

Kami

Unlocking
Labrador's
Full Potential.

CHAMPION IRON 

Kamistatusset (Kami)

Kami reflects Champion Iron Limited's ("Champion" or the "Company") ambition to develop a mining project that will benefit future generations and contribute to decarbonize the steel industry.



Creating quality jobs for the future

The Kami project, whose pre-feasibility study was released in March 2024, aims to build mining and processing facilities to produce Direct Reduction (DR) quality iron ore. Located southwest of Wabush and Labrador City, the project considers an investment estimated at \$3.864 billion and has the potential to create hundreds of quality jobs for Labrador West residents and Indigenous communities, as well as opportunities for local businesses.

The results of the pre-feasibility study evaluated that relying solely on local hiring would be impossible due to the project's significant required workforce, in particular for the early phases of development. Considering the region's current employment rate, the study had to assume a certain level of foreign employment to complement local hiring.

Champion remains committed to prioritizing local recruitment. As part of its collaborative approach, the Company is working with various levels of government and municipalities to assess measures to mitigate non-local employment and highlight the attractiveness of the Labrador West community.

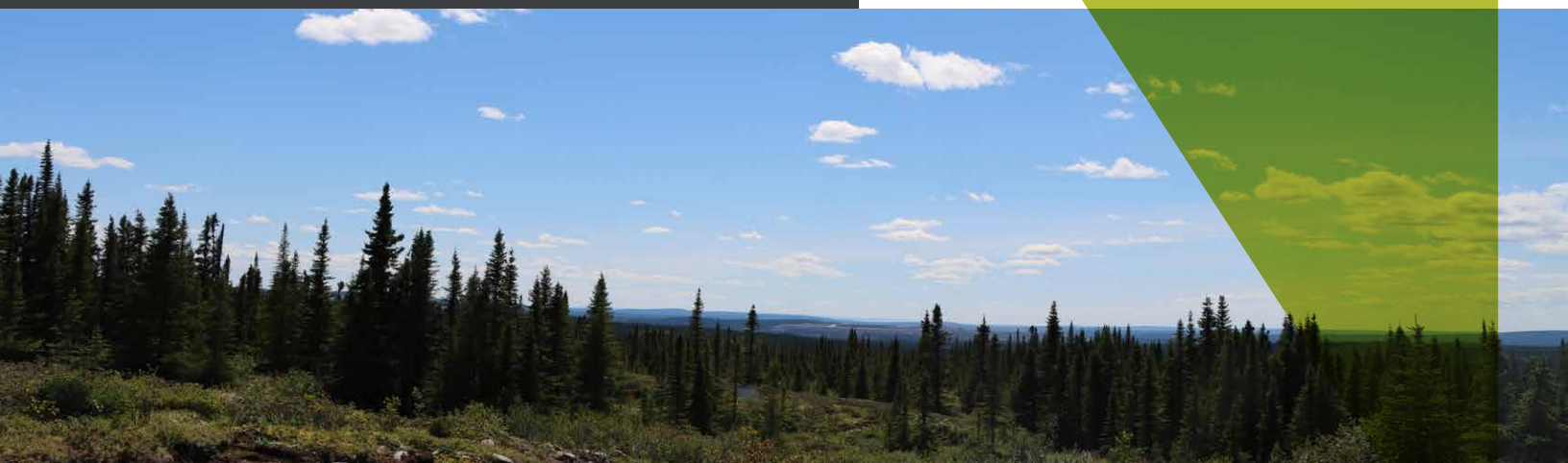
The project staffing situation is expected to be complex and would require the participation of all stakeholders to develop growth opportunities for the region and leverage its greatest asset: Labradorians.

Investing locally to build a collective legacy

Champion believes that mining high-purity iron ore from Newfoundland and Labrador represents an opportunity to stimulate significant economic growth for the province and its residents.

As such, the Company wants its host community to fully benefit from its operations. In the event that the Kami project advances towards development, the Company's priority would be to attract and retain as many local employees as possible and align with the community's expectations to create quality employment opportunities for its residents.

Champion also believes in creating and maintaining strong relationships with Indigenous communities. Accordingly, the Company created mutually beneficial partnerships with its host communities at its Bloom Lake mining complex and expects to follow the same approach should Kami advance towards development.



Champion's commitment to reducing the project's environmental footprint

Champion is dedicated to sustainability and believes that limiting the environmental footprint of its projects is essential.

Prior to its acquisition by Champion, Kami had undergone environmental assessments. Through its revised study, Champion is further optimizing the project to mitigate environmental impacts. Accordingly, the project now includes improvements in processing, mining methods and environmental management, which bolsters the Company's commitment to sustainability.

Before a final investment decision and construction can be considered, the project will undergo a rigorous environmental assessment from the Government of Newfoundland and Labrador.



History

Under its previous owner, Alderon Iron Ore Corporation, Kami underwent provincial and federal environmental assessments. Both levels of government released the project from the environmental assessment processes in 2014 and allowed the project to proceed. Unfortunately, the project never advanced to construction.

Champion acquired Kami in 2021. The Company has since made several changes to the project design to optimize its environmental performance and has engaged with local stakeholders and Indigenous communities.

Champion recently submitted a project registration to initiate the environmental assessment process. The Company expects to continue optimizing the project, engage with stakeholders, evaluate opportunities to improve its economics, advance permitting and work on strategic partnership opportunities prior to considering a final investment decision.

A rare solution to decarbonize the steel industry

Kami could produce 9 million tons of DR grade pellet feed iron ore annually, a rare mineral that only accounts for 5% of the world's iron ore supply. DR grade iron ore enables the steelmaking transition towards direct reduced iron and electric arc furnaces, which produce steel without the use of coal and will significantly reduce emissions globally. Therefore, unlocking Labrador's high-purity iron resources provides an opportunity to reduce the environmental footprint of the steel industry, which is responsible for about 10% of the world's greenhouse gas emissions.



High-purity iron: a critical mineral

In 2023, the Government of Newfoundland and Labrador designated high-grade, low-impurity iron ore as a critical mineral in its Critical Minerals Plan.

Thanks to renewable energy, high-purity iron from the Labrador Trough ranks as one of the lowest emissions intensity per tonne of iron ore produced globally. This important raw material offers an opportunity for the Government of Newfoundland and Labrador to be a leader in the global green steel supply chain.

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 presentation includes certain information and statements that may constitute "forward-looking information" under applicable securities legislation. 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 presentation 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) the Kami Project, its purpose, the potential to produce a DR grade product, expected project timeline, capital expenditure, economics, budget and financing, production metrics, technical parameters, permitting and approvals, job creation potential, opportunities for local employees, businesses and Indigenous communities, expected environmental footprint and related environmental assessments, efficiencies and economic and other benefits and related engagement with stakeholders and strategic partners; (ii) 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 and expected benefits thereof; (v) sustainability, environmental, social and governance related initiatives, objectives, targets and expectations, expected implications thereof and the Company's positioning in connection therewith; and (xi) the Company's and the region's growth, opportunities and potential 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 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, impacting demand for high-grade feed; (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 2024 Annual Report and Annual Information Form for the financial year ended March 31, 2024, all of 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.

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Additional Updates

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