Quarterly
Report

HILLGROVE RESOURCES LIMITED REPORT FOR QUARTER ENDED 30 JUNE 2026

CASH BUILDS WITH PRODUCTION GROWTH

All dollar amounts are in ***Australian dollars*** *(AUD) unless otherwise stated.*

Key achievements:

- Kanmantoo achieved sustained 1.8 million tonnes per annum (**Mtpa**) run rate in June, supporting lower unit operating costs in H2 2026.
- Strong copper (**Cu**) production of 3,170 tonnes (**t**), the fifth quarter-on-quarter (**QoQ**) increase.
- 71% increase in net group cash flow to $8.3 million, supported by operating mine cash flow of $23.3 million.
- All-in-Sustaining Cost (**AISC**) of $5.76/lb payable Cu sold, at the lower end of the 2026 AISC guidance.
- Emily Star development approved subsequent to quarter (**Qtr**) end, establishing a third underground mining front.

CEO AND MANAGING DIRECTOR'S STATEMENT

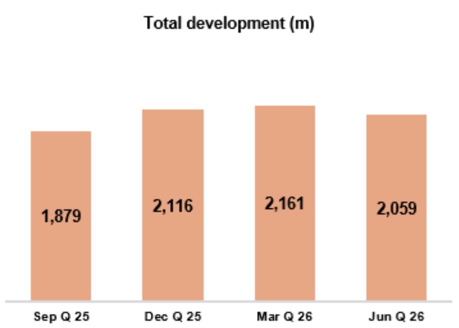
Commenting on the 2026 June Qtr results, Hillgrove Chief Executive Officer and Managing Director, Bob Fulker said:

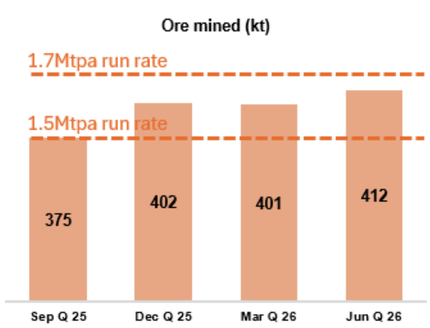
"The team delivered a strong quarter, with a major milestone achieved as Kanmantoo reached an annualised production run rate of 1.8 million tonnes in June, bringing the annualised run rate to 1.65 million tonnes for the quarter. This solid operational performance underpinned a robust operating mine cash flow margin of 37% and contributed to a 28% increase in the Group's cash balance compared to the previous quarter.

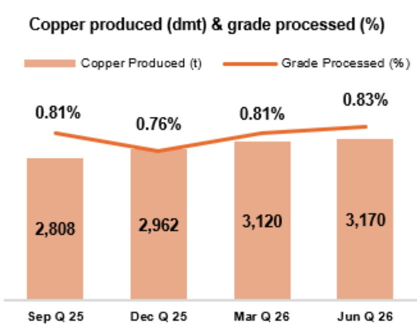
With Emily Star development now approved[1], we have taken an important step in our growth pathway and further reinforced Kanmantoo's long-term potential. At the same time, we are advancing the Mutooroo Pre-Feasibility Study, progressing our regional exploration programs and building a pipeline of opportunities that will support the next phase of growth.

Importantly, we are funding our growth pipelines from operating cash flow, and we expect both copper production and cash generation to increase as these projects come online.

As we continue to mature as a copper producer, the proposed company name change to Kantra Copper Limited and the share consolidation[2] are deliberate steps to ensure our brand and capital structure reflect who we are becoming — a focused, growth-oriented copper producer with a clear strategy for the future."







[1] *Refer to ASX announcement titled 'Emily Star Development Approved, Capital Guidance Updated', dated 17 July 2026.*

[2] *Refer to ASX announcement titled 'Proposed Company Name Change and Share Consolidation', dated 17 July 2026.*

PRODUCTION & COST GUIDANCE

Hillgrove is on track to meet its 2026 production and cost guidance. In the June Qtr, it produced 3,170t of Cu at an AISC of $5.76/lb payable Cu sold, consistent with full-year expectations. With its flagship operation, Kanmantoo Copper Mine, now successfully ramped up to 1.8 Mtpa production run rate, the Company anticipates its full-year AISC will land at the lower end of the guidance range, reflecting continued throughput performance and ongoing cost management.

$3.7 million in major capital, inclusive of $0.4 million Mutooroo transaction costs, was invested during the Qtr, consistent with the Company's annual plan and supporting its ongoing development and growth initiatives. On 17 July, the Company updated its 2026 Major Capital Guidance from $8–10 million to $15–17 million, incorporating the approved Stage 2 Emily Star development capital and Mutooroo Pre-Feasibility Study (**PFS**) costs.

Metric	2026 YTD	Jun Qtr 2026	Mar Qtr 2026	Guidance Range 2026[3,4]
Cu Produced (t)	6,290	3,170	3,120	12,750 - 14,000
AISC ($/lb Payable Cu Sold)	5.97	5.76	6.20	5.75 - 6.25
Total Major Capital ($ million)	6.0	3.7	2.3	15 - 17

FINANCIAL PERFORMANCE

Unaudited Cash Flow ($ Thousands)	Jun Qtr 2026	Mar Qtr 2026	Dec Qtr 2025	Sep Qtr 2025
Total Revenue (net of TCRCs)	63,756	53,838	51,187	38,524
Mine Operating Costs	(40,418)	(39,285)	(38,679)	(33,029)
Operating Mine Cash Flow - Kanmantoo	**23,338**	**14,553**	**12,508**	**5,495**
Operating Mine Cash Flow Margin	*36.6%*	*27.0%*	*24.4%*	*14.3%*
Sustaining Capital	(8,202)	(5,330)	(6,158)	(4,811)
Major Capital	(3,326)	(2,342)	(4,307)	(7,392)
Rehabilitation Costs	(372)	(256)	(281)	(108)
Other Site Income and Expenses[5]	(220)	ND	ND	ND
Net Mine Cash Flow – Kanmantoo	**11,218**	**6,625**	**1,762**	**(6,816)**
Corporate G&A Costs	(1,401)	(1,288)	(1,837)	(1,898)
VOX Royalties	(1,226)	(1,013)	(1,140)	(912)
Non-Kanmantoo Exploration	(159)	(157)	(277)	(108)
Other Group Income and Expenses	204	652	(299)	21
Mutooroo Major Capital	(385)	-	-	-
Net Group Cash Flow	**8,251**	**4,819**	**(1,791)**	**(9,713)**

Revenue for the Qtr was $63.8 million, up $9.9 million (+18.4%) on the Mar Qtr, driven by an increase in the Cu tonnes sold at a higher realised Cu price contributing an additional $4.4 million, and a $4.9 million uplift in by-product credits mainly from the higher gold production at Nugent, with the remaining $0.6 million due to a reduction in treatment and refining costs.

