

ANNUAL GENERAL MEETING

AUGUST 27, 2020 – 6H PM (MONTREAL TIME)

AUGUST 28, 2020 – 8H AM (SYDNEY TIME)

PREMIUM PRODUCT, TIER 1 JURISDICTION,
HIGH QUALITY INFRASTRUCTURE

CHAMPION IRON 

DISCLAIMER

This presentation contains certain forward-looking information and statements within the meaning of applicable securities laws. The use of any of the words "expect", "anticipate", "continue", "estimate", "may", "will", "project", "could", "would", "should", "believe", "plan", "intend", "forecast", "schedule", "target", or variations thereof, and similar expressions are intended to identify forward-looking information or statements. In particular, but without limiting the forgoing, this presentation contains forward-looking information and statements pertaining to Champion Iron Limited and management's expectations, including with respect to effectiveness of measures implemented to mitigate the risks of COVID-19, alignment with stakeholders regarding environment, social matters and governance, iron ore and freight pricing, operations returning to normal levels, position on the global cost curve, product qualification as Direct Reduction quality concentrate and transition potential, electronic arc furnace expected growth, prospective customers, optimization of operations, the increase of the plant capacity and reliability, phase II expansion progression and timeline, and prospects of acquired and staked lands near the Bloom Lake mining lease, ability to enhance product and operations, consideration for Phase II financing alternatives and the Company's growth generally. Statements relating to "reserves" or "resources" are deemed to be forward-looking statements, as they involve the implied assessment, based on certain estimates and assumptions, that the reserves and resources described exist in the quantities predicted or estimated and that the reserves can be profitably mined in the future. Actual reserves may be greater or less than the estimates provided herein. In this presentation, reference is made to the Company's Bloom Lake Iron Mine economic analysis. All information derived therefrom is not estimates or forecasts of metrics that may actually be achieved. Such information reflects internal projections used by management for the purposes of making capital investment decisions and for internal long range planning and budget preparation. Accordingly, undue reliance should not be placed on same. In addition, forward-looking statements or information are based on a number of factors, expectations or assumptions of Champion Iron Limited which have been used to develop such statements and information but which may prove to be incorrect. Although Champion Iron Limited believes that the expectations reflected in such forward-looking statements or information are reasonable, undue reliance should not be placed on such statements or information because Champion Iron Limited can give no assurance that such expectations will prove to be correct. In addition to other factors and assumptions which may be identified herein, assumptions have been made regarding, among other things: the impact of increasing competition; the general stability of the economic and political environment in which Champion Iron Limited operates; the impact of COVID-19 on the global economy, the iron ore market and Champion Iron Limited's operations; the timely receipt of any required regulatory approvals; the ability of Champion Iron Limited to obtain qualified staff, equipment and services in a timely and cost efficient manner; drilling results; the results of feasibility studies; changes in the assumptions used to prepare feasibility studies; the ability of the operator of the projects in which Champion Iron Limited has an interest to operate the field in a safe, efficient and effective manner; the ability of Champion Iron Limited to obtain financing on acceptable terms; future commodity prices; currency exchange and interest rates; and the regulatory framework regarding taxes and environmental matters in the jurisdictions in which Champion Iron Limited operates. 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Such information and statements, including the assumptions made in respect thereof, involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking information or statements including, without limitation: changes in commodity prices; the potential for variation in the quality of the Bloom Lake formation; changes in the demand for or supply of Champion Iron Limited's products; unanticipated operating results or production declines; changes in tax or environmental laws; regulatory changes; changes in development plans of Champion Iron Limited or by third party operators of Champion Iron Limited's properties; increased debt levels or debt service requirements; limited, unfavourable or a lack of access to capital markets; increased costs; a lack of adequate insurance coverage; the impact of competition; and certain other risks detailed from time to time in Champion Iron Limited's public disclosure documents (including, without limitation, those risks identified in this presentation and Champion Iron Limited's most recent Annual Information Form and Management's Discussion and Analysis). 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The non-IFRS financial performance measures included in this presentation include: total cash cost or C1 cash cost, all-in sustaining costs ("AISC"), average realized selling price, cash operating margin and cash profit margin, earnings before interest, tax, depreciation and amortization ("EBITDA"), EBITDA margin, adjusted net income, adjusted net income attributable to Champion Iron Limited shareholders, adjusted earnings per share ("adjusted EPS"), operating cash flow per share and operating cash flows before working capital.

The historical mineral resources mentioned are strictly historical in nature and are non-compliant with National Instrument 43-101 mineral resources and mineral reserves standards, and should therefore not be relied upon. A qualified person has not done sufficient work to upgrade or classify the historical estimates as current mineral resources or mineral reserves and Champion Iron Limited is not treating the historical estimates as current mineral resources or mineral reserves.

The Company is not aware of any new information or data that materially affects the information included in the Phase II Feasibility Study and confirms that all material assumptions and technical parameters underpinning the estimates in the Phase II Feasibility Study continue to apply and have not materially changed.

Mr. Nabil Tarbouche, Senior Geologist at the Company (P.Geo.) is a "qualified person" as defined by National Instrument 43-101 and has reviewed and verified the scientific and technical information contained in this presentation. Mr. Tarbouche's review and approval does not include statements as to the Company's knowledge or awareness of new information or data or any material changes to the material assumptions and technical parameters underpinning the Feasibility Study.

Reference to P62; Platts TSI IODEX 62% Fe CFR China; P65: Platts IO Fines 65% Fe CFR China.

