ASX RELEASE

Friday, 6 May 2022

NUGENT COPPER GOLD ZONE DELIVERS EXCELLENT DRILL RESULTS – AMENDED

We hereby refer to the recent release by Hillgrove on 3 May 2022 titled "Nugent Copper Gold Zone Delivers Excellent Drill Results".

Hillgrove Resources Limited (Hillgrove, the Company) (ASX:HGO) acknowledges that the metallurgical test work to assess gold recoveries from the Nugent copper gold mineralisation have not been completed and therefore stating the tenor of the Nugent mineralisation as a copper equivalent is not in accordance with the JORC Code Cl 50. As such, the Company withdraws the release of 3 May 2022 and hereby re-releases the drill results from Nugent, expressed as copper and gold values.

Investors should not rely on the retracted information as a basis for any investment decision concerning the Company.

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HIGHLIGHTS

- Highlights from the recently completed 24 drill holes through the Nugent Cu-Au system at Kanmantoo include:
  - **KTDD230** **14.5m @ 1.60% Cu, 0.34 g/t Au from 175m downhole**
    Including **3.0m @ 5.17% Cu, 1.27 g/t Au from 175m, and**
    14.8m @ 0.87% Cu 0.69 g/t Au from 252.2m
  - **KTDD224** **16.55m @ 1.22% Cu, 0.43 g/t Au from 229.05m**
  - **KTDD231** **9.15m @ 1.4% Cu, 1.09 g/t Au from 289m downhole**
  - **KTDD215** **9.2m @ 1.44% Cu, 0.81 g/t Au from 209m downhole**
  - **KTDD221** **4.9m @ 1.11% Cu, 0.52 g/t Au from 370.1m downhole**
- Of the 24 holes drilled, 23 holes intersected the Nugent Cu-Au lode system and demonstrate the continuity and Cu-Au endowment of the system.
- The Nugent system is now drilled over 280m in strike length and:
  - Extends over 200m below the previously mined Nugent open pit, and
  - The Nugent system is still open to depth and along strike to the south-east.
- The 2021-2022 drilling has successfully infilled the drill density across the 2020 Inferred Resources and extended the mineralisation beyond the limit of the previous Inferred Resources.
- The Nugent drill results continue to affirm the economic potential for an additional underground operation utilising the invested capital in the Kavanagh underground operations and Kanmantoo Processing Plant.

For the list of all drill results in this release, see Table 1.

Hillgrove Resources Limited (Hillgrove, the Company) (ASX:HGO) is pleased to provide the following Nugent drilling update, located at Kanmantoo 55kms southeast of Adelaide in South Australia. In total, 24 diamond holes have been drilled in 2021-2022 for 8,186.8 metres of drilling.

Overall, this has been a very successful drilling program that has infilled the Inferred Resources and has increased the mineralisation footprint. Drill holes such as KTDD230 with 14.5m @ 1.60% Cu, 0.34 g/t Au and 14.8m @ 0.87% Cu, 0.69 g/t Au demonstrate that the Nugent zone is strongly continuing to the south. Drill holes at depth, including KTDD231 with 9.15m @ 1.4% Cu, 1.09 g/t Au demonstrate that the Lode is still open to depth.

Commenting on the drilling results, Hillgrove CEO and Managing Director, Lachlan Wallace said:

> *"The drilling results confirm the Nugent system extends beyond the previous Mineral Resource Estimate both along strike and at depth. We are looking forward to getting these drill results into the resource model, which we expect will increase in both size and geological confidence, and then into the mine plan. In addition, it was very pleasing to see the strong drilling results at depth and to the south, which remain open and provide excellent opportunities to further increase the mineral inventory.*

Further details of the drilling are provided in Appendices A and B.

The next steps for the evaluation of the Nugent underground Cu-Au mineralisation are as follows:

- Complete an updated Mineral Resource Estimate for Nugent, and
- Undertake an Economic evaluation of Nugent and its incorporation into the Kanmantoo mine planning schedule.

Authorised for release by the Board of Hillgrove Resources Limited.

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Competent Person's Statement

The information in this release that relates to the Exploration Results is based upon 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 the release of the matters based on their information in the form and context in which it appears.

