CHAMPION IRON

QUARTERLY ACTIVITIES REPORT

CHAMPION IRON REPORTS ITS FY2026 THIRD QUARTER RESULTS AND ADVANCES THE DRPF PROJECT AS PLANNED

- Quarterly production of 3.7M wmt, record sales of 3.9M dmt, revenue of $472M, net income of $65M, EBITDA of $152M[1] and EPS of $0.12
- DRPF project initial commissioning underway as it advances towards delivering the first shipment by end of calendar H1/2026, as planned
- Reduced iron ore concentrate inventories stockpiled at Bloom Lake by 1.1M wmt to 0.6M wmt
- Announced a cash tender offer to acquire Rana Gruber with financial support from La Caisse and a new term loan commitment by Scotiabank

MONTRÉAL, January 28, 2026 / SYDNEY, January 29, 2026 - Champion Iron Limited (TSX: CIA) (ASX: CIA) (OTCQX: CIAFF) ("**Champion**" or the "**Company**") reports its operational and financial results for its financial third quarter ended December 31, 2025.

Champion's CEO, Mr. David Cataford, said, "I am proud of our team's ingenuity and perseverance as we advance strategic initiatives designed to unlock value for our stakeholders in the coming months and reinforce our leadership in the high-purity iron ore industry. We expect to continue to benefit from sales of high-purity iron ore inventories previously stockpiled at Bloom Lake. New markets will become available as we initiate shipments of DR quality iron ore from our DRPF project in the near term. Additionally, we remain focused on the potential closing of the Rana Gruber acquisition, which will diversify our portfolio with another proven high-purity iron ore operation, as well as the anticipated completion of the Kami project definitive feasibility study, leveraging our partnership with Nippon Steel and Sojitz. As our multi-year growth capital investment cycle at Bloom Lake nears completion, we continue to rigorously evaluate growth opportunities and capital allocation strategies to optimize shareholder returns."

Conference Call Details

Champion will host a conference call and webcast on January 29, 2026, at 9:00 AM (Montréal time) / January 30, 2026, at 1:00 AM (Sydney time) to discuss the results of the financial third quarter ended December 31, 2025. The conference call details are set out at the end of this quarterly activities report.

1. Quarterly Highlights

Operations and Sustainability

- No serious workplace-related injuries or major environmental incidents were reported during the three-month period ended December 31, 2025;

- Quarterly production of 3.7 million wmt of high-grade 66.5% Fe concentrate for the three-month period ended December 31, 2025, compared to 3.6 million wmt of high-grade 66.3% for the same prior-year period;
- Record quarterly sales of 3.9 million dmt for the three-month period ended December 31, 2025, up 18% from the same prior-year period;
- Iron ore concentrate stockpiled at Bloom Lake decreased by 1.1 million wmt quarter-over-quarter bringing the total to 0.6 million wmt as at December 31, 2025, despite a railway interruption caused by a third-party train derailment on December 28, 2025. Rail services gradually resumed on January 4, 2026. As some tonnes were hauled to the Port of Sept-Îles and not sold, partly due to an outage of the ship loaders in December 2025, stockpiled iron ore concentrate at the port temporarily reached 0.9 million wmt as at December 31, 2025;
- Cumulative iron ore concentrate inventories held at Bloom Lake and at the Port of Sept-Îles totalled 1.5 million wmt as at December 31, 2025, compared to 1.8 million wmt as at September 30, 2025. The Company is evaluating inventory management strategies and expects to sell volumes held at the port in the near term; and
- Strong mining performance with 22.6 million wmt of material mined and hauled at Bloom Lake for the three-month period ended December 31, 2025, an increase of 13% compared to the same prior-year period, driven by additional and improved utilization of loading equipment, and availability of haul trucks.

