

## **A Report From Hillgrove Resources Limited**

### **A Big New Year**

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Being our first Newsletter for 2008, Hillgrove would like to take the opportunity to say, we hope all our readers enjoyed the festive season which is certainly fading behind us at a rapid rate. We're hard at work now on a number of fronts which are outlined in this newsletter, and we will have plenty of other news in future editions appearing at the end of each month. We welcome your feedback to our editor, Stephen Marlow, whose contact details appear on the last page.

### **From Hillgrove's Managing Director:**

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From Hillgrove's perspective, following the announcement of the positive Definitive Feasibility Study and the Board giving the 'green light' to proceed with the project reported in our last newsletter, it is a very busy time and there's a lot being done on the corporate front.

The most important items on our agenda are the securing of finance for the project; finalising the Mining Lease Proposal (MLP) submissions responses; and recruiting a number of senior management positions – all of which have seen real progress this month.

We are pleased to report the finance community is very keen on the Kanmantoo story and those we have approached to help assist with funding to enable construction of the project are currently preparing their offers.

The MLP is the formal document which sets out exactly how the mine will be operated and what rehabilitation measures will be undertaken. It is important to remember this is a legally enforceable document and its contents will strongly reflect the community consultation process we have been through over the past 2-3 years.

And as this month's employment story reveals, we have started the next phase of recruitment and are currently recruiting people to fill four senior management positions at the project who will help guide us through the development, construction and operational processes.



David Archer

It will certainly be a busy year, and I look forward to keeping you informed of our progress and forthcoming milestones through this Newsletter.

*David Archer  
Managing Director*

## **Kanmantoo Callington Community Consultative Committee**

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Since the Committee last met toward the end of 2007, the KCCCC's response to the Mining Lease Proposal (MLP) has been completed and submitted.

PIRSA has consolidated the submissions made during the public consultation period, which closed in December, and responses are presently being prepared and will be sent shortly.

As soon as there are any further developments in the project that are of interest to the community I will ask the KCCCC to reconvene. In the meantime, I repeat the undertaking from Hillgrove and PIRSA that community engagement generally and the KCCCC in particular will continue to have an important and ongoing role.

This new role will be appropriate to the next stage of the development of the mine, which will see the construction of the plant and mine site, and while details have not yet been worked out yet the KCCCC and the community will be involved in the transitional process.

*Bob Goreing  
KCCCC Chair*

## **Employment at Kanmantoo**

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Next steps after the completion of the MLP process, is obtaining the final Government licensing and with finance in place construction work on the project will be able to begin. Following this the recruitment programme by Hillgrove for the projects 150 permanent jobs will gear up and continue over the year. We will also see a benefit to the community with some 400 indirect jobs being generated by the project over its life.

It should be noted that licensing and getting the funding in place will take a couple more months to complete so construction is only expected to begin in the middle of the year. And as construction will not be completed until next year, remember that we will not be looking at operational roles until early 2009. We are really grateful for all the people interested in working on the project but setting up a new mine is a lengthy process and we appreciate your patience.

If you are interested in working on the project keep an eye on our website at [www.hillgroveresources.com.au/Kanmantoo/EmploymentOpportunities/](http://www.hillgroveresources.com.au/Kanmantoo/EmploymentOpportunities/) where we will post all roles that Hillgrove is looking to fill, which will also be advertised in the Mt Barker Courier or the Adelaide Advertiser.

As we have promised in the past, preference will be given to local people and suppliers with the right skills and experience.

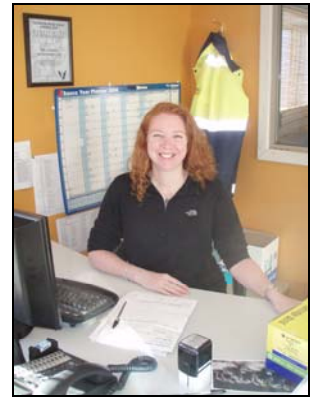
## Office Manager: Tanya Carter

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As part of the recruitment process it is Tanya Carter, our multi-tasked and multi-talented Office Manager who collates applications and responds to all your emails.

She is our administration guru who juggles all the support jobs required to run the South Australian office at Callington and liaises with the Exploration and Registered Offices in Perth and Sydney.

It is certainly a big job for one person at this stage in the project as we have minimal staff until all the final hurdles are met, but Tanya is unflappable and happily makes every effort to respond to your enquiries on a timely basis with the information available.



Tanya Carter

## Mining Contractor Appointed for Initial Definition

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This month Hillgrove was pleased to announce that Abesque Engineering and Construction Ltd was appointed to undertake the initial Project Definition Stage for the process plant construction at Kanmantoo.

Abesque specialises in the provision of engineering design, construction and project management services to the resource sector and is currently involved in mining project developments across a broad range of commodities. Abesque is currently the design and construct contractor for the processing plant facility and infrastructure for Terramin's Angas Zinc Project located 20kms south east of Kanmantoo.

Vendor enquiries may be directed to Mr Jack Fazio, Abesque's project manager, on 08 6222 6400.

## Callington Primary School

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Here's a note for your diaries – the Callington Primary School is celebrating its 150<sup>th</sup> birthday on Saturday April 5<sup>th</sup> this year.

Hillgrove are strong supporters of the school and will certainly be there to help celebrate such an important occasion with an information display reflecting the mining history of Callington and Kanmantoo, and outlining the current mining project.

## How to Contact Us

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There are many ways to stay informed about the progress of the program, or seek additional information. Key contacts are:

Landholder Liaison Officer	John Popow	0427 131 018	<a href="mailto:johnp@hillgroveresources.com.au">johnp@hillgroveresources.com.au</a>
Project Manager	Marty Adams	0439 670 045	<a href="mailto:martya@hillgroveresources.com.au">martya@hillgroveresources.com.au</a>
Executive Director – Exploration & Operations	Dale Ferguson	08 9481 1433	<a href="mailto:dalef@hillgroveresources.com.au">dalef@hillgroveresources.com.au</a>
Community Consultative Committee Secretariat	Stephen Marlow	08 8431 5907	<a href="mailto:marcomms@bigpond.net.au">marcomms@bigpond.net.au</a>

We have added a section to our website which provides details from the community consultation meetings. The direct link is <http://www.hillgroveresources.com.au/Kanmantoo/CommunityCommittee/>

Contacts for Primary Industry and Resources South Australia (PIRSA), the government body who regulate mining and exploration in South Australia, are:

PIRSA	Sam Walker	08 8463 3088	<a href="mailto:walker.sam@saugov.sa.gov.au">walker.sam@saugov.sa.gov.au</a>
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PIRSA's website is [www.pir.sa.gov.au](http://www.pir.sa.gov.au) and provides a wealth of useful information including the *Mining Act 1971*, prescribed forms, mines regulation and other detail.

**If you would prefer to have an emailed copy of the newsletter please go to the website and fill in your details under Project News which is part of the Kanmantoo Community sections. The direct link is [www.hillgroveresources.com.au/Kanmantoo/KanmantooProjectNews](http://www.hillgroveresources.com.au/Kanmantoo/KanmantooProjectNews)**