

**EARLY WARNING REPORT  
Form 62-103F1**

***Required Disclosure under the Early Warning Requirements***

**Item 1 - Security and Reporting Issuer**

**1.1 State the designation of securities to which this report relates and the name and address of the head office of the issuer of the securities.**

The designation of securities to which this report relates are the common shares ("**Common Shares**") of Fortune Minerals Limited (the "**Issuer**"), whose head office is located at 617 Wellington Street London, Ontario N6A 3R6.

**1.2 State the name of the market in which the transaction or other occurrence that triggered the requirement to file this report took place.**

The transaction that triggered the requirement to file this Report did not occur on a stock exchange or other securities market. Refer to Item 2.2 below.

**Item 2 - Identity of the Acquiror**

**2.1 State the name and address of the acquiror.**

Procon Holdings Inc., successor to Procon Resources Inc. ("**Procon**")  
4445 Lougheed Hwy, Suite 620  
Burnaby, British Columbia  
Canada V5C 0E4

**2.2 State the date of the transaction or other occurrence that triggered the requirement to file this report and briefly describe the transaction or other occurrence.**

November 12, 2021.

On November 12, 2021, the Issuer completed the first tranche of a private placement and issued 2,499,970 common shares (the "**First Tranche**").

**2.3 State the names of any joint actors.**

Not applicable.

**Item 3 - Interest in Securities of the Reporting Issuer**

**3.1 State the designation and number or principal amount of securities acquired or disposed of that triggered the requirement to file this report and the change in the acquiror's securityholding percentage in the class of securities.**

Procon neither acquired nor disposed of ownership of any securities of the Issuer.

On November 12, 2021, the Issuer completed the First Tranche, resulting in a decrease of approximately 0.067% in the percentage of the total issued and outstanding common shares of the

Issuer held by Procon. As a result of the First Tranche, Procon now holds less than 10% of the issued and outstanding common shares of the Issuer.

**3.2 State whether the acquiror acquired or disposed ownership of, or acquired or ceased to have control over, the securities that triggered the requirement to file this report.**

See Item 3.1. Procon neither acquired nor disposed of ownership of any securities of the Issuer.

**3.3 If the transaction involved a securities lending arrangement, state that fact.**

Not applicable.

**3.4 State the designation and number or principal amount of securities and the acquiror's securityholding percentage in the class of securities, immediately before and after the transaction or other occurrence that triggered the requirement to file this report.**

Immediately before and after the First Tranche, Procon held 36,967,871 common shares of the Issuer .

Immediately prior to the First Tranche, the shares of the Issuer held by Procon represented approximately 10.056% of the total issued and outstanding common shares of Procon. Immediately after the First Tranche, the shares of the Issuer held by Procon represented approximately 9.988% of the total issued and outstanding shares of Procon.

**3.5 State the designation and number or principal amount of securities and the acquiror's securityholding percentage in the class of securities referred to in Item 3.4 over which**

**(a) the acquiror, either alone or together with any joint actors, has ownership and control,**

See Item 3.4 above.

**(b) the acquiror, either alone or together with any joint actors, has ownership but control is held by persons or companies other than the acquiror or any joint actor, and**

Not applicable.

**(c) the acquiror, either alone or together with any joint actors, has exclusive or shared control but does not have ownership.**

Not applicable.

**3.6 If the acquiror or any of its joint actors has an interest in, or right or obligation associated with, a related financial instrument involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the related financial instrument and its impact on the acquiror's securityholdings.**

Not applicable.

**3.7 If the acquiror or any of its joint actors is a party to a securities lending arrangement involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the arrangement including the duration of the arrangement, the number or principal amount of securities involved and any right to recall the securities or identical securities that have been transferred or lent under the arrangement.**

Not applicable.

**State if the securities lending arrangement is subject to the exception provided in section 5.7 of NI 62-104.**

Not applicable.

**3.8 If the acquiror or any of its joint actors is a party to an agreement, arrangement or understanding that has the effect of altering, directly or indirectly, the acquiror's economic exposure to the security of the class of securities to which this report relates, describe the material terms of the agreement, arrangement or understanding.**

Not applicable.

