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## Australia Materials

Reuters HGO.AX  
Bloomberg HGO AU

### Priced on 25 August 2014

ASX200 @ 5,634.9

**12M hi/lo** A\$0.09/0.06

**12M price target** A\$0.10  
**±% potential** +31%

**Shares in issue** 1,180.9m  
**Free float (est.)** 85.0%

**Market cap** US\$83m

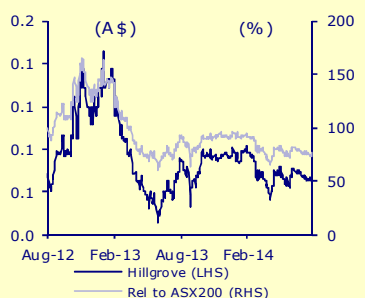
**3M average daily volume**  
A\$0.1m (US\$0.1m)

### Major shareholders

Perennial Value Management 12.5%  
Platinum Partners 8.4%

### Stock performance (%)

	1M	3M	12M
Absolute	(1.3)	(3.7)	(2.5)
Relative	(2.2)	(6.1)	(11.4)
Abs (US\$)	(2.4)	(2.8)	0.6



Source: Bloomberg

www.clsa.com

## Three in a row

Hillgrove reported another sound production result, marking its third consecutive quarterly above market expectations. This should hopefully ease previous operational concerns and see the stock re-rate. Despite being a higher cost producer, a concerted focus on cost cutting initiatives saw reported cash costs reduce significantly to <A\$2.00/lb which drove ~A\$6mn of free cash flow generation. We continue to believe Hillgrove offers value on both earnings and valuation multiples and maintain our BUY recommendation and A\$0.10 price target.

### Production result a modest beat

Hillgrove delivered a strong quarterly production result of 5.9kt of copper representing a modest beat on our 5.6kt estimate. This was driven by increased throughput levels which on an annualised basis at 3.3mtpa was 10% above nameplate capacity. Cash costs of US\$1.94/lb were below our estimates (however there was an element of capitalisation here), highlighting Hillgrove's concerted focus on cost initiatives and improvements.

### Production guidance broadly unchanged

Hillgrove released revised guidance figures to adjust for the new 11 month year, given their adoption of calendar year reporting (currently January year-end). Broadly speaking overall production is expected to remain relatively constant on a like for like basis with production for the 11 month period expected to be 20.5kt to 22.5kt. That said, Hillgrove now expects copper head grades to reduce slightly to 0.76% to 0.81% (previously 0.83% to 0.88%) offset by a ~10% increase in throughput rates.

### On track to be debt free by July-15

Positively, Hillgrove repaid ~A\$8mn in debt during the quarter, leaving it well placed to be debt free by July-15. Furthermore, additional hedging arrangements entered into over the quarter sees ~90% of Hillgrove's copper production hedged at an average price of ~A\$3.70/lb which provides increased predictability over these repayments. We believe this leaves it well placed to potentially introduce a dividend in the short to medium term.

### BUY Hillgrove for leverage

Hillgrove is a higher cost copper producer offering considerable leverage. We continue to believe it offers value on both earnings and valuation multiples, trading on a prospective EV/EBITDA of <2x and a P/NPV of 0.8x and we maintain our BUY recommendation and A\$0.10 price target.

### Financials

Year to 31 January	13A	14A	15CL	16CL	17CL
Revenue (A\$m)	112	140	190	171	184
Rev forecast change (%)	-	-	3.5	0.0	0.0
Net profit (A\$m)	(11)	2	11	8	14
NP forecast change (%)	-	-	2.6	0.2	(0.1)
EPS (A¢)	(0.9)	0.1	1.0	0.7	1.2
CL/consensus (4) (EPS%)	-	-	81	133	298
EPS growth (% YoY)	-	nm	664.3	(31.2)	78.7
PE (x)	nm	61.4	8.0	11.7	6.5
Dividend yield (%)	0.0	0.0	0.0	1.7	3.1
Net debt/equity (%)	10.4	11.0	0.8	(7.6)	(20.7)
EV/Ebitda (x)	7.4	3.1	2.0	2.0	0.9

Source: CLSA

**Modest production beat driven by increased throughput rates**

## Modest beat on our estimates

Hillgrove delivered a strong quarterly production result of 5.9kt of copper representing a modest beat on our 5.6kt estimate. The better than expected result was driven by increased throughput levels which on an annualised basis at 3.3mtpa was 10% above nameplate capacity. Mining was constrained by greater than expected rainfall, resulting in the company drawing down stockpiles to "fill the mill". Despite this, head grades of 0.76% were reasonable and broadly in line with the previous quarter. Positively Cash costs of US\$1.94/lb were below our estimates (however there was an element of capitalisation here), highlighting Hillgrove's concerted focus on cost initiatives and improvements.

