



Fredonia Mining Inc. Receives Environmental Permit and Begins 6,000 Metre Drilling Program at its El Dorado-Monserrat Gold Project

TORONTO, Ontario, October 12, 2021 – Fredonia Mining Inc. (“**Fredonia**” or the “**Company**”) (TSXV:FRED) is pleased to announce that it has obtained an Environmental Permit to complete its planned initial 6,000 metre drilling program at its El Dorado Monserrat gold project (“EDM”) in Santa Cruz, Argentina.

Estanislao Auriemma, CEO and Director of Fredonia Mining commented, ***“We are very pleased to be able to rehab the roads and the camp, while we obtained the environmental permit on time to begin our 6,000 m drilling program last week”.***

Fredonia rehabilitated the camp and roads while working with the authorities towards permitting. Drilling commenced at Monserrat Oeste on October 6, 2021, and the Company will continue to work towards having initial results during Q4 2021.

An initial 13 drill holes are planned to depths of up to 320 metres as detailed below in Table 1 and Figures 1 and 2.

PROPOSED HOLE ID	TARGET	EASTING	NORTHING	ELEVATION	AZIMUTH	DIP	EOH
P9	Monserrat Oeste	2528490	4638590	220	270	-55	320
P10	Monserrat Oeste	2528500	4638800	235	270	-55	320
P11	Monserrat Oeste	2528460	4638950	246	270	-60	300
P4	Monserrat Oeste	2528484	4638163	218	270	-55	315
P3	Monserrat Oeste	2528458	4638065	214	270	-50	295
P1	Monserrat Oeste	2528360	4637890	210	270	-50	245
PP1	La Herradura	2532503	4632914	193	188	-60	280
PP2	La Herradura	2532451	4633064	178	188	-60	330
PP3	La Herradura	2532232	4632991	189	188	-60	250
PP4	La Herradura	2532054	4633071	188	188	-70	320
PP5	La Herradura	2531733	4633000	179	188	-60	250
PP6	La Herradura	2531478	4632909	168	188	-60	250
PP7	La Herradura	2531347	4632939	186	188	-60	250
							3725

Table 1 initial proposed holes at Monserrat Oeste and La Herradura.



