



HILL END GOLD LIMITED

ACN 072 692 365

Report for June 2008 Quarter

31 July 2008

ASX Code : HEG, HEGOA, HEGOB

Hill End Project, NSW

Reward

- *First gold pours produce 500 ounces from development material which averages 27g/t gold.*
- *First stope in the high grade M2 vein set under preparation to produce 1,500 tonnes over the next few months.*
- *Underground diamond drilling intersects wide M2 vein set 30 metres below Amalgamated level.*
- *Ten sub level stations completed in the Exhibition raise bore shaft.*

Scandinavian

- *Diamond drilling intersects extension of Reward zone under Hill End.*

Hargraves

- *Drilling confirms strike continuity of multiple wide zones of mineralisation to 350 metres depth*
- *Deeper drilling discovers additional four new wide zones of visible gold mineralisation down Big Nugget Hill Anticline to a depth of 350 metres.*

Swan Hill, NSW

- *Geophysical study identifies many shallow targets in extension of Bendigo zone.*

Lak Sao, Laos

- *Mineral Reconnaissance and Exploration Agreement (MREA) submission progresses to highest levels.*

SUMMARY

An options issue of one (1) for five (5) pro rata of new options (HEGOB) to eligible shareholders, at \$0.03 per option was completed during the quarter.

The issue of 54,229,668 option, which was partially underwritten by Bell Potter Securities Limited closed fully subscribed.

The HEGOB options can be converted to HEG fully paid shares by exercising at \$0.25 per option any time up to and including 5.00pm AEST on 30 September 2009.

The first stope is being prepared in the M2 vein set at the Reward Gold Mine with pre-stoping development material averaging a recovered grade of 46 g/t gold.

Four gold pours during the quarter produced 500 ounces of gold with the recovered grade of the processed material averaging 27g/t gold.

Excellent drilling results were received at Hill End and Hargraves and a updated resource estimate is underway for the Reward area and Red Hill. An initial resource estimate for the hargraves Big Nugget Hill deposit is underway. A total of 4,335 metres were drilled during the quarter.

The Mineral Reconnaissance and Exploration Agreement application for the Lak Sao Project in Laos has progressed to the top echelons of the Lao PDR government has advised and Hill End Gold to discuss matters with parties with mineral interests adjacent to the application area.

HILL END PROJECT

The Hill End Project includes tenements covering the Hill End, Hargraves and Windeyer goldfields. Total gold output from these tenements of over two million ounces of gold came from surface and shallow underground workings during the nineteenth century. The majority of past hard rock production came from high grade deposits such as at Big Nugget Hill, Red Hill, Reward and, Hawkins Hill which yielded over 400,000 ounces of gold from a strike length of approximately 400 metres, averaging about 10 ounces per tonne.

Diamond drilling at Hargraves which is located 35 kilometres north of Hill End has confirmed the deeper potential of the Big Nugget Hill Anticline where drilling to 400 metres below surface has discovered new continuous zones of strong gold mineralisation. Each of the lower five zones intersected in recent drilling contains abundant visible gold in numerous veins in both saddle and limb positions.

The saddle zones form in tight anticlinal positions typically 10 to 40 metres in thickness, approximately 30 to 50 metres apart comprising multiple saddle reefs up to 3 metres in thickness and potentially several hundred metres long.

These mineralised zones may be suitable for bulk mining and indications are that they may be close to surface below alluvial cover to the north. Drilling is in progress to confirm the continuity of the zones to the north and south.

HAWKINS HILL – REWARD

General

During the quarter a total of 280 metres of underground development was completed including the M2 bypass drive, drill cuddies and crosscuts for stockpiles and the initial stope preparation for the M2 vein set in the Reward Cornelian area.

Underground diamond drilling totalled 940 metres testing the Reward mineralised zone above and below the Amalgamated level. Drilling was carried out from cross cuts on approximately a 50 metre spacing.

Back reaming of the 2.4m diameter raise bore shaft at Exhibition was completed with the breakthrough to surface on 19 April. An equipping headframe, hoist and work stage was installed in the new shaft and shaft support and cutting of ten sublevel stations was completed.

The steel support frame for the shaft Alimak lift system, emergency ladders and electrical and water services has been completed and delivery is expected mid-August.

The Reward underground electrical distribution system was upgraded, the ventilation network was modified and a 10 tonne underground truck was commissioned to haul ore and waste.

Planning and preparation continued for the development and stoping of the Reward Exhibition and Cornelian areas above the Amalgamated level with the increased scope of development for the Exhibition raise bore shaft. The increase from two sublevels to ten sublevels will provide access to all the Reward Exhibition vein sets below the old Reward workings to the Amalgamated level over a vertical distance of approximately 150 metres. A new incline ramp is under consideration for the Reward Cornelian area.

Focus during the quarter has been to prepare the mine, plant and services for increased and more continuous gold output. Modifications were made to the gravity gold processing plant at the Amalgamated portal area to improve throughput capacity, reliability and gold recovery.

The plant is currently processing material from various underground sources, particularly the M2 ore drive, which has produced some very high grade material and the initial material from the Paxton's vein set from the 1555N rise from Amalgamated to 671.

Total gold poured plus individual nuggets recovered to date is 507 ounces from 580 tonnes processed, including low grade material, with an average indicated recovered grade of 27g/t gold and the feed grade estimated at approximately 36g/t gold.

The current mining and processing exercise is aimed at confirming the high grade continuity and tenor of the Reward high grade vein sets, to provide data for a Reward area resource update and to establish the economic scope of the Hawkins Hill / Reward area mine development as a large moderate grade project or small high grade project.

Reward Development

During the quarter the Amalgamated level underground development was mainly drill cuddy / rise crosscuts and drives to prepare for the initial stope on the Reward Cornelian M2 vein set between 1375N and 1450N.

In the Reward shaft, a manway rise and 'ore' rises on the Paxton's vein set (1555N and 1550N) have been completed from the Amalgamated level to the 671 sublevel and a shaft rock pass rise has been completed from 671 to 683 sublevel.

Cross cuts from the shaft on the 671, 683, 695, 707, 731, 755 and 789 sublevels will be the first to be developed to the Paxton's and Steven's vein sets to access the resources. The 2007 inferred resource of 23,000 tonnes at 47.8g/t gold and the Steven's resource of 32,400 tonnes at 10.4g/t gold are expected to be conservative.

The high grade M2 in the Reward Cornelian area will be mined over the coming months to produce approximately 1,500 tonnes of high grade material for processing. Recent development and updated face sampling grades have increased the average grade of the Reward Cornelian M2 to 61g/t over 0.8m width for a strike length of about 90 metres to date. The 2007 inferred resource estimate for the Cornelian area M2 was 24,460 tonnes at 8.5g/t gold, however development and processing grades have indicated the actual grade and tonnage to be higher.

The initial high grade stope between 1375 and 1450N is to be mined above and below the Amalgamated level and will be mapped for the geological controls of the very high grade zones within the stoped area. The M2 will be removed from the floor of the drive using a mini excavator, backfilled with waste, then stoping will proceed overhead in a number of 'flatback' lifts up for approximately six to eight metres.

The M2 by-pass tunnel around the planned stope area to provide continued access to the shaft is complete and electrical and compressed air supply facilities are being upgraded.

