

Wednesday, 10 November 2021

HILLGROVE PRESENTATION AT THE NOOSA MINING CONFERENCE

Hillgrove Resources Limited (Hillgrove, the Company) (ASX:HGO) is pleased to announce Managing Director Lachlan Wallace will deliver an investor presentation at the Noosa Mining Conference.

Presentation Time: 9:15am Brisbane time Thursday 11 November 2021.

Attending Online: investors and interested parties can register online via the following link:

<https://www.noosaminingconference.com.au/>

A copy of the presentation is attached below.

For more information contact:

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AUSTRALIA'S NEXT COPPER MINE

Lachlan Wallace
CEO & Managing Director

November 2021



Hillgrove Resources: Corporate Snapshot

Company Overview

- ASX listed ('HGO') Australian resources company that owns and operates the Kanmantoo Copper Gold Mine in South Australia
- 15+ years of strong operating experience and award-winning positive stakeholder engagement
- After completion of open pit operations in 2020, underground mine now being developed with aim to resume production in 2022

Market Statistics

Share Price ⁽¹⁾	A\$	0.051
Shares on Issue	M	1,168
Market Capitalisation	A\$M	60
Enterprise Value ⁽²⁾	A\$M	46
Liquidity - 12 Months	M shares	351 (30%)
Carried forward income tax losses	A\$M	192.7
Franking credits	A\$M	17.6

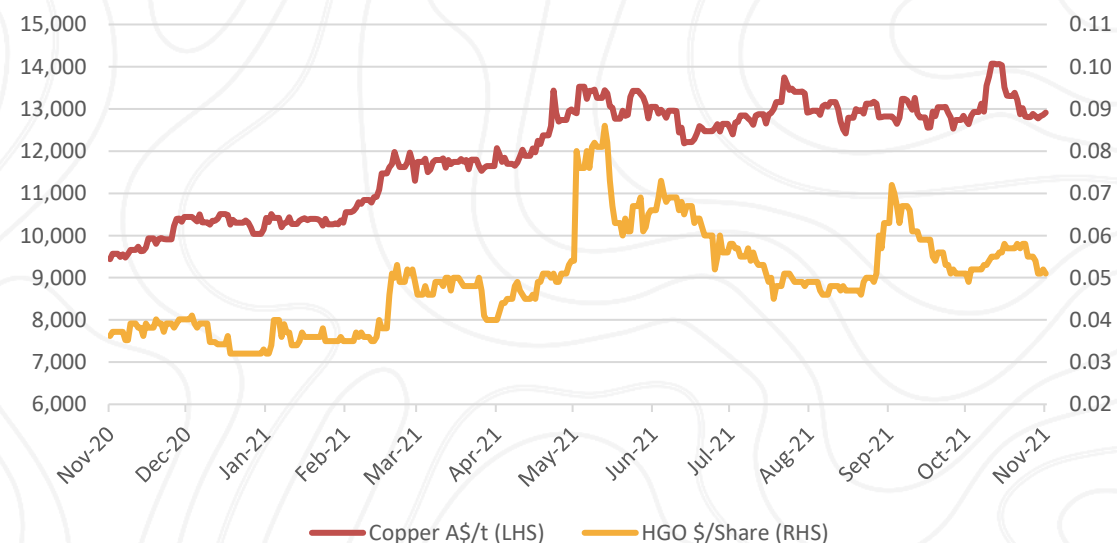
Note (1): Share price at close 8 November 2021

Note (2): Net cash as at 31 October 2021 (unaudited)

Investment Highlights

- ✓ Advanced, fully permitted project with key infrastructure in place for a low capex restart
- ✓ One of the only near term new copper producers on the ASX
- ✓ Multiple opportunities to increase resource base, annual production and mine life through lower cost underground drilling
- ✓ Highly leveraged to current and forecast copper price strength

Share Price – 12 months



Kanmantoo – A unique opportunity in copper

Ability for a fast, low capex restart

- ✓ Fully permitted
- ✓ 3.6Mtpa plant maintained on C&M
- ✓ Fully operational TSF with additional capacity
- ✓ Local workforce with key hires already recruited
- ✓ Same geology, geotech and metallurgy as open pit which produced 137kt Cu in concentrate
- ✓ Tier 1 jurisdiction⁽¹⁾

