



SECOND QUARTER 2022  
**FROM THE CEO'S DESK**

July 8, 2022

Dear Shareholders,

The second quarter of 2022 was a busy and exciting period for Fortune Bay as we went about implementing the expansive set of plans for the Company's gold and uranium projects in northern Saskatchewan. The quarter was highlighted by initial drill results from the Strike Uranium Project and the commencement of a Preliminary Economic Assessment for the Goldfields Gold Project.

At Strike, elevated radioactivity (indicative of uranium mineralization) was intersected within highly favorable geology for deposits typical of the Athabasca Basin. These initial drill results indicate potential for a nearby uranium deposit.

During the second quarter, the Company also began trading on the OTCQX Market in the U.S. to increase visibility, strengthen our shareholder base and enhance liquidity.

We were also pleased to see Saskatchewan retain its position as Canada's top-ranked mining jurisdiction according to the Fraser Institute's Investment Attractiveness Index. The Annual Survey of Mining Companies, released in April 2022, found that Saskatchewan remains not only the top choice in Canada, but second overall globally, and has now ranked in the global top three for the fourth time in five years.

This newsletter is intended to provide our shareholders with an update for the second quarter of 2022, and to offer additional insight into the Company's projects, results and plans. We encourage you to read this 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.

### **Strike Uranium Project**

The initial drilling results announced for Strike in late June included shallow intersections of elevated radioactivity, indicative of uranium mineralization (see [June 28, 2022 News Release](#)). This is the first drill program testing the extensive electromagnetic ("EM") conductors (favorable graphitic host-rocks) on the project, and the results indicate Strike has the right geological ingredients for a high-grade discovery typical of the Athabasca Basin.

The results were highlighted by drill hole S22-013 which included up to 1,800 counts per second ("cps") within a graphitic fault with hydrothermal alteration. We are looking forward to laboratory results from the core samples, including uranium assays, as we plan follow-up of these encouraging results.

### **Murmac Uranium Project**

Maiden exploration drilling commenced at Murmac in late June, and similar to Strike, is aimed at testing the extensive EM conductors (favorable graphitic host-rocks) on the project. The drill targets include discrete gravity lows located along prominent EM conductors proximal to numerous radioactive and uranium surface showings and/or favorable structural features (see [June 16, 2022 News Release](#)).

### **Goldfields Gold Project**

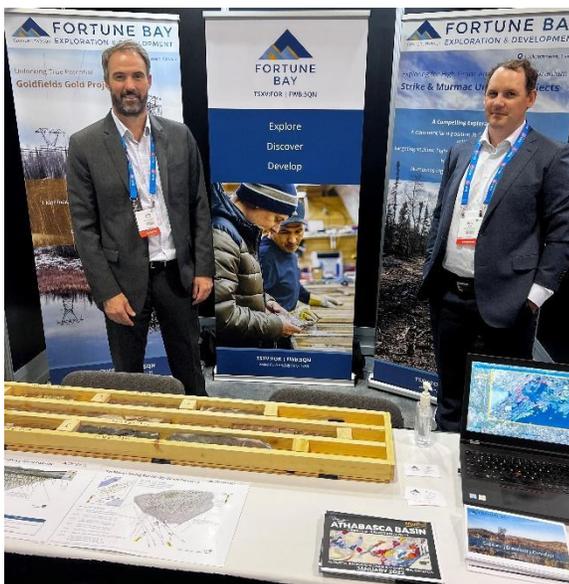
In April, the Company commenced a Preliminary Economic Assessment (“PEA”) for Goldfields (see [April 11, 2022 News Release](#)). The study is aimed to assess the economic viability of Goldfields’ mineral resources at a preliminary stage to determine how best to proceed with the project from a mining standpoint. Planned financial outcomes include estimations of capital and operating expenditures, Net Present Value (“NPV”), and the Internal Rate of Return (“IRR”) for a future mining operation.

Importantly, the PEA aims to determine the optimal mining and gold processing approach before embarking on more detailed and costly Pre-Feasibility and Feasibility Studies. Recently, Fortune Bay has been working alongside highly reputable firms, Ausenco and Moose Mountain, during the Phase 1 Mine to Mill Optimization. During this phase several mining and processing scenarios are being evaluated to determine the best business case for the project, in conjunction with other social and permitting considerations. Phase 1 is expected to be completed in the coming days, following which the team will commence the PEA study itself, which will involve more detailed planning and costing for the project based on the optimized outcomes from Phase 1. We are looking forward to announcing results from the PEA, which are on track for early Q4 2022 as stated in our April 11, 2022 News Release.

### Marketing and Investor Relations

It was great to be back in-person at a few key events on the mining calendar during the second quarter, including VRIC (Vancouver, May 17-18) and PDAC (Toronto, June 13-15). At both events Fortune Bay hosted a booth which provided a great opportunity to increase visibility for the Company and network with the investment and mining community. Fortune Bay was selected for the Core Shack at PDAC where we were able to display Goldfields Phase 1 drill core, including some visible gold, and had a visit from Hon. Candice Bergen (pictures below).

On July 13<sup>th</sup>, Fortune Bay will host its second Live Webinar to provide an update on the Company and Projects, and to answer any questions you may have. Please sign up for the webinar via our subscriber invitation or on our [website](#), or feel free to watch the recording at any time afterward on our website. Please reach out at any time to connect, and continue to make use of our website functionality to [‘Book an Investor Call’](#) or [‘Ask a Question’](#).



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](http://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.*