

**PLEASE READ THIS MATERIAL CAREFULLY AS YOU ARE REQUIRED TO MAKE A
DECISION PRIOR TO 5:00 P.M. (TORONTO TIME) ON NOVEMBER 10, 2021**

This rights offering circular (this “Circular”) is prepared by management. No securities regulatory authority or regulator has assessed the merits of these securities or reviewed this Circular. Any representation to the contrary is an offence.

This is the Circular we referred to in the September 22, 2021 rights offering notice (the “Notice”), which you should have already received. Your rights certificate and relevant forms were enclosed with the Notice. This Circular should be read in conjunction with the Notice and our continuous disclosure prior to making an investment decision.

The securities offered hereby have not been and will not be registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”), or the securities laws of any state of the United States. This rights offering circular does not constitute an offer to sell or a solicitation of an offer to buy any of the securities offered hereby within the United States, and the securities offered herein may not be offered or sold in or into the United States or to U.S. persons. “United States” and “U.S. persons” are as defined in Regulation S under the U.S. Securities Act.

Rights Offering Circular

September 22, 2021

49 NORTH RESOURCES INC.

OFFERING OF RIGHTS TO SUBSCRIBE FOR UNITS AT A PRICE OF \$0.02 PER UNIT

References in this Circular to “we”, “our”, “us” and similar terms are to 49 North Resources Inc. (“FNR” or the “Company”). References in this Circular to “you”, “your” and similar terms are to holders of FNR’s common shares. Unless otherwise indicated, references herein to “\$” or “dollars” are to Canadian dollars.

We currently have sufficient working capital to last 12 months provided that the holders of the Company’s 2015 2.5% Convertible Senior Secured Debentures – Series 1, the holders of the Company’s 2015 2.5% Convertible Senior Secured Debentures – Series 2 or the holders of the Company’s 2015 2.5% Convertible Subordinated Secured Debentures do not enforce our obligation to repay said debentures, which are due and owing. Although we are in default of our obligation to repay the debentures, no demand for payment has been made.

SUMMARY OF THE RIGHTS OFFERING

<p>Why are you reading this Circular?</p>	<p>We are issuing to the holders (“Shareholders”) of our outstanding commonshares (“Common Shares”) of record at the close of business on October 4, 2021 (the “Record Date”) and who are resident in a province or territory of Canada (an “Eligible Jurisdiction”), rights to subscribe for Units (defined below) on the terms described in this Circular. The purpose of this Circular is to provide you with detailed information about your rights and obligations in respect of the rights offering (the “Rights Offering”). This Circular should be read</p>
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	in conjunction with the Notice.
What is being offered?	Each Shareholder on the Record Date who is resident in an Eligible Jurisdiction will be offered one (1) right (a “Right”) for each Common Share held. No fractional Rights will be issued. Any fractional entitlements to receive Rights described herein will be rounded down to the next lowest whole number of Rights, and no cash or other consideration will be paid in lieu.
Who is eligible to receive Rights?	The Rights are being offered only to Shareholders resident in Eligible Jurisdictions (“Eligible Holders”). Shareholders will be presumed to be resident in the place shown on their registered address, unless the contrary is shown to our satisfaction. Neither the Notice nor this Circular is to be construed as an offering of the Rights, nor are the Units issuable upon exercise of the Rights offered for sale, in any jurisdiction outside of Eligible Jurisdictions (“Ineligible Jurisdictions”) or to Shareholders who are residents of an Ineligible Jurisdiction (“Ineligible Holders”). Instead, Ineligible Holders will be sent a letter advising them that their Rights will be held by Alliance Trust Company (the “Rights Agent”), who will hold such Rights as agent for the benefit of all Holders. See <i>“How to exercise the Rights? Who is eligible to receive the Rights?”</i>
What does one Right entitle you to receive?	<p>Each Right entitles you to subscribe for one (1) unit of FNR (a “Unit”) at a subscription price of \$0.02 per Unit (the “Basic Subscription Privilege”) until 5:00 p.m. (Toronto time) on November 10, 2021.</p> <p>Each Unit consists of one Common Share and one (1) transferable Common Share purchase warrant (a “Warrant”), with each full Warrant exercisable into one Common Share at a price of \$0.07 per share for a period of 24 months from the issue date of the Units, subject to early expiry in the event the daily volume-weighted average trading price per Common Share for any 20 consecutive trading days in which there have been at least 100 Common Shares traded on the TSX Venture Exchange (the “TSXV”) exceeds \$0.15. If you exercise your Basic Subscription Privilege in full, you will also be entitled to subscribe pro rata for Units (the “Additional Units”) not otherwise purchased, if any, pursuant to the Basic Subscription Privilege</p>

