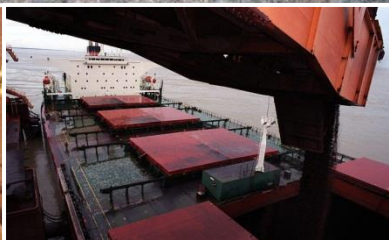
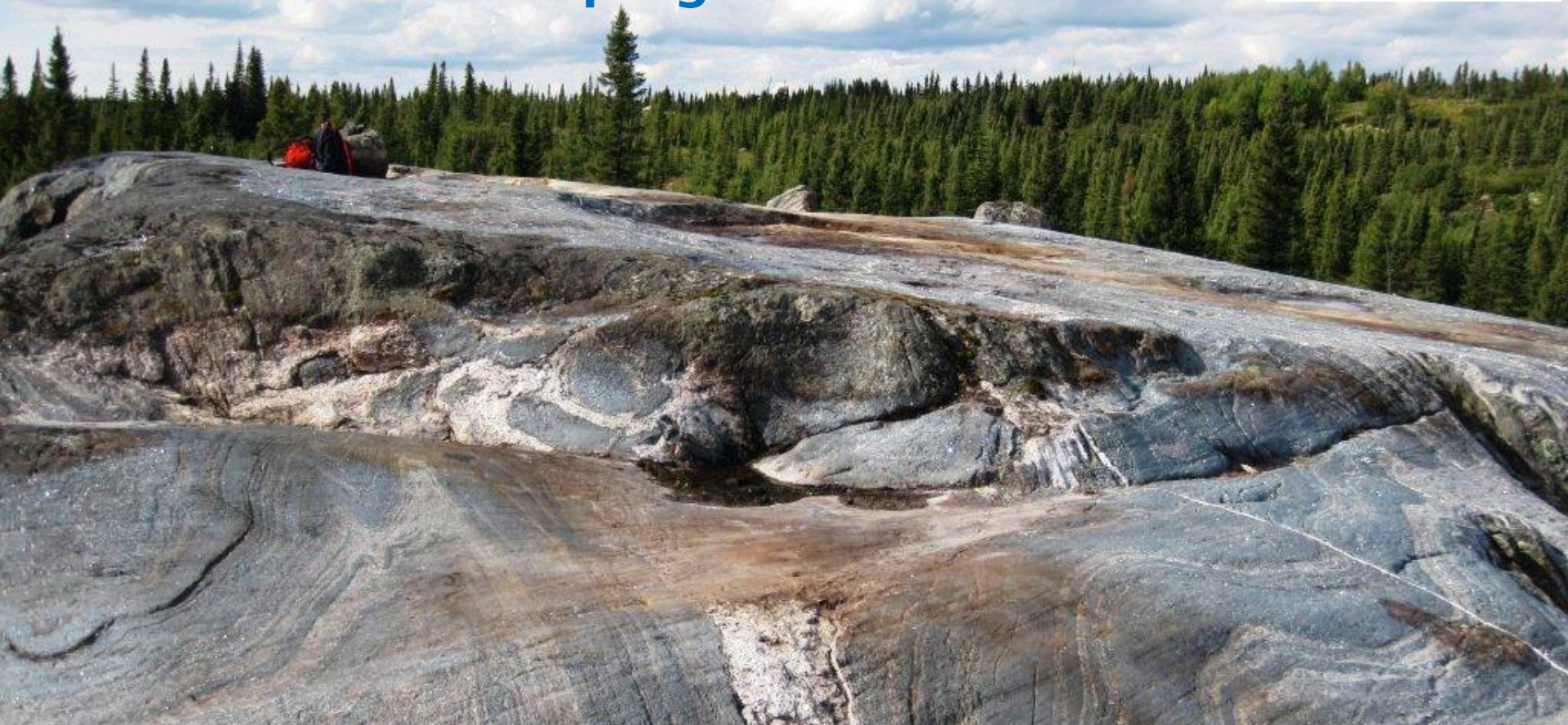




# Champion Iron Limited (ASX:CIA)

## Developing Fire Lake North





Champion Iron Limited (ASX: CIA | TSX: CIA, “Champion”) has now combined all the elements required to progress the Consolidated Fire Lake North Project (“CFLN”) into production:

