

FINANCIAL YEAR 2022 - ANNUAL GENERAL MEETING

AUGUST 24, 2022 – 6H PM (MONTREAL TIME)

AUGUST 25, 2022 – 8H AM (SYDNEY TIME)



PREMIUM PRODUCT
TIER 1 JURISDICTION
HIGH QUALITY INFRASTRUCTURE

CHAMPION IRON 

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This Presentation contains certain forward-looking information and statements within the meaning of applicable securities laws. The use of any of the words “expect”, “anticipate”, “continue”, “estimate”, “may”, “will”, “project”, “could”, “would”, “should”, “believe”, “plan”, “intend”, “forecast”, “schedule”, “target”, or variations thereof, and similar expressions are intended to identify forward-looking information or statements.

SPECIFIC FORWARD-LOOKING STATEMENTS

In particular, but without limiting the foregoing, this Presentation contains forward-looking information and statements pertaining to Champion’s and management’s expectations, including with respect to the effectiveness of measures implemented to mitigate the risks of COVID-19; ongoing participation in the region’s vaccination campaign; additional health and safety action plans to minimize injury frequency rate; achievement of, and alignment with stakeholders regarding, sustainability objectives, social matters, governance and the implementation of related initiatives; greenhouse gas and carbon emissions reduction objectives and initiatives; the impact of fluctuations in iron ore prices and freight pricing; position on the global cost curve; the ability of Champion and its products to participate in new technologies in the steel industry; product demand, pricing and related impact on the industry’s focus to reduce emissions; ability to benefit from premium pricing; prospective customers; product development; optimization and improvement of operations; cost and capital management; Champion’s ability to advance the Phase II expansion project and its funding, completion timeline, impact on nameplate capacity, expected production and capital expenditures and project economics; the revision of the Kami Project scope and feasibility study; the collaboration with Caterpillar and Toromont Cat to develop, test and implement advanced drilling technologies aimed at optimizing Bloom Lake’s operational productivity and reducing energy consumption; regional prospects for further development; and the Company’s growth generally. Forward-looking statements or information are based on a number of factors, expectations or assumptions of Champion which have been used to develop such statements and information but which may prove to be incorrect.

RISKS

Although Champion believes the expectations expressed 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 expressed or implied 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 approvals or in the completion of development or construction activities; the effects of catastrophes and public health crises, including the impact of the COVID-19 pandemic on the global economy, the iron ore market and Champion’s operations, including 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” of the Company’s 2022 Annual Information Form, the risks and uncertainties discussed in the Company’s Management’s Discussion and Analysis for the year ended March 31, 2022, and the risks discussed in other reports filed by Champion 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.

Champion cautions that the foregoing list of risks and uncertainties is not exhaustive. 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

All of Champion’s forward-looking information contained in this newsletter is given as of the date hereof and is based upon the opinions and estimates of Champion’s management and information available to management as at the date hereof. Except as required by applicable regulations or by law, Champion disclaims any intention or obligation to update or revise any of its forward-looking information, whether as a result of new information, future events or otherwise. If Champion does update certain forward-looking information or statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements or information.

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: total cash cost or C1 cash cost, AISC, EBITDA and EBITDA margin, net average realized selling price per dmt sold, gross average realized selling price per dmt sold, adjusted EPS, cash profit margin and available liquidity. When applicable, a quantitative reconciliation to the most directly comparable IFRS measures is provided in sections 22 or 18 - Non-IFRS and Other Financial Measures of the Company’s Management’s Discussion and Analysis for the fiscal year ended March 31, 2022 and the three-month period ended June 30, 2022, respectively, available on SEDAR at www.sedar.com, the ASX at www.asx.com.au and the Company’s website at www.championiron.com.

BLOOM LAKE FEASIBILITY STUDY

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 is available at www.sedar.com, on the ASX at www.asx.com.au or on Champion’s website at www.championiron.com.

QUALIFIED PERSON AND DATA VERIFICATION

Mr. Vincent Blanchet, Senior Geologist at Quebec Iron Ore Inc., a wholly-owned subsidiary of the Company (P.Geo.), 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*.

FY2022 HIGHLIGHTS: NEW RECORDS SET



CONCENTRATE PRODUCED

7,907,300 WMT

CONCENTRATE SOLD

7,650,600 DMT

TOTAL CASH COST¹

\$58.9/DMT

ALL-IN SUSTAINING COST¹

\$73.1/DMT



REVENUE

\$1,460.8M

EBITDA¹

\$925.8M

NET INCOME

\$522.6M

BASIC EPS

\$1.03

- No serious injuries reported during the period
- Implemented additional measures for monitoring contractors' health & safety practices
- Preventive training of the significantly increased fire brigade team
- Q1/FY23 Results: Improved health & safety statistics compared to FY2022 results

QUEBEC IRON ORE + CONTRACTORS					
FINANCIAL PERIODS					
	2019	2020	2021	2022	Q1FY23
Total Recordable Injury Frequency Rate (TRIFR)	4.78	4.10	2.94	4.29	3.23
Disability Injury Severity Rate (DISR)	11.20	24.94	19.55	31.44	15.24



