



Freehill Mining Limited
ACN 091 608 025

**Notice of 2017 Annual General Meeting and
Explanatory Memorandum and
Proxy Form**

**The 2017 Annual General Meeting of the Company will be
held at The Kelvin Club, 14-30 Melbourne Place, Melbourne
Victoria 3000 on Thursday, 23 November 2017 at 2.00pm
(AEDT)**

*This Notice of Annual General Meeting should be read in its entirety. If
Shareholders are in doubt as to how they should vote, they should seek advice
from their accountant, solicitor or other professional adviser prior to voting.*

Freehill Mining Limited

Notice of General Meeting

Notice is hereby given that the 2017 Annual General Meeting of Shareholders of Freehill Mining Limited (**Company**) will be held at The Kelvin Club, 14-30 Melbourne Place, Melbourne Victoria 3000 on Thursday, 23 November 2017 at 2.00pm (AEDT) (**General Meeting**).

The Explanatory Memorandum to this Notice of Annual General Meeting provides additional information on matters to be considered at the General Meeting. The Explanatory Memorandum and Proxy Form are part of this Notice of Annual General Meeting.

Terms and abbreviations used in this Notice and Explanatory Memorandum are defined in the Glossary.

Agenda

1. Item 1 – Financial and related reports

To receive and consider the Financial Report of the Company and its controlled entities and the related Directors' and Auditor's Reports in respect of the financial year ended 30 June 2017.

2. Resolution 1 – Adoption of Remuneration Report (Non-binding resolution)

To consider and, if thought fit, to pass with or without amendment, the following resolution as an ordinary resolution:

"That the Remuneration Report for the financial year ended 30 June 2017 included in the Directors' Report, which is attached to the Financial Statements as required under section 300A of the Corporations Act, be adopted by the Company."

Voting Exclusion

The Company will disregard any votes cast on this resolution (in any capacity, whether as proxy or as shareholders) by any of the following persons:

- (a) key management personnel; and
- (b) Closely Related Parties of key management personnel.

However, the Company need not disregard a vote if it is:

- (c) cast by a person as a proxy appointed in accordance with the directions of the proxy form that specifies how the proxy is to vote on Resolution 1; and the vote is not cast on behalf of a person described in subparagraphs (a) and (b) above; or
- (d) cast by the chair of the Meeting as proxy appointed in accordance with the directions of the proxy form for a person who is entitled to vote, and such appointment on the proxy form expressly authorises the chair to exercise the proxy even if the resolution is connected directly with the remuneration report; and the vote is not cast on behalf of a person described in subparagraphs (a) and (b) above.

3. Resolution 2 – Re-election of Paul Davies as a Director

To consider and, if thought fit, to pass with or without amendment, the following resolution as an ordinary resolution:

“That Mr Paul Davies retires as a Director of the Company in accordance with the Constitution, and being eligible, having offered himself for election, be elected as a Director of the Company.”

4. Resolution 3 – Ratification of Past Issues of Securities

To consider and, if thought fit, to pass with or without amendment, the following resolution as an ordinary resolution:

“That for the purposes of ASX Listing Rule 7.4 and for all other purposes, approval be given as an ordinary resolution in respect of the issue of:

- (a) 548,705 fully paid ordinary shares issued to the Company’s Chief Operating Officer pursuant to a Consultancy Agreement on 7 August 2017 at a deemed issue price of \$0.091124 per share;*
- (b) 17,043,068 fully paid ordinary shares issued to professional and sophisticated investors under a placement made in respect of funds raised and conversion of debt to equity on 12 September 2017 at an issue price of \$0.08 per share; and*
- (c) 412,500 fully paid ordinary shares issued to Wiseowl.com Pty Ltd in consideration of services provided, on 10 October 2017 at a deemed issue price of \$0.08 per share.”*

5. Resolution 4 – Approval of Additional 10% Placement Capacity

To consider, and if thought fit, pass the following resolution as a **special** resolution:

“That pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, approval be given for the issue of equity securities of up to 10% of the issued capital of the Company (at the time of the issue or the agreement to issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Memorandum.”

