

Freehill Mining Limited (ASX: FHS)



Important Information & Disclaimer



The information contained in this Presentation is of a general nature and does not purport to include or summarise all information that an investor should consider when making an investment decision. The Presentation does not contain all the information which would be required in a product disclosure statement, prospectus or other disclosure document prepared in accordance with the requirements of the *Corporations Act 2001* (Cth) (Corporations Act)

This Presentation does not constitute investment or financial product advice, is not a recommendation to acquire New Shares and does not and will not form the basis of any contract or commitment for the acquisition of New Shares.

Before making an investment decision, prospective investors should consider the appropriateness of the information (including but not limited to the assumptions, uncertainties and contingencies which may affect future operations of the Company and the values and the impact that different future outcomes may have on the Company) having regard to their own investment objectives, financial situation and needs and should seek legal, accounting and taxation advice appropriate to their jurisdiction.

Future performance and forward-looking statements

This Presentation contains certain forward-looking statements and comments about future events, including the Company's expectations about the performance of its businesses, the effect of the funds raised under the Offer on those businesses, and the future performance of the Company. Forward looking statements can generally be identified by the use of forward looking words such as, "expect", "anticipate", "likely", "intend", "should", "could", "may", "predict", "plan", "propose", "will", "believe", "forecast", "estimate", "target" and other similar expressions.

Indications of, and guidance or outlooks on, future earnings, financial position or performance are also forward-looking statements and include statements in this Presentation regarding the conduct and outcome of the Offer, the use of proceeds, the future performance of the Company and the Company's outstanding debt. In making the forward-looking information or statements contained in this Presentation, assumptions have been made regarding, among other things:

Competent Persons Statement

The information contained in the report that relates to Mineral Resources, Exploration Targets and Exploration Results is based on information compiled or reviewed by Peter Hinner, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Hinner is a consultant of the company and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Hinner consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Overview

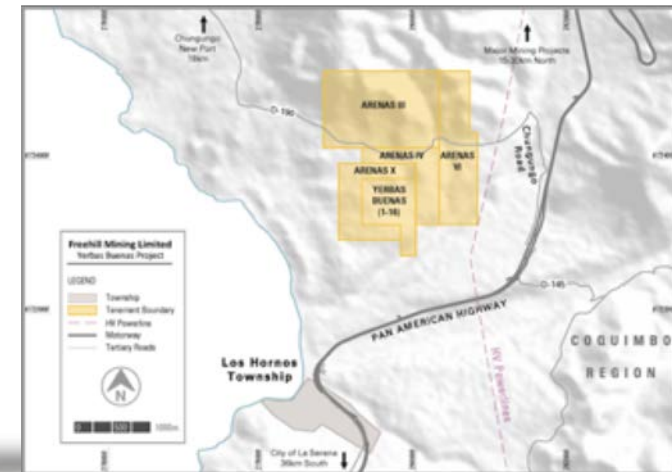
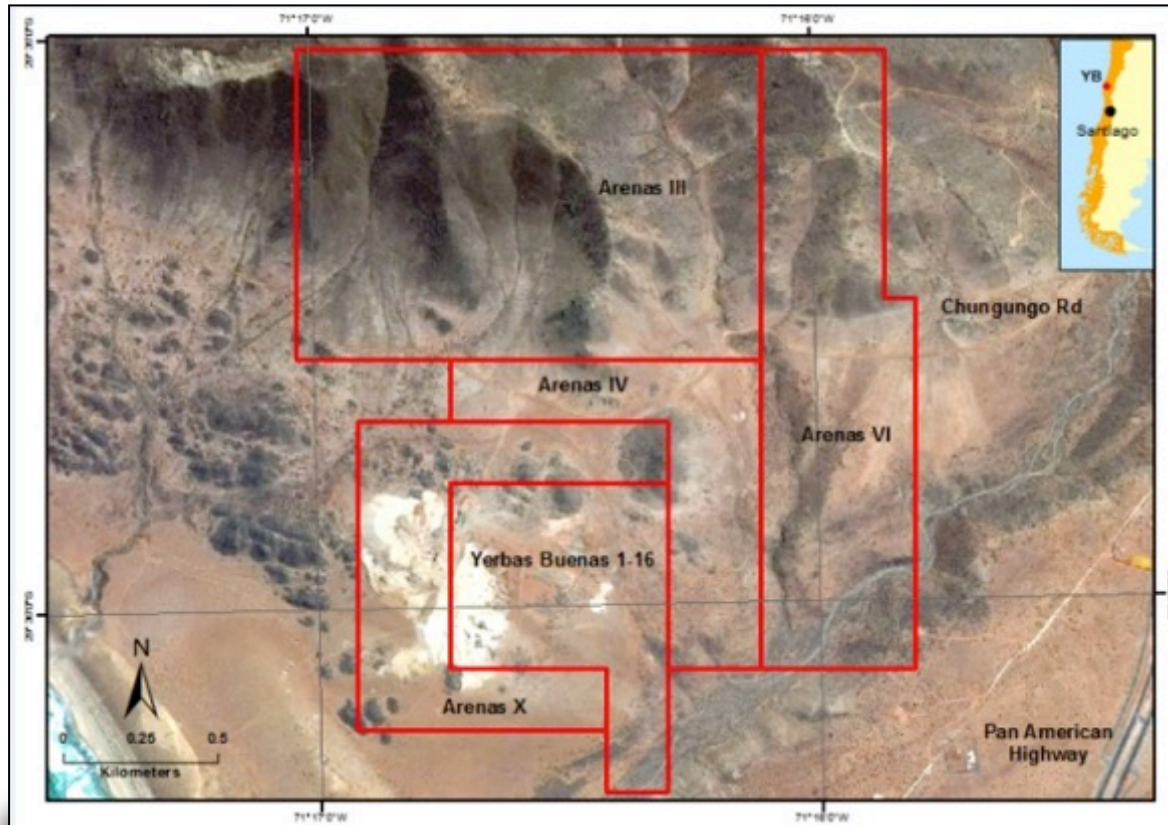


