



FREEHILL MINING LIMITED
(ACN 091 608 025)
PROSPECTUS

For the offer:

- (a) to Eligible Shareholders for a pro rata, non-renounceable rights issue of one Share (**New Share**) for every 24 Shares held at the Record Date at an issue price of \$0.004 per New Share to raise approximately \$513,088 before issue costs, together with one free attaching option having an exercise price of \$0.008 and expiry date of 29 May 2028 (**New Option**) for every two New Shares issued (**Entitlement Offer**); and
- (b) up to 87,500,000 Placement Options to the Placement Participants on the basis of one free-attaching Placement Option for every two Placement Shares subscribed for and issued under the Placement (**Placement Options Offer**),

collectively the **Offers**.

The Offers are not underwritten.

Important Notice

This document is important and should be read in its entirety. The Prospectus is a “transaction specific prospectus” issued in accordance with section 713 of the Corporations Act. In making representations in this Prospectus, regard has been had to the fact that the Company is a ‘disclosing entity’ for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisors whom potential investor may consult. After reading this Prospectus, if you have any questions about the New Shares and New Options being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser. The New Shares and New Options offered under this Prospectus should be considered highly speculative.

TABLE OF CONTENTS

Item	Page
Table of Contents	2
Important Information	3
1. Key Offer Information	6
2. Chairman's Letter	8
3. Investment Overview	9
4. Details of the Offers	20
5. Purpose and Effect of the Offers	27
6. Consolidated Statement of Financial Position	31
7. Risk Factors	33
8. Rights and Liabilities Attaching to the Securities	44
9. Additional Information Relevant to the Offers	47
10. Action Required by Shareholders	52
11. Directors Authorisation	54
12. Glossary	55
Corporate Directory	57

IMPORTANT INFORMATION

Understanding this Prospectus

Below is important information in relation to the Offers.

This Prospectus is dated 23 April 2025 and was lodged with ASIC on that date.

Neither ASIC nor ASX take responsibility for the content of this Prospectus. Subject to the requirements of the Corporations Act and the Listing Rules, the Directors of the Company reserve the right to close the Offers earlier than the timetable (summarised above) or vary any of the important dates set out in this Prospectus without prior notice, including extending the closing date of the Offers. No securities will be allotted or issued on the basis of this Prospectus later than 13 months after the date of this Prospectus (being the expiry date of this Prospectus).

The Company will apply to ASX for the New Shares to be granted Official Quotation. It is not intended that the New Options will be quoted.

In preparing this Prospectus, regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and that certain matters may reasonably be expected to be known to investors and their professional advisers. This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities and options to acquire continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. Section 713 allows the issue of a more concise prospectus in relation to an offer of continuously quoted securities and options to acquire continuously quoted securities. This Prospectus does not include all information that would be included in a prospectus for an initial public offering.

This Prospectus should be read in its entirety. The risks associated with investing in the Company are significant and potential investors should carefully consider those risks and seek professional advice before deciding whether to invest. The risks associated with the Offers which the Company has identified are summarised below and set out in further detail in Section 7.

If you do not fully understand this Prospectus or are in any doubt as to how to deal with it, you should consult your professional adviser. Important capitalised terms and phrases used in this Prospectus are defined in the glossary in Section 12.

The past performance of the price of the Company's Shares or other securities in the Company provides no guidance or indication as to how the price of Shares, including New Shares, will perform in the future.

Disclaimer

No person has been authorised to give information or to make any representation in connection with this Prospectus which is not contained in this Prospectus. Any information or representation that is not contained in this Prospectus may not be relied upon as having been authorised by the Company in connection with this Prospectus.

In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult. Except as required by law, and only to the extent so required, neither the Company, nor any other person warrants or guarantees the future performance of the Company or any return on any investment made pursuant to this Prospectus.

The Company and its Directors, officers and employees disclaim any responsibility to update any risk factors or publicly announce the result of any revisions to the forward-looking statements contained in

this Prospectus to reflect future developments or events, other than where required to do so by the Corporations Act or the Listing Rules.

Publicly available information

Information about the Company is publicly available and can be obtained from ASIC and ASX (including ASX's website, www.asx.com.au). The contents of any website or ASIC or ASX filing by the Company are not incorporated into this Prospectus and do not constitute part of the Offers made under this Prospectus. This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest in Shares or the Company. No person is authorised to give any information or to make any representation in relation to the Offers which is not contained in this Prospectus and any such information may not be relied upon as having been authorised by the Directors.

Obtaining a copy of this Prospectus

Additional copies of this Prospectus are available from the registered office of the Company during normal business hours. A copy of the Prospectus can be downloaded from the website of the Company at www.freehillmining.com or the website of ASX at www.asx.com.au. Any person accessing the electronic version of the Prospectus for the purposes of making an investment in the Company must be a resident of Australia or New Zealand and must only access the Prospectus from within Australia or New Zealand.

The Prospectus available on the Company's website does not include an Entitlement and Acceptance Form. Eligible Shareholders wishing to take up their Entitlement should complete the personalised Entitlement and Acceptance Form which accompanies the Prospectus provided to Eligible Shareholders.

Any person may obtain a copy of the Prospectus free of charge by contacting the Company (or downloading it from the Company's website or the website of ASX at www.asx.com.au).

Forward-looking statements

This document contains forward looking statements that are not based solely on historical facts but are based on current expectations about future events and results. These forward looking statements are subject to inherent risks and uncertainties. Such risks and uncertainties include factors and risks specific to the operations of the Company, as well as general economic conditions, prevailing interest rates, conditions in the financial markets, government policies and regulations and competitive pressures. As a consequence, actual events or results may differ materially from the expectations expressed or implied in such forward looking statements.

Forward-looking statements in this Prospectus are made only at the date of this Prospectus. Subject to any continuing obligations under applicable law or the Listing Rules, the Company does not in providing this information undertake any obligation to publicly update or revise any of the forward-looking statements for any change in events, conditions or circumstances on which any such statement is based. Accordingly, you are cautioned not to place undue reliance on forward looking statements contained in this document.

This Prospectus does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer. Refer to Section 4.13 for treatment of Ineligible Shareholders. Applications for New Shares and New Options offered pursuant to this Prospectus can only be submitted by an Entitlement and Acceptance Form which accompanies this Prospectus.

Enquiries

If you have any queries about your Entitlement please contact the Company between the hours of 8.30am and 5.00pm (WST), Monday to Friday on 1300 288 664 or +61 2 9698 5414. Alternatively, contact your stockbroker or other professional adviser.

SECTION 1 KEY OFFER INFORMATION

1.1. Summary of the Offers

The Company is conducting a pro rata, non-renounceable rights issue of one New Share for every 24 Shares held at the Record Date at an issue price of \$0.004 per New Share to raise a maximum of approximately \$513,088, before issue costs, together with one free attaching New Option (exercisable at \$0.008 and expiring 29 May 2028) for every two New Shares issued.

On 23 April 2025, the Company announced it was undertaking a capital raising of \$700,000 (before costs) (**Placement**) through the issue of 175,000,000 Shares (**Placement Shares**) to investors (**Placement Participants**) at an issue price of \$0.004 per Placement Share. The Placement also consisted of an issue of 87,500,000 free-attaching Options (exercisable at \$0.008 and expiring 29 May 2028) in the Company on a 1 for 2 basis (**Placement Options**).

The Company proposes to issue the relevant Placement Shares to unrelated parties following the Record Date for the Entitlement Date utilising its available placement capacity under Listing Rule 7.1. The Company will also issue the relevant Placement Options to unrelated parties utilising its available placement capacity under Listing Rule 7.1.

The Company will seek shareholder approval to issue the relevant Placement Shares and the Placement Options to related parties after shareholder approval is obtained at a general meeting to be held in early June 2025.

The Offers are not underwritten.

New Shares offered under this Prospectus, and issued on exercise of the New Options, are fully paid in the Company and will rank equally with existing Shares. The rights and liabilities attaching to New Shares and New Options are described in Section 8.

1.2. Indicative timetable

EVENT	DATE*
Lodgement or Prospectus with ASIC	23 April 2025
Lodgement of Prospectus and Appendix 3B with ASX	23 April 2025
Ex Date	28 April 2025
Record Date for Entitlement Offer (7:00pm AEDT)	29 April 2025
Prospectus and Entitlement and Acceptance Form dispatched to Eligible Shareholders. Opening Date of Offers	2 May 2025
Last day to extend the offer Closing Date**	20 May 2025
Offer Closing Date (5:00pm AEST)	23 May 2025
Issue date of the New Shares and New Options***	30 May 2025

EVENT	DATE*
Commencement of trading of New Shares (normal trading of Shares resumes)***	2 June 2025

** This timetable is indicative only and subject to change. The Company reserves the right to vary the above dates subject to the Listing Rules and the Corporations Act.*

***The Directors may extend the Closing Date by giving at least 3 Business Days' Notice to ASX prior to the Closing Date. In that event, the date the New Shares and New Options are expected to be issued and the New Shares commence trading on ASX may vary.*

**** Excluding the Placement Shares and Placement Options to be issued to a related party which is subject to shareholder approval at a general meeting proposed to be held in early June 2025*

1.3. Key statistics of the Offers

Shares currently on issue*	3,078,527,769
New Shares offered under this Prospectus	128,271,991
Placement Shares to be issued**	175,000,000
Other Shares to be issued to related and unrelated parties	20,000,000
Total Shares on issue following the Offers	3,401,799,760
Options currently on issue***	72,000,000
Entitlement Offer Options offered under this Prospectus	64,135,996
Placement Options offered under this Prospectus	87,500,000
Total Options on issue following the Offers	223,635,996
Amount raised under this Prospectus (before costs)	\$513,087.96

** This assumes no further Shares are issued prior to the Record Date*

*** This includes the Placement Shares to be issued to related parties which are subject to shareholder approval at a general meeting proposed to be held in early June 2025*

**** This assumes no Options are exercised prior to the Record Date*

SECTION 2 CHAIRMAN'S LETTER

Dear Shareholders

On behalf of Freehill Mining Limited (**Company**), I am pleased to invite you to participate in a non-renounceable pro rata offer available to Eligible Shareholders on the basis of one new Share for every 24 Shares held at an issue price of \$0.004 per New Share, with one free attaching option for every two New Shares issued, to raise a maximum of approximately \$513,088 (**Entitlement Offer**). Shareholders have the opportunity to apply for additional New Shares (and free attaching options), in excess of their Entitlement.

This Prospectus also invites the Placement Participants to apply for a total of up to 87,500,000 Placement Options, on the basis of one Placement Option for every two Placement Shares subscribed for and issued under the Placement (**Placement Options Offer**). All Placement Participants will be sent a copy of this Prospectus, together with an Application Form. Only the Placement Participants can accept the Placement Options Offer.

The Offers are not underwritten.

For every two new Shares issued, investors will receive one free attaching options exercisable at \$0.008 each on or before 29 May 2028 (**New Options**). It is intended that the New Options will not be quoted the ASX.

Mr Benjamin Jarvis (Non-Executive Chairman) has agreed to subscribe for his full Entitlement under the Entitlement Offer.

This fundraising is a major step in the value creation journey for the Company and we look forward to continued shareholder support as we advance the Company's projects to the next level and deliver value for shareholders. Funds raised under the Entitlement Offer will be used to expand the Company's aggregate processing operations in Chile, advance activities at its 100%-owned Yervas Buenas magnetite mine and its and El Dorado Cu Au project, the costs of the Offers and to add to working capital.

