

15 April 2019

AMENDED 2019 SAREIC CONFERENCE PRESENTATION

The ASX has asked Hillgrove Resources Limited (ABN 73 004 297 116) (ASX: HGO) ("Hillgrove") to provide additional explanatory information to the following slides which were included in its 2019 SAREIC Conference Presentation released of 9 April 2019:

- Slides 10 -14 provide brief explanations,
- Slides 16 - 17 provide cross references for studies referred to on the slides,
- Slide 19 provide descriptors for the graphics,
- Slide 21 provide additional source and background information on the Peer Comparison, and
- Slide 26 provide a cross reference to the original announcement.

The attached presentation has been amended to include the requested information.

For more information contact:

Mr Steven McClare
CEO & Managing Director
Tel: +61 (0)8 7070 1698

Mr Paul Kiley
CFO and Company Secretary
Tel: +61 (0)8 7070 1698

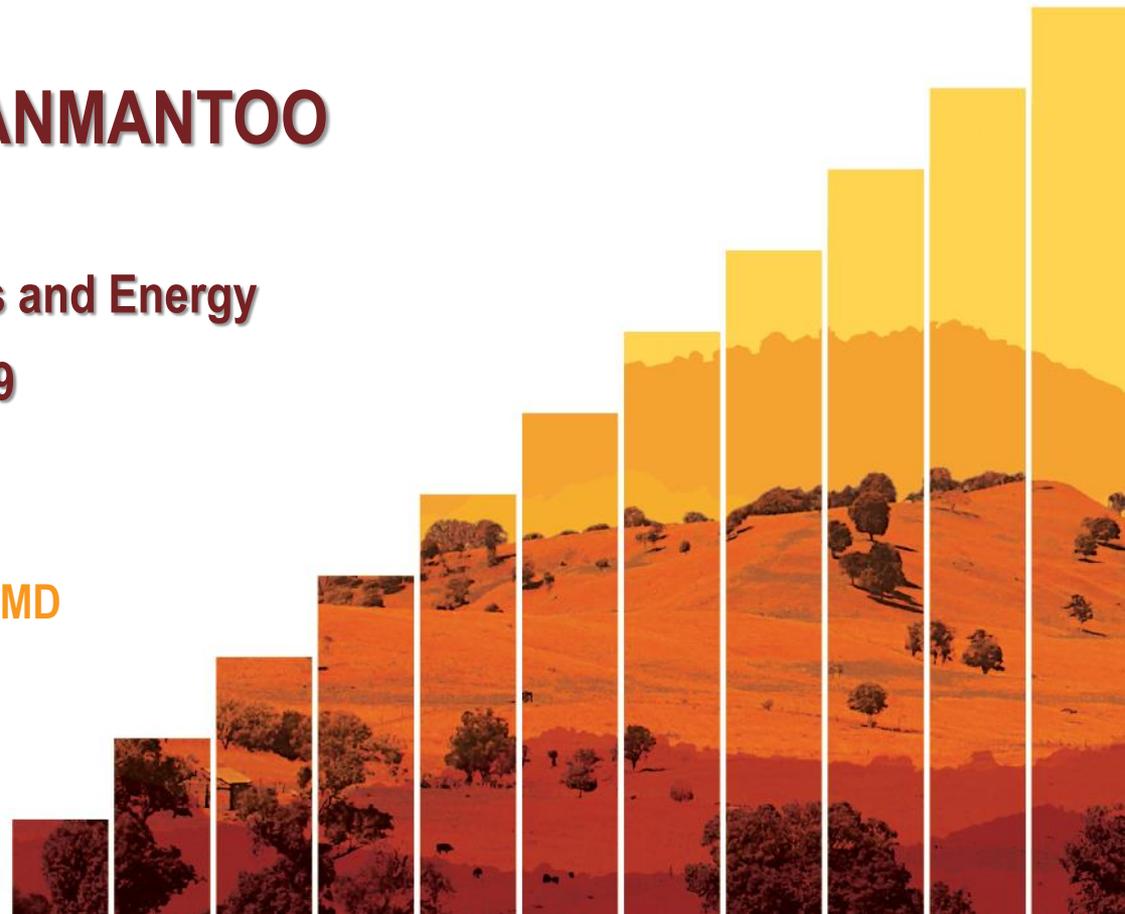
HILMGROVE

RESOURCES

TRANSITIONING KANMANTOO

**South Australian Resources and Energy
Investment Conference 2019**

STEVEN MCCLARE IIIII CEO & MD
9 APRIL 2019



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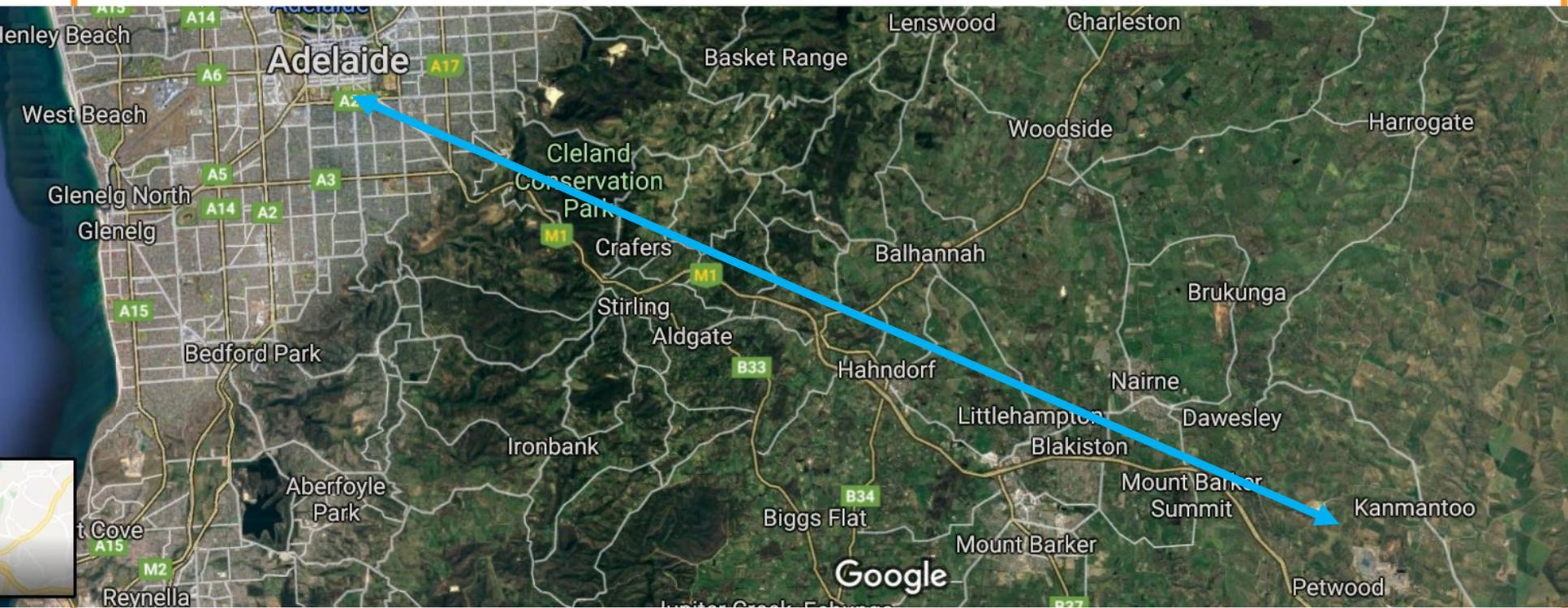
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All currency referred to is Australian dollars (\$) unless otherwise indicated (e.g. US\$).



