

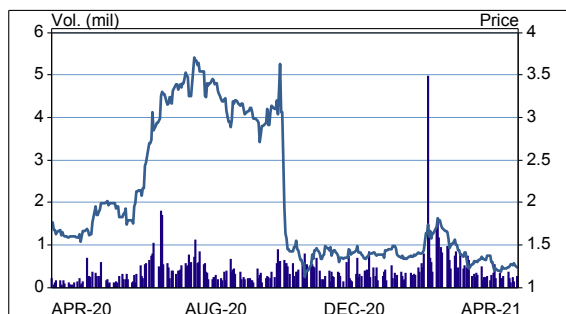
**April 13, 2021**
**Fury Gold Mines Limited (FURY)**  
**Rating: Buy**

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**Targets at Eau Claire Defined; Successful Step-Out  
Drilling; Snake Lake Trend Extends to Depth; Reiterate Buy**

Stock Data		04/12/2021
Price		\$1.23
Exchange		NYSE American
Price Target		\$2.40
52-Week High		\$3.94
52-Week Low		\$1.08
Enterprise Value (M)		\$139
Market Cap (M)		\$145
Shares Outstanding (M)		117.8
3 Month Avg Volume		552,842
Short Interest (M)		1.13
Balance Sheet Metrics		
Cash (M)		\$12.2
Total Debt (M)		\$6.1
Total Cash/Share		\$0.10
EPS (C\$) Diluted		
Full Year - Dec	2020A	2021E 2022E
FY	C\$(0.13)	C\$(0.12) C\$(0.12)

*from continuing operations*


**Targets identified at western limit of Eau Claire.** On April 12, Fury Gold Mines announced that it has identified two target areas on the western limit of the Eau Claire resource. These two targets come from a greater understanding of structural and lithological controls on mineralization, as Fury's technical team has now defined the relative positioning of individual rock packages within a greater anticline setting, which serves as the primary control at Eau Claire.

**850 zone remains untested at depth.** While Fury has already defined two primary targets on the western margin of the deposit below the 850 zone, this area has only been drilled to depths of about 150 meters (m). As a result, we believe there is substantial expansion potential as mineralization in the 850 zone sits within a stratigraphically advantageous setting. Notably, the Fold Hinge target sits only about 200 – 400m below surface, while the Limb Target is located about 500 – 700m below surface as seen in Exhibit 1 on page two of this report. In short, both of these targets provide strong potential to easily increase the resource base at Eau Claire.

**On March 31, Fury reported FY20 financial results.** During the year, the company reported a net loss from continuing operations of \$10.8M, or (\$0.13) per share. This compares to a FY19 net loss from continuing operations of \$9.5M, or (\$0.15) per share. We note that Fury remains an exploration and development company, and thus reported no revenue in either period. We therefore predominantly focus on additional exploration successes instead of the firm's financial results. We further highlight that the company has presented its Peruvian assets as discontinued operations given the transfer of this business segment to the two spin-offs.

**Step-out drilling extends deposit boundaries.** On March 30, Fury Gold Mines announced results from three additional exploration drill holes targeting a 550 – 660m extension from the source of the Eau Claire deposit as seen in Exhibit 2 on page three of this report. The company's initial drill program aims to survey and test areas of potential expansion along the deposit trend. We highlight hole 21EC-007, which intercepted 1.0m of 15.3 grams per tonne (gpt) gold, as well as hole 21EC-010, which returned 8.8 gpt gold over 1.5m. Lastly, we stress that Fury intercepted a secondary mineralized structure at depth, which could ultimately be related to the Snake Lake surface target.

