

Fredonia Mining, Inc.

FREDONIA MINING, INC.

**Management's Discussion & Analysis
For the Nine Months Ended June 30, 2021**

This Management Discussion and Analysis (“MD&A”) provides relevant information on the operations and financial condition of Fredonia Mining, Inc. (“Fredonia” or the “Company”) for the nine months ended June 30, 2021. This MD&A should be read in conjunction with the unaudited condensed interim consolidated financial statements and the notes thereto for the nine months ended June 30, 2021 and September 30, 2020. Fredonia’s unaudited condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting. Accordingly, they do not include all of the information required for full annual financial statements required by IFRS as issued by IASB and interpretations issued by IFRIC. The Fredonia Board of Directors approved both this MD&A and the unaudited consolidated financial statements and the notes thereto for the nine months ended June 30, 2021 and September 30, 2020 on August 30, 2021.

This MD&A provides information that the management of Fredonia believes is important to assess and understand the results of operations and financial condition of the Company. Our objective is to present readers with a view of Fredonia from management’s perspective by interpreting the material trends and activities that affect the operating results, liquidity, and financial position of Fredonia. All monetary amounts unless otherwise specified are expressed in US dollars. This discussion contains forward looking information that is qualified by reference to, and should be read in conjunction, with the “Caution Regarding Forward Looking Statements” below.

Caution Regarding Forward Looking Statements

Readers are cautioned that actual results may differ materially from the results projected in any “forward-looking” statements included in the foregoing report, which involve a number of risks or uncertainties. This MD&A contains “forward-looking statements” and “forward-looking information” within the meaning of the applicable Canadian securities legislation. Forward-looking statements are not historical facts and include statements regarding the Company’s planned development activities, anticipated future profitability, losses, revenues, expected future expenditures, the Company’s intention to raise new financing, sufficiency of working capital for continued operations and other statements regarding anticipated future events and the Company’s anticipated future performance.

Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as “plans”, “expects” or “does not expect”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “continue”, “anticipates” or “does not anticipate”, or “believes” or a variation of such words and phrases that state that certain actions, events or results “may”, “could”, “would”, “might” or “will be taken”, “occur” or “be achieved”. All forward-looking statements are based on our beliefs and assumptions based on information available at the time the assumption was made. While Fredonia considers its assumptions to be reasonable and appropriate based on the current information available, there is a risk that they may not be accurate. Forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievement of Fredonia to be materially different from those expressed or implied by such forward-looking statements, including but not limited to risks related to the integration of acquisitions, as well as those factors discussed in the section entitled “Risk Factors” in this MD&A. Before making any investment decisions and for a detailed discussion of the risks, uncertainties and environment associated with our business.

Although management has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. Fredonia does not undertake to update any forward-looking statements that are incorporated by reference herein, except as required by law.

