

Freehill Mining Limited

ABN 27 091 608 025

Interim Report - 31 December 2023

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Freehill Mining Limited
Corporate directory
31 December 2023

Directors	Paul Davies Benjamin Jarvis Peter Williams
Registered office	Level 24, 570 Bourke St Melbourne, Victoria, Australia, 3000
Principal place of business	Level 24, 570 Bourke St Melbourne, Victoria, Australia, 3000
Share register	Automatic Registry Services Level 5, 126 Phillips Street Sydney NSW 2000
Auditor	Connect National Audit Pty Ltd Level 14 333 Collins Street Melbourne, Victoria 3000
Stock exchange listing	Freehill Mining Limited shares are listed on the Australian Securities Exchange (ASX code: FHS)
Website	www.freehillmining.com

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Freehill Mining Limited
Chairman's letter
31 December 2023

The Board of Freehill Mining Limited is pleased to present this report for the half year ending 31 December 2023 and an overview of material events that have occurred subsequent to the end of the period.

Freehill had a number of key objectives for the half and we are pleased to confirm that we have achieved these and established a foundation to deliver value for shareholders.

A key focus for the half was successfully getting Freehill's securities requoted on the Australian Securities Exchange following a lengthy suspension of trading. We delivered on this objective in September 2023 by recapitalising the Company by raising \$1.041m through a shareholder Entitlement Offer and the subsequent placement of shortfall shares. We further strengthened the balance sheet through the conversion of some outstanding debts to equity, undertaken on the same terms as the Entitlement Offer.

We were able to secure the support of new investors, creditors and existing investors by presenting them with a sound business case to recommence material processing operations at the 100%-owned Yervas Buenas magnetite mine near to La Serena in Chile. Previous work at Yervas Buenas focused solely on magnetite mining with the waste material from these operations, being sand and gravel, stockpiled and discarded unprocessed at the site.

Changes to environmental laws in Chile has meant this material can no longer be sourced from dry river beds or other environmentally sensitive areas and as such, projects such as Yervas Buenas have become much more valuable. This is due to the fact that large construction and infrastructure companies delivering critical projects need reliable supply of quality material. Yervas Buenas possesses this material in significant volumes.

With these industries experiencing such a major transition, much of Freehill's focus has been to demonstrate that we have the operational capability and the capacity to become a trusted and dependable supplier. Extensive material testing has been undertaken, reliable logistics have been put in place and we secured supply arrangements with some of Chile's largest and most respected cement companies including Unicon and Melon.

As a result, relatively modest sales and purchase orders started to materialise late in the 2023 calendar year and they have been key to strengthening these customer relationships and building a platform for the scale-up of operations at Yervas Buenas.

The re-quotations of the shares on ASX in September 2023 have provided a meaningful liquidity event for investors and it has been pleasing to see the share price track above the price at which funds were initially raised and debt was converted into equity.

Significant progress has been made subsequent to the end of the period which places Freehill in an exceptionally strong position for the remainder of FY2024 and into the future. As we have documented, we successfully completed a \$1.2m capital raise, before costs, which has allowed us to fund a major upgrade of the plant and equipment at Yervas Buenas and secure orders of much greater value and volumes. It has also allowed us to secure new customers that are delivering major infrastructure projects in the region. The new plant also delivers the necessary processing infrastructure to recommence magnetite mining operations at Yervas Buenas, which it plans to do subject to the implementation of a proper mine plan.

As well, this funding has allowed us to undertake further assessment of some of our other projects, namely the adjoining El Dorado project which was originally drilled for copper but new exploration work undertaken by experienced geologists has shown more extensive mineralisation including some very encouraging gold grades. Follow up work is underway and we look forward to putting in place a more extensive program to realise the true potential of this project.

We will continue to work hard on behalf of shareholders by systematically and incrementally adding value to our assets.

