

# FOURTH QUARTER AND 2023 FINANCIAL YEAR-END RESULTS

Webcast Presentation — May 31<sup>st</sup>, 2023



PREMIUM PRODUCT  
TIER 1 JURISDICTION  
HIGH QUALITY INFRASTRUCTURE

CHAMPION IRON 

# DISCLAIMER

This presentation (the "Presentation") contains information about Champion Iron Limited ("Champion" or the "Company"), current as at the date hereof or as at such earlier date as may be specified herein. This Presentation does not constitute or form part of, and should not be construed as, an offer to sell or issue or the solicitation of an offer to buy or acquire securities of Champion or any of its subsidiaries or affiliates or any other person in any jurisdiction or an inducement to enter into investment activity, does not constitute marketing material in connection with any such securities and there is no current offering or soliciting for the sale of securities in any jurisdiction.

This Presentation and the information contained herein is for information purposes only, may not be reproduced or distributed to others, at any time, in whole or in part, for any purpose, and may not be used for any other purpose, without the prior written consent of Champion, and all recipients agree that they will use this Presentation solely for information purposes. Acceptance of this Presentation by any person constitutes an agreement to be bound by the terms of this disclaimer.

In making any future investment decision, you must rely on your own examination of Champion, including the merits and risks involved. This Presentation should not be construed as financial, legal, tax, accounting, investment or other advice or a recommendation with respect to any potential future investment. You should consult your own advisors as needed to make a future investment decision and determine whether it is legally permitted to make an investment under applicable legal requirements, including securities or similar laws or regulations.

## FORWARD-LOOKING STATEMENTS

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, its expected transitional operating costs, commercial production, economic benefits, impact on and operation at nameplate capacity and milestones; expected locomotives delivery; the project to upgrade the Bloom Lake iron ore concentrate to a higher grade with lower contaminants, expected project layout, production metrics, efficiencies, permitting and approvals, capex, timeline, financing, benefits and economics; the feasibility study evaluating the re-commissioning of the Pointe-Noire Iron Ore Pelletizing Facility to produce Direct Reduction ("DR") grade pellets and its anticipated completion timeline; the Kami Project's feasibility study, its purpose and anticipated completion timeline; the feasibility study to update Blom Lake's reserve and resource estimates and its anticipated completion timeline; Champion's positioning to service the industry's transition to Electric Arc Furnaces ("EAFs") and focus on DR quality products; the shift in steel industry production methods and expected rising demand for higher-grade iron ore products and related market deficit and higher premiums, including using reduction technologies and the Company's related potential and transition of its product offering; green steel, greenhouse gas and CO<sub>2</sub> emission reduction and other Environmental, Social and Governance ("ESG") related initiatives, objectives, targets and expectations; Champion's financial outlook; and the Company's growth and opportunities generally.

## 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 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, wars 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 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 the Australian Securities and Investments Commission (the "ASIC"); as well as those factors discussed in the section entitled "Risk Factors" of the Company's 2023 Annual Information Form, the risks and uncertainties discussed in the Company's management's discussion and analysis for the financial year ended March 31, 2023 and the risks discussed in other reports Champion files with the CSA and the ASIC, all of which are available on SEDAR at [www.sedar.com](http://www.sedar.com), the ASX at [www.asx.com.au](http://www.asx.com.au)

and the Company's website at [www.championiron.com](http://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 statements. Accordingly, readers should not place undue reliance on forward-looking statements.

## 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. 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 risks 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 total cash cost, all-in sustaining cost ("AISC"), earnings before interest, tax, depreciation and amortization ("EBITDA"), adjusted net income, adjusted EPS, cash operating margin, cash profit margin, net average realized selling price per dmt sold and gross average realized selling price per dmt sold. 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 financial year ended March 31, 2023 available on SEDAR at [www.sedar.com](http://www.sedar.com), the ASX at [www.asx.com.au](http://www.asx.com.au) and the Company's website at [www.championiron.com](http://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 is available on SEDAR at [www.sedar.com](http://www.sedar.com), the ASX at [www.asx.com.au](http://www.asx.com.au) and Champion's website at [www.championiron.com](http://www.championiron.com).

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, David Cataford.

All amounts are in Canadian dollars unless otherwise stated.

# CONFERENCE CALL PARTICIPANTS



**DAVID CATAFORD**  
*Chief Executive Officer*



**MICHAEL O'KEEFFE**  
*Executive Chairman*



**ALEXANDRE BELLEAU**  
*Chief Operating Officer*



**DONALD TREMBLAY**  
*Chief Financial Officer*



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

# FY2023 FOURTH QUARTER HIGHLIGHTS

**CHAMPION IRON** 

TSX: CIA | ASX: CIA | OTCQX: CIAFF



**3,084,200 WMT**  
CONCENTRATE PRODUCED

**3,092,900 DMT**  
CONCENTRATE SOLD

**78.6%**  
ORE RECOVERY



**\$79.0/DMT**  
TOTAL CASH COST<sup>1</sup>

**\$85.7/DMT**  
ALL-IN SUSTAINING COST<sup>1</sup>



**\$463.9M**  
REVENUES

**\$195.7M**  
EBITDA<sup>1</sup>

**\$88.2M**  
ADJUSTED NET INCOME<sup>1</sup>

**\$0.17**  
ADJUSTED EPS<sup>1</sup>



**\$327.1M**  
CASH & SHORT-TERM  
INVESTMENTS

**\$487.7M**  
SHORT-TERM AND  
LONG-TERM DEBT<sup>2</sup>

**\$346.6M**  
AVAILABLE AND UNDRAWN LOANS<sup>3</sup>



**\$0.10**

PER SHARE DIVIDEND DECLARED ON MAY 30TH, IN CONNECTION WITH THE SEMI-ANNUAL RESULT FOR THE PERIOD ENDED MARCH 31, 2023

Notes: <sup>1</sup> Non-IFRS financial measure, ratio or other financial measure. Refer to the disclaimer at the page 2 of this presentation | <sup>2</sup> Short-term and long-term debt face value includes US\$180M Revolving Facility, \$75M from FTQ, \$64M from Investissement Québec and US\$77.6M from Caterpillar Financial Services | <sup>3</sup> Undrawn loans included US\$220M Revolving Facility and US\$36.1M from Caterpillar Financial Services.



