FAIRCOURT

GOLD INCOME CORP.

Third Quarter 2015

Inception Date: November 16, 2007
Fund Manager: Faircourt Asset Management Inc.
Portfolio Advisor: Faircourt Asset Management Inc.
TSX Symbols: FGX

FAIRCOURT GOLD INCOME CORP.

The Company invests in gold equities which include senior and intermediate gold producers that are part of the S&P/TSX Global Gold Index.

INVESTMENT OBJECTIVES

The Company's investment objectives are to provide Shareholders with: (i) monthly distributions targeted to yield 5% per annum or $0.04167 per month based on the issue price of $10.00 per Share; and (ii) the opportunity for capital appreciation. During the quarter, the Manager reduced the distribution rate to 2.4 cents /month. Based on the market price as at September 30, 2015, the current yield was 11.29%.

TOP TEN HOLDINGS as at September 30, 2015

- Agnico Eagle Mines Ltd.
- Detour Gold Corp.
- Franco-Nevada Corp.
- Goldcorp Inc.
- MAG Silver Corp.
- Newmont Mining Corp.
- Primero Mining Corp.
- Randgold Resources Ltd.
- Silver Wheaton Corp.
- Tahoe Resources Inc.

OPTION WRITING

Our Manager believes that option writing has the potential to add value in certain sectors that have sustained volatility. Gold equities, which have historically maintained a high degree of volatility are well suited to an option writing strategy.

The sustained volatility in the gold equity sector allows the option writer the potential to generate significant premium income. In addition, an option writing strategy is an effective way to help lower the level of volatility for an investor, and potentially improve returns. In addition to its strong current fundamentals, the Manager believes the volatility in gold stocks will remain high relative to the broader market, producing sound returns for investors.

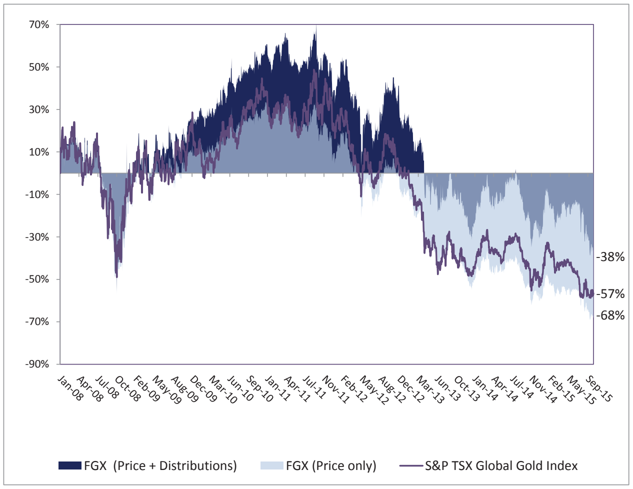
PRECIOUS METALS OUTLOOK

The Portfolio Advisor believes the fundamentals for investments in precious metals companies continue to be strong, especially during this uncertain global economic environment. Driving the Portfolio Advisor's view are the following factors related to the demand for precious metals equity investments.

Current Global Economic Environment Supports Gold:

- High sovereign debt to GDP ratios of OECD countries
- Sluggish economic recovery leading to new rounds of quantitative easing
- Concerns about sovereign debt defaults
- Prolonged period of zero interest rates.

PERFORMANCE SINCE JANUARY 1, 2008



Inception date is November 16, 2007, initial portfolio fully invested January 1, 2008.
Data is based on market price Source: Bloomberg

Returns for Year Ended September 30, 2015

	1 Year	3 Year	5 Years	Since Inception
FGX – Market Price [1,2]	-20.32%	-22.91%	-15.65%	-7.63%
FGX – Basic NAV [1,3]	-17.97%	-22.20%	-16.36%	-6.81%
S&P/TSX Global Gold Index	-24.53%	-28.12%	-19.88%	-9.97%

