

Tuesday, 7 December 2010

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## **COMPLETION OF EQUITY RAISING**

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Hillgrove Resources Limited (ABN 73 004 297 116) (ASX: HGO) ("Hillgrove" or the "Company") is pleased to announce that it has successfully completed the A\$65 million equity raising announced on Friday, 29 October 2010 ("Equity Raising"), with a total of 260,000,000 ordinary shares in the Company ("Shares") issued at A\$0.25 per share.

The Equity Raising consisted of two components, an unconditional component that was not subject to shareholder approval and a conditional component that was subject to shareholder approval. On 1 November 2010 the Company announced that it had completed the unconditional component of the Equity Raising with the placement of 58,185,021 Shares to institutional investors, raising approximately A\$14.5 million.

Following shareholder approval at the Company's Extraordinary General Meeting ("EGM") held on 3 December 2010, the Company completed the conditional component of the Equity Raising and issued a further 201,814,979 Shares to institutional investors, raising approximately A\$50.5 million ("Conditional Placement").

The allotment of the new Shares pursuant to the Conditional Placement will be completed on 8 December 2010.

The number of Shares on issue prior to completion of the Conditional Placement was 540,803,911. Upon completion of the Conditional Placement, the number of Shares on issue will be 742,618,890.

Hillgrove's Share Purchase Plan, which was announced in conjunction with the Equity Raising and opened on Tuesday, 9 November 2010, will close on 14 December 2010.

### **Disclaimer**

This release is not an offer or an invitation to acquire Shares.

This announcement has been prepared for publication in Australia and may not be released or distributed in the United States. This announcement does not constitute an offer of securities for sale in the United States or any other jurisdiction. Any securities described in this announcement may not be offered or sold in the United States, except in transactions exempt from, or not subject to, registration under the US Securities Act of 1933 (as amended) and applicable US state securities laws. The Shares issued under the Equity Raising have not been, and will not be, registered under the US Securities Act.



## About Hillgrove

Hillgrove 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. The Company is targeting the discovery of significant epithermal gold and porphyry copper/gold deposits in Eastern Indonesia.

Hillgrove's flagship development is the Kanmantoo Copper Mines, located less than 55km from Adelaide in South Australia. Kanmantoo currently hosts a Mineral Resource of 32.2Mt (2.3Mt Measured, 22.5Mt Indicated and 7.4Mt Inferred) grading 0.9% copper and 0.2g/t gold, containing 292,200 tonnes of copper, 191,100 ounces of gold and 3,313,600 ounces of silver. With completion of construction targeted for 2011, Kanmantoo will be a 2.4MT per annum open-cut mine producing approximately 20,000 tonnes of copper in concentrate and 10,000 ounces of gold per annum.

*The information in this presentation that relates to Mineral Resource estimates for the Kanmantoo Project is based on information compiled by Mr Paul Payne, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Payne is Executive Consultant with Runge Limited and has sufficient relevant experience to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Payne consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*

For more information contact:

Drew Simonsen  
Managing Director  
Tel: 02 8221 0404

Russell Middleton  
Company Secretary  
Tel: 02 8221 0404