

Transcript of  
Fortuna Mining Corp.  
Fourth Quarter 2025 Earnings Conference Call  
February 19, 2026

**Participants**

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

Mohamed Sidibé - National Bank Financial

**Presentation**

**Operator**

Good day, everyone, and welcome to the Fortuna Mining Corp. Fourth Quarter and Full Year 2025 Financial and Operational Results Call. At this time, all participants are placed on a listen-only mode, and we will open the floor for your questions and comments after the presentation.

It is now my pleasure to hand 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 fourth quarter and full year 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](http://fortunamining.com). Statements made during this call are subject to the reader advisories included in yesterday's news release and webcast presentation or management discussion and analysis and the risk factors outlined in our annual information form. All financial figures discussed today are in US dollars unless otherwise stated.

Transcript Provided by



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. Good morning and thank you for joining us today. I'll start very briefly with the quarter before moving to our growth outlook. In the quarter, we delivered record adjusted net income of \$0.23 per share, generally in line with analysts' consensus. Net cash from operations before working capital adjustments was a strong \$0.48 per share, exceeding consensus estimates of \$0.43. We also generated record free cash flow of \$132 million for the quarter, and again, record \$330 million for the full year, highlighting the strength of our operations and balance sheet, which ranks amongst the strongest in our peer group, with over \$700 million in liquidity and a net cash position of approximately \$380 million.

With that context, let me turn to the more important part of the story now, which is growth and value creation. As we have stated, our objective is clear; to grow Fortuna to more than 0.5 million ounces of annual gold production from long-life assets, achieving this over the next 24 months. This will represent approximately 65% growth from current production levels. Importantly, this is growth that we control. The ounces are already contained within our mineral inventory across advanced projects in our portfolio. As this production comes online, we expect it to translate into meaningful growth in free cash flow per share, supported by scale, asset quality, good geographic distribution, and capital discipline. The delivery of this growth is driven by two core assets; Diamba Sud in Senegal and Séguéla in the Ivory Coast.

Starting with Diamba Sud, the project continues to advance on a fast-track approach towards a formal construction decision in mid-year, aligned with the publication of the feasibility study. This morning, we released an updated mineral resource estimate showing a 73% increase in indicated resources to 1.25 million ounces of gold, which will form the key foundation for the study. For 2026, we have approved a \$100 million budget at Diamba Sud, with \$67 million of that allocated to early works, which include the camp facilities, major excavations, and other enabling infrastructure. We began breaking ground this week, and we filed our exploitation permit application earlier this month, marking important execution milestones. Mineralization at Diamba remains wide open, and we continue to carry out aggressive drilling in parallel with project development activities as we pursue further resource growth while growing, continuing, and de-risking the project timeline.

Turning to Séguéla, we're preparing for the next phase of growth through a plant upgrade study currently underway, evaluating throughput expansion options that

Transcript Provided by



potentially take the mine to 200,000 ounces of annual production. This work builds on recent reserve growth and positions Séguéla to deliver higher production and cash flow from an already high-quality, long-life asset.

In summary, Fortuna's growth to over 0.5 million ounces is visible, controlled, and executable, supported by a strong balance sheet, a sound base of mineral resources and reserves, and a clear focus on per-share value creation.

With that, I'll turn the call over to the operating team. David, you want to share your update?

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

Thank you, Jorge. Séguéla delivered another strong quarter, and for the second consecutive year, exceeded the upper end of production guidance. This consistent outperformance reflects the strength of the operation and the quality of the asset. Encouragingly, recent exploration drilling results are adding further momentum, presenting opportunities to increase production levels beyond the current mine plan assumptions. At Diamba Sud in Senegal, the project continues to advance on schedule. Early works programs have been approved. Key contracts are being tendered and awarded, and the project team is mobilizing in preparation for the next development phase. Importantly, during the fourth quarter, no significant incidents were recorded across our West African operations, underscoring our commitment to maintaining a safe and healthy workplace for all personnel.

