

Transcript of
Fortuna Mining Corp.
Q2 2025 Financial and Operational Results Call
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Participants

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Jorge Alberto Ganoza - President, Chief Executive Officer and Co-Founder, Fortuna Mining Corp.
David Whittle - Chief Operating Officer, West Africa, Fortuna Mining Corp.
Cesar Velasco - Chief Operating Officer, Latin America, Fortuna Mining Corp.
Luis Dario Ganoza - Chief Financial Officer, Fortuna Mining Corp.

Analysts

Eric Winmill - Scotiabank
Mohamed Sidibé - National Bank Financial
Adrian Day - Adrian Day Asset Management

Presentation

Operator

Good day, everyone, and welcome to the Fortuna Mining Corp.'s Second Quarter 2025 Financial and Operational Results Call. At this time, all participants are in a listen-only mode. [Operator Instructions] And we will open the floor for your questions and comments after the presentation.

It is now my pleasure to turn the floor over to your host, Carlos Baca, Vice President, Investor Relations. Sir, the floor is yours.

Carlos Baca - Vice President, Investor Relations, Fortuna Mining Corp.

Thank you, Matthew. Good morning, ladies and gentlemen, and welcome to Fortuna Mining's conference call to discuss our financial and operational results for the second quarter of 2025. Hosting today's call on behalf of Fortuna are Jorge Alberto Ganoza, President, Chief Executive Officer and Co-Founder; Luis Dario Ganoza, Chief Financial Officer; Cesar Velasco, Chief Operating Officer, Latin America; and David Whittle, Chief Operating Officer, West Africa. Today's earnings call presentation is available on our website at fortunamining.com.

Before we begin, please note that during the quarter, Fortuna completed the sale of the San Jose and Yaramoko mines. Accordingly, results from these mines have been excluded from continuing operations for the quarter and year-to-date along with comparative figures. Statements made during this call are subject to the reader advisories included in yesterday's news release, the webcast presentation, our management discussion and analysis and risk factors outlined in our annual

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information form. All financial figures discussed today are in U.S. dollars unless otherwise indicated.

Technical information presented has been reviewed and approved by Eric Chapman, Fortuna's Senior Vice President of Technical Services and a Qualified Person as defined by National Instrument 43-101.

I will now turn the call over to Jorge Alberto Ganoza, President, Chief Executive Officer and Co-Founder of Fortuna Mining.

Jorge Alberto Ganoza - President, Chief Executive Officer and Co-Founder, Fortuna Mining Corp.

Thank you, Carlos, and good morning, everyone, and thank you for joining us. The second quarter reflects the strategic streamlining of our portfolio of assets. Early in the quarter, we completed the sale of two mines with short life of mineral reserves each with less than a year in mining left. Naturally, this reduces our near-term production. In 2024, we delivered a record 460,000 ounces of gold equivalent with the sale of these mines our annualized production is now roughly 330,000 ounces. But the key message today is this, rebuilding production to 0.5 million ounces per year, which is strategically where we want to reposition, is fully under our control. And those ounces will be higher margin, longer life, and lower risk than before.

And here's why we're confident. Séguéla, our flagship asset is on a clear growth path. 140,000 ounces of gold have been guided for 2025, and 170,000 to 180,000 ounces of gold have been guided for 2026, as our expansion plan comes online. Diamba Sud in Séguéla is emerging as our next growth engine. In just 6 months, the indicated resource, as recently published, grew by 53%, and Inferred Resources by 93%, for a combined 1 million ounces.

We continue to drill to expand and upgrade the resource, and advance permitting and engineering towards a 2026 construction decision. All the exploration work that we've been doing over the past 18 months have really enhanced our understanding of the deposit, and our drilling and exploration is really yielding fruit here. And importantly, our robust balance sheet with \$537 million in liquidity, and \$215 million in net cash, the risk, any growth decision we choose to make.

