Management's Discussion and Analysis

For the Year Ended March 31, 2025

CHAMPION IRON

TSX: CIA - ASX: CIA

As at May 29, 2025

This Management's Discussion and Analysis ("MD&A") of Champion Iron Limited ("Champion" or the "Company") has been prepared as of May 29, 2025, and is intended to supplement the audited consolidated financial statements of the Company for the year ended March 31, 2025, and related notes thereto (the "Financial Statements"), which have been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board ("AASB"), including Australian Interpretations and the International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). The Financial Statements and other information pertaining to the Company are available under the Company's profile on SEDAR+ at www.sedarplus.ca, the ASX at www.asx.com.au and the Company's website at www.championiron.com.

Champion's management team ("Management") is responsible for the preparation and integrity of the Financial Statements, including the maintenance of appropriate information systems, procedures and internal controls. Management is also responsible for ensuring that information disclosed externally, including the Financial Statements and this MD&A, is complete and reliable.

Unless otherwise specified, all dollar figures stated herein are expressed in millions of Canadian dollars, except for: (i) tabular amounts, which are expressed in thousands of Canadian dollars; and (ii) per share or per tonne (including dmt and wmt) amounts, which are expressed in Canadian dollars or in United States dollars, as indicated. The following abbreviations and definitions are used throughout this MD&A: US$ or U.S. dollar (United States dollar), C$ (Canadian dollar), Board (Board of Directors of Champion), t (tonnes), wmt (wet metric tonnes), dmt (dry metric tonnes), M (million), km (kilometres), m (metres), FOB (free on board), Fe (iron ore), LoM (life of mine), Bloom Lake or Bloom Lake Mine (Bloom Lake Mining Complex), Phase II (Phase II expansion project), FID (final investment decision), IID (interim investment decision), DR (direct reduction), DRI (direct reduced iron), DRPF (direct reduction pellet feed), EAF (electric arc furnaces), BF (blast furnaces), BOF (basic oxygen furnaces), Kami Project (Kamistiatusset project), GHG (greenhouse gas), P62 index (Platts IODEX 62% Fe CFR China index), P65 index (Platts IODEX 65% Fe CFR China index), C3 index (C3 Baltic Capesize index), EBITDA (earnings before income and mining taxes, net finance costs and depreciation), AISC (all-in sustaining cost) and EPS (earnings per share). The terms "Champion" or the "Company" refer to Champion Iron Limited and/or one, or more, or all of its subsidiaries, as applicable. The term "QIO" refers to Quebec Iron Ore Inc., the Company's wholly-owned subsidiary and the operator of Bloom Lake.

This MD&A contains forward-looking statements. Particular attention should be given to the risk factors described in the "Risk Factors" section of this MD&A and to the "Cautionary Note Regarding Forward-Looking Statements" section of this MD&A.

Non-IFRS and Other Financial Measures

Certain financial measures used by the Company to analyze and evaluate its results are non-IFRS financial measures or ratios and supplementary financial measures. Each of these indicators is not a standardized financial measure under IFRS and might not be comparable to similar financial measures used by other issuers. These indicators are intended to provide additional information and should not be considered in isolation or as substitutes for measures of performance prepared in accordance with IFRS. The non-IFRS and other financial measures included in this MD&A are: EBITDA and EBITDA margin, adjusted net income, adjusted EPS, available liquidity, C1 cash cost per dmt sold, mining and processing costs per dmt produced, land transportation and port handling costs per dmt sold, AISC per dmt sold, cash operating margin, cash profit margin, gross average realized selling price per dmt sold, net average realized selling price per dmt sold or net average realized FOB selling price per dmt sold, and operating cash flow per share. When applicable, a quantitative reconciliation to the most directly comparable IFRS measure is provided in section 23 — Non-IFRS and Other Financial Measures of this MD&A.

Cautionary Note Regarding Forward-Looking Statements

Forward-Looking Statements

This MD&A contains certain information and statements that may constitute "forward-looking information" under applicable securities legislation ("Forward-Looking Statements"). Forward-Looking Statements are statements that are not historical facts and are generally, but not always, identified by the use of words such as "will", "plans", "expects", "is expected", "budget", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates", "aims", "targets" or "believes", or variations of, or the negatives of, such words and phrases or state that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. Inherent in Forward-Looking Statements are risks, uncertainties and other factors beyond the Company's ability to predict or control.

