ASX RELEASE

HILLGROVE RESOURCES

Tuesday, 30 April 2024

Notice of Annual General Meeting

Hillgrove Resources Limited (**Hillgrove**) is pleased to attach a copy of the following documents in relation to the Annual General Meeting of Shareholders to be held on Friday, 31 May 2024 at 9:30am (ACST):

- Letter to Shareholders regarding arrangements for the Annual General Meeting as despatched to Shareholders;
- Notice of Annual General Meeting; and
- Proxy Form.

Authorised for release by the Board of Hillgrove Resources Limited.

Regards,

Joe Sutanto
Chief Financial Officer & Company Secretary
Hillgrove Resources Limited

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HILLGROVE RESOURCES

Tuesday, 30 April 2024

Dear Shareholder

I am pleased to invite you to the Annual General Meeting of the Company's Shareholders (**Meeting**) to be held at Adelaide Town Hall, David Spence Room, 128 King William Street, Adelaide, SA, 5000 at 9:30am (ACDT) on Friday 31 May 2024.

A notice of meeting was released to the ASX on 30 April 2024 in respect of the Meeting of the Company's Shareholders.

In accordance with Treasury Laws Amendments (2022 Measures No. 1) Act 2021, the Company will not be sending hard copies of the Notice of Meeting to shareholders. The Notice of Meeting can be viewed and downloaded from www.hillgroveresources.com.au. Alternatively, a complete copy of the meeting documents has been posted to the Company's ASX market announcements page. If you have elected to receive notices by email, a communication will be sent to your nominated email address. If you have not elected to receive notices by email, a copy of your proxy form will be posted to you, together with this Letter.

For further information, please contact the Company Secretary by telephone on +61 8 7070 1698 or by email at info@hillgroveresources.com.au

Authorised for release by the Board of Hillgrove Resources Limited.

Regards,

Joe Sutanto
Chief Financial Officer & Company Secretary
Hillgrove Resources Limited

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HILLGROVE RESOURCES LIMITED

ACN 004 297 116

Notice of Annual General Meeting

and

Related Documentation

NOTICE OF ANNUAL GENERAL MEETING TO BE HELD AT 9:30AM (ACST)
ON FRIDAY, 31 MAY 2024 IS INCLUDED WITH THESE DOCUMENTS.

TO BE VALID, FORMS OF PROXY FOR USE AT THIS MEETING MUST BE
COMPLETED AND RETURNED TO THE COMPANY NO LATER THAN
9.30AM (ACST) ON WEDNESDAY, 29 MAY 2024.

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PART A: ABOUT THESE DOCUMENTS

Shareholders in Hillgrove Resources Limited ABN 73 004 297 116 (**Company**) are requested to consider and vote upon each of the Resolutions set out in the Notice.

You can vote by:

- attending and voting at the Meeting;
- appointing someone as your proxy to attend and vote at the Meeting on your behalf, by completing and returning the Proxy Form to the Company or its share registry in the manner set out on the Proxy Form. The Company or its share registry must receive your duly completed Proxy Form by no later than **9:30am** (ACST) on **Wednesday, 29 May 2024; or**
- if the Shareholder is a body corporate, appoint a corporate representative to attend and vote at the Meeting on behalf of the Shareholder, by providing the Company with evidence of the representative's appointment, including the authority under which it is signed, by no later than **9:30am (ACST)** on **Wednesday, 29 May 2024** (unless such evidence has already been provided to the Company, in which case no further action is required to allow the corporate representative to vote on behalf of the Shareholder at the Meeting).

A glossary of the key terms used throughout this Document (including the Proxy Form) is contained in **Part E** of this Document.

Please read the whole of this Document carefully, determine how you wish to vote and then cast your vote.

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30 April 2024

Dear Shareholder

I am pleased to invite you to attend our Annual General Meeting, being held at the Adelaide Town Hall, David Spence Room, 128 King William Street, Adelaide, SA, 5000 on Friday, 31 May 2024 at 9:30am (ACST). Enclosed with this letter is the Notice of Meeting which details the items of business to be dealt with.

If you are unable to join us, you are encouraged to complete the enclosed Proxy Form. The signed Proxy Form should be returned as instructed in the Notice of Meeting by no later than 9:30am (ACST), Wednesday, 29 May 2024. For details regarding voting by proxy, please refer to the Notice of Meeting and instructions on the back of the Proxy Form. If you plan to attend the Meeting, please bring your Proxy Form with you to facilitate registration.

Shareholders who did not elect to receive a copy of the Company's annual report by mail are able to access it via our website, at www.hillgroveresources.com.au, by clicking on the link via the Investor section. Please remember you can update your communications preferences and holding details by contacting our registry, Boardroom Pty Limited, at enquiries@boardroomlimited.com.au or on 1300 737 760.

Your vote is important and we encourage you to either attend the Meeting in person or complete the Proxy Form and return it in accordance with the directions provided.

Yours faithfully

Joe Sutanto
Company Secretary

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Hillgrove Resources Limited ACN 004 297 116
Ground Floor, 5-7 King William Road, Unley SA 5061, Australia | **T** + 61 8 7070 1698 | **E** info@hillgroveresources.com.au

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PART C: NOTICE OF ANNUAL GENERAL MEETING

HILLGROVE RESOURCES LIMITED
(ACN 004 297 116)

Notice is hereby given that the annual general meeting of the members of Hillgrove Resources Limited (ACN 004 297 116) (**Company**) will be held at the place, date and time set out in Section 1 below and for the purpose of considering and voting upon the Resolutions set out in Section 2.

SECTION 1: TIME AND PLACE OF MEETING

Venue

The annual general meeting of members of the Company will be held at:

Adelaide Town Hall,
David Spence Room,
128 King William Street,
Adelaide, SA, 5000.

Time and Date

The meeting will commence at **9:30am (ACST) on Friday, 31 May 2024.**

How to Vote

You may vote by attending the Meeting, by proxy or authorised representative.

Voting in Person

To vote in person, please attend the Meeting on the date, time and place set out above.

Voting by Proxy

To vote by proxy, please complete and sign the Proxy Form enclosed with this Document as soon as possible and **either** send, deliver, courier or mail the duly completed Proxy Form:

- online at https://www.votingonline.com.au/hgoagm2024
- by facsimile to Boardroom Pty Limited on facsimile number +61 (02) 9290 9655;
- deliver to Boardroom Pty Limited at Level 8, 210 George Street, Sydney NSW 2000, Australia; or
- mail to Boardroom Pty Limited at GPO Box 3993, Sydney NSW 2001, Australia.

so that it is received no later than **9:30am (ACST) on Wednesday, 29 May 2024**.

Details on how to vote by proxy are set out on the back of your Proxy Form.

Please read this Document carefully and in its entirety, determine how you wish to vote in relation to each of the Resolutions and then cast your vote accordingly. If you do not understand any part of this Document, or are in any doubt as to the course of action you should follow, you should contact your financial or other professional adviser immediately.

Determination of Membership and Voting Entitlement for the Purpose of the Meeting

For the purpose of determining a person's entitlement to vote at the Meeting and in accordance with regulation 7.11.37 of the Corporations Regulations 2001 (Cth), a person will be recognised as a member and the holder of Shares if that person is registered as a holder of Shares at **6:30pm (ACST) on Wednesday, 29 May 2024.**

Voting Exclusion Statement

In accordance with the Corporations Act and the Listing Rules, the Company will disregard any votes cast in favour of the following Resolutions by or on behalf of:

Resolution	Excluded Voters
1	All Directors, other Key Management Personnel and their respective associates or any other closely related party (other than by means of a directed proxy)
2	None
3	None
4	A person who is eligible to participate in the Company's Option and Performance Rights Plan, and any associate of those persons
5	A person referred to in ASX Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme in question including Lachlan Wallace and any associate of Lachlan Wallace
6	Roger Higgins, and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company), and any associate of those persons
7	A person who participated in the issue or is a counterparty to the agreement being approved, and any associate of those persons
8	Freepoint Metals & Concentrates LLC, being a person who participated in the issue or is a counterparty to the agreement being approved, and any associate of Freepoint Metals & Concentrates LLC
9	Canaccord Genuity (Australia) Limited, being a person who participated in the issue or is a counterparty to the agreement being approved, and any associate of Canaccord Genuity (Australia) Limited

However, the Company need not disregard a vote cast in favour of Resolution 1, 4, 5, 6, 7, 8, 9 if it is cast by:

(a) a person as proxy or attorney for a person who is entitled to vote, in accordance with the directions given to the proxy or attorney to vote on the resolution in that way; or

(b) the person chairing the meeting as a proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or

(c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

- the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
- the holder votes on the resolution in accordance with the directions given by the beneficiary to the holder to vote in that way.