55 kilometres from Adelaide CBD





Hillgrove Resources is a copper / gold producer with production and exploration assets in South Australia.

The strategic intent:

- maximise the value from the existing pit,
- return value in the form of fully franked dividends,
- progressively rehabilitate,
- finalise sale of the pumped hydro site capability,
- progress the exploration strategy, and
- utilise the fully owned assets to unlock further value.



Giant Pit Completion & Rehabilitation



- Drilling and blasting of the approved cutback will be completed within a month.
- Haulage will continue on a non continuous period.



- Despite mining winding down there are significant stockpiles accumulating.
- With the majority of costs invested Kanmantoo is now cash generative.

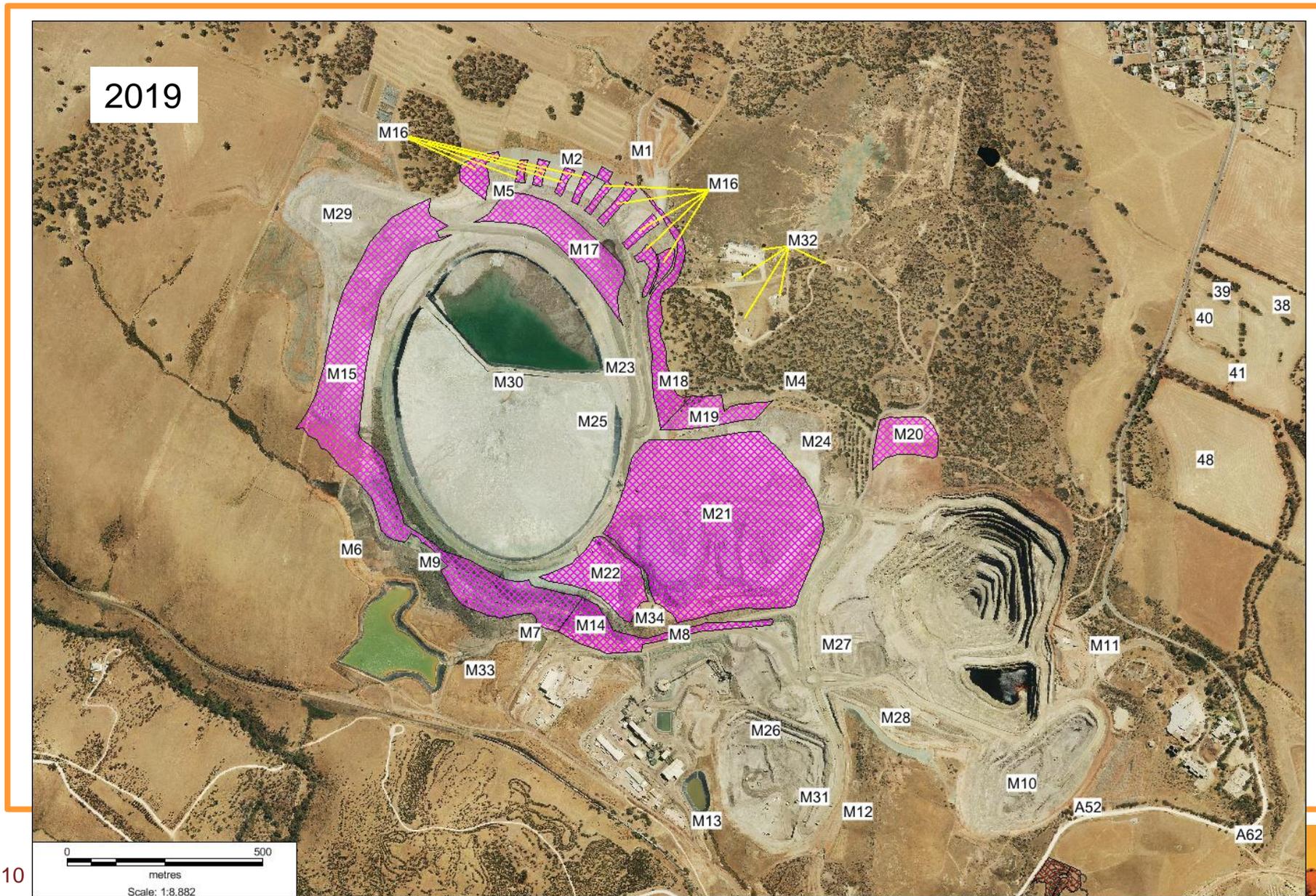
Ore Stockpiles

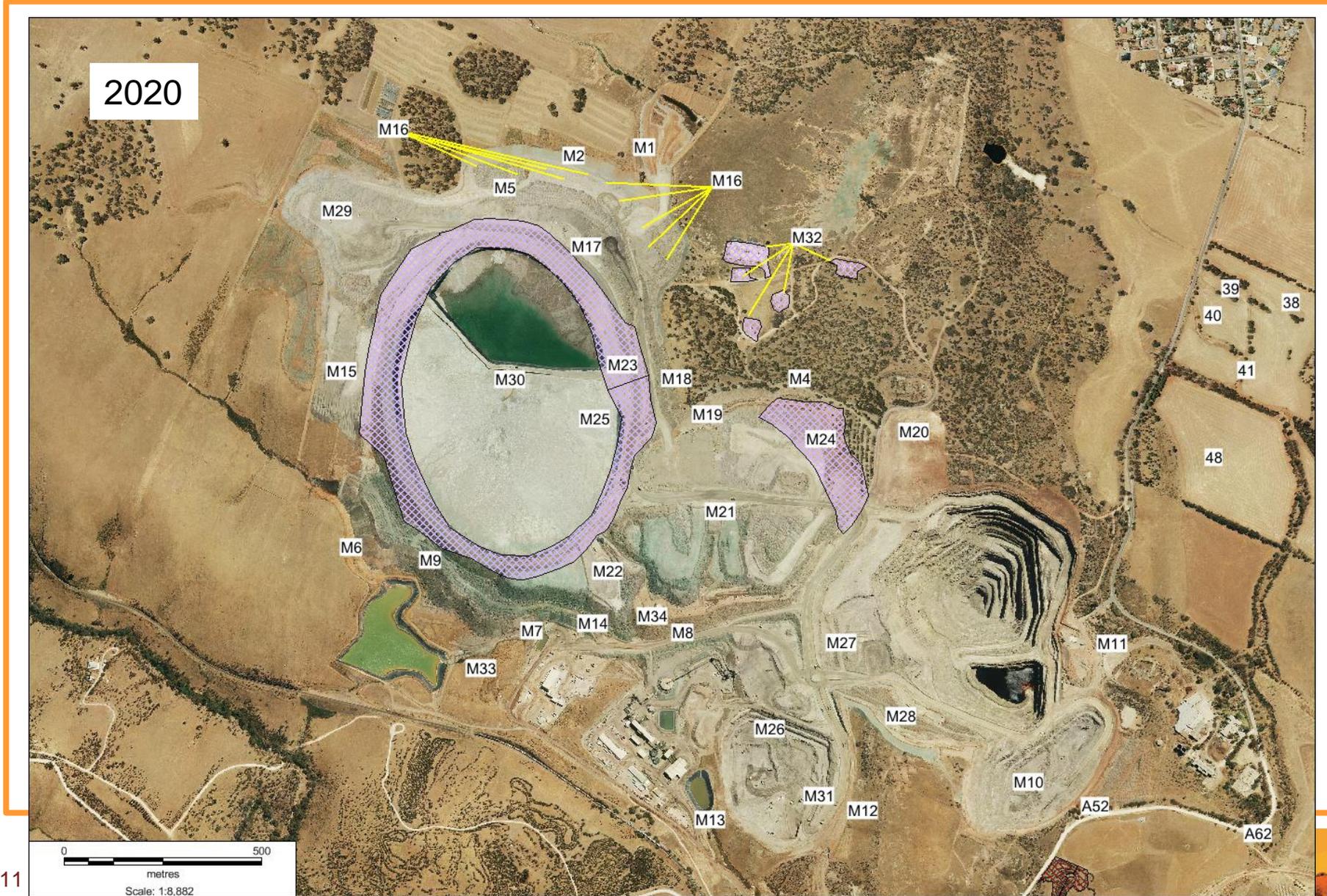


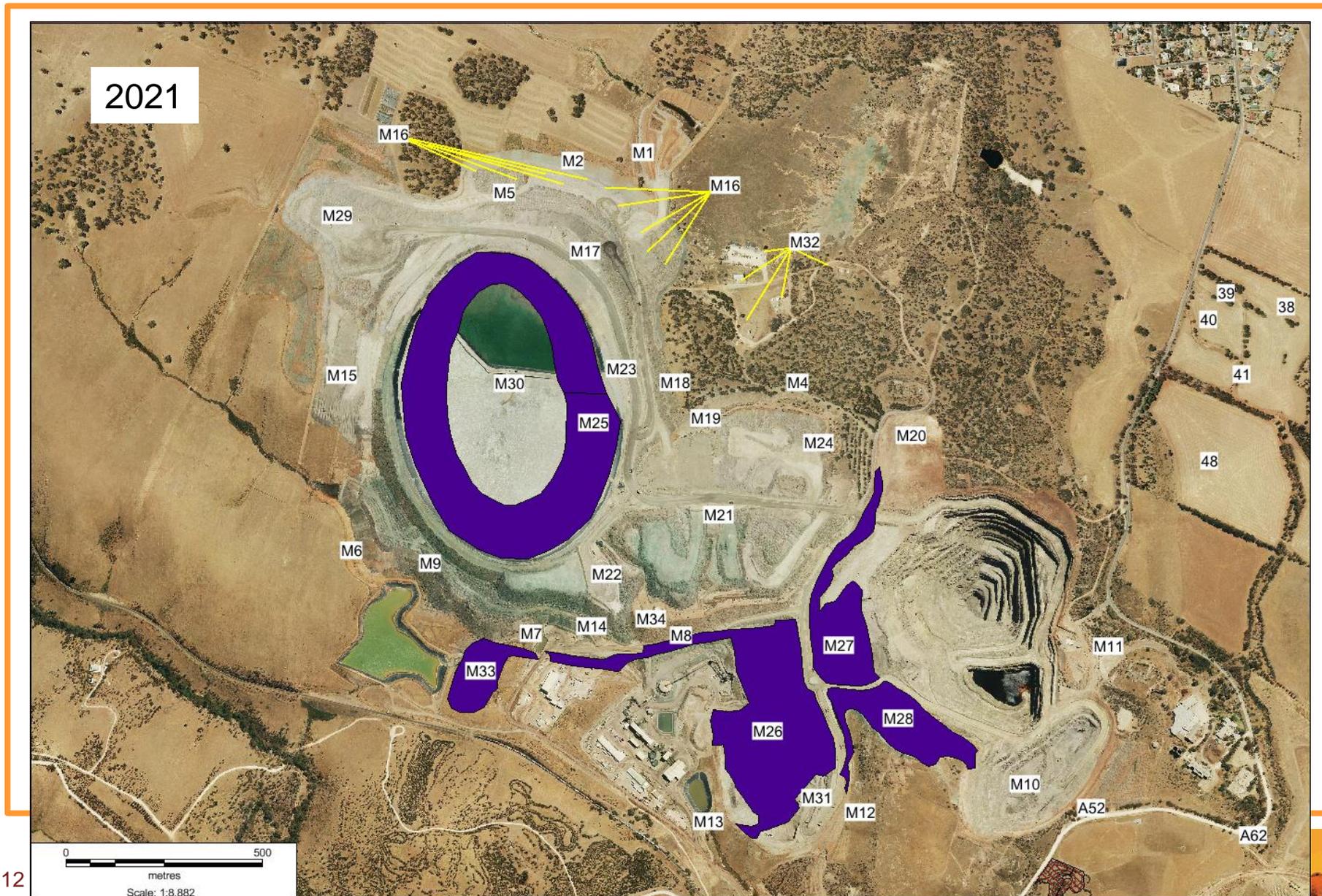
- Progressive rehabilitation program built on extensive consultation.
- Rehabilitation plan encapsulates many 1970's mining legacies.
- Seeing the site evolve builds credibility.
- The process is continually adapting and evolving e.g. optimal flora and fauna or community access.