	<p>(the “Additional Subscription Privilege”).</p> <p>No fractional Common Shares or Warrants will be issued upon the exercise of the Rights. Any fractional entitlements to subscribe for Common Shares or Warrants described herein will be rounded down to the next lowest whole number of the applicable security, and no cash or other consideration will be paid in lieu.</p>
What is the subscription price?	\$0.02 per Unit (the “ Subscription Price ”)
When does the Offer expire?	5:00 p.m. (Toronto time) on November 10, 2021(the “ Rights Expiry Date ”)
What are the significant attributes of the Rights issued under the Rights Offering and the securities to be issued upon the exercise of the Rights?	<p>Each Right entitles you to subscribe for one (1) Unit at the Subscription Price. The Rights are transferable. See “<i>How does a Rights holder sell or transfer Rights?</i>” A Right does not entitle the holder thereof to any rights whatsoever as a securityholder of FNR other than the right to subscribe for and purchase Units on the terms and conditions described herein.</p> <p>We are authorized to issue an unlimited number of Common Shares of which 83,119,155 are issued and outstanding as of the date hereof. Holders of Common Shares are entitled to dividends if, as and when declared by our directors, to one vote per share at meetings of our Shareholders and, upon liquidation, to receive such assets of FNR as are distributable to the Shareholders.</p> <p>Each Warrant is exercisable into one Common Share at a price of \$0.07 per share for a period of 24 months from the issuance date of the Units, subject to early expiry in the event the daily volume-weighted average trading price per Common Share for any 20 consecutive trading days in which there have been at least 100 Common Shares traded on the TSXV exceeds \$0.15.</p>
What are the minimum and maximum number or amount of Units that may be issued under the Rights Offering?	A maximum of 83,119,155 Units will be issued under the Rights Offering. There is no minimum amount for the Rights Offering.
Where will the Rights and the securities issuable upon the exercise of the Rights be listed for trading?	The Common Shares are listed on the TSXV under the trading symbol “FNR”. The Rights will trade on the TSXV under the trading symbol “FNR.RT” until 12:00 p.m. (Toronto time) on the Rights Expiry Date. The Warrants will not be listed on any exchange.

FORWARD-LOOKING STATEMENTS

This Circular contains forward-looking statements. All statements, other than statements of historical fact that address activities, events or developments that we believe, expect or anticipate will or may occur in the future are forward-looking statements. These forward-looking statements reflect our current expectations or beliefs based on information currently available to us. Forward-looking statements in this Circular include, without limitation, statements with respect to: our expectations regarding the estimated costs of the Rights Offering and the net proceeds to be available upon completion; the use of proceeds from the Rights Offering; the availability of funds from sources other than the Rights Offering; and our ability to continue as a going concern.

Forward-looking statements are subject to a number of risks and uncertainties that may cause our actual results to differ materially from those discussed in the forward-looking statements and, even if such actual results are realized or substantially realized, there can be no assurance that they will have the expected consequences to, or effects on, us. Factors that could cause actual results or events to differ materially from current expectations include, among other things, enforcement of our obligation to repay the Company's 2015 2.5% Convertible Senior Secured Debentures – Series 1, 2015 2.5% Convertible Senior Secured Debentures – Series 2 or 2015 2.5% Convertible Subordinated Secured Debentures uncertainties relating to the availability and cost of funds; closing the Rights Offering; delays in obtaining or failure to obtain required approvals to complete the Rights Offering; the uncertainty associated with estimating costs to complete the Rights Offering, including those yet to be incurred; potential risks and uncertainties relating to the novel coronavirus (COVID-19) outbreak; and other risks related to our business and the Rights Offering.