This presentation has been authorized for release to the market by the CEO of Champion Iron Limited, David Cataford.

All amounts are in Canadian dollars unless otherwise stated.

FY2020 HIGHLIGHTS

KEY METRICS IMPROVING

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CONCENTRATE PRODUCED

7,903,700 WMT

CONCENTRATE SOLD

7,577,400 DMT

TOTAL CASH COST

\$52.7/DMT

ALL-IN SUSTAINING COST

\$62.7/DMT



REVENUE

\$785.1M

EBITDA

\$348.5M

ADJUSTED NET INCOME

\$172.7M

ADJUSTED EPS

\$0.32

FY2020 HEALTH & SAFETY

- Continuous monitoring and improvement of the Bloom Lake mine's H&S protocols
- Initiated new simulation programs to optimize emergency response time
- Continuous training to adapt the work environment with implemented COVID-19 risk mitigating measures



CHAMPION IRON 

FISCAL YEAR 2020 - SAFETY STATISTICS QUEBEC IRON ORE + CONTRACTORS					
	Q1	Q2	Q3	Q4	FY2020
Lost Time Injury Frequency Rate (LTIFR)	4.28	4.85	4.37	2.58	4.1
Disability Injury Severity Rate (DISR)	6.85	33.99	26.62	17.54	24.94

- No known cases of COVID-19 have been confirmed in the Company
- Adapted operations in line with government directives
- Strict measures to remain in place to safeguard the health and safety of our employees, partners and communities

FY2020 FOCUS ON SUSTAINABILITY

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- No occurrence of major environmental issues
- Completed a \$28.8M accelerated dam rising program on time and on budget
- Revegetation plan now covering 41 hectares
- Initiated trial with new blasting compound to reduce Nitrogen Oxide emissions (Nox)
- New initiative with nearby communities to recover and distribute wood harvested by our operations



- Post FY2020 results: Completed the Company's first Sustainability Report, highlighting its alignment with stakeholders regarding its diligence on the environment, social and governance responsibilities

FY2020 CREATING A POSITIVE IMPACT

500 Employees

42 Local and indigenous jobs

\$196M Sourcing from local suppliers

\$65.6M Mining and municipal taxes paid

\$65.8M Salaries & benefits



CHAMPION IRON 



100% Tailings Management compliance

95% Reused or recycled mining wastewater

22 hectares of revegetated area in calendar 2019

FY2020 MILESTONES

- Optimized capital structure
- Completed Bloom Lake Phase II expansion project Feasibility Study and approved related initial C\$68M budget
- Mitigated impacts of the COVID-19 to operations and the Company

FY2020												FY2021				
APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG



ANNOUNCED DEAL TO ACQUIRE 100% OF QUEBEC IRON ORE ("QIO") & REFINANCING



PHASE II FEASIBILITY STUDY RELEASED & APPROVED C\$68M BUDGET



TEN MILLIONTH TONNE SHIPPED



CLOSING OF ACQUISITION OF QIO & REFINANCING



ANNOUNCED INTENTION TO RE-DOMICILE TO CANADA



CANCEL RE-DOMICILE DUE TO UNCERTAINTY CREATED BY COVID-19



RAMP DOWN OPERATIONS FURTHER TO GOVERNMENT COVID-19 CONTAINMENT DIRECTIVES



RAMP UP OPERATIONS FURTHER TO GOVERNMENT COVID-19 CONTAINMENT DIRECTIVES



INCREASED PHASE II BUDGET TO C\$98M

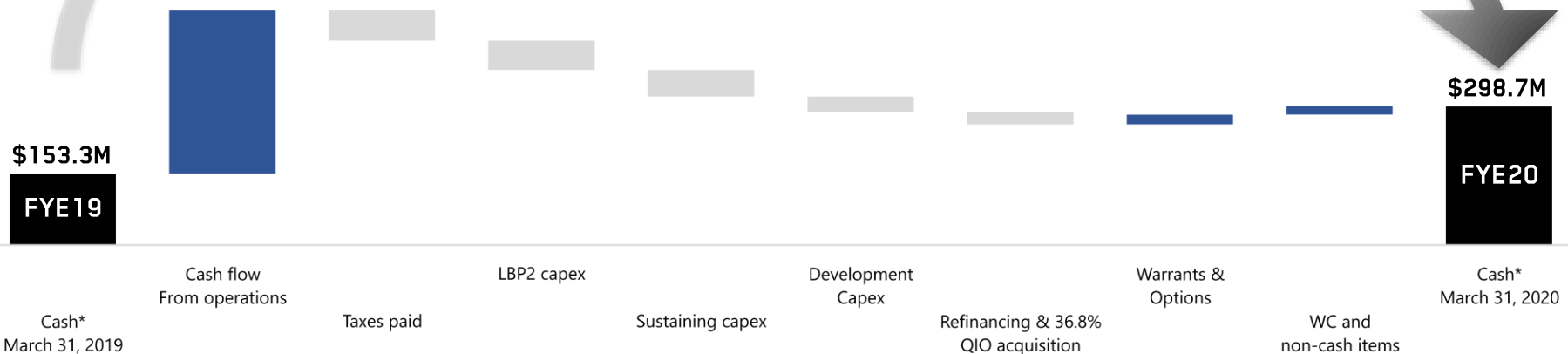
FY2019 → FY2020 STRENGTHENING POSITION

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CASH ON HAND* INCREASE OF \$145.4M YOY