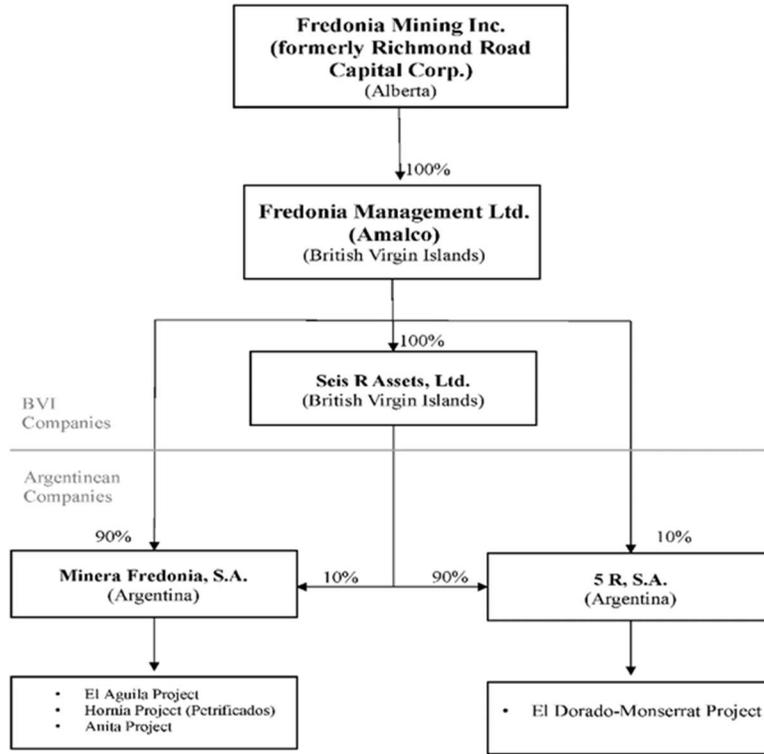
Business Overview

Fredonia Mining, Inc. (former Richmond Road Capital Corporation) was incorporated under the Business Corporations Act (Alberta) on September 19, 2012, and acquired by Fredonia Management on June 24, 2021, and changed the name to Fredonia Mining, Inc. The Corporation operates from its primary office in Toronto, Ontario, Canada. Its registered head office is located at 350 Bay St. # 700, Toronto, Ontario, M5H 2S6

Fredonia, directly or indirectly, owns a 100% interest in certain license areas (totaling approximately 18,300 ha.), all within the Deseado Massif geological region in the Province of Santa Cruz, Argentina. The Company’s only material

property is the advanced El Dorado-Monserrat Project, which covers approximately 6,200ha located close to Anglo Gold Ashanti’s Cerro Vanguardia mine, subject to a 1.5% net smelter return royalty. The Company also owns the El Aguila, Hornía (Petrificados), and Anita properties, which are not “material properties” of Fredonia under NI 43-101 or “qualifying” properties under TSXV policies.

Organizational Structure:



Mineral Properties

El Dorado-Monserrat Project:

5R SA is the Argentine company that owns 100% El Dorado-Monserrat project. On September 29, 2017, Seis R Asset Ltd, a British Virgin Islands’ company acquired 90% of 5R SA shares and Fredonia Management (BVI subsidiary) acquired the remaining 10% shares of 5R SA, without any exchange of cash or shares.

On November 20, 2017, Fredonia Management (BVI subsidiary) approved the acquisition of all the issued and outstanding shares of Seis R Asset Ltd, and issued 51,861,059 shares, taking full control and ownership directly or indirectly of 5R, SA and El Dorado-Monserrat project.

The El Dorado-Monserrat Project is located in an area of low rolling hills in the Deseado Massif of Santa Cruz Province, close to a number of known mines and prospects. Santa Cruz Province is part of the region of Patagonia which has the Andes Mountains to the west and the Atlantic coast to the east. In general, the area is very sparsely populated, and a large proportion of employment is in sheep farming which is managed from widely scattered ‘estancias’.

The nearest major centres to the Fredonia licences are Puerto Deseado (population 10,000), Puerto San Julian (population 6,000), Caleta Olivia (population 36,000) to the northeast, Gobernador Gregores in the southwest and Comodoro Rivadavia (population 140,000). Rio Gallegos (population 79,000), the capital of Santa Cruz Province, lies to the south of the project areas. These major centres can provide basic goods and services, and the national power grid serves these centres. Comodoro Rivadavia and Rio Gallegos are serviced with national airports. A well-

maintained concrete airstrip is located at Puerto Deseado, serviced via small to mid-size charter aircraft. Workers are readily available from the surrounding area.

ACA Howe and the Qualified Persons for the study have reviewed the drilling data collected by Fredonia and the historical drilling, trenching and other data collected by previous operators. ACA Howe concludes that the El Dorado-Monserrat Project is a Property of Merit with clear potential for low sulphidation epithermal vein style gold-silver mineralisation. The El Dorado-Monserrat Project is strategically located near to the major Cerro Vanguardia gold mine and is underlain by significant amounts of Chon Aike Formation rhyolitic volcanic rocks and by Bajo Pobre Formation. These formations are the principal host to mineralisation in the Deseado Massif.

