

CHAMPION IRON 
FIRST GRADE MINING DEVELOPMENT

AGM August 17th 2018

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Bloom Lake Restart Project

Bloom Lake Restart Project

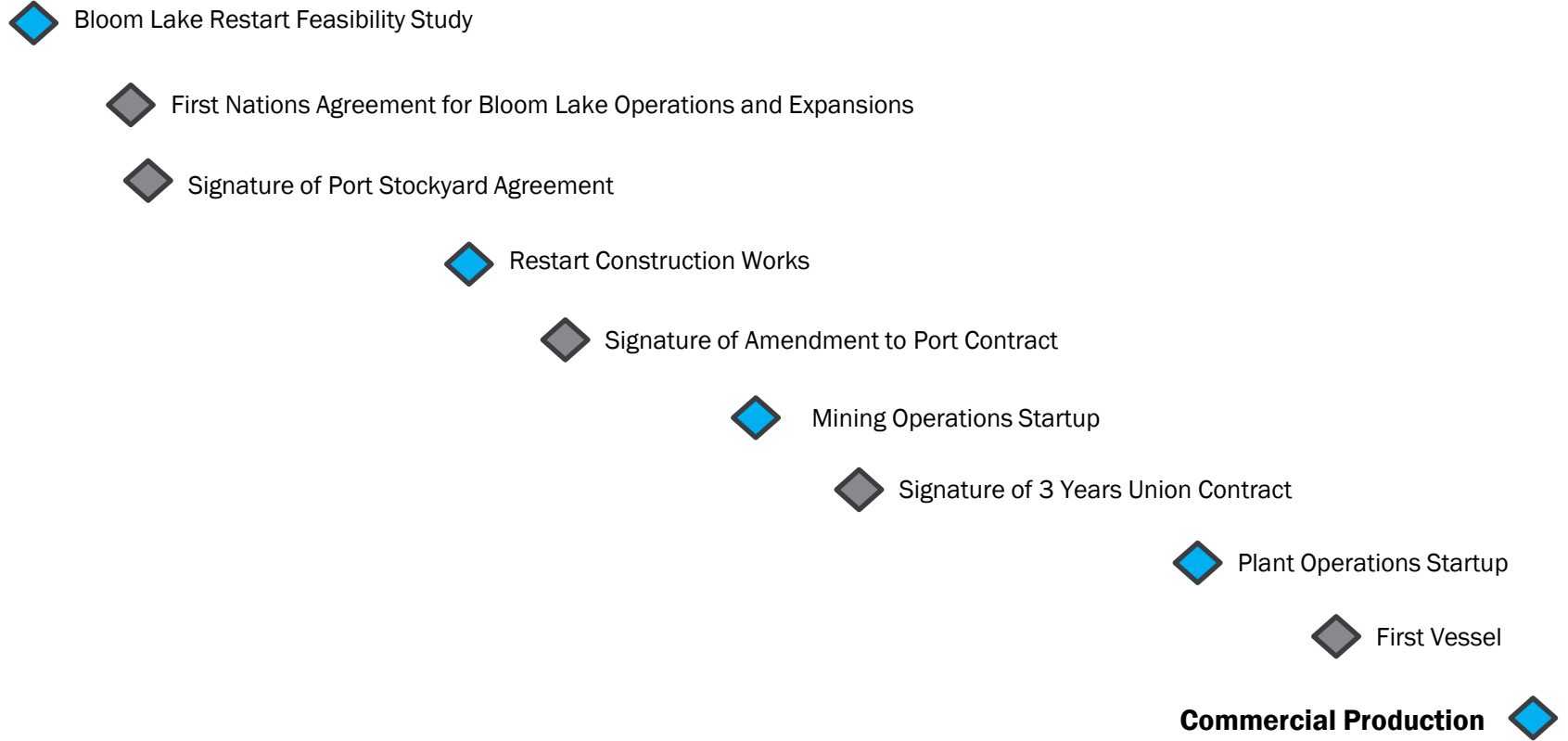
Timeline



2017

2018

Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec Jan Feb Mar Apr May Jun



Bloom Lake Restart Project

Bloom Lake Aerial Photo

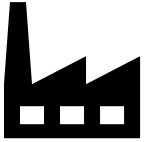


1km



Bloom Lake Restart Project

Investment highlights



Processing Plant

64M\$

- Recovery circuit upgrade
- Equipment refurbishment
- Plant operability and ruggedness improvement