Specific Forward-Looking Statements

All statements, other than statements of historical facts, included in this MD&A that address future events, developments or performance that Champion expects to occur are Forward-Looking Statements. Forward-Looking Statements include, among other things, Management's expectations regarding:

(i) Bloom Lake's LoM, recovery rates, production, economic and other benefits, updated resources and reserves, nameplate capacity and related opportunities and benefits, as well as potential increase thereof and related work programs and investments, delivery, commissioning and financing of new mining equipment and additional railcars and their impact on production, sales and shipment flexibility and capabilities;

Cautionary Note Regarding Forward-Looking Statements (continued)

Specific Forward-Looking Statements (continued)

(ii) the project to upgrade the Bloom Lake iron ore concentrate to a higher grade and to convert approximately half of Bloom Lake's increased nameplate capacity of 15M wmt per year to commercially produce a direct reduction quality pellet feed iron ore (the DRPF project), expected project timeline, economics, capital expenditures, budget and financing, production metrics, technical parameters, work programs to optimize operations, pricing premiums, efficiencies, permitting and approvals, economic and other benefits, related engagement with prospective customers, the expected commissioning and ramping-up of the project and the impact thereof on production, sales and financial results;

(iii) the Kami Project Study (including LoM, resources and reserves), the project's potential to produce a DR grade product, expected project timeline and construction period, economics, capital expenditures, production and financial metrics, technical parameters, permitting, environmental and related studies and work programs, stakeholder and government engagement, efficiencies and economic and other benefits (including the potential to generate economic growth for the region and contribute to the steel industry) and evaluation of opportunities to improve project economics;

(iv) the formation of a partnership with Nippon Steel Corporation and Sojitz Corporation with respect to the Kami Project, the completion of a definitive feasibility study for the Kami Project (the DFS) and the timing thereof, the potential to receive future payments based on the financial performance of the Kami Project, the Partners' contributions to support the DFS, the negotiations of and entering into definitive transaction documents with the Partners and terms thereof, potential interim investment decision and final investment decision, the partnership and project structure and financing, the completion of the transactions contemplated thereby and its timing, related project permitting, the advancement of the Environmental Impact Statement, the ability of Champion to realize on the benefit of the transaction, and the ability and timing for the parties to fund cash calls to advance the development of the Kami Project and pursue its development;

(v) the future declaration and payment of dividends (including dividend equivalent payments for outstanding PSUs and RSUs) and the timing thereof and the Company's shareholder return strategy generally;

(vi) the shift in steel industry production methods, expected rising demand for higher-grade iron ore products and direct reduced iron (DRI) globally and related market deficit and higher premiums, and the Company's participation therein, contribution thereto and positioning in connection therewith, including related research and development and the transition of the Company's product offering (including producing high-quality DRPF products) and the expansion of its geography, related investments and expected benefits thereof;

(vii) the Company's ESG related initiatives;

(viii) maintaining higher stripping activities;

(ix) stockpiled ore levels, the pace of destocking, shipping and sales of accumulated iron ore concentrate inventories and their impact on the operating costs and the cost of sales;

(x) increased shipments of iron ore, impact of the delivery and commissioning of additional railcars, haul trucks, loading equipment and rolling stock, and related rail capacity;

(xi) the Company's mining equipment rebuild program, safe tailings strategy, tailings investment plan and related work programs, investments and benefits;

(xii) the impact of exchange rates on commodity prices and the Company's financial results;

(xiii) the relationship between iron ore prices and ocean freight costs and their impact on the Company;

(xiv) the impact of iron ore price fluctuations on the Company and its financial results and the occurrence of certain events and their impact on iron ore prices and demand for high-grade iron ore products;

(xv) the Company's cash requirements for the next 12 months, the Company's positioning to fund such cash requirements and estimated future interest payments;

(xvi) legal actions, including arbitration and class actions, their potential outcome and effect on the Company's consolidated financial position;

(xvii) production and recovery rates and levels, ore characteristics and the Company's performance and related work programs;

(xviii) pricing of the Company's products (including provisional pricing);

(xix) the Company's tax position;

(xx) the Company's expected iron ore concentrate production and sales, mining and hauling activities and related costs;

(xxi) the Company's iron ore concentrate pricing trends compared to the P65 index;

(xxii) the Company's storage expansion and related compensation plans;

(xxiii) available liquidity to support the Company's growth projects; and

(xxiv) the Company's growth and opportunities generally.

