



6 September 2023

## Transfer and Proposed Conversion of Convertible Securities

Freehill Mining Limited (ASX: FHS) (**Company**) is pleased to announce that it has entered into a deed with Obsidian Global GP, LLC (**Obsidian**) and Claymore Ventures Limited (**Claymore**) in relation to the 270,520 Convertible Securities (**Convertible Securities**) and 51,600,795 shares (**Current Collateral Shares**) currently held by Obsidian. The key terms of the deed are as follows:

- (a) Obsidian will transfer the Convertible Securities and the Current Collateral Shares to Claymore for US\$275,000 upon receipt of funds on 15 September 2023, and assign its rights under the Convertible Securities Agreement to Claymore;
- (b) Claymore will convert the Convertible Securities in consideration for the issue of the number of Shares and a cash payment (if any) as calculated in paragraph (c) below. On conversion, the Company will have discharged its obligations in relation to the Convertible Securities and under the Convertible Securities Agreement; and
- (c) the number of Shares to be issued on conversion of the Convertible Securities will be calculated as follows:

$$\frac{\text{A\$ value* of US\$275,000} \quad \text{Less the 51,600,795 Shares (being the Current Collateral Shares)}}{\$0.003^{**}}$$

\* as determined on the date of payment of the US\$275,000

\*\* being the offer price under the Company's entitlement offer announced on 12 July 2023

If the number of Shares calculated above is:

- (i) less than 90 million Shares, then that number of Shares will be issued; or
- (ii) more than 90 million Shares, then 90 million Shares will be issued, and the Company will pay the difference between that calculated number of Shares and 90 million Shares multiplied by \$0.003.

Ben Jarvis, the Company's non-executive chairman, commented:

*The arrangement reached by the Company with Obsidian and Claymore provides the Company with certainty that the Convertible Securities will be converted at the same issue price as the current entitlement offer, and that the Company will not need to repay the full amount of the Convertible Securities in cash on the maturity date.*

This announcement has been authorised by the Board of the Company.

**For further information, please contact:**

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