

QUARTERLY REPORT

**HILLGROVE
RESOURCES**

Hillgrove Resources Limited (ASX: HGO) report for the quarter ended 30 September 2024

Operational delivery setting up Kanmantoo for future growth

September 2024 Operating Highlights:

- Copper production of 2,923 metric tonnes (+13% Q-o-Q)
- All-in costs of \$US3.71 per pound (in-line with June 2024 quarter)
- Mining rates continue to ramp up with total material mined of 279,723 tonnes (+33% Q-o-Q)
- Mine development achieved of 1,401 metres (+13% Q-o-Q)
- Processed tonnes of 266kt (+4% Q-o-Q)

Maiden Ore Reserve and 96% Increase in Copper Mineral Resource

On 18 October 2024 Hillgrove released an updated Mineral Resources and Ore Reserve Statement¹.

Highlights:

- Kanmantoo **2024 Maiden Ore Reserve of 2.8Mt grading 0.91% Cu and 0.15g/t Au** containing 26kt of copper and 14koz of gold.
- Kanmantoo **2024 Mineral Resources Estimate (MRE) of 19.3Mt grading 0.77% Cu and 0.14g/t Au** containing 150kt of copper and 82koz of gold.
 - A 96% increase in contained copper and 138% increase in contained gold compared to the 2022 MRE
 - Maiden Mineral Resource Estimates for Emily Star and North Kavanagh
 - Significant opportunities to grow Mineral Resources through extensional drilling

\$10 Million Stand-by Debt Facility Secured

- Provides additional financial flexibility as the Company scales up operations

CEO and Managing Director's Statement

Commenting on the September 2024 quarter, Hillgrove CEO and Managing Director, Bob Fulker said:

"We continued to see significant operational improvements across all metrics post declaring commercial production on 1 July 2024. While there are still many opportunities to improve production rates and reduce costs as we move closer to steady state production, it is pleasing to see the strong progress being made at Kanmantoo."

Last week's announcement of a Maiden Ore Reserve and the nearly doubling of the contained copper in the Mineral Resource at Kanmantoo highlights the scale of the opportunity we have in front of us at this asset."

¹ ASX release on 18 October 2024 entitled "Maiden Kanmantoo Underground Ore Reserve and 96% increase in copper Mineral Resource"

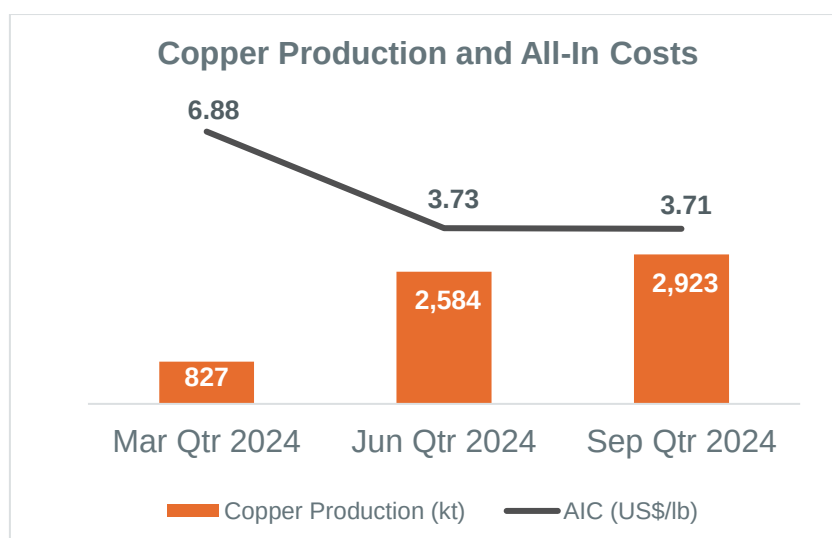


Figure 1: Kanmantoo quarterly production and costs

KANMANTOO UNDERGROUND OPERATIONS

The Kanmantoo Copper Mine is situated in the Adelaide Hills region of South Australia, just 55 kilometres from Adelaide and only 3 kilometres from the main dual carriageway to Port Adelaide. This strategic location offers significant advantages in both operating and capital costs, making it easier to attract and retain a skilled workforce that primarily resides in the area.

Safety and Environment

The Total Recordable Injury Frequency (TRIF) for Hillgrove was 13.3 (June 2024 quarter: 12.0).

Hillgrove is pleased to report that the Company recently received the Chairman's Award at the 2024 South Australian Mines and Emergency Response Competition (SAMERC). We are proud of our team's performance who have set a benchmark for excellence in mine emergency response. This award is a positive reflection of Hillgrove's strong safety culture.

Production and Costs

Kanmantoo produced 2,923 tonnes of copper in 12,656 dmt of concentrate at an All-In Cost of US\$3.71 per pound of copper after by-product credits. Key physical metrics continued to improve – leading to a 13% increase in copper production (see Table 1 below).

C1 Costs and All-in Costs continued to decrease. All-In Sustaining Costs increased quarter on quarter due to the declaration of commercial production on 1 July 2024 which led to some costs now being allocated to sustaining capital which we previously allocated to major capital.

The main mining inventory sources for the quarter were from the Kavanagh 860 and 835 levels and the Spitfire 835 level. Total ore mined for the quarter was 280kt – an increase of 69kt over the previous quarter. Underground development focussed on the Kavanagh Decline 835, 810 and 785 levels along with the Nugent incline. Total mine development for the quarter was 1,401m – an increase of 163m over the previous quarter. The 1040 RL Nugent decline portal was also established during the quarter.

Opening up new areas in Nugent will improve flexibility in accessing mining stocks and ultimately lift mining rates.

The processing plant performed well, with continued operational improvements during the quarter. This led to an increase in all key processing metrics, including milled tonnes, feed grade, and recoveries.

Table 1 below highlights the key mining, processing and cost metrics for the operation.

