



**Fortuna**  
Mining

**CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

For the three and nine months ended  
September 30, 2024 and 2023  
(UNAUDITED)

**Fortuna Mining Corp.****Condensed Interim Consolidated Statements of Income**

(Unaudited - Tabular amounts presented in thousands of US dollars, except share and per share amounts)

|                                                              |      | Three months ended September 30, |            | Nine months ended September 30, |            |
|--------------------------------------------------------------|------|----------------------------------|------------|---------------------------------|------------|
|                                                              | Note | 2024                             | 2023       | 2024                            | 2023       |
| Sales                                                        | 18   | \$ 274,921                       | \$ 243,055 | \$ 759,841                      | \$ 577,114 |
| Cost of sales                                                | 19   | 187,990                          | 177,177    | 523,069                         | 438,941    |
| Mine operating income                                        |      | 86,931                           | 65,878     | 236,772                         | 138,173    |
| General and administration                                   | 20   | 16,042                           | 14,631     | 56,687                          | 44,164     |
| Foreign exchange (gain) loss                                 |      | (3,406)                          | 4,923      | 2,081                           | 8,455      |
| Write-off of mineral properties                              |      | -                                | 722        | -                               | 722        |
| Other expenses                                               |      | 1,645                            | 221        | 2,804                           | 7,865      |
|                                                              |      | 14,281                           | 20,497     | 61,572                          | 61,206     |
| Operating income                                             |      | 72,650                           | 45,381     | 175,200                         | 76,967     |
| Investment gains                                             |      | 3,162                            | -          | 8,311                           | -          |
| Interest and finance costs, net                              | 21   | (6,278)                          | (8,157)    | (19,380)                        | (14,255)   |
| Gain (loss) on derivatives                                   |      | -                                | 234        | -                               | (948)      |
|                                                              |      | (3,116)                          | (7,923)    | (11,069)                        | (15,203)   |
| Income before income taxes                                   |      | 69,534                           | 37,458     | 164,131                         | 61,764     |
| Income taxes                                                 |      |                                  |            |                                 |            |
| Current income tax expense                                   |      | 21,861                           | 5,134      | 61,863                          | 15,579     |
| Deferred income tax (recovery) expense                       |      | (6,745)                          | 1,441      | (24,557)                        | (24)       |
|                                                              |      | 15,116                           | 6,575      | 37,306                          | 15,555     |
| Net income for the period                                    |      | \$ 54,418                        | \$ 30,883  | \$ 126,825                      | \$ 46,209  |
| Net income attributable to:                                  |      |                                  |            |                                 |            |
| Fortuna shareholders                                         |      | \$ 50,511                        | \$ 27,466  | \$ 117,391                      | \$ 41,480  |
| Non-controlling interest                                     | 25   | 3,907                            | 3,417      | 9,434                           | 4,729      |
|                                                              |      | \$ 54,418                        | \$ 30,883  | \$ 126,825                      | \$ 46,209  |
| Earnings per share                                           | 17   |                                  |            |                                 |            |
| Basic                                                        |      | \$ 0.16                          | \$ 0.09    | \$ 0.38                         | \$ 0.14    |
| Diluted                                                      |      | \$ 0.16                          | \$ 0.09    | \$ 0.38                         | \$ 0.14    |
| Weighted average number of common shares outstanding (000's) |      |                                  |            |                                 |            |
| Basic                                                        |      | 312,627                          | 292,601    | 308,383                         | 291,210    |
| Diluted                                                      |      | 314,682                          | 294,877    | 310,180                         | 293,250    |

The accompanying notes are an integral part of these financial statements.

**Fortuna Mining Corp.****Condensed Interim Consolidated Statements of Comprehensive Income**

(Unaudited - Tabular amounts presented in thousands of US dollars, except share and per share amounts)

|                                                                             | Note | Three months ended September 30, |           | Nine months ended September 30, |           |
|-----------------------------------------------------------------------------|------|----------------------------------|-----------|---------------------------------|-----------|
|                                                                             |      | 2024                             | 2023      | 2024                            | 2023      |
| Net income for the period                                                   |      | \$ 54,418                        | \$ 30,883 | \$ 126,825                      | \$ 46,209 |
| Items that will remain permanently in other comprehensive (loss) income:    |      |                                  |           |                                 |           |
| Changes in fair value of investments in equity securities, net of \$nil tax |      | (4)                              | 19        | 14                              | (2)       |
| Items that may in the future be reclassified to profit or loss:             |      |                                  |           |                                 |           |
| Currency translation adjustment, net of tax <sup>1</sup>                    |      | (1,115)                          | (390)     | (2,307)                         | 592       |
| Total other comprehensive (loss) income for the period                      |      | (1,119)                          | (371)     | (2,293)                         | 590       |
| Comprehensive income for the period                                         |      | \$ 53,299                        | \$ 30,512 | \$ 124,532                      | \$ 46,799 |
| Comprehensive income attributable to:                                       |      |                                  |           |                                 |           |
| Fortuna shareholders                                                        |      | 49,392                           | 27,095    | 115,098                         | 42,070    |
| Non-controlling interest                                                    | 25   | 3,907                            | 3,417     | 9,434                           | 4,729     |
|                                                                             |      | \$ 53,299                        | \$ 30,512 | \$ 124,532                      | \$ 46,799 |

<sup>1</sup> For the three and nine months ended September 30, 2024, the currency translation adjustment is net of tax expense of \$246 thousand and recovery of \$38 thousand, respectively (2023 - expenses of \$281 thousand and \$6 thousand, respectively).

The accompanying notes are an integral part of these interim financial statements.

**Fortuna Mining Corp.****Condensed Interim Consolidated Statements of Financial Position**

(Unaudited - Tabular amounts presented in thousands of US dollars, except share and per share amounts)

| <b>Balance at</b>                                     | <b>Note</b> | <b>September 30, 2024</b> | <b>December 31, 2023</b> |
|-------------------------------------------------------|-------------|---------------------------|--------------------------|
| <b>ASSETS</b>                                         |             |                           |                          |
| CURRENT ASSETS                                        |             |                           |                          |
| Cash and cash equivalents                             |             | \$ 180,551                | \$ 128,148               |
| Trade and other receivables                           | 4           | 100,813                   | 69,529                   |
| Inventories                                           | 5           | 125,182                   | 115,825                  |
| Other current assets                                  | 6           | 23,914                    | 19,823                   |
|                                                       |             | <b>430,460</b>            | <b>333,325</b>           |
| NON-CURRENT ASSETS                                    |             |                           |                          |
| Mineral properties and property, plant and equipment  | 7           | 1,559,775                 | 1,574,212                |
| Other non-current assets                              | 8           | 93,373                    | 60,326                   |
| Total assets                                          |             | <b>\$ 2,083,608</b>       | <b>\$ 1,967,863</b>      |
| <b>LIABILITIES</b>                                    |             |                           |                          |
| CURRENT LIABILITIES                                   |             |                           |                          |
| Trade and other payables                              | 9           | \$ 143,232                | \$ 148,084               |
| Current portion of debt                               | 12          | -                         | 43,901                   |
| Income taxes payable                                  |             | 52,267                    | 31,779                   |
| Current portion of lease obligations                  | 11          | 18,051                    | 14,941                   |
| Current portion of closure and reclamation provisions | 14          | 8,487                     | 5,065                    |
|                                                       |             | <b>222,037</b>            | <b>243,770</b>           |
| NON-CURRENT LIABILITIES                               |             |                           |                          |
| Debt                                                  | 12          | 124,058                   | 162,946                  |
| Deferred tax liabilities                              |             | 146,987                   | 159,855                  |
| Closure and reclamation provisions                    | 14          | 59,616                    | 60,738                   |
| Lease obligations                                     | 11          | 46,771                    | 42,460                   |
| Other non-current liabilities                         | 13          | 5,238                     | 9,973                    |
| Total liabilities                                     |             | <b>604,707</b>            | <b>679,742</b>           |
| <b>SHAREHOLDERS' EQUITY</b>                           |             |                           |                          |
| Share capital                                         | 16          | 1,160,302                 | 1,125,376                |
| Reserves                                              |             | 55,088                    | 25,342                   |
| Retained earnings                                     |             | 205,040                   | 87,649                   |
| Equity attributable to Fortuna shareholders           |             | <b>1,420,430</b>          | <b>1,238,367</b>         |
| Equity attributable to non-controlling interest       | 25          | 58,471                    | 49,754                   |
| Total equity                                          |             | <b>1,478,901</b>          | <b>1,288,121</b>         |
| Total liabilities and shareholders' equity            |             | <b>\$ 2,083,608</b>       | <b>\$ 1,967,863</b>      |

Contingencies and Capital Commitments (Note 26)

Subsequent Events (Notes 26d and 27)

*/s/ Jorge Ganoza Durant*

Jorge Ganoza Durant

Director

*/s/ Kylie Dickson*

Kylie Dickson

Director

The accompanying notes are an integral part of these interim financial statements.

**Fortuna Mining Corp.**
**Condensed Interim Consolidated Statements of Cash Flows**

(Unaudited - Tabular amounts presented in thousands of US dollars, except share and per share amounts)

|                                                                   |      | Three months ended<br>September 30, |            | Nine months ended<br>September 30, |            |
|-------------------------------------------------------------------|------|-------------------------------------|------------|------------------------------------|------------|
|                                                                   | Note | 2024                                | 2023       | 2024                               | 2023       |
| <b>Operating activities:</b>                                      |      |                                     |            |                                    |            |
| Net income for the period                                         |      | \$ 54,418                           | 30,883     | \$ 126,825                         | \$ 46,209  |
| Items not involving cash                                          |      |                                     |            |                                    |            |
| Depletion and depreciation                                        |      | 59,873                              | 63,935     | 167,378                            | 148,087    |
| Accretion expense                                                 | 21   | 2,175                               | 2,041      | 6,558                              | 5,175      |
| Income taxes                                                      |      | 15,116                              | 6,575      | 37,306                             | 15,555     |
| Interest expense, net                                             | 21   | 4,103                               | 6,120      | 12,822                             | 9,057      |
| Share-based payments, net of cash settlements                     |      | 1,773                               | 312        | 6,645                              | (585)      |
| Inventory net realizable value adjustments                        | 5    | -                                   | (18)       | 2,852                              | 929        |
| Write-off of mineral properties                                   | 7    | -                                   | 722        | -                                  | 722        |
| Unrealized foreign exchange (gain) loss                           |      | (2,741)                             | 1,882      | (7,731)                            | 1,265      |
| Investment gains                                                  | 24   | (3,162)                             | -          | (8,311)                            | -          |
| Other                                                             |      | 1,597                               | 469        | 929                                | 508        |
| Closure, reclamation and related severance payments               | 14   | (2,208)                             | (159)      | (2,360)                            | (604)      |
| Changes in working capital                                        | 24   | (26,441)                            | 249        | (81,174)                           | (10,624)   |
| Cash provided by operating activities                             |      | 104,503                             | 113,011    | 261,739                            | 215,694    |
| Income taxes paid                                                 |      | (12,092)                            | (3,184)    | (38,533)                           | (19,601)   |
| Interest paid                                                     |      | (894)                               | (4,330)    | (10,835)                           | (6,630)    |
| Interest received                                                 |      | 1,365                               | 967        | 2,988                              | 2,368      |
| Net cash provided by operating activities                         |      | 92,882                              | 106,464    | 215,359                            | 191,831    |
| <b>Investing activities:</b>                                      |      |                                     |            |                                    |            |
| Costs related to Chesser acquisition, net of cash acquired        |      | -                                   | 1,525      | -                                  | (3,061)    |
| Additions to mineral properties and property, plant and equipment |      | (50,128)                            | (37,049)   | (141,861)                          | (165,462)  |
| Contractor advances on Séguéla construction                       |      | -                                   | 919        | -                                  | (8)        |
| Purchases of investments                                          | 24   | (9,160)                             | -          | (25,573)                           | -          |
| Proceeds from sale of investments                                 | 24   | 12,322                              | -          | 33,883                             | -          |
| Deposits on long-term assets                                      |      | (1,262)                             | -          | (2,148)                            | -          |
| Other investing activities                                        |      | 657                                 | 928        | 1,550                              | 2,647      |
| Cash used in investing activities                                 |      | (47,571)                            | (33,677)   | (134,149)                          | (165,884)  |
| <b>Financing activities:</b>                                      |      |                                     |            |                                    |            |
| Restricted cash - convertible debentures                          | 12   | 46,129                              | -          | -                                  | -          |
| Repayment of convertible debentures                               | 12   | (9,649)                             | -          | (9,649)                            | -          |
| Proceeds from credit facility                                     | 12   | -                                   | -          | 68,000                             | 65,500     |
| Repayment of credit facility                                      | 12   | -                                   | (40,000)   | (233,000)                          | (40,000)   |
| Convertible notes issued                                          | 12   | -                                   | -          | 172,500                            | -          |
| Cost of financing - convertible notes                             | 12   | (1,271)                             | -          | (6,478)                            | -          |
| Repurchase of common shares                                       | 16   | -                                   | -          | (3,535)                            | -          |
| Payments of lease obligations                                     | 24   | (4,246)                             | (5,818)    | (14,799)                           | (11,648)   |
| Dividend payment to non-controlling interest                      |      | (717)                               | (1,305)    | (717)                              | (1,305)    |
| Cash provided by (used in) financing activities                   |      | 30,246                              | (47,123)   | (27,678)                           | 12,547     |
| Effect of exchange rate changes on cash and cash equivalents      |      | (603)                               | (1,307)    | (1,129)                            | (1,206)    |
| Increase in cash and cash equivalents during the period           |      | 74,954                              | 24,357     | 52,403                             | 37,288     |
| Cash and cash equivalents, beginning of the period                |      | 105,597                             | 93,424     | 128,148                            | 80,493     |
| Cash and cash equivalents, end of the period                      |      | \$ 180,551                          | \$ 117,781 | \$ 180,551                         | \$ 117,781 |
| Cash and cash equivalents consist of:                             |      |                                     |            |                                    |            |
| Cash                                                              |      | \$ 149,849                          | \$ 103,032 | \$ 149,849                         | \$ 103,032 |
| Cash equivalents                                                  |      | 30,702                              | 14,749     | 30,702                             | 14,749     |
| Cash and cash equivalents, end of the period                      |      | \$ 180,551                          | \$ 117,781 | \$ 180,551                         | \$ 117,781 |

