

---

**Drilling resumes at Red Hill with broad mineralisation**

**23 January 2007**

**ASX Code : HEG, HEGOA**

---

Hill End Gold wish to advise that reverse circulation drilling has commenced at Red Hill with an initial 3000 metre forty hole program. The program follows up on the program which was interrupted in May last year and is expected to extend the mineral resource at Red Hill along strike and at depth.

Major Drilling are supplying the RC rig in addition to the diamond drill rig, currently on site, which has also moved to Red Hill.

RHRCD108, the first diamond tail on a pre-collared hole, has already intersected a 25 metre downhole zone of stockwork quartz in the White's zone position. Traces of gold were observed in three separate veins within the intersection, which is approximately 200 metres down plunge to the north from the current White's resource. Visible gold was also observed in quartz veining below the White's zone in a potential new zone.

Drilling at Red Hill will test for extensions of the mineral resource to the north at Kessel's and include holes over potential sites for operating infrastructure and to check for parallel mineralised corridors.

The diamond drill rig and RC rig will move to scout drilling at Germantown, north of Red Hill at Valentine, Emily and Old Company, then to the Clines Gully line and the Kings/ Marshall's Line on the western side of the Hill End Anticline.

The information in this report that relates to Exploration Results or Mineral Resources is based on information compiled by Mike Quayle and Philip Bruce. Mr Quayle is a Member of The Australian Institute of Geoscientists and is a full-time geological contractor for the company. Mr Bruce is Fellow of the Australasian Institute of Mining and Metallurgy. Both Mr Quayle and Mr Bruce have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as Competent Persons as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (The JORC Code). Mr Quayle and Mr Bruce consent to the inclusion in the announcement of the matters based on his information in the form and context in which it appears.

**For further information: Philip Bruce 0412 409555**

**Mine**  
C/o Hill End Post Office  
Hill End NSW 2850  
Phone +612 63378319  
Fax +612 63378133

**Exploration**  
Bowen Street  
Hill End NSW 2850  
Phone +612 63378343  
Fax +612 63378345

**Sydney**  
Suite 1310, 3 Spring Street  
Sydney NSW 2000  
Phone +612 82494416  
Fax +612 82494919

**Registered Office**  
P O Box 92 Earlville QLD 4870  
Phone +617 4033 1805  
Fax +617 4033 6415