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News Release

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TSX-V Trading Symbol: FNC

Fancamp to File Motion to Obtain Critical Company Information from Mr. Peter H. Smith; Requests Transparency from Activist Nominees

- *Despite multiple demands, Mr. Smith, to the detriment of all Fancamp shareholders, has illegally refused to provide critical technical and financial information belonging to the Corporation, forcing the Corporation to pursue additional legal action.*
- *Mr. Smith and his slate of nominees have also refused to confirm that, if elected, they will not use the Corporation's funds to repay themselves for the costly proxy fight Mr. Smith started.*
- *The Smith Nominees have also refused to confirm they will maintain the integrity of the independent forensic investigation into Mr. Smith, effectively helping him hide his wrongdoings.*
- *Further to the May 12, 2021 announcement, KPMG has been retained to assist the Special Committee with its independent forensic investigation into Mr. Smith's numerous misconducts.*

VANCOUVER, British Columbia – Fancamp Exploration Ltd. ("Fancamp" or the "Corporation") (TSX Venture Exchange: FNC) today announced it will file an Application for a Safeguard Order (the "Application") with the Quebec Superior Court to obtain critical technical and financial information belonging to the Corporation from Mr. Peter H. Smith, a Director of Fancamp, and its former President and CEO.

Fancamp also notes that Mr. Smith's May 25, 2021 press release is full of rhetoric and contains little substance. Mr. Smith's argument is that he feels he is being treated unfairly – not that he hasn't committed the actions outlined in the Corporation's prior press releases – simply because the Board of Directors (the "Board") is holding him accountable for his actions.

Why the Application was Needed

Despite multiple demands, Mr. Smith, to the detriment of all Fancamp shareholders, has ignored requests to preserve the information in his hands and has refused to return:

- Technical and financial information, including reports on Fancamp's mining properties
- Banking information related to Fancamp or any of its subsidiaries
- Any correspondence and/or emails between Fancamp and its partners, third parties and shareholders
- Documents regarding contractual obligations and other agreements such as option agreements, access agreements, drilling or other exploration contracts and waivers

These critical items are needed for Fancamp to properly operate its business. Mr. Smith's refusal is illegal and shows a complete disregard for the interests of Fancamp and its shareholders – the exact opposite of what one would expect from a director exercising their fiduciary duties.

Shareholders should be worried: for 30 years, Mr. Smith operated in secret – personally keeping all of the Corporation's documents and taking personal possession of Fancamp's office – in order to implement his

self-serving agenda. Fancamp has started to uncover some of Mr. Smith's misconduct, and believes his stonewalling is an attempt to conceal further damaging facts. This stonewalling, combined with the refusal of the directors nominated by Mr. Smith ("Smith Nominees") to confirm that they will not frustrate the investigation into his activities, raises a very real concern that a vote for Mr. Smith's nominees is a vote against accountability for Mr. Smith.

Mr. Smith's History of Blatant Refusal and Obstruction

The Board has repeatedly tried to reason and work with Mr. Smith, but he has refused. While he was Director, President and CEO, the Board simply asked Mr. Smith:

- To be transparent about negotiations with third parties
- To use common governance and accountability practices, such as getting Board approval prior to spending shareholders' money, initiating projects and providing budgets
- To comply with the securities laws that apply to him as a director, such as ensuring confidentiality and duty of loyalty

These are legal obligations and best practices, expected of all directors, yet Mr. Smith dismissed them entirely.

Mr. Smith's Cover-Up Continues – Now With the Help of His Friends

Not only is Mr. Smith hiding information, the Smith Nominees are now helping him as well. Since Mr. Smith has refused to hand over the information in his possession, when his notice of nomination of directors was received, Fancamp was forced to ask the Smith Nominees to confirm they will:

- Not seek reimbursement from the Corporation for any costs they have incurred in their efforts to replace the Board
- Not hinder or cease the Corporation's ability to complete the formal independent investigation into Mr. Smith
- Not interfere with or end the litigation brought by the Corporation against Mr. Smith
- Not interfere or dismiss any regulatory investigation involving Mr. Smith

The Smith Nominees have refused to respond to these simple requests. Their excuse is they do not want to "fetter their discretion with respect to future actions relating to the Company" if they are elected to the Board. They had no such concerns about the ScoZinc transaction, and have already announced that they will vote against it.

This double standard, selective application of excuses, and lack of commitment is clear evidence that the Smith Nominees plan to take shareholders' money to reimburse themselves for the proxy fight Mr. Smith started and guard Mr. Smith from accountability. It is also a clear indicator about how they will behave – and whose interests they will look out for – if they are elected to the Board. It is in this context that the current Board is considering the validity of Mr. Smith's advance notice nomination and the eligibility of the Smith Nominees themselves to serve on the Board as independent directors.

If Mr. Smith chose to behave the way he did with a Board who tried to hold 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.

Mr. Smith has also complained about Fancamp's Advance Notice Policy – a policy he created while he was in charge of the Corporation. Again, the double standard is clear: Mr. Smith believes policies and procedures do not apply to him or his friends.

Along with his notice of nomination of directors, Mr. Smith also submitted an unnecessary and redundant proposal of protocols for the AGM. The Corporation has reviewed the proposals and finds them needless and completely off-market. The Board fully recognizes the importance of a fair contested meeting. The Corporation's AGM and the process leading up to it will be conducted with integrity and in a transparent

manner, in accordance with the Corporation's by-laws and all other legal requirements, recognized practice and with a view to the best interest of all shareholders.

What Else is Mr. Smith Hiding?

Fancamp has strong reason to believe that a full investigation, with access to all of the relevant information, will uncover even more damning information about Mr. Smith. Further to the May 12, 2021 [announcement](#), the Special Committee has hired KPMG International Limited ("KPMG") to assist with its independent forensic investigation into Mr. Smith. The Special Committee believes that retaining KPMG is in the best interest of the Corporation and its shareholders. It will ensure accurate information is presented so that shareholders can make a fully informed decision at Fancamp's AGM.

The Corporation is disappointed that it is being forced to incur the expense of having had to file an Application, [in addition to the civil claim](#), but Mr. Smith's ongoing destructive actions has left it no choice. Fancamp continues to believe that Mr. Smith's stonewalling is a blatant self-serving attempt to conceal damaging facts about his actions and derail the progress of the Corporation until the AGM.

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 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", "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, 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 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.

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