Figure 1

<b>HGO quarterly production analysis</b>			
<b>2QFY14 production</b>	<b>2Q14CL</b>	<b>2Q14A</b>	<b>Variance (%)</b>
Copper (kt)	5.64	5.88	4%
Cash costs (US\$/lb)	2.25	1.94	(14%)

Source: CLSA

Figure 2

<b>HGO implied cash generation</b>			
<b>2QFY14 Corporate (A\$mn)</b>	<b>2Q14CL</b>	<b>2Q14A</b>	<b>Variance (A\$)</b>
Revenue	42.6	46.9	4.3
Increase/(decrease) in cash QoQ	1.3	(2.0)	(3.3)
Debt repayments	7.0	8.2	1.2
<b>Implied free cash flow</b>	<b>8.3</b>	<b>6.2</b>	<b>(2.1)</b>

Source: CLSA

**HGO generated ~A\$6mn of free cash flow during the quarter**

## Guidance revised to reflect higher throughput rates

Hillgrove released revised guidance figures to adjust for the new 11 month year, given their adoption of calendar year reporting (currently January year-end). Broadly speaking overall production is expected to remain relatively constant on a like for like basis with production for the 11 month period expected to be 20.5kt to 22.5kt. That said, Hillgrove now expects copper head grades to reduce slightly to 0.76% to 0.81% (previously 0.83% to 0.88%) offset by a ~10% increase in throughput rates.

Figure 3

<b>Production unchanged on a like for like basis</b>					
<b>Hillgrove CY14 guidance</b>	<b>Low</b>	<b>High</b>	<b>Mid-point current</b>	<b>Mid-point previous</b>	<b>Difference</b>
Ore mined (kt)	2850	3000	2925	2,865	60
Ore processed (kt)	2900	3000	2950	2,704	246
Head grades (%)	0.76	0.81	0.79	0.86	(0.07)
Copper recovery (%)	91.5	92.5	92.0	93.0	(1.00)
<b>Copper produced (kt)</b>	<b>20.5</b>	<b>22.5</b>	<b>21.5</b>	<b>21.5</b>	<b>0.00</b>
Gold production (koz)	6	7	7	7	(0.83)
C1 costs (US\$/lb)	2.00	2.20	2.10	2.25	(0.15)

Source: CLSA

**Reduced head grades expected to be offset by higher throughput rates**

**Kavanagh pit nearly fully depleted**

**Update LOM plan expected in October which will be a key catalyst to watch out for**

**Mine sequencing moving into Nugent**

The Kavanagh pit which to date has been the dominant source of ore is nearing full depth and is expected to be fully depleted by September/October. Going forward mining activity is scheduled to move into the Nugent pit (small cutback underway here) as well as the Emily Star pit which is expected to move from oxide/transitional ore into primary ore over the next quarter. Hillgrove are currently in the process of updating their LOM plan, currently under review, with an update expected in October. This is a near term catalyst to watch out for and should remove some of the current uncertainty associated with the company's pre-stripping requirements over the next 18 months which is currently expected to remain elevated.

