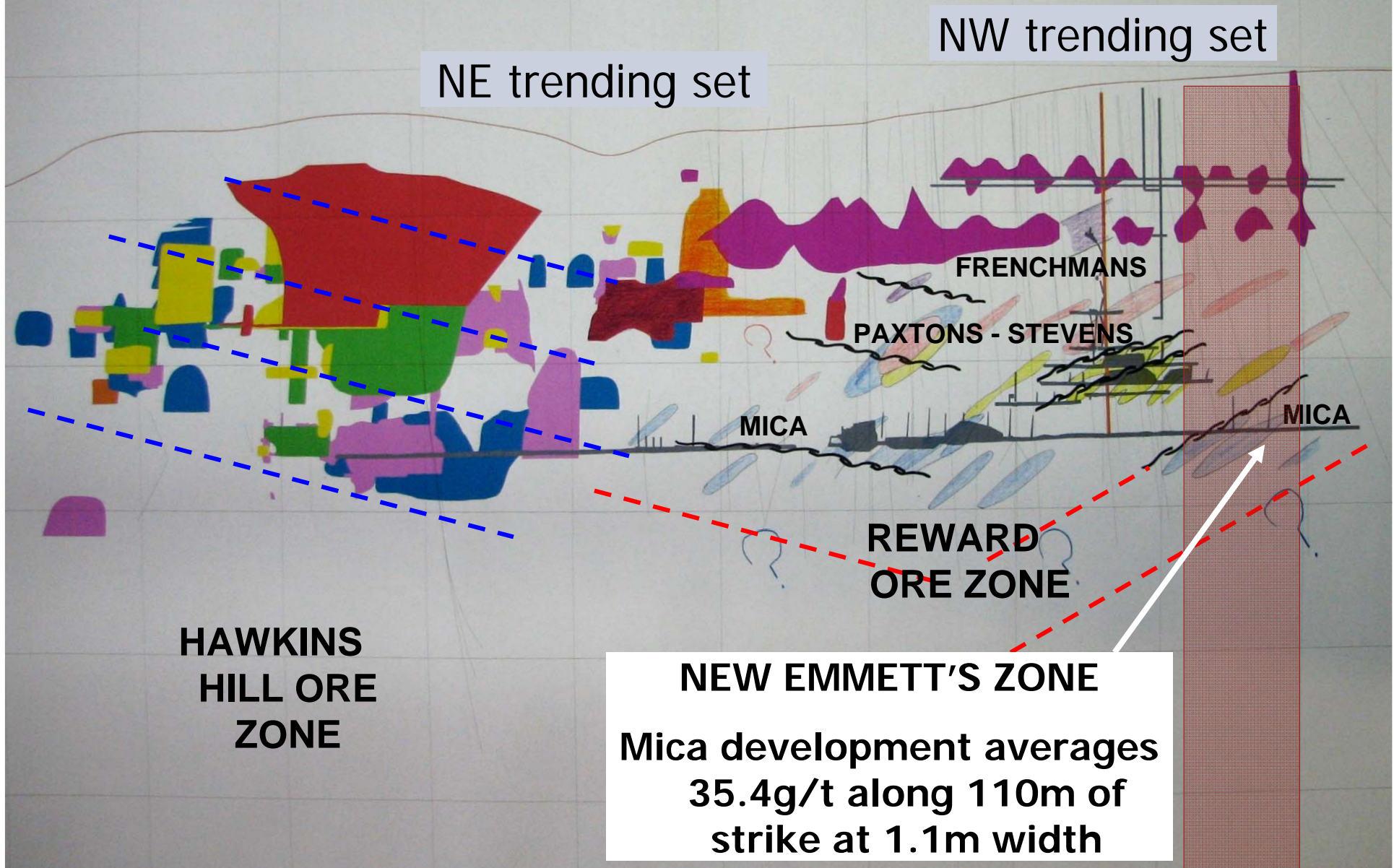
### Bonanza gold grades

- ❑ Conjugate fault system.
- ❑ En echelon dilation zones.
- ❑ Depth extent over 1000m?
- ❑ Gold follows individual faults.
- ❑ Carbonate alteration marker zones.





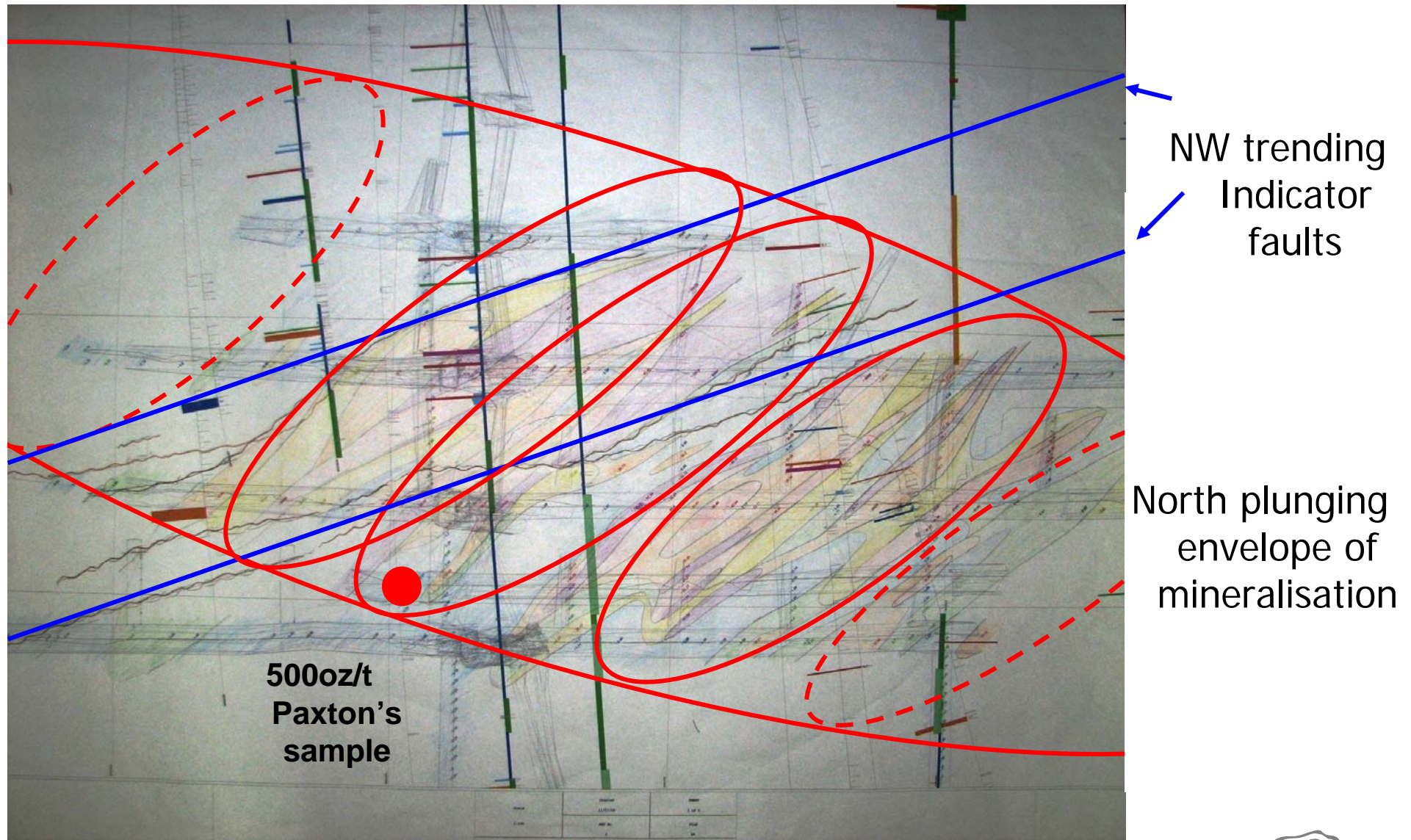
# Individual Indicator Faults mapped in Reward area



**NEW EMMETT'S ZONE**  
Mica development averages  
35.4g/t along 110m of  
strike at 1.1m width



# Bonanza grade gold shoots in Paxton's stoping



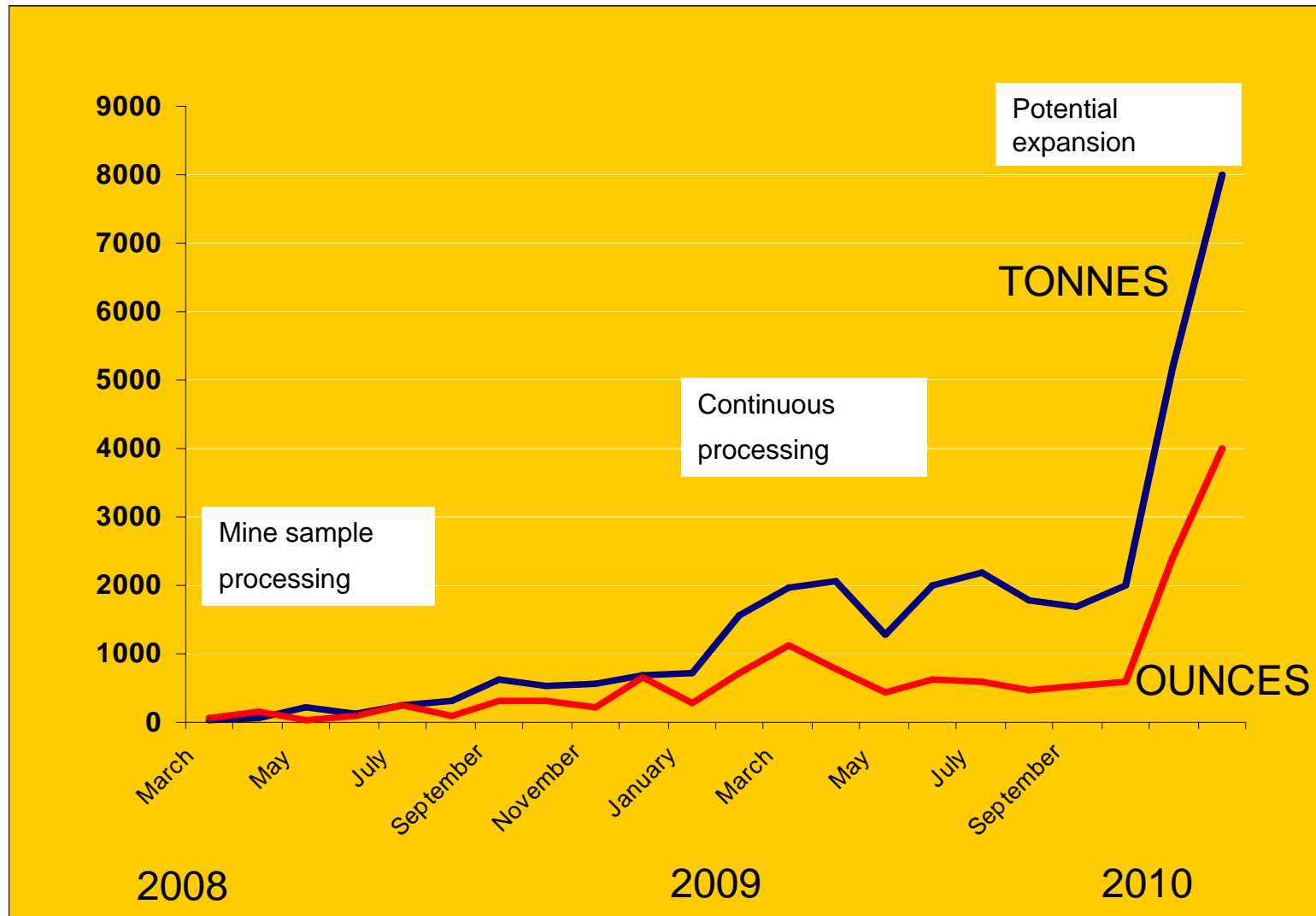
## Initial Gold Resources / Exploration Potential