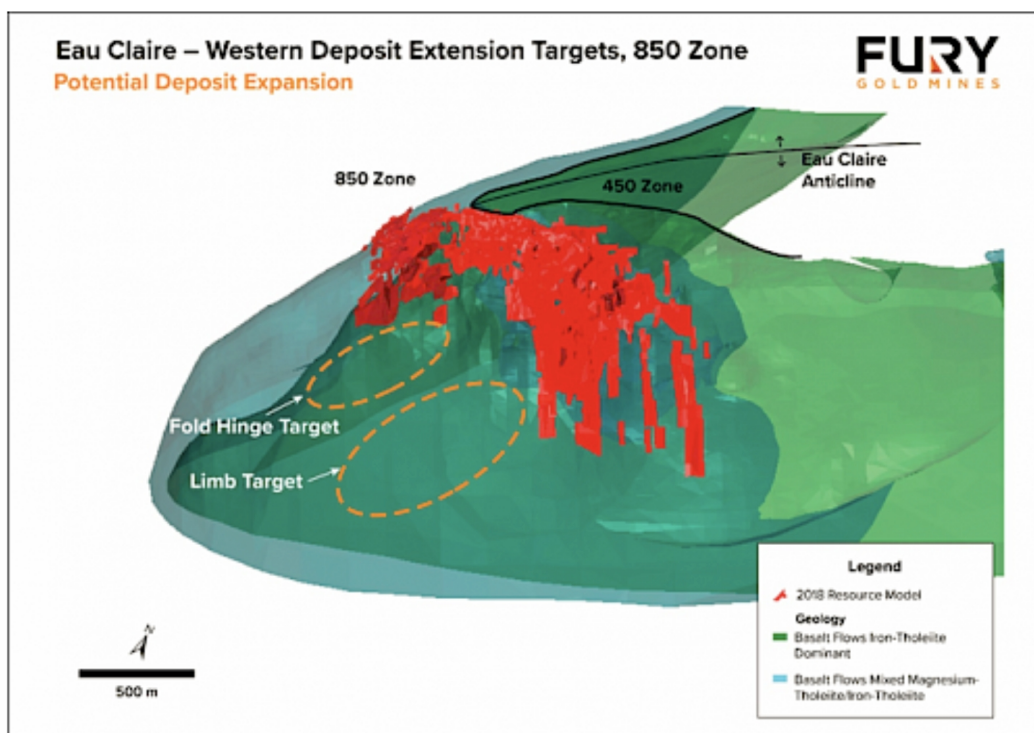
**Snake Lake target provides strong potential at depth.** As seen in Exhibit 3 on page three of this report, Target B shares the same structural and stratigraphic characteristics as the Snake Lake mineralization, which sits within a contact between volcanic and sedimentary formations. Additionally, we highlight that the Target B panel is situated along the same plane as the Eau Claire deposit, thereby providing a multifaceted zone of gold mineralization. Drilling at Target B has also indicated strong potential at depth as hole 21EC-010 intercepted 1.5m of 6.43 gpt gold about 1,100m down plunge from the nearest Snake Lake drilling. Given the potential to uncover additional mineralization along the Snake Lake structural corridor, Fury intends to drill three supplementary holes in order to offset historical drill intercepts in the area.

**We reiterate our Buy recommendation on Fury Gold as we maintain our price target of \$2.40 per share.** Notably, we have moved our model forward to FY21, though this change was ultimately offset by updated financials and our price target was unchanged. Our valuation remains based on a DCF of operations at Eau Claire utilizing an unchanged 13.5% discount rate. We believe this discount rate is inline with other early-stage peers in jurisdictions carrying similar geopolitical risk factors. We also add *in situ* ounces for the company's resources at Committee Bay, Homestake, and the Eastmain Mine at an unchanged average value of \$70/oz. We then add \$5.0M for the company's non-core exploration assets, before including its pro forma cash balance of \$24.3M, to arrive at our overall NAV of \$310.1M. We then divide this valuation by the fully diluted share count of 127.4M to achieve our final rounded price target of \$2.40 per share.

