

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-Îles, 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-Îles where the concentrate will be unloaded, stockpiled and then loaded on vessels for export.

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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-Îles, 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 at www.championiron.com

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