

# **Australia's Newest Copper Producer**

**Investor Presentation**  
September 2024

**Bob Fulker**  
Managing Director

# Important notice and disclaimer

## No investment or financial product advice

The information contained in this presentation does not constitute investment advice or financial product advice (nor taxation or legal advice) and is not intended to be used as the basis for making an investment decision or as a recommendation to acquire securities in Hillgrove Resources Limited (**HGO**).

The information contained in this presentation should not be relied upon as a recommendation or forecast by HGO (including as to the performance of HGO or its share price). Readers should obtain their own professional advice and carry out their own independent investigations and assessment of the information in this presentation (including any assumptions) before acting.

An investment in HGO is subject to investment and other known and unknown risks, some of which are beyond the control of HGO including loss of income and principal invested.

This presentation has been prepared without taking into account any particular person's objectives, financial situation or needs; does not purport to identify the nature of specific market or other risks associated with any investment in HGO and does not constitute any legal, taxation, investment or accounting advice.

An investment in HGO's securities is subject to investment and other known and unknown risks, some of which are beyond the control of HGO including loss of income and principal invested. Any investment decision should be based only on a person's own due diligence, inquiry, assessment and professional advice.

## Forward-looking statements

This presentation contains or may contain certain forward-looking statements and comments about future events, that are based on HGO's beliefs, assumptions and expectations and on information currently available to management as at the date of this presentation. Often, but not always, forward-looking statements can generally be identified by the use of forward-looking words such as "may", "will", "expect", "plan", "believes", "estimate", "anticipate", "outlook", and "guidance", or similar expressions, and may include, without limitation, statements regarding plans, strategies and objectives of management, anticipated production and production potential, financial forecasts, product quality estimates of future Mineral Resources and Ore Reserves.

Such statements are only expectations or beliefs and are subject to inherent risks and uncertainties which could cause actual values, results or performance achievements to differ materially from those expressed or implied in this presentation.

Where HGO expresses or implies an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and on a reasonable basis. No representation or warranty, express or implied, is made by HGO that the matters stated in this presentation will in fact be achieved or prove to be correct. Except as required by law, HGO undertakes no obligation to provide any additional or updated information or update any forward-looking statements whether on a result of new information, future events, results or otherwise.

Readers are cautioned against placing undue reliance on forward-looking statements. These forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of HGO, the directors, and management of HGO. These factors include, but are not limited to difficulties in forecasting expected production quantities, the potential that any of HGO's projects may experience technical, geological, metallurgical and mechanical problems, changes in market prices and other risks not anticipated by HGO, changes in exchange rate assumptions, changes in product pricing assumptions, major changes in mine plans and/or resources, changes in equipment life or capability, emergence of previously underestimated technical challenges, increased costs, and demand for production inputs.

## Photographs, images, diagrams, charts and maps

Photographs, images, diagrams, charts and maps used in this presentation are illustrative only and may not be drawn to scale. Unless otherwise stated, all data contained in the charts, graphs and tables is based on information available at the date of this presentation.

**This presentation has been approved for release to the ASX by Hillgrove Resources Chair, Derek Carter.**

# Australia's newest copper producer

*Well positioned to benefit from a robust copper outlook*



## Tier 1 Jurisdiction

Kanmantoo Copper Mine located in the mining friendly, politically stable state of South Australia

## Generating cash flow

First concentrate produced in February 2024 with monthly copper production continuing to ramp up