Operating mine cash flow increased by $8.8 million (+60.4%) to $23.3 million with a cash flow margin of 36.6%, contributing to net group cash flow of $8.3 million, a $3.4 million (+71.2%) increase from the previous Qtr.

---

[3] Refer to Report for Quarter Ended 31 December 2025 titled 'Hillgrove Delivers on 2025 Guidance and Sets Path for 2026', dated 22 January 2026.

[4] Refer to ASX announcement titled 'Emily Star Development Approved, Capital Guidance Updated', dated 17 July 2026.

[5] This metric was not disclosed in prior quarters and is therefore not presented in the table (ND). The Company will report this metric from the June 2026 quarter onward.

Mine operating costs of $40.4 million increased 2.9% QoQ, reflecting the higher production run rate, and some impact from higher fuel and transport costs but lower offtake charges.

Sustaining capital of $8.2 million reflects the increased sustaining capital development at Nugent and Kavanagh during the Qtr, in line with the 2026 plan. Major capital of $3.3 million at Kanmantoo primarily comprised $1.0 million for Emily Star development, $0.4 million for the Kavanagh North exploration drive, $1.0 million for underground assets, and $0.9 million for exploration. An additional $0.4 million was spent on Mutooroo transaction costs. This excludes the Mutooroo stage 1 consideration announced on 29 May[6], which is recognised on the balance sheet separately.

Unaudited Working Capital Assets ($ Million)	Jun Qtr 2026	Mar Qtr 2026	Dec Qtr 2025	Sep Qtr 2025
Cash (excl. $0.35m restricted)	32.2	25.2	20.6	6.4
Trade Receivables	5.0	4.9	6.6	2.7
Other Receivables (GST and FTC)	1.6	1.6	1.5	1.3
Unsold Stockpiles[7]	5.9	4.3	2.1	5.2
Working Capital Assets	**44.7**	**36.0**	**30.8**	**15.6**

Cash at the end of the Qtr was $32.2 million, an increase of $7.0 million reflecting stronger mine operating cash flow. Total receivables of $6.6 million were on par with the previous Qtr. Unsold stockpiles increased by $1.6 million to $5.9 million, reflecting the increase in Run of Mine (**ROM**) and Coarse Ore Stockpiles (**COS**) on hand at Qtr-end due to the timing of the processing campaign. Given the sustained mining run rate at 1.8Mtpa, the Company expects to carry a modest level of ROM and COS inventory going forward. Copper concentrate on hand at Qtr-end was 946t.

During the Qtr, the Company closed out 1,350t of Cu hedges at an average price of $14,466/t. As the hedge price was below prevailing spot prices, these settlements tempered the revenue benefit from the stronger Cu market. At 30 June 2026, the Company had 850t of Cu hedges outstanding at a weighted average price of $14,707/t, scheduled for delivery from July 2026 to September 2026.

KANMANTOO OPERATION

The Kanmantoo Copper Mine (**Kanmantoo**) is situated in the Adelaide Hills region of South Australia, 55 kilometres (**km**) from Adelaide. Kanmantoo is 100% owned by Hillgrove.

Sustainability

Environmental Stewardship

Grassy Woodland Revegetation Project at Kanmantoo continued to advance, with on-ground efforts strengthening peppermint box communities, improving riparian red gum areas, and creating better habitat for endangered bird species across previously cleared land. Hillgrove is also integrating the Storers rehabilitation area into this program to establish a broader environmental corridor, improving landscape connectivity and long-term ecological resilience.

One noise exceedance was recorded against the Programme for Environment Protection and Rehabilitation (**PEPR**). The Company is assessing options for continuous noise monitoring to capture a larger, more representative dataset. Annual site compliance inspection by the South Australian Department for Energy and Mining (**DEM**) and the Environment Protection Authority (**EPA**) recorded zero non-compliances. Preparatory works for ongoing rehabilitation of the Tailings Storage Facility (**TSF**) commenced, with hydroseeding scheduled for the September Qtr.

Community Engagement

Community engagement remained active and constructive during the Qtr, with no community complaints received. The Kanmantoo Callington Community Consultative Committee (**KCCCC**) met on 30 April 2026, with discussions including the proposed garnet extraction opportunity with Heavy Minerals Limited (**Heavy Minerals**). Two new

[6] *Refer to ASX announcement titled 'Completed Mutooroo Stage 1 Consideration, PFS Underway', dated 29 May 2026.*

[7] *This is comprised of the estimated net realisable value of unsold ROM, COS, and concentrate at site and port.*

KCCCC Working Groups were established with Hillgrove's support: the Cultural Trail Project, which aims to develop a Kanmantoo-Callington trail featuring cultural artwork and historic points of interest; and the Masterplan Working Group to guide the update of the KCCCC Masterplan.

Community investment for the Qtr totalled $26,650 across governance, education, industry development and local initiatives, including sponsorship of the Adelaide Hills Tigers Rugby League Club. Employees also participated in the 2026 Push-Up Challenge, completing 61,863 push-ups and raising awareness for mental health.

First Nations Partnership

Hillgrove continued to strengthen its engagement with First Nations communities, holding an initial meeting with Aboriginal and Torres Strait Islander employees to identify opportunities to improve cultural inclusion and recognition across the site. Engagement also commenced with the Peramangk people to support future cultural initiatives, with a dedicated working group established to progress these activities.

Safety

Three Recordable Injuries (**RIs**) occurred during the Qtr: one slip-related shoulder injury in April and two hand-related injuries in May. In response, Hillgrove reinforced its focus on hand safety, including renewed attention on pinch points, line-of-fire hazards and a review of hand Personal Protective Equipment (**PPE**). 12-month moving average Total Recordable Injury Frequency (**TRIF**) was 17.5 at the end of the Qtr.

Hillgrove initiated a critical risk management program to systematically identify and control material risks and further strengthen the Company's risk-based governance framework. Workforce health and wellbeing remained a priority, with flu vaccinations provided, mental health first aid training delivered, and participation in Mental Health Awareness Month throughout June.