By order of the Board of Freehill Mining Limited:



Joe Fekete
Company Secretary
Dated: 23 October 2017

Explanatory Memorandum

The accompanying Explanatory Memorandum forms part of this Notice of Annual General Meeting and should be read in conjunction with it.

Shareholders are specifically referred to the Glossary in the Explanatory Memorandum which contains definitions of capitalised terms used in this notice of Annual General Meeting and the Explanatory Memorandum.

Questions from Shareholders

In order to provide an equal opportunity for all Shareholders to ask questions of the Board, we ask you to submit in writing any questions to the Company or to the Company's auditor, RSM Australia Partners, in relation to the conduct of the external audit for the year ended 30 June 2017, or the content of its audit report. Please send your questions to:

The Company Secretary,
Freehill Mining Limited
C/- Grillo Higgins Lawyers
Level 4, 114 William Street, Melbourne VIC 3000
M. 0407 282 199
E. joe@fmsoz.com.au

Written questions must be received by no later than 5.00pm (AEDT) on Friday 17 November 2017.

Your questions should relate to matters that are relevant to the business of the Annual General Meeting, as outlined in this Notice of Meeting and Explanatory Memorandum.

In accordance with the *Corporations Act 2001* (Cth) and the Company's policy, a reasonable opportunity will also be provided to Shareholders attending the Annual General Meeting to ask questions about, or make comments upon, matters in relation to the Company including Remuneration Report.

During the course of the Annual General Meeting, the Chairman will seek to address as many Shareholder questions as reasonably practicable, and where appropriate, will give a representative of the auditor the opportunity to answer written questions addressed to it. However there may not be sufficient time to answer all questions at the Annual General Meeting. Please note that individual responses may not be sent to Shareholders.

VOTING INFORMATION

Voting by proxy

- (a) A Shareholder entitled to attend and vote at the General Meeting may appoint one proxy or, if the Shareholder is entitled to cast 2 or more votes at the meeting, 2 proxies, to attend and vote instead of the Shareholder.
- (b) Where 2 proxies are appointed to attend and vote at the meeting, each proxy may be appointed to represent a specified proportion or number of the Shareholder's voting rights at the meeting.
- (c) A proxy need not be a Shareholder of the Company.
- (d) A proxy may be an individual or a body corporate. If a body corporate is appointed, the proxy form must indicate the full name of the body corporate and the full name or title of the individual representative of the body corporate for the meeting.
- (e) A proxy form accompanies this notice. If a Shareholder wishes to appoint more than 1 proxy, they may make a copy of the proxy form attached to this notice. For the proxy form to be valid it must be received together with the power of attorney or other authority (if any) under which the form is signed, or a (notarially) certified copy of that power of authority **by 2:00pm (AEDT) on 21 November 2017**:
 - by post at P O Box 2226, Strawberry Hills, NSW, 2012; or
 - by personal delivery to Automic Registry, Level 12, 575 Bourke St, Melbourne, Victoria, 3000; or
 - by facsimile: +61 2 8583 3040.

Voting and other entitlements at the General Meeting

A determination has been made by the Board of the Company under regulation 7.11.37 of the *Corporations Regulations* 2001 that shares in the Company which are on issue at **7.00pm (AEDT) on 21 November 2017** will be taken to be held by the persons who held them at that time for the purposes of the Annual General Meeting (including determining voting entitlements at the meeting).

Proxy voting by the Chair

The Chair intends to vote all available undirected proxies in favour of each item of business.

If you appoint the Chair as your proxy or the Chair is appointed by default and your voting direction is not indicated, the Chairman may exercise your proxy even if he has an interest in the outcome of those items.

Explanatory Memorandum

1. Introduction

This Explanatory Memorandum has been prepared for the information of Shareholders in relation to the business to be conducted at the Company's Annual General Meeting.

The purpose of this Explanatory Memorandum is to provide Shareholders with all information known to the Company which is material to a decision on how to vote on the resolutions in the accompanying Notice of Annual General Meeting.

