Fredonia Mining, Inc.

FREDONIA MINING INC. ANNOUNCES INTENTION TO AMEND PRICE OF PREVIOUSLY ISSUED WARRANTS AND IMPLEMENT EARLY WARRANT EXERCISE INCENTIVE PROGRAM

TORONTO, Ontario, December 17, 2025 – Fredonia Mining Inc. ("**Fredonia**" or the "**Company**") (TSXV: FRED) announces that the Company proposes to amend the exercise price of certain outstanding common share purchase warrants and implement an early warrant exercise incentive program with respect to certain other outstanding warrants of the Company to encourage their exercise and provide proceeds for ongoing corporate development activities.

The Company currently has three series of warrants outstanding, as described in the table below.

Effective Number of Warrants Outstanding*	Effective Exercise Price*	Issue Date	Expiry Date
4,818,398	$1.40	April 27, 2022	April 27, 2027
1,755,448	$0.50	February 16, 2024	February 16, 2026
6,666,667	$0.30	September 26, 2024	September 27, 2027

Important Note about Presentation of Effective Number of Warrants herein:

*The Company's outstanding common shares ("**Common Shares**") were consolidated on a five old for one new basis on November 12, 2024 (the "**Consolidation**"), resulting in corresponding adjustments to the exercise price and the exchange ratio of outstanding warrants, but not the number of outstanding warrants. As a result with respect to each series of warrants that are outstanding, five warrants are required to be exercised and a payment of five times the original exercise price is required to be made to acquire one Common Share. For simplicity with respect to presenting the number of shares issuable on the exercise of warrants and to match the Company's continuous disclosure, the number of warrants and exercise prices in this news release are presented on an "effective" basis, as if the number of warrants was also adjusted to reflect the Consolidation. The Company's warrant registers and any notice of adjustment sent to warrant holders in connection with the consolidation reflect the effective number of warrants presented in this release multiplied by five and a correspondingly adjusted exchange ratio. The number of warrants presented herein may not total exactly in terms of numbers or percentages due to rounding.

Proposed Exercise Price Reduction for $1.40 Warrants

On April 27, 2022, the Company completed a private placement of 22,683,750 units at a price of $0.28 per unit, with each unit consisting of one Common Share and one Common Share purchase warrant exercisable at a price of $0.28 ($1.40 on a post-consolidation basis) until April 27, 2027 (the "**$1.40 Warrants**"). 4,818,932 $1.40 Warrants are outstanding on an effective basis as at the date hereof. To encourage their eventual exercise, the Company proposes to reduce the exercise price of the $1.40 Warrants to $0.45. As the applicable "market price" of the Common Shares (as determined in accordance with the policies of the TSX Venture Exchange ("**TSXV**")) at the time of issuance of the $1.40 Warrants was greater than the proposed amended exercise price of $0.45, TSXV requires that the term of the reduced $1.40 Warrants also be amended to include an accelerated expiry clause such that the exercise period of the $1.40 Warrants will be reduced to 30 days if, for any ten consecutive trading days during the unexpired term of the $1.40 Warrants the closing trading price of the Common Shares is $0.57 or more (being approximately 25% more than the reduced exercise price), with such reduced exercise period to begin no more than seven calendar days after the tenth such trading day. The Company will seek the consent of relevant warrantholders for the amendment to the term in accordance with the warrant indenture governing the $1.40 Warrants between the Company and TSX Trust company dated April 27, 2022 as soon as possible.

The lead agent in the private placement in which the $1.40 Warrants were issued agreed to accept units on the same terms as investors in the offering in lieu of cash compensation and therefore to the knowledge of the Company, holds 297,042 $1.40 Warrants on an effective basis. The $1.40 Warrants issued to the Lead Agent will not be subject to the proposed amendments and the terms of such $1.40 Warrants will remain as is.

Proposed Exercise Price Reduction for $0.50 Warrants

On February 16, 2024, the Company completed a private placement of 17,554,480 units at a price of $0.05 per unit, with each unit consisting of one Common Share and one-half of one Common Share purchase warrant exercisable at a price of $0.10 ($0.50 on a post-consolidation basis) until February 16, 2026 (the "**$0.50 Warrants**"). 1,755,448 $0.50 Warrants are outstanding on an effective basis as at the date hereof.

The Company proposes to reduce the exercise price of the $0.50 Warrants to $0.45. As the applicable "market price" of the Common Shares at the time of issuance of the $0.50 Warrants was greater than the proposed amended exercise price of $0.45, and as the $0.50 Warrants expire on February 16, 2026, no corresponding accelerated exercise amendment to the term is proposed.

456,824 $0.50 Warrants are held by insiders of the Company on an effective basis, representing more than 10% of the outstanding $0.50 Warrants. The Company proposes to only reduce the price of up to 175,544 $0.50 Warrants (representing 10% of the total number of outstanding $0.50 Warrants on an effective basis) held by insiders, on a *pro rata* basis, and proportionally not reduce the price with respect to the remainder of the insider-held $0.50 Warrants.