- Owns 100% of the 398 Ha Yerbas Buenas magnetite project in Region IV, Chile
- Trial mining and demonstration processing plant producing magnetite concentrates which are being sold and generating revenues
- Recent completion of maiden 4,300m Reverse Circulation drill program to test various magnetic targets and declare a JORC Mineral Resource Estimate by March 2019
- Induced Polarisation survey completed February to identify two likely copper sulphide structures associated with significant surface copper and gold mineralisation
- Strong surface evidence of copper and gold mineralisation in the northern portion of project area supported by old artisanal mine shafts and tunnels
- Sales agreement for the purchase of concentrates by Compania Minera Del Pacifico S.A, a subsidiary of Chiles largest iron ore producer
- Concentrates currently being used to supplement feed in the Romeral Pellet Feed Plant.
- Revenues from sale of magnetite concentrates to CMP are over US\$1.96 million
- Ground magnetic geophysics indicating several large magnetic anomalies, one of which has had two drill holes completed by a previous explorer and confirms magnetite

Concessions & Boundaries



Tenement Name	Licence Holder	Licence Number	Licence Type	Area
YERBAS BUENAS 1-16	AYF MUZARD LTD	04102-2723-1	Mining Lease	50 Ha
ARENAS III 1 TO 15	SAN PATRICIO SPA	04102-2714-2	Exploitation Lease	150 Ha
ARENAS IV 1 TO 10	SAN PATRICIO SPA	04102-2715-0	Exploitation Lease	44 Ha
ARENAS VI 1 TO 20	SAN PATRICIO SPA	04102-2755-K	Exploitation Lease	100 Ha
ARENAS X_1 TO 18	SAN PATRICIO SPA	04102-2937-4	Exploitation Lease	54 Ha
TOTAL				398 Ha



Corporate Snapshot



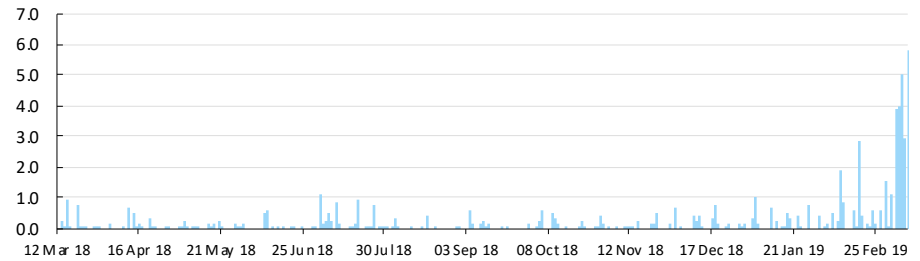
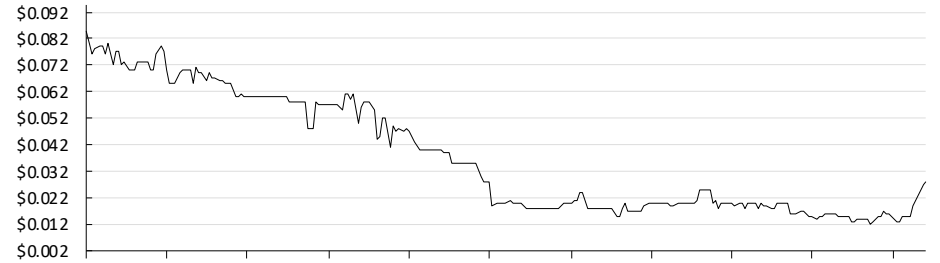
Corporate overview

ASX code	FHS
Cash (as at 31 December 2018)	\$0.7m
Market Cap (at \$0.024 per share)	\$18.6m
52 week high – low (\$/share)	\$0.011 - \$0.075
Shares on issue	804,779,444
Debt	\$1m (<small>\$0.75m convertible notes & \$0.25m short term loan</small>)
Board and management holdings (%)	17.33%
Top 20 holdings (%)	61.47%

Board & management

Chairman	Ray Mangion
Chief Executive Officer & Company Secretary	Peter Hinner
Chief Financial Officer	Paul Davies
Non-Executive Director	Samuel Duddy
Non-Executive Director	Wayne Johnson

Share price and volume (March 2018 – March 2019)



Company History & Project Features



- Listed on ASX January 2017. Previously, Freehill mined and processed iron sands and sold a 60-64% Fe magnetite product to the CAP/CMP Romeral
- Product currently sold to Compania Minera Del Pacifico S.A 'Romeral' pellet feed plant under ongoing supply agreement Freehill is the only external supplier to CMP in Chile – “CMP”, a division of CAP S.A., Chile’s largest iron and steel group
- Trial hard rock mining pit and small demonstration crushing plant operated from early 2017 generating magnetite product & technical data in preparation for future feasibility study work. Revenues of approx. US\$2.33million inclusive of IVA
- Iron ore buyer and pellet feed processing plant only doorstep 13km to the south east via Hwy
- JORC Exploration Target declared in early 2018 based on CMP drill holes and 2017 geophysics ground magnetics
- Uniquely situated in an area with all the infrastructure to support a large mining operation
- Ongoing product supply agreement with Compania Minera del Pacifico S.A. “CMP”, a division of CAP, since 2015 and in the unique position of having Chiles only external off-take agreement with Compania Minera Del Pacifico S.A;
- Minimal overburden which is atypical plus treatable grade ores from surface
- Several magnetite structures within a relatively small area
- Situated on the El Tofo & Atacama Faults which host multiple iron ore resources and operating copper/iron ore mines

Significant Infrastructure



- 2km from the PanAmerican Highway
- 32km north of a well serviced city of 400,000 population
- Coquimbo-La Serena provides support services to the southern Atacama mining industry
- 18km from Chile's next major export port, Cruz Grande at Chungungo that will be built by 2020 to provide iron ore exports with 30% capacity allocated to third parties
- Public road to Chungungo goes past mine gate and will be sealed during 2018/19
- 40km north of 2 large port facilities including the iron ore export port of Guayacan
- 30km by road north of a CAP pellet feed plant
- Commercial airport with several flights per day to Santiago which is only 50 minutes flying time south
- HV power lines 500m from mine



Trial Mining & Processing



November 2016



In only 12 months



March 2017



February 2018



Sale of Magnetite from Trial Mining



- The Yervas Buenas Project is the only company in Chile to have an offtake agreement with a CMP processing plant for the supply of magnetite concentrates
- Compania Minera del Pacifico “CMP” is a division of CAP S.A , Chile’s largest iron ore and steel producer. Freehill, trading as Yervas Buenas SpA have had offtake agreements since 2015
- All trial mining product is currently being sold to the Romeral pellet feed plant which is 30km south of the project by major highway – CMP are providing ongoing technical support to Freehill



CMP during various discussions with Freehills Yervas Buenas General Manager have commented that they prefer the Yervas Buenas magnetite over other sources in the area and have asked for as much product of this grade or higher as Freehill can supply.