Supplemental cash flow information (Note 24)

The accompanying notes are an integral part of these interim financial statements.

**Fortuna Mining Corp.**
**Condensed Interim Consolidated Statements of Changes in Equity**

(Unaudited - Tabular amounts presented in thousands of US dollars, except share and per share amounts)

|                                                        | Note | Share capital           |              | Reserves       |                 |                    |                                      |                          |                   |                          | Total equity |
|--------------------------------------------------------|------|-------------------------|--------------|----------------|-----------------|--------------------|--------------------------------------|--------------------------|-------------------|--------------------------|--------------|
|                                                        |      | Number of common shares | Amount       | Equity reserve | Hedging reserve | Fair value reserve | Equity component of convertible debt | Foreign currency reserve | Retained earnings | Non-controlling interest |              |
| Balance at January 1, 2024                             |      | 306,587,630             | \$ 1,125,376 | \$ 26,144      | \$ 198          | \$ (998)           | \$ 4,825                             | \$ (4,827)               | \$ 87,649         | \$ 49,754                | \$ 1,288,121 |
| Total comprehensive income for the period              |      |                         |              |                |                 |                    |                                      |                          |                   |                          |              |
| Net income for the period                              |      | -                       | -            | -              | -               | -                  | -                                    | -                        | 117,391           | 9,434                    | 126,825      |
| Other comprehensive loss for the period                |      | -                       | -            | -              | -               | 14                 | -                                    | (2,307)                  | -                 | -                        | (2,293)      |
| Total comprehensive income for the period              |      | -                       | -            | -              | -               | 14                 | -                                    | (2,307)                  | 117,391           | 9,434                    | 124,532      |
| Transactions with owners of the Company                |      |                         |              |                |                 |                    |                                      |                          |                   |                          |              |
| Conversion and repayment of debentures                 | 12   | 7,184,000               | 35,383       | -              | -               | -                  | (91)                                 | -                        | -                 | -                        | 35,292       |
| Dividend declared and paid to non-controlling interest | 25   | -                       | -            | -              | -               | -                  | -                                    | -                        | -                 | (717)                    | (717)        |
| Repurchase of common shares                            | 16   | (1,030,375)             | (3,535)      | -              | -               | -                  | -                                    | -                        | -                 | -                        | (3,535)      |
| Shares issued on vesting of share units                |      | 589,574                 | 3,078        | (3,078)        | -               | -                  | -                                    | -                        | -                 | -                        | -            |
| Share-based payments                                   | 15   | -                       | -            | 2,888          | -               | -                  | -                                    | -                        | -                 | -                        | 2,888        |
| Equity portion of convertible notes, net of tax        | 12   | -                       | -            | -              | -               | -                  | 32,320                               | -                        | -                 | -                        | 32,320       |
|                                                        |      | 6,743,199               | 34,926       | (190)          | -               | -                  | 32,229                               | -                        | -                 | (717)                    | 66,248       |
| Balance at September 30, 2024                          |      | 313,330,829             | \$ 1,160,302 | \$ 25,954      | \$ 198          | \$ (984)           | \$ 37,054                            | \$ (7,134)               | \$ 205,040        | \$ 58,471                | \$ 1,478,901 |
| Balance at January 1, 2023                             |      | 290,221,971             | \$ 1,076,342 | \$ 28,850      | \$ 198          | \$ (976)           | \$ 4,825                             | \$ (2,968)               | \$ 138,485        | \$ 43,940                | \$ 1,288,696 |
| Total comprehensive income for the period              |      |                         |              |                |                 |                    |                                      |                          |                   |                          |              |
| Net income for the period                              |      | -                       | -            | -              | -               | -                  | -                                    | -                        | 41,480            | 4,729                    | 46,209       |
| Other comprehensive income for the period              |      | -                       | -            | -              | -               | (2)                | -                                    | 592                      | -                 | -                        | 590          |
| Total comprehensive income for the period              |      | -                       | -            | -              | -               | (2)                | -                                    | 592                      | 41,480            | 4,729                    | 46,799       |
| Transactions with owners of the Company                |      |                         |              |                |                 |                    |                                      |                          |                   |                          |              |
| Acquisition of Chesser                                 |      | 15,545,368              | 45,548       | -              | -               | -                  | -                                    | -                        | -                 | -                        | 45,548       |
| Dividend payment to non-controlling interest           |      | -                       | -            | -              | -               | -                  | -                                    | -                        | -                 | (1,305)                  | (1,305)      |
| Shares issued on vesting of share units                |      | 647,941                 | 2,692        | (2,692)        | -               | -                  | -                                    | -                        | -                 | -                        | -            |
| Convertible debenture conversion                       |      | 45,000                  | 225          | -              | -               | -                  | -                                    | -                        | -                 | -                        | 225          |
| Share-based payments                                   | 15   | -                       | -            | 997            | -               | -                  | -                                    | -                        | -                 | -                        | 997          |
|                                                        |      | 16,238,309              | 48,465       | (1,695)        | -               | -                  | -                                    | -                        | -                 | (1,305)                  | 45,465       |
| Balance at September 30, 2023                          |      | 306,460,280             | \$ 1,124,807 | \$ 27,155      | \$ 198          | \$ (978)           | \$ 4,825                             | \$ (2,376)               | \$ 179,965        | \$ 47,364                | \$ 1,380,960 |

The accompanying notes are an integral part of these interim financial statements.

## **Fortuna Mining Corp.**

### **Notes to Condensed Interim Consolidated Financial Statements**

For the three and nine months ended September 30, 2024 and 2023

(Unaudited - Tabular amounts presented in thousands of US dollars, except share and per share amounts)

---

#### **1. NATURE OF OPERATIONS**

Fortuna Mining Corp. (the "Company"), formerly Fortuna Silver Mines Inc., is a publicly traded company incorporated and domiciled in British Columbia, Canada. The Company's name was changed on June 20, 2024.

The Company is engaged in precious and base metal mining and related activities in Argentina, Burkina Faso, Côte d'Ivoire, Mexico, and Peru. The Company operates the open pit Lindero gold mine ("Lindero") in northern Argentina, the underground Yaramoko gold mine ("Yaramoko") in southwestern Burkina Faso, the open pit Séguéla gold mine ("Séguéla") in southwestern Côte d'Ivoire, the underground San Jose silver and gold mine ("San Jose") in southern Mexico, and the underground Caylloma silver, lead, and zinc mine ("Caylloma") in southern Peru.

The Company's common shares are listed on the New York Stock Exchange (the "NYSE") under the trading symbol FSM and on the Toronto Stock Exchange (the "TSX") under the trading symbol FVI.

The Company's registered office is located at Suite 650 - 200 Burrard Street, Vancouver, British Columbia, V6C 3L6, Canada.

#### **2. BASIS OF PRESENTATION**

##### **Statement of Compliance**

These unaudited condensed interim consolidated financial statements ("interim financial statements") were prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") applicable to the preparation of interim financial statements, including IAS 34 Interim Financial Reporting. They do not include all the information required for full annual financial statements. These interim financial statements should be read in conjunction with the Company's audited consolidated financial statements for the year ended December 31, 2023, which include information necessary for understanding the Company's business and financial presentation.

Other than as described below, the same accounting policies and methods of computation are followed in these interim financial statements as compared with the most recent annual financial statements.

On November 6, 2024, the Company's Board of Directors approved these interim financial statements for issuance.

##### **Basis of Measurement**

These financial statements have been prepared on a going concern basis under the historical cost basis, except for those assets and liabilities that are measured at fair value (Note 23) at the end of each reporting period.

##### **Adoption of new accounting standards**

The Company adopted various amendments to IFRS, which were effective for accounting periods beginning on or after January 1, 2024. These include amendments to IAS 1 (Classification of Liabilities as Current or Non-current, and Non-current Liabilities with Covenants), IFRS 16 (Lease Liability in a Sale and Leaseback), IAS 7 and IFRS 7 (Supplier Finance Arrangements), and IAS 28 and IFRS 10 (Sale or Contribution of Assets between an Investor and its Associate or Joint Venture). The impacts of adoption were not material to the Company's interim financial statements.

## Fortuna Mining Corp.

### Notes to Condensed Interim Consolidated Financial Statements

For the three and nine months ended September 30, 2024 and 2023

(Unaudited - Tabular amounts presented in thousands of US dollars, except share and per share amounts)

IFRS 18 (Presentation and Disclosure in Financial Statements) was issued by the IASB in April 2024, with mandatory application of the standard in annual reporting periods beginning on or after January 1, 2027. We are currently assessing the impact of IFRS 18 on our consolidated financial statements.

### 3. USE OF ESTIMATES, ASSUMPTIONS, AND JUDGEMENTS

The preparation of these interim financial statements requires management to make estimates and judgements that affect the reported amounts of assets and liabilities at the period end date and reported amounts of expenses during the reporting period. Such judgements and estimates are, by their nature, uncertain. Actual outcomes could differ from these estimates.

The impact of such judgements and estimates are pervasive throughout the interim financial statements, and may require accounting adjustments based on future occurrences. These judgements and estimates are continuously evaluated and are based on management's experience and knowledge of the relevant facts and circumstances. Revisions to accounting estimates are recognized in the period in which the estimate is revised and are accounted for prospectively.

In preparing these interim financial statements for the three and nine months ended September 30, 2024, the Company applied the critical estimates, assumptions and judgements as disclosed in Note 4 of its audited consolidated financial statements for the year ended December 31, 2023.

