



Tuesday, 28 February 2017

Update on Operations

Highlights

- **Ground Magnetic Surveys are expected to be completed in March, paving the way for the Initial Drilling Program.**
- **Magnetite occurrence identified, trial production commenced and concentrate material supplied to potential customer for evaluation.**

The Company is pleased to report on recent and planned activity at the 100% owned Yervas Buenas (YB) Project in Chile.

Geophysical studies have been progressing at the YB Project site, with completion of a Ground Magnetic Survey expected in March. This will pave the way for the commencement of the mineral sands Initial Drilling Program.

The Company has progressed with trial production of pre-concentrate from a hard rock magnetite occurrence identified at surface.

Over the past few weeks, the Company has engaged a contract blasting operator and contract crushing operator with mobile plant to commence trial production of magnetite ore from this occurrence.

The Company's customer, Compañía Minera del Pacífico S.A. (a subsidiary of CAP S.A.), has been provided with sample production material for evaluation.

For further information please contact Mr Joe Fekete on +61 407 282 199 or by email joe@fmsoz.com.au.

Mr Stephen Chaplin
Chairman

About Freehill Mining Ltd

Freehill Mining Ltd (FHS) is an ASX listed company, which is engaged in identifying quality resource opportunities with an identifiable short term horizon to production.

Freehill Mining Ltd is pursuing this strategy in respect of the iron ore tenements owned by two of its Chilean incorporated subsidiaries, Yervas Buenas SpA (YB SpA) and San Patricio Minería SpA (SP SpA), collectively the Yervas Buenas Project. The operations at the Yervas Buenas Project involve the mining of magnetite iron ore from hard rock and sands at the surface, and other resources have been identified as potentially present at the Yervas Buenas Project Area.

The Yervas Buenas Project Area is located 30 kilometres north of the city of La Serena in the IV Region of Coquimbo, Chile. The Yervas Buenas Project spans 398 hectares. There is an existing operating mine and established commercial sales relationships with key partners in Chile. In the near future FHS intends to commence a drilling program to prove up its reserves at the Yervas Buenas project.

For further information, please refer to the prospectus located on our website at www.freehillmining.com