This Explanatory Memorandum should be read in conjunction with the Notice of Meeting. Capitalised terms in this Explanatory Memorandum are defined in the Glossary.

2. Financial and Related Reports

Section 317 of the Corporations Act requires the Company's Financial Report, Directors' Report and Auditor's Report for the financial year ended 30 June 2017 to be laid before the Company's 2017 Annual General Meeting. There is no requirement for a formal resolution on this item.

The Financial Report contains the financial statements of the consolidated entity consisting of the Company and its controlled entities. As permitted by the Corporations Act, a printed copy of the Company's 2017 Annual Report has been sent only to those Shareholders who have elected to receive a printed copy. The 2017 Annual Report, which contains the Directors' Report, the Financial Report and the Remuneration Report, is available from the Company's website (www.freehillmining.com).

The Chair of the meeting will allow a reasonable opportunity at the Annual General Meeting for Shareholders to ask questions and to ask the Company's auditor questions about its Audit Report, the conduct of its audit of the Company's Financial Report for the year ended 30 June 2017, the preparation and content of its Audit Report, the accounting policies adopted by the Company in its preparation of the financial statements, and the independence of the Company's auditor in relation to the conduct of the audit.

3. Resolution 1 – Adoption of Remuneration Report (Non-binding resolution)

The purpose of Resolution 1 is to lay before the Shareholders the Company's Remuneration Report for the year ended 30 June 2017 so that Shareholders attending the Annual General Meeting will have an opportunity to discuss and put questions in respect of the Remuneration Report and the management of the Company, and vote on an advisory and non-binding resolution, pursuant to section 250R(3) of the Corporations Act, to adopt the Remuneration Report. Shareholders should note that, as this Resolution is advisory only and the outcome of the vote does not bind the Directors or the Company.

The Board will consider the outcome of the vote and comments made by Shareholders on the Remuneration Report at the meeting when reviewing the Company's remuneration policies.

The Remuneration Report sets out the Company's remuneration policy and reports on the remuneration arrangements in place for Directors and key executives of the Company.

The Remuneration Report forms part of the Directors' Report which has been unanimously been adopted by resolution of the Board. The Directors have resolved in favour of the Remuneration Report and commend it to Shareholders for adoption. The Company encourages all Shareholders to cast their votes on Resolution 1.

If you choose to appoint a proxy, you are encouraged to direct your proxy how to vote on this Resolution by marking either "For", "Against" or "Abstain" on the proxy form for this Resolution. If you appoint the Chairman of the meeting as your proxy (or if he may be appointed by default) and do not direct him how to vote on this Resolution 1, he will vote your proxy in favour of Resolution 1.

4. Resolution 2: Election of Paul Davies as a Director

4.1 Purpose of Resolution

Mr Paul Davies offers himself for re-election in accordance with the Constitution.

4.2 About Mr Paul Davies

Mr Davies has extensive experience as CFO of both publicly traded and privately held companies. Over the past 10 years he has been involved with many early stage companies involving reporting, strategic planning, systems implementation, fundraising and IPO. Prior to this Mr Davies was Director in Charge of Corporate and Institutional Banking for Deutsche Bank Australia and a member of the Deutsche Bank Credit Committee. He has been directly involved in over \$20 billion worth of transactions involving origination, advising, arranging, structuring, project finance, lead managing, syndication, negotiation, risk management, including servicing many of Australia's major mining companies. Before Deutsche Bank Mr. Davies worked for a number of years with both Bankers Trust Australia and Macquarie Bank.

With his 20 plus years in the finance sector Mr Davies brings to the company considerable experience in both debt and equity markets in addition to significant understanding of the mining sector.

Mr Davies holds an Economics Degree from Monash University, has qualified as a Chartered Accountant and is an alumnus of the Stanford Business School.

4.3 Board Recommendation

The Board, with Mr Paul Davies abstaining from making a recommendation on Resolution 2, recommends that Shareholders vote in favour of Resolution 2.

