



23 October 2025

## Aggregates Operations Update

### Highlights

- **Product mix broadened to include new materials specifically developed for the local cement industry after extensive consultation**
- **Two new materials are now being produced and stockpiled for delivery from October. These are in addition to the fine sand, rocks and stabilisation base being supplied to the construction industry**
- **The larger processing plant is being enhanced to facilitate production of multiple types of material simultaneously. Headcount has been reduced and new experienced personnel from the cement industry recruited**
- **October has been a turnaround month for the Company with a significant improvement in operations and capability**

**Freehill Mining Limited (ASX: FHS 'Freehill' or 'the Company')** is pleased to provide this update on the progress of its cash-generating aggregates business. As previously reported, the focus has been on the commissioning of the second site, Islon, located in the La Serena/Coquimbo region.

The Company has made a number of enhancements to the plant, the production process and the capabilities of the workforce which will transform sales and margins.

A key development has been to broaden the product mix away from solely supplying stabilisation base to the construction industry and adding new products which are primary feedstock to the cement industry. It is anticipated that the Islon site will be one of the sector's primary sources of material supply in the La Serena/Coquimbo region.

This feedstock for the cement industry, being a specific gravel and industrial sand, is now being produced and stockpiled in sufficient quantities at the customer's request to underpin certainty of supply for multiple months (*see image 1 below*). First deliveries will commence this week and ramp up in November.

To ensure greater plant uptime and facilitate the production of different materials simultaneously, the processing plant is being modified with new screens and an additional conveyor installed. As well, the operations team has been streamlined with staff numbers reduced from 20 to 12 and some staff replaced with experienced personnel recruited from the cement industry.

As per the update in September, Yervas Buenas continues to play an important role for Freehill with the ongoing processing and sale of fine sand and rock. The Company is also negotiating customer supply agreements for projects in closer proximity to YB.

**Chief Executive Officer Paul Davies said:** *“Freehill’s move into the metropolitan area has opened up new markets for our aggregates business with the local cement industry recognising that our Islon site is strategically positioned to be one of the primary sources of material supply. We could not have achieved the same regularity of supply, nor deliver the necessary quantities, from YB alone. We have worked collaboratively with them to refine the product mix and are now ramping up stockpiles ahead of regular deliveries commencing. Together with the plant improvements taking place and securing new experienced personnel, we are now well-positioned to aggressively grow sales with enhanced margins. This is matched with very strong local demand with the region experiencing considerable growth in infrastructure development. The December quarter will be a transformational one for Freehill.”*

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

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**Image 1: Material processing and stockpiles of material for the local cement industry**