

# CHAMPION IRON

## CHAMPION IRON LIMITED CORPORATE GOVERNANCE POLICIES

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## 1. BOARD CHARTER

### **Purpose**

This charter sets out the role and responsibilities of the Board of Directors (the “Board”) of Champion Iron Limited (the “Company”), taking into account the ASX Corporate Governance Principles and Recommendations and National Policy 58-201 - Corporate Governance Guidelines and in compliance with applicable laws and regulations and the Constitution of the Company.

The Board’s primary role is to manage or supervise management of the business and affairs of the Company. To fulfil this role, the Board is responsible for the stewardship of the Company, oversight of the management and the overall corporate governance of the Company including its strategic direction, establishing goals for management and monitoring the achievement of these goals.

### **Composition**

The composition of the Board is determined using the following principles:

- A majority of the directors must be independent, and must possess a broad range of business expertise; and
- Directors should bring characteristics which allow a mix of qualifications, skills, experience, expertise and diversity on the Board.

Membership of the Board shall be disclosed in the Company’s annual report and management proxy circular, including whether a director is independent or not independent. Loss or gain of independence will be disclosed as applicable.

In determining whether a director is independent, the Board will consider whether the director has a direct or indirect relationship with the Company which could, in the view of the Board, be reasonably expected to interfere with the exercise of the director’s independent judgement and whether the director complies with the other independence requirements set forth in the ASX Corporate Governance Principles and Recommendations and National Instrument 52-110 - Audit Committees.

The Board may develop a Board skills matrix to assist in the assessment of the skills of the Board and the identification of any gaps in the skill set of the Board that is required to be filled. The Board skills matrix, if so developed, will be reviewed and updated periodically as deemed necessary by the Board.

### **Role of the Board**

The Board operates within the broad principles and responsibilities described in the following:

- Setting the strategic aims of the Company and overseeing management’s performance within that framework.
- Making sure that the necessary resources (financial and human) are available to the Company and its senior executives to meet its objectives.
- Overseeing management’s performance and the progress and development of the Company’s strategic plan.
- Selecting and appointing suitable directors with the appropriate skills to help the Company in the pursuit of its objectives.
- Succession planning, including appointing, training and monitoring senior management.

- Determining the remuneration policy for the Board members and senior management.
- Overseeing the financial reporting, capital structures and material contracts matters and approving all financial statements and related reports to be filed with securities regulators and/or stock exchanges.
- Overseeing the monitoring of the principal risks of the Company's business and ensuring that a sound and effective risk management system and internal controls are in place.
- Setting the Company's mission, vision, values and standards.
- Satisfying itself as to the integrity of senior management and that senior management creates a culture of integrity throughout the Company.
- Undertaking a formal and rigorous review of the corporate governance policies to ensure adherence to the ASX Corporate Governance Council.
- Ensuring that the Company's obligations to shareholders are understood and met.
- Ensuring the health, safety and well-being of employees in conjunction with the senior management team, including developing, overseeing and reviewing the effectiveness of the Company's occupational health and safety systems to assure the well-being of all employees.
- Ensuring an adequate system is in place for the proper delegation of duties for the effective operative day to day running of the Company without the Board losing sight of the direction that the Company is taking.
- Any other matter considered desirable and in the interest of the Company.

### **Roles of Chairman and Lead Director**

The Chairman is responsible for the following:

- Providing the necessary direction required for an effective Board.
- Overseeing the preparation of Board agendas and briefing papers and ensuring that all required matters are brought before the Board and that all the directors receive timely and accurate information so that they can make informed decisions on matters of the Company.
- Encouraging active engagement from all members of the Board.
- Reviewing the expense reports of the Chief Executive Officer.
- Perform such executive functions as shall be conferred upon him by the Board.

To the extent that the Chairman is not independent, a Lead Director who is an independent director should be appointed by the Board and be responsible for the following:

- Serving as a principal liaison between the independent directors and the Chairman and between the independent directors and senior management.
- Reviewing Board agendas and giving input to the Chairman in advance of Board meetings.
- Presiding over meetings of the independent directors and communicating the results of these meetings to the Chairman, when appropriate.
- Performing the duties of the Chairman when there is an actual or potential conflict of interest or when the Chairman is absent.

## **Role of Corporate Secretary**

The Corporate Secretary (also referred to as the Company Secretary) supports the effectiveness of the Board by:

- Conducting and reporting matters of the Board, including the despatch of Board agendas, briefing papers and minutes.
- Ensuring that compliance systems relating ASX Listing Rules are maintained and the Company and Board adhere to those.
- Monitoring policies and procedures of the Board.
- Providing support and advice to senior management, individual directors, Board committees and the Board in general.

The Corporate Secretary is accountable directly to the Board, through the Chairman, on all matters to do with the proper functioning of the Board.

The appointment and removal of the Corporate Secretary is a matter of the Board. If deemed appropriate, the responsibilities of the Corporate Secretary may be shared by two Corporate Secretaries or Company Secretaries appointed by the Board.

## **Board Meetings**

The Board may meet as often as required to fulfil their responsibilities.

The Board will keep minutes of its meetings. The minutes of each Board meeting will be drafted by the Corporate Secretary or such other secretary of the meeting as shall be delegated by the Corporate Secretary or appointed by the Board from time to time. The Corporate Secretary shall circulate the minutes of the Board meetings to all Board members for comment and change before being signed by the Chairman.

To assist the smooth running of Board processes, Board papers are to be provided to the Board and invitees, where possible, at least 3 days prior to the meeting.

## **Board Committees**

The Board from time to time establishes committees to assist in carrying out its responsibilities and adopts charters setting out matters relevant to the composition, responsibilities and administration of such committees, and other matters that the Board may consider appropriate.

The standing committees of the Board currently are the Audit Committee and the Remuneration and Nomination Committee, and the Board has adopted a charter for each such committee.

## **Induction and Education**

It is the policy of the Company, that new directors undergo an induction process in which they are given a full briefing on the Company. Where possible this includes meetings with key executives, tours of the mine site and premises, an induction package and presentations. Information conveyed to new directors includes access to a copy of the Company's corporate governance policies, including this charter, and to a copy of the Constitution of the Company, details of Board meeting arrangements and contact information for the Chairman, any Lead Director and the Corporate Secretary.

New directors are also provided with letters of appointment to the Board, setting out the key terms and conditions relative to the appointment.

In order to achieve continuing improvement in Board performance, all directors are encouraged to undergo continual professional development. Specifically, directors are provided with the resources and training to address skills gaps where they are identified and to receive continuing education concerning key developments in the Company and in the industry and environment within which the Company operates.

### **Performance Evaluation**

The Company undertakes an annual performance evaluation as it is dedicated:

- To examine the impact of the effectiveness of its directors, Board, and Board committees.
- To review and improve on the quality and performance of the entire Board and committee structure.

The performance evaluation is conducted in such manner as the Board deems appropriate in accordance with the Company's Board Performance Evaluation Policy.

### **Independent Professional Advice**

The Board collectively and each director has the right to seek independent professional advice at the Company's expense, up to specified limits, to assist them to carry out their responsibilities, subject to the prior approval of the Chairman whose approval will not be unreasonably withheld. If permission is withheld, the matter may be referred to the whole Board.

### **Board Review and Approval**

This charter will be reviewed periodically by the Board. The current version of this charter was approved by the Board on August 25, 2020.

## 2. BOARD PERFORMANCE EVALUATION POLICY

### Board of Directors

This policy is to ensure individual directors and the Board of Directors (the “Board”) of Champion Iron Limited (the “Company”) as a whole work efficiently and effectively in achieving their functions.

Each year, the Board will undertake the following activities:

- The Chairman or Lead Director will meet with each director separately to discuss individual performance and ideas for improvement.
- The Board as a whole will discuss and analyse its own performance during the year including suggestions for change or improvement.

### Executive Chairman, Chief Executive Officer and Key Executives

This policy is to ensure the Executive Chairman, Chief Executive Officer and other key executives execute the Company’s strategy through the efficient and effective implementation of the business objectives. In order to accomplish this:

- Each year, the Board reviews the Company’s strategy.
- Following such a review, the Board sets Company and individual performance objectives based on qualitative and quantitative measures.
- These objectives are reviewed periodically to ensure they remain consistent with the Company’s priorities and the changing nature of the Company’s business.
- These objectives form part of the performance targets for the Executive Chairman, the Chief Executive Officer and other key executives.
- Performance against these objectives is reviewed annually by the Board and is reflected in the remuneration review of the Executive Chairman, the Chief Executive Officer and other key executives.

### Board Committees

This policy is to ensure committees to which the Board has delegated responsibilities are performing efficiently and effectively in accordance with the duties and responsibilities set out in their charter.

Each year, the Board will undertake the following activities:

- The Board will review the necessity of establishing committees and delegating certain of its responsibilities to the committees.
- The Board will review the committees’ achievements during the year based on their duties.

The Board will review the charters of the committees periodically to ensure that they are up to date.

