This offering document (the "Offering Document") constitutes an offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities and to those persons to whom they may be lawfully offered for sale. This Offering Document is not, and under no circumstances is to be construed as a prospectus or advertisement or a public offering of these securities.

No securities regulatory authority or regulator has assessed the merits of these securities or reviewed this document. Any representation to the contrary is an offence. This Offering (as defined herein) may not be suitable for you and you should only invest in it if you are willing to risk the loss of your entire investment. In making this investment decision, you should seek the advice of a registered dealer.

These securities have not been registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or any of the securities laws of any state of the United States, and may not be offered or sold within the United States or for the account or benefit of U.S. persons or persons in the United States except pursuant to an exemption from the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. This Offering Document does not constitute an offer to sell, or the solicitation of an offer to buy, any of these securities within the United States or to, or for the account or benefit of, U.S. persons or persons in the United States. "United States" and "U.S. person" have the meanings ascribed to them in Regulation S under the U.S. Securities Act.

OFFERING DOCUMENT UNDER THE LISTED ISSUER FINANCING EXEMPTION

September 14, 2026

SUBSCRIPTION PRICE: $0.65 PER OFFERED SHARE

PART 1 SUMMARY OF OFFERING

What are we offering?

Securities Offered:	Fredonia Mining Inc. (the "**Company**" or "**Fredonia**") is hereby offering for sale 15,384,700 common shares in the capital of the Company (the "**Offered Shares**") for aggregate gross proceeds of

	$10,000,055 (the "**Base Offering**"). There is no minimum offering amount. Subject to compliance with applicable regulatory requirements and in accordance with National Instrument 45-106 - *Prospectus Exemptions* ("**NI 45-106**"), the Offering is being made to purchasers resident in all provinces of Canada (except Québec) (the "**Selling Jurisdictions**"), pursuant to the listed issuer financing exemption under Part 5A of NI 45-106 ("**Part 5A of NI 45-106**"), as amended and supplemented by the Coordinated Blanket Order 45-935 *Exemptions from Certain Conditions of the Listed Issuer Financing Exemption* (the "**Order**" and collectively with Part 5A of NI 45-106, the "**Listed Issuer Financing Exemption**").
Description of Common Shares:	Holders of common shares in the capital of the Company ("**Common Shares**") are entitled to receive notice of all meetings of shareholders of the Company and to attend and vote the Common Shares at such meetings, except meetings at which only holders of another specified class of shares are entitled to vote, and holders of Common Shares shall be entitled to one vote for each Common Share held. Holders of Common Shares are also entitled to such dividends payable out of earnings of the Company as may be declared by the board of directors in its discretion, subject to the rights, privileges, restrictions and conditions attaching to any other class of shares of the Company, and to receive the remaining property of the Company upon dissolution, subject to the rights, privileges, restrictions and conditions attaching to any other class of shares of the Company. The Common Shares carry no pre-emptive or conversion rights.
Offering Price:	$0.65 per Offered Share (the "**Offering Price**").
Underwriters:	The Company has entered into an engagement letter with ATB Capital Markets Corp., as lead underwriter and sole bookrunner (the "**Lead Underwriter**") and Canaccord Genuity Corp. (together with the Lead Underwriter, the "**Underwriters**"), to act as the Underwriters on a "bought deal" basis in connection with the Offering. The Offered Shares will be offered and sold pursuant to a definitive underwriting agreement (the "**Underwriting Agreement**") to be entered into between the Company and the Underwriters.
Underwriters' Option:	The Company has granted the Underwriters an option, exercisable in full or in part, in the Lead Underwriter's sole discretion, at any time prior to the Closing Date, to purchase up to an additional 2,307,700 Offered Shares at the Offering Price for additional gross proceeds of up to $1,500,005 (the "**Underwriters' Option**"). The Base Offering and the Underwriters' Option are collectively referred to as the "**Offering**".

Offering Jurisdictions:	The Offered Shares will be offered by way of the Listed Issuer Financing Exemption in the Selling Jurisdictions. The Offered Shares may also be offered in the United States on a private placement basis pursuant to one or more exemptions from registration requirements of the U.S. Securities Act, and certain offshore foreign jurisdictions pursuant to applicable regulatory requirements and in accordance with OSC Rule 72-503 – *Distributions Outside Canada* ("**OSC Rule 72-503**").
Closing Date:	Closing will occur on or around September 23, 2026 (the "**Closing Date**"), or on such other date as may be agreed upon by the Company and the Lead Underwriter, provided that such date may not be later than the 45th day following the announcement of the Offering.
Resale Restrictions:	Offered Shares sold under the Listed Issuer Financing Exemption to investors resident in Canada and to investors outside of Canada pursuant to OSC Rule 72-503 will not be subject to a hold period pursuant to applicable Canadian securities laws. The Offered Shares have not been nor will they be registered under the U.S. Securities Act, or any U.S. state securities laws, and may not be offered or sold in the United States or to, or for the account or benefit of, any U.S. person or any person in the United States, absent an exemption from the registration requirements of the U.S. Securities Act and any applicable U.S. state securities laws. Offered Shares issued to, or for the account or benefit of, a U.S. person or a person in the United States pursuant to exemptions from the registration requirements of the U.S. Securities Act and any applicable U.S. state securities laws will be "restricted securities" within the meaning of Rule 144 under the U.S. Securities Act subject to certain restrictions on transfer set forth therein, and may be represented by definitive certificates or other instruments bearing a legend regarding such restrictions.
Exchange:	The Common Shares are listed for trading on the TSX Venture Exchange ("**TSXV**") under the trading symbol "FRED".
Last Closing Price:	The closing price per Common Share on the TSXV on September 11, 2026 was $0.73.

