

# HILLGROVE RESOURCES

Tuesday, 8 November 2005

## **HILLGROVE POISED TO LIST GAWLER CRATON EXPLORATION SUBSIDIARY – INTERMET RESOURCES**

Hillgrove Resources Limited (ASX:HGO) is pleased to announce its intention to list their 77% owned subsidiary, InterMet Resources Limited (InterMet) on the Australian Stock Exchange (ASX) in conjunction with a proposed A\$4 million capital raising. The ASX code ITT has been reserved for InterMet.

Funds raised via the Initial Public Offering (IPO) will be dedicated to exploring and advancing InterMet's extensive South Australian Gawler Craton tenement position, totalling 9,000km<sup>2</sup>, which has the potential to host significant copper, gold and uranium deposits.

A prospectus has been lodged with the Australian Securities and Investments Commission and lodgement with the ASX will take place today. An InterMet prospectus will be sent to all current Hillgrove shareholders who will be offered a priority entitlement to apply for one InterMet share for every five Hillgrove shares.

Commenting on the upcoming IPO, Managing Director of Hillgrove Resources, David Archer, said "The Gawler Craton is considered one of the most exciting regional mineral provinces in the world. InterMet's impending ASX listing and capital raising presents a unique investment opportunity for participating Hillgrove shareholders and other interested investors".

### **About Hillgrove**

Hillgrove is an Australian resources company listed on the Australian Stock Exchange which focuses on identifying resource opportunities that can either be brought into production readily or those where there is a clearly defined value adding route within a clearly understood risk environment. Commodities that are of particular interest include copper, gold, garnet, silver, lead, zinc, uranium and natural gas.

Hillgrove is exploring a total of 974 km<sup>2</sup> in the Kanmantoo Trough and the Gawler Craton, two of the most prospective regions of South Australia for copper and gold. Hillgrove is evaluating the Kanmantoo Copper Mine, a potential mid-tier copper producer, where it has established an Indicated and Inferred Resource of 18.37 MT grading 1.1% copper and 0.2 g/t gold. Additionally the copper/gold mineralisation is associated with what is thought to be a World Class resource of garnet, which has application as an abrasive.

Hillgrove recently announced the conclusion of a strategic alliance with Sempra Metals, a subsidiary of Fortune 500 company Sempra Energy, involving an \$8 million equity and debt package to assist the development of Kanmantoo.

The Company has a 32.5% interest in the Gunnedah Basin Gas Joint Venture's PEL 238 Coal Seam Gas Project in New South Wales. The Joint Venture has drilled four new wells and a total of five wells are currently in test production. With a P3 resource of 8.7 trillion cubic feet of gas, PEL 238 contains one of the largest onshore accumulations of natural gas in Australia.

For more information contact:

David Archer  
Managing Director  
Hillgrove Resources Limited  
Tel: +61 2 8221 0404  
Mobile: +61 414 737 767

Dale Ferguson  
Exploration Manager  
Hillgrove Resources Limited  
Tel: +61 8 9322 6377  
Mobile: +61 439 886 019