FAIRCOURT

GOLD INCOME CORP.

Second Quarter 2026

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 $0.034/month and (ii) the opportunity for capital appreciation. Based on the market price as at June 30, 2026, the yield was 6.56%.

TOP TEN HOLDINGS as at June 30, 2026

- Agnico Eagle Mines Ltd.
- Alamos Gold Inc., Class A
- DPM Metals Inc.
- Franco-Nevada Corp.
- Hudbay Minerals Inc.
- Kinross Gold Corp.
- Montage Gold Corp.
- Newmont Corp.
- 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 optio 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

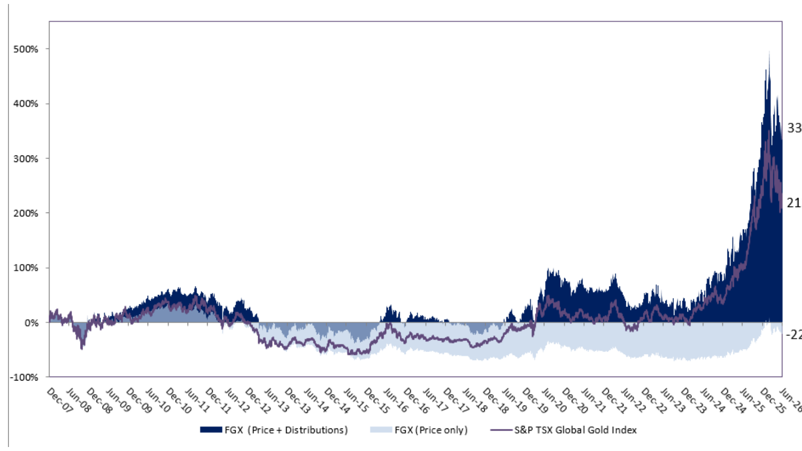
The Portfolio Advisor believes the fundamentals for investments in precious metals companies continue to be strong, especially during this uncertain global economic environment.

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
- Central Banks increasing Gold Reserves
- Fears of inflation
- Geopolitical uncertainty and trade disputes

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 June 30, 2026

	1 Year	3 Year	5 Year	10 Year	Since Inception*
FGX – Price [1,2]	60.40%	41.15%	18.45%	12.50%	6.48%
FGX – NAV [1,3]	64.95%	40.10%	17.87%	11.65%	6.55%
Benchmark – Index	56.33%	42.34%	23.40%	13.40%	6.35%

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	YTD	2025	2024	2023	2022
Total Distributions Per Share	$7.34	$0.20	$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.

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Gold entered 2026 following one of the strongest annual increases in recent history. After rising sharply during 2025, gold extended its momentum early in the new year, reaching record levels in January, exceeding US$5,500/oz before retreating through the balance of the first half to end the period at US $4,000/oz in late June. The first half of 2026 represented a test of the outsized gains achieved during 2025. The pullback reflected a combination of factors, including changing expectations for monetary policy, renewed U.S. dollar strength, higher real-yield expectations, profit taking following the prior year's strong returns, and weakness in ETF flows. Many of the longer-term drivers that supported gold in 2025 remained in place, including geopolitical uncertainty, worsening fiscal situations in many developed economies, ongoing central-bank interest in gold as a reserve asset, and continued investor demand for portfolio diversification.

Geopolitical developments in the Middle East contributed to volatility across commodity, currency and financial markets, particularly during the first quarter. Oil prices rose sharply during the period and then declined as markets began to anticipate a partial easing of hostilities and a reduction of supply concerns. This movement in energy prices contributed to changing inflation expectations and influenced the path of interest rates and the U.S. dollar.

Monetary policy remained a key market focus. Inflation remained above central-bank targets, limiting policy flexibility and contributing to uncertainty around the path of future interest rates. The Federal Reserve kept rates unchanged during the second quarter, and market expectations shifted away from near-term rate cuts as inflation remained persistent and labour-market data showed continued resilience. This change in rate expectations increases the opportunity cost of holding non-yielding assets, becoming a headwind for gold during the latter part of the first half.

Central-bank demand remained an important structural support for the gold price with the World Gold Council noting that central banks purchased an average of approximately 1,000 tonnes annually since 2022. However, Q1-26 also witnessed tactical selling or swaps by some central banks, and LSEG reported central-bank purchases were the lowest quarterly total since Q2-23. This suggests that central-bank demand slowed during 1H-26, however the longer-term reserve-diversification theme remains supportive of higher gold prices.

Gold-backed ETF demand was strong through much of 2025 and into the early part of 2026, but flows weakened later in the first half as gold corrected and investors reduced positions. Gold ETF holdings declined in May after eleven consecutive months of inflows and estimated further outflows in June.

Gold equities remained highly differentiated. While elevated gold prices improved revenue and cash-flow potential for producers, cost inflation remained an important consideration. Energy, labour, sustaining capital, royalties, and project-execution risk all continued to affect margins and investor sentiment. As a result, gold equities did not behave as a uniform group during the period. Companies with stronger balance sheets, lower-cost operations, disciplined capital allocation and assets in stable jurisdictions generally remained better positioned than companies with higher cost structures or greater financing needs. The dispersion in returns was high by historical measures.

The Fund's strategy remains focused on a diversified portfolio of gold companies across the capitalization spectrum. Large and mid-capitalization producers provide core exposure, while select development and exploration companies may offer additional upside where asset quality, jurisdiction, balance sheet strength and project catalysts justify the risk. The first half of 2026 reinforced the importance of selectivity, as higher gold prices alone do not eliminate operating, financing, permitting or construction risk.

For the six months ended June 30, 2026, the Fund generated a return of -6.04% on a market price basis and -4.54% on a NAV basis, versus its benchmark, the S&P/TSX Global Gold Index, which returned -5.86%.

Key contributors to performance included Montage(+63.2%) during the period, Thesis Gold (+32.9%) and SKEENA Resources (+16%). Returns were driven by company specific items including continued impressive drill results and de-risking of the Kone project in the case of Montage Gold. Many of the larger capitalization companies were weak during the period including Barrick Gold (-11.7%) and Kinross (-12.9%), reacting to the decline in gold prices. During the period, portfolio activity remained focused on maintaining exposure to companies with strong balance sheets, quality assets, disciplined management teams and identifiable catalysts.

Looking ahead, we expect gold to remain sensitive to changes in interest-rate expectations, U.S. dollar movements, investor positioning and geopolitical developments. Despite near-term volatility, the long-term investment case for gold remains well supported. Elevated sovereign debt levels, ongoing geopolitical uncertainty, continued central-bank reserve diversification, and the resulting demand from investors seeking portfolio diversification and exposure to real assets provide a meaningful tailwind. We believe gold equities remain attractive selectively, particularly where companies can demonstrate strong balance sheets, disciplined capital allocation and exposure to high-quality assets in stable jurisdictions.

The Fund will continue to invest primarily in global gold companies involved in gold exploration, mining or production while using its option-writing program to generate income and help reduce portfolio volatility. The Fund may write covered call options 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 security, while writing put options tends to increase the Fund's exposure to the underlying security.

For the six months ended June 30, 2026, the Fund generated option premium income of approximately $218K or $0.1073 per weighted average number of redeemable Class A Shares outstanding, while declaring regular monthly distributions totaling $434K or $0.2135 per Class A Share. Since inception, the Manager has generated option premium of approximately $30.1 million or $7.6619 per weighted average number of Shares outstanding, while declaring distributions totaling $30.0 million or $7.6393 per weighted average number of Class A Shares outstanding. The Manager continues to believe that option writing can add incremental value over time.