### 4. TRADE AND OTHER RECEIVABLES

| As at                                             | September 30, 2024 | December 31, 2023 |
|---------------------------------------------------|--------------------|-------------------|
| Trade receivables from doré and concentrate sales | \$ 33,530          | \$ 19,970         |
| Advances and other receivables                    | 5,483              | 5,189             |
| Value added tax receivables                       | 61,800             | 44,370            |
| Trade and other receivables                       | \$ 100,813         | \$ 69,529         |

The Company's trade receivables from concentrate and doré sales are expected to be collected in accordance with the terms of the existing concentrate and doré sales contracts with its customers. No amounts were past due as at September 30, 2024.

As at September 30, 2024, current Value Added Tax ("VAT") receivables include \$15.9 million (December 31, 2023 - \$7.5 million) for Argentina, \$5.2 million (December 31, 2023 - \$7.4 million) for Mexico, \$18.6 million (December 31, 2023 - \$5.1 million) for Côte d'Ivoire, and \$20.6 million (December 31, 2023 - \$22.7 million) for Burkina Faso. An additional \$27.0 million of VAT receivable is classified as non-current (refer to Note 8).

VAT receivables from the fiscal authorities in Burkina Faso are not in dispute and are deemed to be fully recoverable. The most recent refund was received in August 2024. The Company is following the relevant process in Burkina Faso to recoup the VAT receivables and continue to engage with authorities to accelerate the repayment of the outstanding balance.

**Fortuna Mining Corp.****Notes to Condensed Interim Consolidated Financial Statements**

For the three and nine months ended September 30, 2024 and 2023

(Unaudited - Tabular amounts presented in thousands of US dollars, except share and per share amounts)

**5. INVENTORIES**

| As at                         | Note | September 30, 2024 | December 31, 2023 |
|-------------------------------|------|--------------------|-------------------|
| Concentrate stockpiles        |      | \$ 1,932           | \$ 1,328          |
| Doré bars                     |      | 2,382              | 273               |
| Leach pad and gold-in-circuit |      | 26,328             | 27,527            |
| Ore stockpiles                |      | 88,635             | 73,015            |
| Materials and supplies        |      | 62,577             | 53,235            |
| Total inventories             |      | \$ 181,854         | \$ 155,378        |
| Less: non-current portion     | 8    | (56,672)           | (39,553)          |
| Current inventories           |      | \$ 125,182         | \$ 115,825        |

During the three and nine months ended September 30, 2024, the Company expensed \$168.7 million and \$468.2 million of inventories to cost of sales (September 30, 2023 - \$158.3 million and \$393.9 million, respectively).

During the three and nine months ended September 30, 2024, a charge of \$nil and \$2.9 million, respectively (September 30, 2023 - \$0.2 million reversal and \$0.8 million charge, respectively), was recognized to reduce low-grade stockpiles at Yaramoko to net realizable value. This amount includes a charge of \$nil and \$1.1 million, respectively (September 30, 2023 - \$0.1 million reversal and \$0.5 million charge, respectively), related to depletion and depreciation.

**6. OTHER CURRENT ASSETS**

| As at                  | September 30, 2024 | December 31, 2023 |
|------------------------|--------------------|-------------------|
| Prepaid expenses       | \$ 19,267          | \$ 14,604         |
| Income tax recoverable | 4,424              | 5,113             |
| Other                  | 223                | 106               |
| Other current assets   | \$ 23,914          | \$ 19,823         |

As at September 30, 2024, prepaid expenses include \$11.4 million (December 31, 2023 - \$8.8 million) related to deposits and advances to contractors.

**7. MINERAL PROPERTIES AND PROPERTY, PLANT AND EQUIPMENT**

|                                              | Mineral<br>Properties -<br>Depletable | Mineral<br>Properties -<br>Non-depletable | Construction in<br>Progress | Property, Plant &<br>Equipment | Total        |
|----------------------------------------------|---------------------------------------|-------------------------------------------|-----------------------------|--------------------------------|--------------|
| <b>COST</b>                                  |                                       |                                           |                             |                                |              |
| Balance as at December 31, 2023              | \$ 1,511,621                          | \$ 272,956                                | \$ 44,218                   | \$ 941,528                     | \$ 2,770,323 |
| Additions                                    | 62,837                                | 26,673                                    | 51,086                      | 18,881                         | 159,477      |
| Changes in closure and reclamation provision | 2,081                                 | -                                         | -                           | 8                              | 2,089        |
| Disposals and write-offs                     | -                                     | -                                         | -                           | (4,172)                        | (4,172)      |
| Transfers                                    | 427                                   | -                                         | (14,030)                    | 13,603                         | -            |
| Balance as at September 30, 2024             | \$ 1,576,966                          | \$ 299,629                                | \$ 81,274                   | \$ 969,848                     | \$ 2,927,717 |
| <b>ACCUMULATED DEPLETION AND IMPAIRMENT</b>  |                                       |                                           |                             |                                |              |
| Balance as at December 31, 2023              | \$ 723,255                            | \$ -                                      | \$ 49                       | \$ 472,807                     | \$ 1,196,111 |
| Disposals and write-offs                     | -                                     | -                                         | -                           | (3,737)                        | (3,737)      |
| Depletion and depreciation                   | 123,553                               | -                                         | -                           | 52,015                         | 175,568      |
| Balance as at September 30, 2024             | \$ 846,808                            | \$ -                                      | \$ 49                       | \$ 521,085                     | \$ 1,367,942 |
| Net Book Value as at September 30, 2024      | \$ 730,158                            | \$ 299,629                                | \$ 81,225                   | \$ 448,763                     | \$ 1,559,775 |

As at September 30, 2024, non-depletable mineral properties include \$104.0 million of exploration and evaluation assets (December 31, 2023 - \$88.5 million).

**Fortuna Mining Corp.****Notes to Condensed Interim Consolidated Financial Statements**

For the three and nine months ended September 30, 2024 and 2023

(Unaudited - Tabular amounts presented in thousands of US dollars, except share and per share amounts)

Additions to depletable mineral properties include one-half of the 1.2% net smelter return royalty at the Séguéla mine, acquired for \$6.5 million (10 million Australian dollars), as per a royalty agreement with Franco-Nevada Corporation.

As at September 30, 2024, property, plant and equipment include right-of-use assets with a net book value of \$63.0 million (December 31, 2023 - \$56.1 million). Related depletion and depreciation for the three and nine months ended September 30, 2024, was \$3.7 million and \$10.9 million, respectively (September 30, 2023 - \$5.6 million and \$10.4 million, respectively).

|                                              | Mineral<br>Properties -<br>Depletable | Mineral<br>Properties -<br>Non-depletable | Construction in<br>Progress | Property, Plant &<br>Equipment | Total        |
|----------------------------------------------|---------------------------------------|-------------------------------------------|-----------------------------|--------------------------------|--------------|
| <b>COST</b>                                  |                                       |                                           |                             |                                |              |
| Balance as at December 31, 2022              | \$ 866,999                            | \$ 712,269                                | \$ 154,647                  | \$ 704,781                     | \$ 2,438,696 |
| Acquisition of Roxgold                       | -                                     | 58,862                                    | -                           | 282                            | 59,144       |
| Additions                                    | 100,366                               | 39,835                                    | 111,690                     | 23,930                         | 275,821      |
| Changes in closure and reclamation provision | 9,407                                 | -                                         | -                           | 152                            | 9,559        |
| Disposals and write-offs                     | (142)                                 | (5,883)                                   | -                           | (6,872)                        | (12,897)     |
| Transfers                                    | 534,991                               | (532,127)                                 | (222,119)                   | 219,255                        | -            |
| Balance as at December 31, 2023              | \$ 1,511,621                          | \$ 272,956                                | \$ 44,218                   | \$ 941,528                     | \$ 2,770,323 |
| <b>ACCUMULATED DEPLETION AND IMPAIRMENT</b>  |                                       |                                           |                             |                                |              |
| Balance as at December 31, 2022              | \$ 506,268                            | \$ -                                      | \$ -                        | \$ 364,807                     | \$ 871,075   |
| Disposals and write-offs                     | (40)                                  | -                                         | -                           | (6,610)                        | (6,650)      |
| Impairment                                   | 60,602                                | -                                         | 49                          | 29,964                         | 90,615       |
| Depletion and depreciation                   | 156,425                               | -                                         | -                           | 84,646                         | 241,071      |
| Balance as at December 31, 2023              | \$ 723,255                            | \$ -                                      | \$ 49                       | \$ 472,807                     | \$ 1,196,111 |
| Net Book Value as at December 31, 2023       | \$ 788,366                            | \$ 272,956                                | \$ 44,169                   | \$ 468,721                     | \$ 1,574,212 |

**8. OTHER NON-CURRENT ASSETS**

| As at                          | Note | September 30, 2024 | December 31, 2023 |
|--------------------------------|------|--------------------|-------------------|
| Ore stockpiles                 | 5    | \$ 56,672          | \$ 39,553         |
| Value added tax receivables    |      | 27,010             | 13,172            |
| Income tax recoverable         |      | 1,170              | 1,170             |
| Unamortized transaction costs  |      | 1,080              | -                 |
| Other                          |      | 7,441              | 6,431             |
| Total other non-current assets |      | \$ 93,373          | \$ 60,326         |

As at September 30, 2024, ore stockpiles include \$51.9 million (December 31, 2023 - \$39.6 million) at the Lindero mine and \$4.8 million (December 31, 2023 - \$nil) at the Séguéla mine.

As at September 30, 2024, non-current VAT receivables include \$24.3 million (December 31, 2023 - \$9.4 million) for Burkina Faso and \$2.7 million (December 31, 2023 - \$3.8 million) for Mexico.

As at September 30, 2024, the Company had settled all outstanding amounts on its Amended Credit Facility. The Amended Credit Facility remains available for use until its expiration in November 2025 (refer to Note 27). The unamortized transaction costs related to the Amended Credit Facility are being amortized over its term.

**Fortuna Mining Corp.****Notes to Condensed Interim Consolidated Financial Statements**

For the three and nine months ended September 30, 2024 and 2023

(Unaudited - Tabular amounts presented in thousands of US dollars, except share and per share amounts)

**9. TRADE AND OTHER PAYABLES**

| As at                          | Note        | September 30, 2024 | December 31, 2023 |
|--------------------------------|-------------|--------------------|-------------------|
| Trade accounts payable         |             | \$ 92,754          | \$ 100,387        |
| Payroll and related payables   |             | 24,824             | 21,896            |
| Mining royalty payable         |             | 3,409              | 3,997             |
| Other payables                 |             | 12,328             | 15,112            |
| Derivative liabilities         |             | -                  | 81                |
| Share units payable            | 15(a)(b)(c) | 9,917              | 6,611             |
| Total trade and other payables |             | \$ 143,232         | \$ 148,084        |

As at September 30, 2024, other payables include \$4.7 million (December 31, 2023 - \$nil) of severance provisions for the anticipated closure of the San Jose mine. The non-current portion of the severance provision is included in other non-current liabilities (refer to Note 13).

**10. RELATED PARTY TRANSACTIONS**

In addition to the related party transactions and balances disclosed elsewhere in these financial statements, the Company entered into the following related party transactions during the three and nine months ended September 30, 2024 and 2023:

Key Management Personnel

Amounts paid to key management personnel were as follows:

|                       | Three months ended<br>September 30, |          | Nine months ended<br>September 30, |          |
|-----------------------|-------------------------------------|----------|------------------------------------|----------|
|                       | 2024                                | 2023     | 2024                               | 2023     |
| Salaries and benefits | \$ 1,598                            | \$ 2,072 | \$ 6,567                           | \$ 6,886 |
| Directors fees        | 209                                 | 208      | 638                                | 622      |
| Consulting fees       | 17                                  | 17       | 50                                 | 50       |
| Share-based payments  | 771                                 | 367      | 6,051                              | 2,192    |
|                       | \$ 2,595                            | \$ 2,664 | \$ 13,306                          | \$ 9,750 |

During the three and nine months ended September 30, 2024 and 2023, the Company was charged for consulting services by Mario Szotlender, a director of the Company.