So with that growth vision in mind, let's move to our Q2 results highlights. On health and safety first, safety of our personnel remains our top priority. And I am proud to report that we continue to improve. We recorded 7.2 million work hours without any lost time injury. That's a record for the company, up from 6.7 million work hours in the prior record. And our total recordable injury frequency rate was 0.87 for the second quarter, improving from 0.98 in the first quarter.

On highlights from our financial performance, the second quarter was another quarter of strengthening even further the balance sheet of the company and delivering solid margins. Liquidity, again, at \$537 million, up \$76 million from the previous quarter, driven by \$84 million in proceeds from the mine sales.

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Net cash was \$215 million at the end of the period, up from \$137 million at the end of Q1 2025. Free cash flow from operations was a strong \$57.5 million compared to \$66 million in Q1, primarily due to the timing of tax payments. For margins expanded with higher gold prices, average realized gold price was \$3,306 per ounce, which is up 14% with respect to what we averaged in the first quarter. For EBITDA margin grew to a record 55%, up from 50% in Q1, and our operating margins stood at 36% up from 28% in Q1.

Net earnings from continued operations were \$41 million or \$0.14 per share, compared to \$33 million or \$0.11 per share in Q1. For adjusted EPS of \$0.14, includes a \$17 million withholding tax accrual related to the inaugural full year dividend declared in Cote d'Ivoire for our Séguéla mine, equivalent to \$0.06 per share. In Q1, we achieved full payback on Séguéla's construction in 21 months, while also canceling all intercompany loans and therefore the dividend. Cash flow from operations before working capital changes was \$97 million or \$0.32 per share.

On operational performance, our consolidated gold equivalent production for the period was 75,950 ounces. When we look at it from continuing operations, gold production was 71,229 ounces, slightly above in the previous quarter, and aligned with our full year guidance.

Cash cost was \$929 per ounce, up marginally 7% from Q1 mainly due to the gold to base metal ratio at our Caylloma Mine, which carries a significant base metal, lead, zinc component in its products. Our consolidated ASIC was \$1,932 per ounce, up from \$1,750 in Q1.

Here, I want to reinforce that all our mines continue to track well to meet annual guidance. However, the elevated consolidated ASIC, I just mentioned, is a temporary and timing effect related to CapEx and waste stripping at Lindero and Séguéla. These mines' ASICs will gravitate towards a range of \$1,500 per ounce throughout the second half of the year and into 2026. Lindero's ASIC is trending downwards towards below \$1,500 per ounce by Q4 following the completion of the leach pad expansion.

And Séguéla's ASIC is expected to rise temporarily towards \$1,800 per ounce in Q4, consistent with plant peak in waste stripping in the second half of the year and timing of its capital investments, but staying in the average for the year within annual guidance. Séguéla operated in the quarter with a very competitive cash cost per ounce of \$670. And our 2025 capital budget of \$78 million in Séguéla enables the expansion of production guided for 2026.

We have a series of operational excellence and productivity initiatives that aim to drive margin improvements and cost discipline. Across the business, our portfolio of optimization and productivity initiatives is expected to generate between \$50 million and \$70 million in savings over the next 3 years. These programs span process optimization, equipment utilization, supply chain efficiencies and energy

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management at our mines. They will enhance cash flow, supporting our cost-competitive 0.5 million-ounce strategic objective of annual production.

And, on closing of my comments, I want to revisit the strategic developments I'm looking ahead. The sale of the San Jose and the Yaramoko mines in the quarter was timely. It not only generated \$84 million in gross proceeds, but it also freed approximately \$50 million in capital and management bandwidth away from mine closure projects towards high value growth opportunities which are better aligned with our strategy.

And looking forward, the Séguéla expansion position us for strong growth in 2026. Diamba Sud continues to grow in scale and quality with a 2026 construction decision on the horizon. With this, the near future growth of the company is within our control. With a robust balance sheet, expanding margins, and clear growth pipeline, Fortuna is well positioned to rebuild and surpass 0.5 million ounces per year target with higher margins, higher quality ounces, and lower portfolio risk than ever before. In 20 years, I have never seen Fortuna as strong as it is today.

