

Friday, 9 August 2013

RESTART OF MINING OPERATIONS AHEAD OF SCHEDULE AT KANMANTOO

Hillgrove Resources Limited (ASX:HGO - "Hillgrove") is pleased to advise the market that the restart of mining operations at its fully owned Kanmantoo Copper Mine is ahead of schedule, with mining already recommencing in the Kavanagh and Nugent pits this week.

Copper production has continued at or near previously stated rates, and is anticipated to ramp up to projected production rates over the next four to five weeks.

In summary:

- Drilling operations recommenced in the Nugent pit on Monday 5th August;
- Ore and waste mining operations recommenced in the main Kavanagh pit on Wednesday 7th August;
- Two drills have been operational on site, with an additional drilling unit anticipated to arrive during the coming week; and
- Three initial mining shifts on a three panel roster of Hillgrove mining personnel are now in place.



One main production excavator (Hitachi 1900) has been operational on site all week, with the truck fleet expanding from two to five Cat 777 trucks. Additionally, a second main production excavator is in final commissioning stages, and over this coming weekend will commence operations along with a total of nine trucks.

Training of new Hillgrove mining employees has also progressed well during the last fortnight, with significant effort to recruit, select, induct and assess skills appropriate to the company's ongoing requirements at Kanmantoo. A key focus has been on skills, capability, safety and operating quality as we ramp up operations. New employees are a combination of previous contract operators and new experienced operators, with a focus on locally based employees.

Hillgrove CEO Mr Greg Hall said, "It is very pleasing to see the rapid restart of mining operations, ahead of our previously stated schedule. The management and staff at Kanmantoo are to be congratulated for their professional focus, enthusiasm and sheer hard work in getting the operations back to this stage in a safe, diligent and efficient manner."

"As always, it is good to see new jobs being created at Kanmantoo. I personally welcome our new employees to Hillgrove and the Kanmantoo Copper Mine."

For more information contact:

Mr Greg Hall
Managing Director
Tel: 02 8247 9300

Mr Russell Middleton
Chief Financial Officer
Tel: 02 8247 9300