Table 1: Kanmantoo quarterly production and cost summary

Kanmantoo Production and Cost Metrics	Units	Sep 2024 Quarter	Jun 2024 Quarter	Mar 2024 Quarter
Mining Physicals				
Total Development	m	1,401	1,238	1,405
Inventory Mined	kt	280	211	122
Grade Mined	%	1.20	1.24	0.82
Processing Physicals				
Tonnes Processed	kt	266	256	104
Grade Processed	%	1.18	1.10	0.93
Recoveries	%	93.3	91.4	82.7
Production				
Copper Produced	t	2,923	2,584	827
Gold Produced	oz	626	535	162
Silver Produced	oz	26,372	23,377	5,810
Cost Summary				
Mining	US\$/lb	1.08	1.18	2.56
Processing	US\$/lb	0.61	0.59	1.62
Site G&A	US\$/lb	0.19	0.14	0.43
Transport and Offtake Charges	US\$/lb	0.39	0.36	0.32
Inventory Movements	US\$/lb	0.06	0.13	(0.92)
By-Product Credits	US\$/lb	(0.32)	(0.24)	(0.24)
C1 Cash Cost	US\$/lb	2.01	2.16	3.77
Government Royalties	US\$/lb	0.19	0.17	0.19
Sustaining Capital	US\$/lb	1.27	0.00	0.00
All In Sustaining Cost	US\$/lb	3.46	2.33	3.96
Major Capital ¹	US\$/lb	0.25	1.40	2.92
All In Cost	US\$/lb	3.71	3.73	6.88

¹ Major Capital includes a portion of underground mine development capital as well as surface infrastructure capital. AUD/USD conversion rate of 0.67 used.

HILLGROVE RESOURCES

Financials

Net revenue from metal sales in the September quarter was \$36.9 million. At the end of the quarter, Hillgrove had cash, receivables, and unsold concentrate of \$12.2 million.

Table 2: Company Liquidity

Unaudited (A\$M)	Sep 2024 Quarter	Jun 2024 Quarter	Mar 2024 Quarter
Cash	7.8	7.4	7.4
Receivables	2.2	3.5	2.6
Unsold Concentrate	2.2	4.4	1.7
TOTAL	12.2	15.3	11.7

Cash flow was impacted by the timing of campaign milling with approximately 20,000 tonnes of ore sitting on ROM pads at quarter end. There was also an increase in sustaining capital during the quarter which included:

- a 53% increase in the underground diamond drilling program focused on ore definition,
- Tails Storage Facility (TSF) lift 7 construction works, and
- commencement of the Nugent Portal and decline to allow access to additional mining fronts.

With the improved developed and drilled stoping stocks, an increase in tonnes available to be processed on 1 October 2024 and the capital works that were undertaken in the September 2024 quarter, Kanmantoo is set up well for delivery in the December 2024 Quarter and beyond.

During the September quarter, the Company invested \$0.3 million in exploration and \$13.8 million in mine development.

The Company paid executive director salaries and non-executive director fees of \$253,000 during the quarter.

On 30 September 2024, the Company had 7,900 tonnes of hedging outstanding at a weighted average price of A\$14,056 per tonne scheduled for delivery between January 2025 and September 2026.

KANMANTOO EXPLORATION

Mine Lease Exploration

The copper exploration targets on the Kanmantoo mining lease remain extensive and include:

- along strike and down-dip extensions of the main Kavanagh and Nugent Cu-Au Mineral Resources,
- the Emily Star down dip extension,
- Valentine and Paringa, and
- the Coopers and North Kavanagh deposits north of the Kavanagh underground development.

These are classified as the North and South copper hubs.

The focus during the September quarter has been grade control definition drilling and resource drilling at Kavanagh and Spitfire. The Nugent incline has continued to progress with drilling from the first underground drilling platform to occur early in the December quarter targeting Nugent. Drilling the Nugent lode from underground will provide an improved drill angle and easier depth extension in comparison to surface drilling.

Kavanagh Mineral Resource Drilling

From 1 July to 30 September 2024, the Company drilled a further 70 holes from underground achieving 11,960m of drilling within the Kavanagh-Spitfire mineral system. A second underground diamond drill rig was mobilised to site at the end of July. Underground diamond drilling has continued to map the grade continuity of the main Kavanagh-Spitfire mineral system and has continued to extend the continuity of the Spitfire and South West (SW) Kavanagh mineral systems within the underground mining footprint.

An update to the Mineral Resource Estimate was released on 18 of October 2024 titled “Maiden Kanmantoo Underground Ore Reserve and 96% increase in copper Mineral Resource”. This incorporated all underground drilling through to 14 July 2024. Further information is available on the Hillgrove Resources website at www.hillgroveresources.com.au

Drilling since July continues to extend the Spitfire South West (SW) Kavanagh mineral systems which will be incorporated into future Mineral Resource Estimates.

Kanmantoo Geophysical Anomaly

During the quarter, drilling was completed on the geophysical anomaly approximately 400 metres north and 600 metres beneath the northern extension of the Kanmantoo open pit. Drilling to date has identified that the mineralisation observed is consistent with the down plunge extents of North Kavanagh.

Drilling elsewhere within the footprint of the interpreted geophysical structure has intersected alteration consistent with the Magnetotelluric (MT) survey response however there is an absence of mineralised veining. The distribution of alteration and the lithologies observed in drilling is consistent with the wider Kanmantoo Deposit.

Assay results from drilling of the MT Geophysical anomaly include:

- 2m @ 0.83% Cu and 0.06g/t Au downhole from 332m in KTDD246,
- 1m @ 1.05% Cu and 0.21g/t Au downhole from 343.5m in KTDD246,

- 11.7m @ 0.77% Cu and 0.08g/t Au downhole from 250.8m in KTDD247, and
- 2.5m @ 0.84% Cu and 0.44g/t Au downhole from 434m in KTDD247.

These drilling results have not been included within the MRE released 18 October 2024.

Further interpretation of these drill results, including the elevated Au results and alteration observed, is ongoing.

