Champion Iron Agrees to Sell Its Remaining Interest in the Attikamagen Project to Century Iron

TORONTO, ONTARIO–(Marketwired – Oct. 2, 2013) – CHAMPION IRON MINES LIMITED (TSX:CHM)(OTCQX:CPMNF) (FRANKFURT:P02) ("Champion" or the "Company") is pleased to announce that it has entered into an agreement to sell its remaining interest in the Attikamagen Lake Project (the "Project") to a Century Iron Mines Corporation ("Century Iron") wholly-owned subsidiary (the "Transaction"). Upon completion of the Transaction, Century Iron, indirectly and directly, together with Labec Century Iron Ore Inc. ("Labec Century") will own a 100% interest in the Project. Labec Century is a Joint Venture formed with WISCO Canada Attikamagen Resources Development & Investment Limited ("WISCO Attikamagen") to develop the Project.

Champion's consideration for the sale is 2,000,000 common shares of Century Iron and 1,000,000 warrants of Century Iron exercisable as follows: (i) on or before the first anniversary of the Closing Date (anticipated to be on or before November 29, 2013) at $0.75 per share; (ii) after the first anniversary of the Closing Date and on or before the second anniversary of the Closing Date at $1.00 per share; (iii) after the second anniversary of the Closing Date and on or before the third anniversary of the Closing Date at $1.50 per share; (iv) after the third anniversary of the Closing Date and on or before the fourth anniversary of the Closing Date at $2.00 per share; and (v) after the fourth anniversary of the Closing Date and on or before the fifth anniversary of the Closing Date at $2.50 per share. In addition, Champion will receive a 2% net smelter return royalty on iron and minerals produced from the Project. The transaction has been approved by the Board of Directors of Champion and Century Iron but is subject to the approval of the Toronto Stock Exchange.

"We are pleased to have reached an agreement with Century Iron on the Attikamagen Lake Project," commented Thomas G. Larsen, President and Chief Executive Officer of Champion. "Consolidating Century's interest in the Project will better enable it to move forward toward production at Joyce Lake and other parts of the Attikamagen Lake Project, which will generate a royalty stream for Champion. It will also enable Champion to focus fully on its flagship Consolidated Fire Lake North Project and other properties in the southern part of the Labrador Trough."

ABOUT CHAMPION IRON LIMITED

Champion is an iron exploration and development company with offices in Montreal and Toronto, and is focused on developing its significant iron resources in the provinces of Québec and Newfoundland & Labrador. Champion holds a 100% interest in the Fermont Iron Holdings located in Quebec.

Champion's Fermont Iron Holdings, including its flagship Consolidated Fire Lake North Project, are 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 Arcelor Mittal'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.

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
(416) 866-2200

Champion Iron Limited
Jorge Estepa
Vice President
(416) 866-2200
www.championiron.com

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