With substantial further upside

- Drilling to date anticipated to increase existing Mineral Resource Estimate
- Next phase of drilling targeting further extensions of known lodes
- Decline underway enabling lower cost drilling and accelerated ore production
- 8-16Mt Exploration Target on Mining Lease at consistent grades
- 3 advanced exploration projects within 10km of processing plant



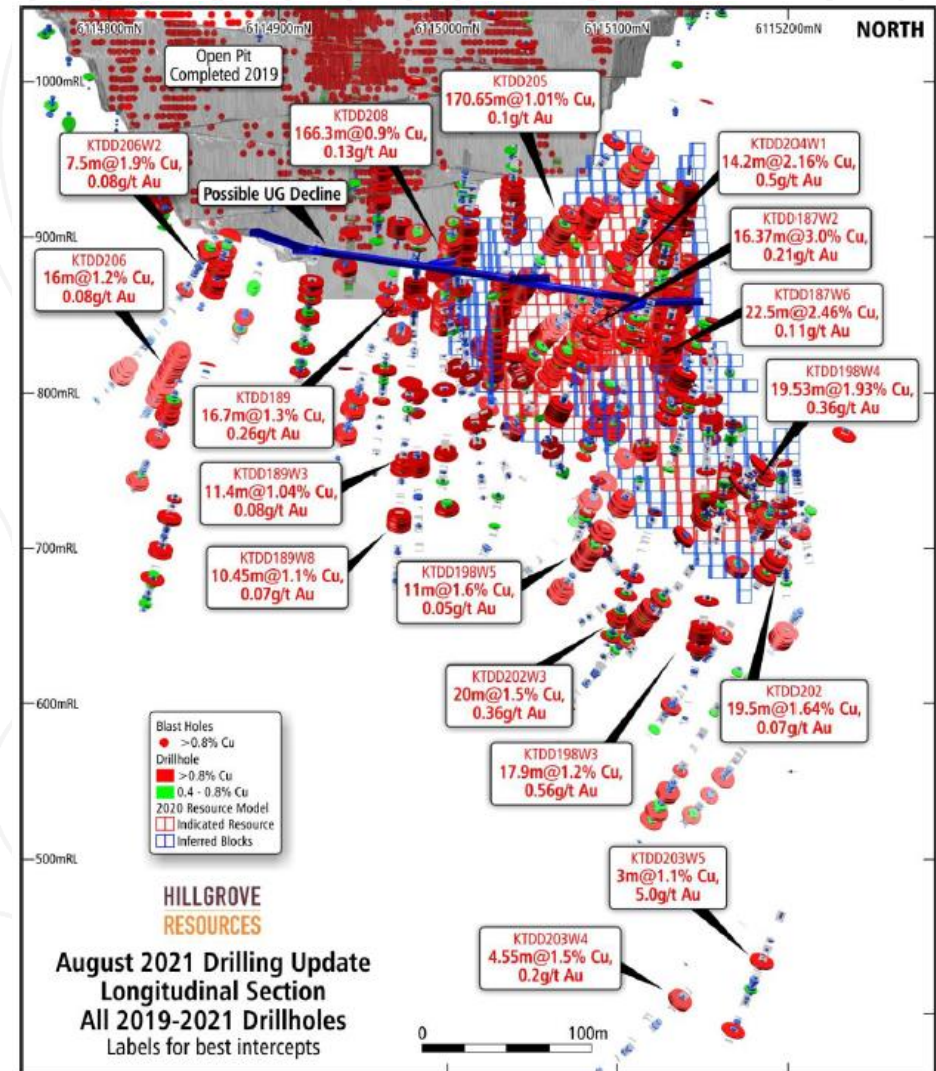
3.6MTPA PROCESSING PLANT



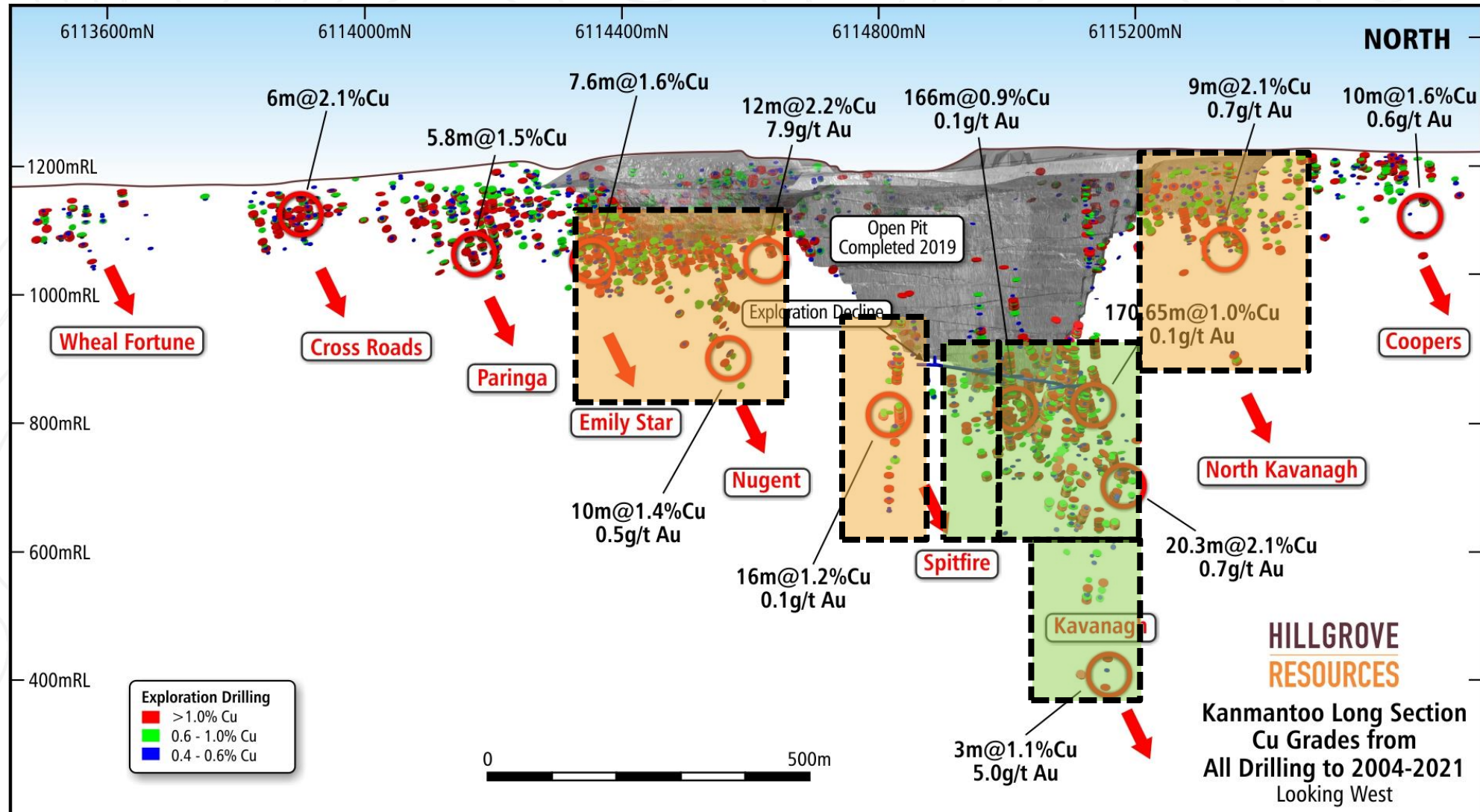
PERMITTED TAILINGS STORAGE FACILITY

Mineralisation continuing for at least 500m

- **Highlights of the drill program completed in August 2021 include:**
 - 37 holes completed for 17.2km on time and within budget.
 - Infill drilling at Kavanagh and Nugent has confirmed the continuity and tenor of the Cu-Au mineralisation.
 - Extensional drilling at Kavanagh has confirmed mineralisation to over 800m below surface and 500m below the open pit, remaining open at depth whilst also expanded the areal footprint.
 - Initial drilling of the Spitfire and South-West Kanmantoo zones affirms these targets for future drilling and possible inclusion in the underground feasibility studies.
 - Significant results from the program included 171m at 1.0% Cu and 166m at 0.9% Cu (KTDD205 and 208 respectively).
- **Since commencing drilling on the Kanmantoo Underground Project in 2019, 68 drill holes have been completed yielding 92 intersections of >3m at above 0.6% Cu.**
- **2020 Mineral Resource (2.2Mt at 1.56% Cu, 0.32g/t Au) expected to be updated in Q4 2021.**