Financial Results

- Gross average realized selling price of US$116.8/dmt[1], compared to the P65 index average price of US$118.8/dmt in the period;
- Net average realized selling price of US$86.9/dmt[1], a decrease of 6% quarter-over-quarter and an increase of 10% year-over-year;
- C1 cash cost for the iron ore concentrate loaded onto vessels at the Port of Sept-Îles totalled $73.9/dmt[1] (US$53.0/dmt)[2], representing a decrease of 3% quarter-over-quarter and 6% year-over-year;
- Net income of $65.0 million, representing EPS of $0.12, compared to net income of $56.8 million with EPS of $0.11 in the previous quarter, and net income of $1.7 million with EPS of $0.00 in the same prior-year period;
- EBITDA of $152.4 million[1], compared to $174.8 million[1] in the previous quarter and $88.2 million[1] in the same prior-year period;
- Cash balance, excluding the unused portion of the initial cash contributions from Nippon Steel Corporation ("Nippon Steel") and Sojitz Corporation ("Sojitz", and collectively with Nippon Steel, the "Partners") held in a restricted cash account by Kami Iron Mine Partnership (the "Kami Partnership"), totalled $245.1 million as at December 31, 2025, a decrease of $80.4 million since September 30, 2025, mainly due to capital expenditures and the payment of the ninth consecutive semi-annual dividend, partially offset by robust net cash flows from operating activities; and
- Strong available liquidity to support growth initiatives and general corporate purposes totalled $751.4 million[1] as at December 31, 2025, compared to $840.4 million[1] as at September 30, 2025.

DRPF Project Update

- DRPF project, designed to upgrade half of Bloom Lake's capacity to DR quality pellet feed iron ore grading up to 69% Fe, progressed as planned, with mechanical commissioning initiated and initial commercial shipments of DR quality iron anticipated by the end of the first half of the 2026 calendar year, gradually increasing thereafter;
- Transfer of knowledge from the construction teams to the internal teams began, along with the commissioning of certain equipment, including the electrical distribution and the heating, ventilation and air conditioning (HVAC) system, and the pressurization of part of the water process;
- Quarterly and cumulative investments totalled $32.9 million and $440.5 million, respectively, as at December 31, 2025, compared to an estimated cumulative investment of $500 million, in line with the inflation-adjusted estimated total capital expenditure of $470.7 million detailed in the project study highlights released in January 2023; and
- Through its ongoing discussions with prospective customers, including in the Middle East and North Africa, Champion expects to secure commercial agreements for its anticipated production of DR quality iron ore, which is expected to attract pricing premiums over the Company's existing high-purity iron ore concentrate.

Development and Other Growth Initiatives

- Continued work on the Kami Project's DFS, which is expected to be completed by the end of the 2026 calendar year; and
- Entered into a transaction agreement with Rana Gruber ASA ("Rana Gruber"), a leading Norwegian producer of high-grade iron ore, on the terms of a conditional recommended voluntary cash tender offer to acquire all of the issued and outstanding shares of Rana Gruber at a price of NOK 79 (US$7.79)[3] per share (the "Offer"), representing an implied total equity value of approximately NOK 2,930 million (US$289 million)[3] (the "Rana Gruber Transaction"). To fund the Rana Gruber Transaction, in addition to using cash on hand, the Company received financial support from Caisse de dépôt et placement du Québec ("La Caisse"), who has agreed to participate in an equity private placement of subscription receipts by Champion, and from The bank of Nova Scotia ("Scotiabank"), who has provided a binding commitment for a new term loan. Additional details on the Rana Gruber Transaction can be found on the Company's press release dated December 21, 2025 (Montréal), available under its profile on SEDAR+ at www.sedarplus.ca, the ASX at www.asx.com.au and the Company's website at www.championiron.com.

2. Bloom Lake Mine Operating Activities

The Company performs both its plants' scheduled maintenance in the second and fourth financial quarters, which may create significant quarter-over-quarter variances in production output and mining and processing costs.

	Q3 FY26	Q2 FY26	Q/Q Change	Q3 FY25	Y/Y Change
Operating Data					
Waste mined and hauled (wmt)	**12,088,600**	12,888,300	(6)%	9,694,200	25 %
Ore mined and hauled (wmt)	**10,549,700**	10,016,000	5 %	10,347,500	2 %
Material mined and hauled (wmt)	**22,638,300**	22,904,300	(1)%	20,041,700	13 %
Stripping ratio	**1.15**	1.29	(11)%	0.94	22 %
Ore milled (wmt)	**10,443,200**	9,967,600	5 %	10,305,300	1 %
Head grade Fe (%)	**29.1**	29.6	(2)%	29.3	(1)%
Fe recovery (%)	**79.7**	79.6	— %	79.1	1 %
Product Fe (%)	**66.5**	66.5	— %	66.3	— %
Iron ore concentrate produced (wmt)	**3,661,400**	3,551,600	3 %	3,620,600	1 %
Iron ore concentrate sold (dmt)	**3,895,300**	3,850,900	1 %	3,287,400	18 %