Routine occupational hygiene monitoring for crystalline silica and noise was completed during the Qtr, with fit-testing undertaken for relevant respiratory and hearing protection. The Company also upgraded to a 24/7 injury triage service to improve the timeliness and quality of injury management.

A broad program of emergency response training was delivered, including confined space, hazardous materials and rope rescue training, alongside leadership development to build frontline supervisory capability.

Production and Costs

Production and Cost Metrics (Unaudited)	Units	2026 YTD Total	Jun Qtr 2026	Mar Qtr 2026	Dec Qtr 2025	Sep Qtr 2025
Total Development	m	4,220	2,059	2,161	2,116	1,879
Ore Mined	kt	813	412	401	402	375
Copper Grade Mined	%	0.82	0.82	0.81	0.75	0.82
Gold Grade Mined[8]	g/t	0.20	0.26	0.14	ND	ND
Processing Physicals						
Tonnes Processed	kt	807	401	406	410	366
Copper Grade Processed	%	0.82	0.83	0.81	0.76	0.81
Copper Recovery	%	95.2	95.5	95.0	95.5	94.5
Production						
Copper Produced	t	6,290	3,170	3,120	2,962	2,808
Gold Produced	oz	2,697	1,825	872	753	711
Silver Produced	oz	47,736	23,364	24,372	20,899	20,321
CuEq Produced[8,9,10]	t	7,686	4,013	3,671	ND	ND
Concentrate Sales						
Payable Copper Sold	t	5,869	3,027	2,842	3,121	2,422
Average Realised Copper Price	$/t	16,870	17,096	16,629	14,754	14,447
Average Realised Copper Price[11]	$/lb	7.65	7.75	7.54	6.69	6.55
Average Realised Gold Price	$/oz	6,716	6,669	6,816	ND	ND
Average Realised Silver Price	$/oz	114	96	132	ND	ND
Cost Summary[12]						
Mining	$/lb	3.96	3.78	4.16	3.55	4.03
Processing	$/lb	1.11	1.12	1.10	1.07	1.12
Site G&A	$/lb	0.32	0.35	0.30	0.31	0.36
Transport and Offtake Charges	$/lb	0.47	0.44	0.50	0.42	0.46
Stockpile Movements	$/lb	(0.05)	(0.01)	(0.10)	0.29	(0.49)
By-Product Credits	$/lb	(1.58)	(1.89)	(1.24)	(0.87)	(0.79)
C1 Costs	**$/lb**	**4.23**	**3.79**	**4.72**	**4.77**	**4.69**
Government Royalties	$/lb	0.43	0.46	0.40	0.37	0.34
Sustaining Capital	$/lb	1.05	1.23	0.85	0.90	0.90
Corporate G&A	$/lb	0.26	0.28	0.23	0.26	0.43
All-in Sustaining Cost	**$/lb**	**5.97**	**5.76**	**6.20**	**6.30**	**6.36**
All-in Sustaining Cost (Cu Produced basis)[8]	$/lb	5.57	5.50	5.65	ND	ND
Capital Summary						
Kanmantoo Major Capital[8]	$M	5.6	3.3	2.3	ND	ND
Mutooroo Major Capital	$M	0.4	0.4	-	-	-
Total Major Capital	**$M**	**6.0**	**3.7**	**2.3**	**-**	**-**

[8] *This metric for the June to December 2025 quarters was not previously disclosed and, accordingly, is not presented in this table (ND). To enhance transparency for shareholders, the Company will report on this metric from the Mar Qtr 2026 onwards.*

[9] *CuEq produced = (copper produced x average realised copper price + gold produced x average realised gold price + silver produced x average realised silver price) / average realised copper price. All metal produced figures and the average realised prices are disclosed in the table.*

[10] *YTD CuEq is derived using year-to-date weighted average prices and the CuEq calculation formula set out in footnote 9.*

[11] *Average realised copper price $/lb = average realised copper price / 2204.62.*

[12] *All unit costs are presented on a per-pound payable Cu sold basis, except for AISC, which is reported on both a per-pound payable Cu sold basis and a per-pound Cu produced basis, as shown in the table.*

Total Cu production increased QoQ, with Jun Qtr delivering 3,170t, a 1.6% uplift on the Mar Qtr (3,120t). Ore mined increased to 412kt (Mar Qtr: 401kt), reflecting the mine run rate increasing to 1.8Mtpa in June. Processing performance remained steady, with 401kt processed at 0.83% Cu and 95.5% recovery. Fewer tonnes were processed when compared to mined due to the timing of the processing campaign, resulting in increased surface stocks at Qtr-end. By-product output also increased, with gold (**Au**) production up 109.2% QoQ and silver production (**Ag**) slightly down (-4.1% QoQ). As a result, 4,013t CuEq was produced during the Qtr, a 9.3% increase on the Mar Qtr (3,671t).

AISC of $5.76/lb payable Cu sold for the Jun Qtr was lower than the Mar Qtr ($6.20/lb) and at the lower end of the guidance range of $5.75 – 6.25/lb of payable Cu sold. Overall costs were well managed despite higher diesel and shipping costs, supported by several supply contract reviews that delivered tangible cost reductions. Unit costs are expected to continue trending lower in H2 2026 as the mine stabilises at a 1.8Mtpa run rate, supporting the Company's expectation that the full-year AISC will be at the lower end of the $5.75 – 6.25/lb payable Cu sold guidance range.

To date, no diesel supply constraints have been experienced by the Kanmantoo operation. The Company continues to work closely with its fuel supplier to maintain consistent delivery schedules and ensure resilience during periods of broader market tightness. Given the processing facility operates on grid power, on site diesel usage is mainly for truck haulage and loaders, which limits the Company's exposure to volatile fuel costs.

Subsequent to Qtr-end, Zen Energy Pty Ltd (Kanmantoo's electricity provider) appointed McGrathNicol as administrators on 3 July 2026. Power was guaranteed under the Retailer of Last Resort process and negotiations are advancing for a replacement contract. While negotiations are still ongoing, no material impact on costs is expected at this stage.

Growth

Hillgrove continued to progress its exploration strategy, prioritising near-mine targets with the potential to extend the life and scale of the Kanmantoo operation.