Any forward-looking statement speaks only as of the date on which it is made and, except as may be required by applicable securities laws, we disclaim any intent or obligation to update any forward-looking statement, whether as a result of new information, future events or results or otherwise. Although we believe that the assumptions inherent in the forward-looking statements are reasonable, forward-looking statements are not guarantees of future performance and, accordingly, undue reliance should not be put on such statements due to their inherent uncertainty.

USE OF AVAILABLE FUNDS

What will our available funds be upon the closing of the Rights Offering?

The Company estimates that it will have the following funds available after giving effect to the Rights Offering:

		Assuming 15% of Rights Offering	Assuming 50% of Rights Offering	Assuming 75% of Rights Offering	Assuming 100% of Rights Offering
A	Amount to be raised by Rights Offering	\$249,357.47	\$831,191.55	\$1,246,787.33	\$1,662,383.10
B	Selling commissions and fees	\$0	\$0	\$0	\$0

C	Estimated offering costs (e.g., legal, accounting, audit)	\$50,000	\$50,000	\$50,000	\$50,000
D	Available funds: D=(A – (B+C))	\$199,357.47	\$781,191.55	\$1,196,787.33	\$1,612,383.10
E	Additional sources of funding required	\$0	\$0	\$0	\$0
F	Working capital deficiency	\$0	\$0	\$0	\$0
G	Total: G=(D+E) - F	\$199,357.47	\$781,191.55	\$1,196,787.33	\$1,612,383.10

As at June 30, 2021, the Company did not have a working capital deficiency. We currently have sufficient working capital to last 12 months provided that the holders of the Company's 2015 2.5% Convertible Senior Secured Debentures – Series 1 (the "**Series 1 Senior Debentures**"), the holders of the Company's 2015 2.5% Convertible Senior Secured Debentures – Series 2 (the "**Series 2 Senior Debentures**", and together with the Series 1 Debentures, the "**Senior Debentures**") or the holders of the Company's 2015 2.5% Convertible Subordinated Secured Debentures (the "**Subordinated Debentures**", and together with the Senior Debentures, the "**Debentures**") do not enforce our obligation to repay said debentures, which are due and owing.

How will we use the available funds?

We plan to use the available funds from the Rights Offering primarily to make strategic investments that will grow the value of our asset portfolio and for general corporate purposes. The specific use of proceeds is as follows:

Description of intended use of available funds listed in order of priority	Assuming 15% of Rights Offering	Assuming 50% of Rights Offering	Assuming 75% of Rights Offering	Assuming 100% of Rights Offering
Investment	\$150,000.00	\$700,000.00	\$1,000,000	\$1,412,383.10
General corporate purposes	\$49,357.47	\$81,191.55	\$196,787.33	\$200,000.00
Total:	\$199,357.47	\$781,191.55	\$1,196,787.33	\$1,612,383.10

We intend to spend the available funds as stated. We will reallocate funds only for sound business reasons.

On June 1, 2020 the Series 1 Senior Debentures matured in accordance with the terms of the applicable trust indenture. On that date, the Company paid, in cash, due interest in the amount of approximately \$2.50 per \$100 principal amount of the Series 1 Senior Debentures, being all of the interest due and owing up to June 1, 2020. However, the Company did not pay the principal due and owing in the amount of \$2,746,827. On or about June 1, 2021 the Company attempted to pay the interest accrued on the Series 1 Senior Debentures up to June 1, 2021, however, the trustee for the Debentures (the “**Debenture Trustee**”) refused the interest payment citing that the Series 1 Senior Debentures are in default.

On December 18, 2020 the Series 2 Senior Debentures and the Subordinated Debentures matured in accordance with the terms of the applicable trust indentures. On that date, the Company paid, in cash, due interest in the amount of approximately \$2.50 per \$100 principal amount of the Series 2 Senior Debentures and interest in the amount of approximately \$2.50 per \$100 principal amount of the Subordinated Debentures, being all of the interest due and owing in the Series 2 Senior Debentures and the Subordinate Debentures up to December 18, 2020. However, the Company did not pay the principal due and owing on either of the Series 2 Senior Debentures, being \$1,824,881.00, or the Subordinated Debentures, being \$880,083.00. 49 North intends to pay on or before December 18, 2021 all of the interest due and owing on the Series 2 Senior Debentures and the Subordinated Debentures up to such date. However, it is expected that the Debenture Trustee will refuse the interest payment on the same basis that it refused the payment of interest accrued on the Series 1 Senior Debentures on June 1, 2021.

