



FAIRMONT SIGNS AGREEMENT TO ACQUIRE MAJOR DIMENSION STONE PRODUCER

- **Fully operational processing and finishing facility**
 - **250,000 square metres of annual production capacity**
- **23 premium quality granite quarry licenses**
 - **Operational fleet of mining and quarrying equipment**
- **Total acquisition cost of €4.275 million**

March 21, 2016 --- Vancouver, BC --- Fairmont Resources Inc. (FMR: TSX-V; F001: Frankfurt; FRSSF:OTCBB) ("Fairmont") is pleased to announce the proposed addition of significant dimension stone assets in Spain to its industrial minerals businesses. Fairmont has signed an agreement to acquire the former assets of Granitos de Badajoz S.A. ("Grabasa") from a Spanish court appointed receiver. The assets include 23 premium quality dimension stone mine licenses and a 42,000 square metre processing facility for cutting and polishing with an annual production capacity in excess of 250,000 square metres. These mine licenses and processing facility will make Fairmont one of the largest granite producers in Europe.

In business from 1975 to 2011, the extraction and transformation of granite by Grabasa has been the main driver of economic activity in the Extremadura region of Spain. Providing premium dimension stone for commercial, retail and industrial applications throughout Europe, Grabasa averaged over €6 million in annual sales in the last 5 years of its operation. In the final year of operation Grabasa's average monthly operating costs were €217,600 and its average monthly sales were €371,475.

Critically, 18 of the 23 mining licenses, totaling 72% of the total area of Grabasa's licenses, are within eight kilometres of the processing plant with the remaining five within 20 kilometres. The ISO 9001:2008 certified processing facility, situated just outside of Burguillos del Cerro, is state of the art with over €2.2M of new cutting and polishing equipment purchased by Grabasa as part of a production expansion between 2008 and 2010.

With the onset of the Euro crisis in 2010, Grabasa was unable to meet its debt obligations incurred from the production expansion and was forced into receivership and, until recently, its assets were locked up in court proceedings. Fairmont's management, with its extensive contacts in the global industrial minerals industry, became aware that the proceedings were imminently concluding and engaged Eureka Trading ("Eureka") and Procana Consulting ("Procana") to engage in due diligence and negotiations on Fairmont's behalf on a success fee basis.

The purchase price for all assets is broken down as follows; a one-time payment of €2.7 million to Grabasa for 22 mining licenses, processing plant, land, machinery, equipment, stock and vehicles; a one-time payment of €1 million to Gesminesa for the Grabasa I-B mining license; and €575,000 to Eureka and Procana for engineering, due diligence, translation, negotiation, court fees, expenses and success fees. Procana and Eureka will continue to provide services to Fairmont. The total acquisition price is €4.275 million. Eureka has paid a deposit of €60,000 on behalf of Fairmont Resources to secure the transaction.

Fairmont plans to finance the acquisition of the Grabasa assets through debt and equity financing. Terms of the financing will be announced at a later date.

“This acquisition is a great step forward in realizing our vision of building Fairmont into a global industrial minerals company” states Fairmont’s President and CEO Michael Dehn. “As we move towards closing the transaction on Grabasa as well as advancing our Quebec projects, we feel confident that Fairmont will grow to be the go to industrial minerals company for dense aggregate, quartzite for ferro silicon and granite. We also continue to look for undervalued production and near term production opportunities.”

Arm’s Length Transaction

None of Fairmont’s non-arm’s length parties hold a direct or indirect beneficial interest in or are insiders of Grabasa or the assets being purchased from Grabasa.

About Eureka-Trading

Eureka Group of Companies is specialized in services that allow industrial companies to improve their competitiveness in the global markets. It has divisions of consultancy, engineering, merger & acquisitions, IT and sourcing with offices in Spain, UK, China and Canada. Eureka acts as a commercial intermediary negotiating prices and concluding agreements, supervising the verification of goods and their transport as well as mediating payments procedures.

<http://www.eureka-trading.com/>

About Procana Consulting

Procana Consulting Group is a Canadian management consulting firm dedicated to facilitating international business engagements. Procana’s services are designed to make international exports, investments, and business engagements simple and effective by opening new markets for their clients through consultation and hands-on project management.

<http://procanaconsulting.com/>

About Fairmont

Fairmont’s Quebec properties cover numerous occurrences of high-grade titaniferous magnetite with vanadium. Where these occurrences have been tested they have display exceptional uniformity with respect to grade. Fairmont also controls three quartz/quartzite properties in Quebec, one near Lac Saint Jean and two along the North Shore of the St. Lawrence River.

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Forward-Looking Statements

Information set forth in this news release contains forward-looking statements that are based on assumptions as of the date of this news release. These statements reflect management's current estimates, beliefs, intentions and expectations. They are not guarantees of future performance. Fairmont cautions that all forward looking statements are inherently uncertain and that actual performance may be affected by a number of material factors, many of which are beyond Fairmont's control. Such factors include, among other things: risks and uncertainties relating to Fairmont's limited operating history and closing of its acquisition of the Grabasa assets. Accordingly, actual and future events, conditions and results may differ materially from the estimates, beliefs, intentions and expectations expressed or implied in the forward looking information. Except as required under applicable securities legislation, Fairmont undertakes no obligation to publicly update or revise forward-looking information.

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