

Thursday 3 April 2025

RESULTS OF OVERSUBSCRIBED SPP OFFER AND ACCELERATION OF EXPLORATION PROGRAM

- Hillgrove to raise \$5.0m in the SPP, which together with the Placement of \$13.0m, sees the Company raise \$18.0m in a strongly supported equity raising
- SPP was heavily oversubscribed with \$8.2 million in subscriptions received, which will see applications scaled back to \$5.0m
- The total capital raising puts the Company in a strong financial position with the additional proceeds to be used to further accelerate exploration, including greenfield targets at both Kanappa and the Southeast tenements

Hillgrove Resources Ltd (the “Company” or “Hillgrove”) is pleased to advise that the Share Purchase Plan (SPP) announced to the market on 5 March 2025 (SPP) has successfully completed, raising approximately \$5.0m, with a total of 143.8 million new fully paid ordinary shares to be issued on Friday 4 April 2025. Together with the recently announced \$13.0m Placement, the Company has raised a total of \$18.0m which puts the Company in a strong financial position moving forward with operations progressing well, exploration accelerating and the development of Nugent being fast tracked.

The SPP received strong support from Eligible Shareholders with 756 applications received from Eligible Shareholders under the SPP, totalling \$8.2 million. As a result of this strong demand, and in accordance with the SPP Terms (which was targeting \$3.0m with the ability to accept oversubscriptions of a further \$2.0m), it necessitated the scaling back of all applications in accordance with the SPP Offer Document.

The scale-back methodology involved rejecting applications below a threshold (as the Company is conscious of the administrative burden of unmarketable parcels) and then applying an equal scale back for all other shareholdings (subject to allocations not exceeding the value of the shareholding at the Record Date).

As a result of the higher than expected amount raised, the Company will be utilising these funds to advance and accelerate the greenfield exploration on its tenements. Further details of this exploration programme is outlined below.

Commenting on the completion of the SPP, Hillgrove CEO and Managing Director, Bob Fulker said:

“We appreciate the overwhelming support we received from our existing Shareholders for the SPP. With demand being well in excess of the targeted amount for both the Placement as well as this SPP, it highlights the strong endorsement of the Company’s strategy to accelerate the development at Nugent to increase the overall annual copper production as well as increase the efficiency and provide greater flexibility at our operations in Kanmantoo.”

With the additional \$2.0 million raised above the target of \$3.0 million, the Company will be utilising these funds to accelerate exploration programs at the highly prospective Kanappa prospect as well as the extensive tenements in the South East. These areas are fundamental to the Company growth pipeline and offer great opportunities to expand the Company’s Exploration Targets alongside the 60,000 metres planned on the Kanmantoo Mining Lease already.

We look forward to updating the market on a regular basis on the status of this exploration, along with the progress of the accelerated Nugent development.”

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Proposed Exploration Program

Kanappa Prospect

Works are planned to follow up on a prior drilling campaign completed in 2018 at the Kanappa Prospect. This previous drilling campaign identified geology that supported the Company's view that the Kanappa area is prospective for large scale magmatic related copper-gold mineral deposits despite the low-grade copper intersections returned. Drilling at the time had to be halted due to poor drilling conditions with three of the previously identified coincident magnetic and geochemical targets left untested.