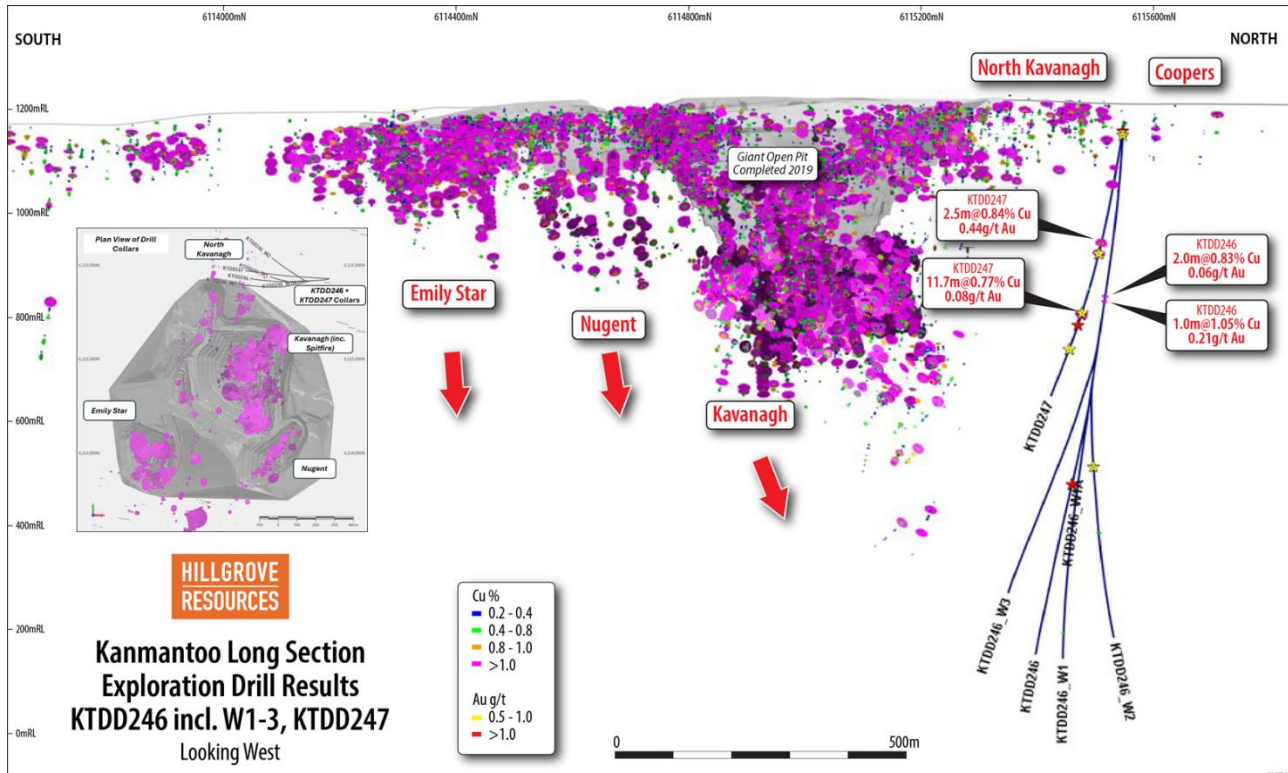


Figure 2: Longitudinal section viewed to the West of exploration drilling targeting a geophysical anomaly. Inset: collar locations relative to existing drilling information

Near Mine Exploration

The Cu-Au targets within 10 kilometres of the Kanmantoo processing plant include the South Kanmantoo, Stella, Mullewa and North West Kanmantoo geochemical and geophysical targets. There was no work undertaken on these prospects in the September 2024 quarter.

REGIONAL EXPLORATION

The regional area comprises 4,187 km² of exploration licences within the Kanmantoo Province in the south-east of South Australia. During the quarter, 25% (1,465km²) of the south-east tenements were relinquished in areas identified as low value targets. The work plan for the coming two years will assess a further 4 targets areas with the aim of narrowing the focus of the exploration field into high value potential economic areas of interest.