There is significant potential and the drilling, trenching and surface exploration conducted on the other prospects by prior operators are adequate to demonstrate the overall potential of the El Dorado-Monserrat Project. Additional exploration, including surface sampling, trenching, re-assaying of available drill core and additional drilling will be required to fully assess the potential of the Main Vein area and other prospects. In addition, a thorough review of historical data is recommended.

The Exploration Target for the Main Vein area shows possible tonnages of mineralisation in this area with reasonable prospects of economic extraction are in the region of 3.5 to 6.5 million tonnes, with possible average gold grades above a 0.5 g/t cut off of 0.6-1 g/t and silver grades of 20 to 35 g/t (see table below). Based on this, possible contained metal is in the region of 100,000-200,000 Oz of gold and 3-6 MOz of silver (ounces are troy ounces).

Within the Main Vein area, the Camila C area has higher grade gold and silver mineralisation than other parts of the project area. The Exploration Target of approximately 300,000 to 500,000 tonnes of mineralisation, from surface to 100 m depth, has a grade of 1.5 to 3 g/t Au and 40 to 80 ppm Ag. This presents a potential opportunity for the extraction of shallow, higher grade mineralised zones.

These Exploration target tonnages and grades are conceptual in nature and have been estimated from limited data, some of which has not been verified by the Qualified Persons. There has been insufficient exploration to define a mineral resource and as a result the tonnages and grades presented do not represent an estimation of mineral resource as defined by NI 43-101, CIM or a similar CRIRSCO aligned reporting code. It is uncertain that additional exploration work will result in any part of the exploration target being converted to a mineral resource, and grade and tonnage may increase or decrease as additional information becomes available.

Outside the Main Vein area, there is also considerable potential for additional mineralised zones to be identified. Follow-up exploration at Monserrat West, Abanico, La Herradura and Beethoven will enable an improved understanding of the geometry and extent of the mineralised zones in these areas. Further to this, additional exploration of the Monserrat East and Bajo Pedernal areas will determine the potential for significant mineralised zones.

El Aguila Project:

On September 15, 2016 an Arm's length purchase agreement (the "Winki Agreement") between Fredonia Management Management (BVI subsidiary) and Winki Sociedad Anonima wherein Fredonia agrees to acquire the following properties - Winki: "Winki II", "Petrificados", "Aguila I" and "Aguila II", in the Province of Santa Cruz, Argentina (collectively, the "El Aguila Project") for the sum of \$1,400,000.00, and 1% of the net profit interest of Fredonia during the production/exploitation phases of the project (the "Royalty").

On November 11, 2016, Fredonia Management (BVI subsidiary) and Jorge Valvano (an arm's length party and 50% participant under the Winki Agreement) reached an agreement to jointly participate in the development of Fredonia Management (BVI subsidiary) on the basis of a partnership in equal parts. Under this agreement, Fredonia Management provided its structure and know-how in the mining industry, as well as access to the capital market and Jorge Valvano agreed to accept 50% of the share capital of Fredonia in exchange for his rights under the Winki Agreement to receive half of the purchase proceeds and half of the Royalty from the purchase and sale of the Aquila Project. Accordingly, only \$700,000 and one half of the Royalty is currently owing to Hector Carrizo under the terms of the Winki Agreement.

The El Aguila project is located in the eastern sector of the Deseado Massif and comprises three licence blocks that cover 9,124ha. The project is located 70 km northeast of Cerro Vanguardia mine and 45 km west of Cerro Moro.

The geological interpretation of the Aguila project area is a ‘failed’ caldera environment. Structures define both ring fractures at the margins of the caldera striking as well as radial fractures hosting gold silver mineralisation within the ring structure. The NW orientation is strike-slip faults with dextral movements, and NS fractures are tensional. Post-mineral event ENE striking fault system displaces part of the vein-like mineralized structures.