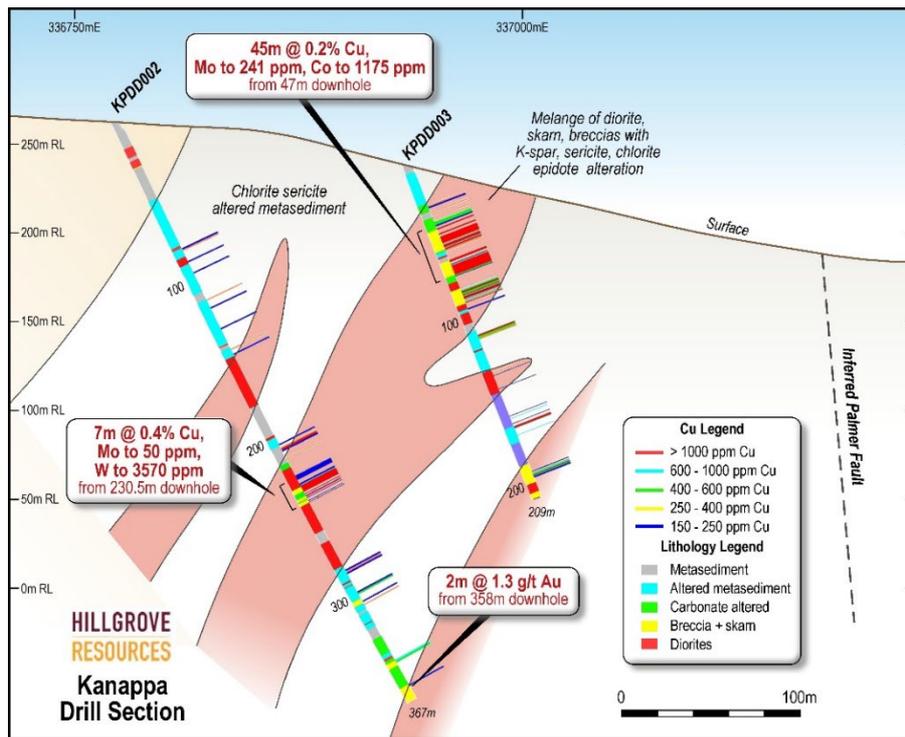


Figure 11: Cross section of the previously completed KPDD002 and KPDD003¹

Details of the previous drilling campaign can be found in Kanappa Cu-Au Drilling Results, 30 January 2019 on <https://www.hillgroveresources.com.au/announcements>

Early works to facilitate drilling will include geophysical surveys to identify areas of poor ground conditions to assist in drill targeting, before commencing a Diamond Drill Program testing two of the previously identified high priority targets. Following drilling geochemical analysis and petrographic analysis will be completed.

¹ Refer to ASX release Kanappa Cu-Au Drilling Results, 30 January 2019

South East Tenements

In order to fast track works across key magmatic copper targets within the South East Tenements, works will begin with a focus initially on Geophysical Surveys. Once completed, these surveys will be compiled with the results of soil sampling campaigns and field mapping to determine drilling targets.



Figure 2: Hillgrove Exploration Licences and identified potential targets

All Exploration Programs will be underpinned by a comprehensive stakeholder engagement plan.

Authorised for release by the Board of Hillgrove Resources Limited.

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Forward Looking Statement

This release contains or may contain certain forward-looking statements and comments about future events, that are based on Hillgrove's beliefs, assumptions and expectations and on information currently available to management as at the date of this presentation. Often, but not always, forward-looking statements can generally be identified by the use of forward-looking words such as "may", "will", "expect", "plan", "believes", "estimate", "anticipate", "outlook", and "guidance", or similar expressions, and may include, without limitation, statements regarding plans, strategies and objectives of management, anticipated production and production potential, financial forecasts, product quality estimates of future Mineral Resources and Ore Reserves. Such statements are only expectations or beliefs and are subject to inherent risks and uncertainties which could cause actual values, results or performance achievements to differ materially from those expressed or implied in this announcement. Where Hillgrove expresses or implies an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and on a reasonable basis. No representation or warranty, express or implied, is made by Hillgrove that the matters stated in this presentation will in fact be achieved or prove to be correct. Except as required by law, Hillgrove undertakes no obligation to provide any additional or updated information or update any forward-looking statements whether on a result of new information, future events, results or otherwise. Readers are cautioned against placing undue reliance on forward-looking statements. These forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of Hillgrove, the directors, and management of Hillgrove. These factors include, but are not limited to difficulties in forecasting expected production quantities, the potential that any of Hillgrove's projects may experience technical, geological, metallurgical and mechanical problems, changes in market prices and other risks not anticipated by Hillgrove, changes in exchange rate assumptions, changes in product pricing assumptions, major changes in mine plans and/or resources, changes in equipment life or capability, emergence of previously underestimated technical challenges, increased costs, and demand for production inputs.

Competent Persons Statement

The information in this report that relates to previously reported exploration drilling results were extracted from the ASX release titled Kanappa Cu-Au Drilling Results released on 30 January 2019 and is available to view 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 announcements 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