Ben Jarvis
Non-Executive Chairman

Freehill Mining Limited
Directors' report
31 December 2023

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Freehill Mining Limited (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the half-year ended 31 December 2023.

Directors

The following persons were directors of Freehill Mining Limited during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

Paul Davies
Benjamin Jarvis
Peter Williams

Principal activities

During the financial half-year the principal continuing activities of the consolidated entity consisted of:

- Progressing the feasibility of magnetite mining at the Yervas Buenas site;
- Reviewing multiple technical issues relating to production of magnetite from Yervas Buenas;
- Development of secondary revenue stream from sale of waste material;
- Identify scope of waste material opportunity due legislative changes in Chile; and
- Reviewing potential acquisitions predicated on adding shareholder value.

Review of operations

The loss for the consolidated entity after providing for income tax amounted to \$670,846 (31 December 2022: \$14,050,846).

Refer the Chairman's letter that directly precedes this Directors' report.

Matters subsequent to the end of the financial half-year

On 30 January 2024, the company issued 120,000,000 fully paid ordinary shares valued at \$0.01 per share raising \$1,200,000 before costs.

No other matter or circumstance has arisen since 31 December 2023 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the directors



Ben Jarvis
Director

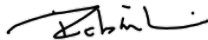
14 March 2024

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001**

As lead auditor for the review of Freehill Mining Limited for the half-year ended 31 December 2023, I declare that, to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (b) no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Freehill Mining Limited.



ROBIN KING HENG LI CA RCA
DIRECTOR
CONNECT NATIONAL AUDIT PTY LTD
Authorised Audit Company No. 521888
14 March 2024

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Freehill Mining Limited

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General information

The financial statements cover Freehill Mining Limited as a consolidated entity consisting of Freehill Mining Limited and the entities it controlled at the end of, or during, the half-year. The financial statements are presented in Australian dollars, which is Freehill Mining Limited's functional and presentation currency.

Freehill Mining Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 24, 570 Bourke St
Melbourne, Victoria,
Australia, 3000

A description of the nature of the consolidated entity's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 14 March 2024.

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Freehill Mining Limited
Statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2023

		Consolidated	
	Note	Dec 2023	Dec 2022
		\$	\$
Revenue	4	198,338	106,658
Expenses			
Mine production costs		(146,075)	(72,133)
Corporate and administration expenses		(569,193)	(306,217)
Depreciation and amortisation expense		(76,162)	(12,429)
Impairment of assets	5	-	(13,411,718)
Other expenses		(32,503)	(197,315)
Finance costs		(45,251)	(157,692)
Loss before income tax expense		(670,846)	(14,050,846)
Income tax expense		-	-
Loss after income tax expense for the half-year attributable to the owners of Freehill Mining Limited		(670,846)	(14,050,846)
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation		(159,456)	1,266,398
Other comprehensive income for the half-year, net of tax		(159,456)	1,266,398
Total comprehensive income for the half-year attributable to the owners of Freehill Mining Limited		(830,302)	(12,784,448)
		Cents	Cents
Basic earnings per share	16	(0.027)	(0.760)
Diluted earnings per share	16	(0.027)	(0.760)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Freehill Mining Limited
Statement of financial position
As at 31 December 2023

	Note	Consolidated Dec 2023 \$	Consolidated Jun 2023 \$
Assets			
Current assets			
Cash and cash equivalents		318,420	46,880
Trade and other receivables	6	735,031	58,448
Other		12,429	45,952
Total current assets		<u>1,065,880</u>	<u>151,280</u>
Non-current assets			
Trade and other receivables	6	600,554	1,319,825
Property, plant and equipment		355,988	437,222
Mining	7	10,463,022	10,505,042
Total non-current assets		<u>11,419,564</u>	<u>12,262,089</u>
Total assets		<u>12,485,444</u>	<u>12,413,369</u>
Liabilities			
Current liabilities			
Trade and other payables		308,319	665,983
Borrowings	8	6,600	308,440
Derivative financial instruments	9	-	75,777
Employee benefits		7,216	6,141
Total current liabilities		<u>322,135</u>	<u>1,056,341</u>
Non-current liabilities			
Borrowings	8	-	1,209,168
Provisions		70,000	70,000
Total non-current liabilities		<u>70,000</u>	<u>1,279,168</u>
Total liabilities		<u>392,135</u>	<u>2,335,509</u>
Net assets		<u>12,093,309</u>	<u>10,077,860</u>
Equity			
Issued capital	10	42,943,515	40,097,764
Reserves	11	1,087,119	1,246,575
Accumulated losses		<u>(31,937,325)</u>	<u>(31,266,479)</u>
Total equity		<u>12,093,309</u>	<u>10,077,860</u>