El Aguila has distinct styles of mineralisation from classic low sulphidation epithermal quartz veining hosting gold-silver as well as stockwork and breccias (draped around a felsic dome complex) and a new exploration target represented by veins in sandstone.

Drilling on the project is scout exploration style and is neither advanced nor grid style systematic. However, based on the geochemical data generated to date and the interpretation of geology hosting the identified mineralisation, of the five main sectors identified to date, Aguila Main is considered the most prospective. Fredonia conducted a limited diamond drilling programme of 2,428m for 11 holes throughout the project, focusing on Aguila Main.

Hornía Project (previously Petrificados):

The oldest rocks in the property are andesitic flows, volcanic breccias and tuffs from the Bajo Pobre Formation, exposed in the southern part of the area. This unit is overlaid and partially in fault contact with coarse grained-partially welded rhyolitic crystal tuff, from the Chon Aike Formation exposed along the western side of the property. This unit is covered and partially inter-fingered with layered fine grained ash fall tuffs and volcanoclastic sediments assigned to La Matilde Formation (both belonging to Bahía Laura Group), largely exposed in the western and northern portions of the property. These are the three most prospective formations in the Deseado.

Alteration and mineralization coincides primarily with strongly silicified N°30-N°60 west-trending tabular structures. The silicified zones contain veins, veinlets, stockworks and hydrothermal breccias hosted in welded rhyolitic tuffs. Veins and breccias show a variety of textures indicative of multiple episodes of brecciation and silica deposition, including carbonate replacement textures and massive to banded veins with chalcedony, jasper and fine grained saccharoidal white to gray silica, interpreted as being formed at shallow depths within the hydrothermal system.

Gold mineralisation is associated with anomalous values of ‘pathfinder’ elements. Arsenic (As), mercury (Hg), antimony (Sb), these are typical vectors to epithermal gold mineralisation.

Fredonia intends to undertake a thorough review of the historical data before embarking on a project wide exploration programme of surface reconnaissance and geophysics prior to an anticipated scout exploration drill programme.

Summary of Quarterly Results

Since inception, the Company has not prepared quarterly interim financial statements. As a result, and in accordance with form NI 52-101F1, the Company is unable to provide a summary of the quarterly results for the years ended September 30, 2020 and 2019.

Summary of Three- and Nine-Months Results (unaudited)

	Three Months Ended		Nine Months Ended	
	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
Total Revenues	<u>nil</u>	<u>nil</u>	<u>nil</u>	<u>nil</u>
Net loss for the period	<u>(954,866)</u>	<u>(22,117)</u>	<u>(1,263,399)</u>	<u>(93,598)</u>
Loss per share (Basic and diluted)	<u>(0.006)</u>	<u>(0,000)</u>	<u>(0.008)</u>	<u>(0.001)</u>
Number of shares outstanding	<u>150,863,453</u>	<u>109,006,378</u>	<u>109,006,378</u>	<u>109,006,378</u>

Summary of Nine-Months Financial Position (unaudited)

	As at June 30, 2021	As at September 30, 2020
Total assets	6,140,886	1,417,589
Total current liabilities	2,039,627	578,757
Total liabilities	2,039,627	908,992
Total shareholders' equity	4,101,259	508,597

Overall Performance

The Company is a junior exploration company engaged in the exploration and development of the El Dorado-Monserrat Project. The Company's future performance depends on, among other things, its ability to discover and develop ore reserves at commercially recoverable quantities, the prevailing market price of commodities it produces, the Company's ability to secure required financing, and in the event ore reserves are found in economically recoverable quantities, the Company's ability to secure operating and environmental permits to commence and maintain mining operations.

The financing closed on February 24, 2021 for CAD\$6,365,702.70 will allow the company to continue the exploration program in El Dorado-Monserrat project.