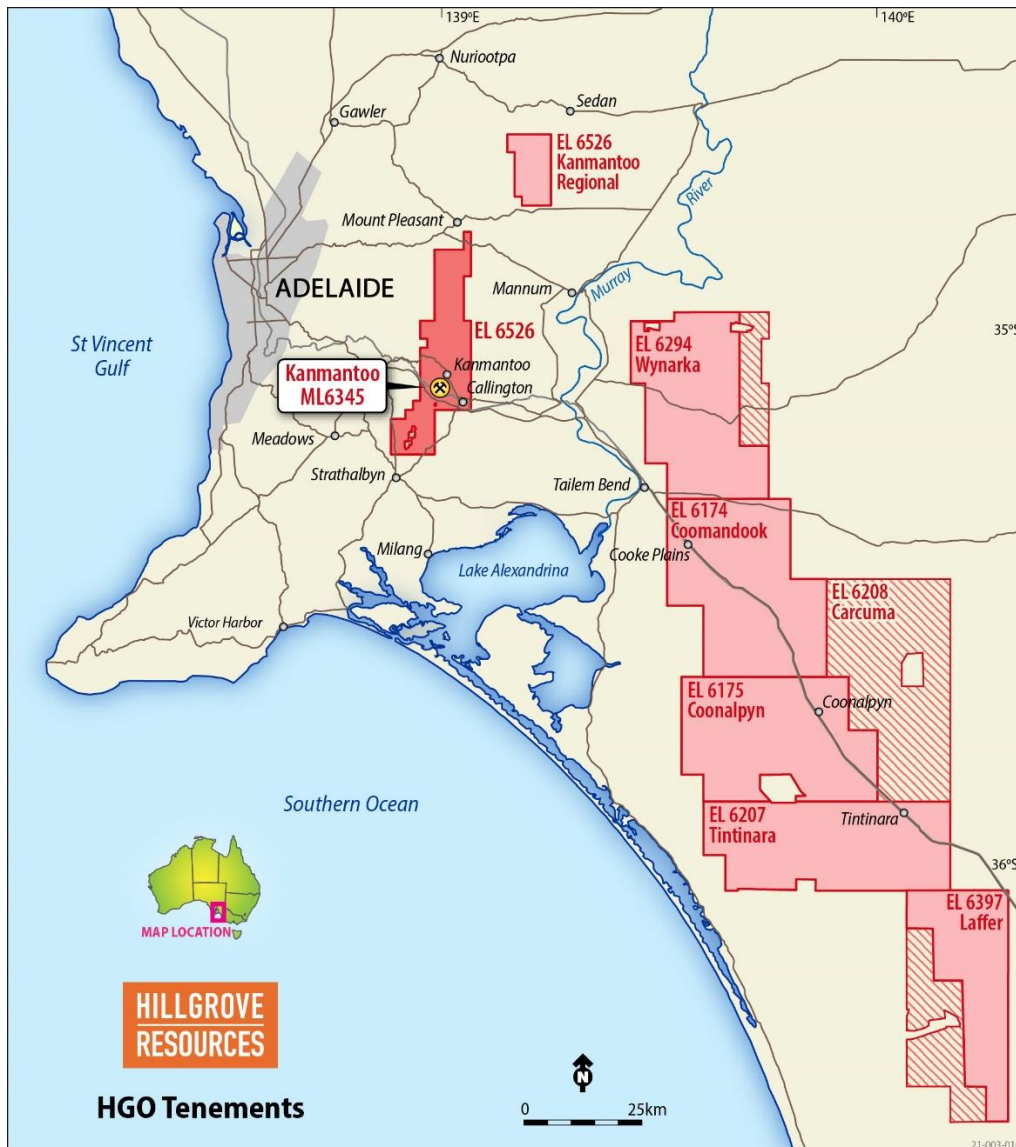


Figure 3: Updated Hillgrove Tenement Areas (relinquished areas illustrated by diagonal red line fill)

The Kanmantoo Province is now being investigated by the Geological Survey of South Australia (GSSA) and MINEX-CRC for its magmatic related copper-gold endowment as a consequence of the discoveries on the Stavely Belt in western Victoria. Geological work by the GSSA has concluded that copper mineralisation within the Kanmantoo Province occurs over four distinct periods from onset of the Delamerian Orogen (early Cambrian) to the close of the Benambran Orogen (mid-Ordovician – the same orogen that resulted in the Macquarie Arc Cu-Au mineralisation of Cadia-Ridgeway renown). This opens up the window of prospectivity of the Kanmantoo Province and in particular the tenement holding of Hillgrove for significant Cu-Au mineralisation.

Continued interpretation of new mineral system models operating within the Kanmantoo Province along with a review of existing data has been a focus for Hillgrove's regional exploration activities.

Competent Persons 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 the 2024 Kanmantoo Mineral Resource Estimate were initially reported by the Company to the ASX on the 18th of October 2024. Further information is available on the Hillgrove Resources website at 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.

CORPORATE INFORMATION

Issued Share Capital at 30 September 2024	
Ordinary shares	2,095,555,567
Unlisted Options	66,000,000
Employee Performance Rights	43,525,000
Share price activity for the Quarter	
High	0.075
Low	0.047
Last (30 September 2024)	0.065

SHARE REGISTRY	REGISTERED OFFICE
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SCHEDULE OF TENEMENTS AS AT 30 SEPTEMBER 2024

Tenement	Location	Percentage
ML 6345	Kanmantoo, South Australia	100%
ML 6436	Kanmantoo, South Australia	100%
EML 6340	Kanmantoo, South Australia	100%
EL 6526	Kanmantoo, South Australia	100%
EL 6174	Coomandook, South Australia	100%
EL 6175	Coonalpyn, South Australia	100%
EL 6207	Tintinara, South Australia	100%
EL 6294	Wynarka, South Australia	100%
EL 6397	Laffer, South Australia	100%

APPENDIX A: List of all drill intercepts in this report

Intercepts in the table below are amalgamated over a minimum down hole length of 1m > 0.4% Cu with a maximum of 5m internal dilution < 0.4% Cu. Or a minimum down hole length of 1m > 0.5g/t Au with a maximum of 1m internal dilution < 0.5g/t Au. No assays were cut before amalgamating the intercept calculation.

Hole ID	Ore Zone Target	Assay Method	Depth From	Depth To	Interval Length	Cu%	Au g/t	Ag g/t
KTDD246	MT Target	4-Acid/ICP-MS	332	334	2	0.83	0.06	3.26
KTDD246	MT Target	4-Acid/ICP-MS	343.5	344.5	1	1.05	0.21	1.54
KTDD246	MT Target	4-Acid/ICP-MS	723	724.6	1.6	0.07	0.53	0.54
KTDD246_W1	MT Target	4-Acid/ICP-MS	NSI					
KTDD246_W2	MT Target	4-Acid/ICP-MS	675	677	2	0	0.37	0.14
KTDD246_W3	MT Target	4-Acid/ICP-MS	NSI					
KTDD247	MT Target	4-Acid/ICP-MS	6.5	10	3.5	0.06	0.55	0.32
KTDD247	MT Target	4-Acid/ICP-MS	250.8	262.5	11.7	0.77	0.08	3.32
KTDD247	MT Target	4-Acid/ICP-MS	429	430	1	0.13	0.52	1.24
KTDD247	MT Target	4-Acid/ICP-MS	434	436.5	2.5	0.84	0.44	2.02
KTDD247	MT Target	4-Acid/ICP-MS	540	541	1	0.09	0.84	0.68