**11. LEASE OBLIGATIONS**

|                                    | Minimum lease payments |                   |
|------------------------------------|------------------------|-------------------|
| As at                              | September 30, 2024     | December 31, 2023 |
| Less than one year                 | \$ 22,915              | \$ 20,339         |
| Between one and five years         | 49,134                 | 44,677            |
| More than five years               | 7,068                  | 6,457             |
|                                    | 79,117                 | 71,473            |
| Less: future finance charges       | (14,295)               | (14,072)          |
| Present value of lease obligations | 64,822                 | 57,401            |
| Less: current portion              | (18,051)               | (14,941)          |
| Non-current portion                | \$ 46,771              | \$ 42,460         |

**Fortuna Mining Corp.****Notes to Condensed Interim Consolidated Financial Statements**

For the three and nine months ended September 30, 2024 and 2023

(Unaudited - Tabular amounts presented in thousands of US dollars, except share and per share amounts)

**12. DEBT**

The following table summarizes the changes in debt:

|                                                     | Credit<br>Facility | 2019<br>Convertible<br>Debentures | 2024<br>Convertible<br>Notes | Total             |
|-----------------------------------------------------|--------------------|-----------------------------------|------------------------------|-------------------|
| Balance as at December 31, 2022                     | \$ 177,020         | \$ 42,155                         | \$ -                         | \$ 219,175        |
| Convertible debenture conversion                    | -                  | (225)                             | -                            | (225)             |
| Drawdown                                            | 75,500             | -                                 | -                            | 75,500            |
| Amortization of discount                            | 926                | 1,971                             | -                            | 2,897             |
| Payments                                            | (90,500)           | -                                 | -                            | (90,500)          |
| Balance as at December 31, 2023                     | 162,946            | 43,901                            | -                            | 206,847           |
| Proceeds from debentures                            | -                  | -                                 | 172,500                      | 172,500           |
| Drawdown                                            | 68,000             | -                                 | -                            | 68,000            |
| Transaction costs                                   | -                  | -                                 | (6,487)                      | (6,487)           |
| Portion allocated to equity                         | -                  | -                                 | (46,004)                     | (46,004)          |
| Convertible debt conversions                        | -                  | (35,383)                          | -                            | (35,383)          |
| Transaction costs allocated to equity               | -                  | -                                 | 1,730                        | 1,730             |
| Amortization of discount and transaction costs      | 974                | 1,131                             | 2,319                        | 4,424             |
| Extinguishment of debt                              | -                  | 146                               | -                            | 146               |
| Payments                                            | (233,000)          | (9,795)                           | -                            | (242,795)         |
| Transaction costs transferred to non-current assets | 1,080              | -                                 | -                            | 1,080             |
| <b>Balance as at September 30, 2024</b>             | <b>\$ -</b>        | <b>\$ -</b>                       | <b>\$ 124,058</b>            | <b>\$ 124,058</b> |
| Non-current portion                                 | \$ -               | \$ -                              | \$ 124,058                   | \$ 124,058        |

As at September 30, 2024, the Company was in compliance with all of the covenants under the Amended Credit Facility, as outlined in the Company's most recent annual financial statements.

**(a) 2019 Convertible Debentures**

On June 7, 2024, the Company issued a notice of redemption for all the issued and outstanding 4.65% senior subordinated unsecured convertible debentures (the "2019 Convertible Debentures") which were due to mature on October 31, 2024. On June 7, 2024, the Company also irrevocably deposited \$46.1 million (the "Redemption Funds") into trust with Computershare Trust Company of Canada (the "Debenture Trustee"), as the Debenture Trustee under a debenture indenture dated October 2, 2019 (the "2019 Indenture") related to the 2019 Convertible Debentures. This amount being the principal and interest owing under the 2019 Convertible Debentures up to but excluding the redemption date of the 2019 Convertible Debentures on July 10, 2024 (the "Redemption Date"). Pursuant to the 2019 Indenture, the Company was deemed to have fully paid, satisfied, and discharged all of its obligations under the 2019 Indenture by depositing the Redemption Funds with the Redemption Trustee, thereby permitting the Company to issue convertible senior notes (the "2024 Convertible Notes") as senior unsecured obligations of the Company.

On the Redemption Date, an aggregate principal amount of \$9.8 million of the 2019 Convertible Debentures was redeemed in cash. An aggregate principal amount of \$35.9 million of the 2019 Convertible Debentures was converted into 7,184,000 common shares in the capital of the Company at a conversion price of \$5.00 per common share prior to the Redemption Date. In addition, an aggregate of \$0.4 million, representing all accrued and unpaid interest in respect of the 2019 Convertible Debentures up to but excluding the Redemption Date, was paid to the holders of the 2019 Convertible Debentures on the Redemption Date. As a result, \$35.9 million of Redemption Funds was returned to the Company by the Debenture Trustee.

**Fortuna Mining Corp.****Notes to Condensed Interim Consolidated Financial Statements**

For the three and nine months ended September 30, 2024 and 2023

(Unaudited - Tabular amounts presented in thousands of US dollars, except share and per share amounts)

---

(b) 2024 Convertible Notes

On June 10, 2024, the Company issued the 2024 Convertible Notes and received gross proceeds of \$172.5 million, before transaction costs of \$6.5 million. The 2024 Convertible Notes mature on June 30, 2029, and bear interest at 3.75% per annum, payable semi-annually in arrears on June 30 and December 31 of each year, beginning December 31, 2024.

The 2024 Convertible Notes are convertible at the holder's option into common shares of the Company at any time prior to maturity at a fixed conversion rate of 151.722 common shares per \$1,000 principal amount, representing an initial conversion price of approximately \$6.591 per share, subject to certain anti-dilution adjustments. In addition, if certain fundamental changes occur, including a change in control or upon notice of redemption by the Company as described below, the holders may elect to convert their 2024 Convertible Notes and may be entitled to an increased conversion rate.

A fundamental change includes the following occurrences:

- A change in control where a person or group becomes the beneficial owner of more than 50% of our voting stock, or gains the power to elect a majority of our board of directors.
- The consummation of significant transactions such as certain mergers or consolidations pursuant to which our common shares will be converted or exchanged for cash, securities or other property, or sales of substantially all our assets that change the corporate structure or ownership.
- Approval by our shareholders of any plan for liquidation or dissolution.

Prior to July 5, 2027, the Company may not redeem the notes except in the event of certain changes in Canadian tax law. At any time on or after July 5, 2027, and until maturity, the Company may redeem all or part of the 2024 Convertible Notes for cash if the price of the Company's common shares for at least 20 trading days in a period of 30 consecutive trading days, ending on the trading day prior to the date of notice of redemption, exceeds 130% of the conversion price in effect on each such day. The redemption price is equal to 100% of the principal amount of the 2024 Convertible Notes to be redeemed plus accrued and unpaid interest.

In the event of a fundamental change, the Company is required to offer to purchase its outstanding 2024 Convertible Notes at a cash purchase price equal to 100% of the principal amount plus accrued and unpaid interest, ensuring protection against major corporate transformations that could affect the value of the investment held by the holders.

The 2024 Convertible Notes are compound financial instruments consisting of a financial liability and a conversion option that is classified as equity. Of the gross proceeds of \$172.5 million, \$126.5 million was allocated to the liability component, representing the fair value of the liability component on initial recognition, calculated as the present value of the contractual principal and interest payments over the term of the 2024 Convertible Notes using a discount rate of 11.0%. The equity component, representing the holders' conversion option, was allocated the residual amount of \$46.0 million. The transaction costs incurred were allocated to the liability and equity components in proportion to the allocation of the gross proceeds, with \$4.7 million allocated to the liability and \$1.7 million allocated to equity. A deferred tax liability of \$12.0 million for the taxable temporary difference arising from the difference between the initial carrying amount of the liability component of the 2024 Convertible Notes and the tax base was recognized with a corresponding charge directly to equity.

The recording of the deferred tax liability enabled the recognition of previously unrecorded deferred tax assets of \$12.0 million, with the corresponding entry recorded through the income statement.

## Fortuna Mining Corp.

### Notes to Condensed Interim Consolidated Financial Statements

For the three and nine months ended September 30, 2024 and 2023

(Unaudited - Tabular amounts presented in thousands of US dollars, except share and per share amounts)

The amount allocated to the liability component, net of transaction costs, of \$121.7 million will be accreted to the face value of the 2024 Convertible Notes over the term to maturity using the effective interest method with an effective interest rate of 12.1%.

There are no financial covenants associated with the 2024 Convertible Notes.

### 13. OTHER NON-CURRENT LIABILITIES

| As at                               | Note  | September 30, 2024 | December 31, 2023 |
|-------------------------------------|-------|--------------------|-------------------|
| Restricted share units              | 15(b) | \$ 3,187           | \$ 2,648          |
| Other                               |       | 2,051              | 7,325             |
| Total other non-current liabilities |       | \$ 5,238           | \$ 9,973          |

As at September 30, 2024, other non-current liabilities include \$1.9 million (December 31, 2023 - \$6.4 million) of severance provisions for the anticipated closure of the San Jose mine. The current portion of the severance provision is recorded as other payables (refer to Note 9).

### 14. CLOSURE AND RECLAMATION PROVISIONS

The following table summarizes the changes in closure and reclamation provisions:

|                                             | Closure and Reclamation Provisions |               |              |               |              |           |
|---------------------------------------------|------------------------------------|---------------|--------------|---------------|--------------|-----------|
|                                             | Caylloma Mine                      | San Jose Mine | Lindero Mine | Yaramoko Mine | Séguéla Mine | Total     |
| Balance as at December 31, 2023             | \$ 15,950                          | \$ 10,358     | \$ 14,485    | \$ 14,233     | \$ 10,777    | \$ 65,803 |
| Changes in estimate                         | (24)                               | (198)         | 889          | 178           | 1,046        | 1,891     |
| Reclamation expenditures                    | (84)                               | (627)         | -            | -             | -            | (711)     |
| Accretion                                   | 634                                | 692           | 473          | 482           | 334          | 2,615     |
| Effect of changes in foreign exchange rates | -                                  | (1,495)       | -            | -             | -            | (1,495)   |
| Balance as at September 30, 2024            | 16,476                             | 8,730         | 15,847       | 14,893        | 12,157       | 68,103    |
| Less: current portion                       | (7,236)                            | (1,251)       | -            | -             | -            | (8,487)   |
| Non-current portion                         | \$ 9,240                           | \$ 7,479      | \$ 15,847    | \$ 14,893     | \$ 12,157    | \$ 59,616 |

|                                             | Closure and Reclamation Provisions |               |              |               |              |           |
|---------------------------------------------|------------------------------------|---------------|--------------|---------------|--------------|-----------|
|                                             | Caylloma Mine                      | San Jose Mine | Lindero Mine | Yaramoko Mine | Séguéla Mine | Total     |
| Balance as at December 31, 2022             | \$ 13,956                          | \$ 7,670      | \$ 11,514    | \$ 13,375     | \$ 6,790     | \$ 53,305 |
| Changes in estimate                         | 2,215                              | 949           | 2,442        | 261           | 3,692        | 9,559     |
| Reclamation expenditures                    | (1,011)                            | (192)         | -            | -             | -            | (1,203)   |
| Accretion                                   | 790                                | 777           | 529          | 597           | 295          | 2,988     |
| Effect of changes in foreign exchange rates | -                                  | 1,154         | -            | -             | -            | 1,154     |
| Balance as at December 31, 2023             | 15,950                             | 10,358        | 14,485       | 14,233        | 10,777       | 65,803    |
| Less: current portion                       | (3,804)                            | (1,261)       | -            | -             | -            | (5,065)   |
| Non-current portion                         | \$ 12,146                          | \$ 9,097      | \$ 14,485    | \$ 14,233     | \$ 10,777    | \$ 60,738 |

**Fortuna Mining Corp.****Notes to Condensed Interim Consolidated Financial Statements**

For the three and nine months ended September 30, 2024 and 2023

(Unaudited - Tabular amounts presented in thousands of US dollars, except share and per share amounts)

The following table summarizes certain key inputs used in determining the present value of reclamation costs related to mine and development sites:

|                                              | Closure and Reclamation Provisions |               |              |               |              | Total     |
|----------------------------------------------|------------------------------------|---------------|--------------|---------------|--------------|-----------|
|                                              | Caylloma Mine                      | San Jose Mine | Lindero Mine | Yaramoko Mine | Séguéla Mine |           |
| Undiscounted uninflated estimated cash flows | \$ 16,611                          | \$ 10,303     | \$ 16,513    | \$ 15,164     | \$ 13,701    | \$ 72,292 |
| Discount rate                                | 5.36%                              | 9.35%         | 4.18%        | 3.66%         | 3.81%        |           |
| Inflation rate                               | 3.20%                              | 4.32%         | 2.40%        | 2.45%         | 2.19%        |           |

The Company is expecting to incur progressive reclamation costs throughout the life of its mines.