Figure 1 Plan View of the location of the Nugent Lode and drill program

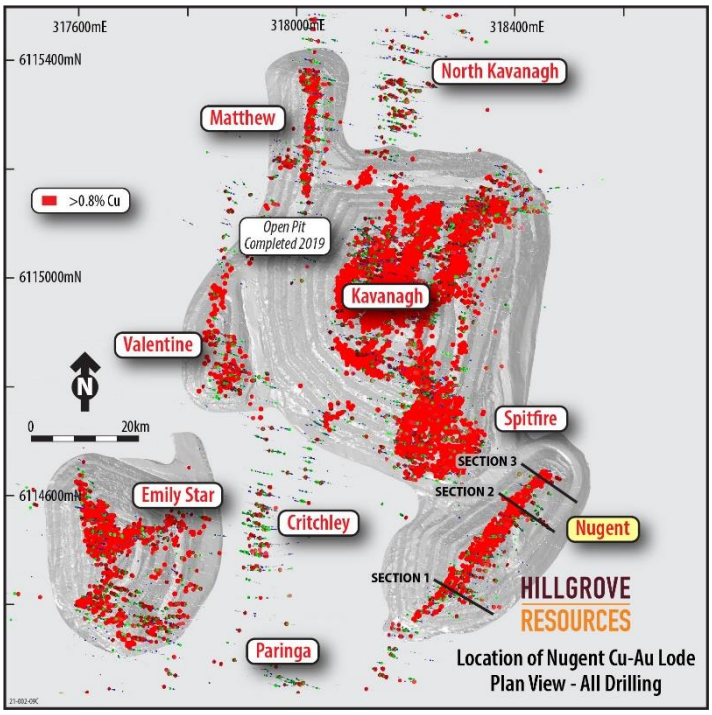
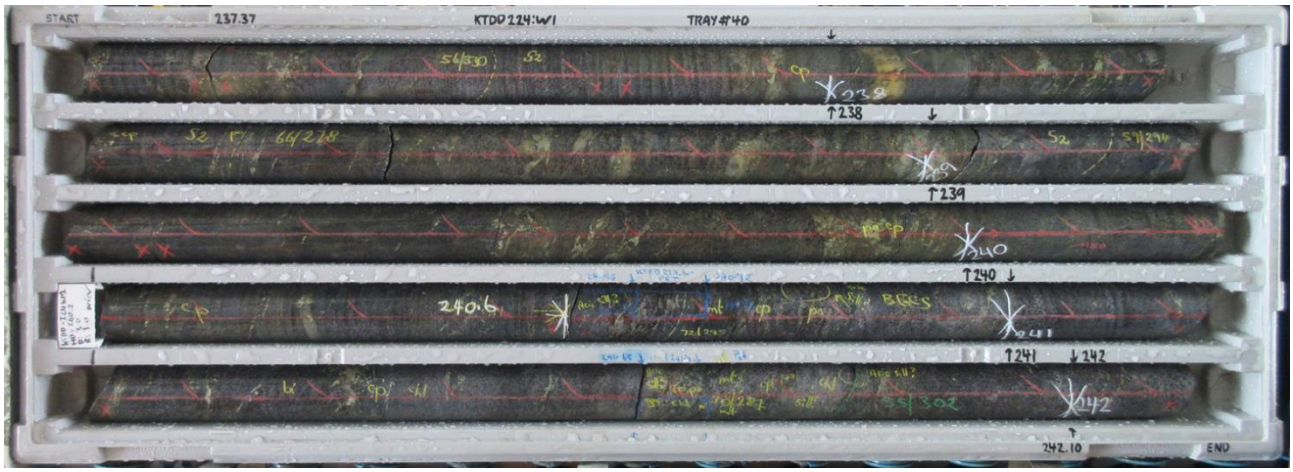


Figure 2 provides an example of the Cu-Au mineralisation in KTDD224 in Nugent at a downhole depth of 237.37m. The vein chalcopyrite-pyrrhotite is hosted in a garnet andalusite quartz biotite schist. Note the excellent core recovery.

Figure 2 Cu-Au mineralisation in KTDD224 in Nugent



The interval 237.37m to 242.10 m is shown in this photo. The interval is an average of 5.0m @ 1.97% Cu, 0.68 g/t Au.