Results of Operations – Three Months Ended June 30, 2021

For the three-month period ended June 30, 2021, the Company reported a net loss of \$954,866 compared to a net loss of \$22,117 reported in the third quarter of fiscal 2020. The main reasons are the Administrative expenses, Professional fees and other expenses increased due to the Reverse Take Over transaction. The remaining costs were stable and largely relate to the cost of maintaining the Company and its properties. The resulting basic and diluted loss per share for the three-month period ended June 30, 2021 was \$0.006 (2020 – loss \$0.000).

Results of Operations – Nine Months Ended May 31, 2020

For the nine-month period ended June 30, 2021, the Company reported a net loss of \$1,263,399 compared to a net loss of \$93,598 reported in the similar period of fiscal 2020. The increase in costs of \$1,169,801 largely relates to the third quarter increase in Professional fees related to the Reverse Take Over transaction, Payroll expenses and other expenses. The resulting basic and diluted loss per share for the nine -month period ended June 30, 2021, was \$0.008 (2020 – loss \$0.001). The consistency in operating costs, is reflective of the company's approach to maintaining operating activities as the Company complete the RTO, raises equity funding and re-structures its governance and management as it resumes exploration and evaluation activities in fiscal 2021.

Financing and Investing Activities

On February 24, 2021, Fredonia and RRCC completed the Concurrent Financing in connection with the Qualifying Transaction (subject to TSXV approval). Each Fredonia Subscription Receipt was sold at a price of \$0.17 per subscription receipt. The Concurrent Financing was completed on both a brokered and non-brokered basis for an aggregate of 37,445,310 Fredonia Subscription Receipts for gross escrowed proceeds of approximately \$6,365,702.7 million.

The Agents were paid a cash fee of 7% of the gross proceeds of subscriptions for the persons introduced to the Concurrent Financing by the Agents, and 3.5% of the gross proceeds of subscriptions from the non-brokered portion of the subscriptions in the Concurrent Financing. The Agents were also issued 2,274,124 Agents' Warrants, representing 7% of the number of Fredonia Subscription Receipts subscribed for by persons introduced to the Concurrent Financing by the Agents, and 3.5% of the number of Fredonia Subscription Receipts subscribed for by

persons in the non-brokered portion of the Concurrent Financing. Each Agents' Warrant is exercisable to purchase one Resulting Issuer Share at a price of \$0.17 for a period of 36 months from the date of closing of the Qualifying Transaction.

Pursuant to the terms of the Subscription Receipt Agreement, the gross proceeds from the Concurrent Financing less 50% of the Agents' fees and certain other expenses of the Qualifying Transaction were deposited in escrow with TSX Trust, until June 24, 2021, when the Company complied with the escrow release conditions.

Liquidity and Capital Resources

As of June 30, 2021, the Company had cash of \$4,564,084, compared to \$7,961 on September 30, 2020. Working capital surplus on June 30, 2021 of \$2,532,120 (September 30, 2020 a deficit of -\$565,839). For the period ended June 30, 2021, net cash used in operating activities was \$(249,778) Compared to June 30, 2020 \$(45,018), net cash used in investing activities on June 30, 2021 was \$(164,468) (2020 - \$(20,347)) related to exploration and evaluation costs incurred.

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern in order to provide returns for shareholders and to maintain a flexible capital structure that optimizes the costs of capital within a framework of acceptable risk. In the management of capital, the Company includes the components of shareholders' equity as well as cash. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust its capital structure, the Company may issue new shares, issue debt, acquire or dispose of assets or adjust the amount of cash. The Company is dependent on the capital markets as its primary source of operating working capital and the Company's capital resources are largely determined by its ability to compete for investor support of its projects.

The consolidated interim financial statements have been prepared assuming the Company will continue as a going concern, which contemplates the realization of assets and satisfaction of liabilities in the normal course of business.