49 North is working with the holders of the Debentures to extend and restructure the Debentures. On June 7, 2020, the Debenture Trustee delivered notice of default respecting the Company’s failure to pay the principal amount of the Series 1 Senior Debentures on June 1, 2020. The Company advised the Debenture Trustee of a plan to restructure the Debentures, including an extension of the maturity date of the Debentures. The Debenture Trustee provided the proposal to CDS to pass on to the participants or deal with in the manner CDS saw fit. No further action has been taken by the Debenture Trustee, CDS or any participants.

Subsequently the Company has called two joint extraordinary meetings of the holders of the Debentures to consider amendments to the Debentures, among other things to extend the term of the Debentures. At the joint extraordinary meeting of the holders of Debentures held on the 27th of November, 2020, a majority of the votes cast were in favor of the restructuring proposal, however the 66.67% support required to pass the amendments was not achieved. At the joint extraordinary meeting of the holder of Debentures held on the 22nd of March, 2021, the special resolution regarding the restructuring proposal was not approved. While the Series 1 Debenture amendment was approved by 77% of the vote cast, the amendments to both the Series 2 Debenture and the Subordinated Debentures did not pass.

The Company does not intend to use any of the available funds to service interest payments made on the Debentures or to repay the principal of the Debentures. Rather, 49 North will continue to negotiate the restructuring of the Debentures while servicing interest accruing on the Debentures through normal course operations. There is a risk that the holders of the Debentures may enforce the amounts due and owing by the Company. **Enforcement of the Debentures would significantly jeopardize the Company’s ability to continue as a going concern.**

How long will the available funds last?

We expect the Rights Offering will be sufficient to meet our working capital requirements for the 12 months following the date of this Circular provided that the holders of the Debentures do not enforce our obligation to repay the Debentures, which are due and owing.

INSIDER PARTICIPATION

Will insiders be participating?

The Company believes that its directors and senior officers who own Common Shares intend to exercise all of their Rights to purchase Units under their Basic Subscription Privilege, and may exercise additional Rights, to the extent they are available.

This reflects the intentions of such “insiders” (as defined in applicable Canadian securities legislation) as of the date hereof to the extent such intentions are reasonably known to the Company; however, such insiders may alter their intentions before the Expiry Time on the Rights Expiry Date. No assurance can be given that the respective insiders will exercise their Rights to acquire Units. As at the date hereof, insiders of the Company, own or exercise control or direction over, directly or indirectly, 13,808,254 Common Shares, representing approximately 16.62% of the issued and outstanding Common Shares. In the event that these Shareholders purchase 13,808,254 Units pursuant to the Basic Subscription Privilege, these Shareholders would own an aggregate of 27,616,508 Common Shares.

Who are the holders of 10% or more of our securities before and after the Rights Offering?

To the knowledge of the directors and senior officers of FNR, as at the date hereof, no person or company beneficially owns, directly or indirectly, or controls or directs more than 10% of any class of FNR’s voting securities, other than as set out below.

Name	Holdings of Common Shares before the Rights Offering (non-diluted)	Holdings after the Rights Offering (non-diluted)
Tom MacNeill ¹	10,052,980 (12.095%) ²	20,105,960 Common Shares (12.095%) ³

(1) Also holds 1,850,000 Common Share purchase options, including the following:

- a. 300,000 exercisable at \$0.30 until July 12, 2023
- b. 500,000 exercisable at \$0.10 until August 23, 2026
- c. 250,000 exercisable at \$0.07 until November 24, 2027
- d. 800,000 exercisable at \$0.05 until May 2, 2029

(2) Based on 83,119,155 issued and outstanding Common Shares.

(3) Based on 166,238,310 issued and outstanding Common Shares, assuming the issuance of 100% of the Units under the Rights Offering pursuant to a full exercise of the Shareholder’s Basic Subscription Privilege.