5. Resolution 3: Ratification of Past Issues of Securities

5.1 Purpose of Resolution

Approval is sought for the purposes of ASX Listing Rule 7.4 and for all other purposes, in respect of the issue of:

- (a) 548,705 fully paid ordinary shares issued to the Company's Chief Operating Officer (COO) pursuant to a Consultancy Agreement on 7 August 2017 at a deemed issue price of \$0.091124 per share;
- (b) 17,043,068 fully paid ordinary shares issued to professional and sophisticated investors under a placement made in respect of funds raised and conversion of debt to equity on 12 September 2017 at an issue price of \$0.08 per share; and
- (c) 412,500 fully paid ordinary shares issued to Wiseowl.com Pty Ltd in consideration of services provided, on 10 October 2017 at a deemed issue price of \$0.08 per share.

(Securities).

All Securities were issued under the Company's 15% placement capacity in accordance with ASX Listing Rule 7.1. Resolution 3 seeks Shareholder approval to ratify this issue under Listing Rule 7.4 and refresh the 15% capacity.

Details of the entities to which the Securities were issued are provided below.

Approval of the securities issued under the Company's 15% placement capacity will enable the Company to refresh its ability to issue further securities in the future without seeking shareholder approval in accordance with ASX Listing Rule 7.1.

5.2 Listing Rule 7

Subject to a number of exceptions, Listing Rule 7.1 limits the number of securities that the Company can issue without shareholder approval in any 12 month period to 15% of its issued securities.

ASX Listing Rule 7.4 allows for shareholders to retrospectively approve an issue of securities pursuant to Listing Rule 7.1, provided that the issue was not in breach of ASX Listing Rule 7.1. The issue of the Securities considered by Resolution 3 did not breach ASX Listing Rule 7.1. Shareholders are being asked to approve the issue of the Securities in accordance with ASX Listing Rule 7.4.

If the Securities are treated as having been issued with shareholder approval pursuant to ASX Listing Rule 7.4, the Company's capacity to issue further securities under Listing Rule 7.1 is restored. The Company does not presently propose to issue further securities without shareholder approval, however the Directors consider it prudent to retain the capacity to issue further securities and accordingly seek shareholder approval of the issue of Securities as set out in Resolution 3.

5.3 Issue of Securities

The Company provides the following information in relation to the issue of the Securities:

(a) Number of Securities issued

- (i) 548,705 shares issued on 7 August 2017;
- (ii) 17,043,068 shares issued on 12 September 2017; and
- (iii) 412,500 shares issued on 10 October 2017.

(b) Issue Price

The Securities were issued at the following prices:

- (i) 548,705 shares issued on 7 August 2017 at a deemed price of \$0.091124 per share;
- (ii) 17,043,068 shares issued on 12 September 2017 at a price of \$0.08 per share; and
- (iii) 412,500 shares issued on 10 October 2017 in settlement of fees, at a deemed price of \$0.08 per share.

(c) Terms of Securities Issued

The Securities were issued on the same terms and conditions and rank equally in all respects with the Company's existing securities.

(d) Names of Allottees

The Securities were issued to the persons as set out below:

- (i) 548,705 shares issued on 7 August 2017 to the Company's COO Mr Peter Hinner;
- (ii) 17,043,068 shares issued on 12 September 2017 as follows:

Name of Shareholder	Number of shares
Mr Brendon Ian Whittaker	625,000
Miss Leisa Jane Hindle	625,000
Duddy Investments Pty Ltd	2,325,000
G&I Catis Investments Pty Ltd	187,500
Mr Rino Di Giantomasso	312,500
Anaston House Pty Ltd	125,000
The Bonoco Super Fund	647,742
Datapulse International Pty Ltd	4,846,158
La Serena Holdings Pty Ltd	2,915,076
Mr John Mavrias	1,040,039
Mrs Paraskevi Theonas	1,552,704
Aegis Investment Capital Pty Ltd	252,774
Mr George Theonas	319,949
Michael Zimbler	314,684
Mr Thomas Thumboo & Mrs Geraldine Thumboo	129,701
Mr Lawrence Brown & Mrs Jannene Brown	255,651
The Calaspi Superannuation Fund	253,905
Benjamin Kitchener	314,684
Total shares issued	17,043,068

(iii) 412,500 shares issued on 10 October 2017 to Wiseowl.com Pty Ltd.

