



KANMANTOO PROJECT UPDATE – JUNE 2005

Focus Group

The first meeting of the Focus Group will be held on the 7th of July at the Callington Community Hall at 7:00pm. Further meetings will be held every second month on the first Thursday of the month.

Representatives on the focus group include the following people:

NAME	ORGANISATION	POSITION
David Hopton	PIRSA	Principal Legislation Officer
Dale Ferguson	Hillgrove Resources	Exploration Manager
John Popow	Hillgrove Resources	Land Holder Liaison Officer
Steve Sickerdick	SAMR Mining	Director
Angela Crimes	Department Environment/Heritage	Snr Environment Off.
Bob Goreing	Adelaide Hills Development Board	CEO
Mark Goldsworthy	State Government	Local Member of Parliament
Greg Sarre	Mt Barker Council	Environment Officer
Lyn Stokes	Mt Barker Council	Local Councillor
Harry Seager	Kanmantoo-Callington Landcare Group	Member
Andrew Crompton	Mt Barker Environment Group	Member
Alex Wells	Kanamntoo Resident	Local Resident
Bill Filmer	Kanmantoo Resident	Local Resident
Peter McCormack	Kanmantoo Store Owner	Local Resident
Kathy Roberts	Kanmantoo Resident	Local Resident

The agenda for the meeting is as follows:

1. Welcome and discussion of Agenda.
2. Conduct introductions of all members.
3. Each member will give a brief summary of their involvement in the community and skills they wish to contribute to the group.
4. Elect a chairperson and secretary.
5. Discuss Company's policy in regard to landholders/ stakeholders.



6. Discuss PIRSA and DEH Roles.
7. Questions and answers.
8. Discuss the function of the committee and what steps are to be taken to achieve these goals.
9. Form working groups within committee to manage given roles.
10. Formulate a reporting system for the committee.
11. Questions from the floor.
12. Advise the time and date of proposed meetings.

This is an open meeting and any interested parties may attend the meeting to observe proceedings and questions will be taken from the floor during the meeting. Minutes from the meeting will be published in the monthly landholder newsletter.

Current Exploration Focus

The current phase of drilling has been completed and the rigs will be off site for 1 to 2 months. During this time all the drill results from the past 3 to 4 months of work will be accessed to determine next steps.

The I.P. geophysical study over the mine area, which works very much like using a large metal detector, has been completed. This information is now being interpreted, with preliminary results identifying some areas of interest up to 2km to the south of the old pit. Work is now underway to better understand these areas and determine what further exploration work may be required.



Reconnaissance exploration work, including soil sampling and rock sampling, is continuing around the south of the old Kanmantoo pit, the old Aclare mine area, North Callington and north around Cambrai, although these programs are likely to be halted by the weather.

Once all the results have been obtained from this work, Hillgrove will then determine whether any further work will be required in each of these areas. If the weather permits drilling is scheduled to recommence in August.

July Work Programme

Due to the wet conditions, the July field work program will comprise mainly rehabilitation activities around the old Kanmantoo mine site. Some limited rock chip sampling and geological mapping may be conducted when the weather permits.

The office based review of the past 3 to 4 months work will continue to determine what further exploration work may be required. The regional soil and rock chip sampling programs will run for the next few weeks, but will finish up when the winter rains set in until next spring.

Consulting With Relevant Parties

Hillgrove is mindful of landowner and other stakeholder concerns, and every effort is being made to consult and liaise with all relevant parties before any work programs commence. All our exploration activities will be conducted in accordance with PIRSA guidelines and we will make every effort to ensure that the small areas where we do work are rehabilitated very rapidly.



Track Mounted Diamond Rig Working 10km to the west of Cambrai

Local Employment Opportunities Expected To Increase

Hillgrove has been assisting the local economy for some time through the employment of four local field staff. We are utilising Hahndorf-based John Nitschke Drilling Pty Ltd for exploration drilling and currently employ seven people from the local community.

We anticipate that further staff will be required over the coming months, and local people will be given priority for these positions.

How To Contact Us

If you have any queries or would like further information on our work program please call Dale Ferguson on (08) 9322 6377 or email to: dalef@hillgroveresources.com.au.

If you wish to contact Primary Industry and Resources South Australia (PIRSA), who are the government body who regulate mining and exploration in South Australia, please call David Hopton on (08) 8463 3060 or by email at Hopton.David@saugov.sa.gov.au.

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