

BUY

HOLD

SELL

ACTION & RECOMMENDATION

We consider HGO's recent capital raise as the final but necessary action required to take in completing ramp-up of Kanmantoo. We are expecting improved operating performance as mining advances into a high grade zone of the open pit. FY14 production guidance is maintained at 16.5kt-18kt (WHTMe: 17.2kt) and FY15 production to be in excess of 20kt of copper (WHTMe: 21.4kt). Strong free cash flow generation is expected to allow HGO to repay outstanding debt by mid 2015. Despite HGO's improving outlook, we maintain our **SPECULATIVE BUY** recommendation until consistent production performance is achieved. Our 12-month price target is \$0.14/sh.

Improved Operating Performance Critical**What's Changed**

- HGO has completed a \$10.8m equity raising at an issue price of \$0.07/sh. The total number of shares post the raise is 1,179m, a 15% increase.
- HGO will use the funds to alleviate a cash squeeze caused by the accelerated settlement payment (\$9m) with the previous mining contractor, and restricted availability of operating cash proceeds typical in project financing arrangements.
- Whilst unfortunate, we do expect a strong improvement in the performance of operations going forward. HGO has indicated the transition to owner operator is on schedule to achieve FY14 production guidance of 16.5-18.0kt of copper (WHTMe: 17.2kt). This implies a mill feed grade of +0.8% copper in Q4-FY14 to achieve guidance, a significant improvement on the 0.55% average grade achieved in 1H-FY14.
- HGO expect the improved performance to continue in FY15 with production guidance for the year in excess of 20kt (WHTMe: 21.4kt).
- An improved operating performance is expected to generate strong free cash flow that should allow HGO to repay its \$48m outstanding debt by mid 2015.
- Our 12 month price target has declined from \$0.16/sh to \$0.14/sh due to share dilution and changes in model. Main change is an increase in material movement to 600kbcu in FY15 as per guidance.

Risks & Catalysts

- Risk: Production and cost performance in FY14 and FY15.
- Catalyst: Evidence of improved operating and cost performance.

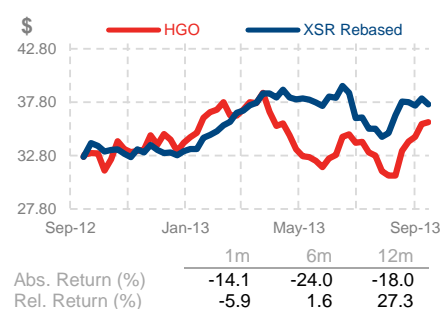
12m Target Price (AUD)	\$0.14
Share Price @ 02-Oct-13 (AUD)	\$0.08
Fcst 12m Capital Return	86.7%
Fcst 12m Dividend Yield	0.0%
12m Total S'holder Return	86.7%

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12m Share Price Performance**WHTM Return Re-investment Matrix**

Return	High	Cash Generator	Champion
	Low	Challenged	Potential
		Low	High
		Re-Investment	

WHTM Risk Assessment

	Low	Med	High	Spec
Share Price Risk				
Business Risk				

Year-end January (AUD)	FY12A	FY13A	FY14E	FY15E	FY16E
Revenue (\$m)	11.6	115.4	123.9	165.6	167.6
EBITDA Margin (%)	-76	15	38	35	35
NPAT Norm (\$m)	-8.7	-10.6	8.1	13.7	16.2
Consensus NPAT (\$m)			6.9	6.9	16.7
EPS Norm (cps)	-1.1	-1.0	0.7	1.1	1.3
EPS Growth (%)	35	5	167	60	19
P/E Norm (x)	-6.9	-7.2	10.9	6.8	5.7
EV / EBITDA (x)	-13.2	6.9	2.5	2.0	2.0
CFM (x)	-3.9	3.0	3.7	1.6	1.6
DPS (cps)	0.0	0.0	0.0	0.0	0.0
Franking (%)	0	0	0	0	0
Mkt Cap: \$86m	Enterprise Value: \$117m	Shares: 1,178m	Sold Short: 0.4%		