## SUSTAINABILITY FOCUSED

- No major environmental issues reported since the recommissioning of Bloom Lake in 2018
- Implementation of risk assessment programs, the update of safety standards and additional presentations to workers, contributed to improved health and safety statistics year-on-year
- Fully compliant result following a site inspection by the provincial ministry responsible for the environment, the fight against climate change and wildlife and parks

QUEBEC IRON ORE + CONTRACTORS						
	FINANCIAL YEAR 2023					
	FY22	Q1	Q2	Q3	Q4	FY23
Total Recordable Injury Frequency Rate (TRIFR)	4.29	3.23	2.96	1.88	2.40	2.54
Disability Injury Severity Rate (DISR)	31.44	15.24	14.61	29.18	56.63	26.69



# COMMUNITY & SUSTAINABILITY

- Hosted Government of Québec Ministers at our Phase II plant's rebranding celebration, with the plant to be named "Tshinanu", meaning "we, together" in the Innu language
- Welcomed the members of six indigenous groups as participants of the 2023 First Nations Expedition when it stopped at Bloom Lake in March, during their 4,500 km journey that carried the message of reconciliation, healing and hope
- Over 100 employment applications collected following the Nutashineu Career Day organized in collaboration with our First Nations Partners
- Continued our support for Cancer Fermont through our participation at a fundraising event







# ENHANCED ESG DISCLOSURE

- Published the Company's 2022 Sustainability Report, aligned with several Environmental Social and Governance (ESG) disclosure frameworks including:
  - ✓ Global reporting Initiative (GRI)
  - ✓ Sustainability Accounting Standards Board (SASB)
  - ✓ Task Force on Climate-Related Financial Disclosure (TCFD)
- Enhanced ESG disclosure, including annual and multi-year targets, provides transparency for stakeholders in connection with the Company's sustainability objectives



## 2022 HIGHLIGHTS<sup>1</sup>

-  → No environmental non-compliance reporting events and significant improvement in health and safety performance year-on-year
-  → 100% compliance with tailings structure monitoring program
- GHG intensity per tonne of iron ore produced declined 5.8% year-on-year
- Recycled water usage improved 3.8% year-on-year
- Waste intensity declined by 37.8% year-on-year
-  → Maintained our position as leading First Nations employer in the region
-  → Completed new First Nations cultural competence training for entire workforce



# OPERATIONAL & FINANCIAL RESULTS

CHAMPION IRON 

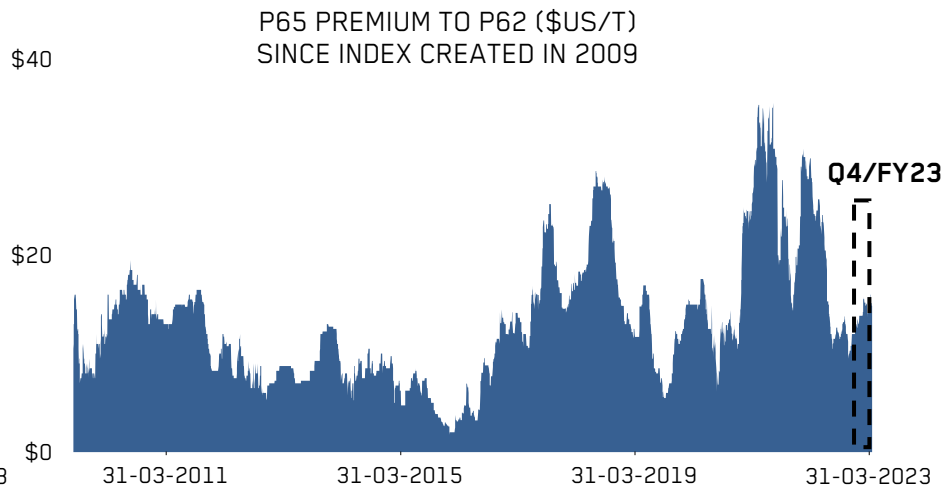
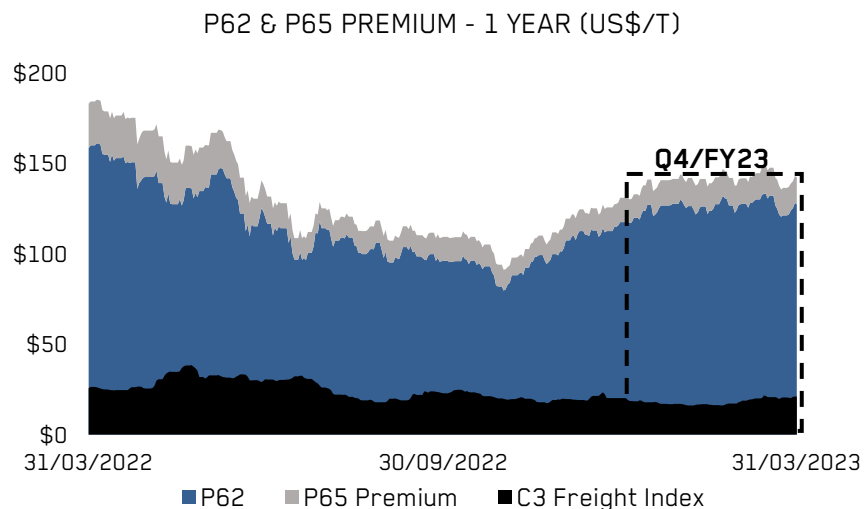
TSX: CIA | ASX: CIA | OTCQX: CIAFF