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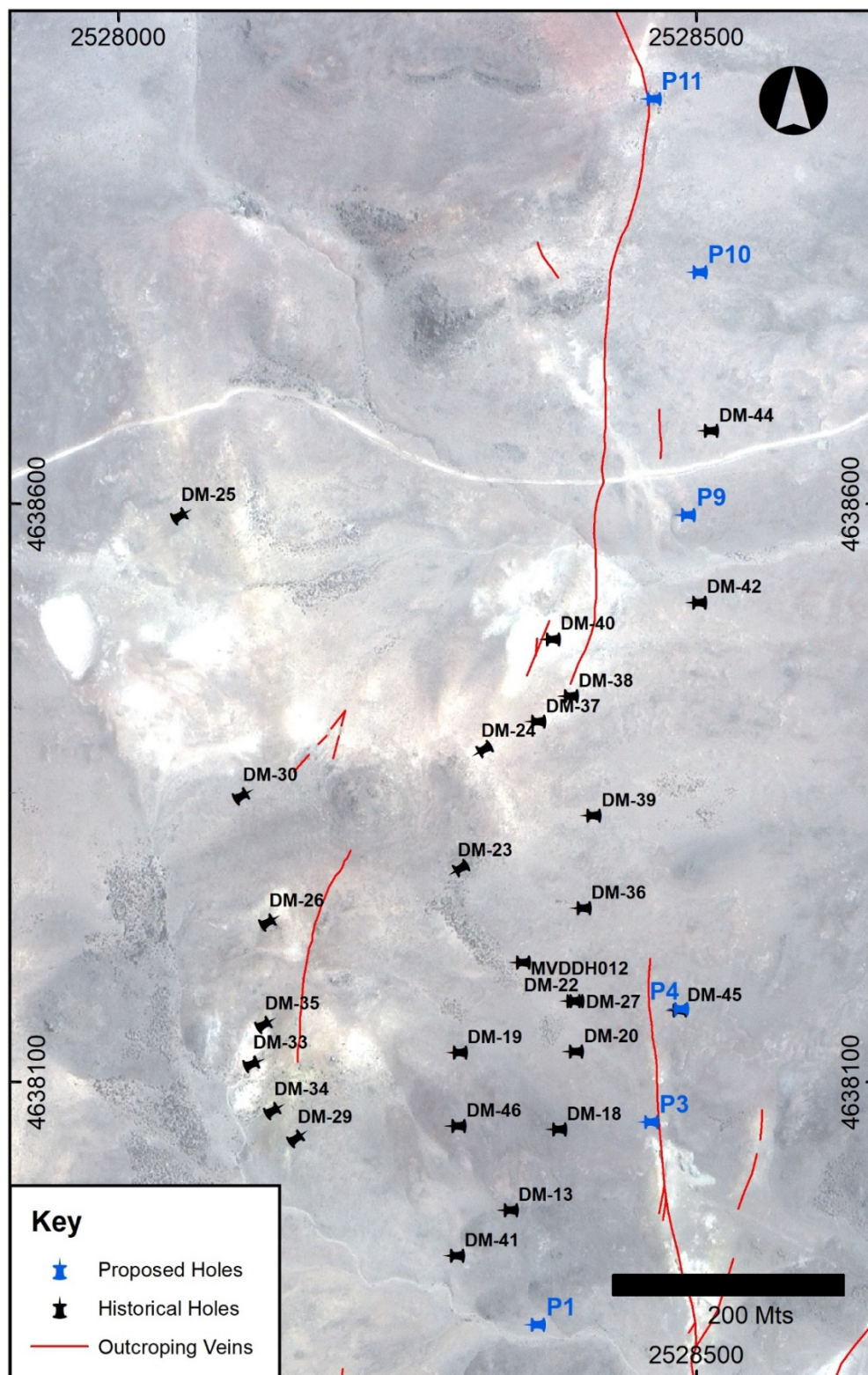


