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CHAMPION IRON

PRESS RELEASE

CHAMPION IRON TO ACQUIRE THE KAMI PROJECT

A high-grade project near the Company's operating Bloom Lake mine

Montréal, November 16, 2020 - Champion Iron Limited (TSX: CIA) (ASX: CIA) ("Champion" or the "Company") is pleased to announce that the Supreme Court of Newfoundland and Labrador approved the acquisition by the Company and certain of its affiliates from Deloitte Restructuring Inc. (the "Receiver"), as receiver for Alderon Iron Ore Corp. ("Alderon") and certain of its affiliates, of the mining properties of the Kamistiatusset iron ore project (the "Kami Project") located in the Labrador Trough geological belt in southwestern Newfoundland, near the Québec border, and certain related contracts, for a consideration consisting of $15 million in cash, the extinguishment of approximately $19.4 million in secured debt of Alderon and certain of its affiliates (the "Secured Debt") and an undertaking in favour of the Receiver to make a finite production payment on a fixed amount of future iron ore concentrate production from the Kami Project (the "Acquisition").

In connection with the Acquisition, Champion has exercised, through an affiliate, an option to purchase the Secured Debt from Sprott Private Resource Lending (Collector), LP ("Sprott"), causing Champion to become a senior secured creditor of Alderon and its affiliates. As consideration for the Secured Debt, Champion will issue 4.2 million ordinary shares (the "Consideration Shares") to Sprott and Altius Resources Inc. If the Acquisition is completed, the Secured Debt will be extinguished as partial consideration for the Kami Project.

The Kami Project is a high-grade iron ore project near available infrastructure, situated only a few kilometres south east of the Company's operating Bloom Lake mine ("Bloom Lake"). The Kami Project's prior owner completed an updated feasibility study in September 2018. If the Acquisition is completed, the Company expects to revise the project's scope and update its feasibility study in the near term as it diligently considers growth alternatives within its portfolio. As part of the Acquisition, Champion expects to secure an additional eight million tonnes per annum of port capacity, including a pre-payment of port related fees, at the multiuser berth of the port of Sept-Îles, currently being used by the Company to export iron ore concentrate from Bloom Lake. As such, the completion of the Acquisition is expected to strategically position the Company for growth opportunities.

Champion's CEO, Mr. David Cataford, said "While our Company is rapidly gaining global recognition for its ability to deliver quality iron ore products, the Acquisition would further position our Company to service the rising demand for high-grade iron ore concentrate globally. With our proven ability to transform opportunities into valuable assets for our shareholders, the Acquisition would add to our portfolio a highly prospective project, which is near existing infrastructure. With our focus on respecting the land that we exploit, we look forward to evaluating the potential of this property and working with the local communities in our continued effort to positively contribute to this region."

Closing of the Acquisition is subject to the consent of the Ministry of Industry, Energy and Technology of Newfoundland and Labrador, as well as other customary closing conditions. The Acquisition is expected to be completed in the fourth quarter of calendar 2020. The Toronto Stock Exchange has conditionally approved the listing of the Consideration Shares.

About Champion Iron Limited

The Company, through its subsidiary Quebec Iron Ore Inc., owns and operates the Bloom Lake Mining Complex, located on the south end of the Labrador Trough, approximately 13 km north of Fermont, Québec, adjacent to established iron ore producers. Bloom Lake is an open-pit truck and

shovel operation with a concentrator, and it ships iron ore concentrate from the site by rail, initially on the Bloom Lake Railway, to a ship loading port in Sept-Îles, Québec. The Bloom Lake Phase I plant has a nameplate capacity of 7.4M tpa and produces a high-grade 66.2% Fe iron ore concentrate with low contaminant levels, which has proven to attract a premium to the Platts IODEX 62% Fe iron ore benchmark. In addition to the partially completed Bloom Lake Phase II expansion project, Champion also controls a portfolio of exploration and development projects in the Labrador Trough, including the Fire Lake North iron ore project, located approximately 40 km south of Bloom Lake. The Company also owns 100% of the Gullbridge-Powderhorn property located in Northern Central Newfoundland. The Company sells its iron ore concentrate globally, including customers in China, Japan, the Middle East, Europe, South Korea and India.

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*For additional information on Champion Iron Limited, please visit our website at: **www.championiron.com***

This press release has been authorized for release to the market by the CEO of Champion Iron Limited, David Cataford.

Forward-Looking information

This press release includes certain information that may constitute "forward-looking information" under applicable Canadian securities legislation. All statements, other than statements of historical facts, included in this press release that address future events, developments or performance that Champion expects to occur, including management's expectations regarding (i) the completion of the Acquisition and its timing; (ii) production from the Kami Project; (iii) the integration of the Kami Project into the Company's portfolio; (iv) the intent to complete an updated feasibility study and change the scope of the Kami Project; (v) additional port capacity; (vi) the potential impact of the Acquisition on the Company's growth, and (vi) the Company's ability to advance the Phase II expansion project, 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, including, without limitation, obtaining of the consent of the Ministry of Industry, Energy and Technology of Newfoundland and Labrador in connection with the Acquisition. Although Champion 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 the actual results to differ materially from those expressed in or implied by forward-looking statements include, without limitation: the results of feasibility studies; changes in the assumptions used to prepare feasibility studies; project delays; continued availability of capital and financing and general economic, market or business conditions; general economic, competitive, political and social uncertainties; future prices of iron ore; future transportation costs; failure of plant, equipment or processes to operate as anticipated; delays in obtaining governmental approvals, necessary permitting or in the completion of development or construction activities; the effects of catastrophes and public health crises, including impact of COVID-19 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 2020 Annual Information Form and the risks and uncertainties discussed in the Company's management's discussion and analysis for the year ended March 31, 2020, both available on SEDAR at www.sedar.com, the ASX at www.asx.com.au and the Company's website at www.championiron.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 press release is given as of the date hereof and is based upon the opinions and estimates of Champion's management and information available to

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management as at the date hereof. Champion disclaims any intention or obligation to update or revise any of its forward-looking information, whether as a result of new information, future events or otherwise, except as required by law.

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