

HILLGROVE RESOURCES LIMITED

ACN 004 297 116

HILLGROVE
RESOURCES



Notice of Annual General Meeting and Related Documentation

Notice of Annual General Meeting to be held at 9:30am (ACST) on Friday 24 April 2020 is included with these documents.

To be valid, Forms of Proxy for use at this meeting must be completed and returned to the Company no later than 9:30am (ACST) on Wednesday 22 April 2020.

PART A: ABOUT THESE DOCUMENTS

Shareholders in Hillgrove Resources Limited ABN 73 004 297 116 (**Company**) are requested to consider and vote upon each of the Resolutions set out in the Notice.

You can vote by:

- attending and voting at the Meeting; or
- appointing someone as your proxy to attend and vote at the Meeting on your behalf, by completing and returning the Proxy Form to the Company or its share registry in the manner set out on the Proxy Form. The Company or its share registry must receive your duly completed Proxy Form by no later than **9:30am** (ACST) on **Wednesday 22 April 2020**.

A glossary of the key terms used throughout this Document (including the Proxy Form) is contained in **Part E** of this Document.

Please read the whole of this Document carefully, determine how you wish to vote and then cast your vote.

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PART B: LETTER FROM THE COMPANY SECRETARY

HILLGROVE RESOURCES

13 March 2020

Dear Shareholder

I am pleased to invite you to attend our Annual General Meeting, being held at the Adelaide Pavilion, Veale Gardens, corner South Terrace & Peacock Road, Adelaide SA on Friday 24 April 2020 at 9:30am (ACST). Enclosed with this letter is the Notice of Meeting which details the items of business to be dealt with.

If you are unable to join us you are encouraged to complete the enclosed Proxy Form. The signed Proxy Form should be returned as instructed in the Notice of Meeting by no later than 9:30am (ACST), Wednesday 22 April 2020. For details regarding voting by proxy please refer to the Notice of Meeting and instructions on the back of the Proxy Form. If you plan to attend the Meeting, please bring your Proxy Form with you to facilitate registration.

Shareholders who did not elect to receive a copy of the Company's annual report by mail are able to access it via our website, at www.hillgroveresources.com.au, by clicking on the link on the home page or via the Investor section. Please remember you can update your communications preferences and holding details by contacting our registry, Boardroom Pty Limited, at enquiries@boardroomlimited.com.au or on 1300 737 760.

Your vote is important and we encourage you to either attend the Meeting in person or complete the Proxy Form and return it in accordance with the directions provided.

Yours faithfully



Paul Kiley
Company Secretary

PART C: NOTICE OF ANNUAL GENERAL MEETING

HILLGROVE RESOURCES LIMITED

(ACN 004 297 116)

Notice is hereby given that the annual general meeting of the members of Hillgrove Resources Limited (ACN 004 297 116) (**Company**) will be held at the place, date and time set out in Section 1 below and for the purpose of considering and voting upon the Resolutions set out in Section 2.

SECTION 1: TIME AND PLACE OF MEETING

Venue

The annual general meeting of members of the Company will be held at:

The Adelaide Pavilion
Veale Gardens
Corner South Terrace & Peacock Road,
ADELAIDE SA 5000

Time and Date

The meeting will commence at **9:30am (ACST) on Friday 24 April 2020.**

How to Vote

You may vote by attending the Meeting, by proxy or authorised representative.

Voting in Person

To vote in person, please attend the Meeting on the date, time and place set out above.

Voting by Proxy

To vote by proxy, please complete and sign the Proxy Form enclosed with this Document as soon as possible and **either** send, deliver, courier or mail the duly completed Proxy Form:

- online at <https://www.votingonline.com.au/hgoagm2020>
- by facsimile to Boardroom Pty Limited on facsimile number +61 (02) 9290 9655;
- deliver to Boardroom Pty Limited at Level 12, 225 George Street, Sydney NSW 2000, Australia;
- mail to Boardroom Pty Limited at GPO Box 3993, Sydney NSW 2001, Australia; or
- directly to the Company, attention Company Secretary at 5-7 King William Road, Unley SA 5061, Australia;

so that it is received no later than **9:30am (ACST) on Wednesday 22 April 2020.**

Details on how to vote by proxy are set out on the back of your Proxy Form.