Magnetite also sold under a supply agreement to Melon, one of Chiles largest cement manufacturers



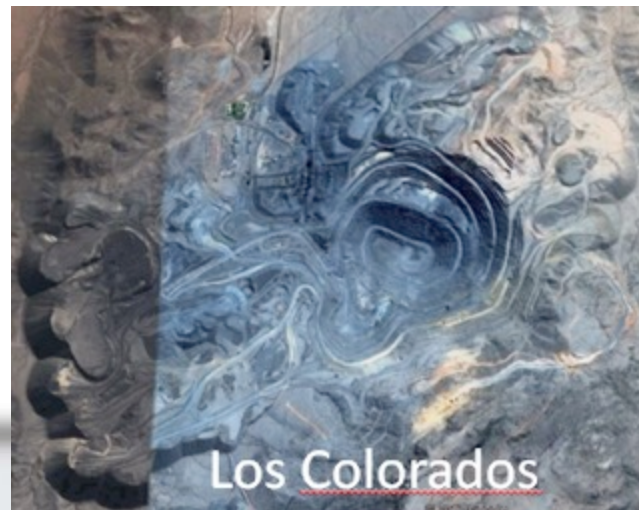
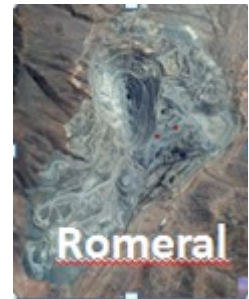
The Chilean Iron & Copper Belt



Yerbas Buenas is in the company of good neighbours

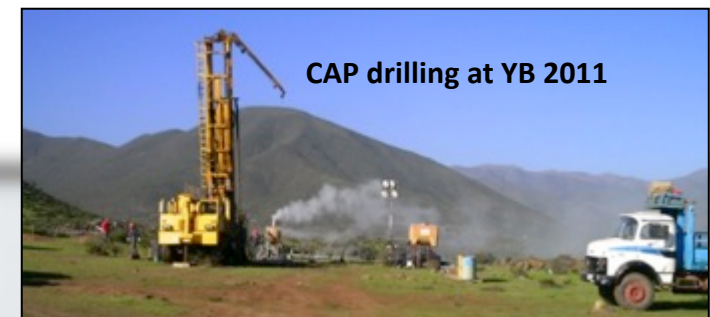
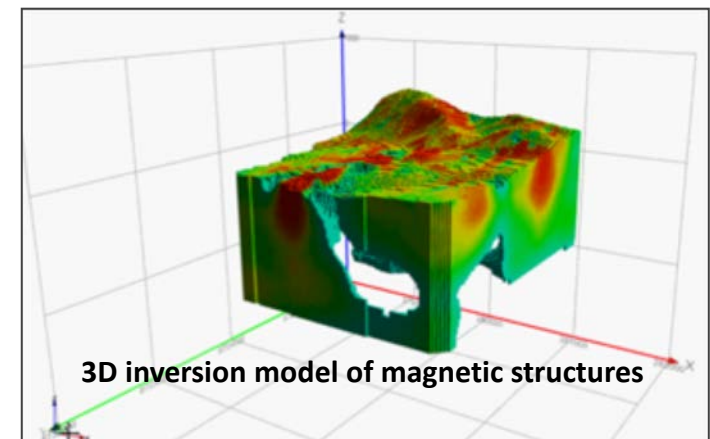
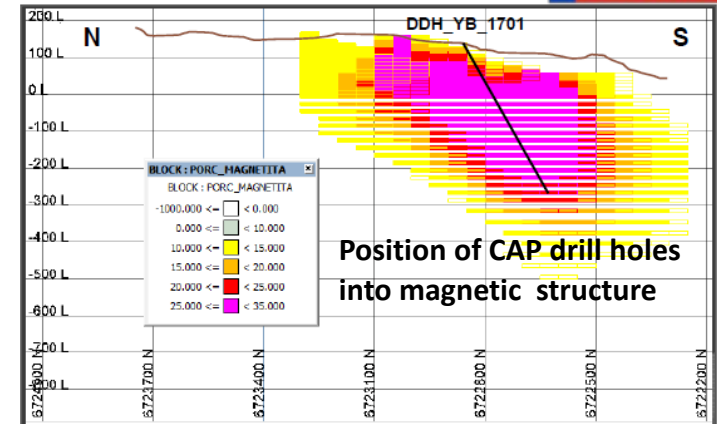
The Chilean iron & copper belt has dozens of operating iron ore & copper mines and numerous identified world class resources

- Latin Americas oldest iron ore mine 'El Tofo' just 15km to the north along same fault
- CAP Romeral magnetite mine and plant 13km to the south east
- New CAP El Tofo Norte mine 18km north
- Santa Dominga copper & gold project 23km north
- Lundin Minings Candelaria copper /gold mine 220km north along the same belt
- At least a dozen other operating copper and magnetite mines within 30-250km and a further 10-15 major resources being developed



