CHAMPION IRON

QUARTERLY ACTIVITIES REPORT

CHAMPION IRON REPORTS ITS FY2027 FIRST QUARTER RESULTS

- Quarterly production of 3.9M wmt, sales of 3.3M dmt, revenues of $357M and EBITDA of $33M[1]
- Initial production of DR quality iron ore from the DRPF project with initial shipment expected in Q2 FY27
- Completion of the acquisition of Rana Gruber, a proven high-purity iron ore producer in Norway

MONTRÉAL, July 29, 2026 / SYDNEY, July 30, 2026 - Champion Iron Limited (ASX: CIA) (TSX: CIA) (OTCQX: CIAFF) ("**Champion**" or the "**Company**") reports its operational and financial results for its financial first quarter ended June 30, 2026.

Champion's CEO, Mr. David Cataford, said, "In an environment marked by economic uncertainty and market volatility, our dedicated team remains focused on executing our strategic priorities and optimizing operations to enhance our competitive positioning and financial resilience. The completion of the DRPF project once again demonstrates our ability to successfully deliver large-scale projects, enabling us to engage with new customers, further participate in decarbonizing the steel industry and improve our realized prices. As we complete the integration of Rana Gruber, our focus shifts towards unlocking opportunities across our businesses, including cost management initiatives, while continuing to implement our long-term vision and strengthen Champion's position as a leading global supplier of high-purity iron ore."

Conference Call Details

Champion will host a conference call and webcast on July 30, 2026, at 9:00 AM (Montréal time) / 11:00 PM (Sydney time) to discuss the results of its financial first quarter ended June 30, 2026. The conference call details are set out at the end of this quarterly activities report.

Note to Readers

Following the acquisition of Rana Gruber AS ("Rana Gruber") on April 10, 2026, to maximize transparency for stakeholders regarding the performance of Bloom Lake and Rana Gruber, operational metrics and selected financial metrics are presented separately for Bloom Lake and Rana Gruber in Section 2 of this quarterly activities report. It is also important to note that, following the acquisition, Champion aligned Rana Gruber's financial information with its reporting practices. Accordingly, caution should be exercised when comparing current-period results with Rana Gruber's historical results reported prior to the completion of the acquisition, as well as with Champion's previous results. Additional details about the Rana Gruber acquisition are provided in the unaudited condensed consolidated financial statements for the three-month period ended June 30, 2026 (the "Financial Statements") and associated management's discussion and analysis (the "MD&A") of the Company, available on the ASX at www.asx.com.au, SEDAR+ at www.sedarplus.ca and on the Company's website at www.championiron.com.

1. Quarterly Highlights

Operations and Sustainability

- No serious workplace injuries and no major environmental incidents were reported during the three-month period ended June 30, 2026;
- Quarterly production of 3.9 million wmt of high-purity iron ore concentrates for the three-month period ended June 30, 2026, a 12% increase over the same prior-year period, primarily attributable to the acquisition of Rana Gruber (0.4 million wmt), while Bloom Lake continued to deliver operational performance (3.5 million wmt); and
- Quarterly sales totalled 3.3 million dmt of high-purity iron ore concentrates (3.1 million dmt and 0.2 million dmt from Bloom Lake and Rana Gruber, respectively) for the three-month period ended June 30, 2026, a decrease of 13% from the same prior-year period, primarily reflecting the planned transition and shipment sequencing associated with the DRPF ramp-up at Bloom Lake, partially offset by sales from Rana Gruber's operations.

