Champion Iron Acquires 735 Specialized Iron Ore Railcars for Bloom Lake Mine

Montréal, Québec, Canada: Champion Iron Limited (ASX: CIA, TSX: CIA) ("Champion" or the "Company") is pleased to announce that the Bloom Lake Mine ("Bloom Lake") is a step closer to recommencement of mining operations following the acquisition of a fleet of railcars capable of carrying iron ore from its mine near Fermont to the port at Sept-Iles, Québec.

Champion Chairman and CEO Michael O'Keeffe said: "Owning our own fleet of railcars will deliver substantial strategic and cost benefits as we bring Bloom Lake back into full-scale production. The acquisition is also a major step towards financing the Bloom Lake restart."

Société de voitures de chemin de fer du Lac Bloom Inc., a wholly-owned subsidiary of the Company, acquired 735 specialized iron ore railcars from Canadian Iron Ore Railcar Leasing LP, for consideration of US$30.1 million. The fleet is operational and ready for deployment.

The Company is paying 6% of the acquisition price as a down-payment with the balance to be financed by a three year seller note at a rate of LIBOR plus 1.75% per annum. The acquisition price was detailed in the "*Capital Expenditures Including Working Capital"* component of the recently announced Feasibility Study results for Bloom Lake announced by the Company on February 16, 2017.

The Feasibility Study demonstrates that recommencing iron ore mining operations at Bloom Lake is financially viable. With Mineral Reserves estimated to 411.7 million tonnes and forecast to generate more than $15 billion in revenue over the next 20 years, Bloom Lake has the potential to be one of the region's leading long-life iron ore mines and a major contributor to the national economy.

Bloom Lake already has rail loop infrastructure, with access to end markets via rail and port. The rail access consists of; a 31.9km rail spur on-site that is operational and connects to the Quebec North Shore & Labrador (QNS&L) railway at the Wabush Mines facilities in Wabush, Labrador; a second segment using the QNS&L railway between Wabush to the Arnaud junction in Sept-Îles; and a final segment from Arnaud to Pointe-Noire port facilities in Sept-Iles where the concentrate will be unloaded, stockpiled and then loaded on vessels for export.

For further information please contact:

Michael O'Keeffe, Executive Chairman and CEO at Tel. +1 514-316-4858

David Cataford, COO at Tel. +1 514-316-4858

About Bloom Lake

On April 11, 2016, the Company, through its subsidiary, Québec Iron Ore Inc., 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 of the Provincial 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.

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

This news 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 news release that address future activities, events, developments or financial performance constitute forward-looking information. The use of any of the words "will", "expect", "anticipate", "intend", "believe", "plan", "potential", "outlook", "forecast", "estimate" and similar expressions are intended to identify forward-looking information. Forward-looking information is necessarily based upon a number of estimates and assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties, and other factors which may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking information, including the risks identified in Champion's annual information forms, management's discussion and analysis and other securities regulatory filings made by Champion on SEDAR (including under the heading "Risk Factors" therein). 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.

---

https://newsroom.championiron.com/index.php?s=2429&item=122508