CHAMPION IRON

QUARTERLY ACTIVITIES REPORT

CHAMPION IRON REPORTS ITS FY2027 SECOND QUARTER RESULTS

- Quarterly production of 3.9M wmt, record consolidated sales of 4.5M dmt, revenues of $404M and adjusted EBITDA of $23M[1]
- Inaugural commercial shipment of DR quality iron ore from the DRPF project completed
- Secured additional DRPF test-cargoes and commercial agreements for shipments scheduled for Q3 FY27

MONTRÉAL, October 28, 2026 / SYDNEY, October 29, 2026 - Champion Iron Limited (ASX: CIA) (TSX: CIA) (OTCQX: CIAFF) ("**Champion**" or the "**Company**") reports its operational and financial results for its financial second quarter ended September 30, 2026.

Champion's CEO, Mr. David Cataford, said, "As we operate in challenging conditions and heightened volatility, we remain privileged to benefit from our teams' commitment, the support of our host communities, and a strong network of financial partners who recognize the quality of our assets and the long-term value of our strategy. The completion of an initial sale of DRPF material marks an important milestone for us, with additional commercial shipments scheduled for the coming quarter reflecting growing market interest in this product and the potential to expand our reach to customers across shorter freight routes. Having completed a significant multi-year investment cycle at Bloom Lake, our priority is now to optimize our assets, strengthen our balance sheet and pursue cost-reduction initiatives."

Conference Call Details

Champion will host a conference call and webcast on October 29, 2026, at 9:00 AM (Montréal time) / October 30, 2026 at 12:00 AM (Sydney time) to discuss the results of its financial second quarter ended September 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 (the "Rana Gruber Acquisition"), 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 and six-month periods ended September 30, 2026 (the "Financial Statements") and associated management's discussion and analysis of the Company (the "MD&A"), 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 significant environmental incidents were reported during the three-month period ended September 30, 2026;
- Quarterly production totalled 3.9 million wmt of high-purity iron ore concentrates for the three-month period ended September 30, 2026, up 9% over the same prior-year period, attributable to the contribution from Rana Gruber (0.5 million wmt), partially offset by the lower production volumes at Bloom Lake (3.3 million wmt) which were impacted by inefficiencies created by the DRPF commissioning activities, consistent with management's expectations for the commissioning period;
- Record consolidated quarterly sales of 4.5 million dmt of high-purity iron ore concentrates for the three-month period ended September 30, 2026, an increase of 17% over the same prior-year period, driven by strong sales volumes at Bloom Lake (3.9 million dmt) and Rana Gruber (0.6 million dmt), resulting in lower inventory levels across both operations; and
- Completed the inaugural commercial shipment of DRPF product during the quarter, secured additional test-cargoes and commercial agreements for shipments scheduled for the third quarter of the 2027 financial year and continued to advance discussions with prospective customers. While DRPF production volumes remained comparable quarter-over-quarter, average product quality continued to improve towards the project's target specifications.

Financial Results

- Financial results for the quarter continued to be impacted by lower iron ore indexes, higher ocean freight rates and elevated fuel prices, partly resulting from the conflict in the Middle East, as well as DRPF start-up costs;
- Gross average realized selling price of US$105.5/dmt[1] (C$147.8/dmt[1]), compared to the P65 index average price of US$112.8/dmt in the period;
- Net average realized selling price of $89.9/dmt[1], a decrease of 16% quarter-over-quarter and 30% year-over-year;
- C1 cash cost for the iron ore concentrates loaded onto vessels totalled $82.9/dmt[1] (US$59.2/dmt)[2], up from $76.2/dmt[1] (US$55.3/dmt)[2] for the same period in 2025. C1 cash cost for the period continued to be affected by elevated fuel prices impacting mining operations, the transition toward DRPF production and its higher processing costs, and lower production volumes at Bloom Lake over which to amortize fixed costs;
- Net loss of $48.4 million (adjusted net loss of $34.3 million[1]), representing a $0.09 loss per share (adjusted loss per share of $0.06[1]), compared to a net loss of $41.5 million (adjusted net loss of $6.0 million[1]) with a $0.07 loss per share (adjusted loss per share of $0.01[1]) in the previous quarter, and net income of $56.8 million (adjusted net income of $56.8 million[1]) with EPS of $0.11 (adjusted EPS of $0.11[1]) in the same prior-year period. Net loss includes several items that are excluded from adjusted net loss, including DRPF start-up costs of $6.9 million, inventory valuation adjustments of $4.8 million related to the acquisition of Rana Gruber and $7.9 million unrealized fair value losses on derivative instruments;
- EBITDA of $3.7 million[1] (adjusted EBITDA of $23.3 million[1]) for the three-month period ended September 30, 2026, down from $174.8 million[1] (adjusted EBITDA of $174.8 million[1]) for the same period in 2025;
- 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") that are held by the Kami Iron Mine Partnership (the "Kami Partnership"), totalled $214.4 million as at September 30, 2026, an increase of $15.7 million since June 30, 2026. This primarily reflects robust sales volumes, including the destocking of iron ore inventories, and strong cash collections, partially offset by sustaining capital expenditures; and
- Available liquidity of $618.4 million[1] as at September 30, 2026, compared to $653.1 million[1] as at June 30, 2026.