The above statement of financial position should be read in conjunction with the accompanying notes

Freehill Mining Limited
Statement of changes in equity
For the half-year ended 31 December 2023

Consolidated	Issued capital \$	Reserves \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2022	39,713,329	(465,676)	(16,558,833)	22,688,820
Loss after income tax expense for the half-year	-	-	(14,050,846)	(14,050,846)
Other comprehensive income for the half-year, net of tax	-	1,266,398	-	1,266,398
Total comprehensive income for the half-year	-	1,266,398	(14,050,846)	(12,784,448)
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity, net of transaction costs	384,435	-	-	384,435
Share-based payments	-	17,299	-	17,299
Balance at 31 December 2022	<u>40,097,764</u>	<u>818,021</u>	<u>(30,609,679)</u>	<u>10,306,106</u>

Consolidated	Issued capital \$	Reserves \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2023	40,097,764	1,246,575	(31,266,479)	10,077,860
Loss after income tax expense for the half-year	-	-	(670,846)	(670,846)
Other comprehensive income for the half-year, net of tax	-	(159,456)	-	(159,456)
Total comprehensive income for the half-year	-	(159,456)	(670,846)	(830,302)
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity, net of transaction costs (note 10)	2,845,751	-	-	2,845,751
Balance at 31 December 2023	<u>42,943,515</u>	<u>1,087,119</u>	<u>(31,937,325)</u>	<u>12,093,309</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes

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Freehill Mining Limited
Statement of cash flows
For the half-year ended 31 December 2023

	Consolidated	
	Dec 2023	Dec 2022
	\$	\$
Cash flows from operating activities		
Receipts from customers	126,025	106,658
Interest and other finance costs paid	-	(119,900)
Payments to suppliers and employees (inclusive of GST)	<u>(856,050)</u>	<u>(716,567)</u>
Net cash used in operating activities	<u>(730,025)</u>	<u>(729,809)</u>
Cash flows from investing activities		
Payments for exploration and evaluation	-	<u>(919,835)</u>
Net cash used in investing activities	-	<u>(919,835)</u>
Cash flows from financing activities		
Proceeds from issue of shares	1,071,410	-
Proceeds from borrowings	6,600	685,109
Proceeds from convertible note	-	397,985
Share issue transaction costs	<u>(74,459)</u>	<u>(7,777)</u>
Net cash from financing activities	<u>1,003,551</u>	<u>1,075,317</u>
Net increase/(decrease) in cash and cash equivalents	273,526	(574,327)
Cash and cash equivalents at the beginning of the financial half-year	46,880	580,651
Effects of exchange rate changes on cash and cash equivalents	<u>(1,986)</u>	<u>356</u>
Cash and cash equivalents at the end of the financial half-year	<u><u>318,420</u></u>	<u><u>6,680</u></u>

The above statement of cash flows should be read in conjunction with the accompanying notes

Note 1. Material accounting policy information

These general purpose financial statements for the interim half-year reporting period ended 31 December 2023 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2023 and any public announcements made by the company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, except for the policies stated below.

New or amended Accounting Standards and Interpretations not yet effective

The consolidated entity has not early adopted any new or amended accounting standard that is not yet mandatory.