Geology

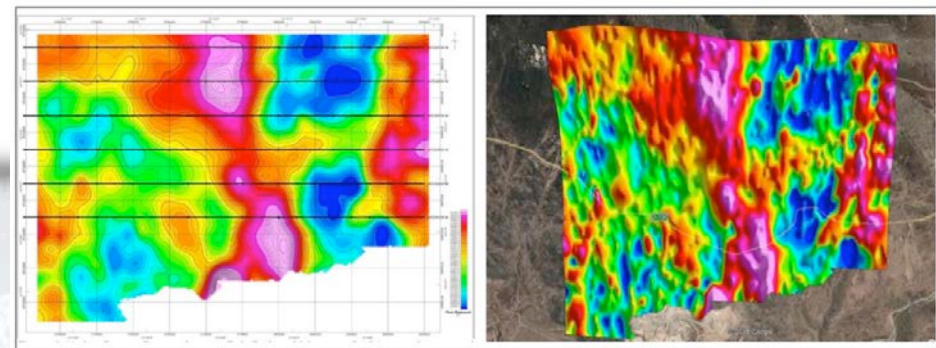
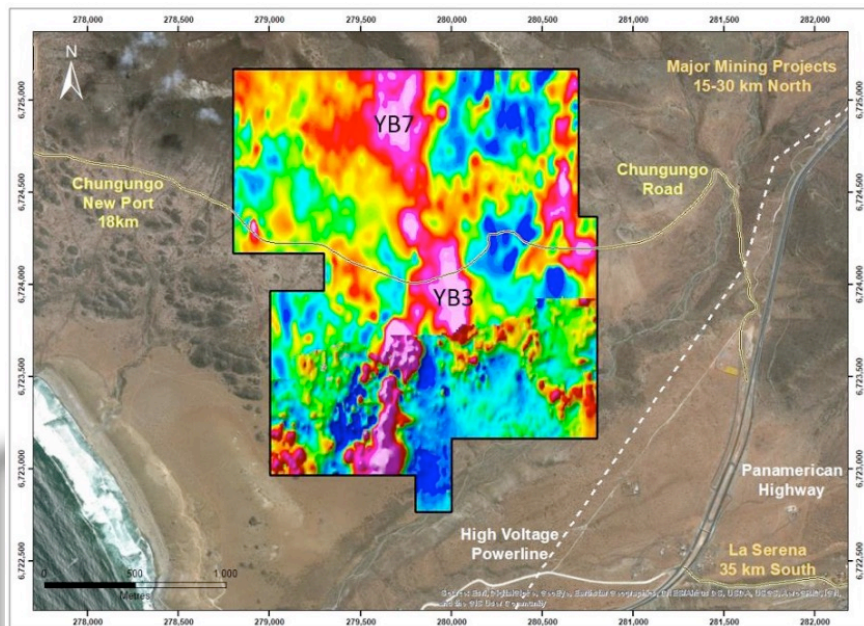
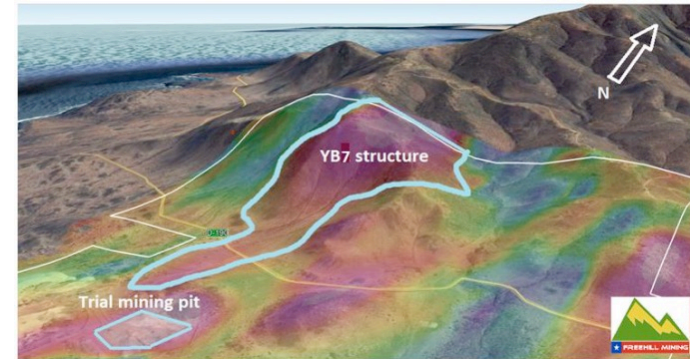
- Project situated on the confluence of Atacama and El Tofu structural faults – significant features of the 'Iron Belt' in Chile
- Tenement contains 7 major magnetic structures
- CAP's historical drilling in southern portion suggests that these are magnetite based anomalies as well as very strong copper and gold mineralisation in northern structure
- Geology of northern portion is consistent with an IOCG/IOA project 'Santa Dominga' within 25km of us and numerous others similar resources
- 2 x 130m Reverse Circulation drill holes drilled by CAP in area of current pit (YB1 structure) in 2011 – CAP supplied all data. Drill holes confirmed that magnetic structure is magnetite
- CAP stated Yervas Buenas magnetite is **the best** in the region
- 50m spaced ground magnetics by CAP in 2011 on small section of YB1 structure then 200m ground magnetics survey in 2015
- 'High resolution' 25m and 10m ground magnetic and passive seismic survey over southern portion of tenement in 2017 by respected Australian geophysics experts
- JORC Exploration Target confirmed by 'Geos Mining' in 2018



