



11 June 2025

## Third site secured in La Serena region underpins production capacity

- Long-term lease signed on a third site with existing production infrastructure located in the La Serena/Coquimbo region where the Company is supplying aggregate materials (sand and gravels) to support major infrastructure projects
- As with the second site secured in April, this new location is strategically located in close proximity to existing customer delivery points and major infrastructure projects (*see accompanying map*) with the combination of the 2 sites enabling the Company to respond to indicated increased demand from existing clients and additional demand from new projects currently in process
- As previously communicated, this additional site allows Freehill to consolidate its position as the region's pre-eminent supplier of construction materials to a broad customer base. Additional sites in other nearby regions of Chile are also being assessed
- The cash flows from the aggregate materials business will be used to help fund the recommencement of magnetite mining operations at the 100%-owned Yervas Buenas mine where bulk sampling is underway, and also unlock further value from the adjoining El Dorado Cu-Au project where exploration activities are advancing

Freehill Mining Limited (ASX: FHS 'Freehill' or 'the Company') is pleased to announce the continued expansion of its cash generating aggregate materials business in Chile with a long-term lease signed on a third site located in the La Serena/Coquimbo region. This is in addition to the second site that was secured and announced in April this year (*see ASX release 23 April 2025*).

The site with existing production infrastructure has been secured on acceptable commercial terms via a four year lease, then annually renewable. It establishes Freehill as the dominant local supplier of quality aggregate materials and is located in close proximity to our second site which is on the fringes of the metropolitan area and connected to mains power and other critical utilities.

This further scale-up ensures Freehill's permitted production capacity is more than capable of responding to an anticipated increase in demand from existing customers and will also underpin necessary volume of materials required to potentially lock in major supply contracts with a number of parties involved in long-term road infrastructure projects in Region IV and Region III of Chile.

While the past 12 months have been somewhat project dependent with a consumption cycle related to particular projects, the addition of the two new sites allows Freehill to significantly raise the baseline consumption while also accommodating for the variability associated with individual project cycles.

As per the update provided to shareholders on 14 May 2025, the second site is expected to be fully operational this month. The larger processing plant has been transported from Yervas Buenas which is now supplying customers from current stockpiles. The smaller plant at Yervas Buenas will continue to process and supply fine sand with activities here to now focus predominantly on development of a mine plan and associated approvals for magnetite mining, consistent with the Company's previously stated long-term strategy.

**See over....**

Freehill is also pleased to report that further sampling has been completed at the 730 HA El Dorado Copper-Gold project which hosts high grade samples across a 1.3km strike and multiple historical copper workings beyond this. Sampling was undertaken in new areas of interest and within the defined strike. Assays are expected in the next two weeks.

**Freehill CEO Paul Davies said:** *“Freehill has now laid the foundation to establish itself as the region’s leading aggregate materials business and we are well-placed to meet growing customer demand and respond to the needs of multiple industries engaged in construction and major infrastructure developments. With the best sources of supply, we have a major competitive advantage and we intend to capitalise on this. Tendering activity is robust and these new sites will help build the tendering pipeline and establish new supply agreements in quick succession. We will provide updates as new developments evolve.”*

**Freehill Chairman Ben Jarvis added:** *“As we have previously communicated, building scale into our cash-generating aggregate materials business gives Freehill the added flexibility to advance opportunities open to us in higher value commodity projects such as recommencing magnetite mining operations at Yerbas Buenas and pursuing other medium scale mine developments in the region focused on copper and gold. Our objective is to build multiple revenue streams from projects that have tremendous development upside.”*

**Ends.**

**Approved for release by the Board of the Company.**

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**Image 1: Map of Coquimbo/La Serena region showing location of Freehill's now three processing sites and major customer projects and cement plants. The new site announced today is shown in blue.**