



Korvest Sell Down

Hills Holdings Limited (ASX: "HIL") today announced it has sold down its entire 47.8% interest in Korvest Limited (ASX: KOV) at \$6.50 per share to a variety of institutional as well as professional and sophisticated investors. The price is at a 7% discount to the 3 month VWAP.

Hills will derive net proceeds of approximately \$26m from the sale.

Consistent with Hills' announcement at its Annual General Meeting in November 2012, the Company is reviewing its other Legacy Steel Assets, Fielders and Orrcon. Lazard has been retained by Hills to advise the Company on the Group's options, which may include the sale, joint venture and/or restructure of these Legacy Steel Assets.

Hills' intends to use the net proceeds of the Korvest sell down to reduce existing debt levels, which in turn will provide the Company with greater flexibility for capital management and acquisitions.

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