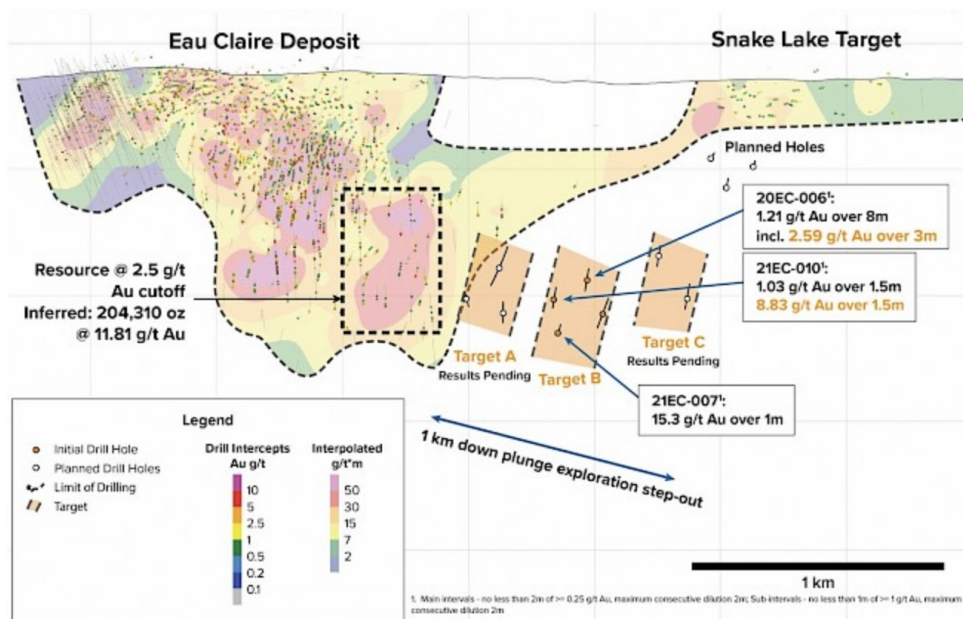
**Near-term catalysts.** Looking ahead, we anticipate Fury to test both the Fold Hinge and Limb Targets, as the company expects to move an exploration drill to the western region of the deposit upon completion of the first three holes at Snake Lake. Additionally, Fury's recent drill results continue to shed light on the potential for future expansion at Eau Claire. We look forward to additional drill results in the near-term as assays from Target A and Target C remain pending. Finally, we believe Fury's plan to drill three additional holes along the Snake Lake structural corridor could add yet another dimension to gold mineralization within its property given the structural and stratigraphic signatures seen within Target B.

**Risks.** (1) Commodity price risk; (2) operating and technical risk; (3) and financial risk.

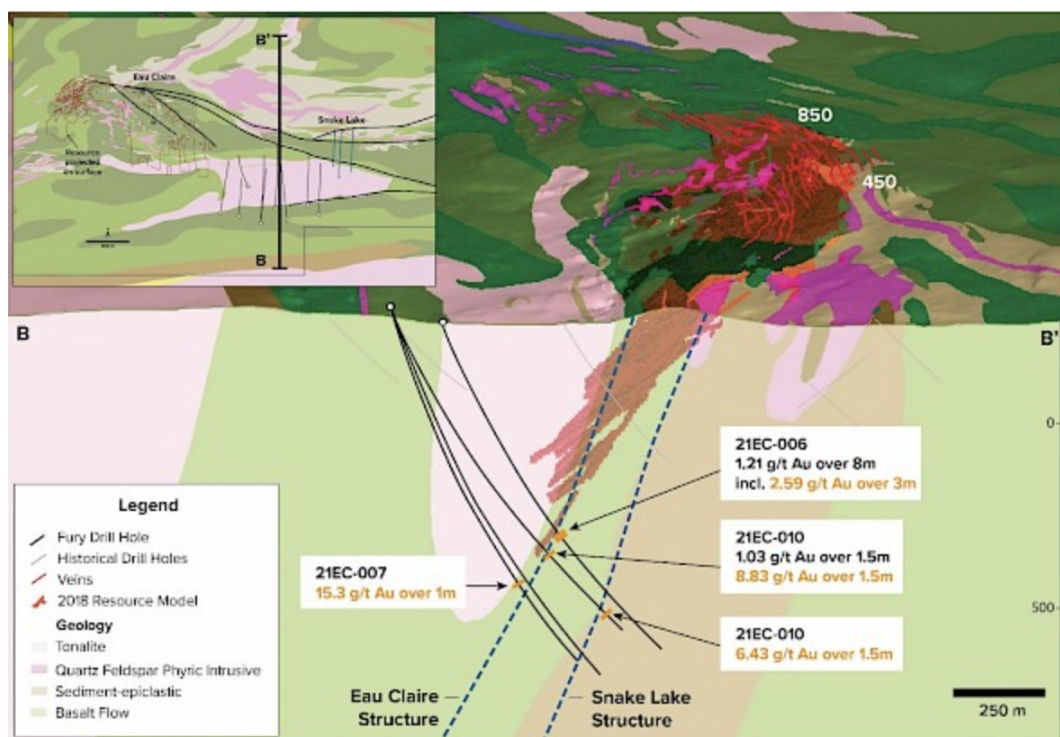
**Exhibit 1: View of the Fold Hinge and Limb Targets at Eau Claire**



Source: Fury's April 12, 2021, press release.

**Exhibit 2: Long-Section Looking North of the Eau Claire Deposit With Exploration Targets**

Source: Fury's March 30, 2021, press release.

**Exhibit 3: Extension of Target B Looking West**

Source: Fury's March 30, 2021, press release.