Emily Star

The 2026 diamond drilling program at Emily Star commenced in early April, with 11 holes, totalling 4,632m completed to the end of June. Assay results have been received for five of these holes, all of which are consistent with previously reported intersections and further confirm the presence of high-grade mineralisation at Emily Star. Some significant intersects include[13]:

- 19m @ 1.49% Cu + 0.13g/t Au from 287m downhole in 26KVUG0933 (1019m RL)[14]
- 15.87m @ 1.53% Cu + 0.21g/t Au from 254.13m downhole in 26KVUG0932 (1064m RL)[15]

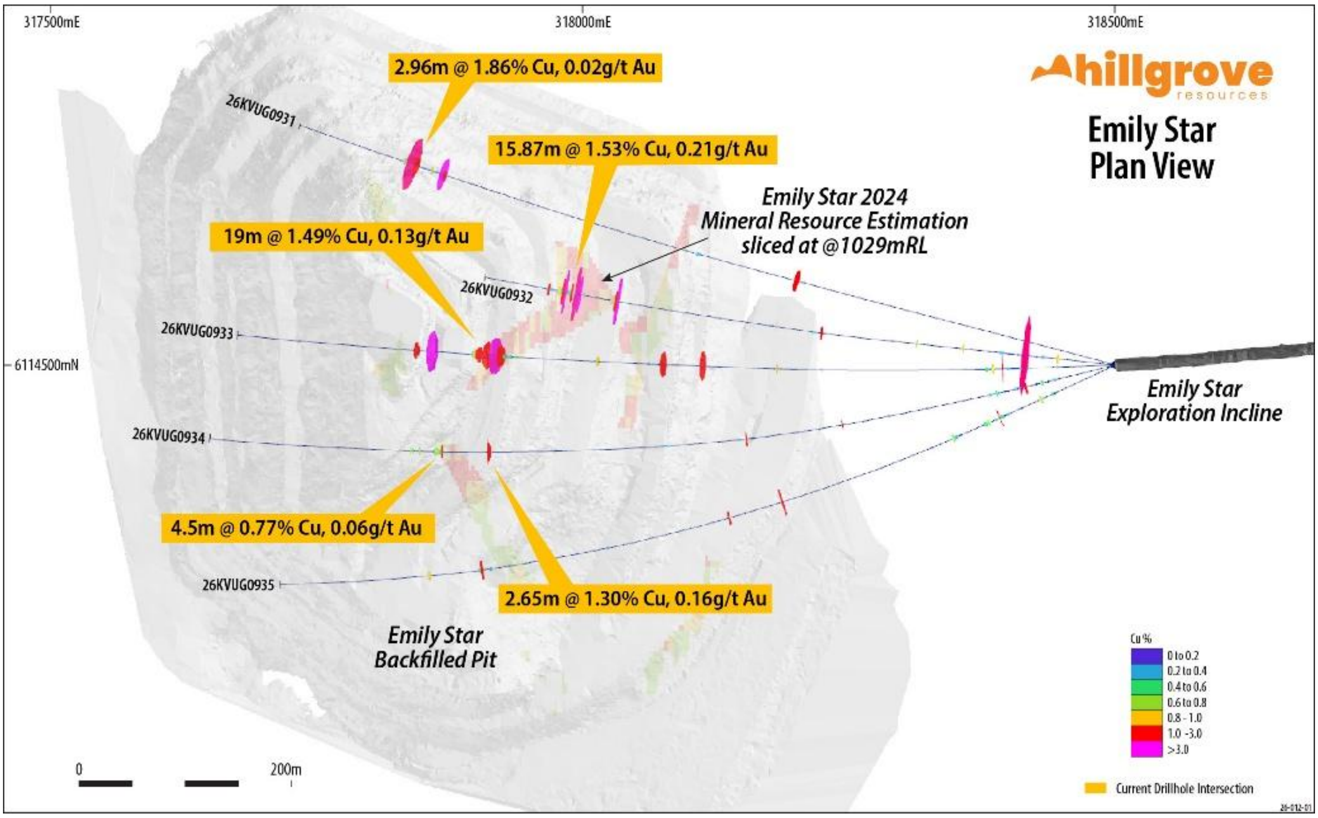


Figure 1: Plan View of Emily Star Drilling showing selected significant intersections downhole against the 2024 Emily Star Mineral Resource Estimate (MRE) sliced at the 1029 metre RL

[13] *Refer ASX release titled 'High-Grade Intersections at Emily Star as Work Progresses Towards Stage 2 Final Investment Decision', dated 17 June 2026.*

[14] *Inclusive of 0.31m unsampled interval @ 293.16 downhole (DH) & 0.38m unsampled interval @ 304m DH pending geotechnical testing.*

[15] *Inclusive of 0.43m unsampled interval @ 255.118 DH & 0.35m unsampled interval @ 267.18m DH pending geotechnical testing.*

Subsequent to Qtr-end, the Board approved commencement of the Emily Star development as the third underground mining front at Kanmantoo. Drilling to date has confirmed geological continuity with no material geotechnical risks identified. The total remaining capital requirement is estimated at $20 – 22 million (in addition to $2.9 million spent YTD), with approximately $6.5 – 7.5 million to be invested in H2 2026. All capital expenditure associated with Emily Star development will be funded from the Company's operating cash flow.

An updated Emily Star Resource will be incorporated into the December Qtr Mineral Resources and Ore Reserves (**MROR**) update, and stoping is expected to begin in H2 2027. Reflecting this approval and the Mutooroo Copper Project (**Mutooroo**) Stage 1 PFS work, Hillgrove has increased its 2026 Major Capital Guidance (refer to 2026 Production and Cost Guidance section for further details).

The Emily Star development will progress under the existing Programme for Environment Protection and Rehabilitation (PEPR), with the full PEPR update scheduled for submission later in the year. Approval of the updated PEPR is expected to be in place ahead of commencing stoping.