# INDUSTRY OVERVIEW

- The P62 average iron ore index and the P65 index premium increased by 26.8% and 22.7% respectively, from the previous quarter
- Higher iron ore prices during the period mainly attributable to improving macroeconomic indicators in China and seasonal factors impacting iron ore supply from major producing hubs
- The C3 freight index declined 11.9% from the previous quarter, mainly attributable to lower iron ore volumes from Brazil

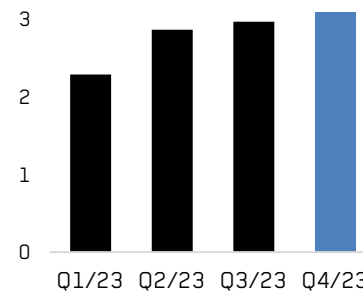


# OPERATIONS OVERVIEW

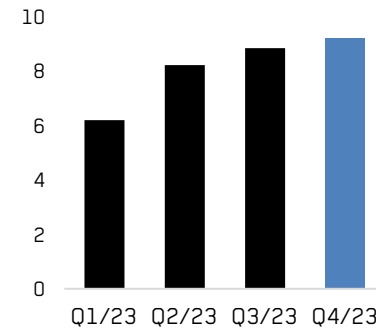
- Record quarterly iron ore production up 65% year-on-year, positively impacted by the increases in production throughput from the Phase II plant, and negatively impacted by previously disclosed delays in delivery of mining equipment and longer than expected planned maintenance shutdown
- Iron ore sales in the quarter impacted by a power outage affecting third-party infrastructure at the port facility in Sept-iles
- Fe recovery in line with the mine plan and lower stripping ratio impacted by limited number of available trucks due to delivery delays, which is expected to be recovered in future periods as additional mining equipment becomes available

FINANCIAL PERIODS	Q1/23	Q2/23	Q3/23	Q4/23	FY2023
Iron ore concentrate produced (M wmt)	2.28	2.86	2.96	3.08	11.19
Iron ore concentrate sold (M dmt)	2.01	2.79	2.69	3.09	10.59
Waste mined and hauled (M wmt)	5.61	4.57	4.37	5.02	19.57
Ore mined and hauled (M wmt)	6.19	8.21	8.84	9.19	32.44
Stripping ratio	0.91	0.56	0.49	0.55	0.60
Head grade Fe (%)	31.0	29.5	28.5	28.4	29.2
Fe recovery (%)	80.2	78.6	80.1	78.6	79.3
Product Fe (%)	66.1	66.1	66.0	66.1	66.1

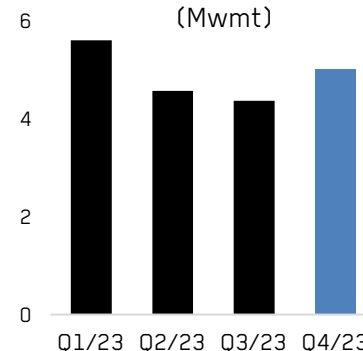
Iron Ore Concentrate Produced (Mwmt)



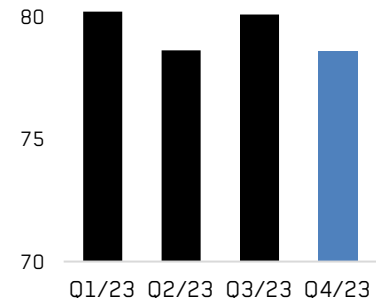
Ore Mined and Hauled (Mwmt)



Waste Mined and Hauled (Mwmt)

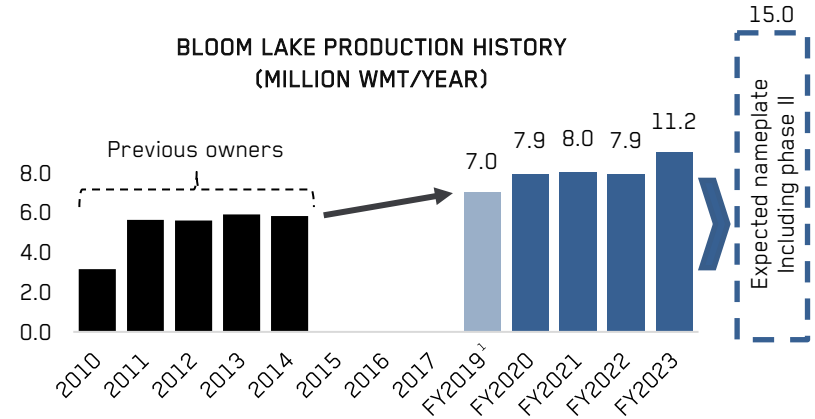


Fe Recovery (%)



## PHASE II → SIGNIFICANT MILESTONES

- Facilities reached expanded designed nameplate capacity of 15Mt/pa on several operating days in the quarter
- Recent delivery and assembly of mining equipment, progress on third-party infrastructure and near-term anticipated locomotives delivery improves visibility to reach Bloom Lake's expanded nameplate capacity of 15 Mt/pa on a continuous basis in the near term