(e) Use of Funds Raised

- (i) The Company issued of 548,705 shares to the Company's COO at an issue price of \$0.091124, for a total value of \$50,000 in consideration of consulting services provided by the COO pursuant to a Consultancy Agreement.
- (ii) The Company raised \$1,027,445 from the issue of 17,043,068 shares, which funds were applied to reduction of the Company's debt, the expansion of crushing production at the Company's Yervas Buenas Poject, and adding to general working capital.
- (iii) The Company raised a deemed amount of \$33,000 from the issue of 412,500 shares to Wiseowl.com Pty Ltd, which amount was applied in payment of corporate advisory services provided to the Company.

5.4 Board Recommendation

The Board recommends that Shareholders vote in favour of Resolution 3.

5.5 Voting Exclusion Statement

The Company will disregard any votes cast on Resolution 3 by:

- (a) a person who participated in the issue; and
- (b) an associate of a person who participated in the issue.

However, the Company need not disregard a vote if:

- (c) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (d) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides.

6. Resolution 4: Approval of Additional 10% Placement Capacity

6.1 ASX Listing Rule 7.1A

ASX Listing Rule 7.1A enables an eligible entity to issue equity securities up to 10% of its issued share capital (at the time of the issue or the agreement to issue) through placements over a 12 month period after the annual general meeting (*10% Placement Capacity*). The 10% Placement Capacity is in addition to the Company's 15% placement capacity pursuant to Listing Rule 7.1.

The effect of Resolution 5 will be to allow the Directors to issue equity securities under Listing Rule 7.1A during the period of 12 months following the Annual General Meeting without using the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an eligible entity.

The Company hereby seeks shareholder approval by way of a special resolution to have the ability to issue equity securities under the 10% Placement Capacity.

The exact number of equity securities that may be issued pursuant to the 10% Placement Capacity will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 which provides that eligible entities which have obtained shareholder approval at an annual general meeting may issue or agree to issue, during the 12 month period after the date of the annual general meeting, a number of equity securities calculated as follows:

$$(A \times D) - E$$

Where:

A is the number of fully paid ordinary securities on issue 12 months before the date of issue or agreement:

- plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;
- plus the number of partly paid shares that became fully paid in the 12 months;
- plus the number of fully paid shares issued in the 12 months with approval of holders of shares under Listing Rule 7.1 or 7.4. This does not include an issue of fully paid shares under the Company's 15% placement capacity without shareholder approval;
- less the number of fully paid shares cancelled in the 12 months;

Note that A has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

D is 10%

E is the number of equity securities issued or agreed to be issued under rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of holders of ordinary securities under rule 7.1 or 7.4.

Any equity securities issued under the 10% Placement Capacity must be in an existing quoted class of the Company's equity securities. The Company presently has only one class of quoted securities being fully paid ordinary shares.

If the Company issues any equity securities under the 10% Placement Capacity, the entity must, pursuant to Listing Rules 7.1A(4) and 3.10.5A:

- (a) give to the ASX a list of the allottees of the equity securities and the number of equity securities to be allotted to each (but this list is not required to be released to the market); and

- (b) disclose to the market the details of the dilution to the existing holders of ordinary securities caused by the issue; where the equity securities are issued for cash consideration, a statement of the reasons why the eligible entity issued the equity securities as a placement rather than as a pro rata issue; the details of any underwriting arrangements and fees payable to the underwriter; and any other fees or costs incurred in connection with the issue.

6.2 Minimum Price

The issue price of each such security must be no less than 75% of the volume weighted average price for securities in that class calculated over the 15 trading days on which trades in that class were recorded immediately before:

- (a) the date on which the price at which the securities are to be issued is agreed; or
- (b) if the securities are not issued within 5 trading days of the date in paragraph (a), the date on which the securities are issued.