COVID-19 MEASURES

- Maintained the COVID-19 testing laboratory at the Bloom Lake mine with strict measures to adapt operations and conform to or exceed the Government's directives
- Contributed to vaccination efforts in the Uashat Mak Mani-Utenam First Nations community

- No occurrence of major environmental issues
- Declared that the National Day for Truth and Reconciliation and the National Indigenous Peoples Day to be treated as an occasion for employees to recognize and honour the culture of First Nations communities
- Ongoing program revegetating areas affected by operations
- Completed the 2021 Sustainability Report, including Task Force on Climate-Related Financial Disclosure (TCFD), available on the Company's website at www.championiron.com
- Launched the women's mentoring program dedicated to improving the integration and recruitment of more women into the Company's workforce
- Employee turnover rate of 6.9%, being the lowest since the commissioning of Bloom Lake in 2018*



*This data covers the 12-month period of January 1, 2021, to December 31, 2021.

- Committing to greenhouse gas (GHG) emission reductions of 40% by 2030, based on 2014 emission intensity with additional consideration for the targeted nameplate capacity of 15 Mtpa. The Company is also committed to be carbon neutral by 2050
- Targets are in line with the Paris Agreement 2 degrees Celsius scenarios, with the Canadian government GHG reduction and with the Science Based Targets Initiative (SBTi) framework
- Identified emission reduction initiatives and evaluating resources required to reach objectives



881 Employees*

58 Local and indigenous jobs*

\$393M Sourcing from local suppliers**

\$484M Corporate taxes**

\$475M Mining and income taxes**

\$117M Salaries & benefits**



100% Compliance with tailings management*

93% Of mining wastewater reused or recycled*

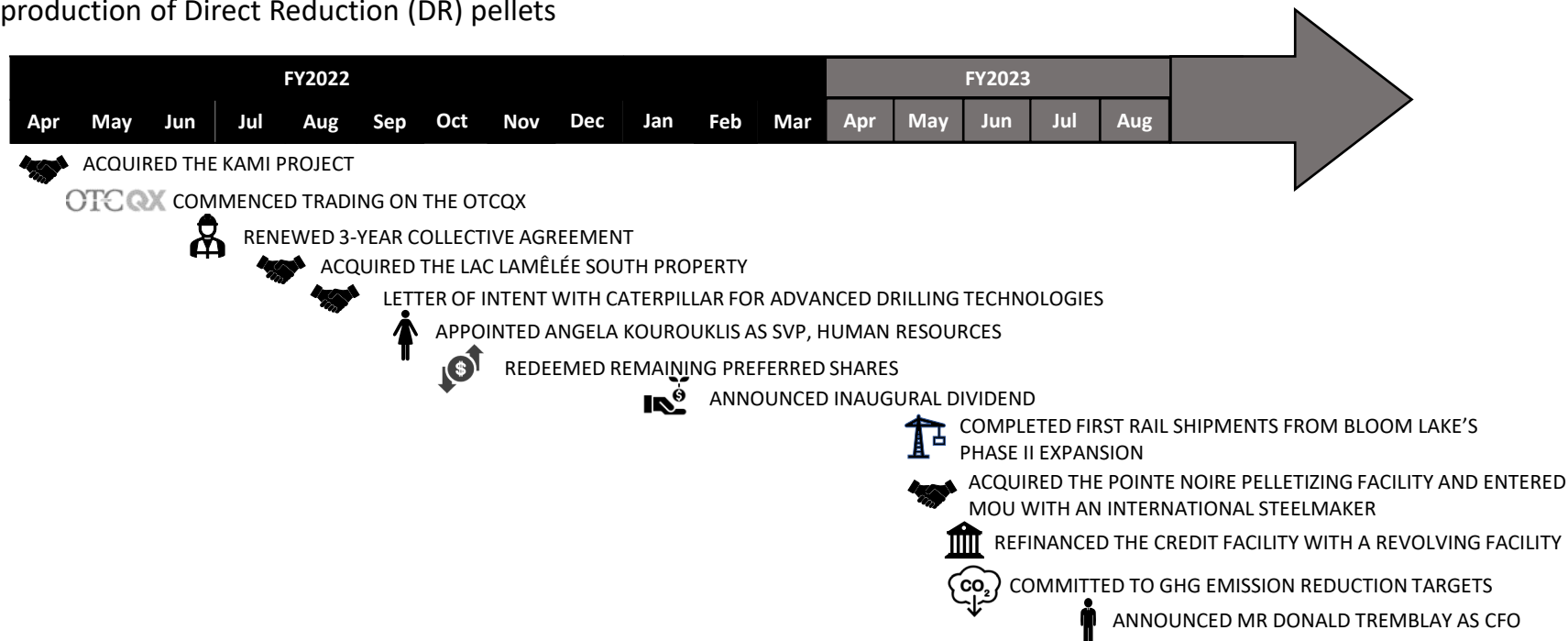
17 Hectares of revegetated area*

*Calendar 2021; see 2021 Sustainability Report at www.championiron.com for additional details