DILUTION

If you do not exercise your Rights, by how much will your security holdings be diluted?

If you wish to retain your current percentage ownership of the Common Shares, you should exercise your Rights and pay the Subscription Price for the Units to which you are entitled under the Basic Subscription Privilege. If you fail to do so, your percentage ownership of the Common Shares will be diluted by approximately 50%. Further dilution would occur in the event the Warrants are exercised.

As an illustration, if you own 1,000,000 Common Shares on the Record Date, fail to exercise your right to purchase 1,000,000 Units under the Rights Offering, and all other Shareholders fully exercise their Basic Subscription Privilege and Additional Subscription Privilege (i.e., the Company issues 83,119,155 Units), your percentage ownership of the issued and outstanding Common Shares will change from 1.20% to 0.60%.

STAND-BY COMMITMENT

There will be no stand-by guarantor in respect of the Rights Offering.

MANAGING DEALER, SOLICITING DEALER, AND UNDERWRITING CONFLICTS

There will be no managing dealer or soliciting dealer in respect of the Rights Offering.

HOW TO EXERCISE THE RIGHTS

How does a security holder that is a registered holder participate in the Rights Offering?

If you are a registered holder of Common Shares, a certificate (the “**Rights Certificate**”) representing the total number of transferable Rights to which you are entitled as of the Record Date has been mailed to you with a copy of the Notice. To exercise the Rights represented by the Rights Certificate, you must complete and deliver the Rights Certificate in accordance with the instructions set out below. Rights not exercised at or prior to 5:00 p.m. (Toronto time) on the Rights Expiry Date (the “**Expiry Time**”) will be void and of no value. The method of delivery is at the discretion and risk of the holder of the Rights Certificate and delivery to the Rights Agent will only be effective when actually received by the Rights Agent at its office. See “*Appointment of Rights Agent – Who is the Rights Agent?*” Rights Certificates and payments received after the Expiry Time will not be accepted.

In order to exercise your Rights you must:

1. **Complete and sign Form 1 on the Rights Certificate.** The maximum number of Rights that you may exercise under the Basic Subscription Privilege is shown in the box on the upper right hand corner of the face of the Rights Certificate. If you complete Form 1 so as to exercise some but not all of the Rights evidenced by the Rights Certificate, you will be deemed to have waived the unexercised balance of such Rights, unless you otherwise specifically advise the Rights Agent at the time the Rights Certificate is surrendered to the Rights Agent.
2. **Additional Subscription Privilege.** Complete and sign Form 2 on the Rights Certificate only if you also wish to participate in the Additional Subscription Privilege. See “*How to Exercise the Rights? – What is the Additional Subscription Privilege and how can you exercise this privilege?*”
3. **Enclose payment in Canadian funds by certified cheque, bank draft or money order payable to the order of Alliance Trust Company** In order to purchase one Unit, you must own one Right and pay a price of \$0.02 per Unit. In addition to the amount payable for any Units you wish to purchase under the Basic Subscription Privilege, you must also pay the amount required for any Units subscribed for under the Additional Subscription Privilege.
4. **Delivery.** Deliver or mail the completed Rights Certificate and payment in the enclosed return envelope addressed to the Rights Agent so that it is received before the Expiry Time. If you are mailing your documents, registered mail is recommended. Please allow sufficient time to avoid late delivery.

*By Mail, Hand Delivery or Courier to: Alliance Trust Company #1010, 407 - 2nd Street
S.W. Calgary, Alberta T2P 2Y3*

The signature of the Rights Certificate holder must correspond in every particular with the name that appears on the face of the Rights Certificate.

Signatures by a trustee, executor, administrator, guardian, attorney, officer of a company or any person acting in a fiduciary or representative capacity should be accompanied by evidence of authority satisfactory to the Rights Agent. We will determine all questions as to the validity, form, eligibility (including time of receipt) and acceptance of any subscription in our sole discretion. Subscriptions are irrevocable. We reserve the right to reject any subscription if it is not in proper form or if the acceptance thereof or the issuance of Units pursuant thereto could be unlawful. We also reserve the right to waive any defect in respect of any particular subscription. Neither we nor the Rights Agent is under any duty to give any notice of any defect or irregularity in any subscription, nor will we be liable for the failure to give any such notice.

