



CHAMPION IRON ANNOUNCES THAT IT WILL NOT PROCEED WITH THE PROPOSED RE-DOMICILIATION TO CANADA

Montréal, March 19, 2020 – Champion Iron Limited [TSX: CIA] [ASX: CIA] (the “Company” or “Champion”) announces that the Board has determined that the Company will not proceed with the previously announced proposal to redomicile from Australia to Canada by way of a scheme of arrangement under Part 5.1 of the Corporations Act 2001 [Cth] and the liquidation of the Company (the “Re-domicile” or the “Re-domiciliation”), due to the current market volatility and global uncertainty associated with the COVID-19 virus.

As a result of such current market volatility and global uncertainty, the Company may not be able to realize some of the anticipated benefits of the Re-domicile. Accordingly, the Board does not consider that the Re-domicile is in the best interests of the shareholders of Champion at this time. The Company has decided to terminate the scheme of arrangement and will withdraw the application to seek orders from the Federal Court of Australia approving the scheme of arrangement.

The Board may consider implementing a re-domicile from Australia to Canada at a later point in time depending on market conditions.

The decision to terminate the Re-domicile will not have any impact on the Company's assets, operations or staff which remain predominantly based in the province of Quebec, Canada. The Company's strategy will not be affected by today's announcement and its shares remain listed in Canada on TSX and in Australia on ASX.

About Champion Iron Limited

On April 11, 2016, the Company, through its subsidiary Quebec Iron Ore Inc., acquired the Bloom Lake assets from bankruptcy protection. Following the release of a feasibility study on February 16, 2017, the Company recommissioned Bloom Lake in February 2018, which completed its first shipment on April 1, 2018. In June 2019, the Company released a feasibility study for the Phase II expansion which envisions doubling the mine's overall capacity from 7.4 Mtpa to 15 Mtpa. On August 16, 2019, the Company finalized the terms of an agreement with Ressources Québec Inc. whereby the Company acquired Ressources Québec's 36.8% equity interest in Quebec Iron Ore Inc. and now owns 100% of Quebec Iron Ore Inc., which owns the Bloom Lake mine.

Located on the south end of the Labrador Trough, approximately 13 km north of Fermont, Quebec, and adjacent to established iron ore producers, the Bloom Lake mine is an open-pit truck and shovel operation with a concentrator. From the site, iron concentrate is transported by rail, initially on the Bloom Lake railway, to a ship loading port in Sept-Îles, Quebec.

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This Press Release has been authorized for release to the market by the Board of the Company.

Summary information

The following disclaimer applies to this announcement and any information contained in it. The information in this announcement is of general background and does not purport to be complete. It should be read in conjunction with Champion Australia's periodic and continuous disclosure announcements lodged with the ASX, disseminated and filed in Canada, as required, and the Scheme Booklet.

Forward looking statements

This announcement includes certain information that may constitute “forward-looking information” under applicable securities legislation. All statements, other than statements of historical facts, included in this announcement that address future events, developments or performance that Champion expects to occur are 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 “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.

Although Champion believes the expectations 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 Champion, which may cause Champion’s actual results, performance or achievements to differ materially from those expressed or implied by such forward-looking statements. Factors that could cause the actual results to differ materially from those in forward-looking statements include, without limitation, changes in laws and regulations including tax laws; the effects of catastrophes and public health crises; general economic, market or business conditions; general economic, competitive, political and social uncertainties, as well as those factors discussed in the section entitled “Risk Factors” of the Champion’s 2019 Annual Information Form and the risks and uncertainties discussed in the Company’s MD&A for the year ended March 31, 2019, which are available on SEDAR at www.sedar.com.

There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such forward-looking information. Accordingly, readers should not place undue reliance on forward-looking information. All of Champion’s forward-looking information contained in this announcement is given as of the date hereof and is based upon the opinions 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 such forward-looking information, whether as a result of new information, future events or otherwise, except as required by law.

Not for release to US wire services

This announcement has been prepared for publication in Australia and dissemination in Canada and may not be released to US wire services. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States of America or any other jurisdiction. Any securities described in this announcement have not been registered under the US Securities Act of 1933, as amended, and may not be offered or sold in the United States of America except in transactions exempt from, or not subject to, registration under the US Securities Act and applicable US state securities laws.