CONFERENCE PRESENTATION JUNE 2023



A RARE SOLUTION TO DECARBONIZE STEELMAKING



DISCLAIMER

TSX: CIA | ASX: CIA | OTCQX : CIAFF

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 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 therein 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.

This Presentation contains certain forward-looking information and statements within the meaning of applicable securities laws, which includes all statements other than statements of historical facts. Forward-looking statements can typically be identified by terminology such as "expect", "anticipate", "continue", "estimate", "may", "will", "project", "predict", "can", "could", "would", "aim", "should", "believe", "plan", "intend", "forecast", "contemplate", "schedule", "target", "future", "objective", "goal", "potential" or variations or the negative thereof.

In particular, but without limiting the foregoing, this Presentation contains forward-looking information and statements pertaining to Champion's and management's expectations, including, without limitation, with respect to: the Company's Phase II expansion project, its expected economic benefits, nameplate capacity and milestones; the project to upgrade the Bloom Lake iron ore concentrate to a higher grade with lower contaminants and to convert approximately half of Bloom Lake's increased nameplate capacity of 15 Mtpa to commercially produce a 69% Fe Direct Reduction pellet feed product, expected project timeline, economics, capex, budget and financing, production metrics and benefits; the increase in carbon emission forward prices; the Kami Project's feasibility study and its anticipated completion date; the feasibility study to produce Direct Reduction ("DR") grade pellets in Pointe-Noire and its anticipated completion date; Champion's positioning to service the industry's transition to Electric Arc Furnaces and focus on DR quality products; the shift in steel industry production methods and expected rising carbon costs and demand for higher-grade iron ore products and related market deficit and higher premiums, including using reduction technologies and the Company's related transition of its product offering and related projects; GHG and CO₂ emission reduction initiatives, objectives, targets and expectations; Champion's financial outlook; and the Company's growth opportunities generally.

Accordingly, undue reliance should not be placed on such statements or information. In addition, 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.

Although Champion believes that the expectations reflected in such forward-looking statements or information are based on reasonable assumptions, undue reliance should not be placed on such statements or information. The Company can give no assurance that such expectations will prove to be accurate or correct as such forward-looking statements, In addition to other factors, most of which are beyond the control of the Company, which may cause the Company's acting energian achievements to differ materially from those expressed or implied by such forward-looking statements, assumptions which could cause the actual results to differ materially from those expressed or implied by such forward-looking statements, and sound tions which could cause the actual results to differ materially from those expressed or implied by such forward-looking statements, and sound tions which could cause the actual results to differ materially from those expressed or implied by such forward-looking statements, and sound tions which could cause the actual results to differ materially from those expressed or implied by such forward-looking statements, and uncertainties; the general stability of the economic and political environment in which Champion operates; the impact of COVID-19 on the global economy, the iron ore market and Champion's operations; the timely receipt of any required regulatory and governmental approvals, necessary permitting and timely completion of development and construction activities; the ability of Champion has an interest to operate the field in a safe, efficient manner; the ability of Champion to obtain qualified staff, equipment and interest rates; and the regulatory framework regarding taxes and environmental matters in the jurisdictions in which Champion operates; as well as those factors discussed in the section entitled "Risk Factors" of the Company's 2023 Annual Information Form and in the section entitled "Risk Factors" of the Company's website at www.championiron.com, the ASX at www.seaar.com, and assta

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 or ratios included in this Presentation are EBITDA, adjusted EPS and total cash cost. A quantitative reconciliation to the most directly comparable IFRS measures is provided in note 22 - Non-IFRS and Other Financial Measures of the Company's management's discussion and analysis for the fiscal year ended March 31, 2023 available on SEDAR at www.sedar.com, the ASX at www.sedar.com, and the Company's website at www.sedar.com.

Mr. Vincent Blanchet (P.Eng) Director of resource and planification 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 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, expressed 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.

