



FIRST QUARTER 2022 FROM THE CEO'S DESK

April 12, 2022

Dear Shareholders,

I'm pleased to provide you with this update for the first quarter of 2022, which was highlighted by Goldfields Phase 1 assay results, Goldfields Phase 2 exploration drilling (assays pending), and the commencement of ground gravity surveying on the Strike and Murmac uranium projects. An additional meaningful development was yesterday's announcement that the Company has commenced a Preliminary Economic Assessment for Goldfields, with results expected in the fourth quarter of this year.

Looking ahead for 2022, we are excited by the opportunities to create value for our shareholders through exploration on multiple fronts, including drilling, and project development work at Goldfields. Our treasury remains strong at approximately \$5 million dollars in cash to support the Company's ongoing activities.

Currently, we remain committed to our diversified portfolio, which includes gold and uranium assets, and advancing these to realize their potential for the benefit of our shareholders and stakeholders. Both "yellow metals" are in the green during the first quarter, with gold increasing 6% to US\$1937/oz and uranium increasing 40% to US\$58/lb U₃O₈. The fundamentals remain strong for both metals, and as Brien Lundin, author of Gold Newsletter, recently stated, "*My point is, gold and uranium are two metals beginning uptrends that I feel will last for years. If you're not positioned in both of them, you need to look into rectifying that soon.*" Brien's article can be found [here](#), for those interested.

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.

Goldfields Gold Project

During Q1 we received the final batch of gold assays from our Phase 1 2021 drilling program at Box. The results were highlighted by 13.22 g/t Au over 8.0 metres and 8.74 g/t Au over 5.0 metres (see [March 7, 2022 News Release](#)). Previous results from Phase 1 drilling at Box, also included 8.00 g/t Au over 12.0 metres and 8.00 g/t Au over 4.0 metres (see [September 14, 2021 News Release](#)). Combined, drilling has now expanded the mineralization up to 280 metres outside of the extents of the current Mineral Resource Estimate, and mineralization remains open for further expansion. We were particularly pleased that some of the higher grades showed apparent continuity along structural trends between drill holes, suggesting potential for additional opportunities from a mining standpoint.

We very recently commenced a Preliminary Economic Assessment ("PEA") for Goldfields (see [April 11, 2022 News Release](#)). The planned PEA represents an important milestone toward a potential mine construction decision, given continued positive results. Some investors may be wondering why the Company is not undertaking a new Prefeasibility Study ("PFS"), a higher confidence study, given a historical PFS was completed in 2011. Simply put, we are envisaging optimized mining and processing scenarios for which Pre-Feasibility Study ("PFS") level data do not yet exist, which have the potential to improve project economics. Furthermore, a PEA allows for the inclusion of all mineral resources (Indicated + Inferred), and as part of the PEA, the resource model will be updated with results from our Phase 1 2021 drilling programs at Box and Athona. The PEA aims to demonstrate the optimal development path of the Project before decisions are made to initiate further resource delineation drilling and/or development work in support of a possible future PFS. We are excited to work alongside Ausenco, Moose Mountain Technical Services and SRK to

complete the Study, all industry-leading teams that management has built working relationships with prior to commencement of the PEA. PEA results are expected in early Q4 2022.

During Q1 the Company completed a Phase 2 exploration drilling program at Goldfields. The primary objectives of the program were to test gold exploration targets within the hinge zone of the Goldfields Syncline, between the Box and Athona gold deposits, with the objective of making a new discovery. The lack of drilling along two kilometres of strike between the deposits, presented a unique exploration opportunity, and four drill holes totalling 1,343 metres were completed during January and February. An additional drill hole was completed at Box in early March, totalling 429 metres, to test a large gap in the historical drill coverage down-dip of the known mineralization, and outside the extents of the current mineral resources. Assay results from the five drill holes are expected within four to six weeks and we look forward to announcing results from the program once assays are received.

Strike and Murmac Uranium Projects

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.

Work got underway on these projects during the first quarter of 2022 with ground gravity surveying at Strike and Murmac. Surveying was paused in late March and is scheduled to resume in early May, to achieve the desired coverage ahead of the drilling planned for 2022 (see [December 12, 2021 News Release](#)). The VTEM survey for Murmac (airborne electromagnetics and magnetics) is scheduled for completion by mid April.

The geophysical datasets collected for the Strike and Murmac during winter/spring, including ground gravity and airborne VTEM, will be integrated with the existing datasets for the projects, to both define and refine drilling targets. We look forward to announcing the drill targets, together with more detailed drilling plans, in the coming weeks before drilling is expected to commence on schedule in May.

Marketing and Investor Relations

During Q1 our marketing efforts gathered momentum and we have seen tremendous growth amongst our newsletter subscribers – thanks to all who have joined! We plan to continue our market outreach through Investing News Network (“INN”) and our various other social channels, and will be getting out there in person during the second quarter at VRIC (Vancouver, May17-18), 121 Mining Investment (London, May 23-24) and PDAC (Toronto, June 13-15). Starting mid-April, and recurring after each quarter, we will be hosting a live webinar to provide an update on the Company and Projects, and to answer any questions you may have. Please sign up for the webinars via our subscriber invitation or on our [website](#), or feel free to watch the recording at any time on our website. We have also added functionality to our website to [‘Book an Investor Call’](#) or [‘Ask a Question’](#) under the ‘Contact Us’ section. Please feel free to reach out at any time should you want to connect.

The second quarter promises to be a busy and exciting time for Fortune Bay, with maiden drilling planned to commence on our uranium projects and Phase 2 gold assays expected from Goldfields. If you’re not signed up please [subscribe](#) on our website and follow us on Facebook, Twitter, Instagram, YouTube and 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 letter 'From the CEO's Desk' contains forward-looking statements that are based on assumptions as of the date of this letter. These statements reflect management's current estimates, beliefs, intentions, and expectations. They are not guarantees of future performance. Words such as "expects", "aims", "anticipates", "targets", "goals", "projects", "intends", "plans", "believes", "seeks", "estimates", "continues", "may", variations of such words, and similar expressions and references to future periods, are intended to identify such forward-looking statements. 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, COVID-19 restrictions, availability of contractors, 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 letter '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 letter 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 letter 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.