

FIRST QUARTER OF THE 2023 FINANCIAL YEAR

Webcast Presentation — July 28, 2022



PREMIUM PRODUCT
TIER 1 JURISDICTION
HIGH QUALITY INFRASTRUCTURE

CHAMPION IRON 

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This Presentation contains certain information and statements, which may be deemed "forward-looking information" within the meaning of applicable securities laws (collectively referred to herein as "forward-looking statements"). Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates", "aims", "targets", or "believes", or variations of, or the negatives of, such words and phrases or state that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. Inherent in forward-looking statements are risks, uncertainties and other factors beyond the Company's ability to predict or control.

SPECIFIC FORWARD-LOOKING STATEMENTS

All statements in this Presentation, other than statements of historical facts, that address future events, developments or performance that Champion expects to occur are forward-looking statements. These statements may include, but are not limited to, management's expectations regarding the Company's Phase II expansion project and its construction and completion timeline, expected remaining capital expenditures, and capacity and production volume; the Company's strategy to evaluate its growth alternatives within its property portfolio; the feasibility study to evaluate the reprocessing and infrastructure required for commercial production of 89% Fe or higher DR pellet feed product, including the timing thereof; the revision of the Kami Project scope and related feasibility study, including the timing thereof; the acquisition of the Pointe Noire pellet plant, its completion, expected benefits and opportunities for commercial production; the feasibility study to re-commission the Pointe Noire pellet plant, including the timing thereof; rising demand for higher grade raw materials and shift towards reduction technologies used to produce liquid iron, such as the use of DRI in EAFs instead of BF-BOF for liquid iron production and the related transition of the Company's product offering; the expected additional DRI demand associated with the transition towards EAF steelmaking; expectations regarding additional new DR feed quality iron ore required for new EAF capacity; measures and processes aimed at mitigating the risks of COVID-19; measures and processes aimed at minimizing the impact of the Company's operations on the environment and communities; greenhouse gas and CO2 emissions reduction objectives; carbon costs reduction; and the Company's growth and opportunities generally.

RISKS

Although Champion believes the expectations expected in such forward-looking statements are based on reasonable assumptions, such forward-looking statements involve known and unknown risks, uncertainties and other factors, most of which are beyond the control of the Company, which may cause the Company's actual results, performance or achievements to differ materially from those expressed or implied by such forward-looking statements. Factors that could cause the actual results to differ materially from those in forward-looking statements include, without limitation: the results of feasibility studies; changes in the assumptions used to prepare feasibility studies; project delays; continued availability of capital and financing and general economic, market or business conditions; fluctuations in foreign currency exchange rates; general economic, competitive, political and social uncertainties; market disruptions including pandemics or significant health hazards, severe weather conditions, natural disasters, terrorist activities, financial crises, political crises, war and other military conflicts (including the ongoing military conflict between Russia and Ukraine), or other major events, or the prospect of these events; future prices of iron ore; increased public concern about the environmental impact of the Company's products or their perceived safety; decreased social acceptance and increased social action to reduce the use of fossil fuels, which may negatively impact consumer perception; cyber events or attacks (including ransomware, state sponsored and other cyberattacks); failure of plant, equipment or processes to operate as anticipated; delays in obtaining governmental approvals, necessary permitting or in the completion of development or construction activities; the impact of COVID-19 on the global economy, the iron ore market and Champion's operations, including the effectiveness of the Champion's efforts to respond to the COVID-19 pandemic, the pace of economic recovery when the COVID-19 pandemic subsides and the heightened impact it has on many of the risks described herein and in other reports Champion files with the Canadian Securities Administrators (the "CSA") and Australian Securities and Investments Commission (the "ASIC"); as well as those factors discussed in the section entitled "Risk Factors" in the Company's 2022 Annual Information Form, the risks and uncertainties discussed in the Company's management's discussion and analysis for the fiscal year ended March 31, 2022 and the risks discussed in other reports we file with the CSA and ASIC, all of which are available on SEDAR at www.sedar.com. The ASX at www.asx.com.au and the Company's website at www.championiron.com. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such forward-looking information. Accordingly, readers should not place undue reliance on forward-looking information.

ADDITIONAL UPDATES

The forward-looking statements in this Presentation are based on assumptions management believes to be reasonable and speak only as of the date of this Presentation or as of the date or dates specified in such statements. The forward-looking statements contained herein are made as of the date hereof, or such other date or dates specified in such statements. Champion undertakes no obligation to update publicly or otherwise revise any forward-looking statements contained herein whether as a result of new information or future events or otherwise, except as may be required by law. If the Company does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements. Champion cautions that the foregoing list of risks and uncertainties is not exhaustive. Investors and others should carefully consider the above factors as well as the uncertainties they represent and the risk they entail.