**15. SHARE BASED PAYMENTS**

During the three and nine months ended September 30, 2024, the Company recognized share-based payments of \$2.1 million and \$10.1 million, respectively, (September 30, 2023 - \$0.5 million and \$3.8 million, respectively) related to the amortization of deferred, restricted and performance share units, and \$nil (September 30, 2023 - \$nil) related to amortization of stock options.

**(a) Deferred Share Units (DSUs)**

|                                 | Cash Settled   |            |
|---------------------------------|----------------|------------|
|                                 | Number of DSUs | Fair Value |
| Outstanding, December 31, 2022  | 922,698        | \$ 3,468   |
| Granted                         | 125,802        | 431        |
| Changes in fair value           | -              | 144        |
| Outstanding, December 31, 2023  | 1,048,500      | 4,043      |
| Granted                         | 135,316        | 438        |
| Changes in fair value           | -              | 1,035      |
| Outstanding, September 30, 2024 | 1,183,816      | \$ 5,516   |

**(b) Restricted Share Units (RSUs)**

|                                         | Cash Settled   |            | Equity Settled |
|-----------------------------------------|----------------|------------|----------------|
|                                         | Number of RSUs | Fair Value | Number of RSUs |
| Outstanding, December 31, 2022          | 1,948,709      | \$ 3,840   | 705,855        |
| Granted                                 | 1,716,286      | -          | -              |
| Units paid out in cash                  | (1,214,393)    | (4,812)    | -              |
| Vested and paid out in shares           | -              | -          | (297,275)      |
| Transferred from equity to cash settled | 406,487        | -          | (406,487)      |
| Forfeited or cancelled                  | (188,892)      | -          | (2,093)        |
| Changes in fair value and vesting       | -              | 6,188      | -              |
| Outstanding, December 31, 2023          | 2,668,197      | 5,216      | -              |
| Granted                                 | 1,956,611      | -          | -              |
| Units paid out in cash                  | (858,194)      | (2,976)    | -              |
| Forfeited or cancelled                  | (151,337)      | (280)      | -              |
| Changes in fair value and vesting       | -              | 5,628      | -              |
| Outstanding, September 30, 2024         | 3,615,277      | 7,588      | -              |
| Less: current portion                   |                | (4,401)    |                |
| Non-current portion                     |                | \$ 3,187   |                |

**Fortuna Mining Corp.****Notes to Condensed Interim Consolidated Financial Statements**

For the three and nine months ended September 30, 2024 and 2023

(Unaudited - Tabular amounts presented in thousands of US dollars, except share and per share amounts)

RSUs granted during the nine months ending September 30, 2024, had a weighted average fair value of C\$4.36 per unit at the date of the grant (December 31, 2023 - C\$4.69).

**(c) Performance Share Units (PSUs)**

|                                         | Cash Settled   |            | Equity Settled |
|-----------------------------------------|----------------|------------|----------------|
|                                         | Number of PSUs | Fair Value | Number of PSUs |
| Outstanding, December 31, 2022          | -              | \$ -       | 1,839,456      |
| Granted                                 | -              | -          | 844,187        |
| Forfeited or cancelled                  | -              | -          | (152,729)      |
| Transferred from equity to cash settled | 340,236        | -          | (340,236)      |
| Units paid out in cash                  | (340,236)      | (1,240)    | -              |
| Vested and paid out in shares           | -              | -          | (350,666)      |
| Changes in fair value and vesting       | -              | 1,240      | -              |
| Outstanding, December 31, 2023          | -              | -          | 1,840,012      |
| Granted                                 | -              | -          | 1,038,383      |
| Forfeited or cancelled                  | -              | -          | (233,859)      |
| Vested and paid out in shares           | -              | -          | (589,574)      |
| Outstanding, September 30, 2024         | -              | \$ -       | 2,054,962      |

PSUs granted during the nine months ending September 30, 2024, had a weighted average fair value of C\$4.36 per unit at the date of the grant (December 31, 2023 - C\$4.69).

**(d) Stock Options**

The Company's Stock Option Plan, as amended and approved from time to time, permits the Company to issue up to 12,200,000 stock options. As at September 30, 2024, a total of 2,950,529 stock options are available for issuance under the plan.

|                                 | Number of stock options | Weighted average exercise price |      |
|---------------------------------|-------------------------|---------------------------------|------|
|                                 |                         | Canadian dollars                |      |
| Outstanding, December 31, 2022  | 636,818                 | \$                              | 5.62 |
| Exercised                       | (127,350)               |                                 | 3.22 |
| Expired unexercised             | (509,468)               |                                 | 6.21 |
| Outstanding, December 31, 2023  | -                       |                                 | -    |
| Outstanding, September 30, 2024 | -                       | \$                              | -    |

**Fortuna Mining Corp.****Notes to Condensed Interim Consolidated Financial Statements**

For the three and nine months ended September 30, 2024 and 2023

(Unaudited - Tabular amounts presented in thousands of US dollars, except share and per share amounts)

**16. SHARE CAPITAL**

## Authorized Share Capital

The Company has an unlimited number of common shares without par value authorized for issue.

During the nine months ended September 30, 2024, the Company acquired and cancelled 1,030,375 common shares through its Normal Course Issuer Bid Program ("NCIB") which operated for the period from May 2, 2023 to May 1, 2024, at an average cost of \$3.42 per share, for a total cost of \$3.5 million.

On April 30, 2024, the Company announced a renewal of its NCIB pursuant to which the Company can purchase up to five percent of its outstanding common shares. Under the NCIB, purchases of common shares may be made through the facilities of the TSX, the NYSE and/or alternative Canadian trading systems. The share repurchase program started on May 2, 2024 and will end on the earlier of May 1, 2025; the date the Company acquires the maximum number of common shares allowable under the NCIB; or the date the Company otherwise decides not to make any further repurchases under the NCIB.

**17. EARNINGS PER SHARE**

|                                                   | Three months ended<br>September 30, |           | Nine months ended<br>September 30, |           |
|---------------------------------------------------|-------------------------------------|-----------|------------------------------------|-----------|
|                                                   | 2024                                | 2023      | 2024                               | 2023      |
| Basic:                                            |                                     |           |                                    |           |
| Net income attributable to Fortuna shareholders   | \$ 50,511                           | \$ 27,466 | \$ 117,391                         | \$ 41,480 |
| Weighted average number of shares (000's)         | 312,627                             | 292,601   | 308,383                            | 291,210   |
| Earnings per share - basic                        | \$ 0.16                             | \$ 0.09   | \$ 0.38                            | \$ 0.14   |
| Diluted:                                          |                                     |           |                                    |           |
| Net income attributable to Fortuna shareholders   | \$ 50,511                           | \$ 27,466 | \$ 117,391                         | \$ 41,480 |
| Diluted net income for the period                 | \$ 50,511                           | \$ 27,466 | \$ 117,391                         | \$ 41,480 |
| Weighted average number of shares (000's)         | 312,627                             | 292,601   | 308,383                            | 291,210   |
| Incremental shares from dilutive potential shares | 2,055                               | 2,276     | 1,797                              | 2,040     |
| Weighted average diluted number of shares (000's) | 314,682                             | 294,877   | 310,180                            | 293,250   |
| Earnings per share - diluted                      | \$ 0.16                             | \$ 0.09   | \$ 0.38                            | \$ 0.14   |

For the three and nine months ended September 30, 2024, 26,172,045 (September 30, 2023 - nil) potential shares issuable on conversion of the 2024 Convertible Notes were excluded from the diluted earnings per share calculation. Items were excluded from the diluted earnings per share calculations when their effect would have been anti-dilutive.

**Fortuna Mining Corp.****Notes to Condensed Interim Consolidated Financial Statements**

For the three and nine months ended September 30, 2024 and 2023

(Unaudited - Tabular amounts presented in thousands of US dollars, except share and per share amounts)

**18. SALES**

The Company's geographical analysis of revenue from contracts with customers attributed to the location of the products produced, is as follows:

|                                 | Three months ended September 30, 2024 |              |               |           |           |            |
|---------------------------------|---------------------------------------|--------------|---------------|-----------|-----------|------------|
|                                 | Argentina                             | Burkina Faso | Côte d'Ivoire | Mexico    | Peru      | Total      |
| Silver-gold concentrates        | \$ -                                  | \$ -         | \$ -          | \$ 23,022 | \$ -      | \$ 23,022  |
| Silver-lead concentrates        | -                                     | -            | -             | -         | 18,596    | 18,596     |
| Zinc concentrates               | -                                     | -            | -             | -         | 12,497    | 12,497     |
| Gold doré                       | 66,265                                | 69,270       | 84,338        | -         | -         | 219,873    |
| Provisional pricing adjustments | -                                     | -            | -             | 885       | 48        | 933        |
| Sales to external customers     | \$ 66,265                             | \$ 69,270    | \$ 84,338     | \$ 23,907 | \$ 31,141 | \$ 274,921 |

|                                 | Three months ended September 30, 2023 |              |               |           |           |            |
|---------------------------------|---------------------------------------|--------------|---------------|-----------|-----------|------------|
|                                 | Argentina                             | Burkina Faso | Côte d'Ivoire | Mexico    | Peru      | Total      |
| Silver-gold concentrates        | \$ -                                  | \$ -         | \$ -          | \$ 43,501 | \$ -      | \$ 43,501  |
| Silver-lead concentrates        | -                                     | -            | -             | -         | 13,645    | 13,645     |
| Zinc concentrates               | -                                     | -            | -             | -         | 9,122     | 9,122      |
| Gold doré                       | 42,895                                | 65,621       | 68,406        | -         | -         | 176,922    |
| Provisional pricing adjustments | -                                     | -            | -             | (43)      | (92)      | (135)      |
| Sales to external customers     | \$ 42,895                             | \$ 65,621    | \$ 68,406     | \$ 43,458 | \$ 22,675 | \$ 243,055 |

|                                 | Nine months ended September 30, 2024 |              |               |           |           |            |
|---------------------------------|--------------------------------------|--------------|---------------|-----------|-----------|------------|
|                                 | Argentina                            | Burkina Faso | Côte d'Ivoire | Mexico    | Peru      | Total      |
| Silver-gold concentrates        | \$ -                                 | \$ -         | \$ -          | \$ 75,767 | \$ -      | \$ 75,767  |
| Silver-lead concentrates        | -                                    | -            | -             | -         | 50,143    | 50,143     |
| Zinc concentrates               | -                                    | -            | -             | -         | 35,428    | 35,428     |
| Gold doré                       | 161,536                              | 199,601      | 233,697       | -         | -         | 594,834    |
| Provisional pricing adjustments | -                                    | -            | -             | 2,447     | 1,222     | 3,669      |
| Sales to external customers     | \$ 161,536                           | \$ 199,601   | \$ 233,697    | \$ 78,214 | \$ 86,793 | \$ 759,841 |

|                                 | Nine months ended September 30, 2023 |              |               |            |           |            |
|---------------------------------|--------------------------------------|--------------|---------------|------------|-----------|------------|
|                                 | Argentina                            | Burkina Faso | Côte d'Ivoire | Mexico     | Peru      | Total      |
| Silver-gold concentrates        | \$ -                                 | \$ -         | \$ -          | \$ 115,369 | \$ -      | \$ 115,369 |
| Silver-lead concentrates        | -                                    | -            | -             | -          | 43,483    | 43,483     |
| Zinc concentrates               | -                                    | -            | -             | -          | 32,187    | 32,187     |
| Gold doré                       | 146,127                              | 172,850      | 68,406        | -          | -         | 387,383    |
| Provisional pricing adjustments | -                                    | -            | -             | 280        | (1,588)   | (1,308)    |
| Sales to external customers     | \$ 146,127                           | \$ 172,850   | \$ 68,406     | \$ 115,649 | \$ 74,082 | \$ 577,114 |