Financial Results

- Financial results for the quarter were impacted by the timing of iron ore shipments associated with DRPF commissioning activities, which deferred a portion of revenues and related net income, EBITDA and cash flows from operating activities to future periods, as well as by higher freight and fuel and lower fixed cost absorption;
- Gross average realized selling price of US$115.2/dmt[1], compared to the P65 index average price of US$121.9/dmt in the period;
- Net average realized selling price of US$77.5/dmt[1], a decrease of 11% quarter-over-quarter and an increase of 6% year-over-year;
- C1 cash cost for the iron ore concentrates loaded onto vessels totalled $83.7/dmt[1] (US$60.5/dmt)[2], up from $81.9/dmt[1] (US$59.2/dmt)[2] for the same period in 2025. C1 cash cost for the period was negatively impacted by the absorption of fixed costs over lower iron ore sales volumes, together with a significant rise in fuel prices attributable to the conflict in the Middle East;
- Net loss of $41.5 million, representing a loss per share of $0.07, compared to net income of $23.2 million with EPS of $0.04 in the previous quarter, and net income of $23.8 million with EPS of $0.05 in the same prior-year period. The net loss was primarily driven by an unrealized foreign exchange loss of $17.2 million on net monetary liabilities denominated in foreign currencies, as well as unfavourable fair value adjustments of $17.6 million on derivative instruments;
- EBITDA of $32.8 million[1], compared to $114.3 million[1] in the previous quarter and $57.8 million[1] in the same prior-year period, negatively impacted by several factors, including the timing of sales, unfavourable changes in fair value of derivative instruments of $17.6 million which also impacted net loss, DRPF start-up costs of $6.6 million and inventory valuation adjustments in relation to the acquisition of Rana Gruber of $2.9 million;
- 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 $198.6 million as at June 30, 2026, a decrease of $98.2 million since March 31, 2026, primarily reflecting lower net cash flows from operating activities and the use of cash on hand to finance the acquisition of Rana Gruber; and
- Available liquidity remained robust at $653.1 million[1] as at June 30, 2026, compared with $812.4 million[1] as at March 31, 2026.

DRPF Project Update

- Completed the DRPF project within its recently estimated $500 million budget with cumulative investments totalling $493.7 million as at June 30, 2026;
- Secured a commercial agreement for a portion of near-term production capacity, while advancing discussions with additional prospective customers; and
- Successfully produced the first DR quality iron ore, with an inaugural commercial shipment expected in the third calendar quarter of 2026.

Development and Other Growth Initiatives

- Completed the acquisition of Rana Gruber on April 10, 2026; and
- Entered into a new term loan under the Company's syndicated senior credit facilities to finance the acquisition of Rana Gruber and extended the maturity of the existing US$400 million senior revolving credit facility to April 2030.

2. Financial and Operating Performance

	Q1 FY27	Q4 FY26	Q/Q Change	Q1 FY26	Y/Y Change
Consolidated Operation Data					
Iron ore concentrates produced (wmt)	**3,939,400**	3,435,100	15 %	3,520,600	12 %
Iron ore concentrates sold (dmt)	**3,339,000**	3,455,400	(3)%	3,831,800	(13)%
Consolidated Financial Data (in thousands of dollars)					
Revenues	**356,876**	414,505	(14)%	390,027	(8)%
Cost of sales	**288,751**	285,785	1 %	313,928	(8)%
Net income (loss)	**(41,528)**	23,186	(279)%	23,784	(275)%
Adjusted net income (loss)[1]	**(35,229)**	23,186	(252)%	23,784	(248)%
EBITDA[1]	**32,790**	114,340	(71)%	57,753	(43)%
Consolidated Statistics (in dollars per dmt sold)					
Gross average realized selling price[1]	**158.7**	165.1	(4)%	146.0	9 %
Net average realized selling price[1]	**106.9**	120.0	(11)%	101.8	5 %
C1 cash cost[1]	**83.7**	82.7	1 %	81.9	2 %
AISC[1]	**111.3**	96.9	15 %	96.2	16 %
Cash operating margin[1]	**(4.4)**	23.1	(119)%	5.6	(179)%

A. Consolidated Revenues

Revenues totalled $356.9 million for the three-month period ended June 30, 2026, a decrease of $33.2 million from $390.0 million in the same prior-year period, despite the inclusion of $23.9 million of revenues from Rana Gruber following the acquisition completed on April 10, 2026. Excluding the acquisition of Rana Gruber, lower revenues were mainly attributable to Bloom Lake's lower sales volumes during the three-month period ended June 30, 2026, compared to the same period in 2025. Bloom Lake's sales volumes were affected by the timing of vessel shipments, as vessel bookings reflected lower anticipated volumes transported to the Port of Sept-Îles during the DRPF project ramp-up period. The increase in the gross average realized selling price offset the rise in freight costs during the period when compared with the previous period.

For the three-month period ended June 30, 2026, the gross average realized selling price of US$115.2/dmt[1] was below the P65 index average price of US$121.9/dmt. The 2.1 million dmt of iron ore sold that remained subject to pricing adjustments as at June 30, 2026, were evaluated using an average forward selling price of US$110.4/dmt, which is lower than the P65 index average price for the period. In addition, index prices on Bloom Lake's concentrate sales based on backward-looking pricing were also below the P65 index average price of the period. During the quarter, the Company continued to prepare for Bloom Lake's transition to higher-purity DR quality iron ore and intentionally allocated a lower proportion of sales volumes to long-term contracts. This approach allowed the Company to retain a greater proportion of its available iron ore products for the short-term and spot markets, which have recently experienced greater pricing volatility and discounts relative to the iron ore indexes.