Bloom Lake produced 3.7 million wmt of high-grade 66.5% Fe concentrate during the three-month period ended December 31, 2025, which was comparable to production recorded during the same period in 2024. The Company continues to encounter higher ore hardness, partly attributable to a specific extension of a pit being mined to enable shorter haul access to waste dumps. Despite this situation, this year's quarterly production was positively impacted by increased recoveries resulting from improved performance of the gravimetric systems following the application of work programs and optimization of operations. During the three-month period ended December 31, 2025, the Fe recovery rate was 79.7%, compared to 79.1% for the same period in 2024. The increase in iron ore concentrate production was mostly offset by the negative impact of lower head grade, and a planned maintenance-related power interruption by the service provider during the three-month period ended December 31, 2025. While recovery rates are expected to fluctuate in accordance with the mine plan and its variations in ore grade, the Company will remain focused on improving and stabilizing recovery rates over time. The impact of the recently encountered ore hardness, which is easing compared to previous quarters, is mitigated by strong mining performance, which should enable the optimized blending of material from different pits.

Despite a breakdown on the port operator's ship loaders at the end of December 2025, sales volumes increased by 18% during the three-month period ended December 31, 2025, compared to the same prior-year period, and exceeded production for the fourth consecutive quarter. While a planned shutdown of third-party port operations for infrastructure maintenance impacted both financial quarters, during the three-month period ended December 31, 2024, sales volumes were also affected by the breakdown of a critical piece of equipment at the Bloom Lake's train load-out facility, which caused a 14-day interruption of rail haulage activities.

Despite a third-party train derailment that occurred late in December 2025, the level of iron ore concentrate stockpiled at Bloom Lake decreased by 1.1 million wmt to reach 0.6 million wmt as at December 31, 2025. Since the volume hauled was not fully sold during the quarter, the iron ore concentrate stockpiled at the Port of Sept-Îles totalled 0.9 million wmt at quarter-end. This temporary accumulation of iron ore concentrate at the port was in part due to the unexpected ship loaders breakdown outlined above, and also resulted from the Company's strategic decision to maintain a certain level of stockpiles during the commissioning phase of the DRPF project. Cumulative iron ore concentrate inventories at Bloom Lake and at the port totalled 1.5 million wmt as at December 31, 2025, compared to 1.8 million wmt as at September 30, 2025. The Company is currently evaluating on-site and port inventory management strategies in anticipation of the expected change to its product offering with DRPF quality iron ore and expects to sell the iron ore concentrate held at the port in the near term.

During the three-month period ended December 31, 2025, the Company mined and hauled 22.6 million wmt of waste and ore, surpassing the 20.0 million wmt recorded in the same prior-year period. This strong mining performance was driven by additional loading equipment, as well as improved utilization and availability of haul trucks. During the quarter, the Company also commissioned a new drill which allowed the Company to mine and haul a higher volume of waste material, resulting in a stripping ratio of 1.15 for the three-month period ended December 31, 2025, higher than the 0.94 ratio recorded in the same prior-year period. Champion anticipates maintaining elevated stripping activity in upcoming periods, consistent with its LoM plan.

3. Financial Performance

	Q3 FY26	Q2 FY26	Q/Q Change	Q3 FY25	Y/Y Change
Financial Data (in thousands of dollars)					
Revenues	**472,309**	492,890	(4)%	363,170	30 %
Cost of sales	**287,712**	293,398	(2)%	258,728	11 %
Other expenses	**28,747**	21,648	33 %	17,290	66 %
Net finance costs	**2,101**	25,643	(92)%	30,508	(93)%
Net income	**64,972**	56,794	14 %	1,741	3632 %
EBITDA[1]	**152,408**	174,823	(13)%	88,216	73 %
Statistics (in dollars per dmt sold)					
Gross average realized selling price[1]	**162.9**	157.5	3 %	158.8	3 %
Net average realized selling price[1]	**121.3**	128.0	(5)%	110.5	10 %
C1 cash cost[1]	**73.9**	76.2	(3)%	78.7	(6)%
AISC[1]	**89.7**	96.9	(7)%	93.9	(4)%
Cash operating margin[1]	**31.6**	31.1	2 %	16.6	90 %

A. Revenues

Revenues totalled $472.3 million for the three-month period ended December 31, 2025, up $109.1 million from revenues of $363.2 million in the same period in 2024. Higher revenues were attributable to an 18% increase in sales volume as outlined in the previous section and a higher net average realized selling price.