With that, I will ask David Whittle, our Chief Operating Officer for West Africa, to discuss the results of his region. David?

David Whittle - Chief Operating Officer, West Africa, Fortuna Mining Corp.

Thanks, Jorge. Séguéla and Yaramoko delivered a strong second quarter, achieving solid results in both production and safety. Our commitment to safety and environmental performance remains unwavering, and we are steadily progressing towards our goal of zero harm across all our operations. I'm delighted to report that no injuries occurred at any of our West African operations during the quarter.

During this period, we successfully completed the divestiture of our Yaramoko mine to Soleil Resources, a privately owned Mauritius domicile resources company, thereby concluding our operations in Burkina Faso. Fortuna operated Yaramoko up until April 14th, producing 4,721 ounces during this time. The decision to divest followed a compelling economic offer and aligned with our strategic priorities. At Séguéla, we produced 38,186 ounces of gold, consistent with the prior quarter and exceeding the mine plan, reinforcing our expectations to achieve annual production at the higher end of guidance.

Mining during the quarter totaled 340,000 tonnes of ore at an average grade of 3.33 grams per tonne gold, along with 5.19 million tonnes of waste, resulting in a strip ratio of 15.3 to 1. The processing plant treated 429,000 tonnes at an average grade of 3 grams per tonne gold, with all primarily sourced from the Antenna, Ancien, and Koula pits. The plant operated in an average throughput rate of 210 tonnes per hour. Throughput in June was temporarily reduced due to a major SAG mill reline and other scheduled maintenance, which are now complete. This ensuring smooth operations through the end of the year.

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The third lift of the tailing storage facility and \$8.5 million project remains on track to completion in the third quarter. This will enhance our storage capacity through to 2029, supporting increased throughput and positioning Séguéla to achieve the higher end of its 160,000 to 180,000 ounces of annual production from 2026 onward. All of the capital projects are progressing and are within budget.

Séguéla's performance resulted in a cash cost of \$670 per ounce and an all-in sustaining cost of \$1,634 per ounce, both aligning with our budget. The ASIC reflecting higher royalty expenses driven by the increase in gold prices. Exploration drilling of the Sunbird and Kingfisher deposits yielded encouraging results. Our technical teams are actively working to incorporate these deposits into reserves and mine plans with both remaining open, indicating potential for further resource expansion and bolstering our confidence in Séguéla's long-term potential.

At our Diamba Sud project in Senegal, exploration, environmental permitting and feasibility activities made significant progress during the quarter. In addition to our \$19 million 2025 budget, we approved an additional \$17 million for early works, including ancillary facilities and infrastructure. Infill and extension drilling continued at the main deposits with success, prompting an expansion of the exploration program further to the South and Southeast of the Southern Arc prospect, where newly discovered mineralization remains open. These results enhance our confidence in Diamba Sud's potential, and we look forward to resuming drilling after the wet season in the second half of the year.

Back to you, Jorge.

Jorge Alberto Ganoza - President, Chief Executive Officer and Co-Founder, Fortuna Mining Corp.

Thank you, David. Now Cesar Velasco, our Chief Operating Officer for Latin America, will provide us with the highlights of his region. Cesar?

Cesar Velasco - Chief Operating Officer, Latin America, Fortuna Mining Corp.

Thank you, Jorge, and good morning, everyone. I am pleased to report a robust quarter for our Latin American operations with both of our Lindero and Caylloma mines demonstrating strong safety, production and financial performance. This bolsters our confidence in the strength and resilience of our regional portfolio. At our Lindero mine in Argentina, we achieved remarkable progress on all fronts. Lindero's operational performance has been a significant success with costs decreasing and stable production leading to higher margins and strong free cash flow.