At June 30, 2021, the Company had accumulated losses of \$954,866 (2020 - \$(22,117)) and expects to incur further losses in the development of its business. In March 2020, there was a pandemic outbreak of COVID-19. The actual and threatened spread of the virus globally has had a material adverse effect on the global economy and specifically, the regional economies in which the Company operates. The pandemic could result in delays in the course of business and the Company's ability to raise new capital. These events and conditions indicate a material uncertainty that may cast significant doubt upon the Company's ability to continue as a going concern.

Related Party Transactions

During the period ended June 30, 2021, the Company incurred the following related party transactions:

- i) Transactions:
 - a) Salaries and benefits to key management personnel for the nine and three months ended June 30, 2021 were \$6,091 and \$1,967 (2020: \$6,663 and \$2,326) and are included as part of payroll expenses on the consolidated statement of loss,
 - b) Professional services charged by key management personnel and directors for the nine and three months ended June 30, 2021 were \$264,676 and \$188,180 (2020: \$10,957 and \$ 0) and are included as part of professional fees on the consolidated statement of loss,
 - c) Interest expense incurred for the nine and three ended June 30, 2021 from a loan payable to a director and shareholder were \$1,621 and \$476 (2020: \$236 and \$111),
 - d) Rent expense incurred for the nine and three ended June 30, 2021 charged by a company controlled by Directors of the company were \$13,669 and \$4,563 (2020: \$13,592 and \$4,500),

- ii) Period-end balances:
 - a) As at June 30, 2021, trade and other payables included \$20,000 (September 30, 2020 - \$20,000) payable to a company related to a director for payments made on behalf of the Company,
 - b) As at June 30, 2021, trade and other payables included \$4,314 (September 30, 2020 - \$1,770) payable to a company related to a director in relation to the rent of the administrative office.
 - c) As at June 30, 2021, trade and other payables included \$15,138 (September 30, 2020 - \$15,138) payable to a consulting firm for services provided by the Company's CFO in his role,
 - d) As at June 30, 2021, trade and other payables included \$103,328 (September 30, 2020 - \$41,548) payable to directors and key management for payments made on behalf of the Company,
 - e) As at June 30, 2021, trade and other payables included \$3,500 (September 30, 2020 - \$3,500) payable to directors and key management for salaries and benefits.
 - f) In addition as at June 30, 2021 there is a loan payable to a director and shareholder as described in Note 6 of the Financial Statements

All related party transactions were in the normal course of operations, **Subsequent Event**

Reverse Take Over:

On April 7, 2021, Fredonia and Richmond Road Capital Corp, ("RRCC") entered into the Definitive Agreement setting out the principal terms on which RRCC will acquire all of the issued and outstanding Fredonia Shares in order to effect the Qualifying Transaction. As an initial step to be taken in connection with the Qualifying Transaction, the issued and outstanding RRCC Shares will be consolidated by a factor of 0.73529 (or such other factor as may be required to meet the minimum listing requirements of the TSXV). Following the Consolidation, and pursuant to a plan of merger under the BVI Act under which Fredonia and Subco will merge, RRCC will acquire all of the outstanding Fredonia Shares in exchange for 109,006,378 RRCC Shares, at a deemed price of \$0.17 per Fredonia Share, and Fredonia will become a wholly-owned subsidiary of RRCC. Concurrently with the completion of the Qualifying Transaction, RRCC changed its name to "Fredonia Mining Ltd."

Fredonia and RRCC completed the Concurrent Financing in connection with the Qualifying Transaction on February 24, 2021. Each Fredonia Subscription Receipt was sold at a price of \$0.17 per subscription receipt, with each Fredonia Subscription Receipt entitling the holders to receive one Fredonia common share and one-half of one Fredonia common share purchase warrant. Funds raised under the private placement will be held in escrow pending the satisfaction or waiver of certain escrow release conditions. The Concurrent Financing was completed on both a brokered and non-brokered basis for an aggregate of 37,445,310 Fredonia Subscription Receipts for gross escrowed proceeds of approximately \$6,365,702.7 million. Paradigm Capital Inc. and Red Cloud Securities Inc. acted as co-lead agents for the brokered portion of the Concurrent Financing. The Agents were paid a cash fee of 7% of the gross proceeds of subscriptions for the persons introduced to the Concurrent Financing by the Agents, and 3.5% of the gross proceeds of subscriptions from the non-brokered portion of the subscriptions in the Concurrent Financing. The Agents were also issued 2,274,124 Agents' Warrants, representing 7% of the number of Fredonia Subscription Receipts subscribed for by persons introduced to the Concurrent Financing by the Agents, and 3.5% of the number of Fredonia Subscription Receipts subscribed for by persons in the non-brokered portion of the Concurrent Financing. Each