**Fury Gold Mines (FURY)***Figures below in 000's of U.S. dollars unless noted*

Note: production extends to FY37 but is not shown

<b>Eau Claire</b>	<b>2021E</b>	<b>2022E</b>	<b>2023E</b>	<b>2024E</b>	<b>2025E</b>	<b>2026E</b>	<b>2027E</b>	<b>2028E</b>	<b>2029E</b>	<b>2030E</b>	<b>2031E</b>
Tonnes Processed (000's)	-	-	-	-	-	500	525	525	525	525	525
Gold grade (gpt)	-	-	-	-	-	5.2	4.0	4.0	4.5	5.5	5.5
Gold Recovery	-	-	-	-	-	92.0%	92.0%	92.0%	92.0%	92.0%	92.0%
<b>Annual gold production (000's oz)</b>	-	-	-	-	-	<b>74.4</b>	<b>60.1</b>	<b>60.1</b>	<b>67.6</b>	<b>82.6</b>	<b>82.6</b>
% growth							-19.2%	0.0%	12.5%	22.2%	0.0%
Gold sales price	\$ 1,900	\$ 1,900	\$ 1,900	\$ 1,900	\$ 1,900	\$ 1,900	\$ 1,900	\$ 1,900	\$ 1,900	\$ 1,900	\$ 1,900
<b>Total Revenue</b>	-	-	-	-	-	\$ 141,359	\$ 114,175	\$ 114,175	\$ 128,446	\$ 156,990	\$ 156,990
Total Cash Cost Per Tonne Processed	-	-	-	-	-	\$ 95	\$ 95	\$ 95	\$ 95	\$ 95	\$ 95
Total Cash Cost	-	-	-	-	-	\$ 47,500	\$ 49,875	\$ 49,875	\$ 49,875	\$ 49,875	\$ 49,875
<b>Gross Profit</b>	-	-	-	-	-	<b>\$ 93,859</b>	<b>\$ 64,300</b>	<b>\$ 64,300</b>	<b>\$ 78,571</b>	<b>\$ 107,115</b>	<b>\$ 107,115</b>
CapEx (in 000's)	-	-	-	(90,000)	(90,000)	\$ (1,000)	\$ (15,000)	\$ (18,000)	\$ (18,000)	\$ (12,000)	\$ (10,000)
(Tax) / Tax Benefit	36.0%	-	-	32,400	32,400	(33,429)	(17,748)	(16,668)	(21,806)	(34,241)	(34,961)
<b>Operating cash flow</b>	\$ -	\$ -	\$ -	\$ (57,600)	\$ (57,600)	\$ 59,430	\$ 31,552	\$ 29,632	\$ 38,766	\$ 60,874	\$ 62,154
Cash flow discount rate	13.5%										
<b>PV of operating cash flow</b>	\$ -	\$ -	\$ -	\$ (39,394)	\$ (34,709)	\$ 31,552	\$ 14,759	\$ 12,212	\$ 14,076	\$ 19,475	\$ 17,519
<b>Total Project NAV</b>	\$ 88,297										
Fully diluted shares	127,576										
<b>Project NAV per share</b>	\$ 0.69										
Value for Committee Bay, Homestake, and Eastmain Mine	\$ 202,990	valued at ~\$70 per oz (in line with current peer average multiple)									
Plus other exploration assets	\$ 5,000	Includes Gibson MacQuoid and Eleonore South Joint Venture									
Plus cash & equivalents	\$ 12,191	as of 12/31/20									
Less debt	\$ (6,067)	as of 12/31/20; C\$7.6M flow-through share premium liability									
<b>Total current value</b>	\$ 302,412	1.26 C\$/US\$ exchange rate as of 4/12/21									
Common shares	117,835	as of 3/31/21									
Options & Warrants	9,741	as of 3/31/21									
<b>Fully diluted shares</b>	<b>127,576</b>	as of 3/31/21									
<b>Fury Gold (FURY) Share price</b>	\$ 1.23	per share as of 4/12/21									
Fury Gold (FURY) Net Asset Value	\$ 2.37	per share									
<b>Rounded (\$0.10) price target</b>	\$ 2.40	per share 48.8% discount to price target									

Source: H.C. Wainwright &amp; Co. estimates.

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Distribution of Ratings Table as of April 12, 2021				
Ratings	Count	Percent	IB Service/Past 12 Months	
			Count	Percent
Buy	453	89.00%	189	41.72%
Neutral	54	10.61%	13	24.07%
Sell	0	0.00%	0	0.00%
Under Review	2	0.39%	1	50.00%

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