Board with successful project  
development and funding  
experience

Large resource base for potential  
to grow production

**ASX & TSX  
Listed**

Existing rail capacity, port  
capacity and low-cost hydro  
power

Rapid path to production with  
CFLN 2013 PFS for 9.3mtpa, NPV  
C\$3.3b & operating costs of  
C\$44.05/t

## Information as of March 31, 2014

Ordinary Shares <sup>1</sup>	198.4 million
------------------------------	---------------

## Options / Warrants

Altius Options @ A\$0.25 by 2015	17.0 million
----------------------------------	--------------

Baotou Warrants @ C\$0.34 by 2015	11.0 million
-----------------------------------	--------------

Company stock options A\$0.41-A\$0.55	6.0 Million
---------------------------------------	-------------

Company stock options A\$1.09-A\$2.96	4.8 Million
---------------------------------------	-------------

Fancamp Warrants @ C\$4.09 by May 2015	5.1 million
----------------------------------------	-------------

1. includes the future conversion of 1,941,100 exchangeable shares.

- Excellent global trade relationships,  
no resource nationalism, clear and  
**sound policy for mining**

4

The Trough is known for a **low impurity**

- **premium product** (Phosphorus, Aluminium, Sulphur)

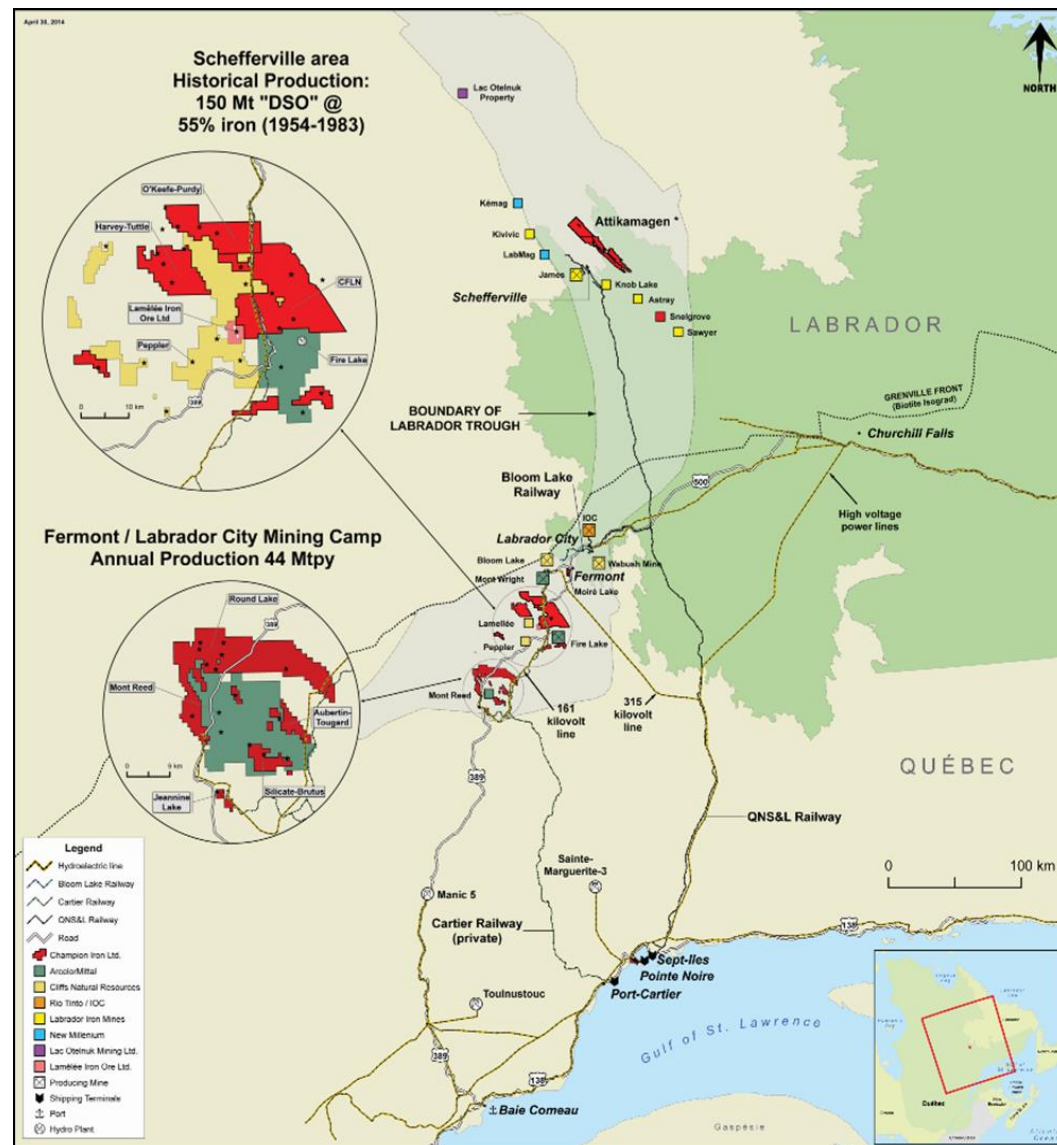
Recent brownfields expansions at  
**ArcelorMittal and Rio Tinto**