Lindero produced 23,550 ounces of gold, marking a 16% increase over Q1. This aligns with our mining plan and keep us on track to meet our annual guidance. Our efficiency initiatives are yielding positive results. Our all-in sustaining cost was \$1,783 per ounce, a notable reduction of 6.7% from the previous quarter. This improvement resulted from lower sustaining capital expenditures as the leach pad expansion was under construction in the previous quarter.

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As Jorge mentioned, Lindero's AISC is steadily progressing towards our target of \$1,400 per ounce by year end. Our operational efficiencies are also leading to strong outcomes with crushing reaching a new record in June, averaging 1,100 tonnes per hour and stacking achieving a monthly record of 642,000 tonnes. As such, Lindero's cash cost for the second quarter was \$1,148 per ounce.

Financially, Lindero's net sales were \$75.7 million, a 42% increase from Q1, supported by a strong gold price of \$3,293 per ounce. Operating income for the quarter was \$29.1 million, nearly [56%] [ph] higher than the previous quarter and an adjusted EBITDA of \$37.9 million, up 34% versus the previous quarter. We generated free cash flow of \$35.7 million, reflecting strong operational execution and disciplined capital management.

On the sustainability front, we commissioned our photovoltaic plant in Q2, which generated 1 million watts per hour in June. This supplied approximately 26% of Lindero's power needs, saved nearly \$270,000 in diesel costs and avoided an estimated 720 tonnes of CO2 emissions. This marks a significant advancement in our sustainability strategy.

Moving to our Caylloma mine in Peru, it continued to perform reliably and efficiently. Caylloma exemplifies an operational excellence, disciplined capital expenditure and effective project execution. We successfully completed the new hydraulic paste backfill plant in April with a total investment of \$5.4 million. The new plant enables a more efficient and automated process at a lower cost per tonne. It also reduces CO2 emissions by eliminating the need to transport the critic material outside of the underground mine, thus eliminating related diesel consumption.

Caylloma's financial results reflect this operational consistency. Net sales were \$28.4 million with operating income of \$8.7 million and adjusted EBITDA of \$11.3 million. Free cash flow was a notable \$9 million, driven by cost discipline and operational consistency. The cash cost per silver equivalent ounce was \$15.16 and AISC of \$21.73 per ounce, both within the lower range of our annual guidance.

Overall, our Latin American operations continue to deliver strong and consistent results. We're firmly on track to meet our full year guidance and continue generating long-term value for our stakeholders.

Back to you, Jorge.

Jorge Alberto Ganoza - President, Chief Executive Officer and Co-Founder, Fortuna Mining Corp.

Thank you, Cesar. Luis Dario, our CFO, will share the highlights of the quarter on the financial side of things.

Luis Dario Ganoza - Chief Financial Officer, Fortuna Mining Corp.

Thank you, Jorge. I'll be discussing our financial results and all corresponding figures will be from our continuing operations only unless explicitly stated. We are pleased

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to report a net income attributable to Fortuna of \$42.6 million or \$0.14 per share. After adjusting for non-cash, non-recurring items, this figure rises to \$44.7 million or \$0.15 per share.

Our adjusted results represent a remarkable 380% increase over Q2 2024, driven primarily by higher metal prices and an increase in gold sold. Specifically, we realized gold prices that were nearly \$1,000 per ounce higher than the prior year and sold 13% more gold. Our cash cost per ounce for the quarter was \$929, about \$88 higher than Q2 2024. This is consistent with our mine plans, which contemplate higher stripping ratio at both Lindero and Séguéla.

Comparing our results to the first quarter of 2025, our adjusted net income grew by 25%. This was driven by gold prices that were \$420 per ounce higher and an 8% increase in gold sold. On a quarter-over-quarter basis, our cash cost per ounce increased by \$63, which is mainly attributable to the planned progression of waste stripping at our mines.

One item to note that impacted our Q2 results, as Jorge mentioned, was the recognition of the \$17 million charge for withholding taxes. This relates to the first dividend declared at our CDI subsidiary. These taxes will be paid over the next few months and as we repatriate funds. And again, as Jorge emphasized, this represents \$0.06 per share impact to our quarterly results.