NON-IFRS AND OTHER FINANCIAL MEASURES

Certain financial measures used by the Company to analyze and evaluate its results are non-IFRS financial measures or ratios and supplementary financial measures. Each of these indicators is not a standardized financial measure under the IFRS and might not be comparable to similar financial measures used by other issuers. These indicators are intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. The non-IFRS and other financial measures included in this Presentation are: EBITDA, adjusted net income, cash on hand, EBITDA margin, adjusted EPS, total cash cost or C1 cash cost, AISC, cash operating margin, cash profit margin, net average realized selling price per dmt sold or net average realized FOB selling price per dmt sold, gross average realized selling price per dmt sold or gross average realized FOB selling price per dmt sold and operating cash flow per share. When applicable, a quantitative reconciliation to the most directly comparable IFRS measures is provided in section 22 - Non-IFRS and Other Financial Measures of the Company's management's discussion and analysis for the fiscal year ended March 31, 2022 available on SEDAR at www.sedar.com, the ASX at www.asx.com.au and the Company's website at www.championiron.com.

On June 20, 2019, Champion released the results of the Feasibility Study for the Bloom Lake Phase II expansion project reported in the National Instrument 43-101 - Standards of Disclosure for Mineral Projects ("National Instrument 43-101") technical report entitled "Bloom Lake Mine - Feasibility Study Phase 2" by BBA Inc., Soutex and WSP Canada Inc., having an effective date of June 20, 2019 and filed on August 2, 2019 (the "Phase II Feasibility Study"). Champion is not aware of any new information or data that materially affects the information included in the Phase II Feasibility Study and confirms that all material assumptions and technical parameters underpinning the estimates in the Phase II Feasibility Study continue to apply and have not materially changed. The Phase II Feasibility Study dated August 2, 2019 is available at www.sedar.com, on the ASX at www.asx.com.au or on Champion's website <http://www.championiron.com>.

Certain mineral resource, mineral reserve and ore reserve estimates that may be mentioned in this Presentation are strictly historical in nature and are non-compliant with National Instrument 43-101 and the JORC Code (2012 edition) and should therefore not be relied upon. A qualified person or a competent person has not done sufficient work to upgrade or classify the historical estimates as current mineral resources, mineral reserves or ore reserves, as such terms are defined in National Instrument 43-101 and the JORC Code (2012 edition) and Champion is not treating the historical estimates as current mineral resources, mineral reserves or ore reserves in accordance with National Instrument 43-101 or the JORC Code (2012 edition).

Certain estimates that may be mentioned in this Presentation are foreign estimates from an Australian perspective. These reserves and resources are not material mining projects and are for properties adjacent to or near the Company's existing mining tenements and therefore the reports on these mineralisations have not been prepared in accordance with the JORC Code (2012 edition) and the ASX Listing Rules.

Mr. Vincent Blanchet (P.Eng.), Geological Engineer at Quebec Iron Ore Inc., a wholly-owned subsidiary of the Company, is a "qualified person" as defined by National Instrument 43-101 and has reviewed and approved the disclosure of the scientific and technical information contained in this Presentation. Mr. Blanchet's review and approval does not include statements as to the Company's knowledge or awareness of new information or data or any material changes to the material assumptions and technical parameters underpinning the Phase II Feasibility Study. Mr. Blanchet is a member of the Ordre des Ingénieurs du Québec.

Certain information contained in this Presentation has been obtained from published sources prepared by third parties and has not been independently verified and no representation or warranty, express or implied, is made with respect to, and no undue reliance shall be placed on, the information or opinions contained herein or in any verbal or written communication made in connection with this Presentation.

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

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

All amounts are in Canadian dollars unless otherwise stated.

CONFERENCE CALL PARTICIPANTS

CHAMPION IRON 

TSX: CIA | ASX: CIA | OTCQX: CIAFF



DAVID CATAFORD
Chief Executive Officer



MICHAEL O'KEEFFE
Executive Chairman



ALEXANDRE BELLEAU
Chief Operating Officer



MICHAEL MARCOTTE
*Senior Vice-President Corporate
Development and Capital Markets*

FY2023 FIRST QUARTER HIGHLIGHTS

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2,282,600 WMT
CONCENTRATE PRODUCED

2,013,900 DMT
CONCENTRATE SOLD

80.2%
ORE RECOVERY



\$74.0/DMT
TOTAL CASH COST¹

\$93.5/DMT
ALL-IN SUSTAINING COST¹



\$279.3M
REVENUES

\$94.9M
EBITDA¹

\$41.6M
NET INCOME

-\$32.2M
NET CFO USED OPS

\$0.08
EPS



\$187.1M
CASH & SHORT-TERM
INVESTMENTS

\$363.2M
SHORT-TERM AND
LONG-TERM DEBT²

\$383.9M
AVAILABLE AND UNDRAWN LOANS³

Notes: ¹ Non-IFRS financial measure, ratio or other financial measure. Refer to the disclaimer at the page 2 of this presentation | ² Short-term and long-term debt face value include US\$180M Revolving Facility, \$54M from Investissement Québec, US\$36.6M from Caterpillar Financial Services and \$30M from FTQ | ³ Undrawn loans included US\$220M Revolving Facility, US\$35.3M from Caterpillar Financial Services, \$45M from FTQ and \$10M from Investissement Québec.