2011 – Cliffs paid C\$4.9billion for Consolidated Thompson operating the Bloom Lake mine at 7.2mtpa (**\$680m per mtpa**)

2013 - Posco and China Steel paid C\$1.1billion for 15% of ArcelorMittal Canada (**\$489m per mtpa**)

2013 - Hebei paid C\$119million pre-development funding for 25% Alderon's Kami project (Feasibility for 8Mtpa magnetite/hematite production)

2013 – Tata paid C\$30million for 51% of Labrador Iron Mines, 28 million tonne 58% DSO deposit (**\$2.10 per tonne** for a non-compliant resource)



\*Champion retains 2% NSR on the Attikamagen Property



**Town of Wabush/Labrador City** - Operating  
50 year old+ mines which are now mostly  
fine grained, mixed hematite / magnetite ore  
with costs at **\$60/t-\$100/t FOB**

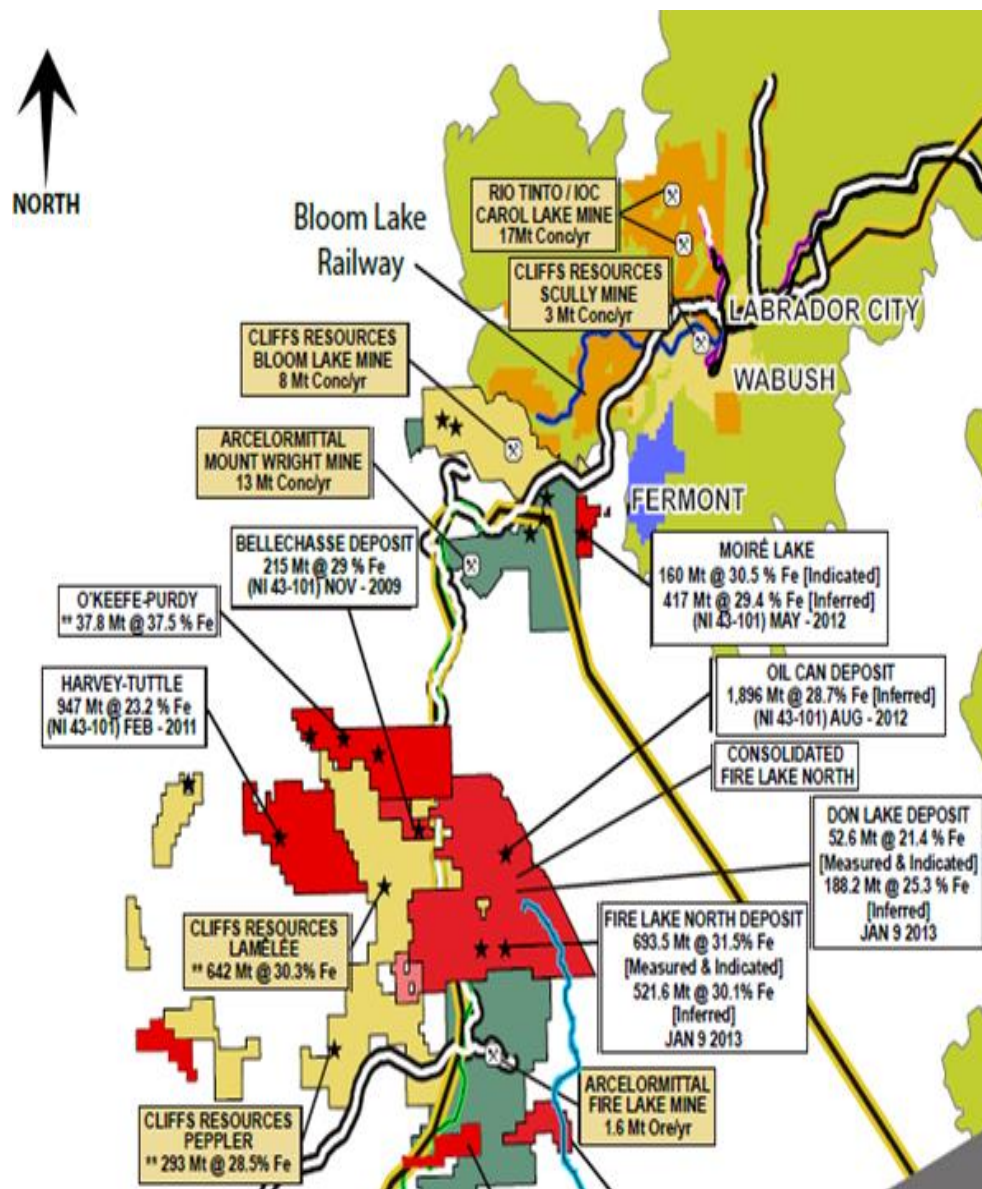
**Town of Fermont** - ArcelorMittal's  
properties operating at **\$35/t FOB** with  
course grained hematite achieving high  
recoveries