Source	Tonnes	g/t Au	Gold Ounces
Reward Inferred Resource	658,100	10.6	223,700
Red Hill Inferred Resource	849,300	3.3	89,200
<b>TOTAL INFERRED RESOURCE</b>	<b>1,507,500</b>	<b>6.5</b>	<b>312,900</b>
Reward Midpoint Exploration Potential	1,880,900	12.5	864,200
Hargraves BNH midpoint Exploration Potential	1,131,700	7.7	281,000
<b>TOTAL midpoint EXPLORATION POTENTIAL</b>	<b>3,012,600</b>	<b>11.8</b>	<b>1,145,200</b>

- ❑ Based on drilling and initial Reward development.
- ❑ Resources being expanded by development and drilling.
- ❑ Reward scope of 1-2mt at 10-20g/t.
- ❑ Hargraves drilling to delineate initial resource.
- ❑ Hargraves scope of +10mt at 4g/t.



# Hill End progressing from sampling to production



## 10tpd gravity sample plant



- ❑ Plant designed for complete clean out after each batch sample.
- ❑ VSI, hammer mills, no ball mill.
- ❑ Early batching of ~10 – 20tpd.
- ❑ Plant now modified to process up to 120tpd.
- ❑ Gold recovery 95-97%



10tpd sample plant -> 120tpd capacity

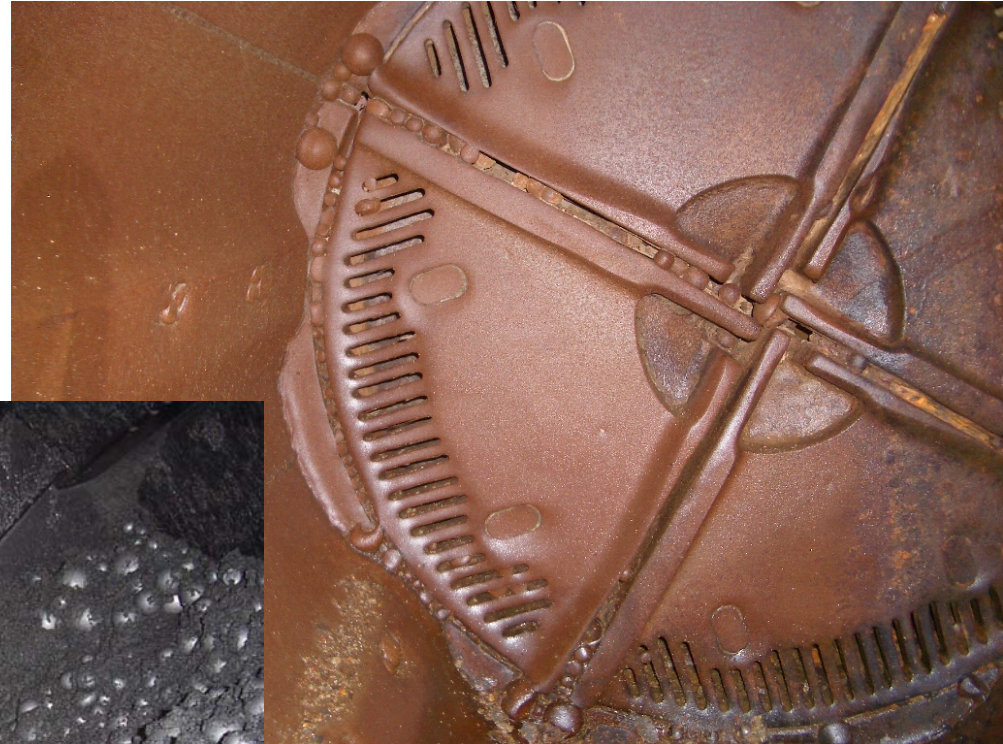




## Ball Mill conversion

Grate discharge steel wave liners  
(4x4) to overflow rubber  
liner/lifter design (4x5)