- No serious injuries reported during the period
- No occurrence of any major environmental issues
- Improved health & safety statistics compared to FY2022 results
- Completed additional health and safety training, emergency simulations and environmental awareness sessions

QUEBEC IRON ORE + CONTRACTORS FINANCIAL PERIODS

	2022	Q1/2023
Total Recordable Injury Frequency Rate (TRIFR)	4.29	3.23
Disability Injury Severity Rate (DISR)	31.44	15.24

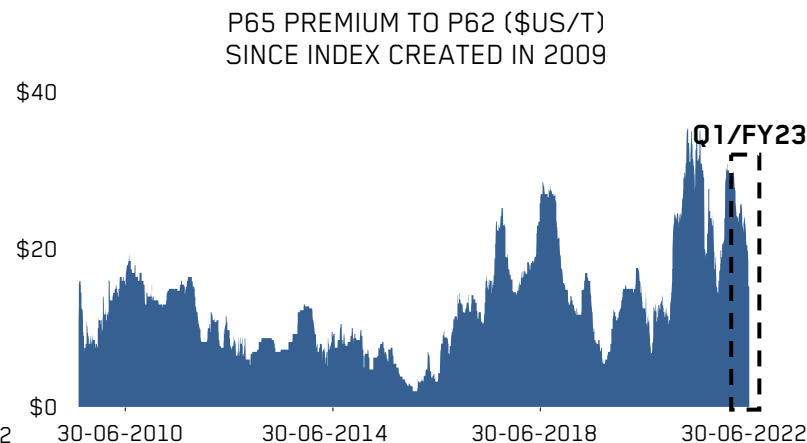
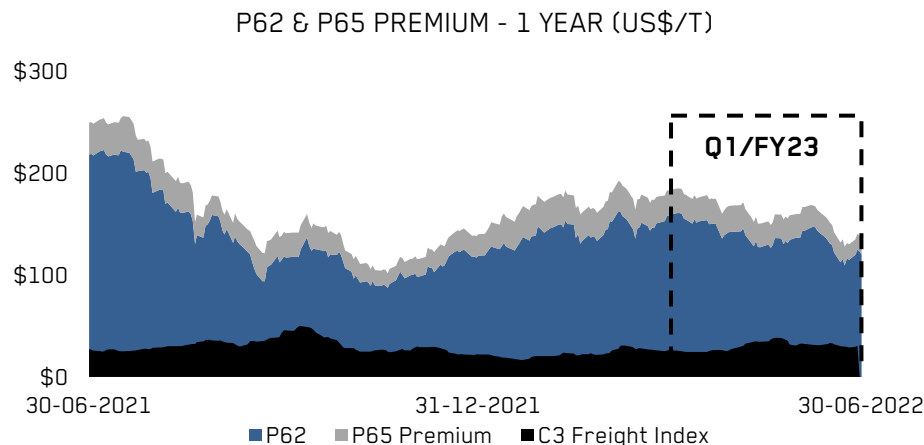


- In collaboration with First Nations communities and in accordance with the framework of Toward Sustainable Mining (“TSM”) certification, initiated a conservation and biodiversity management program aimed at preserving the local salmon population
- Declared that National Indigenous Peoples Day will be treated as an occasion for our employees to recognize and honour the culture of First Nations communities
- Deployed additional awareness initiatives aimed at educating employees regarding First Nations’ history and cultures
- Recipient of the Mysteel 2022 “Green Iron Ore Suppliers” award