ArcelorMittal's most profitable division  
worldwide

**Posco and China Steel \$1.1b** investment  
into ArcelorMittal Canada (for 15%) is a  
successful Asian iron ore investment,  
increasing production from 14Mtpa to  
24Mtpa, now achieving ~27Mtpa because of  
greater recoveries from Fire Lake

Expansion is entirely from ArcelorMittal's

Fire Lake deposit **contiguous to**  
**Champion's Fire Lake North deposit**







## Pointe Noire Multi-User Wharf

- Phase 1: 50mtpa for \$220m
- Phase 2: 100mtpa
- Phase 1 due for completion (Mid 2014)
- Federal government funding 25% of the project

## Pointe Noire - Cliffs

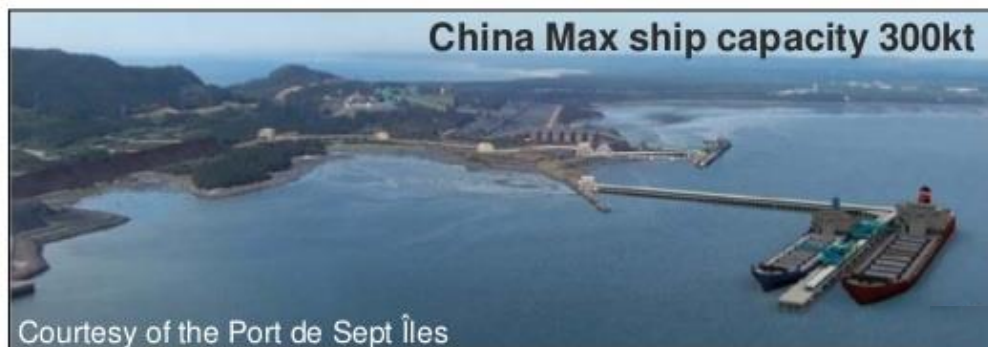
- Two berths with combined 13mtpa capacity
- Smaller ships requiring transshipping
- Planning dredging to allow handling of larger ships