Figure 1. Monserrat Oeste, historic (black) and proposed holes

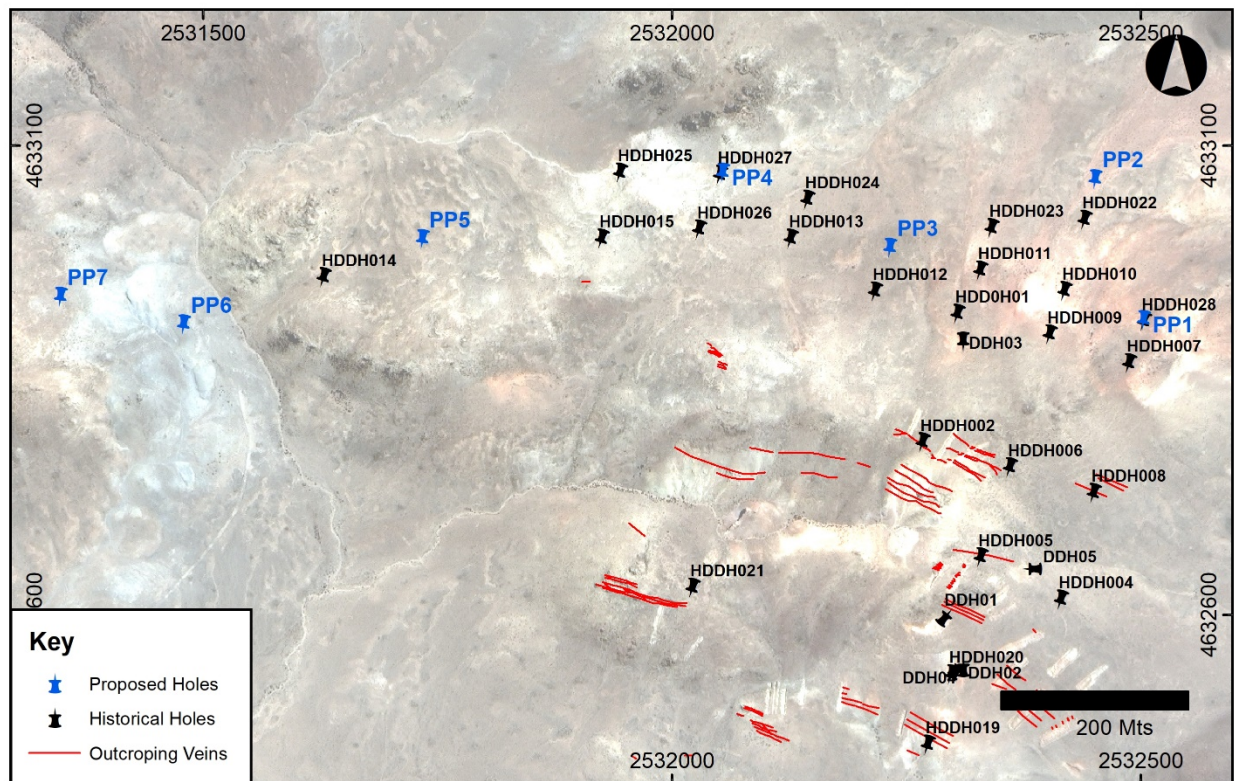


Figure 2. La Herradura, historic (black) and proposed holes.

The drilling at both project areas is designed to increase potential by demonstrating depth and along strike continuity. A second tranche of drilling once results are received will focus on further expanding the extent of the known mineralisation as well as scout drilling on other adjacent prospects and increasing confidence in the 'in-house-resource' defined at Main Veins.

El Dorado-Monserrat ('EDM') Project

The EDM property 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'. However, in 2011 sheep farming was the second ranking economic activity in this area, as oil, gas and mining (coal and gold) overtook agriculture, giving Santa Cruz the highest GDP per capita in Argentina.

The nearest major centres to the Fredonia licences are Puerto Deseado (population 10,000), Puerto San Julian (population 6,000) 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. The



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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.

The Deseado Massif is a large tectonic block in Santa Cruz Province. During the Jurassic and Cretaceous Periods, widespread volcanic activity included the outpouring of rhyolitic ignimbrites and deposition of sediments which together form the Bahia Laura Group. This Group includes the Chon Aike, La Matilde Formations, overlying the Bajo Pobre Formation. Hydrothermal systems associated with the Chon Aike (and Bajo Pobre) volcanism produced important epithermal AuAg vein deposits in the Deseado Massif. Since 1976, the San Jose, Cerro Negro, Mina Martha, Manantial Espejo, Cerro Moro, Cerro Vanguardia and other deposits have been discovered. Epithermal veins are the most common ore deposits. Vein systems can be followed for kilometres, often with a north-westerly trend as at Cerro Vanguardia and Cerro Moro. The quartz veins may be brecciated and contain limonitic and manganiferous veining and breccia fill. Barite, adularia, and haematite may occur in the quartz veins. The quartz veining may be associated with rhyolitic domes that are the source of the mineralising fluids and provide structural loci for their deposition.

Extensive low sulphidation epithermal vein style mineralisation, including a significant north-south trending system termed the Main Vein zone, was initially discovered in the early 1980s on the EDM Property during a survey conducted by Government geologists for barite. The Main Vein and Abanico areas extend in a north-south direction and carry significant gold and silver values, their total strike length, from trench intercepts in the south-southwest to drill hole intercepts in the north-northeast, is approximately 2.8 km and mineralised zones vary in thickness from less than 1 m to over 10 m. The veins occupy a north striking, sinistral shear zone. In the south, the system swells to around 1 km in width, hosted by andesitic Bajo Pobre Formation rocks. The Main Veins area was the focus of a NI-43101 Exploration Target report in 2018 and updated in 2021.