Recent mining equipment delivery and assembly



Proven and completed processing plant



Progress on third-party infrastructure

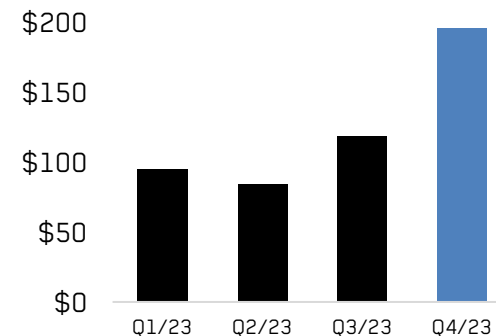


# FINANCIAL HIGHLIGHTS

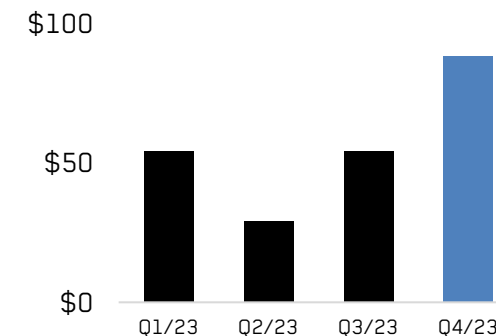
- Revenues of \$463.9M, EBITDA<sup>1</sup> of \$195.7M and adjusted EPS<sup>1</sup> of \$0.17
- Financial results positively impacted quarter-on-quarter by higher iron ore volumes sold and higher realized prices, partially offset by higher operating costs to support the infrastructure required to achieve the higher anticipated production prior to achieving nameplate capacity

FISCAL PERIODS (\$ MILLION)	Q1/23	Q2/23	Q3/23	Q4/23	FY2023
Revenues	279.3	300.6	351.2	463.9	1395.1
EBITDA <sup>1</sup>	94.9	84.3	118.2	195.7	493.2
Operating income	74.5	55.9	87.7	153.2	371.3
Net income	41.6	19.5	51.4	88.2	200.7
Adjusted net income <sup>1</sup>	54.1	29.3	54.1	88.2	225.7
Net cash flow (used) from operations	-32.2	87.1	13.4	167.7	236.0
Earnings per share - basic	0.08	0.04	0.10	0.17	0.39
Adjusted earnings per share - basic <sup>1</sup>	0.10	0.06	0.10	0.17	0.44
Gross average realized selling price (\$/dmt)	190.4	157.0	171.6	183.2	174.7
Net average realized selling price (\$/dmt) <sup>1</sup>	138.7	107.6	130.4	150.0	131.7
Total cash cost (\$/dmt) <sup>1</sup>	74.0	65.9	76.0	79.0	73.9
All-in sustaining cost (\$/dmt) <sup>1</sup>	93.5	81.9	86.7	85.7	86.5
Cash operating margin (\$/dmt) <sup>1</sup>	45.2	25.7	43.7	64.3	45.2
Cash operating margin (%) <sup>1</sup>	32.6%	23.9%	33.5%	42.9%	34.3%

EBITDA<sup>1</sup> (C\$M)



ADJUSTED NET INCOME<sup>1</sup> (C\$M)

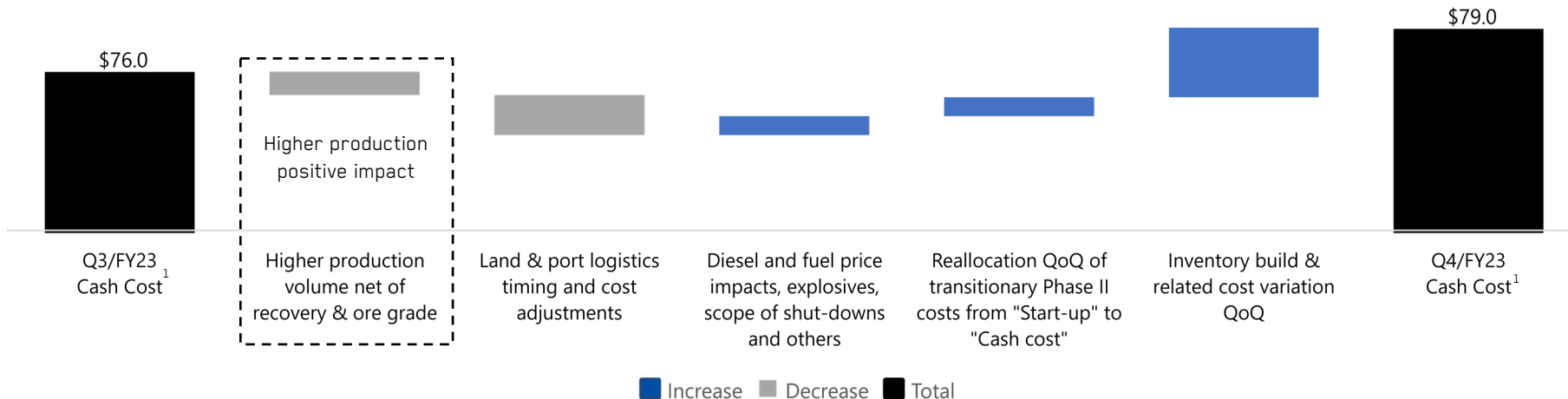




# TRANSITIONAL AND NON-RECURRING COST IMPACTS

- Quarterly cash cost<sup>1</sup> per tonne negatively impacted by a longer than expected planned crusher maintenance shutdown, resulting in longer haul cycle times, higher than expected utilization of contractors due to previously disclosed delivery delays of mining equipment and timing of sales impact of prior period production with higher associated costs. Such additional costs are expected to dissipate over time as operations are optimized, including reduced reliance on contractors.
- Additional production volumes from the Bloom Lake site, once the expected expanded nameplate capacity is reached, are expected to normalize transitory operating costs per tonne

CASH COST<sup>1</sup> Q3/FY23 VS Q4/FY23 (C\$/T)