## Operational stability

Focused on predictable operational delivery to earn the right to pursue growth

# Strong outlook for copper

*Critical mineral to enable the global energy transition*

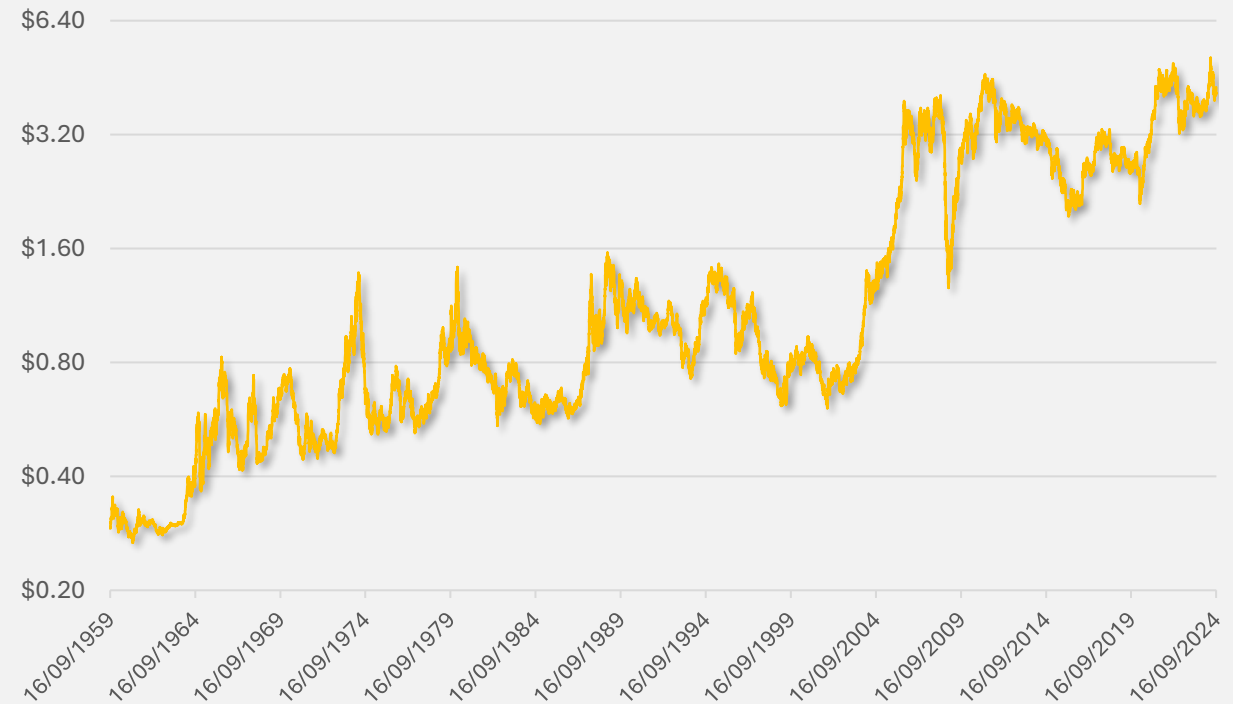
## Demand drivers

- Decarbonisation
- Electrification
- Population growth
- Urbanisation

## Supply constraints

- Declining grades
- Underinvestment in new projects
- Extended permitting timelines
- Geopolitical tensions
- Operational disruptions

**Copper Price (US\$/lb)**  
(65 year log chart)

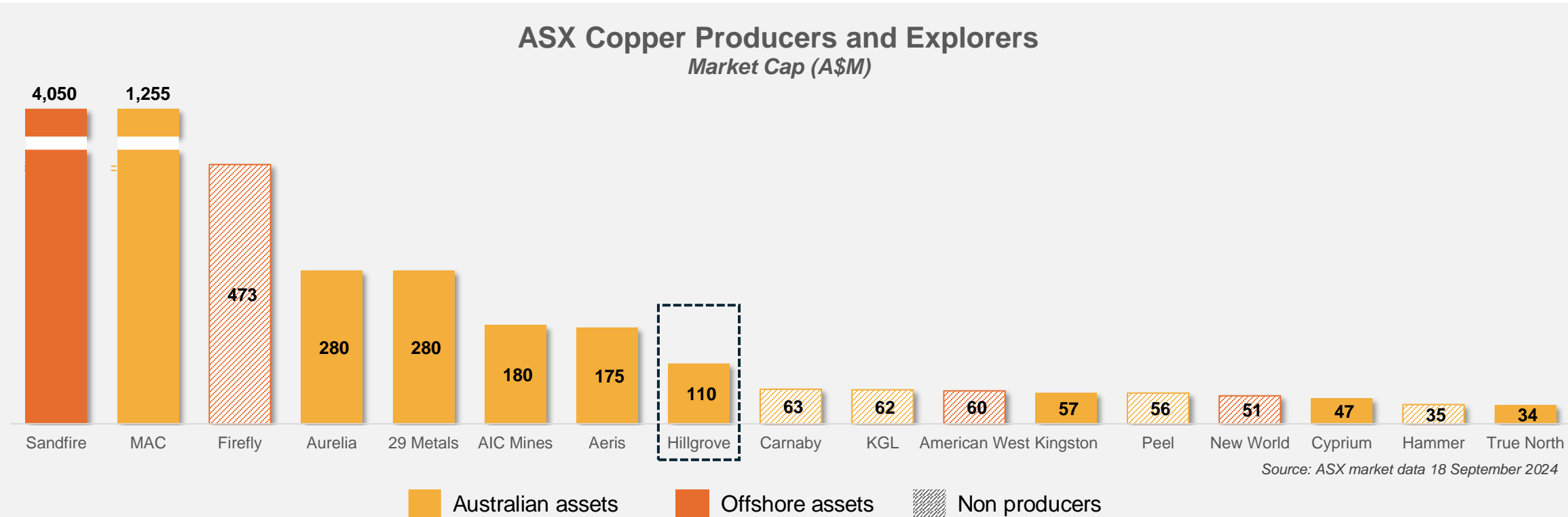


Source: Macrotrends.net

# ASX copper landscape

*Dearth of investible copper producers listed in Australia*

- Severe lack of large, liquid copper investment opportunities in Australia since Oz Minerals acquired
- Small-cap copper producers have underperformed a resilient copper price
- Opportunity for industry consolidation to enable smaller producers to become relevant





