The Hon. Dean Brown, AO, Non-Executive Chairman of the Board and Chairman of Nomination Committee
- Former Premier and Minister of the South Australian Government and Member of the South Australian Parliament
- Director of Mission Australia, Scantech and Foodbank SA, Chairman of the Playford Memorial Trust and a member of several advisory boards
- Previously a Senior Agricultural Scientist for the SA Government and The Premiers Special Advisor on Drought

John Gooding, Non-Executive Director and Chairman of Remuneration Committee
- Mining Engineer with over 40 years’ experience in the resources industry, especially in gold and base metal mining
- Has held executive management positions with Normandy Mining, MIM, Xstrata (CEO Xstrata Copper Australia), Ok Tedi Mining and Roche Mining
- Formerly a Director of the Queensland Resource Council and a number of other resources industry companies
- Currently the Managing Director and Chief Executive Officer at Highlands Pacific Limited

Maurice Loomes, Non-Executive Director
- Maurice has over 40 years experience in investment analysis and strategy gained across many industries
- Roles included Bain and Company, Industrial Equity Limited, Westmex Limited, Guinness Peat Group PLC and others
- He has held numerous directorships of public companies including Tower Limited, CIC Australia Limited, The Colonial Motor Group Company, Tyndall Australia Limited and Guinness Peat Group PLC
- Maurice is currently a Non-Executive Director of Ariadne Australia Limited (a significant shareholder of Hillgrove Resources) and Calliden Group Ltd

Douglas Snedden, Non-Executive Director and Chairman of Audit & Risk and Treasury Committees
- 30 years’ experience in finance, audit, strategic management and outsourcing and now as a company director
- Distinguished career at Accenture (formerly Andersen Consulting) in Australia, United Kingdom, South Africa, USA and throughout the Asia Pacific region; retiring as Managing Director of Accenture’s Australian business in 2008
- Doug is a Director of Transfield Services, UXC, the Black Dog Institute and Chairman of Odyssey House and Chris O’Brien Lifehouse, amongst others
Greg Hall, Managing Director & Chief Executive Officer
- Appointed Managing Director and CEO in February 2013
- Greg trained as a mining engineer and has extensive experience across a number of mining sectors
- Mining Manager at Olympic Dam and nickel mines in WA, before moving to the ERA Ranger uranium mine
- Greg then joined Rio and Comalco, where he acquired significant international marketing experience before taking on the start-up of Toro Energy, of which he remains a Non-Executive Director
- Greg is also on the School of Civil, Environmental and Mining Engineering Advisory Committee for Adelaide University

Shanthi Smith, Company Secretary and Group Finance Manager
- Shanthi started her career in Big 4 chartered accountancy before moving into the commercial arena where she has over 18 years’ experience across a diverse range of roles and industries
- She has held various senior management positions in finance, commercial and planning roles, most recently at Caltex Australia and the London Organising Committee of the 2012 Olympic Games
- Appointed Company Secretary in August 2012, she was also Acting Chief Financial Officer from then to February 2013

Russell Middleton, Chief Financial Officer
- Appointed CFO in January 2008, with 25 years experience in the resources industry
- Russell has held senior management positions in accounting, commercial and planning roles
- Significant experience with mine project evaluations and construction of new mines, including a number of roles at BHP
- More recently has been Chief Financial Officer for contracting and services companies in the mining sector
- Interim Chief Executive Officer for Hillgrove from July 2012 to February 2013

Steve McClare, General Manager – Kanmantoo Copper Mine
- Steve joined Hillgrove in September 2012 having spent a significant portion of his career constructing, ramping up and optimising mining operations
- Previously Deputy General Manager, then Head of Mining Operations for Newcrest Mining’s Cadia Valley Operations
- Steve boasts significant experience within the industry ranging from underground operations of 150ktpa to 26mtpa, to open pit operations of 2mtpa to 17mtpa, and copper concentrators of 2.4mtpa to 24mtpa.
CURRENT KAVANAGH PIT AT THE KANWANTOO COPPER MINE
<table>
<thead>
<tr>
<th>Resolution</th>
<th>Resolution Content</th>
</tr>
</thead>
<tbody>
<tr>
<td>Resolution 1</td>
<td>Adoption of the Remuneration Report in the 2014 Annual Report</td>
</tr>
<tr>
<td>Resolution 2</td>
<td>Election of Maurice William Loomes as Director of the Company</td>
</tr>
<tr>
<td>Resolution 3</td>
<td>Re-election of John Edwin Gooding as Director of the Company</td>
</tr>
<tr>
<td>Resolution 4</td>
<td>Approve issue of 3,500,000 Performance Rights as LTI’s to Managing Director</td>
</tr>
<tr>
<td>Resolution 5</td>
<td>Ratify allotment and issue of 153,700,000 shares at $0.07 in September 2013</td>
</tr>
<tr>
<td>Resolution 6</td>
<td>Approval of appointment of Deloitte Touche Tohmatsu as new auditor</td>
</tr>
</tbody>
</table>
- 100%-owned by Hillgrove
- 55km from Adelaide, South Australia
- Mining Lease is within 500km² exploration license, and relatively unexplored
- Organic growth potential considered high
- Project enjoys infrastructure advantages
  - Close to power (National Grid)
  - Recycled water pipeline
  - 3km from main highway
  - 90km to export port
- Attractive employment costs compared to remote fly-in/fly-out mine operations
- Quality of life attracts mature, experienced workforce with low turnover
The Company has delineated prospective Tier One targets with porphyry copper and gold potential.