Moving to our cash flow statement. We generated \$92.7 million in net cash from operating activities. It is important to highlight that a large portion of our annual tax payments are concentrated in the second quarter. We paid \$36 million, which represent over 40% of what we anticipate paying for all of 2025.

Our capital expenditures for the quarter totaled \$47 million. Of this, we classify \$15 million as growth CapEx, which primarily consist of investments in the Diamba Sud project and our exploration activities. Our anticipated capital expenditures for the full year are \$180 million, consisting of \$120 million for sustaining and \$60 million for growth CapEx. This includes close to \$30 million allocated to Diamba Sud.

In terms of free cash flow, we generated \$57.4 million from ongoing operations. This is a slight decrease from Q1 2025 due to the timing of tax payments and higher sustaining CapEx on a quarter-over-quarter basis.

With respect to our discontinued operations, the cash flow statement discloses a net cash contribution of \$70.6 million for the full year across the operating, investing and financing sections. This figure includes gross proceeds of \$83.8 million from asset sales.

Turning to the balance sheet. We've been experiencing delays in collecting our VAT at our Ivory Coast operations. At this stage, we believe this is an issue related to the electoral cycle and expect collections to start normalizing toward the end of the

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year. At the end of the quarter, we held \$37 million in VAT receivables, which represent approximately 17 months outstanding.

On a very positive note regarding repatriation related matters in Argentina, a favorable change in local prevailing conditions has allowed us to restart repatriation with over \$40 million in the month of July, subsequent to the end of the quarter without any significant friction on foreign exchange costs.

Finally, I want to reinforce Jorge's message regarding our all-in sustaining costs. With the exception of factors tied to metal prices such as royalties and fair value adjustments to share-based payments, we are maintaining our revised guidance range for the year. For the second half of the year, we expect Q3 AISC to remain at similar levels to Q2 before coming down in the fourth quarter. Looking beyond 2025 and considering our expanded production guidance for Séguéla, we are targeting consolidated AISC levels in the range of \$1,750 per ounce in the current metal price environment.

Back to you, Jorge.

Jorge Alberto Ganoza - President, Chief Executive Officer and Co-Founder, Fortuna Mining Corp.

Thank you. And with that, we can open the floor for questions. Carlos?

Carlos Baca - Vice President, Investor Relations, Fortuna Mining Corp.

Thank you, Jorge. Please, Matthew, go ahead and prompt our audience for questions.

Operator

Certainly. Everyone at this time, we'll be conducting a question-and-answer session. [Operator Instructions] Your first question is coming from [Thomas Beslanowitch] [ph]. Your line is live.

Q: Yes. Today, I see the stock really has gotten hammered pretty good. But, I stepped up to the plate and I bought quite a bit. I bought roughly \$50,000 worth. I would assume that everything is running exactly the way you just want, and I hope you would do the same thing and support the stock price. Thank you very much for your time.

Jorge Alberto Ganoza - President, Chief Executive Officer and Co-Founder, Fortuna Mining Corp.

Thank you for your comments there, sir. And as stated through the call and as you can see in our financial results, the company has never been stronger. The fact that we have a headline EPS miss against analyst consensus is related to the timing of our withholding taxes. If we adjust for those \$0.06, we're above analyst consensus for earnings per share. And with respect to our elevated ASIC, for example, which has been an issue of topic of discussion, it has to do with the fact that we are investing in

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the business. Our Séguéla mine, our flagship asset carries today about \$78 million worth of capital that enables the mine to expand production into the next year.

So, all of those are positive. There is no free lunch. You need to invest the money to capture the opportunities, and that's what we're doing. All of this with a very strong balance sheet that backs the company, right? We have been very careful in putting together a fortress balance sheet. And, we are very comfortable that we can move our business forward, capture the growth opportunities that we have in our portfolio, yeah. So, as I said in the call, I never seen Fortuna as strong and better positioned as I see it today, sir.

