



## Freehill Mining completes \$2.6m capital raise to move to PFS and a near term high grade iron ore player

- FHS funded to move to drilling supported by new and existing investors – Board (\$360,000) and existing shareholder (\$830,000) – commitments totalled \$2.6 Million
- Placement will progress Yerbos Buenas (YB) to a near term high grade producer and to be used for:
  - Planned drilling program of several thousand metres to target high grade hydrothermal magnetite at YB.
  - Confirmation of potentially significant copper mineralisation at YB through diamond drilling
  - Major expansion of the current magnetite Mineral Resource Estimate
  - Acquire further highly complementary surrounding tenements
  - Provide funding for the PFS and environmental approvals to establish a 1Mt per annum production facility at YB.
  - Additional working capital
- Pre Feasibility Study enhanced via the previous trial mining over the past two years producing good 62-64% Fe
- Project in close proximity to Compania Minera Del Pacifico S.A. (CMP), a subsidiary of Chile's largest iron ore producer, with local pelletisation and processing plant.

Freehill Mining Limited (ASX:FHS "Freehill" or "the Company") is pleased to announce it has received commitments from sophisticated and professional investors for a placement of shares raising a total of \$2,600,000 (Placement). The Company will issue to participants in the Placement a total of **236,363,637** fully paid ordinary shares at an issue price of \$0.011 (1.1 cents) per share, plus 1 free attaching option for every 2 shares placed, exercisable at \$0.025 (2.5 cents) and expiring two years from date of issue.

The Placement is subject to approval of the Company's shareholders at a General Meeting expected to be held in early October.

Funds raised will be utilised to commence the planned drill program on identified high-grade magnetite targets at the Company's flagship Yerbos Buenas ("YB") Project in Chile. The drill program, which will commence in the near term, will aim to establish the basis for a Prefeasibility Study for the construction of a one million tonne per annum, low capex magnetite production facility at YB. Drilling will also establish a reportable head grade from metallurgical diamond holes, which will further and clearly define the low cost, high-grade nature of the deposit.

Previous trial mining activities have demonstrated Freehill's ability to produce a high-quality magnetite product at YB. Completion of a production facility will enable the Company to take advantage of the ready local market established in its trial mining activities.

The Company will also deploy capital to confirm potentially significant copper mineralisation at YB through diamond drilling. Freehill looks forward to updating shareholders as developments unfold.

**Freehill's Chief Executive Officer Peter Hinner commented:** "Freehill was incredibly well supported by a range of new and existing investors and well-funded to deliver significant value to shareholders. The Company's near term intention is to show the market that Yervas Buenas will be a high grade and low-cost hydrothermal deposit, in close proximity to Compania Minera Del Pacifico S.A. (CMP) that has an existing supply agreement with the Company from previously conducted trial mining.

"I would like to take this opportunity to thank the Board and management, who have all made considerable commitments to the capital raise and to also welcome new shareholders to the Company.

"Freehill will have rigs turning on YB as soon as possible, allowing the Company to kick off an aggressive drill program targeting high grade magnetite prospects in addition to a potentially extensive copper mineralisation target.

"Board and management anticipates a period of strong news flow over the coming months and looks forward to updating shareholders as developments progress."

Further details on the Placement will be included in a Notice of Meeting to seek shareholder approval for the Placement, to be distributed in due course.

Mr Wayne Johnson has resigned as a director of the Company. From both a cost and focus point of view there is no intention to replace Mr Johnson while the Company is executing its near term strategy. The Board would like to thank him for his support while in office.

### **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 at a later date.**

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