

CHAMPION IRON REPORTS ITS FY2024 FOURTH QUARTER PRODUCTION

- Quarterly production of 3.3M wmt, sales of 3.0M dmt and cash cost of approximately \$77/dmt¹
- Solidifying operations at Bloom Lake following a strategy to identify bottlenecks and required investments to expand nameplate capacity beyond 15 Mtpa
- Ratified a new 5-year collective bargaining agreement with Bloom Lake's unionized employees

Montréal, April 23, 2024 [Sydney, April 24, 2024] - Champion Iron Limited [TSX: CIA] [ASX: CIA] [OTCQX: CIAFF] ("**Champion**" or the "**Company**") reports production results and mining operation expenditures for its financial fourth quarter ended March 31, 2024. Detailed operational and audited financial results are to be released prior to the Company's conference call and webcast scheduled for May 31, 2024.

Champion's CEO, Mr. David Cataford, said, "The new collective bargaining agreement signed during the quarter is mutually beneficial for all stakeholders. Its 5-year term will also provide long-term stability for our employees, our organization and the community. From an operational standpoint, we followed our strategy to push Bloom Lake beyond its nameplate capacity in the previous quarter, resulting in short-term production volatility, but enabling us to identify and confirm bottlenecks within our facilities. Our technical team is now analyzing the investments required to structurally increase production at Bloom Lake beyond 15 Mtpa over time. As we solidify operations, we continue to seek improvements from the rail operator to ensure that haulage services keep pace with our production rate as we continue to exercise our leadership in the green steel supply chain."

Conference Call Details

Champion will host a conference call and webcast on May 31, 2024, at 9:00 AM (Montréal time) / 11:00 PM (Sydney time) to discuss the results for the financial fourth quarter ended March 31, 2024. Call details are outlined at the end of this quarterly activities report.

1. Quarterly Highlights

Operations and Sustainability

- No serious injuries or major environmental incidents reported in the quarter;
- Ratified a new 5-year collective bargaining agreement with Bloom Lake's unionized employees, providing long-term stability for the employees, the Company and the community;
- Appointed Mr. Ronnie Beevor to the Board of Directors in March 2024, who brings decades of valuable experience, as a director and Chairman of various successful mining companies;
- Quarterly production of 3.3 million wmt (3.2 million dmt) of high-grade 66.1% Fe concentrate for the three-month period ended March 31, 2024, down 19% from the previous quarter, and up 6% over the same period last year;
- Quarterly iron ore concentrate sales of 3.0 million dmt for the three-month period ended March 31, 2024, down 8% and 4%, from the previous quarter and the prior-year period, respectively; and
- The Company continues to seek improvements from the rail operator to receive contracted haulage services to ensure that Bloom Lake's production, as well as iron ore concentrate currently stockpiled at Bloom Lake, is hauled over future periods. Iron ore concentrate stockpiled at Bloom Lake reached 2.7 million wmt as at March 31, 2024.

Financial Results

- C1 cash cost of approximately \$77/dmt¹ (US\$57/dmt), an increase of 5% quarter-on-quarter, and a decrease of 3% year-over-year;
- Strong cash position at quarter-end with \$400.1 million in cash and cash equivalents as at March 31, 2024, an increase of \$12.7 million since December 31, 2023; and
- Available liquidity to support growth initiatives, including amounts available from the Company's credit facilities, totalled \$942.1 million¹ at quarter-end, compared to \$937.6 million¹ as at December 31, 2023.

Growth and Development

- Filed the previously reported Kami Project study, completed pursuant to National Instrument 43-101 – Standards of Disclosure for Mineral Projects (“**NI 43-101**”) and Chapter 5 of the ASX Listing Rules entitled “Pre-Feasibility Study for the Kamistatusset (“**Kami**”) Iron Ore Property”, which evaluated the construction of mining and processing facilities to produce Direct Reduction (“**DR**”) grade pellet feed iron ore from the properties of the proposed Kami mine. The Company continues to evaluate opportunities to improve the project economics and engage in strategic partnership discussions prior to considering a final investment decision;
- DR pellet feed project, upgrading half of Bloom Lake's capacity to DR quality pellet feed iron ore up to 69% Fe, remains on schedule and on budget with detailed engineering works and procurement progressing as planned. The project commissioning is scheduled for the second half of calendar year 2025, a timeline which is subject to completing key construction milestones by mid-2024;
- Continued to evaluate DR pelletizing projects to further participate in the green steel supply chain and align with the accelerating industry transition to direct reduced iron and electric arc furnaces steelmaking; and
- Following the Company's strategy to push Bloom Lake beyond its nameplate capacity in the previous quarter, in order to identify and confirm bottlenecks, the team is now analyzing the investments required to structurally increase Bloom Lake's nameplate capacity beyond 15 Mtpa over time.