Proxies

A Shareholder, entitled to attend and vote at this Meeting pursuant to the Constitution, is entitled to appoint no more than two proxies. Where more than one proxy is appointed, each proxy may be appointed to represent a specific proportion of the member's voting rights. A proxy need not be a Shareholder. Any instrument of proxy deposited or received by the Company in which the name of the appointee is not filled in shall be deemed to be given in the favour of the Chair of the Meeting.

The instrument appointing a proxy must be lodged, and any power of attorney or an office copy of a certified copy thereof under which an attorney for a member appoints a proxy, must be lodged by no later than **9:30am (ACST)** on **Wednesday, 29 May 2024** in accordance with the instructions provided in the Proxy Form.

The instrument appointing a proxy shall be in writing under the hand of the appointor or of his/her attorney or if such appointor is a corporation, under the hand of its attorney or the hand of a person duly authorised by the corporation. The Proxy Form which accompanies this Notice may be used.

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Corporate Representatives

A body corporate that is a Shareholder, or that has been appointed as a proxy by a Shareholder, may appoint an individual as a representative to exercise all or any of the powers the body corporate may exercise at the Meeting. The appointment may be a standing one.

Unless otherwise specified in the appointment, the representative may exercise, on the body corporate's behalf, all of the powers that the body could exercise at the Meeting or in voting on a resolution. Evidence of the representative's appointment, including the authority under which it is signed, must be produced to the Company by no later than **9:30am (ACST)** on **Wednesday, 29 May 2024** unless these documents have previously been provided to the Company.

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SECTION 2: RESOLUTIONS OF ANNUAL GENERAL MEETING BUSINESS

ACCOUNTS

To receive and consider the Company's financial statements for the 12 months ended 31 December 2023 and the related reports of the Directors and auditor.

1. REMUNERATION REPORT

The Remuneration Report is in the Directors' Report section of the Company's 2023 Annual Report. In accordance with section 250R(2) of the Corporations Act, listed companies are required to submit the Remuneration Report to a vote for adoption at the Company's Annual General Meeting. In accordance with section 250R(3) of the Corporations Act, the resolution will be determined as an ordinary resolution but is advisory only and does not bind the Directors or the Company.

To consider and, if thought fit, to pass, with or without amendment, the following motion:

Resolution 1 – Remuneration Report

"That, for the purposes of section 250R(2) of the Corporations Act, the Remuneration Report in the 2023 Annual Report of the Company be adopted."

For a detailed discussion of the circumstances material to a consideration of Resolution 1, please read Part D, Resolution 1 below.

2. ELECTION OF DIRECTOR

In accordance with Article 59.2 of the Constitution and Listing Rule 14.4, Roger Higgins who has been casually appointed as a Director after the Company's last annual general meeting, retires effective at the conclusion of this Meeting, and being eligible, offers himself for election.

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

Resolution 2 – Election of Director

"That Roger Higgins is elected as a director of the Company."

For a detailed discussion of the circumstances material to a consideration of Resolution 2, please read Part D, Item 2 below.

3. RE-ELECTION OF DIRECTOR

In accordance with Article 60.1 of the Constitution and Listing Rule 14.5, Derek Carter retires by rotation, effective at the conclusion of the Meeting, and being eligible, offers himself for re-election.

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

Resolution 3 – Re-election of Director Retiring By Rotation

"That Derek Carter is re-elected as a director of the Company."

For a detailed discussion of the circumstances material to a consideration of Resolution 3, please read Part D, Resolution 3 below.

4. ADOPTION OF ISSUE OF SECURITIES UNDER THE OPTION AND PERFORMANCE RIGHTS PLAN (OPRP)

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

Resolution 4 – Adoption of issue of securities under the Option and Performance Rights Plan (OPRP):

"That for the purposes of Listing Rule 7.2, Exception 13(b) and for all other purposes, the Shareholders approve the issue of Options and Performance Rights under the Option and

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Performance Rights Plan as an exception to Listing Rule 7.1, as described in the Explanatory Memorandum."

For a detailed discussion of the circumstances material to a consideration of Resolution 4, please read Part D, Item 4 below.

5. APPROVAL OF MANAGING DIRECTOR'S LONG TERM INCENTIVE

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

Resolution 5 – Approval of Managing Director's Long Term Incentive

"That, for the purpose of ASX Listing Rule 10.14 and for all other purposes, the Shareholders approve the proposed issue by the Company to Lachlan Wallace of 7,250,000 Performance Rights which once issued and as more particularly described in Part D of this document, will entitle Lachlan Wallace to be issued with an equal number of Shares, upon and subject to the satisfaction of specific criteria as set out in the Explanatory Statement."

For a detailed discussion of the circumstances material to a consideration of Resolution 5, please read Part D, Resolution 5 below.

6. APPROVAL FOR THE ISSUE OF OPTIONS TO ROGER HIGGINS

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

Resolution 6 – Approval for the Issue of Options to Roger Higgins

"That for the purposes of Listing Rule 10.11 and for all other purposes, the Shareholders approve the issue by the Company of 7,000,000 Options to Roger Higgins (or his nominee) on the terms and conditions as set out in the Explanatory Statement."

For a detailed discussion of the circumstances material to a consideration of Resolution 6, please read Part D, Item 6 below.

7. RATIFICATION OF PREVIOUS ISSUE OF SHARES UNDER A PLACEMENT

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

Resolution 7 – Ratification of Previous Issue of Shares under a Placement

"That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, the issue and allotment by the Company of 133,376,994 Shares on Friday, 1 March 2024 under a Placement to professional and sophisticated investors, on the terms and conditions set out in the Explanatory Statement, is approved and ratified."

For a detailed discussion of the circumstances material to a consideration of Resolution 7, please read Part D, Resolution 7 below.

8. RATIFICATION OF PREVIOUS ISSUE OF SHARES TO FREEPOINT UNDER A PLACEMENT

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

Resolution 8 – Ratification of Previous Issue of Shares to Freepoint under a Placement

"That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, the issue and allotment by the Company of 36,267,251 Shares on Wednesday, 27 March 2024 under a Placement to Freepoint Metals & Concentrates LLC or its nominee, on the terms and conditions set out in the Explanatory Statement, is approved and ratified."

For a detailed discussion of the circumstances material to a consideration of Resolution 8, please read Part D, Resolution 8 below.

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9. RATIFICATION OF PREVIOUS ISSUE OF OPTIONS UNDER A MANDATE

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

Resolution 9 – Ratification of Previous Issue of Options Under a Mandate

> *"That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, the issue and allotment by the Company of 10,000,000 Canaccord Options to Canaccord Genuity (Australia) Limited on Friday, 1 March 2024, on the terms and conditions set out in the Explanatory Statement, is approved and ratified."*

For a detailed discussion of the circumstances material to a consideration of Resolution 9, please read Part D, Resolution 9 below.

10. OTHER BUSINESS

To transact any other business as may be brought before the Meeting.

