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29 April 2015

ASX Market Announcements  
Australian Securities Exchange Limited  
Level 4, Exchange Centre  
20 Bridge St  
Sydney NSW 2000

### **March 2015 Quarterly Activities Report**

- **\$2,651,000 cash on hand at 31 March 2015**

#### **REPORTING CURRENCY**

Champion Iron Limited (Champion or the Company) has adopted Canadian Dollars as the reporting currency. Accordingly all financial details are in Canadian Dollars unless otherwise stated.

#### **CONSOLIDATED FIRE LAKE NORTH (CFLN) PROJECT**

The Company expended \$776,000 on limited exploration activity on the CFLN Project during the quarter ended 31 March 2015. Following the completion of the exploration phase of the CFLN project, the exploration camp at Fire Lake North has been dismantled to minimize costs at the site.

Champion has selected Australian based Mineral Technologies to complete a testwork study to improve the concentrate quality and iron recovery from the CFLN prefeasibility results. Previous testwork with a 3 stage spiral circuit produced a 65% Fe concentrate with an 82% iron recovery. Champion's objective is to modify the flowsheet to achieve a 67% Fe concentrate with an 85% iron recovery. The improvements will position Champion's concentrate as one of the highest quality sinter feeds.

#### **OTHER PROJECTS**

There were minimal activities at the Company's other exploration projects

#### **SOCIÉTÉ FERROVIAIRE DU NORD QUÉBÉCOIS (SFNQ) - RAIL FEASIBILITY STUDY**

The SFNQ is a limited partnership formed between the Quebec government, Champion's wholly-owned subsidiary, Champion Iron Mines Ltd. and the Lac Otelnuik Joint Venture, a partnership between Adriana Resources Inc. and WISCO International Resources Development & Investment Limited. The SFNQ

awarded Canarail the contract to complete a feasibility study for a new multi-user rail line extending from new port facilities at Pointe-Noire to Fire Lake North (phase 1a) and recently expanded the scope to include extending the rail northward from Fire Lake North to Bloom Lake (phase 1b). Champion continues to manage the feasibility study with expected delivery in late 2015.

## CASH POSITION

As at 31 March 2015, Champion had \$2.651 million cash in hand. During the quarter ended 31 March 2015, \$1.732 million was spent on exploration and administration activities. Subsequent to 31 March 2015, the Company received tax refunds of \$1.135 million. Further detail is provided in the attached Appendix 5B.

## MINING TENEMENTS

Through Champion Iron Mines Limited, the Company owns a 100% interest in the following properties (each a "Property"), covering 843 square kilometres (collectively, the "Fermont Holdings") located in the Fermont Iron Ore District of north eastern Quebec, which is 250 km north of the St. Lawrence River port town of Port-Cartier, and ranging from 6 to 80 kilometres southwest of Fermont.

Property-Québec	SNRC	Claims	Hectares
Consolidated Fire Lake North	23B06; 23B11; 23B12	544	27,462.19
Harvey-Tuttle	23B12; 23B05	186	9,748.46
Moire Lake	23B14	36	1,665.56
O'Keefe-Purdy	23B11; 23B12	215	11,120.56
Cassé Lake	23B05; 23C08	100	5,261.4
Claire Lake	23B06	33	1,739.67
Hope Lake	23B06	40	2,108.24
Aubertin Tougard (Note 1)	22O13; 23B04	48	2,069.05
Jeannine Lake (Note 1)	22N16	13	691.69
Round Lake (Notes 1 & 2)	23B04; 23C01; 23N16	352	18,625.88
Silicate-Brutus (Note 1)	22O13	54	2868.4
Three Big Lakes (Note 1)	23C01	9	476.86
<b>Property-Newfoundland</b>	<b>Licences</b>		
Powderhorn	11346M, 11367M, 15136M, 15137M, 18969M, 19227M	148	3,700
Gullbridge	11956M, 11960M, 16260M, 16261M	179	4,475

Note 1 – Currently under option to Cartier Iron Corporation

Note 2 – Round Lake property includes Aubrey-Ernie, Black Dan, Penguin Lake and Round Lake project claims

The Company has an option to purchase the following property:

Property	Leases	Holder	Hectares
Snelgrove Lake	017901M, 018328M, 018343M, 018333M, 018334M	CIP Magnetite Limited	10,600

The Company did not enter into farm-in/farm-out arrangements during the quarter.