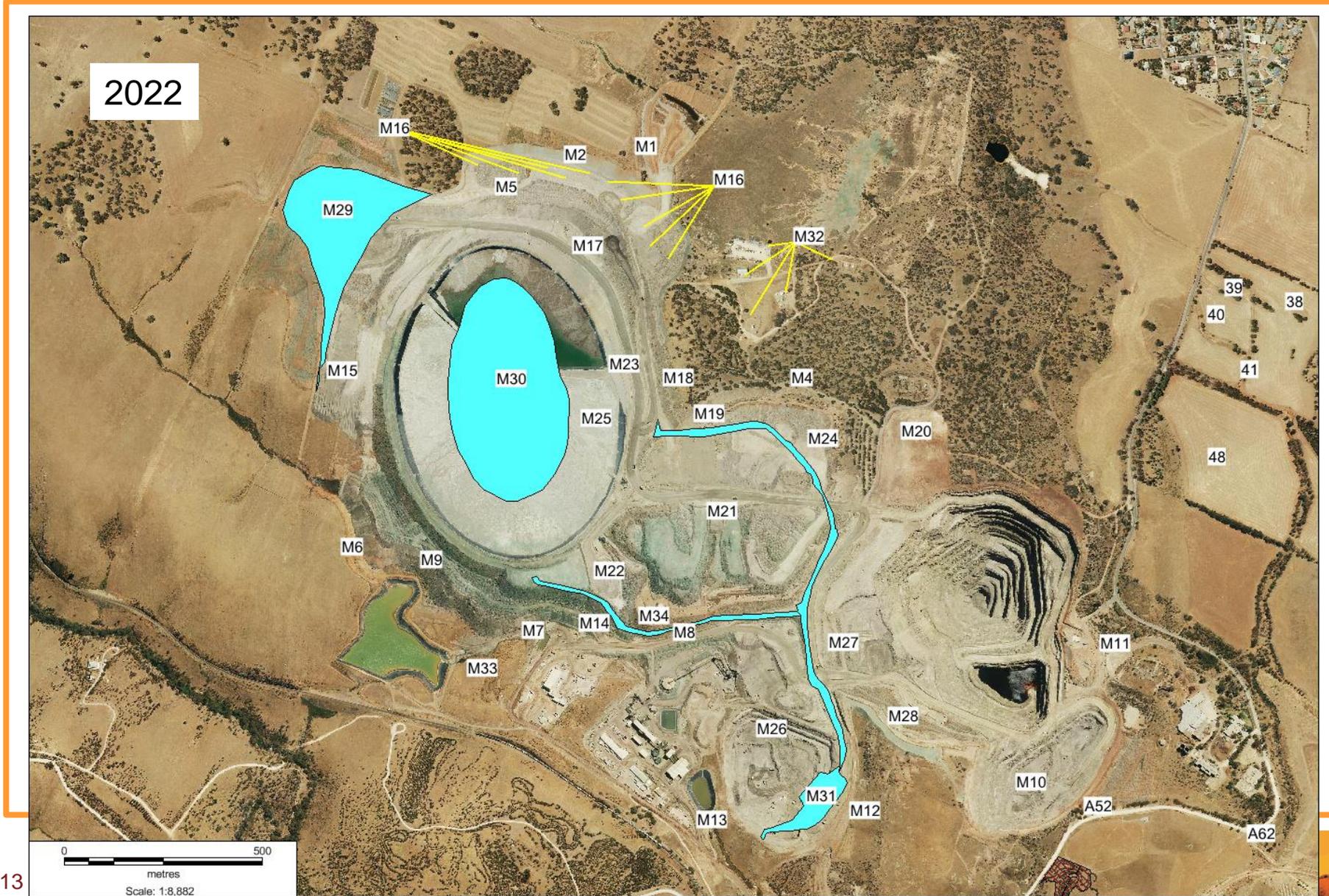


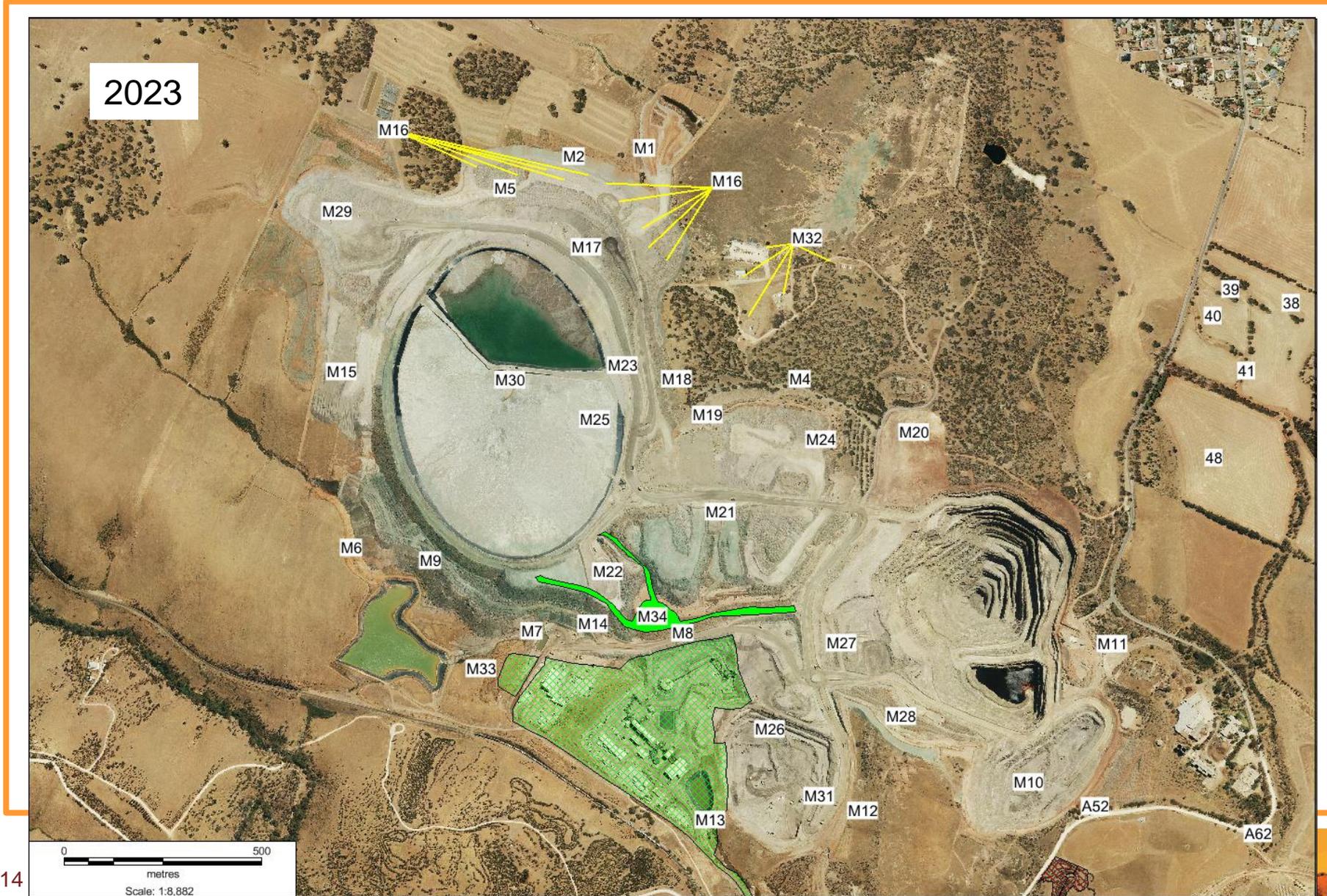












Pumped hydro

- Kanmantoo is one of the best sites for PHES in Australia:
 - Very low capital cost at < \$1M / MW
 - Fast to market;
 - Infrastructure already in place
 - Proximity to grid
 - Existing studies and knowledge ⁽¹⁾ (environmental, geotechnical, geology, hydrogeology)
 - Long established social licence to operate
 - Project site 100% owned freehold land
 - Responsive

■ Speed to market potential due to infrastructure and site knowledge, with low capital cost to develop, and access to various revenue streams making Kanmantoo one of the best sites for PHES development in Australia.

(1) refer latest South Australian Government's Program for Environmental protection and rehabilitation (PEPR) documentation at