At Séguéla, we produced 36,942 ounces of gold in the fourth quarter, consistent with prior quarters and ahead of the mine plan. For the full year, production totaled 152,426 ounces, exceeding the upper end of guidance by 4%. Mining during the quarter totaled 340,000 tons of ore, at an average grade of 3.71 grams per ton gold, along with 3.92 billion tons of waste, resulting in a strip ratio of 11.5:1. The processing plant treated 410,000 tons of ore at an average grade of 3.01 grams per ton gold, with throughput averaging 214 tons per hour. Ore was primarily sourced from the Antenna, Ancien, and Koula pits, with waste mining also commencing for the Sunbird pit.

The Sunbird underground project continues to advance strongly. Based on drilling completed through to the end of June 2025, we declared a reserve of just over 400,000 ounces. During the second half of 2025, five diamond drill rigs were allocated to Sunbird, delivering excellent results that support further resource growth. Given the strength of the Sunbird underground and the incorporation of Kingfisher open pit into the life of mine plan, we've identified an opportunity to increase plant capacity. Lycopodium, the original plant builder has been engaged to evaluate expansion options, targeting throughput of between 2 million and 2.5 million tons per year. Early indications are positive, and we expect to complete the study early this year.

Transcript Provided by



Séguéla's strong operational performance translated into a cash cost of \$710 per ounce of gold for the quarter, and \$679 per ounce for the year. AISC was \$1,576 per ounce of gold for the quarter, and \$1,560 per ounce for the year. At the midpoint of guidance, despite an \$86 per ounce impact from higher royalties, led to increased gold prices. Cost discipline remains a clear strength of the operation. In 2026, exploration drilling will continue at pace, with increased focus on infill drilling and step-out testing along strike and at depth at Kingfisher, as well as continued evaluation of additional targets across the 35-kilometer strike length of the Séguéla land package. Drilling at Sunbird underground will also continue as we advance technical studies and progress permitting activities. Capital has already been allocated for long-lead underground mining equipment.

Turning to Diamba Sud, exploration, environmental permitting, and feasibility work advanced smoothly during the quarter. Government approvals were received for early works programs, and the ESIA is in its final stages of approval. Following the rainy season, drill rigs were remobilized at Southern Arc and other deposits, with continued positive results, further strengthening our confidence in this already robust package project.

Thank you. Back to yourself, Jorge.

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

Thank you, David. Now, Cesar will share the update on LatAm operations. Cesar, please.

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

Thank you, Jorge, and good afternoon, everyone. Our Latin American operation delivered resilient performance in 2025, with no reportable safety incidents, supported by strong production execution during the first three quarters of Lindero and consistent results at Caylloma throughout the year, where base metal production exceeded the upper end of guidance. Fourth quarter results at Lindero were impacted by mechanical downtime in the crushing circuit, which affected full-year production.

At Lindero, full year gold production totaled 87,489 ounces, approximately 6% below the lower end of guidance, affected entirely by the fourth quarter production, which totaled 19,201 ounces of gold, driven by two independent mechanical interruptions during the same period. An engineering review identified the structural fatigue risk in the primary crusher foundations. To address the root cause, we have approved a 35-day foundation replacement schedule for late March 2026, at an estimated cost of \$2.2 million. Ore is being pre-stockpiled to maintain stacking continuity during the repair. This has been fully considered within our production plan and guidance for the year.

Transcript Provided by



From a financial perspective, Lindero generated \$294.2 million in annual gold sales and an EBITDA margin remained strong at 57% to sales. Cash cost of \$1,117 per ounce of gold for Q4, and \$1,132 for the year, well within guidance range. Q4, all-in sustaining costs improved to \$1,639 per ounce of gold due to lower sustaining capital and reduced stripping, offset by the impact of maintenance interventions and temporary crushing solutions, AISC for the full year of \$1,716 per ounce within guidance range. We are currently conducting approximately 6,500 meters of diamond drilling below the pit bottom, where mineralization remains open at depth. The objective of this program is to upgrade an estimated 400,000 ounces of inferred resources to the indicated and measured categories. These resources are located beyond the limits of the current final pit design and the resources pit shell. Lindero remains a high-margin, long-life mine with strong fundamentals.