Proposed Early Warrant Exercise Incentive Program for $0.30 Warrants

On September 26, 2024, the Company completed a financing pursuant to which it issued 33,333,333 units, with each unit consisting of one Common Share and one common share purchase warrant exercisable at $0.06 per Common Share until September 26, 2027 (the "**$0.30 Warrants**"). 6,666,667 $0.30 Warrants are outstanding on an effective basis as at the date hereof. The Company intends to implement a program (the "**Incentive Program**") to encourage the early exercise of all outstanding $0.30 Warrants during a 30-day period (the "**Incentive Period**") commencing on December 18, 2025, and expiring at 4:00 pm on January 19, 2026 (as the date that is 30 days from December 18, 2025 is a Saturday. Under the Program, the Company proposes to offer an incentive to each holder who exercises $0.30 Warrants during a designated incentive period by issuing one additional Common Share purchase warrant (an "**Incentive Warrant**") for each $0.30 Warrant exercised. Each Incentive Warrant will entitle the holder to acquire one additional Common Share at an exercise price of $0.60 per Common Share for a period of 24 months from the date of issuance.

All Incentive Warrants will be issued to participating holders promptly following the expiry of the Incentive Period. The Incentive Warrants, and any Common Shares issued upon exercise thereof, will be subject to a statutory hold period of four months and one day from the date of issuance of the Incentive Warrants, in accordance with applicable Canadian securities laws and, where applicable, TSXV Policies. $0.30 Warrants that remain unexercised after the Incentive Period will continue to be exercisable on their original terms until September 27, 2027, however, no Incentive Warrants will be issued in respect of any such $0.30 Warrants exercised after January 19, 2026.

The Incentive Program is subject to certain conditions, including the receipt of all necessary regulatory approvals, including the final approval of the TSXV.

853,333 $0.30 Warrants are held by insiders on an effective basis, representing more than 10% of the outstanding $0.30 Warrants. The Company proposes to only incentive the exercise of up to 666,667 $0.30 Warrants, representing 10% of the total number of outstanding $0.30 Warrants, and proportionally not incentivize the exercise of the remainder of the insider-held $0.30 Warrants. If the Incentive Program is approved by TSXV and the incentive program is taken advantage of in full, an additional 6,480,001 Common Shares would be issuable upon the exercise, if any, of the Incentive Warrants.

About Fredonia

Fredonia holds gold and silver license areas totaling approximately 18,300 ha. in the prolific Deseado Massif geological region in the Province of Santa Cruz, Argentina, including its flagship advanced El Dorado-Monserrat project (approx. 6,200 ha.) located close to AngloGold Ashanti's 300,000 oz./yr Au-Ag Cerro Vanguardia mine, the El Aguila project (approx. 9,100 ha.), and the Petrificados project (approx. 3,000 ha).

For further information: Please visit the Company's website at www.fredoniamanagement.com or contact: Estanislao Auriemma, Chief Executive Officer, Direct +54 91 149 980 623, Email: estanislao.auriemma@gmail.com.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

This news release contains "forward ‑ looking information" within the meaning of the applicable Canadian securities legislation that is based on expectations, estimates, projections and interpretations as at the date of this news release. The information in this news release about the proposed amendments to the terms of the $1.40 Warrants, the $0.50 Warrants, and the Incentive Program and participation therein, the issuance of Incentive Warrants, and the receipt of all necessary regulatory and warrantholder approvals, including approval of the TSXV and ability of *the Company to satisfy the listing conditions of the TSXV, if at all, and any other information herein that is not a historical fact may be "forward-looking information". Any statement that involves discussions with respect to predictions, expectations, interpretations, beliefs, plans, projections, objectives, assumptions, future events or performance (often but not always using phrases such as "expects", or "does not expect", "is expected", "interpreted", "management's view", "anticipates" or "does not anticipate", "plans", "budget", "scheduled", "forecasts", "estimates", "believes" or "intends" or variations of such words and phrases or stating that certain actions, events or results "may" or "could", "would", "might" or "will" be taken to occur or be achieved) are not statements of historical fact and may be forward-looking information and are intended to identify forward-looking information. This forward-looking information is based on reasonable assumptions and estimates of management of the Company, at the time such assumptions and estimates were made, and involves known and unknown risks, uncertainties or other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking information. Such factors include, among others, volatility in the trading price of the Common Shares, risks relating to the ability of the Company to obtain required approvals, including the approval of holders of $1.40 Warrants, the global economic climate, metal prices, and dilution. Although the forward-looking information contained in this news release is based upon what management believes, or believed at the time, to be reasonable assumptions, the Company cannot guarantee shareholders and prospective purchasers of securities of the Company that actual results will be consistent with such forward-looking information, as there may be other factors that cause results not to be as anticipated, estimated or intended, and neither Company nor any other person assumes responsibility for the accuracy and completeness of any such forward looking information. The Company does not undertake, and assumes no obligation, to update or revise any such forward looking statements or forward-looking information contained herein to reflect new events or circumstances, except as may be required by law. Accordingly, readers should not place undue reliance on forward-looking statements and information.*