Champion Iron's subsidiary, Quebec Iron Ore Inc. and the Innu People of Uashat mak Mani-utenam Enter into Impact and Benefits Agreement with respect to the Bloom Lake Mine

Montréal (Québec), Canada, April 12, 2017: Champion Iron Limited (ASX: CIA, TSX: CIA) ("Champion" or the "Company"), through its subsidiary Quebec Iron Ore Inc. ("QIO"), and the band council, Innu of Takuaikan Uashat mak Mani-utenam (ITUM), have entered into an Impact and Benefits Agreement (the "IBA") with respect to future operations at the Bloom Lake Iron Mine ("Bloom Lake") located near Fermont, Quebec. An official signing ceremony has taken place today.

The signing of the IBA demonstrates the Innu of Takuaikan Uashat mak Mani-utenams support for the Bloom Lake project. The IBA is a life-of-mine agreement and provides for real participation in Bloom Lake for the Uashaunnuat in the form of training, jobs and contract opportunities, and ensures that the Innu of Takuaikan Uashat mak Mani-utenam will receive fair and equitable financial and socio-economic benefits. The IBA also contains provisions which recognize and support the culture, traditions and values of the Innu of Takuaikan Uashat mak Mani-utenam, including recognition of their bond with the natural environment.

Chief Mike McKenzie, the Chief of ITUM and Michael O'Keeffe, Champion and QIO Chairman and CEO have both stated that they are very pleased with the IBA, which formalizes a period of mutual cooperation, productive dialogue and successful negotiation. Mr. O'Keeffe added, "The successful conclusion of the IBA further strengthens Champion and QIO's positive working relationship with the Innu of Takuaikan Uashat mak Mani-utenam and we look forward to a beneficial future for all parties as Bloom Lake enters into its next phase, having recently completed a positive Feasibility Study. The signing of the IBA is a major milestone and a significant step towards the Bloom Lake restart."

About Bloom Lake

On April 11, 2016, the Company, through its subsidiary QIO, acquired the Bloom Lake assets from affiliates of Cliffs Natural Resources Inc. that were subject to restructuring proceedings under the Companies' Creditors Arrangement Act (Canada). Québec Iron Ore Inc. is 63.2% owned by the Company, with the remaining 36.8% equity interest owned by Ressources Québec, acting as a mandatory of the Government of Quebec.

The Bloom Lake property is located on the south end of the Labrador Trough, approximately 13 km north of Fermont, Quebec, and 10 km north of the Mount-Wright iron ore mining operation of ArcelorMittal Mines Canada. The Bloom Lake Mine is an open pit truck and shovel operation, with a concentrator. From the site, iron concentrate can be transported by rail, initially on the Bloom Lake Railway, to a ship loading port in Sept-Iles, Québec.

The Bloom Lake Mine has already been authorized for operation under the federal and provincial environmental authorities. The project was subject to an environmental impact assessment process under Section 31.1 of the Québec Environment Quality Act, which led to the first decree issued by the Quebec government in 2008 authorizing mining activities at the Bloom Lake site**.** An updated positive Feasibility Study on Bloom Lake is being completed and will be available under the Company's profile on SEDAR (www.sedar.com) at the end of March, 2017.

About Champion

Champion is an iron development and exploration company, focused on developing its significant iron resources in the south end of the Labrador Trough in the province of Québec. Following the acquisition of its flagship asset, the Bloom Lake iron ore property, the Company's main focus is to implement upgrades to the mine and processing infrastructure it now owns while also advancing projects associated with improving access to global iron markets, including rail and port infrastructure initiatives with government and other key industry and community stakeholders.

Champion's management team includes professionals with mine development and operations expertise who also have vast experience from geotechnical work to green field development, brown field management including logistics development and financing of all stages in the mining industry.

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For additional information on Champion Iron Limited, please visit our website atwww.championiron.com

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