Now turning to Caylloma, the operation continued to deliver consistent and disciplined performance throughout 2025. In the fourth quarter of 2025, Caylloma produced 250,000 ounces of silver at an average head grade of 65 grams per ton, maintaining production levels in line with the previous quarter. Zinc and lead production totaled 12.1 million and 8.4 million pounds, respectively at an average head grades of 4.32% zinc and 2.95% lead. Production remained steady quarter-over-quarter as mining continued from the same levels and stocks, supporting predictable mill feed and recoveries. For the full year production of --

### **Operator**

Ladies and gentlemen, please remain on the line while we reconnect the speaker to the conference room. Thank you for your patience. Once again, ladies and gentlemen, please remain on the line while we reconnect the speaker to the conference room. Once again, ladies and gentlemen, please remain on the line while we reconnect the speaker to your conference. And Carlos, your line is connected. Your line is live.

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

I think we can move on to the financial summary with the CFO. Luis, please go ahead.

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

Thank you. So, attributable net income for the quarter was \$68.1 million, or \$0.22 per share on an adjusted basis. Excluding non-cash charges, net income was \$71.3 million or \$0.23 per share. This represents a significant increase over the \$0.06 reported in Q4 of 2024, and the \$0.17 in Q3 of 2025. Year-over-year, the increase was primarily driven by higher gold prices. We realized an average price of \$4,166 per ounce, an increase of over \$1,500 per ounce, while consolidated cash costs rose only marginally by 5% to \$971 per ounce. This pricing benefit was partially offset by lower production volumes stemming from the HPGR downtime at Lindero in December,

Transcript Provided by



as referenced by Cesar. Compared to Q3 of 2025, the \$0.06 increase in EPS was similarly driven by a \$700 per ounce rise in realized gold prices.

I will take a couple of minutes to make a few other comments pertaining to certain items of our annual results. We recorded \$26 million in general and administration expenses for Q4, which includes \$6.9 million in stock-based compensation. This total is \$9.5 million higher than Q4 of 2024. This increase was driven by two main factors: \$5.3 million related to higher stock-based compensation due to our year-over-year share price appreciation, and \$3.5 million in higher site-level G&A, primarily due to timing of expenses. A full breakdown is available on page 10 of our MD&A. Looking ahead, we expect quarterly G&A, excluding stock-based compensation, to range between \$14 million and \$16 million across our corporate and site operations.

Continuing with G&A, full year expenses totaled \$97.7 million, an increase of \$29 million over 2024. About two-thirds of this variance, approximately \$20 million, stems from stock-based compensation, driven once again by the year-over-year appreciation of our share price. We recorded a foreign exchange loss of \$2.9 million for the quarter and \$7.8 million for the full year. The annual figure includes a \$13.8 million realized foreign exchange loss, primarily driven by our operations in Argentina. Notably, over \$6 million of this realized loss stemmed from cash balances held in-country during the first half of the year. However, this was fully offset by hedging strategies we implemented to protect the US dollar value of our local currency.

Interest and financing costs for the quarter were \$2.6 million, which is \$3 million lower than Q4 of 2024. And for the full year, interest costs totaled \$12.3 million. This is a \$12 million decrease from the previous year. This improvement was driven primarily by a significant increase in interest income, which rose to \$14.5 million in 2025, compared to \$3.7 million in 2024, reflecting our growing cash balances.

Finally, on the income statement, our effective tax rate for the fourth quarter was 33%, while the full year 2025 rate was 26%. These figures reflect the statutory tax rates in our operating jurisdictions, as well as withholding taxes associated with the repatriation of profits. Looking ahead to 2026, we expect our effective tax rates to average between 30% and 33%.

Moving to cash flow and liquidity, our total capital expenditures was \$44.5 million for the quarter and \$178.1 million for the full year. Of the annual total, \$109 million was dedicated to sustaining capital and \$69 million to growth initiatives. This growth spend included \$48 million for exploration across Diamba Sud, our operating sites and greenfield initiatives, along with \$14 million to advance the Diamba Sud project. Free cash flow from ongoing operations, which accounts for sustaining capital, reached \$132 million for Q4 and \$330 million for the full year. This represents an EBITDA conversion rate of 84% and 60%, respectively. We ended 2025 with \$704 million in total liquidity, a \$327 million increase over 2024, driven by our strong operating results and the sale of Yaramoko earlier this year.

