



FOURTH QUARTER 2021
FROM THE CEO'S DESK

Dear Shareholders,

A sincere Happy New Year from the Fortune Bay team! Like many of us I enjoyed some family time over the holiday season. It also provided an opportunity to reflect on 2021 which was marked by some important milestones for the Company in its first year of significant field operations. Key achievements for our Goldfields project included announcing the new mineral resource estimate, and completion of the Phase 1 resource expansion drilling program. We were also pleased to have generated and announced two uranium projects, Strike and Murmac, which represent compelling exploration opportunities at an exciting time in the uranium market. As we enter 2022 the Company is well funded, having [completed a C\\$6.9 million raise](#) and is poised for growth with an [expansive set of exploration plans](#). With all the necessary exploration permits in hand for 2022, we are ready and looking forward to the year ahead.

As we wrap-up 2021 I'd like to touch on the four P's that make up our business – **People, Projects, Plans and Presence** – to bring you up-to-date with what's happening at Fortune Bay.

We encourage you to read this quarterly update in conjunction with our material news items, provided in our news releases, and our quarterly financial statements and MD&A. This update does contain Forward-Looking Statements so please refer to the Company's Cautionary Note appended below.

People

Key to a successful business is the right people and we've been fortunate to build a **strong team** at Fortune Bay over the past year, from our Board of Directors to field personnel. Recently we were pleased to promote Eric Bort, our Senior Project Geologist, to Exploration Manager. Eric was pivotal in setting up the Company's Saskatchewan operations and has proved himself to be a strong, dependable, and innovative leader. We are also pleased to bring on Cody Misfeldt as a full-time Geologist following his contract role during 2021. We look forward to working with Cody as he develops his career as a geologist with Fortune Bay. Aside from our experience in gold, our technical team is well-equipped to tackle our uranium projects with combined Athabasca Basin uranium experience of over 20 years with the likes of Denison, Cameco, Nexgen and Fission.

Supporting our field operations are numerous **turn-key contractors** who provide drilling, geophysical and other valuable support services. At Fortune Bay we are committed to ensuring that local communities benefit from our operations. During 2021 we built strong working relationships with numerous local contractors and businesses (fully or part-owned) and provided a number of employment opportunities for local residents. We are proud to be continuing, and building upon this, as we enter 2022.

Community relations are a priority for Fortune Bay and during 2021 we engaged consistently with Ya' thi Néné Lands and Resources ("YNLR"), a non-profit organization owned by the local Athabasca Communities. The Athabasca Communities have designated YNLR to be their "one window" for consultation and engagement concerning Crown decisions about land and resource use. During Q4 2021 Fortune Bay was pleased to sign an engagement agreement with YNLR to support the consultation and engagement process for the 2022 exploration permits.

Projects & Plans

During 2021 we generated the **Strike and Murmac uranium projects**, both well-within reach of our operational base in Uranium City. The projects have been identified to have the right geological ingredients for the high-grade uranium deposits that make the Athabasca Basin world famous. Given the projects are located immediately outside of the Athabasca Basin we will be targeting 'basement-hosted' deposits, similar to the recent discoveries of Arrow (Nexgen

Energy) and Triple R (Fission Uranium). Basement-hosted deposits are highly sought after targets given their high-grades and competent host rocks which allow for conventional mining. The targeting of these high-grade deposits at shallow depths and within proximity to historical uranium mines and infrastructure, including Uranium City and the hydro-power transmission grid, makes for a compelling exploration scenario. Our team is excited to get the drill turning on these opportunities following geophysical surveying during winter to refine drill targets.

At **Goldfields**, initial gold assay results from the Box **Phase 1 drilling program** were announced in September 2020, demonstrating a significant expansion of mineralization outside of the current resource estimate with some noteworthy grades. Please see our [news release](#) for further details. The Company is still awaiting final assay results from the remaining four drill holes completed at the Box deposit and looks forward to announcing those as soon as they become available. Delays across Canadian assay laboratories have been a common theme during 2021. Needless to say, we are working with the laboratory to ensure results are received as soon as possible.