Northern Area Magnetics Survey and Structures



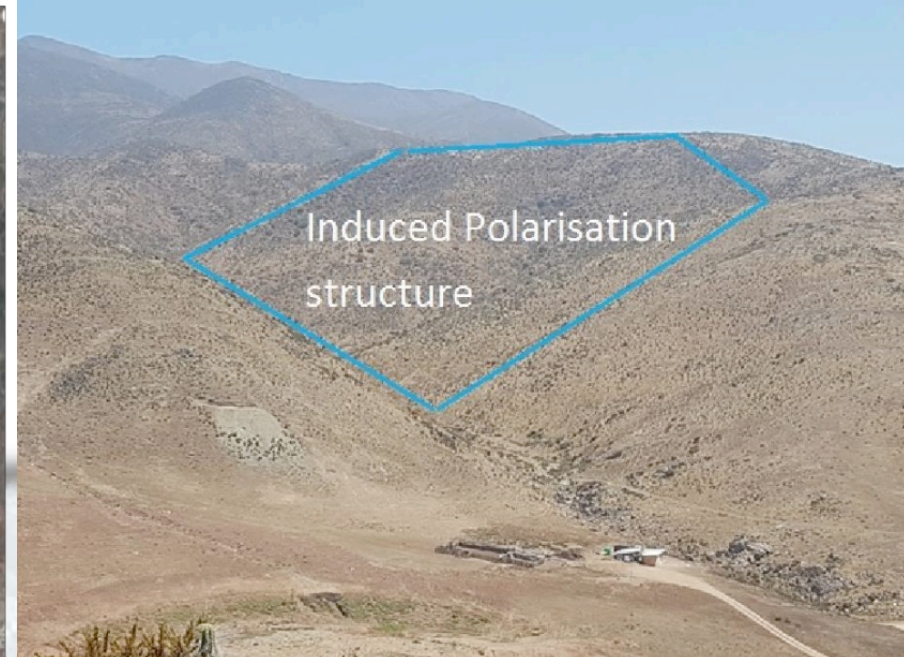
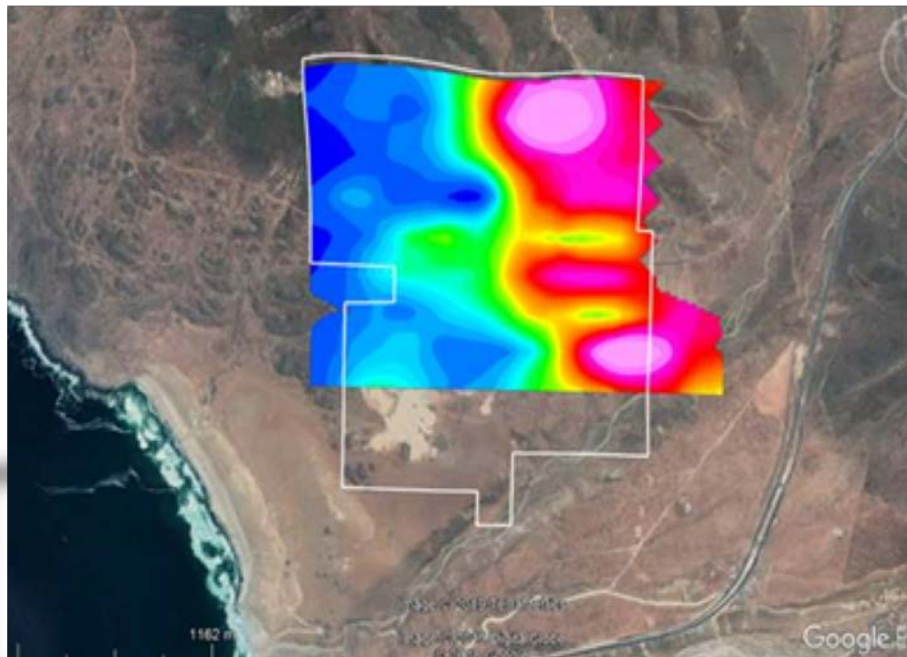
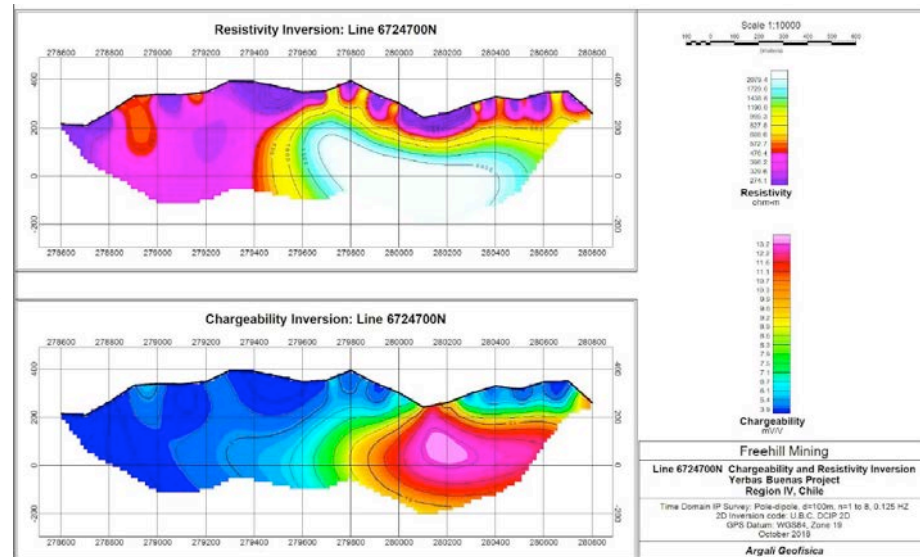
- Northern portion of project area dominated by YB7 structure
- Structure forms the northern half of a 2.3km N-S structure
- 200m line spaced Ground Magnetics survey done in 2015 and a 50m line spaced one done in late 2018
- YB7 structure will be drilled in mid-late 2019 to confirm magnetite mineralisation



