

CAUTIVO RTO OF \$FONC.CPC

EMERGING GOLD PRODUCER

VAST EXPLORATION POTENTIAL

SUSTAINABLE POSITIVE CASHFLOW

CAUTIVO MINING

THE BUSINESS

COMPANY OVERVIEW

Exploring, developing and production strategy

High Exploration Potential District

Consolidated land package in historical gold and silver districts in Northern Peru; Piura border with Ecuador's gold copper system and home to several gold producing areas

Immediate cash flow Gold processing plant online, with 70 tonnes per day ("tpd") capacity and with plans to expand to 100 tpd in the immediate future; 350tpd in the mid-term.

Local expertise

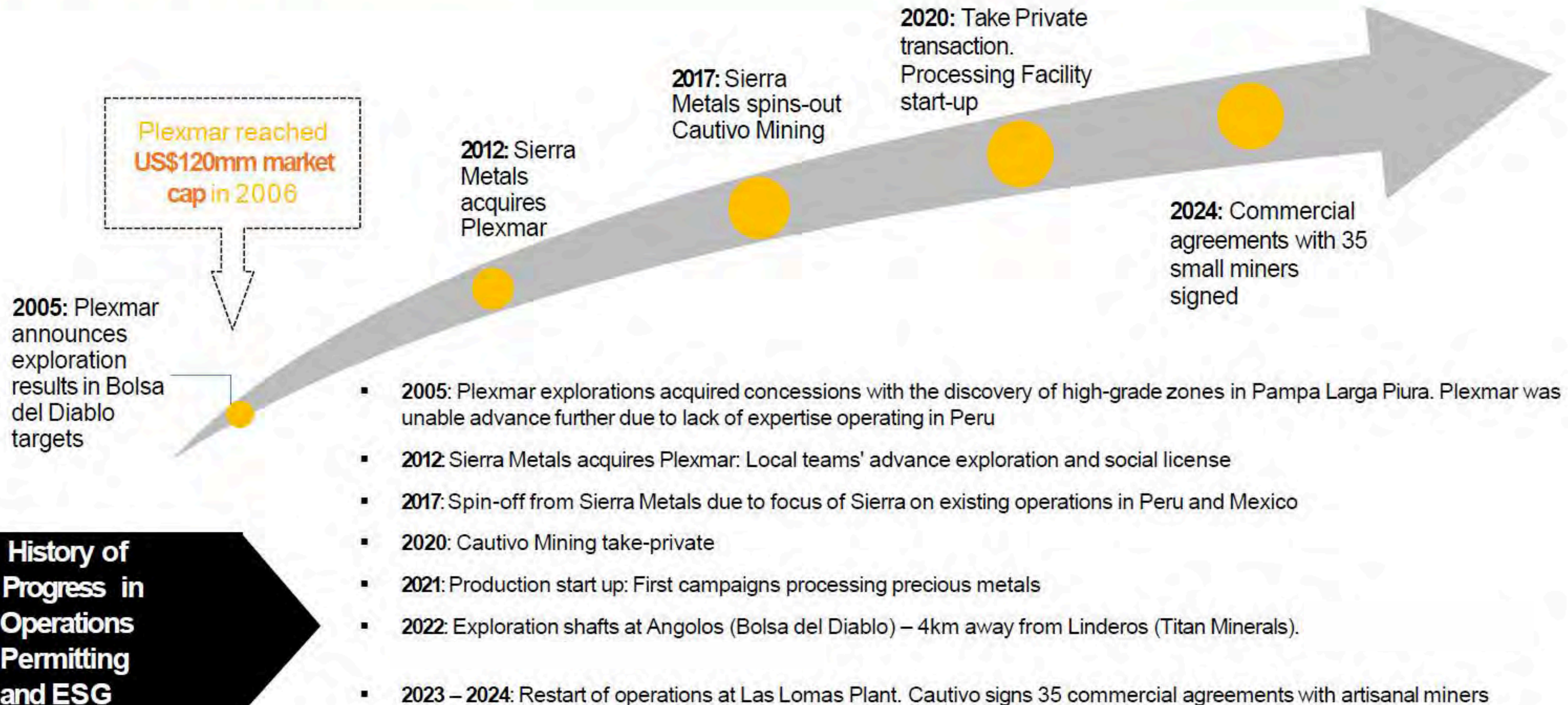
Cautivo Mining has been incubated for over 12 years by a private equity firm focused on Critical Materials with extensive knowledge developing E&P assets, with a local team with solid operational expertise

Social license

Cautivo has spent ~12 years to gain local acceptance of communities and permits for exploration and production, foreign ownership near the border. 35 small mines in production and royalty agreements are in place today.



CAUTIVO'S TIMELINE



DEAL TERMS

THE OPPORTUNITY

LOI TERMS

Vend-in value: USD \$10,000,000 / CAD \$13,800,000

ARCM, the private equity firm behind Cautivo, is winding down “fund 5” to start “fund 6”. It has assessed the project’s cost vs “today value”, layering in its need to show its investors a solid starting point towards recouping invested capital and profiting from post-RTO business expansion.