Figure 4

**Small cutback underway at Nugent**



Source: Hillgrove

Figure 5

**Emily Star moving into primary ore over next quarter**



Source: Hillgrove

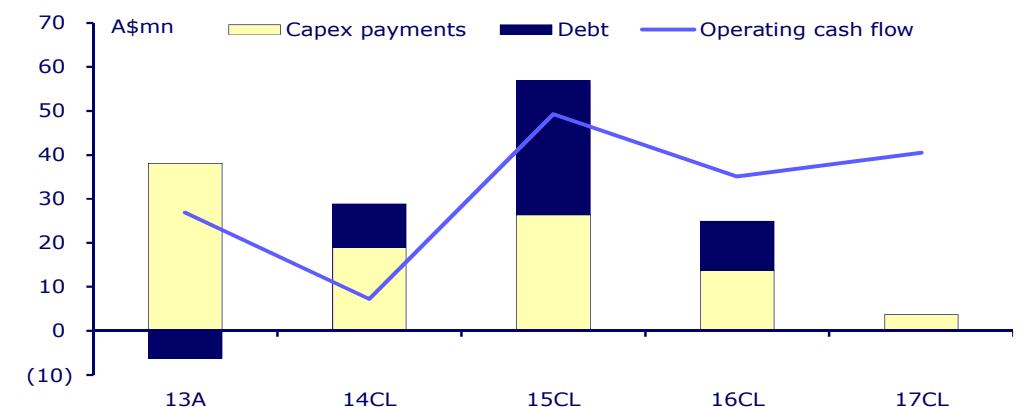
**Generating solid cash flows**

**Targeting debt free by Jul-15**

Positively, Hillgrove repaid ~A\$8mn in debt during the quarter, with total debt reducing from A\$33.4mn to A\$25.2mn quarter on quarter, leaving it well placed to be debt free by July-15. Furthermore, additional hedging arrangements entered into over the quarter sees ~90% of Hillgrove's copper production hedged at an average price of ~A\$3.70/lb which provides increased certainty over the predictability of these repayments. We believe this leaves it well placed to potentially introduce a dividend in the short to medium term.

