FAIRCOURT

GOLD INCOME CORP.

Fourth Quarter 2024

Inception Date: November 16, 2007
Fund Manager: Faircourt Asset Management Inc.
Portfolio Advisor: Faircourt Asset Management Inc.
Cboe Canada Stock Symbol : 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 be $0.04167 per month and currently $0.024 per month; and (ii) the opportunity for capital appreciation. Based on the market price as at December 31, 2024, the yield was 10.36%.

TOP TEN HOLDINGS as at December 31, 2024

- Agnico Eagle Mines Ltd.
- Alamos Gold Inc., Class A
- Barrick Gold Corp.
- Dundee Precious Metals Inc.
- Endeavour Mining PLC
- Franco-Nevada Corp.
- Kinross Gold Corp.
- Newmont Corp.
- Orla Mining Ltd.
- Skeena Resources Ltd.

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

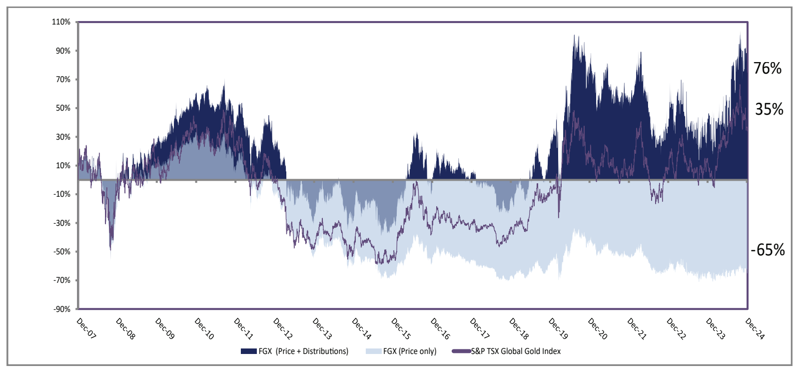
The Portfolio Advisor believes the fundamentals for investments in precious metals companies continue to be strong, especially during this uncertain global economic environment.

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:

- Massive Stimulus from governments in response to the global pandemic
- Central Banks expanding balance sheets
- Concerns about entering a Global Recession
- Fears of inflation

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 Period Ended December 31, 2024

	1 Year	3 Year	5 Year	10 Year	Since Inception*
FGX – Price [1,2]	9.83%	-0.26%	4.18%	7.86%	1.58%
FGX – NAV [1,3]	22.18%	0.87%	4.01%	8.15%	1.94%
FGX – Index	20.81%	7.22%	7.34%	10.32%	1.80%

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

Distribution History	Since Inception	2024	2023	2022	2021
Total Distributions Per Share	$6.9966	$0.29	$0.29	$0.29	$0.29

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Fourth Quarter 2024

Gold began 2024 at $2,062/oz and ended the year at $2,623/oz, rising by 27% after posting an all time high of $2,788/oz in October. Gold equities also performed well in 2024, though lagging the commodity, with the S&P/TSX Global Gold index generating a return of 20.8% during the period. Gold continues its strong returns early into 2025.

The macroeconomic environment in 2024, with its surprisingly resilient economic growth, accommodative monetary policy and ongoing geopolitical uncertainty proved to be a very constructive environment for gold price appreciation. Gold reaffirmed its status as a safe haven asset, providing protection from both economic and inflationary fears.

In the U.S., cumulative inflation since 2000 now sits at 86.97%. This means that today's prices are 1.8697 times as high as average prices since 2000. In Canada, cumulative inflation since 2000 is 67.49%. This means that today's prices are 1.6749 times as high as average prices since 2000. Inflation is a regressive tax, impacting households regardless of income, yet doing so with varying degrees of relative magnitude, is gradual and cumulative. As such, disinflation from record-high levels offers little relief to the people affected. Regardless of this moderation, underlying inflation has remained elevated and the cumulative decline in purchasing power of US and CDN dollars remains a major concern for consumers and investors. The appeal of gold rises significantly as a store of value in light of this erosion of purchasing power.

Inflation is caused by easy money policies and expansion of the money supply. The post pandemic world has witnessed unparalleled money supply growth that all countries are now facing. While there has been some action from the Trump administration to take steps to reduce the U.S. deficit, it remains to be seen if these actions can provide meaningful savings. There is also a desire to use any savings to fund tax cuts which will make deficit reduction more challenging. To help with government revenues as tax cuts get extended, the Trump administration has announced its intentions for widespread tariffs on goods coming into the U.S. In theory, tariffs could generate significant revenue for the U.S government. The Tax Foundation estimates that a 10% universal tariff, for example, would generate $233 billion in 2025, rising to $285 billion in 2030. To put this in perspective, the U.S. collected $4.92 trillion in fiscal 2024 (which ended September 30th, 2024). Over the same period, the U.S. spent $6.75 trillion, resulting in a deficit of $1.83 trillion. It will be very challenging to bring this number down meaningfully without making significant cuts to popular, mandated program spending like Medicare or introducing new taxes. As a result, we believe that large budget deficits will continue in the U.S. for the foreseeable future.

Economic uncertainty also appears likely to remain high in 2025, as potential U.S. tariff policy changes cause trade uncertainty that potentially acts as a near term drag on the global economy. In this environment, we continue to believe investors will be well served by maintaining an allocation to gold and gold equites.

The fund maintains a diversified portfolio of gold companies with positions across the capitalization spectrum but with an emphasis on large and mid-cap names. During 2024, the fund generated a return of 22.18% vs the index return of 20.81%. Positive returns were driven by strong performance of 93.8% from top ten position Skeena Resources (SKE) and Montage Gold (MAU) which returned 193%. Skeena continues to advance its high quality Eskay Creek project in British Columbia. This project is one of the top undeveloped assets in Canada and is expected to produce 450koz of gold per year over its first five years of operation. The fund's largest position at year end was Agnico-Eagle (AEM). AEM's portfolio of quality assets in safer jurisdictions continues to perform well. During the year AEM returned 54.8%.

While many gold companies performed well during the year, 2024 was also a reminder of why it is important to hold a diversified basket of gold equities. The fund sold its position in SSR Mining (SSRM) after the company reported a heap leach failure at its Copler mine in Turkey. SSRM was down 30% for the year after recovering some of its initial loss. Industry leaders Barrick (ABX) and Newmont (NGT) also posted negative returns during the year, down 6.9% and 10.1% respectively.
Unlike previous bull runs in the commodity price, most of the gold miners have continued to show discipline with respect to initiating M&A deals in the current strong environment. While we expect more deals to be announced in 2025 than we saw in 2024, it is encouraging that discipline is still being exercised. With the strong gold price and favourable macroeconomic backdrop, we believe that gold equities can post another strong year even with the 20% returns in 2024.

To generate additional returns and reduce risk, the Fund writes covered calls on securities held in the portfolio and cash secured put options on securities desired to be held in the portfolio. Since inception of the Fund, the Manager has generated significant income from option premium of approximately $29.40 million or $7.11 per weighted average number of Shares outstanding.

For the year ending December, 2024, the Fund generated income from option writing of approximately $0.41 million or $0.1571 per weighted average number of shares outstanding declaring regular monthly distributions totaling $0.2880 per Share. For 2024, the Fund generated a return of 9.83 % on a market price basis and 22.18 % on a NAV basis, versus its benchmark, the S&PTSX Global Gold Index performance of 20.8%.