Exploration activity decreased, with experienced core teams and relationships with local landowners maintained for both projects.

Continued interest in the projects from major Indonesian and SE Asian investors which Hillgrove will continue to pursue.

Hillgrove has an 80% direct interest in both Bird’s Head (PT Akram) and Sumba (PT Fathi), with both projects at ‘PMA’ status allowing foreign ownership of shares.
- ASX listed: HGO
- Shares on issue: 1,180.9 million
- Share price: $0.074 (19 June 2014)
- Market capitalisation: $87 million (19 June 2014)
- Cash and cash equivalents $14.1 million
- Debt $33.4 million
- Net Debt $19.3 million
- Tax losses carried forward ~$69 million
- Franking Account Credit $21.3 million

Note: all references to quarters in this presentation relate to Hillgrove financial year quarters. Hillgrove FY15 is 1 February 2014 to 31 January 2015
<table>
<thead>
<tr>
<th>Top 8 Shareholders</th>
<th>% of isc</th>
</tr>
</thead>
<tbody>
<tr>
<td>Perennial Value Management</td>
<td>12.5%</td>
</tr>
<tr>
<td>Platinum Partners</td>
<td>8.4%</td>
</tr>
<tr>
<td>Renaissance Smaller Companies</td>
<td>7.4%</td>
</tr>
<tr>
<td>Colonial First State – Growth Australian Equities</td>
<td>5.5%</td>
</tr>
<tr>
<td>Freepoint Metals &amp; Concentrates</td>
<td>4.7%</td>
</tr>
<tr>
<td>Aedos Advisers</td>
<td>4.3%</td>
</tr>
<tr>
<td>Dimensional Fund Advisors</td>
<td>3.9%</td>
</tr>
<tr>
<td>Ariadne Australia</td>
<td>3.9%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>50.6%</strong></td>
</tr>
</tbody>
</table>

Source: HGO Register
Hillgrove’s improved mining and production performance lifted share price performance late last year, with copper market sentiment impacting this year.

Note: Closing prices between 17 June 2013 and 16 June 2014 (rebased to 100)
COPPER MARKET

Kavanagh and Spitfire pits
Global copper mine production surprised to the upside in 2H2013, leaving larger than expected global concentrate stocks coming into 2014.

Although copper mine supply is expected to be in a small surplus over the next 2-3 years, the supply deficit gap will widen after 2016.

Copper producers in all percentiles have experienced cost escalations.

US$3.00/lb required to clear weighted average capital cost for forecast mine supply.

Average grades continue to decline, with new investments required to offset degradation in grades.
A US$3/lb copper price is required to clear weighted-average capital cost for forecast composition of mine supply needed to meet expected demand.
Brokers remain positive on copper industry fundamentals and raised long term real copper price forecast by ~US$2,400/t (~US$1.08/lb) in less than four years.
- Strong hedge book provides certainty for cash flows and revenue during the debt repayment period
- Approximately 10,200t of copper hedged in first half of the year (90% of payable copper) at an average price of A$8,107 per tonne (A$3.68/lb)
- Overall average hedge price of A$7,900/t or A$3.56/lb to March 2016
- Hedge book mark-to-market value of A$14.3M as at 30 April 2014
OVERVIEW OF FY14 RESULTS

Crusher and Processing Plant
Transition year to full production with

- Replacement of primary jaw crusher in April 2013
- Change out of contract mining operations to owner operator configuration in July 2013
- Installation of Multi-stream analyser (MSA) in processing plant in January 2014
- Final major lift and final boundary of the Tailings Storage Facility (TSF)

Safety performance shows significant trend of improvement with 60% reduction in 12 month average Total Recordable Injury Frequency rate

New Resource and Reserve statements released confirming Target Mine Life of 2023
Revenue of $139.2 million and adjusted EBITDA at $37.3 million for full year

Full year Net Profit After Tax of $1.5 million

Sales of 74,051 tonnes of copper concentrate

Record production levels achieved with 75,423t of concentrate containing 17,184t copper, 5,962oz gold and 132,854oz silver
Safety results improved by 60% last year, and are being maintained.