http://energymining.sa.gov.au/minerals/mining/mines_and_quarries/kanmantoo_copper_mine



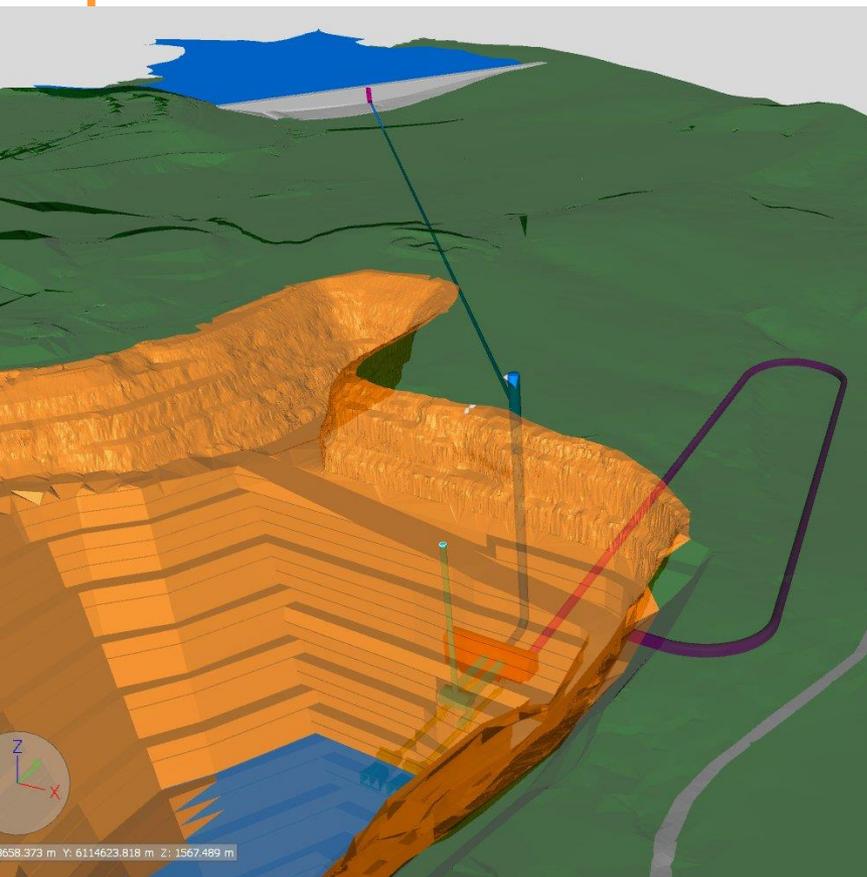
GHD were engaged to independently verify HGO statements, study ⁽¹⁾ confirmed:

- Very low capital cost at \$1M / MW.
 - Lower pond (open pit) already constructed.
 - Upper pond in a natural valley.
 - All options are less than 1.5km between ponds.
 - High head in stable geological conditions minimises cavern size.
 - Close proximity to grid.
 - Ample cost effective water from multiple sources.
- Storage size options.
- Horizontal transfer between ponds at low pressure.
- Favourable timeline to build.
- Electrical infrastructure in close proximity.
- Project site 100% owned freehold land.
- Responsive.