### Board Review and Approval

This policy will be reviewed periodically by the Board. The current version of this policy was approved by the Board on August 25, 2020.

### 3. CODE OF CONDUCT

Champion Iron Limited (the “Company”) is committed to promoting good corporate conduct grounded by strong ethics and responsibility.

This code addresses matters relevant to the Company’s legal and ethical obligations to its stakeholders and is designed to promote integrity and to deter wrongdoing. It may be amended from time to time by the Board of Directors of the Company (the “Board”), and will be published on the Company’s website.

This code applies to all directors, officers and employees of the Company and its subsidiaries. Where applicable, references herein to the “Company” shall include the Company’s subsidiaries.

#### **Purpose**

All stakeholders are entitled to expect the highest professional standards from directors, officers and employees of the Company. Compliance with this code and the Company’s other policies will ensure compliance with the Company’s legal and ethical obligations and will contribute to the good corporate governance of the Company.

#### **Discharge of Duties**

Directors and officers must discharge their duties at the highest levels of honesty, loyalty and integrity, acting in good faith with prudence and diligence and in the best interests of the Company and its stakeholders. This entails taking personal responsibility for all issues over which they have control, and for reporting any observed breaches of laws or regulations. It also requires that they do not act in ways which would lead others to question their commitment to the Company and its stakeholders.

All directors will undertake prudent and diligent analysis of all proposals placed before the Board, demonstrate commercial reasonableness in decision-making and will act with a level of skill expected from directors of a publicly listed company.

#### **Relationships**

Performance-enhancing teamwork relies on a workplace where people are treated fairly, are respected by their colleagues, and encourage each other to develop corporately and personally. All directors, officers and employees are all responsible for making this happen.

The Company is an equal opportunity employer, and discrimination or harassment of any kind will not be tolerated.

In dealings both inside and outside the Company, individual directors, officers and employees will value integrity, accuracy, conciseness and timeliness.

#### **Compliance with Laws and Ethics**

Directors, officers and employees must respect the laws, customs and business practices of the countries in which we operate, without compromising this code’s principles. They must also comply with the ethical and technical requirements of relevant regulatory and professional bodies, promote ethical behaviour and not engage in conduct likely to bring discredit upon the Company.

## **Conflicts of Interest**

All directors have an obligation to be independent in judgment and actions and as directors will take all reasonable steps to be satisfied as to the soundness of all decisions of the Board.

In circumstances where personal interests of a director, officer or employee may conflict with those of the Company, steps must be taken to eliminate or manage such conflict.

Directors and officers must disclose to the Board actual or potential conflicts that may or might reasonably be thought to exist between the interests of the director or officer and the interests of the Company. The Board can request a director or officer to take reasonable steps to remove the conflict of interest. If a director cannot or is unwilling to remove a conflict of interest, then such director must absent himself or herself from the room when discussion and voting occur on matters to which the conflict relates. The entry and exit of the director concerned will be minuted by the Corporate Secretary. Directors do not have to absent themselves when either the conflict of interest relates to an interest common to all Company shareholders, or the Board passes a resolution that identifies the director, the nature and extent of the director's interest and clearly states that the other directors are satisfied that the interest should not disqualify the director concerned from discussion and/or voting on the matter.

An employee must disclose to his/her supervisor in writing any conflicting interest of the nature described in the preceding paragraph.

## **Related Party Transactions**

Related party transactions include any financial or business transaction between a director or officer and the Company and will be reported in writing to each Board meeting.

In general, the Corporations Act 2001 requires related party transactions to be approved by the shareholders; the Board cannot approve these transactions. An exemption to this requirement occurs where the financial benefit is given on arm's length terms. A robust independent process including review by the Audit Committee will be followed by the Board when determining whether a financial benefit is given on arm's length terms. The Board has also resolved that where applications are made by a related party to a director or officer of the Company, then the director or officer shall exclude himself/herself from the approval process. Related party for this process means a spouse or de facto spouse of the director or officer, a parent, son or daughter of the director or officer or their spouse or de facto spouse, or an entity over which the director or officer or such a related party has a controlling interest. A person is also a related party if they were one of these at any time within the previous 6 months or if they have reasonable grounds to believe that they are likely to become a related party at any time in the future or they act in concert with a related party with an understanding that they will receive a financial benefit.

The Board will also ensure compliance with the disclosure, minority shareholder approval and formal valuation requirements set forth in Multilateral Instrument 61-101 - Protection of Minority Security Holders in Special Transactions as they apply to related party transactions and other special transactions involving the Company.

## **Confidentiality**

Directors, officers and employees in possession of undisclosed commercially sensitive or privileged or price-sensitive information relating to the Company should not disseminate it to colleagues unnecessarily, and certainly not to outside parties, except in the necessary course of the Company's business, and should be aware that insider tipping is prohibited under applicable law and regulations.



All directors, officers and employees should follow the Company's Trading Policy and should be aware that they are prohibited by law from trading in the Company's securities or related financial instruments if they possess undisclosed commercially sensitive or privileged or price-sensitive information.

### **Use of the Company's Assets**

The Company's assets are critical to its business and future success. They include, for example, office and plant equipment. Directors, officers and employees cannot make personal use of the Company's assets without permission.

### **Corruption and Bribery**

The Company takes a zero-tolerance approach to corruption and is committed to carrying out business fairly, honestly and openly, without improper influence. Bribery and other acts of corruption are prohibited. No director, officer or employee, either directly or indirectly, with the intention of obtaining any advantage in the course of business, shall solicit, receive, offer, promise or provide anything of value to or for the benefit of a public official or entrusted private sector employee, or a family member or close associate of the official or employee, as consideration for an act or omission by the official or employee in connection with the performance of their duties or functions.

For the purposes of this code, the term "public official" includes: (i) a politician, judge or employee or agent of an Australian or Canadian federal, state, provincial, territorial, municipal or local government or of a foreign government, (ii) an employee or agent of a governmental entity or body (such as a crown corporation or state-owned enterprise) that performs duties or functions on behalf of an Australian or Canadian federal, state, provincial, territorial, municipal or local government or of a foreign government, and (iii) an employee or agent of a public international organization such as the United Nations or World Bank.

The relevant advantage or benefit can be monetary or non-monetary. It is not limited to cash or property, but includes any financial or other advantage such as gifts, gift certificates, vouchers, services, discounts, loans, hospitality, travel, meals, daily expense allowances, charitable contributions, sponsorships, or anything else of value.

The engagement of third parties (such as consultants, contractors, suppliers, intermediaries, representatives and agents) raises special concerns for compliance with this code, as the Company has less control over the conduct of third parties than it does over the conduct of its own personnel, whom it can train and discipline. Therefore, the Company must exercise due diligence to ensure that it has formed relationships with reputable and qualified third parties.

### **Giving or Receiving Gifts**

Directors, officers and employees shall refrain from giving or receiving gifts (other than gifts or mementos of nominal value that are customary or business related) that could compromise or appear to compromise the judgment of the receiver in connection with fulfilling his or her duties or create or appear to create an obligation on the receiver towards the person giving the gift, or in circumstances that could constitute bribery or corruption of a public official or entrusted private sector employee or where the giving or receiving of such a gift is otherwise prohibited under applicable laws and regulations. Giving or accepting gifts in the form of cash or cash equivalents (for example, gift certificates, vouchers, services, discounts or loans) is strictly prohibited.

## **Political Contributions**

The Company does not participate directly or indirectly in politics. Payments to political parties, party officials and political candidates on behalf of the Company are strictly prohibited.

Directors, officers and employees are able to make donations to political parties of their choosing, but under no circumstances will the Company reimburse a director, officer or employee for a political donation, nor should a political donation be made by a director, officer or employee on the Company's behalf. Directors, officers and employees are expected to be aware of limits on personal donations to political parties under applicable laws and regulations.

## **Record Keeping**

All Company accounts and records must be accurate, and fully reflective of all transactions. Integrity in record keeping requires that any amounts paid for services are accurately described and recorded and can be justified in the context of the services being provided, and the skills and experience of the person or third party undertaking the work. Records must be maintained in accordance with the Company's accounting and finance policies and procedures and relevant internal controls.

## **Competition**

The Company competes fairly, ethically and honestly in the situations and markets in which it operates. It does not use collusive, coercive or misleading practices, or falsify or wrongly withhold information.

## **Sustainable development**

The Company envisions its success by creating value in a way that meets long-term business needs while considering its stakeholders and the environmental, social and economic context in which it operates.

The Company must support environmental protection in order to help keeping communities safe and healthy and preserving life-supporting ecosystems. The Company must also promote social equity and the respect of individuals in all their diversity and generate positive benefits for the host communities and their members.

The Company is committed to incorporating sustainability principles throughout all its activities.

## **Health and Safety**

The Company is committed to deploying a leadership that fully assumes its responsibilities and supports rigorous principles of occupational health and safety and the well-being of individuals. The Company encourages the full and active participation of all of its directors, officers and employees in the uncompromising application of the highest standards in occupational health and safety.