# Corporate snapshot

*Fully permitted, fully funded, debt free*

## Market Statistics

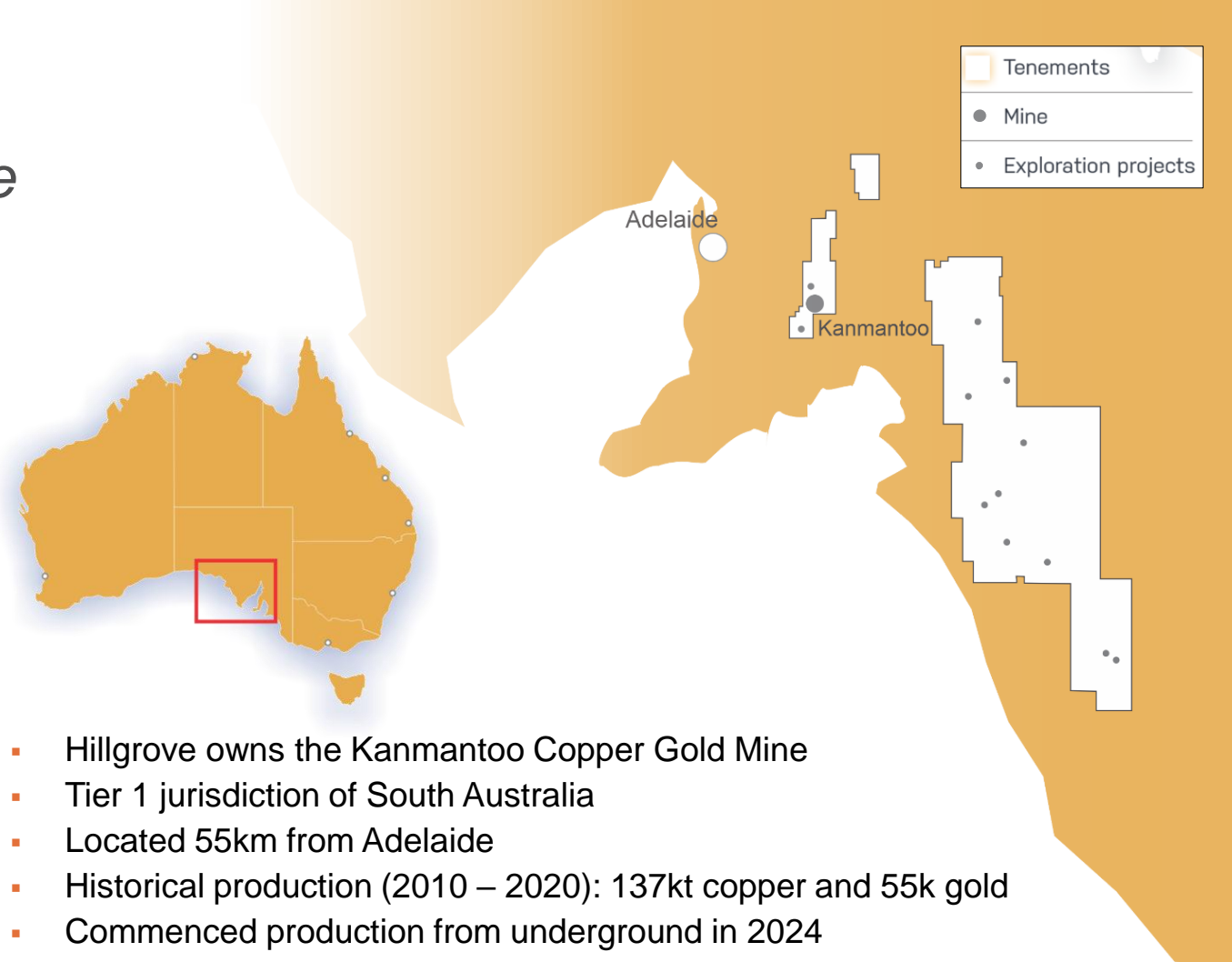
Share price <sup>1</sup>	\$0.052
Shares on issue	2,094M
Market capitalisation	\$109M
Debt	Nil
Cash <sup>2</sup>	\$7M
Enterprise value	\$102M
Daily liquidity <sup>3</sup>	\$265K
Income tax losses <sup>4</sup>	\$259M
Franking credits	\$18M

## Major Shareholders

Freepoint Metals & Concentrates	20.0%
Ariadne Australia	10.3%

## Board & Management

Derek Carter	Chairman
Bob Fulker	CEO & Managing Director
Murray Boyte	Non-Executive Director
Roger Higgins	Non-Executive Director
Joe Sutanto	CFO & Company Secretary



- Hillgrove owns the Kanmantoo Copper Gold Mine
- Tier 1 jurisdiction of South Australia
- Located 55km from Adelaide
- Historical production (2010 – 2020): 137kt copper and 55k gold
- Commenced production from underground in 2024
- Multiple opportunities to increase resource base, production rates and mine life