INDUSTRY OVERVIEW

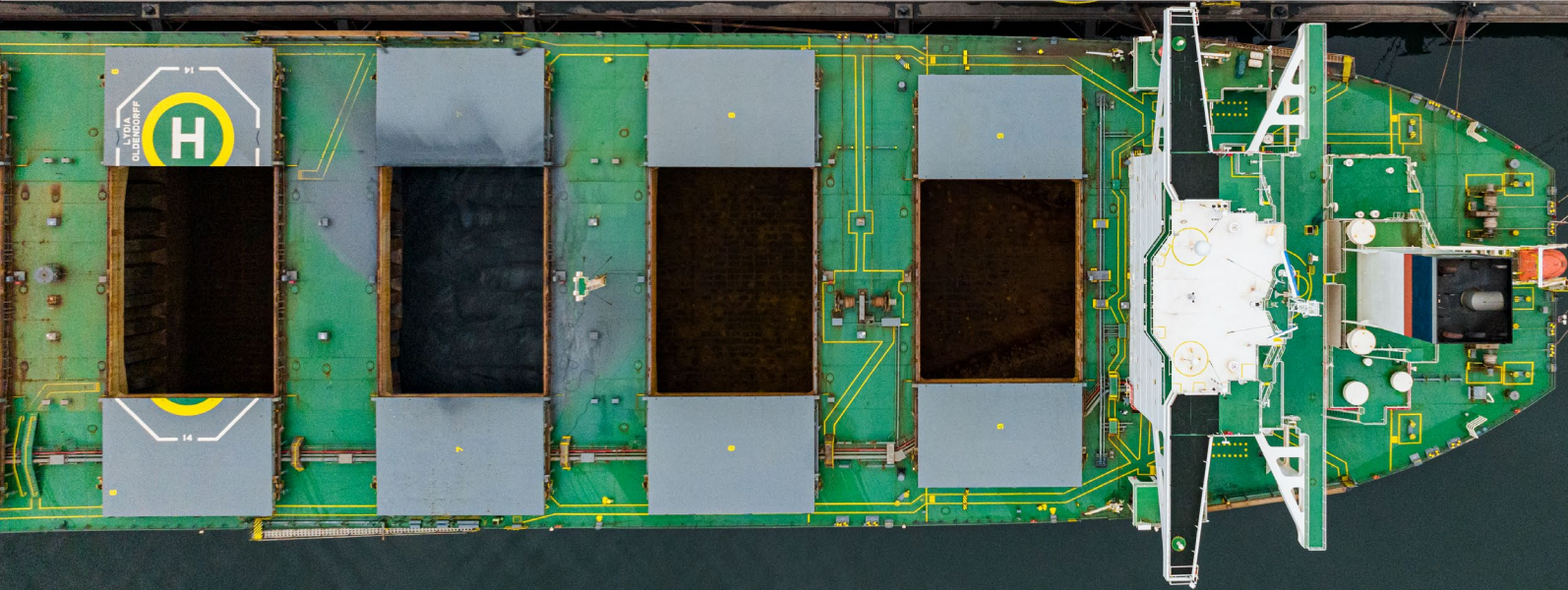
- Iron ore prices decreased by 6% from the previous quarter, mainly attributable to China's reoccurring COVID-19 related lockdowns and seasonal increase in iron ore supply from major producing hubs
- High-grade iron ore premiums remained elevated amid supply disruptions caused by the conflict in Ukraine but declined from recent record levels due to low steel mill profit margins
- The C3 freight index increased 32% from the previous quarter with increased seasonal shipments from Brazil, elevated bunker fuel prices, and port congestion



OPERATIONAL & FINANCIAL RESULTS

CHAMPION IRON 

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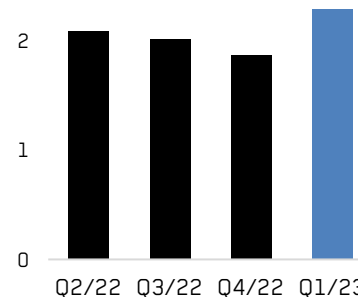


OPERATIONS OVERVIEW

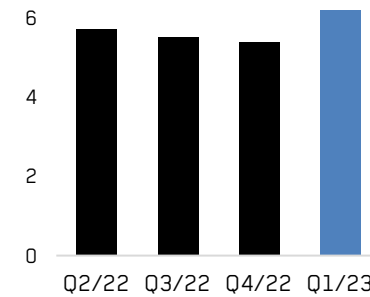
- Record production of 2.28Mt, up 18% year on year, was positively impacted by the Phase II commissioning, despite the negative impact of a planned scheduled maintenance and unplanned third-party shutdowns
- Lower recoveries reflecting the anticipated impact for the commissioning of the Phase II concentrator
- Strip ratio and head grade in line with the mine plan

FINANCIAL PERIODS	Q2/22	Q3/22	Q4/22	Q1/23
Iron ore concentrate produced (M wmt)	2,09	2,01	1,87	2,28
Iron ore concentrate sold (M dmt)	1,95	1,83	1,89	2,01
Waste mined and hauled (M wmt)	5,30	5,44	5,07	5,61
Ore mined and hauled (M wmt)	5,71	5,52	5,39	6,19
Strip ratio	0,93	0,99	0,94	0,91
Head grade Fe (%)	29,1	30,6	30,3	31,0
Fe recovery (%)	83,3	83,9	82,7	80,2
Product Fe (%)	66,3	66,2	66,2	66,1

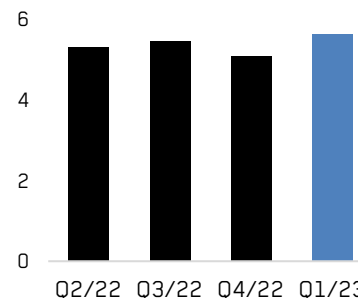
Iron Ore Concentrate Produced
(Mwmt)



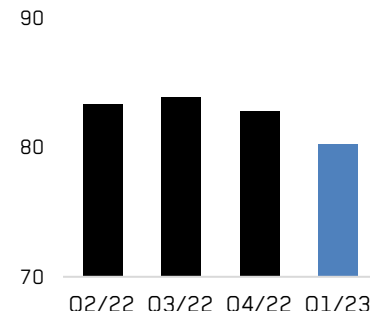
Ore Mined and Hauled
(Mwmt)



