

Monday 12 December 2016

CLEANSING NOTICE UNDER 708A(5)(e) of the CORPORATIONS ACT

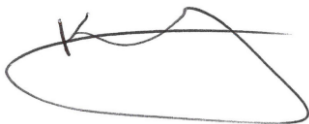
This notice is given by Hillgrove Resources Limited (ASX:HGO, the **Company**) under section 708A(5)(e) of the Corporations Act 2001 (Cth) (the **Corporations Act**).

The Company advises that:

- (a) today it issued 10,157,905 ordinary fully paid Hillgrove shares (**New Shares**) at A\$0.10 per New Share, to Roc-Drill Pty Ltd ACN 155 911 667 (**Roc-Drill**) in consideration for Roc-Drill agreeing to forgive and release the Company's subsidiary, Hillgrove Copper Pty Ltd (**Hillgrove Copper**), from any further obligation to pay the amount of \$1,015,790 owing to Roc-Drill under the terms of the Supply Agreement for Drilling Services between Roc-Drill and Hillgrove Copper dated 16 September 2013;
- (b) the New Shares were issued without disclosure to investors under Part 6D.2 of the Corporations Act;
- (c) this notice is being given under section 708A(5)(e) of the Corporations Act;
- (d) as at the date of this notice, the Company has complied with:
 - (i) the provisions of Chapter 2M of the Corporations Act as they apply to the Company; and
 - (ii) section 674 of the Corporations Act as it applies to the Company; and
- (e) as at the date of this notice, there is no excluded information of the type referred to in sections 708A(7) and 708A(8) of the Corporations Act.

Please contact the undersigned if you require further information.

Yours sincerely



Paul Kiley
Company Secretary
Hillgrove Resources Limited