New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the consolidated entity.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the consolidated entity.

The following Accounting Standards and Interpretations are most relevant to the consolidated entity:

Mining asset

The units of production method results in a charge based on the expected use or output. The consolidated entity selected this method as it most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. This method shall be applied consistently from period to period unless there is a change in the expected pattern of consumption of those future economic benefits.

The consolidated entity's proved and probable reserves for mining assets are used to determine units of production amortisation unless doing so results in amortisation charges that do not reflect the asset's useful life. Where this occurs, alternative approaches to determining reserves are applied, to provide a phasing of periodic amortisation charges that better reflects the asset's expected useful life

Going concern

These financial statements have been prepared on a going concern basis, which contemplates the continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

As disclosed in the financial statements, the consolidated entity incurred a loss of \$670,846, had operating cash outflows of \$730,025.

The directors have reviewed the cash flow forecast for the next 12 months from the date of signing this financial report, and assessed that there are reasonable grounds to believe the consolidated entity will be able to continue as a going concern due to the following factors:

- On 30 January 2024, the company issued 120,000,000 fully paid ordinary shares valued at \$0.01 per share raising \$1,200,000 before costs;
- Since 31 December 2023, the company has signed purchase orders valued at approximately \$2,000,000. Given this positive cash flows are expected from the Chilean mining operations; and
- As an ASX listed entity, the company has the ability to raise equity and has a proven track record of being able to raise capital when required.

Freehill Mining Limited
Notes to the financial statements
31 December 2023

Note 1. Material accounting policy information (continued)

The financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessarily incurred should the consolidated entity not continue as a going concern.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. There are no critical accounting judgements, estimates and assumptions that are likely to affect the current or future financial years.

Note 3. Operating segments

Identification of reportable operating segments

The consolidated entity is organised into one operating segment: Chilean Mining. This operating segment is based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources.

Note 4. Revenue

	Consolidated	Consolidated
	Dec 2023	Dec 2022
	\$	\$
Mining sales	<u>198,338</u>	<u>106,658</u>

Disaggregation of revenue

The disaggregation of revenue from contracts with customers is as follows:

	Consolidated	Consolidated
	Dec 2023	Dec 2022
	\$	\$
<i>Major product lines</i>		
Mining sales	<u>198,338</u>	<u>106,658</u>
<i>Geographical regions</i>		
Chile	<u>198,338</u>	<u>106,658</u>
<i>Timing of revenue recognition</i>		
Goods transferred at a point in time	<u>198,338</u>	<u>106,658</u>

Note 5. Impairment of assets

	Consolidated	Consolidated
	Dec 2023	Dec 2022
	\$	\$
Loss before income tax includes the following specific expenses:		
<i>Impairment</i>		
Exploration and evaluation	-	7,414,501
Mining assets	-	5,997,217
Total impairment	<u>-</u>	<u>13,411,718</u>

Freehill Mining Limited
Notes to the financial statements
31 December 2023

Note 6. Trade and other receivables

	Consolidated	
	Dec 2023	Jun 2023
	\$	\$
<i>Current assets</i>		
Trade receivables	72,313	-
Other receivables	1,921	1,312
Indirect taxes receivable	<u>660,797</u>	<u>57,136</u>
	<u>735,031</u>	<u>58,448</u>
<i>Non-current assets</i>		
Indirect taxes receivable	<u>600,554</u>	<u>1,319,825</u>
	<u><u>1,335,585</u></u>	<u><u>1,378,273</u></u>

Note 7. Mining

	Consolidated	
	Dec 2023	Jun 2023
	\$	\$
<i>Non-current assets</i>		
Mining - at cost	16,102,259	16,102,259
Less: Accumulated amortisation	(42,020)	-
Less: Impairment	<u>(5,597,217)</u>	<u>(5,597,217)</u>
	<u><u>10,463,022</u></u>	<u><u>10,505,042</u></u>

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial half-year are set out below:

Consolidated	Mining asset \$
Balance at 1 July 2023	10,505,042
Amortisation expense	<u>(42,020)</u>
Balance at 31 December 2023	<u><u>10,463,022</u></u>

During the financial half-year the consolidated entity's mine commenced full scale production and amortisation has been charged from that time that this commenced. The amortisation charge is based on the expected units of production from the mine.

