

21 MAY 2026

## HILLGROVE AND HAVILAH ENTER MUTOOROO PARTNERSHIP

Hillgrove Resources Limited (ASX: HGO) and its subsidiary Mutooroo Copper Pty Ltd (together, **Hillgrove**) and Havilah Resources Limited (ASX:HAV) and its subsidiary Copper Aura Pty Ltd (together, **Havilah**) have entered into binding agreement that gives Hillgrove the right to earn an 80% interest in the Mutooroo Copper Project<sup>1</sup> (**Mutooroo** or **project**) in South Australia's Curnamona Province, subject to certain conditions being satisfied.

The parties have executed a Farm-In Agreement which contemplates the formation of an unincorporated Joint Venture. This enables Hillgrove to complete a Pre-feasibility Study (**PFS**) to process Mutooroo ore through Hillgrove's existing Kanmantoo processing facility (**Kanmantoo**).

### Partnership Rationale:

- Hillgrove's Kanmantoo processing facility provides a potential lower capital intensity and lower execution risk pathway to develop Mutooroo's 192 thousand tonne (**kt**) of copper (**Cu**) from the JORC Sulphide Mineral Resource Estimate (**MRE**)<sup>1</sup>;
- Subject to further test work and the outcomes of the PFS, Hillgrove believes Mutooroo has the potential to lift Hillgrove's Cu production beyond 20kt per annum;
- PFS expenditure is phased to mitigate material risks, fully funded from Hillgrove's cashflow;
- The partnership provides the potential to bring Mutooroo into production and generate positive cashflow with a logical, experienced partner, for minimal capital outlay on Havilah's part.

The transaction has been structured to enable a phased sequencing of work to derisk project execution early in the work program.

### Transaction Highlights:

- Farm-In Arrangements:
  - Conditional on the renewal of Exploration Licence (**EL**) 6592 on terms reasonably acceptable to Hillgrove, up-front consideration of \$5 million payable in Hillgrove fully paid ordinary shares (and one attaching unlisted option per share issued) which are to be issued by Hillgrove using its current available placement capacity;
  - Hillgrove will invest up to \$10 million including a commitment to 5,000 meters (**m**) of drilling for resource definition, over an earn-in period of up to 24 months to be spent in two phases:
    - Phase 1: approximately \$2 million focused on rail logistics and metallurgical test work;
    - Phase 2: balance of PFS expenditure, contingent on the success of Phase 1.
- Joint Venture Agreement:
  - Hillgrove to earn an 80% interest in Mutooroo upon Final Investment Decision (**FID**), at Hillgrove's election, includes:
    - Payment of Stage 2 consideration of \$35 million comprised of cash between 30% to 70% (at Hillgrove's election), with the balance in Hillgrove fully paid ordinary shares.
    - The Stage 2 consideration and transfer of an 80% interest in Mutooroo are subject to satisfaction of the customary conditions outlined in the Transaction Overview section.
  - A Tolling and Marketing Agreement for the processing of Mutooroo ore at Hillgrove's Kanmantoo processing facility, currently in draft form, will be finalised once the PFS is completed.

<sup>1</sup> Mutooroo includes Havilah's 100% owned EL6592, ML5678 and Mutooroo copper-cobalt deposit as defined by the Mutooroo Mineral Resource Estimate (refer to Table 1).

**Commenting on the transaction Hillgrove CEO and Managing Director, Bob Fulker, said:**

*“Mutooroo’s high-grade sulphide mineralisation, proximity to rail, and favourable logistics align strongly with Hillgrove’s centralised processing hub model. Importantly, the capital intensity could be potentially lower compared to a standalone development, and execution risk could potentially be materially reduced by leveraging infrastructure, approvals and operational capability we already have in place.*”

*“This transaction provides Hillgrove shareholders with a lower risk, capital efficient growth option at a time when new copper discoveries are scarce, and development costs globally continue to rise. The staged PFS approach to be funded out of Hillgrove cashflow ensures disciplined capital deployment with limited cash drain, with expenditure ramping up only as key technical assumptions are validated.”*