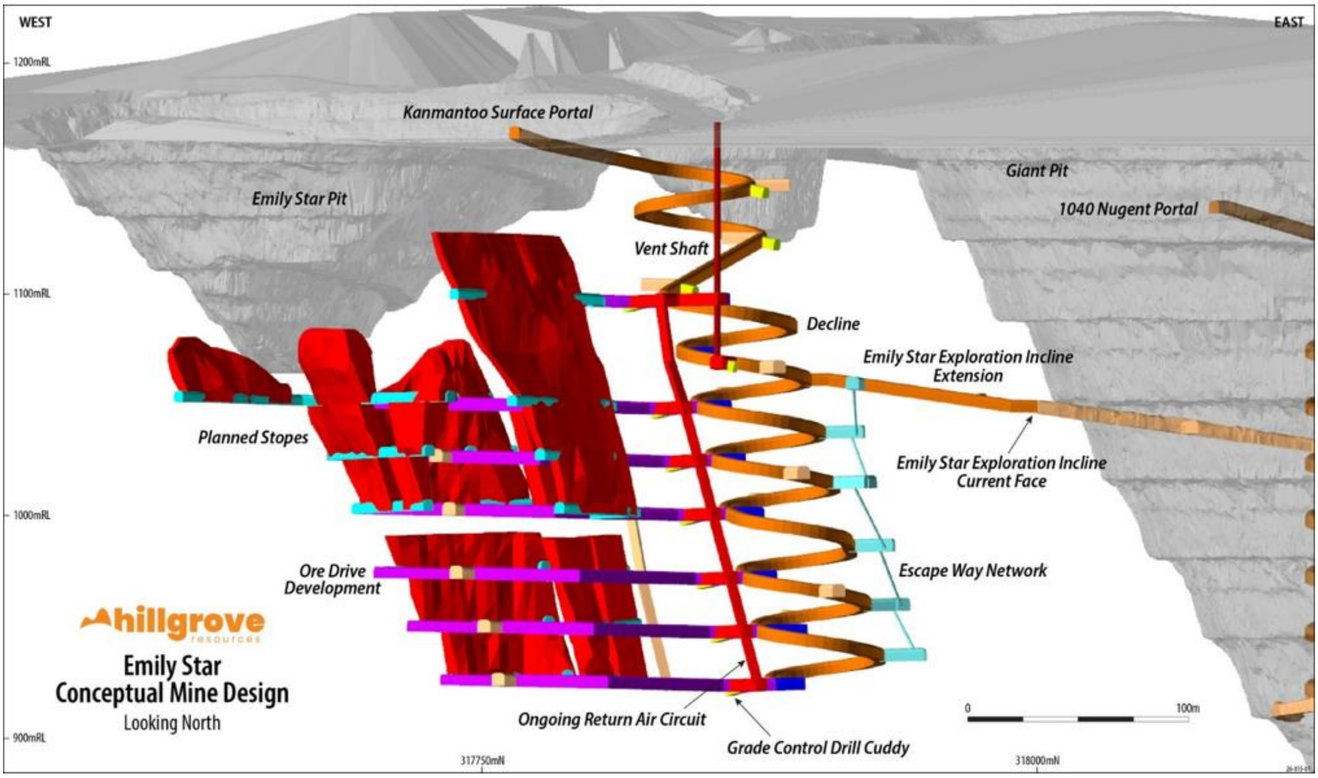


Figure 2: Emily Star development and stoping plan based on 2024 Emily Star Mineral Resource Estimate

Kavanagh North Exploration Drive Development

The Kavanagh North Exploration Drive development commenced on 31 March, with a total of 27 metres (**m**) advanced by the end of June; this development is to establish a drill platform to target Kavanagh North at depth with diamond drilling planned in early 2027.

Underground Drilling

Underground drilling continued to progress, with 12,813m completed from both Grade Control and Resource Expansion drilling, inclusive of the 4,632m drilled at Emily Star.

The Kavanagh underground drilling program was designed to test the northern extents of Kavanagh Central and Kavanagh East from 750m Relative Level (**RL**) Diamond Drill Cuddy (**DDC**), which is the deepest underground drill platform available to test these extents down to approximately 490m RL. The program has expanded known extents of both Kavanagh Central and Kavanagh East, with Kavanagh Central now intersected down to 490m RL in hole KVUG0922 — the deepest underground intersection at Kavanagh to date.

Recent drilling returned strong results that exceed the average grade of the current Kavanagh Mineral Resource Estimate (**MRE**), including[16]:

- 15m @ 2.05% Cu + 0.07g/t Au +4.5g/t Ag from 152m downhole in 26KVUG887 (617m RL)
- 14.5m @ 2.02% Cu + 0.07g/t Au + 5.42g/t Ag from 132.5m downhole in 26KVUG0906 (640m RL)
- 11.8m @ 1.99% Cu + 0.14g/t Au + 5.4g/t Ag from 177.25m downhole in 26KVUG0907 (597m RL)
- 18m @ 1.55% Cu + 0.04g/t Au + 4.23g/t Ag from 123m downhole in 26KVUG0886 (650m RL)
- 16m @ 1.28% Cu + 0.09g/t Au + 3.98g/t Ag from 63m downhole in 25KVUG0718 (715m RL)
- 21m @ 0.96% Cu + 0.22g/t Au + 2.3g/t Ag from 218m downhole in 26KVUG887 (557m RL)