For the three-month period ended December 31, 2025, the gross average realized selling price of US$116.8/dmt[1] was lower than the P65 index average price of US$118.8/dmt. Sales contracts using backward-looking iron ore index pricing contributed to lower selling prices as index prices on these contracts were lower than the P65 index average price during the period. In addition, the 2.5 million dmt iron ore subject to pricing adjustments as at December 31, 2025, were evaluated using an average forward selling price of US$117.4/dmt, below the P65 index average price. The gross average realized selling price was also negatively impacted by the Company's strategic transition to a higher grade DRPF product. Accordingly, Champion intentionally reduced volumes of iron ore concentrate sold under long-term sales contracts to retain a greater proportion of its iron ore concentrate for the short-term and spot markets, which have recently experienced greater pricing volatility and pricing discounts.

Positive provisional pricing adjustments on prior-quarter sales of $4.4 million (US$3.3 million) were recorded during the three-month period ended December 31, 2025, representing a favourable impact of US$0.8/dmt for the 3.9 million dmt sold during the quarter. A final average selling price of US$115.1/dmt was established for the 2.5 million dmt of iron ore subject to pricing adjustments as at September 30, 2025, which were provisionally priced at US$113.8/dmt.

Despite an 11% increase in the average C3 index, freight and other costs of US$30.7/dmt during the three-month period ended December 31, 2025, were in line with the same prior-year period. Sales contracts using backward-looking pricing contributed to lower freight costs as the C3 index used was lower than the average index for the period.

After taking into account sea freight and other costs of US$30.7/dmt and the positive provisional pricing adjustments of US$0.8/dmt, the Company obtained a net average realized selling price of US$86.9/dmt (C$121.3/dmt[1]) for its high-grade iron ore concentrate shipped during the three-month period ended December 31, 2025.

B. Cost of Sales and C1 Cash Cost

For the three-month period ended December 31, 2025, the cost of sales totalled $287.7 million with a C1 cash cost of $73.9/dmt[1], compared to $258.7 million with a C1 cash cost of $78.7/dmt[1] for the same period in 2024.

With similar production volumes, mining and processing costs totalled $47.3/dmt produced[1] for the three-month period ended December 31, 2025, representing a 5% decrease, compared to $49.6/dmt produced[1] in the same prior-year period. This decrease was mainly driven by lower subcontractors costs primarily associated with equipment maintenance at the facilities.

Land transportation and port handling costs for the three-month period ended December 31, 2025, were $26.5/dmt sold[1], comparable to the same prior-year period despite significantly higher sales volumes. While higher sales volumes contributed to the amortization of fixed costs of the port yard facilities, the disconnect between iron ore concentrate volumes railed from the site and the volume of sales loaded onto vessels during the period offset this effect. As at December 31, 2025, stockpiled iron ore concentrate at the port increased to 0.9 million wmt as the tonnages hauled were not fully sold during the period.

The C1 cash cost was also impacted by changes in the valuation of iron ore concentrate inventory, which incorporate mining and processing costs from the previous quarter, along with variations in production and sales volumes. Due to the scheduled semi-annual maintenance completed in September 2025, cash cost per tonne for the period was impacted by the destocking of iron ore inventories, as the destocked tonnes carried a higher unit value than the cost of the iron ore produced in the period.

C. Net Income & EBITDA

For the three-month period ended December 31, 2025, the Company generated net income of $65.0 million (EPS of $0.12), compared to $1.7 million (EPS of $0.00) for the same prior-year period. These increases were attributable to a higher gross profit and an unrealized foreign exchange gain resulting from the revaluation of net monetary liabilities denominated in U.S. dollars, partially offset by higher income and mining taxes.

For the three-month period ended December 31, 2025, the Company generated EBITDA of $152.4 million[1], representing an EBITDA margin of 32%[1], compared to $88.2 million[1], representing an EBITDA margin of 24%[1], for the same period in 2024. Higher EBITDA and EBITDA margins were mainly driven by higher sales volumes, a higher net average realized selling price and lower cash cost.

D. All-in Sustaining Cost & Cash Operating Margin

During the three-month period ended December 31, 2025, the Company realized an AISC of $89.7/dmt[1], compared to $93.9/dmt[1] for the same period in 2024. Higher iron ore concentrate sales volumes led to lower unit costs, favourably impacting AISC for the period, partially offset by higher sustaining capital expenditures and general and administrative expenses.

The Company generated a cash operating margin of $31.6/dmt[1] for each tonne of high-grade iron ore concentrate sold during the three-month period ended December 31, 2025, compared to $16.6/dmt[1] for the same prior-year period. This increase was due to a higher net average realized selling price and a lower AISC for the period.

