



SECOND QUARTER 2021

FROM THE CEO'S DESK

Dear Shareholders,

I'm pleased to provide this update after an active second quarter which was highlighted by our Phase 1 drilling program on the Goldfields Project in northern Saskatchewan. 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.

Our **Phase 1 drilling program** for Goldfields has been designed to expand the mineral resources at the Box and Athona deposits within targeted areas where mineralization remains open. Drilling commenced in mid-March at the Athona South target, with a single drill rig, and a total of six diamond drill holes (1,170 metres) were completed by late-April. We were pleased to announce by news release on June 15 the successful expansion of the Athona deposit footprint to the south, and continuity of the mineralization between Athona South and the main Athona deposit. The results also indicate that sampling and assaying of drill core from the 1930's was highly selective and not adequate to fully define the extents of the mineralization, and therefore areas of mineralization have likely been missed altogether. This presents a further opportunity for resource growth within the existing footprint of the known mineralization. A detailed interpretation of the Athona drilling results is underway.

The fully-funded Phase 1 drilling program is continuing at the Box deposit where approximately 4,000 metres in nine holes is planned. At Box, drilling is focused within the targeted Zones A and B (see Company news release dated February 26, 2021) where high gold grades, below the extent of the declared mineral resources, remain open. To date we have completed three drill holes at Box and we are looking forward to reporting assay results.

In our news release dated June 15 we also announced that we were planning **field reconnaissance** of other gold showings on the Goldfields Property. The large (10,300 hectare) property hosts numerous gold occurrences and prospects outside of Box and Athona that were identified through historical prospecting campaigns which date back as far as the 1930's. Previous work was largely focussed on surface prospecting, trenching, and in some cases shaft sinking. Exploration drilling was typically very limited and appears in many cases not to have considered the geological controls on gold mineralization. We believe our approach of data verification, field mapping and geological modelling (similar to what we have completed for Box and Athona) is key to identifying new discovery opportunities and realizing the full potential of the property. I was on site with our team in late June to visit the priority gold showings and complete the initial phase of field work. I was impressed with the amount of veining (fluid movement) we saw and the implications for a potential broader mineralizing system which has not been fully evaluated. We are currently continuing with data compilation and modelling, and developing future work plans aimed at making new discoveries.

Following completion of the new mineral resource estimate for Goldfields, as announced March 22, we have continued with internal scoping studies to evaluate **project development** opportunities as we work toward a potential new Pre-Feasibility Study (PFS) or Preliminary Economic Assessment (PEA). The objective of the scoping studies, which have been focussed on mineral processing opportunities, is to ensure we enhance the development path of the project and ultimately achieve optimized economics from a PFS or PEA.

Our **project generation** initiative continued during the second quarter as we narrowed the search for a strategic project acquisition to fulfill our vision of creating a pipeline of growth opportunities. The acquisition landscape, particularly in good jurisdictions, is highly competitive and often costly. However, much like mineral exploration itself, there are always overlooked opportunities and I believe we have placed ourselves in a good position to identify and acquire suitable projects through the development of bespoke databases in areas of key interest.

During the second quarter we continued our **investor relations** program and outreach, working alongside MARS Investor relations. We continued reaching out and maintaining a dialogue with investment advisors, analysts and institutional investors. The Company also participated in the Mines & Money Online Roadshow during May, meeting with investors from across the globe. With COVID-related restrictions easing in many parts of North America we are looking forward to getting out there in person and meeting existing and potential shareholders. We would welcome the opportunity to connect with you should you have any questions. You can reach us by email info@fortunebaycorp.com or telephone +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 – including photographs from our ongoing drilling program at Goldfields.

Yours sincerely,



Dale Verran
Chief Executive Officer



Cautionary Note: Forward Looking Statements

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.