By order of the Board

Joe Sutanto
Company Secretary
Dated: 30 April 2024

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PART D: EXPLANATORY STATEMENT

This Explanatory Statement is included in and forms part of the Notice of Meeting. It contains an explanation of, and information about, the Resolutions to be considered at the Meeting. It is given to Shareholders to help them determine how to vote on the Resolutions set out in the accompanying Notice of Meeting.

Shareholders should read this Explanatory Statement in full as individual sections do not necessarily give a comprehensive review of the Resolutions contemplated in this Explanatory Statement.

If you are in doubt about what to do in relation to a Resolution, you should consult your financial or other professional advisor.

Accounts

The Company's Financial Report for the 12 month period ended 31 December 2023 is set out in the Annual Report. In accordance with the Corporations Act, Shareholders will be given a reasonable opportunity at the Meeting to ask questions and make comments on the financial report and on the business and management of the Company.

During the discussion of this item, the Company's auditor will be present and will answer qualifying questions.

Written questions for the auditor

If you would like to submit a written question to the Company's auditor, please post your question to the Company Secretary. Written questions must relate to the content of the auditor's report or the conduct of the audit to be considered at the Meeting. A list of qualifying questions will be made available at the Meeting.

Please note that all questions must be received at least four business days before the date of the Meeting, that is, by no later than 9.30am (ACST) on Monday, 27 May 2024.

Resolution 1 – Remuneration Report

The Remuneration Report is in the Directors' Report section of the Company's 2023 Annual Report. Listed companies are required to submit the Remuneration Report to a vote for adoption at the Meeting. The resolution will be determined as an ordinary resolution but is advisory only and does not bind the Directors or the Company.

However, if at least 25% of the votes cast are against adoption of the Remuneration Report at two consecutive annual general meetings, the Company will be required to put a resolution to the second Annual General Meeting (**Spill Resolution**), to approve calling a general meeting (**Spill Meeting**).

If more than 50% of the votes by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative) vote in favour of the Spill Resolution, the Company must convene the Spill Meeting within 90 days of the second AGM. All of the Directors who were in office when the Company's Directors' Report was approved, other than the Managing Director of the Company, will cease to hold office immediately before the end of the Spill Meeting, but may stand for re-election at the Spill Meeting. Following the Spill Meeting, those persons whose election or re-election as a Director is approved will be the Directors of the Company.

At the Company's 2023 Annual General Meeting, the adoption of the Remuneration Report was carried on a proxy vote, and in excess of 75% of the votes cast were in favour of Resolution 1.

The Remuneration Report sets out the Company's remuneration arrangements for the Directors and key management personnel of the Company. The Remuneration Report is part of the Directors' Report contained in the Annual Financial Report of the Company for the 12 month period ending 31 December 2023 which is also available on the Company's website at www.hillgroveresources.com.au.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the Meeting.

The Directors **recommend** that Shareholders vote **in favour** of Resolution 1.

The Chair intends to vote undirected proxies in favour of Resolution 1.

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Resolution 2 – Election of Roger Higgins as Director

Mr Higgins has over 50 years of experience in the resources industries, including being a former Managing Director of Ok Tedi Mining Limited in Papua New Guinea and Senior Vice President Copper at Canadian metals and mining company Teck Resources Limited. He was also Vice President and Chief Operating Officer with BHP Base Metals (Australia) and held senior operations and project positions with BHP in Chile. He is an Adjunct Professor with the Sustainable Minerals Institute, University of Queensland. Roger is currently a Non Executive Director of Worley Limited. He was also recently the Chairman of both Minotaur and Demetallica Limited and a Non Executive Director of Newcrest Mining Limited.

The Company confirms that appropriate checks into Mr Higgins' background and experience were carried out prior to his appointment with no information of concern raised during the recruitment process. In addition, Mr Higgins has no known interest, position or relationship that will influence or be reasonably perceived to influence his capacity to bring an independent judgement to bear on issues before the board and to act in the best interests of the Company as a whole rather than in the interests of an individual shareholder or other party.

Having regard to the ASX Principles, the Board considers Mr Higgins to be an independent director.

The Directors (with Mr Higgins abstaining) **recommend** that Shareholders vote **in favour** of Resolution 2.

The chair intends to vote undirected proxies in favour of Resolution 2.

Resolution 3 – Re-election of Derek Carter as Director

Mr Carter has over 50 years experience in exploration and mining geology and management. He held senior positions in Burmine Ltd and the Shell Group of Companies where he was responsible for discovering the Los Santos tungsten deposit in Spain, before founding Minotaur Gold NL in 1993. He resigned as Chairman of Minotaur Exploration Ltd in November 2016. Derek was awarded AMEC's Prospector of the Year Award (jointly) in 2003 for the discovery of the Prominent Hill copper-gold deposit, the AusIMM President's Award and is a Centenary Medallist. Derek is currently the Chairman of Petratherm Limited (ASX: PTR).

Mr Carter was appointed as a non-executive Director of the Company on 7 May 2021, was subsequently re-elected on 20 May 2022, and is considered to be an independent Director.

With his vast skills, expertise, and experience complementing the existing Board, the Directors (with Mr Carter abstaining) **recommend** that Shareholders re-elect Derek Carter as Director and vote **in favour** of Resolution 3.

The Chair intends to vote undirected proxies in favour of Resolution 3.

Resolution 4 – Approval of issue of securities under the Options and Performance Rights Plan (OPRP)

Background

The Board has adopted the OPRP to enable the Company to issue Options or Performance Rights (and Shares on exercise of Options or conversion of Performance Rights) to eligible participants, being eligible invited executives of the Hillgrove group of companies as approved by the Board.

The objective of the OPRP is to attract, motivate and retain key employees and it is considered by the Company that the future issues of securities under the plan will provide selected employees with the opportunity to participate in the future growth of the Company.

A material summary of the OPRP is set out in in **Schedule 2.**

Regulatory Requirements

Shareholder approval is not required under the Corporations Act or the Listing Rules for the operation of the Employee Incentive Plan. However, Shareholder approval is being sought to allow the Company to rely on an exception to the calculation of the placement limits imposed by Listing Rules 7.1 and 7.1A on the number of securities that may be issued without shareholder approval. Listing Rule 7.2 exception 13(b) provides that Listing Rules 7.1 and 7.1A do not apply to an issue of securities under an employee incentive scheme that has been approved by shareholders, where the issue of securities is within 3 years from the date of shareholder approval of the issue of securities under the employee incentive scheme.

A summary of the key terms of the OPRP is shown in **Schedule 2**. Since the OPRP was last approved at the Annual General Meeting in 2021, 14,000,000 Options and 65,241,841 Performance Rights have been issued

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under the plan. A maximum of 104,677,778 securities would be available to be issued under the plan if approved by Shareholders, determined as 5% of the ordinary shares on issue as at 30 April 2024.

The passing of Resolution 4 will allow the Company to issue securities for the benefit of participants of the OPRP whilst preserving the Company's placement limits for issuing securities, and provide flexibility in the manner in which the OPRP is managed.

If Resolution 4 is not passed, the Company may still issue securities to key personnel other than Directors on the terms set out in Schedule 2, however those issues will count towards the Company's 15% placement capacity under Listing Rule 7.1.

The Directors **recommend** that Shareholders vote **in favour** of Resolution 4.

The chair intends to vote undirected proxies in favour of Resolution 4.

Resolution 5 – Approval of Managing Director's Long Term Incentive

Background

As part of Mr Wallace's employment contract, and used by the Company as a retention and incentive mechanism linked to the performance of the Company, Mr Wallace is entitled to long term incentives.

Performance Rights to be issued

The Board proposes to issue Lachlan Wallace, the Managing Director and Chief Executive Officer of the Company 7,250,000 Performance Rights, by offering Mr Wallace participation in the OPRP. It is anticipated these will be issued on or around 1 July 2024.

Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

(a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and

(b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in section 210 to 216 of the Corporations Act.

The grant of the Performance Rights constitutes giving a financial benefit and Mr Wallace is a related party of the Company by virtue of being a Director.

The Directors consider that shareholder approval pursuant to Chapter 2E of the Corporations Act is not required because the grant of the Performance Rights is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis.

Requirements for approval

Shareholder approval of the participation of Mr Wallace in the OPRP and his acquisition of Performance Rights as detailed above and of Shares on vesting of those Performance Rights is sought for all purposes under the Listing Rules, including Listing Rule 10.14.

ASX Listing Rule 10.14

Under ASX Listing Rule 10.14, an entity must not issue securities to a related party (such as a Director or a company controlled by a Director) under an employee incentive scheme without the approval of Shareholders. Accordingly, approval of Shareholders is sought for the purpose of ASX Listing Rule 10.14 to enable the Company to make grants of Performance Rights, and subsequently issue or transfer Shares, to Mr Wallace. As approval will be given under ASX Listing Rule 10.14, no approval is required under ASX Listing Rule 7.1.

For the purposes of ASX Listing Rule 10.15, the following information is provided:

- The Performance Rights will be issued to Mr Wallace.
- Mr Wallace is a Director of the Company for the purposes of ASX Listing Rule 10.14.1.

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- 7,250,000 Performance Rights are proposed to be issued.
- 10,000,000 Performance Rights have previously been issued to Mr Wallace under the OPRP, for no cash consideration.
- The Performance Rights will be granted to Mr Wallace on or around 1 July 2024, and in any event not later than 31 May 2027 (i.e. 3 years from the date of the Meeting).
- The Performance Rights will be issued for no cash consideration and accordingly, no funds will be raised.
- There are no loans relating to the issue or exercise of any Performance Rights or the acquisition of any Shares under the OPRP.
- Details of any securities, including Performance Rights, granted under the OPRP will be disclosed in the Company's annual report relating to the period in which those securities have been issued, and that approval for the issue of those securities was obtained under ASX Listing Rule 10.14. Any additional persons covered by ASX Listing Rule 10.14 who become entitled to participate in an issue of securities under the scheme after the resolution is approved and who were not named in this notice of meeting will not participate until approval is obtained.
- In accordance with Listing Rule 10.15.12, the Company will disregard any votes cast in favour of Resolution 5 by a person referred to in ASX Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme in question (i.e. the OPRP), including Lachlan Wallace and any associate of Lachlan Wallace.
- A summary of the terms and conditions of the Performance Rights are set out in **Schedule 1**.

Assessed value of the benefit

The value of the Performance Rights has been assessed by an independent valuer.

The values attributable are based on variables determined at the date of valuation and are indicative only. The Company will prepare and report a valuation based on actual variables at the date of issue, if approved and granted.

The input variables applied in the model by the independent valuer for the purposes of the indicative valuation are as follows:

Detail	Description
Number of Performance Rights	7,250,000
Exercise Price	Nil
Measurement Price	14.0 cents
Price Calculation Methodology	10 Day Volume Weighted Average Price (**VWAP**)*
Start of Testing Date	1 March 2026
First Exercise Date	1 March 2027
Last Exercise Date	30 March 2028
Valuation	$261,000
LTI Entitlement (Employment Contract)	50.0%
LTI Received (Proposed)	49.7%

* VWAP is calculated as the volume weighted average market price for securities in that class, calculated over the 10 trading days on which trades in that class were recorded immediately before the date of calculation.

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Performance rights valuation and link to Mr Wallace's total fixed remuneration

The valuation of the proposed long term incentive invitation represents a value equal to approximately 49.7% of Mr Wallace's Total Fixed Remuneration of $525,000 (which, for the avoidance of doubt, is the only component of Mr Wallace's Total Fixed Remuneration) for the period between 1 January 2024 and 31 December 2024 that these incentives relate to. In addition, Short Term Incentives (STIs) of up to 50% of total fixed remuneration may form part of Mr Wallace's variable remuneration.

The Directors (with Mr Wallace abstaining) **recommend** that Shareholders vote **in favour** of Resolution 5.

The chair intends to vote undirected proxies in favour of Resolution 5.

Resolution 6 – Approval for the Issue of Options to Roger Higgins

The Board has resolved, subject to obtaining shareholder approval, to allot and issue 7,000,000 Options to the Company's proposed non-executive Director, Mr Roger Higgins (or his nominee), each to acquire one new ordinary share in the Company on the terms and conditions set out in Schedule 4.

The Options will be granted as a key component of Mr Higgins' remuneration in order to retain his services and provide incentive linked to the performance of the Company.

Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

(a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and

(b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in section 210 to 216 of the Corporations Act.

The grant of the Options constitutes giving a financial benefit and Mr Higgins is a related party of the Company by virtue of being a proposed Director.

The Directors (other than Roger Higgins) consider that shareholder approval pursuant to Chapter 2E of the Corporations Act is not required because the grant of the Options is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis.

ASX Listing Rule 10.11

ASX Listing Rule 10.11 also requires shareholder approval to be obtained where an entity issues, or agrees to issue securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained, unless an exception in ASX Listing Rule 10.12 applies.

As the grant of the Options involves the issue of securities to a related party of the Company, shareholder approval pursuant to ASX Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors that the exceptions set out in ASX Listing Rule 10.12 do not apply in the current circumstance.

Approval pursuant to ASX Listing Rule 7.1 is not required for the grant of the Options as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the grant of the Options to Mr Higgins will not be included in the use of the Company's 15% annual placement capacity pursuant to ASX Listing Rule 7.1.

For the purposes of ASX Listing Rule 10.13, the following information is provided:

- The Options will be issued to Mr Higgins (or his nominee), on or around 3 June 2024, and in any event not later than 30 June 2024 (i.e. 1 month from the date of the Meeting).
- Mr Higgins is a proposed Director of the Company, and is therefore a related party of the Company.
- 7,000,000 Options will be issued across two tranches.
- The Options will be issued for no cash consideration and accordingly, no funds will be raised.
- The current total remuneration package for Mr Higgins for the current financial year is $75,000.

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- In accordance with Listing Rule 10.13.10, the Company will disregard any votes cast in favour of Resolution 6 by Roger Higgins and any associate of Roger Higgins.
- A summary of the terms and conditions are set out in **Schedule 4**.

The Directors (with Mr Higgins abstaining) recommend that Shareholders vote in favour of Resolution 6.

The chair intends to vote undirected proxies in favour of Resolution 6.

The passing of Resolution 6 is conditional upon, and subject to Resolution 2 being approved by shareholders. Accordingly, if you vote in favour of Resolution 6, you should also vote in favour of Resolution 2.

Resolution 7 – Ratification of Previous Issue of Shares under a Placement

Background

On 26 February 2024 the Company announced it had received firm commitments for a Placement of up to 166,666,667 Shares at an issue price of $0.06 each to professional and sophisticated investors to raise a total of up to $10,000,000 before costs (**Placement**). On 25 March 2024, the Company announced that the total Shares to be issued under the Placement had been updated to 169,644,245 Shares in total.

The Placement was conducted over two tranches.

Tranche 1 comprising 133,376,994 Shares and raising approximately $8,000,000 before costs, was completed on Friday, 1 March 2024 without Shareholder approval and utilised the Company's available 15% issue capacity under ASX Listing Rule 7.1 (**Tranche 1 Placement**).

Resolution 7 seeks ratification by Shareholders for the issue of 133,376,994 Shares under Tranche 1 of the Placement (i.e. effectively 'refreshing' the Company's 15% issue capacity under ASX Listing Rule 7.1).

ASX Listing Rule 7.4

ASX Listing Rule 7.1 prohibits a listed company from issuing equity securities representing more than 15% of its fully paid ordinary issued capital in any 12 month period without first obtaining Shareholder approval (subject to certain exceptions).