Water and Tailings Management

25M\$

- Complete tailings dykes
- Tailings pumping system and pipeline improvements



Mine Operations

30M\$

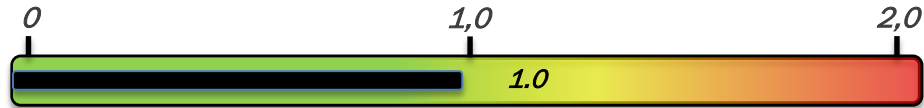
- Mine fleet overhaul
- Ore body preparation work
- 5 Months mining operations pre-start

Bloom Lake Restart Project

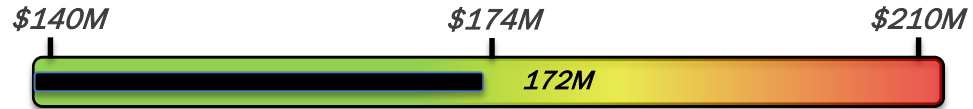
Results



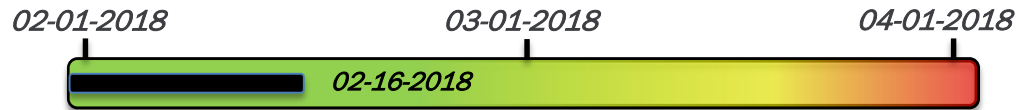
Lost Time Frequency Rate



Project Cost



Project Schedule



*At project closure 03-30-2018

Bloom Lake Restart Project

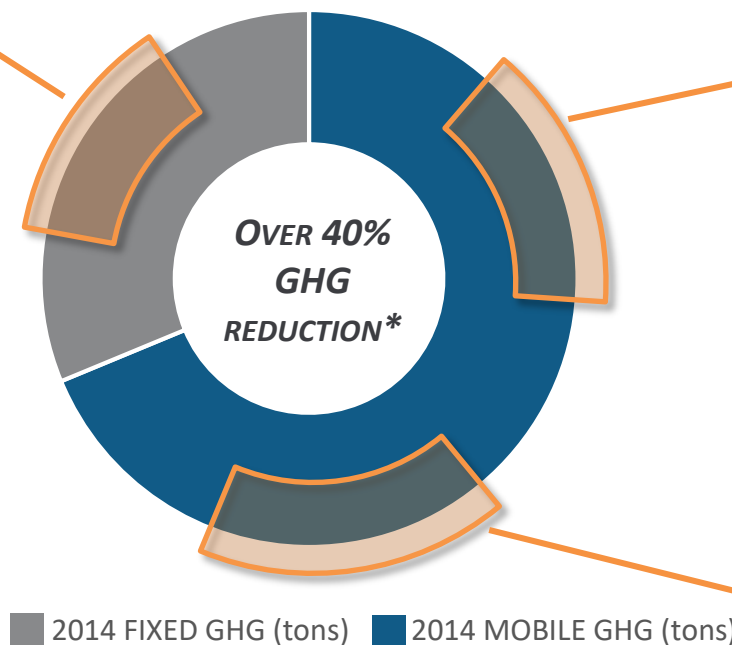
Greenhouse Gas Reduction Measures



Electric boiler conversion

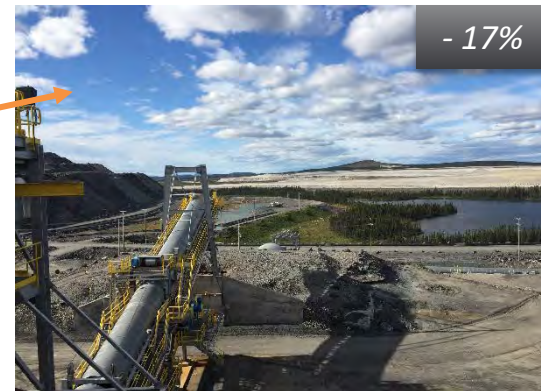
Reduction of 3,800,00L Fuel oil
10,300 t/yr GHG