The Company is conducting a listed issuer financing under section 5A.2 of NI 45-106. In connection with this Offering, the Company represents the following is true:

- **The Company has active operations and its principal asset is not cash, cash equivalents or its exchange listing.**

- **The Company has filed all periodic and timely disclosure documents that it is required to have filed.**

- **The Company is relying on the exemptions in the Order and is qualified to distribute securities in reliance on the exemptions included in the Order.**
- **The total dollar amount of this Offering, in combination with the dollar amount of all other offerings made under the Listed Issuer Financing Exemption in the 12 months immediately preceding the date of the news release announcing this Offering, will not exceed $25,000,000.**
- **The Company will not close this Offering unless the Company reasonably believes it has raised sufficient funds to meet its business objectives and liquidity requirements for a period of 12 months following the distribution.**
- **The Company will not allocate the available funds from this Offering to an acquisition that is a significant acquisition or restructuring transaction under securities law or to any other transaction for which the Company seeks security holder approval.**

Cautionary Note Regarding Forward-Looking Statements

Information and statements contained in this Offering Document that are not historical facts are forward-looking information or forward-looking statements within the meaning of Canadian securities legislation (hereinafter collectively referred to as "**forward-looking statements**") that involve risks and uncertainties. This Offering Document contains forward-looking statements such as estimates and statements that describe the Company's future plans, objectives or goals, including words to the effect that the Company or management expects a stated condition or result to occur. Forward-looking statements contained in this Offering Document are based on assumptions about future events, including economic conditions and proposed courses of action, based on management's assessment of the relevant information currently available, and on other material factors, including but not limited to those relating to:

- the results of the PEA (as defined herein) being achieved and the significance of those results, including the potential profitability and/or viability of the EDM Project (as defined herein) and the extent of the potential profitability on the parameters established in the PEA;
- the Company's expectations with respect to metallurgical recoveries, capital and operating costs, production rates, the potential application of RIGI and its associated benefits, and other variables used in the PEA;
- the key assumptions, parameters, and methods used to complete the PEA and estimate the mineral resource estimate disclosed herein;
- estimated capital and operating costs, metal prices, mining and processing rates, metal production and resulting financial results for the EDM Project;
- the use of the available funds following completion of the Offering;
- the completion and closing of the Offering and the timing thereof;

- the Company's exploration program at the EDM Project (as defined herein) for the remainder of 2026 and 2027, including the timing and completion of planned drilling, metallurgical, geotechnical, hydrological and environmental studies;
- estimates of costs for drilling and technical studies;
- the Company's intentions with respect to becoming a mine operator;
- the Company's ability to achieve its business objectives within the anticipated time frames, including the completion of its planned drilling and technical studies;
- the ability of exploration activities, including drilling, to accurately predict mineralization;
- management's expectations on the grade and extension of mineralization and the ability to increase its mineral resource base;
- the Company's ability to meet the requirements for the maintenance of each of its mining concessions;
- the Company's ability to continue accessing the surface lands overlying its concessions;
- the Company's ability to comply with permitting and regulatory requirements related to the exploration and development of its projects in Argentina, and to secure the required permitting approvals from relevant regulatory bodies in those jurisdictions;
- the Company's ability to manage and/or mitigate any environmental and/or social risks associated with the development of any of its projects to the mining stage, as well as through mine construction and operation;
- the Company's ability to continue as a going concern;
- the Company's going-forward strategy;
- commodity prices;
- the adequacy of the Company's working capital;
- the Company's expectation that it will incur operating losses in future periods due to ongoing expenses associated with the holding, exploration and development of its mineral property interests, and its expectations regarding the sufficiency of its capital resources and the need for additional capital;
- the Company's ability, through the application of legal norms in the respective jurisdiction, and with the support of the relevant government authorities, to prevent illegal mining activity on its concessions;
- the Company's ability to obtain additional funds through, among other strategies, the sale of additional securities;
- the Company's intention to retain any future earnings and other cash resources for the future development and operation of its business; and
- the Company's intention not to declare or pay any cash dividends in the foreseeable future.