2. Bloom Lake Mine Operating Activities

Bloom Lake's Phase II reached commercial production in December 2022 and produced at nameplate capacity for thirty consecutive days for the first time during the first quarter of the 2024 financial year. During the third quarter, further to various operating improvements, the Company deployed a strategy to identify operational bottlenecks at Bloom Lake by pushing facilities beyond their nameplate capacity. This initiative confirmed Bloom Lake's capacity to produce above its expanded 15 Mtpa nameplate capacity, but it reduced the availability of the Company's equipment in the fourth quarter due mainly to unplanned maintenance activities caused by premature wear and tear on the equipment and earlier than expected major maintenance of the plants. As the Company solidifies operations, a team was mobilized to identify and analyze work programs and investments required to structurally increase Bloom Lake's nameplate capacity beyond 15 Mtpa over time.

Shipments were negatively impacted during the three-month period ended March 31, 2024, as a result of continued lagging railway services as well as planned and unplanned maintenance activities at the port facilities and on the railroad. Due to the ongoing disconnect in railway services and Bloom Lake's increasing production capacity, the iron ore concentrate stockpiled at Bloom Lake increased significantly since June 2023. As at March 31, 2024, the iron ore concentrate stockpiled at the site totalled 2.7 million wmt, an increase of 0.2 million wmt since December 2023.

The Company continues to seek improvements from the rail operator to receive contracted haulage services to ensure that Bloom Lake's production, as well as iron ore concentrate currently stockpiled at Bloom Lake, is hauled over future periods.

	Q4 FY24	Q3 FY24	Q/Q Change	Q4 FY23	Y/Y Change
Operating Data					
Waste mined and hauled (wmt)	6,498,700	6,993,200	(7)%	5,023,900	29 %
Ore mined and hauled (wmt)	9,471,200	11,215,800	(16)%	9,193,800	3 %
Material mined and hauled (wmt)	15,969,900	18,209,000	(12)%	14,217,700	12 %
Stripping ratio	0.69	0.62	11 %	0.55	25 %
Ore milled (wmt)	9,349,100	11,137,000	(16)%	9,054,600	3 %
Head grade Fe (%)	28.7	29.4	(2)%	28.4	1 %
Fe recovery (%)	80.2	81.4	(1)%	78.6	2 %
Product Fe (%)	66.1	66.3	— %	66.1	— %
Iron ore concentrate produced (wmt)	3,275,400	4,042,600	(19)%	3,084,200	6 %
Iron ore concentrate sold (dmt)	2,968,900	3,227,500	(8)%	3,092,900	(4)%

During the three-month period ended March 31, 2024, 16.0 million tonnes of material were mined and hauled, compared to 14.2 million tonnes during the same period in 2023, an increase of 12%. This increase is attributable to the contribution of additional equipment, a higher utilization and availability of mining equipment, and reduced trucking cycle time associated with the construction of additional ramp accesses. Material mined and hauled during the previous quarter was 18.2 million tonnes, representing a quarter-on-quarter decrease of 12%, mainly attributable to the lower availability of loading equipment and winter conditions.

The stripping ratio of 0.69 for the three-month period ended March 31, 2024, was expected and higher than the same prior-year period, compared to 0.62 in the previous quarter. As the Company deployed its strategy to push Bloom Lake beyond its nameplate capacity in the previous quarter to identify bottlenecks, this caused production volatility during the current quarter, and additional resources were allocated to waste removal. The Company plans to maintain higher stripping activities in accordance with the LoM plan over the next quarters.

During the three-month period ended March 31, 2024, the two plants at Bloom Lake processed 9.3 million tonnes of ore, compared to 9.1 million tonnes for the same prior-year period and 11.1 million tonnes in the previous quarter, an increase of 3% and a decrease of 16%, respectively. Ore processed during the three-month period ended March 31, 2024, was negatively impacted by longer than planned maintenance activities, unplanned outages as well as by advancing the schedule of an expected major maintenance of the second plant driven by additional production in the previous quarter. During the third quarter, the Company operated its plants above their expanded nominal capacity to confirm their full potential and also to identify and confirm bottlenecks, resulting in higher unscheduled maintenance activities during the three-month period ended March 31, 2024.