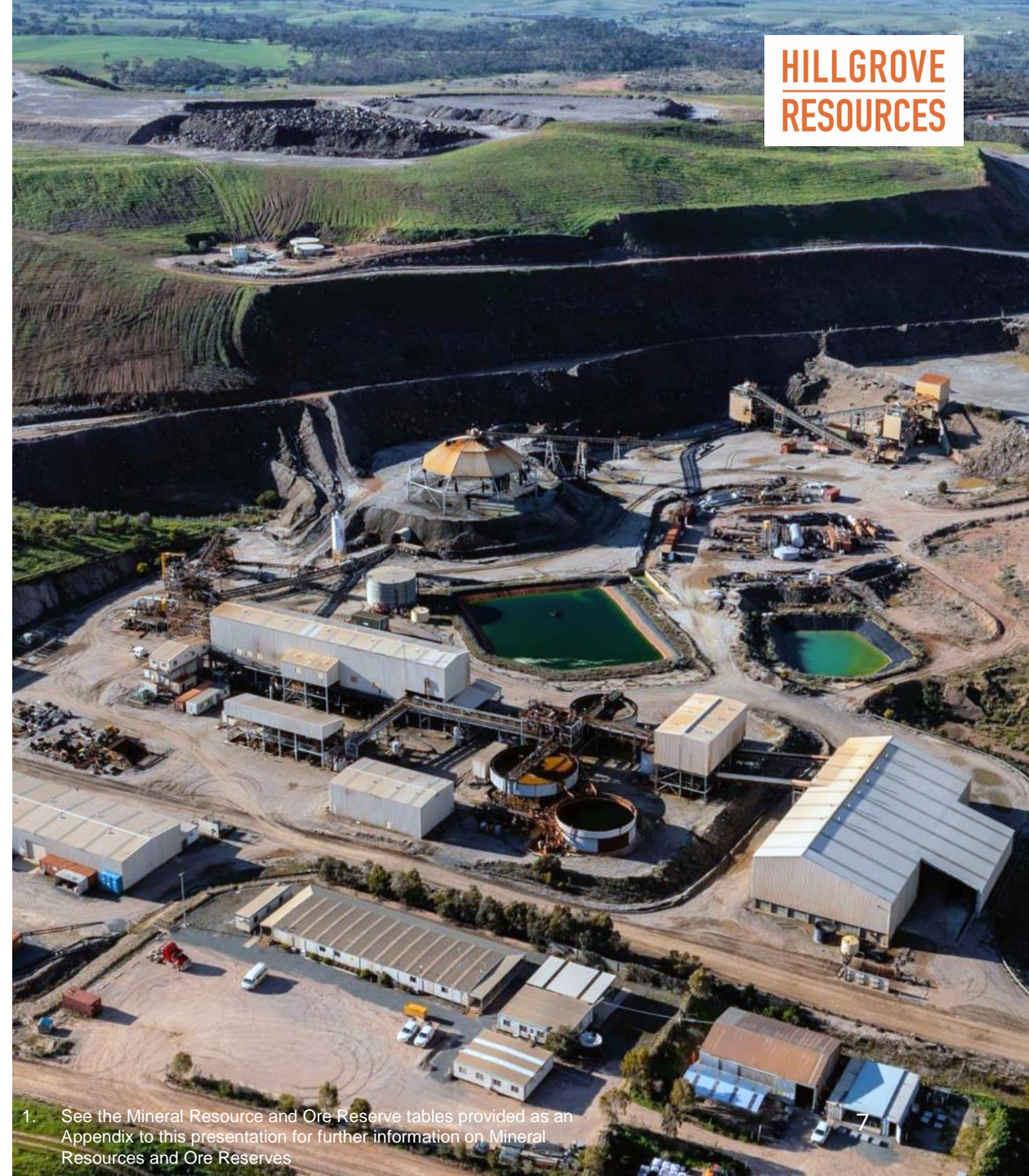
Note: Currency is in Australian dollars unless otherwise stated

1. Closing share price on 19 September 2024
2. Cash balance at 30 June 2024
3. 90 day average through to 19 September 2024
4. Carried forward as of 31 December 2024