Figure 3 Cross section at southern end of Nugent Lode

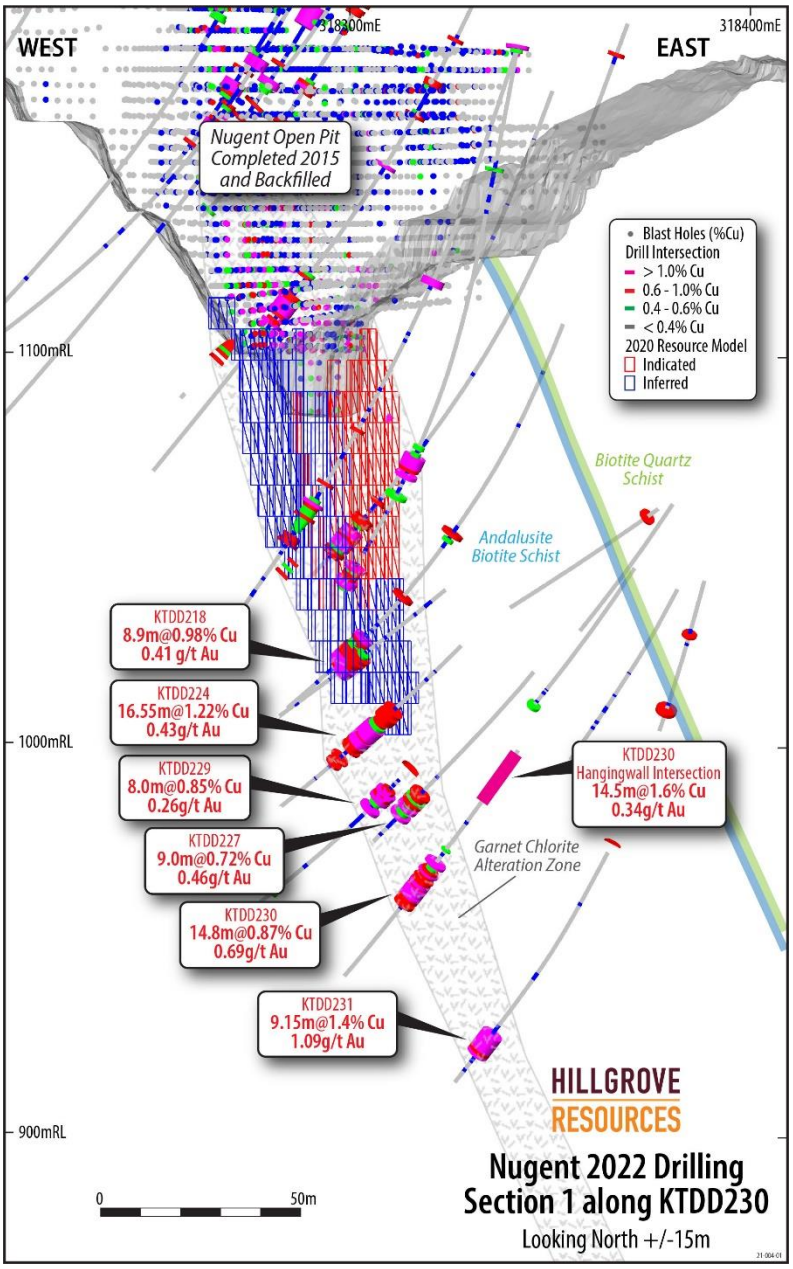


Figure 4 **Cross section through central area of Nugent Lode**

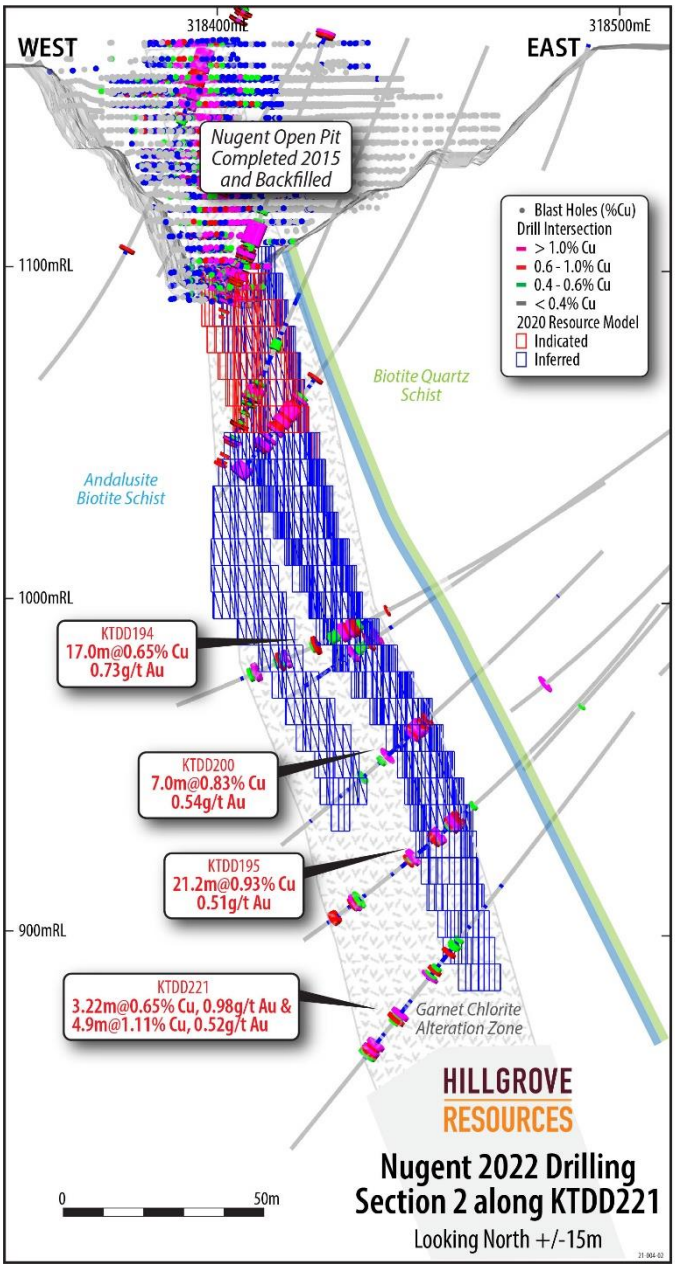


Figure 5 Cross section through northern end of Nugent Lode

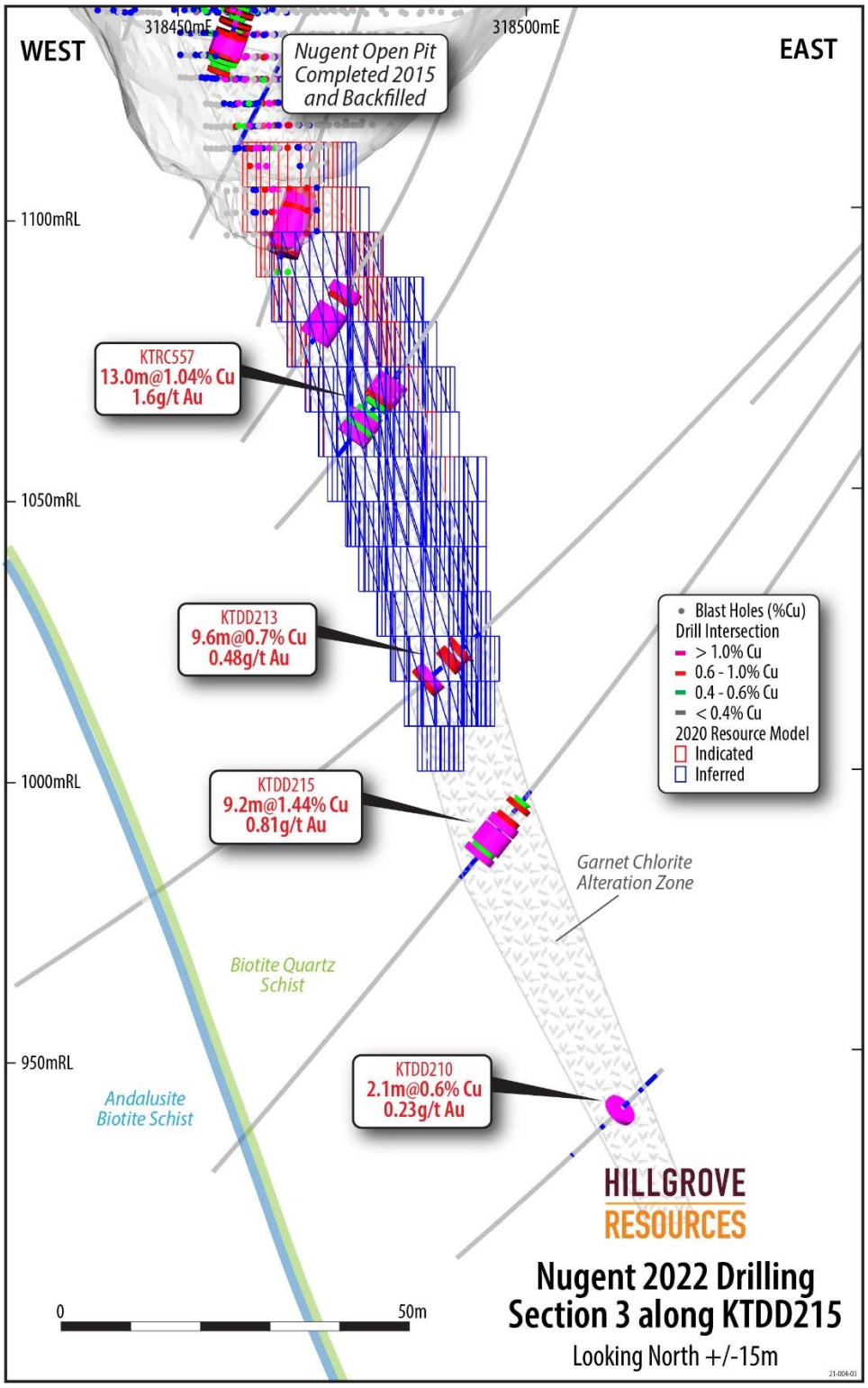


Table 1 **List of 2021-2022 Nugent drill intercepts in this release**

Hole Name	Length Downhole (m)	Depth Downhole From (m)	Cu (pct)	Au (g/t)
KTDD209	1.90	339.50	0.02	1.01
KTDD210	2.10	319.00	0.60	0.23
KTDD212	4.00	228.00	0.59	1.33
KTDD213	9.60	191.00	0.70	0.48
KTDD214	no significant intersection			
KTDD215	9.20	209.00	1.44	0.81
KTDD216	4.00	284.00	0.68	0.23
KTDD217	2.70	315.00	0.95	0.41
KTDD218	8.90	226.00	0.98	0.41
KTDD219	2.55	323.45	0.75	0.04
KTDD220	3.45	269.00	0.79	0.80
KTDD220_W2	4.00	297.00	0.20	0.33
KTDD220_W3	2.90	242.00	0.44	0.16
KTDD221	3.22	341.00	0.65	0.98
and	4.90	370.10	1.11	0.52
KTDD222	7.50	304.95	0.70	0.25
KTDD223	2.20	336.90	1.71	0.86
KTDD224	16.55	229.05	1.22	0.43
KTDD225	3.05	253.75	1.03	0.39
KTDD226	1.60	345.40	1.30	0.04
KTDD227	9.00	245.00	0.72	0.46
KTDD228	1.13	296.40	1.01	0.11
KTDD229	8.00	239.00	0.85	0.26
KTDD230	14.50	175.00	1.60	0.34
including	3.00	175.00	5.17	1.27
and	14.80	252.20	0.87	0.69
KTDD231	9.15	289.00	1.40	1.09

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Summary of Hillgrove's 2021 – 2022 Nugent Drilling Results

The Company commenced drilling the Nugent underground Cu-Au opportunity in 2020 and completed seven holes (KTDD191 to 195 and KTDD199 to 200). The results of the 2020 drill program were reported on 3 September 2020 and subsequently a Mineral Resource was estimated and reported on 7 December 2020. The 2020 Resource included the pre 2011 drilling undertaken by HGO for the initial Nugent open pit mine feasibility study.

The 2020 drilling and resource estimate encouraged HGO to continue to drill to convert the Inferred resource to Indicated and to extend the footprint of the mineralisation along strike and down-dip. The 2021-2022 drill program has achieved these objectives.