LONG-TERM DEBT* INCREASE OF \$2.47M YOY

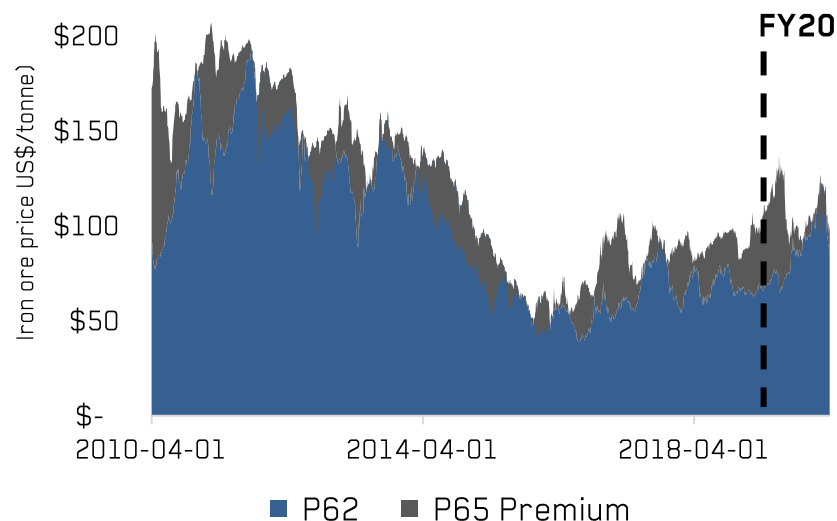
- ✓ Acquired the remaining 36.8% minority interest in the subsidiary operating Bloom Lake (QIO) for C\$211M
- ✓ Deployed \$58M during FY2020 on Phase II expansion related projects
- ✓ Accelerated tailings containment dam rising work by \$28.8M
- ✓ Improved cost of debt from weighted average cost ranging from 12.37%-14.75% to an annualized interest rate of 4.8%



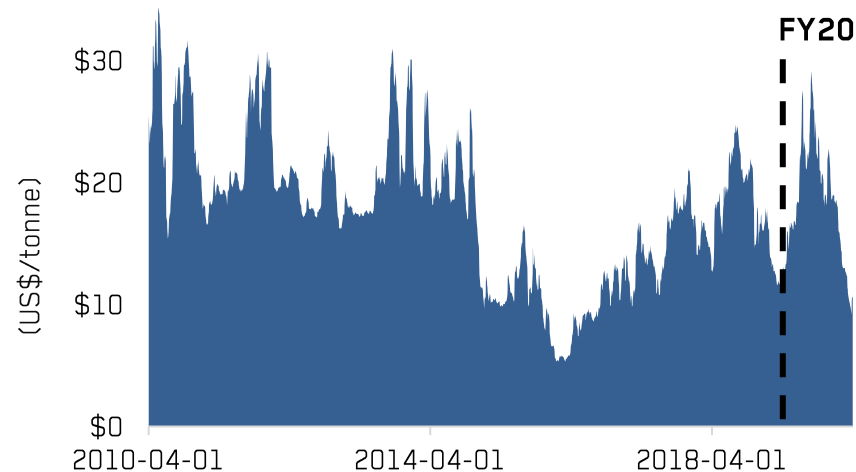
FY2020 INDUSTRY OVERVIEW

- P65 index average of US\$106.4/dmt in FY2020, an increase of 16% from the previous year
- Average premium of P65 over P62 of 12.1%, compared to an average premium of 29% in the previous year
- Volatile C3 freight index averaging US\$18.55/t in FY2020, effectively unchanged from the previous year

P62 & P65 PREMIUM - 10 YEARS (US\$/T)