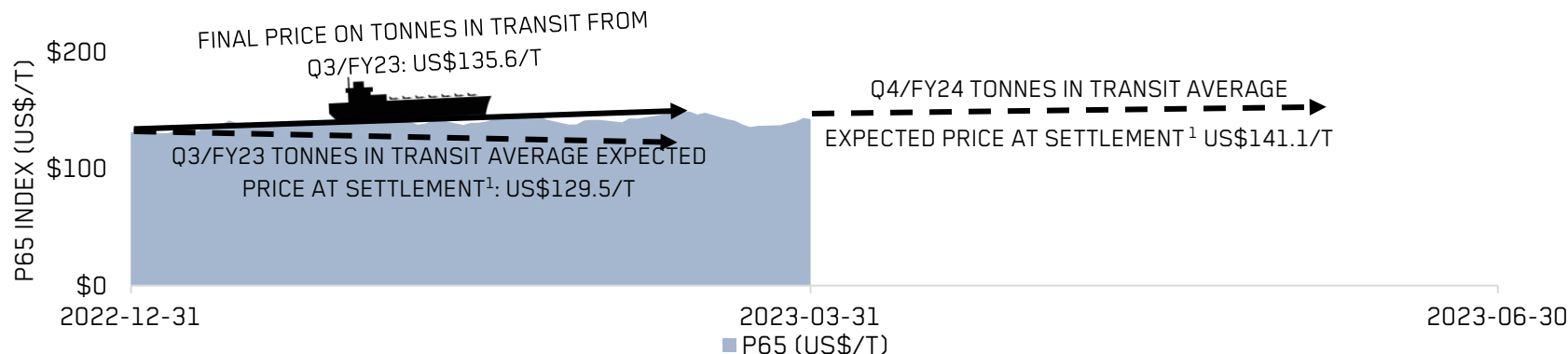


# PROVISIONAL PRICE ADJUSTMENT

- 1.7M tonnes which were subject to provisional pricing at the end of Q3/FY23 realized final pricing during the quarter
- Q4/FY23 positive provisional pricing adjustment of US\$10.5M represents a positive impact of US\$3.4/dmt on the average realized price for tonnes sold in the period

PROVISIONAL IMPACT Q4/FY23				PER TONNE SOLD	
Final price on tonnes in transit at Q3/FY23	-	Q3/FY23 Average expected price at settlement date <sup>1</sup>	× Tonnes in transit at Q3/FY23 (Mdmt)	=	Provisional impact on Q4/FY23
US\$135.6/t		US\$129.5/t	1.7		US\$10.5M
				÷	
		Tonnes sold in Q4/FY23 (Mdmt)		=	Provisional impact per tonne sold in Q4/FY23
		3.09			US\$3.4/t

- A gross forward provisional price of US\$141.1t was determined for the 2.0Mt subject to provisional price at the end of Q4/FY23



Note: Expected price based on P65 Index forward prices at the end of the period

# AVERAGE REALIZED SELLING PRICE

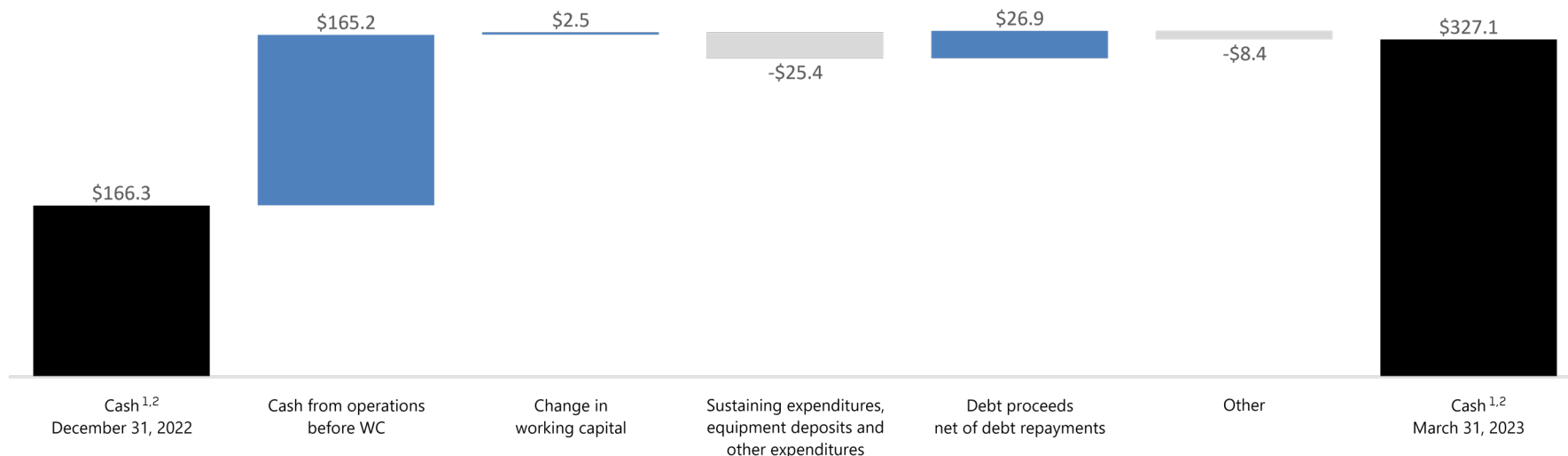
- Q4/FY23 average gross realized price<sup>1</sup> of US\$135.5/t, slightly below the P65 index average of US\$140.1/t during the period
- Average gross realized price<sup>1</sup> negatively impacted by certain sales contracts based on backward-looking iron ore index prices, when prices were significantly lower than the P65 index in the period, and partially offset by iron ore sales in transit at the end of the period based on forward looking prices, which were slightly higher than the P65 index in the period
- Freight costs of US\$28.0/t were lower quarter-on-quarter, despite seasonal ice premiums negatively impacting freight costs