**Havilah’s Technical Director, Chris Giles, added:**

*“This transaction offers the opportunity to accelerate Mutooroo into production for minimal capital outlay, under the management of Hillgrove, an experienced operator who has the capacity to process the sulphide ore. The proposed PFS will determine the economic benefit of the concept plan of railing the relatively high-grade (1.53% copper) Mutooroo massive sulphide ore to Kanmantoo. This concept plan has the potential to significantly reduce project execution risk for Havilah’s shareholders.*”

*“The proposed PFS will also assess opportunities to enhance overall project revenue from the Mutooroo massive sulphide ore from by-products such as cobalt and sulphur.*”

*“Consistent with Havilah’s advanced project monetisation strategy, it would retain substantial upside via its shareholding in Hillgrove and its ongoing 20% interest in Mutooroo. Havilah will continue to explore its 100% owned surrounding exploration licences and will offer Hillgrove the first right to partner on any future developments.*”

*“Havilah looks forward to working with the skilled team at Hillgrove to potentially bring Mutooroo into production and generate benefits for all stakeholders.”*

**MUTOOROO OVERVIEW**

The Mutooroo Copper Project is a high-grade massive sulphide deposit located in northeastern South Australia, approximately 60 kilometres (**km**) southwest of Broken Hill, and lies within EL6592. The project is situated approximately 16km south of the Transcontinental railway line and Barrier Highway, providing direct access to established freight routes across South Australia. The Transcontinental railway line passes within 200m of the Kanmantoo processing facility, which creates an opportunity to potentially rail Mutooroo ore to Kanmantoo for processing. Whilst subject to further test work, based on past results, Mutooroo ore is expected to be amenable to processing at the Kanmantoo processing plant. There is also potential upside from on-site ore sorting at Mutooroo, which could reduce transport volumes and lower rail costs.

