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News Release

June 14, 2021

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Activist Peter H. Smith Sticks Fancamp Shareholders with Over \$60 Million Bill

- *Shareholders cannot afford more of Mr. Smith; losses TO ALL FANCAMP SHAREHOLDERS will rise again if Mr. Smith and his handpicked nominees are elected to the Board and they use Fancamp's money to repay themselves for the costly proxy fight started by Mr. Smith.*
- *In contrast to this history of value destruction and wasted money, Fancamp has released a new video outlining its action-oriented, three-pronged growth strategy to create shareholder value and returns. Watch here: fancamp.ca./thefutureisbright*
- *Strongly recommends shareholders vote only the **GOLD** proxy **FOR** all six of Fancamp's exceptionally qualified and governance-focused director nominees by 1:00 p.m. ET on Friday, June 25, 2021.*
- *Shareholders with questions on voting should contact Kingsdale Advisors at 1-800-749-9890 or contactus@kingsdaleadvisors.com. Shareholders can get the latest information at fancamp.ca./thefutureisbright.*

VANCOUVER, British Columbia – Fancamp Exploration Ltd. ("Fancamp" or the "Corporation") (TSX Venture Exchange: FNC) today announced that as part of its ongoing investigation into the conduct of Mr. Peter H. Smith, preliminary estimates indicate Fancamp and its shareholders have lost over **\$60 million** to date, due to Mr. Smith's financial mismanagement and numerous other misconduct.

While Mr. Smith continues to stonewall and refuses to produce important information in his possession that belongs to the Corporation, Fancamp believes that as shareholders consider their vote for the Corporation's Annual General Meeting ("AGM") it is important they have a clear and transparent view of Mr. Smith's conduct and the negative impact of his actions on their investment.

Mr. Smith's \$60 Million Bill to Fancamp Shareholders

For over 30 years, Mr. Smith treated the Corporation and its finances as his own personal bank account, spending without authorization and leaving YOU, the shareholders of Fancamp, with over \$60 million in expenditures, with nothing to show for it.

Mr. Smith had no vision or strategy, executed poorly, and enriched his friends and associates. Mr. Smith operated in secret, failing to report most of his activities to the Board of Directors (the "Board") so that they could not stop him. When the Board did find out about the mismanagement of Fancamp's funds (indirectly, YOUR funds), Mr. Smith defied the Board's instructions, and refused requests to produce a proper budget and follow common expense and governance practices. Mr. Smith simply did as he pleased until the Board took action to hold him accountable by having him step down as president and CEO in August 2020.

Mr. Smith's long list of misconduct and financial mismanagement is outlined below. Fancamp warns shareholders that losses will likely rise again if Mr. Smith and his handpicked nominees are elected to the Board as they have confirmed they will use the Corporation's money to repay and reimburse themselves

for the costly proxy fight that Mr. Smith started. If this happens, Fancamp shareholders will lose value on their investment, indirectly footing bill for Mr. Smith's self-serving agenda.

Shareholders should also know that management believes the list below is just the tip of the iceberg. Fancamp has very strong reason to believe there are even more cases of misconduct and self-dealing by Mr. Smith, and its Special Committee of Directors (the "Special Committee"), assisted by KPMG as forensic accountants, will continue the formal forensic investigation into Mr. Smith. In the course of the investigation led by the Special Committee, the following were discovered:

Amount Lost or Not Earned	Details of Mr. Smith's Financial Mismanagement and Misconduct
\$27 million	Between 2010 and 2019, Mr. Smith spent \$27 million on exploration and development – with no tangible advancement of the Fancamp properties. Over half of this amount – approximately \$15 million – was completely written off.
Over \$10 million	In that same time, the Board also discovered that Mr. Smith spent over \$10 million on operating expenses.
Over \$19 million	On September 24, 2015, Mr. Smith waived an area of influence clause (the "AOI Clause") in a royalty agreement. The AOI Clause would have given Fancamp royalties on any claims within 10 km of a certain property. Mr. Smith waived the AOI Clause for a mere \$100,000. If the AOI Clause had remained, Fancamp would have earned more than \$20 million between 2018 and now.
Over \$3.1 million	To offset the money lost because of his poor strategy and execution, Mr. Smith sold shares of Champion, a valuable corporate asset, for rock bottom prices between May 2018 and June 2020. If those shares had not been sold at that time, the Corporation could have gained over \$3.1 million. The sale of these shares often defied the Board's instructions. Fancamp is now suing Mr. Smith for this money on behalf of shareholders. Mr. Smith's handpicked nominees have not confirmed that they would continue to pursue this litigation if elected.
Over \$1.9 million	Mr. Smith directed Fancamp to advance a total of \$1,949,200 to The Magpie Mines Inc. ("Magpie"), a subsidiary of Fancamp that he controlled, to fund a process and obtain patents which were subsequently written off after Mr. Smith terminated the project. This was on top of Mr. Smith paralyzing Magpie after issuing special shares to himself and two individuals, which gave him personal control of the Magpie board.
\$600,000	Between February 2019 and August 2020, Mr. Smith spent \$600,000 – which represented approximately 5% of the Fancamp's market cap at that time – on unauthorized geological activities in Virginia, U.S., which had no underlying mineral property. Mr. Smith never informed the Board of these activities, and since there was no underlying property, Fancamp was forced to write off this amount, meaning it created no value for the Corporation or its shareholders.
\$227,687	Mr. Smith continually used the services of a single geologist to conduct various exploration activities, without providing full disclosure to the Board. During the year ended April 30, 2018, the costs incurred for that individual was over \$227,687, which was 41% of all exploration costs incurred by Fancamp.