- 40%



Iron Ore Conveyor System

Reduction of 3,400,00L of diesel
9,300 t/yr GHG



Tailings Pumping System

Reduction of 4,900,00L of diesel
13,600 t/yr GHG



*Compared to 2014 emissions

Bloom Lake Restart Project

Construction of Recovery Circuit



Bloom Lake Restart Project

Crusher Restart



Bloom Lake Restart Project

Crushed Ore Stockpile



Bloom Lake Restart Project

Plant Mill



Bloom Lake Restart Project

Tailings Management Infrastructures



Bloom Lake Restart Project

Operations Team



Hiring of 400 employees





Q1 FY 19 Highlights

Q1 FY19 Highlights

Bloom Lake mine production



Q1 FY19 Operating Highlights

- ✓ Strong production ramp-up
- ✓ Operating indicators as planned
- ✓ Commercial production declared in June 2018

Operating Data		Q1 2019	Q4 2018	Q3 2018
Ore mined	WMT	4,647,874	2,158,651	574,783
Waste mined	WMT	3,372,870	2,280,737	1,973,341
Total mined	WMT	8,020,744	4,439,388	2,548,124
Strip ratio	waste:ore	0.7	1.1	3.4
Ore milled	WMT	4,244,040	1,754,331	0
Head grade	%	31.1	29.0	0
Recovery	%	77.1	76.3	0
Throughput	TPH	2,230	2,014	0
Concentrate Tonnes produced	WMT	1,542,859	623,333	0
Concentrate Tonnes sold	DMT	1,740,369	0	0

Q1 FY19 Highlights

Champion Performance Overview



Q1 FY19 Finance Highlights (In Canadian dollars)

- ✓ First quarter with Sales and Profit
- ✓ Strong Cash Flow from Operations
- ✓ EBITDA progress

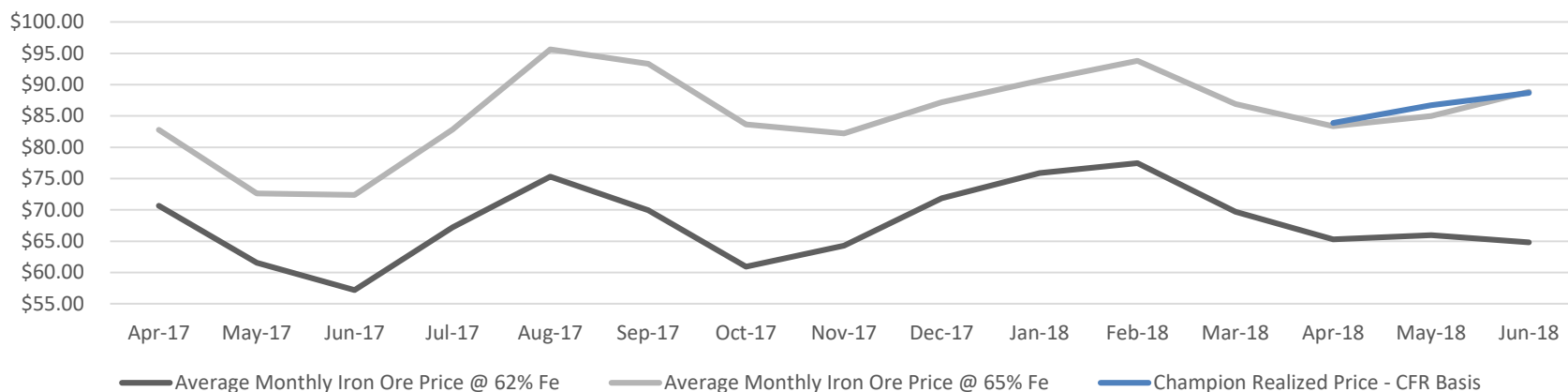
Results		Working Capital	
Sales	\$ 150.7M	Cash and cash equivalent	\$ 71.7M
EBITDA	\$ 43.7M or 29%	Total Short Term Assets	\$ 186.6M
Net Income	\$ 20.7M	Total Short Term Liabilities	\$ 118.1M
Cash flow from Operations	\$ 44.3M	Working Capital	\$ 68.5M
Cash Flow Per Share	\$ 0.16	Working Capital Ratio	1.6 : 1

Q1 FY19 Highlights

Iron Ore Price Trends



Champion Selling Price vs Index (USD / DMT)



Q1 price analysis	Champion	P65%	P62%
CFR Price (USD / DMT)	\$87.84	\$85.72	\$65.34
Shipping ⁽¹⁾ (USD / DMT)	\$18.57	\$18.22	\$18.22
FOB Price (USD / DMT)	\$69.27	\$67.50	\$47.12
Premium above P62% (FOB basis)	+\$22.15 / + 47%	n/a	n/a

(1) Shipping cost reported under P65% and P62% refer to C3 index. C3 index represents shipping from Brazil to China.