The Company and its directors, officers and employees must comply with all applicable occupational health and safety laws and regulations.

The Company is committed to providing a safe and healthy working environment with minimal risk for occupational health and safety. To that end, the Company must implement appropriate programs and equip its employees with the necessary tools and training in order to eliminate risk and hazard sources and to encourage them to take ownership of their health, safety and well-being.

Continuous monitoring and evaluation of health and safety performance must be an integral part of the Company's occupational health and safety approach. Employees are urged to report all types of incidents in order to obtain a clear picture of the health and safety performance and thus allow the Company to target relevant areas for improvement. The Company must implement an ongoing improvement process to enhance its health and safety performance on a continuous basis.

The Company encourages employees to withdraw from any work situation that, in their good faith opinion, could cause injury or affect their health. This must be done with the assurance of not being subjected to any reprisals.

## **Environment**

The environmental protection must occupy a key place in defining the success of the Company. That is why the Company is committed to pollution prevention and minimizing the impacts its current and future activities could have on the environment and biodiversity throughout the life cycle of its operations.

The Company must ensure a leadership oriented towards the development and maintenance of a responsible environmental approach while promoting the commitment and dedication of all its directors, officers and employees in achieving the highest environmental standards.

The Company must use effective and efficient tools and implement appropriate programs to ensure:

- Strict obedience with environmental applicable laws and regulations as well as with its permit requirements.
- Monitoring, measuring, analyzing and continually evaluating its environmental performance.
- Adequate and proactive management of environmental risks and the development of opportunities for improvement.

The Company must ensure to implement and maintain environmental performance improvement process which contribute to enhance environmental performance on a continuous basis.

## **Breach of this Code**

Compliance with this code is an essential condition for the employment of each person working for the Company and its subsidiaries. Any violation of this code should be reported to the Board and will be subject to disciplinary sanctions that may include dismissal.

Any director, officer or employee who is uncertain about the scope of an action he or she is about to take or who would like more information on how to interpret this code may contact the Company's General Counsel by phone at +514-532-1274 or by email at sboucratie@championironmines.com.

## **Administration of this Code**

The Board shall be responsible for the administration of this code and shall have the sole authority to amend this code or grant waivers of its provisions. Waivers will be disclosed as may be required by applicable securities legislation and regulations.

## **Board Review and Approval**

This code will be reviewed periodically by the Board. The current version of this code was approved by the Board on August 25, 2020.

#### 4. AUDIT COMMITTEE CHARTER

The Board of Directors (the “Board”) of Champion Iron Limited (the “Company”) has established an Audit Committee (the “Committee”) which consists entirely of independent and non-executive directors. The roles and responsibilities of the Audit Committee are outlined in this charter.

##### **Membership**

The Audit Committee will consist of at least three independent Board members who can all read and understand financial statements and are otherwise financially literate, including:

- At least one member with financial expertise either as a qualified accountant or other financial professional with experience in financial and accounting matters; and
- At least one member who has an understanding of the industry in which the Company operates.

##### **Chairman**

The Audit Committee will appoint an independent director, other than the Chairman of the Board, to be the Chairman of the Committee. The Chairman is responsible for the following:

- Providing the necessary direction required for the Audit Committee to undertake its role effectively;
- Overseeing the preparation of Committee agendas and briefing papers and ensuring that all required matters are brought before the Audit Committee and that all the Committee members receive timely and accurate information so that they can make informed decisions on matters under the Committee’s responsibility;
- Reporting to the Board on the matters reviewed by the Audit Committee and on any decisions or recommendations of the Audit Committee in accordance with this charter;
- Reviewing the expense reports of the Executive Chairman;
- Carrying out any special assignments or functions as requested by the Board.

##### **Secretary**

Unless otherwise determined by the Committee, the Corporate Secretary will be the Secretary of the Audit Committee.

##### **Other Attendees**

The Chief Financial Officer as well as other members of senior management may be invited to be present for all or part of the meetings of the Audit Committee, but will not be members of the Committee.

Representatives of the external auditor are expected to attend each meeting of the Audit Committee and at least once a year the Committee shall meet with the external auditors without any management, executives or staff present.

##### **Quorum**

A quorum will be two members.

## **Meetings**

Audit Committee meetings will be held not less than four times a year so as to enable the Committee to undertake its role effectively. In addition, the Chairman is required to call a meeting of the Audit Committee if requested to do so by any member of the Audit Committee, the Chief Financial Officer or the external auditor.

## **Authority**

The Audit Committee is authorised by the Board to investigate any activity within its charter. The Audit Committee will have access to management and to the external and internal auditors with or without management present and has rights to seek explanations and additional information. It is authorised to seek any information it requires from any employees and all employees are directed to cooperate with any request made by the Audit Committee.

The Audit Committee is authorised by the Board to obtain outside legal or other independent professional advice, to set and pay the compensation for such legal or other advisors and to secure the attendance of advisors with relevant experience and expertise if it considers this necessary.

The Audit Committee is required to make recommendations to the Board on all matters within the Audit Committee's charter.

## **Reporting Procedures**

The Audit Committee will keep minutes of its meetings. The minutes of each Audit Committee meeting will be drafted by the Secretary of the Committee or such other secretary of the meeting as shall be delegated by the Secretary or appointed by the Audit Committee from time to time. The Secretary of the Committee shall circulate the minutes of the meetings of the Committee to all members of the Committee for comment and change before being signed by the Chairman of the Audit Committee. A report is to be made by the Chairman of the Audit Committee at the Board meeting following the Audit Committee meeting along with any recommendations of the Committee.

## **Duties and Responsibilities of the Audit Committee**

The Audit Committee is responsible for reviewing the integrity of the Company's financial reporting and overseeing the work of the external auditors. In particular, the Audit Committee has the following duties:

### *Financial Statements and Information*

- To review the audited annual and unaudited half-yearly and quarterly financial statements and any press releases and reports which accompany published financial statements (including management's discussion and analysis, related press releases and conference call presentations) before submission to the Board, recommending their approval, focusing particularly on:
  - Any changes in accounting policies and practices;
  - Major judgmental areas;
  - Significant adjustments, accounting and financial reporting issues resulting from the internal and external audit;
  - Compliance with accounting policies and standards; and
  - Compliance with legal requirements.

- To review any financial outlook or future-oriented financial information disclosed by the Company before submission to the Board, recommending their approval, focusing on reasonableness of assumptions used and appropriateness of disclosure.
- To review any periodic report, announcement or press release containing financial information that is not audited or reviewed by an external auditor, before submission to the Board, recommending their approval.

#### *Related Party Transactions*

- To review and monitor any related party transactions.

#### *External Audit Function*

- To recommend to the Board the appointment of the external auditor.
- Each year, to review the appointment of the external auditor, their independence, the audit fee, and any questions of resignation or dismissal.
- To discuss with the external auditor before the audit commences the nature and scope of the audit.
- To meet privately with the external auditor on at least an annual basis.
- To determine that no management restrictions are being placed upon external auditor.
- To discuss problems and reservations arising from the interim and final audits, and any matters the auditors may wish to discuss (in the absence of management where necessary).
- To review the external auditor's management letter and management's response and resolve any disagreement between management and the external auditor regarding financial reporting.
- To review any regulatory reports on the Company's operations and management's response.
- To pre-approve all non-audit services to be provided to the Company and its subsidiaries by the external auditor in accordance with National Instrument 52-110 - Audit Committees.
- To review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the Company.

#### *Communication*

- Providing, through regular meetings, a forum for communication between the Board, senior financial management, staff involved in internal control procedures and the external auditors.
- Enhancing the credibility and objectivity of financial reports with other interested parties, including creditors, key stakeholders and the general public.
- Establishing procedures for the receipt, retention and treatment of complaints and concerns regarding accounting, internal accounting controls and auditing matters and ensuring a mechanism for the confidential treatment of such complaints and reports including the ability to submit them anonymously, and publicise such procedures in the Company's Code of Conduct or another policy made available to all employees and the public.

#### *Assessment of Effectiveness*

- To evaluate the adequacy and effectiveness of the Company's administrative, operating and accounting policies through active communication with operating management and the external auditors.

*Oversight of the Risk Management System*

- To oversee the establishment and implementation by management of a system for identifying, assessing, monitoring and managing material risk throughout the Company, including the Company's internal compliance and control systems.
- To review at least annually the Company's risk management systems to ensure the exposure to the various categories of risk are minimised.
- To evaluate the Company's exposure to fraud.
- To take an active interest in ethical considerations regarding the Company's policies and practices.
- To monitor the standard of corporate conduct in areas such as arms-length dealings and likely conflicts of interest.
- To identify and direct any special projects or investigations deemed necessary.
- To ensure that roles within the Company are filled by employees or contractors with skills, training, qualifications and experience suitable for each role, especially in areas of the business which are regulated by statute or regulation.
- To ensure a safe working culture is sustained in the workforce.
- To determine the Company's risk profile describing the material risks, including both financial and non-financial matters, facing the Company, regularly review and update the risk profile, and ensure material risk factors are appropriately disclosed in the Company's annual and interim reports and the Company's annual information form.