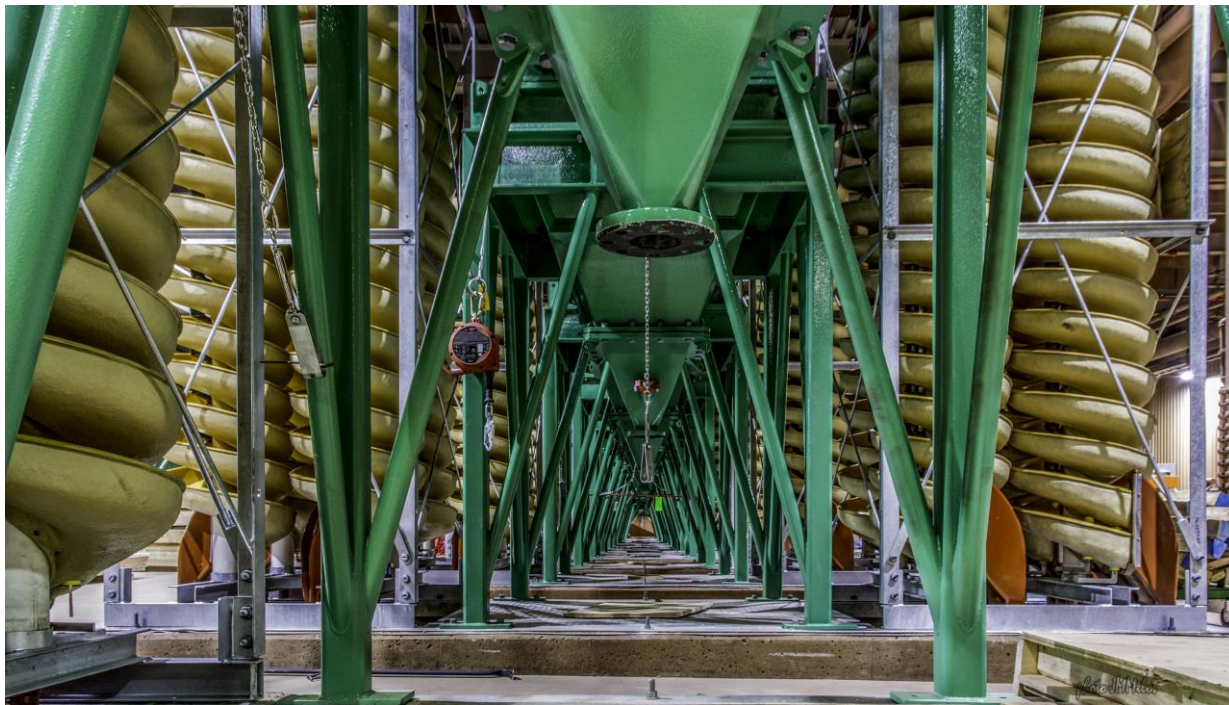


C3 FREIGHT INDEX - 10 YEARS (US\$/T)



FY2020 OPERATIONAL RESULTS

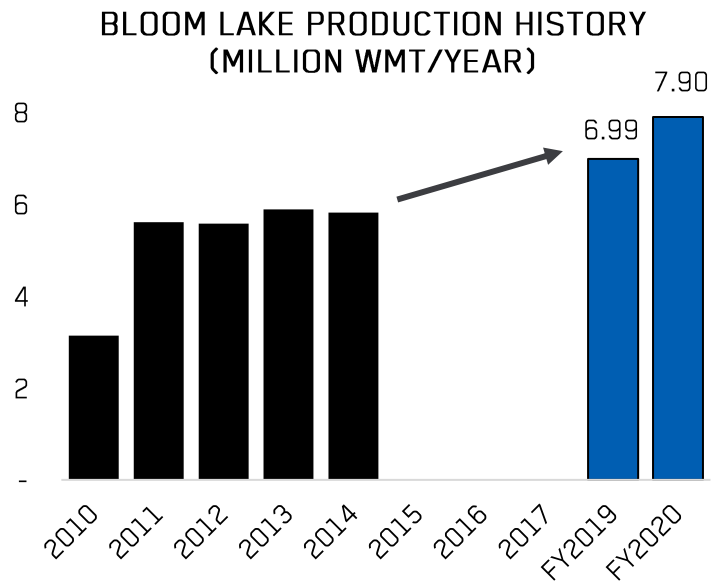
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FY2020 RESULTS SETTING HISTORICAL RECORDS AT BLOOM LAKE

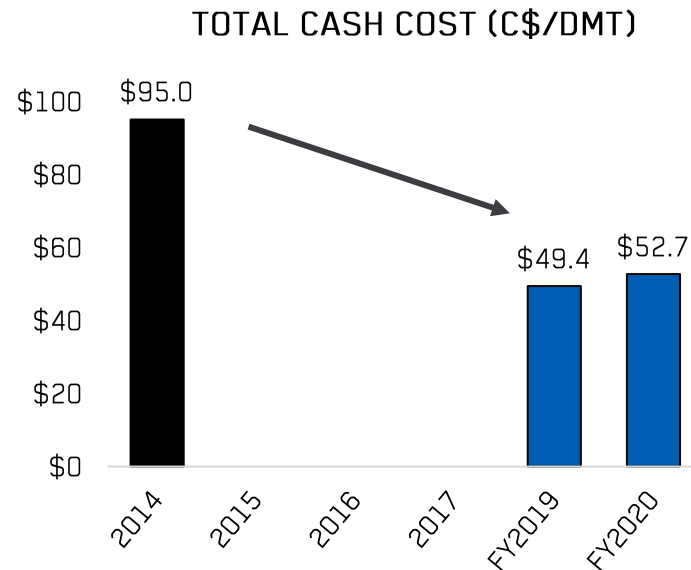
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→ Highest annual production on record



PREVIOUS OWNERS

→ Managed costs to optimize cash flow from operations



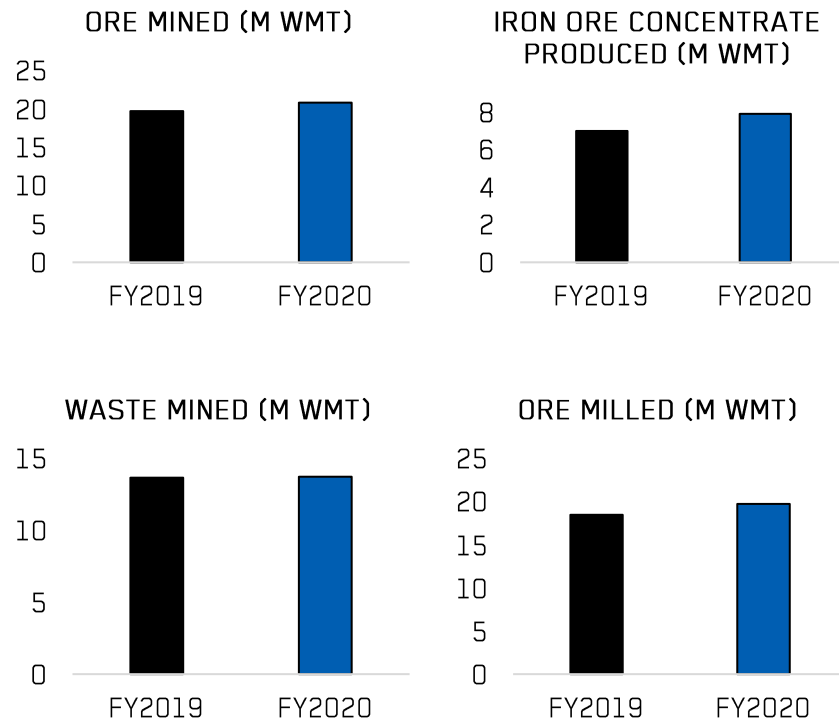
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FY2020 OPERATIONS OVERVIEW