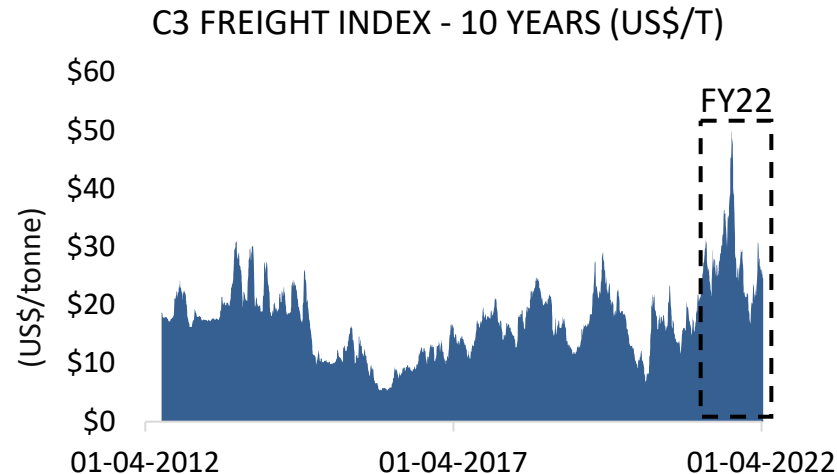
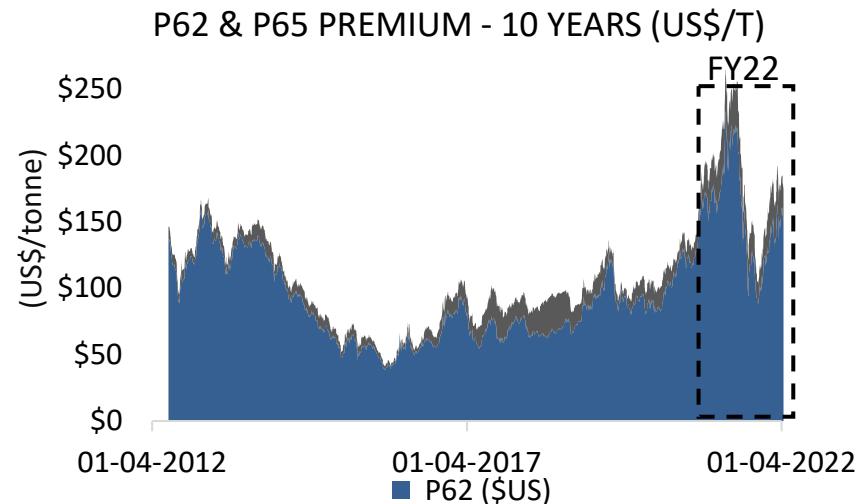
** Financial year 2022

FY2022 AND FY2023/Q1: MILESTONES

- Mitigated the impact of COVID-19 to the Company's operations
- Acquired the Kami project and completed the first rail shipments from the Phase II expansion project
- Acquired the Pointe-Noire pellet plant and announced a MOU with an international steel maker to study the production of Direct Reduction (DR) pellets



- P65 index average of US\$179.9/dmt in FY2022, an increase of 25% from the previous year
- Average premium of P65 over P62 of 17.4%, 5.3 percentage points higher than the previous year
- Volatile C3 freight index averaging US\$28.0/t in FY2022, an increase of 76% from the previous year
- Q1/FY23 Results: Iron ore prices declined following China's reoccurring COVID-19 lockdowns and seasonal increase in iron ore supply from major producing hubs