Please read this Document carefully and in its entirety, determine how you wish to vote in relation to each of the Resolutions and then cast your vote accordingly. If you do not understand any part of this Document, or are in any doubt as to the course of action you should follow, you should contact your financial or other professional adviser immediately.

Determination of Membership and Voting Entitlement for the Purpose of the Meeting

For the purpose of determining a person's entitlement to vote at the Meeting and in accordance with regulation 7.11.37 of the Corporations Regulations 2001 (Cth), a person will be recognised as a member and the holder of Shares if that person is registered as a holder of Shares at **6:30pm (ACST) on Wednesday 22 April 2020.**

Voting Exclusion Statement

In accordance with the Corporations Act and the Listing Rules, the following persons must not cast any votes on the following Resolutions, and the Company will disregard any votes cast on that Resolution by:

Resolution(s)	Excluded Voters
1	All Directors, other Key Management Personnel and their respective associates or any other closely related party (other than by means of a directed proxy)
2 & 3	None
4	A person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities); or an Associate of those persons.

However, the Company need not disregard a vote on Resolution 1 and Resolution 4 if it is cast by:

- (a) a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) the person chairing the meeting as a proxy for a person who is entitled to vote on the resolution, in accordance with an express authorisation in the Proxy Form to exercise the proxy even though Resolutions 1 and 4 are connected with the remuneration of members of the KMP; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and.
 - the holder votes on the resolution in accordance with the directions given by the beneficiary to the holder to vote in that way.

Proxies

A Shareholder, entitled to attend and vote at this Meeting pursuant to the Constitution, is entitled to appoint no more than two proxies. Where more than one proxy is appointed, each proxy may be appointed to represent a specific proportion of the member's voting rights. A proxy need not be a Shareholder. Any instrument of proxy deposited or received by the Company in which the name of the appointee is not filled in shall be deemed to be given in the favour of the Chair of the Meeting.

The instrument appointing a proxy must be lodged, and any power of attorney or an office copy of a notarially certified copy thereof under which an attorney for a member appoints a proxy, must be lodged by no later than **9:30am (ACST) on Wednesday 22 April 2020** in accordance with the instructions provided in the Proxy Form.

The instrument appointing a proxy shall be in writing under the hand of the appointor or of his/her attorney or if such appointor is a corporation, under the hand of its attorney or the hand of a person duly authorised by the corporation. The Proxy Form which accompanies this Notice may be used.

PART C: NOTICE OF ANNUAL GENERAL MEETING *(cont.)*

SECTION 2: RESOLUTIONS OF ANNUAL GENERAL MEETING

Business

ACCOUNTS

To receive and consider the Company's financial statements for the 12 months ended 31 December 2019 and the related reports of the Directors and auditor.

1. REMUNERATION REPORT

The Remuneration Report is in the Directors' Report section of the Company's 2019 Annual Report. In accordance with section 250R(2) of the Corporations Act, listed companies are required, to submit the Remuneration Report to a vote for adoption at the Company's Annual General Meeting.

The resolution will be determined as an ordinary resolution but is advisory only and does not bind the Directors or the Company.

To consider and, if thought fit, to pass, with or without amendment, the following motion:

Resolution 1 – Remuneration Report

“That the Remuneration Report in the 2019 Annual Report of the Company be adopted.”

For a detailed discussion of the circumstances material to a consideration of Resolution 1, please read Part D, Item 1 below.

2. RE-ELECTION OF DIRECTOR

In accordance with Article 6.3 of the Constitution and Listing Rule 14.4, Antony Breuer retires by rotation, effective at the conclusion of the Meeting, and being eligible, offers himself for re-election.

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

Resolution 2 – Re-election of Director Retiring By Rotation

“That Antony Breuer is re-elected as a director of the Company.”

For a supporting statement on the merits of Resolution 2, please refer to Part D, Item 2 below.