6.3 Risk of economic and voting dilution of existing ordinary security holders

Number of Shares		\$0.0475 (50% decrease in Issue Price)	\$0.095 (Issue Price)	\$0.19 (100% increase in Issue Price)
349,791,172 being Variable A	10% Voting Dilution	34,979,117 Shares	34,979,117 Shares	34,979,117 Shares
	Funds Raised	\$1,661,508.06	\$3,323,016.16	\$6,646,032.23
524,686,758 being a 50% increase in Variable A	10% Voting Dilution	52,468,676 Shares	52,468,676 Shares	52,468,676 Shares
	Funds Raised	\$2,492,262.11	\$4,984,524.22	\$9,969,048.44
699,582,344 being a 100% increase in Variable A	10% Voting Dilution	69,958,234 Shares	69,958,234 Shares	69,958,234 Shares
	Funds Raised	\$3,323,016.16	\$6,646,032.23	\$13,292,064.46

If Resolution 4 is approved and the Company issues equity securities under the 10% Placement Capacity, there is a risk that:

- (a) the market price for the Company's equity securities may be significantly lower on the date of the issue of the equity securities than on the date of the Annual General Meeting; and
- (b) the equity securities may be issued at a price that is at a discount to the market price for the Company's equity securities on the issue date,

which may have an effect on the amount of funds raised by the issue of the equity securities.

The above table shows the potential dilution of existing ordinary security holders on the basis of the current market price of Shares and the current number of ordinary securities for variable 'A' calculated in accordance with the formula in Listing Rule 7.1A(2) as at the date of this Notice.

The table also shows two examples of:

- (a) the dilution effects where variable 'A' is the number of Shares on issue, and where variable 'A' is increased by 50% and 100% based on the number of Shares on issue; and
- (b) the dilution effects where the issue price of ordinary securities has decreased by 50% and increased by 50% as against the market price on 13 October 2017.

The table has been prepared on the following assumptions:

- (a) The Company issues the maximum number of equity securities available under the 10% Placement Capacity.
- (b) No options are exercised into shares before the date of the issue of equity securities.
- (c) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- (d) The table does not show examples of dilution that may be caused to a particular shareholder by reason of placements under the 10% Placement Capacity based on that shareholder's holding at the date of the Annual General Meeting.
- (e) The table shows only the effect of issue of equity securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
- (f) The issue of equity securities under the 10% Placement Capacity consists only of shares.

6.4 Timing

The Company may only issue equity securities pursuant to the 10% Placement Capacity within 12 months of the date of this Annual General Meeting. Further, the approval will cease to be valid in the event that shareholders approve a transaction under Listing Rule 11.1.2 or 11.2.

6.5 Use of Funds

The Company may use the funds raised from issue of equity securities pursuant to the 10% Placement Capacity for working capital, for further exploration and production expansion at the Yerbos Buenas Project, in continuing the Company's objective of establishing a JORC-compliant resource, and for the acquisition of new assets.

Subject to satisfaction of any other applicable regulatory requirements, the Company may also issue securities for non-cash consideration for the acquisition of new resources assets and investments. In such circumstances, the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3.

6.6 Allocation Policy

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Capacity. The identity of the allottees of equity securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

- (a) the methods of raising funds that are available to the Company including but not limited to rights issues or other issues in which existing security holders can participate;
- (b) the effect of the issue of the equity securities on the control of the Company;
- (c) the financial situation and solvency of the Company; and
- (d) advice from corporate, financial and broking advisors (if applicable).

The allottees under the 10% Placement Capacity have not been determined as at the date of this Notice of Meeting, but may include existing substantial shareholders and/or new shareholders who are not related parties or associates of a related party of the Company.

6.7 Requirements for approval under Rule 7.1A

The total number of equity securities issued by the Company since admission to ASX's official list in January 2017, is 19,254,273, which represents 5.80% of the equity securities on issue at the Company's admission.