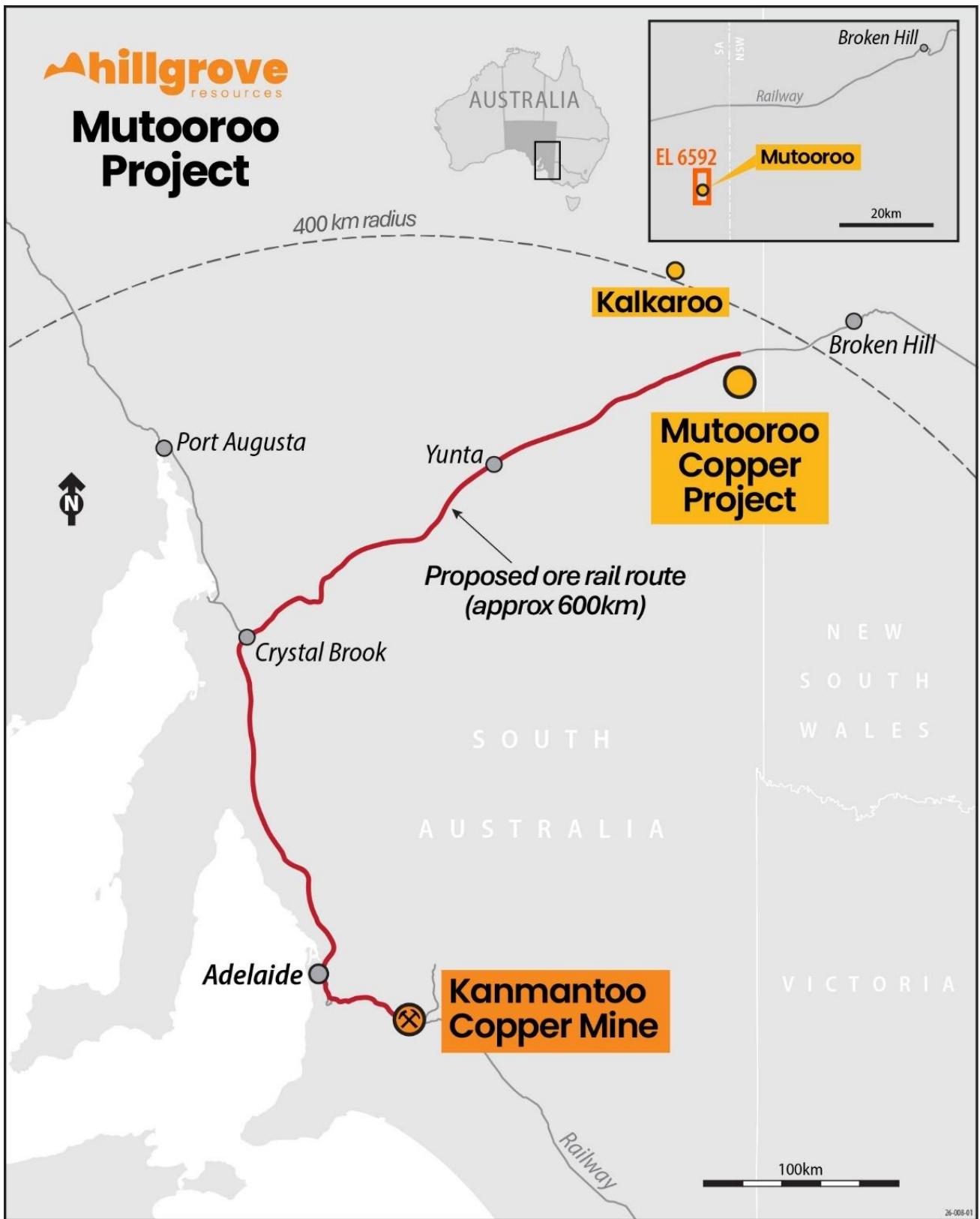


Figure 1 Location of the Mutooroo Copper Project and proposed rail route to Hillgrove’s Kanmantoo processing facility in South Australia

Mutooroo hosts an existing JORC Sulphide MRE<sup>2</sup> of 12.5Mt at 1.53% Cu, 0.16% cobalt (**Co**) and 0.20 g/t gold (**Au**) comprising 191,700t of Cu, 20,000t of Co and 80,600 ounces of Au within copper-cobalt massive sulphide mineralisation with demonstrated geological continuity. Drilling over several decades has defined wide and continuous sulphide zones, with only a portion of the known strike drilled to date. Recent geophysical and drilling results confirm that the mineralisation remains open along strike and at depth, highlighting strong potential for further extensions. This established resource base provides a sound platform for the proposed PFS, enabling Hillgrove to focus on mine design, logistics and processing pathways.

*Table 1 Mutooroo JORC Mineral Resources as per Havilah 2025 Annual Report<sup>2</sup>*

Classification	Resource Category	Tonnes	Copper %	Cobalt %	Gold g/t	Copper tonnes	Cobalt tonnes	Gold ounces
<b>Measured</b>	Oxide	598,000	0.56	0.04	0.08	3,300	200	1,500
<b>Subtotal</b>	<b>Oxide</b>	598,000	0.56	0.04	0.08	3,300	200	1,500
<b>Measured</b>	Sulphide	4,149,000	1.23	0.14	0.18			
<b>Indicated</b>	Sulphide	1,697,000	1.52	0.14	0.35			
<b>Inferred</b>	Sulphide	6,683,000	1.71	0.17	0.17			
<b>Subtotal</b>	<b>Sulphide</b>	12,529,000	1.53	0.16	0.20	191,700	20,000	80,600
<b>TOTAL</b>		<b>13,127,000</b>				<b>195,000</b>	<b>20,200</b>	<b>82,100</b>

Note: All figures in this table are rounded.

## STRATEGIC RATIONALE

From Hillgrove's perspective, the proposed farm-in to Mutooroo provides a lower risk, capital efficient copper development option at a time when new high-grade copper discoveries are scarce and greenfield copper project grades continue to decline globally. The transaction also aligns with Hillgrove's strategy of leveraging its existing Kanmantoo processing facility to unlock value from regional deposits. Subject to further test work and a PFS, Hillgrove believes Mutooroo has the potential to lift its copper production beyond 20kt per annum.