Key Changes	16-Sep	After	Var %
Revenue FY14	125	124	-0.6%
(\$m) FY15	156	166	6.2%
FY16	150	168	11.6%
EBITDA: FY14	48.2	46.6	-3.4%
(\$m) FY15	58.7	57.4	-2.4%
FY16	53.2	58.6	10.1%
EPS: FY14	0.9	0.7	-19.4%
Norm FY15	1.3	1.1	-16.9%
(cps) FY16	1.3	1.3	-1.2%
Price Target:	0.16	0.14	-12.5%
Rec:	BUY	BUY	
ASX 300 wgt: 0.0%	Median T'over/Day: \$0.1m		

Wilson HTM Equities Research – Hillgrove Resources Limited

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PRICE TARGET		
	Valuation	Price Target
Kanmantoo	204.59	0.17
Exploration	10.00	0.01
Hedge Book	1.97	0.00
Other Equity	0.17	0.00
Corporate	-30.65	-0.02
Net (Debt)/Cash	-31.03	-0.03
TOTAL	155.05	0.13

12 Month Price Target **0.14**

INTERIMS (\$m)				
Half Yr (AUD)	Jul 12	Jan 13	Jul 13	Jan 14
	1H A	2H A	1H E	2H E
Sales	49.7	65.7	49.8	74.2
EBITDA	1.5	15.6	21.7	24.9
EBIT	-14.8	5.3	9.3	7.7
Net Profit	-12.5	1.8	4.0	4.1
Norm. EPS	-1.4	0.2	0.4	0.3
EBIT/Sales	-29.7	8.1	18.7	10.4
Dividend (c)	0.0	0.0	0.0	0.0
Franking (%)	0.0	0.0	0.0	0.0

FINANCIAL STABILITY			
Year-end January	FY13A	FY14E	FY15E
Net Debt	22.9	18.1	-5.5
Net Debt / Equity (%)	10.4	7.5	<0
Net Debt / EV (%)	19.5	15.4	<0
Current Ratio (x)	4.4	6.1	9.7
Interest Cover (x)	<0	3.5	12.0
Adj. Cash Int. Cover (x)	5.2	6.5	35.5
Debt / CashFlow (x)	1.8	2.2	0.7
Net Debt (cash) / share	0.0	0.0	0.0
NTA / share (\$)	0.2	0.2	0.2
Book Value / share (\$)	0.2	0.2	0.2
Payout Ratio (%)	0	0	0
Adj. Payout Ratio (%)	0	0	0

EPS RECONCILIATION (\$m)				
	FY13A		FY14E	
	Rep.	Norm.	Rep.	Norm.
Sales Revenue	115	115	124	124
EBIT	-11.0	-9.4	17.0	17.0
Net Profit	-11.8	-10.6	8.1	8.1
Notional Earn.	0.0	0.0	0.0	0.0
Prof./Conv. Div.	0.0	0.0	0.0	0.0
Profit for EPS	-11.8	-10.6	8.1	8.1
Diluted Shrs(m)	1,023	1,023	1,177	1,177
Diluted EPS (c)	-1.2	-1.0	0.7	0.7

RETURNS				
	FY13A	FY14E	FY15E	FY16E
ROE (%)	-4.9	3.5	5.5	6.2
ROIC (%)	-2.7	4.7	5.9	6.5
Incremental ROE	-11.1	119.9	32.2	17.2
Incremental ROIC	3.7	197.1	99.4	-15.9

KEY ASSUMPTIONS								
Year-end January (AUD)	FY12A	FY13A	FY14E	FY15E	FY16E	FY17E	FY18E	FY19E
Copper Price (US\$/lb)	4.00	3.60	3.36	3.48	3.40	3.30	3.20	3.05
A\$/US\$	1.03	1.04	0.97	0.95	0.92	0.88	0.85	0.81
Copper Production (kt)	1.3	13.7	17.2	21.4	21.1	21.0	20.9	20.9
Gold Produced (koz)	0.4	6.5	6.0	9.8	11.7	12.3	12.3	12.3
EBITDA Margin (%)	-76.2	14.8	37.6	34.6	35.0	34.4	33.9	37.8
EBIT Margin (%)	-143.4	-8.9	13.7	12.9	13.7	21.3	20.9	24.7
ROA (%)	-2.9	-3.5	2.5	4.4	5.1	7.4	6.9	7.5
Earnings Sensitivity (% Chg)								
+/- 10% A\$/US\$	0.0	0.0	12.3	22.9	32.3	47.0	50.9	43.5
+/- 10% Copper Price	0.0	0.0	13.3	20.5	27.8	39.0	42.6	36.4