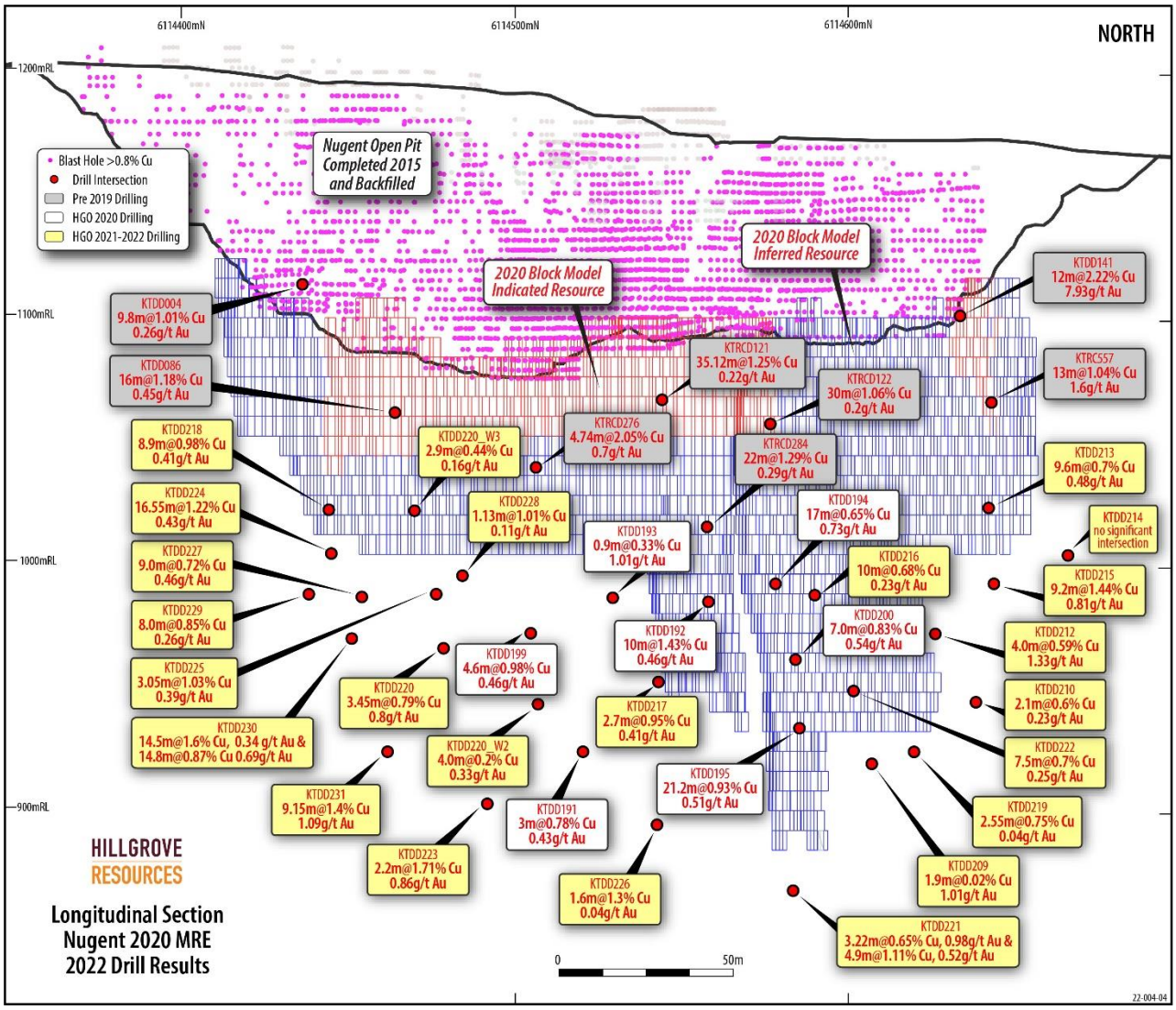
Table 1 has a full list of all intersections from the 2021-2022 drilling. Figures 3 to 5 present cross sections across the Nugent lode at the southern, central and northern ends of the Nugent Lode as shown on the plan view on Figure 1. These figures highlight the tenor of copper grades and widths achieved by these drilling programs in preparation for the underground feasibility studies.

Figure 6 shows a longitudinal section along the Nugent Lode zone with all 2020 to 2022 drilling results and a selection of pre-2010 drilling results below the open pit. The long section shows the 2020 resource estimate coloured by resource classification to Indicated and Inferred. The 2021-2022 drilling has clearly infilled the Inferred Resource and extended the mineral footprint along strike to the south-east and downdip and is still open in both directions.

The drill results demonstrate several important features of the Nugent mineralisation.

1. Infill drilling of the Inferred Mineral Resource Estimate of 7 December 2020 has assured the Company of the continuity and tenor of the copper-gold mineralisation in these areas.
2. Extensional down-dip drilling continues to intersect Cu-Au mineralisation of grade and width to a depth of over 200 metres below the Nugent open pit.
3. Along-strike drilling to the south-east continues to expand the areal footprint of the mineralisation.
4. These drill results across the Nugent Cu-Au mineralisation affirms the area for future drilling and inclusion in the underground feasibility studies.

Figure 6 Longitudinal section along the Nugent Lode



APPENDIX A

The Nugent diamond drilling program is being undertaken from the natural surface at selected locations along the south eastern edge of the Nugent mineral system.

The twenty four Nugent drill holes reported herein were drilled from three different drill pads, with three holes from one parent and two wedges (KTDD220) utilising conventional wedges and directional drilling techniques to achieve the desired intersection depths and targets.