Notes:
(1) Assumes reinvestment of distributions;
(2) Source: Bloomberg
(3) Based on Basic NAV; Source: Faircourt Asset Management

Distribution History	2014	2013	2012	2011	2010	2009	2008
Total Distributions Per Share	$0.58	$0.58	$0.58	$0.57	$0.51	$0.50	$0.50

FAIRCOURT *Asset Management Inc.*
141 Adelaide St. West, Suite 1402, Toronto, Ontario, M5H 3L5 416.364.8989 Toll Free: 1.800.831.0304 Fax: 416.360.3466 www.faircourtassetmgt.com

FAIRCOURT

GOLD INCOME CORP.

Faircourt Gold Income Corp – September 2015 Update

Q3 witnessed many challenges in gold and precious metals markets as increased volatility and caution on the part of investors continued to prevent a sustained rebound in the sector. The strength of the US dollar continues to reduce overall interest in gold, while deflationary risks continue to plague the Euro and many Emerging Market currencies. However, partially countering these effects, subdued growth and equity market volatility in China provided some renewed support for the gold sector.

The US economy has progressed through 2015 with slower economic improvements, inflationary pressures have not yet reached the Fed's 2% target rate. Over the last 12 months, economic stimulus realized from low energy prices that re-allocated cash into consumer spending. The result though was less than desired, as consumer confidence did not reach anticipated levels, producing weaker than anticipated economic results. The US dollar though continued to strengthen as other major trading currencies (Euro, Renminbi (RMB), Yen) all suffered as economies continue to produce mediocre results.

Chinese equity markets experienced a massive selloff during Q3 as leadership attempted yet failed to calm fears inside the country. By mid August, these financial stresses lead to a surprise move by the Peoples Bank of China, which announced a one time devaluation of the RMB a move which equaled its biggest daily change in value since China moved to a managed float of its currency a decade ago. The PBOC announced that it was necessary to adjust the value given the last few months of volatility caused by the drop in the Shanghai stock exchange and reduced GDP growth that have plagued both China and the global economy.

During the quarter, the price of gold dropped below $1,100 for the first time in 5 years, due to increased volatility in China and other emerging markets. However, momentum was regained in August when the PBOC announced the depreciation of the RMB, which along with weaker equity markets revamped gold's attractiveness.

For the quarter, physical gold demand was up 7% year over year, the increase coming primarily from increased demand from central banks and government agencies, while jewelry fabrication demand was flat over the period. What is interesting is the pace of central bank buying. It reflects the economic weakness in many regions including Europe and Emerging Asian markets as central banks look to diversify their reserves. Gross central bank purchases of bullion is up 13% this year, and more than double the demand that was expressed during the second quarter of 2015.

In terms of global supply, production was generally flat, with production estimated at 851 tonnes. Most of the production is unhedged with producers believing higher gold prices are on the horizon.

Despite the challenges in global equity markets, investors still expected the long overdue interest rate increase announcement by the FOMC in September. The Fed chose to remain on the sidelines, citing increased worries about the state of the global economy. In its statement, the Fed stated that its main fear was lower demand in China has resulted in falling prices and weaker growth in countries that produce raw materials such as oil, metals and other commodities. This weakness has had ripple effects and is now causing price weakness and deflationary pressures in North America. As a result, the Fed chose to remain accommodative, leaving rates unchanged.

The delay by the Federal Reserve to adjust interest rates buoyed gold prices temporarily. It appears that the US Fed was hamstrung by the continued easy money policy in most world economies, helping underpin the gold price. As weaker economic data was released towards the end of the quarter in the US, gold prices saw further increases. A slowing US economy has made some people question whether further increases in the US dollar (and the resulting pressure on the gold price) are sustainable as the high dollar impacts US exports.