**Board Review and Approval**

This charter will be reviewed periodically by the Board. The current version of this charter was approved by the Board on August 25, 2020.

## 5. REMUNERATION AND NOMINATION COMMITTEE CHARTER

The Board of Directors (the “Board”) of Champion Iron Limited (the “Company”) has established a Remuneration and Nomination Committee (the “Committee”) which consists entirely of non-executive directors. The roles and responsibilities of the Committee are outlined in this charter.

### Membership

The Committee will consist of at least three non-executive Board members with the skills and experience to make decisions on the suitability of the Company’s compensation policies and practices, at least a majority of whom shall be independent Board members.

### Chairman

The Committee shall appoint an independent Director as the Chairman of the Committee. The Chairman is responsible for the following:

- Providing the necessary direction required for the Committee to undertake its role effectively;
- Overseeing the preparation of Committee agendas and briefing papers and ensuring that all required matters are brought before the Committee and that all the Committee members receive timely and accurate information so that they can make informed decisions on matters under the Committee’s responsibility;
- Reporting to the Board on the matters reviewed by the Committee and on any decisions or recommendations of the Committee in accordance with this charter;
- Carrying out any special assignments or functions as requested by the Board.

### Secretary

Unless otherwise determined by the Committee, the Corporate Secretary shall be the Secretary of the Committee.

### Other Attendees

The Executive Chairman and the Chief Executive Officer as well as other members of senior management may be invited to be present for all or part of the meetings of the Committee, but will not be members of the Committee.

Representatives of the Company’s external consultants may also be invited to be present for all or part of certain meetings of the Committee.

### Quorum

A quorum shall be two members.

### Meetings

Committee meetings will be held not less than once a year to enable the Committee to undertake its role effectively.



## Reporting Procedures

The Committee will keep minutes of its meetings. The minutes of each Committee meeting will be drafted by the Secretary of the Committee or such other secretary of the meeting as shall be delegated by the Secretary or appointed by the Committee from time to time. The Secretary of the Committee shall circulate the minutes of the meetings of the Committee to all members of the Committee for comment and change before being signed by the Chairman of the Committee. A report is to be made by the Chairman of the Committee at the Board meeting following the Committee meeting along with any recommendations of the Committee.

## Duties and Responsibilities of the Committee

The duties of the Committee are set out below.

### *Human Resources and Remuneration*

- Assist the Board in fulfilling its responsibilities in respect of establishing appropriate remuneration levels and policies including incentive policies for directors and senior executives;
- Assess the market and benchmark against comparative group to ensure that senior executives are being rewarded commensurate with their responsibilities;
- Retain the services of compensation consultants or advisors to assist the Board and the Committee in benchmarking and determining executive compensation, set and pay the compensation for such consultants or advisors, and pre-approve any other services such consultants or advisors may provide to the Company and its subsidiaries;
- Consider the implications of the risks associated with the Company's compensation policies and practices;
- Set policies for senior executives' remuneration which includes the ability to seek input from senior executives on the remuneration policies (but no senior executives will be directly involved in deciding their own remuneration);
- Review the salary levels of senior executives and make recommendations to the Board on any proposed increases;
- Propose, for full Board approval, the terms and conditions of employment for the Executive Chairman and the Chief Executive Officer;
- Review the Company's recruitment, retention and termination policies and procedures for senior management;
- Oversee management's succession planning including the Chief Executive Officer and his/her direct reports;
- Report on the Company's progress against any diversity objectives or targets, for inclusion in the Company's annual report and management proxy circular;
- Review and make recommendations to the Board on the Company's annual and long-term incentive plans;
- Assist the Board in establishing performance objectives relevant to executive compensation, evaluating performance against these objectives and determining executive compensation based on such evaluation in accordance with the Company's Board Performance Evaluation Policy;
- Review and make recommendations to the Board on the Company's pension or superannuation arrangements;

- Review and make recommendations to the Board on the Company's main human resources policies, including the Code of Conduct; and
- Review executive compensation disclosure and analysis for inclusion in the Company's annual report and management proxy circular.

#### *Board Nominations*

- Consider the appropriate size of the Board, with a view to facilitating effective decision-making;
- Ensure an appropriate Board selection process takes place in searching for and selecting new directors to the Board.
- Develop criteria for Board membership and identify the factors taken into account in the selection process;
- Identify and screen specific candidates for nomination having regard to any gaps in the skills and experience of the directors on the Board and ensuring that a diverse range of candidates is considered;
- Ensure there is an appropriate induction and orientation program in place and in particular, ensure that new directors gain an understanding of the culture and values of the Company, meeting arrangements and director interaction with each other and senior executives;
- Make recommendations to the Board for committee membership;
- Ensure there is an appropriate Board succession plan in place to maintain an appropriate mix of skills, experience, expertise and diversity on the Board;
- Ensure the performance of the Board and its members is regularly reviewed and assist the Chairman or Lead Director in advising directors about their performance in accordance with the Company's Board Performance Evaluation Policy;
- Develop with Directors an appropriate training and development program; and
- Review and make recommendations to the Board on the remuneration of directors.

#### **Board Review and Approval**

This charter will be reviewed periodically by the Board. The current version of this charter was approved by the Board on August 25, 2020.

## 6. MANDATE OF CHIEF EXECUTIVE OFFICER

### General

The Chief Executive Officer is responsible for the general direction and management of the business and affairs of Champion Iron Limited (the “Company”) in accordance with the corporate strategy and objectives approved by the Board of Directors (the “Board”) and within the authority limits delegated by the Board. In collaboration with the Executive Chairman, the Chief Executive Officer develops the strategic direction of the Company to create sustainable long-term shareholder value.

### Key Responsibilities

The key responsibilities of the Chief Executive Officer include the following:

- In collaboration with the Executive Chairman, develop and recommend to the Board a corporate strategy designed to achieve sustained, profitable growth with an objective of maximizing shareholder value and ensuring the long-term success of the Company;
- Review and report regularly to the Board on the Company’s progress against its objectives, and all material deviations from such objectives and strategies, including any proposed changes as required, while informing the Board in early stages of the strategic plan development;
- Foster a corporate culture that promotes ethical practices and integrity and maintains a positive work environment in an effort to attract, motivate and retain top talent at all levels in the Company;
- Ensure that all operations and activities of the Company are conducted in accordance with sound business practice, applicable laws and regulations, the Company’s Code of Conduct and other corporate governance policies approved by the Board;
- Manage key resources of the Company including financial, human and other resources to implement and achieve the Company’s strategic plan and ensure the implementation of effective control, monitoring and performance standards and systems relative to the utilization of all corporate resources for greater success and effectiveness;
- Manage the material risks of the Company’s businesses and ensure that a proper risk management system is in place to monitor and mitigate the impact of these risks;
- Ensure that effective disclosure controls and procedures and internal control over financial reporting are designed, established and maintained;
- In collaboration with the Executive Chairman, ensure that all required matters are brought before the Board.
- Lead and oversee the required interfaces between the Company and the external constituencies, and act as the principal spokesperson for the Company;
- In collaboration with the Executive Chairman, ensure effective communication and appropriate relationships are maintained with all the stakeholders of the Company.

### Board Review and Approval

This mandate will be reviewed periodically by the Board. The current version of this mandate was approved by the Board on August 25, 2020.

## 7. DIVERSITY POLICY

### Introduction

This diversity policy adopted by the Board of Directors (the “Board”) of Champion Iron Limited (the “Company”) sets out the Company’s approach to achieving and maintaining diversity for all positions, including Board and executive officer positions, with an emphasis on gender diversity.

### Policy Statement

The Company believes that employee hires and promotions, including executive officer appointments, and the election or appointment of Board members should be based on merit, and remains committed to selecting the best persons to fulfill these roles. At the same time, the Company recognizes that diversity is important to ensure that the profiles of directors and executive officers provide the necessary range of perspectives, experience and expertise required to achieve effective stewardship and management, and that diversity is a business, social and ethical imperative and that the Company’s stakeholders expect the Company to foster the creation and maintenance of an inclusive workplace.

The ability to draw on a wide range of viewpoints, backgrounds, skills, and experiences is critical to the Company’s success. Diversity helps ensure that a variety of perspectives are brought to bear on issues, while enhancing the likelihood that proposed solutions will be nuanced and comprehensive. The Company believes that diversity is an important attribute of a well-functioning Board and an efficient executive team. The Company further believes that building a diverse Board and executive team is a critical step to building a diverse and inclusive culture for all employees of the Company and its subsidiaries.

The Company recognizes that gender diversity is a significant aspect of diversity and acknowledges the important role that women with appropriate and relevant skills and experience can play in contributing to the diversity of perspective on the Board and in executive officer positions. The Company also recognizes that women are often under-represented in leadership positions.