## Port of Sept-Iles – IOC/RIO

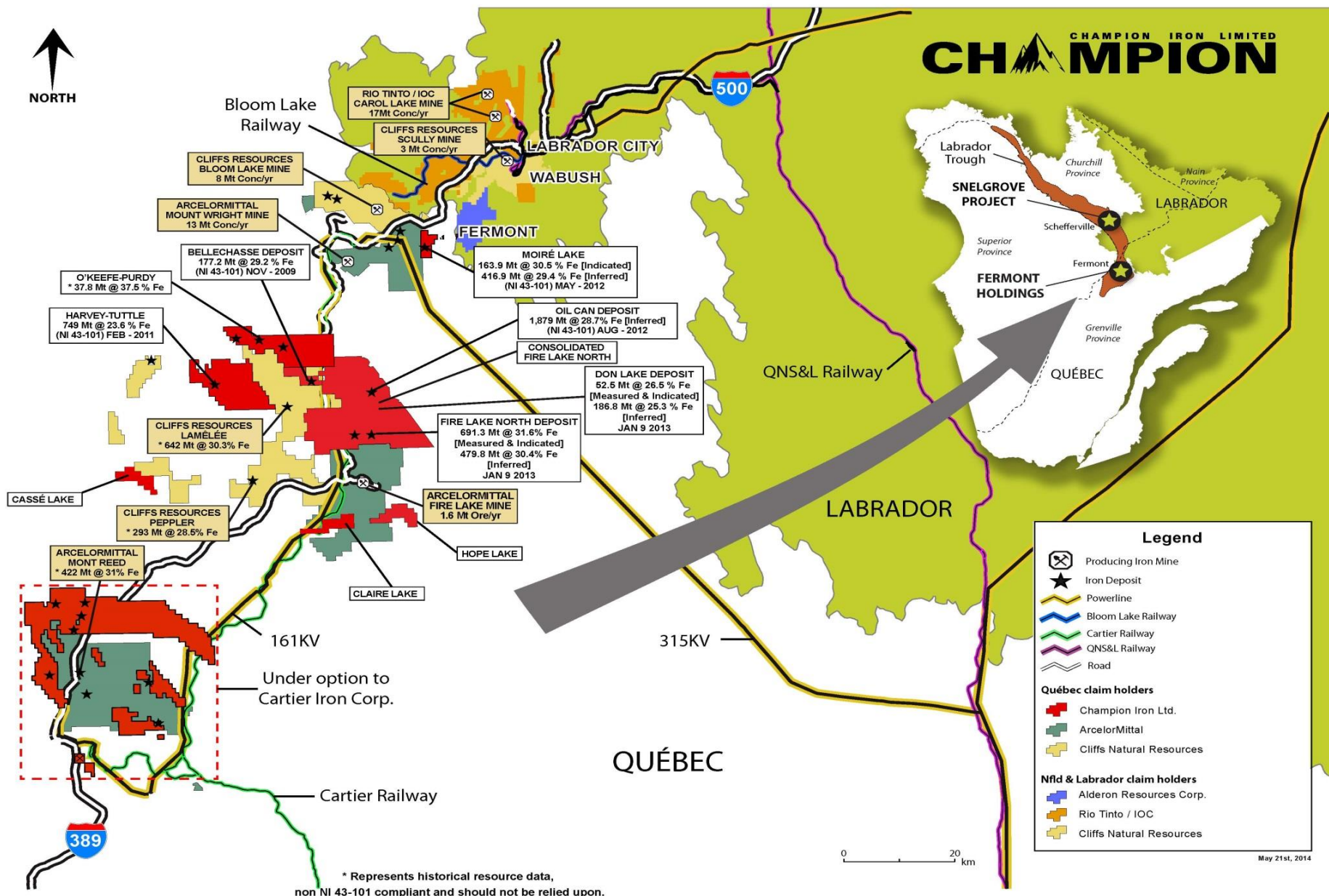
- 25mtpa+ capacity
- Handles ore from IOC, New Millennium and Labrador Iron Mines

