



28 April 2021

Quarterly Report 31 March 2021

- **Exploration and project development initiatives progressed on both the 100% owned Yervas Buenas magnetite and El Dorado copper projects**
- **Drill locations for El Dorado project identified following a geological survey of the region with the Company advancing processes and approvals to initiate drilling program**
- **Strengthened corporate and technical leadership team**
- **Options exercised into fully paid shares during the quarter raised an additional \$91,237.50**

Freehill Mining Limited (ASX: FHS 'Freehill' or 'the Company') is pleased to provide this activity report for the quarter ended 31 March 2021.

100%-owned Yervas Buenas magnetite project update

During the quarter the Company undertook two key work streams to advance Freehill's 100%-owned Yervas Buenas magnetite project. Environmental work and permitting necessary to commence the planned infill drill program at YB6 were undertaken with all necessary reports being prepared for submission to the relevant authorities. Infill drilling will be initiated to refine both the geological and mine modelling for the project. Additional assaying of the 2019 drill core is in process, and desk top work continues to better define the relevant models.

The Company began assessing opportunities to re-commence trial mining at the YB1 Magnetite Mine with the potential for a more robust and longer-term mining operation. Freehill previously operated a trial mining and demonstration processing plant at YB1 for approximately two years supplying pre-concentrate to one of Chile's largest pellet feed plants. Given robust iron ore prices, and with demand from potential domestic and international off-takers continuing to grow, Freehill believes YB1 is well placed to again deliver a reliable supply of quality magnetite ore. Initial stages of work have started as the Company applies for the necessary permits to re-commence trial mining.

El Dorado project update

A number of exploration initiatives began during the quarter across the highly prospective El Dorado copper gold asset, with a follow-up drill program likely to commence shortly subject to final approvals being received. A geological survey of the southern portion of El Dorado was completed defining drill locations for the upcoming program. The drilling contract has been agreed in-principle, with the finalisation of drill holes required to formalise the contract.

The El Dorado Environmental Baseline Study has been completed, which is a requirement for the initial drilling on the El Dorado tenements to begin. The drillholes have been finalised and the drilling contract terms agreed with the signing of the contract expected within the next days. Once the drilling contract is executed application will be made immediately to the Chilean mining authority, Sernageomin, for approval of the drilling program.

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Corporate summary

Corporate appointments

The Company established a strengthened corporate and technical leadership team during the quarter to provide the essential skills needed to focus on unlocking greater value from the projects during the next critical growth phase. Mr Paul Davies was announced as Chief Executive Officer taking over from Peter Hinner who resigned from his position as CEO and Executive Director, Freehill thanks Peter for his four years of service.

Mr Davies has over 30 years' experience in the finance and banking sector holding senior roles with Deutsche Bank, Bankers Trust and Macquarie Bank. During that time, he serviced most of Australia's major mining companies and was intimately involved in project risk assessment and evaluation. As Freehill CFO for six years, he has been intimately involved in the Company's development since its inception.

Mr Jim Moore, an experienced and qualified mining engineer, was appointed to the Board. Having worked for the likes of BHP Billiton, Pilbara Minerals, Oceana Gold, Element25 and Grange Resources, Jim brings a wealth of knowledge to our Company.

Finance executive Greg Hammond was appointed as the new Chief Financial Officer, alongside newly appointed Company Secretary Tom Sapountsis. Mr Hammond has over 20 years' experience in audit and corporate accounting in private practice and the public sector in the UK and Australia.

Technical appointments

The geological capability was significantly bolstered by the announcement of two key appointments, Gonzalo Naranjo Bischof joining as a Senior Geologist and Ross Corben who is contracting to the Company as a Senior Geologist. As a Chilean-based exploration geologist, Gonzalo brings 20 years' experience and considerable local expertise to the El Dorado drilling program. Australian-based Ross Corben will support Gonzalo with the planned exploration and in-fill drilling programs at El Dorado and Yervas Buenas.

Funding

During the quarter 3,649,500 options were exercised into fully paid shares raising an additional \$91,237.50. Freehill is pleased to see the continued exercising of options as shareholders recognise the potential value that can be realised from the development of its two projects. With \$1.73m of cash at the end of the quarter and tight cost control, the Company is well-funded to undertake planned exploration and project development activities at Yervas Buenas and El Dorado.

While not being distracted from our current objectives the Board will continue to review additional opportunities as and when they are presented predicated on increasing shareholder value.

Comment

Chief Executive Officer Paul Davies said: *"Having significantly strengthened our corporate and technical leadership team, the company is in a great position to deliver increased value on our projects. Concurrent work streams at our flagship Yervas Buenas project will provide a considerable boost to the project, while moving to the next phase of development at El Dorado exposes the Company to multiple commodities including copper, gold, and iron ore - all with favourable outlooks.*

Work programs continue to be well funded from our existing cash base and through the conversion of options, and the company is well-funded at the end of the quarter. With the new team in place, there's excellent momentum in the Company and we look forward to providing shareholders with regular updates on exploration and project development initiatives that will advance more rapidly this quarter."

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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