Our Community Engagement Plan outlines our objectives, identifies our community, governs how we engage with stakeholders and provides mechanisms for feedback.

Key areas of ongoing discussion with community include fugitive dust, blasting vibration, local traffic impacts, lighting and two year life extension (PEPR) approval.

Hillgrove is working with the State and Federal Governments and local community on a two year life of mine extension, with completion anticipated in July 2014.
**Timeline of Key Milestones**

**February 2013:**
- New LOM plan extends targeted mine life to 2023

**April 2013:**
- Complete new primary crusher installation, increasing through put from 2.4Mtpa to >2.8Mtpa

**October 2013:**
- Nugent Pit pre-strip underway

**March 2014:**
- Emily Star pre-strip recommenced

**July 2014:**
- Final drainage layer and major lift of TSF to be completed

**August 2013:**
- Mining Services changeover to owner operator

**November 2013:**
- Ore Reserve increases to 22.1Mt

**August 2013:**
- New Mineral Resource of 31.3Mt

**February 2014:**
- Second Liebherr 300t excavator commissioned

**March 2014:**
- Multi stream analyser commissioned

**April 2014:**
- New bulk lime supply system commissioned

**October 2014:**
- Completion of Kavanagh pit and commencement of Giant Pit cutback

**2H 2014:**
- Commencement of lease and regional exploration assessment around Kanmantoo

**September 2013:**
- Major quality improvement program initiated in mining and processing

**November 2013:**
- Third tier of TSF completed

**November 2013:**
- Third tier of TSF completed

**March 2014:**
- Multi stream analyser commissioned

**May 2014:**
- Federal component of PEPR approved

**April 2013:**
- Restructured finance facilities to match cash flow in new LOM
FIRST QUARTER ON PLAN

Nugent Pit – June 2014
5,554 tonnes of copper in concentrate produced for the quarter, tracking above the guidance range for year.
Two new Liebherr excavators, multiple pits and other productivity improvements lifting mining rates to planned level up to ~600k bcm per month

Consistent reductions in mining unit costs over last three quarters
Mill and wet plant continued to perform well during the quarter.

Mill throughput above nameplate capacity, with 757kt of ore milled for the quarter.

Mined ore fed directly to mill with only minor additions of low grade due to high milling rate.

Record low processing unit costs achieved in the quarter, due to continuing optimisation work and focus on reliability and cost initiatives.
Revenue for quarter was A$45.5M at an average realised price for copper of A$3.71/lb (US$3.34/lb)

C1 unit costs for the quarter were US$2.11/lb (A$2.32/lb)

Further significant reduction to debt balance from A$40.8M to A$33.4M
- Multi stream analyser installed to further optimise recoveries and costs
- Load and haul productivity improvements
- Larger blast hole diameters as well as reconfigured burden and spacing
- Multiple pit sources for ore supply
- Enhanced use of re-grind mill to improve concentrate grade
- Improvements to the crusher screening system
- Use of pre-installed flash flotation unit
Note:
Rodda will include Emily Star; and Giant will include Giles, Lean and Valentine
1 May 2014

2 June 2014

Photos courtesy of Roc-Drill Pty Ltd
FORWARD GUIDANCE

Tailings Storage Facility
Based on current performance and planned operational improvements, Hillgrove maintains the following guidance for financial year 2015 (to end January 2014)

**Guidance For FY15**

- **Ore mined**: 3,000kt to 3,250kt
- **Ore processed**: 2,900kt to 3,000kt
- **Ore grade processed**: 0.83% to 0.88% Copper
- **Copper recovery**: 92.5% to 93.5%
- **Copper produced**: 22,300t to 24,600t copper contained in concentrates
- **Gold produced**: 7,000oz to 9,000oz gold contained in concentrates
- **C1 Costs**: US$2.10 to US$2.40 per lb at 0.90 exchange rate