Forward-looking statements involve known and unknown risks, uncertainties and 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 the forward-looking statements. Such risks and other factors include, among others, and without limitation:

- risks relating to price fluctuations for precious metals;
- risks inherent in any mineral resource estimation;
- risks relating to government expropriation or termination of the Company's mineral property interests;
- risks relating to inaccurate geological and engineering assumptions;
- risks relating to all of the Company's mineral concessions and projects being located in Argentina, including political, social, economic, security and regulatory instability;
- risks relating to changes in political leadership in Argentina, including impacts these may have on general and mining-specific public policies, administrative agencies and social stability;
- risks relating to local political and social unrest, including opposition to mining, pressure for economic benefits such as employment or social investment programs, access to land for agricultural or artisanal or illegal mining purposes, claims by aboriginal or indigenous peoples or other demands;
- risks relating to the social, political, administrative, environmental and geological conditions in areas in proximity to the concessions under development;
- risks relating to the Company's rights or activities being impacted by litigation or administrative processes including administrative refusal to approve registration of transfers of corporate interests and mining agreements;
- risks relating to the Company's ability to access concession surface areas and other properties needed to advance its exploration and development programs;
- risks relating to the Company's operations being subject to environmental requirements, including remediation;
- risks relating to the Company's ability to source qualified human resources, including managers, employees, consultants, attorneys, and sub-contractors, as well as to the performances of all such resources (including human error and actions outside of the control of the Company, such as negligence or malfeasance of its counterparties or agents, accidents and labour disputes);
- risks of title disputes or claims affecting mining concessions or surface ownership rights;
- risks relating to adverse changes to laws, regulations or other norms placing increased regulatory burdens or extending timelines for regulatory approval processes, including environmental, safety, social, taxation and other matters;
- risks associated with the Company's community relationships, anti-development or anti-mining non-governmental organizations;
- risks relating to delays in obtaining governmental agreements, approvals or permits necessary for the execution of exploration, development or construction activities;

- risks relating to competition inherent in the mining exploration industry, in Argentina and elsewhere;
- risks of impacts from unpredictable natural occurrences, such as adverse weather conditions, fire, natural erosion, landslides, and geological activity, including earthquakes and volcanic activity;
- risks related to climate change, civil unrest, public health concerns (including health epidemics or pandemics or outbreaks of communicable diseases such as COVID-19) and other geopolitical uncertainties;
- risks relating to inadequate insurance or inability to obtain insurance;
- risks relating to the Company's ability to obtain necessary funding for its operations, at all or on terms acceptable to the Company;
- risks relating to the Company's working capital and requirements for additional capital;
- risks relating to currency exchange fluctuations or changes in national currency;
- risks relating to fluctuations in interest and inflation rates;
- risks relating to restrictions on access to and movement of capital;
- risks relating to the value of the Company's Common Shares fluctuating based on market factors;
- risks relating to the Company's dependence on key personnel; and
- other risks of the mining industry.

Forward-looking statements and other information contained herein, including general expectations concerning the mining industry, are based on estimates and forecasts prepared by the Company employing data from publicly available industry sources, as well as from market research and industry analysis, and on assumptions based on data and knowledge of the industry and the operating environments in Argentina which the Company believes to be reasonable. Although generally indicative of relative market positions, market shares and performance characteristics, this data is inherently imprecise. While the Company is not aware of any misstatements regarding any data presented herein, the mining industry involves risks and uncertainties and the data is subject to change based on various factors.

In addition, all disclosure contained herein concerning future plans for the EDM Project is subject to the assumptions and qualifications set forth in the technical report prepared in accordance with National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*, ("**NI 43-101**") titled "Maiden Mineral Resource Estimate on the El Dorado Monserrat Property, Gold and Silver Project, Santa Cruz Province, Argentina" prepared by Mario Alfaro and Fernando Ganem (each a "Qualified Person" within the meaning of NI 43-101, with an effective date of November 8, 2024 (the "**2024 Technical Report**"), and that will be set forth in the technical report to be filed within 45 days of August 31, 2026 to support the disclosure of the results of the Company's preliminary economic assessment on the EDM Project.

An investment in the securities of the Company is speculative and subject to risks and uncertainties, and these risks and uncertainties may impact the factors and assumptions identified above, as well as the forward-looking information contained in this Offering Document, including as it relates to anticipated use of funds and the Company's business objectives. The occurrence of any one or more of these risks or uncertainties could have a material adverse effect on the value of any investment in the Company and the business, prospects, financial position, financial condition or results of operations of the Company. Additional risks and uncertainties not presently known to the Company or that the Company currently deems immaterial may also impair the Company's business operations.