Transcript Provided by



Back to you, Jorge.

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

Thank you, Carlos. That's all for management, and we can open the floor for Q&A.

**Operator**

Certainly. Everyone at this time will be conducting a question-and-answer session. [Operator Instructions] Your first question is coming from Mohamed Sidibé from National Bank Financial. Your line is live.

**Q:** Thank you. Morning, Jorge and team, and thanks for taking my question. Maybe my first question I can start with Diamba Sud and the positive resource update that you provided this morning. How should we think about the upcoming technical report? Will the increased resource be geared towards extending the mine life there, or should we think about an improvement of the production profile in the first two to five years with maybe a little bit tonnage than previously expected? Any color would be great there. Thank you.

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

Yes. No, we do not anticipate this will lead to a change in throughput against what we presented in the PEA, which was released in October. So this will, I believe, have two impacts, this new update, Mohamed; one, will lead to an extension of life of mine, right, and second, the new resources coming in come at a higher grade. So, the new deposit in the inventory is Southern Arc, which today is the largest deposit at the Diamba Sud camp. And, it is also the highest grade one. So at 1.9 grams, I do would expect that the annual production profile benefits to some degree from that uplift as well.

**Q:** Thank you. That's clear on that front. I guess a little bit more high grade in the front, and then the lower grade material from the other assets can be used to extend the mine life there. If I can maybe ask yourself or David, maybe on the gold price assumption. At Diamba, you took it from about \$2,600 to \$3,300 per ounce. What are the key drivers behind that assumption? And if you can walk us through any reasoning behind that using that price for the resource, please. Thank you.

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

Yes. That is the resource that we have used. You know, right now everybody is adjusting their price decks, and we using the methodology we use, the number we derived is \$3,300 for the resource. So you should anticipate that for the reserve estimate, we use a lower gold price. Just as a reference, for our budgets and reserves

Transcript Provided by



for 2026, it's something we estimate with a cut-off date of in the second half of the year, no. And we use \$2,600 gold for the resources and \$2,300 gold for the reserve. So you should anticipate we use for reserves a lower number, no, a lower gold price compared to the \$3,300 in the resource, yeah.

**Q:** That's great. Thanks for that. And then maybe my final question on just a broader portfolio. And I know you already guided to 2026, but how should we think about the cadence of production in the first half versus second half, specifically as with shipping at Séguéla and production at Lindero? Just any color there would be appreciated. Thank you.

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

Production through the year should be, in general, steady. The only one is Lindero, where production in Q1, Q2 should be expected to be a bit on the softer side, as you know, that's part of our plans. As Cesar described, we are engaged in improvements, changes to the foundations of the primary crusher, and then gradually picking up a bit better in the second half of the year once all of those works are complete. We do see more variation in AISC through the year. We do expect a bit of a higher AISC in the beginning of the year, smoothing out, lowering throughout mid-year into the second half to be where we guided, right. That is just a function of capital expenditures being a bit more heavier in the first half of the year compared to the second half.

**Q:** That's very helpful. Thank you.

**Operator**

Thank you. [Operator Instructions] Your next question is coming from John Piera [Phonetic]. Your line is live.

**Q:** Hi. Yeah, sorry, I was online, got disconnected. I'm not sure if there's any duplication from the previous caller. My questions are -- well, one of my questions is similar and really in terms of you talk about your plan to get to 500,000 ounces, and I'm just wondering if we could hear a little bit more color around that. You know, when you look at Séguéla at current running rate of, so we'll say 160,000 ounces annually, if you can indeed achieve a 40% increase through your studies that takes you to 225,000. And then obviously, Diamba Sud, if that goes forward, would contribute.