Processing

The first gold pour for the Hill End Project on Friday 11 April 2008 produced a bar of gold bullion weighing 135 ounces. The results to date are as follows:

Bar number	Bullion Weight (oz)	Fine ounces	Tonnes	Recovered Grade (g/t)
1 and 2	219.44	205.18	213	30.0
3*	150.47	140.69	263	16.6
4*	164.29	153.61	104	45.9
Nuggets	8.78	8.21		
Total	534.20	507.69	580	27.2

* Mint outturn awaited

These figures include many small specimen nuggets, which are being prepared for separate marketing, and exclude the SGS Laboratories' Knelson concentrate tail grades.

Plant throughput has increased to over 20 tonnes per shift and some wear items are being redesigned. A further increase in throughput is expected with optimisation of the crushing, screening and tailings areas to increase the throughput to about 40 tonnes per shift and an increase the time of operation. A 2 foot Symons cone crusher has been purchased and is on site to be installed between the jaw crusher and impact crusher. The cone crusher will improve the plant throughput and reduce wear in the hammer mills.

Underground diamond drilling

Eight underground diamond drill sites have been established in the Reward area in the Amalgamated drive on about 50 metre centres. The 2,000 metre diamond drilling program is testing the Central group of veins above and below the Amalgamated drive level.

A total of 940 metres of underground diamond drilling was completed during the quarter.

From the 1500N cross cut position drill hole HHUG08 intersected visible gold in a 12cm thick Paxton's vein, a 19cm Star of Peace vein and an impressive M1 – M2 zone with 12 veins totalling 90cms over 3.5 metres with significant visible gold and indicator sphalerite some 30 metres below the Amalgamated level. This M1 – M2 intersection may be an extension of the high grade M2 high grade zone which is currently being mined on the Amalgamated level. Similar wide zones of strong mineralisation are expected to occur frequently between the vein sets and will be outlined by the ongoing Reward drilling and development.

High grade drill hole intersections below the Amalgamated level have extended the Reward resource potential. Underground diamond drilling has recently intersected abundant visible gold in the Amalgamated vein set at 1250N and 1425N to the west and below the Amalgamated level. The surface drill hole HHRC22 intersected 220g/t over 0.1m in the

Amalgamated vein set 50 metres below the level at 1460N and further underground holes are to be drilled to test high grade continuity of the vein set.

Drill hole HHUG05, which was drilled from the 1400N cross cut to test for footwall mineralisation, intersected visible gold mineralisation with indicator sphalerite/chlorite in the Amalgamated vein set with six veins totalling 54cms about 10 metres below the Amalgamated level. HHUG06 which was drilled the same distance above the level returned only several narrow quartz veins in the Amalgamated vein set position.

Drill hole HHUG07 drilled up from the 1500N cross cut intersected minor veining in the Mica position 30 metres above the level, minor quartz veining but with visible gold in the Star of Peace / Middle vein position and the Paxton's vein five metres above the level was a 29cm laminated vein with footwall spurs.

Drill holes HHUG10 and HHUG09 were collared at the 1,250N position to test above and below the level. The uphole HHUG09 contained a well mineralised 17cm laminated M2 vein with visible gold, and a zone of eight veins totalling 1m over an 8 metre interval including 15cm and 20cm veins which combine both the Star of Peace and Middle vein sets, and minor veining was encountered in the Paxton's position. HHUG10 intersected numerous stockwork quartz veins with sphalerite and chlorite in the footwall to the Mica position, which was not evident in the same position in HHUG09 20 metres above and minor veining was encountered in the Mica position, a 10cm laminated quartz vein accounted for the Star of Peace, and Middle and Paxton's veins were not evident.

Drill hole HHUG11 was drilled at 1248N to test for the Amalgamated vein in the footwall to and west of the access drive. This hole intersected strong visible gold mineralisation in a 49cm laminated vein 10 metres below the level in a position correlating well with a similar intersection in HHUG05 at 175 metres to the north.

Drill hole HHUG12 was drilled on section 1305N north to test for M2 to Paxton's vein sets above and below the level, and Amalgamated veins above and below the level. The hole intersected more than twenty veins totalling over 1.9 metres over a 13 metre interval from M1 through Star of Peace and Middle veins with visible gold in the M2 position.

Drill holes HHUG14 and HHUG15 were drilled to further test the Amalgamated veins between HHUG05 and HHUG11, which both contained visible gold and both holes intersected significant veining. The HHUG14 intersection was a 60cm vein with crack seal margins located approximately 7 metres in the hangingwall of the expected position and HHUG15 similarly intersected this wide vein between the expected Amalgamated and Phillipson's positions.

SCANDINAVIAN

A total of 1,019 metres diamond drilling was drilled in the Scandinavian area during the quarter.

The program is designed to traverse the northern extensions of the Reward/Hawkins Hill mineralised sequence from immediately north of Reward for a further 500 metres. The drill holes are to test below historical mining activity, which was stopped by water inflow, and will verify the location of the mineralised corridor. A deeper hole is designed to finish at 400 metres depth to test the stacked vein sequence at greater depth.

The Scandinavian target area is to the north of the Robert Emmett's cross course, which was the historical northern limit of the Hawkins Hill and Reward mineralisation, and is now interpreted to be a minor displacement fault zone.

SCD01 is the first hole drilled within the village of Hill End and confirms that the Reward mineralisation continues at depth at least 370 metres north of the high grade intersections in previous drilling. A small amount of visible gold was observed in the Paxton's vein set position at 265 metres and the Phillipson's vein set position at 350 metres down hole.

SCD02 drilled to 257 metres intersected seven veins totalling 90cms in the Paxton's position at about 185 metres down hole. Significant faulting was intersected at 225 metres down hole in the expected Phillipson's position.

The holes have confirmed the continuity of the Reward vein sets to the north and to contain visible gold. This is a very encouraging result and further drilling from the Reward area is planned to explore immediately to the north of the Robert Emmett's cross course.

Additional holes are planned to the north of Scandinavian in the Hawkins Hill – Reward – Scandinavian mineralised corridor to test along strike adjacent to the Germantown workings.

If drilling indicates that the Reward – Scandinavian mineralisation is potentially economic it could be accessed from the Reward area development.

RED HILL

A total of 1,076 metres of diamond drilling were completed at Red Hill during the quarter.

The final assays for the RHD145 intersection of the newly discovered Fraser zone in the White's area at the south end of Red Hill increased the preliminary average assay from 12g/t to 13g/t gold over 7.5 metres true width from 207.4m.

Hole RHD147 was drilled 56 metres to the north of RHD145 and although the hole intersected strong mineralisation at the footwall and hangingwall position of the Fraser zone, there was no extensive mineralisation in between. Interpretation of the extension of the Fraser zone will be assisted by further holes planned in the area. Hole RHD148 located 50 metres to the south of RHD145 also intersected narrow veins and structural interpretation of the Fraser zone and White's area is underway with further holes planned adjacent to the intersection in RHD145 and to the south in the up plunge position of the host stratigraphy.

The Fraser zone is hosted by a silt-dominated turbidite sequence sandwiched between wide units of volcanoclastic and planned drilling will test for extensions to this zone.

Gold mineralisation at Red Hill has remarkable continuity of the vein sets over some kilometres and new *en echelon* vein sets continue to be discovered at depth. Wide mineralised quartz 'bedded' stockwork zones have been intersected in the White's, Marshall McMahon's and Kessell's vein sets and can contain high grades, such as in the new Fraser zone which is an indication of the huge potential yet to be realised in the area.