Figure 6

**Hillgrove free cash flow analysis**



Source: CLSA

Figure 7

HGO summary output page

Hillgrove Resources - Income statement						Hillgrove Resources - Commodity price assumptions					
(A\$m, Jan y/e)	13A	14A	15CL	16CL	17CL	(Jan y/e)	13A	14A	15CL	16CL	17CL
<b>Operating revenue</b>	<b>112.1</b>	<b>139.2</b>	<b>190.2</b>	<b>171.1</b>	<b>184.4</b>	Copper (US\$/lb)	3.45	3.34	3.29	3.30	3.60
Cost of sales	(85.5)	(92.3)	(134.5)	(126.3)	(131.0)	Gold (US\$/oz)	1626	1413	1320	1400	1400
Gross profit	26.6	46.9	55.7	44.9	53.4	Silver (US\$/oz)	29.63	23.90	21.28	23.30	23.30
Exploration expense	(0.7)	0.0	0.0	0.0	0.0	USD / AUD exchange rate	1.04	0.97	0.92	0.92	0.90
Corporate expense	(10.6)	(9.9)	(8.0)	(8.2)	(8.4)						
Other income	0.4	0.3	0.0	0.0	0.0						
<b>Ebitda</b>	<b>15.6</b>	<b>37.3</b>	<b>47.7</b>	<b>36.6</b>	<b>45.0</b>	Hillgrove Resources - Production					
Depreciation and amortisation	(25.5)	(29.2)	(34.3)	(25.4)	(25.8)	(Jan y/e)	13A	14A	15CL	16CL	17CL
<b>Ebit</b>	<b>(9.9)</b>	<b>8.1</b>	<b>13.3</b>	<b>11.3</b>	<b>19.2</b>	Copper production (kt)	13.7	17.2	23.3	20.7	20.1
Net Finance expense	(5.7)	(5.4)	(19)	(0.0)	10	Gold production (koz)	6.5	5.9	7.2	7.3	7.3
Tax expense	8.8	(0.7)	0.0	(3.4)	(6.0)	Silver production (koz)	122	131	152	140	140
Exceptional items	(4.8)	(0.5)	0.0	0.0	0.0	Hillgrove Resources - Cash costs					
<b>Net earnings</b>	<b>(11.6)</b>	<b>1.5</b>	<b>11.5</b>	<b>7.9</b>	<b>14.1</b>	(Jan y/e)	13A	14A	15CL	16CL	17CL
Minority interest	0.6	0.0	0.0	0.0	0.0	Cash costs (US\$/lb)	2.53	2.63	2.19	2.28	2.39
<b>Net profit (Reported)</b>	<b>(11.0)</b>	<b>1.5</b>	<b>11.5</b>	<b>7.9</b>	<b>14.1</b>	Hillgrove Resources - Ratios					
Hillgrove Resources - Cashflow statement						(Jan y/e)	13A	14A	15CL	16CL	17CL
(A\$m, Jan y/e)	13A	14A	15CL	16CL	17CL	Undiluted shares (m)	1,817	1,817	1,817	1,817	1,817
Net Profit	(116)	15	115	7.9	14.1	Normalised EPS (A\$/share)	(10)	0.1	10	0.7	12
Plus Depreciation and Amortisation	25.5	29.2	34.3	25.4	25.8	EPS growth (%)	na	-12.9%	nm	-312%	78.7%
Less Capitalised Tax, Int. and Expl.	(8.5)	0.2	(18)	18	0.6	PE (x)	-8.6	59.3	6.9	10.8	6.0
Less change in other working capital	215	(23.7)	6.0	0.0	0.0	EV / EBITDA (x)	7.6	3.1	17	18	0.7
<b>Operating cash flow</b>	<b>26.9</b>	<b>7.2</b>	<b>50.0</b>	<b>35.1</b>	<b>40.5</b>	Dividend (A\$/share)	0.0	0.0	0.0	0.001	0.002
Capex payments	(38.1)	(19.0)	(26.5)	(14.2)	(3.9)	Dividend payout ratio	0%	0%	0%	20%	20%
(Acquisitions) / Disposals	(5.3)	0.5	0.0	0.0	0.0	Dividend Yield (%)	0.0%	0.0%	0.0%	17%	3.1%
Other	(0.7)	0.0	0.0	0.0	0.0	Net finance expense (A\$m)	(5.7)	(5.4)	(19)	(0.0)	10
<b>Investing cash flow</b>	<b>(44.2)</b>	<b>(18.5)</b>	<b>(26.5)</b>	<b>(14.2)</b>	<b>(3.9)</b>	Net finance expense coverage (x)	n/a	0.3	6.1	537.14	n/a
<b>Free Cashflow</b>	<b>(17.3)</b>	<b>(11.3)</b>	<b>23.4</b>	<b>20.9</b>	<b>36.6</b>	FCF yield	-19%	-2%	25%	23%	40%
