

Thursday, 8 April 2010

KANMANTOO MARP FULLY APPROVED

Hillgrove Resources Limited (ASX:HGO) advises that its Mining and Rehabilitation Program (MARP) for the Kanmantoo Copper/Gold Mine Project in South Australia has now been fully approved by the Department of Primary Industries and Resources SA (PIRSA).

David Archer, Hillgrove Resources' Managing Director, said today "With the PIRSA licensing process now complete efforts will be concentrated around concluding the financing of the project as the final component prior to making the final investment decision (FID)".

"Meanwhile, the project continues to move along strongly. The dismantling of the Pillara ore processing facility is well underway and early engineering design will allow for a rapid start up of the site works after the FID."

About Hillgrove

Hillgrove is an Australian mining 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 is targeting the discovery of world class epithermal gold and porphyry copper/gold deposits in Eastern Indonesia.

Hillgrove's flagship development is the Kanmantoo Copper Gold Project, located less than 60km 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 0.20g/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 the first quarter of 2011, 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 per annum.

The Mineral Resource estimate is based on information compiled by Mr Paul Payne, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Payne is the Principal of Resource Evaluations Pty Ltd 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.

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