How does a security holder that is not a registered holder participate in the Rights Offering?

You are a beneficial Eligible Holder if you hold your Common Shares through a securities broker or dealer, bank or trust company or other participant (a “**Participant**”) in the book-based system administered by CDS Clearing and Rights Agent Services Inc. (“**CDS**”). The total number of Rights to which all beneficial Eligible Holders as of the Record Date are entitled will be issued to CDS and will be deposited with CDS following the Record Date. We expect that each beneficial Eligible Holder will receive a confirmation of the number of Rights issued to it from the applicable Participant in accordance with the practices and procedures of that Participant. CDS will be responsible for establishing and maintaining book-entry accounts for Participants holding Rights.

Neither we nor the Rights Agent will have any liability for (i) the records maintained by CDS or Participants relating to the Rights or the book-entry accounts maintained by them, (ii) maintaining, supervising or reviewing any records relating to such Rights, or (iii) any advice or representations made or given by CDS or Participants with respect to the rules and regulations of CDS or any action to be taken by CDS or Participants.

If you are a beneficial Eligible Holder:

1. to exercise your Rights held through a Participant, you must instruct such Participant to exercise all or a specified number of such Rights, and forward to such Participant, the Subscription Price for each Unit that you wish to subscribe for; and
2. you may subscribe for Additional Units pursuant to the Additional Subscription Privilege by instructing such Participant to exercise the Additional Subscription Privilege in respect of the number of Additional Units you wish to subscribe for, and forwarding to such Participant the Subscription Price for such Additional Units requested.

Any excess funds will be returned to the applicable Participant for the account of the beneficial holder, without interest or deduction.

Can I combine, exchange or divide my Rights Certificate?

Rights Certificates may be combined, divided or exchanged by delivering such Rights Certificates, accompanied by appropriate instructions or a completed Form 4 on the Rights Certificate, to the office listed under the heading “*Appointment of Rights Agent – Who is the Rights Agent?*”. Rights

Certificates must be surrendered for division, combination or exchange by such date as will permit new Rights Certificates to be issued and used by the holder thereof prior to the Expiry Time.

Who is eligible to receive Rights?

The Rights Offering is only being made to Eligible Holders. The Rights are not being offered to persons who are or appear to be, or we have reason to believe are, resident in Ineligible Jurisdictions, nor will we accept subscriptions from any Shareholder or from any transferee of Rights who is or appears to be, or who we have reason to believe is, resident in an Ineligible Jurisdiction. Rights Certificates will not be distributed to any Shareholders whose addresses of record are in any Ineligible Jurisdiction (“**Ineligible Holders**”). Rights may not be exercised by or on behalf of an Ineligible Holder. CDS or Participants may not issue Rights to Ineligible Holders.

Shareholders will be presumed to be resident in the place of their registered address, unless the contrary is shown to our satisfaction. A registered Ineligible Holder whose address of record is outside the Eligible Jurisdictions but who holds Common Shares on behalf of a holder who is eligible to participate in the Rights Offering must notify us, in writing, on or before the tenth day prior to the Rights Expiry Date if such beneficial holder wishes to participate in the Rights Offering.

Rights delivered to brokers, dealers or other intermediaries may not be delivered by those intermediaries to beneficial Shareholders who are resident in Ineligible Jurisdictions. Intermediaries receiving Rights that would otherwise be deliverable to Ineligible Holders may attempt to sell those Rights for the accounts of such Ineligible Holders and should deliver the proceeds of sale to such persons.

What is the Additional Subscription Privilege and how can you exercise this privilege?

A holder of a Rights Certificate who is not an Ineligible Holder and who has exercised all the Rights evidenced by such Rights Certificate may subscribe for Additional Units, if available, at the Subscription Price. Additional Units will be allocated from those Units, if any, available as a result of Rights that are unexercised by the Expiry Time. A holder who exercises the Additional Subscription Privilege will receive the lesser of (i) the number of Units that holder subscribes for under the Additional Subscription Privilege, and (ii) the number of Units that is equal to the aggregate number of Units available through unexercised Rights multiplied by the quotient of the number of Rights previously exercised by such holder under the Rights Offering divided by the aggregate number of Rights previously exercised under the Rights Offering by holders of Rights that have subscribed for Units under the Additional Subscription Privilege.