Under ASX Listing Rule 7.4, a company can seek ratification of securities issued that have been made within the previous 12 month period if:

(a) the issue does not breach ASX Listing Rule 7.1; and

(b) shareholders subsequently approve such issue.

The effect of such ratification is that the issue of the 133,376,994 Shares is then deemed to have been made with Shareholder approval, thus not counting towards the 15% limit. The approved securities are also included in the base number for calculating the Company's 15% limit, thereby increasing the number of equity securities the Company can issue without first having to obtain Shareholder approval under ASX Listing Rule 7.1.

The issue of the Shares did not breach ASX Listing Rule 7.1 and did not require Shareholder approval. The Company now seeks Shareholder approval to ratify the issue of the Tranche 1 Placement Shares pursuant to ASX Listing Rule 7.4. This will have the same effect as if Shareholder approval had been obtained before the Company issued the Shares.

If Resolution 7 is passed, the Issue will be excluded in calculating the Company's 15% limit in ASX Listing Rule 7.1, effectively increasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the date of the Issue.

This will provide the Company with the ability to issue more securities in the future, eg a placement to sophisticated and/or professional investors, without seeking Shareholder approval, if the Board considers that it is in the interests of the Company to do so.

If Resolution 7 is not passed, the Issue will be included in calculating the Company's 15% limit in ASX Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the date of the Issue.

Specific Information required by Listing Rule 7.5

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ASX Listing Rule 7.5 requires the following information to be provided to Shareholders for the purpose of obtaining Shareholder approval pursuant to ASX Listing Rule 7.4:

(a) 133,376,994 Shares were issued on Friday, 1 March 2024 under the Company's available 15% issue capacity pursuant to ASX Listing Rule 7.1;

(b) the issue price was $0.060 per Share for a total consideration of $8,002,619.64 before costs;

(c) the Shares issued were fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;

(d) the Shares were issued to various sophisticated and professional investors identified by Canaccord Genuity (Australia) Limited ACN 075 071 466 (**Canaccord**), as lead manager of the Placement. None of these subscribers are:

  (i) a Related Party of the Company;

  (ii) a member of the Company's key management personnel;

  (iii) an adviser to the Company; or

  (iv) an associate of any of the above.

(e) the funds raised by the issue of the Shares will be primarily used to fund:

  (i) development for the Project;

  (ii) exploration, for the purposes of continuing to expand the Project and extend the mine life; and

  (iii) general working capital purposes.

(f) a voting exclusion statement has been included in the Notice of Meeting.

Directors' Recommendation

The Directors believe that the ratification of this issue and the refresh of the 15% capacity under ASX Listing Rule 7.1 is beneficial to the Company. The Directors **recommend** that Shareholders vote **in favour** of Resolution 7.

The Chair intends to vote undirected proxies in favour of Resolution 7.

Resolution 8 – Ratification of Previous Issue of Shares to Freepoint under a Placement

Background

In addition to the Tranche 1 Placement, on 26 February 2024 the Company announced it had entered into a binding, conditional commitment letter with Freepoint Metals & Concentrates LLC (**Freepoint**), which contemplates Freepoint participating in the second tranche of the Placement, for up to 36,267,251 Shares at an issue price of $0.060 each to raise a total of up to approximately $2,176,035 before costs (**Tranche 2 Placement**).

The Tranche 2 Placement comprises the Shares required to result in Freepoint maintaining its voting power of a 19.98% interest in the Company that it held immediately prior to the Placement.

Under the commitment letter, the Tranche 2 Placement is conditional on Freepoint obtaining a written notice under the *Foreign Acquisitions and Takeovers Act 1975 (Cth)* by or on behalf of the Treasurer or their agent stating to the effect that the Commonwealth Government does not object to Freepoint acquiring the Shares under the Tranche 2 Placement on an unconditional basis, or subject to conditions that are acceptable to Freepoint (in its absolute discretion) (**FIRB Condition**).

On 19 March 2024, the FIRB Condition was satisfied on an unconditional basis.

The Tranche 2 Placement was completed on Wednesday, 27 March 2024 without Shareholder approval and utilised the Company's available 15% issue capacity under ASX Listing Rule 7.1.

Resolution 8 seeks ratification by Shareholders for the issue of 36,267,251 Shares Under Tranche 2 of the Placement (i.e. effectively 'refreshing' the Company's 15% issue capacity under ASX Listing Rule 7.1).

ASX Listing Rule 7.4

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ASX Listing Rule 7.1 prohibits a listed company from issuing equity securities representing more than 15% of its fully paid ordinary issued capital in any 12 month period without first obtaining Shareholder approval (subject to certain exceptions).

Under ASX Listing Rule 7.4, a company can seek ratification of securities issued that have been made within the previous 12 month period if:

(a) the issue does not breach ASX Listing Rule 7.1; and

(b) shareholders subsequently approve such issue.

The effect of such ratification is that the issue of the 36,267,251 Shares is then deemed to have been made with Shareholder approval, thus not counting towards the 15% limit. The approved securities are also included in the base number for calculating the Company's 15% limit, thereby increasing the number of equity securities the Company can issue without first having to obtain Shareholder approval under ASX Listing Rule 7.1.

The issue of the Shares did not breach ASX Listing Rule 7.1 and did not require Shareholder approval. The Company now seeks Shareholder approval to ratify the issue of the Tranche 2 Placement Shares pursuant to ASX Listing Rule 7.4. This will have the same effect as if Shareholder approval had been obtained before the Company issued the Shares.

If Resolution 8 is passed, the issue will be excluded in calculating the Company's 15% limit in ASX Listing Rule 7.1, effectively increasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the date of the issue.

This will provide the Company with the ability to issue more securities in the future, eg a placement to sophisticated and/or professional investors, without seeking Shareholder approval, if the Board considers that it is in the interests of the Company to do so.

If Resolution 8 is not passed, the issue will be included in calculating the Company's 15% limit in ASX Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the date of the issue.

Specific Information required by Listing Rule 7.5

ASX Listing Rule 7.5 requires the following information to be provided to Shareholders for the purpose of obtaining Shareholder approval pursuant to ASX Listing Rule 7.4:

(a) 36,267,251 Shares were issued on Wednesday, 27 March 2024 under the Company's available 15% issue capacity pursuant to ASX Listing Rule 7.1;

(b) the issue price was $0.060 per Share for a total consideration of $2,176,035.06 before costs;

(c) the Shares issued were fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;

(d) the Shares were issued to Freepoint, which is not:

  (i) a Related Party of the Company;

  (ii) a member of the Company's key management personnel;

  (iii) an adviser to the Company; or

  (iv) an associate of any of the above.

(e) the funds raised by the issue of the Shares will be primarily used to fund:

  (iv) development for the Project;

  (v) exploration, for the purposes of continuing to expand the Project and extend the mine life; and

  (vi) general working capital purposes.

(f) a voting exclusion statement has been included in the Notice of Meeting.

Directors' Recommendation

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The Directors believe that the ratification of this issue and the refresh of the 15% capacity under ASX Listing Rule 7.1 is beneficial to the Company. The Directors **recommend** that Shareholders vote **in favour** of Resolution 8.

The Chair intends to vote undirected proxies in favour of Resolution 8.

Resolution 9 – Ratification of Previous Issue of Options under a Mandate

Background

In order to implement the Placement, the Company entered into an engagement mandate with Canaccord on 21 February 2024 (**Mandate**) under which Canaccord was appointed lead manager for the Placement.

Under the Mandate, if the Company raises $10,000,000 under the Placement, then:

(a) the Company is to issue 10,000,000 Canaccord Options to Canaccord, exercisable at $0.090 per option, for up to 3 years from the date of issue; and

(b) in consideration, Canaccord is to pay the Company the sum of $2.50.