30-days of DD + 90-day exclusivity geological review complete

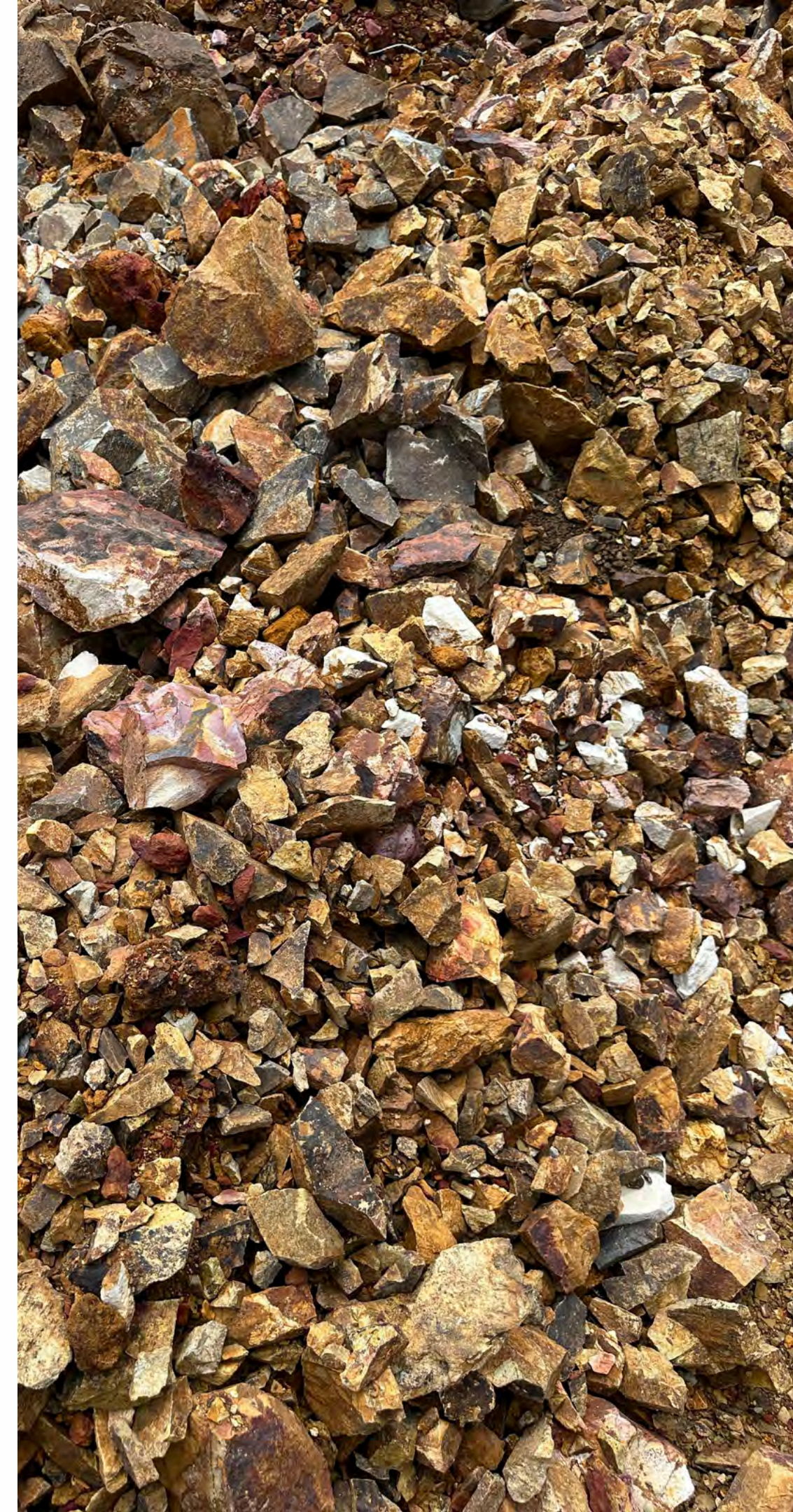
Concurrent Raise

USD \$3,000,000 minimum combined raise between cash in shell/CPC, new equity raise (combined 50%), follow-on ARCM investor investment (50%). No limit.

Uses: \$1,500,000 replace existing plant trade financing tool, plant working capital; \$750,000 SG&A , \$750,000 Marketing

Follow-on Project Financing

USD \$6,000,000 Trade Finance (stream, hybrid, royalty, etc) for plant expansion and drilling capital required, to be signed within 90 days of DD completing.





RTO METRICS

Discussed Terms

Vend-in value: USD \$10,000,000 / CAD \$13,800,000

FONC.V value: CAD: \$1.83MM

Consolidation: 2:1

Share Count: $16,042,000 \rightarrow 8,021,000 / 1,830,000 = 0.23$

Asset Roll-in: $13,800,000 / 0.23 = 60,000,000$ new shares *lockup TBD by TSXV

Concurrent Raise: $0.23 \times (\$3\text{MM USD target} \times 1.38 = \$4,140,000) / 0.23 = 18,000,000$ new shares (standard lockup)

Project and internal/Peruvian controls to stay. Some shared capacity with ARCM being majority shareholder.

New board: 1 FONC, 2 ARCM, 2 Management/Ops

INVESTMENT VALUE DRIVERS

Why does this make sense in your portfolio?

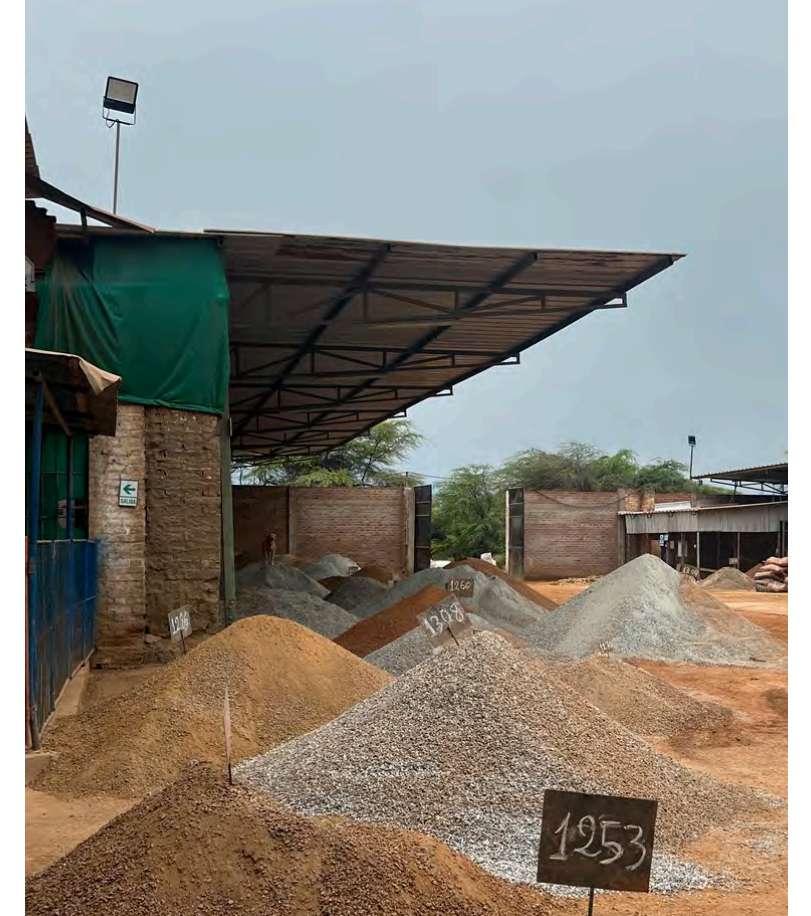
Community contracts in place for surface rights access, surface and underground exploration, ore extraction and production.

35 producing operations: Underinvested and underexplored operations within Cautivo's concessions have signed commercial and royalty agreements to process its ore at Las Lomas Plant.