20 / 30mm balls -> 30 / 50mm





## Secondary crusher modifications

**Water flush**

**Hammer design**

**Hammer material**

**Distribution plate**

**30 : 1 reduction ratio**

**70% cost reduction**





## 120tpd continuous processing















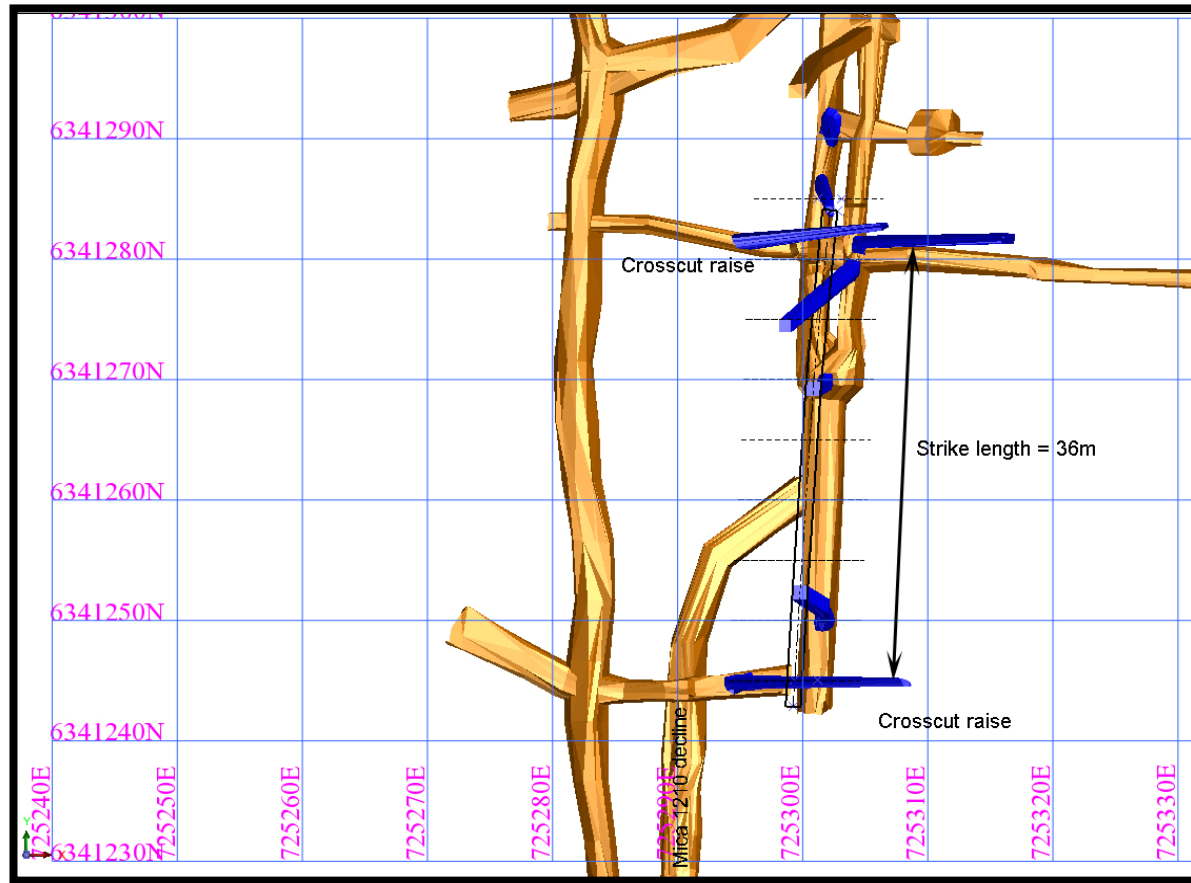
# Reward Gold Mine

## 1270 AIRLEG STOPE

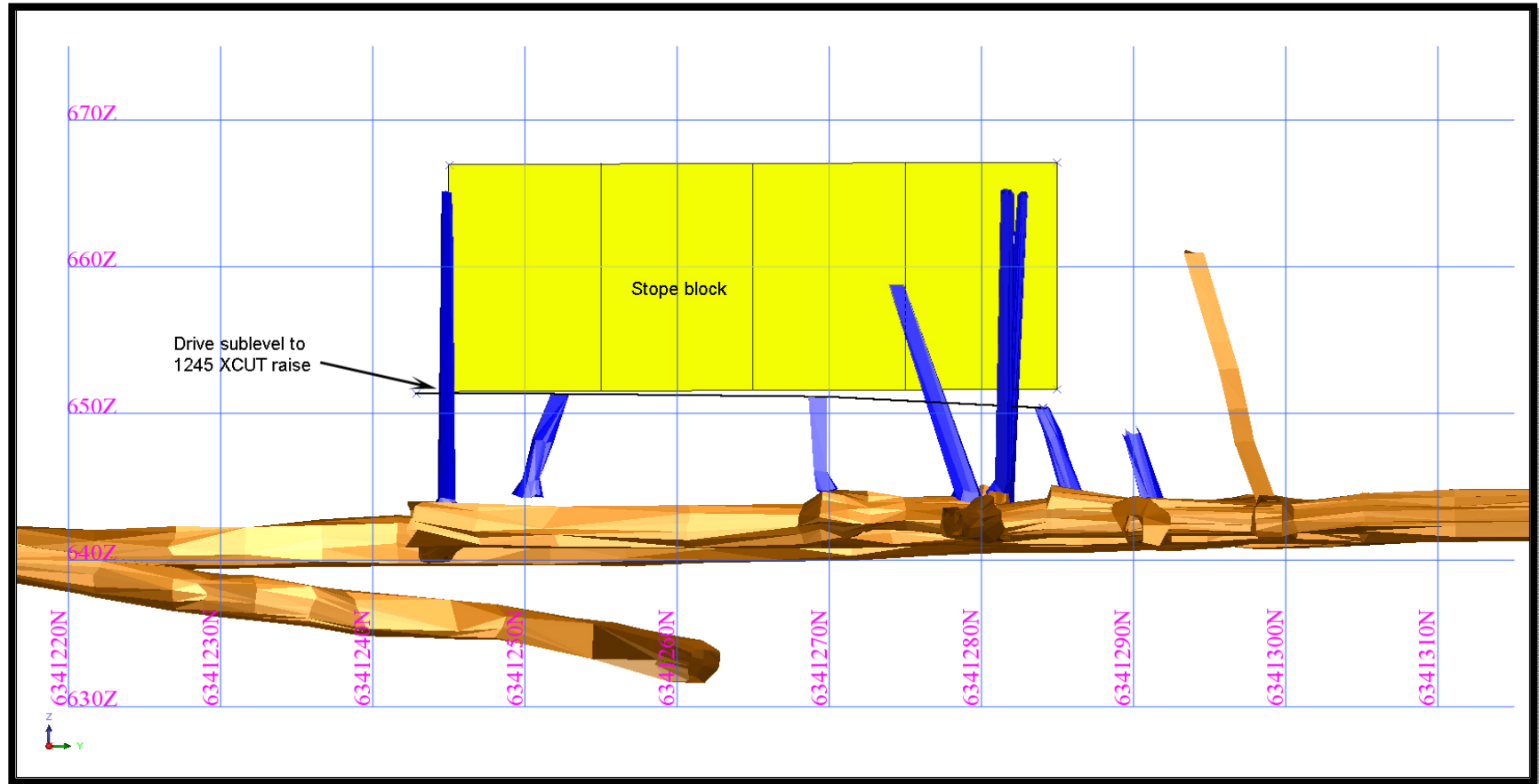




# 1270 STOPE - PLAN VIEW

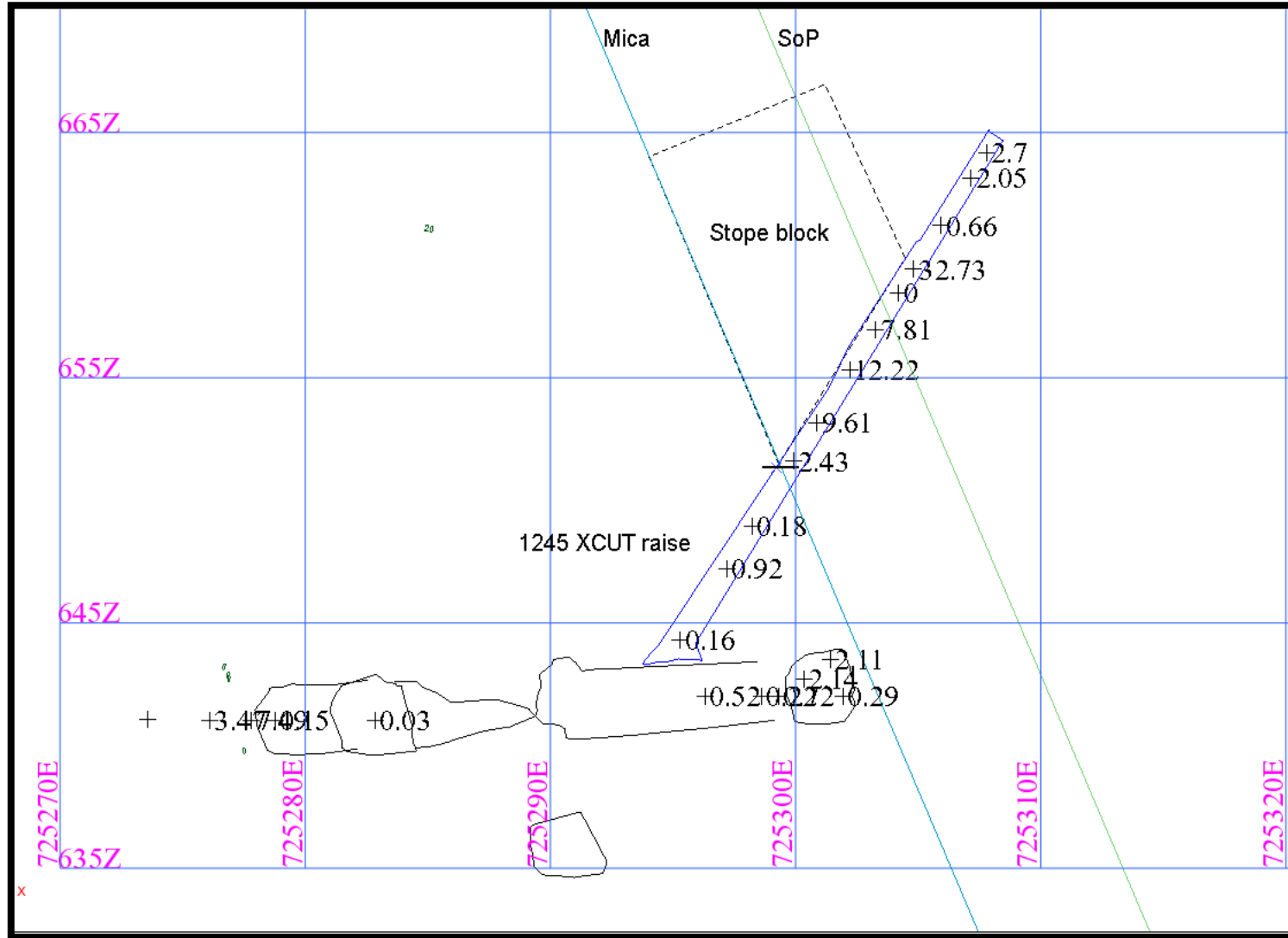


# 1270 STOPE - LONG SECTION

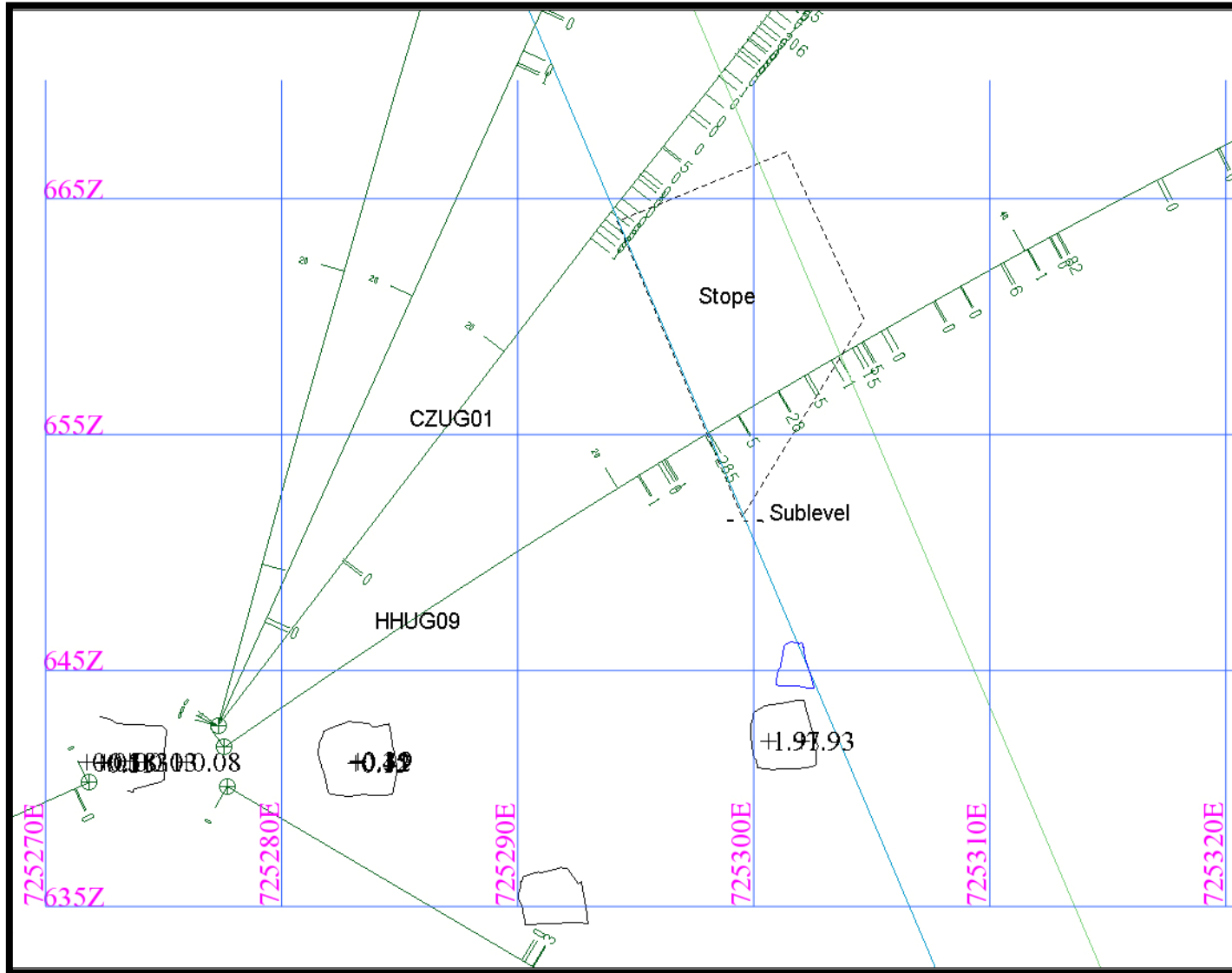




# 1245 CROSS SECTION

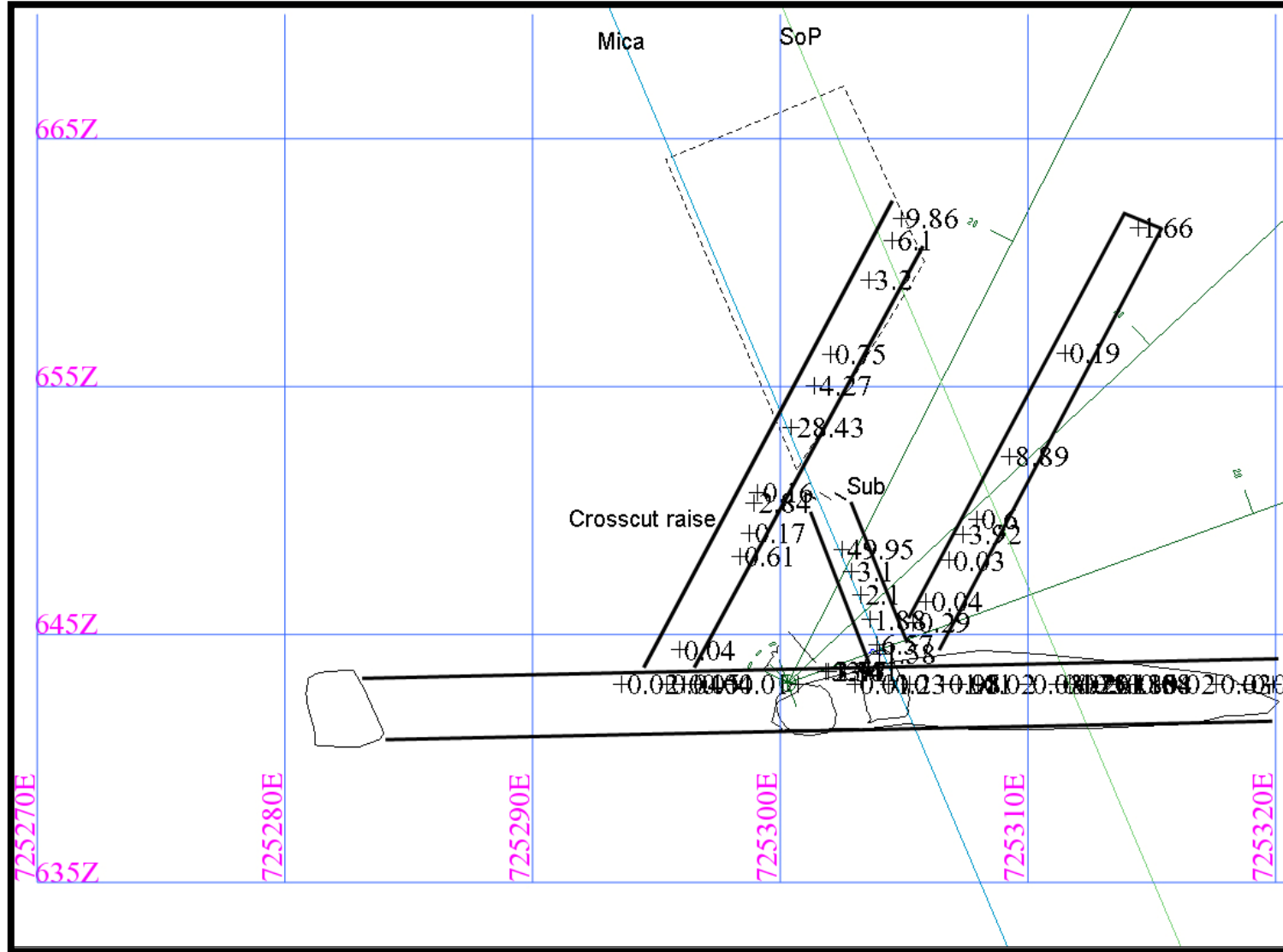


# 1250 CROSS SECTION





# 1280 CROSS SECTION



**EXPANSION of the  
REWARD GOLD MINE**

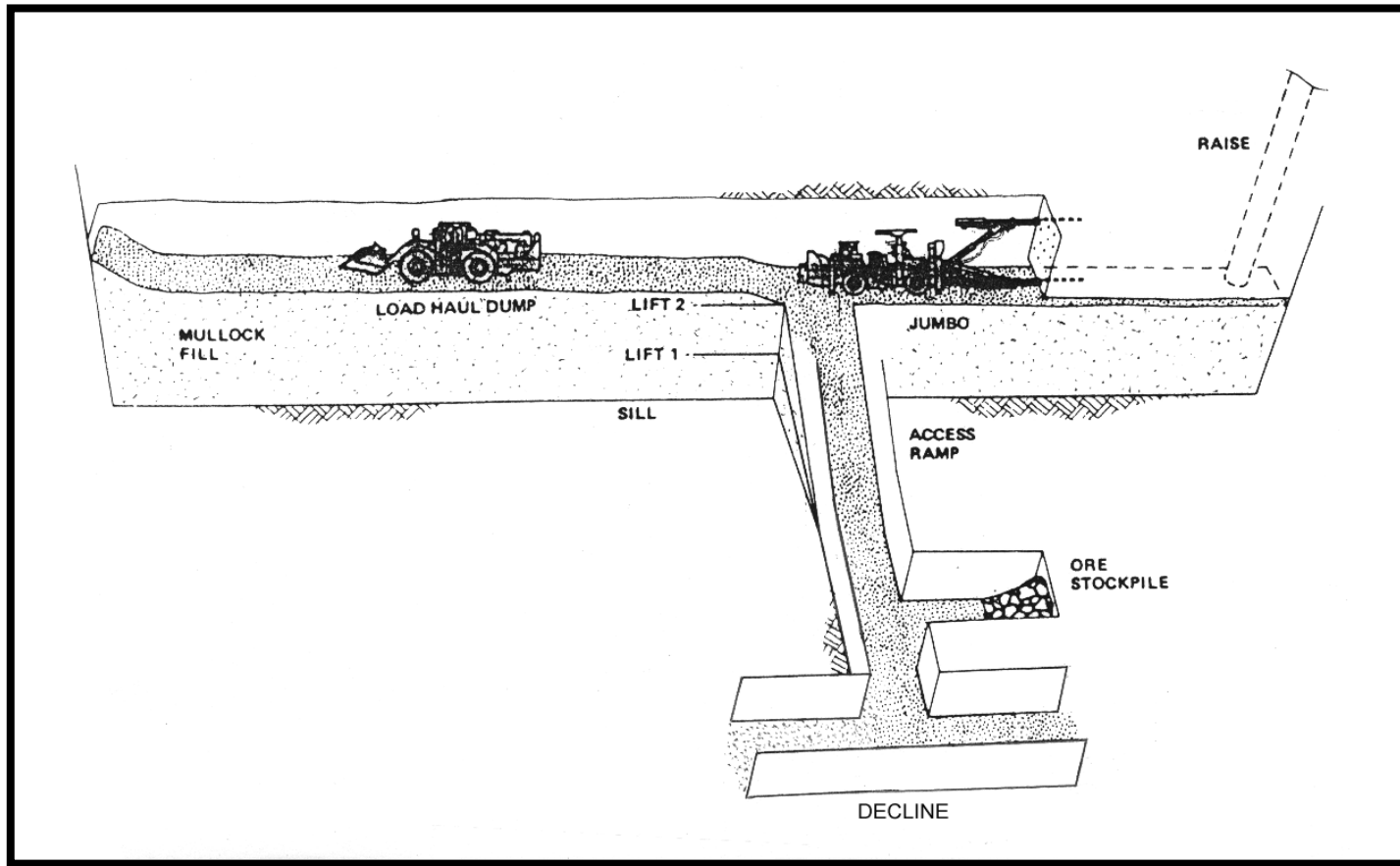




# PRODUCTION EXPANSION

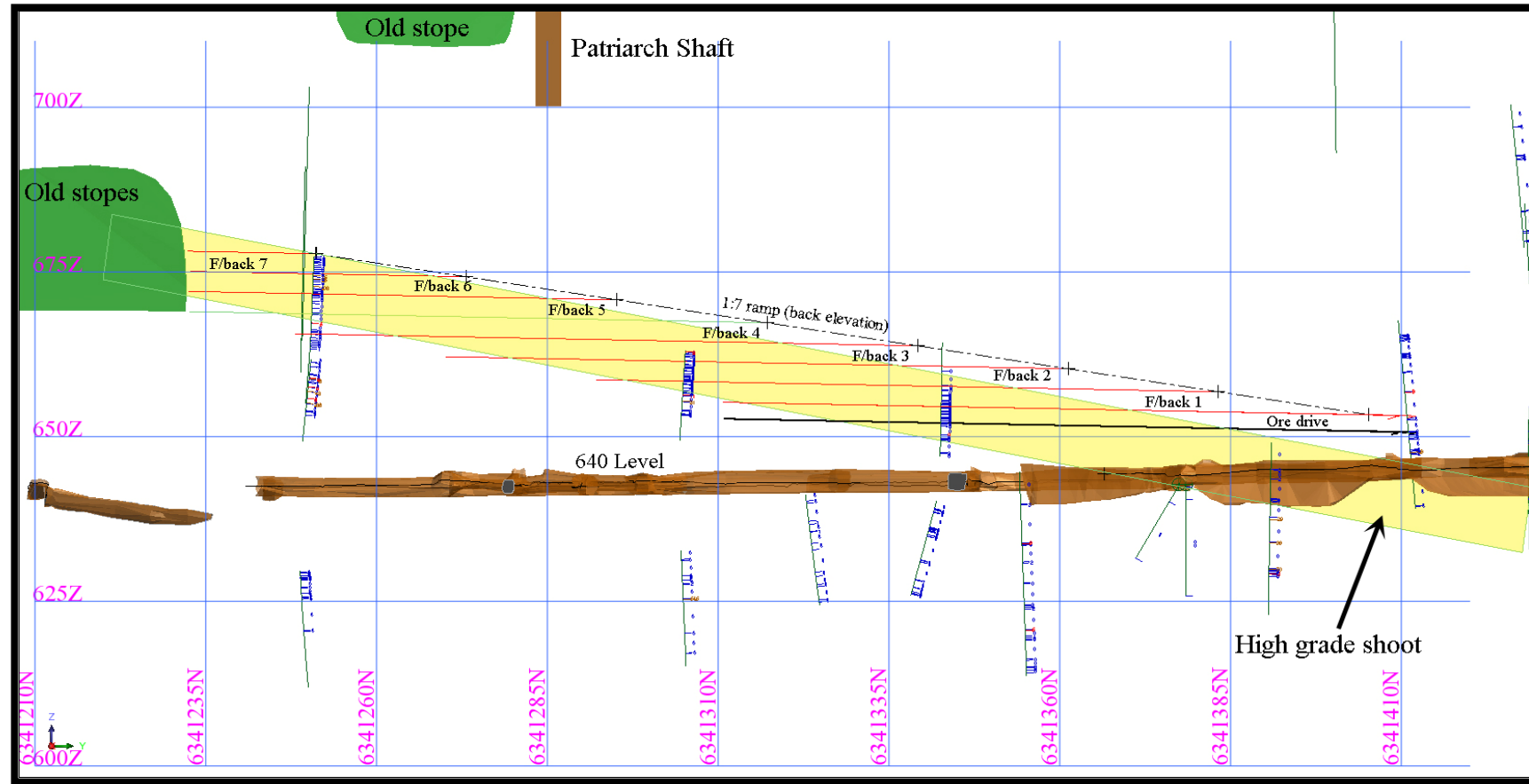
- Drilling remains critical activity
  - Definition of high grade shoots and wide zones
  - Upgrade resource confidence and convert to ore reserves
  - Improve ability to plan systematic extraction
  - Drilling below 640L also important