The Company raised $10,178,654.70 under the Placement. On 1 March 2024, the Company issued 10,000,000 Canaccord Options to Canaccord in accordance with the Mandate without Shareholder approval, utilising the Company's available 15% issue capacity under ASX Listing Rule 7.1.

ASX Listing Rule 7.4

ASX Listing Rule 7.1 prohibits a listed company from issuing equity securities representing more than 15% of its fully paid ordinary issued capital in any 12 month period without first obtaining Shareholder approval (subject to certain exceptions).

Under ASX Listing Rule 7.4, a company can seek ratification of securities issued that have been made within the previous 12 month period if:

(a) the issue does not breach ASX Listing Rule 7.1; and

(b) shareholders subsequently approve such issue.

The effect of such ratification is that the issue of the 10,000,000 Canaccord Options is then deemed to have been made with Shareholder approval, thus not counting towards the 15% limit.

The issue of the Options did not breach ASX Listing Rule 7.1 and did not require Shareholder approval. The Company now seeks Shareholder approval to ratify the issue of the 10,000,000 Canaccord Options pursuant to ASX Listing Rule 7.4. This will have the same effect as if Shareholder approval had been obtained before the Company issued the Canaccord Options.

If Resolution 9 is passed, the issue will be excluded in calculating the Company's 15% limit in ASX Listing Rule 7.1, effectively increasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the date of the issue.

This will provide the Company with the ability to issue more securities in the future, eg a placement to sophisticated and/or professional investors, without seeking Shareholder approval, if the Board considers that it is in the interests of the Company to do so.

If Resolution 9 is not passed, the issue will be included in calculating the Company's 15% limit in ASX Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the date of the issue.

Specific Information required by Listing Rule 7.5

ASX Listing Rule 7.5 requires the following information to be provided to Shareholders for the purpose of obtaining Shareholder approval pursuant to ASX Listing Rule 7.4:

(a) the Company issued 10,000,000 Canaccord Options to Canaccord on 1 March 2024 under the Company's available 15% issue capacity pursuant to ASX Listing Rule 7.1, in accordance with the terms of the Mandate;

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(b) the Canaccord Options may be exercised at any time by Canaccord up to 3 years from the issue date, and are exercisable at $0.090 per option for a total consideration of $900,000 before costs;

(c) upon exercising the Canaccord Options, the Shares to be issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;

(d) the Shares (if the Canaccord Options are exercised), will be issued and allotted to Canaccord (or nominee);

(e) there is no obligation for Canaccord to exercise the Canaccord Options, meaning that there is no guarantee that any or all of the Canaccord Options will be exercised;

(f) a summary of the terms and conditions of the Canaccord Options are set out in **Schedule 3**;

(g) the funds raised by the issue of the Shares will be primarily used to fund:

  (i) development for the Project;

  (ii) exploration, for the purposes of continuing to expand the Project and extend the mine life; and

  (iii) general working capital purposes; and

(h) a voting exclusion statement has been included in the Notice of Meeting.

Directors' Recommendation

The Directors believe that the ratification of this issue and the refresh of the 15% capacity under ASX Listing Rule 7.1 is beneficial to the Company. The Directors **recommend** that Shareholders vote **in favour** of Resolution 9.

The Chair intends to vote undirected proxies in favour of Resolution 9.

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PART E: GLOSSARY

For the purposes of this document, including Schedules 1 to 4, the following terms have the meanings prescribed below:

2023 Annual Report	the Company's Annual Report for the 12 month period ended 31 December 2023.
ACST	Australian Central Standard Time.
ASIC	Australian Securities & Investments Commission.
ASX	ASX Limited ACN 008 624 691 or the securities exchange market operated by it, as the context requires.
ASX Principles	ASX Corporate Governance Principles and Recommendations (4th edition).
Board	the board of Directors.
Canaccord Options	an option convertible into a Share to be issued to Canaccord Genuity (Australia) Limited on the terms set out in Schedule 3.
Company	Hillgrove Resources Limited ACN 004 297 116.
Constitution	the constitution of the Company.
Corporations Act	Corporations Act 2001 (Commonwealth).
Director	a director of the Company.
Equity Securities	has the same meaning given to it in the Listing Rules.
Key Management Personnel	those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise).
Listing Rule	the listing rules of the ASX as amended from time to time.
Meeting	the Annual General Meeting referred to in the Notice.
Notice or **Notice of Meeting**	the Notice of Annual General Meeting, forming part of this Document.
OPRP	the Company's Option and Performance Rights Plan as contemplated in this Notice.
Options	an option exercisable for a Share, subject to the satisfaction of any applicable vesting conditions.
Performance Right	a right to acquire a Share.
Placement	has the meaning as defined in the Background to Resolution 7 in Part D of this Notice.
Project	the Kanmantoo Underground Copper Project, located in South Australia, Australia.
Proxy Form	the proxy form attached to this Document.
Related Party	has the meaning given to that term in the Corporations Act and the Listing Rules.
Resolution	a resolution set out in the Notice.
Share	a fully paid ordinary share in the Company.

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Shareholder	a registered holder of Shares.
Trading Day	means a day determined by ASX to be a trading day in accordance with the Listing Rules.

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Schedule 1 – Material Terms and Conditions of Managing Director's Performance Rights

A summary of the key terms of the Performance Rights proposed to be issued to Lachlan Wallace are set out in the table below.

Terms	Description
Number of Performance Rights	7,250,000
Exercise Price	Nil
Measurement Price	14.0 cents
Price Calculation Methodology	10 Day Volume Weighted Average Price (**VWAP**)*
Start of Testing Date	1 March 2026
First Exercise Date	1 March 2027
Last Exercise Date	30 March 2028

* VWAP is calculated as the volume weighted average market price for securities in that class, calculated over the 10 trading days on which trades in that class were recorded immediately before the date of calculation.

Maximum number of shares

Each vested Performance Right will convert into one Share. Accordingly, the maximum number of Shares that may be acquired by Mr Wallace through his exercise of the Performance Rights is 7,250,000 Shares.

Price payable on grant or exercise of Performance Rights

Mr Wallace will not be required to pay any amount on either the grant or vesting of his Performance Rights under the proposed long term incentive invitation or upon exercise of any of those Performance Rights, once vested. The Performance Rights are not transferable.

Change of control

Subject to the Listing Rules, if a “change of control event” occurs, all unvested Performance Rights will vest.

Exercise on vesting

Any Performance Rights that vest after having met the Measurement Price may be exercised once the Measurement Price has been determined and an equal number of Shares will be issued. Any unvested Performance Rights will lapse.

For the avoidance of doubt, all 7,250,000 Performance Rights issued to Lachlan Wallace will vest if, in the time period commenting on the Start of Testing Date and expiring on the Last Exercise Date, there is a 10 Day Volume Weighted Average Price of 14.0 cents (or greater).

No right to dividends, bonus or rights issues

None of the Performance Rights confer on the holder an entitlement to receive dividends or to participate in bonus issues or rights issues until such time as those Performance Rights vest and Shares are issued or transferred.

No voting rights

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The Performance Rights do not confer an entitlement to vote at general meetings of the Company until such time as the Performance Rights vest and Shares are issued or transferred.

Non-quotation

The Company will not apply to the ASX for official quotation of the Performance Rights. Shares issued pursuant to the vesting of a Performance Right will rank equally with the Shares then on issue and will be the subject of an application by the Company for official quotation.

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Schedule 2 – Material Terms and Conditions of Hillgrove Option and Performance Rights Plan

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Plan rules

The Hillgrove Resources OPRP Rules will establish the OPRP. The specific terms of a particular grant, including any conditions of offer will be contained in the invitation and associated documentation attached to any offer to an eligible person.

Eligible persons

The OPRP will be used for offers to eligible invited executives of the Hillgrove group of companies as approved by the Board. Each such person who participates in the OPRP is hereafter referred to as a **Participant**.

