

FAIRCOURT GOLD INCOME CORP.



Fourth Quarter 2025

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, 2025, the yield was 4.24%.

TOP TEN HOLDINGS

as at December 31, 2025

- Agnico Eagle Mines Ltd.
- Alamos Gold Inc., Class A
- Dundee Precious Metals Inc.
- Equinox Gold Corp.
- Franco-Nevada Corp.
- Kinross Gold Corp.
- Montage Gold Corp.
- Rio2 Ltd.
- Skeena Resources Ltd.
- Snowline Gold Corp.

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

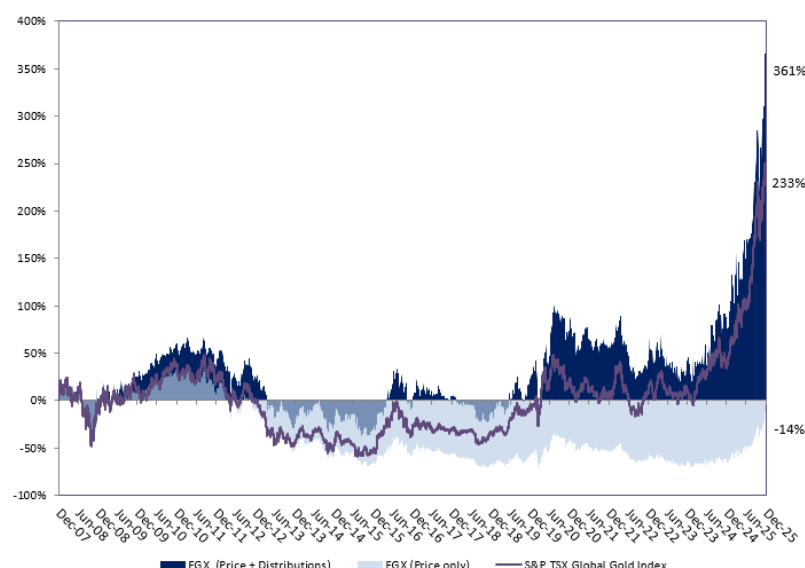
The Portfolio Advisor believes the fundamentals for investments in precious metals companies continue to be strong, especially during this uncertain global economic environment.

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:

- Structural and intractable deficit spending
- Current policy of US dollar weakness
- Central Banks increasing Gold Reserves
- 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, 2025

	1 Year	3 Year	5 Year	10 Year	Since Inception*
FGX – Price ^{1,2}	162.12%	42.10%	17.66%	19.38%	7.03%
FGX – NAV ^{1,3}	145.87%	40.67%	16.64%	19.08%	7.01%
Benchmark – Index	146.25%	45.93%	23.51%	22.02%	6.88%

Notes:

- (1) Assumes reinvestment of distributions;
- (2) Source: LSEG Workspace
- (3) Based on Basic NAV; Source: Faircourt Asset Management
- (4) The reference benchmark is the SPTSX Global Gold Index

Distribution History	Since Inception	2025	2024	2023	2022
Total Distributions Per Share	\$7.14	\$0.29	\$0.29	\$0.29	\$0.29

FAIRCOURT Asset Management Inc.

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Management fees and expenses are associated with an investment in the fund. The performance data provided assumes reinvestment of distribution only and does not take into account redemption charges or income taxes payable by any security holder that would have reduced returns. An investment in the fund is not covered by the Canada Deposit Insurance Corporation or any other government deposit insurer. There can be no assurance that the fund will be able to maintain its net asset value per security at a constant amount or that the full amount of your investment in the fund will be returned to you. Past performance may not be repeated.

FAIRCOURT

GOLD INCOME CORP.



Fourth Quarter 2025

Gold extended its advance through the second half of 2025, building on strong first half performance and ultimately delivering one of the most exceptional annual gains in history. Having begun 2025 at approximately US\$2,623/oz, gold passed a series of records, finishing the year with a gain of approximately 65%. This represents gold's strongest annual performance in over four decades, driven by a confluence of geopolitical uncertainty, sovereign debt levels, monetary policy pivots, and structural shifts in global reserve management.

Macro Backdrop and Key Drivers

While the elements for a strong gold rally have been in place for several years, the macroeconomic environment became increasingly supportive throughout 2025. A combination of geopolitical flashpoints in Eastern Europe and the Middle East, drove continuous safe haven flows into gold. The U.S.–China trade confrontation accelerated sharply after mid year as tariff threats expanded into rare earth export restrictions and retaliatory measures, igniting volatility in global currency and equity markets.

Central banks remained a powerful and consistent source of demand, adding more than 700 tonnes of gold during the year, led by China, India, Poland, and emerging market institutions seeking to diversify reserves away from the U.S. dollar.