Readers of this Offering Document are cautioned not to put undue reliance on forward-looking information due to its inherent uncertainty. The Company disclaims any intent or obligation to update any forward-looking information, whether as a result of new information, future events or results or otherwise, except in accordance with applicable securities legislation. This forward-looking information should not be relied upon as representing management's views as of any date subsequent to the date of this Offering Document.

Qualified Person

Mr. Sergio Alvarado Casas, a Qualified Person, has reviewed and approved the scientific and technical information in this Offering Document. Mr. Alvarado is a Registered Member (R.M. No. 004) of the Comisión Calificadora de Competencias en Recursos y Reservas Mineras de Chile and a Member of the Australasian Institute of Mining and Metallurgy (MAusIMM No. 3210103), both of which are Accepted Foreign Associations under Appendix A to Companion Policy 43-101CP. Mr. Alvarado provides services to the Company as an independent consultant through Geoinvest Limitada and is independent of the Company within the meaning of NI 43-101.

Currency

References in this Offering Document to "$" are to Canadian dollars and to "US$" are to United States dollars.

PART 2 SUMMARY DESCRIPTION OF BUSINESS

What Is Our Business?

Fredonia is a mineral resource exploration company headquartered in Toronto, Canada, with a focus on exploring, consolidating and developing the El Dorado Monserrat gold and silver property in Santa Cruz Province, Argentina (the "**EDM Project**"). The EDM Project is the Company's only material mineral project.

Recent Developments

The following is a summary of key recent developments involving or affecting the Company which have been previously disclosed.

In February 2026, the Company completed a private placement of units for aggregate gross proceeds of $7,000,000 (the "**February Offering**"). The proceeds from the February Offering were primarily used to complete a diamond drilling program on the EDM Project with the objective of expanding and upgrading the existing mineral resource identified thereon, as well as for associated studies in contemplation of an eventual preliminary economic assessment ("**PEA**") on the EDM Project.

In April and May 2026, the Company acquired two strategically advantageous land packages contiguous to the EDM Project, representing a significant step in its district consolidation strategy and expanding its consolidated land position in the district. The acquisitions connected the previously defined northern and southern mineralized corridors of the EDM Project system into a single, coherent land position, adding ground with meaningful prior exploration work, and strengthening the Company's control over a continuous structural trend.

Preliminary Economic Assessment and Updated Mineral Resource Estimate

On August 31, 2026, the Company announced the completion and positive results of the PEA and an updated mineral resource estimate ("**MRE**") on the EDM Project based on the exploration work and studies completed through 2026. The PEA reflects a US$1.5 billion post-tax net present value at a 10% discount rate and 65% post-tax internal rate of return for the EDM Project based on metal prices of US$3,800/ounce ("**oz**") of gold ("**Au**") and US$45/oz silver ("**Ag**"). The PEA indicated low initial capital costs of approximately US$346 million. A separate upside scenario applying a 25% income-tax rate and accelerated depreciation under Argentina's *Regimen de Incentivo para Grandes Inversiones* ("**RIGI**") regime results in an estimated post-tax NPV10 of approximately US$1.8 billion and IRR of approximately 82%. RIGI benefits are not included in the PEA base case and remain subject to project qualification and validation by an Argentine tax specialist.

Summary of PEA Results

Indicator	**Unit**	**Value**
ROM crush/agglomeration heap leach plant processing	Mtpa	7.30
ROM uncrushed ore to leaching pile	Mtpa	2.8
Metal Production – average mine-life	oz AuEq/a	146,000
Gold average mine-life	oz/a	117,000
Silver average mine-life	oz/a	2,410,000
LOM revenue	US$M	9,411
EBITDA	US$M	5,369
Income tax	US$M	1,649
Initial capital	US$M	345.7
LOM capital	US$M	686
Undiscounted free cash flow	US$M	3,034
NPV at 10%, post-tax	US$M	1,494
IRR, post-tax	%	65

Indicator	Unit	Value
Discounted payback period (from start of construction)	periods	1.9
Cash cost	US$/oz AuEq	1,632
Mine life	years	17+ (18 operating periods)

The notes below are important in order to understand and interpret the PEA results, including with respect to calculations of AuEq and the speculative nature of inferred mineral resources used in the PEA.