	A special audit, requested by the Audit Committee, later revealed that some of those payments were to that individual's wife and for his personal vehicle.
Over \$211,000	Mr. Smith started the Mactaquac exploration program in New Brunswick with no formal agreement. The Board at the time had to pass a resolution ratifying the term sheet already executed by Mr. Smith, without having the opportunity to debate or modify its terms. Since Mr. Smith forced Fancamp into a significant financial commitment, the program continues today. To date, over \$211,000 in expenses has been incurred and no discovery has been made.
\$125,000	A bulk sample of taken from the Gaspé Bay group of properties by Mr. Smith. While this sample was processed and the recovered gold was sold, Mr. Smith did not budget properly and Fancamp lost approximately \$85,000. Mr. Smith tried to do this again, and again, because of his poor budgeting, Fancamp lost another \$40,000.
\$117,532	In June 2020, Mr. Smith set out on an unauthorized staking spree using the \$110,000 payment that Fancamp received for the input tax credit for the year-end 2019. Approximately 1,644 units were staked, covering 17 properties, for a total of \$111,532. The Board had not approved this staking, but despite this, Mr. Smith invoiced Fancamp an additional \$6,000 in fees.
Over \$102,000	Mr. Smith started the Corridor 50/50 exploration program in May 2019 with only a verbal agreement. Mr. Smith never informed the Board of the Corridor 50/50 program, and to date, over \$102,000 in expenses has been incurred on a project with no accretive value.
PLUS....	
Over \$300,000	Mr. Smith and his handpicked nominees have already stated that if they are elected to the Board, they will cancel the ScoZinc transaction and force the Corporation to pay the \$300,000 break fee.
Whatever amount Mr. Smith wants to pay himself	Mr. Smith and his handpicked nominees have also stated that if they are elected to the Board, they will use Fancamp's money to repay and reimburse themselves for the costly proxy fight that Mr. Smith started.
TOTAL AMOUNT LOST DUE TO MR. SMITH'S NUMEROUS FINANCIAL ABUSES: OVER \$60 MILLION	

The Board has repeatedly tried to reason and work with Mr. Smith, but he has refused. Since Fancamp has very strong reason to believe there is even further misconduct by Mr. Smith, it also means that the Corporation has been forced to incur additional expenses to launch the independent forensic investigation, and file a civil lawsuit as well as an application for a Safeguard Order. **The Board will continue to consider all of its options in furthering the best interest of the Corporation.**

Fancamp's Plan for Growth

In contrast to Mr. Smith's history of value destruction and wasted money, Fancamp has released a new video outlining its action-oriented, three-pronged growth strategy to enhance shareholder value and increased returns. Watch here: fancamp.ca./thefutureisbright

Only Your Vote Can Stop Mr. Smith from Destroying Fancamp

If Mr. Smith chose to behave this way with a Board that tried to hold him accountable for his destructive actions, imagine what he will do if his friends and associates become members of the Board.

Shareholders have suffered long enough. Mr. Smith's cumulative total shareholder return during his 30+ year executive tenure 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. Now, he is asking for an additional 90 days to "implement a strategy of value creation." Mr. Smith's 30-year record speaks for itself – he is unable to do the job.

VOTE YOUR GOLD PROXY TODAY – Deadline: Friday, June 25, 2021 at 1:00 p.m. ET

Vote FOR Fancamp's director nominees to move forward, create value, and give Fancamp an opportunity to get back the previously wasted money. 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 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 losses or benefits arising from the election of certain director nominees or from future decisions of management. 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. 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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