

**Form 51-102F3**  
**Material Change Report**

**Item 1 – Name and Address of Company:**

Fredonia Mining Inc. (the “**Company**”)  
82 Richmond Street East  
Toronto, Ontario, Canada  
M5C 1P1

**Item 2 – Date of Material Changes:**

January 23, 2026, and January 26, 2026

**Item 3 – News Releases:**

News releases with respect to the material changes referenced in this report were disseminated on January 23, 2026, and January 26, 2026, via GlobeNewswire and a copy of such news releases were subsequently filed on the System for Electronic Data Analysis and Retrieval + (“**SEDAR+**”) website at [www.sedarplus.com](http://www.sedarplus.com).

**Item 4 – Summary of Material Changes:**

On January 23, 2026, the Company entered into an engagement agreement (the “**Engagement Agreement**”) with Cormark Securities Inc. (the “**Agent**”) as sole agent and bookrunner, in connection with a “best-efforts” private placement offering (the “**Initial Offering**”) of up to 12,500,000 units of the Company (the “**Units**”) at a price of C\$0.40 per Unit (the “**Offering Price**”) for aggregate gross proceeds to the Company of up to C\$5,000,000 pursuant to the “listed issuer financing” exemption in Part 5A of National Instrument 45-106 – *Prospectus Exemptions*, as amended by Coordinated Blanket Order 45-935 – *Exemptions from Certain Conditions of the Listed Issuer Financing Exemption* (the “**Listed Issuer Financing Exemption**”).

On January 26, 2026, the Company entered into an amendment to the Engagement Agreement (the “**Amended Engagement Agreement**”) to increase the size of the Initial Offering to sell, on a “best-efforts” private placement basis, up to 15,000,000 Units at the Offering Price for gross proceeds to the Company of up to C\$6,000,000 (the “**Increased Offering**”). In addition, the Company granted to the Agent an option to offer for sale up to an additional 2,500,000 Units at the Offering Price for additional gross proceeds to the Company of up to C\$1,000,000 (the “**Agent’s Option**”, and together with the Increased Offering, the “**Offering**”). The Offering is expected to close on or around February 4, 2026 (the “**Closing Date**”).

**Item 5 – Full Description of Material Changes:**

**5.1 Full Description of Material Changes**

On January 23, 2026, the Company entered into the Engagement Agreement with the Agent, as sole agent and bookrunner, in connection with the Initial Offering, being a

“best-efforts” private placement of 12,500,000 Units at the Offering Price for aggregate gross proceeds to the Company of C\$5,000,000.

On January 26, 2026, the Company and the Agent entered into the Amended Engagement Agreement to increase the size of the Initial Offering to the Increased Offering, and sell, on a “best-efforts” private placement basis up to 15,000,000 Units at the Offering Price for aggregate gross proceeds to the Company of C\$6,000,000.

Pursuant to the Engagement Agreement, as amended by the Amended Engagement Agreement, the Company granted to the Agent the Agent’s Option, exercisable in full or in part at the sole discretion of the Agent at any time prior to the Closing Date.

Each Unit will consist of one common share (each, a “**Common Share**”) and one-half of one common share purchase warrant (each whole warrant, a “**Warrant**”) of the Company. Each Warrant shall entitle the holder thereof to purchase one Common Share (each, a “**Warrant Share**”) for a period of 36 months following the Closing Date at an exercise price of C\$0.56 per Warrant Share. The net proceeds from the Offering are expected to be used to fund further exploration and development of the Company’s El Dorado Monserrat gold and silver project, as well as for general corporate purposes and working capital.

Certain insiders of the Company intend to participate in the Offering, which constitutes a “related party transaction” with respect to the Company within the meaning of that term pursuant to Multilateral Instrument 61-101 of the Canadian Securities Administrators – *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”).

MI 61-101 provides that related party transactions are, in the absence of an exemption therefrom, subject to the requirement to obtain a formal valuation for the subject matter of the related party transaction and minority shareholder approval of the related party transaction (which approval must exclude any votes attached to Common Shares held by the participating related party). The Company intends to rely on the exemptions from the formal valuation and minority approval requirements of MI 61-101 in respect of the related party transaction component of the Offering provided for in subsections 5.5(b) (*Issuer Not Listed on Specified Markets*) and 5.7(1)(b) (*Fair Market Value Not More Than \$2,500,000*) of MI 61-101, respectively.