2. Financial and Operating Performance

	Q2 FY27	Q1 FY27	Q/Q Change	Q2 FY26	Y/Y Change
Consolidated Operation Data					
Iron ore concentrates produced (wmt)	**3,872,500**	3,939,400	(2) %	3,551,600	9 %
Iron ore concentrates sold (dmt)	**4,494,100**	3,339,000	35 %	3,850,900	17 %
Consolidated Financial Data (in thousands of dollars)					
Revenues	**403,932**	356,876	13 %	492,890	(18) %
Cost of sales	**384,118**	288,751	33 %	293,398	31 %
Net income (loss)	**(48,355)**	(41,528)	16 %	56,794	(185) %
Adjusted net income (loss)[1]	**(34,264)**	(5,961)	475 %	56,807	(160) %
EBITDA[1]	**3,656**	32,790	(89) %	174,823	(98) %
Adjusted EBITDA[1]	**23,265**	78,341	(70) %	174,836	(87) %
Consolidated Statistics (in dollars per dmt sold)					
Gross average realized selling price[1]	**147.8**	158.7	(7) %	157.5	(6) %
Net average realized selling price[1]	**89.9**	106.9	(16) %	128.0	(30) %
C1 cash cost[1]	**82.9**	83.7	(1) %	76.2	9 %
AISC[1]	**97.9**	111.3	(12) %	96.9	1 %
Cash operating margin[1]	**(8.0)**	(4.4)	82 %	31.1	(126) %

A. Consolidated Revenues

Revenues totalled $403.9 million for the three-month period ended September 30, 2026, down $89.0 million from $492.9 million in the same prior-year period, despite the contribution of $54.3 million from Rana Gruber's operations. The decrease in Bloom Lake revenues was attributable to lower net realized selling prices, reflecting elevated C3 index and lower iron ore indexes, as well as less favourable provisional pricing adjustments, compared to the same period in 2025.

For the three-month period ended September 30, 2026, the gross average realized selling price of US$105.5/dmt[1] was below the P65 index average price of US$112.8/dmt. The 3.4 million dmt of iron ore sold that remained subject to pricing adjustments as at September 30, 2026, were evaluated using a weighted average forward selling price of US$103.4/dmt, which was lower than the P65 index average price for the period. The discount to the P65 index also reflected continued exposure to short-term and spot market sales at discounted pricing during Bloom Lake's transition to higher-purity DR quality iron ore products. This was partially offset by Bloom Lake's concentrate sales priced using backward-looking mechanisms, where applicable index prices were above the P65 index average price of the period.

Freight and other costs totalled US$40.4/dmt during the three-month period ended September 30, 2026, representing a 39% increase compared to US$29.1/dmt in the same prior-year period. While the C3 index increased significantly during the quarter, the Company's freight and other costs rose at a slower pace, reflecting its vessel booking strategy and the benefit of favourable freight rates secured under fixed-price contracts for a portion of the sales volumes, at below prevailing market levels. The rise in the C3 index, driven in part by the ongoing conflict in the Middle East, is expected to continue impacting Champion's net revenues in future months, as most vessels are booked three to five weeks prior to the desired laycan period.

During the three-month period ended September 30, 2026, an average final price of US$108.1/dmt was established for the 2.1 million dmt of iron ore concentrates sold that were subject to provisional pricing adjustments as at June 30, 2026, which were previously evaluated using an average estimated price of US$110.4/dmt. Accordingly, negative provisional pricing adjustments of $6.5 million (US$4.8 million) were recorded on tonnes subject to provisional pricing as at June 30, 2026, representing a negative impact of US$1.1/dmt for the 4.5 million dmt sold during the quarter.