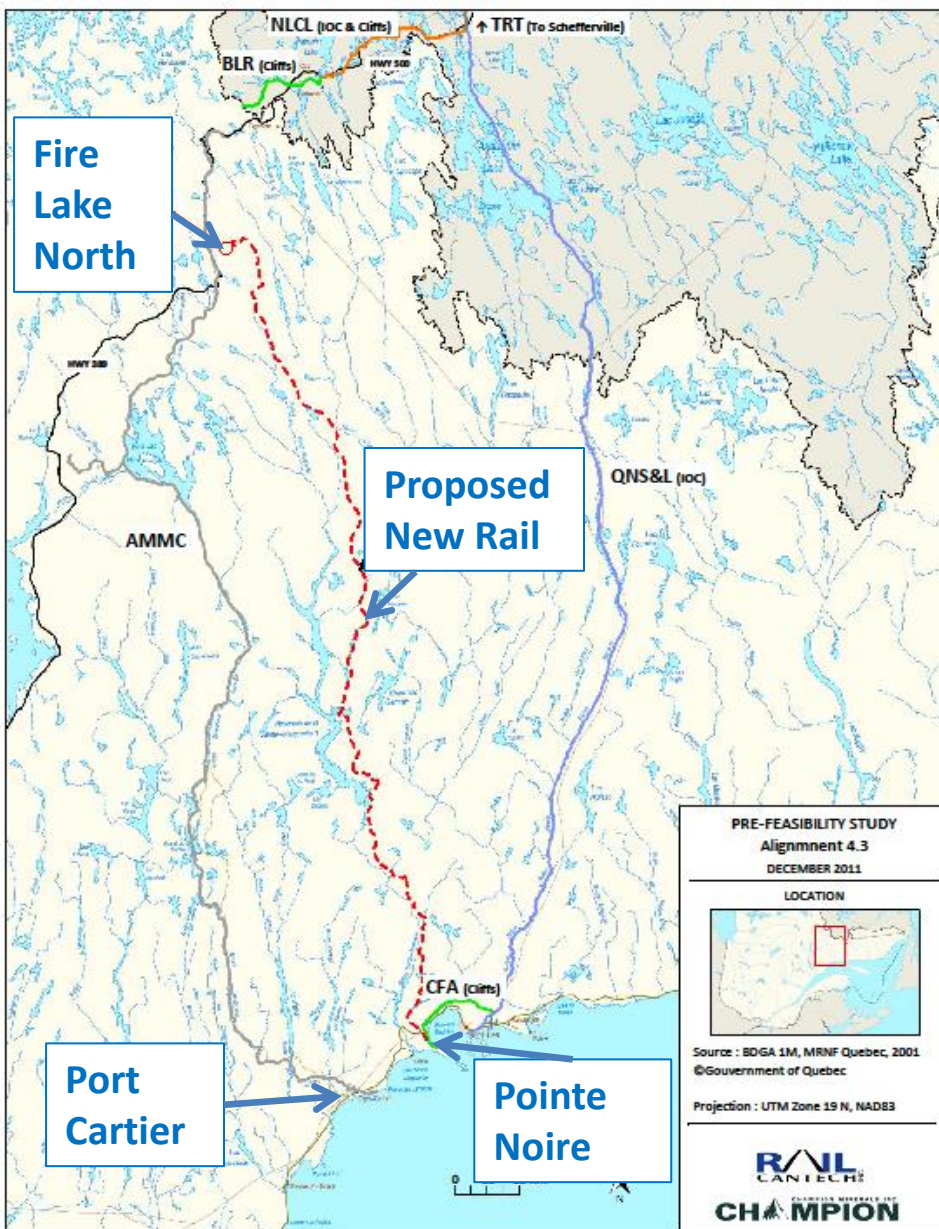
## Port Cartier – ArcelorMittal

- 30-35mtpa capacity









Quebec Liberal Party (Parti Libéral du Québec “PLQ”) won April 7th, 2014 election with a majority government

PLQ 2014 election policy for \$33b towards infrastructure development strategy of which the three policies that most relate to Champion are:

1. “Promote an agreement of co-investment among businesses for the opening of the Labrador Trough to advance a rail connection linking iron ore deposits with Pointe Noire”
2. “Participate in the expansion of a pier which is vital for the economic development of Port Cartier”
3. “Encourage the supply of natural gas north of the 49th parallel toward Sept-Iles”



## Large-Scale, Feasibility Stage Project with Robust Economics

### **Located in the most established iron ore district in the Labrador Trough:**

- ✓ Contiguous to the north of ArcelorMittal's operating Fire Lake Mine
- ✓ Within 70km of 40+ mtpa of production from IOC/RIO, Cliffs and ArcelorMittal

### **Excellent access to infrastructure:**

- ✓ Multiple rail options
- ✓ Construction of a 50mtpa multi-user ship loader at Port of Sept-Îles is on schedule and budget
- ✓ Access to low-cost hydro power

