

Monday, 9 February 2009

## HILLGROVE RAISES A TOTAL OF \$4.1M FROM SPP AND PLACEMENT

Hillgrove Resources Limited (ASX:HGO) is pleased to announce that it has agreed to place 18.2 million fully paid ordinary shares at 11 cents per share to a number of sophisticated investors, managed by Bell Potter Securities.

The funds raised from the placement will be used to:

1. meet the ongoing costs of Hillgrove's recently announced gold and copper exploration programmes in Indonesia;
2. carry out continuing pre-mine development activities on the Kanmantoo Mine project, including the acquisition of long lead time equipment and activities associated with the final stages of statutory approvals and
3. meet other corporate and offer costs and to provide additional general working capital.

Hillgrove recently announced the successful raising of \$2.1 million at 11 cents per share in the Share Purchase Plan which closed on 30 January 2009 bringing the total new equity raised to \$4.1 million.

### About Hillgrove

Hillgrove is an Australian resources company listed on the Australian Securities Exchange (ASX: HGO) focused on developing its Indonesian, South Australian and Queensland base and precious metals projects. The Company's portfolio includes an advanced exploration portfolio of 5,128km<sup>2</sup> in world class copper and gold terrains in eastern Indonesia targeting porphyry copper-gold and epithermal deposits.

Hillgrove's has a strategic, fully diluted, direct 21.9% shareholding in the leading New South Wales coal seam gas company, Eastern Star Gas Limited (ASX: ESG).

Hillgrove's most advanced project is the Kanmantoo Copper Gold Project, located less than 60km from Adelaide. Kanmantoo currently hosts a Mineral Resource of 32.2Mt (2.3Mt Measured, 22.5Mt Indicated and 7.4Mt Inferred) grading 0.9% copper and 0.20g/t gold, containing 292,200 tonnes copper, 191,100 ounces gold and 3,313,600 ounces of silver. With production targeted for 2010, Kanmantoo will be a 2Mt p.a. open-cut mine producing approximately 17,000 tonnes of copper in concentrate and 8,000 ounces of gold p.a.

**Hillgrove Resources Limited**

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*The information in this report that relates to Exploration Results is based on information compiled by Mr. Adam Freeman, who is a Member of The Australasian Institute of Geoscientists. Mr. Freeman is an Exploration Manager for Hillgrove Resources 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. Freeman consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*

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