  - Production planning horizon minimum two years and five years life
  
- Mechanisation where practical
  - Multiple veins in Reward Ore Zone with widths 2.5 – 15m
  - Initial wide stoping (longhole) in Patriarch area
  - Max stoping width with entry methods ~8m
  
- Accelerate pre-production development
  - Declines commenced below 640 level
  - Open a further 50m below 640 level in Mica / Amalgamated / Brands & Fletchers
  - Decline into new Fosters area – Brands & Fletchers
  
- Maintain high grade, narrow airleg stoping operations

# FLATBACK STOPING – SOP/MID





# FLATBACK STOPPING - SOP/MID



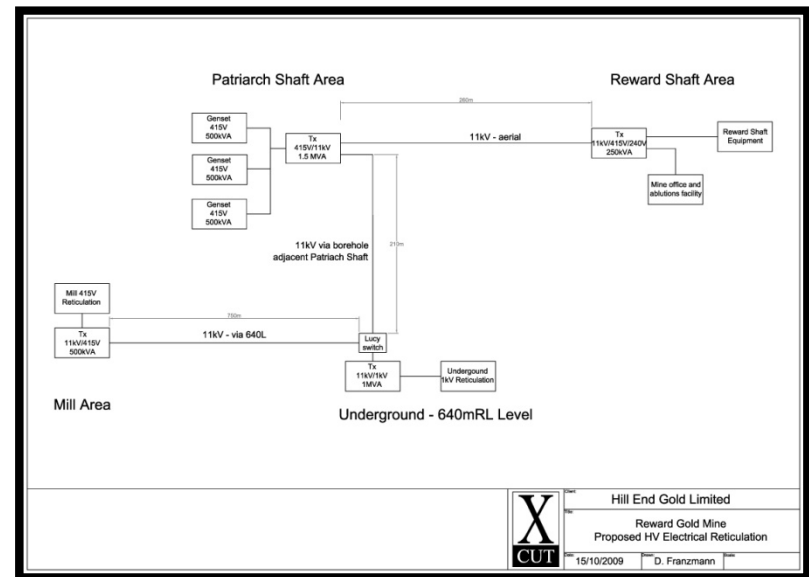
# FLATBACK STOPING

- Initial mining inventory ~ 17,000t at 15g/t (SOP/MID)
- Estimated production rate ~ 1,750 t/month from single stope area
- Requires 5 production areas to achieve ~100kt/annum
- Allows use of tailing material and mullock as backfill
- Minimises the size of tailings dam
- Allows good flexibility to change in ore geometry
- Systematic system following high grade shoot