A resource estimate update for Red Hill is underway.

GERMANTOWN

A drilling program is planned to test the extension of the Hawkins Hill – Reward mineralised in the position adjacent to the Germantown workings.

Previous drilling under Germantown has encountered rock types which are a continuation of Hawkins Hill / Reward lithologies, however the rocks at Germantown have undergone intense alteration. The alteration includes leaching of chlorites resulting in a bleached appearance with released iron going to form abundant disseminated pyrite in both country rock and veining.

The potential for gold to be deposited along the margin of the intense alteration in the mineralised corridor will be tested.

HARGRAVES

The Hargraves Exploration Licence (EL6996) is adjacent to the Hill End tenements to the north and the Big Nugget Hill prospect, which is currently being diamond drilled, is located approximately 35 kilometres to the north of the town of Hill End.

The Hargraves tenements contain numerous historical production areas and Big Nugget Hill is the site of Australia's earliest gold reef mining in 1851, when large pieces of gold in quartz, containing up to 1,546 ounces, were discovered in quartz vein outcrops. Rich alluvial deposits were also mined in the nearby Louisa, Daly and Meroo Creeks and many large nuggets were found, with the 'King of Waterworn Nuggets' being the largest at 2,680 ounces of gold.

Previous exploration on the Big Nugget Hill zone of mineralisation has identified strong gold mineralisation over a strike length of 600 metres by drilling, and over 1,500 metres by surface sampling. During the quarter there were eleven diamond drill holes completed at Hargraves on the Big Nugget Hill Anticline (BNHA) for a total of 2,197.5 metres drilled.

The drilling has confirmed that the distribution of gold at BNHA is concentrated along the axis of the anticline and continues at depth as a series of repeating zones of strong mineralisation, which plunge gently to the south with a long dimension along strike to be determined but interpreted to be some hundreds of metres.

Diamond drilling at Hargraves totalled 1,300 metres for the quarter.

Some assay results have been received for the Hargraves drilling.

HGD04 intersected a 90cm vein at 7.98 g/t gold, a 17cm vein at 39.2 g/t gold and a 40cm vein at 11.3 g/t gold in the anticline position approximately 50 metres below surface. HGD04 also intersected a 12cm vein with visible gold at 17g/t gold at 154 metres downhole in the Florence anticline position. A zone in the anticline position in HEG06 returned 2.94m over a downhole interval averaging 9.15 g/t Au which included a 42cm vein at 40.8 g/t Au.

In HGD08, three west limb hangingwall veins of 15, 35 & 17cms within a 7 metre zone from 39 metre downhole returned 13.9, 4.2, & 8 g/t gold respectively. HGD08 also returned 23g/t gold over 10cms at 57.4 metres downhole and 15.15g/t gold over 38cms 65 metres down hole both in western limb leg veins with visible gold, and a 3cm vein in the Florence anticline position returned 41.4 g/t gold. HGD11 returned 40.2g/t gold over a 15cm vein 8 metres downhole (corresponding to the 23g/t gold in HGD08), and 33.3g/t gold over 100cms in the anticline position from 22 metres downhole, (including 105.76g/t gold over 30cms). No significant results were returned from HGD02.

Results received from the top of HGD12 include 5.8 metres @ 6.02g/tAu from 11.8 metres below surface, and 20cm at 18.7g/t gold at 65.6 metres and 65cm at 4.55g/t gold at 69 metres downhole.

HGD11 was drilled as part of a fence of holes to test gold mineralisation close to surface and to accurately locate the anticlinal axis for siting HGD12. HGD11 intersected a significant saddle reef 10 metres in downhole thickness containing visible gold 10 metres below surface. HGD12 was drilled down the anticlinal axis to test for stacked saddle reefs and confirmed at least six of these saddle reef zones carrying visible gold. The first two complexes were mined in part down to a depth of perhaps 50 metres during the latter part of the 19th century and the early 20th century, however the lower four saddle reef zones have not previously been observed.

Each of the lower five zones intersected in recent drilling contains abundant visible gold in numerous veins in both saddle and limb positions.

The saddle zones form in tight anticlinal positions typically 10 to 40 metres in thickness, approximately 30 to 50 metres apart comprising multiple saddle reefs up to 3 metres in thickness and potentially several hundred metres long.

These mineralised zones may be suitable for bulk mining and indications are that they may be close to surface below alluvial cover to the north. Drilling is in progress to confirm the continuity of the zones to the north and south.

Visible gold has also been observed in a similar anticlinal axis position in the Florence Anticline which is parallel to the BNHA about 50 metres to the east.

HGD14 is a follow-up hole to HGD12 which displayed strong mineralisation in multiple saddle reef zones was completed at 371 metres depth. HGD14 was drilled 140 metres south of HGD12 and intersected two strongly mineralised zones with visible gold of 17 metres from 67 metres and 19 metres from 102 metres. The hole has confirmed the continuity and southerly plunge of the zones.

Two holes (HGD15 & HGD16) have been completed and a further hole (HGD17) commenced at Hargraves for a total of 426m. HGD15 was drilled 115 metres south of HGD14 and 250 metres south of HGD12 in a similar down axis configuration to test the continuity of gold-bearing saddle reefs present in holes HGD12-14.

Drill hole HGD15 intersected the massive hinge reef that outcrops in the surface workings on Big Nugget Hill for 9.6 metres from a depth of 5 metres. A second major zone of multiple hinge reefs, leg veins and stockworks was intersected for 13 metres from a depth of 151 metres. A third strongly mineralised zone of hinge reefs with multiple shows of visible gold was encountered for 13 metres from a depth of 198 m and a fourth zone extends for 4 metres from a depth of 291 metres.

Drill holes HGD16 and HGD17 were collared 320 metres and 100 metres to the north of drill hole HGD12 on the west flank of the anticline and angled east to accurately locate the axis. HGD18 and 19 are sited on the basis of these results to be drilled down the anticlinal axis in a similar fashion to HGD12 to test the continuity of mineralised hinge reefs intersected in holes HGD12-15 to the south.

This will complete the current drilling programme at Big Nugget Hill, Hargraves. After assay results have been received and geological interpretations have been completed an inferred resource will be produced.

WINDEYER

Hill End Gold holds 100% of Exploration Licence (EL7017) over the Windeyer historic goldfield area, which is adjacent to the Hargraves and Hill End goldfields and is located on a mineralised structure parallel and to the west of the mineralised Hill End Anticline.

Windeyer has a number of historically rich hardrock deposits and during the 19th century rich alluvial deposits were mined in Clarkes Creek, which rises in the Boiga Mountain area: also covered by EL7017.

Very little modern exploration has been done on the Windeyer-Boiga Mountain area.

NSW UNDERCOVER - MURRAY RIVER AREA

Swan Hill

The company has 100% ownership of granted Exploration Licences (EL6905, 6906, 7124 and 7125) and has applied for a further Exploration Licence (ELA3047) in the Swan Hill area of New South Wales. FrogTech have completed a geophysical report of the Swan Hill tenement area which indicates many targets of a shallow depth to basement for field follow up.

The Swan Hill area tenements cover the extension of the Bendigo Zone from Victoria into New South Wales.

Deniliquin

Geophysical survey reports completed by FrogTech on the Exploration Licences application area (ELA3167, 3168, 3170 and 3199) in the Deniliquin area of New South Wales have indicated that the depth to basement in the Deniliquin application area is over 500 metres and that geophysical anomalies in the area were due to cultural factors such as roads and towns. Based on these results and out assessment of the potential of the area we have decided not to proceed with the licence applications over the area.