(1) *Kanmantoo Pumped Hydro – Independent Technical Review*, GHD report dated July 2018

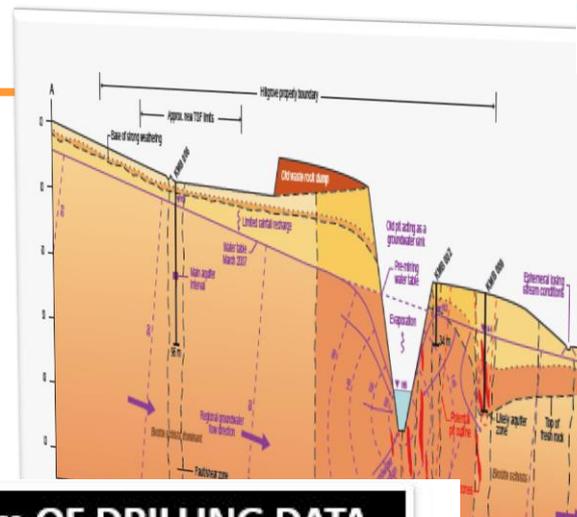


- Key Pacific Advisory Partners appointed to conduct sale process.
- Indicative bid stage generated broad interest.
- Binding bid stage resulted in multiple offers.
- Shortlist developed and then Preferred Bidder selected.

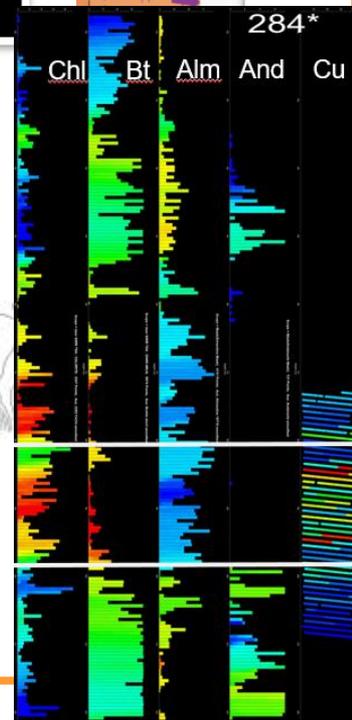
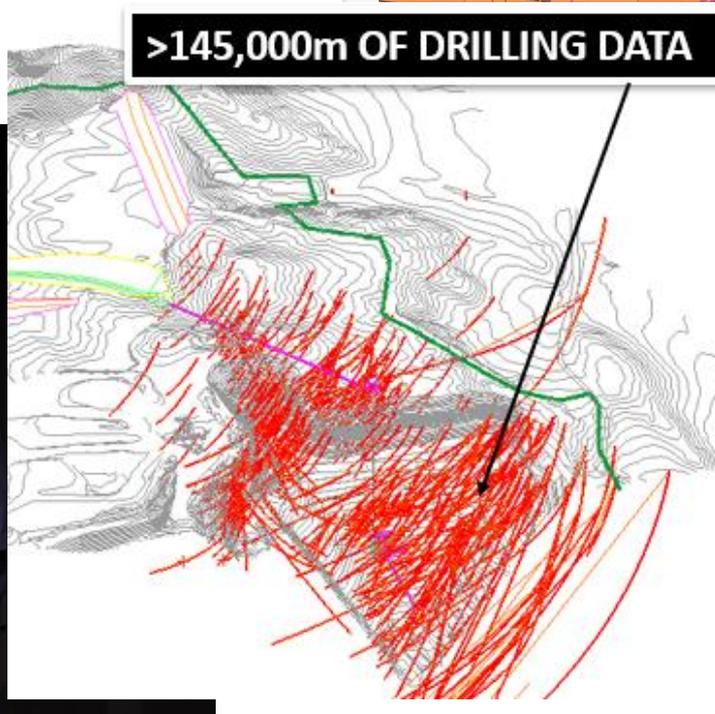


Mining has resulted in a significant data source:

- Geological and geotechnical
- Hydrology
- Environmental
- Community
- Network Proximity



