



30 November 2023

AGM - 2023

Chairman's Address & Update

Freehill Mining Limited (ASX:FHS 'Freehill' or 'the Company') is pleased to provide this update to shareholders at this 2023 AGM, with respect to its operations at the 100%-owned Yervas Buenas Project in Chile.

Good morning, everyone, my name is Ben Jarvis, and I am the Chairman of Freehill Mining Limited and I'd like to welcome you all to the 2023 Annual General Meeting.

I would like to present the Board of Freehill, Peter Williams Non-Executive Director to my left/right, Paul Davies Executive Director & CEO who is currently in Chile at the Mine Site and he is connected to the meeting via phone and also Joe Fekete our Company Secretary.

Today I want to highlight several key milestones for this year, with an emphasis on the Company's recent progress since our last general meeting held on 18 August 2023, which is only ~90 days ago.

In this short period of time, we have emerged as a stronger business which is now better placed to restore shareholder value.

A primary focus since mid-August was the re-quotations of Freehill's fully paid ordinary shares on the Australian Securities Exchange which was achieved in September. The recommencement of trading followed the completion of a pro rata non-renounceable entitlement offer and the placement of some of the shortfall from this Offer which raised around \$1.041 million. These funds have allowed us to meet outstanding creditor obligations and provide working capital for the 100%-owned Yervas Buenas operation in Chile. I would again like to thank shareholders for their contributions here.

While we have yet to see a material recovery in the share price since re-quotations, I do not believe this is reflective of the progress being made by our team in Chile in recent months and the underlying value of the YB mine. We are confident that, as more sales materialise, this will soon be reflected in the Company's valuation.

As we have communicated throughout the year, Freehill's focus has been to establish the foundations for the rapid scale-up of a waste material processing and sales operation at our YB mine. As highlighted in the November trading update, we have achieved this by demonstrating that we can produce and deliver a quality product, albeit it at still relatively modest volumes, and establish credibility and dependability with new customers which include some of the largest cement and construction companies in Chile including Melón, Unicon and Weber.

With sales to these customers now occurring regularly, Freehill's primary focus has been to establish its business as a reliable supplier of waste materials, serving a premium customer base in this region of Chile.

Some of you may be aware that Chile is one of the most earthquake-prone countries in the world. As a result, any supply materials provided to cement and construction companies is required to meet rigorous quality standards to ensure that buildings and other infrastructure are constructed with the highest levels of structural integrity. Within this regulatory framework, Freehill has undertaken extensive testing of its material with its customers and established logistics and transportation solutions to ensure it can meet the demands of the industry.

In that context, the sales announcements we have provided to date are not large in terms of monetary value just yet, but from the perspective of establishing product integrity and the logistics to support reliable deliveries, they have played a crucial role in consolidating Freehill's market footprint and putting a place a strong foundation for growth and an operation that is sustainable. With this now in place, the Board is very confident that we'll start to see a significant scale up in orders in the very near future.

I don't want to down play the sales we have achieved so far, they are delivering valuable revenue to the Company, something not too many junior resources companies can claim. We have witnessed sales now materialising more readily from the end of September onwards which coincides with the end of Chile's National Day celebrations. In October, we sold ~1,800m³ of material and in November we have invoiced for 3,000m³ of material so we are witnessing a steady build up which is in line with our expectations.

The scale-up of the waste materials business remains our key operational priority given the potential size of the project and its capacity to deliver a material increase in cash-flows and future earnings, but our attention is now also turning to ways in which the Company can realise additional value from our existing asset base.

As we have stated, the Company is very committed to recommencing magnetite mining at YB, to be funded by the cash flows from our expanding waste materials business. More broadly, our operations at YB have been underpinned by improved operational procedures where management is working closely with an experienced contractor to ensure the requisite processes around product quality, efficiency and safety are adhered to. We are confident that the magnetite will add a new revenue stream once we commence production and we capitalise on what is a large and valuable resource.

More recently, we've undertaken a complete review of the geology and our previous drill program at the Company's fully-owned El Dorado copper-gold project, which covers 750 hectares and directly adjoins Freehill's flagship YB project. Based on recent work undertaken by a respected geologist at El Dorado, we believe the asset has considerable prospectivity.

The recent work carried out clearly indicates that previous exploration results perhaps do not truly reflect the potential mineralisation that El Dorado might hold. Our new geologist is now in the process of undertaking a more comprehensive and systematic exploration program which involves more extensive soil and rock chip sampling, further analysis of geophysics and some extensive trenching before we look to drill again. We will of course provide a more comprehensive update once we have first results from sampling to report.

I'd like to take this opportunity to again thank our investors for their support during a significant period of transition for the business. Freehill now has a number of avenues to restore value and the Board is committed to achieving this. We expect to provide consistent positive news flow in pursuit of our stated strategy in the near future.

Thank you.

Ben Jarvis
Non-Executive Chairman

-ENDS-

Authorised by the Board of Freehill Mining Limited.

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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 Yerbos Buenas magnetite and associated materials project in Chile. The Company also holds copper and gold exploration projects in Chile and is assessing other related investment opportunities.