After taking into account sea freight and other costs of US$40.4/dmt and the negative provisional pricing adjustments of US$1.1/dmt, the Company obtained a net average realized selling price of US$64.0/dmt[2] (C$89.9/dmt[1]) for its high-purity iron ore concentrates shipped during the three-month period ended September 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.

	Q2 FY27	Q1 FY27	Q/Q Change	Q2 FY26	Y/Y Change
Mine Operating Data					
Iron ore concentrates produced (wmt)	**3,323,700**	3,547,200	(6) %	3,551,600	(6)%
Iron ore concentrates sold (dmt)	**3,907,100**	3,128,800	25 %	3,850,900	1 %
Stripping ratio	**1.21**	1.04	16 %	1.29	(6)%
Head grade Fe (%)	**30.3**	29.5	3 %	29.6	2 %
Fe recovery (%)	**78.2**	79.0	(1) %	79.6	(2)%
Weighted average products Fe (%)	**66.7**	66.5	— %	66.5	— %
Mine Selected Financial Data (in thousands of dollars)					
Revenues	**349,624**	332,980	5 %	492,890	(29)%
Cost of sales	**329,231**	267,504	23 %	293,398	12 %
Gross profit (loss)	**(27,300)**	27,408	(200) %	155,012	(118)%
Mine Selected Statistics (in dollars per dmt sold)					
Net average realized selling price[1]	**89.5**	106.4	(16) %	128.0	(30)%
C1 cash cost[1]	**82.5**	83.4	(1) %	76.2	8 %
AISC[1]	**94.4**	104.4	(10) %	94.3	— %

i. Operating Performance

Bloom Lake produced 3.3 million wmt of high-purity iron ore concentrates during the three-month period ended September 30, 2026, a decrease of 6% compared to 3.6 million wmt produced during the same period in 2025, reflecting inefficiencies from the ongoing commissioning of the DRPF project. Quarterly production included 0.6 million wmt of concentrate produced through the DRPF project, comparable quarter-over-quarter, with average product quality progressively improving towards targeted purity specifications in accordance with the commissioning process. As a result, the weighted average product grade increased to 66.7% Fe from 66.5% Fe year-over-year. During the three-month period ended September 30, 2026, the Fe recovery rate decreased to 78.2% from 79.6% for the same period in 2025, primarily attributable to higher iron ore losses to tailings associated with DRPF operations.

Iron ore concentrate sales volumes exceeded production, with 3.9 million dmt sold during the three-month period ended September 30, 2026, as Bloom Lake recovered from shipment delays experienced in the previous quarter caused by the DRPF project commissioning activities. As a result, inventories of iron ore concentrates at Bloom Lake and at the Port of Sept-Îles decreased to 1.0 million wmt as at September 30, 2026, compared to 1.7 million wmt as at June 30, 2026. As Bloom Lake advances the commissioning of the DRPF project, it continues to optimize its inventory management strategies to manage different iron ore concentrate qualities and enhance production and sales logistics.

During the three-month period ended September 30, 2026, Bloom Lake mined and hauled 21.7 million wmt of waste and ore, compared to 22.9 million wmt in the same prior-year period. The stripping ratio for the three-month period ended September 30, 2026, was 1.21, consistent with its LoM plan, compared to a 1.29 ratio recorded in the same prior-year period.

ii. Financial Performance

The cost of sales associated with Bloom Lake operations totalled $329.2 million, compared to $293.4 million for the same period in 2025. For the three-month period ended September 30, 2026, mining and processing costs totalled $60.5/dmt produced[1], representing a 14% increase, compared to $52.9/dmt produced[1] in the same prior-year period, primarily attributable to higher fuel prices arising from the conflict in the Middle East, the transition toward DRPF production and its higher processing costs, and lower production volumes over which to amortize fixed costs. 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. For the three-month period ended September 30, 2026, these costs totalled $24.1/dmt sold[1], consistent with the prior-year period, due to similar 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 $82.5/dmt[1], compared to $76.2/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.

