



21 December 2018

First Phase of Drilling Completed at Yervas Buenas Magnetite Project

Highlights:

- **4300m of RC drilling successfully completed**
- **170m of exceptionally high grade iron intersected**
- **Three of seven structures drilled & confirmed as magnetite**
- **First assays expected January 2019**
- **Maiden Resource Estimate expected to be reported March 2019**

Freehill Mining Limited ("Freehill" or "the Company", ASX:FHS) is pleased to report that the Company's maiden drilling campaign at the flagship Yervas Buenas project has been successfully completed on time and on budget.

A total of 4,300m of Reverse Circulation (RC) drilling was completed on 11 December with hole depths varying from 150m to 250m. Logging has now been completed and all samples dispatched to Intertek Chile for analysis. <http://www.intertek.com/services/>

Drilling was carried out primarily on three of seven magnetic structures identified during a ground magnetic geophysics survey completed in mid-2017. The major portion of drilling was completed in and around the trial mining pit (designated YB#1) to allow the estimation of a resource. Additional drilling on the YB#3 & YB#6 magnetic structures to the immediate north and south of the mining pit was also carried out to 'ground truth' magnetite mineralisation and depth (See Figures 1 & 3).

Geos Mining Minerals Consultants provided on-site technical assistance and guidance throughout the drilling program and will have an ongoing role in the interpretation and modelling of drilling results. Drill sample logging and grade estimation was carried out by two highly experienced Chilean magnetite iron ore geologists that have worked on numerous iron ore projects throughout Chile.

All drilling was done by Major Drilling Group International Inc. (www.majordrilling.com). Major Drilling's Chilean office is in the city of La Serena, 35kms south of the Yervas Buenas project area which resulted in significantly improved logistics and project control.

Drilling of the southern structures showed those areas to generally have only 15m of sand cover followed by over 170m of effectively continuous high grade magnetite material. Mineralisation remains open to the south. Indicative iron grade estimation was completed during the program using magnetic susceptibility

meters.¹

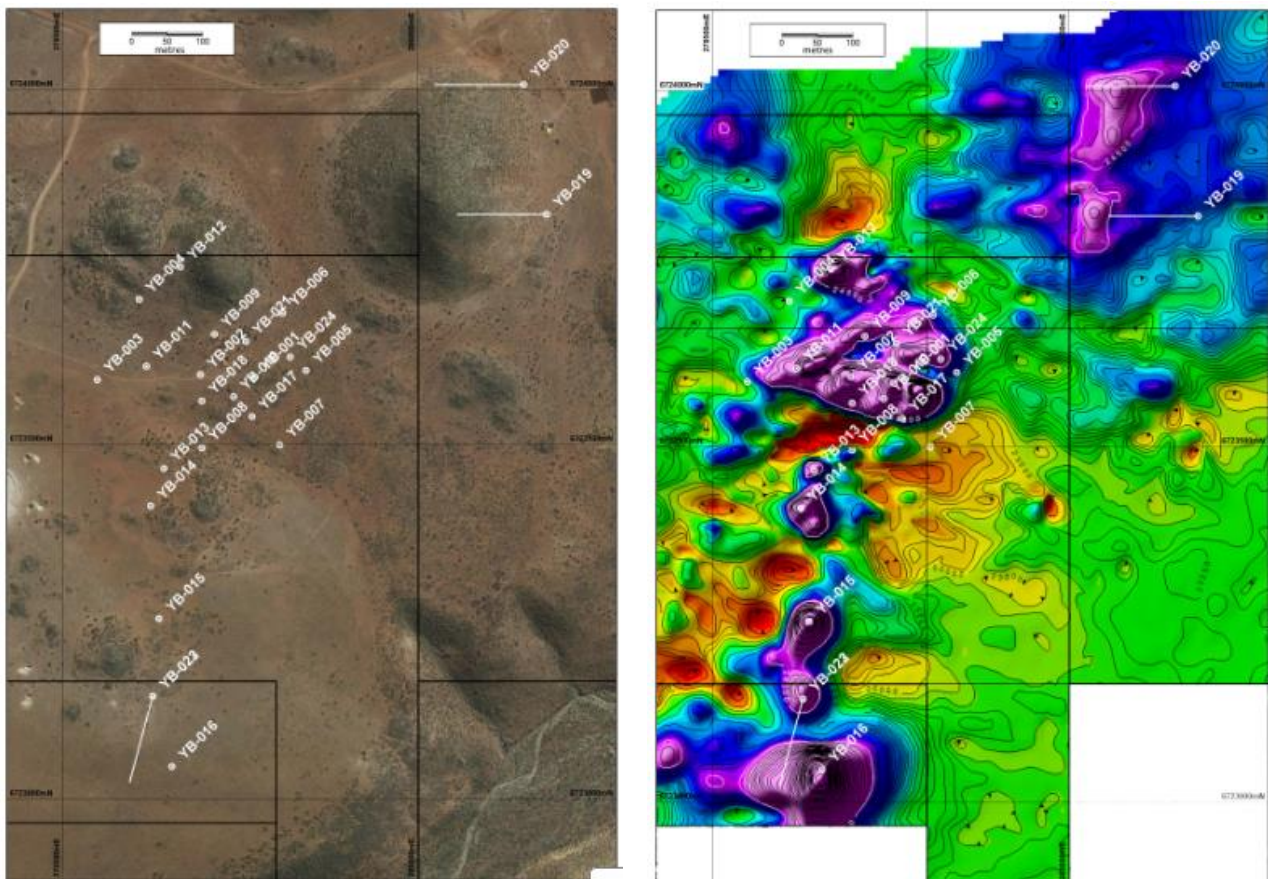
Planning for a second phase of drilling during the second quarter 2019 has commenced and will focus on the northern magnetic anomalies identified during the 2017 geophysics survey.

