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News Release

June 15, 2021

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Fancamp to Activist Nominees: Will You Defend Shareholders or Excuse Peter H. Smith's \$60 Million in Wasted Money?

- *Activist nominees have refused to provide clarity as to whether they will act in the best interest Fancamp and its shareholders, and do what is required to hold Mr. Smith accountable for the over \$60 million he wasted for over 30 years.*
- *Open letter with simple questions provides Messrs. James Hunter, Louis Doyle, Mark Fekete, Mathieu Stephens and Greg Ferron opportunity to be transparent with YOU, all Fancamp shareholders, before you vote.*
- *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 released the following open letter to Mr. Peter H. Smith's director nominees (the "Smith Nominees").

AN OPEN LETTER TO THE SMITH ACTIVIST NOMINEES

To Messrs. James Hunter, Louis Doyle, Mark Fekete, Mathieu Stephens and Greg Ferron:

Before shareholders cast their vote at the upcoming annual general meeting on Tuesday, June 25, 2021, Fancamp believes it is critical for shareholders to know where you stand. We had previously written to your lawyers asking for you to provide clarity on these and other matters, but were rebuffed.

Each of you has an obligation to let shareholders know where you stand. As you are all well aware of your fiduciary duties and accountability to Fancamp and all of its shareholders, we can only assume that the decision to avoid providing any substantive responses was at the recommendation of your lawyer or Mr. Smith. However, now is not the time to avoid accountability. It is time to tell shareholders what you will do to **enhance** accountability.

We assume you, like us, recognize the double-standard in saying you cannot comment on these matters until elected, while at the same time already committing to cancel the ScoZinc transaction before you are elected. There is so much you do not know and yet you are already prepared to make an uninformed decision on the transaction. This should not give Fancamp shareholders any confidence in your ability to act as fiduciaries of the Corporation.

We assume you have been as surprised as shareholders to learn about Mr. Smith's 30 years of misconduct and financial mismanagement we have uncovered over the last few weeks, and would not have agreed to join his slate given the negative impact Mr. Smith's actions will have on your reputations.

As you know, 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. With that in mind, and on behalf of shareholders, Fancamp would like each of the Smith Nominees to answer the following six questions:

- 1. Do you think it is appropriate that a shareholder who invested \$100 when Mr. Smith first started is now left with only \$40 – less than half? With 30 years of wasted money and missed opportunities, why should shareholders believe Mr. Smith's next 90-day agenda will be any different?**

For over 30 years, Mr. Smith was at the helm of Fancamp, holding positions such as a Chairman, Director and CEO. During that time, his cumulative total shareholder return was **-59.4%** and no discoveries were ever made. Mr. Smith took numerous actions that were detrimental to Fancamp and hidden from the Board, resulting in significant losses that are his sole responsibility.

- 2. Given Mr. Smith's poor track record, why do you believe Mr. Smith should not be removed from the Corporation?**

The current Board held Mr. Smith accountable for his value-destroying actions and asked him to step down as president and CEO in August 2020; then, in April 2021, the Board terminated his consulting agreement for cause due to his numerous and ongoing misconduct. Knowing what you now know, how is it in the best interest of the Corporation to reinstate Mr. Smith?

- 3. Do you believe that a Director and executive personally storing and withholding company information from the Corporation is appropriate? As fiduciaries, would you issue a public statement asking Mr. Smith to hand over all materials? Have you asked Smith if he is hiding anything?**

Materials such as technical and financial information on Fancamp's mining properties, banking information, and contractual obligations and agreements are all critical for the Corporation to move forward and to provide transparency to shareholders. Instead, Mr. Smith has forced Fancamp to file a costly and time-consuming application for a court order to obtain its own documents. Fancamp strongly believes Mr. Smith is refusing to provide this information to avoid accountability. What is he hiding? Have you asked him this question?

- 4. Are you aware that Mr. Smith has failed to comply with applicable securities and corporate laws, including releasing confidential non-public materials? Have you asked Mr. Smith on behalf of the shareholders you seek to represent for assurance that he will not do it again? Mr. Smith does not appear to believe that he should be bound by his duty of confidentiality or contractual obligations – were you aware of this, and now that you are, are you OK with this?**

On December 22, 2020, Mr. Smith blatantly and recklessly disclosed confidential information of the Corporation by issuing a public statement regarding the details of a Board meeting as well as a private placement that had been approved by the Board, but not yet announced. Mr. Smith's unlawful disclosure may have jeopardized the integrity of the capital markets and affected the market price or trading of Fancamp's securities. On April 7, 2021, Mr. Smith once again breached his fiduciary duty by disclosing a distorted version of confidential information regarding the Ernst & Young LLP ("Ernst & Young") fairness opinion ("Opinion") on the ScoZinc transaction. The agreement between Ernst & Young and Fancamp specifically stated that the Opinion may not be disclosed in public filings. Mr. Smith clearly did not feel bound by his duty of confidentiality or his contractual obligations. Were you aware of this when you agreed to serve on Mr. Smith's slate, and now that you are, are you OK with this?

- 5. Will you support Mr. Smith when he asks shareholders to repay and reimburse him personally for his costly and time-consuming proxy fight that he launched to take back control of the Corporation he considers to be his personally property, and ask him to commit in writing not to do so, as well as confirm you will not seek to reinstate the consulting agreement Mr. Smith was terminated from with cause?**

Mr. Smith has used the ScoZinc transaction as his excuse for launching a proxy fight – a very expensive way to try to get his job back for which he was **terminated FOR CAUSE**. The truth is Mr. Smith launched this costly and unnecessary proxy fight in October 2020 – months before the ScoZinc transaction was announced.

6. Given what you know now about Mr. Smith's checkered past and the \$60 million in wasted money and failed discoveries, would you have agreed to personally align yourself with him?

For over 30 years, Mr. Smith was at the helm of Fancamp. In that time, Mr. Smith treated the Corporation as his personal property and bank account, made no discoveries, operated in secret, defied the Board, and destroyed shareholder value. Since his departure in August 2020, Mr. Smith has breached his fiduciary duty and hid critical information to stop the Corporation from moving forward. Do you really want to link your professional reputations to this man?

The shareholders we have spoken to are shocked that each of you would risk your professional reputations to work with someone who is under a formal forensic investigation and is currently being sued for over \$3 million in damages. As we have stated before, the investigation is ongoing, and we have strong reason to believe there is much more to come on Mr. Smith.

On behalf of all of Fancamp's shareholders, we look forward to hearing from you as soon as possible.

Sincerely,
Fancamp Exploration Ltd.

See Fancamp's Plan in Action

In contrast to Mr. Smith's history of value destruction and wasted money, Fancamp has an action-oriented, three-pronged growth strategy to enhance shareholder value and increase returns. Watch here: fancamp.ca/thefutureisbright.

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

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 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 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. 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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