Gross loss totalled $27.3 million during the three-month period ended September 30, 2026, compared to gross profit of $155.0 million for the same period in 2025. This gross loss was mainly attributable to lower net realized selling prices combined with higher cost of sales, resulting in lower gross margins on each tonne sold.

AISC totalled $94.4/dmt[1] for the three-month period ended September 30, 2026, in line with the same prior-year period as higher cash costs were offset by lower sustaining capital expenditures, reflecting the phasing of infrastructure-related investments and the optimization of capital allocation in response to current market conditions.

C. Rana Gruber Mine Results

Comparisons of unit costs across Champion's operating segments should be interpreted in the context of distinct production methods, processing operations and logistics infrastructure associated with each site. Rana Gruber's Q1 FY27 results reflect the period from the acquisition date of April 10, 2026 to June 30, 2026, and therefore represent less than a full quarter of operations; quarter-over-quarter comparisons should be read in that context.

At Bloom Lake, the distance between the mine site and the Port of Sept-Îles results in transportation and handling costs being incurred primarily during the haulage of iron ore concentrates and are therefore categorized as land transportation and port handling costs.

At Rana Gruber, the proximity of the processing facility to the port means that a greater proportion of handling costs are incurred prior to the production of iron ore concentrates and are included in mining and processing costs, while land transportation costs are limited due to the significantly shorter rail haulage distance, compared to Bloom Lake.

	Q2 FY27	Q1 FY27	Q/Q Change
Mine Operating Data			
Iron ore concentrate produced (wmt)	**548,800**	392,200	40 %
Iron ore concentrate sold (dmt)	**587,000**	210,200	179 %
Open-pit stripping ratio	**1.59**	2.00	(21) %
Head grade Fe (%)	**32.8**	31.7	3 %
Fe recovery (%)	**76.3**	75.3	1 %
Weighted average products Fe (%)	**65.0**	65.2	— %
Mine Selected Financial Data (in thousands of dollars)			
Revenues	**54,308**	23,896	127 %
Cost of sales	**54,887**	21,247	158 %
Gross loss	**(11,502)**	(5,989)	92 %
Mine Selected Statistics (in dollars per dmt sold)			
Net average realized selling price[1]	**92.5**	113.7	(19) %
C1 cash cost[1]	**85.3**	87.5	(3) %
AISC[1]	**97.1**	147.0	(34) %

i.Operating Performance

Rana Gruber produced 0.5 million wmt of high-purity iron ore concentrates at a weighted average grade of 65.0% Fe during the three-month period ended September 30, 2026. Production during the quarter benefited from higher mill throughput of 1.3 million wmt following the annual maintenance shutdown completed in June 2026, together with a higher head grade of 32.8% Fe and Fe recovery of 76.3%.

Iron ore concentrates sales totalled 0.6 million dmt during the quarter, exceeding production levels primarily due to the timing of shipments and the reduction of magnetite inventories. As a result, inventories of iron ore concentrates decreased to 0.3 million wmt as at September 30, 2026, from 0.4 million wmt as at June 30, 2026.

ii. Financial Performance

During the three-month period ended September 30, 2026, cost of sales totalled $54.9 million, while C1 cash cost amounted to $85.3/dmt sold[1], lower than the previous quarter. Cost of sales for the period included mining and processing costs of $34.5 million, land transportation and port handling costs of $0.9 million, a $14.6 million change in iron ore concentrates inventories and a purchase price allocation inventory adjustment of $4.8 million. Mining and processing costs totalled $67.9/dmt produced[1] and benefited from higher production levels, improved control over

consumable usage and ongoing cost optimization efforts. These favourable impacts were partially offset by persistently higher diesel and explosives prices during the quarter. Land transportation and port handling costs totalled $1.6/dmt sold[1] and benefited from a one-time reimbursement resulting from the resolution of historical public railway fee claims. 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 Rana Gruber Acquisition and is not representative of the underlying operating cost of producing and selling iron ore concentrates.

Gross loss totalled $11.5 million during the three-month period ended September 30, 2026, as the positive impact of higher sales volumes was more than offset by lower realized selling prices resulting from downward pressure on iron ore index prices and higher transportation costs driven by continued increases in fuel rates. Gross loss was also impacted by the purchase price allocation inventory adjustment of $4.8 million.

AISC totalled $97.1/dmt[1] for the three-month period ended September 30, 2026, significantly lower than in the previous quarter, mainly attributable to lower sustaining capital expenditures and the positive impact of higher sales volumes.