APPENDIX B: List of all Drill Collar details

HOLE_ID	SITE_TYPE	MAX_DEPTH	SURVEY_METHOD	NAT_GRID_ID	EASTING	NORTHING	HEIGHT
KTDD246	DDH	1116.78	DGPS	MGA94_54	318651.919	6115446.092	1170.622
KTDD246_W1	DDH	1080.4	DGPS	MGA94_54	318651.919	6115446.092	1170.622
KTDD246_W2	DDH	1054.6	DGPS	MGA94_54	318651.919	6115446.092	1170.622
KTDD246_W3	DDH	1061.5	DGPS	MGA94_54	318651.919	6115446.092	1170.622
KTDD247	DDH	699.7	DGPS	MGA94_54	318650.5	6115444	1170.672

APPENDIX C: List of all Drill Survey Details

HOLE ID	DEPTH	AZIMUTH	DIP	HOLE ID	DEPTH	AZIMUTH	DIP	HOLE ID	DEPTH	AZIMUTH	DIP	HOLE ID	DEPTH	AZIMUTH	DIP
KTDD246	0	247.78	-85.72	KTDD246 W1	184	263.95	-77.42	KTDD246 W2	370	267.19	-71.69	KTDD246 W3	640	255.04	-58.06
KTDD246	15	247.78	-85.72	KTDD246 W1	196	263.77	-77.07	KTDD246 W2	382	268.07	-71.68	KTDD246 W3	647	256.24	-57.74
KTDD246	27	249.27	-85.34	KTDD246 W1	211	264.11	-76.61	KTDD246 W2	394	267.54	-71.64	KTDD246 W3	654	256.97	-57.12
KTDD246	39	251.41	-84.73	KTDD246 W1	220	265.53	-76.05	KTDD246 W2	406	268.05	-71.62	KTDD246 W3	666	258.27	-56.09
KTDD246	45	250.84	-84.49	KTDD246 W1	232	263.81	-75.14	KTDD246 W2	418	269	-71.49	KTDD246 W3	678	258.81	-55.16
KTDD246	57	249.76	-84.02	KTDD246 W1	244	265.03	-74.04	KTDD246 W2	433	267.42	-71.28	KTDD246 W3	690	260.41	-54.55
KTDD246	69	252.98	-83.44	KTDD246 W1	256	265.59	-73.16	KTDD246 W2	445	266.82	-71.16	KTDD246 W3	702	261.18	-53.78
KTDD246	81	255.56	-82.8	KTDD246 W1	268	265.63	-72.95	KTDD246 W2	457	267.69	-70.96	KTDD246 W3	714	262.1	-53.13
KTDD246	93	256.36	-82.05	KTDD246 W1	274	266.26	-72.79	KTDD246 W2	469	267.5	-70.91	KTDD246 W3	726	262.92	-53.05
KTDD246	105	257.57	-81.58	KTDD246 W1	286	265.95	-72.5	KTDD246 W2	481	267.13	-70.8	KTDD246 W3	738	262.79	-52.47
KTDD246	111	256.85	-81.28	KTDD246 W1	298	266.22	-72.27	KTDD246 W2	493	268.74	-70.58	KTDD246 W3	750	264.06	-51.78
KTDD246	123	259.75	-80.61	KTDD246 W1	310	265.22	-72.08	KTDD246 W2	508	273.1	-70.74	KTDD246 W3	762	265.14	-50.25
KTDD246	135	259.91	-80.05	KTDD246 W1	322	265.7	-71.91	KTDD246 W2	555	298.81	-78.89	KTDD246 W3	774	266.53	-48.77
KTDD246	148	261.84	-79.31	KTDD246 W1	328	266.52	-71.92	KTDD246 W2	567	298.23	-78.36	KTDD246 W3	780	267.53	-48.2
KTDD246	160	261.9	-78.65	KTDD246 W1	334	267.4	-71.91	KTDD246 W2	582	298.13	-78.1	KTDD246 W3	792	269.37	-47.03
KTDD246	172	262.5	-78.05	KTDD246 W1	340	266.09	-71.94	KTDD246 W2	597	297.44	-77.79	KTDD246 W3	804	269.08	-45.96
KTDD246	184	263.95	-77.42	KTDD246 W1	346	266.44	-71.85	KTDD246 W2	609	296.71	-77.28	KTDD246 W3	816	271.07	-44.96
KTDD246	196	263.77	-77.07	KTDD246 W1	358	266.39	-71.85	KTDD246 W2	621	301.41	-75.09	KTDD246 W3	828	270.95	-43.77
KTDD246	211	264.11	-76.61	KTDD246 W1	370	267.19	-71.69	KTDD246 W2	633	300.4	-74.73	KTDD246 W3	840	270.86	-42.73
KTDD246	220	265.53	-76.05	KTDD246 W1	382	268.07	-71.68	KTDD246 W2	649	302.97	-74.72	KTDD246 W3	852	272.17	-42.37
KTDD246	232	263.81	-75.14	KTDD246 W1	394	267.54	-71.64	KTDD246 W2	652	305.99	-74.25	KTDD246 W3	864	271.48	-41.72
KTDD246	244	265.03	-74.04	KTDD246 W1	406	268.05	-71.62	KTDD246 W2	664	306.67	-72.32	KTDD246 W3	876	271.99	-41.06
KTDD246	256	265.59	-73.16	KTDD246 W1	418	269	-71.49	KTDD246 W2	670	305.27	-70.9	KTDD246 W3	888	273.53	-40.62
KTDD246	268	265.63	-72.95	KTDD246 W1	433	267.42	-71.28	KTDD246 W2	673	305.12	-70.89	KTDD246 W3	900	273.79	-40.05
KTDD246	274	266.26	-72.79	KTDD246 W1	445	266.82	-71.16	KTDD246 W2	676	304.05	-69.95	KTDD246 W3	918	273.83	-39.42
KTDD246	286	265.95	-72.5	KTDD246 W1	457	267.69	-70.96	KTDD246 W2	688	304.73	-69.52	KTDD246 W3	930	275.02	-39.12
KTDD246	298	266.22	-72.27	KTDD246 W1	469	267.5	-70.91	KTDD246 W2	700	305.52	-68.76	KTDD246 W3	942	274.55	-38.61
KTDD246	310	265.22	-72.08	KTDD246 W1	481	267.13	-70.8	KTDD246 W2	712	303.84	-67.91	KTDD246 W3	954	274.44	-38.31
KTDD246	322	265.7	-71.91	KTDD246 W1	493	268.74	-70.58	KTDD246 W2	718	302.92	-67.42	KTDD246 W3	966	276.19	-37.98
KTDD246	328	266.52	-71.92	KTDD246 W1	502	268.64	-70.57	KTDD246 W2	724	303.81	-67.95	KTDD246 W3	978	276.05	-37.58
KTDD246	334	267.4	-71.91	KTDD246 W1	526	260.22	-74.98	KTDD246 W2	730	303.45	-66.64	KTDD246 W3	990	276.39	-37.36
KTDD246	340	266.09	-71.94	KTDD246 W1	537	257.01	-76.96	KTDD246 W2	748	302.98	-65.57	KTDD246 W3	1002	276.05	-37.11
KTDD246	370	267.19	-71.69	KTDD246 W1	546	258.42	-76.91	KTDD246 W2	760	301.47	-64.82	KTDD246 W3	1014	277.44	-36.8
KTDD246	382	268.07	-71.68	KTDD246 W1	558	259.85	-76.54	KTDD246 W2	799	302.85	-63.25	KTDD246 W3	1026	278.67	-36.57