Agents' Warrant is exercisable to purchase one Resulting Issuer Share at a price of \$0.17 for a period of 36 months from the date of closing of the Qualifying Transaction.

Upon release from escrow, the proceeds of the Concurrent Financing, will fund exploration and development of Fredonia's mineral projects. Future exploration and development will be financed through additional equity sales, the exercise of warrants or other financial methods deemed appropriate by management.

After completed the transaction on June 24, 2021, Fredonia issued 37,445,310 Fredonia Shares and 18,722,655 Fredonia Warrants pursuant to the automatic exchange of Fredonia Subscription Receipts upon satisfaction of the Escrow Release Conditions. As a result of the transaction, there are a total of 150,863,453 issued and outstanding shares, and an additional 20,996,779 convertible securities exercisable to purchase Fredonia's Shares outstanding. Former Fredonia shareholders hold approximately 63.2649% of the Resulting Issuer Shares, and pre-Qualifying Transaction RRCC shareholders hold 2.8165% of the Resulting Issuer Shares. The remaining 33.9185% of the issued and outstanding Resulting Issuer Shares are held by persons who acquired such shares on the exchange of Fredonia Subscription Receipts purchased in the Concurrent Financing.

Upon the completion of the Concurrent Financing and the Merger, Fredonia will use the funds available to it to continue mineral exploration activities, including drilling, resource development and the satisfaction of general operating expenses. Specifically, management currently intends to use funds available over the next 12 months for the following purposes and in the following order of priority:

Upon completion of the Qualifying Transaction, Fredonia's Board is consisting of Estanislao Auriemma, Dr. Ricardo Auriemma, Dr. Waldo Perez, and Michael Doolan. Its management is consisting of Estanislao Auriemma, Chief Executive Officer; Carlos Espinosa, Chief Financial Officer; and Ali Mahdavi, Chairman of the Board. All directors and officers of RRCC resigned at the closing of the Qualifying Transaction. Key members of Fredonia's management team and Board have experience running business operations in emerging markets, including specifically in Argentina.

Arm's Length Qualifying Transaction

The Merger was not a Non Arm's Length Qualifying Transaction in accordance with the policies of the TSXV. No Non-Arm's Length Parties to RRCC have any interest in Fredonia or in the Properties or are currently insiders of Fredonia, nor is there any relationship between or among the Non-Arm's Length Parties to the Issuer and the Non-Arm's Length Parties to the Qualifying Transaction, whether or not the proposed Qualifying Transaction constitutes a Non-Arm's Length Qualifying Transaction.

The completion of the Qualifying Transaction was not subject to the approval of RRCC's Shareholders, however, the Name Change and the Consolidation were approved by RRCC Shareholders at the RRCC Meeting.

No finder's fee or commission was paid or is payable in relation to the Qualifying Transaction. **Financial Instruments**

The Company's financial instruments consist of cash, accounts payable and accrued liabilities, and loans from related parties. Unless otherwise noted, management' is of the opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments. The Company's cash is recorded at its fair value, and the fair values of these accounts payable and accrued liabilities, and loans from related parties approximate their carrying values due to their short-term nature.