Waste Mined and Hauled
(Mwmt)



Fe Recovery
(%)



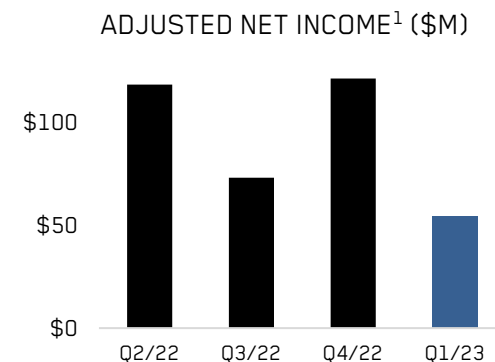
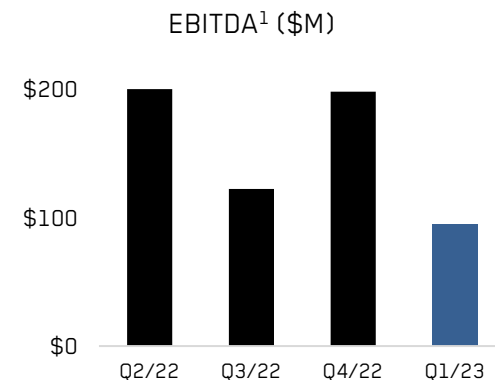
Note: Financial periods

FIRST QUARTER FINANCIAL HIGHLIGHTS

- Revenues of \$279.3M, EBITDA¹ of \$94.9M and EPS of \$0.08
- Higher operating costs negatively impacted by transitional costs in anticipation of Phase II commercial production and global inflationary pressures
- Higher sustaining expenditures in relation to seasonal tailings work, stripping activities in line with the Phase II mine plan and mining equipment maintenance program

FINANCIAL PERIODS (\$ MILLION)	Q2/22	Q3/22	Q4/22	Q1/23
Revenues	331,0	253,0	331,4	279.3
EBITDA ¹	200,0	122,1	197,9	94.9
Operating income	190,4	109,2	173,7	74.5
Net income	114,6	68,0	115,7	41.6
Adjusted net income ¹	118,3	73,0	121,3	54.1
Net cash flow (used in) from operations	374,1	104,6	4,3	-32.2
Earnings per share - basic	0,23	0,13	0,23	0.08
Adjusted earnings per share - basic ¹	0,23	0,14	0,24	0.10
Gross average realized selling price (\$/dmt) ¹	218,8	195,0	207,1	190.4
Net average realized selling price (\$/dmt) ¹	169,4	138,1	175,3	138.7
Total cash cost (\$/dmt) ¹	56,2	59,5	60,0	74.0
All-in sustaining cost (\$/dmt) ¹	73,6	76,0	70,5	93.5
Cash operating margin (\$/dmt) ¹	95,8	62,1	104,8	45.2
Cash operating margin (%) ¹	56,6%	45,0%	59,8%	32.6%

Note: ¹Non-IFRS financial measure, ratio or other financial measure. Refer to the disclaimer at the p.2\ Financial Periods.