Deemed Forward-Looking Statements

Statements relating to "resources" or "reserves" are deemed to be Forward-Looking Statements as they involve the implied assessment, based on certain estimates and assumptions, that the resources and reserves described exist in the quantities predicted or estimated and that the reserves can be profitably mined in the future. Actual resources and reserves may be greater or less than the estimates provided herein. Refer also to "Uncertainty of Mineral Resource and Mineral Reserve Estimates" in the section 25 — Risk Factors of this MD&A.

Cautionary Note Regarding Forward-Looking Statements (continued)

Risks

Although Champion believes the expectations expressed in such Forward-Looking Statements are based on reasonable assumptions, such Forward-Looking Statements involve known and unknown risks, uncertainties and other factors, most of which are beyond the control of the Company, which may cause the Company's actual results, performance or achievements to differ materially from those expressed or implied by such Forward-Looking Statements. Factors that could cause actual results to differ materially from those expressed in Forward-Looking Statements include, without limitation:

- future prices of iron ore;
- future transportation costs;
- general economic, competitive, political and social uncertainties;
- continued availability of capital and financing and general economic, market or business conditions;
- timing and uncertainty of industry shift to electric arc furnaces, impacting demand for high-grade feed;
- failure of plant, equipment or processes to operate as anticipated;
- delays in obtaining governmental approvals, necessary permitting or in the completion of development or construction activities;
- the results of feasibility studies;
- changes in the assumptions used to prepare feasibility studies;
- project delays;
- geopolitical events; and
- the effects of catastrophes and public health crises on the global economy, the iron ore market and Champion's operations,

as well as those factors discussed in the section 25 — Risk Factors of this MD&A.

There can be no assurance that any such Forward-Looking Statements will prove to be accurate as actual results and future events could differ materially from those anticipated in such Forward-Looking Statements. Accordingly, readers should not place undue reliance on Forward-Looking Statements.

Additional Updates

All of the Forward-Looking Statements contained in this MD&A are given as of the date hereof or such other date or dates specified in the Forward-Looking Statements and are 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 the Forward-Looking Statements, whether as a result of new information, future events or otherwise, except as required by law. If the Company does update one or more Forward-Looking Statements, no inference should be drawn that it will make additional updates with respect to those or other Forward-Looking Statements. Champion cautions that the foregoing list of risks and uncertainties is not exhaustive. Readers should carefully consider the above factors as well as the uncertainties they represent and the risks they entail.

1. Description of Business

Champion was incorporated under the laws of Australia in 2006 and is dual-listed on the Toronto Stock Exchange (TSX: CIA) and the Australian Securities Exchange (ASX: CIA), and trades on the OTCQX Best Market (OTCQX: CIAFF).

Champion, through QIO, owns and operates the Bloom Lake Mining Complex located on the south end of the Labrador Trough, approximately 13 kilometres north of Fermont, Québec. Bloom Lake is an open-pit operation with two concentration plants that primarily source energy from renewable hydroelectric power, having a combined nameplate capacity of 15M wmt per year that produce lower contaminant high-grade 66.2% Fe iron ore concentrate with a proven ability to produce a 67.5% Fe direct reduction quality iron ore concentrate. Benefiting from one of the highest purity resources globally, Champion is investing to upgrade half of the Bloom Lake's mine capacity to a direct reduction quality pellet feed iron ore with up to 69% Fe. Bloom Lake's high-grade and lower contaminant iron ore products have attracted a premium to the P62 index. Champion ships iron ore concentrate from Bloom Lake by rail, to a ship loading port in Sept-Îles, Québec, and has delivered its iron ore concentrate globally, including in China, Japan, the Middle East, Europe, South Korea, India and Canada. In addition to Bloom Lake, Champion owns the Kami Project, a project with an expected annual production of 9M wmt per year of direct reduction quality iron grading above 67.5% Fe, located near available infrastructure and only 21 kilometres southeast of Bloom Lake. In December 2024, Champion entered into a binding agreement with Nippon Steel Corporation and Sojitz Corporation to form a partnership to evaluate the potential development of the Kami Project, including the completion of a definitive feasibility study. Champion also owns a portfolio of exploration and development projects in the Labrador Trough, including the Cluster II portfolio of properties, located within 60 kilometres south of Bloom Lake.

