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FOUNTAIN ASSET CORP. ANNOUNCES ITS FINANCIAL RESULTS FOR THE QUARTER ENDED SEPTEMBER 30, 2022

November 22, 2022

Toronto, Canada – Fountain Asset Corp. (TSXV:FA) ("Fountain" or the "Company") would like to announce its financial results for the three months ended September 30, 2022 ("**Q3/22**").

Highlights from the three months ended September 30, 2022:

- Adjusted net asset value ("**ANAV**") of $17.80 million ($0.29 per share) at September 30, 2022 compared to $17.63 million ($0.28 per share) at June 30, 2022, representing an increase of 3.6% quarter over quarter on a per share basis. ANAV reflects the net asset value plus the amount of available tax loss pools;
- Net comprehensive income of $0.11 million compared to net comprehensive loss of $0.91 million for three months ended September 30, 2021 ("**Q3/21**");
- Total revenue from investment activity was $0.26 million compared to total revenue loss of $0.59 million for Q3/21;
- Net realized losses on the sale of portfolio investments of $0.12 million compared to net realized gains of $0.49 million for Q3/21;
- Net unrealized gains on portfolio investments of $0.38 million compared to net unrealized losses of $1.12 million for Q3/21;
- Total expenses of $0.15 million, which includes stock-based compensation of $0.01 million, compared to $0.33 million, which includes stock-based compensation of $0.03 million, for Q3/21; and
- Operating expenses of $0.20 million compared to $0.25 million for Q3/21.

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Highlights from the nine months ended September 30, 2022:

- ANAV of $17.80 million ($0.29 per share) at September 30, 2022 compared to $24.46 million ($0.40 per share) at December 31, 2021, representing a 27.5% decrease year to date on a per share basis;
- Net comprehensive loss of $6.94 million compared to net comprehensive income of $4.41 million for the nine months ended September 30, 2021;
- Total revenue losses from investment activity was $6.24 million compared to total revenue of $5.42 million for the nine months ended September 30, 2021;
- Net realized losses on the sale of portfolio investments of $2.17 million compared to net realized gains of $2.13 million for the nine months ended September 30, 2021;
- Net unrealized losses on portfolio investments of $4.09 million compared to net unrealized gains of $3.17 million for the nine months ended September 30, 2021;
- Total expenses of $0.71 million, including stock-based compensation of $0.06 million, compared to $1.01 million, including stock-based compensation of $0.13 million, for the nine months ended September 30, 2021; and
- Operating expenses of $0.57 million compared to $0.82 million for the nine months ended September 30, 2021.

During Q3/22, the company saw an increase from its portfolio of publicly traded companies which included an increase from Crescent Point Energy Corp. The increases were offset by decreases in AirBoss of America Corp. and Pluribus Technologies Corp. “We have been increasing our exposure to both the battery metals and energy space as the sectors have held up well. This allowed the Company to post a small increase on Shareholders’ Equity quarter over quarter during Q3/22 as market conditions remained difficult during the quarter,” said Andrew Parks, CEO of Fountain.

The decrease in operating expenses to $0.20 million for Q3/22 compared to $0.25 million in the comparative quarter was driven by lower salary and administrative expenses.

The Company saw net comprehensive income of $0.11 million for Q3/22 compared to net comprehensive loss of $0.91 million for Q3/21. As at September 30, 2022, the Company’s adjusted net assets were valued at $17.80 million or $0.29 per share compared to $24.46 million or $0.40 per share at December 31, 2021.

A full set of the Q3/22 unaudited financial statements and the management discussion & analysis are available on SEDAR.

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About Fountain Asset Corp.

Fountain Asset Corp. is a merchant bank which provides equity financing, bridge loan services (asset back/collateralized financing) and strategic financial consulting services to companies across many industries such as marijuana, oil & gas, mining, real estate, manufacturing, retail, financial services, and biotechnology.

Forward-Looking Statements

Certain information contained in this press release constitutes forward-looking information, which is information relating to possible events, conditions or results of operations of the Company, which are based on assumptions and courses of action and which are inherently uncertain. All information other than statements of historical fact may be forward-looking information. Forward-looking information in this press release includes, but is not limited to, growing Fountain's capital base and a strong pipeline going forward. These forward-looking statements reflect the current expectations or beliefs of the Company based on information currently available to the Company. Forward-looking statements are subject to a number of risks and uncertainties that may cause the actual results of the Company 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, the Company. Factors that could cause actual results or events to differ materially from current expectations include, among other things: the level of bridge loans and equity investments completed, the nature and credit quality of the collateral security and the nature and quality of equity investments, and the other risks disclosed under the heading "Risk Factors" and elsewhere in the Company's annual information form dated August 17, 2022 filed on SEDAR at www.sedar.com. 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, the Company disclaims any intent or obligation to update any forward-looking statement, whether as a result of new information, future events or results or otherwise. Although the Company believes 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 the inherent uncertainty therein.

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