Net borrowings	6.2	(9.8)	(30.5)	(11.2)	0.0	Hillgrove Resources - Balance Sheet Ratios					
Dividends paid to shareholders	0.0	0.0	0.0	0.0	(16)	(Jan y/e)	13A	14A	15CL	16CL	17CL
Proceeds from equity issuance	17.8	10.2	0.0	0.0	0.0	ROA (%)	-2.2%	18%	3.1%	2.6%	4.4%
<b>Financing cash flow</b>	<b>24.0</b>	<b>0.3</b>	<b>(30.5)</b>	<b>(11.2)</b>	<b>(1.6)</b>	ROE (%)	-3.1%	0.9%	4.9%	3.2%	5.5%
Forex changes	0.0	0.0	(0.2)	0.0	0.0	ROIC (%)	-2.8%	2.3%	3.6%	3.1%	5.5%
<b>Net change in cash</b>	<b>6.7</b>	<b>(11.0)</b>	<b>(7.3)</b>	<b>9.7</b>	<b>35.0</b>	Total debt (A\$m)	50.3	41.7	112	0.0	0.0
Hillgrove Resources - Balance sheet						Net debt (A\$m)	22.9	25.2	2.0	(18.9)	(53.9)
(A\$m, Jan y/e)	13A	14A	15CL	16CL	17CL	Gearing = ND/(ND+E)	9.4%	9.9%	0.8%	n/a	n/a
Cash	27.4	16.5	9.2	18.9	53.9	Hillgrove Resources - NPV at 12% discount rate					
Receivables	6.4	5.0	6.9	6.2	6.7	Project	Per Share	Per Share			
Inventories	19.7	26.2	35.8	32.2	34.7	Kanmantoo Copper Mine	170	0.14			
Other	5.3	4.2	4.3	4.3	4.3	Resources	7	0.01			
<b>Total current assets</b>	<b>58.8</b>	<b>51.8</b>	<b>56.1</b>	<b>61.4</b>	<b>99.5</b>	Unpaid capital	0	0.00			
Property, plant and equipment	233.2	225.7	217.9	206.7	184.8	Forwards	3	0.00			
Receivables	0.0	0.0	0.0	0.0	0.0	Corporate	-31	-0.03			
Exploration expenditure	27.4	30.6	316	33.1	35.1	Cash	14	0.01			
Intangible assets	0.6	0.3	0.3	0.3	0.3	Debt	-33	-0.03			
Other non current assets	15.9	13.8	18.9	17.0	18.3	<b>NPV</b>	<b>130</b>	<b>0.11</b>			
Total non current assets	277.1	270.4	268.6	257.1	238.4	PT EV/EBITDA 2x		0.08			
<b>Total assets</b>	<b>336.0</b>	<b>322.2</b>	<b>324.7</b>	<b>318.5</b>	<b>337.9</b>	<b>Price Target 1yr fwd (50:50 blend)</b>		<b>0.10</b>			
Payables	40.0	23.9	32.7	29.4	31.7	Share price		0.08			
Borrowings	29.5	30.6	2.2	0.0	0.0	<b>TSR</b>		<b>31%</b>			
Other	6.2	7.9	4.3	2.4	1.5	Hillgrove Resources - Copper Reserves					
<b>Total current liabilities</b>	<b>75.7</b>	<b>62.5</b>	<b>39.3</b>	<b>31.8</b>	<b>33.2</b>	(As at Nov 2013)	Ore (mt)	Cu Grade (%)	Metal equiv. (kt)		
Borrowings	20.8	11.1	9.0	0.0	0.0	Kanmantoo Copper Mine	20.7	0.73%	150.3		
Provisions and other	18.9	20.1	36.5	38.8	44.3	Hillgrove Resources - Copper Resources					
Total non current liabilities	39.7	31.2	45.4	38.8	44.3	(As at Nov 2013)	Ore (mt)	Cu Grade (%)	Metal equiv. (kt)		
<b>Total liabilities</b>	<b>115.4</b>	<b>93.7</b>	<b>84.7</b>	<b>70.6</b>	<b>77.5</b>	Kanmantoo Copper Mine	29.4	0.8%	235.2		
<b>Net assets</b>	<b>220.6</b>	<b>228.5</b>	<b>240.0</b>	<b>247.9</b>	<b>260.4</b>	Long term oxide stockpiles	19	0.4%	7.3		
Issued capital	196.5	206.9	206.9	206.9	206.9						
Retained earnings	23.5	25.0	36.5	44.3	56.9						
Reserves	0.6	(3.3)	(3.3)	(3.3)	(3.3)						
Minority interest	0.0	0.0	0.0	0.0	0.0						
Total equity	220.6	228.5	240.0	247.9	260.4						
<b>Total attributable equity</b>	<b>220.6</b>	<b>228.5</b>	<b>240.0</b>	<b>247.9</b>	<b>260.4</b>						