LAOS

The Lak Sao Project application in Laos for a Mineral Reconnaissance and Exploration Agreement application is now being considered at the highest level of the Department of Mining, Department of Foreign Investment and the Government of Lao PDR.

Hill End Gold has been advised by the Lao Government to discuss matters with parties with mineral interests adjacent to the application area.

The Lak Sao Project area of approximately 2,000km² is located in the Bolikhamxay Province in Central Laos between the Mekong River and the Vietnam border. The area is approximately 100 kilometres north of the Sepon copper-gold project, operated by Oxiana Limited, in the Truongson Belt.

Previous prospecting has identified numerous precious and base metal occurrences in outcrop and in stream sediment dispersion haloes. Controlled artisanal gold mining of a moderate scale is underway on a small tenement excised from the tenement application.

Hill End Gold have a 51% interest in the Lak Sao Project with Mekong Resources Pty Ltd.

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

Yours faithfully



Philip Bruce
Managing Director

Attached:

- Hill End Project - Significant Assay Results - June Quarter 2008
- Scandinavian and Reward drilling program
- Hargraves drillhole location plan
- Hargraves long section
- Reward drive development plan
- Reward shaft, development and resource blocks
- Photo of Reward shaft equipping stage and oblique view of Reward development

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HILL END PROJECT – Significant Assay Results – June Quarter 2008 (preliminary)

Hole Number	MGA Easting	MGA Northing	Dip	Azimuth MGA	Total Depth (m)	From (m)	To (m)	Interval (m)	g/t Au	Gold
HARGRAVES										
HGD01	730425	6369720	-50	79	290	63.85	64	0.15	2.44	vg
						67.94	68	0.06	1.60	
						71	71.3	0.30	1.57	
						73.77	74	0.23	29.40	vg
						76.16	76.32	0.16	5.17	
						77	77.3	0.30	2.22	
						77.3	77.57	0.27	1.47	
						85.3	85.4	0.10	2.62	
						89.29	89.65	0.36	4.31	
						107.35	107.57	0.22	1.38	vg
						123.57	123.77	0.20	2.06	
						125	125.09	0.09	1.49	
						183.34	183.7	0.36	1.20	
HGD02	730400	6369729	-50	79	181.2	95.48	96.03	0.55	1.65	
						99.6	99.8	0.20	1.46	
HGD03	730370	6369723	-50	79	209	82.21	82.31	0.10	1.05	
						97.93	98.1	0.17	62.20	vg
						98.19	98.37	0.18	7.04	
						106.5	106.6	0.10	2.32	vg
						109	109.15	0.15	14.90	vg
						115.35	115.55	0.20	5.91	
						116.92	117.32	0.40	1.84	
						118.5	118.52	0.02	9.71	vg
130.21	130.34	0.13	2.42							

Hole Number	MGA Easting	MGA Northing	Dip	Azimuth MGA	Total Depth (m)	From (m)	To (m)	Interval (m)	g/t Au	Gold
						135.02	135.21	0.19	1.00	
						135.21	135.48	0.27	1.15	
						135.48	135.78	0.30	6.13	
						139.49	139.57	0.08	20.10	
						140.06	140.14	0.08	2.88	
						144.83	145	0.17	26.10	vg
HGD04	730432	6369621	-50	79	221	65.9	66.2	0.30	3.05	
						66.2	66.5	0.30	15.20	
						66.5	66.8	0.30	5.70	
						67.9	68.2	0.30	1.15	
						69.1	69.27	0.17	39.20	
						70.6	70.9	0.30	1.08	
						72.1	72.4	0.30	1.07	
						72.4	72.8	0.40	11.30	
						154.41	154.53	0.12	17.00	
						158.52	158.62	0.10	1.31	
						158.95	159.25	0.30	2.12	
HGD06	730379	6369610	-50	79	179	138.7	138.92	0.22	3.13	
						139.26	139.4	0.14	59.50	vg
						140.8	141.22	0.42	40.80	
						141.47	141.64	0.17	4.14	
HGD07	730369	6369723	-60	79	234	109.6	109.69	0.09	2.26	
						112.56	112.81	0.25	10.80	
						137.78	137.94	0.16	8.25	
						148.61	148.71	0.10	1.17	

Hole Number	MGA Easting	MGA Northing	Dip	Azimuth MGA	Total Depth (m)	From (m)	To (m)	Interval (m)	g/t Au	Gold
						154.58	154.67	0.09	1.43	
						184.97	185.09	0.12	2.20	
HGD08	6369806	730415	-50	87	197.6	37.22	37.33	0.11	1.47	
						61.12	61.2	0.08	1.52	
						57.64	57.76	0.12	2.00	
						99.04	99.34	0.3	3.03	
						51.01	51.09	0.08	3.93	
						40	40.35	0.35	4.86	
						178.13	178.18	0.05	7.75	
						45.68	45.85	0.17	13.40	
						38.93	39.08	0.15	13.70	
						65.97	66.13	0.16	38.20	
						65.75	65.84	0.09	39.40	
						173.55	173.58	0.03	46.11	
HGD11	6369795	730458	-52	79	59.3	15.5	16	0.50	0.73	
						16.3	16.6	0.30	0.97	
						28.1	28.43	0.33	1.68	
						23	23.3	0.30	3.41	
						8	8.15	0.15	40.50	
						22.3	22.6	0.30	106.00	
HGD12	730476	6369796	-74	259	409.7	17.4	17.65	0.25	21.00	
						29.8	30.1	0.30	1.20	
						34.63	34.7	0.07	1.92	
						36	37	1.00	2.30	
						37	38	1.00	5.51	
						39	40	1.00	10.80	

Hole Number	MGA Easting	MGA Northing	Dip	Azimuth MGA	Total Depth (m)	From (m)	To (m)	Interval (m)	g/t Au	Gold
						47.16	47.36	0.20	4.69	
						57.21	57.4	0.19	1.70	vg
						65	65.2	0.20	17.30	
						65.2	65.4	0.20	1.40	vg
						66.35	66.6	0.25	6.10	
						67.38	67.5	0.12	1.56	
						68.65	69	0.35	5.65	
						69	69.3	0.30	3.28	
						71.2	71.5	0.30	4.12	
						76.17	76.4	0.23	1.17	
						76.7	76.85	0.15	2.35	
						82.65	82.8	0.15	2.98	
						85.6	85.8	0.20	1.09	
						104.94	105.04	0.10	4.16	vg
						107.48	107.71	0.23	1.73	
						117.89	118.08	0.19	14.70	
						118.34	118.61	0.27	1.12	
						120.39	120.66	0.27	59.30	vg
						130.92	131.03	0.11	1.06	vg
						141.56	141.65	0.09	11.60	vg
						145.95	146.08	0.13	4.26	
						167.15	167.45	0.30	38.70	vg
						171.58	171.88	0.30	1.51	
						187.5	187.75	0.25	4.66	
						187.75	188	0.25	1.51	vg
						193.85	194.15	0.30	4.43	
						195.35	195.65	0.30	1.10	
						200.87	200.94	0.07	1.27	vg
						201.13	201.45	0.32	1.29	vg

