Champion Iron Mines Completes Arrangement With Mamba Minerals

TORONTO, ONTARIO–(Marketwired – March 31, 2014) – Champion Iron Limited (TSX:CHM)(FRANKFURT:PO2) ("Champion" or the "Company") and Mamba Minerals Limited (ASX:MAB) ("Mamba") are pleased to announce today the completion of their previously announced business combination pursuant to which Mamba and a wholly-owned subsidiary, Champion Exchange Limited have acquired all 137,895,609 outstanding common shares of Champion under a court-approved plan of arrangement (the "Arrangement"). The company resulting from the business combination is now known as Champion Iron Limited ("New Champion").

As of today's date, New Champion's ordinary shares are trading on the Toronto Stock Exchange ("TSX") and the Australian Securities Exchange under the symbol "CIA", thus providing New Champion with access to both the Canadian and Australian capital markets and the shareholders of New Champion with the ability to trade their ordinary shares on either stock exchange. Champion's common shares will be de-listed from the TSX.

Under the Arrangement, each Champion shareholder is entitled to receive 0.7333333 ordinary shares of New Champion for each Champion common share held (the "Exchange Ratio"). Certain eligible Champion shareholders elected to receive all or part of their consideration in the form of exchangeable shares of Champion Exchange Limited. The Arrangement also resulted in the issuance of New Champion replacement stock options to holders of outstanding Champion options (as adjusted by the Exchange Ratio).

Concurrent with the closing of the Arrangement, New Champion closed an A$10 million equity financing at A$0.50 per New Champion ordinary share. This financing strengthens New Champion's balance sheet and provides financial flexibility for its development plans. The net proceeds provide New Champion with working capital and will be applied to fund a bankable feasibility study on its Consolidated Fire Lake North Project, where additional infill drilling is ongoing.

Michael O'Keeffe has been appointed as Executive Chairman and Thomas Larsen as the Chief Executive Officer of New Champion.

Commenting on the Arrangement, Thomas Larsen said "The closing today of our business combination with Mamba represents the beginning of an exciting new chapter in the development of the Consolidated Fire Lake North Project. Michael O'Keeffe brings significant experience and expertise in developing bulk commodity projects and iron ore projects. I look forward to working with Michael and his team to deliver significant value and potential to our combined shareholders."

Michael O'Keeffe added that "our combined team is committed to realising the significant potential of New Champion's projects. We combined the business because collectively, with the strengthened balance sheet and the extended management, New Champion is in a better position to build shareholder value as we position our flagship Consolidated Fire Lake North project for production. Our main project is in close proximity to major mining and industrial groups and the wider region is already well-developed in terms of rail and port infrastructure."

About New Champion

New Champion is an iron exploration and development company with offices in Montreal, Toronto and Australia, and is focused on developing its significant iron resources in the Labrador Trough in the province of Québec. New Champion holds a 100% interest in the Fermont Iron Holdings, including its flagship Consolidated Fire Lake North Project, that is located in Canada's major iron ore producing district, in close proximity to producing iron mines, existing transportation and power infrastructure.

Consolidated Fire Lake North is located immediately north of Arcelor Mittal's operating Fire Lake Mine and 60 km south of Cliffs Natural Resources Inc.'s Bloom Lake Mine in northeastern Québec. New Champion's management and advisory board includes mining and exploration professionals with the mine development and operations experience to build, commission and operate the future Consolidated Fire Lake North mine.

New Champion also holds an option to earn into 100% of the Snelgrove Lake Project, a highly prospective iron ore project located in the Labrador Trough in Newfoundland and Labrador. The Snelgrove Lake Project has excellent access to infrastructure, with potential for both a hematite and multi-billion tonne magnetite project.

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. Forward-looking information includes, but is not limited to, statements about planned operations at the Company's projects, including its joint venture projects. 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 discussion and analysis and other securities regulatory filings by Champion on SEDAR (including under the heading "Risk Factors" therein) and

the risk that the Arrangement may not be completed or, if the Arrangement is completed, uncertainties regarding the combination of Champion and Mamba and the ability to realize growth opportunities. 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.

This press release has been prepared by Champion Iron Limited and no regulatory authority has approved or disapproved the information contained herein.

Champion Iron Limited
Thomas G. Larsen
Director and CEO
(416) 866-2200

Champion Iron Limited
Jorge Estepa
Vice-President and Corporate Secretary (Canada)
(416) 866-2200
(416) 361-1333 (FAX)
www.championiron.com

https://newsroom.championiron.com/index.php?s=2429&item=122531