



25 March 2021

Operations and Corporate Update

Freehill Mining Limited (ASX: FHS; 'Freehill' or 'the Company') is pleased to provide an update on exploration and project development activities for the Company's 100%-owned Yerbas Buenas magnetite project and its highly prospective adjoining El Dorado copper gold asset. The Company's new corporate and technical teams have been working productively to ensure works at both projects advance in a timely manner.

Yerbas Buenas Update

Freehill currently has two work streams underway to advance Yerbas Buenas – progressing the development of the YB6 Magnetite Project ('YB6'), and assessing the viability of the recommencement of trial mining operations at the original YB1 Magnetite Mine ('YB1').

Environmental work and permitting necessary to commence the planned infill drill program at YB6 are underway with all necessary reports being prepared for submission to the relevant authorities. Infill drilling at YB6 is being undertaken to refine both the geological and mine modelling for the project. Additional assaying of the 2019 drill core is being undertaken and desk top work is also ongoing to better define the relevant models.

As previously reported, Freehill's strengthened technical team, together with the CEO, have been assessing opportunities to re-commence trial mining at YB1, with the potential to subsequently scale up this project to a more robust and longer-term mining operation, subject to receipt of any required approvals. This work is at a very early stage but given robust iron ore prices and continued growth in demand from potential domestic and international iron ore off-takers, the Company considers Yerbas Buenas may be well placed to deliver a reliable supply of quality magnetite ore. The Company is in the process of applying to extend its option to re-commence trial mining while this assessment work is being done.

El Dorado Update

A number of exploration initiatives are now underway across the El Dorado project with a follow-up drill program likely to commence in late April 2021 subject to final approvals being received. A geological survey of the southern portion of El Dorado has recently been completed, with follow up work in progress to finalise the survey results. The survey results will be integrated with the past 2020 geophysical survey results to best define drill locations for the Company's upcoming drilling program at El Dorado. The Company is in the process of finalising the drilling contract, with settlement of the drill holes location required to formalise the contract, and will update the market accordingly.

Commencement of the El Dorado Environmental Baseline Study, a requirement for the initial drilling on the El Dorado tenements, will commence early next week and is expected to take around two weeks to complete.

Once drillholes are finalised, the drilling contract signed and the baseline study completed, an application will be made to Chilean mining authority Sernageomin for drilling approval. The Company estimates that the drilling approval process will take approximately two weeks and updates on its progress will be provided to the market in due course.

Impact of COVID-19

The impact of COVID-19 in Chile has been significant, and there are currently 1,134 active cases in the Coquimbo region where Freehill's tenements are located. While this may have some effect on the El Dorado drilling program, the Company is confident the impact on activities will likely be minimal, with an active works program set to get underway with approvals pending from authorities.

Corporate and Financial

Having regard to the receipt of continued funding from the conversion of options, the Board considers the current works program to be funded. We thank our loyal shareholders for their support and anticipate providing the market

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with regular operational updates.

As an exploration company, potential acquisitions are also considered as and when they are presented as part of the Company's ongoing growth initiatives. Should the Company elect to proceed with any of the opportunities presented, based on value to shareholders and subject to any required approvals, the market will be informed accordingly.

Comment

Chief Executive Officer Paul Davies said: *"As reported last month, we have significantly strengthened our technical and corporate capabilities and we are now well equipped to deliver greater value from our projects and the team have certainly hit the ground running in terms of progressing project development activities. We have a number of work streams progressing concurrently and the Company is advancing to its next phase of development with exposure to multiple commodities including copper, gold and iron ore. I look forward to providing more updates."*

About Freehill Mining Limited

Freehill Mining Limited (ASX: FHS) is a mineral exploration company focused on the development of its 100%-owned Yervas Buenas magnetite project in Chile. Freehill has defined two inferred magnetite resources (JORC 2012) at Yervas Buenas as well as identifying gold and copper mineralisation in the northern part of the property. The Company has also identified copper and gold mineralisation at the recently acquired El Dorado tenements immediately to the north of Yervas Buenas where a diamond drill hole in 2020 intersected intense alteration and chalcopyrite mineralisation. An Induced Polarisation geophysical survey was completed in late 2020 at El Dorado which identified a very large potential copper structure with a high intensity footprint of 1km x 0.5km. Freehill is planning to test the IP anomaly and other targets identified by mapping and surface rock chip sampling with a drill program in 2021.

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