During the three-month period ended June 30, 2026, an average final price of US$118.3/dmt was established for the 2.3 million dmt of iron ore concentrates sold that were subject to provisional pricing adjustments as at March 31, 2026, which were previously evaluated using an average estimated price of US$120.2/dmt. Accordingly, negative provisional pricing adjustments of $6.2 million were recorded for tonnes subject to provisional pricing as at March 31, 2026, representing a negative impact of US$1.3/dmt for the 3.3 million dmt sold during the quarter.

Freight and other costs totalled US$36.4/dmt during the three-month period ended June 30, 2026, representing a 35% increase compared to US$26.9/dmt in the same prior-year period, mainly reflecting a 63% increase in the average C3 index. While the C3 index increased significantly during the quarter, the Company's freight and other costs increased at a slower pace, reflecting the Company's agile vessel booking strategies, favourable freight rates secured under fixed-price contracts below prevailing market levels for a portion of the sales volumes, and the positive impact of backward-looking pricing mechanisms. The rise in the C3 index, driven by the ongoing conflict in the Middle East, is expected to continue impacting Champion's net revenues in the quarter ending September 30, 2026, as most vessels are booked three to five weeks prior to the desired laycan period.

After taking into account sea freight and other costs of US$36.4/dmt and the negative provisional pricing adjustments of US$1.3/dmt, the Company obtained a net average realized selling price of US$77.5/dmt[2] (C$106.9/dmt[1]) for its high-purity iron ore concentrates shipped during the three-month period ended June 30, 2026.

B. Bloom Lake Mine Results

Bloom Lake conducts scheduled maintenance on both plants in the second and fourth financial quarters, which may create significant quarter-over-quarter variances in production output and mining and processing costs.

	Q1 FY27	Q4 FY26	Q/Q Change	Q1 FY26	Y/Y Change
Mine Operating Data					
Iron ore concentrates produced (wmt)	**3,547,200**	3,435,100	3 %	3,520,600	1 %
Iron ore concentrates sold (dmt)	**3,128,800**	3,455,400	(9)%	3,831,800	(18)%
Stripping ratio	**1.04**	1.11	(6)%	1.09	(5)%
Head grade Fe (%)	**29.5**	28.8	2 %	28.2	5 %
Fe recovery (%)	**79.0**	80.6	(2)%	78.2	1 %
Weighted average products Fe (%)	**66.5**	66.2	— %	66.3	— %
Mine Selected Financial Data (in thousands of dollars)					
Revenues	**332,980**	414,505	(20)%	390,027	(15)%
Cost of sales	**267,504**	285,785	(6)%	313,928	(15)%
Gross profit	**27,408**	85,191	(68)%	29,894	(8)%
Mine Selected Statistics (in dollars per dmt sold)					
Net average realized selling price[1]	**106.4**	120.0	(11)%	101.8	5 %
C1 cash cost[1]	**83.4**	82.7	1 %	81.9	2 %
AISC[1]	**104.4**	96.9	8 %	93.0	12 %

i.Operating Performance

Bloom Lake produced 3.5 million wmt of high-purity iron ore concentrates during the three-month period ended June 30, 2026, comparable to the same period in 2025, benefiting from higher ore grade and Fe recovery. The quarterly production level was impacted by the DRPF facilities progressing through commissioning. The production included 0.6 million wmt of concentrate produced through the DRPF infrastructure, with product quality progressively improving toward targeted purity specifications in accordance with the commissioning process. As a result, the weighted average product grade increased to 66.5% Fe. During the three-month period ended June 30, 2026, the Fe recovery rate increased to 79.0% from 78.2% for the same period in 2025, benefiting from improved performance of the gravimetric systems, following work programs and operational optimizations.

Sales volumes of iron ore concentrates during the three-month period ended June 30, 2026, were 18% lower than in the same prior-year period, as the prior-year period benefited from strong sales volumes due to stockpiled inventory. Current period sales were impacted by scheduled third-party port and rail maintenance shutdowns, as well as the timing of sales primarily related to the DRPF project's commissioning. Inventories of iron ore concentrates at Bloom Lake and at the port totalled 1.7 million wmt as at June 30, 2026, compared to 1.3 million wmt as at March 31, 2026. Inventory levels increased during the quarter as production exceeded sales volumes, reflecting the timing of shipments and the commissioning activities associated with the DRPF project. These inventories are expected to provide operational flexibility and support future sales activities. As the Company advances the commissioning of the DRPF project, it continues to optimize its inventory management strategies to maintain adequate saleable inventories, manage different iron ore qualities and enhance production and sales logistics.

