Fredonia Mining, Inc.

Fredonia Announces Closing of C$11.5M Bought Deal Private Placement Including Full Exercise of Underwriters' Option

Not for distribution to United States newswire services or for dissemination in the United States. Not an offer of securities for sale in the United States

TORONTO, Sept. 23, 2026 -- Fredonia Mining Inc. ("**Fredonia**" or the "**Company**") (TSXV: FRED) is pleased to announce that it has closed its previously announced "bought deal" private placement, pursuant to which it has issued an aggregate of 17,692,400 common shares of the Company (the "**Offered Shares**") at a price of C$0.65 per Offered Share for aggregate gross proceeds of C$11,500,060, which includes the full exercise of the underwriters' option (collectively, the "**Offering**").

The Company intends to use the net proceeds from the Offering for the exploration and advancement of the Company's El Dorado Monserrat Project in Santa Cruz province, Argentina, and for general corporate and working capital purposes, all as further described in the offering document relating to the Offering.

The Offering was completed by a syndicate of underwriters led by ATB Cormark Capital Markets (the "**Lead Underwriter**"), as lead underwriter and sole bookrunner, and which included Canaccord Genuity Corp. (together with the Lead Underwriter, the "**Underwriters**" and each individually, an "**Underwriter**"). In consideration for the services provided by the Underwriters in connection with the Offering, the Company paid the Underwriters a cash commission equal to 6.0% of the gross proceeds of the Offering, other than in respect of gross proceeds from sales to purchasers on the President's List, for which a cash commission equal to 3.0% of the gross proceeds was payable.

Directors and executive officers of the Company subscribed for a total of 500,000 Offered Shares in the Offering for aggregate gross proceeds of C$325,000. The participation of insiders in the Offering constitutes a "related party transaction", within the meaning of the TSX Venture Exchange (the "**Exchange"**) Policy 5.9 and Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"). The Company relied on the exemptions from the formal valuation and minority shareholder approval requirements of MI 61-101 contained in sections 5.5(b) and 5.7(1)(b) of MI 61-101 in respect of the related party participation in the Offering, which will be described in further detail in a material change report to be filed in connection with the Offering that will be accessible under the Company's profile on SEDAR+ at www.sedarplus.ca. The material change report relating to the Offering will be filed less than 21 days prior to the closing date of the Offering. The Company believes the shorter period was reasonable and necessary in the circumstances, as the typical lifecycle for a transaction of this nature is significantly less than 21 days and the Company desired to act on an available financing opportunity.

In accordance with National Instrument 45-106 *Prospectus Exemptions* ("**NI 45-106**"), the Offered Shares were issued to purchasers resident in certain provinces of Canada pursuant to the "listed issuer financing exemption" (the "**Listed Issuer Financing Exemption**") under Part 5A.2 of NI 45-106, as amended by Coordinated Blanket Order 45-935 – *Exemptions from Certain Conditions of the Listed Issuer Financing Exemption*. The Offered Shares issued to purchasers resident in Canada pursuant to the Listed Issuer Financing Exemption are not subject to a four-month statutory hold period in Canada. The Offered Shares were also offered in the United States by way of private placement pursuant to exemptions from the registration requirements of the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"), and in certain other jurisdictions outside of Canada and the United States on a private placement or equivalent basis, in each case in accordance with all applicable laws. The Offered Shares were issued to purchasers outside of Canada pursuant to an exemption from the prospectus requirements in Canada available under OSC Rule 72-503 – *Distributions Outside Canada* and, accordingly, the Offered Shares issued to purchasers outside of Canada are not subject to a four-month statutory hold period in Canada. The Offered Shares sold to officers and directors of the Company (as described above) are subject to a four-month hold period pursuant to the rules of the Exchange, expiring January 24, 2027.

The Offering remains subject to final approval of the Exchange.

The securities described herein have not been, and will not be, registered under the U.S. Securities Act, or any U.S. state securities laws, and may not be offered or sold to, or for the account or benefit of, persons in the "United States" or to "U.S. persons" (as such terms are defined in Regulation S under the U.S. Securities Act), absent registration under the U.S. Securities Act and all applicable U.S. state securities laws or in compliance with an exemption therefrom. This news release does not constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of any of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

Update on Warrant Amendment Transaction

Pursuant to a news release dated December 17, 2025, the Company announced an intention to amend the exercise price of 4,818,932 outstanding warrants to purchase common shares at a price of $1.40 per common share (in the case of each of the price and amount, on an effective, "post-consolidation" basis) to $0.45 per common share. The reduction remained subject to warrantholder and Exchange approvals. As the Company has since the date of the announcement been able to complete financing activity at a higher price per share in order to fund its operations and work programs at the EDM Project, the Company announces it will withdraw its application and intention to proceed with the price reduction. The warrants will remain

outstanding and be exercisable in accordance with their terms at a price of $1.40 per share until April 27, 2027.

About Fredonia

Fredonia holds gold and silver license areas totaling approximately 64,000 ha in the prolific Deseado Massif geological region in the Province of Santa Cruz, Argentina, including its flagship advanced EDM project (approximately 33,500 ha) located close to AngloGold Ashanti's Cerro Vanguardia gold-silver mine (which produced approximately 180,000 ounces of gold during the twelve months ended June 30, 2026*), the El Águila project (approximately 9,100 ha), and the Hornia project (approximately 21,500 ha).

* Source: AngloGold Ashanti plc's 2025 Form 20-F and Q2 2026 Earnings Release: Operating Statistics. The twelve-month production figure was calculated from the reported production of 179,000 ounces of gold in 2025, less 94,000 ounces produced during the six months ended June 30, 2025, plus 95,000 ounces produced during the six months ended June 30, 2026. Scientific and technical information concerning the Cerro Vanguardia mine has been obtained from publicly available disclosure by AngloGold Ashanti plc and has not been independently verified by the Company's Qualified Person. Information concerning Cerro Vanguardia is not necessarily indicative of the mineralization, Mineral Resources, or Mineral Reserves on, or the economic potential of, the EDM Project.

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 Exchange nor its Regulation Services Provider (as that term is defined in policies of the Exchange) accepts responsibility for the adequacy or accuracy of this release.

***Cautionary Note Regarding Forward-Looking Information**: This news release contains "forward-looking information" within the meaning of applicable Canadian securities legislation. "Forward-looking information" includes, but is not limited to, statements with respect to activities, events or developments that the Company expects or anticipates will or may occur in the future, including, without limitation, the anticipated use of the net proceeds of the Offering; the anticipated receipt of all necessary approvals in respect of the Offering, and the intention to abandon the Company's application to proceed with a reduction in price to outstanding warrants exercisable at an effective price of $1.40 per common share. Generally, but not always, forward-looking information and statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes" or the negative connotation thereof or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved" or the negative connotation thereof.*

In disclosing the forward-looking information in this release, Fredonia has applied certain factors and assumptions that are based on Fredonia's current beliefs as well as assumptions made by and information currently available to Fredonia including, among other things, that the Company will use the net proceeds of the Offering as anticipated; and that the Company will receive all necessary approvals in respect of the Offering. Although Fredonia considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect, and the forward-looking information in this release is subject to numerous risks, uncertainties and other factors that may cause future results to differ materially from those expressed or implied in such forward-looking information.

Readers are cautioned not to place undue reliance on forward-looking information. Fredonia does not intend, and expressly disclaims any intention or obligation to, update or revise any forward-looking information whether as a result of new information, future events or otherwise, except as required by law.