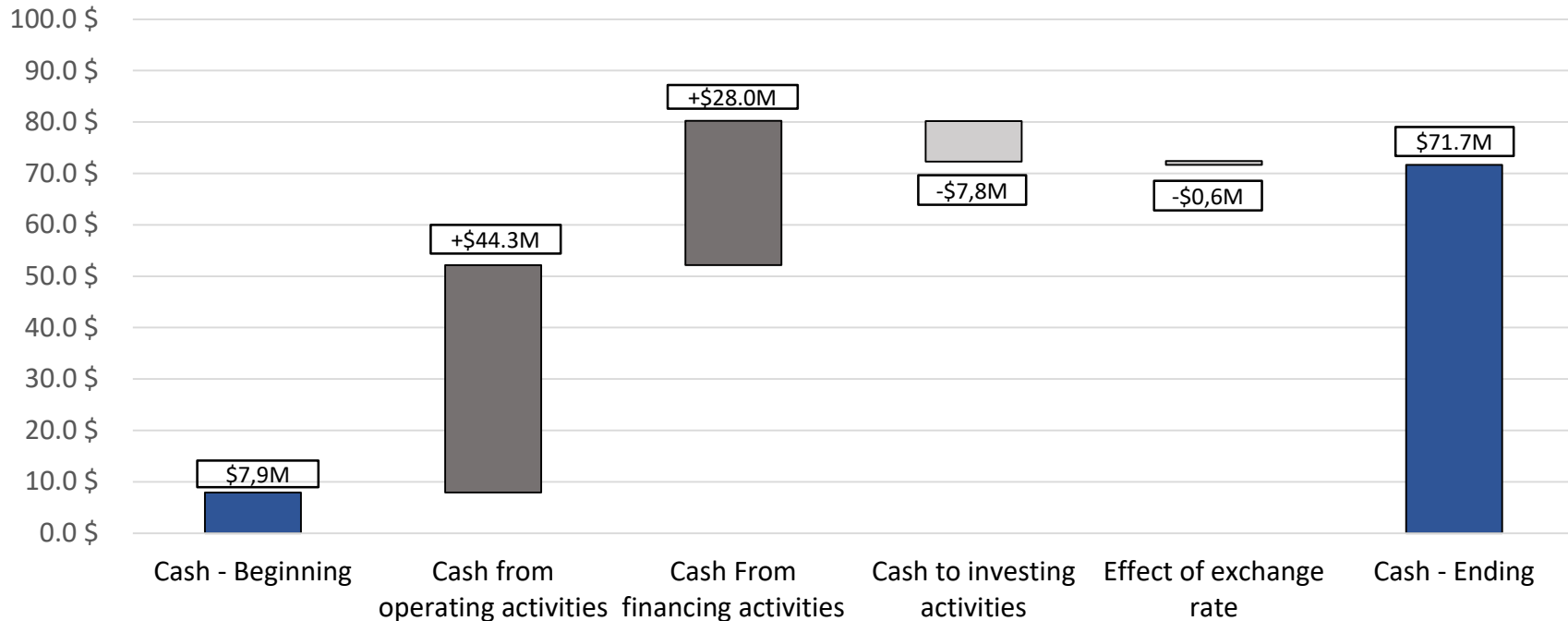
Q1 FY19 Highlights

Cash Flow



Q1 FY19 Cash Flow (In Canadian dollars)

- ✓ Cash flow per share at \$0.16
- ✓ Strong Cash Flow from operations as a result of sales
- ✓ Cash from financing related to April drawdown on debt facility
- ✓ Cash to investing activities related to sustaining capex including stripping asset