It is important to note that the past and current drill holes are all at various angles to section, and that the mineralisation strikes at ~045deg, and dips at ~ -75deg southeast. All holes dip at -45deg to -35deg through the mineralised zones and true width is approximately 75% of the downhole lengths.

Collar co-ordinates of the holes reported in this release and the hole lengths are provided in Table 2. Refer to Table 1 for a list of the intersections being newly released.

Table 2 Collars of the drill holes reported in this document (MGA94_Zone 54)

Hole Name	Max Depth	East	North	ASL Elevation	Mine Elevation
KTDD209	378.5	318560.6	6114378	167.001	1167.001
KTDD210	426.4	318561.6	6114378	167.162	1167.162
KTDD212	336.3	318593.6	6114540	163.311	1163.311
KTDD213	291.16	318593.1	6114539	163.459	1163.459
KTDD214	273.2	318589.7	6114536	163.565	1163.565
KTDD215	291.4	318589.9	6114536	163.458	1163.458
KTDD216	318.4	318560.5	6114379	167.018	1167.018
KTDD217	345.2	318559.1	6114377	167.028	1167.028
KTDD218	267.4	318410.7	6114296	171.04	1171.04
KTDD219	355.8	318563	6114381	167.033	1167.033
KTDD220	327.57	318411.9	6114297	171.023	1171.023
KTDD220_W2	330.3	318411.9	6114297	171.023	1171.023
KTDD220_W3	351.3	318411.9	6114297	171.023	1171.023
KTDD221	411.7	318562.1	6114379	166.987	1166.987
KTDD222	381.5	318561.6	6114382	166.86	1166.86
KTDD223	399.7	318558.3	6114375	166.974	1166.974
KTDD224	339.2	318411.1	6114298	171.017	1171.017
KTDD225	324.4	318409.8	6114299	171.145	1171.145
KTDD226	381.7	318558.7	6114377	167.049	1167.049
KTDD227	312.5	318408.9	6114298	171.131	1171.131
KTDD228	360.4	318408.8	6114299	171.362	1171.362
KTDD229	309.6	318407.8	6114299	171.208	1171.208
KTDD230	321.6	318407.6	6114300	171.27	1171.27
KTDD231	351.6	318410.1	6114299	171.014	1171.014

Drilling rates are up to 72m of NQ2 per 12 hour shift, and core recovery is >99% and RQD is 98-100%. All core is being structurally logged to assist in understanding the local controls on the mineralisation. In addition, the core is logged for geotechnical quality to assist with future underground assessments.

All down hole surveys are by Reflex Gyro, all core is oriented with a Reflex orientation tool and all assaying by ALS 4-acid digest with HGO inserted blanks and standards to assess the quality of the crushing, pulverising and analytical processes.

Summary

The diamond drilling of the Nugent Cu-Au mineralisation has proceeded according to plan and was completed within budget. Drill results are consistent with previous drilling in the vicinity and are expected to enable an updated mineral resource estimate to be undertaken.

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APPENDIX B – JORC Table 1

Section 1 Sampling Techniques and Data

Criteria	Commentary
Sampling techniques	• The 2021-2022 Diamond Drill Hole (DDH) sampling at Nugent was conducted as per the Hillgrove procedures and QAQC protocols. • Sample intervals from 1.0m to 0.30m as determined by geology through visibly mineralised zones were split from the drill core, with the drill core sawn in half with a diamond core saw. • Samples were prepared by ALS Adelaide with each sample being wholly pulverised to >85% passing <75µm.
Drilling techniques	• All drilling undertaken by external drilling contractor, DRC Drilling. HQ core as a precollar. Thence NQ drilling for all subsequent drilling.
Drill sample recovery	• Recovered drill core metres were measured and compared to length of drill hole advance to calculate core recovery for every core run. On average sample recovery is >98%. There is no correlation between sample recovery and copper grades in this DDH drill program.
Logging	• All drill core was logged for lithology, alteration, weathering and mineralisation by Hillgrove geologists in accordance with Hillgrove's Core Logging Procedure. Colour and any additional qualitative comments were also recorded. • High quality photographs of all drill core before being sampled were taken under controlled light at the HGO core yard at Kanmantoo. • All drill core is stored at Hillgrove's Kanmantoo core yard facility. • All geological logging is recorded into LogChief (a database product from Maxwell Geosciences) templates and visually validated before being imported into the Hillgrove drill hole database. Additional validation is conducted automatically on import. • In addition, a structural log is recorded utilising the "base of core" orientation mark collected during diamond drilling. • A geotechnical log is also recorded.
Sub-sampling techniques and sample preparation	• For selected intervals the core was sawn in half and the half core despatched to ALS for each sample interval and the entire sample then crushed and 1kg riffle split from the crushed mass and the 1kg sub-sample then pulverised. A sub-split of 200 grams was then split by ALS and retained, and the reject pulverised material returned to Hillgrove. From the 200 gram sub-split a 2 gram aliquot was scooped and weighed by ALS for 4-acid digestion. • Hillgrove have detailed sampling and QAQC procedures in place to ensure sample collection is carried out to maximise representivity of the samples and minimise contamination and maintain sample numbering integrity.