A regional geophysical and geological targeting review was completed during the second half of 2021 and has generated a number of gold exploration targets for drill testing across the 2.5 kilometre extent of the Goldfields Syncline, between the Box and Athona deposits. These targets will be the initial focus for the Goldfields **Phase 2 drilling program** scheduled to commence in early Q1 2022, with contingency to test additional targets based on final Phase 1 results. The lack of drilling within the hinge zone of the Goldfields Syncline is notable and the drill targets generated have the potential to deliver the next gold discovery for the project.

Scoping level assessments were ongoing during the second half of 2021 to evaluate the optimal development path for the Goldfields project as a future mining operation. The work was conducted by SRK Consulting (Canada) Inc. and is aimed at advancing the current mineral resource estimate (March 2021) toward a preliminary economic assessment or pre-feasibility study. Scoping studies completed to date include ore sorting, pit optimizations, mine scheduling and project costing. The results of these studies will be undergoing review in Q1 2022.

Presence

Fortune Bay recognizes the need to have a strong market presence and increasing visibility in tandem with ongoing exploration and project development work and associated news flow. With an expansive set of exploration plans for 2022, the Company has engaged a digital marketing professional to design and manage a coordinated digital marketing strategy for 2022, including website optimization, social media and various other digital marketing initiatives. Our presence will also be noted on CRUX Investor and Investing News Network, and we are looking forward to getting out there in-person at numerous planned conferences, including booths at PDAC (March 7-9) and VRIC (May 17-18).

We would welcome the opportunity to connect with you should you have any questions. You can reach us by email at info@fortunebaycorp.com or telephone at +1 902 334 1919. Also, please do not forget to subscribe on our website and follow us on Facebook, Twitter and/or LinkedIn to ensure you catch all the Fortune Bay action.

Yours sincerely,



Dale Verran
Chief Executive Officer



Cautionary Note and Technical Disclosure:

Information set forth in this update 'From the CEO's Desk' contains forward-looking statements that are based on assumptions as of the date of this presentation. These statements reflect management's current estimates, beliefs, intentions, and expectations. They are not guarantees of future performance. Fortune Bay Corp. ("Fortune Bay" or the "Company") cautions that all forward-looking statements are inherently uncertain, and that actual performance may be affected by a number of material factors, many of which are beyond Fortune Bay's control. Such factors include, among other things: risks and uncertainties relating to metal prices, changes in planned work resulting from weather, logistical, technical or other factors, the possibility that results of work will not fulfill expectations and realize the perceived potential of Fortune Bay's mineral properties, uncertainties involved in the interpretation of drilling results and other tests, the possibility that required permits may not be obtained in a timely manner or at all, risk of accidents, equipment breakdowns or other unanticipated difficulties or interruptions, the possibility of cost overruns or unanticipated expenses in work programs, the risk of environmental contamination or damage resulting from the exploration operations, the need to comply with environmental and governmental regulations and the lack of availability of necessary capital, which may not be available to Fortune Bay acceptable to it, or at all. Fortune Bay is subject to the specific risks inherent in the mining business as well as general economic and business conditions. Accordingly, actual and future events, conditions and results may differ materially from the estimates, beliefs, intentions, and expectations expressed or implied in the forward-looking information. Except as required under applicable securities legislation, Fortune Bay undertakes no obligation to publicly update or revise forward-looking information. Fortune Bay does not intend, and does not assume any obligation, to update these forward-looking statements, except as required under applicable securities legislation. For more information on Fortune Bay, readers should refer to Fortune Bay's website at www.fortunebaycorp.com. Information set forth in this update 'From the CEO's Desk' is intended to summarize or highlight the Company's results for the previous quarter based upon previously disclosed results provided in the Company's news releases. Readers of this update should refer to the Company's news releases, available on the Company's website or SEDAR.com, to obtain important additional technical information and disclosure in accordance with the requirements of National Instrument 43-101. The technical and scientific information provided in this update has been reviewed and approved by Dale Verran, M.Sc., P.Geo., Chief Executive Officer of the Company, who is a Qualified Person as defined by NI 43-101. Mr. Verran is an employee of Fortune Bay and is not independent of the Company under NI 43-101.