From Havilah's perspective, the transaction potentially enables the early development of Mutooroo with a lower execution risk and quicker project development option managed by Hillgrove, who are proven copper mining and processing operators in South Australia. Havilah retains substantial upside via its shareholding in Hillgrove and its retained 20% project interest.

Importantly, both Hillgrove and Havilah recognise the significant benefits the partnership could unlock utilising a fully permitted, existing Kanmantoo processing facility which largely eliminates greenfield development risk.

Hillgrove's operational team, logistics network, and permitting experience potentially further de-risk Mutooroo's pathway to production.

<sup>2</sup> Refer to Mineral Resource Estimate stated in the Havilah Resources Limited Annual Report for the financial year ended 31 July 2025, first released in the Havilah ASX media release titled 'Mutooroo Copper-Cobalt Deposit Resource Statement', dated 18 October 2010, and 'New Mutooroo Cobalt Resource', dated 5 June 2020.

## TRANSACTION OVERVIEW

Hillgrove and Havilah have entered into binding agreement to evaluate the feasibility of development of the Mutooroo Copper Project through a staged farm-in, followed by the formation of an unincorporated joint venture and a tolling arrangement for processing Mutooroo ore at Kanmantoo.

*Table 2 Summary of key commercial terms for the Mutooroo earn-in and joint venture structure*

<b>Stage 1</b>	<ul style="list-style-type: none"> <li>• Hillgrove to secure the right to earn an 80% interest in Mutooroo for \$5 million upfront consideration conditional upon the renewal of EL6592 on terms reasonably acceptable to Hillgrove, comprising: <ul style="list-style-type: none"> <li>○ 116,279,070 Hillgrove fully paid ordinary shares issued at 4.3 cents reflecting the volume average weighted price (<b>VWAP</b>) for the 20 trading day period from 23 April 2026 to 20 May 2026 (both dates inclusive).</li> <li>○ 116,279,070 Hillgrove unlisted options exercisable at 5.2 cents, i.e. 20% above the issuing price of 4.3 cents.</li> <li>○ 50% of the shares and options issued will be escrowed for 6 months, with the balance escrowed for 12 months (from the date of issue).</li> <li>○ These Hillgrove shares and options represent approximately 6.4% of Hillgrove's issued capital on a fully diluted basis.</li> </ul> </li> <li>• Hillgrove funds and completes the PFS estimated at \$10 million, targeted for completion within 24 months.</li> <li>• Hillgrove funds and completes a minimum commitment to undertake a 5,000m drilling program to increase confidence in the Mineral Resources at Mutooroo. This expenditure is included in the \$10 million estimate for PFS.</li> </ul>
<b>Stage 2</b>	<ul style="list-style-type: none"> <li>• Stage 2 is subject to the following conditions: <ul style="list-style-type: none"> <li>○ all regulatory approvals required for the transfer of the Farm-In Interest to Hillgrove being obtained;</li> <li>○ all regulatory approvals required for registration of the transfer under the Mining Act being obtained; and</li> <li>○ all third party waivers, approvals and consents necessary for the transfer being obtained.</li> </ul> </li> <li>• Upon successful completion of Phase 2 of the PFS, or at any time within 25 months from 20 May 2026, Hillgrove may acquire an 80% interest in Mutooroo for further consideration of \$35 million, comprising: <ul style="list-style-type: none"> <li>○ Cash payment equal to between 30% and 70%; and</li> <li>○ Balance satisfied by the issue of Hillgrove fully paid ordinary shares calculated at an issuing price of 4.3 cents;</li> <li>○ The percentage split from 30% and 70% is at Hillgrove's discretion.</li> </ul> </li> <li>• Stage 2 cash consideration is expected to be funded through either existing Hillgrove cashflows or Hillgrove level debt or equity, taking into consideration what is the best capital allocation at that time.</li> <li>• 50% of the shares issued will be escrowed for 6 months, with the balance escrowed for 12 months (from the date of issue).</li> <li>• Formation of an unincorporated joint venture.</li> </ul>
<b>Resource Expansion Payment</b>	<ul style="list-style-type: none"> <li>• Within 5 years of agreement execution, Hillgrove will pay \$1 million per each additional 10,000 tonne contained copper added to the sulphide Resources above the JORC Sulphide Mineral Resources declared in Havilah's 2025 Annual Report.</li> <li>• Total payment capped at \$5 million.</li> </ul>