1. The PEA is preliminary in nature and includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that the results of the PEA will be realized. The tonnages and average grades presented as total scheduled process-plant feed are production-schedule metrics derived from measured, indicated and inferred mineral resources contained within the preliminary operationalized PEA pit designs. They do not constitute a combined mineral resource category or a mineral reserve. No mineral reserves have been declared for the EDM Project. Mineral resources that are not mineral reserves do not have demonstrated economic viability.
2. For PEA mine planning and the reporting of in-pit and process-feed grades, AuEq was calculated using the formula AuEq (g/t) = Au (g/t) + Ag (g/t) × 0.01184, based on the adopted PEA metal-price ratio of US$45/oz Ag ÷ US$3,800/oz Au. This AuEq metric is calculated from in-situ head grades before the application of metallurgical recoveries and is used for mine-planning and process-destination purposes.
3. For PEA production and economic reporting, payable AuEq ounces are calculated from payable Au and Ag using the metal-price ratio described in Note 2 above after applying metallurgical recoveries of 85% Au and 70% Ag to crushed/agglomerated heap-leach plant feed and 50% Au and 20% Ag to uncrushed run-of-mine leach-pad feed. These recoveries are preliminary planning assumptions supported by initial bottle-roll testwork, benchmarking and expert judgment and should not be interpreted as demonstrated recoveries. Additional representative metallurgical testwork is required.
4. LOM payable production comprises approximately 2.476 Moz AuEq, consisting of approximately 1.993 Moz Au and 40.8 Moz Ag, calculated using the payable AuEq methodology described in Note 3 above. Over a 17+ year mine life, average payable production is approximately 146,000 oz AuEq per year, comprising approximately 117,000 oz Au/y and 2.41 Moz Ag/y.

<u>Preliminary EDM Mine Overview</u>

The PEA mine plan contemplates a low-cost conventional open-pit truck-and-shovel mining and heap-leach operation for the EDM Project, delivering average life-of-mine production of approximately 146,000 oz gold equivalent ("**AuEq**") per year, including approximately 117,000 oz Au and 2.41 million oz Ag per year. Production is weighted toward the earlier years of the mine plan, averaging approximately 183,000 oz AuEq per year during the first five years and reaching approximately 193,000 oz AuEq in year three, before tapering to a low of approximately 100,000 oz AuEq in year 14.

The preliminary PEA pit designs contain mineral resources scheduled to two processing destinations. Scheduled process-plant feed comprises 79.67 million tonnes ("**Mt**") of combined measured and indicated mineral resources grading 0.606 g/t Au and 16.10 g/t Ag and 44.10 Mt of inferred mineral resources grading 0.474 g/t Au and 10.25 g/t Ag, all scheduled as process-plant feed. The preliminary PEA pit designs also include 28.59 Mt of combined measured and indicated mineral resources and, separately, 18.45 Mt of inferred mineral resources scheduled as intermediate-grade material to a separate uncrushed run-of-mine leach pad.

The scheduled mineral resources are contained within two preliminary operationalized pit designs: Main Veins, in the Northern Corridor, and La Herradura, in the Southern Corridor, located approximately 7 km from each other. The mine plan currently excludes the Monserrat West deposit due to a higher associated strip ratio; Monserrat West remains classified as a mineral resource and represents an opportunity for future evaluation at higher metal prices or under a revised development configuration.

The operationalized pit designs were developed from Whittle optimization shells at a revenue factor of 1.0 and incorporate access ramps, minimum mining widths, operational benches and practical pit geometries.

Mineralized material is classified into three destinations by AuEq grade: material below 0.13 g/t AuEq reports to the waste rock dumps, material between 0.13 and 0.35 g/t AuEq reports to the uncrushed run-of-mine leach pad, and material above 0.35 g/t AuEq reports to the crushing/agglomeration and heap-leach process plant.

The PEA base case assumes an operator-owned centrally located processing facility comprising crushing, agglomeration, heap leaching, activated carbon adsorption, desorption, electrowinning and smelting, with a nominal capacity of 20,000 tonnes per day. Intermediate-grade material is treated on a separate run-of-mine leach pad without crushing. Plant recoveries of 85% for gold and 70% for silver were adopted for the process plant, and 50% for gold and 20% for silver for the run-of-mine leach pad. These are preliminary planning assumptions supported by initial bottle-roll testwork, as well as benchmarking and expert criteria. Application of these assumptions to the production schedule results in approximately 146,000 oz AuEq per year average through mine life, including approximately 117,000 oz Au and 2.41 million oz Ag per year. Further metallurgical testwork – including representative variability, mineralogical and column-leach testwork – is planned to increase confidence in recoveries across mineralization types and depths.

<u>Capital & Operating Costs</u>

Mine capital is derived from fleet costs, and process plant and run-of-mine leach pad capital is estimated by unit area. Cost estimates used in the PEA are based on list prices, not tenders.

Initial capital cost summary

Capital Component	Capital (US$M)
Mine fleet	143.1

Capital Component	Capital (US$M)
Process plant and site infrastructure	91.0
Pre-stripping (capitalized)	7.2
Owner's costs	23.4
Engineering and pre-development	11.7
Contingency on mining fleet	14.3
Adsorption, desorption and recovery area reinforcement	12.0
Mobilization and commissioning	8.0
Initial working capital	35.0
Total Initial capital	**345.7**

Life-of-mine capital comprises the initial capital and the additional items summarized below.