3. ELECTION OF DIRECTOR

In accordance with Article 6.3 of the Constitution and Listing Rule 14.4, Murray Boyte who has been casually appointed as a Director after the Company's last annual general meeting, retires effective at the conclusion of this Meeting, and being eligible, offers himself for re-election.

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

Resolution 3 – Election of Director

“That Murray Boyte is elected as a director of the Company.”

For a supporting statement on the merits of Resolution 3, please refer to Part D, Item 3 below.

4. APPROVAL OF ADDITIONAL 10% PLACEMENT CAPACITY

To consider and, if thought fit, to pass the following resolution as a special resolution:

Resolution 4 – Approval of Additional 10% Placement Capacity

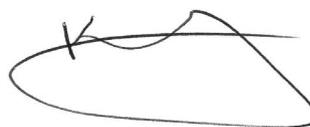
“That, for the purpose of Listing Rule 7.1A and all other purposes, Shareholders approve the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Memorandum.”

For a supporting statement on the merits of Resolution 4, please refer to Part D, Item 4 below.

5. OTHER BUSINESS

To transact any other business as may be brought before the Meeting.

By order of the Board



Paul Kiley
Company Secretary

Dated: 13 March 2020

PART D: EXPLANATORY STATEMENT

This Explanatory Statement is included in and forms part of the Notice of Meeting. It contains an explanation of, and information about, the Resolutions to be considered at the Meeting. It is given to Shareholders to help them determine how to vote on the Resolutions set out in the accompanying Notice of Meeting.

Shareholders should read this Explanatory Statement in full as individual sections do not necessarily give a comprehensive review of the Resolutions contemplated in this Explanatory Statement.

If you are in doubt about what to do in relation to a Resolution, you should consult your financial or other professional advisor.

Accounts

The Company's Financial Report for the 12 month period ended 31 December 2019 is set out in the Annual Report. In accordance with the Corporations Act, Shareholders will be given a reasonable opportunity at the Meeting to ask questions and make comments on the Financial Report and on the business and management of the Company.

During the discussion of this item, the Company's auditor will be present and will answer qualifying questions.

WRITTEN QUESTIONS FOR THE AUDITOR

If you would like to submit a written question to the Company's auditor, please post your question to the Company Secretary or send it by facsimile to +61 8 8538 5255. Written questions must relate to the content of the auditor's report or the conduct of the audit to be considered at the Meeting. A list of qualifying questions will be made available at the Meeting.

Please note that all questions must be received at least four business days before the date of the Meeting, that is, by no later than 9.30am (ACST) on 17 April 2020.

Item 1 – Remuneration Report

The Remuneration Report is in the Directors' Report section of the Company's 2019 Annual Report. Listed companies are required to submit the Remuneration Report to a vote for adoption at the Meeting. The resolution will be determined as an ordinary resolution but is advisory only and does not bind the Directors or the Company.

However, if at least 25% of the votes cast are against adoption of the Remuneration Report at two consecutive annual general meetings, the Company will be required to put a resolution to the second Annual General Meeting (**Spill Resolution**), to approve calling a general meeting (**Spill Meeting**).

If more than 50% of the votes by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative) vote in favour of the Spill Resolution, the Company must convene the Spill Meeting within 90 days of the second AGM. All of the Directors who were in office when the Company's Directors' Report was approved, other than the Managing Director of the Company, will cease to hold office immediately before the end of the Spill Meeting, but may stand for re-election at the Spill Meeting. Following the Spill Meeting, those persons whose election or re-election as a Director is approved will be the Directors of the Company.

At the Company's 2019 Annual General Meeting, the adoption of the Remuneration Report was carried on a proxy vote, and in excess of 75% of the votes cast were in favour of Resolution 1.

The Remuneration Report sets out the Company's remuneration arrangements for the Directors and key management personnel of the Company. The Remuneration Report is part of the Directors' Report contained in the Annual Financial Report of the Company for the 12 month period ending 31 December 2019 which is also available on the Company's website at www.hillgroveresources.com.au.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the Meeting.

PROXY RESTRICTIONS ON KEY MANAGEMENT PERSONNEL

The Corporations Act restricts members of the key management personnel (KMP) of the Company and their closely related parties (which includes a KMP's spouse, dependent and any company controlled by the KMP) (each a Closely Related Party) from voting in relation to remuneration related items in certain circumstances.