A Rights holder may subscribe for Additional Units by (i) completing Form 2 on the Rights Certificate, and (ii) delivering the Rights Certificate, together with payment for those Additional Units, to the Rights Agent on or before the Expiry Time. If payment for all Additional Units subscribed for pursuant to the Additional Subscription Privilege does not accompany the subscription, the over-subscription will be invalid.

If the Rights Offering is fully subscribed, then the funds included for any over-subscriptions will be returned by us to the relevant Shareholders. If the Rights Offering is not fully subscribed, certificates representing the Common Shares and the Warrants due to Eligible Holders as a result of an exercise of the Additional Subscription Privilege will be delivered by us together with the certificates representing such securities due to those Shareholders pursuant to their subscriptions in accordance with the Basic Subscription Privilege. In addition, we will return to any over-subscribing Shareholder within 30 calendar days of the Rights Expiry Date any excess funds paid in respect of an over subscription for Units where the number of Additional Units available to that Shareholder is less than the number of Additional Units subscribed for. No interest will be payable by us in respect of any excess funds returned to Shareholders.

How does a Rights holder sell or transfer Rights?

The Rights will trade on the TSXV under the trading symbol “FNR.RT” until 12:00 p.m. (Toronto time) on the Rights Expiry Date. Holders of Rights Certificates not wishing to exercise their Rights may sell or transfer them directly or through their securities broker or dealer at the Shareholder’s expense, subject to any applicable resale restrictions. Rights Certificates will not be registered in the name of an Ineligible Holder. Holders of Rights Certificates may elect to exercise only a part of their Rights and dispose of the remainder, or dispose of all of their Rights. Any commission or other fee payable in connection with the exercise or any trade of Rights is the responsibility of the holder of such Rights. Depending on the number of Rights a holder may wish to sell, the commission payable in connection with a sale of Rights could exceed the proceeds received from such sale.

When can you trade securities issuable upon the exercise of your Rights?

The Common Shares underlying the Units issuable upon the exercise of your Rights will be listed on the TSXV under the trading symbol “FNR” and will be available for trading on or about November 15, 2021. The Warrants, when issued, are not expected to be listed on any stock exchange.

Are there restrictions on the resale of securities?

The Rights and Units issuable upon exercise of Rights distributed to Shareholders in the Eligible Jurisdictions may be resold without hold period restrictions under applicable securities laws of the Eligible Jurisdictions provided that: (i) the sale is not by a “control person” of FNR; (ii) no unusual effort is made to prepare the market or create a demand for the securities being resold; (iii) no extraordinary commission or consideration is paid to a person or company in respect of the resale; and (iv) if the selling security holder is an insider or officer of FNR, the selling security holder has no reasonable grounds to believe that FNR is in default of securities legislation.

The Rights and Units issuable upon the exercise thereof may not be offered, sold, pledged or transferred, directly or indirectly, in the United States or to, or for the account or benefit of, any U.S. Person.

Will we issue fractional underlying securities upon exercise of the Rights?

No fractional Common Shares or Warrants will be issued upon the exercise of the Rights. Any fractional entitlements to subscribe for Common Shares or Warrants described herein will be rounded down to the next lowest whole number of the applicable security, and no cash or other consideration will be paid in lieu.

APPOINTMENT OF RIGHTS AGENT**Who is the Rights Agent?**

Alliance Trust Company is the rights agent for the Rights Offering. The Rights Agent has been appointed to receive subscriptions and payments from holders of Rights and to perform the services relating to the exercise and transfer of the Rights. The following office of the Rights Agent has been appointed to perform these services: Alliance Trust Company #1010, 407 - 2nd Street S.W. Calgary, Alberta T2P 2Y3

ADDITIONAL INFORMATION

Where can you find more information about us?

You can access our continuous disclosure documents filed with Canadian securities regulators under our issuer profile at www.sedar.com. You can also find additional information about us at <https://www.fnr.ca/>.

MATERIAL FACTS AND MATERIAL CHANGES

There is no material fact or material change about the Corporation that has not been generally disclosed.