The iron ore head grade for the three-month period ended March 31, 2024, was 28.7%, compared to 28.4% for the same period in 2023, and 29.4% during the previous quarter. The variation in head grade was within expected normal variations in the mine plan.

The Company's average Fe recovery rate was 80.2% for the three-month period ended March 31, 2024, compared to 78.6% for the same period in 2023, and 81.4% during the previous quarter. The year-over-year increase in Fe recovery is attributable to work programs that aimed to increase throughput and ore recoveries. With continuous efforts made to optimize its recovery circuits, the Company expects to reach the LoM Fe recovery rate target of 82.0% in the near term.

With higher Fe recovery and comparable head grade, Bloom Lake produced 3.3 million wmt (3.2 million dmt) of high-grade iron ore concentrate during the three-month period ended March 31, 2024, an increase of 6% compared to 3.1 million wmt (3.0 million dmt) during the same period in 2023, and a decrease of 19% compared to the previous quarter.

3. Mining and Processing Operating Expenditures

For the three-month period ended March 31, 2024, the cost of sales totalled approximately \$227 million with a C1 cash cost of \$77/dmt¹, compared to \$244.4 million with a C1 cash cost of \$79.0/dmt¹ for the same period in 2023, and \$235.5 million with a C1 cash cost of \$73.0/dmt¹ in the previous quarter.

The year-over-year improvement in cash cost was mostly driven by lower fuel and explosives prices, and higher production, partially offset by higher than planned utilization of contractors to fill vacant positions as well as higher levels of planned and unplanned maintenance activities. Cash cost for the three-month period ended March 31, 2024, continued to be negatively impacted by lower than expected run rate shipment levels to amortize mostly fixed handling costs at the port facilities in Sept-Îles.

4. Exploration Activities

During the three-month period ended March 31, 2024,

- the Company maintained all of its properties in good standing and did not enter into any farm-in/farm-out arrangements;
- approximately \$2 million in exploration and evaluation expenditures were incurred, compared to \$2.5 million for the same prior-year period; and
- exploration and evaluation expenditures mainly consisted of costs associated with updating the Kami Project study, and exploration drilling of 1,100 m on the Bloom East properties located in the Labrador Trough.

Details on exploration projects and maps are available on the Company's website at www.championiron.com under the Operations & Projects section.

5. Conference Call and Webcast Information

A webcast and conference call to discuss the foregoing results will be held on May 31, 2024, at 9:00 AM (Montréal time) / 11:00 PM (Sydney time). Listeners may access a live webcast of the conference call from the Investors section of the Company's website at www.championiron.com/investors/events-presentations or by dialing toll free +1-888-390-0546 within North America or +1-800-076-068 from Australia.

An online archive of the webcast will be available by accessing the Company's website at www.championiron.com/investors/events-presentations. A telephone replay will be available for one week after the call by dialing +1-888-390-0541 within North America or +1-416-764-8677 overseas, and entering passcode 003567#.

About Champion Iron Limited

Champion, through its wholly-owned subsidiary Quebec Iron Ore Inc., owns and operates the Bloom Lake Mining Complex, located on the south end of the Labrador Trough, approximately 13 km north of Fermont, Québec. Bloom Lake is an open-pit operation with two concentrators that primarily source energy from renewable hydroelectric power. The two concentrators have a combined nameplate capacity of 15 Mtpa and produce low contaminant high-grade 66.2% Fe iron ore concentrate with a proven ability to produce a 67.5% Fe direct reduction quality iron ore concentrate. Benefiting from one of the highest purity resources globally, the Company is investing to upgrade half of the Bloom Lake mine capacity to a direct reduction quality pellet feed iron ore with up to 69% Fe. Bloom Lake's high-grade and low contaminant iron ore products have attracted a premium to the Platts IODEX 62% Fe iron ore benchmark. The Company ships iron ore concentrate from Bloom Lake by rail, to a ship loading port in Sept-Îles, Québec, and has sold its iron ore concentrate to customers globally, including in China, Japan, the Middle East, Europe, South Korea, India and Canada. In addition to Bloom Lake, Champion owns a portfolio of exploration and development projects in the Labrador Trough, including the Kamistatusset Project, located a few kilometres south-east of Bloom Lake, and the Cluster II portfolio of properties, located within 60 km south of Bloom Lake.