KTDD246	394	267.54	-71.64	KTDD246 W1	570	259.34	-76.11	KTDD246 W2	811	302.72	-62.78	KTDD246 W3	1038	278.64	-36.42
KTDD246	406	268.05	-71.62	KTDD246 W1	582	260.09	-75.94	KTDD246 W2	823	302.27	-62.27	KTDD246 W3	1050	279.07	-36.28
KTDD246	418	269	-71.49	KTDD246 W1	594	260.53	-75.76	KTDD246 W2	835	303.02	-61.97	KTDD247	0	273.83	-65.57
KTDD246	433	267.42	-71.28	KTDD246 W1	606	261.31	-75.67	KTDD246 W2	847	303.37	-61.47	KTDD247	6	273.83	-65.57
KTDD246	445	266.82	-71.16	KTDD246 W1	618	261.16	-75.43	KTDD246 W2	859	304.62	-61	KTDD247	12	273.51	-65.19
KTDD246	457	267.69	-70.96	KTDD246 W1	630	261.34	-75.28	KTDD246 W2	871	304.89	-60.39	KTDD247	24	273.41	-64.96
KTDD246	469	267.5	-70.91	KTDD246 W1	648	262.08	-75.2	KTDD246 W2	883	304.88	-60.14	KTDD247	30	273.25	-64.57
KTDD246	481	267.13	-70.8	KTDD246 W1	672	264.84	-73.29	KTDD246 W2	895	304.88	-59.83	KTDD247	42	273.56	-63.87
KTDD246	493	268.74	-70.58	KTDD246 W1	682	266.39	-72.76	KTDD246 W2	907	305.67	-59.49	KTDD247	54	273.27	-63.58
KTDD246	502	268.64	-70.57	KTDD246 W1	693	268.42	-71.7	KTDD246 W2	919	306.47	-58.92	KTDD247	66	273.03	-63.3
KTDD246	514	269.12	-70.22	KTDD246 W1	704	269.18	-71.27	KTDD246 W2	931	305.57	-58.64	KTDD247	78	273.76	-63.04
KTDD246	526	270.22	-70.04	KTDD246 W1	716	270.76	-70.55	KTDD246 W2	949	307.31	-57.9	KTDD247	90	274.66	-62.47
KTDD246	538	269.53	-69.86	KTDD246 W1	728	271.09	-70.06	KTDD246 W2	961	307.39	-57.6	KTDD247	102	274.67	-62.28
KTDD246	550	268.92	-69.64	KTDD246 W1	742	273.09	-69.55	KTDD246 W2	973	306.67	-57.23	KTDD247	114	273.78	-61.71
KTDD246	565	269.51	-69.38	KTDD246 W1	760	273.62	-69.02	KTDD246 W2	985	307.08	-56.82	KTDD247	126	273.06	-61.44
KTDD246	579	264.9	-67.29	KTDD246 W1	772	274.69	-68.64	KTDD246 W2	1003	307.51	-56.12	KTDD247	138	273.49	-61.53
KTDD246	585	265.35	-66.16	KTDD246 W1	784	274.57	-68.3	KTDD246 W2	1015	307.72	-55.75	KTDD247	150	273.08	-61.14
KTDD246	591	265.17	-65.82	KTDD246 W1	796	276.63	-68.15	KTDD246 W2	1027	308.78	-55.34	KTDD247	165	273.84	-60.49
KTDD246	597	265.18	-65.62	KTDD246 W1	808	276.34	-68.06	KTDD246 W2	1039	309.09	-54.51	KTDD247	177	273.2	-59.22
KTDD246	609	265.1	-65.18	KTDD246 W1	817	277.57	-67.96	KTDD246 W3	0	247.78	-85.72	KTDD247	189	273.14	-58.46
KTDD246	621	266.14	-64.62	KTDD246 W1	829	277.25	-67.7	KTDD246 W3	15	247.78	-85.72	KTDD247	201	273.54	-57.9
KTDD246	633	266.48	-64.11	KTDD246 W1	841	279.22	-67.35	KTDD246 W3	27	249.27	-85.34	KTDD247	213	273.55	-57.3
KTDD246	645	267.82	-63.86	KTDD246 W1	853	280	-66.97	KTDD246 W3	39	251.41	-84.73	KTDD247	225	273.9	-56.6
KTDD246	657	266.84	-63.75	KTDD246 W1	865	280.52	-66.86	KTDD246 W3	45	250.84	-84.49	KTDD247	237	274.97	-55.82
KTDD246	669	267.14	-63.31	KTDD246 W1	877	280.89	-66.64	KTDD246 W3	57	249.76	-84.02	KTDD247	249	274.2	-55.28
KTDD246	681	268.12	-62.9	KTDD246 W1	889	281.57	-66.36	KTDD246 W3	69	252.98	-83.44	KTDD247	261	273.39	-54.77
KTDD246	693	268.19	-62.42	KTDD246 W1	901	281.53	-66.31	KTDD246 W3	81	255.56	-82.8	KTDD247	273	273.25	-54.32
KTDD246	705	269.21	-62.21	KTDD246 W1	915	282.25	-66.06	KTDD246 W3	93	256.36	-82.05	KTDD247	285	274.6	-53.88
KTDD246	717	268.73	-61.83	KTDD246 W1	931	282.27	-65.76	KTDD246 W3	105	257.57	-81.58	KTDD247	297	274.42	-53.44
KTDD246	729	269.41	-61.41	KTDD246 W1	945	284.41	-65.28	KTDD246 W3	111	256.85	-81.28	KTDD247	309	273.35	-52.82
KTDD246	741	270	-61.21	KTDD246 W1	963	285.81	-64.95	KTDD246 W3	123	259.75	-80.61	KTDD247	321	273.02	-52.02
KTDD246	753	269.57	-61.07	KTDD246 W1	984	286.28	-64.48	KTDD246 W3	135	259.91	-80.05	KTDD247	333	273.33	-50.99
KTDD246	765	269.26	-60.8	KTDD246 W1	1002	287.04	-64.15	KTDD246 W3	148	261.84	-79.31	KTDD247	345	273.85	-50.26
KTDD246	777	269.16	-60.64	KTDD246 W1	1014	288.13	-64.14	KTDD246 W3	160	261.9	-78.65	KTDD247	357	273.5	-49.91
KTDD246	789	269.99	-60.42	KTDD246 W1	1026	288.11	-64.04	KTDD246 W3	172	262.5	-78.05	KTDD247	369	273.31	-49.54
KTDD246	801	270.55	-60.3	KTDD246 W1	1040	288.28	-63.73	KTDD246 W3	184	263.95	-77.42	KTDD247	381	273.23	-49.05
KTDD246	813	268.75	-60.07	KTDD246 W1	1052	289.64	-63.52	KTDD246 W3	196	263.77	-77.07	KTDD247	393	273.47	-48.1
KTDD246	825	271.23	-59.63	KTDD246 W1	1064	289.81	-63.32	KTDD246 W3	211	264.11	-76.61	KTDD247	405	274.72	-47
KTDD246	837	271.94	-59.31	KTDD246 W1	1075	291.1	-63.32	KTDD246 W3	220	265.53	-76.05	KTDD247	417	274.44	-45.72
KTDD246	849	272.65	-59.05	KTDD246 W2	0	247.78	-85.72	KTDD246 W3	232	263.81	-75.14	KTDD247	429	276.7	-44.24

