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**News Release**

**April 15, 2021**

**TSX-V Trading Symbol: FNC**

**Activist Peter H. Smith Once Again Breaches his Fiduciary Duty to Fancamp Shareholders**

VANCOUVER, British Columbia – Fancamp Exploration Ltd. (“Fancamp” or the “Corporation”) (TSX Venture Exchange: FNC) is once again disappointed that activist Mr. Peter H. Smith, a disgruntled director and former president and CEO of Fancamp, whose consulting agreement was recently [terminated for cause](#), has continued to breach his fiduciary duty to Fancamp and exposed the Corporation to unnecessary legal risk for damages.

**Mr. Peter H. Smith: Breach of Duty Under Corporate Law**

In his April 7, 2021 press release, Mr. Smith disclosed information regarding Ernst & Young LLP’s (“Ernst & Young”) fairness opinion (“Opinion”) on Fancamp’s proposed business combination with ScoZinc Mining Ltd. (“ScoZinc”) (the “Transaction”).

As a member of Fancamp’s Board of Directors (the “Board”), Mr. Smith was given a confidential copy of the Opinion on December 20, 2020 for the sole use of the Board in evaluating the Transaction. The specific purpose of the Opinion was to provide information to the Board for consideration regarding the Transaction and was not to be used in any other context without the prior written consent from Ernst & Young. Notably, the agreement between Ernst & Young and Fancamp also stated that the Opinion on the Transaction may not be disclosed in public filings.

By publicly disclosing information regarding the Opinion in his April 7, 2021 press release:

- Mr. Smith breached his fiduciary duty, under corporate law, as a director of Fancamp, and
- Mr. Smith breached the terms and conditions of the Opinion and of the agreement between Ernst & Young and Fancamp.

Under corporate law, a director has a duty to act honestly and in good faith, with a view to the best interests of the Corporation. As Mr. Smith has once again breached his duties to Fancamp, the Corporation will notify regulators and will keep them informed of further potential misconduct by Mr. Smith. As the Corporation continues to investigate and examine the conduct of Mr. Smith, the Corporation reserves all of its legal rights in connection with Mr. Smith and will consider any such measures as are appropriate on behalf of its shareholders to address potential misconduct, including through the courts if necessary and claim from Mr. Smith all damages incurred by the Corporation as a result of such misconduct. The Corporation has also issued a cease and desist letter to Mr. Smith, and has notified him that he will be held liable for any damages and expenses incurred in connection with the breach of his contractual obligations and fiduciary duties.

Fancamp would also like to set the record straight on Mr. Smith’s misleading statement regarding the Corporation’s counsel, Lavery de Billy, L.L.P. (“Lavery”). Mr. Smith wrongly asserts that there is a conflict of interest because Lavery collaborated with ScoZinc to prepare a single schedule related to Fancamp in a circular issued by ScoZinc. It is customary practice for legal counsel of one company involved in a transaction to participate in the preparation of certain related materials with the other party involved as this does not risk or limit counsel’s ability to consider, recommend or carry out an appropriate course of action for the client. Lavery remains at all times, for the purposes of the Transaction, legal counsel to

Fancamp. As such, in accordance with the Code of Professional Conduct of Lawyers, there is no conflict of interest and the allegations made by Mr. Smith are completely false.

### **Update on the Transaction**

On April 12, 2021, at ScoZinc's Extraordinary General Meeting, its shareholders voted overwhelmingly in favour of the resolution approving the Transaction.

### **Advisors**

Lavery, de Billy, L.L.P. is serving as legal advisor to Fancamp. Kingsdale Advisors is acting as strategic shareholder and communications advisor to Fancamp.

### **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 both companies' future plans, objectives or goals, including words to the effect that both companies or their respective 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", or "plan". Since forward-looking statements are based on 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 from those expressed or implied by such forward-looking information. Forward-looking information in this news release includes, but is not limited to, the Corporation's annual general meeting, objectives, goals or future plans, statements, potential mineralization, exploration and development results, the estimation of mineral resources, exploration and mine development plans, timing of the commencement of operations, estimates of market conditions, future financial results or financing opportunities. 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 both companies to satisfy the conditions precedent to complete the Transaction, the inability to obtain the necessary regulatory and third-party approvals for the Transaction, the inability to start production at the Scotia Mine, the inability of Fancamp to realize the anticipated financial gains from the Transaction, including generating, in the near-term, cash-flows from the Scotia Mine, 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 October 31, 2020. 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.*

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