During the three-month period ended June 30, 2026, the Company mined and hauled 19.8 million wmt of waste and ore, compared to 21.0 million wmt in the same prior-year period. The stripping ratio for the three-month period ended June 30, 2026, was 1.04, compared to a 1.09 ratio recorded in the same prior-year period. Champion anticipates maintaining this stripping cadence in upcoming periods, consistent with its

LoM plan.

ii. Financial Performance

The cost of sales associated with Bloom Lake operations totalled $267.5 million, compared to $313.9 million for the same period in 2025. For the three-month period ended June 30, 2026, mining and processing costs totalled $54.5/dmt produced[1], representing a 1% increase, compared to $53.7/dmt produced[1] in the same prior-year period, primarily attributable to higher fuel prices due to the conflict in the Middle East, and higher explosives prices, partially offset by cost optimization efforts. Land transportation and port handling costs include both fixed and variable components and are significantly influenced by the volume hauled from Fermont to the Port of Sept-Îles. Land transportation and port handling costs for the three-month period ended June 30, 2026, were $30.6/dmt sold[1], a 26% increase, compared to the prior-year period, mainly reflecting lower sales volumes. In addition, cost of sales was impacted by changes in iron ore concentrates inventory valuation, which incorporate mining and processing costs from the previous quarter, along with variations in production and sales volumes. Consequently, Bloom Lake C1 cash cost totalled $83.4/dmt[1], compared to $81.9/dmt[1] for the same period in 2025. C1 cash cost excludes DRPF start-up costs, which mainly include abnormal operational costs incurred as the facility progresses toward commercial production.

Despite lower shipment volumes, gross profit remained relatively stable at $27.4 million during the three-month period ended June 30, 2026, compared to $29.9 million for the same period in 2025. This is primarily reflecting higher realized selling prices and the impact of inventory valuation movements, which partially offset the effect of lower sales volumes.

AISC totalled $104.4/dmt[1] for the three-month period ended June 30, 2026, compared to $93.0/dmt[1] for the same prior-year period. The increase in AISC mostly reflected lower shipment volumes and higher sustaining capital expenditures, primarily attributable to the expansion of tailings storage capacity in line with the Company's long-term investment plan at Bloom Lake, overhaul expenditures on mining equipment, and ongoing mine development initiatives, including topographic and pre-cut drilling work. The timing of planned sustaining activities for the current financial year also resulted in a higher proportion of expenditures being incurred during the first quarter.

C. Rana Gruber Mine Results

Comparisons of unit costs between Champion's operating segments should be interpreted with consideration given to the differences in production methods, processing operations and logistics infrastructure specific to each operation. Considering its significantly shorter rail haulage distance, compared to Bloom Lake, the cost structure at Rana Gruber has a lower share attributable to land transportation and port handling, with a higher proportion of costs incurred at the mining and processing stages.

The following Rana Gruber results have been consolidated since the acquisition date of April 10, 2026, and accordingly represent less than a full quarter of operations.

	Q1 FY27
Mine Operating Data	
Iron ore concentrates produced (wmt)	**392,200**
Iron ore concentrates sold (dmt)	**210,200**
Open-pit stripping ratio	**2.00**
Head grade Fe (%)	**31.7**
Fe recovery (%)	**75.3**
Weighted average products Fe (%)	**65.2**
Mine Selected Financial Data (in thousands of dollars)	
Revenues	**23,896**
Cost of sales	**21,247**
Gross loss	**(5,989)**
Mine Selected Statistics (in dollars per dmt sold)	
Net average realized selling price[1]	**113.7**
C1 cash cost[1]	**87.5**
AISC[1]	**147.0**

i. Operating Performance

Rana Gruber produced 0.4 million wmt of high-purity iron ore concentrates at a weighted average grade of 65.2% Fe since the acquisition date of April 10, 2026. When adjusted to reflect a full quarter of operations, production was in line with Rana Gruber's nameplate capacity after taking into account the annual maintenance shutdown usually conducted in June. Production benefited from stable mill throughput of 1.0 million wmt at a weighted average head grade of 31.7% Fe and Fe recovery of 75.3%.