Freehill Mining Limited
Notes to the financial statements
31 December 2023

Note 8. Borrowings

	Consolidated	
	Dec 2023	Jun 2023
	\$	\$
<i>Current liabilities</i>		
Convertible notes payable	-	308,440
Payable to director	6,600	-
	<u>6,600</u>	<u>308,440</u>
<i>Non-current liabilities</i>		
Loan - convertible debt	-	1,209,168
	<u>6,600</u>	<u>1,517,608</u>

The convertible notes and convertible debt were settled in full during the half via the issue of share. Refer to note 10.

Note 9. Derivative financial instruments

	Consolidated	
	Dec 2023	Jun 2023
	\$	\$
<i>Current liabilities</i>		
Derivative portion of convertible notes	-	75,777
	<u>-</u>	<u>75,777</u>

A derivative liability was recognised in relation to convertible note, which were settled in full during the half via the issue of share. Refer to note 10.

Note 10. Issued capital

	Consolidated			
	Dec 2023	Jun 2023	Dec 2023	Jun 2023
	Shares	Shares	\$	\$
Ordinary shares - fully paid	<u>2,873,834,432</u>	<u>1,926,848,893</u>	<u>42,943,515</u>	<u>40,097,764</u>

Movements in ordinary share capital

Details	Date	Shares	Issue price	\$
Balance	1 July 2022	1,926,848,893		40,097,764
Issue of shares	15 September 2023	234,819,990	\$0.003	704,460
Issue of shares to settle trade payables	15 September 2023	110,256,905	\$0.003	330,770
Shares issued to settled debt and accrued interest	15 September 2023	370,558,695	\$0.003	1,111,676
Issue of shares	27 September 2023	112,316,630	\$0.003	336,950
Shares issued to convertible notes	27 September 2023	90,000,000	\$0.004	395,206
Issue of shares	7 November 2023	5,000,000	\$0.003	15,000
Issue of shares	25 November 2023	33,333	\$0.003	100
Issue of shares to settle trade payables	7 December 2023	23,999,986	\$0.003	72,000
Less cost of capital raising		-	\$0.000	(120,411)
Balance	31 December 2023	<u>2,873,834,432</u>		<u>42,943,515</u>

Freehill Mining Limited
Notes to the financial statements
31 December 2023

Note 10. Issued capital (continued)

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Share buy-back

There is no current on-market share buy-back.

Note 11. Reserves

	Consolidated	
	Dec 2023	Jun 2023
	\$	\$
Foreign currency reserve	(615,433)	(455,977)
Share-based payments reserve	<u>1,702,552</u>	<u>1,702,552</u>
	<u><u>1,087,119</u></u>	<u><u>1,246,575</u></u>

Foreign currency reserve

The reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations to Australian dollars. It is also used to recognise gains and losses on hedges of the net investments in foreign operations.

Share-based payments reserve

The reserve is used to recognise the value of equity benefits provided to employees and directors as part of their remuneration, and other parties as part of their compensation for services.

Movements in reserves

Movements in each class of reserve during the current financial half-year are set out below:

Consolidated	Share-based payments \$	Foreign currency \$	Total \$
Balance at 1 July 2023	1,702,552	(455,977)	1,246,575
Foreign currency translation	-	<u>(159,456)</u>	<u>(159,456)</u>
Balance at 31 December 2023	<u><u>1,702,552</u></u>	<u><u>(615,433)</u></u>	<u><u>1,087,119</u></u>

Note 12. Dividends

There were no dividends paid, recommended or declared during the current or previous financial half-year.