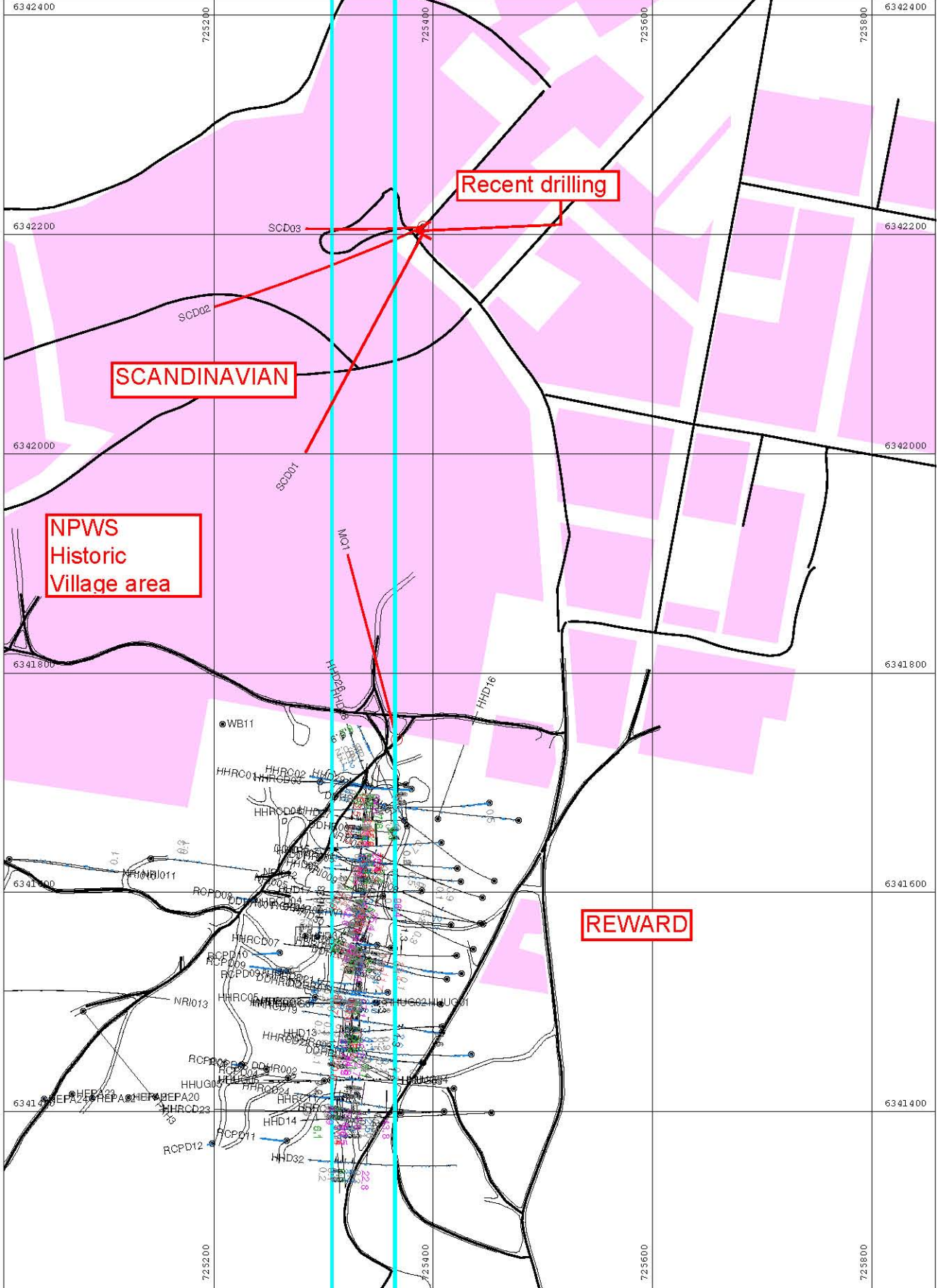
Hole Number	MGA Easting	MGA Northing	Dip	Azimuth MGA	Total Depth (m)	From (m)	To (m)	Interval (m)	g/t Au	Gold
						210.27	210.52	0.25	9.36	vg
						219.96	220.08	0.12	1.26	vg
						224.7	224.9	0.20	2.37	
						224.9	225.15	0.25	4.47	vg
						229.15	229.25	0.10	5.85	
						240.55	240.8	0.25	2.11	
						240.8	241.1	0.30	13.20	
						247.67	247.9	0.23	2.77	
						254.78	255.06	0.28	8.76	
						263	263.32	0.32	4.90	
						264.85	265.14	0.29	2.80	
						279.2	279.51	0.31	22.20	
						279.51	279.8	0.29	12.80	
						279.8	280.1	0.30	1.80	
						280.4	280.7	0.30	2.56	
						290.15	290.35	0.20	1.79	
						290.75	291.05	0.30	7.15	
						291.05	291.35	0.30	6.50	
						293.24	293.55	0.31	5.56	
						300.5	300.8	0.30	3.78	
						315.26	315.5	0.24	1.17	
						315.5	315.75	0.25	3.40	
						336.02	336.38	0.36	1.36	
						342.08	342.32	0.24	2.75	
						351	351.3	0.30	4.35	
						351.3	351.6	0.30	12.20	
						390.4	390.75	0.35	1.31	

Hole Number	MGA Easting	MGA Northing	Dip	Azimuth MGA	Total Depth (m)	From (m)	To (m)	Interval (m)	g/t Au	Gold
VALENTINES										
RHD136	726772	6348013	-53	258	226.6	53.14	53.45	0.31	2.94	
						55.05	55.35	0.30	2.69	
RHRC115	726762	6347896	-62	270	162.5	114.55	114.7	0.15	4.88	
RHRC126	726782	6348092	-60	257	276.4	135.17	135.2	0.03	5.60	
RHRC127	726743	6348082	-60	257	198.6	111.67	111.9	0.23	23.80	
RED HILL										
RHD145	726514	6346891	-75	270	435.8	204.35	204.48	0.13	15.41	vg
						207.42	207.82	0.40	17.35	vg
						207.95	208.25	0.30	10.62	vg
						208.25	208.46	0.21	27.91	vg
						208.46	208.67	0.21	3.70	
						209.27	209.54	0.27	2.03	
						209.7	210.07	0.37	7.35	
						211	211.33	0.33	86.74	vg
						211.33	211.55	0.22	39.28	vg
						211.55	211.75	0.20	47.90	
						212.23	212.44	0.21	44.61	vg
						212.44	212.88	0.44	14.35	
						212.88	213.13	0.25	15.92	
						214.21	214.41	0.20	3.36	
						214.78	214.95	0.17	15.03	
						214.95	215.32	0.37	1.77	
215.55	215.93	0.38	4.10							

Hole Number	MGA Easting	MGA Northing	Dip	Azimuth MGA	Total Depth (m)	From (m)	To (m)	Interval (m)	g/t Au	Gold
						216.8	217.12	0.32	83.18	vg
						217.12	217.29	0.17	9.32	
						217.8	218.09	0.29	10.17	
						227.05	227.32	0.27	1.36	
						228.24	228.56	0.32	2.68	
						228.96	229.18	0.22	3.31	
						229.96	230.13	0.17	5.83	
						230.13	230.29	0.16	2.55	
						231.5	231.65	0.15	11.07	vg
						232.17	232.41	0.24	2.01	
						232.41	232.54	0.13	9.44	
HAWKINS HILL SURFACE										
HHD35	725279	6340692	-59	279	275.1	240.53	240.58	0.05	48.20	
HHD36	725280	6340691	-70	279	332.1	234.4	234.55	0.15	1.11	
						270	270.2	0.20	1.36	
						271.63	271.73	0.10	24.80	
						303.83	303.92	0.09	1.42	
HAWKINS HILL UNDERGROUND										
HHUG07	725348	6341499	40	270	65	15.01	15.05	0.04	3.09	
						18.45	18.5	0.05	3.80	
						18.72	18.8	0.08	3.85	
						22.8	23.1	0.30	1.23	
						24.81	24.89	0.08	2.53	