Iron ore concentrates sold totalled 0.2 million dmt since the acquisition date and remained significantly below production levels, including on a full-quarter equivalent basis, primarily reflecting the timing of shipments. As a result, inventories of iron ore concentrates increased to 0.4 million wmt during the quarter and remained at elevated levels as at June 30, 2026. Management continues to focus on reducing inventory levels over time by optimizing sales opportunities.

ii. Financial Performance

Cost of sales totalled $21.2 million for the quarter, including mining and processing costs of $31.2 million, land transportation and port handling costs of $0.6 million and a purchase price allocation inventory adjustment of $2.9 million, partially offset by a $13.5 million change in iron ore concentrates inventories. Handling costs are largely captured within mining and processing costs, while limited land transportation costs are incurred prior to shipment, resulting in land transportation and port handling costs of $2.8/dmt sold[1]. Mining and processing costs totalled $85.7/dmt produced[1], while C1 total cash cost amounted to $87.5/dmt sold[1], higher than historical levels. Higher C1 total cash cost was primarily attributable to several factors, including increased underground mining costs resulting from higher explosives prices and temporary operational challenges related to ventilation and water management. In addition, open-pit mining costs were impacted by increased hauling and waste rock activities in a new open-pit commissioned in January 2026, as well as higher diesel prices. C1 cash cost excludes inventory adjustments made as part of the purchase price allocation, as it reflects the fair value step-up of inventories recognized as part of the acquisition of Rana Gruber and is not representative of the underlying operating cost of producing and selling iron ore concentrates.

Gross loss totalled $6.0 million during the three-month period ended June 30, 2026, primarily attributable to low shipment volumes, the product mix of hematite and magnetite sold during the period, higher cost of sales and the purchase price allocation inventory adjustment of $2.9 million.

AISC totalled $147.0/dmt[1] for the three-month period ended June 30, 2026, reflecting higher sustaining capital expenditures attributable to the development of an additional underground mining level, including related infrastructure, and other mine development activities, together with the negative impact of lower sales volumes.

D. Net Income (Loss) & EBITDA

For the three-month period ended June 30, 2026, the Company generated a net loss of $41.5 million (loss per share of $0.07), compared to net income of $23.8 million (EPS of $0.05) for the same prior-year period. The net loss was mainly attributable to an unrealized foreign exchange loss of $17.2 million on net monetary liabilities denominated in foreign currencies, as well as unfavourable fair value adjustments of $17.6 million on derivative instruments.

For the three-month period ended June 30, 2026, the Company generated EBITDA of $32.8 million[1], representing an EBITDA margin of 9%[1], compared to $57.8 million[1], representing an EBITDA margin of 15%[1], for the same period in 2025. Lower EBITDA and EBITDA margins were mainly driven by the previously mentioned unfavourable fair value adjustments on derivative instruments, DRPF start-up costs of $6.6 million and inventory valuation adjustments in relation to the acquisition of Rana Gruber of $2.9 million.

E. All-in Sustaining Cost & Cash Operating Margin

During the three-month period ended June 30, 2026, the Company realized an AISC of $111.3/dmt[1], compared to $96.2/dmt[1] for the same period in 2025. This increase was mainly due to higher sustaining capital expenditures and higher cash cost, combined with lower volumes of iron ore concentrates sold.

The Company generated a negative cash operating margin of $4.4/dmt[1] for each tonne of high-purity iron ore concentrates sold during the three-month period ended June 30, 2026, compared to a positive cash operating margin of $5.6/dmt[1] for the same prior-year period. This decrease was mainly due to a higher AISC, partially offset by a higher net average realized selling price.

3. Exploration Activities

During the three-month period ended June 30, 2026, the Company maintained all its properties in good standing and did not enter into any farm-in or farm-out arrangements. During the three-month period ended June 30, 2026, $1.9 million in exploration and evaluation expenditures were incurred, compared to $8.8 million for the same prior-year period. The lower expenditures year-over-year reflected the transfer of the Kami properties to the Kami Partnership and the Partners' acquisition of the aggregate 49% interest in the Kami Partnership in September 2025.

Exploration and evaluation expenditures related to Canadian activities carried out in Québec and Newfoundland and Labrador. Details on exploration projects, including maps, are available on the Company's website at www.championiron.com under the Operations & Projects section. The information on the Company's website is not incorporated by reference into this quarterly activities report.