Critical Judgments and Estimates

Going concern assumption

The financial statements have been prepared on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The assessment of the Company's ability to source future operations and continue as a going concern involves judgment. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. If the going concern

assumption were not appropriate for these consolidated financial statements, then adjustments would be necessary in the carrying value of assets and liabilities, the reported revenue and expenses and the statement of financial position classifications used.

Impairment of exploration and evaluation assets

The carrying value and recoverability of exploration and evaluation assets requires management to make certain estimates, judgments, and assumptions about its mineral projects. Management considers the economics of the project, including the latest resource prices and the long-term forecasts, and the overall economic viability of the project.

Issuances of shares for properties

Management makes judgments in determining the share price attributed to issuances of shares for mineral properties. Management considers market conditions, recent or pending private placements of the Company, and or contracted terms of the issuance. Should management's judgment as to an appropriate share price be incorrect, the value attributed to properties could be materially different.

Share-based payment

The Company measures the cost of equity-settled transactions by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

Off-Balance Sheet Arrangements

The Company has not entered into any off-balance sheet arrangements such as guarantee contracts, contingent interests in assets transferred to unconsolidated entities or derivative financial obligations.

Additional Disclosure for Junior Issuers

Other than as disclosed in this Filing Statement, the Company does not anticipate incurring any other material capital expenditures.

Assuming that the Company has expended its exploration expenses in accordance with the recommendations of the technical report on the El Dorado-Monserrat Project, the Company will have achieved one of its material stated business objectives which is to determine whether El Dorado-Monserrat Project contains mineralized deposits and whether the results warrant the Company carrying out further work on the El Dorado-Monserrat Project.

If a further work program is recommended on the El Dorado-Monserrat Project, the Company may be required to raise additional funding to carry out additional exploration programs on its El Dorado-Monserrat project. In addition, should the opportunity to acquire other mineral exploration properties be presented to the Company, whether located in Argentina or elsewhere, then the Company would have to determine the appropriate method of acquiring those properties. In the event that common shares could not be used to acquire the said properties, then the Company may have to look to raise further capital.

Disclosure of Outstanding Security Data

The Company has one class of shares outstanding, being ordinary shares. As of the date of this filing statement, 150,863,453 Fredonia Shares were issued and outstanding.

The following options are outstanding at June 30, 2020:

Number of Options	Exercise Price CAD\$	Expiry Date
441,176	0.10	November 16, 2022

The following warrants are outstanding at June 30, 2020:

Number of Warrants	Exercise Price CAD\$	Expiry Date
18,722,655	0.25	February 24, 2024
2,274,124	0.17	March 31, 2024
20,996,779		

Fredonia Shares

Holders of Fredonia Shares are entitled to receive notice of any meetings of shareholders, to attend and to cast one vote per Fredonia Share at all such meetings on a poll, and one vote per holder on a show of hands. Fredonia Shareholders do not have cumulative voting rights with respect to the election of directors and, accordingly, holders of a majority of the Fredonia Shares entitled to vote and voting in any election of directors may elect all directors standing for election. Election of directors takes place by way of ordinary resolution in respect of each director. Fredonia Shareholders are entitled to receive on a pro rata basis such dividends, if any, as and when declared by the Fredonia Board at its discretion from funds legally available therefor and upon the winding-up of Fredonia are entitled to receive on a pro rata basis the net assets of Fredonia after payment of debts and other liabilities, in each case subject to the rights, privileges, restrictions and conditions attaching to any other series or class of shares ranking senior in priority to or on a pro rata basis with the Fredonia Shares with respect to dividends or liquidation. The Fredonia Shares do not carry any pre-emptive, subscription, redemption or conversion rights, nor do they contain any sinking or purchase fund provisions.

Dividend Policy

Fredonia has not declared or paid any dividends or other distributions on its Fredonia Shares since the date of its incorporation. Fredonia currently does not anticipate paying cash dividends in the foreseeable future. The declaration and payment of any dividends in the future will be determined by the Board, in its discretion, and will depend on a number of factors, including Fredonia's earnings, capital requirements, overall financial condition and contractual restrictions.