Operator

Thank you. Your next question is coming from Eric Winmill from Scotiabank. Your line is live.

Q: Hi, good morning, Jorge and team. Thanks for taking my question. Just wondering if there's anything additional you can share on some of the investments that you've made in Awale and some of the others? And maybe just sort of strategically, do you see yourself making some more of these investments and, ultimately, maybe as a way of gaining additional projects for the pipeline? Thanks.

Jorge Alberto Ganoza - President, Chief Executive Officer and Co-Founder, Fortuna Mining Corp.

Yes. Thank you, Eric. Here, what I would like to say first is that the investments that we have been making over the past 24 months are rendering fruit, right? We have been able to advance Diamba Sud. You've seen the recent publication of our resources. And the near future of the company with respect to expanding ounces is under our control, and that's a key message. We have clear opportunities at Séguéla, and we're delivering clear opportunities at Diamba Sud for growth.

On top of that, we are very active across the regions where we work. The Awale investment, Awale sits on a regional structural trend based in margin in the Birimian, that is very intriguing to us. We like the team at Awale. They are frugal and they are technically capable. They are steadily advancing with their work, and we like their approach. And they are positioned in an area that is again intriguing to us. So, we have invested in the company and look forward to see how their progress advances.

We have other initiatives in Argentina as well for early-stage projects. So, we're populating the pipeline of earlier-stage opportunities. We see a lot of value there. Some of these opportunities might bear higher geologic risk in exchange for lower financial risk to the company, because a lot of them are early stage. But, again, that's where we are finding a lot of value. And we're actively putting together either investments like Awale or option agreements that might lead to joint ventures. And we are active there in Cote d'Ivoire, in Mexico and in Argentina as well there.

Q: Okay. Great. Thank you. I really appreciate it. Maybe just one more, if you don't mind, shifting gears. But in Senegal, what's your experience to date in permitting?

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And as that project moves forward, I assume you feel pretty confident being able to get the [Technical Difficulty] for development.

Jorge Alberto Ganoza - President, Chief Executive Officer and Co-Founder, Fortuna Mining Corp.

Yes. I have met personally with the Minister of Mines and his team on several occasions by now. And, what I see is government that's quite supportive of new developments. And, we recently hosted government officials from the Ministry of Mines and local authorities from Senegal and around Diamba Sud at our Séguéla mine in Cote d'Ivoire. It was a very good visit. I think the project is being continues to be well socialized with the authorities and key stakeholders, and we're finding a lot of support. We're finding a lot of support. And yeah, so far, we are well advanced with our environmental impact statement approval. We're ready to submit in the month of September, and we expect to have an environmental approval early next year, yeah.

Q: All right. Fantastic. Thank you. I really appreciate that. I'll hop back in the queue.

Operator

Thank you. Your next question is coming from Mohamed Sidibé from National Bank Financial. Your line is live.

Q: Hi, Jorge and team, and thanks for taking my question. Maybe it's just to follow-up on Senegal and the experience in permitting there. For Diamba Sud specifically with the expectation of the environmental approval early next year, could you maybe walk us through the key milestone for Diamba Sud in terms of PEA by the end of the year, then you get the environmental approval? And then what are the next steps? Do we go towards the PFS? Or do you start assessing the potential to take this into construction if you have the right permits in place? Thank you.

Jorge Alberto Ganoza - President, Chief Executive Officer and Co-Founder, Fortuna Mining Corp.

Yes. Let me start by saying that this recent publication of 1 million-ounce resource between indicated and inferred, it's, I'll say, a game changer for our view of the project, right? Just as a small recap, when we acquired Chesser, they had a historic resource of about 800,000 ounces. We saw some risks there, and we decided to go in, drill and rebuild the geologic model. As an outcome of that, the resource shrunk to 600,000 ounces. So, we went back and we've been drilling, enhancing our knowledge of the deposit. Our original expectation is that we would be where we're standing today by year-end 2025. So this result, this 1 million-ounce that we've been able to produce with clear opportunities to continue expanding it is a significant change in our approach to the project.