This restriction does not limit Shareholders from appointing the Chairman as their proxy with a direction to cast the votes on a resolution (which may be contrary to the Chairman's stated voting intention) or from abstaining from voting on a resolution.

Pursuant to the Corporations Act, if you elect to appoint the Chair, or another member of KMP whose remuneration details are included in the Remuneration Report, or any Closely Related Party of that KMP member, as your proxy to vote on Resolution 1, please ensure that you direct them how to vote on Resolution 1. If you intend to appoint the Chairman as your proxy, you may also direct him or her how to vote by marking the first Chairman's box on the proxy form and then completing Step 2 with your Voting Directions (in which case the Chairman will vote your proxy vote as directed in relation to Resolution 1).

PART D: EXPLANATORY STATEMENT *(cont.)*

PROXY RESTRICTIONS ON KEY MANAGEMENT PERSONNEL *(cont.)*

By marking that Chairman's box, you acknowledge that the Chairman may exercise your proxy vote even though the Chairman has an interest in the outcome of Resolution 1 and that votes cast by the Chairman in relation to Resolution 1, other than as a proxyholder, would be disregarded because of that interest. If you appoint a member of the KMP other than the Chairman as your proxy and it is otherwise undirected, your vote will be disregarded by the Company for determining whether Resolution 1 has been duly approved.

Item 2 – Re-election of Antony (Tony) Breuer as Director

Mr Tony Breuer had over 33 years of experience at investment bank Gresham Partners Limited and was Managing Director of Gresham Funds Management Group, Deputy Chairman of Gresham Partners Capital Limited, and a Board member of various Gresham group companies and committees. He was formerly, Director of National Gallery Australia Foundation. He was admitted as a Barrister to the Supreme Court of NSW.

Item 3 – Election of Murray Boyte as Director

Mr Murray Boyte has over 35 years' experience in merchant banking and finance, undertaking company reconstructions, mergers and acquisitions in Australia, New Zealand, North America and Hong Kong. Murray holds a Bachelor of Commerce and Administration from the Victoria University in Wellington and is a member of the Australian Institute of Company Directors, the Institute of Directors of New Zealand and Chartered Accountants Australia & New Zealand. In addition, Murray has held executive positions and directorships in the transport, horticulture, finance service, investment, health services and property industries. Murray is currently the Chairman of Eureka Group Holdings (ASX: EGH) and National Tyre & Wheel Limited (ASX: NTD) and a director of Abano Healthcare Group Limited (NZX: ABA).

Item 4 – Approval of Additional 10% Placement Capacity

Resolution 4 is a special resolution, requiring approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative) in order to be passed.

BACKGROUND

Listing Rule 7.1A enables an eligible entity to issue Equity Securities up to 10% of its issued share capital over a 12 month period after the Annual General Meeting at which a resolution for the purposes of Listing Rule 7.1A is passed by special resolution (**Additional 10% Placement Capacity**). The Additional 10% Placement Capacity is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An entity will be eligible to seek approval under Listing Rule 7.1A if:

- (a) the entity has a market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300 million or less; and
- (b) the entity is not included in the S&P ASX 300 Index.

The Company has a market capitalisation of \$26.9 million as at 5 March 2020 and is an eligible entity for the purposes of Listing Rule 7.1A.

The number of Equity Securities to be issued under the Additional 10% Placement Capacity will be determined in accordance with the formula set out in Listing Rule 7.1A.2.

Resolution 4 seeks Shareholders' approval to issue additional Equity Securities under the Additional 10% Placement Capacity. It is anticipated the cash consideration received from the issue of Equity Securities under the Additional 10% Placement Capacity would be applied towards the Company's exploration activities, the acquisition of new assets (should suitable assets be found), administration costs and general working capital.

LISTING RULE 7.1A

The effect of Item 4 will be to permit the Company to issue the Equity Securities under Listing Rule 7.1A during the Additional Placement Period (as defined below) without using the Company's 15% placement capacity under Listing Rule 7.1.