Revenue ramping up since April 2024, batch sizes growing to current plant capacity of 70tpd, grade stabilizing around 10g/t

Plant scalability planned near term expansion to 100tpd, mid-term to 350tpd

Exploration and resource development potential on seven areas of interest ranging from medium- to large-scale, with minimum 10,000M drill program to start in late 2025/start 2026



LAS LOMAS PLANT

SCALABLE REVENUE GENERATION



PIURA PRODUCTION

Las Lomas Plant



2024 ACHIEVEMENTS

35 production and royalty agreements signed with small miners (Hans XX and Sampillica)

Fees and royalties collected monthly

Regional ore purchasing, toll processing restarted

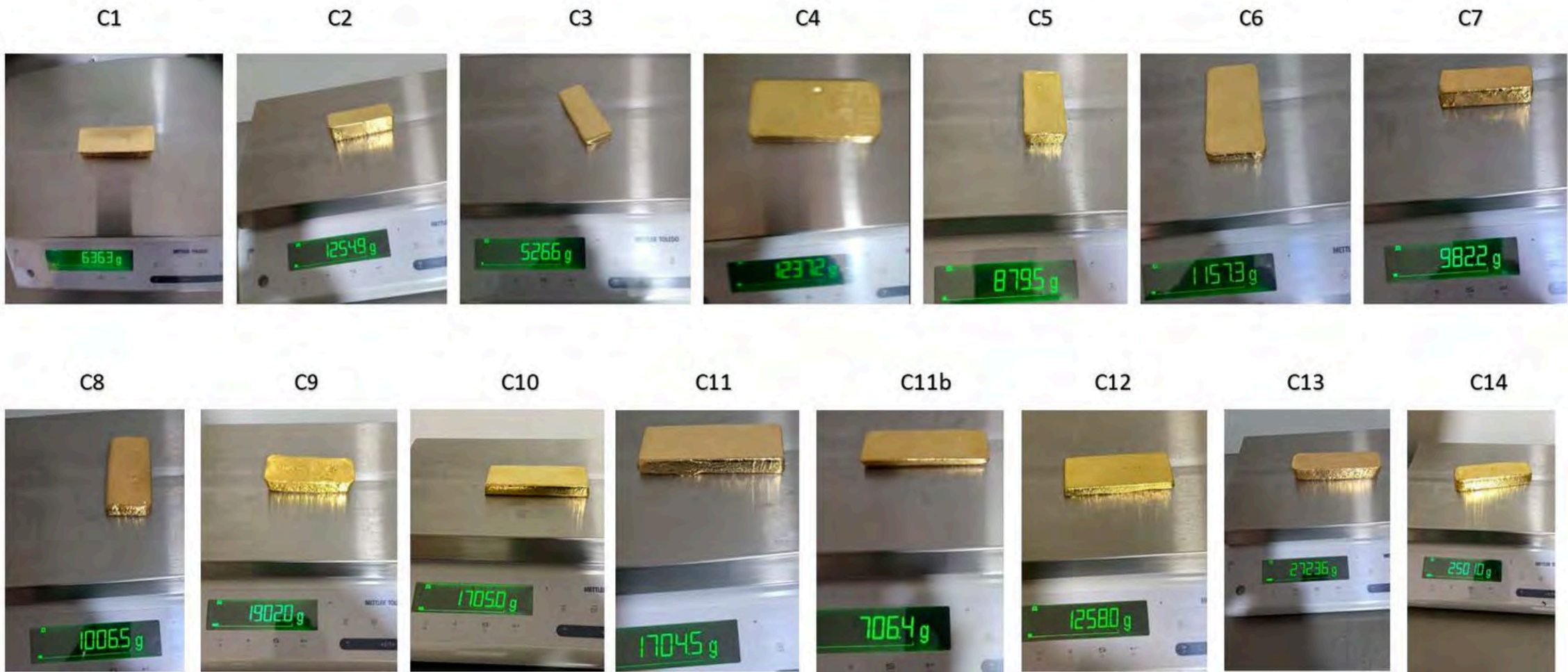
Ore sent to Las Lomas Processing Plant

Gold production restarted with 1Kg in the first campaign

GOLD PRODUCTION

The Las Lomas plant has been producing in batches 1-2x per month since April 2024. Both volume and grade have increased progressively month over month.