**Fortuna Mining Corp.****Notes to Condensed Interim Consolidated Financial Statements**

For the three and nine months ended September 30, 2024 and 2023

(Unaudited - Tabular amounts presented in thousands of US dollars, except share and per share amounts)

|            | Three months ended<br>September 30, |            | Nine months ended<br>September 30, |            |
|------------|-------------------------------------|------------|------------------------------------|------------|
|            | 2024                                | 2023       | 2024                               | 2023       |
| Customer 1 | \$ 84,338                           | \$ 68,403  | \$ 233,697                         | \$ 68,403  |
| Customer 2 | 69,270                              | 65,621     | 199,601                            | 172,850    |
| Customer 3 | 66,265                              | 42,895     | 161,536                            | 146,127    |
| Customer 4 | 31,141                              | 22,677     | 86,793                             | 74,084     |
| Customer 5 | 15,838                              | 19,497     | 46,301                             | 54,635     |
| Customer 6 | 8,069                               | 23,962     | 31,913                             | 61,015     |
|            | \$ 274,921                          | \$ 243,055 | \$ 759,841                         | \$ 577,114 |

From time to time, the Company enters into forward sale and collar contracts to mitigate the price risk for some of its forecasted base and precious metals production, and non-metal commodities.

During the three and nine months ended September 30, 2024, the Company recognized \$nil of realized losses on the settlement of forward sale and collar contracts (September 30, 2023 - \$0.1 million realized gains and \$1.3 million realized losses), and \$nil unrealized losses from changes in the fair value of the open positions (September 30, 2023 - \$0.1 million and \$0.4 million unrealized gains).

**19. COST OF SALES**

|                            | Three months ended<br>September 30, |            | Nine months ended<br>September 30, |            |
|----------------------------|-------------------------------------|------------|------------------------------------|------------|
|                            | 2024                                | 2023       | 2024                               | 2023       |
| Direct mining costs        | \$ 92,148                           | \$ 76,003  | \$ 249,220                         | \$ 206,096 |
| Salaries and benefits      | 23,511                              | 23,745     | 68,279                             | 53,426     |
| Workers' participation     | 408                                 | 789        | 1,150                              | 1,417      |
| Depletion and depreciation | 59,349                              | 63,588     | 165,295                            | 147,623    |
| Royalties and other taxes  | 12,718                              | 13,070     | 36,644                             | 30,277     |
| Other                      | (144)                               | (18)       | 2,481                              | 102        |
| Cost of sales              | \$ 187,990                          | \$ 177,177 | \$ 523,069                         | \$ 438,941 |

For the three and nine months ended September 30, 2024, depletion and depreciation include \$3.6 million and \$10.6 million, respectively, of depreciation related to right-of-use assets (September 30, 2023 - \$5.5 million and \$9.9 million, respectively).

**20. GENERAL AND ADMINISTRATION**

|                            | Three months ended<br>September 30, |           | Nine months ended<br>September 30, |           |
|----------------------------|-------------------------------------|-----------|------------------------------------|-----------|
|                            | 2024                                | 2023      | 2024                               | 2023      |
| General and administration | \$ 13,865                           | \$ 13,947 | \$ 46,356                          | \$ 40,122 |
| Workers' participation     | 86                                  | 150       | 243                                | 248       |
|                            | 13,951                              | 14,097    | 46,599                             | 40,370    |
| Share-based payments       | 2,091                               | 534       | 10,088                             | 3,794     |
| General and administration | \$ 16,042                           | \$ 14,631 | \$ 56,687                          | \$ 44,164 |

**Fortuna Mining Corp.****Notes to Condensed Interim Consolidated Financial Statements**

For the three and nine months ended September 30, 2024 and 2023

(Unaudited - Tabular amounts presented in thousands of US dollars, except share and per share amounts)

**21. INTEREST AND FINANCE COSTS, NET**

|                                                | Three months ended<br>September 30, |            | Nine months ended<br>September 30, |             |
|------------------------------------------------|-------------------------------------|------------|------------------------------------|-------------|
|                                                | 2024                                | 2023       | 2024                               | 2023        |
| Interest income                                | \$ 1,365                            | \$ 970     | \$ 2,988                           | \$ 2,370    |
| Credit facilities and other interest           | (1,132)                             | (5,802)    | (7,487)                            | (7,521)     |
| 2019 Convertible Debentures interest           | (107)                               | (536)      | (1,167)                            | (1,593)     |
| 2024 Convertible Notes interest                | (1,631)                             | -          | (1,985)                            | -           |
| Amortization of discount and transaction costs | (2,212)                             | (735)      | (4,424)                            | (2,153)     |
| Bank stand-by and commitment fees              | (386)                               | (13)       | (747)                              | (183)       |
| Accretion expense                              | (1,095)                             | (923)      | (3,326)                            | (2,334)     |
| Lease liabilities                              | (1,080)                             | (1,118)    | (3,232)                            | (2,841)     |
|                                                | \$ (6,278)                          | \$ (8,157) | \$ (19,380)                        | \$ (14,255) |

During the three and nine months ended September 30, 2024, the Company capitalized \$nil of interest related to the construction of the Séguéla mine (September 30, 2023 - \$nil and \$6.5 million, respectively). The Company stopped capitalizing interest expenses associated with the project on July 1, 2023.

**22. SEGMENTED INFORMATION**

The Company's operating segments are based on the reports reviewed by the senior management group that are used to make strategic decisions. The Chief Executive Officer, as chief operating decision maker, considers the business from a geographic perspective when considering the performance of the Company's business units.

The following summary describes the operations of each reportable segment:

- Mansfield Minera S.A. ("Mansfield") – operates the Lindero gold mine
- Roxgold SANU S.A. ("Sanu") – operates the Yaramoko gold mine
- Roxgold SANGO S.A. ("Sango") – operates the Séguéla gold mine
- Compania Minera Cuzcatlan S.A. de C.V. ("Cuzcatlan") – operates the San Jose silver-gold mine
- Minera Bateas S.A.C. ("Bateas") – operates the Caylloma silver, lead, and zinc mine
- Corporate – corporate stewardship

|                                                 | Three months ended September 30, 2024 |           |           |            |           |             |            |
|-------------------------------------------------|---------------------------------------|-----------|-----------|------------|-----------|-------------|------------|
|                                                 | Mansfield                             | Sanu      | Sango     | Cuzcatlan  | Bateas    | Corporate   | Total      |
| Revenues from external customers                | \$ 66,265                             | \$ 69,270 | \$ 84,338 | \$ 23,907  | \$ 31,141 | \$ -        | \$ 274,921 |
| Cost of sales before depreciation and depletion | (28,710)                              | (32,733)  | (28,296)  | (23,547)   | (15,355)  | -           | (128,641)  |
| Depreciation and depletion in cost of sales     | (13,640)                              | (12,923)  | (27,170)  | (1,150)    | (4,466)   | -           | (59,349)   |
| General and administration                      | (2,944)                               | (550)     | (3,343)   | (1,802)    | (1,333)   | (6,070)     | (16,042)   |
| Other (expenses) income                         | (1,506)                               | 1,759     | 1,037     | (375)      | (205)     | 1,051       | 1,761      |
| Finance items                                   | 2,613                                 | 3         | (1,207)   | (240)      | (149)     | (4,136)     | (3,116)    |
| Segment income (loss) before taxes              | 22,078                                | 24,826    | 25,359    | (3,207)    | 9,633     | (9,155)     | 69,534     |
| Income taxes                                    | (1,440)                               | (4,639)   | (4,606)   | -          | (1,730)   | (2,701)     | (15,116)   |
| Segment income (loss) after taxes               | \$ 20,638                             | \$ 20,187 | \$ 20,753 | \$ (3,207) | \$ 7,903  | \$ (11,856) | \$ 54,418  |

**Fortuna Mining Corp.**
**Notes to Condensed Interim Consolidated Financial Statements**

For the three and nine months ended September 30, 2024 and 2023

(Unaudited - Tabular amounts presented in thousands of US dollars, except share and per share amounts)

|                                                 | Three months ended September 30, 2023 |           |           |           |           |             |            |
|-------------------------------------------------|---------------------------------------|-----------|-----------|-----------|-----------|-------------|------------|
|                                                 | Mansfield                             | Sanu      | Sango     | Cuzcatlan | Bateas    | Corporate   | Total      |
| Revenues from external customers                | \$ 42,895                             | \$ 65,621 | \$ 68,406 | \$ 43,458 | \$ 22,675 | \$ -        | \$ 243,055 |
| Cost of sales before depreciation and depletion | (25,646)                              | (29,379)  | (18,676)  | (26,838)  | (13,050)  | -           | (113,589)  |
| Depreciation and depletion in cost of sales     | (11,132)                              | (24,564)  | (14,557)  | (10,233)  | (3,102)   | -           | (63,588)   |
| General and administration                      | (2,308)                               | 243       | (3,316)   | (1,888)   | (1,116)   | (6,246)     | (14,631)   |
| Other expenses                                  | (1,758)                               | (1,931)   | (995)     | (596)     | (120)     | (466)       | (5,866)    |
| Finance items                                   | (599)                                 | (631)     | (698)     | (190)     | (17)      | (5,788)     | (7,923)    |
| Segment income (loss) before taxes              | 1,452                                 | 9,359     | 30,164    | 3,713     | 5,270     | (12,500)    | 37,458     |
| Income taxes                                    | (706)                                 | (1,543)   | -         | (529)     | (3,514)   | (283)       | (6,575)    |
| Segment income (loss) after taxes               | \$ 746                                | \$ 7,816  | \$ 30,164 | \$ 3,184  | \$ 1,756  | \$ (12,783) | \$ 30,883  |

|                                                 | Nine months ended September 30, 2024 |            |            |           |           |             |            |
|-------------------------------------------------|--------------------------------------|------------|------------|-----------|-----------|-------------|------------|
|                                                 | Mansfield                            | Sanu       | Sango      | Cuzcatlan | Bateas    | Corporate   | Total      |
| Revenues from external customers                | \$ 161,536                           | \$ 199,601 | \$ 233,697 | \$ 78,214 | \$ 86,793 | \$ -        | \$ 759,841 |
| Cost of sales before depreciation and depletion | (75,609)                             | (94,524)   | (73,882)   | (71,874)  | (41,885)  | -           | (357,774)  |
| Depreciation and depletion in cost of sales     | (36,800)                             | (36,922)   | (78,224)   | (2,071)   | (11,278)  | -           | (165,295)  |
| General and administration                      | (9,125)                              | (1,282)    | (7,846)    | (4,850)   | (4,152)   | (29,432)    | (56,687)   |
| Other (expenses) income                         | (2,995)                              | (1,448)    | (2,053)    | (54)      | (6)       | 1,671       | (4,885)    |
| Finance items                                   | 6,456                                | (272)      | (2,624)    | (747)     | (461)     | (13,421)    | (11,069)   |
| Segment income (loss) before taxes              | 43,463                               | 65,153     | 69,068     | (1,382)   | 29,011    | (41,182)    | 164,131    |
| Income (taxes) recoveries                       | (3,946)                              | (11,875)   | (18,912)   | 897       | (9,746)   | 6,276       | (37,306)   |
| Segment income (loss) after taxes               | \$ 39,517                            | \$ 53,278  | \$ 50,156  | \$ (485)  | \$ 19,265 | \$ (34,906) | \$ 126,825 |

