

CHAMPION IRON ANNOUNCES THE CLOSING OF THE KAMI PROJECT ACQUISITION

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

Montréal, April 1, 2021 - Champion Iron Limited (TSX: CIA) (ASX: CIA) ["Champion" or the "Company"] announces that it has completed the acquisition, announced on November 16, 2020, of the mining properties of the Kamistiatasset iron ore project (the "Kami Project") located in the Labrador Trough geological belt in southwestern Newfoundland, near the Québec border, and certain related contracts (the "Acquisition") pursuant to an asset purchase agreement among certain affiliates of the Company and Deloitte Restructuring Inc. (the "Receiver"), as receiver for Alderon Iron Ore Corp. ("Alderon") and certain of its affiliates 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 purchased the Secured Debt from Sprott Private Resource Lending (Collector), LP ("Sprott") for an aggregate consideration of 4.2 million ordinary shares of Champion (the "Consideration Shares") issued to Sprott and Altius Resources Inc., who held a participation in the Secured Debt.

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. 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 secured 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.

Champion's CEO, Mr. David Cataford, said "This acquisition adds a large scale and highly prospective project to our portfolio. In addition, by securing additional port capacity, this further de-risks our Bloom Lake Phase II expansion project, which is currently under construction. In keeping with our track record of diligently evaluating and transforming opportunities into valuable assets, we look forward to revising the Kami Project's scope and updating its previously completed feasibility study, along with its potential to positively impact local communities and the regional economy, which is and has always been a key goal for our Company."

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 to customers in China, Japan, the Middle East, Europe, South Korea, India and Canada.

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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 intent to complete an updated feasibility and revise the scope of the Kami Project; (ii) the integration of the Kami Project into the Company’s portfolio and its impact on communities and economy; (iii) additional port capacity and (iv) the Company’s 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. 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 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.