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**Drilling program continues at Hill End**

**17 January 2006**

**ASX Code : HEG  
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The recently announced reverse circulation / diamond drilling program continues on the Reward project at Hill End, New South Wales with the second hole in the current program now approaching completion. At the interpreted position of the Frenchmans zone the first hole (HHRCD18) intersected old workings and the second hole (HHRCD19) intersected a number of mineralised quartz veins carrying visible gold at the target depth.

Both holes are located above a broad zone with coarse gold mineralisation intersected in previous holes with hole HHRCD18 located above HHRCD07 and approximately 50 metres south of the Exhibition Shaft and hole HHRCD19 located above HHD13 a further 75 metres to the south.

The current drilling program includes additional holes at Reward and then the drill rig will move to Red Hill during February to test a Hawkins Hill style target at approximately 100 metres below surface and to extend the known resources.

Core cutting and sampling of the Reward drilling has commenced with assay results anticipated in February.

Work has also started on the preparation of a first resource estimate for the Frenchman's zone which is expected by May 2005 with scoping studies for development planned for the mid-2006.

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