2024



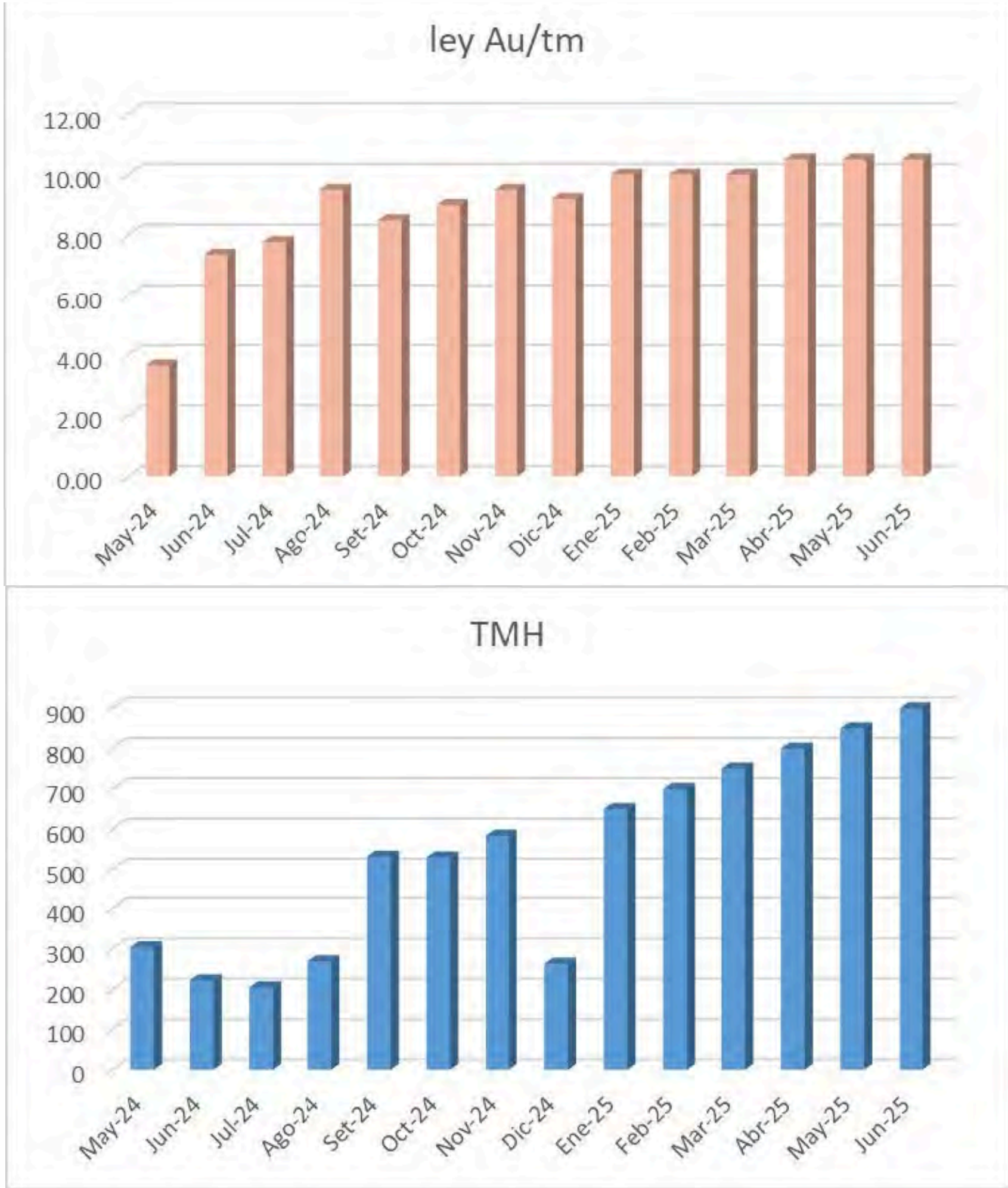
2025



LAS LOMAS PLANT

Production Restart April 2024

MES	TMH	ley Au/tm
May-24	304	3.67
Jun-24	222	7.36
Jul-24	205	7.78
Ago-24	269	9.50
Set-24	532	8.50
Oct-24	530	9.00
Nov-24	584	9.50
Dic-24	263	9.20
Ene-25	650	10.00
Feb-25	700	10.00
Mar-25	750	10.00
Abr-25	800	10.50
May-25	850	10.50
Jun-25	900	10.50



IMMEDIATE CASH FLOW

Hans XX and Las Lomas Plant

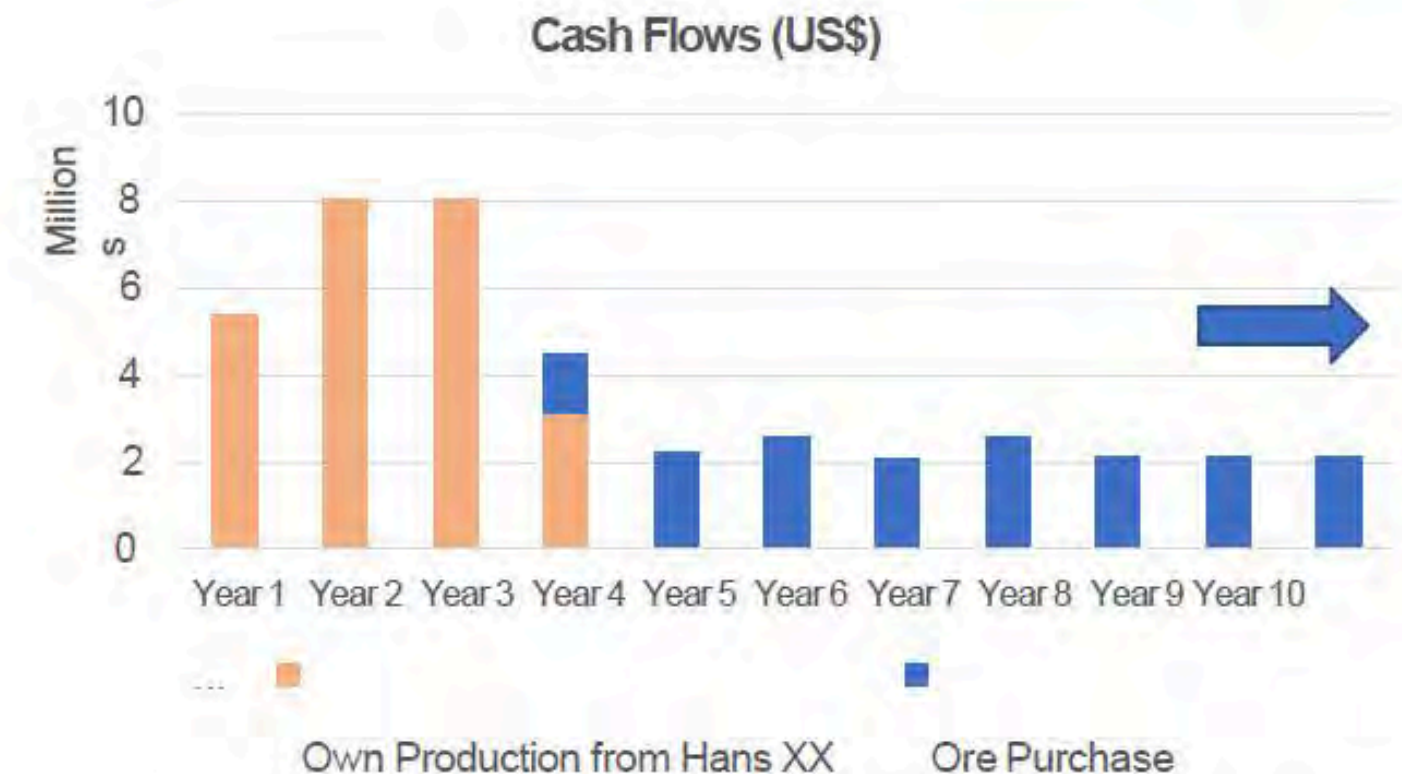
Production		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	...
Mineral Inventory BoP	t	97,500	80,700	47,100	13,500	0	0	0
Mineral Inventory EoP	t	80,700	47,100	13,500	0	0	0	0
Mining Rate	tpd	50	100	100	100	100	100	100
Days	(28d)	336	336	336	336	336	336	336
Total Mined	t	16,800	33,600	33,600	33,600	33,600	33,600	33,600
Gold Price	US\$/AuOz	2400	2000	2000	2000	2000	2000	2000
Au grade	g/t	12	12	12	12	12	12	12
Dilution	%	7%	7%	7%	7%	-	-	-
Recovery	%	86%	86%	86%	86%	86%	86%	86%
Tonnage processed	t	16,800	33,600	33,600	33,600	33,600	33,600	33,600
Value per tonne contained	US\$/t	861	718	718	718	664	664	664
NSR	US\$/t	726	605	605	605	664	664	664
Gold Produced	Oz	5,184	10,368	10,368	10,835	11,148	11,148	11,148

