

Monday, 11 October 2021

3 DRILL RIGS SECURED AS HILLGROVE RAMPS UP EXPLORATION AT KANMANTOO COPPER PROJECT

HIGHLIGHTS

- 3 drill rigs have been secured as exploration ramps up at the Kanmantoo Copper Project.
- Drilling to target further extensions of known lodes with recent intersections including:
 - 23.0m @ 2.48% Cu, 0.24 g/t Au, from 385.0m¹
 - 9.0m @ 2.19% Cu, 0.17 g/t Au from 332m²
 - 8.25m @ 2.16% Cu, 0.07 g/t Au from 354m²
 - 29.55m @ 1.39% Cu, 0.46 g/t Au from 392m²
 - 10.0m @ 2.16% Cu, 0.11 g/t Au from 443m²
- The first rig is scheduled to arrive at site on 18 October and will commence drilling immediately.
- DRC Drilling has been awarded the drilling contract at Kanmantoo for the third consecutive drilling program.

Commenting on the commencement of the next stage of drilling, Hillgrove CEO and Managing Director, Lachlan Wallace said:

“We are pleased to have secured multiple drill rigs so quickly after the successful completion of the \$10m Placement, as it enables us to fast track the drilling program as we target FID by mid-2022. It is also excellent to have been able to partner with DRC Drilling again for the third consecutive drilling program; their previous safety, environmental, and operational performance at Kanmantoo has been excellent and we have every confidence that they will deliver the same high standards again.”

Figure 1
DRC Drilling at Kanmantoo earlier in the year



¹ ASX Release 6 May 2021; Hillgrove Hits 170m of Copper Mineralisation at Kanmantoo

² ASX Release 1 September 2021; Hillgrove Hits 166m of Copper Mineralisation at Kanmantoo

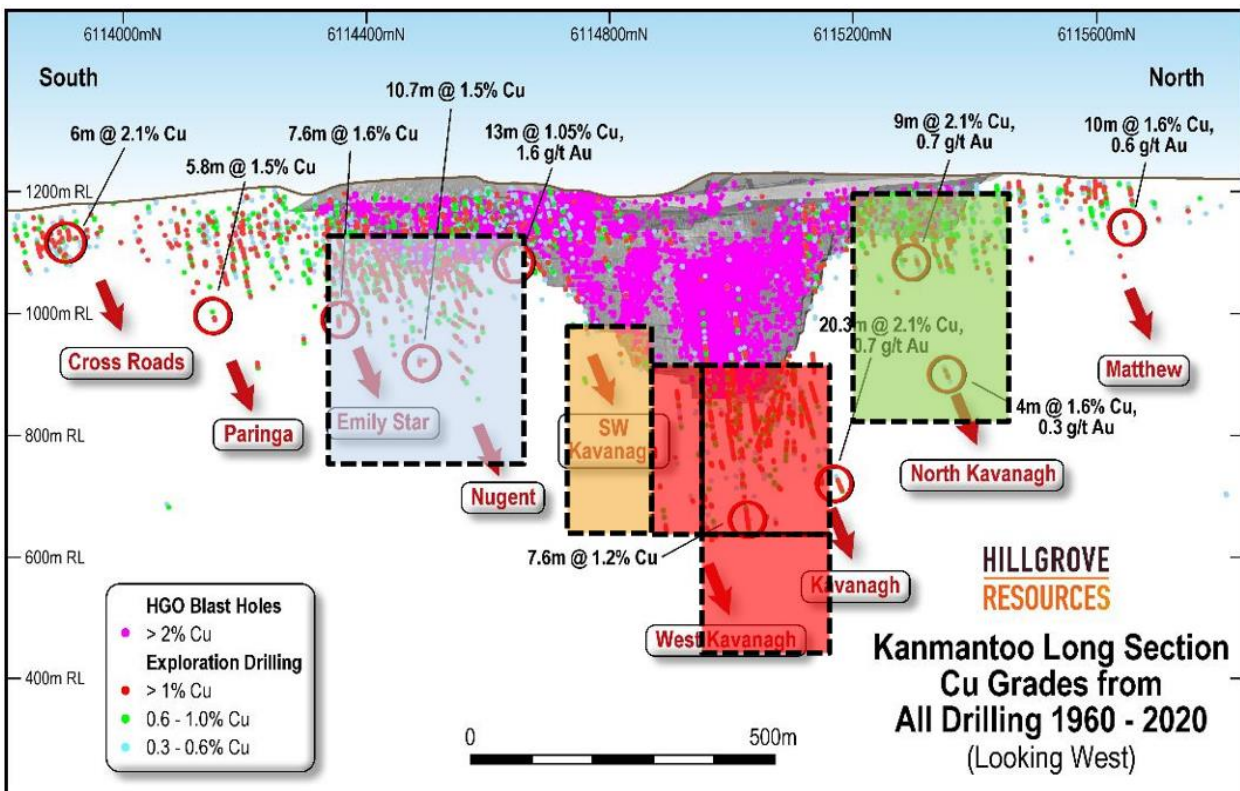
Kanmantoo Underground Exploration Program

There was over 17km of drilling in the first half of 2021, focussed predominately on the Kavanagh lodes below the base of the main Giant Pit, as shown in red in Figure 2 below. This drilling demonstrated that the mineral lodes extend up to 500m below the base of the pit and remain open at depth.

In addition to proving the down dip and along strike extent of the Kavanagh mineralisation, the 2021 drilling also intersected a number of mineralised zones both along strike and down dip of the existing 2020 resource model. The 2021 drill results have been incorporated into an updated mineral resource estimate that is expected to be completed in a few weeks.

The upcoming drilling program will focus on Nugent (blue in Figure 2), SW Kavanagh and Spitfire (orange) and North Kavanagh (green), with the intent to increase the resource base ahead of planned commencement of underground mining at Kanmantoo in 2022. Increasing the number of potential working areas, and thus annual copper production opportunity, will provide additional project value through more efficient utilisation of the existing processing capacity at Kanmantoo.

Figure 2 Drilling Plan



HILLGROVE RESOURCES LIMITED

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ABOUT HILLGROVE

Hillgrove is an Australian mining company listed on the Australian Securities Exchange (ASX: HGO) and focused on underground development at the Kanmantoo Copper Mine in South Australia and mineral exploration in the south-east of South Australia. The Kanmantoo Copper Mine is fully permitted with a maintained 3.6Mtpa plant, located less than 55 kilometres from Adelaide in South Australia.