Cautionary Note Regarding Forward-Looking Statements

This quarterly activities report includes certain information and statements that may constitute "forward-looking information" under applicable securities laws. 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, other than statements of historical facts included in this quarterly activities report that address future events, developments or performance that Champion expects to occur are forward-looking statements. Forward-looking statements include, among other things, Management's expectations regarding: (i) Bloom Lake's life of mine, recovery rates, production, economic and other benefits; (ii) debottlenecking and potential opportunities beyond Bloom Lake nameplate capacity and related investments; (iii) 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 DR quality pellet feed iron ore, expected project timeline and budget; (iv) the new collective bargaining agreement and its expected impact on the Company, its workforce and the community; (v) the Kami Project's Study, its purpose, including evaluating the potential to produce a DR grade product, expected project economics and engagement with strategic partners; (vi) the shift in steel industry production methods towards reducing emissions and green steel production methods and the Company's participation therein, contribution thereto and positioning in connection therewith; (vii) maintaining stripping activities; (viii)

stockpiled ore levels, shipping of accumulated concentrate inventories, increased shipments of iron ore generally and related railway services; (ix) recovery rate targets and optimization of recovery circuits; and (x) 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 expressed in forward-looking statements include, without limitation: (i) the results of feasibility studies; (ii) changes in the assumptions used to prepare feasibility studies; (iii) project delays; (iv) timing and uncertainty of industry shift to green steel and Electric Arc Furnaces; (v) continued availability of capital and financing and general economic, market or business conditions; (vi) general economic, competitive, political and social uncertainties; (vii) future prices of iron ore; (viii) future transportation costs; (ix) failure of plant, equipment or processes to operate as anticipated; (x) delays in obtaining governmental approvals, necessary permitting or in the completion of development or construction activities; and (xi) the effects of catastrophes and public health crises, including the impact of COVID-19 on the global economy, the iron ore market and Champion's operations, as well as those factors discussed in the section entitled "Risk Factors" of the Company's 2023 Annual Report, Annual Information Form and MD&A for the financial year ended March 31, 2023, which are available on SEDAR+ at www.sedarplus.ca, 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

All of Champion's forward-looking information contained in this quarterly activities report is given as of the date hereof or such other date or dates specified in the forward-looking statements and is based upon the opinions and estimates of Champion's Management and information available to Management as at the date hereof. Champion disclaims any intention or obligation to update or revise any of the forward-looking information, whether as a result of new information, future events or otherwise, except as 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. Readers should carefully consider the above factors as well as the uncertainties they represent and the risks they entail.

Abbreviations

Unless otherwise specified, all dollar figures stated herein are expressed in Canadian dollars. The following abbreviations are used throughout this release: US\$ (United States dollar), C\$ (Canadian dollar), Fe (iron ore), wmt (wet metric tonnes), dmt (dry metric tonnes), Mtpa (million tonnes per annum), M (million), km (kilometers), m (meters), LoM (life of mine), Bloom Lake or Bloom Lake Mine (Bloom Lake Mining Complex), Kami (Kamistiatusset) and Phase II (Phase II expansion project). The utilization of "Champion" or the "Company" refers to Champion Iron Limited and/or one, or more, or all of its subsidiaries, as applicable. "IFRS" refers to International Financial Reporting Standards.

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For additional information on Champion Iron Limited, please visit our website at: www.championiron.com.

This document has been authorized for release to the market by the Chief Executive Officer of Champion Iron Limited, David Cataford.

The Company's audited Consolidated Financial Statements and associated Management's Discussion and Analysis for the year ended March 31, 2024 will be available under the Company's profile on SEDAR+ (www.sedarplus.ca), on the ASX (www.asx.com.au) and the Company's website (www.championiron.com) on May 31, 2024.

1 C1 cash cost and available liquidity are non-IFRS financial ratio and measure, respectively, with no standard definition under IFRS and might not be comparable to similar financial measures used by other issuers. C1 cash cost is defined as cost of sales before incremental costs related to COVID-19 and Bloom Lake Phase II start-up costs (if any) divided by iron ore concentrate sold in dmt. This metric is an important tool to monitor operating cost performance. Available liquidity includes cash and cash equivalents, short-term investments (if any) and undrawn amounts of the credit facilities. The Company uses available liquidity to measure its liquidity to meet the requirements of lenders, fund capital expenditures and support operations. C1 cash cost for the three-month period ended March 31, 2024, and available liquidity as at March 31, 2024, are unaudited. A reconciliation to the most comparable IFRS measure of C1 cash cost and available liquidity from previous quarters disclosed in this release have been incorporated by reference and can be found in the section 21 - Non-IFRS and Other Financial Measures of the Company's MD&A for the three and nine-month periods ended December 31, 2023, available on SEDAR+ at www.sedarplus.ca, the ASX at www.asx.com.au and on the Company's website under the Investors section at www.championiron.com.