## About Champion

Champion is an iron exploration and development company with offices in Montreal, Toronto and Australia, and is focused on developing its significant iron resources in the Labrador Trough in the province of Québec. Champion holds a 100% interest in the Fermont Iron Holdings, including its flagship Consolidated Fire Lake North Project, that is located in Canada's major iron ore producing district, in close proximity to producing iron mines, existing transportation and power infrastructure.

Consolidated Fire Lake North is located immediately north of Arcelor Mittal's operating Fire Lake Mine and 60 km south of Cliffs Natural Resources Inc.'s Bloom Lake Mine in northeastern Québec. Champion's management and board includes mining and exploration professionals with the mine development and operations experience to build, commission and operate the future Consolidated Fire Lake North mine.

For further information please contact:

Michael O'Keeffe, Chairman on +1 (514)-316-4858

For additional information on Champion, please visit our website at [www.championiron.com](http://www.championiron.com).

This Quarterly Activities Report includes certain information that may constitute "forward-looking information" under applicable Australian and Canadian securities legislation. Forward-looking information includes, but is not limited to, statements about planned operations at the Company's projects, including its joint venture projects. Forward-looking information is necessarily based upon a number of estimates and assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties, and other factors which may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking information, including the risks identified in Champion's annual information forms, management discussion and analysis and other securities regulatory filings by Champion on ASX and SEDAR (including under the heading "Risk Factors" therein). There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such forward-looking information. Accordingly, readers should not place undue reliance on forward-looking information. All of Champion's forward-looking information contained in this Quarterly Activities Report is given as of the date hereof and is based upon the opinions and estimates of Champion's management and information available to management as at the date hereof. Champion disclaims any intention or obligation to update or revise any of its forward-looking information, whether as a result of new information, future events or otherwise, except as required by law.

This Quarterly Activities Report has been prepared by Champion and no regulatory authority has approved or disapproved the information contained herein.

## Appendix 5B

### Mining exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10

Name of entity

**Champion Iron Limited**

ABN

34 119 770 142

Quarter ended ("current quarter")

31 March 2015

#### Consolidated statement of cash flows

	Current quarter C\$000's	Year to date (12 months) C\$000's
<b>Cash flows related to operating activities</b>		
1.1 Receipts from product sales and related debtors		
1.2 Payments for (a) exploration & evaluation	(776)	(6,496)
(b) development	-	-
(c) production	-	-
(d) administration	(956)	(4,707)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	18	75
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (Canadian refundable sales taxes and other receivables)	(177)	473
Other (refundable tax credit on exploration)	-	1,649
Other (credit on duties refundable for losses)	-	1,325
Other (includes Arrangement transaction costs)	863	(4,443)
<b>Net Operating Cash Flows</b>	<b>(1,028)</b>	<b>(12,124)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	(2)
1.9 Proceeds from sale of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	(15)
1.11 Loans repaid by other entities	-	-
1.12 Other	(1,000)	(1,000)
<b>Net investing cash flows</b>	<b>(1,000)</b>	<b>(1,017)</b>
1.13 Total operating and investing cash flows (carried forward)	<b>(2,028)</b>	<b>(13,141)</b>

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1.13	Total operating and investing cash flows (brought forward)	(2,028)	(13,141)
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc.	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
	<b>Net financing cash flows</b>	-	-
	<b>Net increase (decrease) in cash held</b>	(2,028)	(13,141)
1.20	Cash at beginning of quarter/year to date	4,589	16,221
1.21	Exchange rate adjustments to item 1.20	90	(429)
1.22	<b>Cash at end of quarter</b>	2,651	2,651

**Payments to directors of the entity and associates of the directors**

**Payments to related entities of the entity and associates of the related entities**

		Current quarter C\$000's
1.23	Aggregate amount of payments to the parties included in item 1.2	2,282
1.24	Aggregate amount of loans to the parties included in item 1.10	-
1.25	Explanation necessary for an understanding of the transactions	

Includes payments for exploration and evaluation of \$381,000 salaries, consulting fees, director fees and rent.