PROFIT & LOSS (\$m)								
Year-end January (AUD)	FY12A	FY13A	FY14E	FY15E	FY16E	FY17E	FY18E	FY19E
Sales Revenue	11.6	115.4	123.9	165.6	167.6	169.2	169.2	167.6
EBITDA	-8.9	17.1	46.6	57.4	58.6	58.2	57.3	63.3
Depn & Amort	5.2	26.5	29.6	36.1	35.6	22.1	22.0	22.0
EBIT	-14.0	-9.4	17.0	21.3	22.9	36.1	35.3	41.3
Net Interest Expense	-1.6	5.7	4.9	1.8	-0.3	-0.5	-0.8	-1.1
Tax	-3.9	-4.5	4.0	5.9	7.0	11.0	10.8	12.7
Minorities / pref divs	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Equity accounted NPAT	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net Profit pre Sig. Items	-8.7	-10.6	8.1	13.7	16.2	25.6	25.3	29.7
Abn's / Ext's / Signif.	0.0	-1.2	0.0	0.0	0.0	0.0	0.0	0.0
Reported Net Profit	-8.7	-11.8	8.1	13.7	16.2	25.6	25.3	29.7

CASHFLOW (\$m)								
Year-end January (AUD)	FY12A	FY13A	FY14E	FY15E	FY16E	FY17E	FY18E	FY19E
EBITDA	-8.9	17.1	46.6	57.4	58.6	58.2	57.3	63.3
Interest & Tax	2.4	-4.0	-3.8	-2.2	-7.0	-11.1	-10.9	-12.8
Working Cap / Other	-15.8	15.3	-19.7	-0.1	1.1	0.8	-0.3	1.3
Operating Cash Flow	-22.2	28.4	23.0	55.1	52.6	48.0	46.1	51.8
Maintenance Capex	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Free Cash Flow	-22.2	28.4	23.0	55.1	52.6	48.0	46.1	51.8
Dividends Paid	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Development Capex	-132.1	-46.7	-28.8	-31.5	-31.8	-31.8	-34.8	-21.3
Invest. / Disposals	0.2	0.0	0.1	0.0	0.0	0.0	0.0	0.0
Other Inv. Flows	5.9	1.1	0.0	0.0	0.0	0.0	0.0	0.0
Cash Flow Pre Financing	-148.2	-17.3	-5.7	23.6	20.9	16.2	11.3	30.5
Funded by Equity	0.0	17.8	10.8	0.0	0.0	0.0	0.0	0.0
Funded by Debt	51.1	6.2	-9.7	-30.1	-10.0	0.0	0.0	0.0
Funded by Cash	97.1	-6.7	4.7	6.6	-10.9	-16.2	-11.3	-30.5

BALANCE SHEET SUMMARY (\$m)								
Year-end January (AUD)	FY12A	FY13A	FY14E	FY15E	FY16E	FY17E	FY18E	FY19E
Cash	20.7	27.4	22.7	16.2	27.0	43.3	54.6	85.1
Current Receivables	6.4	6.4	4.1	4.6	4.7	4.7	4.7	4.6
Current Inventories	9.3	19.7	20.1	20.1	22.2	22.7	19.9	19.8
Net PPE	229.4	233.2	222.4	214.7	204.6	207.9	212.3	209.2
Investments	4.2	5.3	7.9	7.9	7.9	7.9	7.9	7.9
Intangibles / Capitalised	19.8	28.1	31.5	34.7				
Other	10.0	15.9	12.9	12.9	53.9	60.2	68.5	70.9
Total Assets	299.8	336.0	321.8	311.1	320.3	346.6	368.0	397.5
Current Payables	17.2	40.0	16.4	16.4	18.0	18.4	16.2	16.1
Total Debt	51.2	50.3	40.8	10.7	0.7	0.7	0.7	0.7
Other Liabilities	21.3	25.1	23.3	29.1	30.4	30.7	29.0	28.9
Total Liabilities	89.7	115.4	80.4	56.1	49.1	49.7	45.8	45.7
Minorities / Convertibles	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Shareholder Equity	210.1	220.6	241.3	255.0	271.2	296.9	322.2	351.9
Total Funds Employed	261.3	270.9	282.1	265.7	271.9	297.5	322.8	352.5