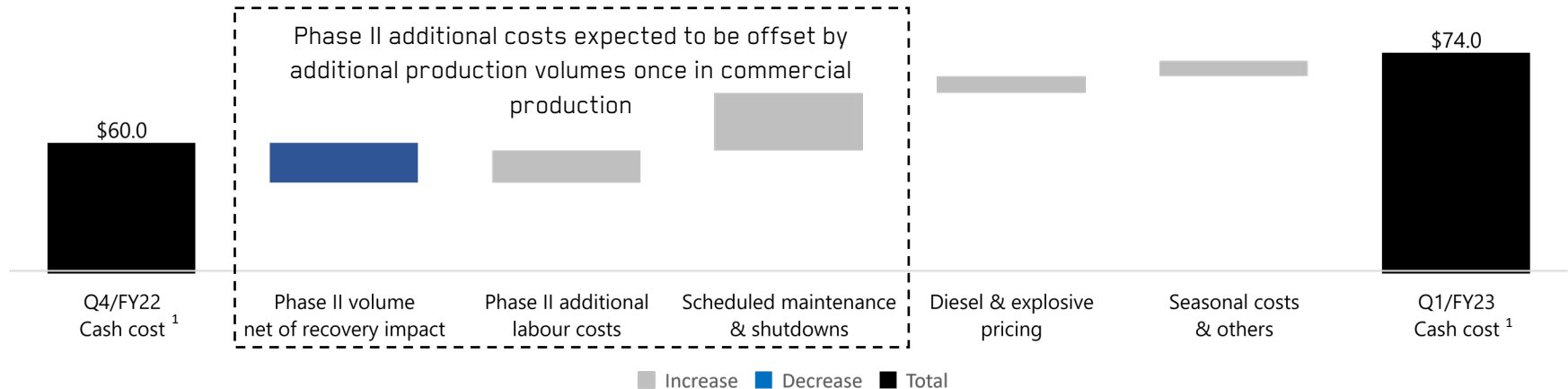


Note: Financial periods

TRANSITIONAL COSTS IN PHASE II RAMP-UP

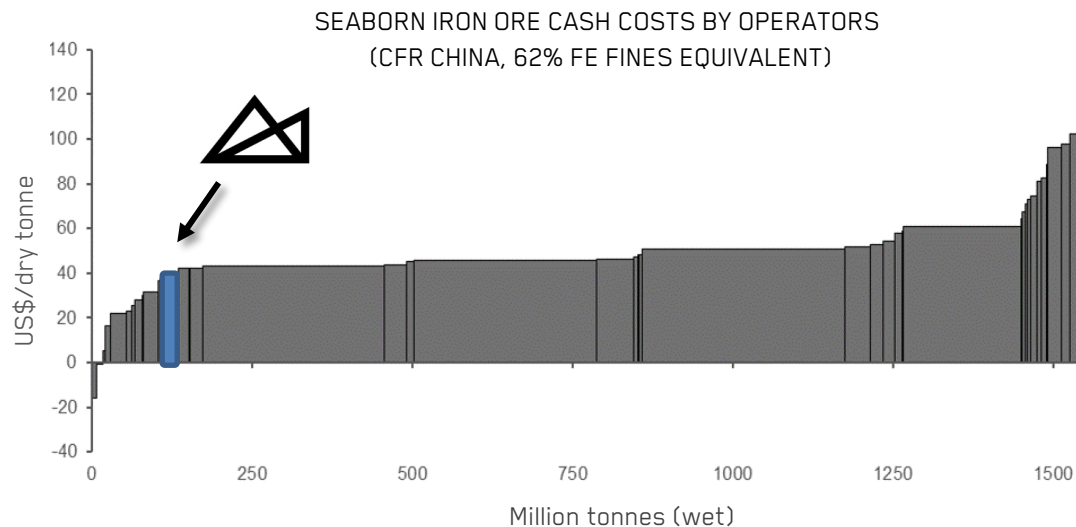
- Quarterly cash cost¹ per tonne negatively impacted by transitional and expected upfront expenditures in anticipation of the Phase II commercial production, unplanned third-party shutdowns and planned maintenance of additional facilities, reported over iron ore sales volumes below nameplate capacity during ramp-up of Phase II, and global inflationary pressures
- Additional production volumes from the Phase II project, once in commercial production, are expected to reduce transitory higher operating costs per tonne

CASH COST¹ Q1/FY23 VS Q4/FY22 (C\$/T)



PROVEN COMPETITIVE COST PROFILE

- Benefitting from premium pricing, recent data ranks Champion among the cost leaders in the industry (62% Fe equivalent)



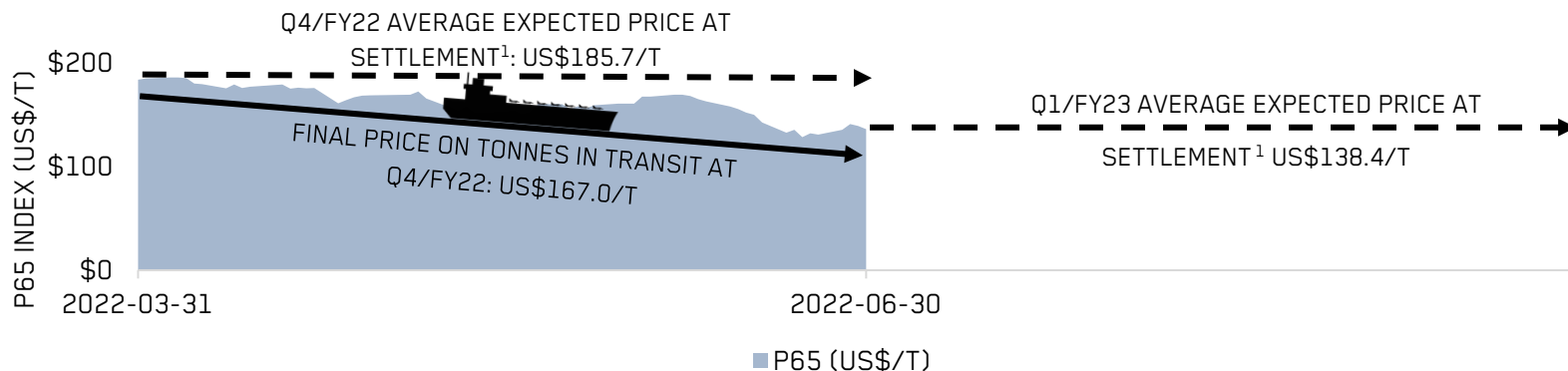
PROVISIONAL PRICE ADJUSTMENT

- 0.69M tonnes which were subject to provisional pricing at the end of Q4/FY22 realized final prices during the quarter
- Q1/FY23 negative provisional pricing adjustment of -US\$12.9M represents a negative impact of US\$6.4/dmt on the average realized price for tonnes sold in the period

