Fancamp Provides Positive Metallurgical Testing Updates on the Magpie Iron-Titanium-Vanadium-Chromium Project

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VANCOUVER, BRITISH COLUMBIA -- (Marketwired - Sept. 4, 2013) - 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% Fe2O3), 11.20% TiO2, 0.30% V2O5 and 2.61% Cr2O3 with additional Inferred Mineral Resources of 293.2 million tonnes of 42.29% FeT (60.49% Fe2O3), 11.21% TiO2, 0.32% V2O5 and 2.54% Cr2O3 (both based on a 15% FeT cut-off grade) (refer to the Fancamp news release dated April 18, 2012).

Highlights

Hydrometallugical test results show a significant improvement in the quality of the TiO2-grade to approximately 98%. Positive results from the beneficiation tests that were carried out by SNFT resulted in two marketable products - Fe-concentrate and TiO2-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 TiO2-grade to approximately 98%, and meeting the demand and specifications of marketable synthetic rutile products. Chemical analysis of the final TiO2 product is depicted below (% by weight):

Fe2O3	TiO2	Al2O3	MgO	CaO	Na2O	K2O	SiO2	P2O5	MnO	Cr2O3	V2O5	C
2.38%	97.90%	0.01%	0.01%	0.01%	0.04%	0.01%	0.27%	0.07%		0.01%	0.05%	0.0

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 TiO2 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, TiO2 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 TiO2-concentrates with a combined grade of 43.40% TiO2.

Dr. Fouad Kamaleddine, 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 TiO2-concentrates. Further test work is needed to recover the Vanadium and Chrome in the pig iron, to fine-tune the TiO2 beneficiation test results, and ultimately to improve the economics of the Magpie project".

About Fancamp Exploration Ltd. (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 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.

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