Enhanced disclosure requirements under MI 61-101 require that the Company disclose: (i) the interest in a related party transaction of every “interested party” and of the related parties and associated entities of the interested parties; and (ii) the anticipated effect of the transaction on the percentage of securities of the Company, or of an affiliated entity of the Company, “beneficially owned” or controlled by each person referred to in subparagraph (i) for which there would be a material change in that percentage. For the purposes of this analysis and the table below, a person “beneficially owns” a security if the person (i) is the beneficial owner of a security convertible into the security within 60 days following the applicable reference date; or (ii) has a right or obligation permitting or requiring the person, whether or not on conditions, to acquire beneficial ownership of the security within 60 days by a single transaction or a series of linked transactions, and the percentage of ownership is calculated on a “partially diluted” basis. The table below describes these interests and effects for each expected “interested party” of the Company

in the Offering, on the basis of 47,185,304 Common Shares issued and outstanding as of February 2, 2026.

<b>Interested Party</b>	<b>Pre-Offering Beneficial Ownership</b>	<b>Subscription Size</b>	<b>Post-Offering Beneficial Ownership</b>
<b>Estanislao Auriemma</b>	Shares: 3,066,248 Options: 1,200,000 Warrants: 449,215 Beneficial Ownership: 9.65%	250,000 Units	Shares: 3,441,248 Options: 1,200,000 Warrants: 636,715 Beneficial Ownership: 8.16%
<b>Ricardo Auriemma</b>	Shares: 4,612,464 Options: 560,000 Warrants: 543,164 Beneficial Ownership: 11.83%	250,000 Units	Shares: 4,862,464 Options: 560,000 Warrants: 668,164 Beneficial Ownership: 9.42%
<b>Waldo Perez</b>	Shares: 576,975 Options: 410,000 Warrants: 396,667 Beneficial Ownership: 2.88%	125,000 Units	Shares: 701,975 Options: 410,000 Warrants: 459,167 Beneficial Ownership: 2.43%
<b>Hossein-Ali Mahdavi</b>	Shares: 258,931 Options: 1,210,000 Warrants: 277,778 Beneficial Ownership: 3.15%	375,000 Units	Shares: 633,931 Options: 1,210,000 Warrants: 465,278 Beneficial Ownership: 3.23%
<b>Michael Doolan</b>	Shares: 58,000 Options: 410,000 Warrants: 28,000 Beneficial Ownership: 1.04%	125,000 Units	Shares: 183,000 Options: 410,000 Warrants: 62,500 Beneficial Ownership: 1.06%

**Notes:**

- (1) The disclosure above is provided in response to the general enhanced disclosure requirements under MI 61-101 and is not necessarily an indication that the change in “beneficial ownership” for any insider as a result of the Offering is “material” within the meaning of that term under applicable securities laws.
- (2) The exchange ratio of warrants to purchase Common Shares that were outstanding prior to the consolidation of the Common Shares in November 2024 on a 5-old for one-new Common Share was, in each case, adjusted as a result of the consolidation, but not the number of warrants, such that holders hold the original number of warrants but five warrants are required to be exercised to purchase one Common Share. To aid comprehension and for comparison purposes, the table above is presented as if the number of warrants held by participating related parties was also adjusted on a five for one basis – (i.e., as if one warrant is exercisable to purchase one Common Share at five times the original exercise price).
- (3) The post-Offering beneficial ownership in the table above is based on the Agent’s Option being exercised in full and 17,500,000 Units being sold in the Offering.

The board of directors of the Company (the “**Board**”) considered the Offering and its effects on the Company and authorized and approved the Offering along with the relevant transaction agreements by written resolution. The directors participating in the Offering declared their interests in the Offering to the Company and abstained from voting on the portion of the Offering for which they are participating for the purposes of the resolution. A special committee was not considered necessary to consider the Offering as: (i) the Company does not generate any cash from operations and relies entirely on equity financing for continued operations; and (ii) additional equity ownership of the Company by directors and senior officers through participation in the Offering for cash on the same commercial terms as arm’s length investors, and strengthening the Company’s balance sheet, were objectively seen as positive and desirable outcomes by the entirety of the

Board, who also represent significant ownership of Common Shares. The Offering was approved without any material disagreements or abstentions by any directors.

There are no prior valuations in respect of the Company that relate to the subject matter of, or that are otherwise relevant to, the Offering in the 24 months before the date of this material change report, or that are known, after reasonable inquiry, to the Company or to any of its directors or senior officers.

This material change report was not filed at least 21 days prior to the Closing Date. The Board believes this was reasonable and necessary in the circumstances, as the typical lifecycle for comparable transactions to the Offering is significantly less than 21 days and the Company desired to execute on an available financing opportunity.

**5.2 Disclosure for Restructuring Transactions**

Not applicable.

**Item 6 – Reliance on subsection 7.1(2) of National Instrument 51-102:**

Not applicable.

**Item 7 – Omitted Information:**

Not applicable.

**Item 8 – Executive Officer:**

Name:	Carlos Espinosa
Title:	Chief Financial Officer
Telephone Number:	+1 (647) 401-9292

**Item 9 – Date of Report:**

February 2, 2026