APPENDIX C: JORC (2012) Table 1

Section 1 Sampling Techniques and Data

Criteria	Commentary
<i>Sampling techniques</i>	- The Diamond Drill Hole (DDH) sampling was conducted as per the Hillgrove Resources 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.
<i>Drilling techniques</i>	All drilling undertaken by external drilling contractor, DRC Drilling. Using HQ for collars to a maximum of 507m downhole and NQ drilling thereafter for all drilling holes. NQ Core size is 47.6mm in diameter.
<i>Drill sample recovery</i>	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.
<i>Logging</i>	- 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 Geobank for Field Teams (a database product from Micromine) 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.
<i>Sub-sampling techniques and sample preparation</i>	- 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, to minimise contamination, and to maintain sample numbering integrity.
<i>Quality of assay data and laboratory tests</i>	- 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) were inserted into the sample sequence at a frequency of one in 20. A number of OREAS standards have been utilised with the OREAS 924 dominantly used to provide a CRM Standard for copper

with a grade of 0.512% Cu. Laboratory CRM Standard's GLG912-5 (0.22 g/t Au), OREAS 242 (8.67 g/t Au), and 243 (0.017% Cu) were inserted into the analysis sequence at a frequency of one in 40 for Cu and one in 80 Au analysis. These CRM standards are relevant for the expected cutoff grades used for resource estimates across the Kanmantoo deposit.

- 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.