### **Large tonnage, high quality hematite iron ore deposits:**

- ✓ 1.2Bt of metallurgical coarse-grained hematite mineralization that is easy to liberate at 600 $\mu$ -850 $\mu$
- ✓ Consolidated Fire Lake North contains a total iron resource of 3.6 billion tonnes providing increased production potential

### **66% Fe premium product with low levels of Alumina, Phosphorous and Sulphur:**

- ✓ High Fe recovery of 82% with conventional gravity spiral processing
- ✓ Alumina is 0.52% (industry standard of <2%) with ~5% silica content
- ✓ Low alumina to silica ratio - ideal as a blending product for steel mills

## February 2013 NI 43-101 Compliant Pre-Feasibility Results<sup>1</sup>

Mine Life	19.6 years
-----------	------------

P&P Reserves	465M tonnes at 32.4% Fe
--------------	-------------------------

LOM Average Annual Concentrate Production	9.3M tonnes
-------------------------------------------	-------------

Concentrate Grade	66% Fe
-------------------	--------

Average Operating Cost <sup>2</sup>	C\$44.05/t
-------------------------------------	------------

LOM Cashflow	C\$9.0 billion
--------------	----------------

Initial Capital Cost (excluding rail)	C\$1.4 billion
---------------------------------------	----------------

Project Economics <sup>3</sup>	Pre-Tax NPV 8% of C\$3.3 billion
	Pre-tax IRR of 30.9%

1. BBA Inc., Rail Cantech & P&E Mining Consultants

2. Includes C\$9.47/t of costs associated with railway capital debt and interest payments

3. Based on 62% Fe benchmark price forecast of US\$115/t in years 1-5 and US\$110/t in years 6-20. Assumes exchange rate of US\$1:C\$1



	M&I Tonnage (Mt)	M&I Grade (Fe %)	Inferred Tonnage (Mt)	Inferred Grade (Fe %)
<b>Fire Lake North - West Pit</b>	427	32.8%	301	31.2%
Fire Lake North – East Pit	264	29.7%	179	29.0%
Oil Can Oxide			967	33.2%
Moire Lake	164	30.5%	417	29.4%
Penguin Lake (Under option to Cartier Iron Ltd. )			531	33.1%
Other deposits			2,078	
<b>Total In-Pit Resources</b>			<b>5,328</b>	



## Michael O'Keefe

Michael is the Executive Chairman of CIA and Riversdale Resources (which recently acquired “Grassy Mountain”, a Canadian coal asset from Consol Energy and Devon). Michael is a metallurgist and has significant experience and achievement in growing mining resources companies. Some companies previously under Michael's stewardship:

- **Riversdale Mining Limited (2004-2011), Executive Chairman.** Led the development of Riversdale Mining from a junior with a market cap of A\$7 million until it was acquired by Rio Tinto for A\$4 billion. During his period at Riversdale Mining, Michael raised around A\$780 million for the company.
- **Glencore Australia (Pty) Limited (1995-2004), Managing Director.** Responsible for Glencore's Australian acquisitions. Increased Glencore's market share in Australia and SE Asia, growing the turnover from US\$100 million to US\$2.4 billion.
- **Mt Isa Mines (1975-1994).** At Mt Isa, Michael held a series of senior operating positions, rising to Executive Management level in commercial activities. His achievement among others was undertaking feasibility studies into downstream copper smelting and refining opportunities in Europe, Asia, North and South America.



## Thomas Larsen | Non-Executive Director

- President and CEO of Champion since 2006 and has considerable experience developing mining companies
- Established Champion and led its development from a junior exploration company
- Raised substantial financing to effectively fund its development activity
- 30 years of experience in the investment industry, specializing in the management of junior mining companies, raising in excess of C\$150m
- Mr. Larsen is a director of Eloro Resources Ltd.

## Andrew Love | Non-Executive Director

- Deputy Chairman of Riversdale Mining Ltd
- 30 years experience in finance with banking and corporate recovery
- Established Ferrier Hodgson in Hong Kong in 1985

## Gary Lawler | Non-Executive Director

- Partner of Ashurst Australia (Leading Australian Law Firm)
- Previously a director with both Dominion Mining Limited and Riversdale Mining Limited

## Paul Ankorn | Non-Executive Director

- Former President and director of the Cartier Iron Corporation from 2012 to 2013
- Chief Financial Officer of Tartisan Resources Corp. and Shield Gold Inc. since 2008
- President of Remington Resources Inc. from 2005 to 2010
- Director of ACME Resources Corp., Shield Gold Inc.; Tartisan Resources Corp. and Fancamp Exploration Ltd.