D. Net Income (Loss), EBITDA & Adjusted EBITDA

For the three-month period ended September 30, 2026, the Company generated a net loss of $48.4 million (loss per share of $0.09), compared to net income of $56.8 million (EPS of $0.11) for the same prior-year period. These decreases in net results were mainly attributable to a lower gross profit, partially offset by lower income and mining taxes, a lower foreign exchange loss on net monetary liabilities denominated in foreign currencies, as well as a share-based payment decrease. The lower gross result for the three-month period ended September 30, 2026, included DRPF start-up costs of $6.9 million and inventory valuation adjustments in relation to the Rana Gruber Acquisition of $4.8 million.

For the three-month period ended September 30, 2026, the Company generated EBITDA of $3.7 million[1], representing an EBITDA margin of 1%[1], compared to $174.8 million[1], representing an EBITDA margin of 35%[1], for the same period in 2025. Lower EBITDA and EBITDA margins were mainly driven by lower net realized selling prices and higher cash costs, partially offset by higher sales volumes.

For the three-month period ended September 30, 2026, adjusted EBITDA totalled $23.3 million[1], compared to $174.8 million[1], for the same prior-year period.

E. All-in Sustaining Cost & Cash Operating Margin

During the three-month period ended September 30, 2026, the Company realized an AISC of $97.9/dmt[1], compared to $96.9/dmt[1] in the same period in 2025, as lower sustaining capital expenditures at Bloom Lake combined with higher volumes of iron ore concentrates sold, partially offset the rise in cash costs.

The Company generated a negative cash operating margin of $8.0/dmt[1] for each tonne of high-purity iron ore concentrate sold during the three-month period ended September 30, 2026, compared to a positive cash operating margin of $31.1/dmt[1] for the same prior-year period. This decrease was mainly due to a lower net average realized selling price with an AISC remaining relatively stable year-over-year.

3. Exploration Activities

During the three and six-month periods ended September 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 and six-month periods ended September 30, 2026, $3.8 million and $5.7 million in exploration and evaluation expenditures were incurred, respectively, compared to $6.4 million and $15.2 million, respectively, for the same prior-year periods. 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. The decrease also reflects ongoing cost reduction initiatives across the organization, as well as the prioritization of certain exploration programs given the current market conditions.

Exploration and evaluation expenditures were incurred and carried out in Canada in the provinces of 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 September 30,		Six Months Ended September 30,	
(in thousands of dollars)	**2026**	2025	**2026**	2025
Tailings and water infrastructure	**14,823**	23,481	**35,644**	38,247
Stripping and mining activities	**24,583**	18,739	**46,219**	31,714
Tunnelling and underground infrastructure	**4,712**	—	**8,494**	—
Other sustaining capital expenditures	**9,502**	27,690	**41,467**	42,190
Sustaining Capital Expenditures	**53,620**	69,910	**131,824**	112,151
DRPF project	**3,244**	20,614	**17,462**	68,074
Other capital development expenditures	**25,754**	22,675	**34,253**	38,349
Purchase of Property, Plant and Equipment as per Cash Flows	**82,618**	113,199	**183,539**	218,574

Sustaining Capital Expenditures

The tailings-related investments for the three and six-month periods ended September 30, 2026, were consistent with QIO's long-term plan to support LoM operations. Champion continues to prioritize tailings safety through ongoing infrastructure monitoring and inspections, while advancing its long-term investment plan at Bloom Lake. Tailings-related construction activities are typically undertaken between May and November, when weather conditions are more favourable at Bloom Lake.

Stripping and mining activities for the three and six-month periods ended September 30, 2026, included $15.8 million and $33.6 million, respectively, of mine development costs, comprising topographic and pre-cut drilling work, the details of which are contained in the Company's mine plan ($7.3 million and $15.1 million, respectively, for the same periods in 2025). During the three and six-month periods ended September 30, 2026, stripping and mining activities also included $8.8 million and $12.7 million, respectively, of capitalized stripping costs ($11.4 million and $16.6 million, respectively, for the same periods 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 and six-month periods ended September 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 and six-month periods ended September 30, 2026, the Company spent $3.2 million and $17.5 million, respectively, in capital expenditures related to the DRPF project ($20.6 million and $68.1 million, respectively, for the same prior-year periods). The decrease primarily reflects the substantial completion of construction activities, with year-to-date investments mainly consisting of commissioning and ramp-up activities. Cumulative investments totalled $497.0 million as at September 30, 2026.