Environmental and Community Award

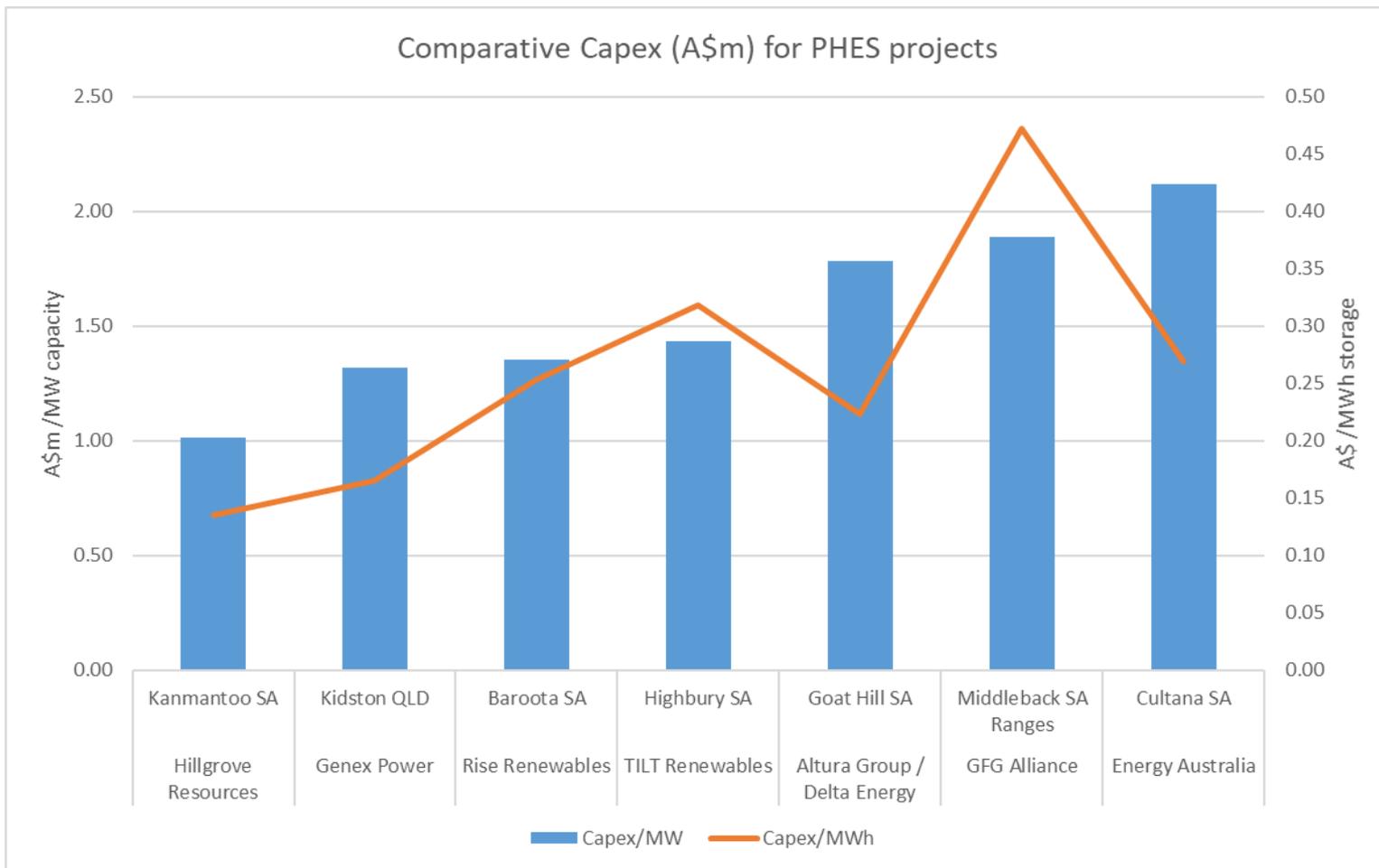


Drill Hole Database

Geology Database







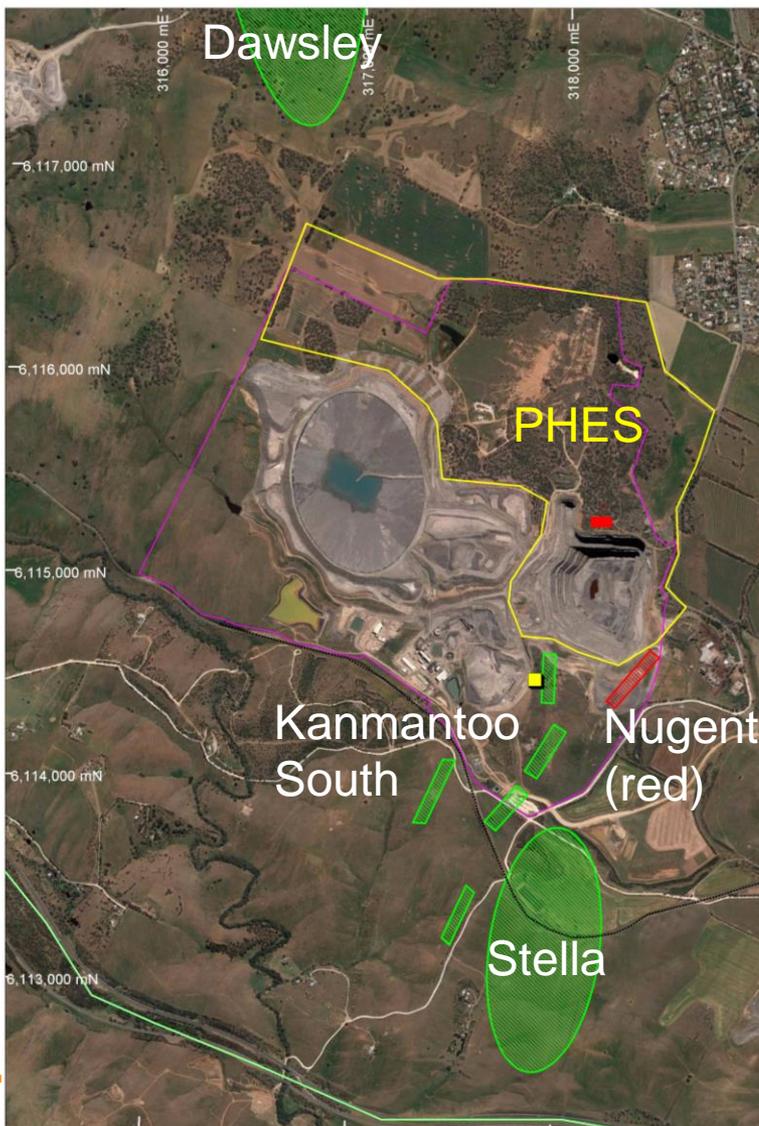
Source: public announcements by project sponsors. Announcements were between October 2017 to May 2018.

The potential project completion dates are estimated to be between 2022 to 2024

All of the projects are in development stage, no project has announced that it has reached final investment decision



Near Mine and Regional Exploration



The PHES area of interest is shown in the yellow polygon.

PHES expected to move to FID after which the yellow area will not be available for mining, which includes the Kavanagh underground.

The Dawsley area to the north and the Kanmantoo South targets remain accessible as exploration targets regardless of PHES development.