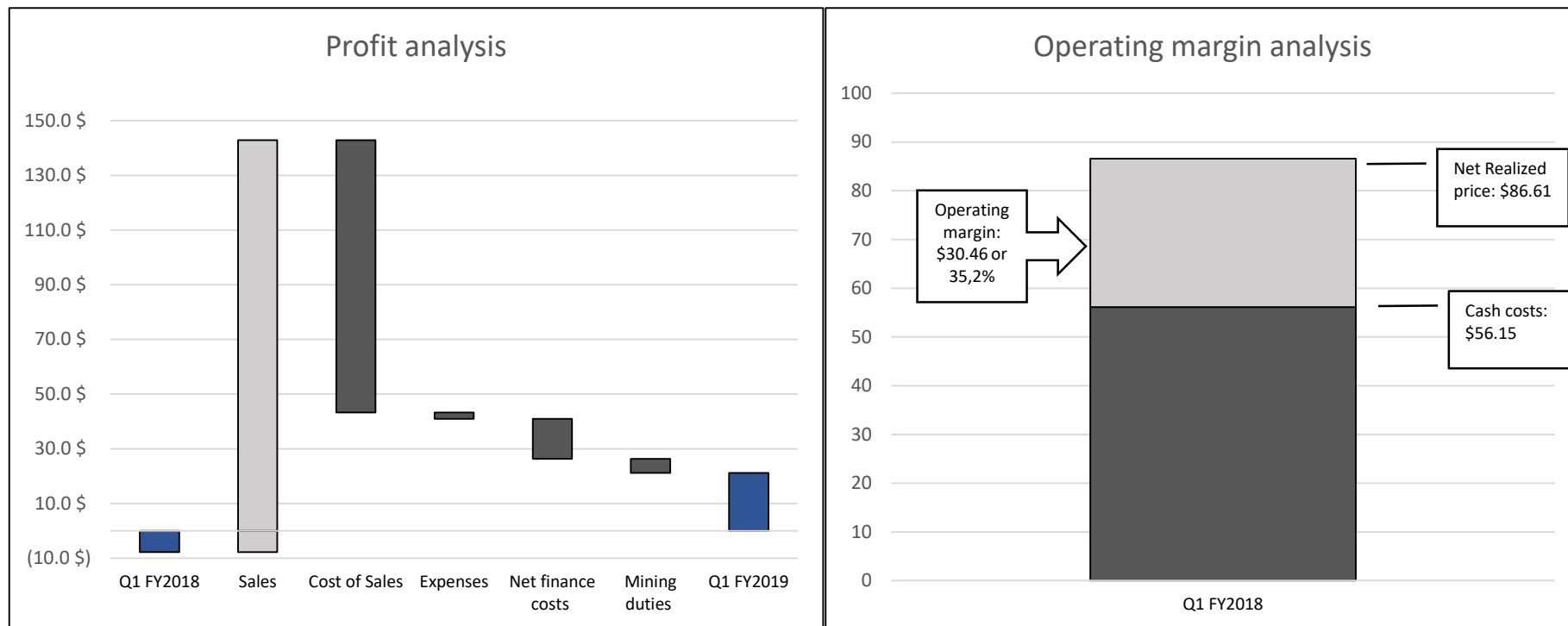
Q1 FY19 Highlights

Profitability Analysis



Q1 FY19 Profit compared to Q1 FY 18 (In Canadian Dollars)

- ✓ Average net realized price of \$86.61
- ✓ Cash costs of \$56.15
- ✓ Operating realized margin at \$30.46