- Achieved recovery near the 83% target
- Consistent product quality with no penalties for contaminants
- Post FY2020 results: Mitigated the impact of the COVID-19 to operations and reported near nameplate capacity production of 1.8M wmt of iron ore concentrate in Q1/FY2021

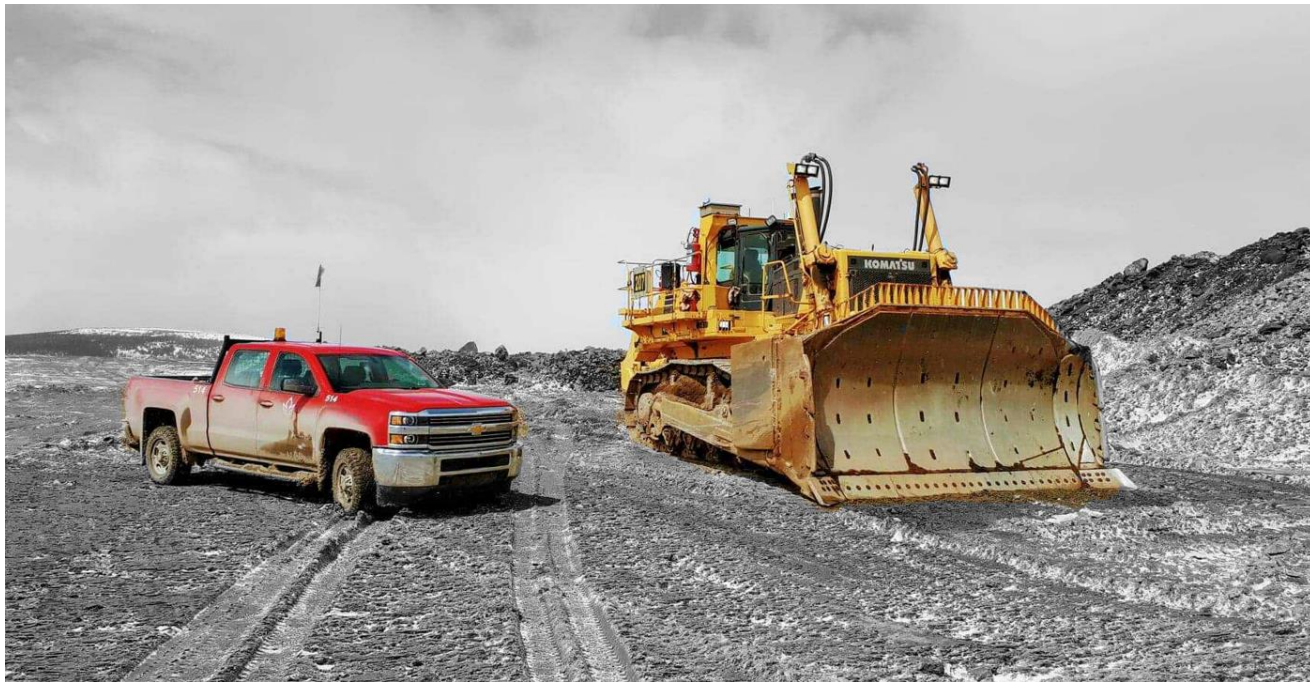
FISCAL PERIODS	Q1/20	Q2/20	Q3/20	Q4/20	FY2020
Iron ore concentrate produced (M wmt)	1.99	2.19	1.83	1.89	7.90
Iron ore concentrate sold (M dmt)	1.91	1.86	1.92	1.89	7.58
Waste mined (M wmt)	3.58	3.57	3.41	3.18	13.74
Ore mined (M wmt)	5.11	5.39	4.91	5.41	20.82
Strip ratio	0.70	0.70	0.70	0.60	0.70
Ore milled (M wmt)	4.78	5.45	4.64	4.88	19.75
Head grade Fe (%)	32.5	32.3	32	31.7	32.1
Recovery (%)	82.1	83.9	81.7	82.3	82.6
Product Fe (%)	66.2	66.3	66.4	66.5	66.4

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FY2020 FINANCIAL RESULTS

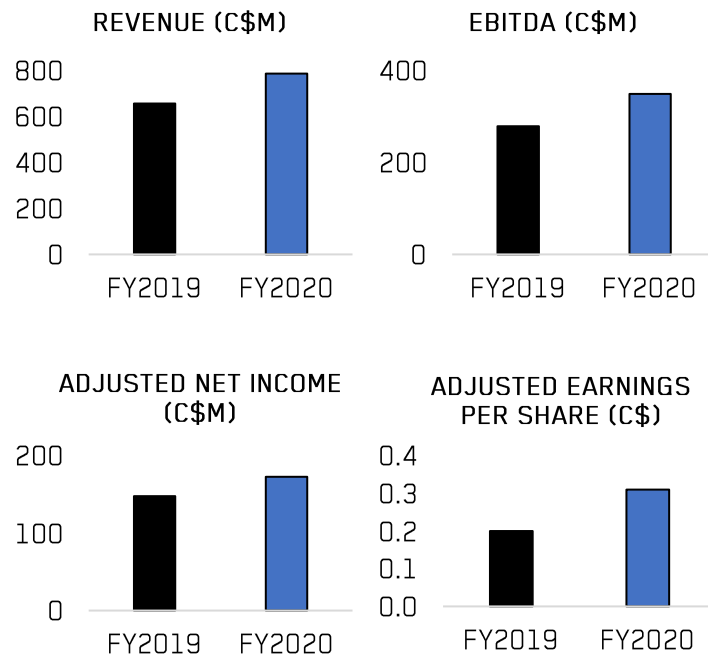
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FY2020 FINANCIAL RESULTS