PROVISIONAL IMPACT Q4/FY22			
Final price on tonnes in transit at Q4/FY22	-	Q4/FY22 Average expected price at settlement date ¹	× Tonnes in transit at Q4/FY22 (Mdmt) = Provisional impact on Q1/FY23
US\$167.0/t		US\$185.7/t	0.69 -US\$12.9M

PER TONNE SOLD	
Tonnes sold in Q1/FY23 (Mdmt)	= Provisional impact per tonne sold in Q1/FY23
2.01	-US\$6.4/t

- 0.67M tonnes remain subject to provisional price at the end of Q1/FY23



Note: ¹ Expected price based on P65 Index forward prices

FIRST QUARTER AVERAGE REALIZED SELLING PRICE

→ Q1/FY23 average gross realized price¹ of US\$149.6/t, negatively impacted by sales in transit at quarter end, provisionally priced using forward prices which were lower than the P65 index average price for the period, and sales based on fixed backward-looking iron ore prices, which were slightly lower than the P65 index average during the period

REALIZED PRICE



CASH CHANGE DETAILS

→ Operating cash flow before working capital of \$79.1M

→ Cash and short-term investments of \$187.1M negatively impacted by:

- Payment of \$95.2M in mining and income taxes
- Dividend payment of \$51.7M completed on June 28, 2022
- Timing of iron ore sales
- Property, Plant & Equipment (PP&E) in relation to seasonal tailings work and investments to accommodate higher production volumes

CASH CHANGE FROM MARCH 31, 2022, TO JUNE 30, 2022



Notes: ¹ Non-IFRS financial measure, ratio or other financial measure. Refer to the disclaimer at the p.2 | ² Cash in the figure includes cash and cash equivalent, short-term investments and restricted cash

BALANCE SHEET POSITIONED FOR GROWTH

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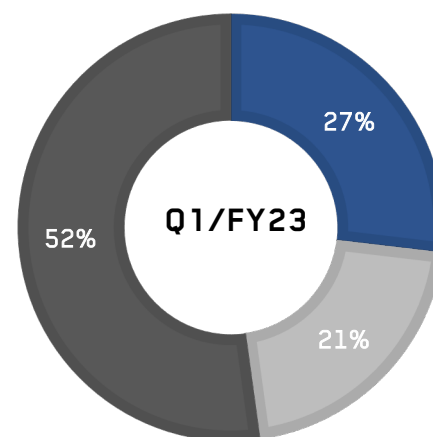
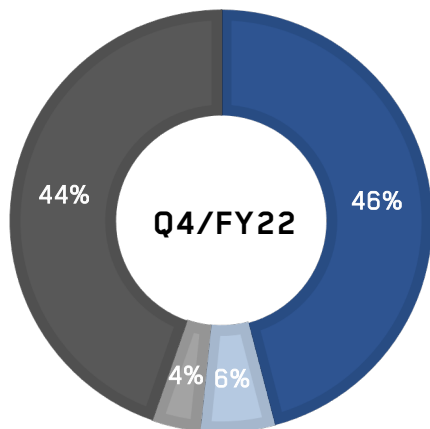
\$187.1M Cash & S-T investments

\$145.8M Working capital ^{1,2}



\$363.2M Short-term & Long-term debt ³

\$383.9M Available & undrawn loans ⁴



■ Cash and cash equivalents ■ Restricted cash ■ Working Capital ■ LTD Face value*

Notes: ¹Non-IFRS financial measure, ratio or other financial measure. Refer to the disclaimer at the p.2 | ² Receivables:\$120.7M; Income and mining taxes receivables \$64.2M; Prepaid expenses and advances:\$44.2M; Inventories: \$123.2M; accounts payable and other: (\$206.5M) | ³ Short-term and long-term debt face value include US\$180M Revolving Facility, \$54M from Investissement Québec, US\$36.6M from Caterpillar Financial Services and \$30M from FTQ | ⁴ Undrawn loans included US\$220M Revolving Facility, US\$35.3M from Caterpillar Financial Services, \$45M from FTQ and \$10M from Investissement Québec.

GROWTH PROJECTS

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PHASE II – SIGNIFICANT MILESTONE