CAPITAL RAISE EASES CASH SQUEEZE

- HGO has completed a \$10.8m placement to institutional and sophisticated investors. The raise was conducted at a price of at \$0.07/share, a discount of 12.5% to the last close before the raise (18 September 2013).
- The total number of new HGO shares created in the raise was 153.7m. This represents a 15% dilution of existing shareholders. The total number of HGO shares post the raise is 1,178.5m.
- Exhibit 1 shows HGO's proposed sources and uses of cash, which includes the \$17.1m cash balance HGO had at the end of July 2013.
- In addition to what is shown in Exhibit 1, we forecast in the 2H-FY14 free cash flow (after capital expenditure) of \$20.1m and debt repayments of \$7.3m.
- Therefore, net proceeds in the 2H-FY14 of \$12.8m plus \$10m restricted cash balance means we forecast HGO's total cash balance at the end of FY14 (January 2014) to be \$22.7m.
- However, as is typical in project financing arrangements the timing and availability of net proceeds can be quite restrictive. In our view, the accelerated payment of the \$9m settlement to Exact meant that HGO's ability to match cash in and out was compromised and led to the cash squeeze.

EXHIBIT 1. SOURCES & USES OF PROCEEDS FROM THE RAISING

Sources (A\$M)			Uses (A\$M)	
Cash Balance (end July)	\$17.1		Initial Settlement Payment	\$5.0
Less:			Finalisation of settlement	\$4.0
Restricted Cash (required by end FY14)	(\$10.0)	\$7.1	Working Capital and transaction costs	\$8.9
Placement	\$10.8		Total Uses of Funds	\$17.9
Total Sources of Funds	\$17.9			

Source: HGO September 2013 Presentation

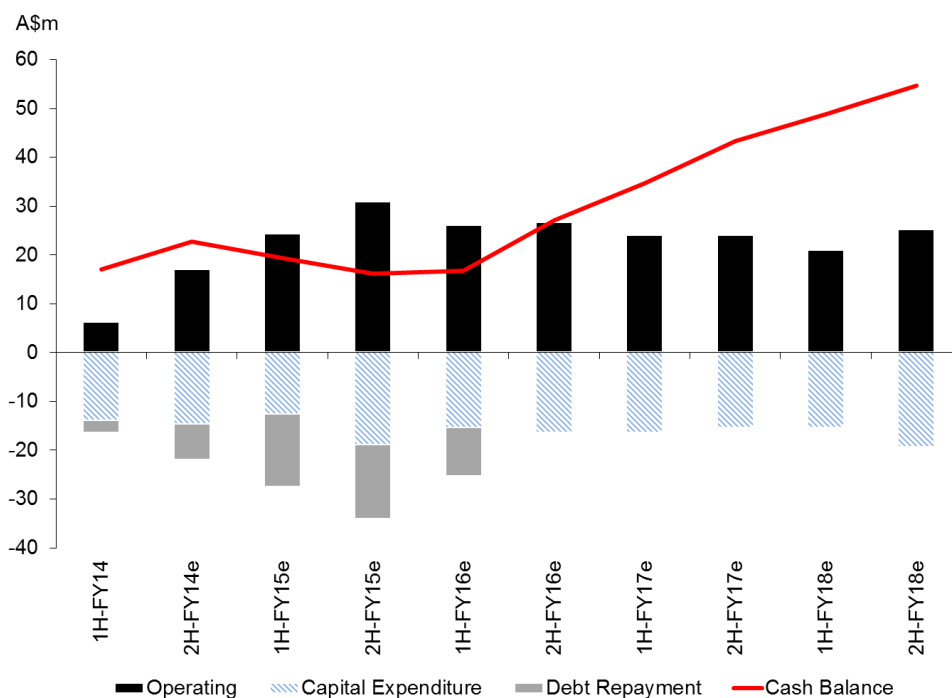
- Other options that HGO considered to avoid the cash squeeze included:
 - Sale of copper hedge book: HGO have 65%-75% of its forecast copper production hedged until March 2016 at an average price of A\$3.60/lb. However, with the copper price above A\$3.50/lb the mark-to-market is approximately even.
 - Sale of Indonesian assets: HGO has an 80% interest in two green field mining projects in Indonesia. However, interest in such early stage mining projects in Indonesia is currently low.