# Kanmantoo

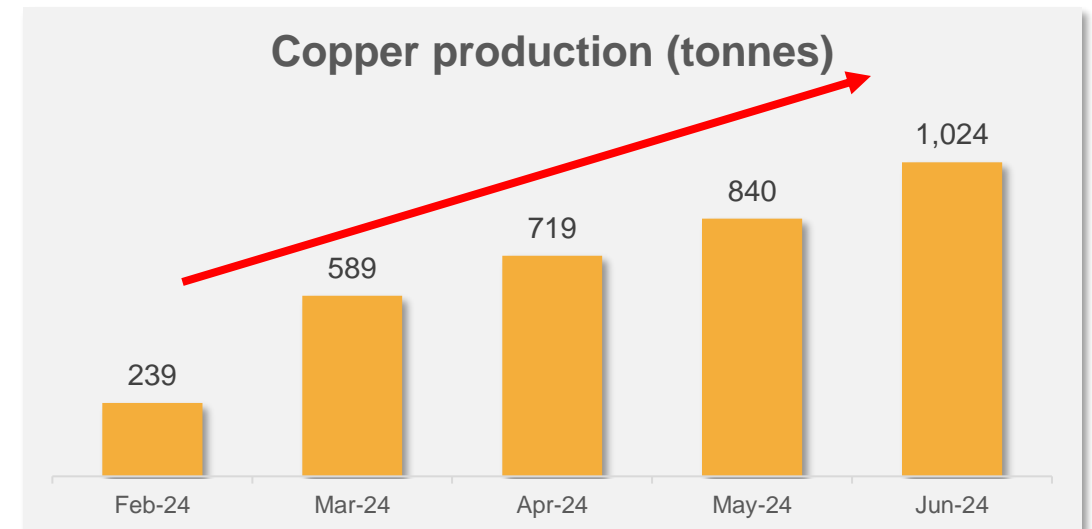
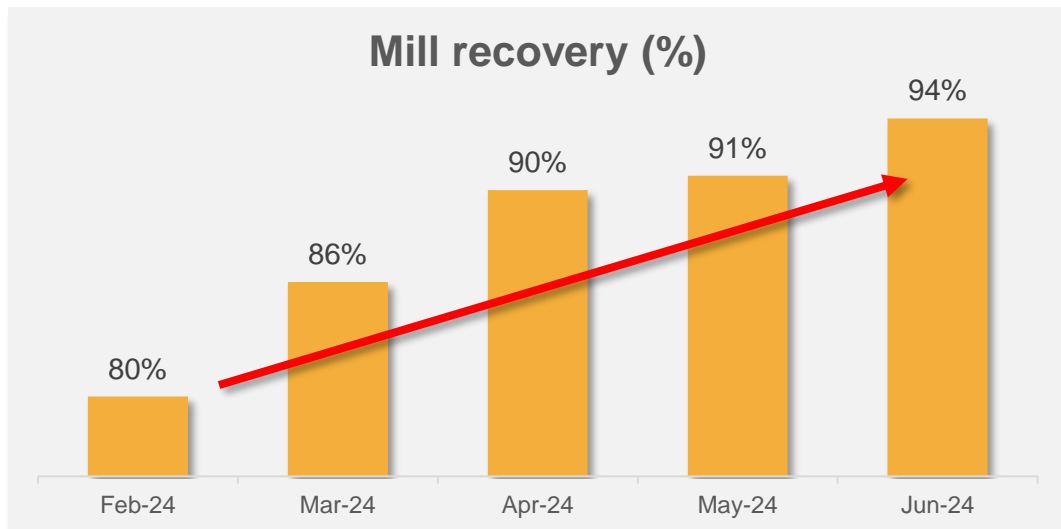
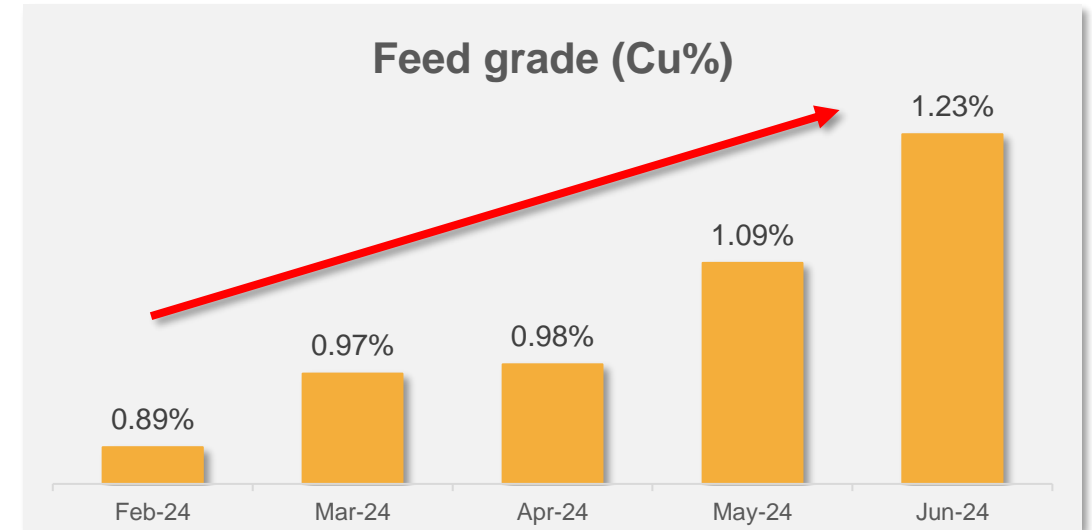
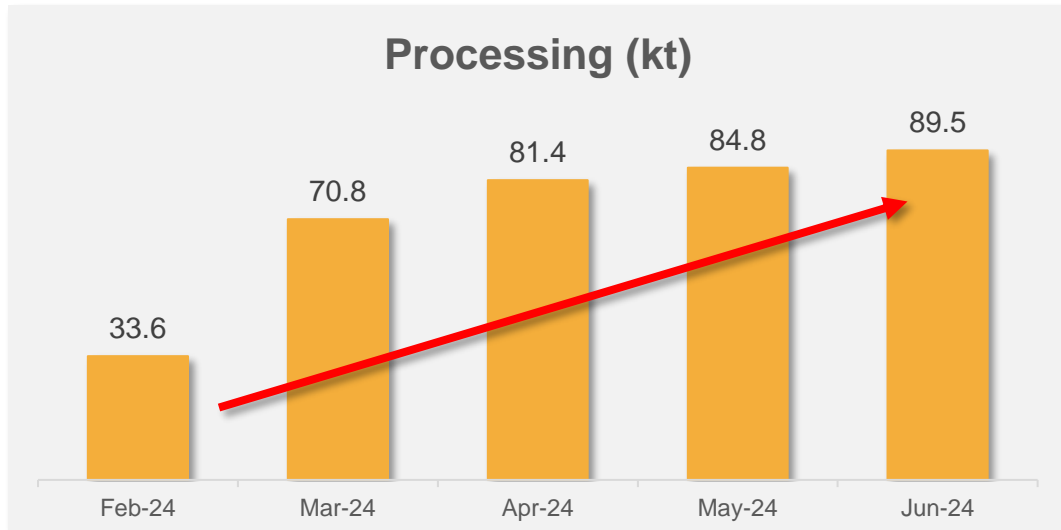
## *A well-established copper asset*

- Long legacy of positive stakeholder engagement
- Residential workforce
- Underground bulking mining (stoping) method
- Well capitalised infrastructure
  - Plant capacity: 3.6Mtpa
  - Tailings Storage Facility permitted for 7.0Mt
  - Power and water supply secured
  - Concentrate trucked 75km to Port Adelaide
- Life of mine offtake with Freepoint Commodities
- Copper Mineral Resource
  - 7.0Mt at 1.08% for 75.9kt<sup>1</sup>
  - Updated Mineral Resource due in October 2024
- Near mine exploration upside
  - Emily Star, Spitfire