Exploration Update

Exploration Update

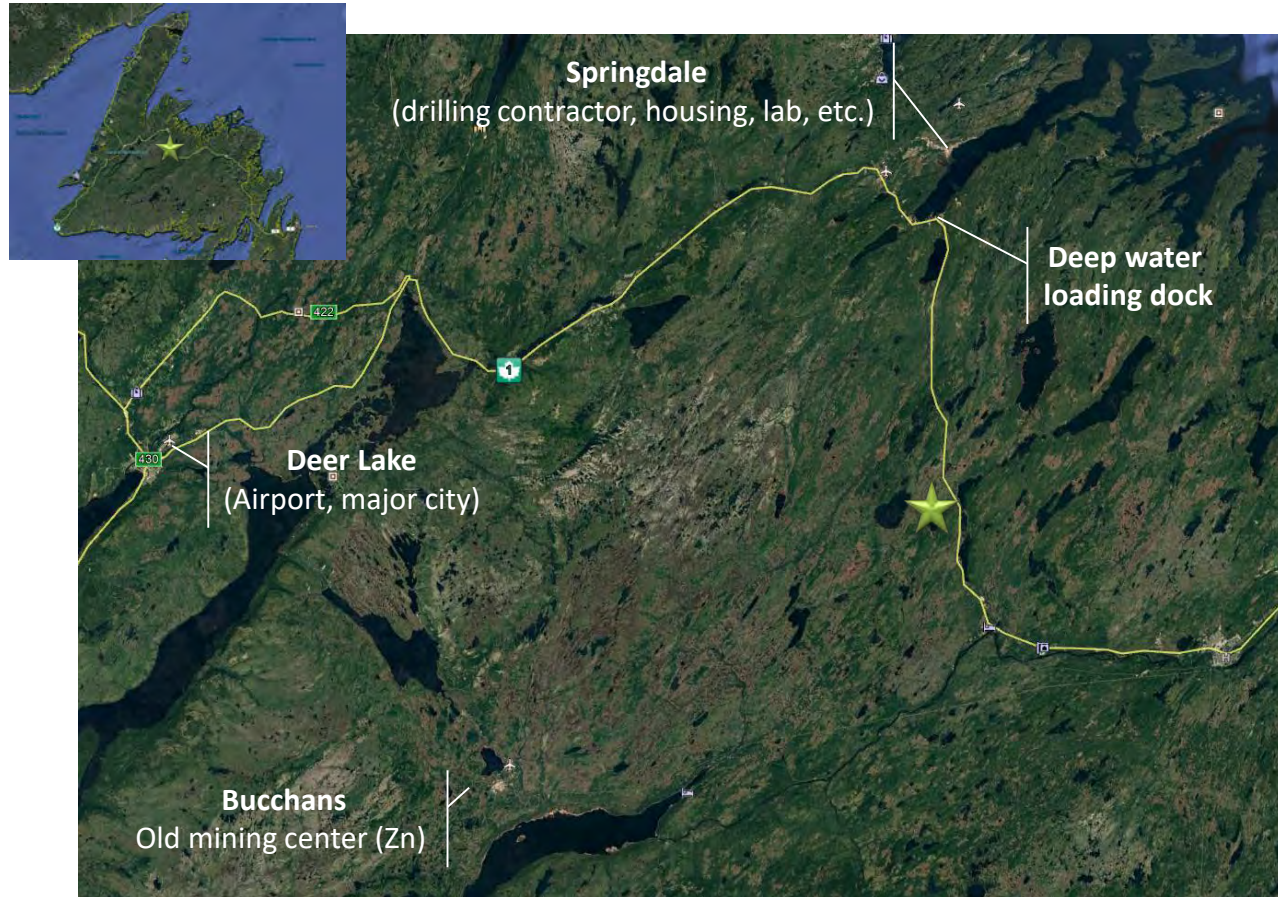
Powderhorn



Powderhorn

Location and Infrastructures

- ✓ Easy access to road, hydroelectricity, port
- ✓ Nearby towns includes
 - ✓ Springdale
 - ✓ Badger
 - ✓ Deer Lake
 - ✓ Bucchans



Exploration Update

Powderhorn



✓ 2018 results

Hole Id	From	To	Width	Zn (%)	Cu (%)	Ag (g/t)
PH18-01	224.17	228.63	4.46	5.20	0.48	22
PH18-01	131.67	136.12	4.45	3.31	0.53	48
PH18-01	330.31	331.00	0.69	0.47	1.18	26
PH18-02	120.35	125.47	5.12	1.98	0.40	-
including	121.29	122.46	1.17	5.68	1.15	20
PH18-05	136.59	141.80	5.21	2.52	-	16
PH18-05	190.15	190.84	0.68	2.48	-	-
PH18-06	205.25	208.6	3.35	6.94	0.25	48
including	206.8	207.8	1.00	16.40	0.63	50
PH18-08	10.13	10.93	0.80	6.72	1.43	63
PH17-07	668.33	670.74	2.41	5.29	0.32	18
PH17-07	676.61	678.01	1.40	4.83	-	-

