



FOURTH QUARTER 2022

## FROM THE CEO'S DESK

January 11, 2023

Dear Shareholders,

A sincere Happy New Year on behalf of 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 2022 which was marked by some important results for the Company, as we successfully and safely executed upon on an expansive set of plans.

The results are credited to the exceptional team at Fortune Bay, along with some outstanding contractors, and I would like to openly thank each of them for their important contributions during 2022.

As always, we encourage you to read this newsletter 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.

### Gold Results from 2022

Fortune Bay achieved a significant milestone in 2022 by completing a Preliminary Economic Assessment, or PEA, for the Goldfields which demonstrated robust project economics, and mapped out a solid path for the project's future development. Further details can be found within the [November 1 News Release](#) and [PEA NI 43-101 Technical Report](#).

As I write this, the gold price has just reached a six and a half month high touching US\$1,880/oz and the general outlook for gold is certainly bullish, both from a fundamental and technical perspective. At this current price level the recently completed PEA for Goldfields produces an **after-tax NPV<sub>5%</sub> of C\$418 million** and **after-tax IRR of 47.1%** (for details see the Sensitivity Analysis within the [PEA NI 43-101 Technical Report](#)). The project most certainly warrants advancement, and our team has been developing a set of plans for the project which will be announced once finalized.

### Uranium Results from 2022

The Strike and Murmac Uranium projects were conceptualized in late 2021 and a little over a year later we were able to announce that uranium had been discovered in some of the maiden drill holes on both projects. These were the first drill holes by Fortune Bay testing for high-grade uranium deposits associated with the prolific Athabasca Basin. Please take a look at our [December 7](#) and [December 13](#) News Releases for further details.

These early results have both validated our exploration thesis (not tested by historical operators) and shown that we are exploring highly prospective trends for these sought-after deposits. The results are being utilized to develop a set of priority follow-up targets for drill testing.

### Community Engagement

Since we commenced activities in the Uranium City area in 2021, we have been building meaningful, mutually beneficial relationships with the local communities, and have been committed to responsible stewardship of the environment. In late November, we were pleased to announce the execution of an Agreement with Ya' Thi Néné Lands and Resources, Athabasca First Nations and Communities, collectively the "Basin Communities". The Agreement, in essence, formalizes the relationships we have been building with the Basin Communities and our commitments to the

environment, while providing consent for our current and future exploration and evaluation activities. Through the Agreement, we look forward to building upon the relationships we have established with the communities and local businesses, as we advance our gold and uranium projects. Please see our [November 29 News Release](#) for all the details.

We plan to attend AME RoundUp (Jan 23 – 26), VRIC (Jan 29-30) and to host a booth at PDAC (Mar 5-6) should you want to connect in person. Otherwise please reach out at any time if you need any more information, and continue to make use of our website functionality to '[Book an Investor Call](#)' or '[Ask a Question](#)'. 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](http://www.fortunebaycorp.com).*

*Readers are cautioned that the PEA is preliminary in nature. It includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves and there is no certainty that the PEA will be realized.*

*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.*