|                                                 | Nine months ended September 30, 2023 |            |           |            |           |             |            |
|-------------------------------------------------|--------------------------------------|------------|-----------|------------|-----------|-------------|------------|
|                                                 | Mansfield                            | Sanu       | Sango     | Cuzcatlan  | Bateas    | Corporate   | Total      |
| Revenues from external customers                | \$ 146,127                           | \$ 172,850 | \$ 68,406 | \$ 115,649 | \$ 74,082 | \$ -        | \$ 577,114 |
| Cost of sales before depreciation and depletion | (82,586)                             | (78,947)   | (18,676)  | (70,283)   | (40,826)  | -           | (291,318)  |
| Depreciation and depletion in cost of sales     | (36,197)                             | (58,212)   | (14,557)  | (28,677)   | (9,980)   | -           | (147,623)  |
| General and administration                      | (6,850)                              | (1,255)    | (3,402)   | (5,527)    | (3,741)   | (23,389)    | (44,164)   |
| Other expenses                                  | (4,177)                              | (482)      | (1,141)   | (6,313)    | (194)     | (4,735)     | (17,042)   |
| Finance items                                   | (1,986)                              | (1,076)    | (1,663)   | (943)      | 96        | (9,631)     | (15,203)   |
| Segment income (loss) before taxes              | 14,331                               | 32,878     | 28,967    | 3,906      | 19,437    | (37,755)    | 61,764     |
| Income (taxes) recoveries                       | (2,349)                              | (4,892)    | -         | 1,696      | (6,494)   | (3,516)     | (15,555)   |
| Segment income (loss) after taxes               | \$ 11,982                            | \$ 27,986  | \$ 28,967 | \$ 5,602   | \$ 12,943 | \$ (41,271) | \$ 46,209  |

| As at September 30, 2024          | Mansfield  | Sanu       | Sango      | Cuzcatlan | Bateas     | Corporate  | Total        |
|-----------------------------------|------------|------------|------------|-----------|------------|------------|--------------|
| Total assets                      | \$ 530,621 | \$ 226,295 | \$ 946,008 | \$ 51,807 | \$ 161,505 | \$ 167,372 | \$ 2,083,608 |
| Total liabilities                 | \$ 43,366  | \$ 63,567  | \$ 259,539 | \$ 25,790 | \$ 53,443  | \$ 159,002 | \$ 604,707   |
| Capital expenditures <sup>1</sup> | \$ 44,753  | \$ 24,270  | \$ 57,289  | \$ 6,376  | \$ 15,344  | \$ 11,445  | \$ 159,477   |

<sup>1</sup> Capital expenditures are on an accrual basis for the nine months ended September 30, 2024

| As at December 31, 2023           | Mansfield  | Sanu       | Sango      | Cuzcatlan | Bateas     | Corporate  | Total        |
|-----------------------------------|------------|------------|------------|-----------|------------|------------|--------------|
| Total assets                      | \$ 491,213 | \$ 228,335 | \$ 976,169 | \$ 58,501 | \$ 139,161 | \$ 74,484  | \$ 1,967,863 |
| Total liabilities                 | \$ 53,175  | \$ 59,043  | \$ 243,532 | \$ 36,955 | \$ 49,944  | \$ 237,093 | \$ 679,742   |
| Capital expenditures <sup>1</sup> | \$ 44,667  | \$ 63,833  | \$ 118,693 | \$ 22,260 | \$ 22,394  | \$ 3,974   | \$ 275,821   |

<sup>1</sup> Capital expenditures are on an accrual basis for the year ended December 31, 2023

**Fortuna Mining Corp.****Notes to Condensed Interim Consolidated Financial Statements**

For the three and nine months ended September 30, 2024 and 2023

(Unaudited - Tabular amounts presented in thousands of US dollars, except share and per share amounts)

**23. FAIR VALUE MEASUREMENTS**

## (a) Financial assets and financial liabilities by category

The carrying amounts of the Company's financial assets and financial liabilities by category are as follows:

|                                         | Fair Value<br>through OCI | Fair value<br>through<br>profit or loss | Amortized<br>cost   | Total               |
|-----------------------------------------|---------------------------|-----------------------------------------|---------------------|---------------------|
| <b>As at September 30, 2024</b>         |                           |                                         |                     |                     |
| <b>Financial assets</b>                 |                           |                                         |                     |                     |
| Cash and cash equivalents               | \$ -                      | \$ -                                    | \$ 180,551          | \$ 180,551          |
| Trade receivables concentrate sales     | -                         | 19,338                                  | -                   | 19,338              |
| Trade receivables doré sales            | -                         | -                                       | 14,192              | 14,192              |
| Investments in equity securities        | 73                        | -                                       | -                   | 73                  |
| Other receivables                       | -                         | -                                       | 5,483               | 5,483               |
| <b>Total financial assets</b>           | <b>\$ 73</b>              | <b>\$ 19,338</b>                        | <b>\$ 200,226</b>   | <b>\$ 219,637</b>   |
| <b>Financial liabilities</b>            |                           |                                         |                     |                     |
| Trade payables                          | \$ -                      | \$ -                                    | \$ (92,756)         | \$ (92,756)         |
| Payroll payable                         | -                         | -                                       | (24,824)            | (24,824)            |
| Share units payable                     | -                         | (13,104)                                | -                   | (13,104)            |
| 2024 Convertible Notes                  | -                         | -                                       | (124,058)           | (124,058)           |
| Other payables                          | -                         | (81,194)                                | -                   | (81,194)            |
| <b>Total financial liabilities</b>      | <b>\$ -</b>               | <b>\$ (94,298)</b>                      | <b>\$ (241,638)</b> | <b>\$ (335,936)</b> |
| <b>As at December 31, 2023</b>          |                           |                                         |                     |                     |
| <b>Financial assets</b>                 |                           |                                         |                     |                     |
| Cash and cash equivalents               | \$ -                      | \$ -                                    | \$ 128,148          | \$ 128,148          |
| Trade receivables concentrate sales     | -                         | 16,819                                  | -                   | 16,819              |
| Trade receivables doré sales            | -                         | -                                       | 3,151               | 3,151               |
| Investments in equity securities        | 80                        | -                                       | -                   | 80                  |
| Other receivables                       | -                         | -                                       | 5,189               | 5,189               |
| <b>Total financial assets</b>           | <b>\$ 80</b>              | <b>\$ 16,819</b>                        | <b>\$ 136,488</b>   | <b>\$ 153,387</b>   |
| <b>Financial liabilities</b>            |                           |                                         |                     |                     |
| Trade payables                          | \$ -                      | \$ -                                    | \$ (100,387)        | \$ (100,387)        |
| Payroll payable                         | -                         | -                                       | (21,896)            | (21,896)            |
| Share units payable                     | -                         | (9,259)                                 | -                   | (9,259)             |
| Metal forward sales contracts liability | -                         | (81)                                    | -                   | (81)                |
| Credit facilities                       | -                         | -                                       | (162,946)           | (162,946)           |
| 2019 Convertible Debentures             | -                         | -                                       | (43,901)            | (43,901)            |
| Other payables                          | -                         | -                                       | (82,807)            | (82,807)            |
| <b>Total financial liabilities</b>      | <b>\$ -</b>               | <b>\$ (9,340)</b>                       | <b>\$ (411,937)</b> | <b>\$ (421,277)</b> |

**Fortuna Mining Corp.****Notes to Condensed Interim Consolidated Financial Statements**

For the three and nine months ended September 30, 2024 and 2023

(Unaudited - Tabular amounts presented in thousands of US dollars, except share and per share amounts)

**(b) Fair values of financial assets and financial liabilities**

During the three and nine months ended September 30, 2024 and 2023, there were no transfers of amounts between Level 1, Level 2, and Level 3 of the fair value hierarchy. The fair values of the Company's financial assets and financial liabilities that are measured at fair value, including their levels in the fair value hierarchy are as follows:

| As at September 30, 2024            | Level 1 | Level 2   | Level 3 | Total     |
|-------------------------------------|---------|-----------|---------|-----------|
| Trade receivables concentrate sales | \$ -    | \$ 19,338 | \$ -    | \$ 19,338 |
| Investments in equity securities    | 73      | -         | -       | 73        |
| Share units payable                 | -       | (13,104)  | -       | (13,104)  |

| As at December 31, 2023                 | Level 1 | Level 2   | Level 3 | Total     |
|-----------------------------------------|---------|-----------|---------|-----------|
| Trade receivables concentrate sales     | \$ -    | \$ 16,819 | \$ -    | \$ 16,819 |
| Investments in equity securities        | 80      | -         | -       | 80        |
| Metal forward sales contracts liability | -       | (81)      | -       | (81)      |
| Share units payable                     | -       | (9,259)   | -       | (9,259)   |

**(c) Financial assets and financial liabilities not already measured at fair value**

The estimated fair values by the Level 2 fair value hierarchy of the Company's financial liabilities that are not accounted for at a fair value as compared to the carrying amount were as follows:

|                                     | September 30, 2024 |              | December 31, 2023 |              |
|-------------------------------------|--------------------|--------------|-------------------|--------------|
|                                     | Carrying amount    | Fair value   | Carrying amount   | Fair value   |
| 2024 Convertible Notes <sup>1</sup> | \$ (124,058)       | \$ (182,850) | \$ -              | \$ -         |
| Credit facilities                   | -                  | -            | (162,946)         | (165,000)    |
| 2019 Convertible Debentures         | -                  | -            | (43,901)          | (44,344)     |
|                                     | \$ (124,058)       | \$ (182,850) | \$ (206,847)      | \$ (209,344) |

<sup>1</sup>The carrying amount of the 2024 Convertible Notes represents the liability component (Note 12), while the fair value represents the liability and equity components. The fair value of the 2024 Convertible Notes is based on the quoted prices in markets that are not active for the underlying securities.

**24. SUPPLEMENTAL CASH FLOW INFORMATION**

Changes in working capital for the three and nine months ended September 30, 2024 and 2023 are as follows:

|                                  | Three months ended<br>September 30, |          | Nine months ended<br>September 30, |             |
|----------------------------------|-------------------------------------|----------|------------------------------------|-------------|
|                                  | 2024                                | 2023     | 2024                               | 2023        |
| Trade and other receivables      | \$ (24,463)                         | \$ 1,604 | \$ (41,060)                        | \$ (2,104)  |
| Prepaid expenses                 | (3,138)                             | (1,252)  | (3,617)                            | 1,553       |
| Inventories                      | (1,024)                             | (6,426)  | (24,367)                           | (21,466)    |
| Trade and other payables         | 2,184                               | 6,323    | (12,130)                           | 11,393      |
| Total changes in working capital | \$ (26,441)                         | \$ 249   | \$ (81,174)                        | \$ (10,624) |

**Fortuna Mining Corp.****Notes to Condensed Interim Consolidated Financial Statements**

For the three and nine months ended September 30, 2024 and 2023

(Unaudited - Tabular amounts presented in thousands of US dollars, except share and per share amounts)

The changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes for the periods as set out below are as follows:

|                                                     | Bank loan   | 2019<br>Convertible<br>Debentures | 2024<br>Convertible<br>Notes | Lease<br>obligations |
|-----------------------------------------------------|-------------|-----------------------------------|------------------------------|----------------------|
| As at December 31, 2022                             | \$ 177,020  | \$ 42,155                         | \$ -                         | \$ 21,346            |
| Additions                                           | 75,500      | -                                 | -                            | 48,805               |
| Terminations                                        | -           | -                                 | -                            | (21)                 |
| Conversion of debenture                             | -           | (225)                             | -                            | -                    |
| Interest                                            | 926         | 1,971                             | -                            | 3,658                |
| Payments                                            | (90,500)    | -                                 | -                            | (16,625)             |
| Foreign exchange                                    | -           | -                                 | -                            | 238                  |
| As at December 31, 2023                             | 162,946     | 43,901                            | -                            | 57,401               |
| Additions                                           | 68,000      | -                                 | 172,500                      | 19,191               |
| Transaction costs                                   | -           | -                                 | (6,487)                      | -                    |
| Additions allocated to equity                       | -           | -                                 | (46,004)                     | -                    |
| Transaction costs allocated to equity               | -           | -                                 | 1,730                        | -                    |
| Terminations                                        | -           | -                                 | -                            | (75)                 |
| Conversion of debenture                             | -           | (35,383)                          | -                            | -                    |
| Interest                                            | 974         | 1,131                             | 2,319                        | 3,234                |
| Extinguishment of debt                              | -           | 146                               | -                            | -                    |
| Payments                                            | (233,000)   | (9,795)                           | -                            | (14,799)             |
| Transaction costs transferred to non-current assets | 1,080       | -                                 | -                            | -                    |
| Foreign exchange                                    | -           | -                                 | -                            | (130)                |
| <b>As at September 30, 2024</b>                     | <b>\$ -</b> | <b>\$ -</b>                       | <b>\$ 124,058</b>            | <b>\$ 64,822</b>     |

During the three and nine months ended September 30, 2024, the Company realized investment gains of \$3.2 million and \$8.3 million, respectively (September 30, 2023 - \$nil). The Company has an investment strategy, utilizing Argentine export promotions, to address its local currency requirements in Argentina. This strategy enabled the Company to achieve gains from trades in Argentine Peso denominated cross-border securities, which help offset foreign exchange losses.

