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News Release

July 8, 2021

TSX-V Trading Symbol: FNC

Fancamp Signs Royalty Purchase Agreement with Champion Iron Limited

VANCOUVER, British Columbia – Fancamp Exploration Ltd. (“**Fancamp**” or the “**Corporation**”) (TSX Venture Exchange: FNC) is pleased to announce that it has entered into a royalty purchase agreement (the “**Agreement**”) with Champion Iron Mines Limited (“**Champion**”), a wholly owned subsidiary of Champion Iron Limited (TSX: CIA) (ASX: CIA) (OTCQX: CIAFF), whereby the Corporation will sell to Champion certain iron ore royalties as well as the exploration property known as Lac Lamêlée.

The Agreement provides that, in consideration of a \$1.3 million payment in cash at closing, plus certain future finite production payments payable once certain iron ore production thresholds have been reached with respect to iron ore production from the Fermont Properties subject to this agreement, Champion will acquire the Corporation’s ownership interest in the Lac Lamêlée property and a 1.5% Net Smelter Return royalty interest in the O’Keefe-Purdy, Harvey-Tuttle, Bellechasse, Oil Can, Fire Lake North Consolidated, Peppler Lake and Moiré Lake properties, which are currently held by the Corporation (the “**Transaction**”).

The Agreement, combined with the current market conditions, provides immediate and additional future benefits to Fancamp as projects are developed to production by Champion.

In addition to the immediate cash payment that will be paid to Fancamp, this Agreement is expected to provide Fancamp and its shareholders greater long-term certainty with respect to future income related to the Corporation’s iron ore properties, as well as greater flexibility and opportunity for earlier development of these deposits.

The Agreement is subject to approval of the TSX Venture Exchange.

Independent Fairness Opinion

Watts, Griffis and McOuatt was retained by the Corporation in connection with the Agreement. Watts, Griffis and McOuatt has provided the Fancamp Board of Directors with its opinion that the Agreement is fair from a financial and technical point of view.

Related Party and MI 61-101 Disclosure

As Champion holds 12.64% of the outstanding shares of Fancamp, it is considered a non-arm’s length party pursuant to TSX Venture Exchange policies. The Transaction also constitutes a “related party transaction” within the meaning of Multilateral Instrument 61-101 - Protection of Minority Security Holders in Special Transactions (“**MI 61-101**”). Fancamp is relying on exemptions from the formal valuation and minority shareholder approval requirements of MI 61-101 based on the fair market value of the subject matter of, nor the fair market value of the consideration for, the contemplated Transaction, not exceeding 25% of Fancamp’s market capitalization. A resolution of the board of directors of Fancamp was passed on July 8, 2021 approving the Transaction, with one director voting against the Transaction as part of the steps taken as a concerned shareholder. No special committee was established in connection with the Transaction. Fancamp did not file a material change report more than 21 days prior

to the completion of the Transaction, the window of opportunity for signing the Agreement and closing the Transaction being immediate it would have been detrimental for the parties involved to wait 21 days.

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 statements which are not comprised of historical facts and that constitute "forward-looking information" and "forward-looking statements" within the meaning of applicable Canadian and U.S. securities laws. 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 includes, but is not limited to, information and statements relating to future benefits arising from the Agreement and the development and future production of the relevant mining properties. 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, uncertainties relating to the development of the relevant mining properties and risks relating to the terms and duration of any government orders suspending or limiting operations that are applicable to Fancamp or the relevant mining properties; the responses of relevant governments to the COVID-19 outbreak and the effectiveness of such responses, 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. Fancamp considers its assumptions to be reasonable based on information currently available, but 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

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