# CASH CHANGE DETAILS

→ Cash and short-term investments of \$327.1M positively impacted by operating cash flow before working capital of \$165.2M and net proceeds of new debt of \$26.9M, and partially offset by sustaining expenditures, equipment deposits and other expenditures of \$25.4M

## CASH CHANGE FROM DECEMBER 31, 2022, TO MARCH 31, 2023





# BALANCE SHEET POSITIONED FOR GROWTH



**\$327.1M** Cash & S-T investments

**\$232.3M** Working capital <sup>1,2</sup>



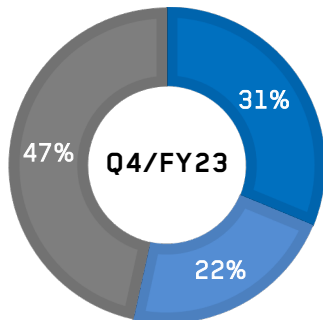
**\$487.7M** Short-term & Long-term debt <sup>3</sup>

**\$346.6M** Available & undrawn loans <sup>4</sup>



**Cash net of debt of \$71.7M<sup>1,2,3</sup>**

(including working capital)



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



## FOURTH CONSECUTIVE SEMI-ANNUAL DIVIDEND

- A dividend of \$0.10 per ordinary share declared on May 30, 2023 (Montréal time), in connection with the semi-annual results for the period ended March 31, 2023
- Registered shareholders at the close of business in Australia and Canada on June 14, 2023, will be entitled to receive payment of the dividend on July 5, 2023

Additional information available at [www.championiron.com](http://www.championiron.com)



Notes: <sup>1</sup>Non-IFRS financial measure, ratio or other financial measure. Refer to the disclaimer at the p.2 | <sup>2</sup> Receivables: \$162.2M; Income and mining taxes receivables: \$37.9M; Prepaid expenses and advances: \$43.1M; Inventories: \$167.7M; accounts payable and other: (\$178.6M) | <sup>3</sup> Short-term and long-term debt face value include US\$180M Revolving Facility, \$75M from FTQ, \$64M from Investissement Québec and US\$77.6M from Caterpillar Financial Services | <sup>4</sup> Undrawn loans included US\$220M Revolving Facility and US\$36.1M from Caterpillar Financial Services.

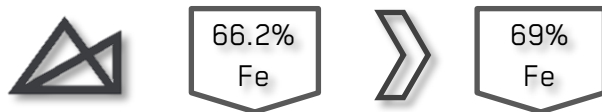
# GROWTH PROJECTS

CHAMPION IRON 

TSX: CIA | ASX: CIA | OTCQX: CIAFF

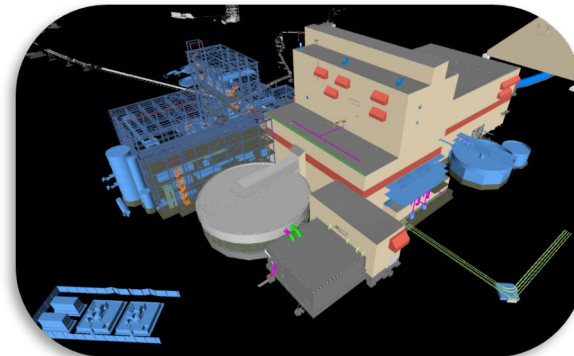


# DRPF PROJECT: INITIAL MILESTONES

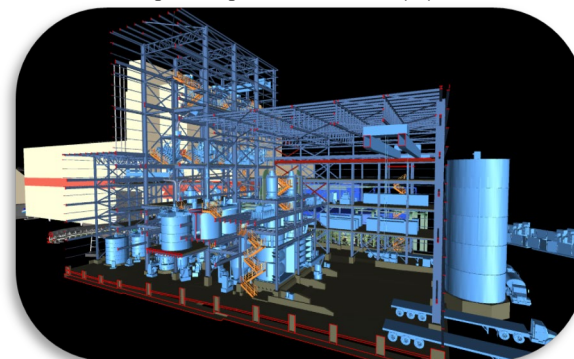


- In connection with the recently announced positive findings of the Direct Reduction Pellet Feed (DRPF) Project feasibility study, the Board of Directors approved an increase of \$52 million to the initial budget of \$10 million announced on January 26, 2023, in order to maintain the Project's estimated 30-month construction period and a potential commissioning of the Project in calendar H2/2025
- Project initiated in February 2023, including:
  - ✓ Identified and mobilized teams and setup of control processes
  - ✓ Initiated procurement activities for long lead items
  - ✓ Planning for near-term early work programs
- The Board of Directors expects to review the Project's final investment decision pending securing additional power and non-dilutive funding