CASH EXPECTED TO ACCUMULATE AFTER DEBT REPAYMENT

- HGO's outstanding debt position at 31 July 2013 was \$48.1m, which included the following:
 - Project finance of \$30.0m: due January 2015;
 - Gold loan of \$8.1m: due end of 2014;
 - Mezzanine facility of \$10.0m: due July 2015
- HGO expects the outstanding debt to be repaid by mid 2015 at scheduled payments.
- As exhibit 2 shows, we expect HGO's cash balance to remain approximately flat whilst the debt is repaid. Cash accumulation is expected to start in the 2H-FY16 (6 months ending January 2016).

EXHIBIT 2. FORECAST HGO CASH FLOW & CASH BALANCE



Source: WHTM Research, "e" = WHTM Research estimate

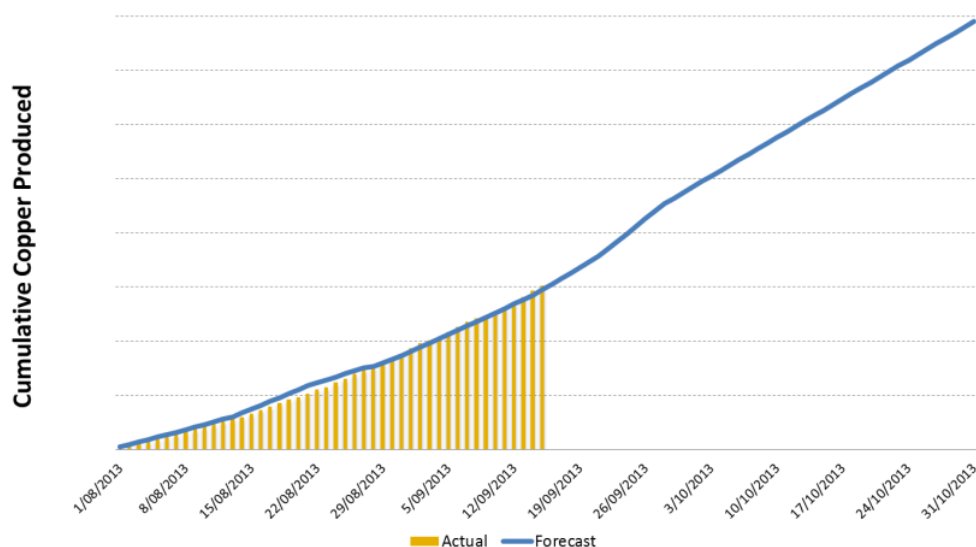
IMPROVED OPERATING PERFORMANCE EXPECTED IN 2H-FY14

- Following the termination of the previous mining contractor (Exact) and the transition to an owner operator, HGO recently provided a mid-quarter update for operations at Kanmantoo.
- Copper tonnes produced (refer Exhibit 3) and ore tonnes mined during the transition phase is in-line with the company's production guidance forecast of 16.5kt – 18.0kt of copper in concentrate (WHTM: 17.2kt) for FY14.
- Open pit mining operations are now at 93% of the previous mining rate of 10,000-11,000bcm per day. The target monthly rate is 400,000bcm which equates to approximately 13,333 – 15,000bcm per day. We expect mining rates to continue to increase and achieve the target rate by early October.
- From Exhibit 3 we estimate HGO's total copper production forecast for the October quarter to be 4,000t (includes production in August of 885t). This implies monthly copper production of approximately 1,515t in September and 1,600t in October (19.2kt annualised).
- Assuming a mill rate of 2.9Mtpa and a 90% recovery, the copper mill feed grade implied is 0.7% in September (HGO stated the process grade in September was averaging 0.7%) and 0.74% in October.