Table 3 Cash and share profile across transaction and project milestones

Timing	Cash	Shares <sup>3</sup>
<b>Transaction Costs</b>		
<b>Condition Precedent satisfied - EL6592 Renewal (Stage 1)</b>	Nil	\$5 million
<b>Post FID (Stage 2)</b>	\$10.5 – 24.5 million	\$24.5 – 10.5 million
<b>Project Costs</b>		
<b>PFS – Phase 1<sup>4</sup></b>	~\$2 million	Nil
<b>PFS – Phase 2<sup>4</sup></b>	~\$8 million	Nil
<b>Development Capital</b>	To be determined	

### CONCEPT PLAN AND PROPOSED PRE-FEASIBILITY STUDY

The concept underpinning the transaction is a centralised processing hub model, where Mutooroo ore is mined, crushed and transported to Kanmantoo for processing. This concept is preliminary in nature and is insufficient at this stage to provide assurance of an economic development case or certainty that the concept plan will eventuate. It will be subject to detailed assessment through the proposed PFS.

Key elements of the concept plan are shown in the table below.

Table 4 Key elements underpinning the Mutooroo concept plan

<b>Mining</b>	<ul style="list-style-type: none"> <li>Open-pit mining followed by underground extraction of high-grade sulphide ore from the Mutooroo deposit.</li> <li>Conventional crushing at Mutooroo.</li> <li>Ore-sorting remains a potential upside opportunity.</li> </ul>
<b>Logistics</b>	<ul style="list-style-type: none"> <li>Ore hauled to Kanmantoo via proximal rail.</li> <li>Minimising haulage costs.</li> <li>Reducing environmental footprint relative to road-only transport.</li> </ul>
<b>Processing</b>	<ul style="list-style-type: none"> <li>Conventional grinding and flotation at the Kanmantoo processing plant, leveraging existing capacity and operational expertise.</li> <li>The PFS will assess processing configuration options, including batch processing versus co-mingling, with the preferred pathway determined by metallurgical performance.</li> </ul>
<b>Product</b>	<ul style="list-style-type: none"> <li>Copper concentrate with by-product credits.</li> </ul>
<b>Workforce</b>	<ul style="list-style-type: none"> <li>Local workforce operating on a Drive-In-Drive-Out basis from Broken Hill.</li> </ul>
<b>Capital Profile</b>	<ul style="list-style-type: none"> <li>No requirement for a new processing plant or Tailings Storage Facility (TSF).</li> <li>Capital limited to mine development, logistics interfaces, utilities at Mutooroo, and minor Kanmantoo plant modifications if required.</li> </ul>

<sup>3</sup> Note that this does not include the 116,279,070 Hillgrove unlisted options as part of the Stage 1 consideration.

<sup>4</sup> PFS phase estimated spending is preliminary only and will be confirmed during PFS scope finalisation.

Pre-production capital is expected to comprise initial open-pit stripping, crusher, logistics infrastructure, and surface non-processing infrastructure. Further definition of these items will be developed through the PFS. Funding of the pre-production capital requirement will form part of the FID.