So to go straight to your question, along with exploration, we've been carrying a lot of parallel activities on permitting, engineering. So, we are ready to present our environmental permits for review and approval in the coming month. And, we expect to have an approval of that environmental document early in 2026. We're

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planning to publish a PEA in the month of October, probably late October, early November, have a PEA out. But, all of the process design ancillary facilities of that PEA really carry by now feasibility level are at the feasibility level. So, our view is that we will transition quickly into a feasibility study early in 2026. So, that's where we are setting our sights into a feasibility study in early 2026 and consistent with that a construction decision.

And, we are advancing capital for early works right now. We have approved \$17 million budget already for some early works, because as the project advances and we are breaching this 1 million-ounce threshold with clear opportunities to continue expanding the resource. We're getting as well more courageous on our view of a viable project, right? So that is the time line for us now, I would say, environmental approval early next year, submission this year, early next year approval, PEA by late October, feasibility study in H1, middle of H1 2026. Those are roughly the time lines we're seeing for Diamba.

Q: Thanks a lot for that color, Jorge. That's very helpful. And then my second question relates to, I guess, the cadence for CapEx and maybe more for Luis into the second half of the year. Could you maybe help us know if there's the CapEx spend between Q3 and Q4 will likely be equal or if it's more weighted to Q3 or Q4?

Luis Dario Ganoza - Chief Financial Officer, Fortuna Mining Corp.

There should be a slightly more weighing into the second half of the year, particularly we expect in Q3. And, again, coming slightly down in Q4, which is part of the driver for the projected lower ASIC in the latter part of the year. But the key message here is that we have one of our mines, Lindero trending down on AISC from a high AISC at the beginning of the year towards a low AISC at the end of the year and Séguéla trending in the opposite. Our AISC at the beginning of the year at Séguéla was under \$1,300 per ounce. And as investments are picking up and stripping is picking up according to plan, that ASIC is going to gravitate higher, right? And, again, Séguéla is the mine that is expanding into next year, expanding production into next year. So, therefore, the capital buildup throughout the year, right?

Q: Yeah. No, that's great. And just to clarify that Q4 AISC that Luis talked about, was that the \$1,750 per ounce level? Was that just more for comments on the overall year?

Jorge Alberto Ganoza - President, Chief Executive Officer and Co-Founder, Fortuna Mining Corp.

So, the comment on the [\$750] [ph] was related to 2026, and it would represent a decrease in AISC with respect to our guidance for 2025. So, the key message is, AISC is going to be somewhat higher in Q2 and Q3 of this year, coming down towards Q4, and we anticipate even a lower AISC into 2026.

Q: At these levels, okay. That's great. Thank you so much.

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Operator

Thank you. Your next question is coming from Adrian Day from Adrian Day Asset Management. Your line is live.

Q: Thank you. Yeah, good afternoon. Yeah, you discussed your pipeline quite a bit. That was interesting. But I wonder if you could quantify a little more specifically the greenfields, the number of projects, the geographies, how much you're spending this year, next year? And how the spend compares on a historic basis to your greenfields exploration?

Jorge Alberto Ganoza - President, Chief Executive Officer and Co-Founder, Fortuna Mining Corp.

Hello, Adrian.

Q: Hello.

Jorge Alberto Ganoza - President, Chief Executive Officer and Co-Founder, Fortuna Mining Corp.

And first, geography. We currently have on the greenfield side; 3 opportunities being pursued. One, of course, is Awale through our investment. I'm not sure if you follow Awale, but they have a commanding land position in the most intriguing geologic setting. They already have made a significant discovery. They have a joint venture on that discovery with Newmont. But outside of that joint venture, there is a significant land package that continues to offer, we believe, very good potential, and that's what's intriguing to us.

