



13 June 2018

## UPDATE EXPLORATION PROGRAM TO COMMENCE

### Highlights:

- **Funding package concluded to initiate new exploration program**
- **Freehill to commence drilling on the Yervas Buenas project**
- **Scoping study and trial mining program review initiated.**
- **Acting CEO Appointed**

Freehill Mining Limited (“Freehill” or “the company”, ASX:FHS) is pleased to announce that it is scheduled to commence an exploration program in the September 2018 quarter on its Yervas Buenas Project in Chile. The initial exploration program is the first step towards defining the maiden JORC Resource on the project and will focus on defining the size, extent and quality of several of the project’s magnetite structures.

Over the history of Freehill it has conducted trial mining since February 2017 processing approximately 266,000 tonnes of ore to produce 86,500 tonnes of saleable finished magnetite product at grades varying from 52-64 %Fe.

Like Yervas Buenas, it is not uncommon for smaller mining operations within South America to initially focus on near term production as a means of establishing themselves. Freehill is confident that it has been collecting sufficient base line data throughout this period to initiate a scoping study for a larger and more permanent operation.

Chairman Frank Terranova stated, “As a public company concluding a JORC compliant Resource will accelerate unlocking value for shareholders. Therefore it is now time for the Company to focus its efforts in ensuring this becomes a priority so that it can progress to a full feasibility study status.

Frank Terranova added “Freehill is quite a unique investment proposition due to the existing infrastructure surrounding the Yervas Buenas project. It has established road, port and rail infrastructure surrounding the mining operation and a long standing buyer for its existing production being CAPS (Chile’s largest Iron Ore producer), approximately 38 km from site.

As part of the current focus on exploration, the Company is assessing a number of operating models relating to the existing trial mining activities. Various operating models ranging from partnering with mining services

firms to outsourcing operations are being evaluated on the trial mining activities with the objective being that both capital and management focus be directed to completing the exploration objectives in the near term.

Freehill is pleased to announce that funding of the second tranche of the Yaniv convertible note has commenced and will be primarily applied on the drilling program as well as undertaking a number of corporate and strategic initiatives. A General Meeting is expected in July 2018 to refresh all approvals relating to the convertible note facilities.

In addition to these negotiations, the Company is in further discussions with a number of counterparts who are interested in investing in Freehill to enable an accelerated path in progressing feasibility study work in parallel with the Resource development program.

## Management Update

The Board is pleased to announce that during an interim period Mr Peter Hinner will assume the role of Acting CEO of Freehill with specific oversight of coordinating the initial exploration program and preparing the initial scoping study parameters. Peter has been the Chief Operating Officer of Freehill since February 2017 and has an in depth understanding of the project.

Acting CEO Mr. Peter Hinner stated “Freehill has the opportunity to accelerate from exploration through to full feasibility based on the various mining and processing parameters established during the trial mining phase. Many of the traditional inputs into a study are largely known with independent geological definition remaining as one of the very few major inputs to be quantified and this current work schedule will facilitate this.”

The Board is continuing its search for additional Non Executive Directors and will provide an update in due course.

## About Freehill Mining Limited

Freehill Mining Limited (ASX:FHS) is a mineral exploration company focused on creating shareholder wealth through the identification of mineral resources in Chile and development of its Yervas Buenas magnetite project. The company has also identified copper and gold mineralisation on its tenements and plans to undertake further mineral exploration programs on these.

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