- Copper production in 1H-FY14 of 7,040t and in Q3-FY14 of 4,000t, implies production in the last quarter of FY14 of 5,460t - 6,960t (annualised rates 21.8kt – 27.8kt) to achieve the full year guidance of 16.5kt – 18.0kt. Given HGO's target of achieving ongoing copper production of 5,000t per quarter, we are comfortable with our FY14 production forecast of 17.2kt which is towards the lower end of HGO's guidance range.
- FY15 production guidance is over 20kt of copper. To achieve this HGO will need to increase monthly total material movement to 600,000bcm, an increase of ~50% on the current target rate. To achieve this HGO will require larger excavators and increased trucking fleet. These items have been ordered.
- With the increase in material movement capacity, HGO expects work to be on three fronts. This includes mining at Kavanagh with the pit now positioned at the top of the higher grade zone. In addition, HGO has started pre-strip operations at Nugent to be followed by Emily Star. Despite the increase in pre-strip material movement, HGO expects the annual strip ratio at Kanmantoo to remain relatively constant at 4.5x.

EXHIBIT 3. COPPER PRODUCED (T) VS FORECAST FOR Q3-FY14



Source: HGO Presentation



SUMMARY HGO MODEL CHANGES

- We have mark-to-market commodity and FX assumptions for the September quarter of 2013. This has resulted in small changes to our forecast pricing for FY14. We have also increased our gold price forecast in FY15 and lowered our A\$/US\$ in FY15 and FY16 all by less than 1%.
- Our life of mine (LOM) forecast for Kanmantoo is in-line with the company's Measured and Indicated Resource of 24.4Mt at 0.83% copper and 0.22g/t gold. In our previous model, the LOM copper and gold grades were too low. This has resulted in a slight increase in copper production and a more meaningful increase in gold production in the next couple of years.
- HGO has provided guidance for total material movement at Kanmantoo. Management expect total material movement to build from 400,000bcm at the beginning of Q4-FY14, to 600,000bcm by the start of FY15 (February 2014). We have increased material movement in FY15 onwards to be more in-line with guidance.
- The increased material movement has resulted in an increased cash mining cost. However, because the LOM strip ratio of 4.5x has not changed, our forecast mining cost expensed has changed little. However, it has resulted in a larger capitalised mining cost which is seen by the increase in investing cash flow.
- The capital raising was approximately 15% dilutive for existing shareholders. The increased share count has been included in the revised model and explains the significant change in EPS.