Revenues		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	...
Revenues	US\$000	12,442	20,736	20,736	21,670	22,297	22,297	22,297
Commercialization Factor	(2%)	249	415	415	433	446	446	446
Net Revenues	US\$000	12,193	20,321	20,321	21,236	21,851	21,851	21,851

Costs		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	...
Mining Cost	US\$000	2,352	4,704	4,704	1,890	0	0	0
Administration	US\$000	200	200	200	200	0	0	0
Transportation to Plant	US\$000	168	336	336	135	0	0	0
Total Mining Cost	US\$000	2,720	5,240	5,240	2,225	0	0	0
Mining Cost per tonne	US\$/t	162	156	156	165	0	0	0

Processing Cost	US\$000	1,835	3,670	3,670	3,670	3,670	3,670	3,670
Processing Cost per tonne	US\$/t	109	109	109	109	109	109	109
Total Cost	US\$000	4,555	8,910	8,910	3,700	18,002	18,002	18,002
Total Cost per tonne⁽¹⁾	US\$/t	271	265	265	274	536	536	536

Inputs from Mine Operator		
Hans XX Resource	t	195,000
Inventory Considered	%	50
Recoverable Mineral Resource	t	97,500
Mining Cost	US\$/t	140
Transportation to Las Lomas	US\$/t	10
Administration Costs	\$/month	16,667
Days	d	28



NPV (In US\$'000):

Net Present Value (@ 8%)	\$29,331
Terminal Value* – Ore Purchase Only	\$12,240
Consolidated Value	\$41,571

* Considers a terminal value for the ore purchase business at 100tpd in perpetuity

Note: Prefeasibility operation report from third party mine operator for Hans XX vein system. Considers 50% of estimated inventory.

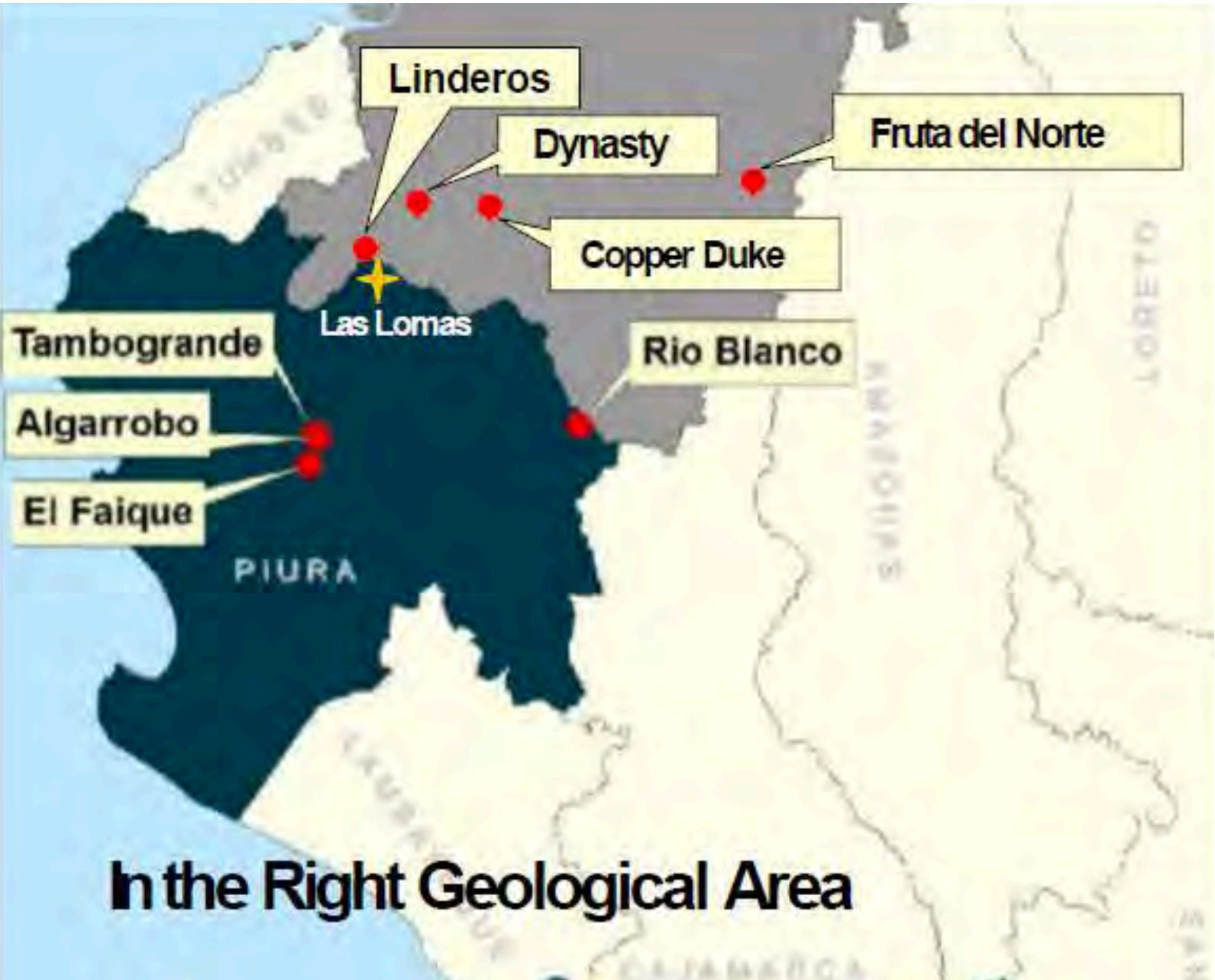
(1) For years were only the processing plant operates, total cost per tonne considers the ore purchased

PIURA GEOLOGY

**32,000 HECTARES
MEDIUM AND LARGE SCALE
EXPLORATION OPPORTUNITIES**

KEY NEIGHBOURS

“dime con quien andas y te digo quien eres”