Options or rights to acquire shares

Grants under the OPRP will be of options or rights to acquire shares in the Company (each a Performance Right). The grants may comprise one or several tranches.

Invitation to participate

Under the OPRP Rules, the Board may invite an eligible person to apply for Performance Rights. At the request of the Participant and with the approval of the Board, to the extent that the Participant does not personally apply for the full number of Performance Rights referred to in an invitation, some or all of the balance of the Performance Rights may be granted to an associate of, and as nominated in writing by, the Participant. “Associate” for this purpose has the meaning given in the Income Tax Assessment Act.

Performance rights are non-transferable

A Performance Right granted to a Participant (including a nominated Associate) is not transferable and may not otherwise be dealt with, except with the Board’s approval, or by force of law on death or legal incapacity.

Exercise price

The exercise price, if any, of a Performance Right will be an amount determined by the Board, fixed at the date of grant or determined by application of methodology approved by the Board.

Consideration

A Participant may be required to pay nominal consideration to the Company to receive the Performance Rights or the Performance Rights may be offered for no consideration, at the discretion of the Board.

Exercise of performance rights

Performance Rights will have a term as determined by the Board (**Exercise Period**). The Board may prescribe the date or the method of calculating the date on which a Performance Right becomes exercisable (**Exercise Date**). On or after the prescribed Exercise Date and provided any conditions to the exercise of a Performance Right prescribed by the Board have been achieved, including the achievement of any performance hurdles as referred to below, and where applicable, to the extent they have been achieved, a Participant may then acquire Shares by exercising his or her Performance Rights. In certain circumstances this exercise process may be automatic. A Performance Right will lapse if not exercised on or before the expiry of the Exercise Period pertaining to that Performance Right, and otherwise in accordance with its terms of issue.

Early cessation of employment

If the Participant ceases employment with any member of the Hillgrove Group prior to the Exercise Date, the Board will have the discretion to allow some or all of the Performance Rights to be exercised. In accordance the applicable provisions of the Corporations Act, the number and value of the Performance Rights able to be exercised will be determined by the Board having regard to the individual circumstances of the cessation event.

Change of control

If as a result of a takeover, scheme of arrangement or other change of control, the conditions attaching to the Performance Rights are rendered incapable of being met, the Board in its absolute discretion may determine that all then outstanding Option or Performance Rights will become exercisable or lapse.

Performance hurdles

The Board is aware that best practice executive equity incentive design requires that long-term equity-based rewards should be linked to the achievement of relevant performance hurdles. The performance hurdle(s) to be applied to an invitation will be determined by the Board and may vary from offer to offer or from person to person.

Restrictions on disposal

The Board may implement an appropriate procedure to restrict the disposal of or other dealing with any Shares converted on the exercise of the Performance Rights to meeting any market or inside trading restrictions or holding locks.

No loans

Loans made by the Company or any other member of the Hillgrove Group will not be permitted as part of the OPRP.

No hedging of unvested options or performance rights

No Participant will be permitted to enter into transactions or arrangements, including by way of derivatives or similar financial products, which limit the economic risk of holding unvested Performance Rights or of exercising any right attaching to any Performance Right.

Trust

To manage the vesting conditions attaching to any Performance Right, exercise procedures, any holding lock or restrictions and the employee share scheme reporting requirements, settlement of vested Performance Rights may be arranged using an employee share trust.

Reconstructions, bonus and rights issues

The Exercise Price of a Performance Right will be adjusted in a manner contemplated by the Listing Rules from time to time to take account of capital reconstructions and bonus issues.

If there is a rights issue by the Company to all Shareholders before a Performance Right under the OPRP is exercised, the Exercise Price for a Performance Right will be appropriately adjusted in the same manner as provided in the formula applicable to options, as set out in the Listing Rules.

Limitation on issues

The number of Shares that may be issued under the OPRP is set with regard to the limits prescribed by ASIC with respect to employee share scheme offers that may be made without the issue of a prospectus.

Where an offer of Performance Rights or Options under this Plan is made in reliance of Class Order 14/1000 the Company must, at the time of making the offer, have reasonable grounds to believe that the number of underlying eligible products in a class of underlying eligible products that form part of the issued capital of the listed body that have been or may be issued in any of the circumstances covered by the following paragraphs will not exceed 5% of the total number of underlying eligible products in that class on issue:

(i) underlying eligible products that may be issued under the offer;

(ii) underlying eligible products issued or that may be issued as a result of offers made at any time during the previous 3 year period under:

(iii) an employee incentive scheme covered by this instrument; or

(iv) an ASIC exempt arrangement of a similar kind to an employee incentive scheme.

Amendments to plan rules

Subject to the provisions of the OPRP, the Board may amend the OPRP Rules or the terms of grant, if required to do so. However, the OPRP Rules may not be amended if, broadly, in the Board's opinion the amendment would materially reduce the rights of the relevant Participant in respect of Performance Rights already granted.

Exceptions to this permit amendment for the purpose of complying with State or Commonwealth legislation or to address any adverse tax implications for Participants generally or by any member of the Hillgrove Group.

A copy of the OPRP Rules are available on request to the Company Secretary.

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Schedule 3 – Material Terms and Conditions of Options

A summary of the key terms of the Canaccord Options proposed to be issued to Canaccord are set out below.

1. Each option entitles the holder to one ordinary share in the Company.
2. Each of the options has an exercise price of $0.090 per Share.
3. The options issued to Canaccord are not all required to be exercised at the same time, they are exercisable in whole or in part at any time during the period commencing on the date of issue and expiring on the third anniversary of issue (**Exercise Period**). Canaccord Options not exercised during the Exercise Period will lapse.
4. Canaccord Options are exercisable by notice in writing to the Board delivered to the registered office of the Company and payment of the exercise price per option in cleared funds.
5. The Company will make application for official quotation on ASX of new shares allotted on exercise of the options. Those shares will participate equally in all respects with existing issued ordinary shares, and in particular new shares allotted on exercise of options will qualify for dividends declared after the date of their allotment.
6. Canaccord Options can only be transferred with Board approval, except that if at any time before expiry of the Exercise Period the optionholder dies, the legal personal representative of the deceased optionholder may:
   i. elect to be registered as the new holder of the options;
   ii. whether or not he or she becomes so registered, exercise those options in accordance with the terms and conditions on which they were granted; and
   iii. if the deceased has already exercised options, pay the exercise price in respect of those options.
7. An optionholder may only participate in new issues of securities to holders of ordinary shares in the Company if the option has been exercised and shares allotted in respect of the option before the record date for determining entitlements to the issue. The Company must give prior notice to the optionholder of any new issue before the record date for determining entitlements to the issue in accordance with the ASX Listing Rules.
8. If there is a bonus issue to the holders of ordinary shares in the capital of the Company, the number of ordinary shares over which the option is exercisable will be increased by the number of ordinary shares which the holder of the option would have received if the option had been exercised before the record date for the bonus issue.
9. If the Company makes a rights issue (other than a bonus issue), the exercise price of options on issue will be reduced according to the following formula:

$$A = O - \frac{E[P - (S + D)]}{(N + 1)}$$

Where:

A = the new exercise price of the option;

O = the old exercise price of the option;

E = the number of underlying ordinary shares into which one option is exercisable;

P = the average closing sale price per ordinary share (weighted by reference to volume) recorded on the stock market of the ASX during the five trading days immediately preceding the ex rights date or ex entitlements date (excluding special crossings and overnight sales and exchange traded options);

S = the subscription price for a security under the pro rata issue;

D = the dividend due but not yet paid on existing underlying securities (except those to be issued under the pro rata issue); and

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N = the number of securities with rights or entitlements that must be held to receive a right to one new security.

10. If, during the currency of the options the issued capital of the Company is reorganised, those options will be reorganised to the extent necessary to comply with ASX Listing Rules.

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Schedule 4 – Material Terms and Conditions of Roger Higgins Options

A summary of the key terms of the Options proposed to be issued to Roger Higgins across two tranches are set out in the table below.