6.8 Number, class and terms of securities issued

- (a) 1,250,000 performance rights issued to the Company's COO on 6 February 2017, under the Company's equity incentive plan for nil consideration, which will vest and become exercisable for one fully paid ordinary share in the Company per performance right, on the achievement of agreed project development milestones;
- (b) 548,705 fully paid ordinary shares issued to the Company's COO pursuant to a Consultancy Agreement on 7 August 2017 at a deemed issue price of \$0.091124 per share;
- (c) 17,043,068 fully paid ordinary shares issued to professional and sophisticated investors under a placement made in respect of funds raised and conversion of debt to equity on 12 September 2017 at an issue price of \$0.08 per share; and
- (d) 412,500 fully paid ordinary shares issued to Wiseowl.com Pty Ltd in consideration of services provided, on 10 October 2017 at a deemed issue price of \$0.08 per share.

6.9 Allottees

- (a) 1,250,000 performance rights issued to the Company's COO on 6 February 2017;
- (b) 548,705 fully paid ordinary shares issued to the Company's COO on 7 August 2017;
- (c) 17,043,068 fully paid ordinary shares issued to professional and sophisticated investors as set out at section 5.3(d) above, on 12 September 2017; and
- (d) 412,500 fully paid ordinary shares issued to Wiseowl.com Pty Ltd on 10 October 2017.

6.10 Price

- (a) All performance rights issued under the Company's equity incentive plan were issued for no consideration;
- (b) 548,705 shares issued on 7 August 2017 in respect of services provided at a deemed price of \$0.091124 per share, which represented a 1.25% premium to the closing market price of the Company's shares on the date of issue;
- (c) \$0.08 per share for 17,043,068 shares issued on 12 September 2017, which price was equal to the closing market price of the Company's shares on the date of issue; and
- (d) 412,500 fully paid ordinary shares issued to Wiseowl.com Pty Ltd on 10 October 2017 in respect of services provided, at a deemed issue price of \$0.08 per share, which represented a 11.11% discount to the closing market price of the Company's shares on the date of issue.

6.11 Total Consideration and Use of Funds

- (a) The Company issued of 548,705 shares to the Company's COO at an issue price of \$0.091124, for a total value of \$50,000 in consideration of consulting services provided by the COO pursuant to a Consultancy Agreement.
- (b) The Company raised \$1,027,445 from the issue of 17,043,068 shares, which funds were applied to reduction of the Company's debt, the expansion of crushing production at the Company's Yerbas Buenas Project, and adding to general working capital. As at the date of this Notice, all of these funds had been spent.
- (c) The Company raised a deemed amount of \$33,000 from the issue of 412,500 shares to Wiseowl.com Pty Ltd, which amount was applied in respect of corporate advisory services provided to the Company.

6.12 Voting Exclusion

The Company will disregard any votes cast on this Resolution 4 by a person (and any associates of such a person) who may participate in the 10% Placement Capacity and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of Shares, if this Resolution is passed.

However, the Company need not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides.

At the date of this Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class or existing security holder to participate in the issue of the equity securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in this Notice.

6.13 Board Recommendation

The Board, recommends that Shareholders vote in favour of Resolution 4.

Glossary

In this Explanatory Memorandum, the following terms have the following meaning unless the context otherwise requires.

AEDT means Australian Eastern Daylight Savings Time as observed in Melbourne, Victoria.

ASX means ASX Limited (ABN 98 008 624 691) or the Australian Securities Exchange, as the context requires.

Board or **Board of Directors** means the Board of Directors of the Company.

Business Day means a day on which the ASX is open for trading.

Chairman means the chairman of the Company, Mr Stephen Chaplin.

Closely Related Party means close family members and any controlled companies.

Company means Freehill Mining Limited (ACN 091 608 025).

Constitution means the constitution of the Company.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors mean the directors of the Company.

Explanatory Memorandum means this explanatory memorandum accompanying the Notice of Meeting.

Notice of Meeting means the notice of meeting and Explanatory Statement convening this General Meeting.

Proxy Form means the proxy form attached to the Notice.



Freehill Mining Limited | ACN 091 608 025

AGM Registration Card

If you are attending the meeting in person, please bring this with you for Securityholder registration.

