The Québec Government Confirms Memorandum of Understanding with two Mining Companies for the Development of Pointe-Noire

Sept-Îles, April 9, 2017 – Société du Plan Nord, Tata Steel Minerals Canada and Quebec Iron Ore Inc., a subsidiary of Champion Iron Limited (TSX: CIA, ASX: CIA)("QIO"), will work together, in a multi-user approach, to manage and develop the industrial facilities at Pointe-Noire in Sept-Îles, Quebec, via the limited partnership Société Ferroviaire et Portuaire de Pointe-Noire ("SFPPN"). The new partners will develop an innovative business model that meets the needs of the private sector while also promoting maximum benefits for future projects in the region.

Pierre Arcand, Québec's Minister of Energy and Natural Resources, Minister responsible for the Plan Nord and Minister responsible for the Côte-Nord region, made the announcement to confirm the memorandum of understanding at a press conference at the Pointe-Noire site. Rajesh Sharma, CEO and Managing Director of Tata Steel Minerals Canada, and Michael O'Keeffe, CEO and Chairman of QIO, were also present on the occasion. This memorandum of understanding is the first step towards the development and enhancement of this strategic infrastructure.

The two mining companies will make their expertise available to help manage operations at Pointe-Noire. The Québec government will continue its active involvement to maintain and assure a multi-user approach and increase benefits for current and future projects in the area covered by the Plan Nord. All three parties agree that they will endeavour to ensure that the Pointe-Noire infrastructures are developed to match anticipated needs while continuing to provide services at the lowest possible cost for all potential users. A phased capacity enhancement plan will be drawn up as quickly as possible. The first action from this plan will be to build a conveyor to connect to the multi-user quay in the port of Sept-Îles.

Quotes:

"This memorandum of understanding is a milestone that reflects our government's leadership and tireless work to implement the vast Plan Nord project. The Pointe-Noire site has already demonstrated its potential, just as we can see encouraging signs of a recovery in the iron ore sector. We are at the right place at the right time, and our plan is working: Québec is clearly in the forefront of the jurisdictions most likely to attract investors. Today's announcement is a concrete example of our focus on developing and modernizing Québec's economy."

Pierre Arcand, Minister of Energy and Natural Resources, Minister responsible for the Plan Nord and Minister responsible for the Côte-Nord region

"The Pointe-Noire infrastructure offers an exciting opportunity to mining companies for exporting iron ore on cost competitive terms. Tata Steel Minerals Canada will collaborate with all stakeholders to enable fulfillment of the potential of Pointe Noire Region."

Rajesh Sharma, CEO and Managing Director of Tata Steel Minerals Canada

"The strategic infrastructure at the Pointe Noire site will play a key role in QIO's plans to restart the Bloom Lake Mine, located near Fermont, Quebec. The partnership, formalized by the agreement, would enable QIO to deliver the prospect of economic growth and employment for the region with strong upside potential for shareholders and other stakeholders."

Michael O'Keeffe, CEO and Chairman of Quebec Iron Ore Inc.

Highlights:

Snapshot of the SFPPN:

- A limited partnership with a board of directors made up of representatives from Société du Plan Nord, Tata Steel Minerals Canada and Quebec Iron Ore Inc.;
- SFPPN currently employs 39 people, a high since its launch in 2016;
- SFPPN intends to develop and enhance its assets based on a multi-user approach;
- Its assets include rail lines, access to port facilities, rail yards, a pellet plant, administrative offices and other facilities, on a site of around 1,200 hectares;
- Pointe-Noire is strategically located less than 10 km from Highway 138 and about 40 km from the Sept-Îles airport.

Links:

Société du Plan Nord : plannord.gouv.qc.ca

Tata Steel Minerals Canada : tatasteelcanada.com

Quebec Iron Ore Inc.: championiron.com

https://newsroom.championiron.com/index.php?s=2429&item=122505