Simplify and consolidate.

- Reduction from six to five directors
- Aggressively review Indonesian Assets
- Reduce corporate scale and complexity
- Focus on value generation from existing assets
  - Kanmantoo Copper Mine is critical
  - Exploration expansion around current concentrator
    - Brownfields
    - Near mine greenfields
- Review South Australian relocation
The Total Recordable Injury Frequency Rate (TRIFR) has improved 75% in the last three years.

This year the severity has reduced but the frequency remains.

The last seven months have been significantly better but we must continue this trajectory before we can be proud of this reduction.
Community Engagement and support is critical to our success

- **Kanmantoo Callington Community Consultative Committee (KCCCC)**
  - Fundamental in dealing with dust, noise, lights, rehabilitation and master planning
  - Working Party Groups promote mutual understanding and community input
  - Moving from opinion to measured and accountable
  - Community Engagement Plan is integral in recent extension
Program for Environment Protection and Rehabilitation (PEPR)

- 75% increase in processed ore, and
- two year extension to 2019.
CONTINUE BASIC BUT BULLET PROOF APPROACH
COMPANY UPDATE
CONTINUE BASIC BUT BULLET PROOF APPROACH

Quarterly Processing Unit Costs
($/t Milled)

Oct 2013 Q3 FY14: $8.39
Jan 2014 Q4 FY14: $8.91
Apr 2014 Q1 CY14: $8.07
Jul 2014 Q2 CY14: $8.30
Sep 2014 Q3 CY14: $8.05
Dec 2014 Q4 CY14: $6.53
Mar 2015 Q1 FY15: $5.84
Jun 2015 Q2 2015: $5.60

- Processing Costs
- ROM Costs
COMPANY UPDATE
PRODUCTION OF COPPER CONCENTRATE
COMPANY UPDATE

SHIPPING

[Images of shipping and logistics operations]
- 24.2kmt of copper hedging @ A$7,738/Mt, which is approximately 50% of production to December 2017
- 1,125 ounces of gold hedging @ A$1,556/ounce
COMPANY UPDATE
EQUITY RAISING USE OF FUNDS – EXTENSION OF MINE LIFE TIMELINE

- Reserve
- Reduced Mining and Processing Costs
- Exploration
- Existing PEPR
- New Proposed PEPR
- Further PEPR
THREE PILLARS FOR ENHANCING SHAREHOLDER VALUE

**KANMANTOO MINE**
- Productivity and cost focus to maximise cash
- Extend mine life through lower costs and exploration

**REGIONAL GROWTH**
- Target brownfield and near mine exploration

**CAPITAL MANAGEMENT**
- Maximise shareholder value through capital management
Lower costs potentially allow a further cutback on the Giant Pit on known resource.
INITIAL EXPLORATION SUCCESS
Schematic surface projection of potential mineralisation (inc vertical depth isosurfaces)
BASE: Gravity Bouger Anomaly Terrain Corrected

Current LOM pit edge

Mineralisation, near-surface
Likely up-dip correlative

Kavanagh Pit: Main Orebody

Mineralisation, 330 m downhole

Along strike holes (RC) showing projected mineralisation intersection

Up-dip hole (en RC/DDH)

Down-dip hole (RC/DDH)
COMPANY UPDATE
NEXT STEP – DETERMINE CONNECTIVITY TO SURFACE

Historic Drilling

2015 Exploration Drilling
Shore up revenue – complete Giant cutback promptly
Lower costs – particularly Corporate and Indonesia
Simplify and consolidate organisation
Extend life – through input cost reductions and exploration
Generate cash from owned assets
Return value to owners
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 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 ($) unless otherwise indicated (e.g. US$).

Hillgrove moved to a 31 December year end in 2014, so prior year references are for CY14 and the current year is FY15, with Q1 Jan-Mar, Q2 Apr-Jun, Q3 Jul-Sep and Q4 Oct-Dec.
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.

Competent Person’s Statement

The information in this release that relates to Mineral Resources is based upon information compiled by Ms Michaela Wright, who is a Member of The Australasian Institute of Mining and Metallurgy. Ms 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)’. Ms 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.

The information in this release that relates to Exploration Results is based on information compiled by Dr David Rawlings, who is a Member of The Australasian Institute of Mining and Metallurgy. Dr Rawlings consults independently as the Kanmantoo Project Exploration Manager for Hillgrove Resources Limited and has sufficient relevant experience 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)’. Dr Rawlings consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Kanmantoo Global Mineral Resource 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 Resource</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Measured</td>
<td>2.83</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>total</td>
<td>29.64</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>total</td>
<td>1.89</td>
<td>0.39</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total</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>total</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>total</td>
<td>1.4</td>
<td>0.46</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td>22.1</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.