Follow up targets to further expand resource

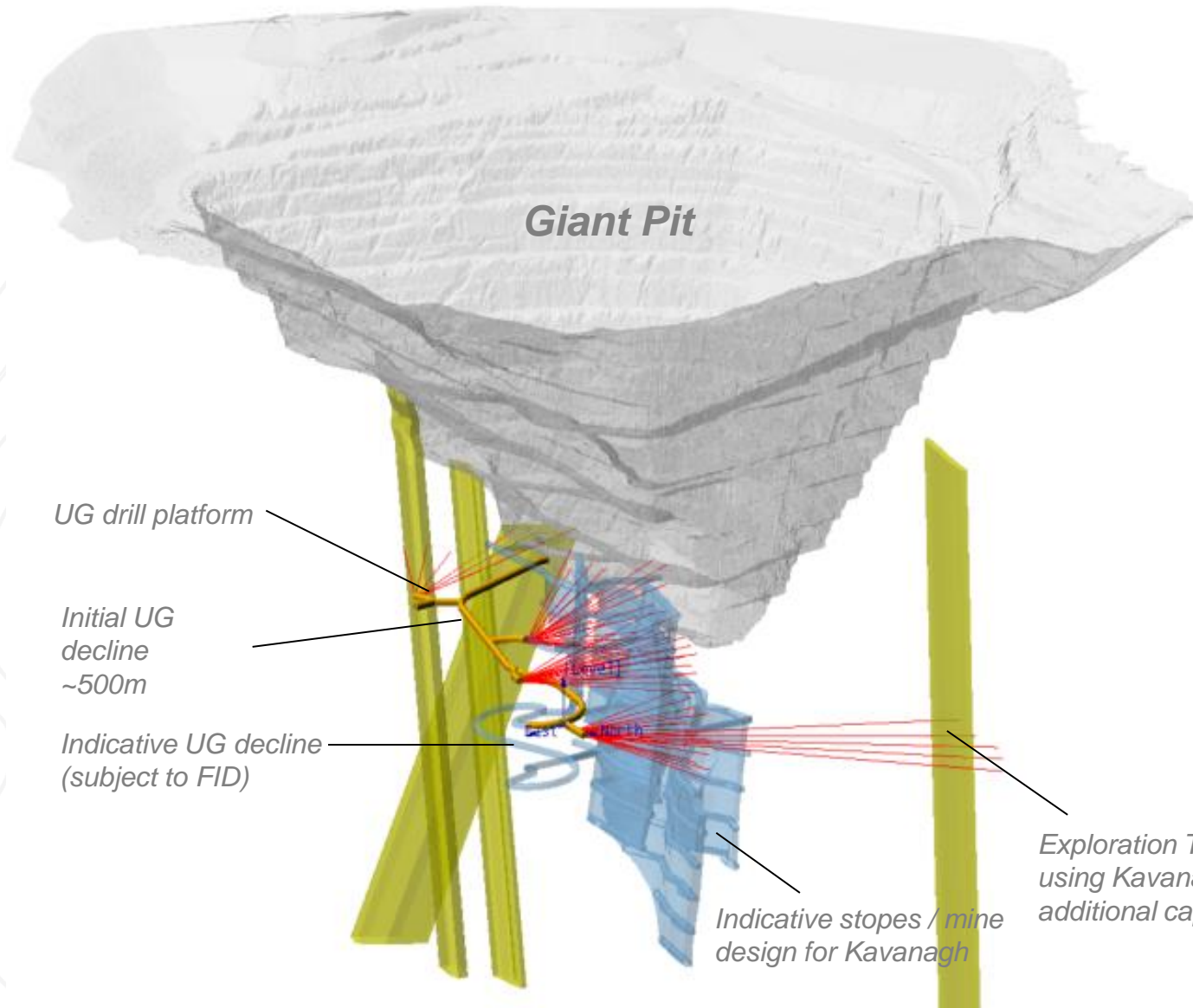


H1 2021 drill program Completed 17.2km, updating MRE

Current drill program 16km targeted for completion Q2 2022

Note (1): Exploration Target 8-16Mt @ 1-2%Cu and 0.2-0.4g/t Au within permitted Mining Lease. The Exploration Target is conceptual in nature as there has been insufficient exploration to define a Mineral Resource. It is uncertain if further exploration will result in the determination of a Mineral Resource under the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, the JORC Code" (JORC 2012). The Exploration Target is not being reported as part of any Mineral Resource or Ore Reserve.

Underground decline development underway



WHY AN ACCELERATED UNDERGROUND DECLINE ?

- Establish multiple drill platforms to enable UG drilling program, including stope definition drilling which is on critical path to first ore production.
- Stope definition drilling increases drill density, increasing geological confidence and increasing access to debt finance.
- Decline doubles as future mine access, reducing time, cost and risk associated with underground start-up (subject to FID).

Decline to be established with minimal cash outflow



COMMENCEMENT OF THE PORTAL FOR UNDERGROUND DECLINE

\$2m SA Government grant to trial a new underground mining technology being developed by Komatsu

Deferred and contingent payment terms with Komatsu means decline is established with minimal cash outflow before FID

UG drill platforms reduce cost and accelerate drilling and early decline development brings forward first copper production

BENEFITS OF CONTINUOUS MINING

Safer

- No development blasting – less vibration and noise*
- No fuel – less fumes and fine particulates*
- Surgical cuts improve ground conditions*
- No community disturbance*