Northern Area Induced Polarisation Survey



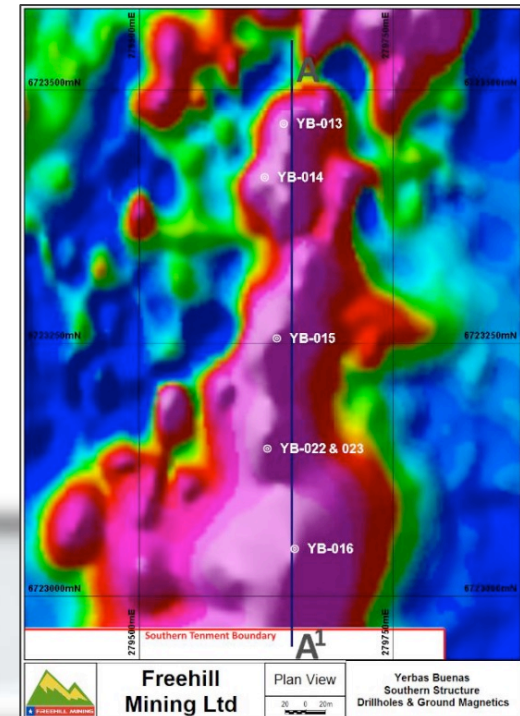
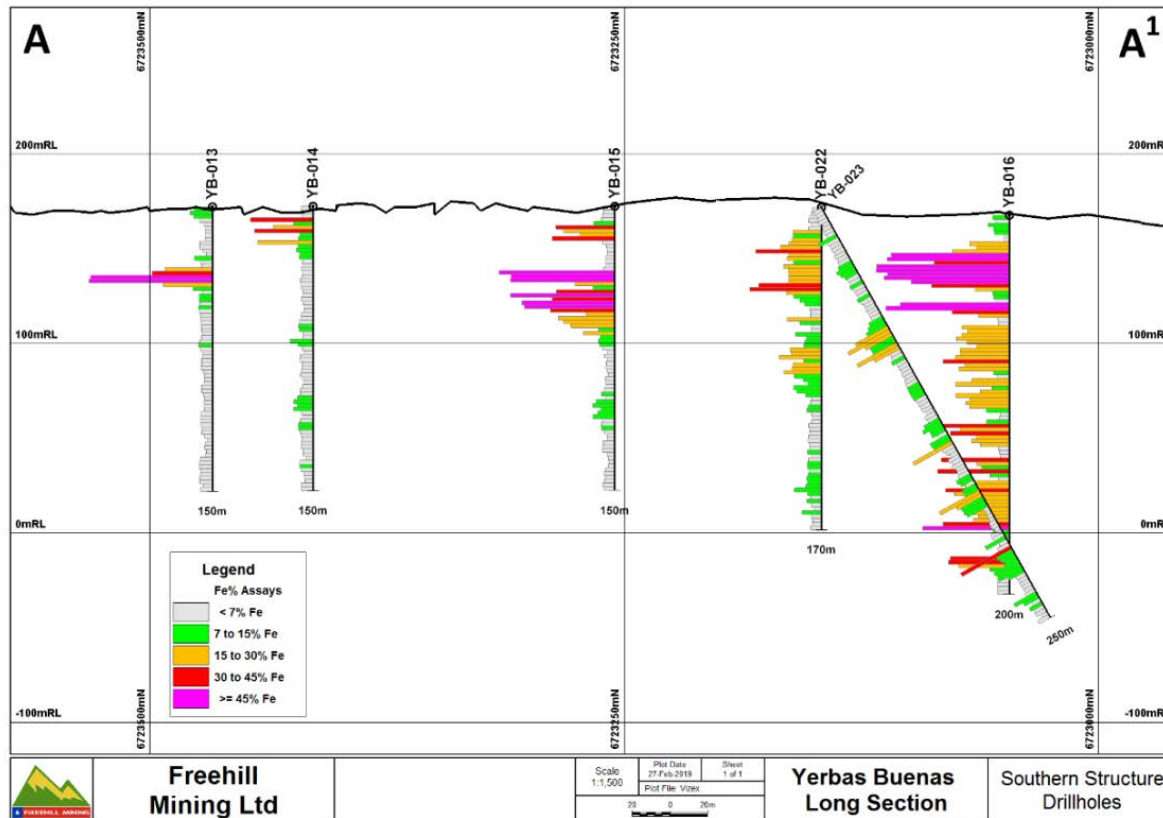
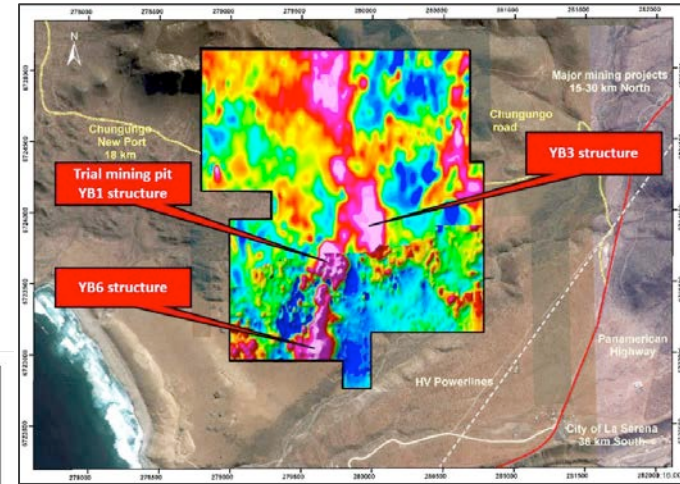
- First IP survey completed late 2018 & second in January 2019 – “2” structures
- Northern structure appears to come within 50m of surface – see image to right
- Anomaly could confirm source of significant surface copper mineralisation
- Several artisanal copper diggings and tunnels in the area known locally as Eldorado and Gavilan



2018 Drilling campaign



- 24 RC holes drilled by Major Drilling Group, 4300m total
- Only southern half of tenement drilled for stage 1 drilling which covers about 1.1km of the 2.3km N-S magnetic structures
- 16 holes drilled in YB1 structure to model a Mineral Resource Estimate
- Most southern structure YB6 drilled with 6 holes and very promising

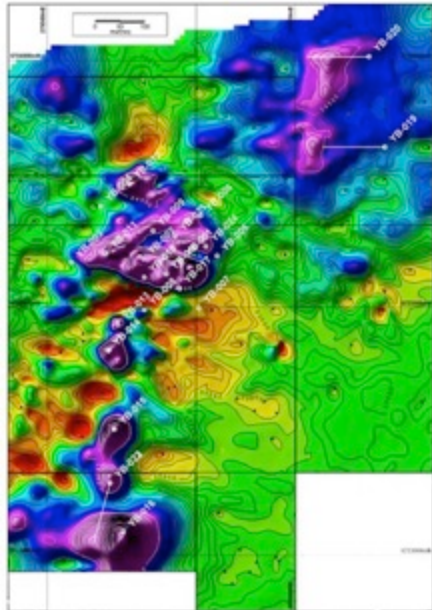


2018 Drilling campaign cont.

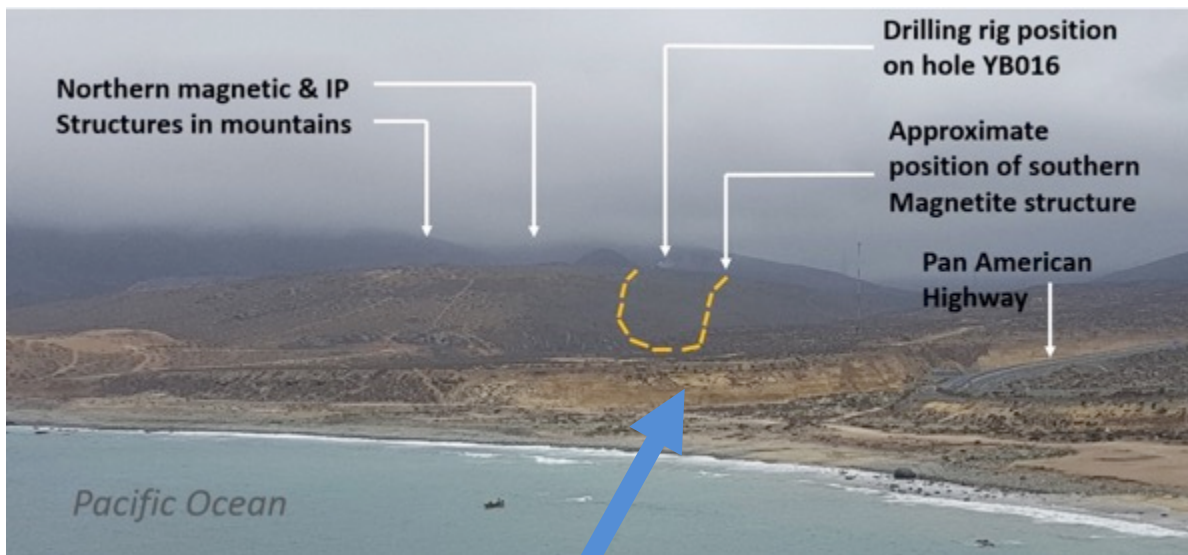


Hole ID	Interval	Intersection	Significant High Grade intersections
Hole YB013	12m	32m-44m	37.1% Fe
Hole YB014	14m	6m-20m	19.8% Fe
Hole YB015	8m	10m-18m	27.2% Fe
<i>Including</i>	28m	34m-62m	37.4% Fe
<i>including</i>	56m	8m-64m	25.2% Fe
Hole YB016	172m	14m-186m	24.4% Fe
<i>including</i>	38m	14m-52m	41.7% Fe
<i>including</i>	16m	20m-36m	61.0 % Fe
<i>including</i>	16m	36m-52m	29.4% Fe
Hole YB022	38m	12m-50m	19.9% Fe