In the north of Barrick's Tongon mine, we have a joint venture also an option agreement for a joint venture in Northern Côte d'Ivoire. That's a Tongon North project. It's a project where we've been drilling this first half of the year. Drilling has stopped due to rains and we look to resume in the second half of the year. But we're testing major structures in the Birimian. We identified gold in auger and big structures, long trends, we're drilling, and we look forward to report when we find something that merits reporting, right? We're finding gold. We're finding gold in the structures. We need to see where those structures blow up, right, and offer opportunity for size and tonnage and grade.

And we have an early discovery, I would say, in our Gugli property in Cote d'Ivoire as well in the South, where we have identified a very large 5-kilometer gold in soil anomaly in a concession that's owned 100% by us. And that is one, Cote d'Ivoire and you see we're very active, not only on brownfields, but in greenfields. We're looking at opportunities in Guinea, right, as well. In Senegal, we're right now very much focused on the land package we control around Diamba Sud, which is sizable. So, we have a program where we're drilling the main core property of Diamba Sud, but also within the larger property package, we're doing a lot of generative work.

Across the Atlantic in Mexico, we have currently 2, 3 active joint ventures for early-stage opportunities. And in Argentina, we just did an option agreement with a local

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party to explore what I would categorize as one of the largest in heated anomalies in the province of Salta, up there close to the Chilean border. And that's early stage. It's an option agreement. And after the winter, we look forward to initiate our first drilling campaigns.

So, our exploration budget for greenfields right now sits at about \$11 million, and that does not include any of the work we're doing at Diamba. That's excluding Diamba Sud. The budget is \$11 million. Our global exploration budget, including now Diamba Sud stands at about \$51 million, total exploration budget. That's up from \$41 million in 2024. So we have increased our global budget for brownfields, greenfields, all that is under the concept of exploration and new project development has gone up from \$41 million in 2024, up to \$51 million in 2025. But, we feel we're well funded, and we have clear opportunities in front of us.

Q: That's excellent. Thank you.

Jorge Alberto Ganoza - President, Chief Executive Officer and Co-Founder, Fortuna Mining Corp.

We do not talk a lot about this early or talk enough, perhaps we don't talk enough about these early-stage opportunities because, again, what we expect is to produce something that we can meaningfully share with the market. How it is with early-stage opportunities. We're testing ideas, testing anomalies is a bit of a hidden miss. But, we're going through the process, generating the ideas, testing the targets, right?

Q: Okay. Super. Thank you.

Operator

Thank you. [Operator Instructions] Your next question is coming from Thomas Beslanowitch. Your line is live.

Q: Yes. I was wondering if you're actively looking to buy another company or possibly merge. Maybe you can't talk about that stuff now, but I was just curious.

Jorge Alberto Ganoza - President, Chief Executive Officer and Co-Founder, Fortuna Mining Corp.

Yes. The answer to that, sir, is that when we think of acquisitions, they are answering the need for growth mainly, right? And we are very comfortable and calm that we have a very robust clear opportunity for growth within our control in our portfolio. And that would be growth that we can deliver at the lowest cost and dilution to our shareholders, right? The most accretive growth we can provide our shareholders is organic growth, and that's under our control.

And as I spoke during the call already, Diamba Sud and Séguéla right now offer clear opportunities for that. And, we are always paying attention for value opportunities, but I would characterize it as this. We have no need to chase ounces. We are chasing value. And if we see value out there, you'll see us very aggressively. We have the

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balance sheet to pursue big opportunities. But our search is for value, not ounces. We can produce the ounces organically, and that's the cheapest and most value we can deliver to our shareholders is advancing what's already in the portfolio, and that is our primary focus.

Q: Thank you very much.

Operator

Thank you. There are no further questions in the queue.

Carlos Baca - Vice President, Investor Relations, Fortuna Mining Corp.

Thank you, Matthew. If there are no further questions, I'd like to thank everyone for joining us today. We appreciate your continued support and interest in Fortuna Mining. Have a great day.

Operator

Thank you. Everyone, this concludes today's event. You may disconnect at this time, and have a wonderful day. Thank you for your participation.

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