# Successful production restart

*Ramp up delivered in line with plan*

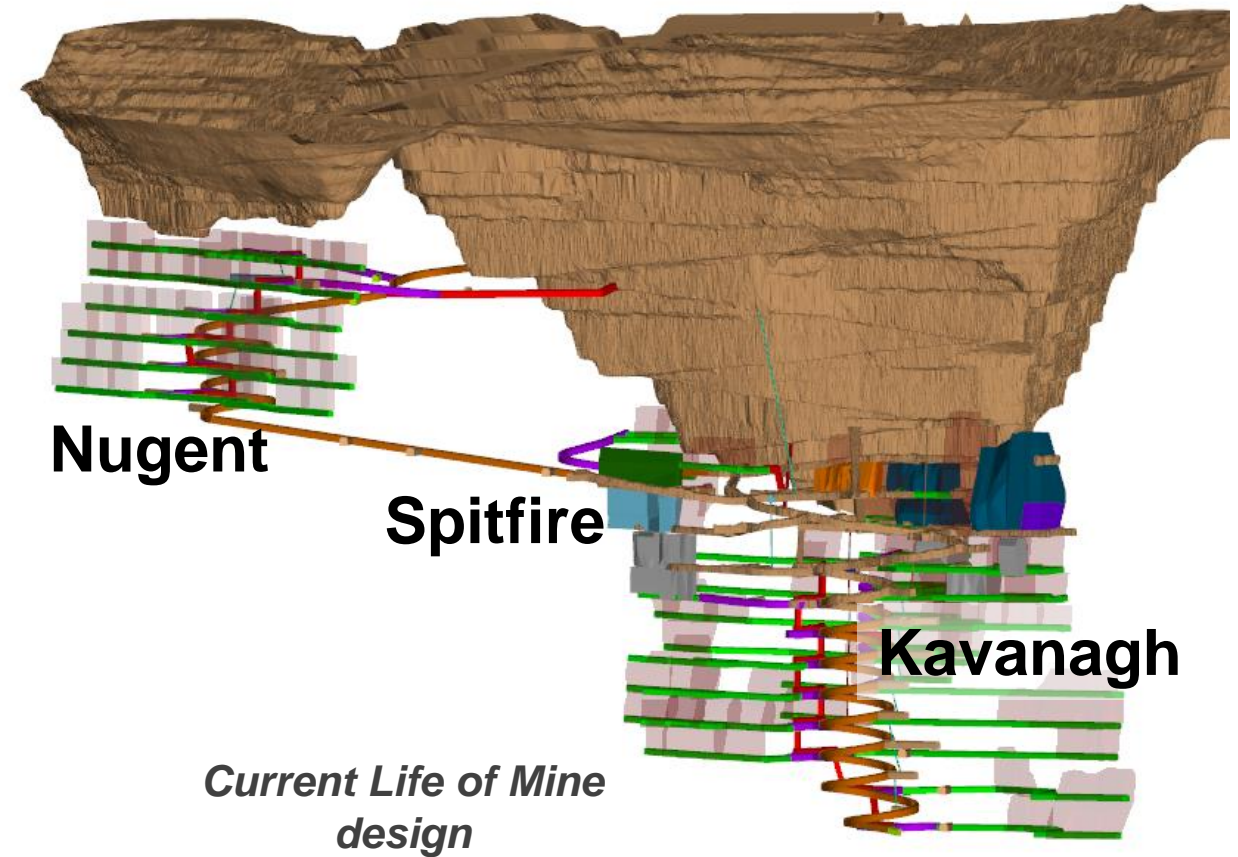




# Underground mining

*Increasing optionality to achieve reliable production*

- 1.0Mtpa ore mining rates achieved – continued improvement month on month
- Current ore sources – Kavanagh and Spitfire
- Nugent decline and incline development commenced
- Additional work areas becoming available as the operation ramps up
- Achieving increasing monthly development meters – development of over 500m in August