Equity Securities issued under the Additional 10% Placement Capacity must be in the same class as an existing quoted class of Equity Securities of the Company. As at the date of this Notice the Company has Shares and unlisted Performance Rights on issue.

PART D: EXPLANATORY STATEMENT *(cont.)*

Item 4 – Approval of Additional 10% Placement Capacity *(cont.)*

Based on the number of Shares on issue at the date of this Notice, the Company will have 585,588,518 Shares on issue and therefore, subject to Shareholder approval being obtained under Resolution 4, 58,558,851 Equity Securities will be permitted to be issued in accordance with Listing Rule 7.1A. Shareholders should note that the calculation of the number of Equity Securities permitted to be issued under the Additional 10% Placement Capacity is a moving calculation and will be based the formula set out in Listing Rule 7.1A.2 at the time of issue of the Equity Securities. That formula is:

(A X D) – E

- A** is the number of Shares on issue 12 months before the date of issue or agreement:
- plus, the number of fully paid Shares issued in the 12 months under an exception in Listing Rule 7.2;
 - plus, the number of partly paid Shares that became fully paid in the 12 months;
 - plus, the number of fully paid Shares issued in the 12 months with approval of holders of Shares under Listing Rules 7.1 and 7.4. This does not include an issue of fully paid Shares under the entity's 15% placement capacity without Shareholder approval;
 - less, the number of fully paid Shares cancelled in the 12 months.

Note that 'A' has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

D is 10%

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue, that are not issued with the approval of Shareholders under Listing Rules 7.1 or 7.4.

The table below demonstrates various examples as to the number of Equity Securities that may be issued under the Additional 10% Placement Capacity.

Variable 'A'*		No. Shares issued under 10% Placement Capacity	Dilution at different share prices		
			\$0.023 (50% decrease)	\$0.046 (Current price)	\$0.092 (100% increase)
Current	585,588,518	58,558,851	\$1,346,854	\$2,693,707	\$5,387,414
150%	878,382,777	87,838,278	\$2,020,280	\$4,040,561	\$8,081,122
200%	1,171,177,036	117,117,074	\$2,693,707	\$5,387,414	\$10,774,829

Note: This table assumes:

- No Performance Rights vest and are exercised before the date of the issue of the Equity Securities.
- The issue of Equity Securities under the Additional 10% Placement Capacity consists only of Shares. If the issue of Equity Securities includes quoted Options, for the purposes of the above table, it is assumed that those quoted Options are exercised into Shares for the purposes of calculating the voting dilution effect on existing Shareholders.
- The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the Additional 10% Placement Capacity, based on that Shareholder's holding at the date of the Meeting.
- The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in Listing Rule 7.2, with approval under Listing Rule 7.1 or ratified under Listing Rule 7.4.
- This table does not set out any dilution pursuant to ratification under Listing Rule 7.4.

The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.

PART D: EXPLANATORY STATEMENT *(cont.)*

Item 4 – Approval of Additional 10% Placement Capacity *(cont.)*

SPECIFIC INFORMATION REQUIRED BY LISTING RULE 7.3A

The following information in relation to the Shares proposed to be issued is provided to Shareholders for the purposes of Listing Rule 7.3A:

- (a) The Equity Securities will be issued at an issue price of not less than 75% of the volume weighted average price for the Company's Equity Securities over the 15 Trading Days on which trades in the class were recorded immediately before:
- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
 - (ii) if the Equity Securities are not issued within five Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (b) If Resolution 4 is approved by Shareholders and the Company issues Equity Securities under the Additional 10% Placement Capacity, the existing Shareholders' economic and voting interests in the Company will be diluted. There is also a risk that:
- (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Annual General Meeting; and
 - (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date of the Equity Securities which may have an effect on the amount of funds raised by the issue of Equity Securities under the Additional 10% Placement Capacity.
- (c) The table above on page 9 shows the dilution of existing Shareholders upon the issue of the maximum number of Equity Securities under the Additional 10% Placement Capacity, using different variables for the number of ordinary securities for variable 'A' (as defined in Listing Rule 7.1A) and the market price of Shares. It is noted that variable 'A' is based on the number of ordinary securities the Company has on issue at the time of the proposed issue of Equity Securities.