### Approach and Objectives

The Company’s approach to achieving and maintaining diversity includes:

- Recruiting from a diverse range of candidates for all positions, including Board and executive officer positions;
- Articulating a corporate culture and adopting human resources policies as deemed appropriate to support diversity and an inclusive workplace and encourage female participation across a range of roles within the Company;
- Developing programs as deemed appropriate to encourage a diverse pool of skilled and experienced executive officer candidates, such as workplace development programs, mentoring programs and targeted training and development;
- Consider diversity when reviewing executive succession plans;
- Reviewing and reporting on an annual basis in the Company’s annual report and management proxy circular on the relative proportion of women and men in Board and executive officer positions and in the whole organization; and
- Any other approach or strategy that the Board or the Remuneration and Nomination Committee develops from time to time.

If deemed appropriate, the Board may, upon recommendation of the Remuneration and Nomination Committee, set measurable objectives or targets for achieving gender diversity in accordance with this policy, such as a target percentage or number of women in Board and executive officer positions, to be achieved by the Company within a set period of time. If any such objective or target is set, the Remuneration and Nomination Committee will report on an annual basis to the Board on the Company's progress against this objective or target.

### **Board Review and Approval**

This policy will be reviewed periodically by the Board. The current version of this policy was approved by the Board on August 25, 2020.

## 8. CONTINUOUS DISCLOSURE POLICY

### Introduction

Champion Iron Limited (the “Company”) and its Board of Directors (the “Board”) are committed to:

- Ensuring that shareholders and the market are provided with full and timely information about its activities;
- Complying with the continuous disclosure obligations contained in the ASX Listing Rules, the TSX Company Manual, the applicable sections of the Corporations Act 2001 and applicable Canadian provincial securities laws and regulations (the “Regulatory Framework”); and
- Providing equal opportunity for all stakeholders to receive externally available information issued by the Company in a timely manner.

This policy covers financial markets communication, media contact and continuous disclosure issues. It forms part of the Company’s corporate governance policies and is made available to all employees and published on the Company’s website.

### Guiding Principle

The Company will immediately notify shareholders and the market via an announcement to the Australian Securities Exchange (the “ASX”), a news release and, where required, a material change report filed on the SEDAR website of any material information concerning the Company and its securities, subject to the exceptions set forth in the Regulatory Framework.

In addition, the Company will ensure that it does not communicate or disclose any material, privileged or price sensitive information to an external party, except where that information has previously been publicly disclosed as contemplated above or where such communication or disclosure is required in the necessary course of business of the Company and is therefore allowed to be made on a confidential basis under the Regulatory Framework.

### Material, Privileged or Price Sensitive Information

“Material information” means any information relating to the business and affairs of the Company that results in or would reasonably be expected to result in a significant change in the market price or value of any of the Company’s securities, and includes both a “material fact” and a “material change” as defined under applicable Canadian provincial securities laws.

“Price sensitive information” means that information concerning the Company that a reasonable person would expect to have a material effect on the price or value of the Company’s securities. For this purpose, a reasonable person would be taken to expect information to have a material effect on the price or value of securities if the information would, or would be likely to, influence persons who commonly invest in securities in deciding whether to acquire or dispose of the securities.

“Privileged information” means any information concerning the Company and its securities that has not been publicly disclosed and that could affect the decision of a reasonable investor.

### Protocol for Reporting of Material Information

The Company’s protocol in relation to the review and release of ASX announcements and news releases for reporting of material information is as follows:

- Information is determined by the Board, the Executive Chairman or the Chief Executive Officer as being of a type or nature that may warrant disclosure under this policy;
- The Company's executive team, comprised of the Executive Chairman, the Chief Executive Officer, the Chief Financial Officer and the General Counsel and Corporate Secretary and any other officer as may be deemed appropriate, will determine the nature and extent of the information to be disclosed and the form and content of the ASX announcement and news release;
- The ASX announcement and news release will be submitted to the Board for review and approval, and, where applicable, the Board may seek a recommendation from its Audit Committee or Remuneration and Nomination Committee;
- The ASX announcement and news release will be given to ASX and pre-cleared with IROC Market Surveillance;
- The Company will issue the ASX announcement and news release and ensure that the Company's website is updated; and
- The Company will provide copies of all material market announcements to the Board promptly after they have been made.

The Audit Committee will review the audited annual and interim financial statements and any press releases and reports which accompany published financial statements (including management's discussion and analysis, related press releases and conference call presentations), as well as any financial outlook or future-oriented financial information disclosed by the Company (focusing on the reasonableness of assumptions used and appropriateness of disclosure), before submission to the Board, recommending their approval. Audit Committee will also review any periodic report, announcement or press release containing financial information that is not audited or reviewed by an external auditor, before submission to the Board, recommending their approval.

The Company may request a trading halt to maintain orderly trading in the Company's shares or securities. The General Counsel and Corporate Secretary will manage the process in consultation with the Executive Chairman and the Chief Executive Officer as required.

### **Authorised Spokespersons**

Only authorised spokespersons are allowed to make public statements to external parties, shareholders, investors, stockbroker's analysts or the media in relation on any matters affecting the Company.

Currently, those authorised spokespersons are the Executive Chairman and the Chief Executive Officer or their delegates nominated for that purpose.

Those authorised spokespersons may clarify information that the Company has publicly released but will not comment on material, privileged or price sensitive information that has not been publicly disclosed.

Any non-authorised director, officer or employee who receives a request for comment from an external third party is to refer the enquiry to the Chief Executive Officer.

### **Distribution of Information**

All information released to the ASX after clearance from the ASX will be promptly placed on the Company's website, the latest within 24 hours.

### **Communication of this Policy**

The Company's directors, officers and employees must be made aware of this policy.

Employees must disclose any information which comes to their attention and is believed to potentially be material, privileged or price sensitive information to their immediate supervisor or a member of the Company's executive team.

Employees must be made aware of the "no comment policy" to external parties on any matters which may potentially be material, privileged or price sensitive information.

### **Contact with the Market**

The Company's representatives interact regularly with the market on the Company's activities in a number of ways, including open briefings, one-on-one briefings and market announcements. At all times when interacting with external parties, shareholders, investors, stockbroking analysts and market participants, the Company's representatives should adhere to the guiding principle set out in this policy.

The Company may hold open briefings (i.e. where all members of a relevant group are invited) with shareholders, investors, stockbroking analysts and/or market participants to discuss information that has been released to the market, including regularly-scheduled analyst calls to review the Company's quarterly results. At these briefings, the Company's representatives may provide additional background information to assist participants in their understanding of the Company's business operations and activities, but should not disclose any material, privileged or price sensitive information during any open briefing. The Company will place any written briefing and presentation materials onto the Company's website prior to the briefing.

From time to time, the Company may also participate in one-on-one briefings with shareholders, investors, stockbroking analysts and/or market participants. At these briefings, the Company's representatives may provide additional background information to assist participants in their understanding of the Company's business operations and activities, but should not disclose any material, privileged or price sensitive information during any one-on-one briefing, except on a confidential basis in the necessary course of business of the Company as allowed under applicable securities laws and regulations and stock exchange rules.

The Company will observe a quarterly quiet period, between the end of each quarter and the release of the Company's quarterly, half-yearly or annual financial results, during which no comments with respect to the quarter's operations or expected financial results will be provided to shareholders, investors, stockbroking analysts and market participants and communications should be limited to responding to inquiries concerning publicly available information (including any previously-disclosed production results for such quarter) or non-material information.

### **Review of Analyst Reports**

The Company recognises the important role performed by analysts in assisting the establishment of an efficient market with respect to the Company's securities. However, the Company is not responsible for, and does not endorse, analyst reports that contain commentary on the Company. The Company will not provide any material, privileged or price sensitive information in response to such reports. The reports may be reviewed only to correct factual inaccuracies. Any correction of factual inaccuracies by the Company does not imply endorsement of the content of these reports. The Company will not publish any analyst report on its website, and the Company's representatives should not redistribute an analyst report to any external party.



### **Managing Market Speculation and Rumours**

Market speculation and rumours, whether substantiated or not, have a potential to impact the Company's share price. Speculation may also contain factual errors that could materially affect the Company.

The Company's general policy on responding to market speculation and rumours is that "the Company does not respond to market speculation or rumours". However the Company may issue a statement in relation to market speculation or rumour where and when it considers it necessary.

Speculation may result in the ASX or IROCC Market Surveillance formally requesting disclosure by the Company on the matter, in which case the Company will respond to the request.

### **Board Review and Approval**

This policy will be reviewed periodically by the Board. The current version of this policy was approved by the Board on August 25, 2020.

## **9. SHAREHOLDER COMMUNICATIONS POLICY**

The Board of Directors (the “Board”) of Champion Iron Limited (the “Company”) aims to ensure that Shareholders are informed of all major developments.