So I'd just like to understand a little bit more color on from the various projects, how you, how you equate to 500,000, when you expect, or how does that ramp over 2026, 2027 and 2028? You know, answer whatever you can. I know I'm asking a lot here. And then in terms of cost for the various projects for example, in Séguéla, if you, we want to move that from 160 to 225, do you have a sense of what the CapEx cost would be for that? Diamba Sud's talked about in terms of previous news releases in

Transcript Provided by



terms of capital costs. But can you just give a little bit more flavor and then maybe if there's any increase in production expected from Lindero as well?

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

Yes, absolutely. Let's start with Séguéla. Séguéla is a mine that was originally designed to operate at a throughput rate of 1.25 million tons per year. That was the nameplate capacity of what we built and commissioned in mid-2023. Today, the mine is operating. For 2026, we have budgeted and guided for 1,750,000 ounces of throughput in the year, right. Our aim is to take it to 2.2 million to 2.3 million tons per year. That is a brownfields expansion of the processing plant. We're well advanced with the studies and we have confidence right now that technically is a very straightforward project. Most of the work will reside on the wet portion of the circuit, be that thickeners, pumping capacity, leach tanks, and we will certainly have to add a regrind ball mill. But as we understand it today, very little work will likely take place on the comminution, no.

So I can give you a broad range of the figure we believe will be required to materialize this expansion. Right now, as the study is not complete, but the order of magnitude is in the range of probably \$50 million, \$60 million to \$100 million, no, on the high end. And by mid-year, we will have a trade-off between the different options that we have and certainly final numbers for that. In terms of order of magnitude, that, those are the magnitudes we're talking about, right. Of course, the processing capacity is just a portion of this project because the foundation for this resides in the resource and in the reserve. We just published a few weeks ago an updated reserve and resource estimate for this mine and what we're showing is that we have 1.5 million ounces of gold in reserves and 400,000 ounces in the indicated resource category and 700,000 ounces in the inferred. And we continue drilling and finding more. So, you should expect that before mid-year, probably April, May, we will be updating again the resources and reserves for this mine and it will be a constant iteration for the next foreseeable future because we are having and enjoying a lot of success with our drilling. So that is the foundation, really, for the expansion.

And we're targeting 2.2 million tons per year, 2.3 in that range. That range still needs to be well-defined in the study. And that, with the grades we have in the reserve and in the resources as we do our modeling, should lead to a production in the range of 200,000 ounces of gold annually. So that is our target, based on the work we're delivering. When can we achieve this? If we have a study completed by mid-2026, I think a project of this nature, advancing it at a fast pace, we're not subject to any financial limitations on this one, we can advance it quickly, and an expectation would be that 12 months to 18 months, I think, would be. Probably the limiting factor is delivery times on key equipment, for example, a regrind mill, right. Right now, delivery times are around 12 months. So 12 months to 18 months, I believe, is what should be expected from the go decision. We might, along the way, decide to de-risk

Transcript Provided by



the timeline, advancing with some early purchases. That's something that we can consider, but we're not there yet. We're still in the study phase.

Moving on to the Diamba Sud, the same. Diamba Sud has a robust, rich resource. We just updated it. We are very confident on the technical viability and economics of this project. We have a very strong PEA published in October, that using \$2,750 gold, yields an internal rate of return of 72% for our investment. And that was with a smaller resource. So now, with the figures we just updated, this new resource, 1.25 million ounces in indicated, are going to inform the feasibility study that we aim to publish in May, June. But we're confident, and the best use of our funds right now is advance the project in a way that we de-risk the timeline for first gold. So we have decided to commit this year \$100 million for the Diamba Sud project, and \$67 million of that \$100 million figure are allocated for early works. What does that entail?

We're building the camp. We are initiating excavations. We plan to initiate excavations on the water storage facility and other ancillary infrastructure. We are planning to place early purchase orders for critical equipment packages, power generators, sag mill, and other equipment packages. Placing those early orders will not only help secure our budget through the construction, but also safeguard our timeline to first gold. Everybody is happy right now about \$4,000 to \$5,000 gold, but no one is thinking that everybody now wants to build a gold mine, and the delivery times on the critical equipment that we use, the consumables our mines require, the people needed to execute all of these, are quickly going to come in high demand and shortage, right. So how are we mitigating that risk? Putting our capital to work and advancing as much as we can, placing early, getting ourselves early on the queues for critical equipment, securing the best people, the best teams from the engineering firm. So we're doing a lot of that right now.