Rendering of the concentrator II including the proposed modifications

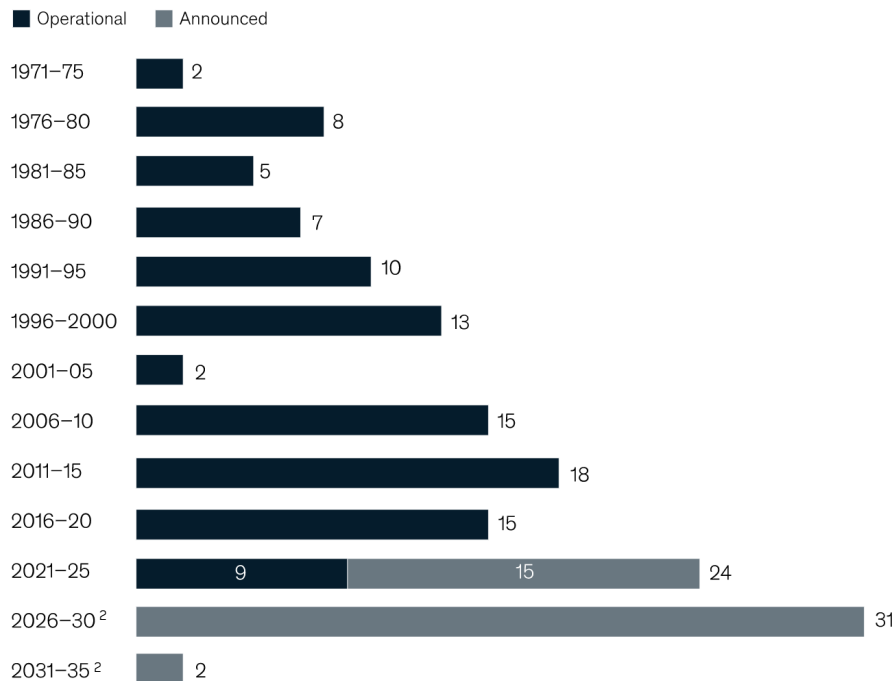


Side view of the expansion to accommodate the grinding and flotation equipment



# DRPF PRODUCT: VISIBLE DEMAND

Total number of shaft DRI/HBI<sup>1</sup> projects by year of beginning operations

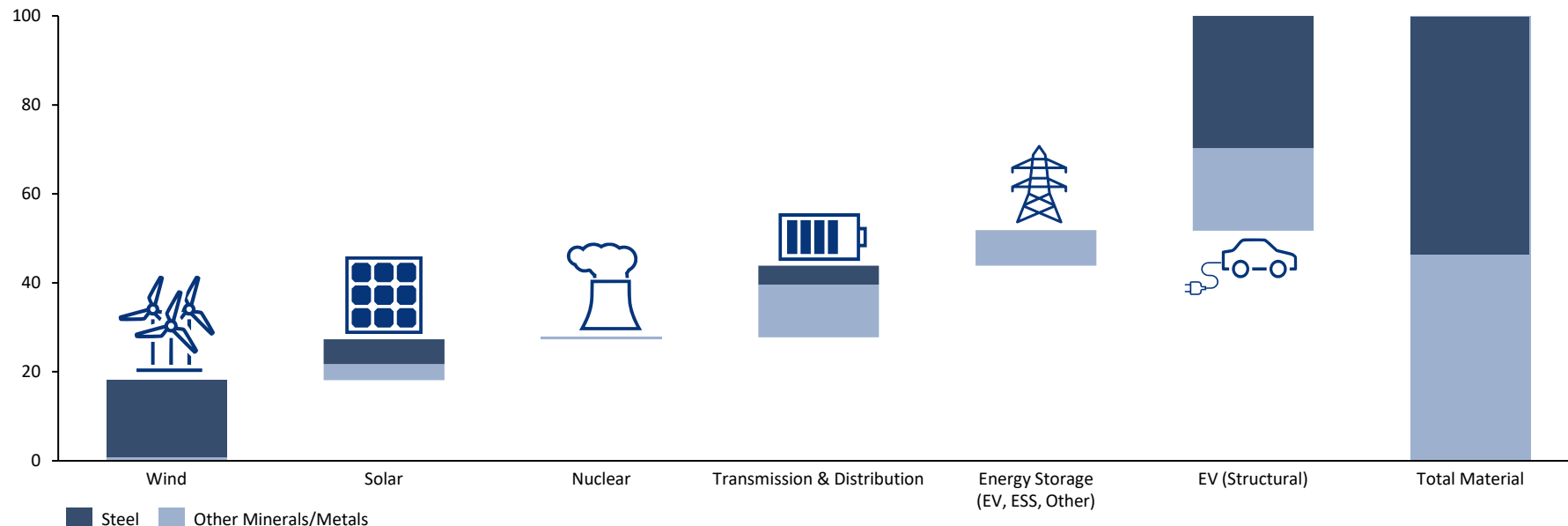


- To reduce emissions, the steel industry is rapidly transitioning from Blast Furnaces and Basic Oxygen Furnaces (BF-BOF) steelmaking, utilizing coal, to Direct Reduced Iron and Electric Arc Furnaces (DRI-EAF) steelmaking
- DRI project announcements are accelerating at an unprecedented pace, expected to increase demand for Direct Reduction (DR) quality iron ore
- Champion's Project proposes to produce an industry leading DRPF with a quality up to 69% Fe
- Global DR quality iron ore demand is expected to be at a deficit of more than 100Mtpa by 2031<sup>3</sup>

# STEEL IS CRITICAL TO DECARBONISE

- Steel will have a critical role for the required infrastructure and applications to decarbonize our economies
- Under the Accelerated Energy Transition (AET) of 1.5C, over 3.5 billion additional tonnes of steel will be required by 2050, representing over 50% of total material used across infrastructure and applications

GLOBAL VOLUME OF MATERIAL REQUIRED TO REACH AET 1.5 ACROSS SELECT ET APPLICATIONS (% VOLUME CONTRIBUTION)