# CAPITAL REQUIREMENTS

- Upgrade electrical system
  - Centralised power station (Patriarch Shaft Area)
  - 11kV reticulation underground to Amalgamated mill
  - 1kV underground reticulation
    - Jumbo, diamond drill, pumps and ventilation
- Cost ~\$1 million

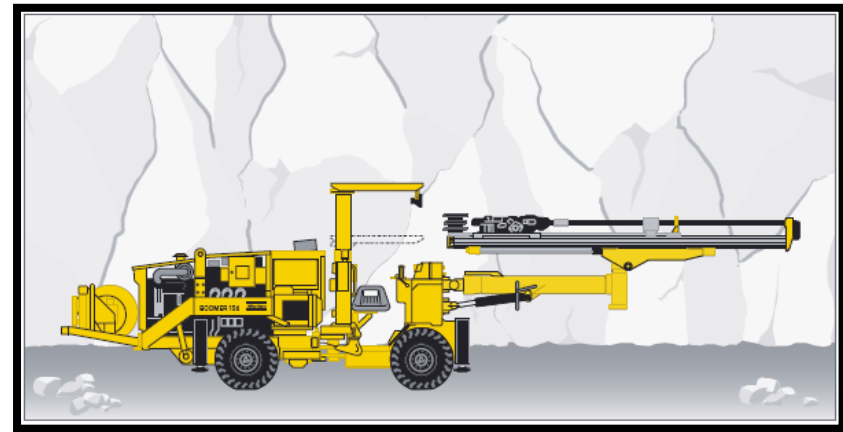


# CAPITAL REQUIREMENTS

- Construct mine services infrastructure at Exhibition Flat – Cost ~\$200K
  - Ablutions, training, first aide, mine offices
- Accommodation – solution required
- Expand Mill capacity to 100,000tpa - ~\$1.5m
- Decline/Incline development to provide access future stoping areas
  - Initial access declines commenced – final design pending geological definition

# CAPITAL REQUIREMENTS

- Trucks – 2 additional trucks (3 total)
  - \$270K each new
- LHDs – one additional Toro 151 (3 total)
  - ~\$450K?
- Atlas Copco 104
  - ~\$795K
- Processing plant
  - Total cost ~\$1.5m
  - Augmentation of Amalgamated plant in same footprint
  - New primary and secondary crushers
  - Second hand Knelson concentrators x 2













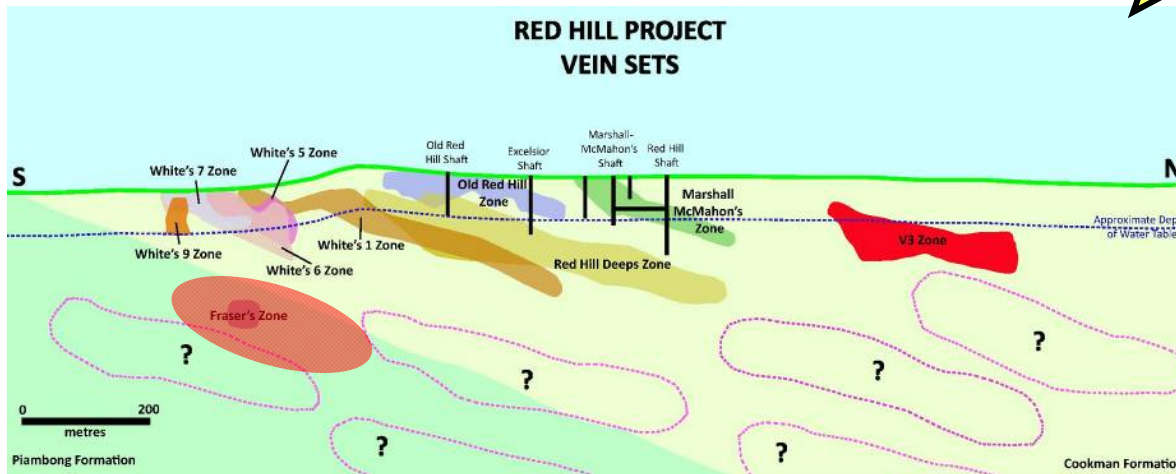
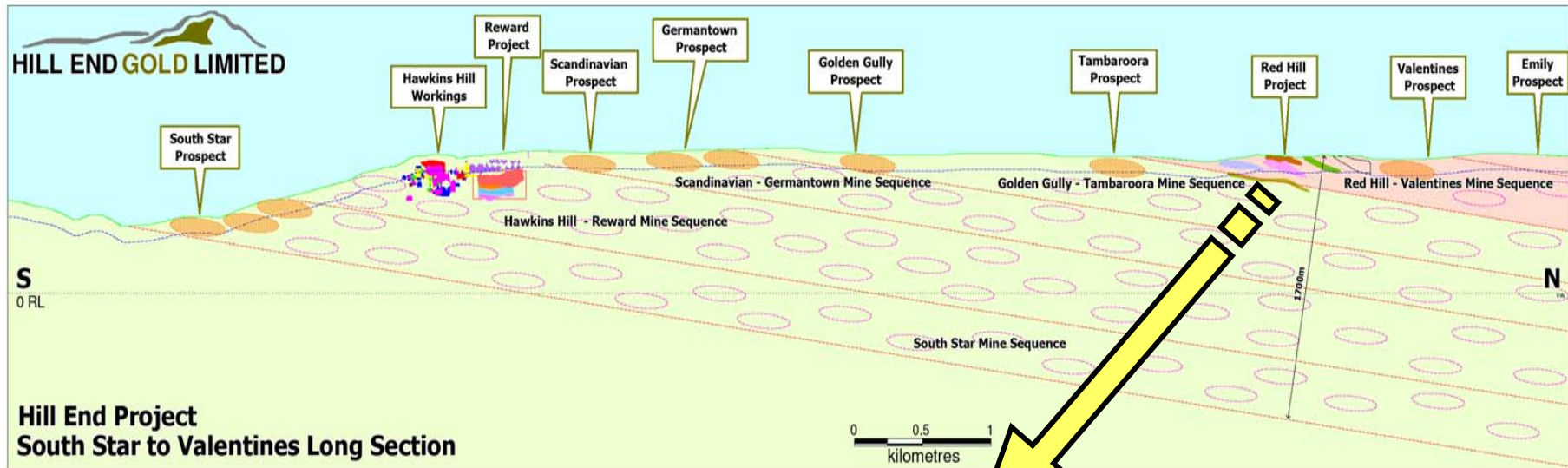


# OTHER MATTERS

## ■ Government Agencies

- ❑ Security deposit (estimate of rehab cost) increase from (~\$380K)
- ❑ Update the Mine Operations Plan for escalation in scale
- ❑ Development Consent to Bathurst Regional Council
- ❑ Complete Mine Closure Plan

# Red Hill open pit and underground potential



**Current resource 849,312 tonnes at 3.27g/t, located 4km north of Reward**

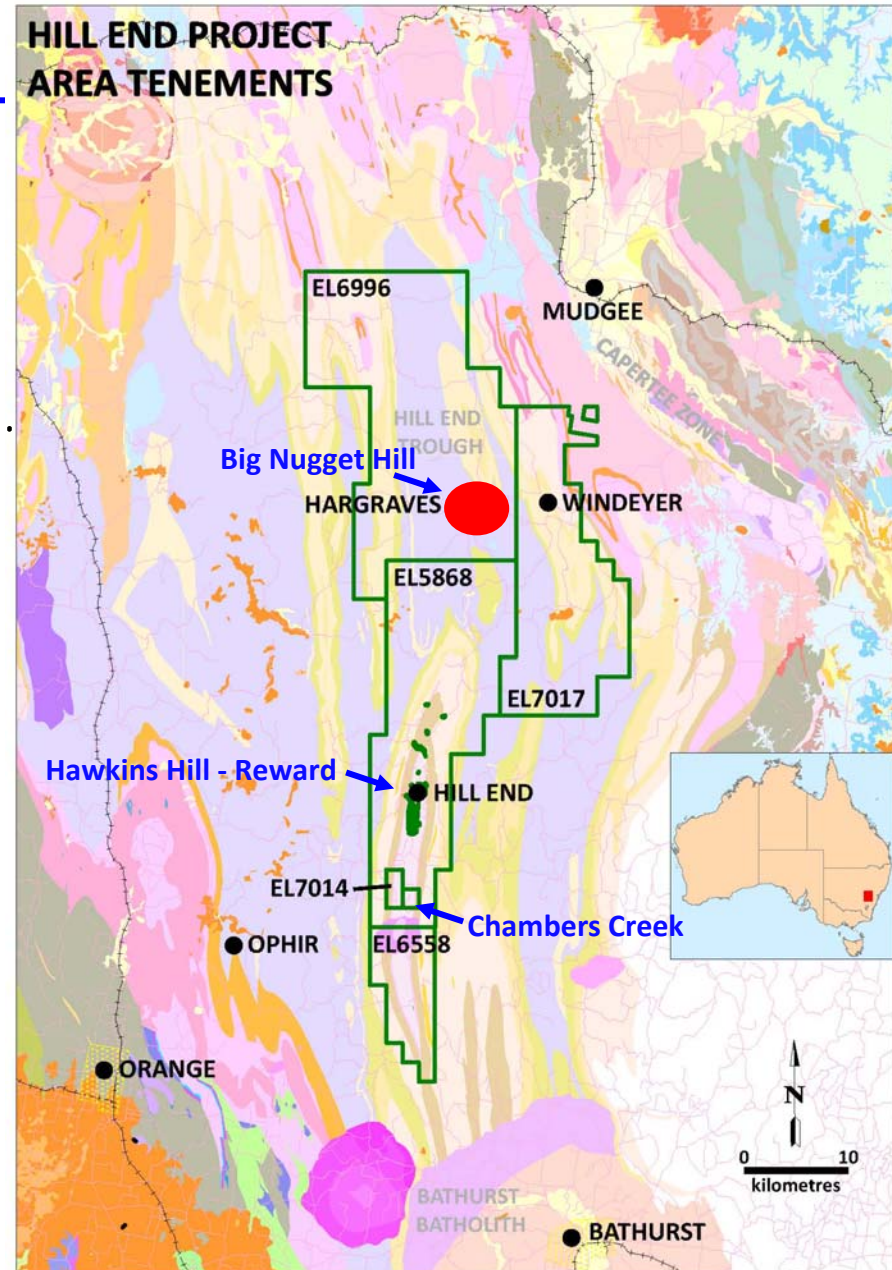
**Further drilling planned:**

- Valentines extension to south
- Fraser Zone of 8m at 12g/t
- New discovery at Tambaroora

**Fraser's Zone has same features as Hawkins Hill – Reward deposit**

# Hargraves Project

- ❑ 35 kilometres north of Hill End.
- ❑ Parallel structures host mineralisation.
- ❑ Intersections up to 75m at 4.2g/t.
- ❑ 50kg gold in quartz outcrop 1851.
- ❑ Potential scope 150-200,000ozpa.