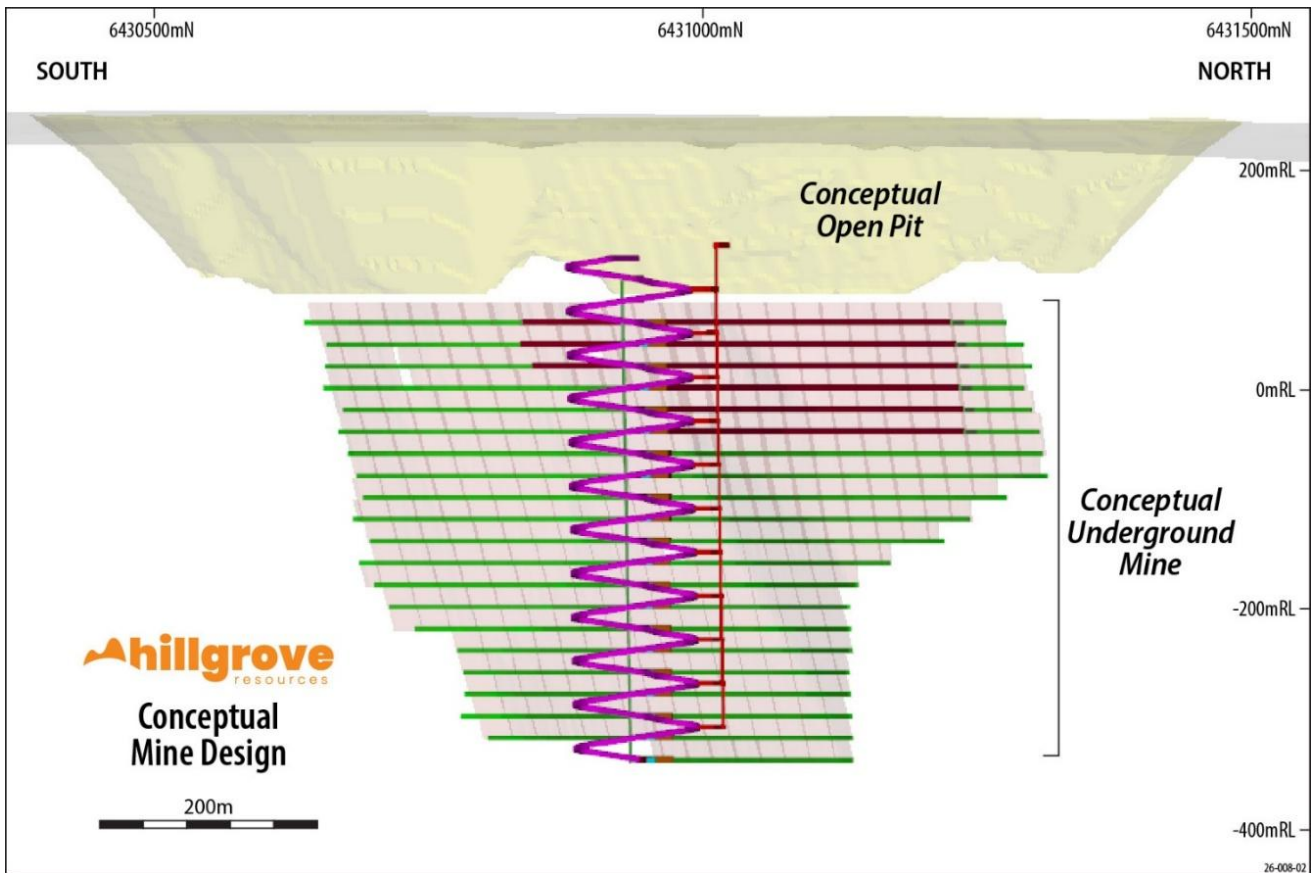


Figure 2 Conceptual Mutooroo mine design. This concept is preliminary in nature, based on the MRE stated in the Havilah 2025 Annual Report<sup>5</sup> and will be subject to detailed assessment through the proposed PFS

The study will evaluate a number of workstreams, as shown in the table below, to support a potential viable development pathway for Mutooroo.

A staged gate approach will be undertaken with an early assessment of rail logistics and metallurgical performance to confirm potential project viability (Phase 1). The full PFS program will proceed only if these early workstreams demonstrate that the project has an economic pathway to development (Phase 2).

