



FANCAMP EXPLORATION LTD.
7290 Gray Avenue, Burnaby, British Columbia, V5J 3Z2
Telephone: 604-434-8829 | Website: www.fancamp.ca

News Release

June 2, 2021

TSX-V Trading Symbol: FNC

Fancamp Files Letter to Shareholders and AGM Notice and Information Circular; Highlights Plans for Growth and Value Creation

- *Strongly recommends shareholders vote only the **GOLD** proxy **FOR** all six of Fancamp's exceptionally qualified director nominees by 1:00 p.m. EST on Friday, June 25, 2021. Shareholders with questions on voting should contact Kingsdale Advisors at 1-800-749-9890 or contactus@kingsdaleadvisors.com.*
- *Warns shareholders that Mr. Smith and his slate of activists have confirmed they WILL use FANCAMP's money to repay themselves for the costly and unnecessary proxy fight Mr. Smith started.*
- *Also warns shareholders that Mr. Smith's handpicked nominees have REFUSED to confirm they will NOT interfere with or end the independent forensic investigation or civil claim against Mr. Smith – effectively allowing Mr. Smith to avoid accountability and blocking Fancamp from recovering the more than \$3 million in losses incurred by Mr. Smith's actions.*
- *Shareholders are encouraged to read the complete letter and information circular, which are available on SEDAR and on the Corporation's website at fancamp.ca/thefutureisbright.*

VANCOUVER, British Columbia – Fancamp Exploration Ltd. (“Fancamp” or the “Corporation”) (TSX Venture Exchange: FNC) today mailed a letter to shareholders and its Management Information Circular (the “Circular”) for its annual general meeting on Tuesday, June 29, 2021 at 1:00 p.m. EST.

The letter strongly recommends that shareholders vote only the **GOLD** proxy **FOR** all six of Fancamp's exceptionally qualified and experienced director nominees: Mark Billings, Rajesh Sharma, Ashwath Mehra, Paul Ankcorn, Charles Tarnocai and Dean Journeaux.

Highlights from Fancamp's Letter to Shareholders:

- Fancamp is at a turning point and the future is bright. With a new management team, led by CEO, Rajesh Sharma, and a rejuvenated Board of Directors (the “Board”) focused on best-in-class governance, the Corporation is finally set to deliver significant value and returns to shareholders. The Corporation now has the strong exploration and mining expertise, business experience and strategic vision that Fancamp needs.
- Fancamp is focused on the future with a new plan for growth and value accretion to shareholders, with a disciplined rigor to allocating funds. Under the leadership of the new management and Board, Fancamp has completed a comprehensive strategic review of its mineral properties and other assets, and developed a three-pronged strategy for growth focused on: Exploration Properties, Titanium Technology and Strategic Alternatives for Near-Term Cash Flow.

- Fancamp has expanded its strong, well-balanced management team with the recent appointment of François Auclair as Vice President of Exploration. Mr. Auclair has a track record of developing and advancing exploration projects to mining projects. Fancamp also continues to focus on titanium technology under the leadership of Enrico Di Cesare.
- Fancamp has also nominated two new directors to its Board: Dr. Charles Tarnocai and Mr. Dean Journeaux. Both Dr. Tarnocai and Mr. Journeaux have extensive mineral exploration and mining industry experience, and a track record of creating value for public companies.

The letter also addresses the self-serving agenda of Mr. Peter H. Smith and his slate of handpicked friends and associates (the “Smith Nominees”) to continue using shareholders’ investment in Fancamp as their personal bank account.

Reasons to REJECT the Smith Nominees and Their Self-Serving Agenda:

Mr. Smith has no business judgment or strategy:

- An investigation by the Board uncovered that between 2010 and 2019, Mr. Smith spent over \$10 million on operating expenses and \$27 million on exploration and development – with no tangible advancement of any of the Fancamp properties. Of the \$27 million, over half (\$15 million) was completely written off, meaning it added nothing for the Corporation or its shareholders.
- To offset his poor execution, between May 2018 and July 2020, Mr. Smith sold 4.8 million shares of Champion Iron Limited, a valuable corporate asset, for rock-bottom prices. These sales often defied the Board’s instructions and caused losses of over \$3.1 million. Fancamp is now suing Mr. Smith for this money on behalf of shareholders. If the Smith Nominees are elected, shareholders will never see Fancamp recovering this money or any of the losses suffered as a result of Mr. Smith’s misdeeds.
- Mr. Smith treated Fancamp as ‘his company’ to do with as he pleased. Between 1986 and 2020, while Mr. Smith was Chairman, Director, President and CEO of Fancamp, he entered into numerous transactions that enriched himself and his friends and business associates. Examples include:
 - Paralyzing Fancamp’s subsidiary, Magpie Mines, for his own benefit, and granting himself and two individuals special shares that allowed Mr. Smith to personally control Magpie; and
 - Using the services of a single geologist – who invoiced for payments to his wife and for personal vehicle – to conduct various exploration activities without providing full disclosure to the Board.