Life-of-Mine Capital Component	US$M
Initial capital	345.7
ROM leach pad	69.5
Sustaining capital	180.0
Mine fleet replacement	85.9
Closure and reclamation	40.0
Working capital recovery at closure	(35.0)
Total LOM capital	**686.1**

Mining cost was estimated at US$3.10 per tonne of ore and US$2.40 per tonne of waste. Processing cost was estimated at US$12.80/t applied to the crush/agglomeration leach plant feed, and US$3.50/t for the incremental uncrushed run-of-mine material placed on the leach pad. General and administrative costs were applied to total mineralized material. Transport and refining are charged per ounce of payable AuEq.

Life-of-mine operating cost estimate - Unit costs per processed tonne are calculated over 124 Mt of plant feed

Cost Item	Unit Cost	LOM Cost (US$M)	US$/t plant feed	US$/oz AuEq[1]
Mining	US$3.10/t ore – US$2.40/t waste	1,233.9	9.97	498
Processing	US$12.80/t processed	1,584.3	12.80	640
Run-of-mine leaching	US$3.50/t placed	164.7	1.33	66
General and administrative	US$2.70/t mineralized	461.2	3.73	186
Total operating cost	—	3,444.0	27.83	1,391
Royalty and charges	6.0% of revenue	564.6	4.56	228
Transport and refining	US$13.50/oz AuEq	33.4	0.27	14
Cash cost	—	4,042.1	32.66	1,632

Updated Mineral Resource Estimate

An updated mineral resource estimate was completed for the EDM Project concurrently with the PEA and is presented in the table below. The mineral resource estimate consolidates block models for La Herradura, Main Veins and Monserrat West.

Sector	Category	Tonnage (Mt)	Au (g/t)	Ag (g/t)	AuEq (g/t)	Contained Au (koz)	Contained Ag (Moz)	Contained AuEq (koz)
La Herradura	Measured	18.484	0.31	7.85	0.44	—	—	—
	Indicated	15.093	0.30	8.08	0.43	—	—	—
	Measured + Indicated	**33.577**	**0.31**	**7.95**	**0.44**	**331.0**	**8.582**	**471.2**
	Inferred	**6.975**	**0.21**	**4.81**	**0.29**	**47.1**	**1.079**	**64.9**
Main Veins	Measured	44.748	0.60	15.37	0.85	—	—	—
	Indicated	43.827	0.49	13.51	0.71	—	—	—
	Measured + Indicated	**88.576**	**0.55**	**14.45**	**0.78**	**1,577.7**	**41.163**	**2,231.4**
	Inferred	**64.052**	**0.33**	**9.13**	**0.48**	**679.6**	**18.802**	**989.2**
Monserrat West	Measured	3.059	0.18	12.67	0.39	—	—	—
	Indicated	1.241	0.14	11.75	0.33	—	—	—
	Measured + Indicated	**4.301**	**0.17**	**12.40**	**0.37**	**24.0**	**1.715**	**51.7**
	Inferred	**2.865**	**0.14**	**15.90**	**0.40**	**12.9**	**1.464**	**37.0**
Consolidated Project	Measured	66.292	0.50	13.15	0.72	—	—	—
	Indicated	60.162	0.44	12.11	0.64	—	—	—
	Measured + Indicated	**126.454**	**0.47**	**12.66**	**0.68**	**1,932.7**	**51.460**	**2,758.6**
	Inferred	**73.891**	**0.31**	**8.98**	**0.46**	**739.6**	**21.345**	**1,087.8**

Notes:

1. Mineral Resources are reported in situ and in metric tonnes.
2. The Mineral Resource estimate is effective August 17, 2026.
3. The table reports Mineral Resources at a cut-off grade of 0.10 g/t Au.
4. Measured and Indicated Mineral Resources are combined where indicated. Inferred Mineral Resources are reported separately and are not added to Measured and Indicated Mineral Resources.
5. Average grades for combined Measured and Indicated Mineral Resources were calculated as tonnage-weighted averages.
6. Gold and silver grades were estimated independently. For secondary Mineral Resource reporting purposes, AuEq was subsequently calculated from the independently estimated in-situ grades and based on metal prices of US$4,000/oz Au and US$70/oz Ag and assumed metallurgical recoveries of 85% for Au and 80% for Ag using the formula AuEq (g/t) = Au (g/t) + Ag (g/t) [(US$70/oz Ag × 80% Ag recovery) / (US$4,000/oz Au × 85% Au recovery)], resulting in an Ag-to-Au equivalency factor of 0.016471. Recoveries for the mineral resource estimate are supported by initial bottle-roll testwork, benchmarking and expert judgment. No payability assumptions were applied to the Mineral Resource AuEq calculation. Mineral Resource AuEq does not represent recovered or payable metal.
7. Contained-metal figures for Measured + Indicated Mineral Resources and Inferred Mineral Resources are reported separately. Minor differences resulting from the displayed tonnage and grade values may occur because contained-metal calculations use unrounded underlying values.
8. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability. Inferred Mineral Resources are considered too speculative geologically to have economic considerations applied to them that would enable them to be categorized as Mineral Reserves.
9. Totals may not add due to rounding.