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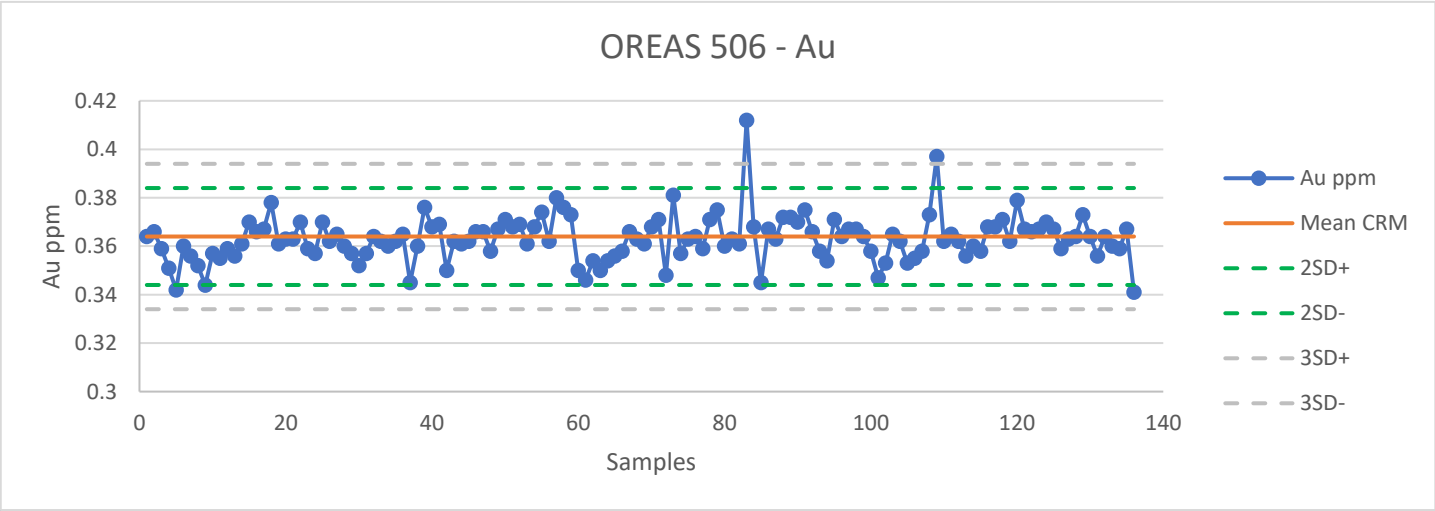
Criteria	Commentary

Quality of assay data and laboratory tests	• All samples were submitted to ALS for analysis. ALS code ME-MS61 using a 4-acid digest with determination by Mass Spectrometry. If the copper result was greater than 1%, the analysis was repeated using a modified acid digestion technique.
	• Gold is assayed by 30g Fire Assay. If > 10 g/t then repeated by fire assay with a gravimetric finish
	• The QAQC of sample preparation and analysis processes were via the following samples:
	  ○ Certified reference materials (CRM's) inserted into the sample sequence at a frequency of one in 20. OREAS standard 506 has been used to provide a CRM Standard grade of 0.444% Cu, and 0.365 g/t Au which are relevant for the expected cutoff grades used for resource estimates at Nugent.
	  ○ Results from all returned QAQC samples provide reasonable confidence as to the accuracy of the assay results used in the estimation. >90% of assays fall within 2SD of the expected CRM mean grade for Cu and Au.
	 

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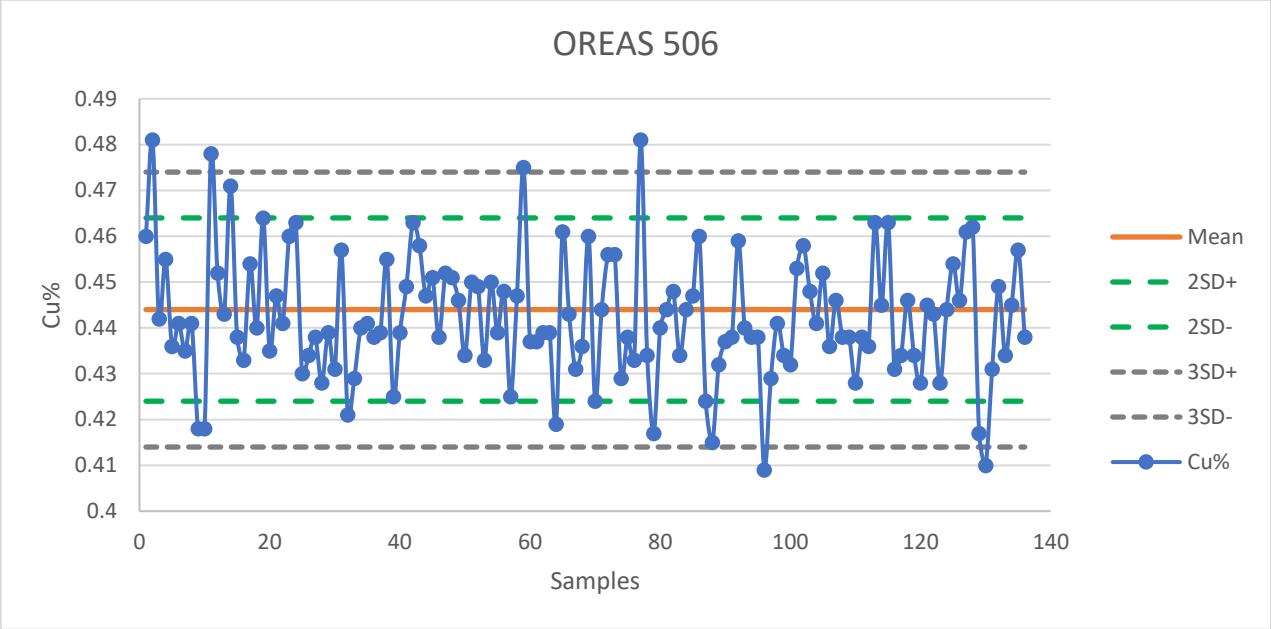
Criteria	Commentary



- Laboratory inserted QAQC samples were inserted with a minimum of two standards and one blank for every batch of 40 samples.