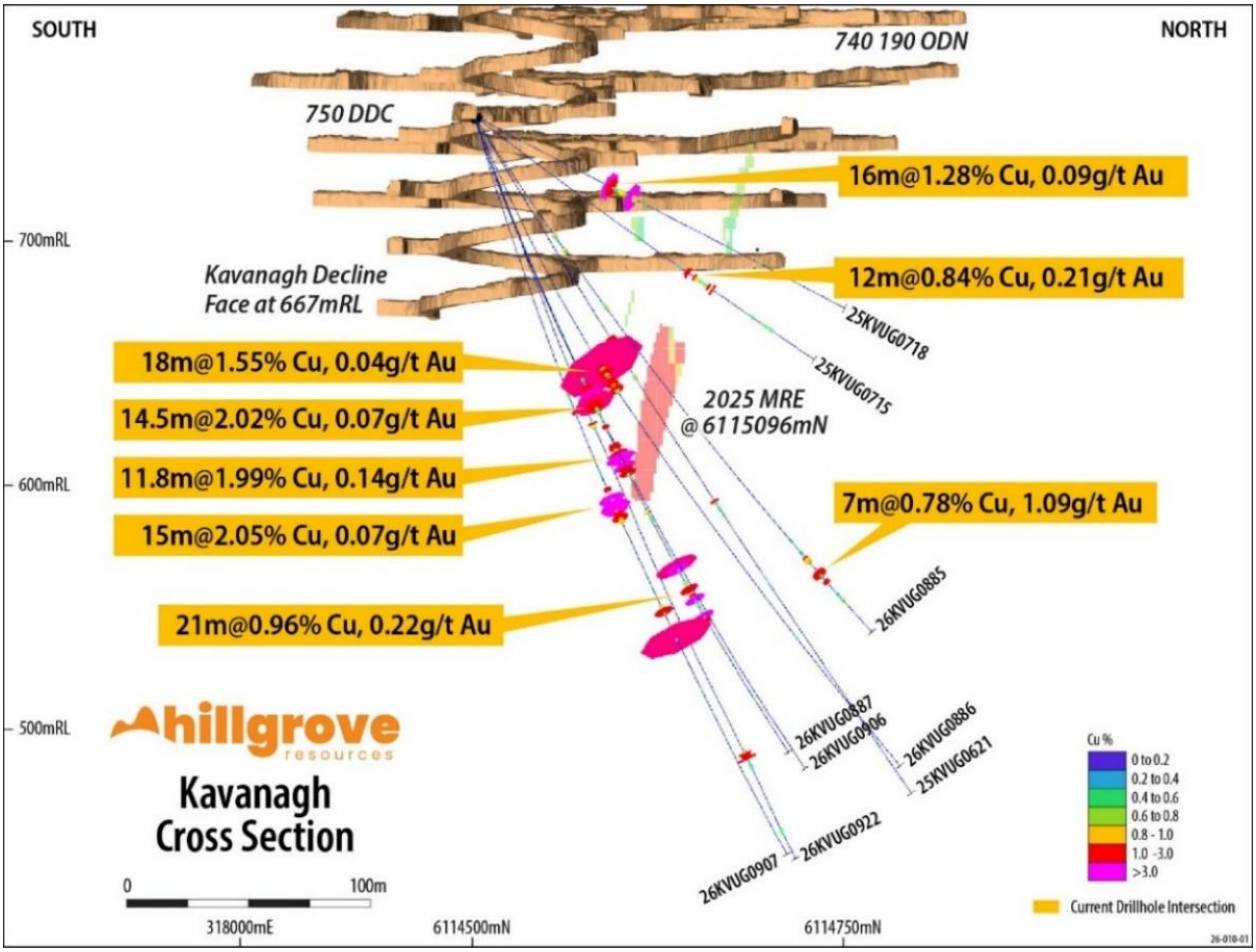


Figure 3: Section View showing key high grades intersections downhole against the 2025 MRE sliced at 6,115,196N viewed toward the South

The results have materially updated the interpreted geometry of Kavanagh East, with increases in both strike length and mineralised width relative to the 2025 MRE. The above results will be incorporated into the 2026 MRE, scheduled for completion in the December Qtr.

[16] *Refer ASX release titled 'High Grade Intersects Extends Kavanagh, Regional Exploration Footprint Expands', dated 14 May 2026.*

Surface Drilling

Surface drilling targeting the depth extensions of the Kavanagh lode system progressed well. The program commenced in February to test the projected depth extensions of the Kavanagh mineralised zone and was executed using directional drilling from surface, with all wedges initiated from a single established parent hole. A total of 2,721m was drilled to the end of June. Assay results were received for the parent hole and the first five (5) wedges, confirming the continuation of the Kavanagh mineralised zone at depth. KTDD248_W5 represents the deepest significant mineralised intersection recorded at the Kanmantoo Deposit to date, sitting more than 250m below the current decline level. Subsequent to Qtr-end, drilling of the planned final wedge was completed with assay results pending. All surface drilling results will be incorporated into the 2026 MRE, scheduled for completion in the December Qtr.

Significant Cu-Au mineralisation intersected includes[17]:

- 24m @ 1.69% Cu + 0.47g/t Au from 816m downhole in KTDD248_W5 (412m RL)
    - Including 5m @ 4.7% Cu + 1.37g/t Au from 819m downhole
- 13m @ 0.73% Cu + 0.11g/t Au from 798m downhole in KTDD248_W2 (445m RL)