## Hargraves zone 4km x 10km

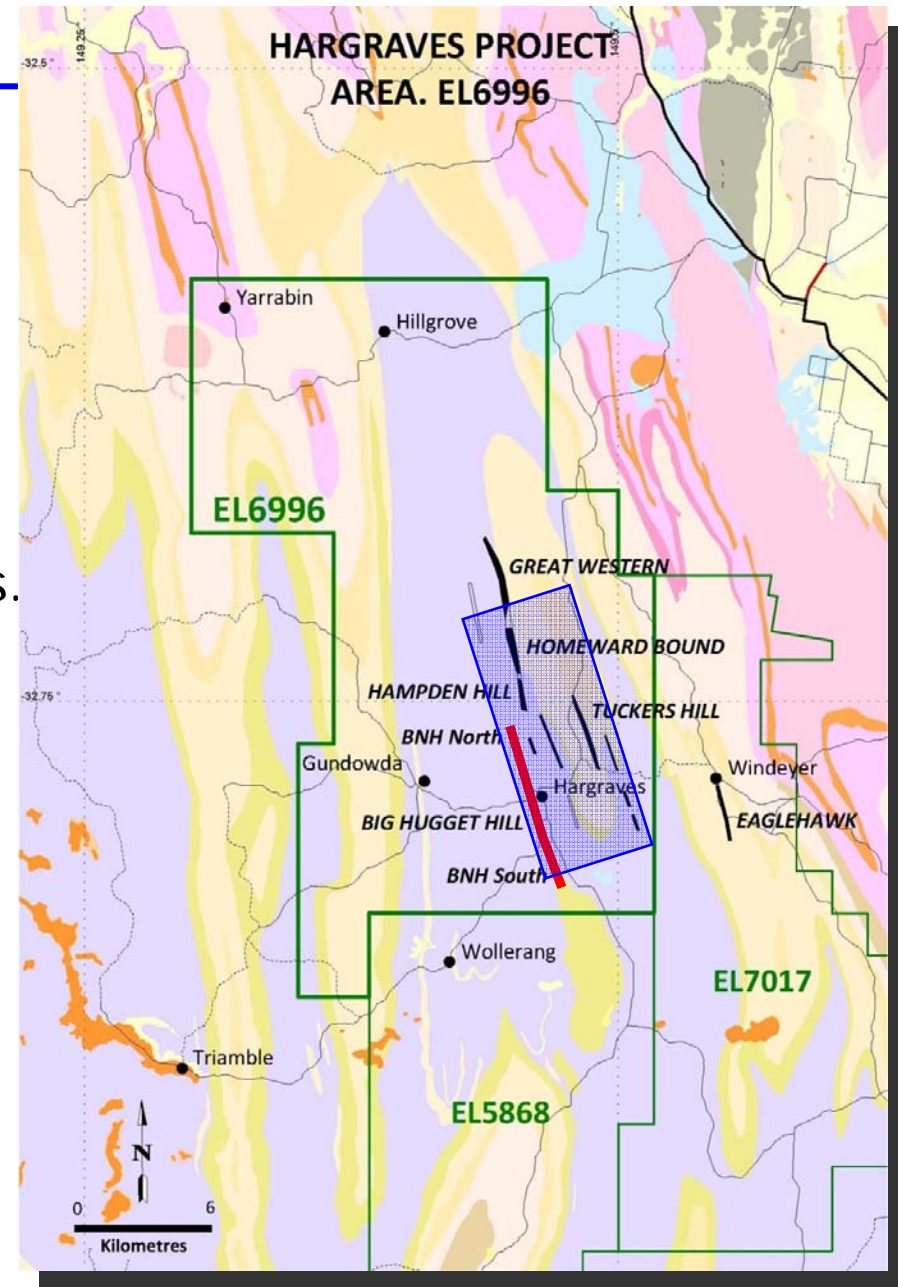
Numerous prospective zones with little modern exploration.

### Big Nugget Hill

- ❑ Fold structure axis mineralisation.
- ❑ 50kg gold in quartz outcrop 1851.
- ❑ Large nugget field - 3000oz pieces.
- ❑ Part mined to water table only.

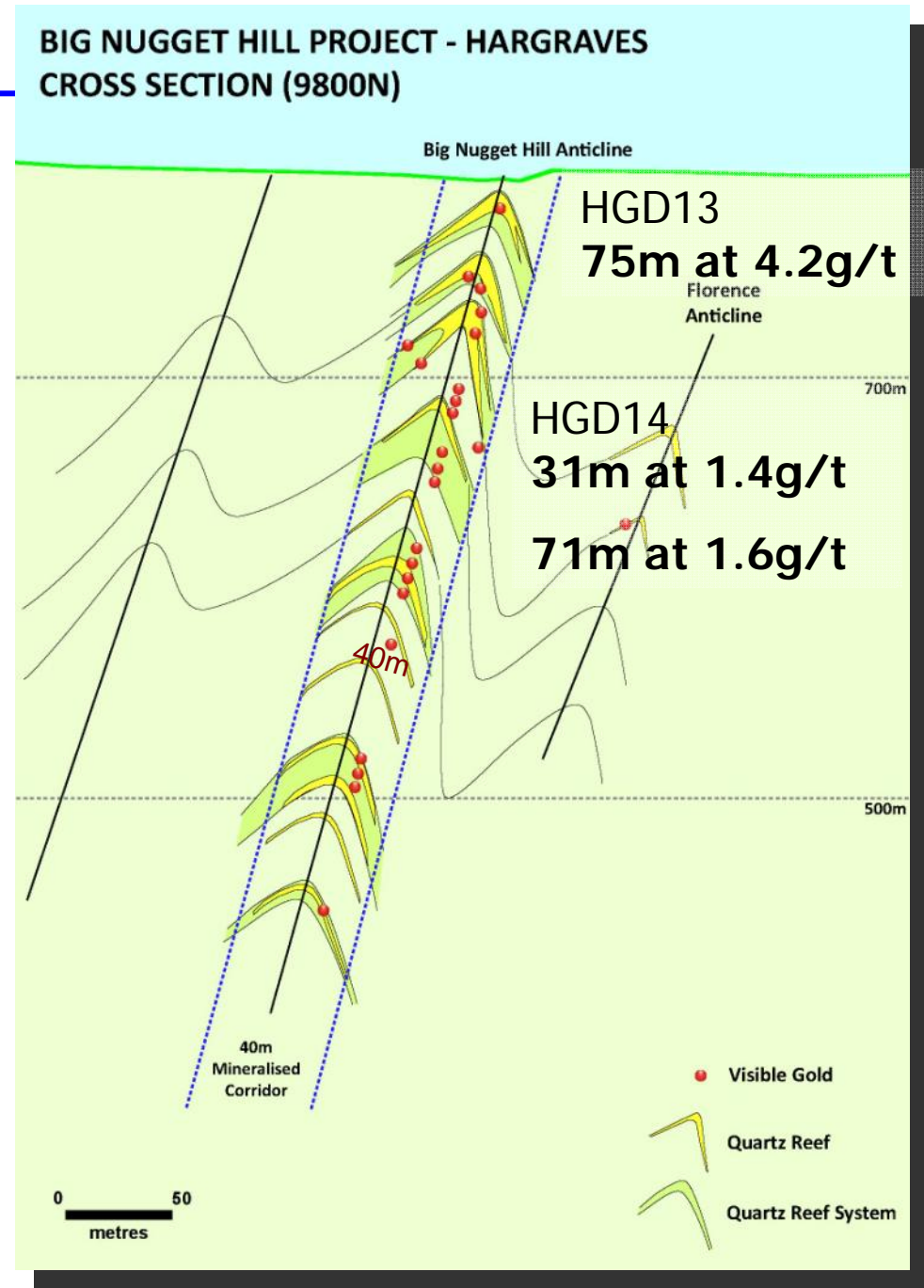
### Tuckers Hill

- ❑ 8720oz @ 1.76oz/ton.
- ❑ Mined to water table.
- ❑ Hill End en echelon style.



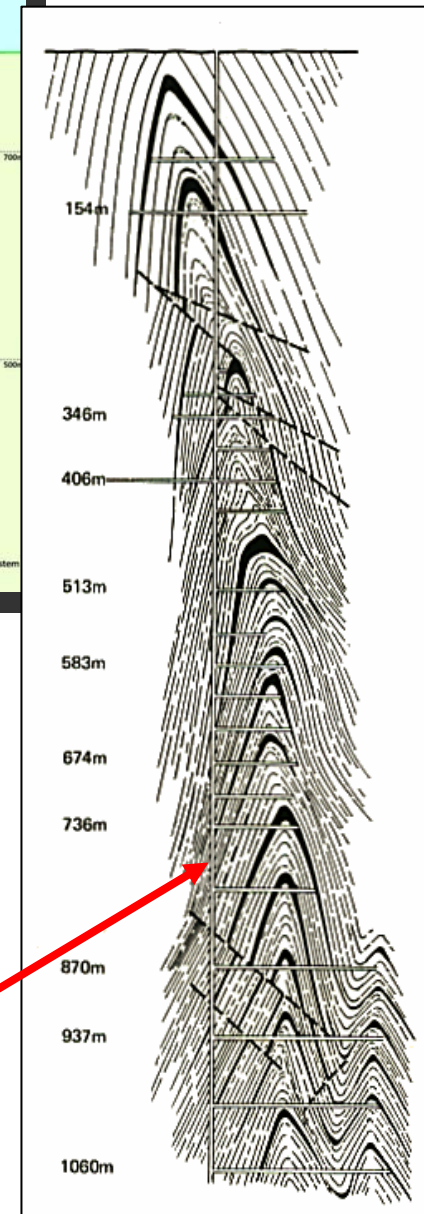
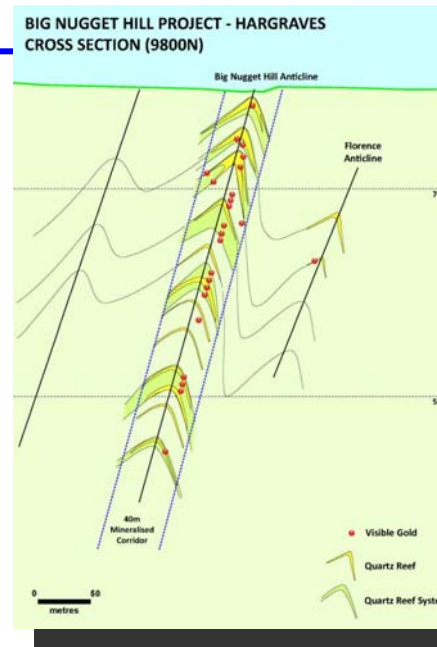
## BNH 40m wide zone

- ❑ Mineralisation open at depth and along strike.
- ❑ Densely mineralised gold – quartz veining almost continuous down structure.
- ❑ Adjacent mineralised structures.



