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NEWS RELEASE

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Fancamp's Lac Lam  lee South Iron Project yields Inferred Mineral Resources of 520 million tonnes @ 39.5% Fe₂O₃ (or 27.6% FeT)

Fancamp Exploration Ltd. ("Fancamp" or the "Company") is pleased to announce an initial Mineral Resource Estimate ("MRE") on the Company's wholly-owned Lac Lam  lee South Iron Project (the "Project") in the Fermont Mining District of northeastern Quebec.

P. J. Lafleur G  o-Conseil Inc. ("PJLGC") has provided the Company with a MRE from the Project. The MRE will form part of a National Instrument ("NI") 43-101 Technical Report to be available within 45 days under the Company's filings on SEDAR at www.sedar.com. The current MRE were estimated by Ali Ben Ayad, P. Geo., and Pierre-Jean Lafleur, P. Eng., both of PJLGC and independent Qualified Persons under NI 43-101 standards.

At a 22% Fe₂O₃ cut-off grade, there are 520 million tonnes grading 39.5% Fe₂O₃ (or 27.6% FeT) in the Inferred Mineral Resources* category. The 22% Fe₂O₃ cut-off grade used is a *natural cut-off grade* since the drilling and the combined geological-resource modeling covered the target iron formation in its entirety.

The following table outlines incremental tonnages and Iron grades at various cut-off grades:

Fe ₂ O ₃ CUT-OFF GRADES	TONNES (in millions)	GRADES	
		Fe ₂ O ₃	FeT
10%	524	39.4	27.6
15%	523	39.4	27.6
20%	522	39.5	27.6

22%	520	39.5	27.6
25%	510	39.9	27.9
30%	465	41.0	28.7

* The quantity and grade of the reported Mineral Resources within the Project are categorized as Inferred Mineral Resources. Inferred Mineral Resources are that part of a Mineral Resource for which quantity and grade or quality can be estimated on the basis of geological evidence and limited sampling and reasonably assumed, but not verified, geological and grade continuity. The estimate is based on limited information and sampling gathered through appropriate techniques from drill holes and outcrops. There has been insufficient exploration to define any of the resources as Indicated or Measured Mineral Resources and there is no guarantee that further exploration will upgrade the Inferred Mineral Resources to Indicated or Measured Mineral Resources. Mineral Resources which are not Mineral Reserves do not have demonstrated economic viability. The estimate of Inferred Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues.

Key parameters of the MRE and Whittle Open-Pit Shells Study

- A total of 57 drill holes and 2 surface trenches totalling 18,305 meters were used for the MRE
- The volume is constrained by a geological model drawn as polygons on sections
- The Gems and Whittle software applications from 3DS Geovia (GEMCOM™) were used for database management, modeling the geology, analyzing the data, performing the grade interpolations, creating and managing the block model, and creating a conceptual pit shell as well as report the mineral resources and its preliminary economic valuation
- A total of 1,954 five-meter length composites were created for the iron formation unit only from 5,202 original assay data from all rock types samples with variable length but mostly two-meter sample lengths
- The MRE were modeled using a ten-meter cubic model and grades were estimated using Ordinary Kriging within modelled mineralization domains defined by structural geology
- The MRE were evaluated from historic and current drill hole assay results
- A search ellipse 150 meters by 150 meters by 50 meters was used to find (five-meter) composites for each block in the interpolation process
- No top grade capping value was used before or after compositing
- The MRE for the Project were estimated using the Canadian Institute of Mining, Metallurgy and Petroleum (CIM), CIM Standards on Mineral Resources and Reserves, Definitions and Guidelines prepared by the CIM Standing Committee on Reserve Definitions and adopted by CIM Council December 11, 2005

The economic parameters used to outline the mineral resources were based on the nearby Fire Lake North National Instrument 43-101 Updated Resource Estimate technical report published by P&E Mining Consultants in November 2011 under the then Champion Minerals Inc. (www.sedar.com). They are comparable to similar projects in the region and elsewhere in the world. For the Project exercise they include:

- \$1.90 per tonne mining of ore and waste
- \$2.30 per tonne processing with an 82% process recovery
- \$0.82 per tonne G&A
- \$120 per tonne Iron ore price at 65% Iron (93% pure hematite)
- \$4.85 per tonne transport cost