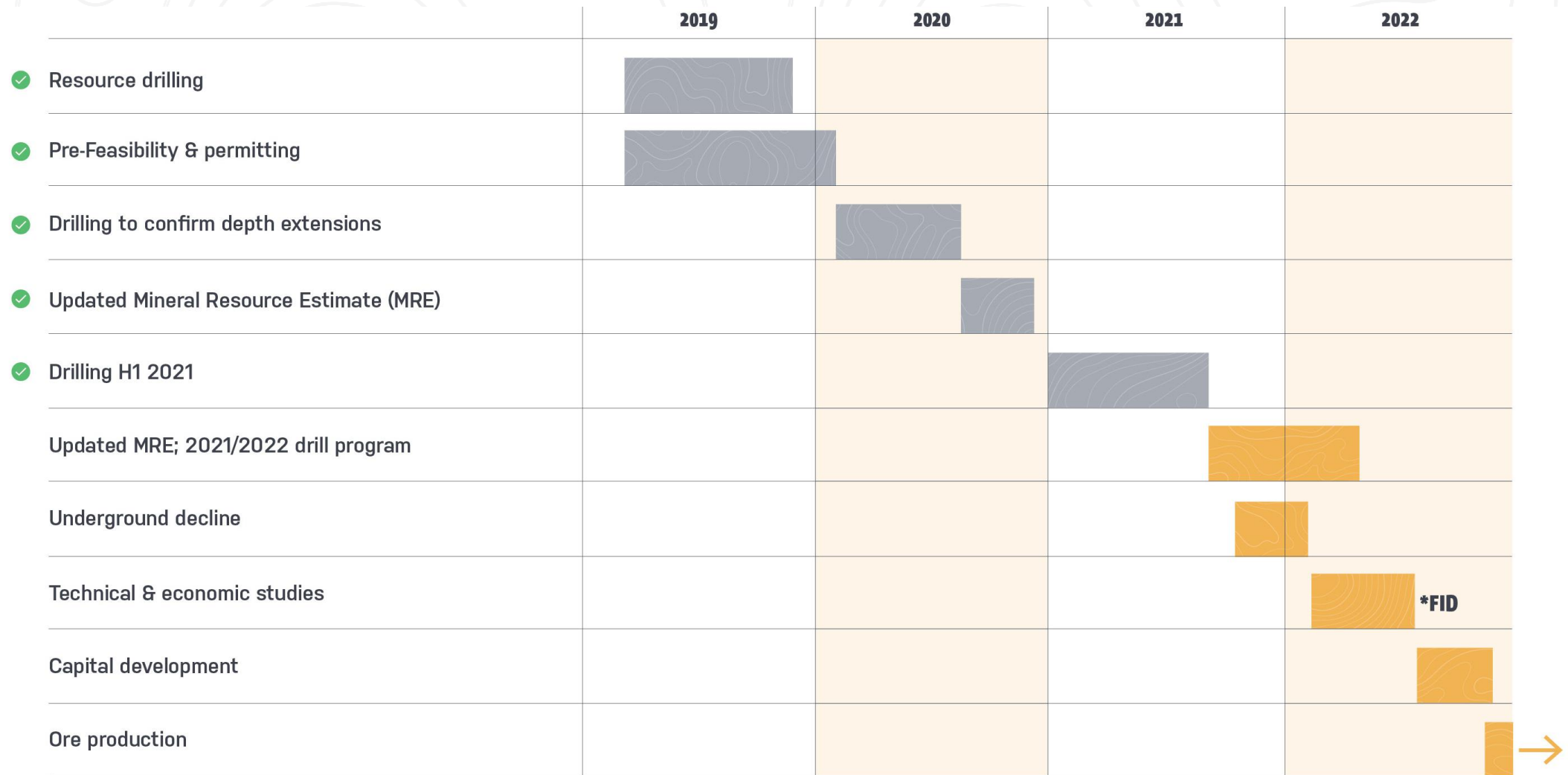
Faster

- No delays for development blasts, ground support*
- Lower cost*

Greener

- Runs 100% on grid based electricity which is >50% RE in SA*

Pathway to being Australia's next Cu producer



Hillgrove: Opportunity Re-Cap

- **Near term underground development opportunity at Kanmantoo which will benefit from very low capital intensity and fast restart due to existing infrastructure.**
- **Successful 2021 drill program has yielded potential to increase the scale of the underground resource at Kanmantoo and recent oversubscribed raise will focus on drilling and studies to reach FID by mid 2022.**
- **Strong potential to continue to extend Kanmantoo's mine life through lower cost underground drilling and near mine targets.**
- **Optionality provided by large exploration package in south-east SA with particular focus on porphyry signatures; ADI grant awarded to continue target development.**

Appendix



IMPORTANT NOTICE

Disclaimer & Competent Persons Statement

DISCLAIMER

No representation or warranty is or will be made by any person (including Hillgrove Resources Limited ACN 004 297 116 (“Hillgrove”, “HGO”, or the “Company”) and its officers, directors, employees, advisers and agents) in relation to the accuracy or completeness of all or part of this document (the “Document”), or the accuracy, likelihood of achievement or reasonableness of any forecasts, prospects or returns contained in, or implied by, this Document or any part of it. This Document includes information derived from third party sources that has not been independently verified.

This Document contains certain forward-looking statements with respect to the financial condition, results of operations and business of Hillgrove and certain plans and objectives of the management of Hillgrove. Forward-looking statements can generally be identified by the use of words such as ‘project’, ‘foresee’, ‘plan’, ‘expect’, ‘aim’, ‘intend’, ‘anticipate’, ‘believe’, ‘estimate’, ‘may’, ‘should’, ‘will’ or similar expressions. Indications of, and guidance on, production targets, targeted output, mine development or timelines, exploration or expansion timelines, infrastructure alternatives and financial position and performance are also forward-looking statements. Any forecast or other forward-looking statement contained in this Document involves known and unknown risks and uncertainties and may involve significant elements of subjective judgment and assumptions as to future events which may or may not be correct. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of Hillgrove, and may cause actual results to differ materially from those expressed or implied in such statements. There can be no assurance that actual outcomes will not differ materially from these statements.