## BNH potential

- ❑ 40m wide unmined from near surface.
- ❑ Open at 400m depth and over 1000m along strike.
- ❑ Bulk mining, large scale potential.
- ❑ Coarse gold – simple processing.
- ❑ Target scope +10mt at 4g/t.



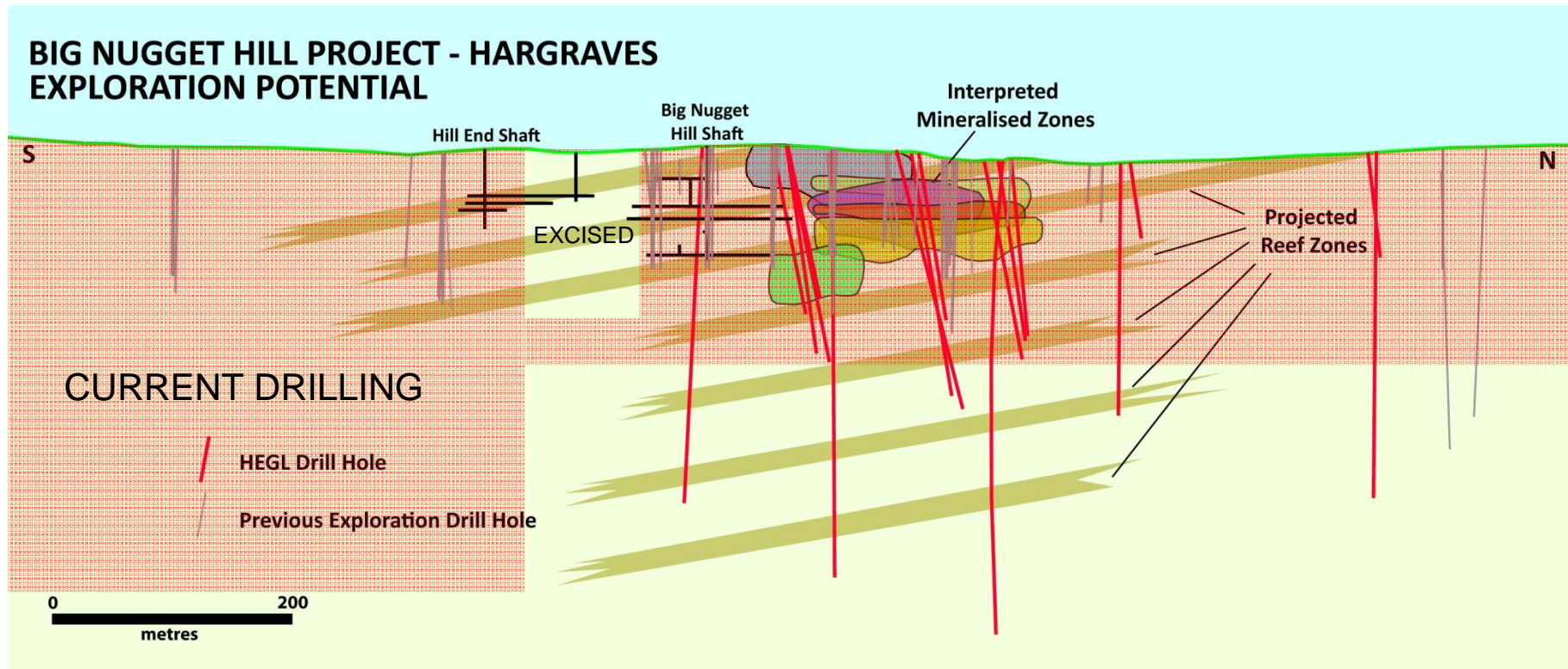
Bendigo

Reefs ~100m apart.

Mining 750m below surface.



## Hargraves Project - Big Nugget Hill 1km long section



- ❑ Previous work outlined 1500m strike of strong gold mineralisation.
- ❑ 2008 - 4,082m of HQ3 drilling correlated wide high grade zones.
- ❑ Open at depth and along strike.
- ❑ Current drilling – 12,000m HQ3 / RC to outline initial resource.



# Hill End Community









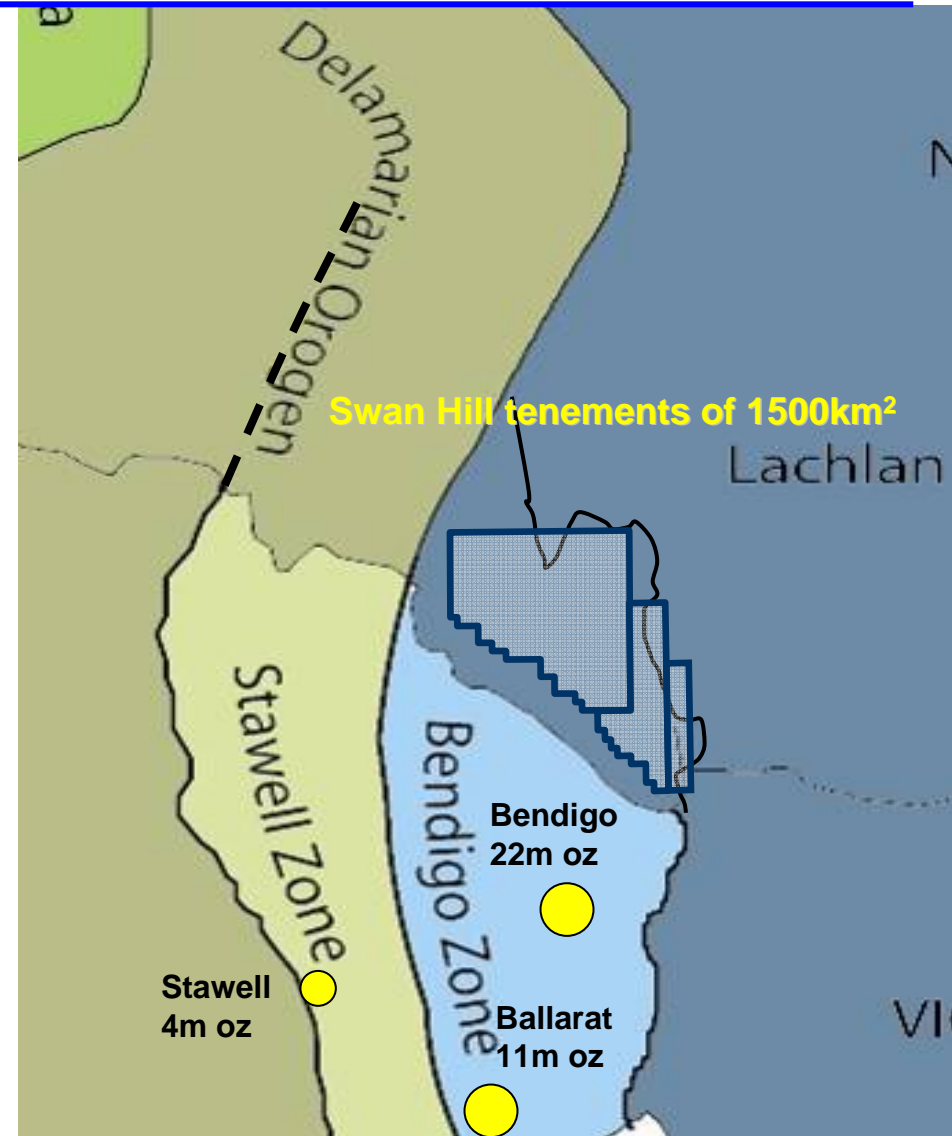
## Environmental cleanup of deeply eroded area



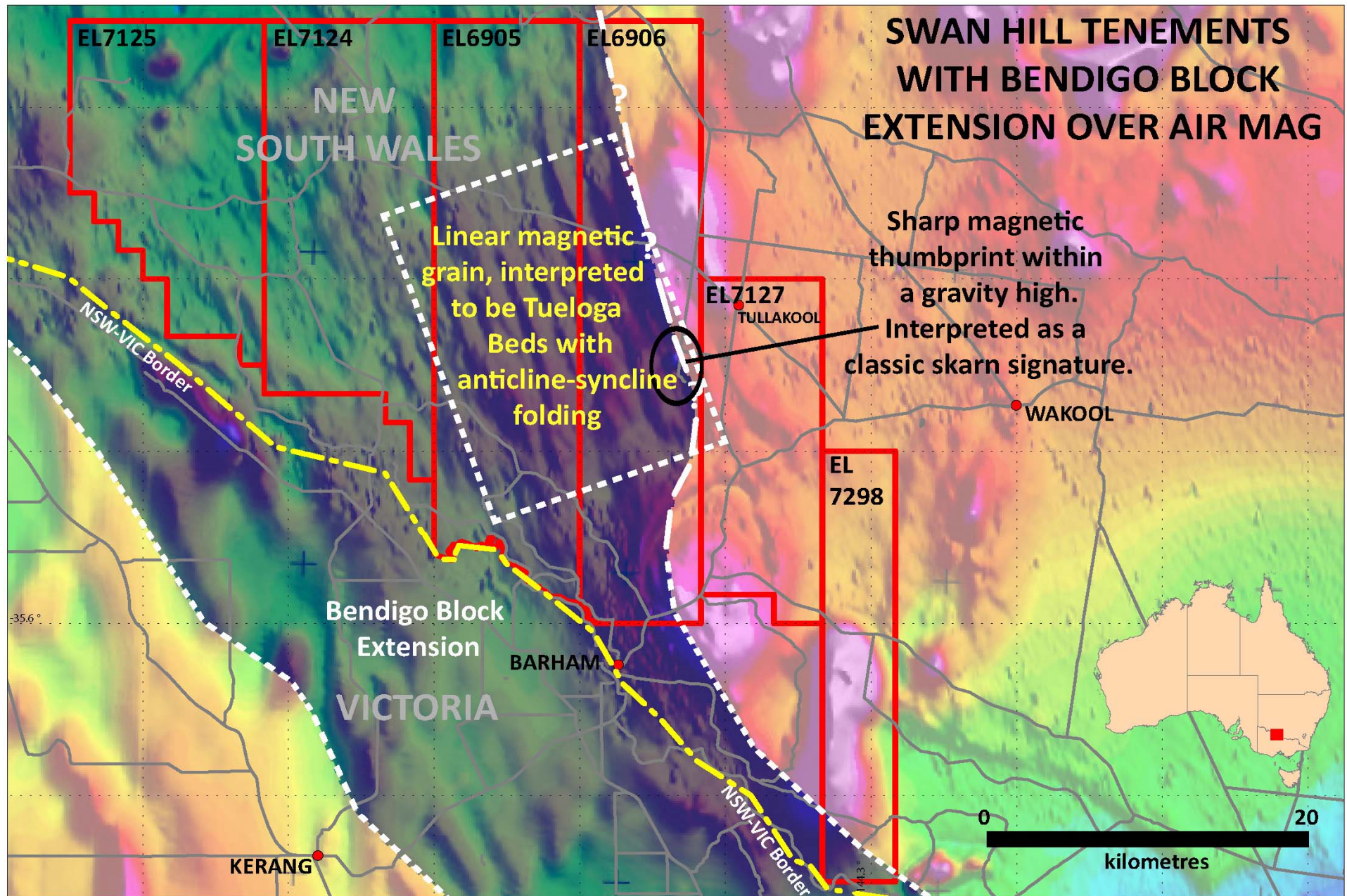


## Barham Project area - Bendigo zone under shallow cover

- ❑ Bendigo zone extends into NSW under Murray sediments.
- ❑ Depth to basement < 100m in places.
- ❑ Targets identified from geophysical survey for field follow up.