4. Exploration Activities

During the three and nine-month periods ended December 31, 2025, the Company maintained all its properties in good standing and did not enter into any farm-in arrangements.

The Company transferred its Kami properties to the Kami Partnership on September 29, 2025, and an aggregate 49% interest in the Kami Partnership was acquired by Nippon Steel and Sojitz in exchange for cash contributions. The Kami Partnership was created to jointly conduct and fund certain components of the DFS on a pro-rata basis, in accordance with the Partners' respective ownership interests.

During the three and nine-month periods ended December 31, 2025, $1.1 million and $16.3 million in exploration and evaluation expenditures were incurred, respectively, compared to $9.2 million and $16.6 million, respectively, for the same prior-year periods. The lower investment year-over-year was due to the transfer of the Kami properties in the Kami Partnership and the acquisition by the Partners of the aggregate 49% interest in the Kami Partnership in September 2025.

Exploration and evaluation expenditures were related to activities carried out in Québec and Newfoundland and Labrador. Details on exploration projects, along with maps, are available on the Company's website at www.championiron.com under the Operations & Projects section.

5. Cash Flows — Purchase of Property, Plant and Equipment

	Three Months Ended December 31,		Nine Months Ended December 31,	
(in thousands of dollars)	**2025**	2024	**2025**	2024
Tailings lifts	**21,050**	21,514	**59,297**	65,615
Stripping and mining activities	**7,334**	5,400	**39,048**	33,307
Other sustaining capital expenditures	**18,572**	11,279	**60,762**	43,198
Sustaining Capital Expenditures	**46,956**	38,193	**159,107**	142,120
DRPF project	**32,907**	69,335	**100,981**	192,477
Other capital development expenditures at Bloom Lake	**7,258**	74,741	**45,607**	142,315
Purchase of Property, Plant and Equipment as per Cash Flows	**87,121**	182,269	**305,695**	476,912

Sustaining Capital Expenditures

The tailings-related investments for the three and nine-month periods ended December 31, 2025, were in line with the Company's long-term plan to support the LoM operations. As part of its ongoing tailings infrastructure monitoring and inspections, Champion remains committed to its safe tailings strategy and continues to implement its long-term investment plan for tailings infrastructure.

During the third quarter of the 2025 financial year, the Company proceeded with the expansion of its tailings and waste storage capacity to accommodate increased operational throughput, and also initiated other expansion phases in the current year. Tailings-related construction activities are typically conducted between May and November, when weather conditions are more favourable.

Stripping and mining activities for the three and nine-month periods ended December 31, 2025, were comprised of $2.8 million and $17.9 million, respectively, of mine development costs, including topographic and pre-cut drilling work, the details of which are contained in the Company's mine plan ($5.0 million and $27.0 million, respectively, for the same periods in 2024). During the three and nine-month periods ended December 31, 2025, stripping and mining activities were also comprised of $4.6 million and $21.2 million, respectively, of capitalized stripping costs ($0.4 million and $6.3 million, respectively, for the same periods in 2024).

Other sustaining capital investments for the three and nine-month periods ended December 31, 2025, mainly included expenditures related to mining equipment rebuild programs. These are aligned with the Company's long-term investment strategy to support growth initiatives across the LoM.

DRPF Project

During the three and nine-month periods ended December 31, 2025, the Company spent $32.9 million and $101.0 million, respectively, in capital expenditures related to the DRPF project ($69.3 million and $192.5 million, respectively, for the same prior-year periods). Investments during the year mainly consisted of construction activities, including mechanical, piping and electrical work, all of which are progressing as planned. Cumulative investments totalled $440.5 million as at December 31, 2025.

Other Capital Development Expenditures at Bloom Lake

During the three and nine-month periods ended December 31, 2025, other capital development expenditures at Bloom Lake totalled $7.3 million and $45.6 million, respectively ($74.7 million and $142.3 million, respectively, for the same periods in 2024), and are detailed as follows:

	Three Months Ended December 31,		Nine Months Ended December 31,	
(in thousands of dollars)	**2025**	2024	**2025**	2024
Infrastructure improvements and conformity (i)	**4,989**	5,763	**20,180**	30,828
Mine maintenance garage expansion	**72**	612	**529**	8,075
Deposits or final payment for mining equipment	**578**	117	**16,201**	19,537
Railcars	**—**	59,647	**—**	69,370
Other (ii)	**1,619**	8,602	**8,697**	14,505
Other Capital Development Expenditures at Bloom Lake	**7,258**	74,741	**45,607**	142,315

(i) Infrastructure improvements and conformity expenditures included various capital projects aimed at improving the performance or capacity of assets and complying with various regulations governing mining practices.