The Monserrat Oeste area is located 2 km west of the Main Vein zone in a northwest oriented dilational corridor. At surface, a silica cap, secondary oxidation, leaching, breccia and residual quartz textures are reported by Fredonia. Surface mapping by previous owners Samco Gold and drilling data from Aur Resources indicates that Monserrat Oeste is located within the Chon Aike Formation, while drilling data suggests that mineralised zones are related to veining and brecciation and have a north to north-northeast trend, dipping 55 to 75° to the east. Mineralised zones are characterised by argilisation and intense silicification with dense veins of quartz, barite, pyrite, limonite, haematite and clays.

Reinterpretation of the available data suggests that the Monserrat Oeste prospect is analogous to the Cerro Negro model of a buried epithermal system.

La Herradura and Beethoven, in the south of the Project area, are considered to be part of the



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same system, located close to a volcanic centre.

Mineralisation at the La Herradura prospect is hosted by veins and veinlets of massive quartz with iron oxide staining. Hydrothermal breccias composed of sub-angular clasts up to 1 cm are also present. Fredonia reports that the veins have an azimuth of around 300° and a dip of 65 to 75° to the northeast. It is reported that average vein lengths are 120 to 250 m, with thicknesses from 0.15 to 0.5 m. Depths of mineralised zones at La Herradura vary from surface to around 220 m below surface. The footprint of the main mineralised area is approximately 480 m in length and 70 to 130 m wide, though mapping indicates the structure continues to 1400m and remains open.

Other prospect areas in the Property include Beethoven, Bajo Pedernal, Monserrat East, Pamela and Vanina.

Exploration Programme

Fredonia has initiated a comprehensive exploration programme to enable the further assessment of the potential of the El Dorado-Monserrat Property. Initially improvement to access and re-establishing the camp at the Monserrat homestead enabled completion of the Environmental Impact Assessment required before commencement of exploration drilling.

The EDM Project area is considered to contain significant potential and the drilling, trenching and surface exploration conducted on the prospects by prior operators are adequate to demonstrate the overall potential of the property.

The exploration programme planned includes mapping, surface sampling, trenching and geophysics. However, the near term emphasis of future exploration will be drill focussed at both Monserrat Oeste and La Herradura. Additional drilling as well as resampling of historic drill core will be required to fully assess the potential and to enable the reporting of a Mineral Resource for the Main Vein area. Outside the three primary prospect areas: Main Vein Monserrat Oeste and La Herradura, there is also considerable potential for additional mineralised zones to be identified. Follow-up drilling at Abanico and Bajo Pedernal, initial drilling at Monserrat Este will enable an improved understanding of the geometry and extent of the mineralised zones in these areas. Further to this, additional exploration of the Anita, Vanina, Pamela and Juan Luis to the north of the Main Veins will determine the potential for additional significant mineralised zones.

Technical Information

The technical contents of this press release have been reviewed and approved by Marc J. Sale FAustIMM MAIG, a qualified person pursuant to National Instrument 43-101 ("NI 43-101"). Mr. Sale is qualified as a geologist with a technical background in mineral exploration, including specifically gold and silver deposits.



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ACA Howe's Senior Associate Geologist, Marc J. Sale (QP), was onsite for several days during Fredonia's drilling in March 2018.

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About Fredonia

Fredonia, incorporated under the laws of the British Virgin Islands, directly or indirectly, owns 100% interest in certain license areas (totaling approximately 18,300 ha.) (collectively, the "Project"), all within the Deseado Massif geological region in the Province of Santa Cruz, Argentina, including the following principal areas: El Aguila, approx. 9,100ha, Petrificados, approx. 3,000ha, and the flagship, advanced El Dorado-Monserrat ("EDM") covering approx. 6,200ha located close to Anglo Gold Ashanti's Cerro Vanguardia mine, subject to a 1.5% net smelter return royalty on the EDM project, 0.5% net profits interest on Winki II, El Aguila I, El Aguila II and Petrificados.

For further information: Please visit the Company website www.fredoniamanagement.com or contact: Carlos Espinosa, Chief Financial Officer, Direct: +1-647-401-9292, Email: cespinosa@slgmexico.com