Source: CLSA

### Valuation details

We calculate Hillgrove's sum-of-the-parts NPV at A\$0.10, based on a discount rate of 12%. Additionally we assume an in-situ value contained copper for undeveloped deposits of 2% of our long term copper price. Our valuation also accounts for Hillgrove's net -debt position, hedging book as well as corporate overhead costs. We derive our A\$0.10 target using a 50/50 blend of our 12-month forward sum-of-the-parts NPV and 12-month forward EV/Ebitda. We use a 12% (real) WACC for Hillgrove as the discount rate in our-sum-of-the-parts NPV. We use 2.0x forward EV/Ebitda, which is broadly in line with Hillgrove's three-year average.

### Investment risks

Management is in the process of determining a revised life of mine plan at Kanmantoo (update expected August 2014), which will provide further clarity on the stripping requirements at Nugent (largely completed), Emily Star and Giant pits. Stripping requirements will remain elevated in the short term and hence consume cashflows. Given Hillgrove has two exploration projects in Indonesia, there is always the risk that the company commits surplus cash to these development assets versus returning it to shareholders.

Figure 8

#### HGO key data

(Jan y/e)	13A	14A	15CL	16CL	17CL
Copper (US\$/lb)	3.45	3.34	3.29	3.30	3.60
Gold (US\$/oz)	1,626	1,413	1,320	1,400	1,400
USD / AUD exchange rate	1.04	0.97	0.92	0.92	0.90
Production					
Copper production (kt)	13.7	17.2	23.3	20.7	20.1
Gold production (koz)	6.5	5.9	7.2	7.3	7.3
Costs					
Total Cash Cost (US\$ / lb)	2.53	2.63	2.20	2.28	2.39

Source: CLSA

## Company outline

### The business

Hillgrove Resources is an Australian mining company listed on the Australian Securities Exchange (ASX: HGO) focused on developing its Indonesian and Australian base and precious metals projects. Hillgrove's flagship development is the Kanmantoo Copper Mine, located less than 55km from Adelaide in South Australia.

### Competition & market franchise

The Kanmantoo Copper Mine is in the Adelaide Hills region of South Australia, an area that has recorded production of over 39,000 tonnes of copper metal, but remains one of the most underexplored and prospective base-metal provinces in Australia, showing outstanding potential for copper-gold and silver-lead-zinc mineralisation.

### Strengths

Kanmantoo is located ~50km from Adelaide. The mine is currently staffed by ~200 employees with no requirement for fly in fly out facilities given its close proximity to Adelaide.

### Weaknesses

HGO's flagship project, Kanmantoo is a lower quality asset (grade <1% copper), and therefore is higher cost. In the event that copper prices decline, HGO will likely be the hardest hit.

### Opportunities

Over the last 18 months HGO's open pit flagship operation, Kanmantoo has suffered operational setbacks which has negatively impacted investor confidence. The last two quarters have been solid and we think another quarter of delivery is likely to see the stock re-rate. Additionally we think there is dividend upside once the company becomes debt free.

### Threats (Risks)

The majority of pre-stripping has been completed at Nugent, however is likely to remain elevated as Emily Star comes on line. There is risk that pre-stripping requirements are greater than expected. Additionally HGO only has one producing mine, therefore is subject to single asset risk. Additionally