FINANCIAL YEAR 2022 OPERATIONAL & FINANCIAL RESULTS

CHAMPION IRON 

TSX: CIA | ASX: CIA | OTCQX : CIAFF

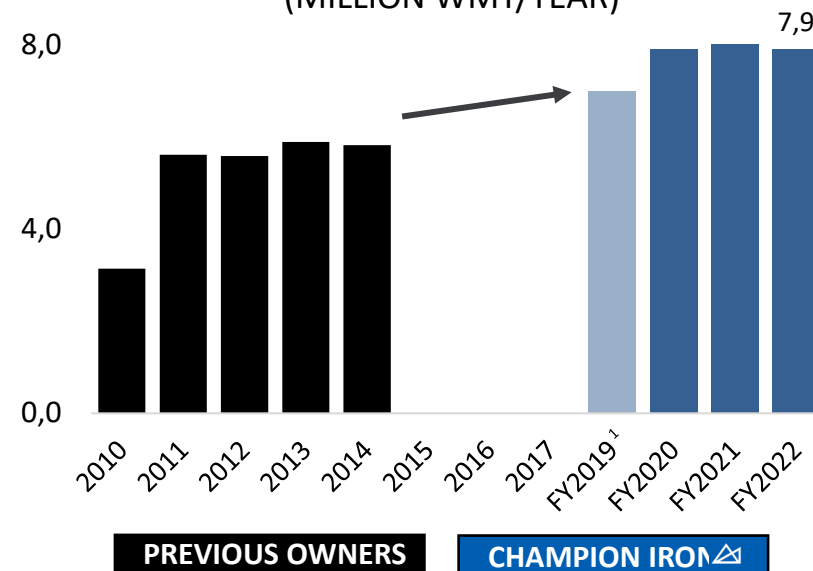


FY2022 RESULTS: STABLE AND RISING PRODUCTION

- Production continues to track favourably towards Bloom Lake's nameplate capacity
- Q1/FY23 Results: Completed the first production from the Phase II expansion project, resulting in record quarterly production in Q1/FY2023 of 2.28M wmt of iron ore concentrate

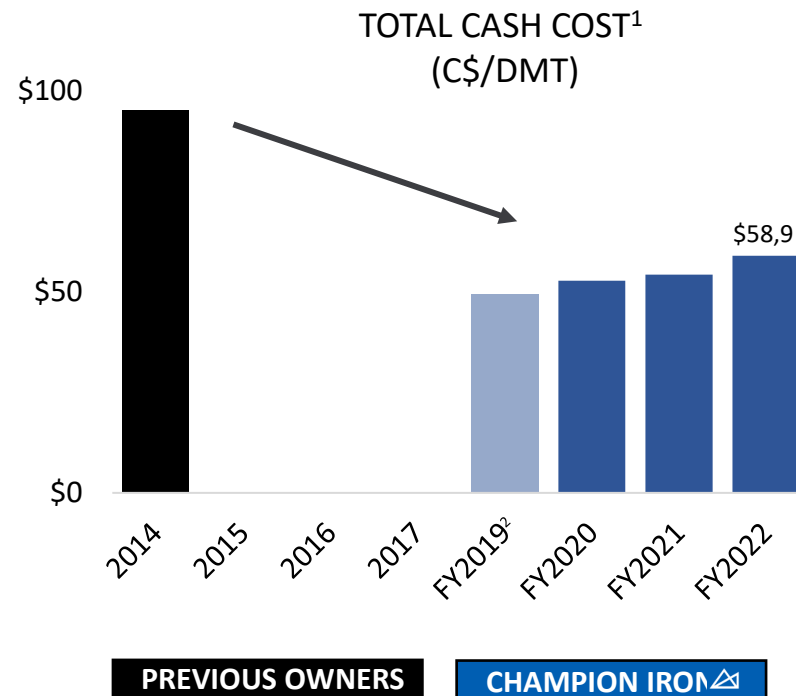


BLOOM LAKE PRODUCTION HISTORY
(MILLION WMT/YEAR)



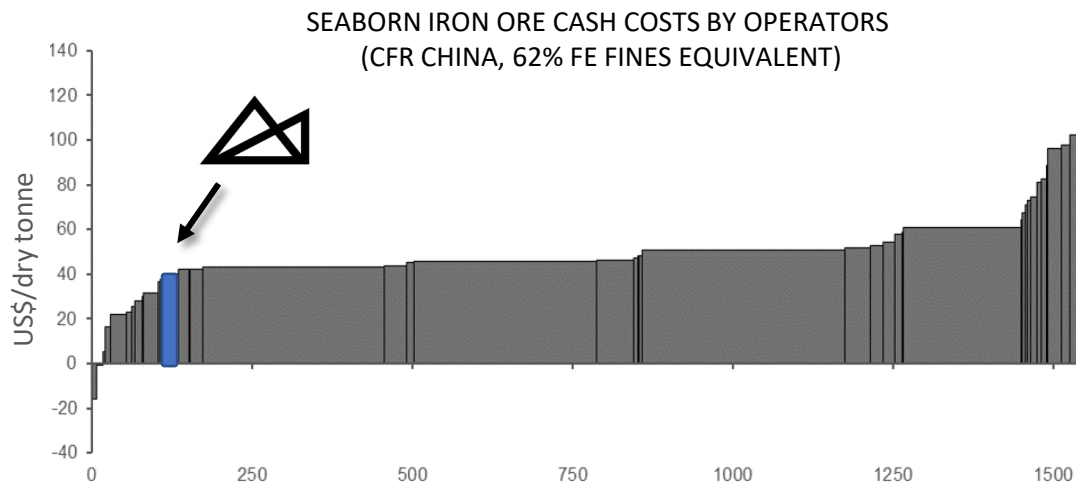
FY2022 RESULTS: PROVEN COST STRUCTURE

- Annual total cash costs¹ of \$58.9/t up 9% year over year primarily due to rising fuel prices, commissioning of additional equipment for the Phase II and minor unplanned maintenance
- Q1/FY23 Results: Increase in total cash costs¹ to \$74.0/t, negatively impacted by additional activities and scheduled upfront preparation costs in anticipation of Phase II commercial production, commissioning of additional equipment and global inflationary pressures



