



HILL END GOLD LIMITED

ACN 072 692 365

Hill End gold production update

27 October 2008

ASX Code : HEG, HEGOB

- Gold pour of 144 ounces from 225 tonnes averaging 24g/t feed grade.
- A third level opened on the Paxton's veinset at 695RL.
- Ball mill installation is near complete and will increase throughput and gold recovery.
- Reward shaft available for mining crew to open upper levels sequentially.

The eleventh gold pour at Hill End has recovered approximately 144 ounces of fine gold from 255 tonnes of material processed, indicating a total average nominal feed grade of 24 g/t gold.

The run included material from Paxton's vein on both the 683 and 671 levels and from the M2 1440 trench.

The total plant feed material for this pour was sourced as follows:

PX 683	142 tonnes at 30g/t gold
PX 671	74 tonnes at 10g/t gold
M2 1440 trench	39 tonnes at 30g/t gold

These feed grade figures include estimates of the specimen nuggets, the unprocessed Knelson coarse sieve fraction, the wave table/processing tails and plant tails.

The Paxton's veinset is being opened on the 695 level by cross cutting from the Reward Shaft. With the Reward Shaft providing access to ten levels in the Reward area, the Paxton's and Steven's veinsets are being opened up progressively from the bottom.

The ball mill installation is to be completed this week and a marked increase in gold recovery and throughput is expected. Initially the ball mill will regrind the coarse fraction of the tailings stream and recycle it back into the plant for further gold recovery and to improve tailings pipeline flow.

Attribution

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 their information in the form and context in which it appears.

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