Comment

Freehill's Chief Executive Officer Peter Hinner commented: "The completion of this first phase drill program marks the first step in the Company defining a resource estimate for the Yervas Buenas project and we are confident that this will add significant value to the project. First assays are expected to be reported in early January and this will deliver a steady stream of news flow for shareholders in the first quarter of calendar 2019.

"Yervas Buenas is shaping up as a significant Chilean magnetite project with established offtake agreements and third party processing operations available to us only 30 kilometres from site. We look forward to updating shareholders on progress in the new year. Freehill is exceptionally well placed for the year ahead."

Figure 1 – Map showing completed drill hole locations relative to general topography and magnetic structures
Projection: WGS84 zone 19S



¹ The potential quantity and grade of the magnetite material is conceptual in nature; there has been insufficient exploration to estimate a JORC Code-compliant Mineral Resource, and it is uncertain if further exploration will result in the estimation of a Mineral Resource.

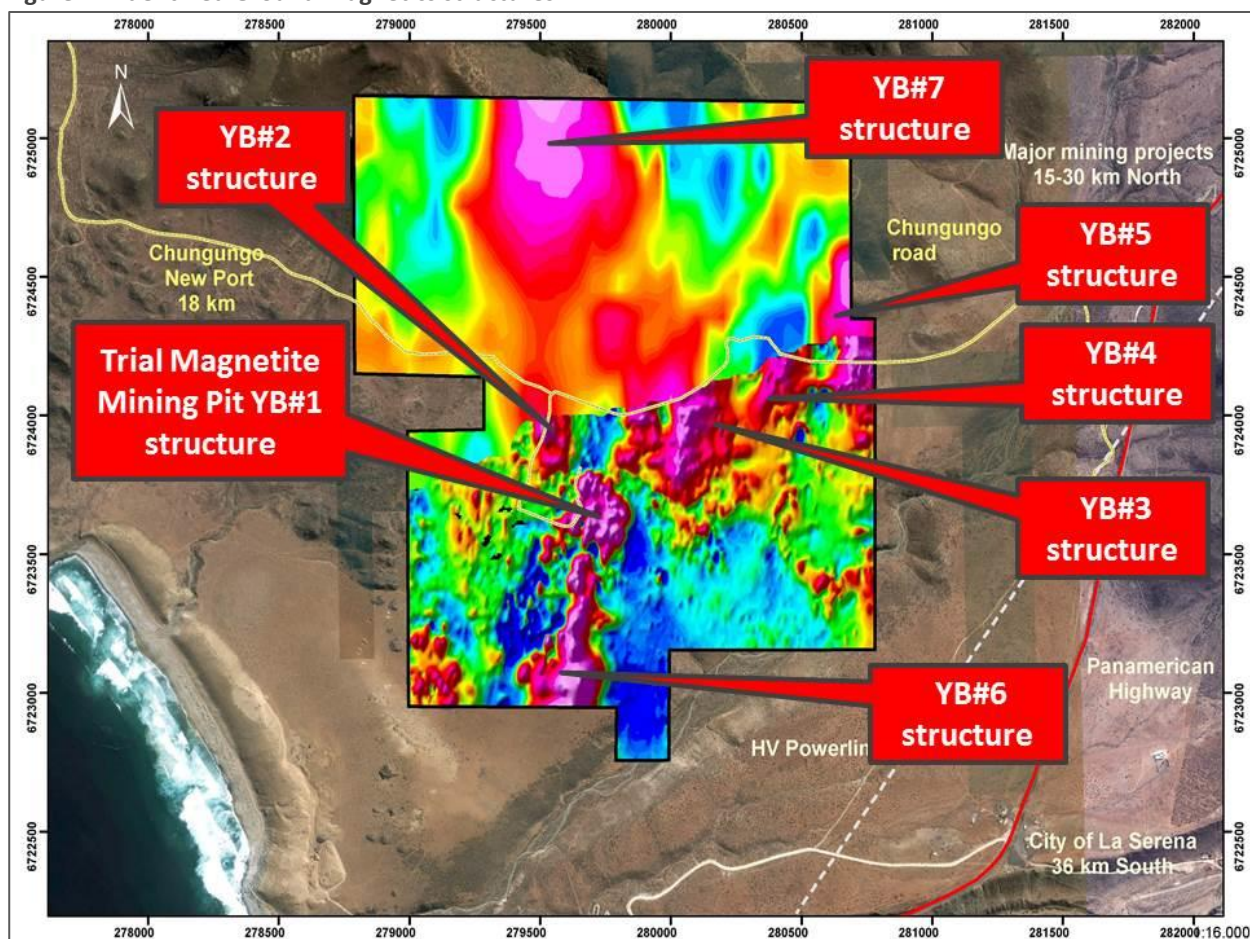
Figure 2 – Drilling samples being loaded and sent to Intertek laboratory for analysis



Figure 3 – Drilling of Hole 20 at northern extension of the southern magnetic structures



Figure 4 – Identified Ground Magnetism structures



About Freehill Mining Limited

Freehill Mining Limited (ASX: FHS) is a mineral exploration company focused on creating shareholder wealth through the identification of mineral resources in Chile and development of its Yervas Buenas magnetite project. The Company has also identified copper and gold mineralisation on its tenements and plans to undertake further mineral exploration programs on these at a later date.

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