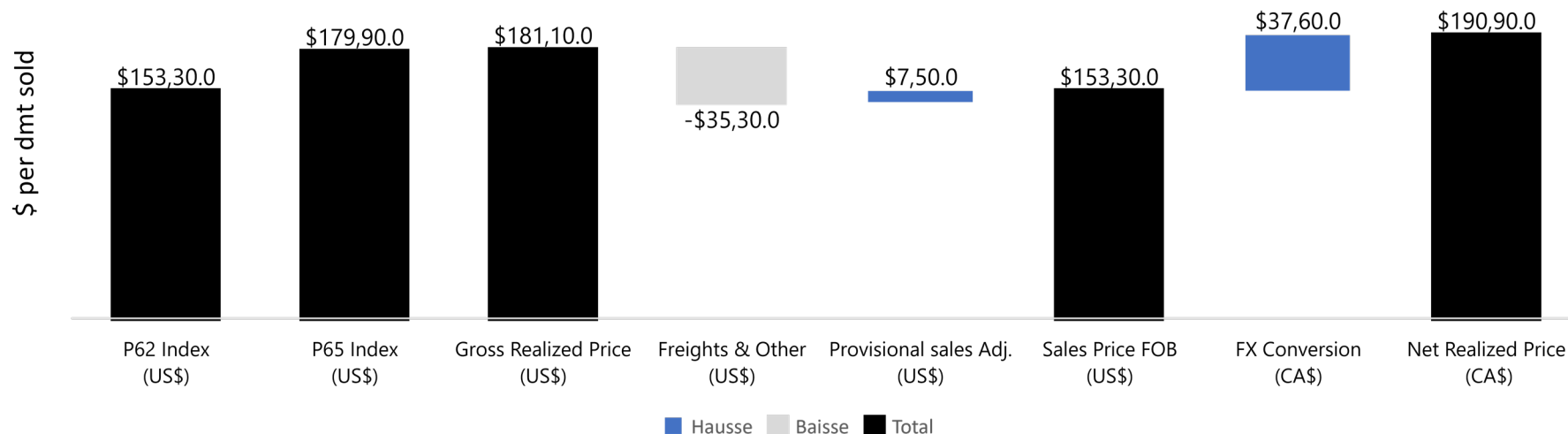
PROVEN COMPETITIVE COST PROFILE

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



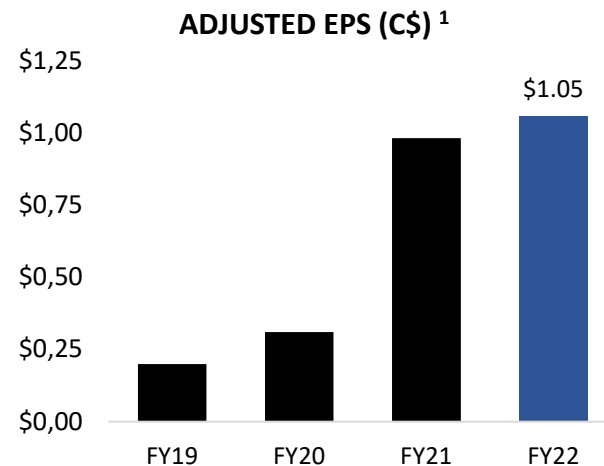
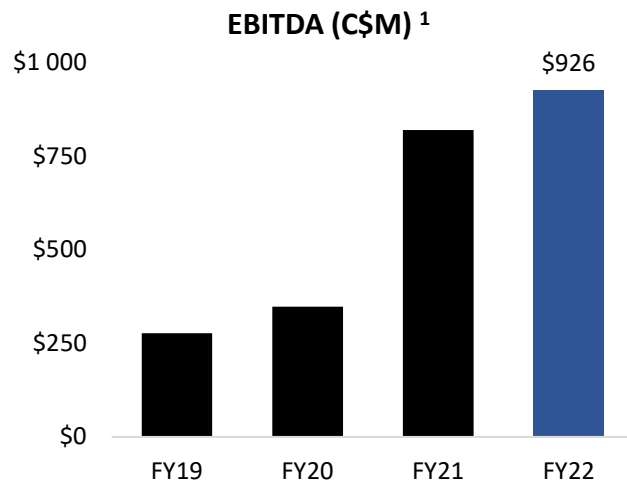
FY2022: PREMIUM PRODUCT PRICING

- FY2022 gross realized price¹, including provisional price adjustments, of US\$188.6/t, which compares favorably to the P65 high-grade index average of US\$179.9/t
- Net realized price of \$190.9/t, an increase of 14.4% year over year

