

Friday, 5 December 2014

SAEMC PRESENTATION ON PROPOSED OXIDE TREATMENT OPERATIONS AT KANMANTOO

Please find attached a presentation made by representatives of Hillgrove Resources Limited (ASX:HGO) at the 11th SA Exploration and Mining Conference in Adelaide today.

This presentation provides some detail of the Kanmantoo Copper Mine's proposed Controlled Potential Sulphidisation (CPS) plant and process operations. The CPS plant is being constructed for the batch treatment of previously stockpiled oxide copper ore, using conditioning tanks which allow the ore to be processed through the normal sulphide processing plant.

The cost of the CPS plant is \$3 million, with expenditure well advanced and some overflow into the next financial year (after 1 January 2015). The intent is to run two or three 7-day trials, and then operate the CPS plant for a two to four month period during the latter part of the upcoming calendar year, with operation potentially rolling into the following year. Total running time will be approximately four months. The CPS plant will provide flexibility of production during the cutback of the Giant pit, augmenting the processing of primary sulphide ore.

Further details of the proposed operation, including upcoming financial year CY15 guidance will be provided in the end of year Fourth Quarter Report due out late January.

For more information contact:

Mr Greg Hall
CEO & Managing Director
Tel: +61 (0)2 8247 9300

Mrs Shanthi Smith
Company Secretary
Tel: +61 (0)2 8247 9300

ABOUT HILLGROVE

Hillgrove 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 with a throughput of 3.0Mtpa, to produce approximately 100,000 dry metric tonnes of copper concentrate per annum.



HILLGROVE RESOURCES LIMITED

Kanmantoo Global Mineral Resource Estimate at end February 2013

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

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

Kanmantoo Global Ore Reserve Estimate at end February 2013

	JORC 2012 Classification	Tonnage (Mt)	Cu (%)	Au (g/t)	Ag (g/t)
In Situ Reserve	Proven	2.5	0.77	0.08	1.7
	Probable	18.2	0.72	0.20	2.0
		20.7	0.73	0.18	1.9
Long Term Stockpiles	Proven	1.4	0.46	N/A	N/A
		1.4	0.46	-	-
Total		22.1	0.71	0.18	1.9

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

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.