Hole Number	MGA Easting	MGA Northing	Dip	Azimuth MGA	Total Depth (m)	From (m)	To (m)	Interval (m)	g/t Au	Gold
						25.19	25.29	0.10	43.70	
						25.73	25.81	0.08	14.30	
HHUG08	725348	6341499	-45	270	99.3	2.07	2.21	0.14	3.13	
						31.05	31.17	0.12	2.96	
						34.15	34.23	0.08	3.04	
						34.94	35	0.06	44.10	
						35.52	35.57	0.05	6.24	
						35.6	35.66	0.06	19.70	
						35.78	35.91	0.13	5.00	
						36.3	36.46	0.16	16.20	
						36.66	36.73	0.07	485.00	
						66.45	66.5	0.05	1.00	
HHUG11	725272	6341248	-25	270	26.8	0.57	0.63	0.06	2.40	
						22	22.25	0.25	61.90	

Most Samples are taken from half HQ3 diamond core. Samples from Hawkins Hill Underground have been taken from LTK60 diamond core.
Gold content estimation by Accelerated Cyanide Leach Technique (Leachwell) by SGS Townsville, Queensland, Australia.
Only assay values above 1 g/tAu have been shown (vg – visible gold).
There are many samples with outstanding final assays.

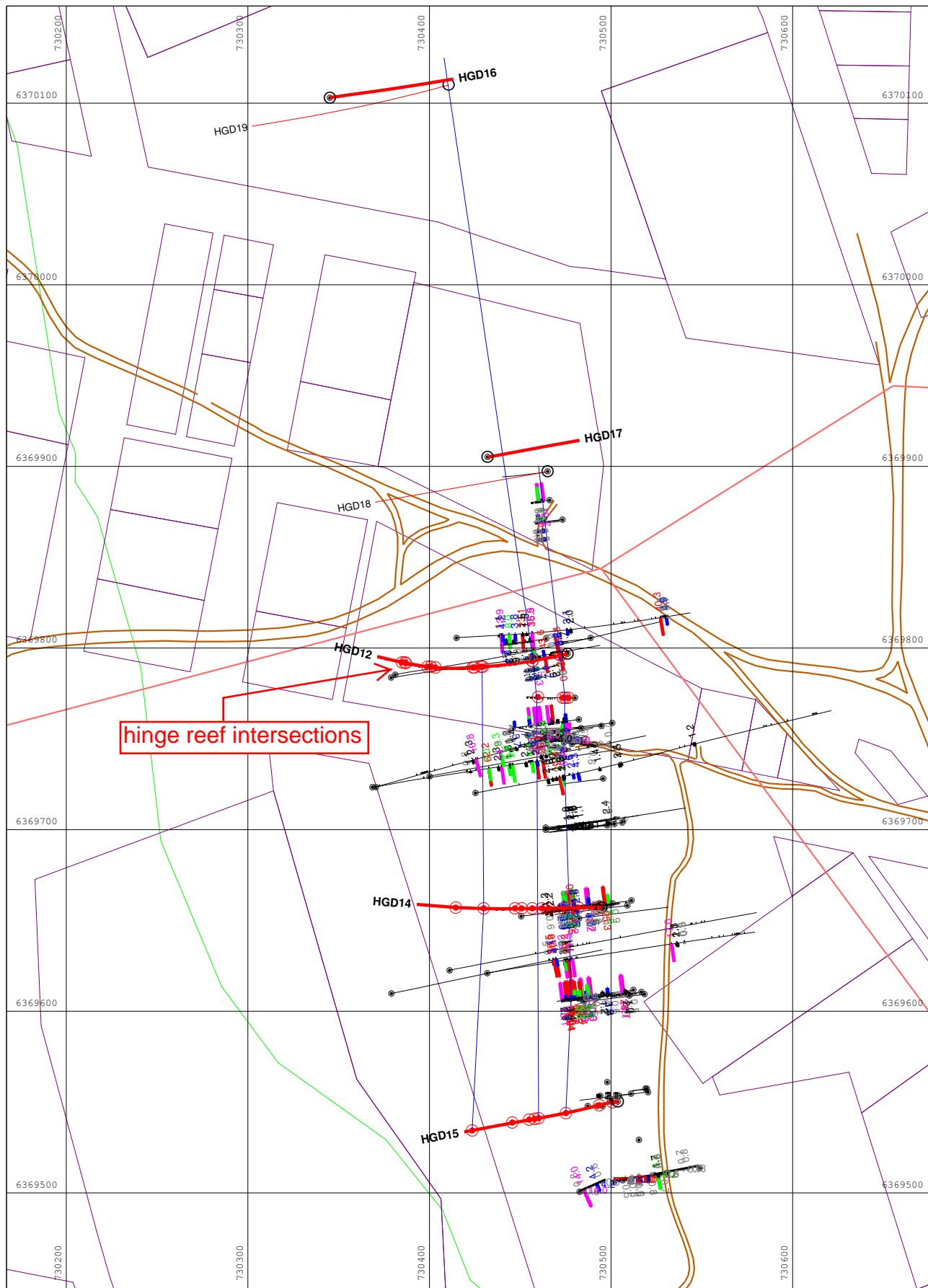


Color 8/7/08	
0.5 to 2.0	20.0 to 30.0
2.0 to 2.5	30.0 to 35.0
2.5 to 3.0	35.0 to 40.0
3.0 to 3.5	40.0 to 45.0