While the Company is at an exciting stage of its development, risks remain, including the risks associated with the Offers are detailed in Section 7 and include risks ordinarily associated with a company selling waste material for construction and mineral exploration.

On behalf of your Directors, I invite you to consider this opportunity and thank you for your continued support.

Yours sincerely

Benjamin Jarvis
Non-Executive Chairman

SECTION 3 INVESTMENT OVERVIEW

The below information is a selective overview of the Offers. You should read the Prospectus in full before deciding to apply for New Shares and New Options.

The Offers

Topic	Summary	More information
What is the Entitlement Offer?	The Entitlement Offer is a pro rata, non-renounceable rights issue of one New Share for every 24 Shares held at the Record Date at an issue price of \$0.004 per New Share to raise approximately \$513,088, before issue costs and one free attaching Option having an exercise price of \$0.008 and expiry date of 29 May 2028 for every two New Shares issued.	Section 4.1
What is the price per New Share and New Option under the Entitlement Offer?	The price per New Share subscribed for under the Entitlement Offer is \$0.004. The New Options will be issued for nil consideration.	Section 4.1
Am I eligible to participate in the Entitlement Offer?	Only Shareholders whose registered address is in Australia or New Zealand as at 7.00pm (AEDT) on the Record Date may participate in the Entitlement Offer.	Section 4.5
Do I have to participate in the Entitlement Offer?	No, participation in the Entitlement Offer is optional.	Section 4.4
Can I transfer my entitlement to participate in the Entitlement Offer?	No, your participation in the Entitlement Offer is personal to you and cannot be transferred to any other person.	Section 4.1
How many New Shares and New Options will I receive if I participate in the Entitlement Offer?	Your entitlement under the Entitlement Offer is to subscribe for one New Share for every 24 Shares you already hold as at the Record Date. You may subscribe for less than your full entitlement. You will receive one New Option for every two New Shares you are issued for under the Entitlement Offer.	Section 4.1
What are the terms of the New Options?	Each New Option is offered for free and is exercisable at \$0.008 until the expiry date of 29 May 2028.	Section 8.2
What is the purpose of the funds raised under the Entitlement Offer?	The Entitlement Offer is being undertaken to provide funding: <ul style="list-style-type: none">to expand the Company's aggregate processing operations in Chile;	Section 5.1

Topic	Summary	More information
	<ul style="list-style-type: none"> to advance activities at its 100%-owned Yerbas Buenas magnetite mine and its and El Dorado Cu Au project; costs of the Offers; and adding to general working capital for the Company. <p>The effect of the Offers on the Company is set out in Section 5.</p>	
Do I have to pay brokerage on the New Shares and New Options?	No brokerage, commission or other participation costs are payable by you in respect of the acquisition of New Shares and New Options under the Offers.	Section 4.14
How do I participate in the Entitlement Offer?	In order to take up your Entitlement under the Entitlement Offer, you can pay via EFT or BPAY® as set out in the Entitlement and Acceptance Form.	Section 10.1
When will I receive my New Shares and New Options?	<p>New Shares and New Options are expected to be issued to Eligible Shareholders who participate in the Entitlement Offer on 30 May 2025.</p> <p>Holding statements are expected to be sent to successful Applicants shortly after the issue of the New Shares and New Options.</p>	Section 4.9
When can I trade my New Shares issued under the Entitlement Offer?	<p>It is expected that New Shares issued under the Entitlement Offer will commence trading on ASX on 2 June 2025. There is no guarantee that the Company will be able to fulfil the ASX's requirements in relation to Official Quotation of those New Shares. If so, the New Shares will not be tradeable on ASX.</p> <p>It is not intended that the New Options will be quoted.</p> <p>You should confirm your holding of Shares and New Options before trading any New Shares you believe you have acquired under the Entitlement Offer.</p>	Section 4.10
What are the rights and liabilities attaching to the New Shares issued under the Entitlement Offer?	New Shares issued under the Entitlement Offer will rank equally in all respects with existing Shares on issue at the Record Date.	Section 8.1
What are the rights and liabilities attaching to the New Options issued under	The rights and liabilities attaching to the New Options are set out in Section 8.2.	Section 8.2

Topic	Summary	More information
the Entitlement Offer and the Placement Options Offer?		
What is the Placement Options Offer?	This Prospectus invites the Placement Participants to apply for a total of up to 87,500,000 Placement Options, on the basis of one Placement Option for every two Placement Share subscribed for and issued under the Placement	Section 4.2
What is the price per New Option under the Placement Options Offer?	Nil. The Placement Options are free attaching to the Placement Shares	Section 4.2
Am I eligible to participate in the Placement Options Offer?	Only the Placement Participants are eligible to participate in and apply for the Placement Options.	Section 4.2
Do I have to participate in the Placement Options Offer?	No, participation in the Placement Options Offer by a Placement Participant is optional.	Section 4.2
What are the risks of subscribing for New Shares and New Options under the Offers?	New Shares and New Options offered pursuant to this Prospectus should be considered speculative and an investment in the Company is subject to a range of risks. These risks are set out in Section 7 and summarised below:	Section 7
	<p>Investigation at Yervas Buenas Project in Chile</p> <p>As announced on 8 July 2024, a fatal accident occurred at the Company's Yervas Buenas Project in Chile. This unfortunate incident is now being investigated by SERNAGEOMIN and the corresponding authorities. The Company is co-operating fully with this investigation and prior to the fatality had been subject to regular safety reviews by government bodies, none of which highlighted any material safety issues. The Company is optimistic about the outcome of the investigations .</p> <p>There is the risk that there may be an adverse finding against the Company as a result of the investigations by the relevant authorities. Such findings may have an adverse impact on the Company's relationships with key stakeholders, including governments, regulators, shareholders, customers, joint venture partners, lenders, suppliers and employees. Any deterioration of the Company's relationships with key stakeholders may</p>	Section 7

Topic	Summary	More information
	have an adverse impact on Company's operations, reputation and financial performance and position. It may also lead to reputational damage.	
	<p>Development Risk/Profitability Risk</p> <p>The Company's commercial viability will be dependent upon the successful development and operation of the Company's projects and any other activity that the Company may undertake. No assurances can be given that the Company will be able to initiate or sustain successful mining operations or continue waste material sales at any of the Company's current tenements or that operations will achieve commercial viability. Equally, no representation as to future profitability or dividends can be given.</p> <p>The Company has commenced the sale of waste material processing and sales operation in Chile. While there is no guarantee that these operations will be successful and that the Company will continue to receive orders for waste material. If the Company was not to receive further orders, then this may have a negative impact on the Company's activities, cash flows and financial performance.</p> <p>The Company notes that the Company has previously undertaken small scale mining approved by the local authorities at the Company's projects. There is no guarantee that these operations will recommence, or that they will be profitable.</p>	Section 7
	<p>Operating risk</p> <p>The nature of exploration, mining and mineral and waste material processing involves hazards which could result in the Company incurring uninsured losses and liabilities to third parties, for example arising from pollution, environmental damage or other damage, injury or death. These could include rock falls, flooding, unfavourable ground conditions or seismic activity. The operations of the Company may be affected by various factors, including failure to locate or identify mineral deposits, failure to achieve resource estimates, predicted grades in exploration and mining, operational and technical difficulties encountered in mining,</p>	Section 7

Topic	Summary	More information
	difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, adverse weather conditions, industrial and environmental accidents, industrial disputes and unexpected shortages or increase in the costs of consumables, spare parts, plant and equipment.	
	<p>Tariffs</p> <p>The United States of American has recently announced various tariffs on goods imported into the USA. The scope, implementation and duration of U.S. tariffs – and any retaliatory actions by other countries – remains highly uncertain. There is a risk that tariffs imposed on the Company's products exported to the USA may reduce demand for those products, that may have a negative impact on the Company's operations and financial position.</p>	Section 7
	<p>Reliance on Key Management and Personnel</p> <p>The responsibility of overseeing the day-to-day operations and the strategic management of the Company may be dependent upon the Company's senior management, key personnel and consultants. This includes persons who are located at the Company's projects in Chile. There can be no assurance given that there will be no detrimental impact on the Company if one, or a number of, those employees or consultants cease their employment or engagement with the Company.</p>	Section 7
	<p>Exploration Risk</p> <p>Exploration for and mining of minerals is highly speculative, and no assurance can be given that production will be obtained from the areas in which the Company has or may acquire an interest, or that production and marketing of any materials discovered by the Company will prove to be economic.</p>	Section 7
	<p>Tenure and Title Risk</p> <p>The Company's activities are presently carried out in Chile. Interests in tenements in Chile are governed by legislation and are evidenced by the granting of</p>	Section 7

Topic	Summary	More information
	<p>concession licences. Each licence is for a specific term and carries with it annual expenditure and reporting commitments, as well as other conditions requiring compliance. The Company may lose title to its interest in tenements if licence conditions are not met or if insufficient funds are available to meet expenditure commitments or if it defaults in its obligations to third parties. It is also possible that, in relation to tenements which the Company has an interest in or will in the future acquire such an interest, there may be areas over which legitimate native title rights exist. If native title rights do exist, the ability of the Company to gain access to tenements (through obtaining consent of any relevant landowner), or to progress from the exploration phase to the development and mining phases of operations, may be adversely affected. The Directors will closely monitor the potential effect of native title claims involving tenements in which the Company has or may have an interest.</p>	
	<p>Leasing Risk</p> <p>As announced on 23 April 2025, the Company has entered into a lease to expand its construction material processing and supply operations in the La Serena/Coquimbo region. Whilst the Company has a long term lease in place with the owner of the property, the Company may not be able to comply with the terms of the lease which may result in termination of that lease. Termination of the lease may have a material adverse impact on the Company and its operations.</p>	Section 7
	<p>Access and Infrastructure Risk</p> <p>Access on and to tenements may be subject to the availability of appropriate infrastructure or the consent of third parties. There is no guarantee that agreement can be reached with interested third parties or that the necessary infrastructure required to access or develop the tenements will be available or viable.</p>	Section 7
	<p>Sovereign Risk</p> <p>The Company's activities are presently carried out in Chile. As a result, the Company is subject to political, social, economic and other uncertainties including, but</p>	Section 7

Topic	Summary	More information
	not limited to, changes in policies or the personnel administering them, foreign exchange restrictions, changes of law affecting foreign ownership, currency fluctuations, royalties and tax increases in that country. Other potential issues contributing to uncertainty such as repatriation of income, exploration licensing, environmental protection and government control over mineral properties should also be considered. Potential risk to the Company's activities may occur if there are changes to the political, legal and fiscal systems which might affect the ownership and operation of the Company's interests in Chile. This may also include changes in exchange control systems, expropriation of mining rights, changes in government and in legislative and regulatory regimes.	
	<p>Country Risk</p> <p>The following country specific risks are specifically noted:</p> <ul style="list-style-type: none"> (a) Changes in government policies (b) Economic considerations (c) Legal considerations (d) Local labour laws (e) Foreign investment requirements (f) Timing considerations (g) International operations (Generally) 	Section 7
	<p>Earthquake</p> <p>Much of the west coast of Chile, including the Yervas Buenas operation and the city of La Serena where YB's and SPA's operations are based is seismically active with frequent earthquakes and occasional tsunamis. These are not regarded as significant operational risks but some earthquake activity may result in logistical delays.</p>	Section 7
	<p>Resource Estimates Risk</p> <p>The projects are currently exploration projects. Any resource estimates are expressions of judgment based</p>	Section 7