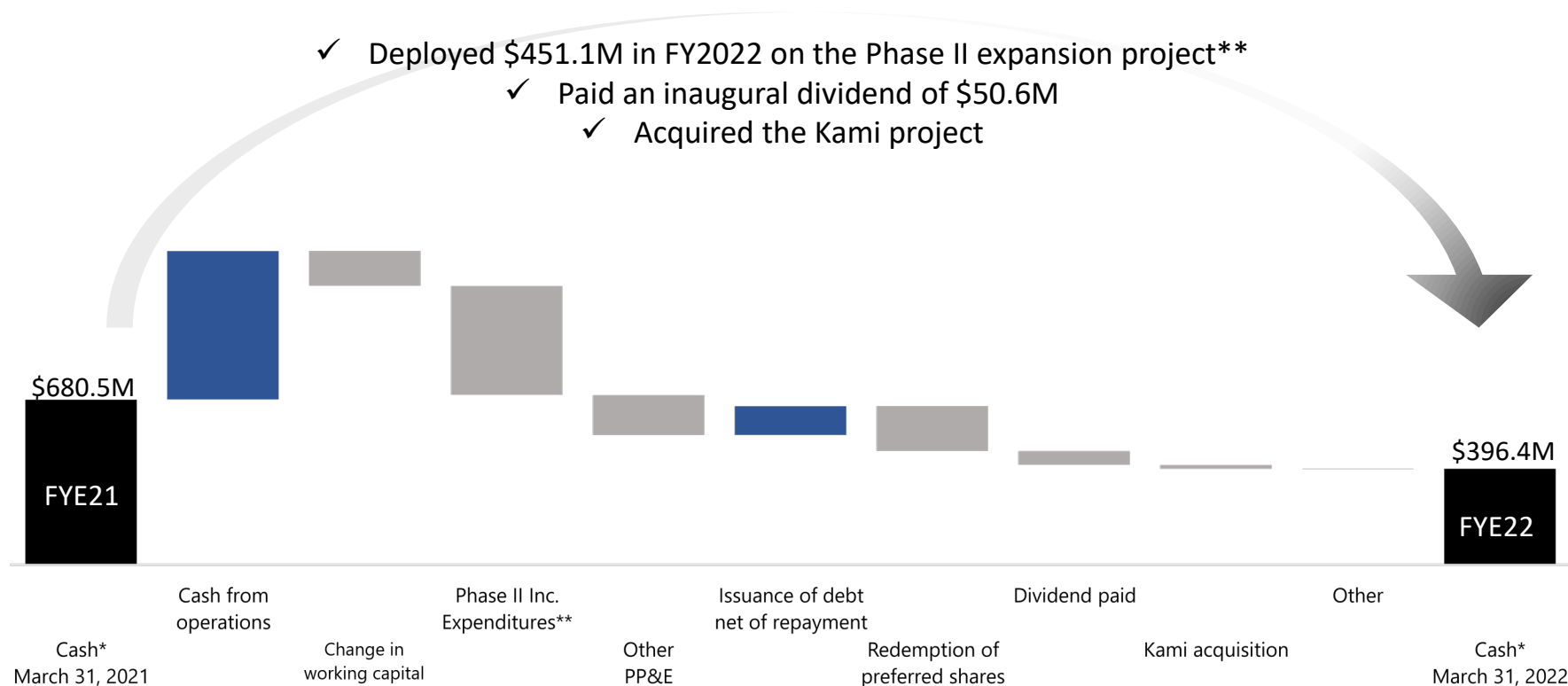


Note: ¹Non-IFRS financial measure, ratio or other financial measure. Refer to the disclaimer at the p.2

- Several record annual financial results with year over year increases in EBITDA¹ and adjusted EPS¹ of 12.9% and 8.2%, respectively
- Stable year on year cash profit margin¹ and EBITDA¹ margin of 61.7% and 63.4%, respectively
- Q1/FY23 Results: Reported EBITDA¹ and adjusted EPS¹ of \$94.9M and \$0.10, respectively



FY2021 → FY2022: POSITIONED FOR GROWTH



*Cash on hand includes short-term investments. Cash includes restricted cash of \$44M as of March 31, 2022

**Phase II expenditures excluding start-up costs, including advances and deposit to SFPPN, and QNSL

INCREASED FINANCIAL FLEXIBILITY

- Completed the refinancing of the US\$400M Credit Facility with a US\$400M general purpose Revolving Facility
- Revolving Facility provides increased financial flexibility, lifted the restricted cash covenant of \$43.7M, and reduced the cost of capital
- Drew US\$180M on the Revolving Facility, equivalent to the previous Credit Facility balance as at March 31, 2022

→ GENERAL PURPOSE REVOLVING FACILITY SYNDICATE





CONTINUED CAPITAL RETURN STRATEGY

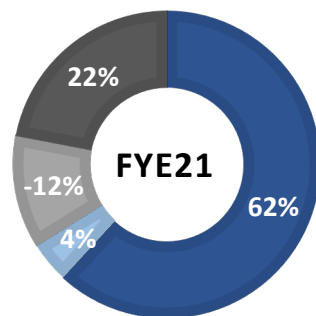
- Inaugural dividend of \$0.10 per ordinary share paid on March 1, 2022
- Paid a subsequent dividend of \$0.10 per ordinary share on June 28, 2022, in connection with the FY2022 annual results