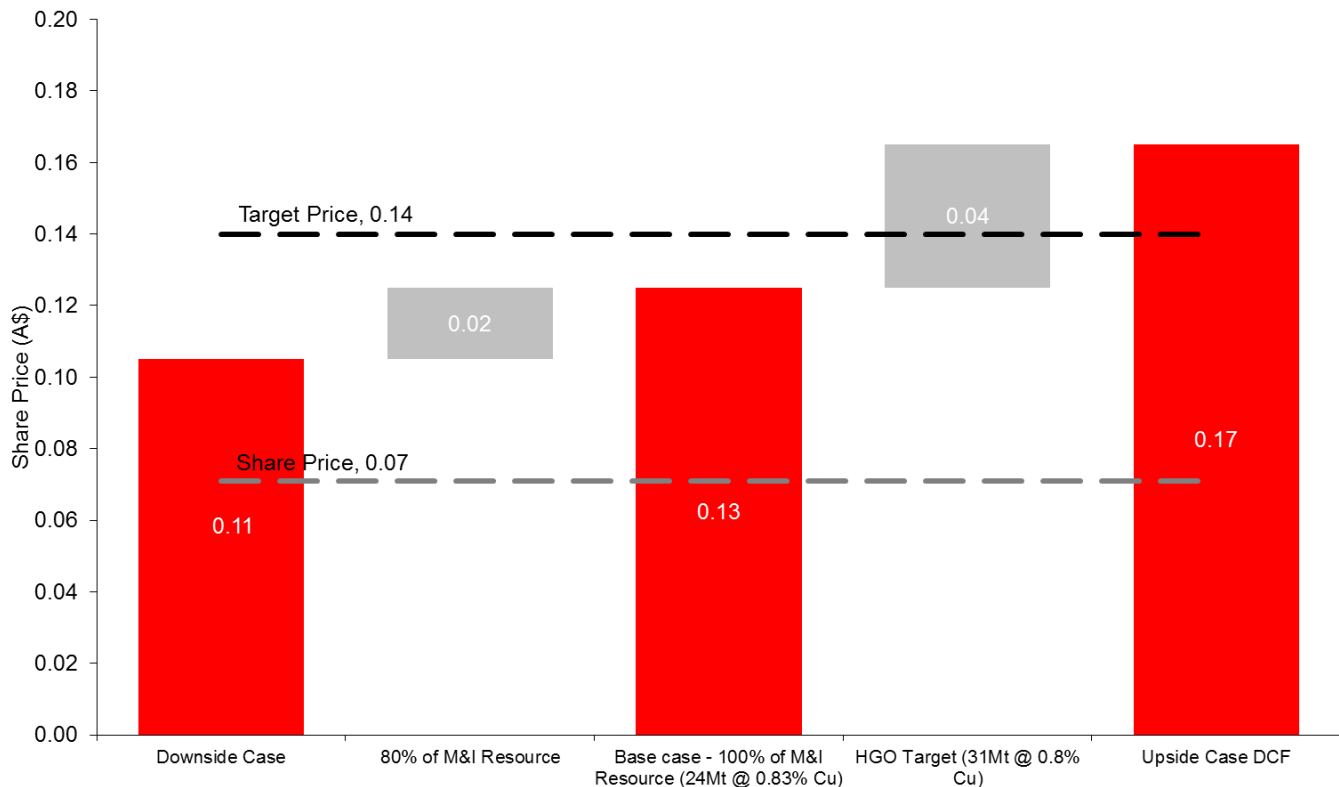
EXHIBIT 4. SUMMARY CHANGES TO HGO FORECAST FINANCIALS

YE 31 Jan A\$m		FY14e			FY15e			FY16e		
		New	Old	% Change	New	Old	% Change	New	Old	% Change
Pricing										
Copper	US\$/lb	3.36	3.39	-0.7%	3.48	3.48	0.0%	3.40	3.40	0.0%
Gold	US\$/oz	1425	1387	2.7%	1344	1338	0.5%	1338	1338	0.0%
A\$/US\$		0.97	0.97	-0.4%	0.95	0.96	-0.8%	0.92	0.93	-0.5%
Production										
Copper	kt	17.2	17.2	0.0%	21.4	20.9	2.5%	21.1	19.8	6.6%
Gold	koz	6.2	6.3	-1.5%	9.8	5.6	75.0%	11.7	5.6	110.0%
Financials										
Revenue	A\$m	129	132	-2.2%	164	155	5.5%	167	151	11.2%
EB ITDA	A\$m	47	43	8.8%	57	58	-0.4%	59	52	12.5%
D&A	A\$m	30	29	2.0%	36	35	2.5%	36	33	6.6%
EBIT	A\$m	17	14	23.1%	21	22	-5.0%	23	19	23.1%
NPAT	A\$m	8	8	-1.2%	13	14	-7.4%	16	14	13.6%
EPS	A\$/sh	0.01	0.01	-14.2%	0.01	0.01	-19.0%	0.01	0.01	-0.6%
Operating Cash Flow	A\$m	23.0	25.0	-7.8%	54.6	49.0	11.5%	52.6	48.0	9.5%
Investing Cash Flow	A\$m	-27.6	-15.0	83.9%	-31.5	-6.0	425.2%	-31.8	-5.0	535.4%
Financing Cash Flow	A\$m	1.0	-10.0	-110.2%	-22.1	-8.0	176.9%	-18.0	-20.0	-10.0%