Topic	Summary	More information
	<p>on knowledge, experience and industry practice, and may require revision on actual production experience. All resources estimates previously disclosed to the market are necessarily imprecise and depend to some extent on statistical inferences, which may prove unreliable or be revised in the light of additional information that comes to hand.</p>	
	<p>Commodity and Currency Price Volatility Risk</p> <p>Commodity prices are subject to influencing factors beyond the control of the Company and can be subject to significant fluctuations. Some of these influencing factors include:</p> <ul style="list-style-type: none"> (a) world demand for particular commodities; (b) the level of production costs in major commodity producing regions; and (c) expectations regarding inflation, interest rates and US dollar exchange rates. <p>Any significant and/or sustained fluctuation in exchange rates or commodity prices could have a materially adverse effect on the Company's operations and financial position.</p>	Section 7
	<p>Environmental Risks</p> <p>Environmental risks are inherent in mining operations. The Company adopts practices which the Company believes are appropriate to minimise the potential of causing environmental damage in all the Company's operations, but no assurance can be made that the Company will not be affected by environmental claims or issues in the future..</p>	Section 7
	<p>Occupational Health and Safety Risk</p> <p>There is an inherent risk of workplace accidents occurring during the conduct of mining activity. The Board is totally committed to providing a safe and healthy workplace for the Company's employees and contractors, where engaged from time to time. Hazardous activities are avoided wherever possible, but when necessary, all employees and contractors are required to conduct themselves in accordance with all</p>	Section 7

Topic	Summary	More information
	applicable laws and policies in force from time to time in respect of occupational health and safety.	
	<p>Production and Cost Estimates Risk</p> <p>By their very nature, production and cost estimates and assumptions are inherently subject to significant uncertainties. Actual results may materially differ from the Company's estimates and assumptions and may materially and adversely affect the Company's commercial viability and future results.</p>	Section 7
	<p>Government and Regulatory Risk</p> <p>There can be no assurance that all of the relevant approvals and permits necessary to conduct mineral exploration or production operations will be granted by the relevant governments and regulatory authorities or that they will remain in good standing where already granted.</p> <p>There is a risk that the Company may not obtain or may lose permits, leases, licences or approvals, essential to our operations.</p> <p>The Company cannot predict how existing, or future laws and regulations may be interpreted by enforcement agencies or court rulings, whether additional laws and regulations will be adopted, or the effect such changes may have on the Company's business or financial condition.</p>	Section 7
	<p>Going Concern Risk</p> <p>As set out in the audit report of the Company's 2024 Annual Report, there is a material uncertainty on the Company to continue as a going concern as a result of the losses in previous financial periods, the net current liabilities and the operating cash outflows.</p> <p>Recent fundraising and operational results in Chile indicate that the Company's operations are progressing and the Directors believe the Company has sufficient resources to effectively execute its business plan as a going concern.</p>	Section 7

Topic	Summary	More information
	<p>Other Company Risk Factors</p> <p>There are risks involved with any investment in the Company. The value of the Company's securities may rise or fall depending upon a range of factors including, but not limited to:</p> <ul style="list-style-type: none"> (a) Uninsured Loss and Liability Risk (b) Occupational Health and Safety Risk (c) New Project Risk (d) Litigation Risk (e) Future Capital Requirement Risk (f) Economic Risks (g) Currency Fluctuations (h) Taxation (i) Stock Market Risks (j) Quotation of Shares (k) Geopolitical (l) Natural Disasters (m) Force Majeure (n) Ukraine Conflict and Gaza Conflict 	Section 7
	<p>Other General Risk Factors</p> <p>There are risks involved with any investment in listed securities. The value of the Company's securities may rise or fall depending upon a range of factors and security conditions which are unrelated to the Company's future financial performance. Share market conditions are affected by many factors including, but not limited to:</p> <ul style="list-style-type: none"> (a) economic conditions both in Australia and internationally; (b) investor sentiment and local and international share market conditions; 	Section 7

Topic	Summary	More information
	<p>(c) changes in interest rates and the rate of inflation;</p> <p>(d) changes in metal and commodity prices;</p> <p>(e) changes to government regulation, policy or legislation;</p> <p>(f) changes in exchange rates; and</p> <p>(g) the nature of competition in the industry in which the Company operates.</p> <p>Some of these risks can be mitigated by the use of contingency plans and safeguards. However, many are outside the control of the Company and cannot be mitigated.</p>	
How can I obtain further information?	<p>If you would like further information you can:</p> <ul style="list-style-type: none"> • contact Automic on 1300 288 664 or +61 2 9698 5414; • contact your stockbroker, accountant, solicitor and/ or other professional adviser; and/or • visit the Company's website at www.freehillmining.com. 	Section 10.8

SECTION 4 DETAILS OF THE OFFERS

This Section provides details of the Offers made under this Prospectus. Before deciding whether to apply for New Shares under this Prospectus, you should read this Prospectus in its entirety.

4.1. Entitlement Offer

The Entitlement Offer made pursuant to this Prospectus is a pro rata non-renounceable rights issue as follows:

New Shares:	A total of approximately 128,271,991 fully paid ordinary shares in the Company to be issued. New Shares will rank equally with existing Shares. The terms and conditions of the New Shares are set out in Section 8.1.
New Options:	Each subscriber for New Shares will receive one free attaching Option for every two New Shares issued, having an exercise price of \$0.008 and expiry date of 29 May 2028. The terms and conditions of the New Options are set out in Section 8.2.
Fractions:	Calculation of any Eligible Shareholder's fractional entitlements will be rounded up to the nearest whole number.
Price:	\$0.004 per New Share.
Entitlement:	Eligible Shareholders are offered the right to subscribe for one New Share for every 24 Shares they hold at the Record Date.
Eligible Shareholders:	Shareholders of the Company registered on the Company's share register at the Record Date and residing in Australia and New Zealand. Please refer to Section 4.5 for further information about eligibility.
Non-renounceable:	The Entitlement Offer is non-renounceable, meaning that Eligible Shareholders cannot sell or transfer their Entitlements (i.e., their right to subscribe for New Shares under the Entitlement Offer).
How to apply:	Eligible Shareholders wishing to subscribe for New Shares need to complete an Entitlement and Acceptance Form and submit it to the Company, together with payment prior to the Closing Date. See Section 10 for more details on how to apply.
Opening Date:	The Entitlement Offer will open on 2 May 2025.
Closing Date:	The last day to subscribe for New Shares under the Entitlement Offer is 5:00pm (AEST) on 23 May 2025. The Board reserves the right to close the Entitlement Offer early or extend the Closing Date, should it consider it necessary to do so.
Shortfall:	Any New Shares and free attaching New Options not applied for by Eligible Shareholders under the Entitlement Offer shall

	<p>form Shortfall Securities and be allotted pursuant to the Shortfall Offer.</p> <p>The Board reserves the right to place any Shortfall Securities at their discretion within 3 months after the Closing Date at an issue price not less than the price at which the New Shares (and free attaching New Options) are offered under this Entitlement Offer (being \$0.004).</p>
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4.2. Placement Options Offer

Placement Shares:	On 23 May 2025, the Company announced it was undertaking the Placement, being a raising of \$700,000 (before costs) through the issue of 175,000,000 Placement Shares to Placement Participants at an issue price of \$0.004 per Placement Share.
Placement Options:	<p>Each Placement Participant will receive one free attaching Option for every two New Shares issued, having an exercise price of \$0.008 and expiry date of 29 May 2028.</p> <p>The issue price of the Placement Options is \$nil as they are free attaching to the Placement Shares.</p> <p>The terms and conditions of the New Options are set out in Section 8.2.</p>
Participation:	Only the Placement Participants are eligible to participate in and apply for the Placement Options. Participation in the Placement Options Offer by a Placement Participant is optional.
Issue of Placement Shares:	<p>The Company proposes to issue 147,500,000 Placement Shares to unrelated parties on 30 May 2025 utilising its available placement capacity under Listing Rule 7.1. The issue of the Placement Options to unrelated parties will also be made utilising its available placement capacity under Listing Rule 7.1.</p> <p>The Company will seek shareholder approval to issue the 27,500,000 Placement Shares and 13,750,000 Placement Options to related parties after shareholder approval is obtained at a general meeting to be held in early June 2025.</p>
Opening Date:	The Placement Options Offer will open on 2 May 2025.
Closing Date:	The last day to subscribe for Placement Options under the Placement Options Offer is 5:00pm (AEST) on 23 May 2025.

4.3. Shortfall

Any New Shares and New Options not applied for by Eligible Shareholders under the Entitlement Offer shall form the Shortfall Securities. Eligible Shareholders can apply for additional New Shares or New Options in excess of their pro rata entitlement (**Shortfall Offer**) by completing the relevant section on their Entitlement and Acceptance Form and specifying the number of additional New Shares (and by implication, New Options) they wish to subscribe for. The issue of any Shortfall Securities under the Shortfall Offer will be dependent on the number of Shortfall

Securities available.

Applications for Shortfall Securities must be accompanied by payment in full for the price of the Shortfall Securities applied for.

Allocation of Shortfall Securities amongst applicants under the Shortfall Offer

The Board presently intends to allocate Shortfall Securities to Eligible Shareholders who apply for an excess of their full Entitlement as determined by the Directors at their discretion, so long as the issue of Shortfall Securities to that Eligible Shareholder would not take their voting power to in excess of 19.99%.

No Shares will be issued to a party under the Shortfall Offer if the effect would be to increase that party's voting power in the Company to an amount greater than 19.99%.

The Company reserves the right to issue an Eligible Shareholder a lesser number of Shortfall Securities than applied for or no Shortfall Securities at all. However, the Directors do not intend to refuse an application for Shortfall Securities from Eligible Shareholders other than in circumstances of oversubscription or where acceptance may result in a breach of the Corporations Act. If the number of Shortfall Securities applied for by Eligible Shareholders exceeds the total number of Shortfall Securities available, the Shortfall Securities will be allocated among applying Eligible Shareholders proportionate to their existing holdings.

All decisions regarding the allocation of Shortfall Securities will be made by the Directors and will be final and binding on all applicants under the Shortfall Offer; as such there is no guarantee that any Shortfall Securities applied for will be issued to Eligible Shareholders.

The Company will have no liability to any Applicant who receives less than the number of Shortfall Securities they applied for under the Shortfall Offer. If the Company scales back any applications for Shortfall Securities under the Shortfall Offer any Application monies will be returned (without interest) as soon as practicable.

The Board reserves the right to place any Shortfall Securities at their discretion within 3 months after the Closing Date at an issue price not less than the price at which the New Shares are offered under the Entitlement Offer.

Takeover law requirements

It is the responsibility of each Eligible Shareholder to ensure that it will not breach the takeovers provisions under the Corporations Act (the 20% threshold) by applying for additional New Shares and New Options under the Shortfall Offer. These provisions are set out in section 606 of the Corporations Act. No Eligible Shareholder will be permitted to acquire additional New Shares and New Options under the Shortfall Offer to the extent the Company considers (acting reasonably) that doing so would result in a contravention of the takeovers limits in section 606 of the Corporations Act.

4.4. No Minimum Subscription

There is no minimum subscription for Eligible Shareholders under the Entitlement Offer.

4.5. Eligibility of Shareholders for the Entitlement Offer

The Entitlement Offer is made only to those Shareholders whose registered address is in Australia or New Zealand as at 7.00pm (AEDT) on the Record Date (**Eligible Shareholders**).

Shareholders whose registered address is not in Australia or New Zealand, or who become registered holders of Shares in the Company after the Record Date, are not eligible to participate in the Entitlement Offer.