Other Capital Development Expenditures

During the three and six-month periods ended September 30, 2026, other capital development expenditures totalled $25.8 million and $34.3 million, respectively ($22.7 million and $38.3 million, respectively, for the same periods in 2025) and are detailed as follows:

	Three Months Ended September 30,		Six Months Ended September 30,	
(in thousands of dollars)	**2026**	2025	**2026**	2025
Infrastructure improvements and conformity (i)	**1,727**	12,172	**7,744**	15,191
Mine maintenance garage expansion	**—**	—	**—**	457
Deposits or final payments for mining equipment	**11,325**	9,404	**11,346**	15,623
Other (ii)	**12,702**	1,099	**15,163**	7,078
Other Capital Development Expenditures	**25,754**	22,675	**34,253**	38,349

(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's mine site.

5. Conference Call and Webcast Information

A webcast and conference call to discuss the foregoing results will be held on October 29, 2026, at 9:00 AM (Montréal time) / October 30, 2026, at 12:00 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 56477#.

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 15 million 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 has completed the construction of the DRPF project, which is designed to upgrade up to half of Bloom Lake's mine capacity to a direct reduction quality pellet feed iron ore with up to 69% Fe, and is currently progressing through its commissioning and ramp-up phase. 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 AS, a Norwegian iron ore producer based in Mo i Rana, Nordland. With continuous production dating back to the 1960s, Rana Gruber produces approximately 1.8 million 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" or "forward-looking statements" 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", "priority", "positioned", "potential" 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. The cautionary statements in this quarterly activities report qualify all Forward-Looking Statements made in this quarterly activities report.

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 believes 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, production, economic and other benefits, 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), the commissioning and ramp-up of the DRPF project, expected DRPF project timeline, including the anticipated timeline for initial saleable production and full production capacity, remaining completion expenditures and budget, pricing premiums, efficiencies, economic and other benefits, related engagement with, and expectations with respect to, prospective customers, the

expected commercial shipments of iron ore, including the additional test-cargoes and commercial agreements for shipments scheduled for the third quarter of FY2027, the confirmation of DRPF product quality and the continued improvement of average product quality towards the project's target specifications, and ramping-up and achieving full production capacity of the DRPF project and the impact thereof on production, sales and financial results and the timing thereof; (iii) the Rana Gruber Acquisition, including the expectations regarding the integration of Rana Gruber, Rana Gruber's annual production of iron ore concentrates and the ability of Champion to realize the anticipated benefits of the Rana Gruber Acquisition; (iv) 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; (v) maintaining stripping activities cadence; (vi) ore inventory management strategies, including product blending, short-term stockpiling and reducing inventory levels at Rana Gruber; (vii) the Company's safe tailings strategy, tailings investment plan and mining equipment rebuild programs; (viii) the relationship between iron ore prices and ocean freight costs (including C3 index outlook) and their impact on the Company; (ix) 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; (x) 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; (xi) pricing of the Company's products (including provisional pricing); (xii) the Company's expected iron ore concentrates production and sales, mining and hauling activities and related costs; (xiii) the Company's iron ore concentrates pricing trends compared to the P65 index; (xiv) available liquidity and the Company's financial flexibility, including spending prioritization; (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 strategic and growth initiatives and opportunities generally, including that such initiatives are subject to market conditions and funding capabilities, and their potential to optimize shareholder returns, unlock value for stakeholders and reinforce the Company's leadership in the high-purity iron ore industry; (xvii) the impact of the conflict in the Middle East, trade policy measures (including the European Union's safeguard framework and carbon border adjustment mechanism) and other geopolitical developments on iron ore demand and prices, freight and fuel costs and the Company's operations; and (xviii) the Company's operational optimization and cost reduction initiatives and their expected benefits, and the prioritization of exploration programs.