- Quartz flushes are introduced to the bowl pulverisers within every high sulphide interval and the flush material assayed. These are monitored and where Cu contamination of the quartz flush occurs the batch is repeated by the assay lab. For the holes reported there are no examples of sulphides contaminating successive samples via sample preparation processes.
- Quartz washes are also utilised through the Boyd crusher where high sulphides are present and identified by the logging geologist to ALS.
- Hillgrove's quality policy is that at a minimum of 5% of all samples are CRM's, and 5% of samples submitted are blanks thus ensuring that as a minimum, 10% of all samples submitted for analysis are Hillgrove QAQC samples.

Criteria	Commentary
Verification of sampling and assaying	• Sample data sheets are prepared in Excel and printed for technicians use. All core is marked for sampling and confirmed by the logging geologist. Sample Sheets also include the sample number sequence and the sample numbers to be assigned to the QAQC samples. Sample intervals input from the excel spreadsheet into an SQL database via Datashed. Data was visually checked by the Geologist prior to import and additional validation was carried out by the database upon import. Copper results were reported in ppm units from the laboratories and then converted to a % value within the database.
Location of data points	• The map projection of Map Grid of Australia 1994 - Zone 54, (MGA94-54) was used for all work undertaken for this drilling. • All drill hole collars were surveyed with a Trimble survey station. The accuracy of this instrument is 0.01m. All pick-ups were reported in MGA94-54 coordinate system. Downhole surveys were determined using a gyro survey instrument at 24m intervals. All holes were repeat surveyed for verification.
Data spacing and distribution	• See Table 2 and Figures 1 to 6 in the body of the text for drill hole locations.
Orientation of data in relation to geological structure	• All holes are angled drill holes, dipping at -35 to -70deg towards 280 – 340deg (true). This is approximately normal to the observed strike of the mineralisation from core logging of the mineralisation. • Dominant mineralisation trends as measured from in-pit mapping are strike 040deg and dip -75deg to south-east.
Sample security	• A Hillgrove employee is present for the collection of core trays from the DDH rig and is also responsible for collecting and organising the samples ready for assay. Hillgrove has a detailed sample collection/submission procedure in place to ensure sample security. • Drill core is transported in covered trays from the drill site to Hillgrove's core yard at Kanmantoo in Hillgrove vehicles under the supervision of Hillgrove staff. • Transport of the half-sawn drill core samples is by dedicated road transport to the Adelaide sample preparation facility. All samples are transported in sealed plastic bags and are accompanied by (either paper form or by email) a detailed sample submission form. • On receiving a batch of samples, the receiving laboratory checks received samples against a sample dispatch sheet supplied by Hillgrove personnel. On completion of this check a sample reconciliation report is provided for each batch received.
Audits or reviews	• There has not been an external review of this DDH drilling program. Previous audits of the Hillgrove sampling methods were reviewed by independent consultant in 2008 and were considered to be of a very high standard.

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Section 2 Reporting of Exploration Results

Criteria	Commentary
Mineral tenement and land tenure status	• The Kanmantoo Cu-Au mine is situated 55kms south-east of Adelaide on Mining Lease ML6345 and is owned 100% by Hillgrove Resources Limited (HGO). HGO owns the land covered by the Mining Lease.
Exploration done by other parties	• Hillgrove Resources commenced exploration drilling in 2004 and since then has completed a number of exploration sampling and mapping campaigns which have resulted in defining the drill targets.
Geology	• Mineralisation occurs as a complex system of structurally controlled veins and disseminations of chalcopyrite, pyrrhotite, pyrite, magnetite, within a quartz + biotite + andalusite ± garnet ± chlorite +/- staurolite schist host rock. Structural studies suggest the mineralisation is within brittle structures that have been multiply re-activated. The Nugent mineralisation cross cuts the Quartz-biotite schist unit and the Andalusite quartz biotite unit.
Drill hole Information	• Drill collars, surveys, intercepts are reported in the body of this release.
Data aggregation methods	• Intercepts tabulated in the body of the report are reported as the mineralised lode zone which has well defined geological lode contacts. No assays were cut before amalgamating for the intercept calculation.
Mineralisation widths and intercept lengths	• Table of downhole mineralised intercepts is reported in the body of this release.
Diagrams	• Diagrams that are relevant to this release have been included in the body of the release.
Balanced reporting	• All drill holes have been reported.
Other exploration data	• Insitu rock density has been measured by wet immersion method. density. The results indicate that the bulk rock density of 2.9t/m3 as used at the Nugent open pit is a reasonable representation of bulk density for all mineralisation.
Further work	• Geological interpretation of the geology and assays to estimate a resource suitable for underground evaluation studies.