An Entitlement and Acceptance Form setting out Eligible Shareholders' Entitlements accompanies the Prospectus distributed to Eligible Shareholders.

Eligible Shareholders who do not take up their Entitlement in full may, as a result of this Entitlement Offer, have their percentage shareholding in the Company diluted.

4.6. Custodians and Nominees

The Entitlement Offer is being made to all Eligible Shareholders. The Company is not required to determine whether or not any Eligible Shareholder is acting as a nominee or the identity or residence of any beneficial owners of Shares.

Where any registered holder that qualifies as an Eligible Shareholder is acting as a nominee for a foreign person, that registered holder, in dealing with its beneficiary, will need to assess whether indirect participation by the beneficiary in the Entitlement Offer is compatible with applicable foreign laws.

Any person in the United States or any person that is, or is acting for the account or benefit of a U.S. person with a holding through a nominee may not participate in the Entitlement Offer and the nominee must not take up any Entitlement or send any materials to the United States or to any person that is, or is acting for the account or benefit of, a U.S. Person.

4.7. Eligible Shareholder Entitlements

The Entitlement of each Eligible Shareholder is shown on the personalised Entitlement and Acceptance Form.

4.8. Closing Date and Payment for New Shares

The Closing Date for acceptance of Entitlement and Acceptance Forms is 5:00pm (AEST) on 23 May 2025.

Eligible Shareholders may submit payments for New Shares applied for using EFT or BPAY®. In order to use BPAY®, please follow the instructions set out on the Entitlement and Acceptance Form. If you make payment by BPAY® or EFT, you do not need to return your Entitlement and Acceptance Form.

4.9. Allotment of New Shares and New Options

New Shares and New Options will be allotted and issued in accordance with Listing Rules and indicative timetable as set out in Section 1.2 of this Prospectus. Holding statements for all New Shares and New Options allotted shall be dispatched as soon as practicable in accordance with the Listing Rules after the issue of the New Shares and New Options.

Until the allotment and issue of the New Shares and New Options under this Prospectus, application monies will be held by the Company in trust in a separate bank account maintained for that purpose only. Any interest earned on application monies will be for the benefit of the Company and will be retained by the Company irrespective of whether allotment takes place.

4.10. ASX Quotation

On or within 7 days of the date of this Prospectus the Company will make application for the New Shares issued pursuant to the Entitlement Offer to be granted Official Quotation on the ASX.

There is no guarantee that the Company will be able to fulfil the ASX's requirements in relation to Official Quotation of those New Shares. If so, the New Shares will not be tradeable on ASX.

If ASX does not grant Official Quotation of the New Shares within 3 months after the date of the Prospectus then the New Shares will not be allotted and application monies will be repaid in full without interest.

Quotation of the New Shares on the ASX does not in any way indicate an endorsement by the ASX of the Company, the Company's projects or the New Shares. The ASX takes no responsibility for the contents of this Prospectus.

The Company does not intend that the New Options will be quoted on ASX.

4.11. CHESS System

The Company participates in the Clearing House Electronic Subregister System (**CHESS**). ASX Settlement, a wholly owned subsidiary of ASX, operates CHESS in accordance with the Listing Rules and Securities Clearing House Business Rules.

Under CHESS, Shareholders will not receive certificates for their New Shares but will receive a statement of their holdings indicating the allotment of their New Shares pursuant to their acceptance of the Entitlement Offer made under this Prospectus.

Shareholders who are broker-sponsored will receive a CHESS statement from ASX Settlement.

Shareholders registered under the Issuer Sponsored subregister will receive a statement from Automic.

A CHESS statement or Issuer Sponsored Statement will routinely be sent to Shareholders at the end of any month in which the balance of their shareholding or option-holding changes. Shareholders may also request a statement at any other time, although a charge may be made for this additional service.

4.12. New Zealand Shareholders

The Entitlement Offer is made to Eligible Shareholders with an address in New Zealand, in reliance on the Financial Markets Conduct Act 2013 (New Zealand) and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2021 (New Zealand).

The New Shares are not being offered or sold to the public within New Zealand other than to such Eligible Shareholders.

Neither this Prospectus nor any Offer has been registered, filed with or approved by any New Zealand regulatory authority. This Prospectus is not an investment statement or prospectus under New Zealand law and is not required to, and may not, contain all the information that an investment statement or prospectus under New Zealand law is required to contain.

4.13. Ineligible Shareholders

This Entitlement Offer does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer. Shareholders who do not have a registered address in Australia or New Zealand are not eligible to participate in the Entitlement Offer. The laws of jurisdictions outside of Australia and New Zealand may restrict the distribution of this Prospectus. Anyone who comes into possession of this Prospectus outside Australia or New Zealand should seek advice on and observe any such restrictions. A failure to comply with those restrictions may constitute a violation of applicable securities laws.

The Company is of the view that it is unreasonable to extend the Entitlement Offer to Shareholders with registered addresses outside Australia or New Zealand, having regard to:

- the small number of Shareholders with registered addresses outside Australia and New Zealand;
- the number and value of the New Shares which would be offered to ineligible Shareholders (being Ineligible Shareholders); and
- the cost of complying with the legal requirements and requirements of the regulatory authorities, in the respective overseas jurisdictions.

Accordingly, the Entitlement Offer will not be made to Ineligible Shareholders, and this Prospectus will not be sent to those Ineligible Shareholders. In order for a Shareholder to participate in the Entitlement Offer, the Shareholder must be resident in Australia or New Zealand at the Record Date.

In particular, this Prospectus does not constitute an offer for sale of the New Shares or any right to a security into the United States or to U.S. persons. The New Shares have not been, and will not be, registered under the U.S. Securities Act and must not be offered or sold within the United States or to U.S. persons unless they are registered under the U.S. Securities Act or an exemption from the registration required of the U.S. Securities Act is available.

Eligible Shareholders holding Shares on behalf of persons who are resident outside Australia and New Zealand are responsible for ensuring that participation in the Entitlement Offer does not breach regulations in the relevant overseas jurisdiction. Return of a duly completed Entitlement and Acceptance Form or payment by BPAY or EFT will constitute a representation that there has been no breach of such regulations. Shareholders who are nominees are therefore advised to seek independent advice as how they should proceed. Where the Entitlement Offer has been dispatched to a Shareholder domiciled outside Australia or New Zealand and where the country's securities code or legislation prohibits or restricts in any way the making of the Entitlement Offer contemplated by this Prospectus, the Prospectus is provided for information purposes only.

4.14. Costs of participation

No brokerage, commissions or other transaction costs will be payable by Applicants in respect of the Application for, and allotment of, New Shares or New Options under this Prospectus.

4.15. On-sale of Shares previously issued without disclosure

This Prospectus will also remove any trading restrictions that may have been attached to Shares issued by the Company without disclosure under Chapter 6D of the Corporations Act prior to the Closing Date (including prior to the date of this Prospectus). Relevantly, section 708A(11) of the Corporations Act provides that a sale offer does not need disclosure to investors if:

- (a) the relevant securities are in a class of securities that are quoted securities of the body;
and
- (b) either:
 - (i) a prospectus is lodged with ASIC on or after the day on which the relevant securities were issued but before the day on which the sale offer is made; or
 - (ii) a prospectus is lodged with ASIC before the day on which the relevant securities are issued and offers of securities that have been made under the prospectus are still open for acceptance on the day on which the relevant securities were issued; and

the prospectus is for an offer of securities issued by the body that are in the same class of securities as the relevant securities.

SECTION 5 PURPOSE AND EFFECT OF THE OFFERS

5.1. Purpose of the Offers

The Offers are being undertaken principally to provide funds to for the following:

Proceeds of Entitlement Offer	Amount*
Expand the Company's aggregate processing operations in Chile	\$300,000
Advance activities at its 100%-owned Yervas Buenas magnetite mine	\$40,000
Advance activities at its 100%-owned El Dorado Cu Au project	\$40,000
Costs of the Offers	\$72,105
General working capital	\$60,983
TOTAL	\$513,088

The above is a statement of current intentions as of the date of this Prospectus. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board may determine to alter the way funds are applied as it considers necessary and appropriate having regard to the circumstances at the time.

Shareholders are strongly urged to read this Prospectus carefully so as to better understand the purpose of the Entitlement Offer, how the funds to be raised under the Entitlement Offer will be applied, the key assumptions involved and the potential impact the new funding will have on the Company's future growth and enterprise value.

5.2. EFFECT OF THE OFFER ON THE COMPANY

(a) Capital Structure

The effect of the Offers on the capital structure of the Company if the Offers are fully subscribed, assuming that no Options are exercised prior to the Record Date, will be as follows:

Shares currently on issue*	3,078,527,769
New Shares offered under this Prospectus	128,271,991
Placement Shares to be issued**	175,000,000
Other Shares to be issued to related and unrelated parties	20,000,000
Total Shares on issue following the Offers	3,401,799,760

Options currently on issue***	72,000,000
Entitlement Offer Options offered under this Prospectus	64,135,996
Placement Options offered under this Prospectus	87,500,000
Total Options on issue following the Offers	223,635,996
Amount raised under this Prospectus (before costs)	\$513,087.96

* This assumes no further Shares are issued prior to the Record Date

** This includes the Placement Shares to be issued to related parties which are subject to shareholder approval at a general meeting proposed to be held in early June 2025

*** This assumes no Options are exercised prior to the Record Date

(b) **Cash Position**

Completion of the Entitlement Offer will have the effect of increasing the Company's cash reserves by up to \$440,983 where the Entitlement Offer is fully subscribed, after deducting estimated cash costs of the Entitlement Offer, i.e. approximately \$72,105, providing funds to advance the activities and objectives of the Company. In the event the maximum number of New Options issued under the Entitlement Offer are exercised, the Company will raise an additional \$513,088. The Company will also raise a further \$700,000 if all of the Placement Options are exercised.

Note that no consideration will be received by the Company on the issue of the New Options. There is no certainty that all or some of the New Options will be exercised and consequently no certainty that the Company will receive proceeds from the exercise of the New Options, nor issue additional Shares, on the exercise of the New Options.

(c) **Effect of Offers on Control**

If all Eligible Shareholders take up their full Entitlements, there would be no significant effect on the control of the Company, as the Offer is made pro-rata and in that case no rights would lapse.

As the Company does not propose to apply to ASIC for the approval of the appointment of a nominee for the purposes of section 615 of the Corporations Act, no person will be permitted to acquire New Shares or New Options under the Offers to the extent that such acquisition results in that person holding a relevant interest exceeding 20% of the issued share capital of the Company on a post Offers basis.

The current substantial shareholders of the Company, as at the date of this Prospectus, as set out in the Company's 2024 Annual Report released to ASX on 30 September 2024, are as follows:

Substantial Shareholder	No. of Shares	% of Shares
DUDDY INVESTMENT PTY LTD (DUDDY INVESTMENT A/C)	257,151,451	8.35%
BNP PARIBAS NOMINEES PTY LTD (IB AU NOMS RETAILCLIENT)	238,014,675	7.73%
J M ROSS SUPER PTY LTD (J M ROSS SUPER FUND A/C)	212,689,492	6.91%
DG FREEHOLD PTY LTD (DG FREEHOLD A/C)	190,716,025	6.20%
CLAYMORE VENTURES LIMITED	167,232,798	5.43%

5.3. Potential dilution on non-participating Shareholders

Shareholders should note that if they do not participate in the Entitlement Offer, their holdings could be diluted by up to 4.00% (as compared to their holdings and number of Shares on issue as at the date of this Prospectus).

