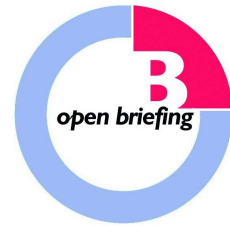


**Attention ASX Company Announcements Platform  
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**Title:** Open Briefing®. Hill End Gold. MD on Operations & Growth

**Record of interview:**

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Hill End Gold Limited (ASX code: HEG) is trial mining at the Reward resource within your Hill End Project. Can you describe the geology of the Hill End Project and region and the various target areas you have identified so far?

**MD Philip Bruce**

The Hill End Project tenements cover the 100 kilometre Hill End Anticline, which hosts many high grade gold deposits along its axis. We've found that the coarse gold deposits have simple geometry, are geologically very continuous and can have good grade continuity in structurally controlled quartz veins.

The Hawkins Hill, Reward, Red Hill and Hargraves high grade deposits are gently plunging and of about a kilometre scale with very high grade zones of the order of hundreds of metres in strike. At Hill End, our recent recognition of the highly continuous 50 – 100 metre wide structural corridors, which contain the majority of the mineralisation, has revolutionised geological understanding of the continuity of the Hill End deposits. A simple 75 degree east-dipping stratigraphy hosts extensive bedded and cleavage direction quartz veining, which contains high grade gold mineralisation within the limits of the structural corridors.

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What is the history of mining in the area?

**MD Philip Bruce**

The three goldfields of Hill End, Hargraves and Windeyer, which are under tenement by Hill End Gold, were prolific high grade producers during the period 1850 – 1880. Our Reward area currently under development for trial

mining, contains the partially mined Hawkins Hill deposit which historically produced over 400,000 ounces at a grade of 10 ounces per tonne, including the 'Holtermann's Nugget', which is the world's largest mass of gold ever mined.

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How do you plan on evaluating and developing the Hill End Project?

**MD Philip Bruce**

The Hill End Project has several known high grade deposits which have been partially mined with small workings. Current underground development is testing the extent of the Hawkins Hill - Reward deposit with small scale mining and gravity processing. This low capital incremental approach to project development with drilling, resource delineation and small scale testing increases the reliability of tonnage and grade estimation and is expected to lead to the development of a significant project with several production sources over the next year or so.

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What are the current JORC-compliant resources/reserves at Hill End Project? How do you expect to add to JORC-compliant resources as you continue bulk sampling, trial mining and exploration across the prospects? Can you outline some of the better drilling results?

**MD Philip Bruce**

JORC-compliant resource estimation for the Hill End Project is a progressive exercise, which starts with low initial estimates based on drilling results and moderate confidence in geology and grade continuity.

At Reward, the previous global inferred resource of 683,000 tonnes at 6g/t gold and the current inferred resource of 124,400 tonnes at 19g/t gold are only partial resource estimates for the area, which could be reliably correlated based on surface diamond drilling results. Recent underground work has extended the resource area and has indicated that the larger underground Mini-samples have markedly enhanced the grade of the initial resource blocks developed.

The current bulk sampling will be done on a continuous basis in a number of high grade areas in the Hawkins Hill – Reward area. The main target is the Paxton's veinset which has a resource of 23,000 tonnes at 47g/t, which will be accessed by a raise bore hole initially equipped for sub-level development on two levels spaced 9 metres apart. The sub-levels will be driven along the Paxton's and Steven's veinsets producing material to be processed through the 5tph gravity plant and face samples will be processed using the Mini-sampling assay protocol. This exercise is expected to confirm grade continuity, the presence of additional very high grade zones, the presence of zones up to 10 metres wide and to open up the first production drives.

The overall goal of the bulk sampling exercise is to assist in determining the scale and scope of the Hawkins Hill – Reward resource for production purposes and for what will be a mix of small scale high grade and large scale moderate grade sources for a large central processing plant located at Red Hill. Other surface and underground bulk sampling/production sources currently being planned are at Red Hill and Hargraves.

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The resources at Hill End Project are very high grade, but small tonnage. What are the main technical challenges and risks at Hill End in terms of developing an economic project? How do the geological and mining risks at Hill End compare with other Australia mining operations, particularly those with 'nuggety' gold mineralisation?