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, including delays in the commissioning and ramp-up of the DRPF project; (xiii) geopolitical events, including the conflict in the Middle East; (xiv) the effects of catastrophes and public health crises on the global economy, the iron ore market and Champion's operations; (xv) the Company's ability to comply with the covenants under its credit facilities, the expiry of temporary covenant relief and the Company's ability to obtain further amendments, waivers or additional financing on acceptable terms or at all; (xvi) the ability of the DRPF project to consistently produce product meeting customer quality specifications and the acceptance of DRPF product by customers; (xvii) trade policies, tariffs, safeguard measures and carbon border adjustment mechanisms; (xviii) fluctuations in foreign exchange rates and the effectiveness of, and counterparty risk under, the Company's hedging arrangements; and (xix) risks relating to the integration of Rana Gruber and the realization of the anticipated benefits of the Rana Gruber Acquisition, 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 or the listing rules of any stock exchange on which the Company's securities are listed, including the Company's continuous disclosure obligations under the ASX Listing Rules and applicable Canadian securities laws. 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 and definitions are used throughout this release: US$ (United States dollar), C$ (Canadian 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, and "QIO" refers to Quebec Iron Ore Inc. The term "IFRS" refers to International Financial Reporting Standards as issued by the International Accounting Standards Board.

Contact Information

For investor relations:	For media:
Alexandre Buissières Director Corporate Development and Capital Markets info@championiron.com	Noémie Prégent-Charlebois Vice-President Communications, Government and Community Affairs info@championiron.com

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 and six-month periods ended September 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 October 29, 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 and six-month periods ended September 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 and six-month periods ended September 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. Commencing in Q2 FY27, the Company revised the composition of adjusted net income (loss) and introduced adjusted EBITDA. Adjusted net income (loss) adjusts net income (loss), as applicable, for acquisition-related costs, start-up costs, purchase price allocation inventory adjustments, gain or loss on disposal of non-current investments, write-off of non-current investments, unrealized fair value changes on derivative instruments and the related tax effects of these items. Adjusted EBITDA is calculated by adjusting EBITDA, as applicable, for the same items.

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.

Non-IFRS financial information in this quarterly activities report has not been audited or reviewed by the Company's external auditors.

Adjusted Net Income (Loss) and Adjusted EPS

(in thousands of dollars, except shares and per share data)	**Q2 FY27**	Q1 FY27	Q2 FY26
Net income (loss)	**(48,355)**	(41,528)	56,794
Cash items			
Start-up costs	**6,921**	6,551	—
Purchase price allocation inventory adjustment	**4,832**	2,865	—
Acquisition-related costs	**—**	3,618	13
Non-cash items			
Unrealized change in fair value of derivative instruments	**7,856**	32,517	—
	(28,746)	4,023	56,807
Tax effects of adjustments listed above	**(5,518)**	(9,984)	—
Adjusted net income (loss)	**(34,264)**	(5,961)	56,807
(in thousands)			
Weighted average number of ordinary shares outstanding — Basic	**560,047**	557,102	533,251
Adjusted EPS (in dollars)	**(0.06)**	(0.01)	0.11

EBITDA and EBITDA Margin

(in thousands of dollars)	**Q2 FY27**	Q1 FY27	Q2 FY26
Income (loss) before income and mining taxes	**(71,019)**	(50,312)	104,072
Net finance costs	**15,485**	35,861	25,643
Depreciation	**59,190**	47,241	45,108
EBITDA	**3,656**	32,790	174,823
Revenues	**403,932**	356,876	492,890
EBITDA margin	**1%**	9%	35%
Cash items			
Start-up costs	**6,921**	6,551	—
Purchase price allocation inventory adjustment	**4,832**	2,865	—
Acquisition-related costs	**—**	3,618	13
Non-cash items			
Unrealized change in fair value of derivative instruments	**7,856**	32,517	—
Adjusted EBITDA	**23,265**	**78,341**	**174,836**

Available Liquidity

(in thousands of dollars)	**As at September 30, 2026**	As at June 30, 2026
Cash	**214,357**	198,621
Undrawn amounts under credit facilities	**404,088**	454,516
Available liquidity	**618,445**	653,137

C1 Cash Cost

	Q2 FY27	Q1 FY27	Q2 FY26
Iron ore concentrates sold (dmt)	**4,494,100**	3,339,000	3,850,900
(in thousands of dollars, except per dmt data)			
Cost of sales	**384,118**	288,751	293,398
Less: Purchase price allocation inventory adjustment	**(4,832)**	(2,865)	—
Less: Start-up costs	**(6,921)**	(6,551)	—
	372,365	279,335	293,398
C1 cash cost (per dmt sold)	**82.9**	83.7	76.2