The challenge for gold producers is that there is still an overall caution in the gold market driven by the uncertainty surrounding the timing and extent to which the US Federal Reserve will raise interest rates. The September rate announcement and market reaction illustrated the caution. While the Fed did not raise rates, it did leave open the possibility of a rate rise later this year. Subsequent to quarter end, the Fed announced in October a similar "no change" in policy however suggested that December may have an announcement about a rate change.

The continued uncertainty continues to temper near term investment enthusiasm for gold. With the sentiment for gold related equities muted, gold companies have continued to adjust to the lower gold price environment, reducing costs, re-analyzing mine sites for more efficient development and production and as a result, share prices have recovered substantially from July lows. Operating costs continue to fall as currency effects and low oil prices assist many gold companies. Debt reduction, operational efficiency, and a focus on free cash flow continue to be key themes for gold companies. Some companies are considering acquisitions, as in some cases they are able to buy ounces cheaper than the cost of developing their own projects.

Overall our investment strategy has not changed. We continue to position the Fund taking into account the challenges of the sector. The Portfolio Manager maintains solid weightings in senior producers, with selective exposure in smaller capitalization names that have top quality assets and a path to production and free cash flow. The fund has also cautiously begun to increase its weight in select smaller producers and developers where valuations are considered attractive. During the quarter, the fund increased its position in companies such as Asanko Gold operating its flagship fully financed and permitted project in Ghana, West Africa and Torex Gold, developing its Morelos Gold property 180 kms outside Mexico City. The fund has also entered a position in Oceanagold which it took on as its position in Romarco Minerals was bought out. Oceanagold is a multinational gold and copper producer operating in New Zealand, and the Philippines and with a development asset in the U.S., from the purchase of Romarco. . We chose to continue to hold the position in Oceanagold due to its attractive growth profile and low cost structure. The Fund reduced its position in Guyana Goldfields, as the company reached production and its valuation discount reduced.

The continued strength of the US dollar means that many of the Fund's positions have continued to benefit from lower costs due to weaker local currencies. Lower commodity prices, including oil and iron ore, have helped gold companies to bring costs down.

Outlook

We are entering a seasonally strong portion of the year for gold though the seasonal effects are likely to be secondary to the Fed decision on interest rates. We believe that with a weak global economy and continued easy monetary policy in most economies the Fed cannot aggressively raise interest rates without causing the US dollar to rise even further, putting US economic growth at risk of stalling. As a result, we remain positive on the prospects for gold. A modestly positive outlook for the gold price combined with continued cost control positions gold equities well for further upside.

During the quarter, the fund reduced its distribution to 2.4 cents /month. We believe the sector is at or near bottom, and believe performance will be better if less of the fund is written on during a rising price environment.

The NAV of the Class A Shares, combined with paid distributions during the quarter ended September 30, 2015, providing a total return for holders of Class A Shares of -12.26% outperforming the return posted by the S&P/TSX Global Gold Index return of -17.43% over the same period.

The Fund will continue to invest in leading global gold companies primarily involved in gold exploration, mining or production on the S&P/ TSX Global Gold Index while using its option writing program to lower the fund's volatility and generate a monthly income stream. In order to generate additional returns and reduce risk, the Fund may write covered calls on securities held in the portfolio and cash secured put options on securities desired to be held in the portfolio. Writing call options tends to decrease the Fund's exposure to the underlying instrument. Writing put options tends to increase the Fund's exposure to the underlying instrument.

Moderately high volatility provided attractive opportunities for the Fund to both reduce the volatility of the portfolio and allowed the Fund to generate cash flow from option writing of approximately $0.89million or $0.137 per weighted average number of shares outstanding during the quarter ending September 30, 2015. The Fund declared three regular monthly distributions totalling $0.120 per Class A Share in the same period. Since inception of the Fund, the option-writing program has been effective in managing the risks of the underlying investments and funding the monthly distribution by allowing the Fund to generate cash flow from option writing of approximately $20.58 million and pay out approximately $19.48 million in distributions to shareholders.