Part of the 16.4% Zn sample

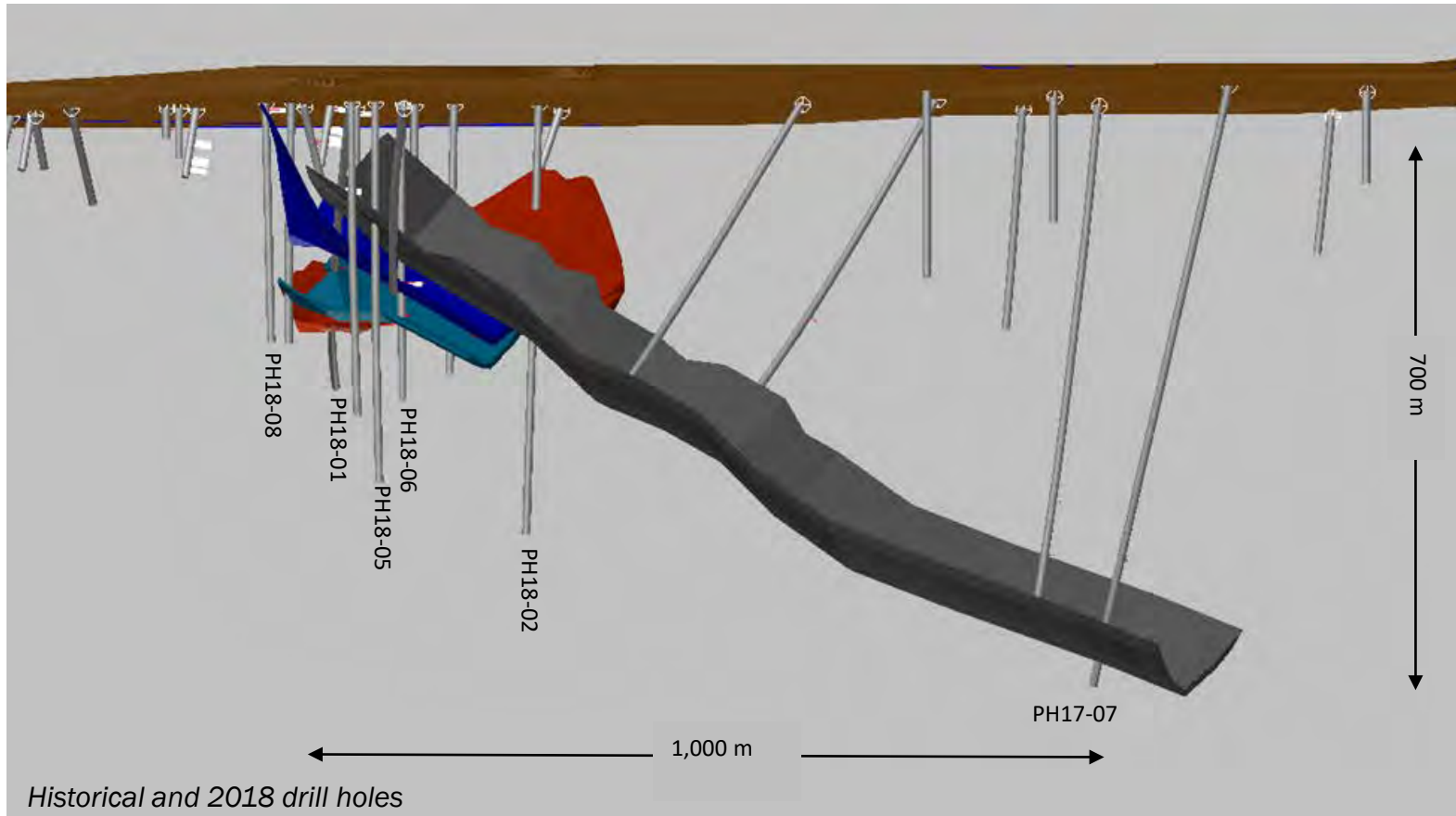


Exploration Update

Powderhorn



- ✓ Preliminary geological model



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Questions