(ii) Other expenditures included cash capitalized borrowing costs on the DRPF project.

6. Conference Call and Webcast Information

A webcast and conference call to discuss the foregoing results will be held on January 29, 2026, at 9:00 AM (Montréal time) / January 30, 2026, at 1:00 AM (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 +1-888-699-1199 within North America or +61-2-8017-1385 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 +1-888-660-6345 within North America or +1-289-819-1450 overseas, and entering passcode 59710#.

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 kilometres north of Fermont, Québec. Bloom Lake is an open-pit operation with two concentration plants that primarily source energy from renewable hydroelectric power, having a combined nameplate capacity of 15M wmt per year that produce lower 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, Champion is investing to upgrade half of the Bloom Lake's mine capacity to a direct reduction quality pellet feed iron ore with up to 69% Fe. Bloom Lake's high-grade and lower contaminant iron ore products have attracted a premium to the P62 index. Champion transports its iron ore concentrate from Bloom Lake by rail, to a ship loading port in Sept-Îles, Québec, and has delivered its iron ore concentrate to global markets, including China, Japan, the Middle East, Europe, South Korea, India and Canada. In addition to Bloom Lake, Champion holds a 51% interest in Kami Iron Mine Partnership, an entity also owned by Nippon Steel Corporation and Sojitz Corporation, which owns the Kami Project. The Kami Project is located near available infrastructure and only 21 kilometres southeast of Bloom Lake. Champion also owns a portfolio of exploration and development projects in the Labrador Trough, including the Cluster II portfolio of properties, located within 60 kilometres south of Bloom Lake.

Cautionary Note Regarding Forward-Looking Statements

This quarterly activities report contains certain information and statements that may constitute "forward-looking information" under applicable securities legislation ("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 "will", "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 LoM, recovery rates, production, economic and other benefits, nameplate capacity and related opportunities and benefits, including the Company's focus on improving and stabilizing recovery rates over time; (ii) the project to upgrade the Bloom Lake iron ore concentrate to a higher grade and to convert approximately half of Bloom Lake's increased nameplate capacity of 15M wmt per year to commercially produce a DR quality pellet feed iron ore (the DRPF project), expected DRPF project timeline, capital expenditures, budget and financing, production metrics, technical parameters, pricing premiums, efficiencies, economic and other benefits, related engagement with, and expectations with respect to, prospective customers, the expected commissioning, commercial shipments of iron ore and ramping-up of the DRPF project and the impact thereof on production, sales and financial results and the timing thereof; (iii) the Kami Project Study (including LoM), the Kami Project's potential to produce a DR grade product, expected timeline and construction period, economics, production, technical parameters, stakeholder and government engagement, efficiencies and economic and other benefits and evaluation of opportunities to improve project economics; (iv) the Kami Partnership with Nippon Steel Corporation and Sojitz Corporation with respect to the Kami Project, the completion of a DFS and the timing thereof; (v) the Rana Gruber Transaction, including the expected sources of financing of the transaction and the consummation of the financing contemplated by the committed debt financing with Scotiabank and the equity private placement with La Caisse and the expectations regarding whether the Rana Gruber Transaction will be completed and the timing thereof, including whether any conditions to completion of the tender offer will be satisfied or waived; (vi) the shift in steel industry production methods, expected rising demand for higher-grade iron ore products and DRI globally and related market deficit and higher premiums, and the Company's participation therein, contribution thereto and positioning in connection therewith, including the transition of the Company's product offering (including producing high-quality DRPF products) and the expansion of its geography, markets and customer base, related investments and expected benefits thereof; (vii) maintaining elevated stripping activities; (viii) stockpiled ore levels, the pace of destocking, shipping and sales of accumulated iron ore concentrate inventories and their impact on the operating costs and the cost of sales; (ix) ore inventory management strategies; (x) the Company's safe tailings strategy and tailings investment plan; (xi) the Company's cash requirements for the next 12 months, the Company's positioning to fund such cash requirements and estimated future interest payments; (xii) production and recovery rates and levels, ore characteristics and the Company's performance and related strategies and work programs to optimize operations, including ore blending optimization; (xiii) pricing of the Company's products (including provisional pricing); (xiv) the Company's expected iron ore concentrate production and sales, mining and hauling activities and related costs; (xv) the Company's iron ore concentrate pricing trends compared to the P65 index; (xvi) the Company's strategic and growth initiatives and opportunities generally and their potential to optimize shareholder returns, unlock value for stakeholders and reinforce the Company's leadership in the high-purity iron ore industry.