The table shows:

- (i) examples of where variable 'A' is at its current level, and where variable 'A' has increased by 50% and by 100%;
 - (ii) examples of where the issue price of ordinary securities is the current market price as at close of trade on 5 March 2020, being \$0.046, (current market price), where the issue price is halved, and where it is doubled; and
 - (iii) the dilutionary effect will always be 10% if the maximum number of Equity Securities that may be issued under the Additional 10% Placement Capacity are issued.
- (d) Approval of the Additional 10% Placement Capacity will be valid during the period (**Additional Placement Period**) from the date of the Annual General Meeting and will expire on the earlier of:
- (i) the date that is 12 months after the date of the Annual General Meeting; and
 - (ii) the date of the approval by Shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking).
- (e) The Company must issue the Equity Securities for cash consideration and may use the funds for exploration activities, the acquisition of new assets (should suitable assets be found), administration costs and general working capital.

The Company will comply with the disclosure obligations under Listing Rules 7.1A.4 upon issue of any Equity Securities.

PART D: EXPLANATORY STATEMENT *(cont.)*

Item 4 – Approval of Additional 10% Placement Capacity *(cont.)*

- (f) The identity of the persons to whom Shares will be issued is not yet known and will be determined on a case by case basis having regard to market conditions at the time of the proposed issue of Equity Securities and the Company's allocation policy, which involves consideration of matters including, but not limited to:
- (i) the ability of the Company to raise funds at the time of the proposed issue of Equity Securities and whether the raising of any funds under such placement could be carried out by means of an entitlements offer, or a placement and an entitlements offer;
 - (ii) the dilutionary effect of the proposed issue of the Equity Securities on existing Shareholders at the time of the proposed issue of Equity Securities;
 - (iii) the financial situation and solvency of the Company; and
 - (iv) advice from its professional advisers, including corporate, financial and broking advisers (if applicable).

The persons to whom Shares will be issued under the Additional 10% Placement Capacity have not been determined as at the date of this Notice, but will not include related parties (or their Associates) of the Company.

- (g) No Equity Securities were issued by the Company during the 12 month period.
- (h) A voting exclusion statement is included in the Notice. At the date of the Notice, the Company has not determined who the Company will issue Equity Securities to under the Additional 10% Placement Capacity, other than noting that the persons to whom Shares will be issued will be determined on a case by case basis having regard to the factors outlined in paragraph (f) above. The Company has not approached, and has not yet determined to approach, any particular existing security holders or an identifiable class of existing security holders to participate in an offer under the Additional 10% Placement Capacity, therefore no existing security holders' votes would be excluded under the voting exclusion statement included in this Notice.

PART E: GLOSSARY

For the purposes of this document, the following terms have the meanings prescribed below:

2019 Annual Report

the Company's Annual Report for the 12 month period ended 31 December 2019.

ACST

Australian Central Standard Time

Additional 10% Placement Capacity

has the meaning set out on page 8 of the Explanatory Memorandum.

Additional Placement Period

has the meaning set out on page 10 of the Explanatory Memorandum.

ASIC

Australian Securities & Investments Commission.

ASX

ASX Limited ACN 008 624 691 or the securities exchange market operated by it, as the context requires.

Board

the board of Directors.

Company

Hillgrove Resources Limited ACN 004 297 116.

Constitution

the constitution of the Company.

Corporations Act

Corporations Act 2001 (Commonwealth).

Director

a director of the Company.

Equity Securities

has the same meaning given to it in the Listing Rules.

Key Management Personnel

those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise).

Listing Rule

the listing rules of the ASX as amended from time to time.

Meeting

the Annual General Meeting referred to in the Notice.

Notice or Notice of Meeting

the Notice of Annual General Meeting, forming part of this Document.

Performance Right

a right to acquire a Share.

Proxy Form

the proxy form attached to this Document.

Resolution

a resolution set out in the Notice.

Share

a fully paid ordinary share in the Company.

Shareholder

a registered holder of Shares.

Trading Day

means a day determined by ASX to be a trading day in accordance with the Listing Rules.

