



8 January 2017

CORPORATE UPDATE

Freehill Mining Limited (*Freehill* or the *Company*) is pleased to provide updates on several significant recent developments for the Company.

Strategic Review Commenced

Since listing in 2017, the Company has been undertaking trial magnetite mining and demonstration plant processing initiatives in order to assess the overall potential of sustainable longer-term production activity. In addition to this Freehill has continued to broaden its geological understanding across both its magnetite, copper and gold exploration targets to better assess their true potential.

Over the past 10 months, the magnetite trial mining has seen raw material grades ranged from 24 to 33% Fe and approximately 141,000 tonnes of ore processed. A number of improvement initiatives have been trialled and implemented over this period and these are now being further assessed. The Company has sold over 37,000 tonnes of magnetite concentrate to Compania Minera del Pacifico ("CAP") during this period, resulting in gross revenues in excess of US\$550,000.

Therefore as part of its planning processes, the Board has embarked on a strategic review in order to prioritise its allocation of capital across its portfolio of assets. This review is expected to conclude during the March 2018 quarter.

Chairman Frank Terranova stated, "The procurement of capital within the mining sector remains extremely competitive, therefore companies need to demonstrate both efficient and effective capital allocation as well as the continuing ability to attract capital on commercial terms. Therefore all aspects of the organization will be initially reviewed in order to ultimately focus on the activities that provide greatest potential returns for shareholders."

Board Restructure

Part of the strategic review involves the Board assessing its own composition. As a result, Mr Stephen Chaplin and Mr Nick Kapes have tendered their resignations, and the Board of Freehill thanks them for their contribution to the Company.

Chairman Frank Terranova stated, "It is important that Freehill broadens its Board composition to fully reflect all attributes required in overseeing its Chilean resource projects." The Company has commenced a process in order to achieve this objective.

In addition, Mr Joe Fekete has tendered his resignation as Company Secretary and Mr Frank Pirera has been appointed to take over the role of Company Secretary. The Board of Freehill thank Mr Fekete for his service to the Company. Mr Pirera has extensive company secretarial experience and we welcome him to Freehill Mining Limited.

Funding Update

As announced on 18 December 2017, the Company successfully concluded the drawdown of tranche one of its new financing facility. The bulk of the proceeds were applied to the procurement and installation of further equipment to improve overall tonnages and grade of Fe produced. Based on current expectations and subject to shareholder approval, tranche two will be available to the Company during the March 2018 Quarter.

The Company will provide further updates as activities progress.



Paul Davies
Director/CFO



Frank Terranova
Chairman

About Freehill Mining Ltd

Freehill Mining Ltd (ASX: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



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