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

	Three Months Ended June 30,	
(in thousands of dollars)	**2026**	2025
Tailings and water infrastructure	**20,821**	14,766
Stripping and mining activities	**21,636**	12,975
Tunnelling and underground infrastructure	**3,782**	—
Other sustaining capital expenditures	**31,965**	14,500
Sustaining Capital Expenditures	**78,204**	42,241
DRPF project	**14,218**	47,460
Other capital development expenditures	**8,499**	15,674
Purchase of Property, Plant and Equipment as per Cash Flows	**100,921**	105,375

Sustaining Capital Expenditures

The tailings-related investments for the three-month period ended June 30, 2026, were in line with QIO'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 at Bloom Lake. Tailings-related construction activities are typically conducted between May and November, when weather conditions are more favourable at Bloom Lake.

Stripping and mining activities for the three-month period ended June 30, 2026, included $17.8 million of mine development costs, comprising topographic and pre-cut drilling work, the details of which are contained in the Company's mine plan ($7.8 million for the same period in 2025). During the three-month period ended June 30, 2026, stripping and mining activities also included $3.8 million of capitalized stripping costs ($5.2 million for the same period in 2025).

Tunnelling and underground infrastructure expenditures are related to Rana Gruber and included ramp access and other underground infrastructure works.

Other sustaining capital investments for the three-month period ended June 30, 2026, included expenditures related to mining equipment rebuild programs that are aligned with the Company's long-term investment strategy to support growth initiatives across the LoM.

DRPF Project

During the three-month period ended June 30, 2026, the Company spent $14.2 million in capital expenditures related to the DRPF project ($47.5 million, for the same prior-year period). The decrease primarily reflects the substantial completion of construction activities, with investments during the period mainly consisting of commissioning ramp-up activities. Cumulative investments totalled $493.7 million as at June 30, 2026.

Other Capital Development Expenditures

During the three-month period ended June 30, 2026, other capital development expenditures totalled $8.5 million ($15.7 million for the same period in 2025), and are detailed as follows:

	Three Months Ended June 30,	
(in thousands of dollars)	**2026**	2025
Infrastructure improvements and conformity (i)	**6,017**	3,019
Mine maintenance garage expansion	**—**	457
Deposits or final payment for mining equipment	**21**	6,219
Other (ii)	**2,461**	5,979
Other Capital Development Expenditures	**8,499**	15,674

(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 borrowing costs capitalized on the DRPF project and the construction of new ventilation shafts related to underground infrastructure at Rana Gruber.

5. Conference Call and Webcast Information

A webcast and conference call to discuss the foregoing results will be held on July 30, 2026, 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 +1-888-699-1199 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 84810#.