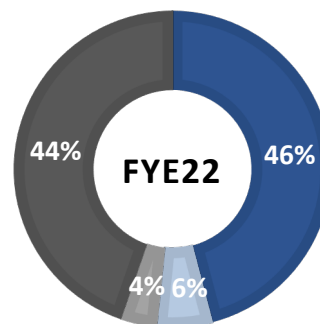
FY2022: ROBUST BALANCE SHEET

	FY2022
 Cash & S-T Investments	\$352.7M
Restricted cash ²	\$43.8M
Working capital ^{1,3}	\$28.4M
 Short-term & Long-Term Debt ^{1,4}	\$343.1M
Available & undrawn loans ^{1,5}	\$393.3M

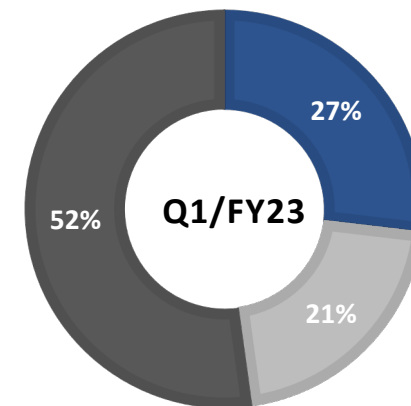
- Decline in net cash^{1,6} (including working capital) year over year as the Company advanced the Phase II expansion project
- Q1/FY23 results: Available liquidity¹ as at June 30, 2022, of \$571.0M, including \$187.1M in cash and cash equivalent and S-T investments



Net cash^{1,6}
decrease of
\$249.8M YoY



Net cash^{1,6}
decrease of
\$111.8 QoQ



■ 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 Restricted cash for potential cost overruns on Phase II as a condition of the senior debt facility | ³ receivables: \$124.1M; Prepaid expenses and advances: \$20.3M; Inventories: \$98.9M; accounts payable and other: \$192.2M; income and mining taxes payable: \$22.7M | ⁴ Short-term and long-term debt include US\$180M term loan, \$60M from Investissement Québec, \$30M from FTQ and US\$22.6M from Caterpillar Financial Services | ⁵ Undrawn Senior debt including US\$170M Term loan and US\$50M Revolving Facility, US\$50.7M from finance agreement with Caterpillar Financial services Limited, \$45M from FTQ and \$10M from Investissement Québec | ⁶ Net cash including cash & short-term investments, restricted cash, working capital and short-term and long-term debt

POSITIONED FOR THE FUTURE

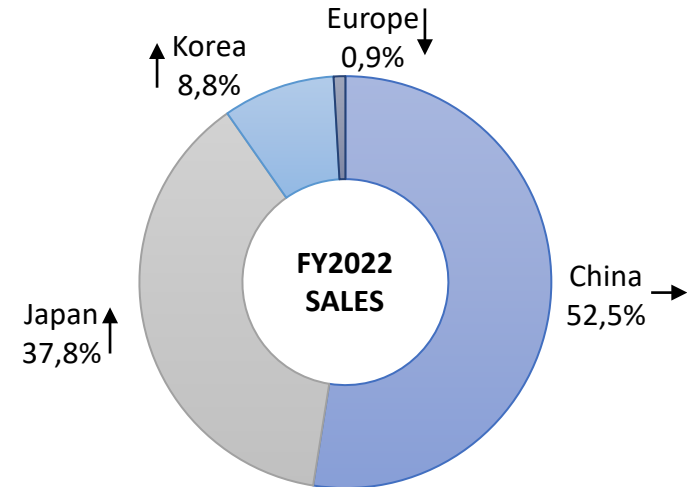
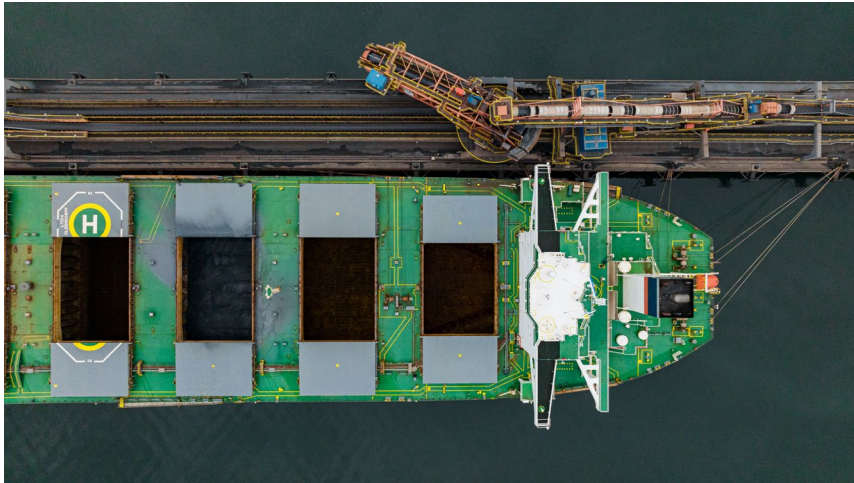
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TSX: CIA | ASX: CIA | OTCQX: CIAFF