SOUTHERN ECUADOR: Main projects close to the border

Linderos	<ul style="list-style-type: none">▪ Drilling results: 21.0m @18.5 g/t Au, 20.0m @14.3 g/t Au and 18.2m @14.7 g/t Au▪ Owner: Titan Minerals
Dynasty	<ul style="list-style-type: none">▪ Estimated resources of 14.4mt @4.65g Au/t. Telescopic Gold System▪ Owner: Titan Minerals
Fruta del Norte	<ul style="list-style-type: none">▪ Estimated resources of 35.4mt @8.3g Au/t. Sulphidation epithermal Au-Ag deposit▪ Owner: Lundin Gold

PIURA REGION: Main projects in the region

Tambogrande TG-1	<ul style="list-style-type: none">▪ Estimated resources of 64mt @1.7% Cu, 1.4% Zn, 0.10% Pb, 31g Ag/t, 0.70 gAu/t. (VMS)▪ Owner: Not assigned
Algarrobo TG-3	<ul style="list-style-type: none">▪ Estimated resources of 110mt @0.7% Cu, 1.0% Zn, 0.10% Pb, 19g Ag/t, 0.70g Au/t. (VMS)▪ Owner: Compañía de Minas Buenaventura
El Faique B-5	<ul style="list-style-type: none">▪ Estimated resources of 200mt @2.0% Cu, 3.5% Zn, 0.10% Pb, 56g Ag/t, 1.00g Au/t. (VMS)▪ Owner: Compañía de Minas Buenaventura
Río Blanco	<ul style="list-style-type: none">▪ Estimated resources of 500mt @0.8% Cu. Deposit Model Copper▪ Porphyry Owner: Zijin Mining Group

KEY PROJECTS

Piura: Gold-Copper

Strong land position: 32,000 ha. land package in the most prospective new emerging metals district in Peru; Near the border with Ecuador, extending Ecuadorian gold systems with extensive gold and copper occurrences and evidence of massive gold deposits.

Large scale:

Angolos-Chiqueros-Algodonal gold deposit

Medium scale operation: Hans XX, Ato Miranda high-grade gold system. Expansion possible with adjacent Hans X and Hans XXX projects.



PIURA E&P

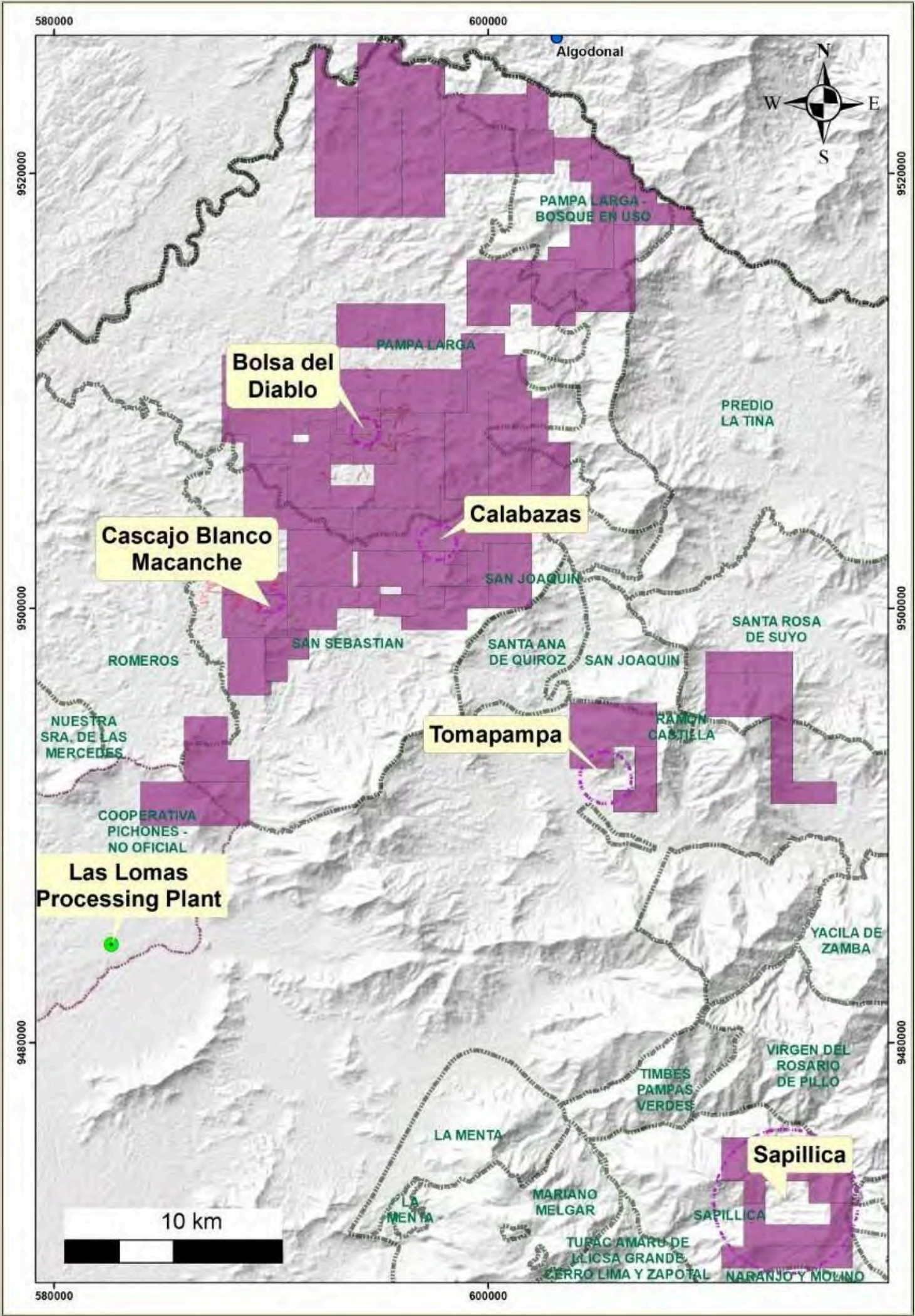
Disseminated ore bodies

Just 4 kms away from Linderos’ Project (Titan Minerals) Hancock Prospecting Pty Ltd acquired 80 of Linderos for US 120 million Hancock Prospecting Pty Ltd is a major private mining company led by Gina Rinehart, Australia’s richest woman

Potential Large Au Cu Porphyries

Piura Exploration Project Potential (AuEqOz)			
Target	Metals	Results	Potential Resources
Bolsa del Diablo	Cu-Au	Disseminated Au close to surface	1.5 Million
Cascajo-Blanco	Cu-Au	Potential large Au-Cu porphyry	
Calabazas	Cu-Au	Potential large Au-Cu porphyry	
Algodonal	Au	Very high Au on surface	
Chiqueros	Au	Very high Au on surface	
Tomapampa	Cu-Au	Potential large Au-Cu porphyry	
Sapillica	Cu-Au	High grade Au veins	
Hans XX	Au	Production of high Au grade veins close to Surface	