	Option Tranche 1	Option Tranche 2
Exercise Price	$0.10 / share	$0.15 / share
Grant Date	3 June 2024	3 June 2024
First Exercise Date	3 June 2024	3 June 2024
Last Exercise Date	14 May 2025	14 May 2026
Number of Options	4,000,000	3,000,000

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- Each Option entitles the holder to one ordinary share in the Company.
- The Options issued to Roger Higgins are not all required to be exercised at the same time, they are exercisable in whole or in part at any time during the period commencing on the First Exercise Date and expiring on the Last Exercise Date (**Exercise Period**). Options not exercised before the Last Exercise Date will lapse.
- Options are exercisable by notice in writing to the Board delivered to the registered office of the Company and payment of the exercise price per Option in cleared funds.
- The Company will not apply to ASX for official quotation of the Options.
- The Company will make application for official quotation on ASX of new shares allotted on exercise of the Options. Those shares will participate equally in all respects with existing issued ordinary shares, and in particular new shares allotted on exercise of the Options will qualify for dividends declared after the date of their allotment.
- Options can only be transferred with Board approval, except that if at any time before the expiry of the Exercise Period the optionholder dies, the legal personal representative of the deceased optionholder may:
    - Elect to be registered as the new holder of the Options;
    - Whether or not he becomes so registered, exercise those Options in accordance with the terms and conditions on which they were granted; and
    - If the deceased has already exercised the Options, pay the exercise price in respect of those Options.
- An optionholder may only participate in new issue of securities to holders of ordinary shares in the Company if the Option has been exercised and shares allotted in respect of the Option before the record date for determining entitlements to the issue. The Company must give prior notice to the optionholder of any new issue before the record date for determining entitlements to the issue in accordance with ASX Listing Rules.
- If there is a bonus issue to the holders of ordinary shares in the capital of the Company, the number of ordinary shares over which the Option is exercisable will be increased by the number of ordinary shares which the holder of the Option would have received if the Option had been exercised before the record date for the bonus issue.
- If the Company makes a rights issue (other than a bonus issue), the exercise price of the Options on issue will be reduced according to the following formula:

$$A = O - \frac{E[P - (S+D)]}{N + 1}$$

Where:

A = the new exercise price for the Option.

O = the old exercise price for the Option.

E = the number of Shares into which one Option is then exercisable.

P = the average market price per Share (weighted by reference to volume) of Shares during the 5 trading days ending on the before the ex rights date or ex entitlements date.

S = the subscription price for a Share under the pro rata issue.

D = the dividend due but not yet paid on the existing ordinary shares (except those to be issued under the pro rata issue).

N = the number of shares with rights or entitlements that must be held to receive a right to one new share.

- If, during the currency of the Options the issued capital of the Company is reorganised, those Options will be reorganised to the extent necessary to comply with ASX Listing Rules.

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HILLGROVE RESOURCES

All Correspondence to:

By Mail Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001 Australia

By Fax: +61 2 9290 9655

Online: www.boardroomlimited.com.au

By Phone: (within Australia) 1300 737 760
(outside Australia) +61 2 9290 9600

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YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 9:30am (ACST) on Wednesday, 29 May 2024.**

TO APPOINT A PROXY ONLINE

STEP 1: VISIT https://www.votingonline.com.au/hgoagm2024

STEP 2: Enter your Postcode OR Country of Residence (if outside Australia)

STEP 3: Enter your Voting Access Code (VAC):

BY SMARTPHONE

Scan QR Code using smartphone QR Reader App

TO VOTE BY COMPLETING THE PROXY FORM

STEP 1 APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy.
If you wish to appoint the Chair of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chair of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting, the Chair of the Meeting will be your proxy. A proxy need not be a securityholder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

Appointment of a Second Proxy
You are entitled to appoint up to two proxies to attend the meeting and vote. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by contacting the company's securities registry or you may copy this form.

To appoint a second proxy you must:
(a) complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
(b) return both forms together in the same envelope.

STEP 2 VOTING DIRECTIONS TO YOUR PROXY

To direct your proxy how to vote, mark one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of securities are to be voted on any item by inserting the percentage or number that you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item for all your securities your vote on that item will be invalid.

Proxy which is a Body Corporate
Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the company's securities registry.

STEP 3 SIGN THE FORM

The form **must** be signed as follows:
Individual: This form is to be signed by the securityholder.
Joint Holding: where the holding is in more than one name, all the securityholders should sign.
Power of Attorney: to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.
Companies: this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form should be signed by that person. **Please indicate the office held by signing in the appropriate place.**

STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, therefore by **9:30am (ACST) on Wednesday, 29 May 2024.** Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged using the enclosed Reply Paid Envelope or:

Online	https://www.votingonline.com.au/hgoagm2024
By Fax	+ 61 2 9290 9655
By Mail	Boardroom Pty Limited GPO Box 3993, Sydney NSW 2001 Australia
In Person	Boardroom Pty Limited Level 8, 210 George Street Sydney NSW 2000 Australia

Attending the Meeting

If you wish to attend the meeting please bring this form with you to assist registration.

Hillgrove Resources Limited
ACN 004 297 116

☐ **Your Address**
This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes.
Please note, you cannot change ownership of your securities using this form.

PROXY FORM

STEP 1 APPOINT A PROXY

I/We being a member/s of **Hillgrove Resources Limited** (Company) and entitled to attend and vote hereby appoint:

☐ the **Chair of the Meeting (mark box)**

OR if you are **NOT** appointing the Chair of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered securityholder) you are appointing as your proxy below

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the Annual General Meeting of the Company to be held at the **Adelaide Town Hall, David Spence Room, 128 King William Street, Adelaide SA 5000 on Friday, 31 May 2024 at 9:30am (ACST)** and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

Chair of the Meeting authorised to exercise undirected proxies on remuneration related matters: If I/we have appointed the Chair of the Meeting as my/our proxy or the Chair of the Meeting becomes my/our proxy by default and I/we have not directed my/our proxy how to vote in respect of Resolutions 1,4,5 & 6 I/we expressly authorise the Chair of the Meeting to exercise my/our proxy in respect of this Resolution even though Resolutions 1,4,5 & 6 are connected with the remuneration of a member of the key management personnel for the Company.

The Chair of the Meeting will vote all undirected proxies in favour of all Items of business (including Resolutions 1,4,5 & 6). If you wish to appoint the Chair of the Meeting as your proxywith a direction to vote against, or to abstain from voting on an item, you must provide a direction by marking the 'Against' or 'Abstain' box opposite that resolution.

STEP 2 VOTING DIRECTIONS

* If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your vote will not be counted in calculating the required majority if a poll is called.

		For	Against	Abstain*
Resolution 1	To Adopt the Remuneration Report	☐	☐	☐
Resolution 2	To elect Mr Roger Higgins as a Director	☐	☐	☐
Resolution 3	To re-elect Mr Derek Carter as a Director	☐	☐	☐
Resolution 4	Adoption of Issue of Securities Under the Option and Performance Rights Plan (OPRP)	☐	☐	☐
Resolution 5	Approval of Managing Director's Long Term Incentive	☐	☐	☐
Resolution 6	Approval for the Issue of Options to Roger Higgins	☐	☐	☐
Resolution 7	Ratification of Previous Issue of Shares Under a Placement	☐	☐	☐
Resolution 8	Ratification of Previous Issue of Shares to Freepoint Under a Placement	☐	☐	☐
Resolution 9	Ratification of Previous Issue of Options Under a Mandate	☐	☐	☐

STEP 3 SIGNATURE OF SECURITYHOLDERS

This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1	Securityholder 2	Securityholder 3
Sole Director and Sole Company Secretary	Director	Director / Company Secretary

Contact Name……... Contact Daytime Telephone……..... Date / / 2024

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