Following is a table which sets out the dilutionary effect, assuming the Entitlement Offer is fully subscribed, and the Placement Shares are issued, and no further Shares are issued or Options exercised:

Holder	Holding as at Record Date	% at Record Date	Entitlements under the Entitlement Offer	Holdings if Entitlement Offer not taken up	% post Entitlement Offer	% post Entitlement Offer and Placement
Shareholder 1	100,000,000	3.25%	4,166,667	100,000,000	3.00%	3.00%
Shareholder 2	50,000,000	1.62%	2,083,333	50,000,000	1.50%	1.50%
Shareholder 3	25,000,000	0.81%	1,041,667	25,000,000	0.75%	0.75%
Shareholder 4	10,000,000	0.32%	416,667	10,000,000	0.30%	0.30%
Shareholder 5	5,000,000	0.16%	208,333	5,000,000	0.15%	0.15%

5.4. Market Prices of Existing Shares on ASX

The highest and lowest market sale price of the Company's Shares on the ASX, during the three months immediately preceding the lodgement of this Prospectus with ASIC and the respective dates of those sales are set out below:

Highest: \$0.005 on 3, 11, 14 and 18 February 2025, 27 and 31 March 2025, and 4 April 2025.

Lowest: \$0.003 on 24, 28 and 30 January 2025.

The last market sale price prior to the date of lodgement of this Prospectus with ASIC was \$0.004 on 14 April 2025.

SECTION 6 CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Set out below is a pro forma consolidated Statement of Financial Position for the Company and its controlled entities (**Consolidated Entity**) after taking into account the effect of the Offers. This statement is based on the audit reviewed accounts of the Company as at 31 December 2024, lodged with the ASX on 14 March 2025.

The pro forma Consolidated Statement of Financial Position illustrates the effect of the Offers based upon the following assumptions and qualifications:

- (a) there being no other material changes to the Consolidated Entity's Statement of Financial Position since 31 December 2024;
- (b) the Placement Shares being issued and the Company issuing 187.5 million New Shares raising total of \$700,000;
- (c) the Entitlement Offer being fully subscribed resulting in the Company issuing 128,271,991 New Shares raising a total of \$513,088;
- (d) the cash costs of the Entitlement Offer which are estimated as \$72,105;
- (e) a total of 20 million Shares being issued to creditors for outstanding fees, being \$30,000 / 7.5 million shares to an unrelated party and \$50,000 / 12.5 million Shares to Six Degrees, being a related party of the Chairman, Mr Ben Jarvis; and
- (f) the activities of the Consolidated Entity since 31 December 2024 not being recognised in the *pro forma* consolidated Statement of Financial Position. This includes the impact of the lease entered into by the Company as announced to ASX on 23 April 2025 not being recognised.

	31-Dec-24	Placement and creditors	Entitlement Offer	Proforma Total
	Reviewed			
Assets				
Current assets				
Cash and cash equivalents	74,195	694,819	440,983	1,209,997
Trade and other receivables	904,345	-	-	904,345
Inventories	108,547	-	-	108,547
Other	50,816	-	-	50,816
Total current assets	1,137,903	694,819	440,983	2,273,705
Non-current assets				
Trade and other receivables	799,390	-	-	799,390
Property, plant and equipment	897,144	-	-	897,144
Exploration and evaluation	104,757	-	-	104,757
Mining	10,466,846	-	-	10,466,846
Total non-current assets	12,268,137	-	-	12,268,137
Total assets	13,406,040	694,819	440,983	14,541,842
Liabilities				
Current liabilities				
Trade and other payables	564,951	(80,000)	-	484,951
Total current liabilities	564,951	(80,000)	-	484,951
Non current liabilities				
Provisions	70,000	-	-	70,000
Total current liabilities	70,000	-	-	70,000
Total liabilities	634,951	(80,000)	-	554,951
Net assets	12,771,089	774,819	40,983	13,986,891

SECTION 7 RISK FACTORS

This Section identifies the areas the Directors regard as the major risks associated with an investment in the Company. Potential investors should be aware that an investment in the Company, as a mining entity, involves many risks, which may be higher than the risks associated with an investment in other companies. Accordingly, the Shares to be issued under this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those securities (as applicable). Potential investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for securities in the Company.

The following summary, which is not exhaustive, represents some of the major risk factors potential investors need to be aware of as they may in the future materially affect the financial performance of the Company and the value of the Shares to be issued under this Prospectus. Potential investors should read the whole of this Prospectus in order to appreciate such matters and the manner in which the Company intends to operate before any decision is made to apply for the Shares.

There are numerous widespread risks associated with investing in any form of business and with investing in the share market generally. There is also a range of more specific risks associated with the Company's business and its involvement in the exploration and mining industry. These risk factors are largely beyond the control of the Company and its directors because of the nature of the proposed business of the Company.

7.1. Company specific

(a) Investigation at Yerbos Buenas Project in Chile

As announced on 8 July 2024, a fatal accident occurred at the Company's Yerbos Buenas Project in Chile. This unfortunate incident is now being investigated by SERNAGEOMIN and the corresponding authorities. The Company is co-operating fully with this investigation and prior to the fatality had been subject to regular safety reviews by government bodies, none of which highlighted any material safety issues. The Company is optimistic about the outcome of the investigations .

There is the risk that there may be an adverse finding against the Company as a result of the investigations by the relevant authorities. Such findings may have an adverse impact on the Company's relationships with key stakeholders, including governments, regulators, shareholders, customers, joint venture partners, lenders, suppliers and employees. Any deterioration of the Company's relationships with key stakeholders may have an adverse impact on Company's operations, reputation and financial performance and position. It may also lead to reputational damage.

(b) Development Risk/Profitability Risk

The Company's commercial viability will be dependent upon the successful development and operation of the Company's projects and any other activity that the Company may undertake. No assurances can be given that the Company will be able to initiate or sustain successful mining operations or continue waste material sales at any of the Company's current tenements or that operations will achieve commercial viability. Equally, no representation as to future profitability or dividends can be given.

The Company has commenced the sale of waste material processing and sales operation in Chile. While there is no guarantee that these operations will be successful and that the Company will continue to receive orders for waste material. If the Company was not to receive further orders, then this may have a negative impact on the Company's activities, cash flows and financial performance.

The Company notes that the Company has previously undertaken small scale mining approved by the local authorities at the Company's projects. There is no guarantee that these operations will recommence, or that they will be profitable.

(c) Operating risk

The nature of exploration, mining and mineral and waste material processing involves hazards which could result in the Company incurring uninsured losses and liabilities to third parties, for example arising from pollution, environmental damage or other damage, injury or death. These could include rock falls, flooding, unfavourable ground conditions or seismic activity. The operations of the Company may be affected by various factors, including failure to locate or identify mineral deposits, failure to achieve resource estimates, predicted grades in exploration and mining, operational and technical difficulties encountered in mining, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, adverse weather conditions, industrial and environmental accidents, industrial disputes and unexpected shortages or increase in the costs of consumables, spare parts, plant and equipment.

(d) Tariffs

The United States of American has recently announced various tariffs on goods imported into the USA. The scope, implementation and duration of U.S. tariffs – and any retaliatory actions by other countries – remains highly uncertain. There is a risk that tariffs imposed on the Company's products exported to the USA may reduce demand for those products, that may have a negative impact on the Company's operations and financial position.

(e) Reliance on Key Management and Personnel

The responsibility of overseeing the day-to-day operations and the strategic management of the Company may be dependent upon the Company's senior management, key personnel and consultants. This includes persons who are located at the Company's projects in Chile. There can be no assurance given that there will be no detrimental impact on the Company if one, or a number of, those employees or consultants cease their employment or engagement with the Company.

(f) Exploration Risk

Exploration for and mining of minerals is highly speculative, and no assurance can be given that production will be obtained from the areas in which the Company has or may acquire an interest, or that production and marketing of any materials discovered by the Company will prove to be economic.

Should a discovery be made, there is no guarantee that it will be commercially viable for a host of factors beyond the Company's control, for example, the economics of mining operations. While the Directors will make every effort to reduce the above risks through their experience in the exploration and mining industry, the fact remains that a commercially viable mineral discovery is very much the exception rather than the rule and success can never be guaranteed. Until the Company is able to realise value from the Company's projects, the Company is likely to incur ongoing operating losses.

In summary, mineral exploration, project development and mining by their nature contain elements of significant risk. Ultimate and continuous success of these activities is dependent on many factors such as:

- (i) the discovery and/or acquisition of economically recoverable resources at the Company's current projects;
- (ii) successful conclusions to bankable feasibility studies;
- (iii) access to adequate capital for project development;
- (iv) design and construction of efficient mining and processing facilities within capital expenditure budgets;
- (v) securing and maintaining title to tenements;
- (vi) obtaining consents and approvals necessary for the conduct of exploration and mining; and
- (vii) access to competent operational management and prudent financial administration, including the availability and reliability of appropriately skilled and experienced employees.

Other factors that could affect the Company's operations include:

- (i) failure to achieve predicted grades in exploration and mining;
- (ii) poor performance levels from external contractors;
- (iii) operational and technical difficulties encountered in mining;
- (iv) difficulties in commissioning and operating plant and equipment;
- (v) availability of suitable plant and expertise from contractors and consultants;
- (vi) mechanical failure or plant breakdown;
- (vii) unanticipated metallurgical problems which may affect extraction rates and costs;
- (viii) adverse weather conditions;
- (ix) industrial and environmental accidents;
- (x) industrial disputes;

- (xi) availability of water and power; and
- (xii) unexpected shortages or increases in the costs of labour, consumables, spare parts, plant and equipment.

Consequently, there can be no assurance that through the projects the Company will be able to develop and commercialise mineral extraction from its tenements and generate positive cashflow to sustain the Company's financial viability.

(g) Tenure and Title Risk

The Company's activities are presently carried out in Chile. Interests in tenements in Chile are governed by legislation and are evidenced by the granting of concession licences. Each licence is for a specific term and carries with it annual expenditure and reporting commitments, as well as other conditions requiring compliance. The Company may lose title to its interest in tenements if licence conditions are not met or if insufficient funds are available to meet expenditure commitments or if it defaults in its obligations to third parties. It is also possible that, in relation to tenements which the Company has an interest in or will in the future acquire such an interest, there may be areas over which legitimate native title rights exist. If native title rights do exist, the ability of the Company to gain access to tenements (through obtaining consent of any relevant landowner), or to progress from the exploration phase to the development and mining phases of operations, may be adversely affected. The Directors will closely monitor the potential effect of native title claims involving tenements in which the Company has or may have an interest.

(h) Leasing Risk

As announced on 23 April 2025, the Company has entered into a lease to expand its construction material processing and supply operations in the La Serena/Coquimbo region. Whilst the Company has a long term lease in place with the owner of the property, the Company may not be able to comply with the terms of the lease which may result in termination of that lease. Termination of the lease may have a material adverse impact on the Company and its operations.

(i) Access and Infrastructure Risk

Access on and to tenements may be subject to the availability of appropriate infrastructure or the consent of third parties. There is no guarantee that agreement can be reached with interested third parties or that the necessary infrastructure required to access or develop the tenements will be available or viable.

(j) Sovereign Risk

The Company's activities are presently carried out in Chile. As a result, the Company is subject to political, social, economic and other uncertainties including, but not limited to, changes in policies or the personnel administering them, foreign exchange restrictions, changes of law affecting foreign ownership, currency fluctuations, royalties and tax increases in that country. Other potential issues contributing to uncertainty such as repatriation of income, exploration licensing, environmental protection and

government control over mineral properties should also be considered. Potential risk to the Company's activities may occur if there are changes to the political, legal and fiscal systems which might affect the ownership and operation of the Company's interests in Chile. This may also include changes in exchange control systems, expropriation of mining rights, changes in government and in legislative and regulatory regimes.

