

HILLGROVE RESOURCES

Friday, 15 August 2008

INTERMET RESOURCES TAKEOVER OFFER CLOSES

Hillgrove Resources Limited (ASX: HGO) is pleased to announce that in accordance with Listing Rule 3.3 the offer period for the takeover bid for InterMet Resources Limited ended at 5:00pm 13 August 2008. Hillgrove and its associates have a relevant interest of 84.5% in InterMet as at the close of the offer period.

Hillgrove will not proceed with compulsory acquisition.

About Hillgrove

Hillgrove is an Australian resources company listed on the Australian Securities Exchange (ASX: HGO) focused on developing its South Australian base and precious metals projects. The Company has an exploration portfolio of over 970km² within the Kanmantoo Trough and the Gawler Craton which are recognised as being amongst Australia's most prospective regions for copper and gold.

Hillgrove's key asset is the Kanmantoo Copper Gold Project, located less than 60kms from Adelaide. Kanmantoo currently hosts a Mineral Resource of 31.8Mt (21.4MT Indicated and 10.4MT Inferred) grading 0.9% copper and 0.20g/t gold, containing 290,700 tonnes of copper, 189,300 ounces of gold and 3,218,400 ounces of silver. With production targeted for the second half of 2009, Kanmantoo will be a 2Mtpa open-cut mine producing approximately 17,000t of copper in concentrate and 8,000 ounces of gold per annum.

Hillgrove also holds a portfolio of strategic positions in emerging energy and resources companies. These include a fully diluted direct 22.6% shareholding in coal seam gas company Eastern Star Gas Limited (ASX:ESG) and a direct 84.5% shareholding in Queensland and South Australian-focussed minerals explorer InterMet Resources Limited (ASX:ITT).

The information in this report that relates to Exploration Results is based on information compiled by Mr Dale Ferguson, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Ferguson is the Director – Exploration and Operations of Hillgrove Resources and has sufficient relevant experience to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Ferguson consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The Mineral Resource estimate is based on information compiled by Mr Paul Payne, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Payne is the Principal of Resource Evaluations Pty Ltd and has sufficient relevant experience to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Payne consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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ACN 004 297 116

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Form **604**
Corporations Law
671B

Notice of change in interests of substantial holder

To: Company Name/Scheme: INTERMET RESOURCES LIMITED

ACN/ARSN 112 291 960

1. Details of substantial holder⁽¹⁾

Name HILLGROVE RESOURCES LIMITED

ACN/ARSN 004 297 116

There was a change in the interests of the substantial holder on 13/8/2008.

The previous notice was given to the company on 13/8/2008.

The previous notice was dated 13/8/2008.

2. Previous and present voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate⁽²⁾ had a relevant interest⁽³⁾ in when last required, and when now required, to give a substantial holding notice to the company or scheme, are as follows:

Class of securities ⁽⁴⁾	Previous notice		Present notice	
	Person's votes	Voting power ⁽⁵⁾	Person's votes	Voting power ⁽⁵⁾
Fully paid ordinary shares	41,047,983	81.3%	42,649,559	84.5%

3. Changes in relevant interests

Particulars of each change in, or change in the nature of, a relevant interest of the substantial holder or an associate in voting securities of the company or scheme, since the substantial holder was last required to give a substantial holding notice to the company or scheme are as follows:

Date of change	Person whose relevant interest changed	Nature of change ⁽⁶⁾	Consideration given in relation to change ⁽⁷⁾	Class and number of securities affected	Person's votes affected
14/8/08	Hillgrove Resources	Acceptance of Hillgrove takeover offer	4 HGO shares for 5 ITT shares	1,601,576	Hillgrove Resources

4. Present relevant interests

Particulars of each relevant interest of the substantial holder in voting securities after the change are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder ⁽⁸⁾	Nature of relevant interest ⁽⁶⁾	Class and number of securities	Person's votes
Hillgrove Resources Limited	Hillgrove Resources Limited	Hillgrove Resources Limited	Direct	42,624,459 ordinary shares	42,624,459
DS Archer	DS Archer	DS Archer	Direct	25,100 ordinary shares	25,100

5. Changes in association

The persons who have become associates⁽²⁾ of, ceased to be associates of, or have change the nature of their association⁽⁹⁾ with, the substantial holder in relation to voting interests in the company or scheme are as follows:

Name and ACN/ARSN (if applicable)	Nature of association

6. Addresses


The addresses of persons named in this form are as follows:

Name	Address
Hillgrove Resources Limited	Level 41 Australia Square Tower 264 - 278 George Street Sydney NSW 2000
David Stuart Archer	Flat F, 1 Eaton Square London SW1W 9DA ENGLAND

Signature

Print name Russell Middleton

Capacity Company Secretary

Sign here 

Date 15 August 2008

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DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 6 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Law.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Law.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (6) Include details of:
- (a) any relevant agreement or other circumstance because of which the change in relevant interest occurred. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).
- See the definition of "relevant agreement" in section 9 of the Corporations Law.
- (7) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.
- (8) If the substantial holder is unable to determine the identity of the person (eg if the relevant interest arises because of an option) write "unknown".
- (9) Give details, if appropriate, of the present association and any change in that association since the last substantial holding notice.