All-in Sustaining Cost

	Q2 FY27	Q1 FY27	Q2 FY26
Iron ore concentrates sold (dmt)	**4,494,100**	3,339,000	3,850,900
(in thousands of dollars, except per dmt data)			
Cost of sales	**384,118**	288,751	293,398
Less: Purchase price allocation inventory adjustment	**(4,832)**	(2,865)	—
Less: Start-up costs	**(6,921)**	(6,551)	—
Sustaining capital expenditures	**53,620**	78,204	69,910
General and administrative expenses	**14,114**	14,185	9,894
	440,099	371,724	373,202
AISC (per dmt sold)	**97.9**	111.3	96.9

Cash Operating Margin and Cash Profit Margin

	Q2 FY27	Q1 FY27	Q2 FY26
Iron ore concentrates sold (dmt)	**4,494,100**	3,339,000	3,850,900
(in thousands of dollars, except per dmt data)			
Revenues	**403,932**	356,876	492,890
Net average realized selling price (per dmt sold)	**89.9**	106.9	128.0
AISC (per dmt sold)	**97.9**	111.3	96.9
Cash operating margin (per dmt sold)	**(8.0)**	(4.4)	31.1
Cash profit margin	**(9)%**	(4)%	24%

Gross Average Realized Selling Price per dmt Sold

	Q2 FY27	Q1 FY27	Q2 FY26
Iron ore concentrates sold (dmt)	**4,494,100**	3,339,000	3,850,900
(in thousands of dollars, except per dmt data)			
Revenues	**403,932**	356,876	492,890
Provisional pricing adjustments	**6,493**	6,205	(40,935)
Freight and other costs	**253,683**	166,982	154,436
Gross revenues	**664,108**	530,063	606,391
Gross average realized selling price (per dmt sold)	**147.8**	158.7	157.5

Per Mine Cash Costs and AISC

			Q2 FY27			Q1 FY27			Q2 FY26
	Bloom Lake	**Rana Gruber**	**Consolidated**	**Bloom Lake**	**Rana Gruber**	**Consolidated**	**Bloom Lake**	**Rana Gruber**	**Consolidated**
(in thousands)									
Iron ore concentrates sold (dmt)	3,907	587	4,494	3,129	210	3,339	3,851	—	3,851
Iron ore concentrates produced (dmt)	3,222	508	3,730	3,438	365	3,802	3,442	—	3,442
(in thousands of dollars, except per ton amount)									
Mining and processing costs	194,950	34,471	229,421	187,287	31,237	218,524	182,103	—	182,103
Change in iron ore concentrate inventories	33,324	14,640	47,964	(22,028)	(13,450)	(35,478)	17,410	—	17,410
Land transportation and port handling costs	94,036	944	94,980	95,694	595	96,289	93,885	—	93,885
Purchase price allocation inventory adjustment	—	4,832	4,832	—	2,865	2,865	—	—	—
Start-up costs	6,921	—	6,921	6,551	—	6,551	—	—	—
Cost of sales (in $)	**329,231**	**54,887**	**384,118**	**267,504**	**21,247**	**288,751**	**293,398**	**—**	**293,398**
Less: Purchase price allocation inventory adjustment	—	(4,832)	(4,832)	—	(2,865)	(2,865)	—	—	—
Less: Start-up costs	(6,921)	—	(6,921)	(6,551)	—	(6,551)	—	—	—
C1 cash cost (in $)	**322,310**	**50,055**	**372,365**	**260,953**	**18,382**	**279,335**	**293,398**	**—**	**293,398**
Add: Sustaining capital expenditures	46,679	6,941	53,620	65,696	12,508	78,204	69,910	—	69,910
Add: General and administrative expenses	—	—	14,114	—	—	14,185	—	—	9,894
AISC (in $)	**368,989**	**56,996**	**440,099**	**326,649**	**30,890**	**371,724**	**363,308**	**—**	**373,202**
Mining and processing costs (per dmt produced)[1]	60.5	67.9	61.5	54.5	85.7	57.5	52.9	—	52.9
Land transportation and port handling costs (per dmt sold)[1]	24.1	1.6	21.1	30.6	2.8	28.8	24.4	—	24.4
C1 cash cost (per dmt sold)[1]	82.5	85.3	82.9	83.4	87.5	83.7	76.2	—	76.2
AISC (per dmt sold)[1]	94.4	97.1	97.9	104.4	147.0	111.3	94.3	—	96.9