(k) Country Risk

The following country specific risks are specifically noted:

Changes in government policies

Industry is subject to the policies which are implemented by the relevant governments from time to time. These policies may have a material impact on the business of the Company. These governments may, for instance, withdraw subsidies or forms of preferential treatment such as tax benefits or favourable financing arrangements.

Economic considerations

It is unclear how future economic reforms and macroeconomic measures to be adopted by governments will affect the development of a country's economy. Further, there can be no assurance that such measures will be applied consistently and effectively or that the Company will be subject to such reforms. The business of the Company may be adversely affected by any reform.

Legal considerations

Statutes, regulations and government policies are subject to change from time to time, as is the interpretation of statutes and regulations and the application of policy. Such uncertainties may affect the Company's operations.

Local labour laws

Labour laws in Chile are different to Australia and accordingly employers may be subject to different duties and obligations to their employees than they would if their employees were employed in Australia.

Foreign investment requirements

Many governments have foreign exchange controls which need to be considered as far as repatriation of funds to Australia and elsewhere is concerned. These controls may have an adverse effect on the financial position, financial performance, cash flows, growth prospects, ability to pay dividends and the share price of the Company.

Challenges to the ownership or nature of titles and other rights

The Company may potentially be exposed to challenges to the ownership or nature of titles and other rights by its partners, government authorities or third parties.

Timing considerations

It may take many years to get from a discovery to extraction of an iron, gold or copper ore asset. As such, there is a risk that the initial investment involved in discovery will

not get to the exploitation stage. Such uncertainties as to timing may affect the Company's operations and accordingly its profitability.

International operations (Generally)

International operations are subject to a wide variety of uncertainties: including (but not limited to) political, economic and other risks which may include: terrorism, revolution, border disputes, expropriation, renegotiations or modifications of existing contracts, import, export and transportation regulations and tariffs, taxation policies, including royalty and tax increases and retroactive tax claims, exchange controls, limits on allowable levels of production, currency fluctuations, labour disputes and other uncertainties arising out of foreign government sovereignty over the Company's international operations.

(l) Earthquake

Much of the west coast of Chile, including the Yervas Buenas operation and the city of La Serena where YB's and SPA's operations are based is seismically active with frequent earthquakes and occasional tsunamis. These are not regarded as significant operational risks but some earthquake activity may result in logistical delays.

(m) Resource Estimates Risk

The projects are currently exploration projects. Any resource estimates are expressions of judgment based on knowledge, experience and industry practice, and may require revision on actual production experience. All resources estimates previously disclosed to the market are necessarily imprecise and depend to some extent on statistical inferences, which may prove unreliable or be revised in the light of additional information that comes to hand.

(n) Commodity and Currency Price Volatility Risk

Commodity prices are subject to influencing factors beyond the control of the Company and can be subject to significant fluctuations. Some of these influencing factors include:

- world demand for particular commodities;
- the level of production costs in major commodity producing regions; and
- expectations regarding inflation, interest rates and US dollar exchange rates.

Any significant and/or sustained fluctuation in exchange rates or commodity prices could have a materially adverse effect on the Company's operations and financial position.

Factors affecting commodity prices include:

- supply and demand fluctuations for specific commodities;
- changes in investor sentiment toward specific commodities;
- speculative trading;

- forward selling activities; and
- macro-economic factors such as inflation and interest rates.

(o) Environmental Risks

Environmental risks are inherent in mining operations. The Company adopts practices which the Company believes are appropriate to minimise the potential of causing environmental damage in all the Company's operations, but no assurance can be made that the Company will not be affected by environmental claims or issues in the future.

The Board is strongly committed to conducting operations in an environmentally responsible manner, applying the highest standards and industry best practice to all the Company's field activities. Surface disturbance is kept to a minimum, but where it is necessary, full cognisance is given to the environmental impact of the work to be carried out. Relevant government approvals are obtained and measures are taken to minimise the environmental impact and to ensure that following the activities involved, the land is restored and rehabilitated to as close as possible to its original condition.

(p) Production and Cost Estimates Risk

By their very nature, production and cost estimates and assumptions are inherently subject to significant uncertainties. Actual results may materially differ from the Company's estimates and assumptions and may materially and adversely affect the Company's commercial viability and future results.

(q) Occupational Health and Safety Risk

There is an inherent risk of workplace accidents occurring during the conduct of mining activity. The Board is totally committed to providing a safe and healthy workplace for the Company's employees and contractors, where engaged from time to time. Hazardous activities are avoided wherever possible, but when necessary, all employees and contractors are required to conduct themselves in accordance with all applicable laws and policies in force from time to time in respect of occupational health and safety.

(r) Government and Regulatory Risk

There can be no assurance that all of the relevant approvals and permits necessary to conduct mineral exploration or production operations will be granted by the relevant governments and regulatory authorities or that they will remain in good standing where already granted.

The Company's activities will require compliance with various laws relating to the protection and rehabilitation of the environment, health and safety, culture and heritage and other matters.

In addition, the Company is required to obtain numerous government permits, leases, licences and approvals in respect of our exploration and mining operations.

There is a risk that the Company may not obtain or may lose permits, leases, licences or approvals, essential to our operations.

The Company cannot predict how existing, or future laws and regulations may be interpreted by enforcement agencies or court rulings, whether additional laws and regulations will be adopted, or the effect such changes may have on the Company's business or financial condition.

(s) Uninsured Loss and Liability Risk

Exploration for and development of minerals involves hazards and risks that could result in the Company incurring losses and liabilities to third parties. There is a risk that the Company may not be insured against all losses or liabilities that could arise from the Company's operations. If the Company incurs losses or liabilities which are not covered by the Company's insurance policies, the funds available for exploration and development will be reduced and the value and/or tenure of the Company's assets may be at risk.

(t) New Project Risk

To achieve the Company's objectives, the Company may acquire or invest in new projects from time to time. However, there is always risk that the Company may not be successful in negotiating for an acquisition of a new project.

(u) Litigation Risk

In the ordinary course of business, the Company may be involved in litigation disputes from time to time. Litigation disputes brought by third parties including, but not limited to customers, suppliers, business partners, employees and government bodies may adversely impact the financial performance and industry standing of the business, in the case where the impact of legal proceedings is greater than or outside the scope of the Company's insurance. Such litigation could negatively impact the industry standing of the Company, cause the Company to incur unforeseen expenses, occupy a significant amount of management's time and attention and could negatively affect the Company's business operations and financial position.

The Directors are otherwise not aware of any material legal proceedings pending or threatened against or affecting the Company.

(v) Future Capital Requirement Risk

The Company's ongoing activities will require ongoing expenditures. There can be no guarantee that the funds raised by the Company under the Offers and other capital raisings will be sufficient to successfully achieve all the objectives of the Company's overall business strategy. If the Company is unable to continue to use equity to fund expansion after the substantial exhaustion of the Company's existing funds, there can be no assurances that the Company will have sufficient capital resources for that purpose, or other purposes, or that it will be able to obtain additional funds on terms acceptable to the Company or at all. Any additional equity financing may be dilutive to Shareholders and any debt financing if available may involve restrictive covenants, which may limit the Company's operations and business strategy. The Company's failure

to raise capital if and when needed could delay or suspend the Company's business strategy and could have a material adverse effect on the Company's activities.

(w) Going Concern Risk

As set out in the audit report of the Company's 2024 Annual Report, there is a material uncertainty on the Company to continue as a going concern as a result of the losses in previous financial periods, the net current liabilities and the operating cash outflows.

The events and conditions, including the losses in previous financial periods, indicate the existence of a material uncertainty that may cast some doubt about the Company's ability to continue as a going concern and therefore the Company may be unable to realise its assets and discharge its liabilities in the normal course of business at amounts stated in the financial General Risks.

Recent fundraising and operational results in Chile indicate that the Company's operations are progressing and the Directors believe the Company has sufficient resources to effectively execute its business plan as a going concern.

(x) Economic Risks

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration, development and future production activities, as well as on its ability to fund those activities.

(y) Currency Fluctuations

The future value of Shares may fluctuate in accordance with movements in foreign currency exchange rates.

(z) Taxation

The Company's profitability may be affected by changes in government taxation laws and policies, including royalties payable in respect of any future mining operations, in the jurisdictions in which the Company operates.

There may be tax implications arising from the acquisition of securities in the Company, any possible receipt of dividends (both franked and un-franked) and the disposal of securities in the Company (as appropriate). Investors should carefully consider these tax implications and if uncertain as to the relevant taxation issues, obtain further advice from a qualified professional adviser. Tax liabilities are the responsibility of each individual investor and neither the Directors nor the Company will be responsible for any tax or related penalties incurred by investors.

(aa) Stock Market Risks

The market price of the Shares may be significantly adversely affected by a variety of factors including (but not limited to) perceptions of, or variations in, general market conditions, operating performance, commodity prices, project and country risk, Board and management strength and expertise and a broad range of other factors which may or may not relate to the Company's operations.

(bb) Quotation of Shares

Whilst the Company intends to apply for Quotation of the Shares, there is no guarantee that the Company will be able to fulfil the ASX's requirements in relation to Quotation of those Shares. If so, the Shares proposed to be issued under this Prospectus will not be tradeable on ASX.

(cc) Geopolitical

Politics on a global, regional or local scale could impact the Company's operations and financial position. Acts of terrorism or outbreak of war may disrupt or prevent the Company from undertaking its operations and intended programs.

(dd) Natural Disasters

Natural disasters or adverse conditions may occur in those geographical areas in which the Company operates including severe weather, tsunamis, cyclones, tropical storms, earthquakes, floods, volcanic eruptions, excessive rainfall and droughts as well as power outages or other events beyond the control of the Company.

(ee) Force Majeure

The Company and its projects, now or in the future may be adversely affected by risks outside the control of the Company including labour unrest, civil disorder, war, subversive activities or sabotage, extreme weather conditions, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions.

(ff) Ukraine Conflict and Gaza Conflict

The current conflict between Ukraine and Russia (**Ukraine Conflict**) and Israel and Gaza (**Gaza Conflict**) is impacting global economies and financial markets. The nature and extent of the effect the Ukraine Conflict and the Gaza Conflict may have on the Company's operations remains uncertain at this time. In the short to medium term, the Company's Share price may be adversely affected by the economic uncertainty caused by the Ukraine Conflict, the Gaza Conflict and the wider effect the conflict has on global economies and financial markets.

The Directors are monitoring the potential secondary and tertiary macroeconomics impacts of the Ukraine Conflict and the Gaza Conflict, including the fluctuations in commodity and energy prices and the potential risk of cyber activity impacting governments and businesses. Further, any governmental or industry measures taken in response to the Ukraine Conflict and the Gaza Conflict, including limitations on travel and changes to import/export restrictions and arrangements involving Russia, may be adversely impact the Company's operations and are likely to be beyond the control of the Company.

(gg) Other Risk Factors

There are risks involved with any investment in listed securities. The value of the Company's securities may rise or fall depending upon a range of factors and security

conditions which are unrelated to the Company's future financial performance. Share market conditions are affected by many factors including, but not limited to:

- economic conditions both in Australia and internationally;
- investor sentiment and local and international share market conditions;
- changes in interest rates and the rate of inflation;
- changes in metal and commodity prices;
- changes to government regulation, policy or legislation;
- changes in exchange rates; and
- the nature of competition in the industry in which the Company operates.

