Champion Provides Update on Mamba Minerals' Progress With Key Conditions to the Business Combination

TORONTO, ONTARIO–(Marketwired – Feb. 28, 2014) – Champion Iron Limited (TSX:CHM)(FRANKFURT:P02)("Champion" or the "Company") is pleased to provide an update in connection with progress made by Mamba Minerals Limited (ASX:MAB) ("Mamba") with some of the key conditions to the business combination with Champion, as detailed in the announcements by the two companies on December 5, 2013.

Mamba reported earlier today that it has received firm acceptances for A$10 million at A$0.50 per share via a private placement (the "Placement") to selected institutional and sophisticated investors through Blackswan Equities Ltd and Capital Investment Partners Pty Ltd. Mamba indicated that funds were to be held in trust until completion of the business combination with Champion. Completion of the Placement is a key condition of the pending transaction with Champion.

Another condition requires that certain Mamba shares designated as "performance shares" be consolidated and converted to ordinary shares of Mamba at a ratio of 10 for 1. Mamba reported that all the performance shareholders have provided written acceptance to the consolidation and conversion.

Both the Placement and the conversion of the performance shares are subject to Mamba shareholder approval at a meeting of the Mamba shareholders to be held on the March 20, 2014.

Champion securityholders will vote on the plan of arrangement on March 27, 2014 with the closing of the business combination expected on March 31, 2014, shortly after receipt of all securityholder and court approvals (see Champion's press release dated February 7, 2014).

Commenting on the Mamba announcement, Champion's President and CEO, Thomas Larsen, said "Champion is very pleased with the timely progress Mamba has reported, particularly with the pending completion of the A$10 million financing. With the satisfaction of these conditions we are well on our way towards successfully combining the two companies, after which we can focus our collective energies on advancing the new iron ore company to be named "Champion Iron Limited" and its significant holding in one of the world's leading iron ore regions."

ABOUT CHAMPION IRON LIMITED

Champion is an iron exploration and development company with offices in Montréal and Toronto, and is focused on developing its significant iron resources in Québec. 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 five producing iron mines, existing transportation and power infrastructure.

Consolidated Fire Lake North is located immediately north of ArcelorMittal's operating Fire Lake Mine and 60 km south of Cliffs Natural Resources Inc.'s Bloom Lake Mine in northeastern Québec. 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.

Champion recently announced that it had entered into a definitive arrangement agreement with Mamba Minerals Limited (ASX:MAB) to create a business combination via a court-approved plan of arrangement. The merged entity will be a new mining company to be named "Champion Iron Limited" with cash reserves in excess of $20 million, sufficient to complete the Feasibility Study for the Consolidated Fire Lake North Project, The merger with Mamba Minerals will bring a proven team, led by Michael O'Keeffe, with significant experience and expertise in developing bulk commodity projects and iron ore projects, comprising former executives of Riversdale Mining Limited, the Roy Hill Iron Project and Fortescue Metals Group.. The transaction is expected to close by March 31, 2014 (for further details see Champion Press Release dated December 5, 2013).

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). 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
President and CEO

Champion Iron Limited
Jorge Estepa
Vice-President
(416) 866-2200

https://newsroom.championiron.com/index.php?s=2429&item=122542