Scale	10/07/08	SHEET
1:5000	REF No.	1 of 1
	1	FILE
		bbb



Figure 1 Plan of Scandinavian Drilling



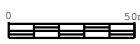
hinge reef intersections

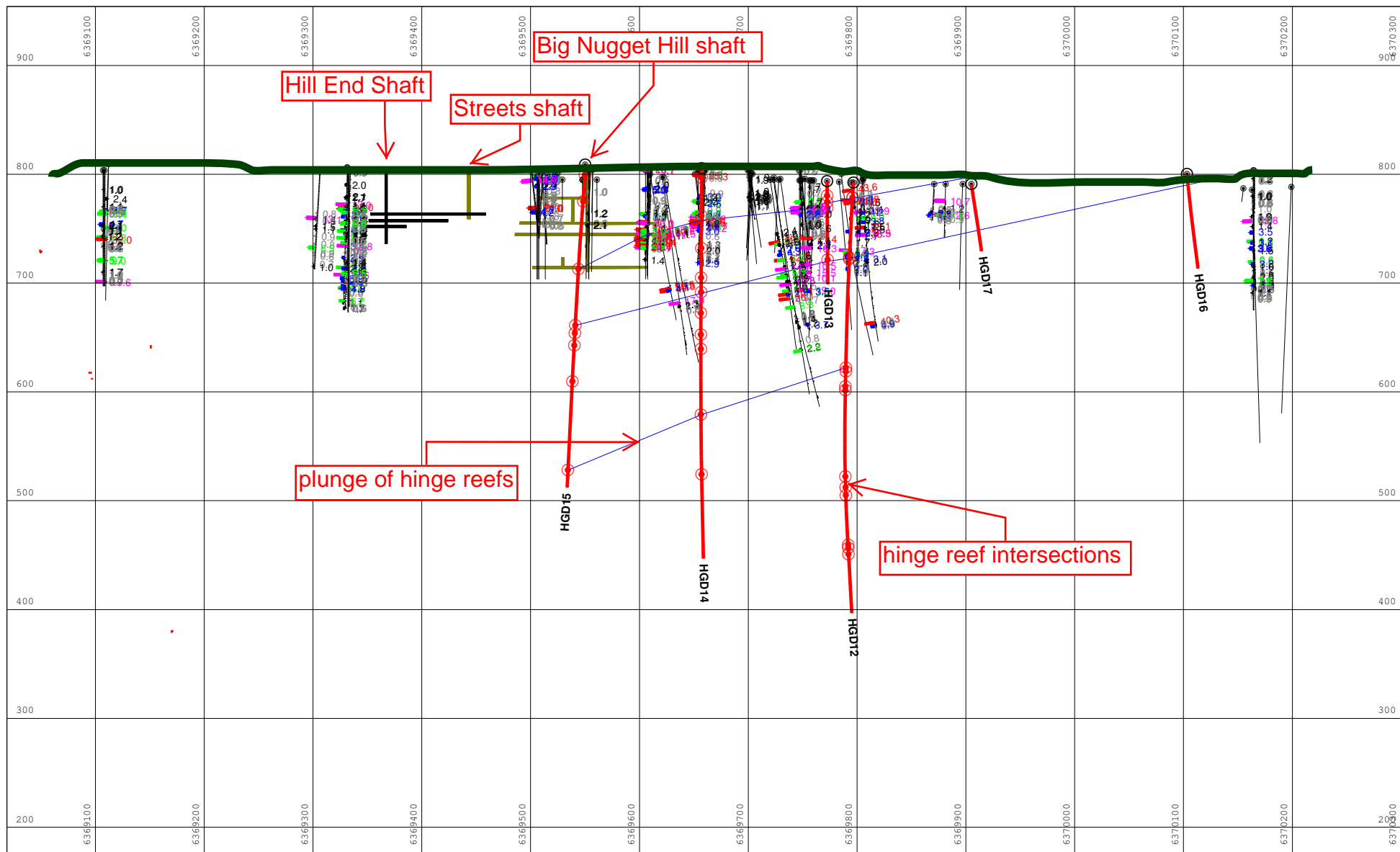


■ 0.0 to 1.0	■ 5.0 to 10.0
■ 1.0 to 2.5	■ 10.0 to 20.0
■ 2.5 to 5.0	■ > 20.0

Scale	Created	SHEET
1:3000	09/07/08	1 of 1
REF No.	FILE	
1	QQ	

Figure 2 - Hargraves - Big Nugget Hill drilling locations

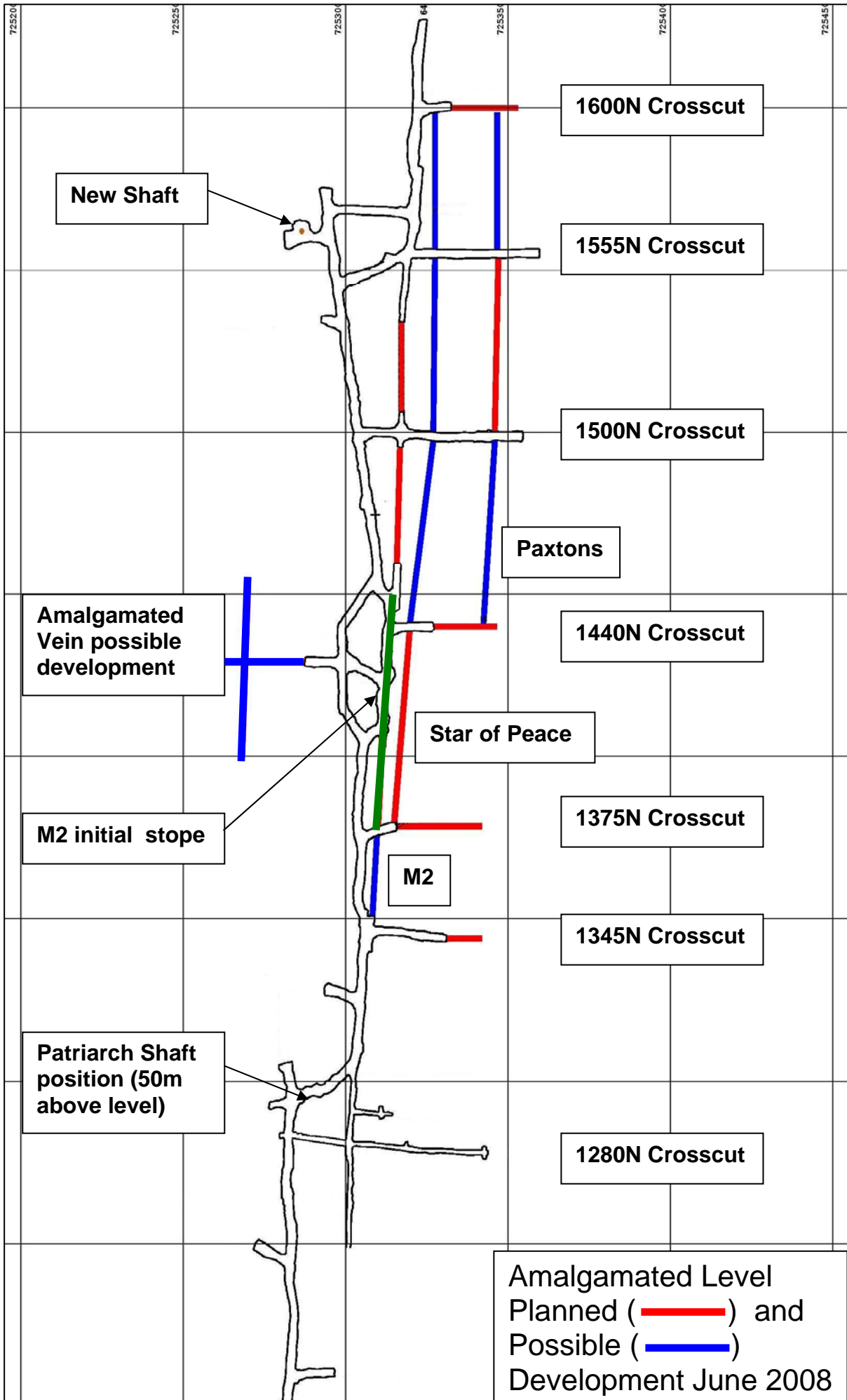


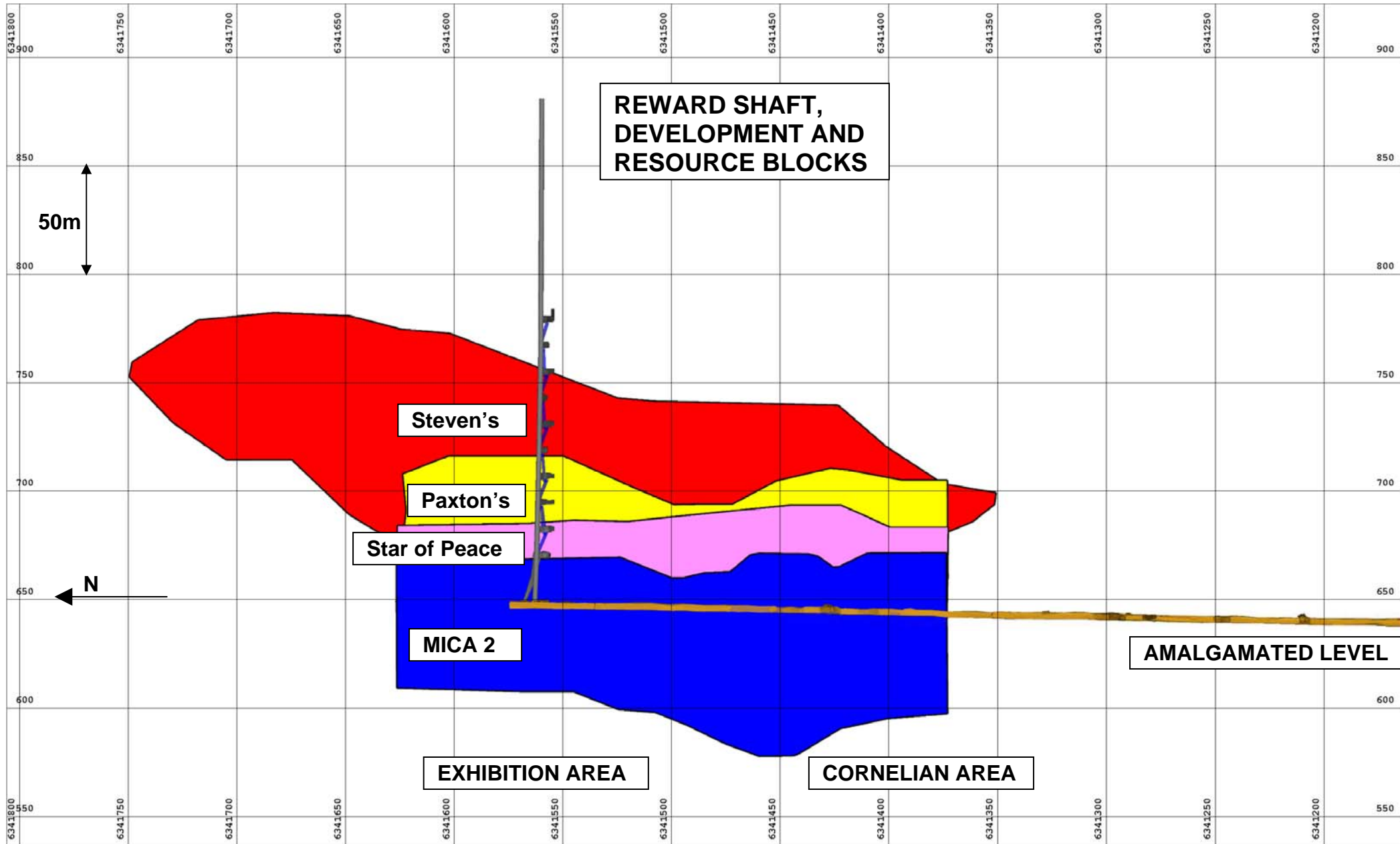