Information is communicated to shareholders as follows:

### **Reporting to Shareholders**

An annual report and a management proxy circular for the annual general meeting of shareholders will be filed and distributed to shareholders and beneficial owners, on an annual basis, in accordance with the ASX Listing Rules, the TSX Company Manual, the applicable sections of the Corporations Act 2001 and applicable Canadian provincial securities laws and regulations (the “Regulatory Framework”). An annual information form will also be filed in accordance with the Regulatory Framework.

A quarterly financial report will be filed and distributed to shareholders and beneficial owners who request them, on a quarterly basis, in accordance with the Regulatory Framework.

### **News Releases and ASX Announcements**

News releases and announcements to the Australian Securities Exchange (the “ASX”) will be made in accordance with the Regulatory Framework and the Company’s Continuous Disclosure Policy.

### **Annual General Meeting of Shareholders**

The Board encourages full participation of shareholders at the annual general meeting of shareholders of the Company to ensure a high level of accountability and identification with the Company’s strategy and goals. The Company will use annual general meetings of shareholders as a tool to effectively communicate with shareholders and allow shareholders a reasonable opportunity to ask questions of the Board and to otherwise participate in the meeting.

The external auditor of the Company will be asked to attend each annual general meeting of shareholders of the Company and be available to answer shareholder questions about the conduct of the audit and the preparation of the auditor’s report.

### **Website**

The Company is committed to maintaining a Company website with general information about the Company and its operations and information specifically targeted at keeping the Company’s shareholders informed about the Company.

In particular, where appropriate, after confirmation of receipt by the ASX, the following will be posted to the Company website:

- Relevant news releases and ASX announcements;
- Company presentations and briefings;
- Annual and interim financial reports;
- Corporate governance policies.

### **Other Information**

While the Company aims to provide sufficient information to shareholders about the Company and its activities, it understands that shareholders may have specific questions and require additional information. To ensure that shareholders can obtain all relevant information to assist them in exercising their rights as shareholders, the Company has made available relevant contact details (via the website) for shareholders to make their enquiries.

In keeping with the Company's Continuous Disclosure Policy, no material, privileged or price sensitive information will be disclosed in response to shareholder enquiries.

### **Board Review and Approval**

This policy will be reviewed periodically by the Board. The current version of this policy was approved by the Board on August 25, 2020.

## 10. TRADING POLICY

### **Purpose of this Policy**

It is illegal under the laws and regulations of Australia, Canada and other jurisdictions to trade in shares and other securities while in possession of privileged or price-sensitive information and to communicate such information to others who you would expect to trade in such shares or securities. The prohibited activities often are called “insider trading” and “tipping.”

The rules and procedures outlined in this trading policy have been implemented in order to prevent improper trading in the securities of Champion Iron Limited (together with its direct and indirect subsidiaries, the “Company”) and the improper communication of privileged or price-sensitive information. In addition, this policy is aimed at preventing directors, officers and employees of the Company and its subsidiaries from engaging in activities that, although not illegal, may expose them or the Company to potential reputational risk.

### **Definitions**

“Board” means the Board of Directors of the Company.

“Company Securities” means shares, options, notes and any other securities that the Company may issue from time to time (such as bonds or convertible securities) and includes, for the purposes of this policy, any instrument, agreement or security whose value, market price or payment obligations are based on the value, market price or payment obligations of a security of the Company (such as deferred stock units, performance share units and securities the subject of a holding lock) and any other instrument, agreement or understanding that affects, directly or indirectly, a person’s economic interest in a security of the Company.

“Designated Insider” means a director, officer or employee of the Company or a subsidiary that the Company designates as a person who is subject to certain trading restrictions due to their access to Privileged or Price-Sensitive Information about the Company, including, without limitation, “key management personnel” or “KMP” having authority and responsibility for planning, directing and controlling the activities of the Company whether directly or indirectly, and family members and closely connected persons of such people designated by the Company as being subject to certain trading restrictions.

“Price Sensitive Information” means that information concerning the Company that a reasonable person would expect to have a material effect on the price or value of the Company’s securities. For this purpose, a reasonable person would be taken to expect information to have a material effect on the price or value of securities if the information would, or would be likely to, influence persons who commonly invest in securities in deciding whether to acquire or dispose of the securities.

“Privileged Information” means any information concerning the Company and its securities that has not been publicly disclosed and that could affect the decision of a reasonable investor.

“Reporting Insider” means any director of the Company, as well as any director, officer or employee of the Company or a subsidiary designated by the Company as a reporting insider within the meaning of National Instrument 55-104 – Insider Reporting Requirements and Exemptions.

## **General Prohibitions**

### *Dealing Prohibition*

Directors, officers and employees of the Company and its subsidiaries must not apply for, acquire, or dispose of, or otherwise trade in, Company Securities or enter into an agreement to apply for, acquire, or dispose of, or otherwise trade in, Company Securities, while in possession of Privileged or Price-Sensitive Information, subject to the exceptions under applicable laws and regulations. They are also prohibited from trading in another company's securities while in possession of Privileged or Price-Sensitive Information regarding that company gained during the course of their work or functions as directors, officers and employees of the Company and its subsidiaries.

### *Communication Prohibition*

Directors, officers and employees of the Company and its subsidiaries are prohibited from directly or indirectly disclosing or communicating Privileged or Price-Sensitive Information to another party where they know, or ought reasonably know, that the other person would or would be likely to trade in Company Securities or procure another person to trade in Company Securities, or "tipping" or recommending that another party trade in Company Securities or another public company's securities while they have knowledge of Privileged or Price-Sensitive Information. Tipping is a violation of laws and regulations even if the person disclosing the information does not personally make a trade or otherwise benefit from disclosing the information.

There are limited circumstances in which Privileged or Price-Sensitive Information may be disclosed in the necessary course of business if there are no grounds to believe the Privileged or Price-Sensitive Information will be used or disclosed contrary to applicable laws and regulations. If a director, officer or employee of the Company or a subsidiary believes he or she is faced with these circumstances, he or she should contact the General Counsel and Corporate Secretary to confirm whether Privileged or Price-Sensitive Information may be disclosed.

### *Procurement Prohibition*

Directors, officers and employees of the Company and its subsidiaries must not procure another person to apply for, acquire, or dispose of, or otherwise trade in, Company Securities, or enter into an agreement to apply for, acquire, or dispose of, or otherwise trade in, Company Securities while in possession of Privileged or Price-Sensitive Information.

### *Consequences of Non-Compliance*

The consequences of insider trading and tipping can be severe. Directors, officers and employees of the Company and its subsidiaries who contravene applicable laws and regulations will be subject to disciplinary actions, which may include restrictions on future participation in equity-based incentive plans or termination of employment without notice or payment in lieu of notice, and expose themselves to criminal, penal and administrative actions by the relevant authorities, which could lead to substantial fines and imprisonment.

## **Additional Restrictions applicable to Reporting Insiders and Designated Insiders**

### *Trading Restrictions and Blackout Periods*

All Reporting Insiders and Designated Insiders are subject to regular blackout periods in connection with the release of the Company's quarterly, half-yearly and annual financial results. Reporting Insiders and

Designated Insiders may only trade in Company Securities within the period beginning on the third business day following the release of the Company's quarterly, half-yearly and annual financial results and ending at the close of business on the last day of the following financial quarter.

In addition, the General Counsel and Corporate Secretary may from time to time as a result of special circumstances relating to the Company, such as a material project, event or transaction, designate a discretionary blackout period for such length of time as is deemed necessary and determine the Reporting Insiders and Designated Insiders to which such discretionary blackout period applies.

#### *Excluded Trading*

Notwithstanding the foregoing trading restrictions, automatic purchases or dispositions in accordance with applicable laws and regulations may be made during blackout periods under any written automatic plan established by the Company prior to the relevant periods.

#### *Pre-Clearing Trades*

All Reporting Insiders and Designated Insiders who wish to trade in Company Securities must first submit a pre-clearing request to the General Counsel and Corporate Secretary and the Executive Chairman. If the Executive Chairman wishes to trade in Company Securities, he must first submit a pre-clearing request to the General Counsel and Corporate Secretary and the Lead Director.

A pre-clearing request should specify the type of transaction (e.g., purchase, sale or exercise of stock options and confirmation on the intention to subsequently hold or sell the underlying shares) and include a confirmation from the Reporting Insider or Designated Insider that he or she is not in possession of any Privileged or Price-Sensitive Information.

No trade by a Reporting Insider or Designated Insider may be carried out without the pre-clearance of the General Counsel and Corporate Secretary and the Executive Chairman, which may be given or refused at the discretion of the General Counsel and Corporate Secretary and the Executive Chairman, or in the case of a request by the Executive Chairman, by the General Counsel and Corporate Secretary and the Lead Director.