**Non-cash financing and investing activities**

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

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2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

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### Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available C\$000's	Amount used C\$000's
3.1 Loan facilities	–	–
3.2 Credit standby arrangements	–	–

### Estimated cash outflows for next quarter

	C\$000's
4.1 Exploration and evaluation	240
4.2 Development	–
4.3 Production	–
4.4 Administration	798
<b>Total</b>	<b>1,038</b>

### Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter C\$000's	Previous quarter C\$000's
5.1 Cash on hand and at bank	1,351	4,589
5.2 Deposits at call	1,300	–
5.3 Bank overdraft	–	–
5.4 Other (provide details)	–	–
<b>Total: cash at end of quarter</b> (item 1.22)	<b>2,651</b>	<b>4,589</b>

### Changes in interests in mining tenements

	Tenement reference	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	–	–	–	–
6.2 Interests in mining tenements acquired or increased	–	–	–	–

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**Issued and quoted securities at end of current quarter**

*Description includes rate of interest and any redemption or conversion rights together with prices and dates.*

	Total number	Number quoted	Issue price per security (see note 3)	Amount paid up per security (see note 3)
7.1 <b>Preference <sup>+</sup>securities</b> <i>(description)</i>	–	–	–	–
7.2 Changes during quarter				
(a) Increases through issues	–	–	–	–
(b) Decreases through returns of capital, buy-backs, redemptions	–	–	–	–
7.3 <b><sup>+</sup>Ordinary securities</b>	196,657,989	196,657,989	–	Fully Paid
7.4 Changes during quarter				
(a) Increases through issues				
(i) Placement	–	–	–	–
(ii) Conversion of exchangeable shares	14,666	–	–	–
(b) Decreases through cancellation	–	–	–	–
7.5 <b><sup>+</sup>Convertible debt securities</b> <i>(description)</i>	–	–	–	–
7.6 Changes during quarter				
(a) Increases through issues	–	–	–	–
(b) Decreases through securities matured, converted	–	–	–	–
7.7 <b>Options</b> <i>(description and conversion factor)</i>	<i>Total number</i>		<i>Exercise price</i>	<i>Expiry date</i>
	17,000,000	–	A\$0.25	08/08/2015
	1,466,667	–	\$1.3637	03/10/2015
	183,333	–	\$1.3637	04/10/2015
	500,000	–	A\$0.50	15/12/2015
	73,333	–	\$2.9591	10/01/2016
	715,000	–	\$2.0455	09/09/2016
	1,173,333	–	\$0.5455	20/12/2016
	656,500	–	\$1.7728	23/12/2016
	1,000,000	–	A\$0.50	09/04/2017
	150,000	–	A\$0.50	18/06/2017
	2,300,000	–	A\$0.50	29/11/2018
	1,000,000	–	\$0.45	01/09/2018
	1,000,000	–	A\$0.30	30/10/2017
	2,000,000	–	A\$0.30	11/12/2017
7.8 Issued during quarter	<i>Total number</i>		<i>Exercise Price</i>	<i>Expiry Date</i>
	–	–	–	–
7.9 Cancelled during quarter	366,667	–	\$2.0455	04/10/2015
	14,667	–	\$1.7728	23/12/2016
7.10 Expired during quarter	1,008,334	–	\$1.0910	14/01/2015
	36,666	–	\$1.1591	02/02/2015
	256,666	–	\$1.3637	02/03/2015
7.11 <b>Performance Shares</b>	<i>Total number</i>	<i>Number quoted</i>	<i>Issue Price</i>	<i>Amount paid up</i>
	–	–	–	–
7.12 <b>Exchangeable Shares</b> 14,666 converted to ordinary shares during the quarter	<i>Total number</i>	<i>Number quoted</i>	<i>Issue Price</i>	<i>Amount paid up</i>
	1,776,350	–	–	–
7.13 <b>Special Voting Share</b>	<i>Total number</i>	<i>Number quoted</i>	<i>Issue Price</i>	<i>Amount paid up</i>
	1	–	–	–

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7.14 Warrants	<i>Total number</i>	<i>Number quoted</i>	<i>Exercise Price</i>	<i>Expiry Date</i>
	5,133,333	–	\$4.0909	17/05/2015
	11,000,000	–	\$0.4091	31/07/2015
7.15 Unsecured notes ( <i>totals only</i> )	–	–	–	–

## Compliance statement

1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).

2 This statement does give a true and fair view of the matters disclosed.



Sign here: ..... Date: 29 April 2015  
(Company Secretary)

Print name: Pradip Devalia

## Notes

1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.

2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.

3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.

4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.

5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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