CORPORATE OVERVIEW

LARGEST PUBLICLY LISTED PURE-PLAY HIGH-GRADE IRON ORE PRODUCER GLOBALLY



ightarrow 2nd largest hub of high-grade exports globally



ightarrow 10.1% management ownership¹



 \rightarrow Cumulative investments at Bloom Lake \geq US\$4.5B



ightarrow Committed to GHG reduction of 40% by 2030 and carbon neutrality by 2050



Note: 1. Management ownership including board of directors as of April 29, 2023 Source: Champion Iron Limited





BLOOM LAKE

A GLOBAL SOLUTION FOR THE TRANSITIONING STEEL INDUSTRY





HIGH PURITY IRON ORE \rightarrow A SOLUTION FOR GREEN STEEL

CHAMPION IRON 🖄

TSX: CIA | ASX: CIA | OTCQX : CIAFF

THE STEEL INDUSTRY WILL NEED TO ADAPT TO LIMIT EMISSIONS

 → The steel industry represents more than
7.2% of global CO₂ emissions¹



STEEL IS CRITICAL TO DECARBONIZE

- \rightarrow Steel will have a critical role for the required infrastructure and applications to decarbonize our economies
- → Under the Accelerated Energy Transition (AET) of 1.5°C, 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.

TSX: CIA | ASX: CIA | OTCQX : CIAFF



Notes and sources: Blast Furnaces ("BF"); Basic Oxygen Furnace ("BOF"); Direct Reduced Iron ("DRI"); Electric Arc Furnace ("EAF"). 1. Champion Iron Limited, Wood Mackenzie | 2. World Steel Association | 3. 2.0 MW turbine models by Vestas contain approx. 170 tonnes of steel (National Renewable Energy Laboratory) | 4. 2Mw wind turbines; assuming 15,000 km per year per car (NRCAN), 80 KWh battery, 400 km range, windmill utilization factor of 0.4 (MERN) | 5. Statistics Canada, based on Q1-2022 new zero-emission (ZEVs) vehicle registration. | 6. 97,310*(2.01-1.04)= 94,400 | 7. NRCAN GHG Calculator

TSX: CIA | ASX: CIA | OTCQX : CIAFF



Champion's concentrate reduces emissions in BF/BOF steel making

Proven ability to produce DR grade pellet feed enables Champion to engage with DRI/EAF steel makers



Notes: 1. Phase II expected nameplate capacity of 15Mtpa | 2. Assumes 4,600 Kg of CO2 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 66.4% Fe (as per FY21 results) 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.

Sources: Champion Iron Limited, Wood Mackenzie data ; Tesla's 2022 car production; Cars registered by NYC residents as per www.nyc.gov and www.streetsblog.org; Tesla' Inc.'s car production in 2020 as per backlinko.com

Total number of shaft DRI/HBI¹ 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 2031^3

Note: Source: Fastmarkets, McKinsey & Company April 2023

1 Hot Briquette Iron; 2 More announcements expected; 3 McKinsey & Company (The Resilience of Steel: Navigating the Crossroads)

TSX: CIA | ASX: CIA | OTCQX : CIAFF

SUMMARY OF IRON CONTENT AND GANGUE CONTENT



PROVIDING A GLOBAL SCALE SOLUTION

CHAMPION IRON 🖄

TSX: CIA | ASX: CIA | OTCQX : CIAFF

CHAMPION CONTROLS ONE OF THE LARGEST RESERVES AND RESOURCES CAPABLE OF PRODUCING HIGH-GRADE IRON ORE, INCLUDING POTENTIAL ACCESS TO RENEWABLE POWER AND AVAILABLE



Note: Billion Metric tonne reserves; Resources are estimated on a Measured, Indicated, and Inferred Basis. Global snapshot is not exhaustive, (1) Port capacity estimate could not be reasonably identified, (2) Port not yet constructed, (3) Port not yet constructed, (4) Rest of Canada data is not exhaustive (Mont Wright, Carol Lake, Fire Lake, Baffinland...), (5) Simandou includes Blocks 1-4 (6) Spare port capacity estimated; Green-40+, Yellow-20-39, Red-0-19, (7) Champion Iron reported distance from Bloom Lake to Pointe Noire. Source: Wood Mackenzie, Corporate Reports, PFS Studies, Public Information (can include estimates).