- Significant intersections for the YB016 hole
- Trend of graded intervals increasing in southerly direction from hole YB013
- Only 12-14m sand overburden on hole YB016
- Sand grades 6-8% Fe and would cover cost of a downhill stripping and processing method with Dozer Trap



2018 Drilling campaign continued



Opposite views of the project site

%Fe DTT	%Al ₂ O ₃	%SiO ₂	%TiO ₂	%MnO	%CaO	%K ₂ O	%MgO	%P	%S
68.420	0.256	0.598	0.116	0.09	0.162	0.016	0.268	0.013	0.002

Davis Tube magnetic concentrate from YB016 intervals

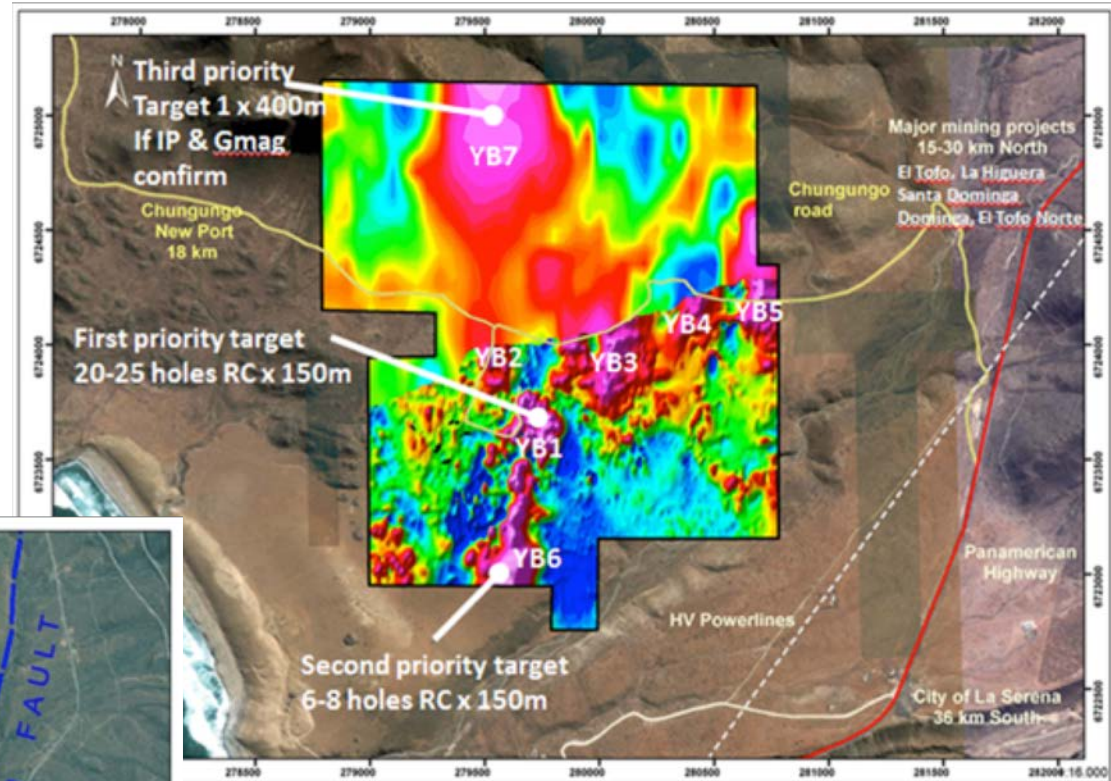
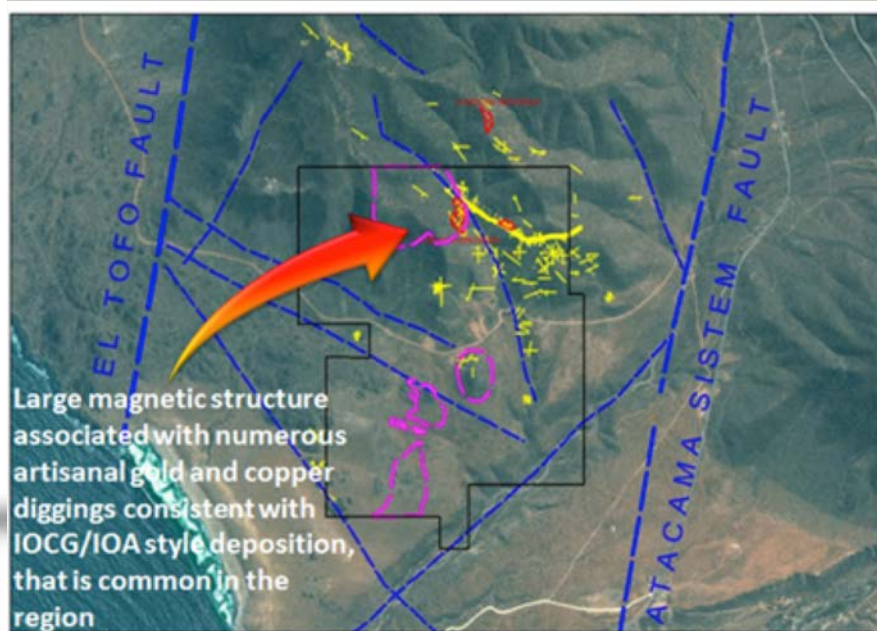
%Fe DTT	%Al ₂ O ₃	%SiO ₂	%TiO ₂	%MnO	%CaO	%K ₂ O	%MgO	%P	%S
69.43	0.679	1.495	0.197	0.072	0.356	0.025	0.477	0.033	0.020

Davis Tube magnetic concentrate from a 61.5% Fe concentrate sent from mine

Exploration Targets

The image below shows the Yerbas Buenas tenement relative to the El Tofo fault which hosts primarily iron ore mineralisation and the Atacama fault which typically host copper. Yerbas Buenas lies at the confluence of the two faults.