Some of these risks can be mitigated by the use of contingency plans and safeguards. However, many are outside the control of the Company and cannot be mitigated.

Like all businesses, the Company is affected by general economic conditions including the level of interest rates, inflation and consumer spending. Any prolonged downturn in economic activity could be expected to have a negative impact on the Company. As a company having a smaller market capitalisation, the market in the Company's securities may suffer periods of illiquidity.

Other risk factors include those normally found in conducting business including litigation resulting from the breach of agreements or in relation to employees (through personal injuries, industrial matters or otherwise) or any other cause, strikes, lockouts, loss of service of key management or operational personnel, non-insurable risks, delay in resumption of activities after reinstatement following the occurrence of an insurable risk and other matters that may interfere with the Company's business or trade.

Before any decision is made to subscribe for securities in the Company, the above matters, and all other matters described in this document must be carefully considered. The Shares to be allotted pursuant to this Prospectus should be regarded as speculative in nature and carry no guarantee with respect to the payment of dividends, return of capital or their market value.

Investment in the Company is regarded as speculative and neither the Company nor any of its Directors guarantee that any specific objective of the Company will be achieved or that any particular performance of the Company or its securities, including the Shares offered by this Prospectus, will be achieved.

7.2. Speculative investment

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Shares offered under this Prospectus.

Therefore, the Shares to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Shares.

Potential investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for Shares pursuant to this Prospectus.

8.1. Rights attaching to the Shares

The following is a general description of the more significant rights and liabilities attaching to the Shares. This summary is not exhaustive. Full details of provisions relating to rights attaching to the Shares are contained in the Corporations Act, Listing Rules and the Company's Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

(a) Ranking of Shares

At the date of this Prospectus, all shares are of the same class and rank equally in all respects. Specifically, the Shares issued pursuant to this Prospectus will rank equally with Existing Shares.

(b) Voting Rights

Subject to any special rights or restrictions (at present there are none), at any meeting each member present in person or by proxy has one vote on a show of hands, and on a poll has one vote for each share held.

(c) Dividend Rights

Subject to any special rights (at present there are none), any dividends that may be declared by the Company are payable on all Shares in proportion to the amount paid up.

(d) Variation of Rights

The rights attaching to the Shares may only be varied by the consent in writing of the holders of three-quarters of the Shares, or with the sanction of a special resolution passed at a general meeting.

(e) Transfer of Shares

Subject to the Company's Constitution, the Corporations Act or any other applicable laws of Australia and the Listing Rules, the Shares are freely transferable. The Directors may refuse to register a transfer of Shares only in limited circumstances, such as where the Company has a lien on those Shares.

(f) General Meetings

Each shareholder is entitled to receive notice of, and to attend and vote at, general meetings of the Company and to receive all notices, accounts and other documents required to be furnished to shareholders under the Company's Constitution, the Corporations Act and the Listing Rules.

(g) Rights on Winding Up

If the Company is wound up, the liquidator may, with the sanction of a special resolution:

- (i) divide among the shareholders the whole or any part of the Company's property;
- and

- (ii) decide how the division is to be carried out between the shareholders.

8.2. Rights attaching to New Options

The following are the terms of the New Options to be issued pursuant to this Prospectus.

- (a) Issue price

The New Options are issued for nil consideration.

- (b) Entitlement

Each New Option entitles the holder to subscribe for one Share upon exercise of the New Option.

- (c) Exercise Price

Subject to paragraph 8.2(j), the amount payable upon exercise of each New Option will be \$0.008 (**Exercise Price**).

- (d) Expiry Date

Each New Option will expire at 5:00pm (AEST) on or before 29 May 2028 (**Expiry Date**). A New Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

- (e) Exercise Period

The New Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

- (f) Notice of Exercise

The New Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the New Option certificate (Notice of Exercise) and payment of the Exercise Price for each New Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

- (g) Exercise Date

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each New Option being exercised in cleared funds (Exercise Date).

- (h) Timing of issue of Shares on exercise

Within five business days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of New Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;

- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the New Options.

If a notice delivered under paragraph 9.7(b) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 business days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

- (i) Shares issued on exercise

Shares issued on exercise of the New Options rank equally with the then issued shares of the Company.

- (j) Reconstruction of capital

If at any time the issued capital of the Company is reconstructed, all rights of a New Option holder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

- (k) Participation in new issues

There are no participation rights or entitlements inherent in the New Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the New Options without exercising the New Options.

- (l) Change in exercise price

A New Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the New Option can be exercised.

- (m) Transferability

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

9.1. The Company is a Disclosing Entity

The Company is a disclosing entity for the purposes of the Corporations Act and, as such, is subject to regular reporting and disclosure requirements. As a listed company, the Company is required to comply with all applicable continuous disclosure and reporting requirements in the Listing Rules.

The ASX maintains records of company announcements for all companies listed on the ASX. The Company's announcements may be viewed on the ASX's website at www.asx.com.au.

Copies of documents lodged with ASIC in relation to the Company may be obtained from, or inspected at an office of ASIC.

9.2. Section 713 Prospectus

This Prospectus has been issued under the provisions of section 713 of the Corporations Act. Section 713 enables disclosing entities to issue prospectuses in relation to securities in a class of securities that has been quoted on the ASX at all times in the 12 month period preceding the date of the prospectus, or options to acquire such securities. Copies of documents lodged at ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, an office of ASIC.

The new Shares to be issued under this Prospectus are in a class of securities that has been continuously quoted on the ASX in the 12 month period preceding the date of this Prospectus. The New Options are options to acquire continuous quoted Shares in the Company.

As the New Shares form part of the same class as the Company's existing Shares, ASIC Corporations (Exposure Period) Instrument 2016/74 allows the Company to accept Entitlement and Acceptance Forms upon the lodgement of this Prospectus with ASIC.

The level of disclosure that applies to this Prospectus requires that it must contain all the information investors and their professional advisers would reasonably require to make an informed assessment of:

- (a) the effect of the Offers on the Company; and
- (b) the rights and liabilities attaching to the securities being offered.

The Prospectus must contain this information only to the extent to which it is reasonable for investors and their professional advisers to expect to find the information in the Prospectus. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospectus of the issuing company. Accordingly, this Prospectus does not contain the same level of disclosure as a prospectus of an unlisted company or an initial public offering prospectus.

Having taken such precautions and having made such enquiries as are reasonable, the Company believes that the Company has complied with the general and specific requirements of ASX as applicable from time to time throughout the 12 months before the date of this Prospectus which required the Company to notify ASX of information about specified events or matters as they

arise for the purpose of ASX making that information available to the stock market conducted by ASX.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company. Information that is already in the public domain has not been reported in this Prospectus, other than that which is considered necessary to make the Prospectus complete.

9.3. Right to Obtain Copies of Documents

The Company will provide a copy of any of the following documents, free of charge, to any person who requests a copy of the document before the Closing Date:

- (a) the annual financial report of the Company for the year ended 30 June 2024, being the annual financial report most recently lodged by the Company with the ASX; and
- (b) any continuous disclosure notices (that is, documents in which the ASX was notified of information relating to the Company) given by the Company after 30 September 2024, being the date of lodgement of the Company's 2024 Annual Report, and before lodgement of a copy of this Prospectus with the ASIC. These documents are:

22/04/2025	Extension of Voluntary Suspension
17/04/2025	Suspension from Quotation
15/04/2025	Trading Halt
14/03/2025	Half Year Results Reflecting Performance Improvement
14/03/2025	Half Year Accounts
31/01/2025	Quarterly Appendix 5B Cash Flow Report
31/01/2025	Quarterly Activities Report
16/12/2024	Yerbas Buenas Sales Accelerate
25/11/2024	Results of Meeting
25/11/2024	Chairman's Address to Shareholders
31/10/2024	Quarterly Activities Report
31/10/2024	Quarterly Appendix 5B Cash Flow Report

17/10/2024	Notice of Annual General Meeting Proxy Form
17/10/2024	Notice of Annual General Meeting
16/10/2024	Order Secured from Cementos Melon for New Hospital Project
16/10/2024	Order Secured from Cementos Melon for New Hospital Project
30/09/2024	Corporate Governance Statement
30/09/2024	Appendix 4G

The Company may make further announcements to ASX from time to time. Copies of announcements are released by ASX on its website (www.asx.com.au), and will also be made available on the Company website (www.freehillmining.com). Copies of announcements can also be obtained from the Company on request. Prospective investors are advised to refer to ASX's website or the Company website for updated releases about events or matters affecting the Company.

The annual financial report and the continuous disclosure notices referred to above have been identified for the purposes of section 713(4) of the Corporations Act and are not taken to form part of the content of this Prospectus.

The Company's Constitution and the consents referred to in Section 9.9 are also available for inspection for a period of 12 months after the date of this Prospectus during normal business hours at the Company's office.

9.4. The Board of Directors, Interests of Directors and Management

Details of the interests of each Director in securities of the Company immediately before lodgement of the Prospectus with ASIC are set out in the table below. The table does not take into account any securities the Directors may acquire under the Offers.

Relevant Interests of Directors (including indirect interests)

Director	Shares	Options
Benjamin Jarvis	35,699,986*	Nil*
Paul Davies	38,404,806	Nil
Peter Williams	28,580,359	Nil

* The Company will seek shareholder approval to issue a further 27,500,000 Placement Shares and 13,750,000 Placement Options to Mr Benjamin Jarvis (or nominee) at a general meeting to be held in early June 2025.

Mr Benjamin Jarvis (Non-Executive Chairman) has agreed to subscribe for his full Entitlement under the Entitlement Offer.

9.5. Payments and Benefits to Directors

Except as set out in this Prospectus, no person has paid or agreed to pay any amount, or provided or agreed to provide any benefit to:

- (a) any Director in order to induce them to become, or to qualify as, a Director; or
- (b) any Director for services provided by him in connection with:
 - (i) the formation or promotion of the Company, or
 - (ii) the Offers.

The remuneration paid or payable to each Director for the last two years (including cash and non-cash benefits) is set out in Section 9.6.

9.6. Remuneration of Directors and Executives

The following table shows the annual remuneration paid to these directors for the last financial year ended 30 June 2023 and the financial year ending 30 June 2024:

Director	Salary and fees	Superannuation	Share-based payments equity-settled	Total
2024 financial year	\$	\$	\$	\$
Benjamin Jarvis	38,727	-	21,273	60,000
Paul Davies	86,912	-	12,088	99,000
Peter Williams	41,500	-	3,500	45,000
2023 financial year				
Benjamin Jarvis ¹	21,000	-	-	21,000
Paul Davies	99,000	-	17,299	116,299
Peter Williams ²	7,500	-	-	7,500

¹ Includes director's fees of \$11,250 and additional investor relations consulting fees incurred since his appointment. Appointed as a director on 5 April 2023

² Appointed as a Director on 1 May 2023

Further detail of the remuneration of Directors is set out in the Remuneration Report set out in the Company's 2024 Annual Report.

9.7. Interests of, and Issue of Payments and Benefits to, Advisors and Experts

Except as set out in this Prospectus, no person named in this Prospectus as performing a function in a professional, advisory, expert or any other capacity in connection with the preparation and distribution of this Prospectus, promoters of the Company (together, **Prescribed Persons**) holds, or at any time in the past two years held, any interest in:

- (a) the formation or promotion of the Company;
- (b) any property acquired or proposed to be acquired in connection with the formation or promotion of the Company or the Offers; or

- (c) the Offers.

