



FANCAMP EXPLORATION LTD.
7290 Gray Avenue, Burnaby, British Columbia, V5J 3Z2
Telephone: 604-434-8829 Facsimile: 604-434-8823
Web site: www.fancampexplorationltd.ca

NEWS RELEASE

June 29, 2016

TSXV Trading Symbol: FNC

Return of the Lac Lamêlée South Iron Property

Fancamp Exploration Ltd. ("Fancamp") wishes to report that it has accepted the transfer of the 59 mining claims (the "Claims") located in the Fermont District in the Province of Quebec, Canada, known as the Lac Lamêlée South Iron Property (the "Property"), acquired by Lamêlée Iron Ore Ltd. ("Lamêlée") (previously known as Gimus Resources Inc.) pursuant to an agreement to purchase claims dated September 16, 2013 entered into between Fancamp, Lamêlée and Champion Iron Mines Limited (the "Transaction"). As part of the consideration for the Transaction, Lamêlée issued 43,000,000 common shares to Fancamp (the "Lamêlée Shares"). For more details on the Transaction, please refer to the press releases dated September 16, 2013, October 10, 2013, December 6, 2013 and December 13, 2013 filed on Fancamp's SEDAR profile.

On February 19, 2016, Fancamp, as beneficial owner of the advance royalty attached to the Property, waived the payment of the advance royalty due on March 31, 2016, which has postponed Lamêlée's first advance royalty payment to June 30, 2016.

Lamêlée previously announced that it was not in a position to make the payment of the advance royalty on June 30, 2016 and, in such a case, will become in default under the Transaction.

The terms of the Transaction state that if any of the Claims is to be abandoned, it shall be returned to Fancamp. Any default on the Transaction will be considered abandonment of the Claims and the Transaction shall be null and void and the Claims returned to Fancamp with all technical data or any nature whatsoever referring to the Claims.

Accordingly, in such circumstances, Lamêlée will have a contractual obligation to return the Claims to Fancamp on the due date and will transfer its 100% rights, title and interests in the Property.

The details of the return of the Property was submitted to the shareholders of Lamêlée, on an advisory basis, in the management information circular of Lamêlée dated February 22, 2016 (the "Circular") describing the matters to be considered at the annual and special meeting of shareholders held on March 22, 2016. The Circular is available under Lamêlée's SEDAR profile.

In order to support Lamêlée's management initiatives to restructure the company, Fancamp has decided to voluntarily return all of its Lamêlée Shares for cancellation.

Based on the fact that Fancamp is an insider of Lamêlée, the return of the Property involves non-arm's length parties and constitutes a "related party transaction", as defined under Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* ("MI 61-101"). This transaction is subject to Policy 5.9 of the TSXV, but is exempt from the formal valuation and minority shareholder approval requirements in accordance with sections 5.5(a) and 5.7(1)(a) of MI 61-101. The exemptions are based on the fact that neither the fair market value of the transaction, nor the consideration paid by Fancamp, exceeds 25% of Fancamp's market capitalization.

Fancamp has received conditional approval of the TSX Venture Exchange (the "TSXV") in connection with the transaction, which is subject to receipt of regulatory approvals, including the final approval of the TSXV.

Mr. Peter H. Smith, PhD, P. Eng., President of Fancamp stated, "Profound changes in the iron ore markets subsequent to the original spin out of the Lamêlée South iron property rendered the new vehicle, Lamêlée Iron Ore Ltd., at the end of the day, unfinanceable. The return of the property to Fancamp's 100% ownership and cancellation of the 43 million share payment is a fair and equitable solution for the Company and Lamêlée shareholders, who can still realize value from their original investment. In the meantime, the high quality and centrally located Lamêlée South Deposit, (NI43-101 report of May, 2013 describing a resource of 520 million tonnes grading 39.5% Fe₂O₃ (27.6% FeT) at a cut-off grade of 22% Fe₂O₃.) will remain in inventory pending recovery of iron ore markets."

About Fancamp Exploration Ltd (www.fancampexplorationltd.ca)

Fancamp Exploration Ltd. is a Canadian junior mineral exploration company with an exceptional inventory of properties and related assets. Company policy over the years has been, and continues to be, to reduce risk by bringing in participating partners through sales or options. The resulting shares, cash payments and royalties have enabled the generation of income to continue the process and take advantage of opportunity.

For further information, please contact

Peter H. Smith - President, CEO and Chairman

+1 514 481 3172

phsmith@outlook.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.