

Friday, 17 June 2011

To: Company Announcements Office
Australian Securities Exchange

Dear Sirs,

HILLGROVE OPTIONS & PERFORMANCE RIGHTS PLAN

Please be advised of the following issue under the Hillgrove Options & Performance Rights Plan.

Issue of **4,595,000 Employee Performance Rights** under the Hillgrove Options & Performance Rights Plan. The Appendix 3B In relation to this issue is attached.

An Appendix 3Y in relation to the issue of **1,875,000 Employee Performance Rights** to Drew Simonsen is also attached.

Russell Middleton
Company Secretary



Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

Name of entity

Hillgrove Resources Limited (HGO)

ABN

73 004 297 116

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

1	+Class of +securities issued or to be issued	Employee Performance Rights
2	Number of +securities issued or to be issued (if known) or maximum number which may be issued	4,595,000
3	Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)	Exercise Price \$0.00 Expiry Date 30 June 2014

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

4	Do the ⁺securities rank equally in all respects from the date of allotment with an existing ⁺class of quoted ⁺securities? If the additional securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	N/A	
5	Issue price or consideration	NIL	
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	Issue of Performance Rights under the Hillgrove Options & Performance Rights Plan subject to service and performance conditions.	
7	Dates of entering ⁺ securities into uncertificated holdings or despatch of certificate	24 June 2011	
8	Number and ⁺ class of all ⁺ securities quoted on ASX (<i>including</i> the securities in clause 2 if applicable)	Number	⁺ Class
		793,698,575	Fully Paid Ordinary Shares

⁺ See chapter 19 for defined terms.

9	Number and ⁺ class of all ⁺ securities not quoted on ASX (<i>including</i> the securities in clause 2 if applicable)	<table><tr><th>Number</th><th>⁺Class</th></tr><tr><td>347,685</td><td>HGOAI Unlisted ESOP & ExSOP Options</td></tr><tr><td>4,720,000</td><td>HGOAQ Employee Performance Rights</td></tr><tr><td>8,000,000</td><td>HGOAK Unlisted Options</td></tr><tr><td>10,000,000</td><td>HGOAZ Unlisted Options</td></tr><tr><td>200,000</td><td>HGOAC Unlisted ESOP & ExSOP Options</td></tr><tr><td>500,000</td><td>HGOAE Unlisted ESOP & ExSOP Options</td></tr><tr><td>470,000</td><td>HGOAG Unlisted ESOP & ExSOP Options</td></tr><tr><td>1,500,000</td><td>HGOAJ Unlisted ESOP & ExSOP Options</td></tr><tr><td>2,720,000</td><td>New Code Employee Performance Rights</td></tr><tr><td>1,875,000</td><td>New Code Drew Simonsen Performance Rights</td></tr></table>	Number	⁺ Class	347,685	HGOAI Unlisted ESOP & ExSOP Options	4,720,000	HGOAQ Employee Performance Rights	8,000,000	HGOAK Unlisted Options	10,000,000	HGOAZ Unlisted Options	200,000	HGOAC Unlisted ESOP & ExSOP Options	500,000	HGOAE Unlisted ESOP & ExSOP Options	470,000	HGOAG Unlisted ESOP & ExSOP Options	1,500,000	HGOAJ Unlisted ESOP & ExSOP Options	2,720,000	New Code Employee Performance Rights	1,875,000	New Code Drew Simonsen Performance Rights
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1,875,000	New Code Drew Simonsen Performance Rights																							
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	N/A																						

⁺ See chapter 19 for defined terms.

Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	
12	Is the issue renounceable or non-renounceable?	
13	Ratio in which the ⁺ securities will be offered	
14	⁺ Class of ⁺ securities to which the offer relates	
15	⁺ Record date to determine entitlements	
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	
17	Policy for deciding entitlements in relation to fractions	
18	Names of countries in which the entity has ⁺ security holders who will not be sent new issue documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	
19	Closing date for receipt of acceptances or renunciations	
20	Names of any underwriters	
21	Amount of any underwriting fee or commission	
22	Names of any brokers to the issue	
23	Fee or commission payable to the broker to the issue	
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of ⁺ security holders	
25	If the issue is contingent on ⁺ security holders' approval, the date of the meeting	

+ See chapter 19 for defined terms.

26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	
28	Date rights trading will begin (if applicable)	
29	Date rights trading will end (if applicable)	
30	How do ⁺ security holders sell their entitlements <i>in full</i> through a broker?	
31	How do ⁺ security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	
32	How do ⁺ security holders dispose of their entitlements (except by sale through a broker)?	
33	⁺ Despatch date	

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(tick one)

(a) ☒ Securities described in Part 1

(b) ☐ All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

⁺ See chapter 19 for defined terms.

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 ☐ If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
- 36 ☐ If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over
- 37 ☐ A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

- 38 Number of securities for which +quotation is sought
- 39 Class of +securities for which quotation is sought
- 40 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?
- If the additional securities do not rank equally, please state:
- the date from which they do
 - the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
 - the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment
-
- 41 Reason for request for quotation now
- Example: In the case of restricted securities, end of restriction period
(if issued upon conversion of another security, clearly identify that other security)
-
- | Number | +Class |
|----------------------|----------------------|
| <input type="text"/> | <input type="text"/> |
- 42 Number and +class of all +securities quoted on ASX (including the securities in clause 38)

+ See chapter 19 for defined terms.

Quotation agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.
- 2 We warrant the following to ASX.
 - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those +securities should not be granted +quotation.
 - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
 - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here



Print name: Russell Middleton

Date: 24 June 2011

+ See chapter 19 for defined terms.

Appendix 3Y

Change of Director's Interest Notice

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 30/9/2001.

Name of entity Hillgrove Resources Limited (HGO)
ABN 73 004 297 116

We (the entity) give ASX the following information under listing rule 3.19A.2 and as agent for the director for the purposes of section 205G of the Corporations Act.

Name of Director	Drew Simonsen
Date of last notice	8 December 2010

Part 1 - Change of director's relevant interests in securities

In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

Note: In the case of a company, interests which come within paragraph (i) of the definition of "notifiable interest of a director" should be disclosed in this part.

Direct or indirect interest	Direct
Nature of indirect interest (including registered holder) Note: Provide details of the circumstances giving rise to the relevant interest.	Not Applicable
Date of change	24 June 2011
No. of securities held prior to change	500,000 full paid ordinary shares 2,000,000 performance rights
Class	Employee Performance rights
Number acquired	1,875,000
Number disposed (on a consolidated basis)	Nil
Value/Consideration Note: If consideration is non-cash, provide details and estimated valuation	Nil
No. of securities held after change	500,000 full paid ordinary shares 3,875,000 Employee performance rights

+ See chapter 19 for defined terms.

Appendix 3Y

Change of Director's Interest Notice

Nature of change Example: on-market trade, off-market trade, exercise of options, issue of securities under dividend reinvestment plan, participation in buy-back	Issue of performance rights under the Hillgrove Resources Option and Performance Rights Plan (HOPRP) as approved by shareholders on 20 June 2011.

Part 2 – Change of director's interests in contracts

Note: In the case of a company, interests which come within paragraph (ii) of the definition of "notifiable interest of a director" should be disclosed in this part.

Detail of contract	
Nature of interest	
Name of registered holder (if issued securities)	
Date of change	
No. and class of securities to which interest related prior to change Note: Details are only required for a contract in relation to which the interest has changed	
Interest acquired	
Interest disposed	
Value/Consideration Note: If consideration is non-cash, provide details and an estimated valuation	
Interest after change	

+ See chapter 19 for defined terms.