The significant non-cash financing and investing transactions during the three and nine months ended September 30, 2024 and 2023 are as follows:

|                                                                                      | Three months ended<br>September 30, |          | Nine months ended<br>September 30, |          |
|--------------------------------------------------------------------------------------|-------------------------------------|----------|------------------------------------|----------|
|                                                                                      | 2024                                | 2023     | 2024                               | 2023     |
| Mineral properties, plant and equipment changes in closure and reclamation provision | \$ (2,834)                          | \$ 2,791 | \$ (2,089)                         | \$ (380) |
| Additions to right-of-use assets                                                     | 11,486                              | 4,950    | 19,191                             | 40,545   |
| Share units allocated to share capital upon settlement                               | 164                                 | -        | 3,078                              | 2,692    |
| Acquisition of Chesser                                                               | -                                   | 45,548   | -                                  | 45,548   |

**Fortuna Mining Corp.****Notes to Condensed Interim Consolidated Financial Statements**

For the three and nine months ended September 30, 2024 and 2023

(Unaudited - Tabular amounts presented in thousands of US dollars, except share and per share amounts)

---

**25. NON-CONTROLLING INTEREST**

As at September 30, 2024, the non-controlling interest ("NCI") of the State of Burkina Faso, which represents a 10% interest in Roxgold SANU S.A., totaled \$7.8 million. The income attributable to the NCI for the three and nine months ended September 30, 2024, totaling \$1.9 million and \$5.1 million, is based on the net income for Yaramoko.

As at September 30, 2024, the NCI of the State of Côte d'Ivoire, which represents a 10% interest in Roxgold Sango S.A., totaled \$50.6 million. The income attributable to the NCI for the three and nine months ended September 30, 2024, totaling \$2.0 million and \$4.3 million, is based on the net income for Séguéla.

**26. CONTINGENCIES AND CAPITAL COMMITMENTS**

(a) Caylloma Letter of Guarantee

The Caylloma mine closure plan, as amended, that was in effect in November 2021, includes total undiscounted closure costs of \$18.2 million, which consisted of progressive closure activities of \$6.2 million, final closure activities of \$9.8 million, and post closure activities of \$2.3 million pursuant to the terms of the Mine Closing Law of Peru.

Under the terms of the current Mine Closing Law, the Company is required to provide the Peruvian Government with a guarantee in respect of the Caylloma mine closure plan as it relates to final closure activities and post-closure activities and related taxes. In 2024, the Company provided a bank letter of guarantee of \$12.9 million to the Peruvian Government in respect of such closure costs and taxes.

(b) San Jose Letter of Guarantee

The Company has established three letters of guarantee in the aggregate amount of \$0.1 million to fulfill its environmental obligations under the terms and conditions of the Environmental Impact Statements issued by the Secretaria de Medio Ambiente y Recursos Naturales in 2009 in respect of the construction of the San Jose mine, and in 2017 and 2020 with respect to the expansion of the dry stack tailings facility at the San Jose mine. The letters of guarantee expire on December 31, 2024, March 5 and September 17, 2025, respectively.

**Fortuna Mining Corp.****Notes to Condensed Interim Consolidated Financial Statements**

For the three and nine months ended September 30, 2024 and 2023

(Unaudited - Tabular amounts presented in thousands of US dollars, except share and per share amounts)

---

(c) Other Commitments

As at September 30, 2024, the Company had capital commitments of \$14.4 million, for civil work, equipment purchases and other services at the Lindero mine, which are expected to be expended within one year.

*Côte d'Ivoire*

The Company entered into an agreement with a service provider at the Séguéla mine wherein if the Company terminates the agreement prior to the end of its term, in November 2026, the Company would be required to make an early termination payment, which is reduced monthly over 48 months. If the Company had terminated the agreement on September 30, 2024, and elected not to purchase the service provider's equipment, it would have been subject to an early termination payment of \$16.8 million. If the Company elected to purchase the service provider's equipment, the early termination amount would be adjusted to exclude equipment depreciation and demobilization of equipment, and only include portion of the monthly management fee and demobilization of personnel.

Additional early termination payments may apply under certain other service agreements, amounting to an approximate cumulative fee of \$5.9 million as of September 30, 2024.

(d) Tax Contingencies

The Company is, from time to time, involved in various tax assessments arising in the ordinary course of business. The Company cannot reasonably predict the likelihood or outcome of these actions. The Company has recognized tax provisions with respect to current assessments received from the tax authorities in the various jurisdictions in which the Company operates, and from any uncertain tax positions identified. For those amounts recognized related to current tax assessments received, the provision is based on management's best estimate of the outcome of those assessments, based on the validity of the issues in the assessment, management's support for their position, and the expectation with respect to any negotiations to settle the assessment. Management re-evaluates the outstanding tax assessments regularly to update their estimates related to the outcome for those assessments taking into account the criteria above.

*Peru*

The Company was assessed \$1.2 million (4.3 million Peruvian soles), including interest and penalties of \$0.8 million (2.9 million Peruvian soles), for the 2010 tax year by SUNAT, the Peruvian tax authority, with respect to the deduction of certain losses arising from derivative instruments. The Company applied to the Peruvian tax court to appeal the assessment. On January 22, 2019, the Peruvian tax court reaffirmed SUNAT's position and denied the deduction. The Company believes the assessment is inconsistent with Peruvian tax law and that it is probable the Company will succeed on appeal through the Peruvian legal system. The Company has paid the disputed amount in full and has initiated proceedings through the Peruvian legal system to appeal the decision of the Peruvian tax court.

As at September 30, 2024, the Company has recorded the amount paid of \$1.2 million (4.3 million Peruvian soles) in other non-current assets, as the Company believes it is probable that the appeal will be successful (Note 8).

**Fortuna Mining Corp.****Notes to Condensed Interim Consolidated Financial Statements**

For the three and nine months ended September 30, 2024 and 2023

(Unaudited - Tabular amounts presented in thousands of US dollars, except share and per share amounts)

---

The Company was assessed \$0.7 million (2.8 million Peruvian soles), including interest and penalties of \$0.5 million (1.7 million Peruvian soles), for the 2011 tax year by SUNAT, the Peruvian tax authority, with respect to the deduction of certain losses arising from intercompany transactions. The Company applied to the Peruvian tax court to appeal the assessment. On May 14, 2019, the Peruvian tax court reaffirmed SUNAT's position and denied the deduction. The Company believes the assessment is inconsistent with Peruvian tax law and that it is probable the Company will succeed on appeal through the Peruvian legal system. The Company has paid the disputed amount in full and has initiated proceedings through the Peruvian legal system to appeal the decision of the Peruvian tax court.

*Argentina*

On August 16, 2022, the Argentine Tax Authority ("AFIP") published General Resolution No.5248/2022 (the "Resolution") which established a one-time "windfall income tax prepayment" for companies that have obtained extraordinary income derived from the general increase in international prices. The Resolution was published by AFIP without prior notice.

The windfall income tax prepayment applies to companies that meet certain income tax or net income tax (before the deduction of accumulated tax losses) thresholds for 2021 or 2022. The aggregate amount of the windfall income tax prepayment payable by Mansfield calculated in accordance with the Resolution was approximately \$0.9 million (810 million Argentine Pesos), excluding related accrued interest of approximately \$0.3 million (277 million Argentine Pesos).

The windfall income tax prepayment was to be paid in three equal and consecutive monthly instalments, starting on October 22, 2022, and was payable in addition to income tax instalments currently being paid by corporate taxpayers on account of their income tax obligations. The windfall income tax prepayment is an advance payment of income taxes which were due to be paid in 2022.

Based on the historical accumulated losses of Mansfield for fiscal 2021, which can be carried forward for 2022, Mansfield was not liable for income tax, and based upon current corporate income tax laws and the ability of the Company to deduct historical accumulated losses, income tax will not be required to be paid for fiscal 2022.

To protect Mansfield's position from having to pay the windfall income tax prepayment as an advance income tax for 2022, which based on management's projections is not payable, Mansfield applied to the Federal Court of Salta Province for a preliminary injunction to prevent the AFIP from issuing a demand or other similar measure for the collection of the windfall income tax prepayment. On October 3, 2022, Mansfield was notified that the Court had granted the preliminary injunction. As a result, Mansfield did not pay any of the instalments.

On July 8, 2024, Law 27.743 on "Palliative and Relevant Tax Measures" was published in the Official Bulletin. This law established new regularization and special income tax regimes and amended the Income Tax Law. One of these regularizations included a provision for the forgiveness of interest on debts cancelled before March 1, 2024 (including the extraordinary income advance for 2022). As a result, the Company's interest payable to AFIP was effectively forgiven under the terms of the Income Tax Law.

As at September 30, 2024, Mansfield had legal proceedings brought against AFIP with the Federal Court to challenge the constitutionality of the Resolution. In October 2024, as a result of the enactment of Law 27.743, Mansfield withdrew the legal proceedings in the Federal Court.

**Fortuna Mining Corp.****Notes to Condensed Interim Consolidated Financial Statements**

For the three and nine months ended September 30, 2024 and 2023

(Unaudited - Tabular amounts presented in thousands of US dollars, except share and per share amounts)

---

(e) Other Contingencies

The Company is subject to various investigations and other claims; and legal, labour, and tax proceedings covering matters that arise in the ordinary course of business activities. Each of these matters is subject to various uncertainties, and it is possible that some of these matters may be resolved unfavourably for the Company. Certain conditions may exist as of the date these financial statements are issued that may result in a loss to the Company. None of these matters is expected to have a material effect on the results of operations or financial conditions of the Company.

**27. SUBSEQUENT EVENTS**

Effective October 31, 2024, the Company entered into a fifth amended and restated credit agreement, reducing its secured revolving credit facility from \$250 million to \$150 million and increasing the uncommitted accordion option to \$75 million. The facility has a four-year term, with interest accruing at the applicable US base rate and the adjusted term SOFR rate, with margins between 1.25% and 2.25% for the base rate and 2.25% and 3.25% for SOFR.

The Company has pledged significant assets, including those of principal operating subsidiaries, as collateral for this facility.

The amended and restated credit facility includes covenants customary for a facility of this nature including among other matters, reporting requirements, and positive, negative and financial covenants set out therein.