Risks

Although the Company 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) future prices of iron ore; (ii) future transportation costs; (iii) general economic, competitive, political and social uncertainties; (iv) continued availability of capital and financing and general economic, market or business conditions; (v) timing and uncertainty of industry shift to electric arc furnaces, impacting demand for high-grade feed; (vi) failure of plant, equipment or processes, including those of third party providers or counterparties, to operate as anticipated; (vii) delays in obtaining governmental approvals, necessary permitting or in the completion of development or construction activities; (viii) the results of feasibility studies; (ix) changes in the assumptions used to prepare feasibility studies; (x) project delays; (xi) geopolitical events; and (xii) the effects of catastrophes and public health crises 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 Management's Discussion and Analysis for the financial year ended March 31, 2025, and for the quarter ended December 31, 2025, each available under the Company's profile on SEDAR+ at www.sedarplus.ca, the ASX at www.asx.com.au and the Company's website at www.championiron.com.

In addition, Champion is also subject to the various risks and uncertainties relating to the Rana Gruber Transaction, including risks relating to the timing and completion of the Rana Gruber Transaction; the availability of borrowings to be drawn down under, and the utilization of, various elements and components of Champion's financing plan in accordance with their respective terms; the completion of the equity private placement with La Caisse; the ability of Champion to successfully integrate Rana Gruber's businesses, processes, systems and operations and retain key employees; the potential failure to realize anticipated benefits from the Rana Gruber Transaction; currency exchange risk and foreign currency exposure related to the purchase price of the Rana Gruber Transaction; Champion's reliance upon information provided by Rana Gruber in connection with the Rana Gruber Transaction and publicly available information; potential undisclosed costs or liabilities associated with the Rana Gruber Transaction, Champion being adversely impacted during the pendency of the Rana Gruber Transaction, and change of control and other similar provisions and fees; Champion's ability to retain and attract new business, achieve synergies and maintain market position arising from successful integration plans relating to the Rana Gruber Transaction; Champion's ability to otherwise complete the integration of Rana Gruber within anticipated time periods and at expected cost levels; management's estimates and expectations in relation to future economic and business conditions and other factors in relation to the Rana Gruber Transaction; the realization of the expected strategic, financial and other benefits of the Rana Gruber Transaction; and the accuracy and completeness of public and other disclosure (including financial disclosure) by Rana Gruber.

There can be no assurance that any such Forward-Looking Statements 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

All of the Forward-Looking Statements contained in this quarterly activities report are given as of the date hereof or such other date or dates specified in the Forward-Looking Statements and are based upon the judgment 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 Statements, 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 millions of Canadian dollars, except for: (i) tabular amounts which are expressed in thousands of Canadian dollars; and (ii) per share or per tonne (including dmt and wmt) amounts, which are expressed in Canadian dollars or United States dollars, as indicated. The following abbreviations and definitions are used throughout this quarterly activities report: US$ (United States dollar), C$ (Canadian dollar), NOK (Norwegian Krone), Fe (iron ore), wmt (wet metric tonnes), dmt (dry metric tonnes), M (million), LoM (life of mine), Bloom Lake or Bloom Lake Mine (Bloom Lake Mining Complex), DR (direct reduction), DRPF (direct reduction pellet feed), DFS (definitive feasibility study), Kami Project (Kamistiatusset project), P62 index (Platts IODEX 62% Fe CFR China index), P65 index (Platts IODEX 65% Fe CFR China index), C3 index (C3 Baltic Capesize index), EBITDA (earnings before income and mining taxes, net finance costs and depreciation), AISC (all-in sustaining cost), EPS (earnings per share) and Management (Champion's management team). The utilization of "Champion" or the "Company" refers to Champion Iron Limited and/or one, or more, or all of its subsidiaries, as applicable. The term "IFRS" refers to International Financial Reporting Standards as issued by the International Accounting Standards Board.

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This document has been authorized for release to the market by the Board of Directors.

The Company's unaudited Condensed Consolidated Financial Statements for the three and nine-month periods ended December 31, 2025 (the "Financial Statements") and associated Management's Discussion and Analysis ("MD&A") are available under the Company's profile on SEDAR+ (www.sedarplus.ca), the ASX (www.asx.com.au) and the Company's website (www.championiron.com).