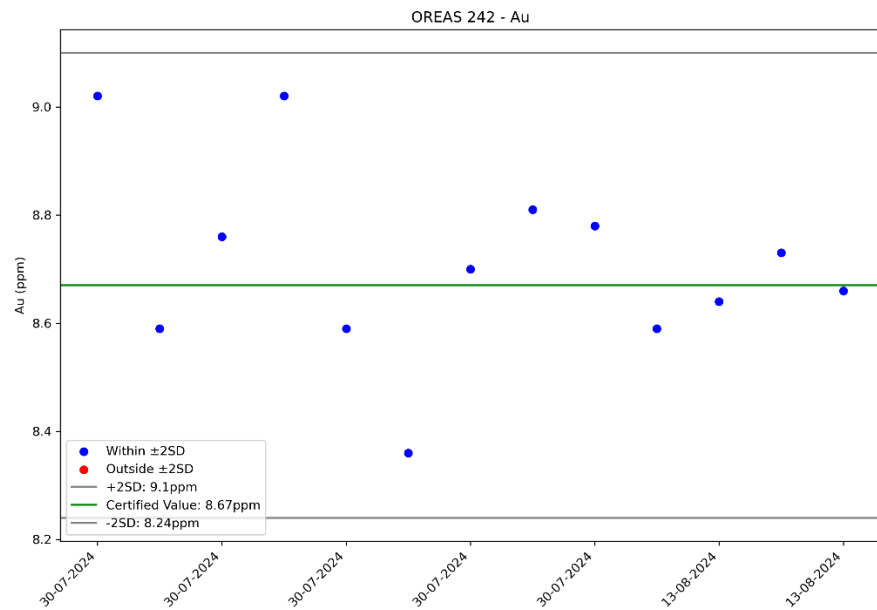


Figure 1: OREAS 242 - Au

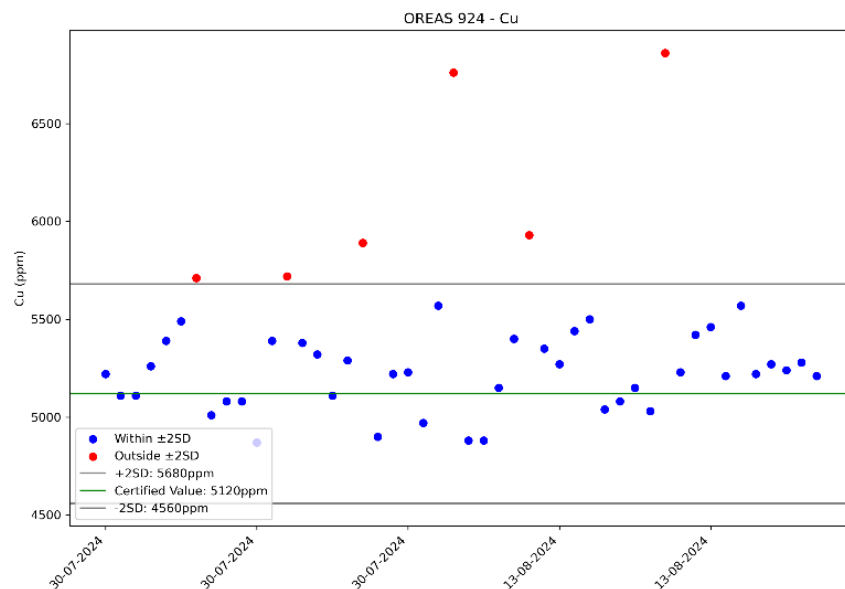


Figure 2: OREAS 924 - Cu

- Laboratory inserted QAQC samples were inserted with a minimum of two standards and one blank for every batch of 40 samples for Cu and one in 80 Au analysis.
- Quartz flushes are introduced to the bowl pulverisers after each sample interval.

Criteria	Commentary
	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.
<i>Verification of sampling and assaying</i>	Sample data sheets are prepared in Geobank: Field Team 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 Geobank. 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.
<i>Location of data points</i>	- 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 12m intervals and recorded in True North. All holes were repeat surveyed for verification.
<i>Data spacing and distribution</i>	See Appendix B + C and Figures 1 in the body of the text for drill hole locations.
<i>Orientation of data in relation to geological structure</i>	- All holes are angled drill holes, dipping between -86 to -32deg through the mineralised zone. All holes are oriented towards 247-290deg (True North). - Dominant mineralisation trends as measured from in-pit mapping are strike 015deg and dip -75deg which is the expected orientation of the target.
<i>Sample security</i>	- 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.
<i>Audits or reviews</i>	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

Criteria	Commentary
	2008 and were considered to be of a very high standard.

Section 2 Reporting of Exploration Results

Criteria	Commentary
<i>Mineral tenement and land tenure status</i>	- The Drill target is located on Exploration Lease EL 6526 which directly surrounds the Kanmantoo Cu-Au mine is situated on Mining Lease ML6345 and is owned 100% by Hillgrove Resources Limited (HGO). - HGO owns the land covered by the Mining Lease.
<i>Exploration done by other parties</i>	Hillgrove Resources commenced exploration drilling in 2004 and since then has completed a number of exploration sampling, geophysical and mapping campaigns which have resulted in defining the drill targets.
<i>Geology</i>	Mineralisation occurs as an epigenetic 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 re-activated.
<i>Drill hole Information</i>	Drill collars, surveys, intercepts are reported in the body of this release.
<i>Data aggregation methods</i>	Intercepts are amalgamated over a minimum down hole length of 1m > 0.4% Cu with a maximum of 5m internal dilution < 0.4% Cu. Or a minimum down hole length of 1m > 0.5g/t Au with a maximum of 1m internal dilution < 0.5g/t Au. No assays were cut before amalgamating the intercept calculation.
<i>Mineralisation widths</i>	Table of downhole mineralised intercepts is reported in appendix A of this release.
<i>Diagrams</i>	Diagrams that are relevant to this release have been included in the body of the release.
<i>Balanced reporting</i>	All drill holes have been reported.
<i>Other exploration data</i>	Insitu rock density has been measured by wet immersion method. The results indicate that the default bulk rock density of 3.1t/m³ as used at the Kavanagh mine site is still a reasonable representation of bulk density for all mineralisation.
<i>Further work</i>	Geological interpretation of the geology and assays to estimate a resource suitable for underground evaluation studies.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Hillgrove Resources Limited

ABN

73 004 297 116

Quarter ended ("current quarter")

30 September 2024

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	36,611	74,354
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	(14,414)	(43,307)
	(d) staff costs	(5,601)	(16,208)
	(e) administration and corporate costs	(944)	(2,507)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	8	61
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (GST)	3,216	8,158
1.9	Net cash from / (used in) operating activities	18,876	20,551

2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(15,858)	(27,746)
	(d) exploration & evaluation	(1,342)	(2,013)
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	200
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(17,200)	(29,559)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	10,287
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(589)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (payment of lease liabilities)	(1,353)	(3,179)
3.10	Net cash from / (used in) financing activities	(1,353)	6,518

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	7,427	10,240
4.2	Net cash from / (used in) operating activities (item 1.9 above)	18,876	20,551
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(17,200)	(29,559)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(1,353)	6,518

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	7,750	7,750

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	7,750	7,427
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	7,750	7,427

6. Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1 Aggregate amount of payments to related parties and their associates included in item 1	253
6.2 Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

The amount in item 6.1 comprises executive director salaries and non executive director fees during the quarter.

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	18,876
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(1,342)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	17,534
8.4	Cash and cash equivalents at quarter end (item 4.6)	7,750
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	7,750
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	N/A
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>		
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	N/A	
8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	N/A	

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Yes.

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

23 October 2024

Date:

By the Board

Authorised by:
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.