Written notification under this policy via email is acceptable, and any pre-clearance given will be valid for the next five trading days (or such shorter or longer period as may be specified by the General Counsel and Corporate Secretary or the Executive Chairman), unless revoked by the General Counsel and Corporate Secretary or the Executive Chairman. Reporting Insiders and Designated Insiders should ensure that no trading of Company Securities occurs if the Reporting Insider or Designated Insider comes into possession of any Privileged or Price-Sensitive Information following receipt of a pre-clearance to trade.

The decision whether to provide pre-clearance for a Reporting Insider or Designated Insider to trade in Company Securities is final and binding on the Reporting Insider or Designated Insider seeking pre-clearance. If pre-clearance to trade in Company Securities is refused, the Reporting Insider or Designated Insider must keep this decision confidential and not disclose to any other person that the request for pre-clearance to trade has been refused.

Reporting Insiders and Designated Insiders are reminded that, notwithstanding the pre-clearance of a trade by the General Counsel and Corporate Secretary and the Executive Chairman, the pre-clearance of a trade is not an endorsement of the trade and the ultimate responsibility for complying with the insider trading restrictions rests with the individual trading in Company Securities.

### *Exceptional Circumstances*

In exceptional circumstances, the General Counsel and Corporate Secretary and the Executive Chairman may provide written clearance to a Reporting Insider or Designated Insider to trade in Company Securities during a regular blackout period if such Reporting Insider or Designated Insider is not in possession of any Privileged or Price-Sensitive Information and any of the following applies:

- the trade in Company Securities falls in one of the common examples of excluded trading situations provided by the ASX;
- a sale of Company Securities is necessary to alleviate severe financial hardship;
- the Reporting Insider or Designated Insider is required by a court order, or there are court enforceable undertakings, to transfer or sell Company Securities, or there is some other overriding legal or regulatory requirement for him or her to do so;
- there are other circumstances which have not been identified in this policy, that are deemed exceptional by the General Counsel and Corporate Secretary and the Executive Chairman, and the proposed trade in Company Securities is the only reasonable course of action available.

### *Australian Disclosure Requirements*

Directors must notify the General Counsel and Corporate Secretary (and any delegate thereof) of any dealings in the Company Securities immediately when any such dealings occur. The directors appoint the General Counsel and Corporate Secretary (and any delegate thereof) as its agent for the purposes of compliance with the disclosure requirement on directors share trading contained in ASX Listing Rule 3.19A. Directors shall be responsible for providing information to the General Counsel and Corporate Secretary (and any delegate thereof) in order for them to ensure compliance with Listing Rule 3.19A.

### *Canadian Disclosure Requirements*

Reporting Insiders are required to file insider reports on the SEDI website within five days of each trade or other relevant change in accordance with applicable laws and regulations. The General Counsel and Corporate Secretary is available to assist Reporting Insiders in completing and filing insider reports, but the ultimate responsibility for complying with the insider filing requirements rests with the individual trading in Company Securities.

### *Anti-Hedging Restrictions*

Reporting Insiders and Designated Insiders shall not in respect of Company Securities engage in transactions in derivatives in respect of Company Securities (such as put and call options), or any other hedging or equity monetization transaction in which the individual's economic interest and risk exposure in Company Securities is changed (such as collars or forward sales contracts).

### *Margin Lending and Secured Financing*

Reporting Insiders and Designated Insiders must not engage in any margin lending or other secured financing arrangements in respect of Company Securities without prior approval of the General Counsel and Corporate Secretary and the Executive Chairman. If the Executive Chairman wishes to engage in any margin lending or other secured financing arrangements in respect of Company Securities, he must first submit a pre-clearing request to the General Counsel and Corporate Secretary and the Lead Director.

*Short Term Dealings and Short Selling*

Reporting Insiders and Designated Insiders shall not engage in short term dealings or short selling of Company Securities without prior approval of the General Counsel and Corporate Secretary and the Executive Chairman. If the Executive Chairman wishes to engage in any short term dealings or short selling of Company Securities in Company Securities, he must first submit a pre-clearing request to the General Counsel and Corporate Secretary and the Lead Director.

**Board Review and Approval**

This policy will be reviewed periodically by the Board. The current version of this policy was approved by the Board on August 25, 2020.



## 11. MAJORITY VOTING POLICY ON ELECTION OF DIRECTORS

The board of directors (the “Board”) of Champion Iron Limited (the “Company”) has adopted this Majority Voting Policy on Election of Directors which requires that any nominee who receives a greater number of votes “withheld” from his or her election than votes “for” such election, promptly tender his or her resignation to the Board, to be effective upon acceptance by the Board. Any future nominees for election to the Board will be required to confirm that they will abide by this policy.

### Majority Voting Requirement

Pursuant to this policy, the forms of proxy for the election of directors will permit the shareholders of the Company (each a “Shareholder” and collectively, the “Shareholders”) to vote in favour of, or to withhold from voting, separately for each director nominee. The Chair of the Board will ensure that the number of votes in favour of or withheld from voting of each director nominee is recorded and promptly made public after the meeting. If the number of proxy votes withheld for a particular director nominee is greater than the votes in favour of such nominee, such director nominee shall be required to promptly submit his/her resignation to the Chair of the Board following the applicable Shareholders’ meeting, effective upon acceptance by the Board. The Board will refer the resignation to the Remuneration and Nomination Committee (the “Committee”).

### Consideration and Acceptance of Resignation

Following receipt of a resignation submitted pursuant to this policy, the Committee shall consider whether or not to accept the resignation and shall recommend to the Board whether or not to accept it in accordance with Section 461.3 of the Toronto Stock Exchange Company Manual.

Within 90 days following the applicable Shareholders’ meeting, the Board shall make its decision, on the Committee’s recommendation. In considering the Committee’s recommendation, the Board will consider the factors considered by the Committee and such additional information and factors that the Board considers to be relevant, provided that the Board shall accept the resignation absent exceptional circumstances. Following the Board’s decision on the resignation, the Board shall publicly disclose their decision whether to accept the applicable director’s resignation including the reasons for rejecting the resignation, if applicable. If a resignation is accepted, subject to any corporate law restrictions, the Board may leave the vacancy unfilled or appoint a new director to fill the vacancy. A copy of the news release with the Board’s decision will be provided to the Toronto Stock Exchange forthwith.

A director who tenders his/her resignation pursuant to this policy shall not be permitted to participate in any meetings of the Board or the Committee at which his/her resignation is to be considered.

In the event that a sufficient number of the Committee members receive a greater number of proxy votes withheld than the votes for such member in the same election such that the Committee no longer had quorum, then the remaining members of the Committee, if any, shall not consider the resignation(s) and the Board shall consider whether or not to accept the resignation(s) without a recommendation from the Committee.

In the event that a sufficient number of the Board members receive a greater number of proxy votes withheld than the votes for such members in the same election, such that the Board no longer has a quorum, then such directors receiving a majority withheld vote shall not be permitted to vote in any meeting of the Board at which his/her resignation is considered, however, he/she shall be counted for the purpose of determining whether the Board has quorum.

In the event that any director who receives a greater number of proxy votes withheld than votes in favour of such director's election does not tender his/her resignation in accordance with this policy, he/she will not be re-nominated by the Board. The Committee and Board may adopt such procedures as they see fit to assist in their determinations with respect to this policy.

#### **Exception for Contested Director Elections**

This policy does not apply in circumstances involving contested director elections, where an election involves a proxy battle, wherein proxy material is circulated in support of one or more nominees who are not part of the director nominees supported by the Board.

#### **Board Review and Approval**

This policy will be reviewed periodically by the Board. The current version of this policy was approved by the Board on August 25, 2020.

## 12. WHISTLEBLOWER POLICY

Champion Iron Limited (the “Company”) is committed to promoting good corporate conduct grounded by strong ethics and responsibility, as reflected in the Company’s Code of Conduct addressing matters relevant to the Company’s legal and ethical obligations to its stakeholders and designed to promote integrity and to deter wrongdoing (the “Code of Conduct”).

The Board of Directors of the Company (the “Board”) has adopted this policy in order to establish procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters (collectively, “Accounting Matters”) or any Reportable Conduct (as defined herein), and for the confidential, anonymous submission by employees of the Company and its subsidiaries and any other Eligible Whistleblower (as defined herein) of any complaint or concern regarding such matters.

### Eligible Whistleblowers

This policy applies to any person who is, or has been, one of the following in relation to the Company or any of its subsidiaries:

- An officer;
- An employee;
- An individual who supplies goods or services to the Company or any of its subsidiaries (whether paid or unpaid);
- An employee of a person who supplies goods or services to the Company or any of its subsidiaries (whether paid or unpaid);
- An individual who is an associate of the Company or any of its subsidiaries; and
- A relative or a dependent of any individual referred to in the categories above (or a dependent of that individual's spouse).

A person who falls into one or more of the categories above is referred to in this policy as an “Eligible Whistleblower”.