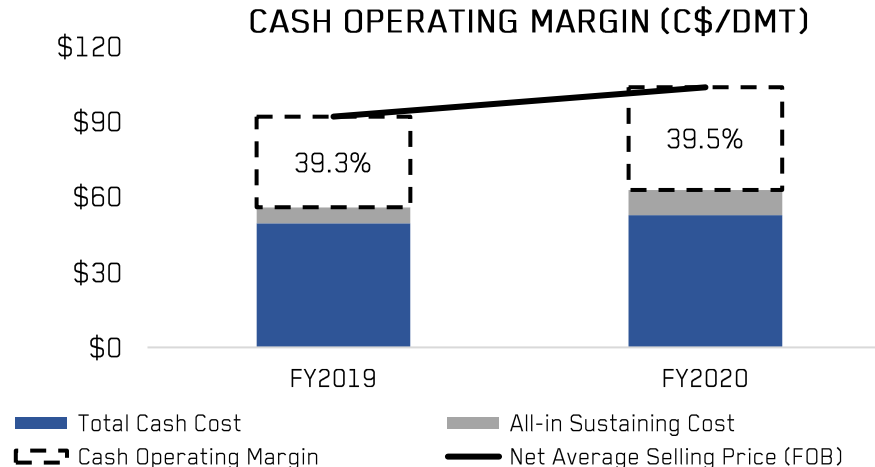
- Robust operational results leading to improvement in financial metrics
- Adjusted EPS* improvement of 60% year over year at \$0.32/share
- Post FY2020 results: Reported record adjusted EPS of \$0.17/share in Q1/FY2021

Financial Results (\$ MILLION)	Q1/FY20	Q2/FY20	Q3/FY20	Q4/FY20	FISCAL 2020
Revenues	277.9	160.4	171.1	175.7	785.1
EBITDA	166.9	62.6	57.9	61.1	348.5
Operating income	163.3	57.9	53.3	52.1	326.6
Net income (loss)	74.2	-1.7	30.2	18.4	121.1
Adjusted Net income	74.2	49.9	30.2	18.4	172.7
Net Cash flow from operations	91.9	104.9	28.1	84.6	309.6
Earnings per share - basic	0.09	0.00	0.07	0.04	0.20
Adjusted Earnings per share - basic	0.09	0.11	0.07	0.04	0.32
Average realized selling price (\$/dmt)	145.7	86.2	89.0	93.1	103.6
Total cash cost (\$/dmt)	54.3	48.3	54.2	53.9	52.7
All-in sustaining cost (\$/dmt)	62.8	66.2	62.2	59.8	62.7
Cash operating margin (\$/dmt)	82.9	20.0	26.8	33.3	40.9
Cash operating margin (%)	56.9	23.2	30.1	35.8	39.5



FY2020 ROBUST OPERATING MARGIN

- Stable total cash cost metrics and robust pricing resulted in an improvement to the cash operating margin year over year
- Sustaining cost increased with a \$28.8M accelerated tailing program and investments in operational enhancements aimed at improving short-term mine and plant reliability, in order to optimize cash flow from operations
- Post FY2020 results: cash operating margin of 53.4% in Q1/FY2021
- Focused on managing costs with operations returning to normal further to the Government of Québec's COVID-19 containment directives



FY2020 IMPROVING BALANCE SHEET

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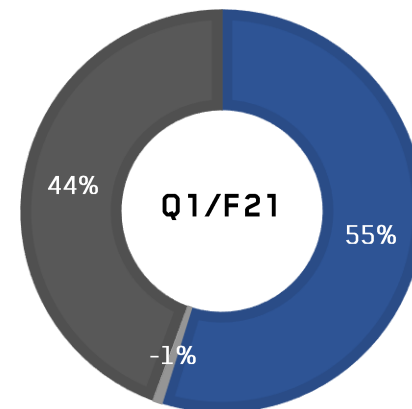
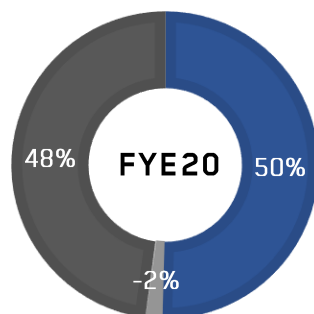
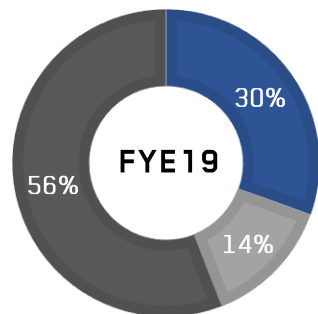
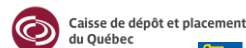
\$298.7M Cash & S-T Investments* at FYE2020 and \$347.5M at Q1/FY2021
-\$10M Working capital at FYE2020 and -\$5.2M at Q1/FY2021