<sup>5</sup> Refer to Mineral Resource Estimate stated in the Havilah Resources Limited Annual Report for the financial year ended 31 July 2025, first released in the Havilah ASX media release titled 'Mutooroo Copper-Cobalt Deposit Resource Statement', dated 18 October 2010, and 'New Mutooroo Cobalt Resource', dated 5 June 2020.

Table 5 Summary of proposed PFS workstreams

Workstream	Purpose
<b>Logistics (Rail &amp; Haulage)</b>	Validate mine-to-mill transport pathway and cost structure with an executable plan ready for operations.
<b>Metallurgy</b>	Confirm metallurgical test work with Mutooroo ore to allow confirmation of optimum plant configuration at Kanmantoo.  Assess any required plant configuration improvements required to optimise value return.
<b>Geology &amp; Resource</b>	Improve geological Resource definition and confidence with the intent to release an updated MRE if appropriate.
<b>Mining Studies</b>	Develop an executable open-pit mine study with all relevant technical studies.  Conduct an underground mine design to enable the development of a capital works schedule to ensure no production hiatus between open-pit mining and underground ore feed.
<b>Infrastructure &amp; Services</b>	Define mine site and rail heading infrastructure, including capital works schedule and costs to a PFS level definition.
<b>Sustainability &amp; Approvals</b>	Conduct a parallel process for all environmental and mining tenure approvals at both Mutooroo and Kanmantoo.
<b>Community &amp; Traditional Owner Engagement</b>	Early engagement with local Communities and Traditional Owners to co-develop mutually beneficial community outcomes.
<b>People &amp; Workforce Logistics</b>	Workforce studies on availability of operational and technical people throughout the local region.
<b>Financial &amp; Commercial</b>	Financial modelling and product sales and marketability assessment to be integrated into the economic assessment.
<b>Project Reviews</b>	Multi-staged, independent peer reviews and risk assessments to ensure material risks are addressed through the PFS timeline to address any fatal flaws early.

Hillgrove is advised by Taylor Collison in relation to this transaction.

This joint ASX announcement has been approved and authorised for release by the Boards of Hillgrove Resources Limited and Havilah Resources Limited.

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## Forward-looking Statements

This ASX announcement contains certain forward-looking statements and comments about future events, that are based on Hillgrove's and Havilah's beliefs, assumptions and expectations and on information currently available to both management as at the date of this announcement. 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. 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 or Havilah (as applicable) 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 or Havilah that the matters stated in this announcement will in fact be achieved or prove to be correct. Except as required by law, Hillgrove and Havilah undertake no obligation to provide any additional or updated information or update any forward-looking statements whether as 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, Havilah, and their respective directors, and respective management. These factors include, but are not limited to difficulties in forecasting expected production quantities, the potential that any of Hillgrove's projects or the Mutooroo Project may experience technical, geological, metallurgical and mechanical problems, changes in market prices and other risks not anticipated by Hillgrove or Havilah, changes in exchange rate assumptions, changes in product pricing assumptions, major changes in conceptual 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 Person's Statements

The information in this announcement that relates to Exploration Results and JORC Mineral Resources is based on data and information compiled by geologist Dr Chris Giles, a Competent Person who is a member of The Australian Institute of Geoscientists. Dr Giles is Technical Director of Havilah, a full-time employee and is a substantial shareholder of Havilah. Dr Giles has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activities being undertaken to qualify as a Competent Person as defined in the 2012 Edition of 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Dr Giles consents to the inclusion in the announcement of the matters based on his information in the form and context in which it appears.

The information in this report that relates to the Mutooroo Mineral Resource is extracted from two ASX releases. The first titled 'Mutooroo Copper-Cobalt Deposit Resource Statement' dated 18 October 2010, and the second titled 'New Mutooroo Cobalt Resource' dated 5 June 2020. Both announcements are available to view at [www.asx.com.au](http://www.asx.com.au). Havilah 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 Mineral Resource Estimate in the relevant market announcement continue to apply and have not materially changed. Havilah confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.