#### **Item 4 - Consideration Paid**

**4.1 State the value, in Canadian dollars, of any consideration paid or received per security and in total.**

Not applicable.

**4.2 In the case of a transaction or other occurrence that did not take place on a stock exchange or other market that represents a published market for the securities, including an issuance from treasury, disclose the nature and value, in Canadian dollars, of the consideration paid or received by the acquiror.**

Not applicable.

**4.3 If the securities were acquired or disposed of other than by purchase or sale, describe the method of acquisition or disposition.**

Not applicable.

#### **Item 5 - Purpose of the Transaction**

**State the purpose or purposes of the acquiror and any joint actors for the acquisition or disposition of securities of the reporting issuer. Describe any plans or future intentions which the acquiror and any joint actors may have which relate to or would result in any of the following:**

**(a) the acquisition of additional securities of the reporting issuer, or the disposition of securities of the reporting issuer;**

- (b) a corporate transaction, such as a merger, reorganization or liquidation, involving the reporting issuer or any of its subsidiaries;**
- (c) a sale or transfer of a material amount of the assets of the reporting issuer or any of its subsidiaries;**
- (d) a change in the board of directors or management of the reporting issuer, including any plans or intentions to change the number or term of directors or to fill any existing vacancy on the board;**
- (e) a material change in the present capitalization or dividend policy of the reporting issuer;**
- (f) a material change in the reporting issuer's business or corporate structure;**
- (g) a change in the reporting issuer's charter, bylaws or similar instruments or another action which might impede the acquisition of control of the reporting issuer by any person or company;**
- (h) a class of securities of the reporting issuer being delisted from, or ceasing to be authorized to be quoted on, a marketplace;**
- (i) the issuer ceasing to be a reporting issuer in any jurisdiction of Canada;**
- (j) a solicitation of proxies from securityholders;**
- (k) an action similar to any of those enumerated above.**

See Item 2.2. In the future, Procon may dispose of its common shares of the Issuer, in whole or in part, through the market or otherwise

#### **Item 6 - Agreements, Arrangements, Commitments or Understandings With Respect to Securities of the Reporting Issuer**

**Describe the material terms of any agreements, arrangements, commitments or understandings between the acquiror and a joint actor and among those persons and any person with respect to securities of the class of securities to which this report relates, including but not limited to the transfer or the voting of any of the securities, finder's fees, joint ventures, loan or option arrangements, guarantees of profits, division of profits or loss, or the giving or withholding of proxies. Include such information for any of the securities that are pledged or otherwise subject to a contingency, the occurrence of which would give another person voting power or investment power over such securities, except that disclosure of standard default and similar provisions contained in loan agreements need not be included.**

Not applicable.

### **Item 7 - Change in Material Fact**

**If applicable, describe any change in a material fact set out in a previous report filed by the acquiror under the early warning requirements or Part 4 in respect of the reporting issuer's securities.**

See Item 3.1 above.

### **Item 8 - Exemption**

**If the acquiror relies on an exemption from requirements in securities legislation applicable to formal bids for the transaction, state the exemption being relied on and describe the facts supporting that reliance.**

Not applicable.

### **Item 9 - Certification**

**The acquiror must certify that the information in this report is true and complete in every respect. In the case of an agent, the certification is based on the agent's best knowledge, information and belief but the acquiror is still responsible for ensuring that the information filed by the agent is true and complete.**

**This report must be signed by each person on whose behalf the report is filed or his or her authorized representative.**

**It is an offence to submit information that, in a material respect and at the time and in the light of the circumstances in which it is submitted, is misleading or untrue.**

#### **Certificate**

I, as the acquiror, certify, or I, as the agent filing this report on behalf of an acquiror, certify to the best of my knowledge, information and belief, that the statements made in this report are true and complete in every respect.

Dated this 29<sup>th</sup> day of November, 2021.

**PROCON HOLDINGS INC.**

By: (signed) "John McVey"

Name: John McVey

Title: President and CEO