The Smith Nominees are Unqualified to Keep Mr. Smith or the Corporation on Track:

- If Mr. Smith chose to behave the way he did with a Board who tried to keep him accountable for his destructive actions, imagine what he will do if his friends and associates become the Board. With no one to watch him, hold him accountable or put in place the appropriate checks and balances, Mr. Smith will have free reign to do as he pleases.
- Fancamp asked the Smith Nominees to confirm that, if elected, they will NOT use the Corporation’s funds to repay themselves for the costly proxy Mr. Smith started. In their May 31, 2021 press release, **the Smith Nominees confirmed they will take Fancamp’s money to repay themselves.**
- Additionally, the Smith Nominees have refused to confirm they will NOT interfere with or stop the independent forensic investigation into Mr. Smith’s past wrongdoings – effectively allowing Mr. Smith to avoid accountability for his actions against Fancamp.

Shareholders are encouraged to read the complete letter and Circular, which is available on SEDAR and on the Corporation’s website at fancamp.ca/thefutureisbright.

You Have an Important Decision to Make

You can vote the **GOLD** proxy for Fancamp and get a return on your investment, or help the Smith Nominees continue using your investment as their personal bank account.

Mr. Smith's cumulative total shareholder return during his 30-year executive tenure at Fancamp is **-59.4%**. **That means if you gave Mr. Smith \$100 when he first started, you would have lost more than half of your money and be left with only \$40 today.**

VOTE TODAY – Deadline: Friday, June 25, 2021 at 1:00 p.m. EST

Voting is fast and easy – please vote well in advance of the deadline. If you have any questions or need help voting, contact Kingsdale Advisors at 1-800-749-9890 or contactus@kingsdaleadvisors.com.

Advisors

Lavery, de Billy, L.L.P. and Goodmans LLP are serving as legal advisor to Fancamp. Harris & Company LLP is serving as litigation counsel to Fancamp. Kingsdale Advisors is acting as strategic shareholder and communications advisor to Fancamp. Koffman Kalef LLP is serving as legal advisor to the Special Committee.

About Fancamp Exploration Ltd. (TSX-V: FNC)

Fancamp is a growing Canadian mineral exploration corporation dedicated to its value-added strategy of advancing mineral properties through exploration and development. The Corporation owns numerous mineral resource properties in Quebec, Ontario and New Brunswick, including gold, rare earth metals, strategic and base metals, zinc, chromium, titanium and more. Fancamp is also building on the industrial possibilities inherent in dealing with some of these materials, notable being the development of its Titanium technology strategy. It has recently announced the acquisition of ScoZinc, a Canadian exploration and mining corporation that has full ownership of the Scotia Mine and related facilities near Halifax, Nova Scotia, as well as several prospective exploration licenses in surrounding regions. The Corporation is managed by a new and focused leadership team with decades of mining, exploration and complementary technology experience.

Forward-looking Statements

This news release includes certain forward-looking statements which are not comprised of historical facts. Forward-looking statements include estimates and statements that describe Fancamp's future plans, objectives or goals, including words to the effect that Fancamp or its management expects a stated condition or result to occur. Forward-looking statements may be identified by such terms as "believes", "anticipates", "expects", "estimates", "may", "could", "would", "will", "foresees" or "plan". Since forward-looking statements are based on multiple factors, assumptions and address future events and conditions, by their very nature they involve inherent risks and uncertainties. Although these statements are based on information currently available to Fancamp, Fancamp provides no assurance that actual results will meet the management's expectations. Risks, uncertainties and other factors involved with forward-looking information could cause actual events, results, performance, prospects and opportunities to differ materially or simply fail to materialize from those expressed or implied by such forward-looking information. Forward-looking information in this news release includes, but is not limited to, information and statements relating to the Corporation's annual general meeting, and objectives, goals or future plans. There can be no assurance that forward-looking statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from Fancamp's expectations include, among others, political, economic, environmental and permitting risks, mining operational and development risks, litigation risks, regulatory restrictions, environmental and permitting restrictions and liabilities, the inability of Fancamp to raise capital or secure necessary financing in the future, as well as factors discussed in the section entitled "Risks and Uncertainties" in Fancamp's management's discussion and analysis of Fancamp's financial statements for the period ended January 31, 2021. Although Fancamp has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate as actual results and future events could differ

materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

For Further Information

Rajesh Sharma, Chief Executive Officer

+1 (604) 434 8829

info@fancamp.ca

Debra Chapman, Chief Financial Officer

+1 (604) 434 8829

info@fancamp.ca

Media Contact

Hyunjoo Kim

Director, Communication, Marketing & Digital Strategy

Kingsdale Advisors

Phone: 416-867-2357

Cell: 416-899-6463

Email: hkim@kingsdaleadvisors.com

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