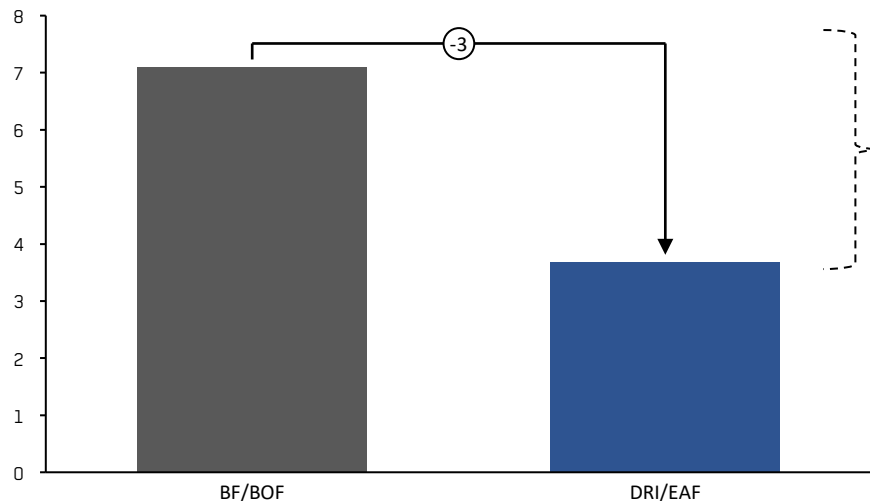
Source: Champion Iron Limited, Wood Mackenzie

Note: Only includes other minerals/metals associated with this study. Structural EV = automotive frames/bodies. Volume estimates are subject to change based on intensity and technology assumptions which will change over time.

# GREEN STEEL IS A SUSTAINABLE SOLUTION

- The additional 3.5 billion tonnes of steel required by 2050 under the 1.5C AET, could generate 7 billion tonnes of CO<sub>2</sub>, equivalent to the emissions generated annually by 650 million cars or nearly half all the current cars globally
- Using the commercially proven and less intensive DRI-EAF steelmaking method could reduce emissions by nearly half, limiting the impact of the significant additional infrastructure required for the energy transition

Global emissions generated by the steel required under AET 1.5C  
steel buildout by steelmaking process (Billion tonnes of CO<sub>2</sub>)



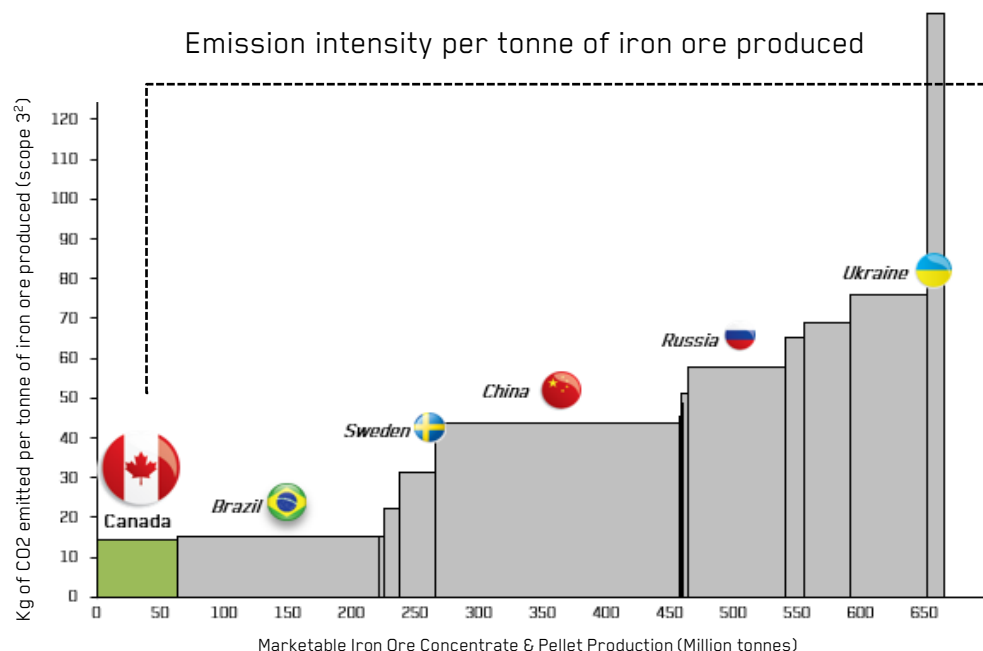
  
Champion's DRPF Project,  
contributes to the transition to  
DRI-EAF steelmaking

# LOW IMPACT LOCALLY & SCALEABLE POSITIVE IMPACT GLOBALLY

**CHAMPION IRON** 

TSX: CIA | ASX: CIA | OTCQX: CIAFF

- Canadian high-purity iron ore is produced with one of the lowest carbon intensities globally
- A complete transition of Bloom Lake's 15Mtpa nameplate capacity to DRPF quality iron ore could enable avoiding nearly 9.7Mt of CO<sub>2</sub>e/year in the steelmaking process, representing over 100 times the emissions generated by our Company



Benefiting from hydropower generation capacity, Champion has an industry leading position in emission intensity per tonne of high-purity iron ore produced of 9.8 Kg of CO<sub>2</sub>/t

Source: Champion Iron, Wood Mackenzie | Note: Phase II expected nameplate capacity of 15Mtpa | 2. Assumes 4,600 Kg of CO<sub>2</sub> eq per vehicle/year (Source: US Environmental Protection Agency and Natural Resources Canada). BF/BOF reduction assumes a ratio of 1.5t of iron ore concentrate per tonne of steel produced and a reduction emission of 9.6% for Champion's 66.2% Fe compared to 58% Fe (Based on Wood Mackenzie estimate of 8% reduction for P65 vs. P58). DRI/EAF steel making route assumes 1.47 tonne of pellet feed concentrate per tonne of steel produced. Champion emissions based on calendar 2022 results emissions of 97,942t CO<sub>2</sub>e

# 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
- 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



H2/2023



*Kami project*



H2/2023



*Pointe Noire Pelletizing Facility*



# THANK YOU TO OUR STAFF



PRIDE



INGENUITY



RESPECT



TRANSPARENCY



Upholding our values for a sustainable future

# THANK YOU!

# CHAMPION IRON

Contact us for more information:

Michael Marcotte, Senior Vice-President - Corporate Development and Capital Markets  
[info@championiron.com](mailto:info@championiron.com) 514-316-4858