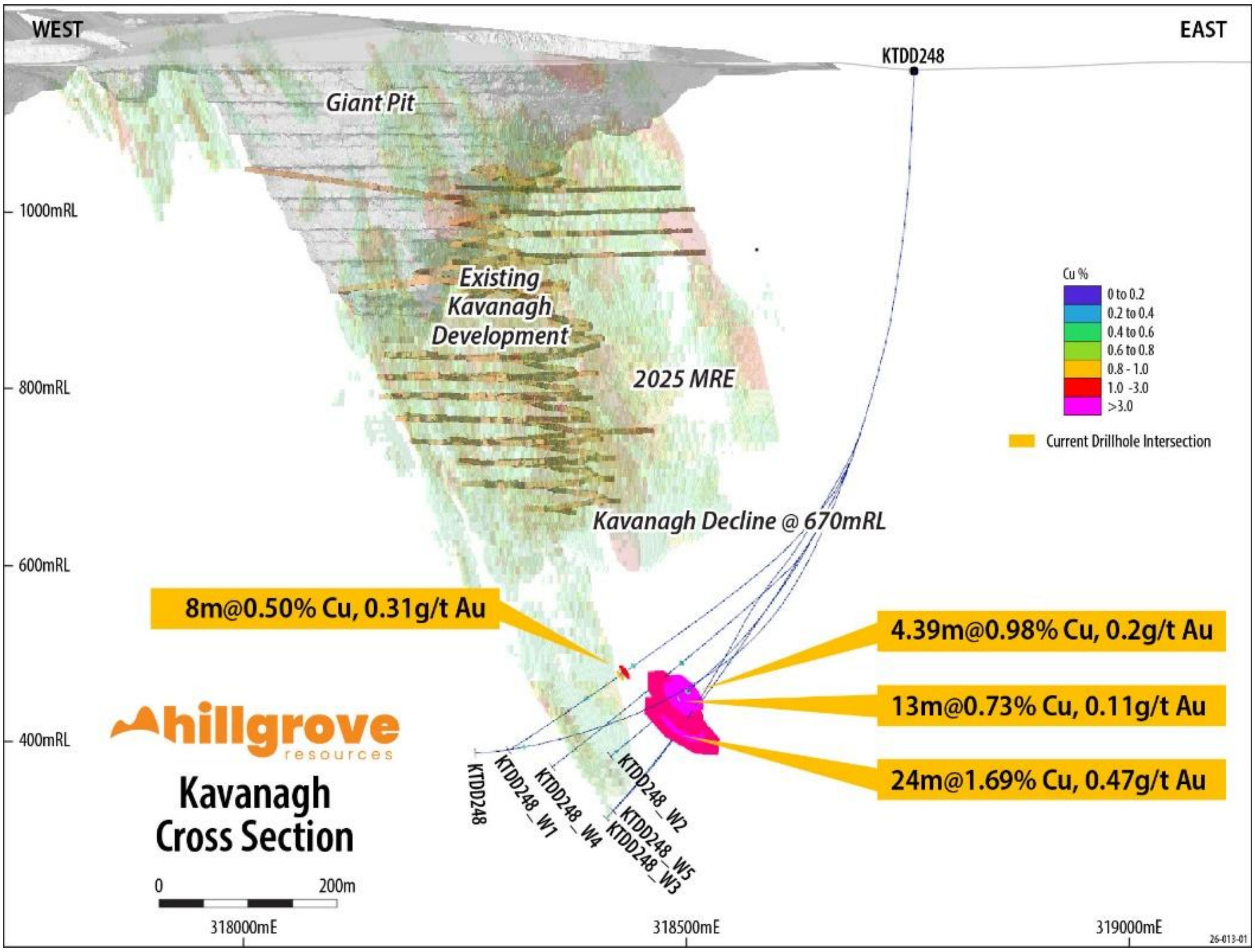


Figure 4: View towards the North showing significant intersections in relation to the 2025 MRE and existing Underground Development

[17] *Refer ASX release titled 'Kavanagh Surface Drilling Improves Resource Growth Potential', dated 30 June 2026.*

MUTOOROO COPPER PROJECT

Transaction

Hillgrove entered into a binding Farm-In Agreement (**FIA**) with Havilah Resources Limited (ASX:HAV) and its subsidiary Copper Aura Pty Ltd (together, Havilah) that gives Hillgrove the right to earn an 80% interest in the Mutooroo Copper Project, which lies within Exploration Licence (**EL**) 6592 in the Curnamona Province of northeastern South Australia.

The Farm-In to Mutooroo provides a lower risk, capital efficient Cu development option at a time when new high-grade Cu discoveries are scarce and greenfield Cu 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.

Key transaction terms are:

- 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);
  - Hillgrove will invest up to $10 million including a commitment to 5,000 metres (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 comprising 30% to 70% cash (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.

EL6592 renewal was granted by the South Australian Department for Energy and Mining (**DEM**) and subsequently, in accordance with the FIA, Hillgrove has issued:

- 116,279,070 fully paid ordinary shares; and
- 116,279,070 unlisted options, at an exercise price of 5.2 cents with an expiry date of 29 June 2028

as satisfaction of the $5 million Stage 1 consideration[18].

Consistent with the agreed escrow arrangements:

- 50% of the shares and options are subject to a 6-month escrow period; and
- the remaining 50% are subject to a 12-month escrow period.

Pre-Feasibility Study

The Mutooroo PFS commenced during the Qtr following the transaction announcement. The project team completed the detailed project budget and schedule, with the 2026 expenditure now incorporated into the revised Major Capital Guidance[19]. PFS Phase 1 is focused on derisking ore logistics and metallurgical testing which is expected to conclude in the December Qtr. Early field activities commenced following a site visit in the first week of June, including inspections of the deposit, historical core, and potential rail siding and haul road locations. Subsequent to Qtr-end, preliminary metallurgical test work commenced using existing core samples provided by Havilah. The outcomes will shape the design of the full metallurgical test program, ensuring targeted drilling and efficient progression through Phase 1. The PFS will be funded from the Company's operating cash flow.

[18] *Refer to ASX announcement titled 'Completed Mutooroo Stage 1 Consideration, PFS Underway', dated 29 May 2026.*

[19] *Refer to ASX announcement titled 'Emily Star Development Approved, Capital Guidance Updated', dated 17 July 2026.*

Figure 5: Mutooroo Copper Project site across the line of lode, viewed during the Hillgrove project team's early-June visit as Phase 1 activities commenced

Figure 6: Hillgrove Group Technical Manager & Chief Geologist, Caitlin Rowett, reviewing stored core at Mutooroo during the early-June visit

Figure 7: Mutooroo Cu concentrate from preliminary metallurgical test work

REGIONAL EXPLORATION

Kanappa Prospect

Exploration Programme for Environmental and Progressive Rehabilitation (**E-PEPR**) was granted by the South Australia DEM for the Kanappa prospect on EL6526, located approximately 50km northeast of Kanmantoo, enabling drilling to commence testing for a porphyry-style Cu-Au system. An Exploration Target was defined for Kanappa, informed by historical drilling, geophysics and soil geochemistry. Drilling began in June and will continue in the Sep Qtr, with the program designed to test key geophysical anomalies and priority lithological domains that may indicate a deeper porphyry source.

Figure 8: Drill rig on site at Kanappa

Tenement Holding

Two new exploration tenements were granted within highly prospective South Australian geological provinces. These tenements enhance the Company's brownfield and greenfield growth potential, supporting its strategy to build a pipeline of near-mine and regional opportunities to complement ongoing development at Kanmantoo. The newly granted tenements are:

- EL7130 (373.57 square kilometres (**km²**)) – located within the Gawler Craton in the Mabel Creek area, approximately 85 kilometres (km) southwest of Coober Pedy; and
- EL7131 (44 km²) – located in the Olary Region, approximately 5 km northwest of Olary.