About Champion Iron Limited

Champion is a high-purity iron ore producer with operations in Canada and Norway. Through Quebec Iron Ore Inc., Champion 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 low contaminant high-purity iron ore concentrates with a proven ability to produce direct reduction grade quality iron ore concentrate. The iron ore concentrate from Bloom Lake is transported by rail, to a ship loading port in Sept-Îles, Québec. Benefiting from one of the highest purity resources globally, Champion is implementing a work program to be able to upgrade up to 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-purity and lower contaminant iron ore products have attracted a premium to the P61 index (formerly, the P62 index). Champion also owns and operates Rana Gruber, a Norwegian iron ore producer based in Mo i Rana, Nordland. With continuous production dating back to the 1960s, Rana Gruber produces approximately 1.8M dmt per year of hematite and magnetite iron ore concentrates. Champion has delivered iron ore concentrates to global markets, including China, Japan, the Middle East, Europe, South Korea, India, Southeast Asia, North Africa and Canada. In addition to its producing mines, Champion holds a 51% interest in Kami Iron Mine Partnership, which is jointly owned with Nippon Steel Corporation and Sojitz Corporation, and through which the Kami Project is held. Located approximately 21 kilometres southeast of Bloom Lake, the Kami Project benefits from access to existing infrastructure. Champion also holds a portfolio of exploration and development projects in the Labrador Trough, including the Cluster II properties, which are situated 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, anticipates or believe may or will occur are Forward-Looking Statements. Forward-Looking Statements may include, among other things, Management’s expectations regarding: (i) Bloom Lake’s LoM, long-term investment plan and efforts to improve recovery rates and production, nameplate capacity and related opportunities and benefits; (ii) the project to upgrade the Bloom Lake iron ore concentrate to a higher purity and to convert approximately half of Bloom Lake’s increased mine capacity to a DR quality pellet feed iron ore (the DRPF project), expected DRPF project timeline, efficiencies, economic and other benefits, related engagement with, and expectations with respect to, prospective customers, the expected commercial shipments of iron ore and the impact thereof on production, sales and financial results and the timing thereof; (iii) the Kami Partnership and the ability of Champion to realize on the benefits of the Kami transaction with the Partners; (iv) the acquisition of Rana Gruber, including the expectations regarding the integration of Rana Gruber, and the ability of Champion to realize the anticipated benefits of the acquisition of Rana Gruber; (v) the shift in steel industry production methods, expected rising demand for higher-purity 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-purity DRPF products) and the expansion of its geography, markets and customer base, related investments and expected benefits thereof; (vi) maintaining stripping activities cadence; (vii) ore inventory management strategies, including product blending, short-term stockpiling and reducing inventory levels at Rana Gruber; (viii) the Company’s safe tailings strategy and tailings investment plan, mining equipment rebuild programs; (ix) the impact of exchange rates on commodity prices and the Company’s financial results; (x) the relationship between iron ore prices and ocean freight costs (including C3 index outlook) and their impact on the Company; (xi) the impact of iron ore price fluctuations on the Company and its financial results and the occurrence of certain events and their impact on iron ore prices and demand for high-purity iron ore products; (xii) pricing of the Company’s products (including provisional pricing); (xiii) the Company’s iron ore concentrates pricing trends compared to the P65 index; (xiv) available liquidity and the Company’s financial flexibility; (xv) the Company’s beliefs regarding non-IFRS and other financial measures, including usefulness of those measures for investors to understand the Company’s results and ability to generate operating earnings, compare operating results between periods, evaluate business performance, assess liquidity and cash flows to fund working capital needs and capital expenditures, and service debt obligations; (xvi) the Company’s beliefs regarding compliance with applicable laws and regulations, including that it has all necessary licenses, permits and approvals required to carry out its activities; and (xvii) 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) iron ore prices; (ii) energy prices; (iii) operating costs; (iv) freight costs; (v) general economic, competitive, political and social uncertainties; (vi) continued availability of capital and financing and general economic, market or business conditions; (vii) timing of and uncertainty regarding the steel industry shift in production methods, impacting demand for high-purity feed; (viii) failure of plant, equipment or processes, including those of third party providers or counterparties, to operate as anticipated; (ix) delays in obtaining governmental approvals, necessary permitting or in the completion of development or construction activities; (x) the results of feasibility studies; (xi) changes in the assumptions used to prepare feasibility studies; (xii) project delays; (xiii) geopolitical events; and (xiv) 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, 2026, available under the Company’s profile on the ASX at www.asx.com.au, SEDAR+ at www.sedarplus.ca and the Company’s website at www.championiron.com.

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 Canadian dollars. The following abbreviations are used throughout this release: US$ (United States dollar), Fe (iron), wmt (wet metric tonnes), dmt (dry metric tonnes), M (million), km (kilometers), LoM (life of mine), Bloom Lake or Bloom Lake Mine (Bloom Lake Mining Complex), Rana Gruber Mine (Mo i Rana Mining Complex), DR (Direct Reduction), DRPF (Direct Reduction Pellet Feed), Kami Project (Kamistiatusset project), C3 index (C3 Baltic Capesize index), P61 index (Platts IODEX 61% Fe CFR China index), P62 index (Platts IODEX 62% Fe CFR China index), P65 index (Platts IODEX 65% Fe CFR China index), EBITDA (earnings before income and mining taxes, net finance costs and depreciation) and EPS (earnings per share). 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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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 Board of Directors.

The Financial Statements and associated MD&A for the three-month period ended June 30, 2026, are available under the Company's profile on the ASX (www.asx.com.au), SEDAR+ (www.sedarplus.ca) and the Company's website (www.championiron.com) on July 30, 2026.

1 This is a non-IFRS financial measure, ratio or other financial measure. The 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-month period ended June 30, 2026, available on the ASX at www.asx.com.au, SEDAR+ at www.sedarplus.ca and on 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-month period ended June 30, 2026, available on the ASX at www.asx.com.au, SEDAR+ at www.sedarplus.ca and on the Company's website under the Investors section at www.championiron.com.

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. Mine performance measures should be read in conjunction with segmented information disclosed in note 25 to the Financial Statements.