## Don Sheldon | Non-Executive Director

- Executive Officer of Sheldon Huxtable Professional Corporation, a Toronto-based law firm, advising mining companies for 30 years
- Chief Executive Officer and Director of Metacorp Limited
- Director of KWG Resources Inc., Crown Gold Corporation, Fletcher Nickel Inc., Carlisle Goldfields Ltd. as well as an officer or director of several private companies including Secretary of The Temagami Iron Corporation

## James Wang | Non-Executive Director

- Representative of Baotou Chen Hua Investments Limited
- MBA (New York Institute of Technology), Bachelor of Engineering (Major in Architecture)(North-Western Institute of Architectural Engineering)

✓ <b>Reserve</b>	<b>465 million tonne reserve</b> within 5.3 billion tonnes of in-pit resources
✓ <b>Location</b>	One of the world's <b>best</b> regions for mining
✓ <b>Port</b>	Access to <b>common user port</b> with available capacity in 2014
✓ <b>Power</b>	<b>Low cost hydro electricity \$0.045 /Kwh</b> reduces opex
✓ <b>Government</b>	Plan Nord economic development strategy including \$33b towards infrastructure and a key policy to “ <b>advance a new rail connection</b> linking the iron ore deposits with the port of Sept-Iles” (Quebec Liberal Party Plan Nord+ commitment announcement)
✓ <b>Rail</b>	Availability on IOC's <b>common carrier rail</b> . Progressing a lower opex direct rail with the government of Quebec
✓ <b>Investment</b>	<b>NPV8% of C\$3.3b with C\$45/t opex</b> from Fire Lake North 2013 PFS (US\$111/t 62% Fe benchmark CFR China)
✓ <b>Product</b>	<b>66% Fe low impurity product</b> (Phosphorus, Aluminium, Sulphur) premium product
✓ <b>Size</b>	Prefeasibility based on <b>9.3 mtpa</b>
✓ <b>Management</b>	Experienced in the successful development and funding of <b>large tonnage mining and infrastructure projects</b>

## Presentation of General Background

This document contains general background information about the activities of Champion Iron Limited (“Champion” or “the Company”) current as at the date of this presentation. It is information in a summary form only and does not contain all the information necessary to fully evaluate any transaction or investment. It should be read in conjunction with Champion’s other periodic and continuous disclosure requirements to the ASX available at [www.asx.com.au](http://www.asx.com.au).

This presentation may include forward-looking statements. These forward-looking statements are based on management’s expectations and beliefs concerning future events. Forward-looking statements are necessarily subject to risks, uncertainties and other factors, many of which are outside the control of Champion that could cause actual results to differ materially from such statements. Champion and Capital Investment Partners (CIP) make no undertaking to subsequently update or revise the forward-looking statements made in this release to reflect events or circumstances after the date of this release.

CIP believes to the best of its knowledge information and general advice contained in this presentation is accurate as at the date of issue. To the fullest extent permitted by law, each of CIP and its directors, officers, employees and advisers excludes and disclaims all liability for any direct or indirect expenses, losses, costs or damages whatsoever arising in any way for any representation, act or omission, whether express or implied (including responsibility to any person by reason of negligence). Except for any liability that cannot be excluded by law, CIP does not accept any responsibility in relation to the Information or the general advice. This presentation has been prepared using publically available information and we do not make any representation or warranty that it is accurate, complete or up to date. Opinions expressed are subject to change without notice. CIP and its employees own shares in Champion. Gavin Argyle is a significant shareholder of Champion.

There are a number of risks, both specific to Champion and of a general nature which may affect the future operating and financial performance of Champion and the value of an investment in Champion including and not limited to economic conditions, stock market fluctuations, iron ore demand and price movements, timing of access to infrastructure, timing of environmental approvals, regulatory risks, operational risks, reliance on key personnel, reserve and resource estimations, native title and title risks, foreign currency fluctuations, and mining development, construction and commissioning risk