**Forecast Capex For FY15**

- **Tailings Storage Facility**: A$5.3M
- **Controlled Potential Sulphidisation**: A$2.0M
- **Dust mitigation**: A$1.0M
- **Other sustaining capital**: A$2.3M
Strong project cash flow generation has led to the ability to aggressively repay debt

Gold loan repayments will be completed by September 2014, project finance by January 2015 and mezzanine debt by July 2015
The strategic focus is on further improvements in performance of the Kanmantoo Mine, expansion of the Kanmantoo region Resource through exploration, realisation of value from the Indonesian assets and creation of value for shareholders

- Achieve FY15 budget targets and implementation of operational improvements
- Achieve current two year life extension PEPR approval
- Continued payment of debt facilities from operational cashflow
- Evaluate future capital management alternatives to enable return of value to shareholders
- Evaluate resource extension potential at Kanmantoo beyond current target life
- Options for extraction of value from Indonesian exploration assets through joint venture or external investment
<table>
<thead>
<tr>
<th>Sydney</th>
<th>Kanmantoo</th>
</tr>
</thead>
<tbody>
<tr>
<td>Russell Middleton</td>
<td>Steve McClare</td>
</tr>
<tr>
<td>Shanthi Smith</td>
<td>Lachlan Wallace</td>
</tr>
<tr>
<td>Winston Velayuthen</td>
<td>Glenn Norris</td>
</tr>
<tr>
<td>Lisa Saw</td>
<td>Peter Hedger</td>
</tr>
<tr>
<td></td>
<td>Catherine Davis</td>
</tr>
<tr>
<td></td>
<td>Erryn Munchenberg</td>
</tr>
<tr>
<td></td>
<td>Uwe Ebert</td>
</tr>
</tbody>
</table>
Greg Hall, CEO and Managing Director
Suite 1709 Australia Square
Level 17, 264 George Street
Sydney NSW 2000

E: info@hillgroveresources.com.au
T: 61 2 8247 9300
ABOUT HILLGROVE

Hillgrove Resources is an Australian mining company listed on the Australian Securities Exchange (ASX: HGO) focused on the operation of the Kanmantoo Copper Mine in South Australia, and with exploration projects on its Indonesian tenements.

The Kanmantoo Copper Mine is located less than 55km from Adelaide in South Australia. With construction completed in late 2011, Kanmantoo is an open-cut mine which has now ramped up to a throughput of up to 3.0Mtpa, to produce approximately 90,000 dry metric tonnes of copper concentrate, containing approximately 20,000t copper and associated gold and silver per annum over the current life of mine.

Competent Person's Statement

The information in this release that relates to Mineral Resources is based upon information compiled by Mrs Michaela Wright, who is a Member of The Australasian Institute of Mining and Metallurgy. Mrs Wright is a full-time employee of Hillgrove Resources Limited and has sufficient experience relevant to the styles of mineralisation and type of deposit under consideration to qualify as a Competent Person as defined in the 2012 Edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code)’. Mrs Wright has consented to the inclusion in the release of the matters based on their information in the form and context in which it appears.

The information in this release that relates to Ore Reserves is based upon information compiled by Mr Steven McClare, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr McClare is a full-time employee of Hillgrove Resources Limited and has sufficient experience relevant to the styles of mineralisation and type of deposit under consideration to qualify as a Competent Person as defined in the 2012 Edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code)’. Mr McClare has consented to the inclusion in the release of the matters based on their information in the form and context in which it appears.

<table>
<thead>
<tr>
<th>JORC 2012 Classification</th>
<th>Tonnage (Mt)</th>
<th>Cu (%)</th>
<th>Au (g/t)</th>
<th>Ag (g/t)</th>
</tr>
</thead>
<tbody>
<tr>
<td>In Situ Resource</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Measured</td>
<td>2.63</td>
<td>0.88</td>
<td>0.10</td>
<td>1.95</td>
</tr>
<tr>
<td>Indicated</td>
<td>21.77</td>
<td>0.82</td>
<td>0.23</td>
<td>2.21</td>
</tr>
<tr>
<td>Inferred</td>
<td>5.0</td>
<td>0.67</td>
<td>0.13</td>
<td>1.79</td>
</tr>
<tr>
<td></td>
<td>29.46</td>
<td>0.80</td>
<td>0.20</td>
<td>2.11</td>
</tr>
<tr>
<td>Long Term Stockpiles</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Measured</td>
<td>1.39</td>
<td>0.46</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Indicated</td>
<td>0.50</td>
<td>0.18</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td></td>
<td>1.89</td>
<td>0.39</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>31.30</td>
<td>0.78</td>
<td>0.20</td>
<td>2.11</td>
</tr>
</tbody>
</table>

Note: In Situ Resource >0.20% Cu, Long Term Stockpiles >0.15% Cu.