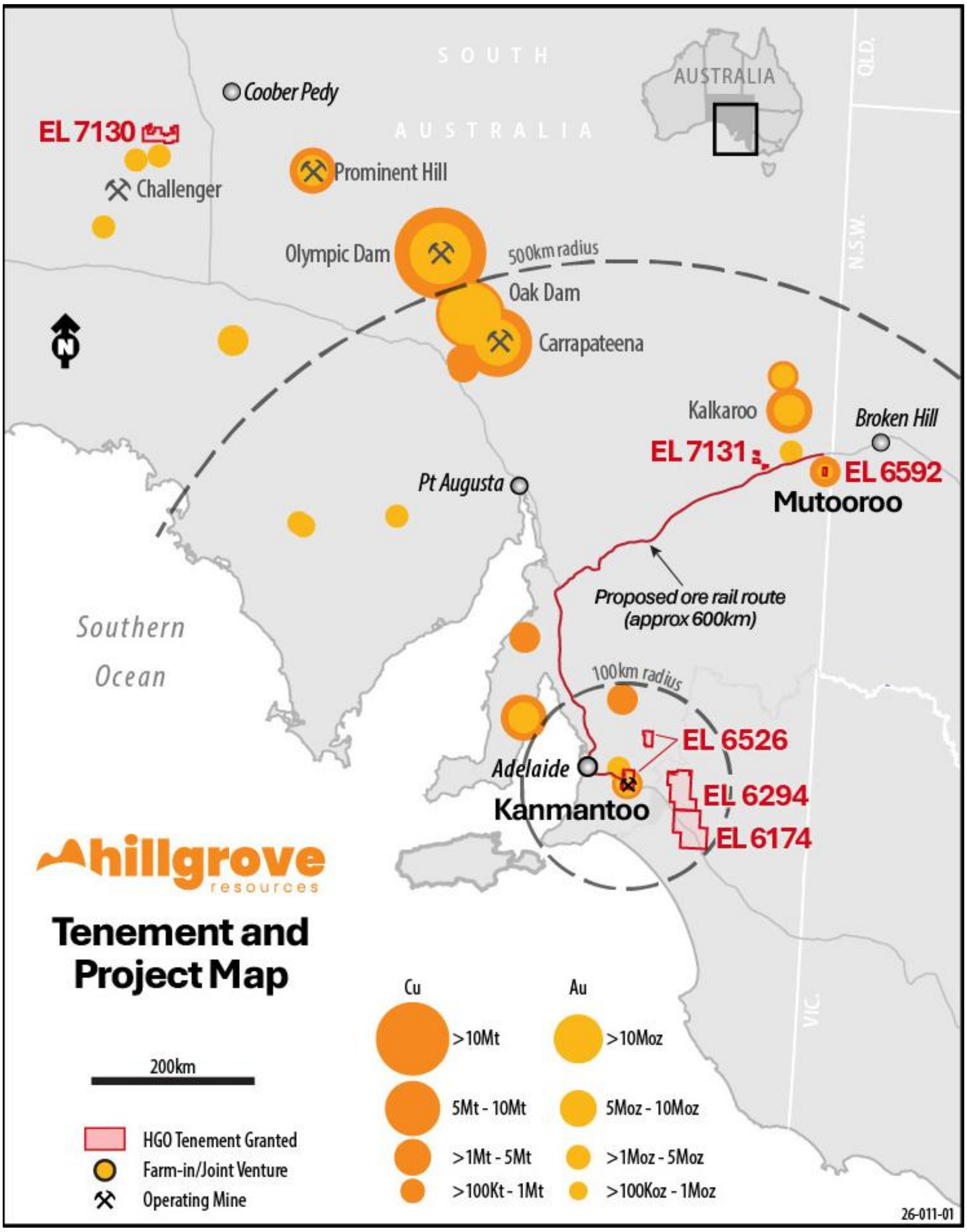


Figure 9: Hillgrove Resources tenement holdings

OTHER ACTIVITIES

Banking Partner Appointment

Hillgrove is undertaking a competitive process to select a tier 1 banking partner to support the next phase of the Company's growth. Establishing this relationship will allow Hillgrove to consolidate its security arrangements, which are currently held with Freepoint Metals & Concentrates LLC (**Freepoint**) and the South Australian Government. It is proposed that the banking partner will provide a bank guarantee to the South Australian Government to support Kanmantoo's environmental liability of $6.6 million and to provide ongoing hedging lines. Kanmantoo's current environmental liability has been revised downwards from $9.2 million reflecting the ongoing rehabilitation work undertaken at Kanmantoo in recent years. While the Company does not require debt funding at this time, Hillgrove believes the banking relationship may provide an opportunity for debt financing in the future. This work forms part of Hillgrove's broader effort to strengthen its financial platform and align its capital structure with the scale and maturity of the business.

Proposed Company Name Change and Share Consolidation

Post-Qtr, the Board resolved to progress a proposed company name change and a share consolidation. A General Meeting will be held on 17 August for shareholders to consider these resolutions.

These changes are aimed at simplifying the capital structure and ensuring the Company's brand better reflects its strategic direction, project pipeline, and future positioning. Full details, including the indicative timetable, are provided in the Notice of Meeting issued to shareholders.

An accompanying FAQ is available on our website: https://hillgroveresources.com.au/name-change-and-share-consolidation/.

Competent Persons Statement

The information in this report that relates to the 2024 Kanmantoo Mineral Resource Estimate is extracted from ASX release titled ‘Maiden Kanmantoo Underground Ore Reserve and 96% Increase in Copper Mineral Resource Endowment’ dated 18 October 2024 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 announcement 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. 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 announcements.

The information in this report that relates to the 2025 Kanmantoo Mineral Resource Estimate is extracted from ASX release titled ‘Hillgrove Resources Delivers Ore Reserve Extension at 1.0% CuEq’ dated 30 October 2025 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 announcement 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. 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 announcements.

The information in this report that relates to previously reported results were extracted from the ASX releases titled “Kavanagh Surface Drilling Improves Resource Growth Potential’, dated 30 June 2026, ‘High-Grade Intersections at Emily Star as Work Progresses Towards Stage 2 Final Investment Decision’, dated 17 June 2026 and ‘High Grade Intersects Extends Kavanagh, Regional Exploration Footprint Expands’, dated 14 May 2026 these are 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.

Forward Looking Statement

This Report 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 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.

CORPORATE INFORMATION	
Issued Share Capital at 30 June 2026	
Ordinary shares	3,530,371,207
Unlisted Options	144,850,498
Employee Performance Rights	172,858,840
Share Price Activity for the Quarter	
High	0.056
Low	0.035
Last (30 June 2026)	0.053

SHARE REGISTRY	REGISTERED OFFICE
Boardroom Limited	Hillgrove Resources Limited
GPO Box 3993	Ground Floor
Sydney NSW 2001, Australia	5-7 King William Road
F: +61 2 9279 0664	Unley, South Australia, Australia
T: (within Australia) 1300 737 760	E: info@hillgroveresources.com.au
T: (outside Australia) +61 2 9290 9600	T: +61 8 7070 1698

Authorised for release by the Board of Hillgrove Resources Limited.

Engage with this report at the Hillgrove Resources Investor Hub.

For more information please contact:

Mr Bob Fulker
CEO & Managing Director
T: +61 8 7070 1698

Mr Luke Anderson
CFO & Company Secretary
T: +61 8 7070 1698

Ms Jane Brunton
Head of Investor Relations & Growth
T: +61 8 7070 1698
E: info@hillgroveresources.com.au