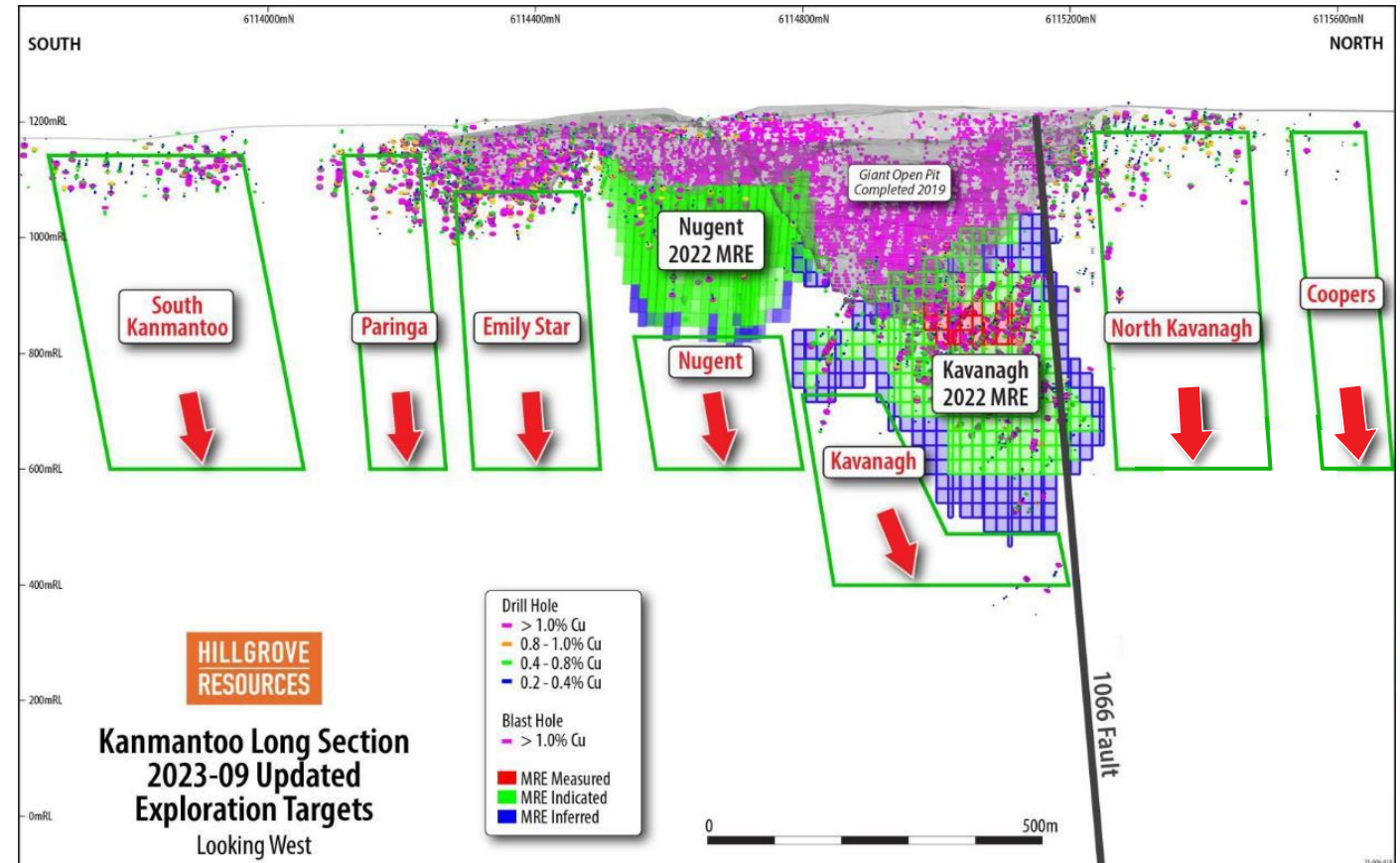


# Organic growth

## Significant near mine Mineral Resource growth opportunities

- Investment in resource definition and extensional drilling delivering strong results
- 75km of drilling since 2022
- Impressive intercepts close to planned development at:
  - Spitfire:** 45.4m @ 1.19% Cu, 0.12 g/t Au from 428.5m downhole<sup>1</sup>
  - Emily Star:** 71.7m @ 0.89% Cu from 135.6m downhole<sup>2</sup>
- Updated Mineral Resource and Maiden Ore Reserve expected to be released in October 2024

1. Refer to ASX announcement on 28 August 2023 titled '100m Step Out Hole at Kavanagh Hits 45.4m @ 1.2% Copper'
2. Refer to ASX announcement on 3 July 2023 titled 'Emily Star Drilling Results'



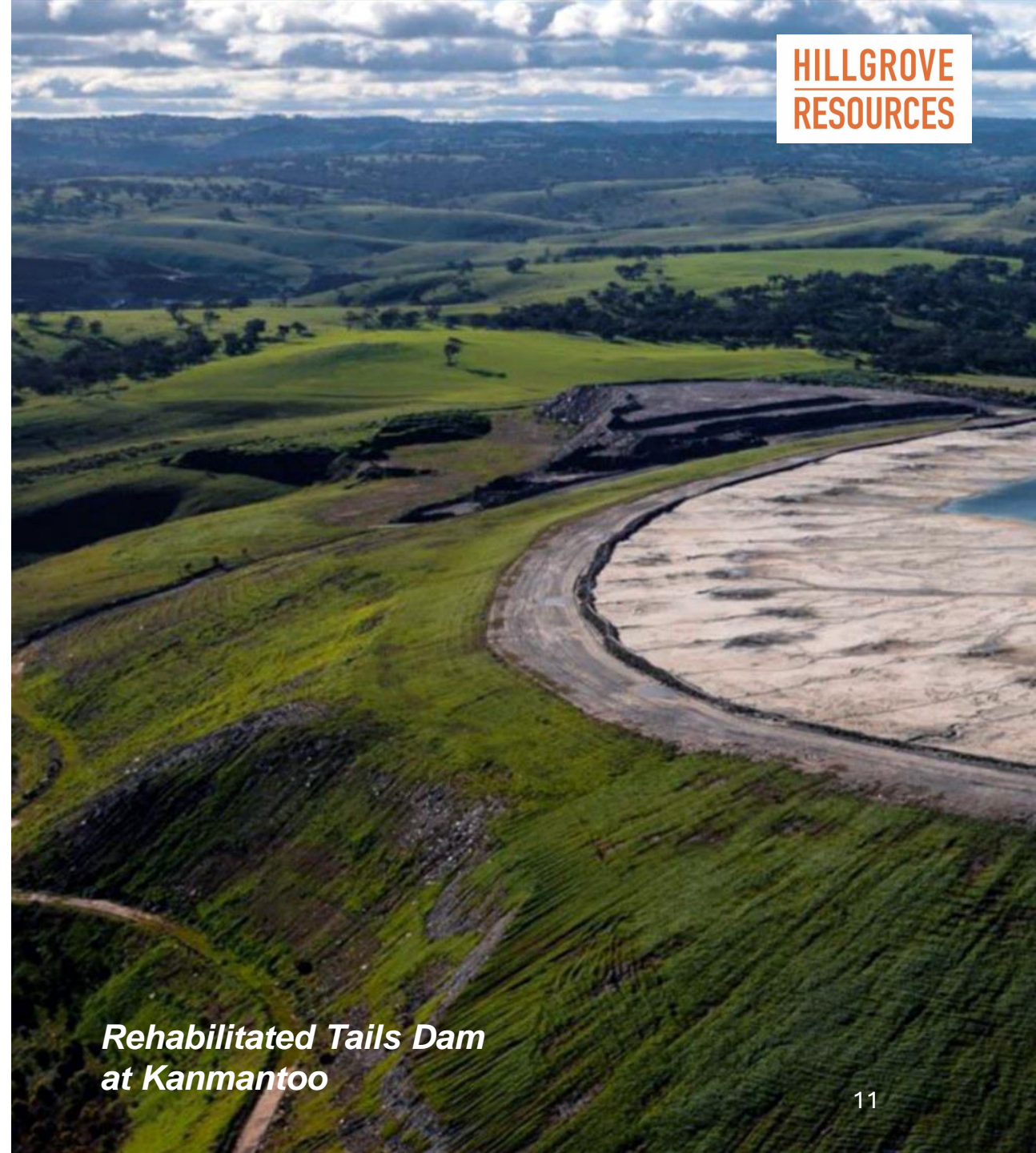
**Long Section highlighting resource growth opportunities at depth**