Source: WHTM Research



HGO VALUATION



Source: WHTM Research

- Our 12 month price target of \$0.14/sh (previously \$0.16/sh) is calculated using a probability weighting of our base case DCF valuation (\$0.13/sh), our upside DCF valuation (\$0.17/sh), and our downside DCF valuation (\$0.11/sh).
- Base Case Scenario: assumes approximately 100% of Kanmantoo's Measured & Indicated (M&I) Resource base (24.4Mt at 0.83% Copper and 0.22g/t gold) is mined and processed, plus stockpiled material (1.89Mt at 0.39% Copper).
- Downside Case Scenario: assumes approximately 80% of Kanmantoo's M&I Resource base is mined and processed, plus stockpiled material.
- Upside Case Scenario: assumes approximately 100% of Kanmantoo's Total Resource base (29.5Mt at 0.8% Copper and 0.2g/t gold) is mined and processed, plus stockpiled material.
- Our probability weighting reflects our conviction for each scenario occurring. Our current probability weighting is 20% upside scenario (previously 10%), 60% base case (previously 60%) and 20% downside scenario (previously 30%).
- Our increase in the upside weighting is due mainly to the expectation that operations at Kanmantoo will improve from here on. However, we do maintain a level of caution due to the number of delays HGO have had in ramping up its Kanmantoo mine.



RETURN RE-INVESTMENT MATRIX

Return	High	Cash Generator	Champion
	Low	Challenged	Potential
		Low	High
		Re-investment	

Currently progressing a 20 ktpa copper mine in South Australia. Project largely de-risked and should provide consistent returns. We also consider ability to grow organically as likely.

RISK MEASURES

	Low	Med	High	Spec
Share Price Risk				
Business Risk				

Share price risk – earnings subject to copper price exposure and strength of AUD.

Business risk – main risk is that project does not deliver forecast copper production profile. Further risk is that exploration potential in South Australia and south-east Asia is not realised.

BUSINESS DESCRIPTION

HGO is an Australian mining company focused on the operation of the Kanmantoo copper mine in South Australia, and exploration on its Indonesian tenements. In Indonesia, HGO is targeting the discovery of epithermal gold and porphyry copper/gold deposits. The Kanmantoo copper mine is located less than 55 km from Adelaide. Ramp-up of the open pit mine and processing circuit is progressing to an initial throughput of 2.8 Mtpa producing ~80 kt of concentrate per annum (~20 ktpa of copper metal).

INVESTMENT THESIS

HGO completed a \$19m raising to provide sufficient working capital to allow the company to address elevated grade dilution and low mining rates at its Kanmantoo mine. In our base case, operational improvements are achieved and we value the company at \$0.20/sh. The current share price approximately reflects the replacement value of the Kanmantoo mine. While we highlight the near-term operating risks, we do see value should these issues be resolved. We rate it a SPECULATIVE BUY.

REVENUE DRIVERS

- Copper and gold prices
- Improved mining rates and copper feed grades to the mill
- Successful exploration at Kanmantoo and Indonesia

BALANCE SHEET

- Equity: 1,022.8m
- Options: 50m
- Cash: \$17m (31-Jul-13)
- Debt: \$48m (31-Jul-13)

KEY ASSETS

Kanmantoo copper mine (South Australia): an open-cut mine with throughput of 2.8 Mtpa, producing approximately 80,000 tonnes of concentrate, containing about 20,000 tonnes of copper metal and 10,000 ounces of gold with exploration potential for further copper.

RESERVES & RESOURCES

- Kanmantoo:
- In-situ Resource: 31.2 Mt @ 0.82% Copper
- Long-term stockpile Resource: 1.6 Mt @ 0.37% Copper

BOARD

- Dean Brown (Chairman)
- John Gooding (Non-Executive Director)
- John Quirke (Non-Executive Director)
- Douglas Snedden (Non-Executive Director)
- Edwin Zemancheff (Non-Executive Director)

KEY ISSUES / CATALYSTS

- Mill feed grades achieving 0.8% by end of April 2013
- Increased Resource at Kanmantoo to increase mine life towards 10 years
- Exploration success in Indonesia provides optionality for HGO

MANAGEMENT

- Mr Greg Hall (Managing Director)
- Russell Middleton (Chief Financial Officer)
- Shanthi Smith (Company Secretary)
- Steven McClare (General Manager (Kanmantoo Copper Mine))

RISK TO VIEW

- Inability to achieve and maintain full production capacity at Kanmantoo

MISCELLANEOUS AND OTHER

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Return Reinvestment Matrix and Risk Measures

Definitions at <http://www.wilsonhtm.com.au/Disclosures>

Recommendation Structure and Other Definitions

Definitions at <http://www.wilsonhtm.com.au/Disclosures>

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