Except as set out in this Prospectus, no amounts have been paid or agreed to be paid to any Prescribed Person and no benefit has been given or agreed to be given to any Prescribed Person for services provided by a Prescribed Person in connection with:

- (a) the formation or promotion of the Company; or
(b) the Offers.

GrilloHiggins Lawyers will receive the sum of approximately \$20,000 (excluding GST and disbursements) from the Company for the provision of legal services to the Company in connection with the Offers.

9.8. Litigation

As at the date of this Prospectus, the Company is not involved in any material legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company.

9.9. Consents

GrilloHiggins Lawyers has given and as at the date of this Prospectus has not withdrawn its consent to be named as the Company's solicitors in relation to the Offers. GrilloHiggins Lawyers has not authorised or caused the issue of any part of this Prospectus.

Automic Pty Ltd has given, and as at the date of this Prospectus have not withdrawn, its consent to be named as the Company's share registry in relation to the Offers. Automic Pty Ltd has not authorised or caused the issue of any part of this Prospectus.

9.10. Expenses of the Offers

The total cash expenses of the Offers (excluding GST) are estimated to be the following:

Item	Amount
Legal fees	\$20,000
ASIC fees	\$3,206
ASX fees	\$4,196
Printing and distribution	\$20,000
Shareholder engagement*	\$19,703
Miscellaneous	\$5,000
Total	\$72,105

* on 23 April 2025, the Company entered into a shareholder engagement services agreement (**Services Agreement**) with Peloton Shareholder Services (**Peloton**). Under the Services Agreement, Peloton will provide management services for Entitlement Offer, such as contacting shareholders in relation to the terms of the Entitlement Offer. The Company will pay Peloton a Shareholder Engagement Campaign Fee of \$1,700 + 6% Success Fee. The Success Fee is calculated as = Total funds raised x 80% x Adviser Engagement (avg 70-90%) x 6%. For the purposes of the costs of the Entitlement Offer above, an Advisor Engagement of 80% has been

used. If the Services Agreement is validly terminated by the Company post execution, the Company shall pay Peloton Capital Pty Ltd a termination fee of \$1,700.

10.1. What Eligible Shareholders may do

The number of New Shares to which Eligible Shareholders are entitled under the Offers (**your Entitlement**) is shown on the accompanying Entitlement and Acceptance Form.

As an Eligible Shareholder, you may:

- (a) subscribe for all or part of your Entitlement (see Section 10.2);
- (b) subscribe for all of your Entitlement and apply for Shortfall Securities (see Section 10.3);
- (c) allow all or part of your Entitlement to lapse (see section 10.4).

10.2. Taking up some or all of your Entitlement

If you are accepting all or part of your Entitlement and payment is being made by BPAY® or EFT, you are not required to return the Entitlement and Acceptance Form. In order to use BPAY®, please follow the instructions set out on the Entitlement and Acceptance Form. Your BPAY® or EFT payment must be received by no later than 5.00pm (AEST) on 23 May 2025.

10.3. Taking up Shortfall and applying for Oversubscriptions

If you are an Eligible Shareholder and you wish to take up additional New Shares you may do so in accordance with the instructions set out in the Entitlement and Acceptance Form. In order to apply for New Shares under the Shortfall Offer you must be an Eligible Shareholder and must have first taken up your Entitlement in full.

EFT and BPAY® options are available. In order to use BPAY®, please follow the instructions set out on the Entitlement and Acceptance Form. If you are accepting all or part of your Entitlement and payment is being made by BPAY® or EFT, you are not required to return the Entitlement and Acceptance Form. Your BPAY® or EFT payment must be received by no later than 5.00pm (AEST) on 23 May 2025.

10.4. Allow all or part of your Entitlement to lapse

If you are an Eligible Shareholder and do not wish to accept all or part of your Entitlement, you are not obliged to do anything.

If you take no action, your Entitlement will lapse. You will receive no benefit or New Shares and your Entitlement will become Shortfall Securities.

The number of existing Shares you hold as at the Record Date and the rights attached to those existing Shares will not be affected if you choose not to accept any of your Entitlement.

10.5. Consequences of doing nothing – Entitlement not taken up

You will receive no benefit if you do not take up your Entitlement. Shareholders are unable to sell their rights. It is therefore important that you consider taking action either to take up your Entitlement in accordance with the above instructions and the instructions on the back of the Entitlement and Acceptance Form.

10.6. Applications and Payment

Eligible Shareholders may submit payments for New Shares applied for using EFT or BPAY®. In order to use BPAY®, please follow the instructions set out on the Entitlement and Acceptance Form. If you make payment by BPAY® or EFT, you do not need to return your Entitlement and Acceptance Form. In light of potential postal service delays, you may wish to consider this payment method.

If your Entitlement and Acceptance Form is not completed correctly, or if the accompanying payment is for the wrong amount, it may still be accepted by the Company. The Company's decision as to whether to accept the application or how to construe, amend or complete it, shall be final, but no Applicant will be treated as having offered to purchase more New Shares than indicated by the amount of application monies.

You are urged to lodge your Application as soon as possible. Entitlement and Acceptance Forms must not be circulated to prospective investors unless attached to a copy of this Prospectus.

10.7. Privacy

The Company collects information about each Applicant provided on an Entitlement and Acceptance Form for the purposes of processing the Application and, if the Application is successful, to administer the Applicant's security holding in the Company.

By submitting an Entitlement and Acceptance Form, each Applicant agrees that the Company may use the information provided by an Applicant on the Entitlement and Acceptance Form for the purposes set out in this privacy disclosure statement and may disclose it for those purposes to the Share Registry, the Company's related bodies corporate, agents, contractors and third party service providers, including mailing houses and professional advisers, and to ASX and regulatory authorities.

The Corporations Act requires the Company to include information about the Shareholders (including name, address and details of the Shares held) in its public register. The information contained in the Company's public register must remain there even if that person ceases to be a Shareholder. Information contained in the Company's register is also used to facilitate distribution payments and corporate communications (including the Company's financial results, annual reports and other information that the Company may wish to communicate to its security holders) and compliance by the Company with legal and regulatory requirements.

If you do not provide the information required on the Entitlement and Acceptance Form, the Company may not be able to accept or process your Application. An Applicant has the right to gain access to the information that the Company holds about that person subject to certain exceptions under law. A fee may be charged for access. Such requests must be made in writing to the Company's registered office.

10.8. Enquiries

If you have any queries about your Entitlement please contact Automic between the hours of 8.30am and 7.00pm (AEDT/AEST), Monday to Friday on 1300 288 664 or +61 2 9698 5414.

Alternatively, contact your stockbroker or other professional adviser.

SECTION 11 DIRECTORS AUTHORISATION

The Directors of the Company have authorised the issue of this Prospectus on behalf of the Company.

This Prospectus has been signed by a Director for and on behalf of the Directors, in accordance with section 351 of the Corporations Act.

A handwritten signature in blue ink, appearing to be 'BJ', with a stylized flourish extending from the bottom right.

Benjamin Jarvis

Non-Executive Chairman

SECTION 12 GLOSSARY

In this Prospectus the following terms have the meanings ascribed to them below, unless the context otherwise requires.

TERM	DEFINITION
AEDT	Australian Eastern Daylight Time
AEST	Australian Eastern Standard Time
Applicant(s)	Person(s) who submit an Application
Application	A valid application made to subscribe for a specified number of New Shares pursuant to this Prospectus
ASIC	Australian Securities and Investments Commission
ASX	ASX Limited (ACN 008 624 691)
ASX Settlement	ASX Settlement Pty Limited (ACN 008 504 532)
ASX Settlement Operating Rules	The settlement rules of the securities clearing house which operates CHESS
Board	The board of Directors at the Company
Business Day	A business day as defined in the Listing Rules.
CHESS	Clearing House Electronic Subregister System
Closing Date	The date the Offer closes, being 5.00pm (AEST) on 23 May 2025, unless extended by the Company
Company	Freehill Mining Limited (ACN 091 608 025)
Constitution	The constitution of the Company
Consolidated Entity	Has the meaning given in Section 3
Corporations Act	<i>Corporations Act 2001</i> (Cth)
Directors	The directors of the Company
Eligible Shareholder	A Shareholder entitled to participate in the Entitlement Offer as described in Section 4.5
Entitlement	The entitlement of a Shareholder to participate in Entitlement Offer
Entitlement Offer	The non-renounceable rights issue of one New Share for every 24 Shares held at the Record Date at an issue price of \$0.004 per New Share, together with one free attaching Option having an exercise price of \$0.008 and expiry date of 29 May 2028 for every two New Shares issued
Entitlement and Acceptance Form	The form described as such accompanying this Prospectus (for Eligible Shareholders only)
GST	Australian goods and services tax
Ineligible Shareholder	A holder of Shares having a registered address outside Australia or New Zealand
Issuer Sponsored Statement	Issuer sponsored holding statement to be issued by CHESS
Listing Rules	The official listing rules of the ASX
New Options	Options issued under this Prospectus

TERM	DEFINITION
New Shares	Shares issued under this Prospectus
Notice of Exercise	Has the meaning given in Section 5.2(e)
Offers	The Offers made in accordance with this Prospectus, further details of which are set out in Section 1
Official Quotation	Has the meaning given to the term 'quotation' in the Listing Rules
Options	The options with the terms set out in Section 8.2
Placement	Has the meaning given to it in Section 1.1
Placement Options	The Options offered pursuant to the Placement Options Offer
Placement Options Offer	Has the meaning given in Section 1.1
Placement Participants	Has the meaning given in Section 1.1
Placement Shares	Has the meaning given to it in Section 1.1, being the Shares being issued pursuant to the Placement.
Prescribed Persons	Has the meaning given to it in Section 9.7
Prospectus	This Prospectus dated 23 April 2025
Record Date	7.00pm (AEDT) on 29 April 2025
Section	A section of this Prospectus
Securities	New Shares and/or New Options (as the context requires)
Shareholder	A register holder of Shares appearing on the Company's share register
Shares	Ordinary fully paid shares in the capital of the Company
Share Registry	Automic Pty Ltd (ACN 152 260 814)
Shortfall Offer	The offer of New Shares and New Options forming the shortfall to Eligible Shareholders to be issued under and in accordance with this Prospectus
Shortfall Securities	The New Shares and New Options forming the shortfall which are to be issued to applicants pursuant to the Shortfall Offer.
Statement of Financial Position	The statement on the financial position of the Company

CORPORATE DIRECTORY

Directors

Benjamin Jarvis (*Non-Executive Chairman*)

Paul Davies (*Executive Director and CEO*)

Peter Williams (*Non-Executive Director*)

Company Secretary

Joe Fekete

Registered Office

Level 24, 570 Bourke Street

Melbourne VIC 3003

Ph: +61 3 8658 5976

Email: info@freehillmining.com

Website

<https://freehillmining.com/>

ASX Code

Shares: FHS

Principal Legal Adviser

GrilloHiggins Lawyers

Level 25, 367 Collins Street

Melbourne VIC 3000

Auditor*

Connect National Audit Pty Ltd

Level 8, 350 Collins Street

Melbourne VIC 3000

Share Registry

Automic Registry Services

Level 5/126 Phillip Street

Sydney NSW 2000

Ph: 1300 288 664 (within Australia)

+61 2 9698 5414 (outside Australia)

Website: <https://www.automicgroup.com.au/>

**This entity has not been involved in the preparation of this Prospectus and has not consented to being named in this Prospectus. Its name is included for information purposes only.*