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)	**Q1 FY27**	Q4 FY26	Q1 FY26
Income (loss) before income and mining taxes	**(50,312)**	51,078	24,213
Net finance costs (income)	**35,861**	19,733	(13,256)
Depreciation	**47,241**	43,529	46,796
EBITDA	**32,790**	114,340	57,753
Revenues	**356,876**	414,505	390,027
EBITDA margin	**9%**	28%	15%

Available Liquidity

(in thousands of dollars)	**As at June 30, 2026**	As at March 31, 2026
Cash	**198,621**	296,788
Undrawn amounts under credit facilities	**454,516**	515,600
Available liquidity	**653,137**	812,388

C1 Cash Cost

	Q1 FY27	Q4 FY26	Q1 FY26
Iron ore concentrates sold (dmt)	**3,339,000**	3,455,400	3,831,800
(in thousands of dollars, except per dmt data)			
Cost of sales	**288,751**	285,785	313,928
Less: Purchase price allocation inventory adjustment	**(2,865)**	—	—
Less: Start-up costs	**(6,551)**	—	—
	279,335	285,785	313,928
C1 cash cost (per dmt sold)	**83.7**	82.7	81.9

All-in Sustaining Cost

	Q1 FY27	Q4 FY26	Q1 FY26
Iron ore concentrates sold (dmt)	**3,339,000**	3,455,400	3,831,800
(in thousands of dollars, except per dmt data)			
Cost of sales	**288,751**	285,785	313,928
Less: Purchase price allocation inventory adjustment	**(2,865)**	—	—
Less: Start-up costs	**(6,551)**	—	—
Sustaining capital expenditures	**78,204**	31,162	42,241
General and administrative expenses	**14,185**	17,836	12,581
	371,724	334,783	368,750
AISC (per dmt sold)	**111.3**	96.9	96.2

Cash Operating Margin and Cash Profit Margin

	Q1 FY27	Q4 FY26	Q1 FY26
Iron ore concentrates sold (dmt)	**3,339,000**	3,455,400	3,831,800
(in thousands of dollars, except per dmt data)			
Revenues	**356,876**	414,505	390,027
Net average realized selling price (per dmt sold)	**106.9**	120.0	101.8
AISC (per dmt sold)	**111.3**	96.9	96.2
Cash operating margin (per dmt sold)	**(4.4)**	23.1	5.6
Cash profit margin	**(4)%**	19%	6%

Gross Average Realized Selling Price per dmt Sold

	Q1 FY27	Q4 FY26	Q1 FY26
Iron ore concentrates sold (dmt)	**3,339,000**	3,455,400	3,831,800
(in thousands of dollars, except per dmt data)			
Revenues	**356,876**	414,505	390,027
Provisional pricing adjustments	**6,205**	299	26,552
Freight and other costs	**166,982**	155,844	142,687
Gross revenues	**530,063**	570,648	559,266
Gross average realized selling price (per dmt sold)	**158.7**	165.1	146.0

Per Mine Cash Costs and AISC

	Q1 FY27			Q1 FY26		
	Bloom Lake	**Rana Gruber**	**Consolidated**	**Bloom Lake**	**Rana Gruber**	**Consolidated**
Iron ore concentrates sold (dmt)	3,128,800	210,200	3,339,000	3,831,800	—	3,831,800
Iron ore concentrates produced (dmt)	3,437,500	364,700	3,802,200	3,412,300	—	3,412,300
(in thousands of dollars, except per ton amount)						
Mining and processing costs	187,287	31,237	218,524	183,217	—	183,217
Change in iron ore concentrates inventories	(22,028)	(13,450)	(35,478)	37,539	—	37,539
Land transportation and port handling costs	95,694	595	96,289	93,172	—	93,172
Purchase price allocation inventory adjustment	—	2,865	2,865	—	—	—
Start-up costs	6,551	—	6,551	—	—	—
Cost of sales (in $)	**267,504**	**21,247**	**288,751**	**313,928**	**—**	**313,928**
Less: Purchase price allocation inventory adjustment	—	(2,865)	(2,865)	—	—	—
Less: Start-up costs	(6,551)	—	(6,551)	—	—	—
Total cash cost (in $)	**260,953**	**18,382**	**279,335**	**313,928**	**—**	**313,928**
Add: Sustaining capital expenditures	65,696	12,508	78,204	42,241	—	42,241
Add: General and administrative expenses	—	—	14,185	—	—	12,581
AISC (in $)	**326,649**	**30,890**	**371,724**	**356,169**	**—**	**368,750**
Mining and processing costs (per dmt produced)	54.5	85.7	57.5	53.7	—	53.7
Land transportation and port handling costs (per dmt sold)	30.6	2.8	28.8	24.3	—	24.3
Total cash cost (per dmt sold)	83.4	87.5	83.7	81.9	—	81.9
AISC (per dmt sold)	104.4	147.0	111.3	93.0	—	96.2