



## **FANCAMP EXPLORATION LTD.**

**7290 Gray Avenue, Burnaby, British Columbia, V5J 3Z2**  
**Telephone: 604-434-8829 Facsimile: 604-434-8823**  
**Web site: [www.fancampexplorationltd.ca](http://www.fancampexplorationltd.ca)**

### **NEWS RELEASE**

September 4, 2013

TSX Trading Symbol: **FNC**  
S.E.C. Exemption: 12(g)3-2(b)

### **Fancamp provides positive metallurgical testing updates on the Magpie Iron-Titanium-Vanadium-Chromium Project**

**Fancamp Exploration Ltd.** (“Fancamp” or the “Company”) is pleased to announce that its 46.7% owned subsidiary, The Magpie Mines Inc., has received updates on the metallurgical test work for its Magpie Iron-Titanium-Vanadium-Chromium Project (“Magpie”), which include hydrometallurgical test results conducted by SGS Lakefield, Ontario (“SGS”), and beneficiation test results conducted by Sichuan Non-Ferrous Metallurgical Institute of China (“SNFT”).

Magpie is located along the Lower North Shore of Quebec, some 200km NE of Sept-Îles and 150km NW of Havre-St-Pierre. Magpie hosts National Instrument 43-101 Indicated Mineral Resources of 635.2 million tonnes grading 42.49% FeT (60.78% Fe<sub>2</sub>O<sub>3</sub>), 11.20% TiO<sub>2</sub>, 0.30% V<sub>2</sub>O<sub>5</sub> and 2.61% Cr<sub>2</sub>O<sub>3</sub> with additional Inferred Mineral Resources of 293.2 million tonnes of 42.29% FeT (60.49% Fe<sub>2</sub>O<sub>3</sub>), 11.21% TiO<sub>2</sub>, 0.32% V<sub>2</sub>O<sub>5</sub> and 2.54% Cr<sub>2</sub>O<sub>3</sub> (both based on a 15% FeT cut-off grade) (*refer to the Fancamp news release dated April 18, 2012*).

#### ***Highlights***

Hydrometallurgical test results show a significant improvement in the quality of the TiO<sub>2</sub>-grade to approximately 98%. Positive results from the beneficiation tests that were carried out by SNFT resulted in two marketable products - Fe-concentrate and TiO<sub>2</sub>-concentrate. Both are considered Grade-A concentrates.

#### ***SGS Hydrometallurgical Test Results***

Further bench scale testing (as part of the Phase 3 Metallurgical Study) was carried out at SGS with the objective of fine-tuning and further improving the proprietary process. These objectives

were successfully reached, resulting in increase in TiO<sub>2</sub>-grade to approximately 98%, and meeting the demand and specifications of marketable synthetic rutile products. Chemical analysis of the final TiO<sub>2</sub> product is depicted below (% by weight):

Fe <sub>2</sub> O <sub>3</sub>	TiO <sub>2</sub>	Al <sub>2</sub> O <sub>3</sub>	MgO	CaO	Na <sub>2</sub> O	K <sub>2</sub> O	SiO <sub>2</sub>	P <sub>2</sub> O <sub>5</sub>	MnO	Cr <sub>2</sub> O <sub>3</sub>	V <sub>2</sub> O <sub>5</sub>	Cl
2.38%	97.90%	0.01%	0.01%	0.01%	0.04%	0.01%	0.27%	0.07%	0.01%	0.05%	0.05%	0.32%

### **SNFT Beneficiation Test Results**

SNFT carried out beneficiation tests on the Magpie mineralized material under contractual agreement with The Magpie Mines Inc. with the objective of producing Iron concentrates and Titanium concentrates (*refer to the company news release dated August 21, 2012*). These tests considered multiple beneficiation techniques, including testing and comparing various combinations of grinding, gravity and magnetic separation, in addition to flotation separation for the TiO<sub>2</sub> beneficiation.

The results of the laboratory beneficiation tests showed that a combination of one-stage grinding/ magnetic separation produced Fe-concentrate with a grade of 51% Fe, two-stage grinding/magnetic separation generated Fe-concentrate with a grade of 54% Fe and recovery rate of 90%, while three-stage grinding/magnetic separation produced Fe-concentrate with a grade of 55% Fe and recovery rate of 89.5%.

Based on the observations of other V-Ti magnetite deposits in China, Fe-concentrate product with a grade above 54% Fe is considered acceptable. However, in light of the characteristic of fine grains being embedded in the Magpie ore, and in order to guarantee the consistency and quality of the Fe-concentrate, the process of three-stage grinding and magnetic separation is being recommended by SNFT.

In addition, TiO<sub>2</sub> beneficiation tests were conducted on the tailings using a combination of gravity, magnetic and flotation tests. Results indicate that gravity separation is the best option, resulting in TiO<sub>2</sub>-concentrates with a combined grade of 43.40% TiO<sub>2</sub>.

Dr. Fouad Kamaledine, PhD, P. Eng., Fancamp's VP of Research and Development, stated "*This preliminary metallurgical test work is quite encouraging. It proves that the Magpie mineralization can technically be beneficiated to produce acceptable Fe and TiO<sub>2</sub>-concentrates. Further test work is needed to recover the Vanadium and Chrome in the pig iron, to fine-tune the TiO<sub>2</sub> beneficiation test results, and ultimately to improve the economics of the Magpie project*".

### **About Fancamp Exploration Ltd ([www.fancampexplorationltd.ca](http://www.fancampexplorationltd.ca))**

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 km<sup>2</sup> 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.

**For further information, please contact**

**Jean Lafleur, M. Sc., P. Geo., President and CEO, Director**

+1 514 975 3633

[pjlexpl@videotron.ca](mailto:pjlexpl@videotron.ca)

**Michael D'Amico, Investor Relations**

+1 647 500 6023

[michaeldamico@rogers.com](mailto:michaeldamico@rogers.com)

**Roger Rosmus, Business Development**

Aberdeen Gould Capital Markets Ltd.

+1 416 488 2887 x222

[roger@aberdeengould.com](mailto:roger@aberdeengould.com)

*Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this news release.*