All Correspondence to:

✉ **By Mail** Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001 Australia

📠 **By Fax:** +61 2 9290 9655

💻 **Online:** www.boardroomlimited.com.au

☎ **By Phone:** (within Australia) 1300 737 760
(outside Australia) +61 2 9290 9600

YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 9:30am (ACST) on Wednesday 22 April 2020.**

🖥 TO VOTE ONLINE

STEP 1: VISIT <https://www.votingonline.com.au/hgoagm2020>

STEP 2: Enter your Postcode OR Country of Residence (if outside Australia)

STEP 3: Enter your Voting Access Code (VAC):

📱 BY SMARTPHONE



Scan QR Code using smartphone
QR Reader App

TO VOTE BY COMPLETING THE PROXY FORM

STEP 1 APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy.

If you wish to appoint the Chair of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chair of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting, the Chair of the Meeting will be your proxy. A proxy need not be a securityholder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by contacting the company's securities registry or you may copy this form.

To appoint a second proxy you must:

(a) complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.

(b) return both forms together in the same envelope.

STEP 2 VOTING DIRECTIONS TO YOUR PROXY

To direct your proxy how to vote, mark one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of securities are to be voted on any item by inserting the percentage or number that you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item for all your securities your vote on that item will be invalid.

Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the company's securities registry.

STEP 3 SIGN THE FORM

The form **must** be signed as follows:

Individual: This form is to be signed by the securityholder.

Joint Holding: where the holding is in more than one name, all the securityholders should sign.

Power of Attorney: to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form should be signed by that person. **Please indicate the office held by signing in the appropriate place.**

STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, therefore by **9:30am (ACST) on Wednesday 22 April 2020.** Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged using the enclosed Reply Paid Envelope or:

🖥 **Online** <https://www.votingonline.com.au/hgoagm2020>

📠 **By Fax** + 61 2 9290 9655

✉ **By Mail** Boardroom Pty Limited
GPO Box 3993,
Sydney NSW 2001 Australia

👤 **In Person** Boardroom Pty Limited
Level 12, 225 George Street,
Sydney NSW 2000 Australia

Attending the Meeting

If you wish to attend the meeting please bring this form with you to assist registration.

Hillgrove Resources Limited

ACN 004 297 116

Your Address

This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes. **Please note, you cannot change ownership of your securities using this form.**

PROXY FORM

STEP 1 APPOINT A PROXY

I/We being a member/s of **Hillgrove Resources Limited** (Company) and entitled to attend and vote hereby appoint:

the **Chair of the Meeting (mark box)**

OR if you are **NOT** appointing the Chair of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered securityholder) you are appointing as your proxy below

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the Annual General Meeting of the Company to be held at the **The Adelaide Pavilion, Veale Gardens, Corner South Terrace & Peacock Road Adelaide SA 5000 on Friday, 24 April, 2020 at 9:30am (ACST)** and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

Chair of the Meeting authorised to exercise undirected proxies on remuneration related matters: If I/we have appointed the Chair of the Meeting as my/our proxy or the Chair of the Meeting becomes my/our proxy by default and I/we have not directed my/our proxy how to vote in respect of Item 1, I/we expressly authorise the Chair of the Meeting to exercise my/our proxy in respect of this Item even though Item 1 is connected with the remuneration of a member of the key management personnel for the Company.

The Chair of the Meeting will vote all undirected proxies in favour of all Items of business (including Item 1). If you wish to appoint the Chair of the Meeting as your proxy with a direction to vote against, or to abstain from voting on an item, you must provide a direction by marking the 'Against' or 'Abstain' box opposite that Item.

STEP 2 VOTING DIRECTIONS

* If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your vote will not be counted in calculating the required majority if a poll is called.

		For	Against	Abstain*
Item 1	To Adopt the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 2	Re-election of Antony (Tony) Breuer as director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 3	Election of Mr Murray Boyte as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 4	Approval of Additional 10% Placement Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

STEP 3 SIGNATURE OF SECURITYHOLDERS

This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director / Company Secretary

Contact Name.....

Contact Daytime Telephone.....

Date / / 2020