

Tuesday, 28 August 2012

## HILLGROVE APPOINTS NEW GM AT KANMANTOO

Hillgrove Resources Limited (ASX: HGO) today announced the appointment of Mr Steven McClare to the position of General Manager, Kanmantoo Copper Mine.

Mr McClare, previously Head of Mining Operations for Newcrest Mining Limited's Cadia Valley Operations, will lead the ongoing development and optimisation of Hillgrove's Kanmantoo Copper Mine in South Australia.

With significant experience in the construction, ramp-up and optimisation of mining operations (including Telfer, Cadia Hill, Ridgeway and Cadia East for Newcrest and Callie for Newmont), Mr McClare brings an impressive array of qualifications, operating capability and leadership to the Kanmantoo operation.

Mr McClare's appointment follows the Board's decision to replace Mr Cam Schubert after two and a half years leading the Kanmantoo project from financing and approval through to construction, commissioning and now operations.

The Board and the Acting Chief Executive Officer of Hillgrove Resources wish to thank Mr Schubert for his outstanding contribution to the company during this time and wish him every success for his future endeavours.

Mr McClare's appointment will become effective as of 3 September 2012.

### **For more information contact:**

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### **ABOUT HILLGROVE**

Hillgrove is an Australian mining company listed on the Australian Securities Exchange (ASX: HGO) focused on the operation of the Kanmantoo Copper Mine in South Australia, and exploration on its Indonesian tenements, where the Company is targeting the discovery of world class epithermal gold and porphyry copper/gold.

The Kanmantoo Copper Mine is located less than 55km from Adelaide in South Australia. With construction now completed, Kanmantoo is an open-cut mine, and is ramping up to an initial throughput of 2.4Mt per annum in 2012, to produce approximately 80,000 tonnes of concentrate per annum.



**Global Mineral Resource (March 2012)**

	JORC Classification	Tonnage (Mt)	Cu (%)	Au (g/t)	Ag (g/t)	Bi (g/t)	Cu Metal (kt)
In Situ Resource	Measured	4.2	0.85	0.13	2.26	173	35.3
	Indicated	20.5	0.87	0.16	2.34	129	178.3
	Inferred	6.5	0.66	0.15	1.73	114	43.0
Long Term Stockpiles	Measured	1.1	0.46	N/A	N/A	N/A	5.0
	Indicated	0.5	0.18	N/A	N/A	N/A	0.9
	<b>Total</b>	<b>32.8</b>	<b>0.80</b>	<b>0.15</b>	<b>2.20</b>	<b>132</b>	<b>262.6</b>

Note: The estimation of Bi is based on limited sampling data. Bi is recognised as a potential penalty element.

As at end of March 2012.

2012 In Situ Resource > 0.25% Cu.

Long Term Stockpiles > 0.15% Cu. Au, Ag and Bi assays are not available.

**Ore Reserve (April 2010)**

Category	Tonnage	Cu	Au	Ag
	Mt	(%)	(g/t)	(g/t)
Proved	2.3	0.87	0.13	3.2
Probable	12.5	0.84	0.18	3.1
<b>Ore Reserve</b>	<b>14.8</b>	<b>0.85</b>	<b>0.17</b>	<b>3.1</b>

**Competent Person's Statements**

The information in this release that relates to Kanmantoo Exploration Results, Exploration Targets and Stockpiles is based on information compiled by Mr Pat Manouge, who is a Member of The Australian Institute of Geoscientists. Mr Manouge is the Kanmantoo Copper Mine Exploration Manager for Hillgrove Resources 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 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code)'.

The information in this release that relates to in situ Mineral Resource estimates is based on information compiled by Mr Aaron Meakin, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Meakin is a full-time employee of AMC Consultants Pty Ltd 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 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code)'.

The information in this release that relates to Ore Reserve estimates is based on information compiled by Mr Geoff Davidson, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Davidson is a Principal Consultant and Director of Mining and Cost Engineering Pty Ltd and has sufficient relevant experience to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code)'.

The Competent Persons have consented to the inclusion in the release of the matters based on their information in the form and context in which it appears.