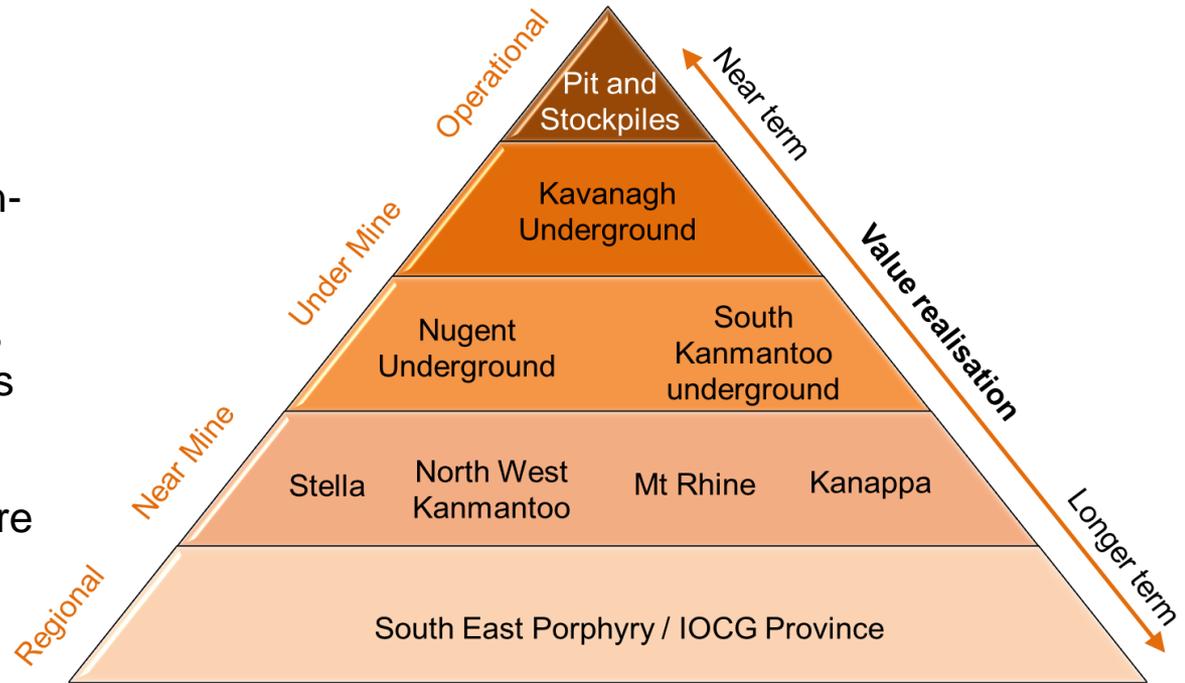


Hillgrove has a pipeline of assets to realise value for shareholders

Near term open pit ore and on-surface ore stockpiles

Underground Cu-Au zones as future production opportunities

Regional exploration for the discovery of long-life Cu-Au ore deposits



KEY TAKEAWAYS

- Strong pipeline of assets to realise value for shareholders



Hillgrove Resources Ltd (ASX:HGO) holds, or has under application, ~6,100 km² of exploration licences in South Australia.

The focus is on defining copper-gold mineralisation around the owned Kanmantoo Process Plant, and

To transfer the geology knowledge from Kanmantoo to discover large magmatic Cu-Au deposits in the wider Cu-Au province.

KEY TAKEAWAYS

- Key holding in mineralised Cu-Au Province



Kanappa drilling intersected over 250m width of magmatic related alteration and veining¹

□ KPDD003 45m @ 0.2% Cu from 45m downhole

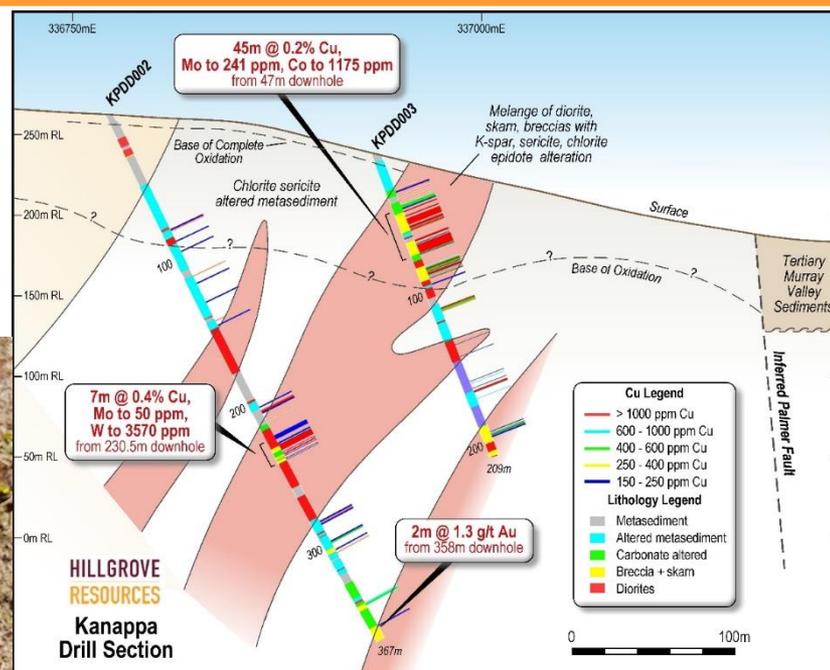
Peak values include

1m @ 2.7% Cu

1m @ 2.5 g/t Au

1m @ 3,570 ppm W

1m @ 241 ppm Mo



Drill core is from KPDD002 from 230.5m, showing pyrrhotite & chalcopyrite mineralisation within calc-silicate alteration

KEY TAKEAWAYS

- These drill results confirm Hillgrove’s view that the Kanappa area is prospective for large scale magmatic related copper-gold mineral deposits.

¹ See ASX Release 30 January 2019 for full results. The company confirms that the form and context in which the Competent Person’s findings are presented have not been materially modified from the original market announcement.

Conclusion

Hillgrove Resources has an exciting albeit different future based around Kanmantoo:

- Mining of current approved phase is winding down,
- Value to owners is core purpose,
- Rehabilitation via consultation is a key attribute,
- Significant pumped hydro site capability,
- Exciting exploration phase to unlock further value, and
- Fully owned assets allow timely & cost effective ramp up of a discovery.