# Barham Project - Initial prospect at Tullakool



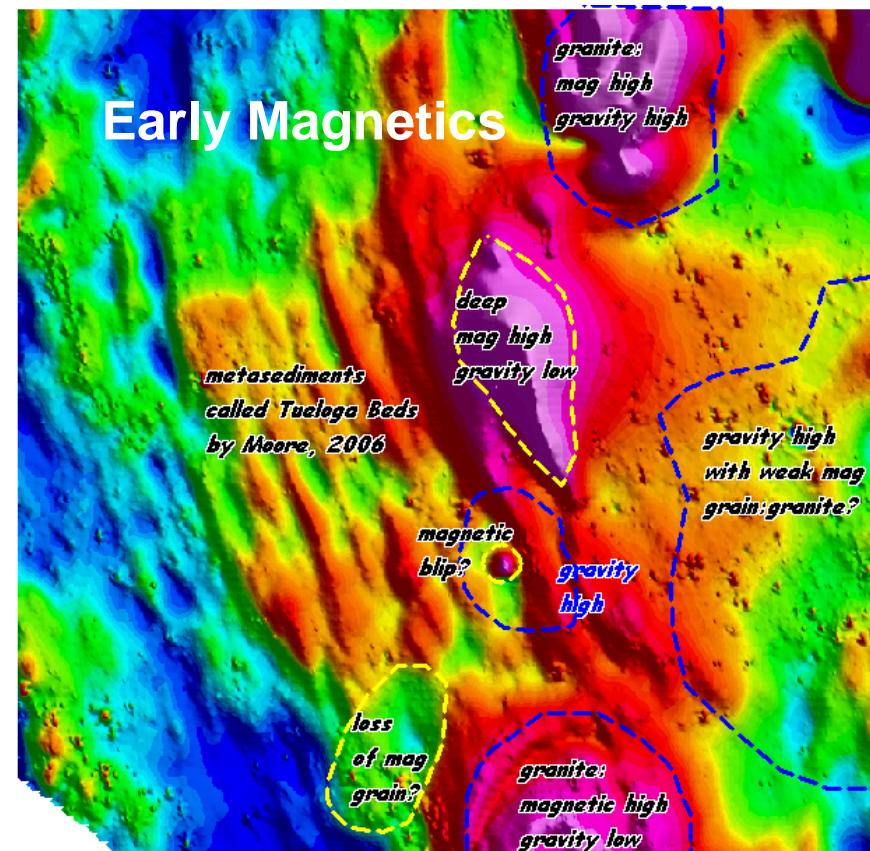
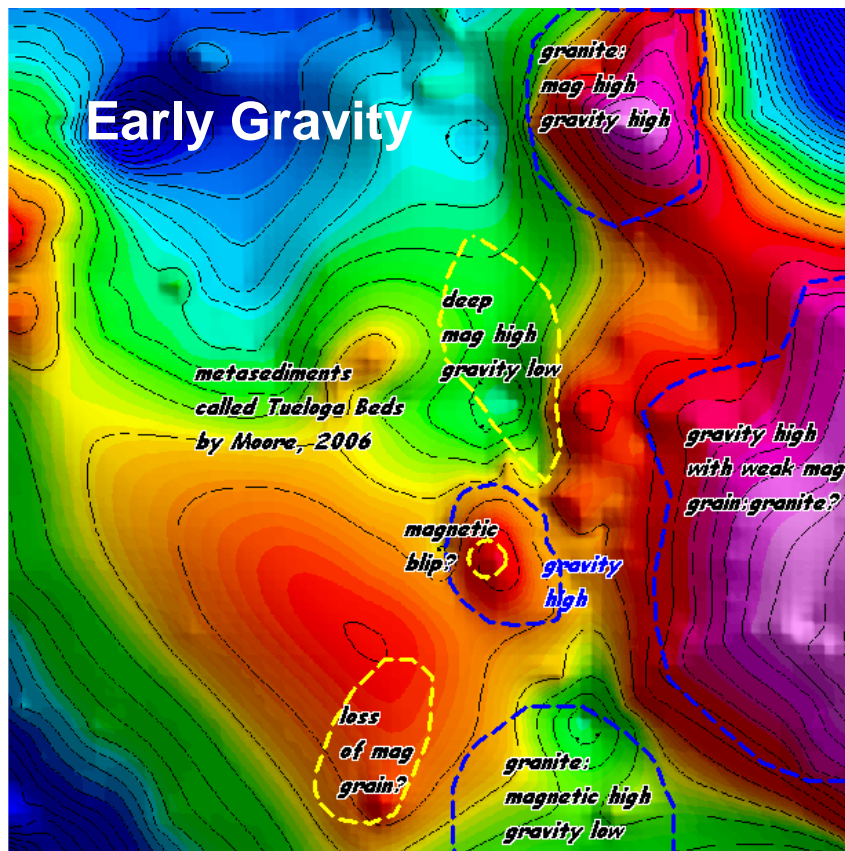


## Barham Project - Tullakool prospect

*Early geophysical surveys indicate shallow targets.*

*Tullakool field work confirms target at 70m depth.*

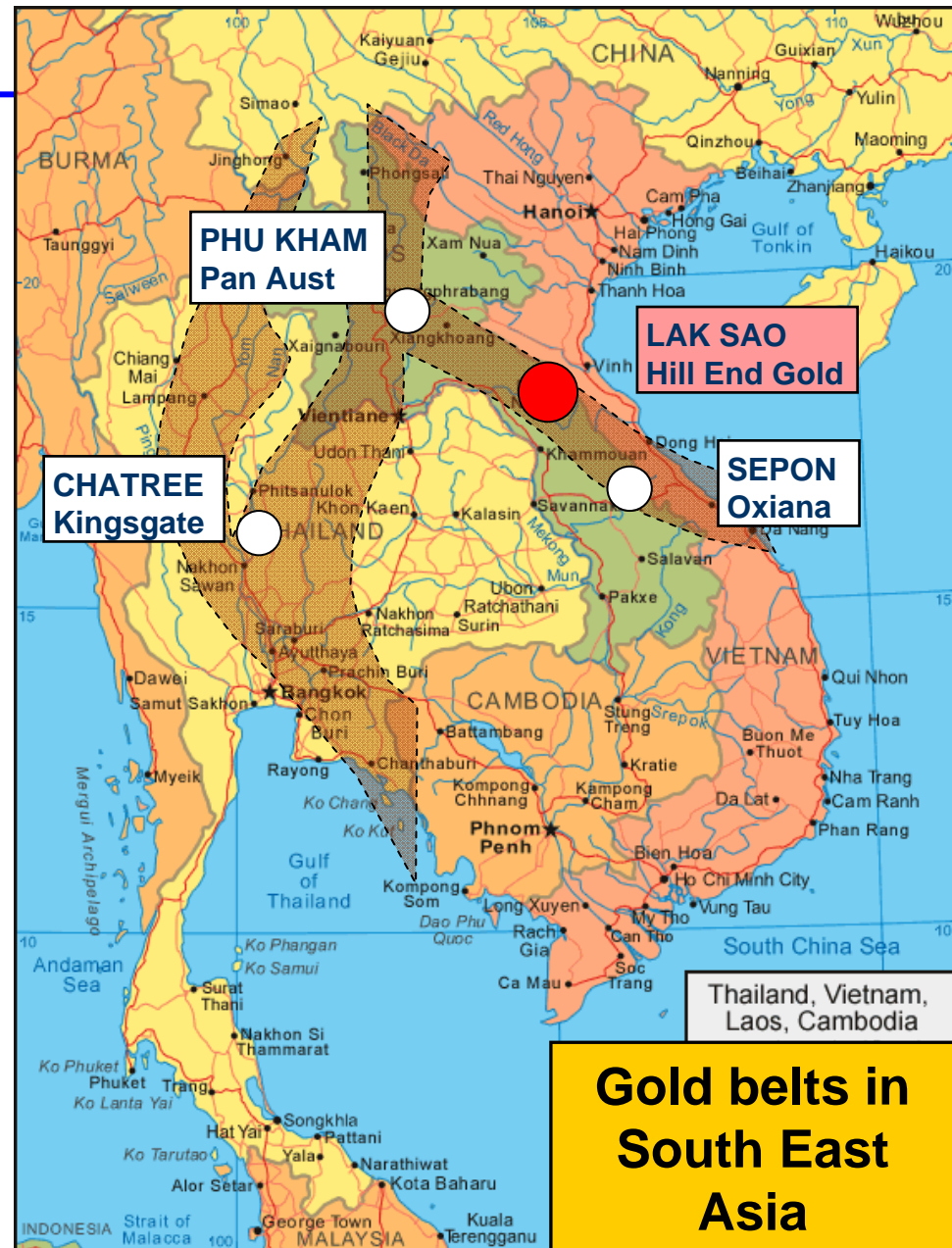
*Skarn or breccia pipe with? base metal or gold mineralisation to be drilled.*



# Laos Project location

## Lak Sao Project

- ❑ Truongson Gold Belt.
- ❑ 100km along strike from Sepon.
- ❑ Immediate 51% ownership with Mekong Resources.
- ❑ Numerous prospects identified.
- ❑ MREA approval pending.
- ❑ Additional near development projects under review.





## Disclaimer

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The information provided in this presentation is not intended to be a comprehensive review of all matters and developments concerning the Company. It should be read in conjunction with all other disclosure documents of the Company. The information contained herein is not a substitute for detailed investigation or analysis. No securities commission nor regulatory authority has reviewed the accuracy or adequacy of the information presented.

This presentation contains forward-looking statements which address future events and conditions which are subject to various risks and uncertainties. The Company's actual results, programs and financial position could differ materially from those anticipated in such forward-looking statements as a result of numerous factors, some of which may be beyond the Company's control. These factors include: the availability of funds, the timing and content of work programs, results of exploration activities and development of mineral properties, the interpretation of drilling results and other geological data, the uncertainties of resource and reserve estimations, receipt and security of mineral property titles, project cost overruns or unanticipated costs and expenses, fluctuations in metal prices, currency fluctuations, and general market and industry conditions.

HEG owns a minimum of 85% in the Hill End tenements encompassed by the previous EL2037 and 100% of all other granted tenements.

Forward-looking statements are based on the expectations and opinions of the Company's management on the date the statements are made. The assumptions used in the preparation of such statements, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking statements.

# Hill End Gold

