

Friday, 15 April 2016

CHANGES TO MINING PLAN UPDATE

The Board of Hillgrove Resources Limited (the Company) wishes to provide the following update on its discussions with key stakeholders including employees, major contractors, suppliers and service providers, financiers and the South Australian Government to seek their assistance with the process to address the cashflow shortfall, as previously notified to the market.

Over the past two weeks senior management has carried out discussions with all key stakeholder groups and it has received strong support for the project and the stakeholder response has been very positive. These discussions are continuing to formalise new arrangements.

The directors remain confident that there is significant value in the mine and believe that the best outcome for the company as a whole is achieved by implementing the revised LOM plan and reducing costs with the cooperation and support of all stakeholders.

The Company will provide further updates to the market on any material developments in implementing the revised mine plan as they occur.

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