Note: Internal estimates, non-NI 43-101 compliant. Estimated using available geological information



HANS XX-ATO MIRANDA VEIN SYSTEM

Medium Scale Au/Ag: Mesothermal Veins

Deposit Model: Mesothermal Veins (Au/Ag)

Mapping and Prospecting Campaigns: 442 samples with gold grades ranging from 3 g/t to 75 g/t (8%)

Drilling Results: 2020 campaign intercepted veins with up to 6.88 g/t Au

Metallurgical Sampling: Includes gold recovery rates of up to 93.27%

Potential Resource:

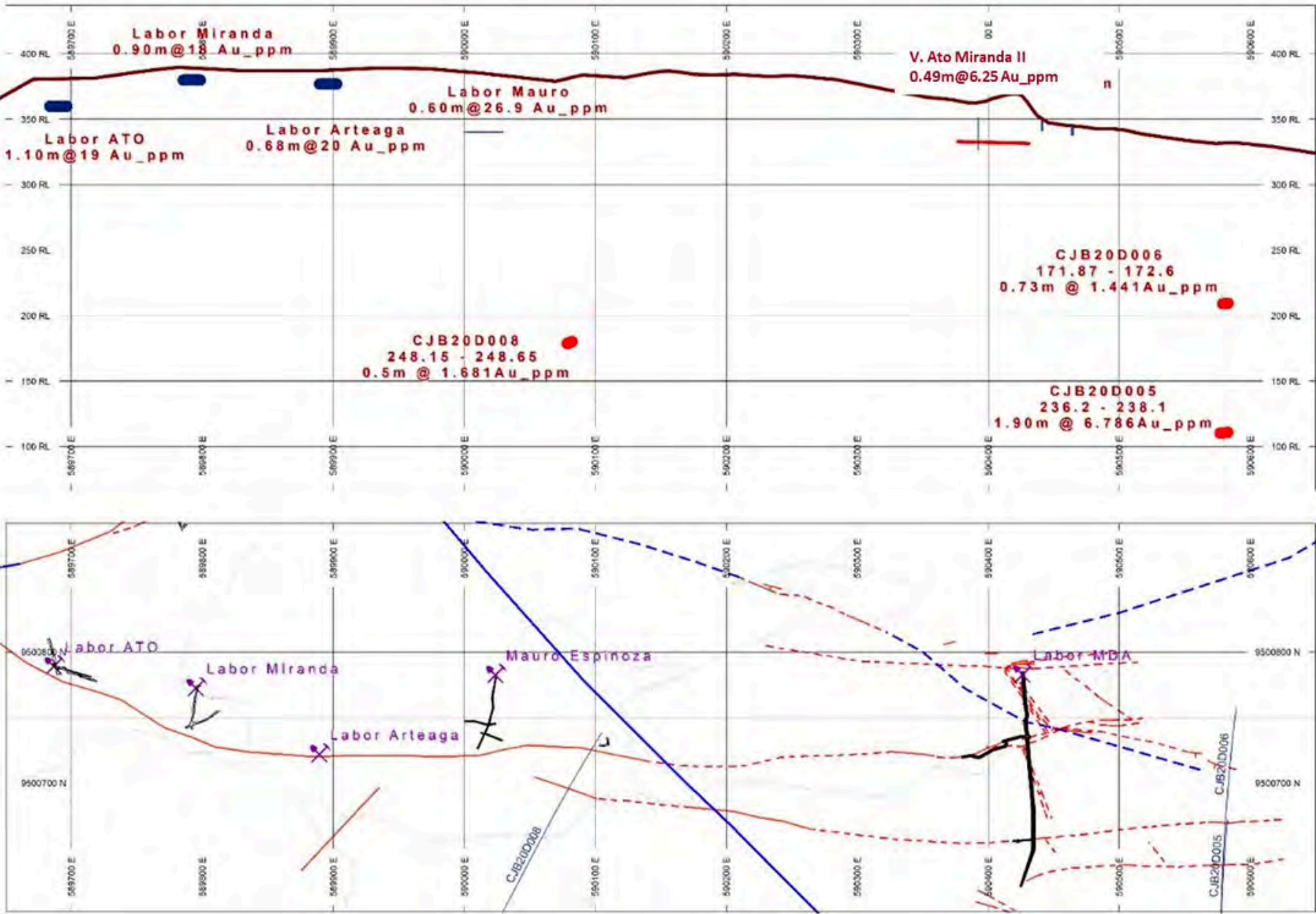
Ato-Miranda Vein: Vein:>220Kt @ 12.28 g/t Au

Hans XX (7 to 8 out of 20 veins): 1,000Kt @ 10 g/t Au

Current Developments: Advancing an exploratory shaft to commence production from the Ato Miranda Vein

Regulatory Framework: All artisanal miners within this concession are legally required to sell their material to Cautivo.

Zona	Ancho (m)	gr/TM Au.
Labor Ato	1.10	19.00
Labor Miranda	0.90	18.00
Labor Arteaga	0.68	20.00
Labor Mauro	0.60	26.90
DDH 08	0.50	1.68
Labor MDA	0.49	6.25
DDH 06	0.73	1.44
DDH 05	1.90	6.79
PROMEDIO	0.30	12.28