0.5 to 1.0	5.0 to 10.0
1.0 to 2.5	10.0 to 20.0
2.5 to 5.0	>= 20.0

Scale 1:5000	Created 09/07/08	SHEET 1 of 1
	REF No. 1	FILE XX

Figure 3 Hargraves - Big Nugget Hill - long section





**REWARD SHAFT,
DEVELOPMENT AND
RESOURCE BLOCKS**

Steven's

Paxton's

Star of Peace

MICA 2

AMALGAMATED LEVEL

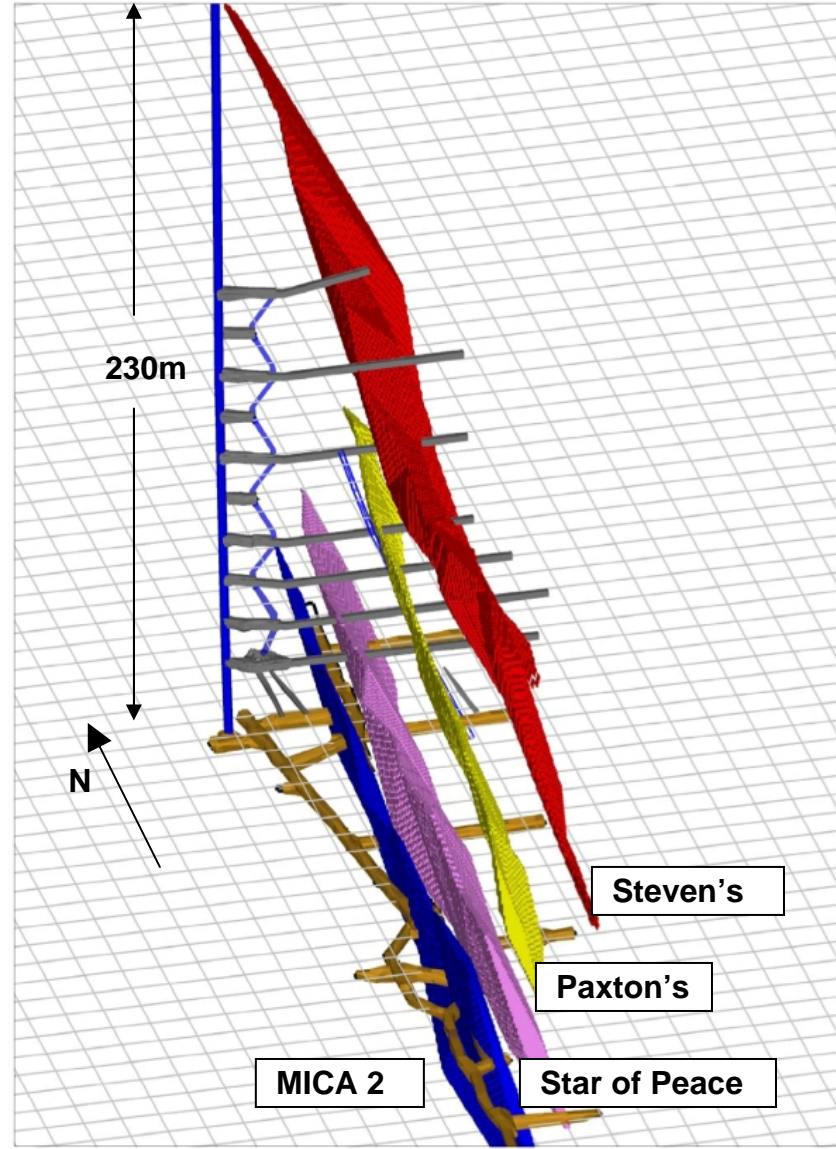
EXHIBITION AREA

CORNELIAN AREA

Scale 1:2500	DATE 11/07/08	SHEET 1 of 1
	REF No. 1	FILE O Long 8



REWARD SHAFT EQUIPPING STAGE



REWARD SHAFT, DEVELOPMENT AND RESOURCE BLOCKS