More detailed information regarding the above recent developments, together with all of the Company's other material information, can be obtained by reviewing copies of the applicable news releases and other materials filed on SEDAR+ under the Company's profile at www.sedarplus.ca.

Material Facts

There are no material facts about the Company and the securities being distributed hereunder that have not been disclosed either in this Offering Document or in another document filed by the Company in the 12 months preceding the date of this Offering Document on the Company's profile on SEDAR+ at www.sedarplus.ca. You should read these documents prior to investing.

What are the business objectives that we expect to accomplish using the available funds?

The Company's objective is to become a precious metals mine operator in the near-term. Currently planned activities with the proceeds of the Offering include conducting further infill drilling to increase accuracy and confidence in the existing resource base, as well as additional exploratory drilling on untested veins to potentially increase mineral resource tonnage. The drilling programs are expected to continue from September 2026 onward, and will be complemented by ongoing metallurgy, geotechnical and hydrology work, as well as environmental surveys required to support the environmental permitting process for ongoing exploration and development activities at the EDM Project. The studies are targeted to be initiated by the first quarter of calendar 2027 with results to follow. Further mining, processing and infrastructure studies are planned throughout 2027.

The Company believes the time frame to accomplish the business objectives described herein is approximately the next 12 to 15 months. Completion of the drill program and studies would represent satisfaction of the stated objectives. See *How will we use the available funds?* for more details on the specific costs associated with the drilling and technical studies which the Company intends to fund with the proceeds of the Offering.

PART 3 USE OF AVAILABLE FUNDS

What will our available funds be upon the closing of the Offering?

	Source	**Assuming 100% of the Base Offering ($)**	**Assuming Full Exercise of Underwriters' Option ($)**
A	Amounts to be raised by the Offering	10,000,055	11,500,060
B	Selling commissions and fees	600,003[1]	690,004[1]
C	Estimated Offering costs (e.g., legal, accounting, audit)	250,000	250,000
D	Net proceeds of Offering: D = A – (B+C)	9,150,052	10,560,056
E	Working capital as at August 31, 2026	650,000	650,000

	Source	Assuming 100% of the Base Offering ($)	Assuming Full Exercise of Underwriters' Option ($)
F	Additional sources of funding	-	-
G	Total available funds: G = D+E+F	9,800,052	11,210,056

Notes:

1. Assuming a cash fee of 6% commission is payable on the entire gross Offering proceeds. The foregoing does not contemplate a reduced cash commission of 3% in respect of gross proceeds from the sale of Offered Shares to certain purchasers on the Company's President's List.

The Company intends to use the available funds as follows:

Description of intended use of available funds listed in order of priority	Assuming 100% of the Base Offering ($)	Assuming Full Exercise of Underwriters' Option ($)
Infill drilling Program at the EDM Project of up to 8,000 metres (or 10,000 metres if the Underwriters' Option is exercised in full)	4,300,000	5,400,000
Technical studies and associated engineering work to advance a proposed pre-feasibility study	900,000	900,000
Exploration program consisting of step-out drilling and geophysics activities	300,000	350,000
Metallurgical studies, environmental surveys, permitting, and other project work which may include additional mining, processing and infrastructure studies	2,000,000	2,150,000
General Corporate Purposes and Working Capital	2,300,052	2,410,056
Total:	**9,800,052**	**11,210,056**

The above noted allocation of available funding (including the proceeds of the Offering) and the anticipated timing for the use thereof represents the Company's current intentions based upon its present plans and business condition, which could change in the future as its plans and business conditions evolve. Although the Company intends to expend the proceeds from the Offering and its available funds as set forth above, there may be circumstances where, for sound business reasons, a reallocation of funds may be deemed prudent or necessary and may vary materially from that set forth above, as the amounts actually allocated and spent will depend on a number of factors, including prevailing third-party costs for drilling and technical studies, and the Company's ability to execute on its business plan. See "*Cautionary Note Regarding Forward-Looking Statements*" above.

As an exploration-stage company, the Company does not generate revenue and expects to continue experiencing negative cash flow from operating activities. The Company recorded negative cash flow from operations for the year ended September 30, 2025, and is not expected to generate revenue in the near term to offset ongoing operating expenses.