\$283.7M Long-Term Debt** at FYE2020 and \$272.6M at Q1/FY2021



Strong financial partners



■ LTD Face value**

■ Cash and cash equivalents*

■ Working Capital

*Cash and cash equivalent including short-term investments

**Face value using Constant Fx

POSITIONING FOR THE FUTURE

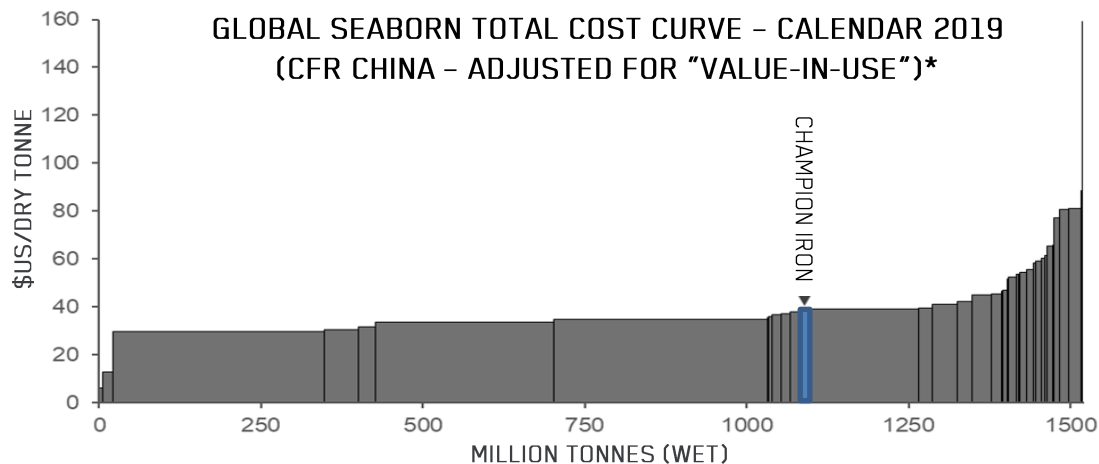
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PROVEN COST STRUCTURE TO COMPETE GLOBALLY

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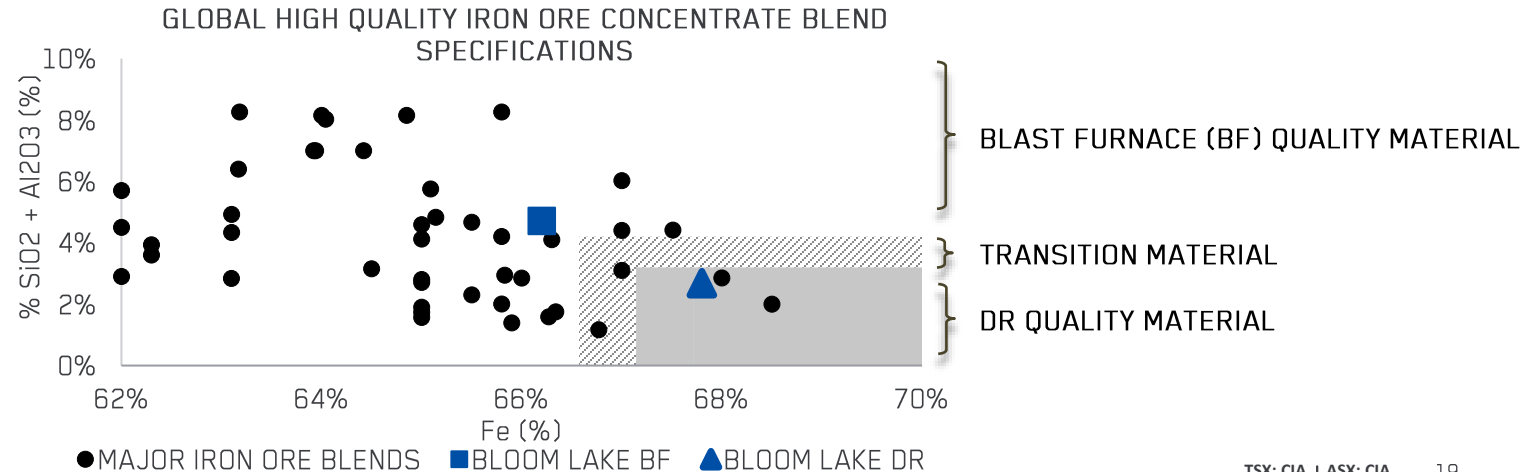
- Bloom Lake has proven cost structure
- Product quality premium offsets freight differential when compared to Australian operators
- Producer within the 75th percentile of the cost curve remained profitable in the biggest recent downturn in 2015



*Source: Champion Iron Limited, Wood Mackenzie data, calendar 2019;
“Value-in-use” adjusts for premium/discount in realized price reflecting product quality and contaminants