HANS XX-ATO MIRANDA VEIN SYSTEM

Main Entrance



Underground Blasting



Ore Sampling
and Shipment



ANGOLOS - CHIQUEROS - ALGODONAL

Large-Scale Exploration

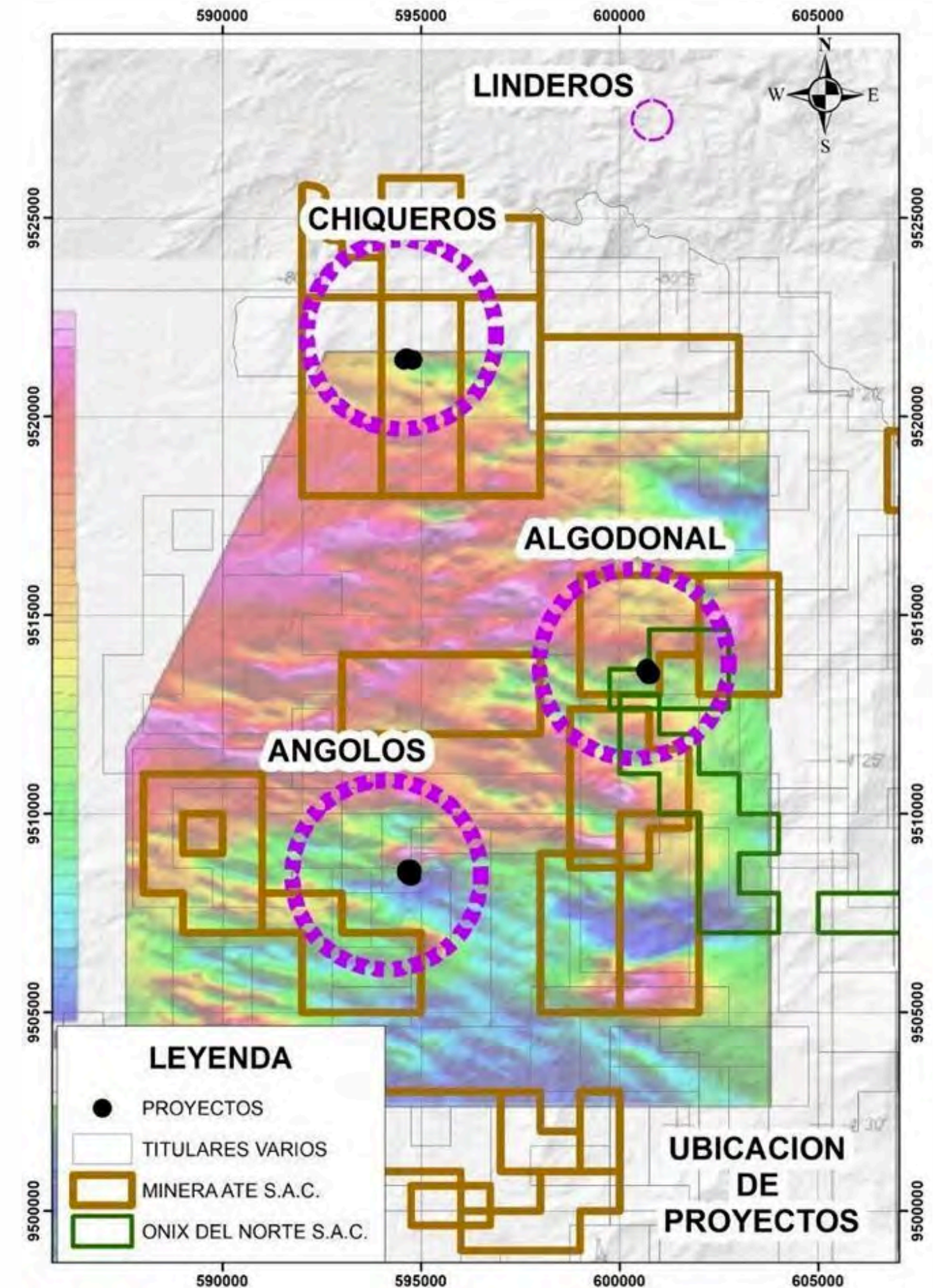
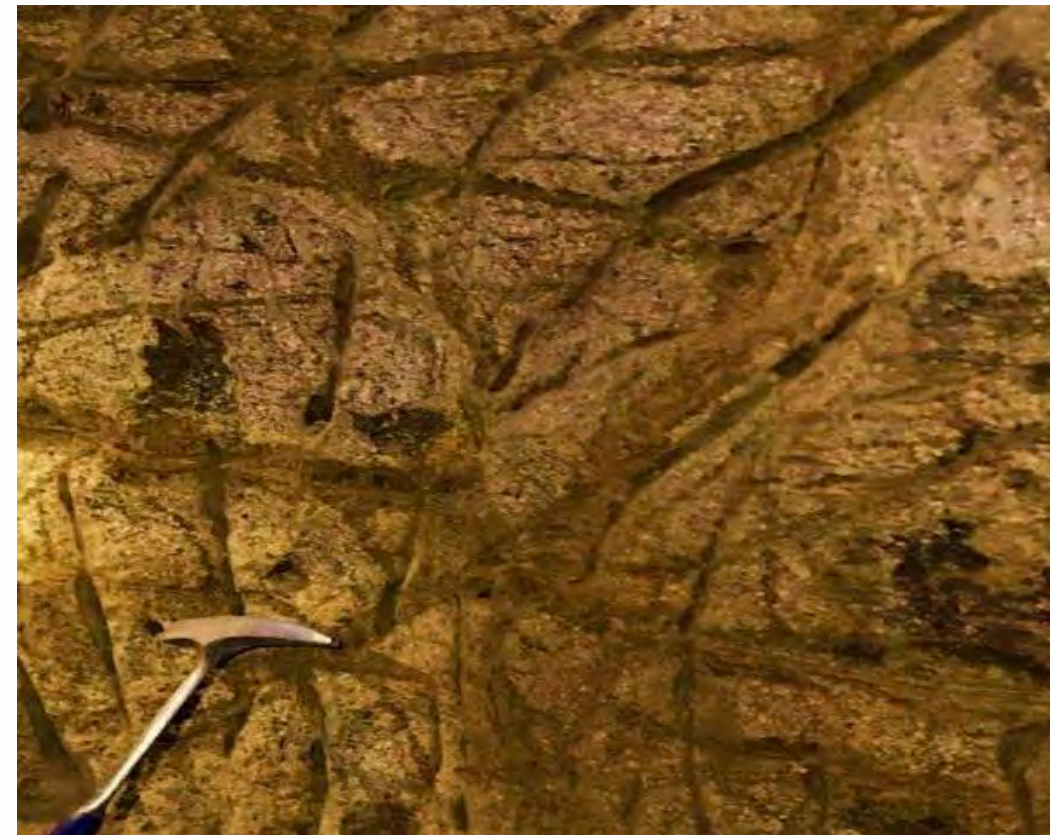
Deposit Model: Two types

High Sulfidation veins (Au/Ag) and Copper Porphyry (Cu/Au/Mo)

Mapping and Prospecting Campaigns: 1,434 samples with gold grades between 3 to 635 g/t Au (28%)

Angolos: 12 exploration shafts of 30 meters each. Mineralization is open North East and South West. **Titan Minerals' Lindero Project** is only 4 kms away shows impressive results.

Internal estimates for Angolos projects show 55K AuOz (M&I) today





THANK YOU

FOR YOUR
INVESTMENT
CONSIDERATION

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