Real interest rates remained volatile but generally trended lower during the second half of the year as labor market softness and weakening forward growth indicators shifted expectations firmly toward Federal Reserve easing in 2026. Bullion ETF flows, which had been muted in prior years, experienced a decisive reversal with more than US\$20 billion of inflows in the first half alone then reaccelerating late in the year.

Inflation remained above target in several major economies, even as headline figures cooled. Persistent “sticky” services inflation in the U.S. kept real yields compressed and boosted the attractiveness of gold as a hedge against currency debasement and fiscal policy unpredictability. Concerns around global deficits especially in the U.S., where debt service dynamics and entitlement spending constrain policy flexibility all contribute to the longer term thesis that fiscal dominance may become a defining feature of the coming decade.

Structural and Long Term Drivers

Government debt in the developed world remains at historically elevated levels, with no credible path toward meaningful consolidation. At the same time, investors increasingly perceive that policy tools available to central banks may be insufficient to manage both inflation and fiscal pressures simultaneously. These conditions elevate the likelihood of prolonged financial repression—negative real rates, targeted yield curve management, and structurally higher inflation volatility—all of which reinforce the strategic value of gold.

Central bank de dollarization accelerated meaningfully during the year. Across emerging markets, countries responded to sanctions risk, currency volatility, and geopolitical risks by expanding gold reserves as a neutral, non liability asset. Even a modest GDP weighted rebalancing of global reserve holdings suggests strong incremental demand for years ahead.

Gold Sector Performance and Equity Market Dynamics

Gold mining equities generally participated in the commodity's exceptional performance, though with wide dispersion across capitalization tiers and project stages. Large cap and senior producers outperformed as margin expansion accelerated with rising gold prices. Mid cap development names with strong optionality also delivered substantial returns.

Our strategy has not changed. We hold a portfolio of quality large and mid capitalization names with selective small cap exposure for improved growth. 2025 saw solid returns from across the capitalization

spectrum, though generally the more leveraged names performed better, with the perceived “quality” names lagging the index in a strong bullish environment. Agnico-Eagle, a core fund holding, returned 100% but still lagged the index return of 146.93%, while Barrick Gold returned 165%.

The fund benefitted from strong returns in from its smaller, growth focused names. Snowline Gold, a top fund position, returned 225% during the year. Snowline is advancing the Valley Gold project in the Yukon – a deposit that has the potential to be one of the top gold producers in Canada with the PEA demonstrating 544 koz/year over the first 5 years of mine life and 341 koz/year over a 20 year mine life.

During the second half of the year, the fund also added several new growth oriented names to the portfolio. Heliostar (HSTR) owns a portfolio of assets in Mexico and is looking to aggressively grow production from approximately 33 koz in 2025 to over 300 koz in 2030 though a combination of permitting, exploration and mine development. The company released a PEA for Ana Paula in November 2025 showing solid economics with production of 101 koz per year over a 9 year mine life with impressive AISC (all in sustaining costs) of \$1,011 and an IRR of 28.8% at \$2,400 gold.

M&A activity increased meaningfully in 2025. Key transactions included Coeur Mining's all stock merger with New Gold – a US \$7 billion transaction. While the capital markets activity increased during 2025, it generally stayed grounded in reasonable valuations. It is important for investor confidence in the sector that discipline is maintained in these transactions.

Option Writing Strategy and Income Generation

The Fund continued to employ its option writing strategy, taking advantage of elevated volatility across the gold equity complex. Moderate price swings supported stable call writing premiums, while strong underlying equity performance resulted in attractive cash secured put opportunities. Heightened volatility boosts option premiums turning volatility into repeatable income. The larger premiums also provide a buffer against declines, reducing net portfolio volatility. We expect the option writing program to remain an important contributor to total returns, volatility reduction, and income generation.

Outlook

Despite short-term volatility, we believe gold remains well positioned in 2026, driven by ongoing geopolitical instability, anticipated central bank easing cycles, US dollar weakness, and structurally high debt levels across the developed world.

Given these dynamics, we remain constructive on both gold and gold equity investments. The Fund will continue to prioritize companies with strong balance sheets, low cost operations, and projects in stable jurisdictions, while selectively adding exposure to high quality development assets that offer meaningful leverage to elevated gold prices.

For 2025, the Fund generated a return of 162.12% on a market price basis and 145.87% on a NAV basis, versus its benchmark, the S&P/TSX Global Gold Index performance of 146.93%.

The Fund to generate income from option writing of approximately \$0.51 million or \$0.214 per weighted average number of redeemable Class A Shares outstanding declaring regular monthly distributions totaling \$0.288 per Class A Shares for the year ended December 31, 2025. Since inception of the Fund, the Manager has generated significant income from option premium of approximately \$29.91 million or \$7.41 per weighted average number of Shares outstanding declaring distributions totaling \$29.61 million or \$7.33 per weighted average number of Class A Shares outstanding. The Manager continues to believe that option writing can add incremental value going forward.