[1] This is a non-IFRS financial measure, ratio or other financial measure. This measure is not a standardized financial measure under the financial reporting framework used to prepare the financial statements and might not be comparable to similar financial measures used by other issuers. Refer to the section below — Non-IFRS and Other Financial Measures for definitions of these metrics and reconciliations to the most comparable IFRS measure when applicable. Additional details for these non-IFRS and other financial measures, have been incorporated by reference and can be found in section 20 of the Company's MD&A for the three and nine-month periods ended December 31, 2025, available on SEDAR+ at www.sedarplus.ca, the ASX at www.asx.com.au and the Company's website under the Investors section at www.championiron.com.

[2] See the "Currency" subsection included in section 6 — Key Drivers of the MD&A for the three and nine-month periods ended December 31, 2025, available on SEDAR+ at www.sedarplus.ca, the ASX at www.asx.com.au and the Company's website under the Investors section at www.championiron.com.

[3] Financial information has been converted from NOK to U.S. dollars at an exchange rate of NOK 10.1415 per US$1.00.

Non-IFRS and Other Financial Measures

The Company has included certain non-IFRS financial measures, ratios and supplementary financial measures in this quarterly activities report to provide investors with additional information in order to help them evaluate the underlying performance of the Company. These measures are mainly derived from the Financial Statements but do not have any standardized meaning prescribed by IFRS and, therefore, may not be comparable to similar measures presented by other companies. Management believes that these measures, in addition to conventional measures prepared in accordance with IFRS, provide investors with an improved ability to understand the results of the Company's operations. Non-IFRS and other financial measures should not be considered in isolation or as substitutes for measures of performance prepared in accordance with IFRS. The exclusion of certain items from non-IFRS financial measures does not imply that these items are necessarily non-recurring.

The Company presents certain of its non-IFRS measures and other financial measures in United States dollars in addition to Canadian dollars to facilitate comparability with measures presented by other companies.

EBITDA and EBITDA Margin

(in thousands of dollars)	**Q3 FY26**	Q2 FY26	Q3 FY25
Income before income and mining taxes	**105,456**	104,072	21,347
Net finance costs	**2,101**	25,643	30,508
Depreciation	**44,851**	45,108	36,361
EBITDA	**152,408**	174,823	88,216
Revenues	**472,309**	492,890	363,170
EBITDA margin	**32%**	35%	24%

Available Liquidity

(in thousands of dollars)	**As at December 31, 2025**	As at September 30, 2025
Cash and cash equivalents	**245,092**	325,504
Undrawn amounts under credit facilities	**506,340**	514,940
Available liquidity	**751,432**	840,444

C1 Cash Cost

	Q3 FY26	Q2 FY26	Q3 FY25
Iron ore concentrate sold (dmt)	**3,895,300**	3,850,900	3,287,400
(in thousands of dollars, except per dmt data)			
Cost of sales	**287,712**	293,398	258,728
C1 cash cost (per dmt sold)	**73.9**	76.2	78.7

All-in Sustaining Cost

	Q3 FY26	Q2 FY26	Q3 FY25
Iron ore concentrate sold (dmt)	**3,895,300**	3,850,900	3,287,400
(in thousands of dollars, except per dmt data)			
Cost of sales	**287,712**	293,398	258,728
Sustaining capital expenditures	**46,956**	69,910	38,193
General and administrative expenses	**14,744**	9,894	11,813
	349,412	373,202	308,734
AISC (per dmt sold)	**89.7**	96.9	93.9

Cash Operating Margin and Cash Profit Margin

	Q3 FY26	Q2 FY26	Q3 FY25
Iron ore concentrate sold (dmt)	**3,895,300**	3,850,900	3,287,400
(in thousands of dollars, except per dmt data)			
Revenues	**472,309**	492,890	363,170
Net average realized selling price (per dmt sold)	**121.3**	128.0	110.5
AISC (per dmt sold)	**89.7**	96.9	93.9
Cash operating margin (per dmt sold)	**31.6**	31.1	16.6
Cash profit margin	**26%**	24%	15%

Gross Average Realized Selling Price per dmt Sold

	Q3 FY26	Q2 FY26	Q3 FY25
Iron ore concentrate sold (dmt)	**3,895,300**	3,850,900	3,287,400
(in thousands of dollars, except per dmt data)			
Revenues	**472,309**	492,890	363,170
Provisional pricing adjustments	**(4,373)**	(40,935)	17,407
Freight and other costs	**166,539**	154,436	141,568
Gross revenues	**634,475**	606,391	522,145
Gross average realized selling price (per dmt sold)	**162.9**	157.5	158.8