



15 September 2022

First 2,500t of Magnetite Concentrate Delivered to Chile's Largest Iron Ore Producer

- **Initial 2,500 tonne magnetite delivery to Compania Minera Del Pacifico S.A. (CMP) confirmed**
- **Ongoing daily deliveries from the Yervas Buenas mine to CMP, with overground transport logistics operating efficiently**
- **Deliveries validate extensive groundwork carried out by the Company to establish transport logistics and stable supply routes**
- **As this initial order is being satisfied Freehill anticipates ongoing discussions will result a longer term off-take arrangement being entered into.**

Freehill Mining Limited (ASX:FHS 'Freehill' or 'the Company') is pleased to provide an update on magnetite concentrate sales from its 100%-owned Yervas Buenas magnetite mine in Chile.

The Company confirms that the initial delivery of 2,500 tonnes of magnetite ore to Compania Minera Del Pacifico S.A. (CMP) has been completed successfully.

The delivery constitutes part of an off-take agreement with CMP – a subsidiary of Chile's largest iron ore producer – under which Freehill will deliver an initial total of 24,000 tonnes of magnetite concentrate. (see *ASX Announcement 2 June 2022*).

Daily deliveries remain ongoing as part the agreement, and overground transport logistics operated efficiently throughout the first two weeks of daily sales to CMP.

Each delivery was executed on time, with confirmation of receipt by the end-customer. The efficient delivery processes can be attributed to the extensive groundwork carried out by Freehill in cooperation with CMP, including detailed transport approvals from local regulators.

Transport logistics plans also required effective solutions for inventory management and delivery infrastructure, including trucking procurement and mapping of transport logistic routes.

With established delivery processes now formally in place, the Company has successfully de-risked its operations and converted Y.B. from an exploration project into a cash-generating asset.

While the immediate focus is to ensure the smooth delivery of the balance of the initial 24,000 tonne offtake with CMP, Freehill's focus is to secure additional supply to CMP and lock in additional sales contracts with new customers in the months ahead, as it consolidates its position.

Chief Executive Officer Paul Davies said: *“Following the confirmation of our sales contract with CMP, the establishment of transport and logistics networks that met the highest standards of safety and efficiency were made a top priority by the Freehill executive team. In that context, it’s pleasing to confirm that our end-to-end logistics strategy is working efficiently, with un-disrupted daily deliveries of magnetite concentrate product to our end-customer. These efficient operations are a testament to the hard work of the Freehill management and operational staff and set the Company up to further increase revenues and free cash flow generation in the months ahead from existing supply agreements, and potentially new ones that we are negotiating.”*

This announcement has been approved by The Board of Freehill Mining Limited

About Freehill Mining Limited

Freehill Mining Limited (ASX: FHS) is a mining and exploration company currently focused on the development of its 100%-owned, 478 hectare Yervas Buenas magnetite project in Chile. Mobilisation for Phase 1 mining operations at the Yervas Buenas magnetite mine is now underway and the Company continues to advance the development of the larger scale magnetite resource.

For further information, please contact:

Paul Davies
Chief Executive Officer
Freehill Mining Limited
+61 419 363 630

Media & investor relations inquiries: Sam Jacobs, Six Degrees Investor Relations: +61 423 755 909



Follow [@FreehillMining](https://twitter.com/FreehillMining) on Twitter



Follow [Freehill Mining](https://www.linkedin.com/company/freehill-mining) on LinkedIn

Freehill Mining Ltd – iron ore producers | ACN 091 608 025 | www.freehillmining.com

| Tel: +61 (0)3 8658 5976 | email: info@freehillmining.com

Melbourne Office

| Level 24, 570 Bourke Street, Melbourne, Vic 3003

La Serena, Chile office

| Level 7, Edificio Seville, Avenida Del Mar La Serena, Chile South America