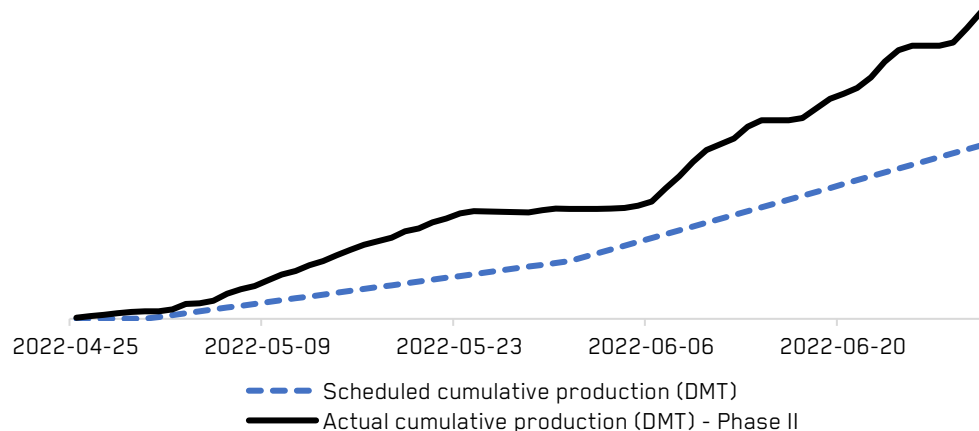
- Commissioning achieved ahead of the previously anticipated mid-2022 target despite pandemic-related challenges
- On May 3, 2022, announced the completion of the Phase II expansion project's first rail shipments containing 24,304 wet metric tonnes of high-grade 66.2% Fe iron ore concentrate
- Significant milestone for the region recognized with ceremonies attended by our employees, partners and government officials



PHASE II – RAMPING-UP AS SCHEDULED

- Commissioning of the Phase II project's first production line achieved in late April 2022, with the second production line commissioned in June 2022
- Phase II project's cumulative production to date compares favorably to the scheduled ramp-up production assumptions
- Optimizing systems to achieve commercial production as scheduled by the end of calendar 2022

PHASE II EXPANSION PROJECT
CUMULATIVE PRODUCTION VS. SCHEDULED RAMP-UP



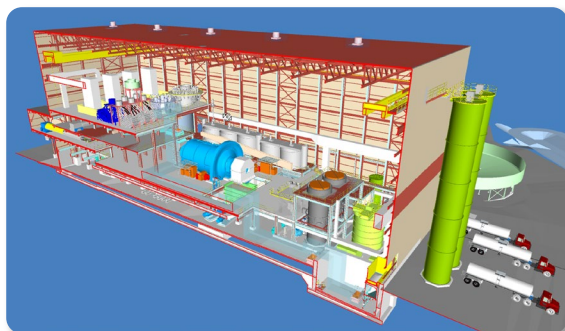
GREEN STEEL SUPPLY CHAIN SOLUTIONS

- Champion is well positioned to service the steel industry's transition to Electric Arc Furnaces (EAF) with its growth projects focused on Direct Reduction (DR) quality iron ore products
- Study evaluating the reprocessing and infrastructure required to commercially produce a 69% Fe DR grade pellet feed product
- Advancing the Kami project's feasibility study, including its capability to produce DR grade pellet feed
- Feasibility study to evaluate the investments required to re-commission the Pointe-Noire pellet plant and produce DR grade pellets

NEAR-TERM

H1/2023

2023



Conceptual Floatation Plant



Kami project



Pointe Noire Pelletizing Facility

GREEN STEEL TRANSITION ACCELERATING

- The steel industry, which produces 8% of global CO₂ emissions, is transitioning from Blast Furnaces to EAF to reduce emissions
- The transition towards EAF steelmaking is accelerating globally, including the announcement of 59 new plants in China since the beginning of 2021¹, which is expected to trigger additional Direct Reduced Iron (DRI) demand

ANNOUNCED & UNDER CONSTRUCTION EAF CAPACITY²



19.6MT



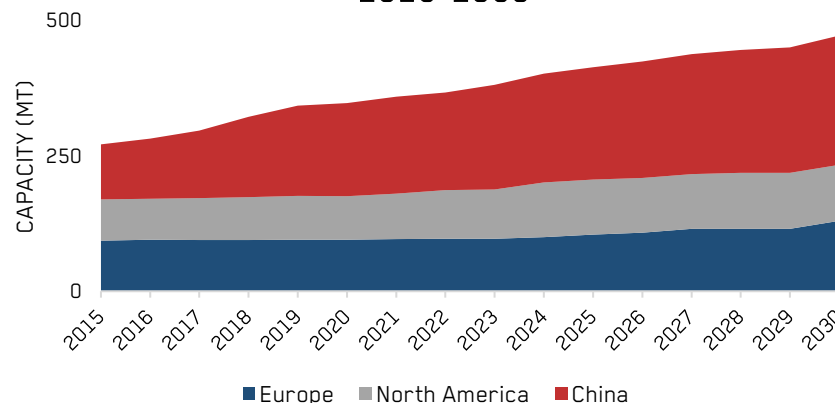
37.2MT



29.5MT

New EAF capacity to require ~45Mt/year of additional DR feed quality iron ore³, more than doubling the current merchant market size⁴

EAF CAPACITY TO DOUBLE IN KEY REGIONS 2015-2030



THANK YOU TO OUR STAFF



UPHOLDING OUR VALUES FOR A SUSTAINABLE FUTURE



PRIDE



INGENUITY



RESPECT



TRANSPARENCY



THANK YOU!

CHAMPION IRON

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