**Q:** What do you consider long life? So you're you talk about long life mining. You talk about 8 years to 10 years, is what you'd be comfortable with?

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

The target for us is a decade. We need to see not solely on reserves, but also considering at least our resources. We need to see a decade, a decade, a decade plus, no. Yeah.

**Q:** So that tells me that, we say within the next 2 years or 3 years, you want to ramp to 500,000 -- 0.5 million ounces per year, then you are obviously, in aggregate, going to target a resource of close to 5 million ounces through the various projects. So I get you, yeah, I guess you're well underway, certainly with Séguéla, right, and the Diamba Sud at 1.5 million too already, right?

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

Transcript Provided by



Let me help you there. If I do something -- in currently today, in our aggregate or consolidated reserves, if you look at our website, what you will see is that we have 3 million ounces in reserves today on a consolidated basis, 2.2 million ounces in indicated resources, which are of good quality, and it's just a function of timing until we start converting a big chunk of that into the reserve and we have 2 million ounces of gold in inferred categories, plus \$50 million in drilling being spent this year, no, in exploration; not just drilling but exploration. So the aggregate number, if I aggregate, which the regulators don't like, but if I just for the sake of conversation, the aggregate is over 7 million ounces. So we feel comfortable we have the resource base and reserve base to achieve our ambition.

**Q:** Right. Do you still have anything, any exploration going on in Mexico?

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

Yes, we do have some early-stage exploration at two projects. One is being currently drilled. We don't talk much about those because those are early-stage exploration. But, yeah, we still do some work. It's not a significant portion of the overall budget, but we're still there.

**Q:** Okay, great. And then just lastly, on Lindero, where do you see that the production for Lindero going? Is there any growth or expansion plans planned for Lindero?

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

Well, today, Lindero enjoys a decade in reserves, right. Reserves and resources, we clearly have. We're comfortable with nine, 10 years there right now as it sits. Cesar touched on this during his intervention. We currently have a drill program because at the bottom of the pit, below the bottom of the pit, we have an open mineralization, and we are targeting, this is a target, of 400,000 ounces of gold that we're currently drilling at the bottom of the pit. How much of that are we going to capture, let me get back to you once the drilling is complete, but that is the target, no. And we're drilling. We're set to start drilling in March, I believe. And so before year, mid-year, that program should be completed, and I expect we'll see a big portion of those ounces coming into the inventory, mid -- in the second half of the year. Our budget there for exploration is about \$5 million this year, yeah.

**Q:** Right. Great. Thank you for that, Jorge. Appreciate it.

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

Thank you, sir.

**Operator**

Transcript Provided by



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

**Q:** Jorge, thanks again for taking another question from myself here. Just to follow up, maybe, as it relates to the underground, could you share some color on when about the underground development plans you have there for Sunbird, and when we could start to see ore from the underground within your plan? Not sure if you can give any color on that front. Thank you.

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

Yeah. We have, Mohamed, a budget this year of around \$14 million that will likely grow some. This year we want to start the box cut and some purchases of underground equipment. The idea is that we are doing excavations in 2027, so probably late 2027, early 2028 is when we can start seeing production. Remember that we're still permitting, we're still permitting underground. So we expect we can achieve our permits late this year. I was at Indaba with the team, David and the team, we had a good meeting with the director of mines for Ivory Coast, and he was very keen to advance with the permitting and with the aim of having it permitted this year. So, if we take his word, if we're permitted this year, we can initiate mining next, right. This will require ramps and cross cuts and ancillary infrastructure that will likely be developed throughout 2027 and first production in 2028.

**Q:** Great. Thanks a lot for that color.

**Operator**

Thank you. [Operator Instructions] Thank you. That concludes our Q&A session. I'll now hand the conference back to Carlos Baca, Vice President of Investor Relations, for closing remarks. Please go ahead.

**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.

Transcript Provided by