The Whittle Open-Pit Shells Study resulted in outlining two shells: the first a smaller open-pit shell of 315 million tonnes at a grade of 41.2% Fe₂O₃ (28.8% FeT); the second a larger open-pit shell of 520 million tonnes at a grade of 39.5% Fe₂O₃ (27.6% FeT). A comparison of results demonstrates the amenability of the Inferred MRE to potential open pit mining with 100% of Inferred MRE reporting within a conceptual open-pit shell

Mr. Jean Lafleur, M. Sc., P. Geo., President and CEO of Fancamp stated, *“Fancamp has now reached the first milestone with these Iron resources. We have clearly confirmed the potential of the Lac Lam  lee South Iron Project, the proximity of Iron resources to surface infrastructure and the effectiveness in drilling mineral resources at an all-inclusive cost of \$200 per meter drilled. The iron formation has been successfully drilled tested to a maximum depth of 600 meters and remains open to the northwest, revealing an additional potential to add Iron mineralization. The Project sits 10 km west/southwest of Champion’s Consolidated Fire Lake North project with reserves of 464.6 million tonnes at more than 32% Iron (www.championironmines.com) and 10 km to the northwest of ArcelorMittal’s Fire Lake Mine with 341 million tonnes grading 33% Iron (www.arcelormittal.com).”*

Mr. Lafleur added *“Fancamp plans additional work in the near term at Lam  lee that will include metallurgy and a Preliminary Economic Assessment ultimately setting the set the parameters for the future development of the Project following the same path as the Consolidated Fire Lake North, Bloom Lake and the Kami iron deposits.”*

The Lac Lam  lee South Iron Project

The Project consists of 29 mineral claims covering 1,524 hectares or 15 km² located in northeastern Quebec near the border with Newfoundland and Labrador, approximately 50 km south of the city of Fermont (Quebec). The Project is situated in the southern segment of the Labrador Trough which consist of early Proterozoic sedimentary and volcanic rocks highlighted by iron formations that have been mined since 1954. This segment of the Labrador Trough sits in the Gagnon Terrain of the Grenville Geological Province. All the economic iron concentrations in the Labrador Trough are located in the same litho-stratigraphical package termed the Sokoman Formation also known in Fermont as the Wabush Formation. The higher metamorphic grade common throughout the Gagnon Terrain is responsible for recrystallizing the iron oxides into coarse-grained magnetite and specular hematite thus improving the quality of the iron ore for processing.

Quality Assurance and Quality Control

All drill core logging and sample preparation within the Project was conducted by qualified Company personnel under NI 43-101 guidelines at the Company's core logging facilities at the project camp site. All the assays were carried out at ALS-Chemex Laboratories in Val d'Or (Quebec) and at Activation Laboratories in Ancaster (Ontario). Certified reference standards and blank samples were inserted regularly for Quality Assurance and Quality Control purposes. Details of the QA/QC protocols are appended. As part of the independent verification program, PJLGC validated the exploration methodology which includes core logging, sampling, analytical procedures, and quality analysis following the quality control protocol implemented by Fancamp.

Stock Options

Fancamp granted stock options on September 4, 2012, to Michael D'Amico for the purchase of up to 350,000 common shares at a price of \$0.25 per share, expiring September 4, 2017.

About Fancamp Exploration Ltd

Fancamp Exploration Ltd., is a Canadian junior mineral exploration company with an exceptional inventory of resource projects at various stages of development covering more than 1,710 km² in three provinces. The commodities include hematite magnetite iron formations, titaniferous magnetite and hematite, nickel/copper/PGM, chromite, Volcanogenic Massive Sulphides and gold. The Company is focused on enhancing shareholder value by identifying and acquiring early-stage projects with excellent mineral potential; advancing them to the next decision stage with efficient exploration; selling, optioning or joint venturing them to solid partners for cash and shares of the partnering companies and inheriting a significant royalty on future production.

The technical information in this news release was prepared, reviewed and approved by Ali Ben Ayad, P. Geo., and Pierre-Jean Lafleur, P. Eng., both of P. J. Lafleur Géo-Conseil Inc., and Jean Lafleur, M. Sc., P. Geo., Fancamp's President and CEO. All individuals are Qualified Persons under NI 43-101 Rules.

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