## Summary financials

Year to 31 January	2013A	2014A	2015CL	2016CL	2017CL
<b>Summary P&amp;L forecast (A\$m)</b>					
<b>Revenue</b>	<b>112</b>	<b>140</b>	<b>190</b>	<b>171</b>	<b>184</b>
Op Ebitda	16	37	48	37	45
Op Ebit	(10)	8	13	11	19
Interest income	0	0	0	0	1
Interest expense	(6)	(5)	(2)	0	-
Other items	(5)	0	-	-	-
<b>Profit before tax</b>	<b>(20)</b>	<b>2</b>	<b>11</b>	<b>11</b>	<b>20</b>
Taxation	9	(1)	-	(3)	(6)
Minorities/Pref divs	1	-	-	-	-
<b>Net profit</b>	<b>(11)</b>	<b>2</b>	<b>11</b>	<b>8</b>	<b>14</b>
<b>Summary cashflow forecast (A\$m)</b>					
<b>Operating profit</b>	<b>(10)</b>	<b>8</b>	<b>13</b>	<b>11</b>	<b>19</b>
Operating adjustments	3	(6)	(2)	(3)	(5)
Depreciation/amortisation	26	29	34	25	26
Working capital changes	17	(24)	6	0	0
Net interest/taxes/other	(9)	0	(2)	2	1
<b>Net operating cashflow</b>	<b>27</b>	<b>7</b>	<b>50</b>	<b>35</b>	<b>40</b>
Capital expenditure	(38)	(19)	(27)	(14)	(4)
<b>Free cashflow</b>	<b>(11)</b>	<b>(12)</b>	<b>23</b>	<b>21</b>	<b>37</b>
Acq/inv/disposals	(6)	0	-	-	-
Int, invt & associate div	-	-	-	-	-
<b>Net investing cashflow</b>	<b>(44)</b>	<b>(18)</b>	<b>(27)</b>	<b>(14)</b>	<b>(4)</b>
Increase in loans	6	(10)	(30)	(11)	-
Dividends	0	0	0	0	(2)
Net equity raised/other	18	10	0	0	0
<b>Net financing cashflow</b>	<b>24</b>	<b>0</b>	<b>(30)</b>	<b>(11)</b>	<b>(2)</b>
<b>Incr/(decr) in net cash</b>	<b>7</b>	<b>(11)</b>	<b>(7)</b>	<b>10</b>	<b>35</b>
Exch rate movements	0	-	0	0	0
<b>Opening cash</b>	<b>21</b>	<b>27</b>	<b>16</b>	<b>9</b>	<b>19</b>
<b>Closing cash</b>	<b>27</b>	<b>16</b>	<b>9</b>	<b>19</b>	<b>54</b>
<b>Summary balance sheet forecast (A\$m)</b>					
Cash & equivalents	27	16	9	19	54
Debtors	6	5	7	6	7
Inventories	20	26	36	32	35
Other current assets	5	4	4	4	4
Fixed assets	233	226	218	207	185
Intangible assets	1	0	0	0	0
Other term assets	43	44	50	50	53
<b>Total assets</b>	<b>336</b>	<b>322</b>	<b>325</b>	<b>319</b>	<b>338</b>
Short-term debt	29	31	2	-	-
Creditors	40	24	33	29	32
Other current liabs	6	8	4	2	1
Long-term debt/CBs	21	11	9	-	-
Provisions/other LT liabs	19	20	36	39	44
Minorities/other equity	0	0	0	0	0
Shareholder funds	221	229	240	248	260
<b>Total liabs &amp; equity</b>	<b>336</b>	<b>322</b>	<b>325</b>	<b>319</b>	<b>338</b>
<b>Ratio analysis</b>					
Revenue growth (% YoY)	-	24.0	36.4	(10.0)	7.8
Ebitda growth (% YoY)	-	138.5	27.8	(23.2)	22.9
Ebitda margin (%)	13.9	26.7	25.1	21.4	24.4
Net profit margin (%)	(9.8)	1.1	6.0	4.6	7.6
Dividend payout (%)	-	0.0	0.0	20.0	20.0
Effective tax rate (%)	43.1	31.8	0.0	30.0	30.0
Ebitda/net int exp (x)	2.7	6.9	25.3	2,495.6	-
Net debt/equity (%)	10.4	11.0	0.8	(7.6)	(20.7)
ROE (%)	(5.0)	0.7	4.9	3.2	5.5
ROIC (%)	-	2.1	4.8	2.9	5.2
EVA@/IC (%)	0.0	(7.4)	(5.2)	(6.6)	(4.4)

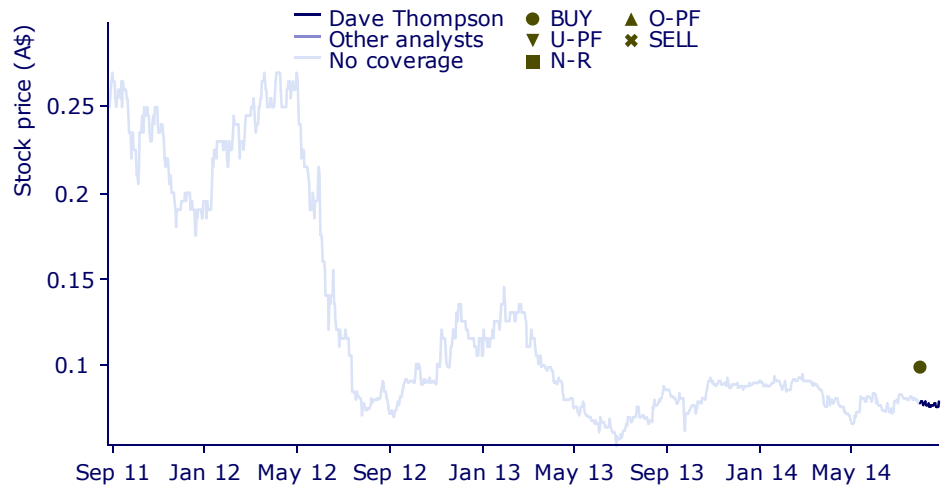
Source: CLSA



**Companies mentioned**

Hillgrove (HGO AU - A\$0.08 - BUY)

**Recommendation history of Hillgrove Resources Ltd HGO AU**



Date	Rec	Target	Date	Rec	Target
31 Jul 2014	BUY	0.10			

Source: CLSA



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