PROVEN PRODUCT DEVELOPMENT

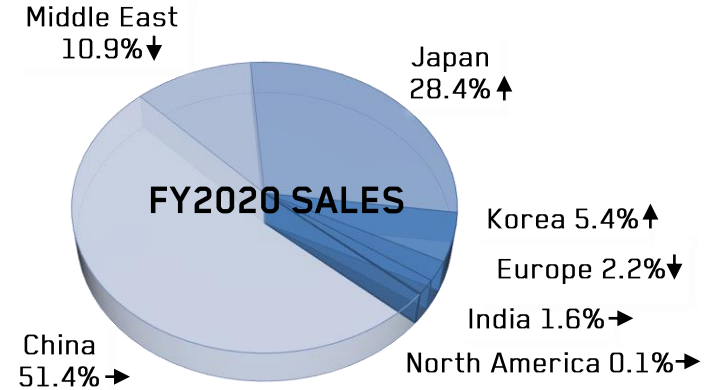
- Successfully completed a commercial production test of 132,000 tonnes of concentrate aimed to qualify as Direct Reduction ("DR") pellet feed material, which can be converted by DRI producers and utilized in Electric Arc Furnaces ("EAFs")
- Post FY2020 results: Product confirmed to have DR pellet feed material qualifications and new order placed, resulting in 207,900 tonnes of DR quality iron ore concentrate produced



DIVERSIFIED CUSTOMER BASE

- Sold iron ore concentrate to 6 new customers in fiscal year 2020
- Sold DR quality concentrate to a new European customer
- Engaged with 22 different customers since the commissioning of Bloom Lake in February 2018
- Post FY2020 results:
 - ✓ Engaged with a new customer in China
 - ✓ Sold DR quality concentrate to a customer in the Middle East

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PHASE II PROJECT: 7.4M → 15M TPA DE-RISKING GROWTH OPPORTUNITY

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- ✓ Announced the positive results of the Feasibility Study for the PII expansion project
- ✓ Approved initial budget of \$68M

- ✓ Announced the suspension of discretionary spending in response to the Government of Québec's COVID-19 containment directives

June 20, 2019

Fall 2019 / Winter, 2020

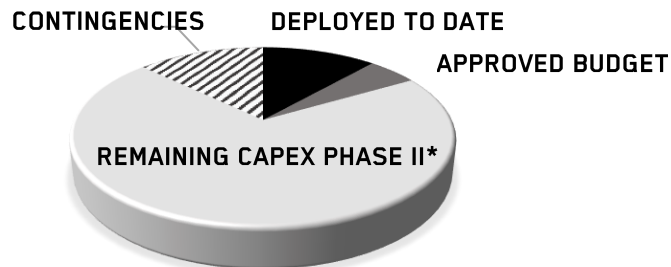
March 24, 2020

July 28, 2020



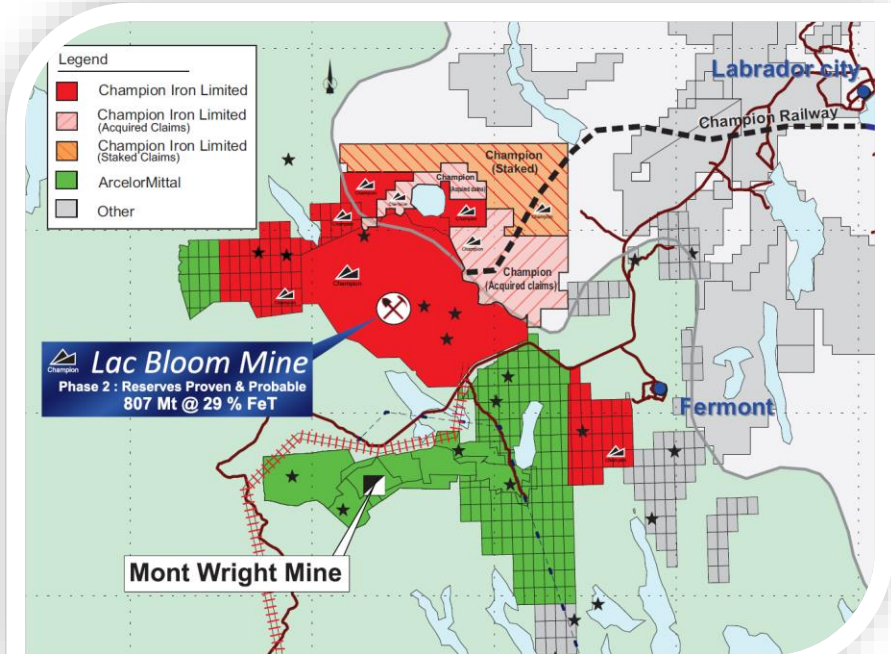
- ✓ De-risked the project by completing concrete and civil work
- ✓ Ordered long lead items
- ✓ Advanced detailed engineering

- ✓ Resumed discretionary spending
- ✓ Increased Phase II budget by \$30M, from the initial \$68M, ahead of the deferred final Board of Directors' decision on the project



ACQUIRED LAND PACKAGE

- Post FY2020 results: Acquired claims covering a 38 km² area and staked 31.75 km² in additional claims directly North of the Bloom Lake mining lease
- Now controls 178.2 km² area of prospective exploration land directly North of Bloom Lake
- Strategically positions the Company to possibly extend current mine life and/or offer growth opportunities for the future



FISCAL YEAR 2021 FOCUS

- Priority on the health and safety of our employees, partners and communities
- Manage costs while mitigating the risks of the COVID-19 pandemic
- Diligently advance the Phase II expansion project with the approved budget
- Continuously considering non-dilutive financing alternatives for the Phase II expansion project ahead of the final Board of Directors' approval
- Enhance product development and improvement of operations

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THANK YOU TO OUR STAFF

CHAMPION IRON 

Our employees' effort recognized globally

- ✓ Recipient of the PLATTS "Rising Star Company" award
- ✓ Recipient of the Ernst & Young's "Entrepreneur of the Year" award
- ✓ Recipient of the Young Mining Professional "Peter Monk" award



THANK YOU!

CHAMPION IRON 



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