**MD Philip Bruce**

Despite being one of Australia's best gold production fields, Hill End has had very little exploration attention for over 100 years. Geological understanding of the Hill End high grade gold deposits has greatly expanded in the past few years. Whereas previous opinion held that the coarse gold deposits were small and in discontinuous veins, we have confirmed that high grade coarse gold mineralisation is well distributed over hundreds of metres and is continuous in multiple parallel veins, up and down dip and along strike for kilometres.

Nuggety gold mineralisation requires larger samples for reliable grade estimation, which is the aim of the current bulk sampling work. Our experience to date indicates that the drill based resource estimates will be shown to be very conservative and both grade and tonnage will be significantly enhanced.

The Hill End geology and style of mineralisation is very simple and straightforward and can be reliably extrapolated. On the other hand, Bendigo and Ballarat, which are also large gold deposits in similar rocks, have more complex local geological controls and are consequently more difficult to reliably estimate resources and to mine.

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Can you explain the timetable to possible commercial production at the Hill End Project? What project scope is envisaged? What mining and processing methods will you use? How robust or cost competitive will the project be?

**MD Philip Bruce**

It is expected that during 2008 the bulk sampling of the Hawkins Hill – Reward area will demonstrate the profitability of the very high grade zones, so the 5tph plant will ramp up to continuous production. Feed grades may be up to 2oz/tonne, which would indicate an annualised production rate of about 50,000 ounces, however, it depends on the outcome of the bulk sampling and the development and testing of other sources in the Hawkins Hill – Reward area and the results from drilling/bulk sampling in other areas as to the near term production rate, and from where it may be sourced.

Current planning is for a 150-350,000tpa plant located at Red Hill to be established during 2009.

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What capital is required to explore and develop the project into a commercial operation? When do you expect to generate positive cash-flow?

**MD Philip Bruce**

Our low capital approach may see a small scale profitable project based on Reward alone established during 2008. This would be achieved within the existing cash reserves of the company.

With development going ahead as expected, we could be cash flow positive by around mid 2008.

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Can you outline your other project activities and objectives in Australia?

**MD Philip Bruce**

The recent acquisition of the Hargraves and Windeyer goldfields has enhanced the potential of the Hill End Project. Previous production of approximately 2 million ounces from near surface sources on the tenements indicates an exploration potential target of the Hill End holdings is of the order of 5 million ounces.

We have also pegged ground on the Victorian border which is interpreted to be the extension of the Victorian goldfields host rocks and structures into New South Wales. Interpreted depth to basement from recent geophysical surveys is estimated to much less than previously thought and its prospectivity is greatly enhanced.

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You are anticipating approval soon for the Lak Sao Project Mineral Reconnaissance and Exploration Agreement (MREA) in Laos. What area does this cover? What is the attraction of the geology? How will you progress the project if the MREA is approved?

**MD Philip Bruce**

In Laos we have a 51% joint venture over an extremely well mineralised region some 100 kilometres along strike to the north from the huge Sepon gold – copper deposit, which is operated by Oxiana. Our application area of 2000 square kilometres is in the Truongson Belt which is one of the most well mineralised gold belts in Southeast Asia.

Initial work is expected to commence during the current dry season which finishes in May 2009 with field work including mapping and sampling of known prospects.

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What experience does Hill End have in operating in Laos? How attractive is it for foreign companies? What are the challenges in operating there?

**MD Philip Bruce**

Hill End Gold already has people in Vientiane who are very experienced in operating in Laos. Laos is very supportive of foreign companies operating there, particularly those in remote areas who are assisting in local infrastructure development and providing opportunities for local employment. They love Australian companies.

The challenges in operating in Laos are similar to Australia, regarding the current availability of people, support and equipment.

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What are the longer term goals for the Company?

**MD Philip Bruce**

We are confident that we will grow the company with operations in Australia and Laos, which may see the market capitalisation at around \$400 million over the next few years.

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Thank you Philip.

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For further information on Hill End Gold please visit [www.hillendgold.com.au](http://www.hillendgold.com.au) or call Philip Bruce on (02) 8249 4416.

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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.

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