Note 13. Contingent liabilities

The consolidated entity had no contingent liabilities at the end of the current or previous financial period.

Note 14. Related party transactions

Parent entity

Freehill Mining Limited is the parent entity.

Freehill Mining Limited
Notes to the financial statements
31 December 2023

Note 14. Related party transactions (continued)

Transactions with related parties

There were no transactions with related parties other directors fees during the current and previous financial half-year.

Receivable from and payable to related parties

The following balances are outstanding at the reporting date in relation to transactions with related parties:

	Consolidated	
	Dec 2023	Jun 2023
	\$	\$
Current payables:		
Fees and expenses payable to directors	4,907	146,498

Loans to/from related parties

The following balances are outstanding at the reporting date in relation to loans with related parties:

	Consolidated	
	Dec 2023	Jun 2023
	\$	\$
Current borrowings:		
Loan payable to a director	6,600	-
Non-current borrowings:		
Loan - convertible debt from directors and those related to former directors (including accrued interest)	-	150,619

Terms and conditions

All transactions were made on normal commercial terms and conditions and at market rates.

Note 15. Events after the reporting period

On 30 January 2024, the company issued 120,000,000 fully paid ordinary shares valued at \$0.01 per share raising \$1,200,000 before costs.

No other matter or circumstance has arisen since 31 December 2023 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Note 16. Earnings per share

	Consolidated	
	Dec 2023	Dec 2022
	\$	\$
Loss after income tax attributable to the owners of Freehill Mining Limited	<u>(670,846)</u>	<u>(14,050,846)</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>2,452,067,849</u>	<u>1,848,032,188</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>2,452,067,849</u>	<u>1,848,032,188</u>
	Cents	Cents
Basic earnings per share	(0.027)	(0.760)
Diluted earnings per share	(0.027)	(0.760)

Freehill Mining Limited
Directors' declaration
31 December 2023

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2023 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the directors



Ben Jarvis
Director

14 March 2024

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Independent Auditor's Review Report
To the members of Freehill Mining Limited
Report on the Half-year Financial Report

Conclusion

We have reviewed the accompanying Half-year Financial Report of Freehill Mining Ltd. Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the Half-year Financial Report of Freehill Mining Ltd is not in accordance with the *Corporations Act 2001*, including:

- Giving a true and fair view of the consolidated entity's financial position as at 31 December 2023 and of its performance for the Half-year ended on that date; and
- Complying with Australian Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.

The Half-year Financial Report comprises:

- Statement of financial position as at 31 December 2023;
- Statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the Half-year ended on that date;
- Notes 1 to 16 comprising a summary of material accounting policies and other explanatory information; and
- The Directors' Declaration.

Emphasis of Matter – Material Uncertainty Related to Going Concern

We draw attention to note 1 in the half year financial report which indicates that the consolidated entity incurred a loss of \$670,846, had operating cash outflows of \$730,025. These events or conditions, along with other matters as set forth in Note 1 indicate that a material uncertainty exists that may cast a significant doubt on the consolidated entity's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Responsibilities of the Directors for the Half-year Financial Report

The Directors of the consolidated entity are responsible for:

- The preparation of the Half-year Financial Report that gives a true and fair view in accordance with Australian Accounting Standards and *Corporations Act 2001*
- For such internal control as the Directors determine is necessary to enable the preparation of the Half-year Financial Report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility for the review of the Half-year Financial Report

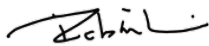
Our responsibility is to express a conclusion on the Half-year Financial Report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the Half-year Financial Report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2023 and its performance for the half-year ended on that date; and complying with Australian Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001. As auditor of Freehill Mining Ltd, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a Half-year Financial Report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

Connect National Audit

CONNECT NATIONAL AUDIT PTY LTD
Authorised Audit Company No. 521888



ROBIN KING HENG LI CA RCA
DIRECTOR
Date: 14 March 2024