Kanmantoo Global Ore Reserve Estimate at End February 2013

<table>
<thead>
<tr>
<th>JORC 2012 Classification</th>
<th>Tonnage (Mt)</th>
<th>Cu (%)</th>
<th>Au (g/t)</th>
<th>Ag (g/t)</th>
</tr>
</thead>
<tbody>
<tr>
<td>In Situ Reserve</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proven</td>
<td>2.5</td>
<td>0.77</td>
<td>0.08</td>
<td>1.7</td>
</tr>
<tr>
<td>Probable</td>
<td>18.2</td>
<td>0.72</td>
<td>0.20</td>
<td>2.0</td>
</tr>
<tr>
<td></td>
<td>20.7</td>
<td>0.73</td>
<td>0.18</td>
<td>1.9</td>
</tr>
<tr>
<td>Long Term Stockpiles</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proven</td>
<td>1.4</td>
<td>0.46</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td></td>
<td>1.4</td>
<td>0.46</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>2.11</td>
<td>0.71</td>
<td>0.18</td>
<td>1.9</td>
</tr>
</tbody>
</table>

Note: In Situ Reserve >0.20% Cu, Long Term Stockpiles >0.15% Cu.
No representation or warranty is or will be made by any person (including Hillgrove Resources Limited ACN 004 297 116 (“Hillgrove”, “HGO”, or the “Company”) and its officers, directors, employees, advisers and agents) in relation to the accuracy or completeness of all or part of this document (the “Document”), or the accuracy, likelihood of achievement or reasonableness of any forecasts, prospects or returns contained in, or implied by, this Document or any part of it. This Document includes information derived from third party sources that has not been independently verified.

This Document contains certain forward-looking statements with respect to the financial condition, results of operations and business of Hillgrove and certain plans and objectives of the management of Hillgrove. Forward-looking statements can generally be identified by the use of words such as ‘project’, ‘foresee’, ‘plan’, ‘expect’, ‘aim’, ‘intend’, ‘anticipate’, ‘believe’, ‘estimate’, ‘may’, ‘should’, ‘will’ or similar expressions. Indications of, and guidance on, production targets, targeted output, mine development or timelines, exploration or expansion timelines, infrastructure alternatives and financial position and performance are also forward-looking statements. Any forecast or other forward-looking statement contained in this Document involves known and unknown risks and uncertainties and may involve significant elements of subjective judgment and assumptions as to future events which may or may not be correct. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of the Hillgrove, and may cause actual results to differ materially from those expressed or implied in such statements. There can be no assurance that actual outcomes will not differ materially from these statements.

Various factors may cause actual results or performance to differ materially. These include without limitation the following: risks specific to Hillgrove’s operations; credit risk; levels of supply and demand and market prices; legislation or regulations throughout the world that affect Hillgrove’s business; insurance expenses; the risk of an adverse decision or other outcome relating to governmental investigations; class actions or other claims; growth in costs and expenses; and risk of adverse or unanticipated market, financial or political developments (including without limitation in relation to commodity markets).

You are cautioned not to place undue reliance on forward-looking statements. These forward-looking statements are based on information available to us as of the date of this Document. Except as required by law or regulation (including the ASX Listing Rules) we undertake no obligation to update these forward-looking statements.

This Document is provided for informational purposes only and is subject to change without notice. Subject to any obligations under applicable laws, regulations or securities exchange listing rules, Hillgrove disclaims any obligation or undertaking to release any updates or revisions to this Document to reflect any change in expectations or assumptions. Nothing in this Document should be interpreted to mean that future earnings per share of Hillgrove will necessarily match or exceed its historical published earnings per share, or that there has been no change in the affairs of Hillgrove since the date of this Document.

Nothing contained in this Document constitutes investment, legal, tax or other advice. The information in this Document does not take into account the investment objectives, financial situation or particular needs of any recipient. Before making an investment decision, each recipient of this Document should make its own assessment and take independent professional advice in relation to this Document and any action taken on the basis of this Document.

All currency referred to is Australian Dollars (AUD) unless otherwise indicated.

Hillgrove has a 31 January Year End, therefore quarter references are Q1 February-April, Q2 May-July, Q3 August-October and Q4 November-January.