DIVERSIFIED CUSTOMER BASE

- New agreements with customers ex-China expected to further diversify the Company's customer base
- Unaffected sales dynamic despite the disrupted global trade flows resulting from the conflict in Ukraine
- Multiple organic growth projects being evaluated to enable the Company to engage with new customers and markets



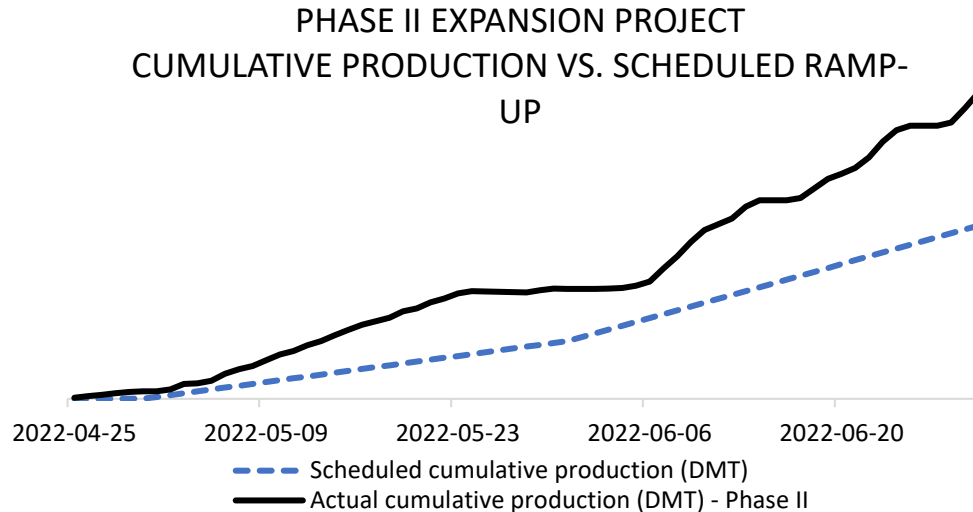
PHASE II – SIGNIFICANT MILESTONE

- Commissioning of the Phase II expansion project achieved ahead of the previously anticipated mid-2022 target despite pandemic-related challenges
- On May 3, 2022, completed the 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 favourably to the scheduled ramp-up production assumptions
- Optimizing systems to achieve commercial production as scheduled by the end of calendar 2022



PELLETIZING OPPORTUNITY



- Entered into a definitive purchase agreement to acquire the Pointe-Noire pelletizing facility from the Société Ferroviaire et Portuaire de Pointe-Noire for a cash consideration of \$2.5M
- The plant was commissioned in 1965 with an original capacity of 6 Mtpa and was put on care and maintenance in 2013



- Entered into a MOU with an International steelmaker to complete a feasibility study to evaluate re-commissioning the pellet plant and produce Direct Reduction (“DR”) grade pellets
- Benefiting from its industrial site and strategic location adjacent to the port facilities currently used by Champion, the plant provides a relatively rapid opportunity for commercial production



Pointe Noire Pelletizing Facility



DR Grade Pellets

- Champion is well positioned to service the steel industry's transition to Electric Arc Furnaces (EAF) with its growth projects focused on 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

- The steel industry, representing 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



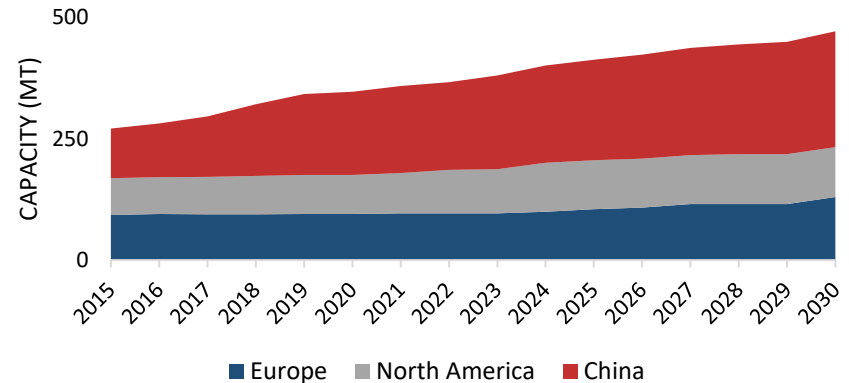
37.2MT



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



- Priority on the health and safety of our employees, partners and communities
- Ramp-up the Phase II expansion project to commercial production
- Manage costs while mitigating inflationary pressures
- Implement growth strategy and advance the feasibility studies including the DR pellet feed project, the Kami project and the DR pellet project
- Diligent capital management and consideration for shareholder returns



THANK YOU TO OUR STAFF



PRIDE



INGENUITY



RESPECT



TRANSPARENCY

Upholding
our values
for a
sustainable future



THANK YOU!

CHAMPION IRON 

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