### Reportable Conduct

For the purpose of this Policy, "Reportable Conduct" means conduct by the Company (including its related bodies corporate), or an officer or employee of the Company, which, in the view of the Eligible Whistleblower:

- constitutes a violation of the Company's Code of Conduct, the Code of Ethics and Business Conduct of Quebec Iron Ore Inc. (as applicable) or any other code of conduct adopted by a subsidiary of the Company (as applicable);
- is dishonest, fraudulent, corrupt, unethical or constitutes other serious, improper conduct such as bribery;
- is illegal (including theft, drug use/sale, violence or threatened violence and criminal damage against property);
- constitutes an offence against, or a contravention of a provision of any Australian Commonwealth or State legislation, particularly the Australian Corporations Act 2001 (Cth), any Canadian federal or provincial legislation or any other applicable legislation; or

- involves the deliberate concealment of information that evidences any of the above.

### **Communication of this Policy**

To ensure that all employees of the Company and its subsidiaries are aware of this policy, a copy of this policy will be distributed, together with the Code of Conduct, to all employees on a periodic basis, and a copy of this policy will be published on the Company's website. The Company will also provide training to employees about this policy and their rights and obligations thereunder, as well as training to people likely to receive complaints under this policy about how to respond to these complaints.

### **Reporting Concerns**

#### *Internal Reporting*

A person who is an Eligible Whistleblower and has reasonable grounds to believe that Reportable Conduct has occurred is encouraged to report that suspicion to the Company's General Counsel. This can occur by phone at +514-532-1274 or by email at sboucratie@championironmines.com. Disclosures may be made outside of business hours.

Any complaint or concern regarding Accounting Matters may be reported to the Chair of the Audit Committee by email at [ajl@andrewlove.co](mailto:ajl@andrewlove.co).

Alternatively, complaints or concerns regarding Reportable Conduct may be reported anonymously and confidentially through a third party reporting system provided by Deloitte. The Deloitte service offers the following means by which complaints or concerns may be reported:

- by phone at 1800 984 123, a dedicated toll-free number for calls within Australia, with Deloitte personnel available to answer calls 24 hours a day and seven days a week (including Victorian public holidays);
- by phone at 1-833-435-0757, a dedicated toll-free number for calls within Canada, with Deloitte personnel available to answer calls in both English and French language between 9:00 am and 8:00 pm (Eastern time) Monday to Friday (excluding Canadian public holidays) and possibility to be redirected to the Australian line or leave a message outside these hours;
- online at [www.ChampionIronWhistleblowerService.deloitte.com](http://www.ChampionIronWhistleblowerService.deloitte.com), a secure webform that is available in both English and French language;
- by email at [ChampionIronWhistleblowerService@deloitte.com](mailto:ChampionIronWhistleblowerService@deloitte.com); and
- by mail at Champion Iron and Quebec Iron Ore Whistleblower Service, 12628 A'Beckett Street, Victoria 8006 Australia, a reply paid postal address.

Submissions are encouraged to be made in writing so as to ensure a clear understanding of the issues raised, but may also be made orally as described above. Submissions should be factual in nature and contain as much specific information as possible to allow for proper treatment and investigation of the allegations reported.

The Company encourages use of the confidential third party reporting system where an employee is not comfortable speaking to a supervisor or one of the individuals noted earlier. Disclosures which are made confidentially are still entitled to protection pursuant to the Australian Corporations Act regime, which is discussed further below.

Employees must not use the reporting mechanism maliciously or mischievously.

The third party reporting system is open to any individual who wants to report a complaint or concern regarding Accounting Matters or Reportable Conduct, whether or not that individual qualifies as an Eligible Whistleblower. However, reporting individuals who are not Eligible Whistleblowers will not benefit from the rights afforded to Eligible Whistleblowers under this policy and applicable laws.

### *External Reporting*

While it is strongly encouraged for reports to be made internally at first instance, Eligible Whistleblowers are entitled to report to the following external bodies:

- the Australian Securities and Investments Commission (“ASIC”) and any other regulator prescribed by the regulations (whether anonymously or not);
- an auditor or a member of an audit team conducting an audit on the Company; or
- a legal practitioner for the purpose of obtaining legal advice or legal representation in relation to whistleblower provisions in the Australian Corporations Act 2001 (Cth),

where the Eligible Whistleblower has reasonable grounds to suspect concerns, misconduct or an improper state of affairs or circumstances in relation to the Company, including conduct that amounts to an offence or a contravention of relevant laws (including the *Corporations Act 2001* (Cth), the *ASIC Act 2001* (Cth) or any other Commonwealth offence that carries a penalty of at least 12 months' imprisonment), or represents a danger to the public or the financial system.

### **No Adverse Consequences**

The Company will ensure that any employee reporting in good faith any complaint or concern regarding Reportable Conduct or Accounting Matters will not be dismissed, demoted, suspended, disciplined, threatened, harassed, discriminated or disadvantaged in any way. However, if a reporting individual was involved in improper activity, the individual may be appropriately disciplined even if he or she was the one who disclosed the matter to the Company.

If a reporting individual makes a disclosure which qualifies for protection under the Australian Corporations Act (as described under “External Reporting” above), the Corporations Act provides for various statutory protections which apply to the reporting individual, including:

- the right to protection of the disclosing individual’s identity;
- the right to protection from civil, criminal or administrative liability for making the disclosure and from the admissibility of evidence against them in relation to the disclosure;
- the right to be protected from dismissal, disciplinary action, threats or other unfavourable treatment; and
- compensation and other remedies if the reporting individual suffers loss, damage or injury in specific circumstances, including in respect of where there has been a failure to take reasonable precautions and exercise diligence to protect the reporting individual from dismissal, disciplinary action, threats or other unfavourable treatment.

It is important to note that disclosures which relate solely to personal workplace grievances are not eligible for protection under the Corporations Act regime, except in certain limited circumstances.

## **Treatment of Submissions**

All reports of Reportable Conduct or Accounting Matters will be treated sensitively and seriously, and will be dealt with objectively, promptly and fairly. The response to a report will vary depending on the nature of the report and the amount of information provided. All reports will, however, undergo investigation in the manner deemed to be appropriate based upon the nature and merits of the submission. Appropriate disciplinary actions and/or corrective measures will be taken and implemented following the outcome of an investigation under the spirit of the law and the Code of Conduct.

The scope and timing of an investigation will vary depending on the nature of the report and the information provided. However, the Company will endeavour to conduct all investigations in a timely manner. All investigations will be undertaken without bias (either to the Eligible Whistleblower who reported the complaint or concern or the persons, department or business unit implicated in the report) and in a manner that ensures the confidentiality of the information provided in the report. Factors that the Company will consider in determining how to approach an investigation include (but are not limited to): whether the report qualifies for protection; whether an internal or external investigator should be appointed to lead the investigation; and the nature of any financial, accounting, legal or technical advice that may be required to support an investigation.

The manner in which the findings of a report are documented and reported, and what actions are taken as a result of those findings, will depend on the nature of the report.

If a complaint or concern regarding Accounting Matters is deemed founded, it must be reported to the Audit Committee and the Board on a timely basis.

If any disclosure regarding Reportable Conduct is deemed founded, it must be reported to the Board on a timely basis. Any treatment of, or investigation into, an alleged violation involving a member of management or the Board will be led by the Executive Chairman (or Chair of the Board) and/or the Lead Director.

If an Eligible Whistleblower who has made a report is not satisfied with the outcome of the investigation, then they may seek a review of whether or not the investigation complied with this Policy by contacting the Company's General Counsel. This can occur by phone at +514-532-1274 or by email at sboucratie@championironmines.com. If this occurs, the General Counsel will review the investigation to determine whether or not it was conducted in accordance with appropriate procedures under this Policy. The General Counsel may, in his sole discretion and without a request for a review from an Eligible Whistleblower, determine to reopen an investigation if he concludes further investigation is required or new information has come to light.

Submissions under this policy will be treated on a confidential and anonymous basis to the fullest extent possible. In some cases, however, it may not be possible to proceed with or properly conduct a thorough investigation unless the whistleblower identifies himself or herself. Whistleblowers should be cautioned that their identity might become known for reasons outside of the control of the Company as a result of the investigation.

If an Eligible Whistleblower has made a report and has provided contact details or is otherwise contactable through an anonymous method such as a third party reporting system, they will receive updates, including the outcome of the investigation (where appropriate). In general, the Company will seek to provide updates if and when an investigation is commenced, during investigations (as appropriate) and on completion of an investigation. However, the timing and level of detail the Company can provide in an update will vary depending on the nature of the report and the circumstances. It may not be

appropriate in certain circumstances to provide details of an investigation or the outcome to an Eligible Whistleblower who has made a report.

**Retention of Records**

The Company shall retain records relating to any complaint, concern or submission and to the treatment and investigation thereof for a period determined to be appropriate based upon the nature and merits of the submission. The types of records to be retained by the Company shall include records of all steps taken in connection with the treatment and investigation, and the results of any such investigation.

**Board Review and Approval**

This policy will be reviewed periodically by the Board. The current version of this policy was approved by the Board on January 5, 2021.