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You are cautioned not to place undue reliance on forward-looking statements. These forward-looking statements are based on information available to us as of the date of this Document. Except as required by law or regulation (including the ASX Listing Rules) we undertake no obligation to update these forward-looking statements. This Document is provided for informational purposes only and is subject to change without notice. Subject to any obligations under applicable laws, regulations or securities exchange listing rules, Hillgrove disclaims any obligation or undertaking to release any updates or revisions to this Document to reflect any change in expectations or assumptions. Nothing in this Document should be interpreted to mean that future earnings per share of Hillgrove will necessarily match or exceed its historical published earnings per share, or that there has been no change in the affairs of Hillgrove since the date of this Document.

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

COMPETENT PERSONS STATEMENT

The information in this Document that relates to Exploration Results, Exploration Targets and Mineral Resource Estimates is based on information compiled by Mr Peter Rolley, who is a Member of The Australian Institute of Geoscientists. Mr Rolley is a full-time employee of Hillgrove Resources Limited and has sufficient experience relevant to the styles of mineralisation and type of deposit under consideration to qualify as a Competent Person as defined in the 2012 Edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code)’. Mr Rolley has consented to the inclusion in this Document of the matters based on their information in the form and context in which it appears. All exploration drill results, soil sampling images, and rock chip results have previously been reported to the ASX by Competent Person at the time. Hillgrove Resources confirms that the form and context in which the findings of the Competent Persons have been presented, have not been materially modified from the original market announcement. Peter Rolley (MAIG) consents to the inclusion in this Document of the matters based on their information in the form and context in which they appear.

AUTHORISATION

This announcement is authorised for market release by Hillgrove Resources’ Managing Director and CEO, Lachlan Wallace.

IMPORTANT NOTICE

References

All exploration drill results, exploration information and Mineral Resource Estimates have previously been reported to the ASX by Competent Person at the time. The results reported herein are reported in the form and context of the original ASX releases.

Refer <http://www.hillgroveresources.com.au/announcements>

- 20 Jun 2019 Drilling of Kanmantoo Cu-Au Deeps to Commence
- 10 Oct 2019 Excellent Drill Results from Kanmantoo Cu-Au Deposit
- 31 Oct 2019 Maiden Kavanagh Underground Mineral Resource Estimate
- 5 Nov 2019 Additional Information to Maiden Kavanagh Underground
- 2 Jun 2020 Underground Drilling Program Recommences
- 11 Aug 2020 Excellent Gold Recoveries from Kanmantoo
- 3 Sep 2020 Drilling Expands Cu-Au Footprint at Kanmantoo Underground
- 7 Dec 2020 Updated Kanmantoo Underground Mineral Resource Estimates
- 23 Feb 2021 Kanmantoo Underground Exploration target Update
- 3 May 2021 Drilling Confirms Down-Dip Cu-Au Mineralisation at Kanmantoo
- 6 May 2021 Hillgrove Hits 170m of Copper Mineralisation at Kanmantoo
- 24 May 2021 Hillgrove Awarded Two Exploration Grants by SA Government
- 24 Jun 2021 Drilling Results Update at Kanmantoo
- 29 Jul 2021 Activity Report for Quarter End 30 June 2021
- 26 Aug 2021 New Gold Discovery Confirmed at Stella
- 27 Aug 2021 Results for Half Year Ended 30 June 2021
- 31 Aug 2021 Hillgrove Awarded \$2m Grant to Commence UG Decline
- 1 Sep 2021 Hillgrove Hits 166m of Copper Mineralisation at Kanmantoo
- 22 Sep 2021 Capital Raising Presentation
- 22 Sep 2021 \$12m Raising for Drilling and Development Kanmantoo Copper
- 27 Oct 2021 Next Major Drilling Program Underway at Kanmantoo
- 28 Oct 2021 Hillgrove receives Overwhelming Support for SPP
- 1 Nov 2021 Portal Cut for Kanmantoo Decline Commences