The Company has historically generated recurring losses. Its ability to continue as a going concern is dependent upon its ability to raise additional financing to be able to further explore its mineral properties, retain mining rights and to meet ongoing requirements for general operations. Even if the Company successfully completed financing activities in the past, there can be no assurance that additional financing will be available to meet these requirements or available on terms acceptable to the Company in the future. These matters represent a material uncertainty that casts significant doubt about the Company's ability to continue as a going concern. The proceeds of the Offering, together with cash on hand are expected to provide funding for operations for at least the next 12-18 months, however there can be no certainty that the Company will be able to continue to raise additional financing. The most recent audited annual financial statements and interim financial report of the Company included a going concern note. The Company expects its annual consolidated financial statements for the year ended September 30, 2026 will likely also include a note as to the uncertainty of whether the Company can continue as a going concern.

How have we used the other funds we have raised in the past 12 months?

The net proceeds from the February Offering were used for continued exploration and development at the Company's EDM Project, and for general corporate and working capital purposes, as further set out in the Company's amended and restated offering document dated January 26, 2026 (the "**January 2026 Offering Document**"), filed in respect of the February Offering.

The status of the proposed use of the net proceeds outlined in the January 2026 Offering Document compared to actual uses of proceeds to date is as follows:

	Proposed ($)	**Actual ($)**
Diamond Drilling Program (approximately 12,000 m of hq drilling)	4,260,000	3,000,000
Technical Studies		
• Bulk density (specific gravity) determinations • Metallurgical test work • Conceptual mine and plant design inputs for PEA-level studies	500,000	500,000
Strategic acquisition of additional concessions	-	150,000
General Corporate Purposes and Working Capital	1,065,000	2,175,000
Total:	**5,825,000**	**5,825,000**

The disclosed uses of proceeds in the February Offering contemplated expenditures over a period of approximately 12 months, primarily a diamond drilling program of approximately 12,000 m of hq drilling. The principal reason as to why actual expenditures to date as compared to the disclosed use of proceeds is lower is that only approximately seven months have elapsed from the date of the February Offering to the date hereof. This has not had any impact on the Company's ability to achieve its business objectives and milestones, as the principal objectives of the use of proceeds of the February Offering included generating the geological, metallurgical, and engineering data required to support the preparation of the PEA and an updated mineral resource estimate. The results of the PEA and the updated mineral resource estimate were announced on August 31, 2026. In addition, the Company used a portion of the proceeds of the February Offering to acquire strategic properties that became available in order to expand the Company's land position. For additional details on these property acquisitions, readers should refer to the Company's news releases dated April 30, 2026 and May 7, 2026.

PART 4 FEES AND COMMISSIONS

Who are the dealers or finders that we have engaged in connection with this Offering, if any, and what are their fees?

Underwriters:	ATB Capital Markets Corp., as Lead Underwriter and sole bookrunner, and Canaccord Genuity Corp., will act as Underwriters on a "bought deal" basis in connection with the Offering. The Offered Shares will be offered and sold pursuant to the Underwriting Agreement to be entered into between the Company and the Underwriters.
Compensation Type:	Cash fee
Cash Fee:	An amount equal to 6.0% of the aggregate gross proceeds of the Offering, other than in respect of subscriptions from purchasers on the President's List, for which a cash fee of 3.0% shall be payable.

Do the Underwriters have a conflict of interest?

To the knowledge of the Company, it is not a "related issuer" or "connected issuer" of or to any of the Underwriters, as such terms are defined in National Instrument 33-105 – *Underwriting Conflicts*.

PART 5 PURCHASERS' RIGHTS

Rights of Action in the Event of a Misrepresentation

If there is a misrepresentation in this Offering Document, you have a right

(a) to rescind your purchase of these securities with the Company, or

(b) to damages against the Company and may, in certain jurisdictions, have a statutory right to damages from other persons.

These rights are available to you whether or not you relied on the misrepresentation. However, there are various circumstances that limit your rights. In particular, your rights might be limited if you knew of the misrepresentation when you purchased the securities.

If you intend to rely on the rights described in paragraph (a) or (b) above, you must do so within strict time limitations. You should refer to any applicable provisions of the securities legislation of your province or territory for the particulars of these rights or consult with a legal adviser.

PART 6 ADDITIONAL INFORMATION ABOUT THE COMPANY

Where can you find more information about us?

You can access the Company's continuous disclosure under its profile on SEDAR+ at www.sedarplus.ca and at www.fredoniamanagement.com.

PART 7 DATE AND CERTIFICATE

Dated: September 14, 2026

This Offering Document, together with any document filed under Canadian securities legislation on or after September 14, 2025, contains disclosure of all material facts about the securities being distributed and does not contain a misrepresentation.

"*Estanislao Auriemma*"	"*Carlos Espinosa*"
Estanislao Auriemma	**Carlos Espinosa**
Chief Executive Officer	**Chief Financial Officer**