[BARCODE]

Holder Number:
[HolderNumber]

[Name/Address 1]
[Name/Address 2]
[Name/Address 3]
[Name/Address 4]
[Name/Address 5]
[Name/Address 6]

Vote by Proxy: FHS

Your proxy voting instruction must be received by **2.00pm (AEDT) on Tuesday, 21 November, 2017**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY VOTE ONLINE

Vote online at <https://investor.automic.com.au/#/loginsah>

Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting form.

- ✓ **Save Money:** help minimise unnecessary print and mail costs for the Company.
- ✓ **It's Quick and Secure:** provides you with greater privacy, eliminates any postal delays and the risk of potentially getting lost in transit.
- ✓ **Receive Vote Confirmation:** instant confirmation that your vote has been processed. It also allows you to amend your vote if required.



SUBMIT YOUR PROXY VOTE BY PAPER

Complete the form overleaf in accordance with the instructions set out below.

YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal:

<https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

VOTING UNDER STEP 1 - APPOINTING A PROXY

If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chairman of the Meeting will be appointed as your proxy by default.

DEFAULT TO THE CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Voting Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by marking one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided

Individual: Where the holding is in one name, the Shareholder must sign.

Joint holding: Where the holding is in more than one name, all of the Shareholders should sign.

Power of attorney: If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Voting Form when you return it.

Companies: To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

Email Address: Please provide your email address in the space provided. **By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.**

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automic.com.au>.

ATTENDING THE MEETING

Completion of a Proxy Voting Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Voting Form and attends the Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.

POWER OF ATTORNEY

If a representative as power of attorney of a Shareholder of the Company is to attend the Meeting, a certified copy of the Power of Attorney, or the original Power of Attorney, must be received by the Company in the same manner, and by the same time as outlined for proxy forms.

CONTACT

Return your completed form:



BY MAIL

Automic Registry Services
PO Box 2226
Strawberry Hills NSW 2012



IN PERSON

Automic Registry Services
Level 3, 50 Holt Street,
Surry Hills NSW 2010

Contact us – All enquiries to Automic:



WEBCHAT

<https://automic.com.au/>



EMAIL

hello@automic.com.au



PHONE

1300 288 664 (Within Australia)
+61 2 9698 5414 (Overseas)

STEP 1: Please appoint a Proxy

Complete and return this form as instructed only if you do not vote online

I/We being a Shareholder entitled to attend and vote at the Annual General Meeting of Freehill Mining Limited, The Kelvin Club, 14-30 Melbourne Place, Melbourne Victoria 3000 on **Thursday, 23 November 2017 at 2.00pm (AEDT)** hereby:

Appoint the Chairman of the Meeting (Chair) OR if you are not appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit and at any adjournment thereof.

The Chair intends to vote undirected proxies in favour of all Resolutions in which the Chair is entitled to vote.

Unless indicated otherwise by ticking the "for," "against" or "abstain" box you will be authorising the Chair to vote in accordance with the Chair's voting intention.

AUTHORITY FOR CHAIR TO VOTE UNDIRECTED PROXIES ON REMUNERATION RELATED RESOLUTIONS

Where I/we have appointed the Chair as my/our proxy (or where the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolution 1 (except where I/we have indicated a different voting intention below) even though Resolution 1 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair.

STEP 2: Your Voting Direction

Resolutions

- Adoption of Remuneration Report (Non-binding resolution)
- Re-election of Paul Davies as a Director
- Ratification of Past Issues of Securities
- Approval of Additional 10% Placement Capacity

For

Against

Abstain

☐
☐
☐
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☐

Please note: If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

STEP 3: Sign

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Individual or Securityholder 1

Securityholder 2

Securityholder 3

Sole Director and Sole Company Secretary

Director

Director / Company Secretary

Contact Name..... Contact Daytime Telephone..... Date ____/____/____

Email Address

By providing your email address, you elect to receive all of your communications despatched by the Company electronically (where legally permissible).

[BARCODE]
[HolderNumber]

FHS