Note: 1. Scope 1 emission reduction based on calendar year 2022 results | 2. Scope 3 stops at Third Party Port and Transport Fees Downstream but excludes BOF supply / Iron ore supply; Source: Wood Mackenzie 2020 data. Champion Iron Limited

LOW IMPACT LOCALLY & SCALEABLE POSITIVE IMPACT GLOBALLY TSX: CIA | ASX: CIA | OTCQX: CIAFF

- Canadian high-purity iron ore is produced with one of the lowest carbon intensities globally \rightarrow
- A complete transition of Bloom Lake's 15Mtpa nameplate capacity to DRPF quality iron ore could reduce nearly 9.7Mt of \rightarrow CO₂e/vear in the steelmaking process. representing over 100 times the emissions generated by our Company



CHAMPION IRON RECENT RESULTS

CHAMPION IRON A

SETTING NEW PRODUCTION RECORDS AT BLOOM LAKE

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

Recent mining equipment delivery and assembly



Proven and completed processing plant





Progress on third-party infrastructure





CHAMPION IRON



- \rightarrow Proven and competitive cost profile
- → <u>FY2023 results</u>: Total cash costs² of \$73.9/t, negatively impacted by several factors including fixed costs incurred to support higher anticipated production, inflationary pressures on fuel, explosives and site-related G&A

ROBUST FINANCIAL RESULTS

→ Significant investments at Bloom Lake produced robust financial results, positioning the Company to diligently consider growth opportunities while continuing its capital return strategy



\$327.1M Cash & S-T investments **\$232.3M** Working capital ^{1,2}



\$487.7M Short-term & Long-term debt ³ **\$346.6M** Available & undrawn loans ⁴



Cash net of debt of \$71.7M^{1,2,3} (including working capital)



Four semi-annual dividend of \$0.10 declared to date







Notes: Financial information as at March 31, 2023 | ¹Non-IFRS financial measure, ratio or other financial measure. Refer to the disclaimer at the p.2 | ² 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) | ³ 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 | ⁴ Undrawn loans included US\$220M Revolving Facility and US\$36.1M from Caterpillar Financial Services.

PRODUCT DEVELOPMENT AND GROWTH INITIATIVES







DRPF PROJECT – OVERVIEW

CHAMPION IRON 🖄

TSX: CIA | ASX: CIA | OTCQX : CIAFF





 → Project to upgrade the Phase II plant from 66.2% to a 69% Fe
DRPF quality iron ore

PROJECT HIGHLIGHTS

- \rightarrow Capex of \$470.7M (US\$351.3M)
- ightarrow 7.5 Mtpa
- ightarrow 30 Months construction
- → Significant additional pricing premium

CHAMPION IRON A

- → Project initiated in February 2023 with a cumulative initial budget of \$62M approved by the Board of Directors to maintain the 30-month construction timeline and potential completion by H2/2025
- \rightarrow Recent project milestones:
 - ✓ 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

| | C\$ | US\$ |
|------------------------------------|--|---|
| Net Present Value ("NPV") | Pre-tax NPV _{8%} of \$1230.1M After-tax NPV _{8%} of \$738.2M | Pre-tax NPV _{8%} of \$918.0M After-tax NPV _{8%} of \$550.9M |
| Internal Rate of Return ("IRR") | Pre-tax IRR of 30.1% After-tax IRR of 24.0% | |

Rendering of the concentrator II including the proposed modifications



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



OUR PEOPLE ARE OUR MOST VALUABLE ASSET

CHAMPION IRON 🖄

TSX: CIA | ASX: CIA | OTCQX : CIAFF

CREATING A POSITIVE IMPACT FOR LOCAL COMMUNITIES WITH OUR EXPERTISE, ROBUST CULTURE AND VALUES



THANK YOU!



المعالم المراجع المعالم المراجع المعالم والمعالم والمحاد والمحاد والمحاد

Contact us for more information

والمعالم المعالم المعال Michael Marcotte, CFA Senior Vice-President – Corporate Development and Capital Markets info@championiron.com 514-316-4858