Magnetic structures shown as pink dotted lines whilst gold and copper surface mineralisation, visible structures and artisanal mining pits and shafts shown by yellow marks

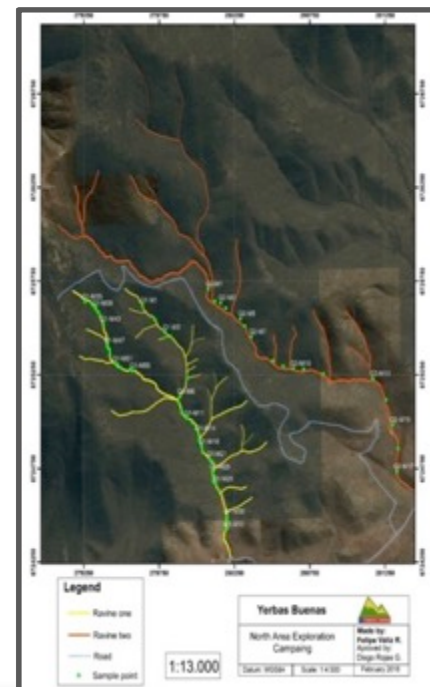
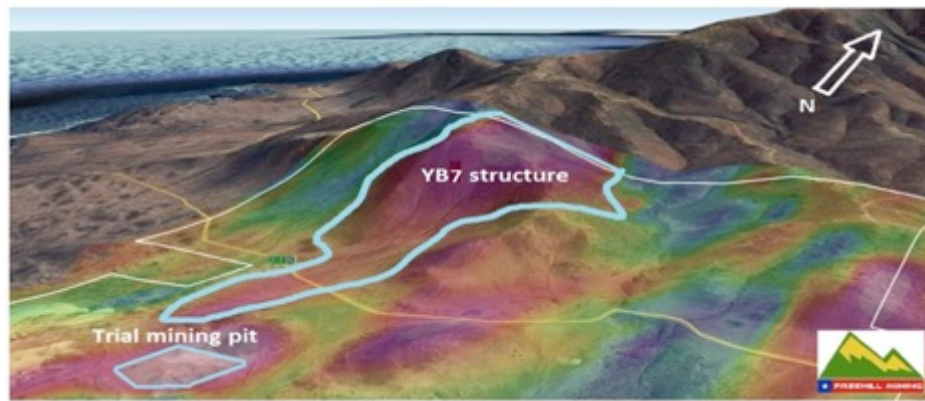


This image above shows the magnetic structures identified by the company's 3 ground magnetic surveys.

Seven main magnetic structures are identified. The trial mine sits within the YB1 structure.

Gold and Copper Potential

- Numerous artisanal gold and copper tunnels and shafts
- Very clear vein structures visible in El Dorado and Gavilan fault areas
- Gold mineralisation only 1500m from current mining pit
- Respected Chilean geologist has confirmed that geology is consistent with an IOCG (iron oxide copper gold) or IOA structure similar to Santa Dominga
- Similar to Andes Iron's huge Santa Dominga project 25km north along same fault structure



Recent Stream sediment surface mapping of gold and copper mineralisation shown above



Typical examples of copper and gold bearing rocks found along the Eldorado and Gavilan ridges and beside artisanal shafts in the mountain area on the northern edge of tenement

Gold and Copper Potential cont.



Northern half of tenement contains significant surface copper mineralisation

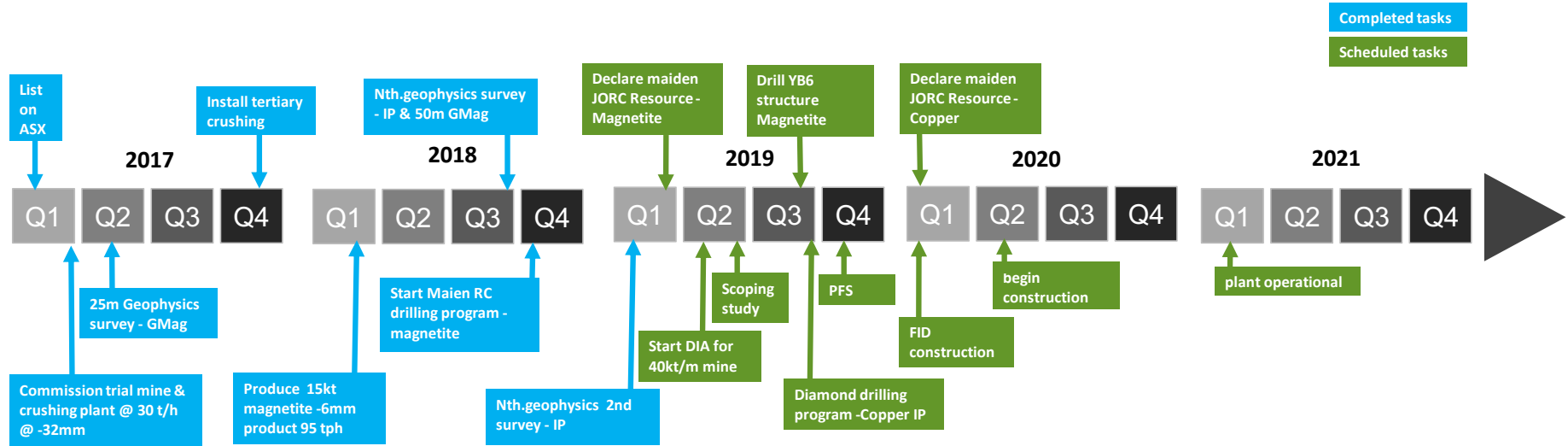


Examples of copper minerals found at surface



Typical artisanal tunnel

2019 Value Catalysts



- Declare JORC Mineral Resource Estimate for magnetite in trial pit area YB1 March 2019
- Drill YB6 High Grade structure (hole16) Q3 2019
- Diamond drilling of IP targets for Copper/Gold
- Get DIA approval for 40,000 then 85,000 tonnes product
- Scoping Study and PFS
- Build 450 tph plant to produce 1Mt/y magnetite product

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