# Sustainability

## *Critical mineral for a sustainable future*

- Total Recordable Injury Frequency (TRIF) trending lower from 15.5 to 10.1 in CY2024
- Long track record of environmental stewardship with significant progressive rehabilitation completed
  - All rehabilitation at Kanmantoo is currently up-to-date
- Award winning stakeholder engagement model through establishment of the Callington Community Consultative Committee (K4C)
- Supporting the local community with a predominantly residential workforce – over 150 people employed and 60 local contractors in the past 12 months



***Rehabilitated Tails Dam  
at Kanmantoo***

# Summary



Tier 1  
Jurisdiction



Generating  
cash flow



Focused on  
operational  
stability



Earning the  
right to grow



# **HILLGROVE**

---

# **RESOURCES**

# Kanmantoo Mineral Resource

Deposit	JORC 2012 Classification	Tonnage (kt)	Cu (%)	Au (g/t)	Cu Metal (kt)
Kavanagh 2022 (0.6% Cu COG)	Measured	780	1.28	0.10	9.9
	Indicated	3,640	1.03	0.06	38.0
	Inferred	1,300	1.00	0.10	13.0
	Sub-Total	5,750	1.10	0.10	61.0
Nugent 2022 (0.7% Cu COG)	Indicated	865	1.19	0.64	10.3
	Inferred	400	1.10	0.30	5.0
	Total	1,270	1.18	0.54	15.0
Total	Measured	780	1.28	0.10	9.9
	Indicated	4,505	1.06	0.20	48.0
	Inferred	1,700	1.00	0.10	15.0
	Total	6,985	1.08	0.16	75.9

The information is extracted from the report entitled UPDATED NUGENT UNDERGROUND MINERAL RESOURCE ESTIMATE and UPDATED KAVANAGH UNDERGROUND MINERAL RESOURCE ESTIMATE released on 26 July 2022 and 11 May 2022 respectively and is available to view on [www.hillgroveresources.com.au](http://www.hillgroveresources.com.au). The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. 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.

# Important notice and disclaimer

## No Warranty

While care has been taken in preparing the information in this presentation, no representation or warranty, express or implied, is made as to the currency, accuracy, reliability, completeness or fairness of the information, opinions and conclusions contained in this presentation.

The information in this presentation has been obtained from or based on sources believed by HGO to be reliable. This includes references to test results and reports completed by external parties. Information in this presentation which is attributed to, or derived from, a third-party source has not been independently checked or verified by HGO. No representation or warranty is made as to the accuracy, completeness or reliability of such information.

To the maximum extent permitted by law, neither HGO nor its related corporations, Directors, officers, employees, advisers or agents, nor any other person, accepts any liability, including, without limitation, any liability arising from the use of this presentation or its contents or otherwise arising in connection with them, nor guarantees or makes any representations or warranties, express or implied, as to or takes responsibility for, the currency, accuracy, reliability, completeness or fairness of this presentation nor the information, opinions and conclusions contained in this presentation.

## Competent Person's Statement

The information in this report that relates to Exploration Targets, Exploration Results, Mineral Resources is based on information compiled by Caitlin Rowett, a Competent Person who is a Member of The Australasian Institute of Mining and Metallurgy. Caitlin Rowett is a full-time employee of the company. Caitlin Rowett has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken 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. Caitlin Rowett has consented to the inclusion in the release of the matters based on their information in the form and context in which it appears.

The information in this report that relates to past Exploration and Drilling results on the Kanmantoo project were initially reported by the Company to the ASX on the 3 July 2023 & 28 August 2023. The information in this report that relates to the 2022 Mineral Resource Estimate for Nugent and Kavanagh were initially reported by the Company to the ASX on the 26 July 2022 (Nugent) & 11 May 2022 (Kavanagh).

Further information is available on the Hillgrove Resources website at [www.hillgroveresources.com.au](http://www.hillgroveresources.com.au)

The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. 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.