



18 June 2024

Yerbas Buenas Sales Accelerating

- Sales revenue up ~42% month-on-month to \$165,182 in May versus \$116,209 in April and \$97,233 in March
- Increasing sales driven by step-up in Belfi operations at the Coquimbo Port project, with initial pile-driving plant in operation and a second plant scheduled to come online later this month
- Sales to major customer, Cementos Melón, expected to ramp up with the anticipated commencement of construction work at Coquimbo Hospital
- June sales on track to comfortably exceed May's performance with production volumes expected to continue increasing thereafter
- Early-stage planning underway to re-establish magnetite mining operations as a second revenue stream from Yerbas Buenas

Freehill Mining Limited (ASX: FHS 'Freehill' or 'the Company') is pleased to provide this sales update confirming strong ongoing demand for materials supplied from the 100%-owned Yerbas Buenas (YB) mine in Chile. Consistent growth in monthly gross sales in H1 2024 was highlighted by a ~42% month-on-month increase in May 2024 to \$165,182 (up from \$116,209 in April), further consolidating the group's momentum heading into the second half of the calendar year.

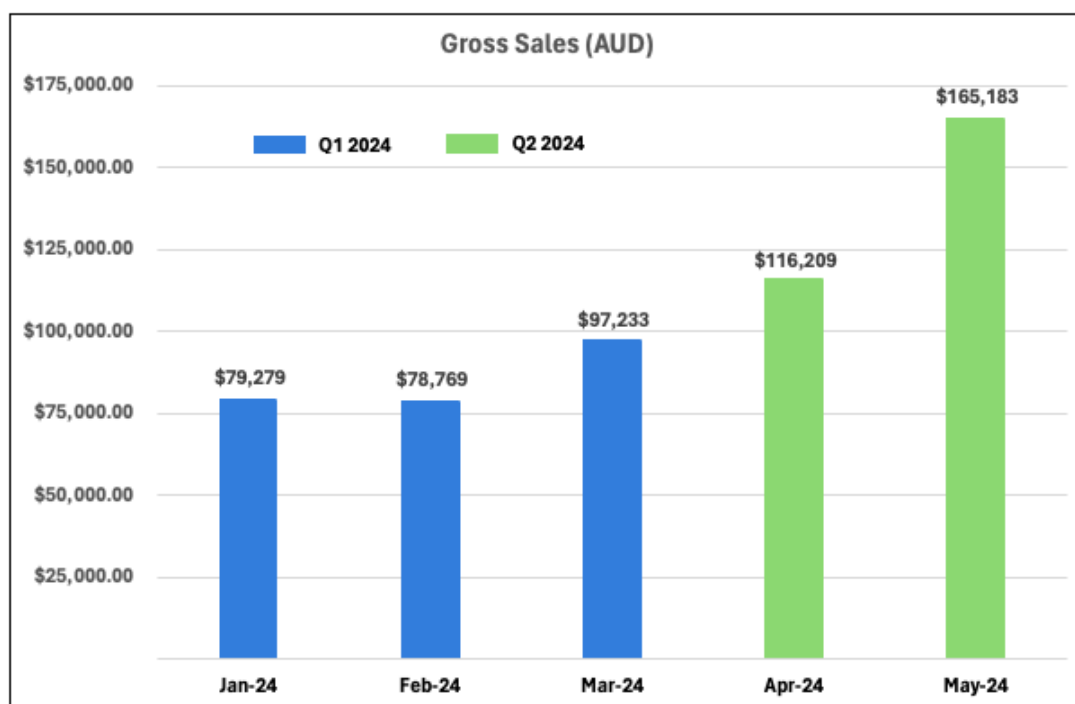


Table 1: monthly sales inclusive of Impuesto al Valor Agregado ('IVA'), being Chile's Value Added Tax

Sales update

The sales momentum occurring in the current quarter is underpinned by the recent commencement of large-scale infrastructure projects in the La Serena region, including a major port expansion and a new hospital development. Freehill is delighted to be the preferred material supplier to these projects and May's sales represent just the early start of the Company's involvement in the first of these.

In addition, the step-change in June quarter sales to-date is a function of Freehill's increased production capacity following the successful commissioning of state-of-the-art crushing & screening equipment at YB (*refer ASX Announcement 3 April 2024*).

The Company is well-positioned to further build out its sales in the second half, having established a foothold as a trusted supplier of premium material products to some of Chile's largest cement and construction companies.

Beyond the growing material processing business, planning is underway for the re-commencement of magnetite mining at Yervas Buenas with new stockpiles identified outside the historical mine area. These are being assayed and a more comprehensive update is pending. Minimal capex is required for magnetite mining processing given the recent installation of the larger materials processing plant. Further exploration is also planned at the fully-owned El Dorado copper-gold prospect which adjoins YB and hosts encouraging gold and copper mineralisation.

Managing Director Paul Davies said: *"We are pleased with the step up in sales in May and expect further growth given Belfi's expansion of works at the Coquimbo Port and as Melon's construction of a new hospital in Coquimbo moves into an active phase. This has coincided with recent site visits to YB by Melon staff reviewing and approving material specifications for this project. As such, June sales will outperform those reported for May and increases thereafter as orders from both major customers start to materialise. We stress that while revenue reported to date is encouraging, we are still in the early stages of ramp up at YB. In addition, we anticipate revenue growth from the planned re-commencement of magnetite mining later in the year."*

Approved for release by the Board of the Company.

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