2. Financial and Operating Highlights

	Three Months Ended March 31,			Year Ended March 31,			
	2025	2024	Variance	**2025**	2024	Variance	2023
Iron ore concentrate produced (wmt)	**3,167,000**	3,275,400	(3)%	**13,834,200**	14,162,400	(2)%	11,186,600
Iron ore concentrate sold (dmt)	**3,495,300**	2,968,900	18 %	**13,491,200**	11,643,700	16 %	10,594,400
Financial Data (in thousands of dollars, except per share data)							
Revenues	**425,345**	332,673	28 %	**1,606,579**	1,524,294	5 %	1,395,088
Net income	**39,140**	25,791	52 %	**142,045**	234,191	(39)%	200,707
Adjusted net income[1]	**39,140**	25,791	52 %	**142,045**	236,565	(40)%	225,696
EBITDA[1]	**127,378**	85,099	50 %	**471,290**	552,549	(15)%	493,176
EBITDA margin[1]	**30 %**	26 %	15 %	**29 %**	36 %	(19)%	35 %
Basic EPS	**0.08**	0.05	60 %	**0.27**	0.45	(40)%	0.39
Diluted EPS	**0.07**	0.05	40 %	**0.27**	0.44	(39)%	0.38
Adjusted EPS[1]	**0.08**	0.05	60 %	**0.27**	0.46	(41)%	0.44
Net cash flows from operating activities	**144,378**	100,467	44 %	**304,018**	474,585	(36)%	235,984
Dividend per ordinary share paid	**—**	—	— %	**0.20**	0.20	— %	0.20
Cash and cash equivalents	**117,451**	400,061	(71)%	**117,451**	400,061	(71)%	326,806
Total assets	**3,030,201**	2,689,551	13 %	**3,030,201**	2,689,551	13 %	2,315,269
Total non-current financial liabilities	**666,576**	508,367	31 %	**666,576**	508,367	31 %	448,201
Statistics (in dollars per dmt sold)							
Gross average realized selling price[1]	**160.4**	166.3	(4)%	**163.2**	175.8	(7)%	174.7
Net average realized selling price[1]	**121.7**	112.1	9 %	**119.1**	130.9	(9)%	131.7
C1 cash cost[1]	**80.0**	76.6	4 %	**78.3**	75.9	3 %	73.9
AISC[1]	**93.1**	88.0	6 %	**94.9**	90.9	4 %	86.5
Cash operating margin[1]	**28.6**	24.1	19 %	**24.2**	40.0	(40)%	45.2
Statistics (in U.S. dollars per dmt sold)[2]							
Gross average realized selling price[1]	**111.8**	123.4	(9)%	**117.3**	130.3	(10)%	132.0
Net average realized selling price[1]	**84.9**	82.9	2 %	**85.5**	97.0	(12)%	99.4
C1 cash cost[1]	**55.7**	56.8	(2)%	**56.3**	56.3	— %	55.9
AISC[1]	**64.9**	65.3	(1)%	**68.2**	67.4	1 %	65.4
Cash operating margin[1]	**20.0**	17.6	14 %	**17.3**	29.6	(42)%	34.0

[1] This is a non-IFRS financial measure, ratio or other financial measure. This measure is not a standardized financial measure under the financial reporting framework used to prepare the Financial Statements and might not be comparable to similar financial measures used by other issuers. Refer to the section 23 — Non-IFRS and Other Financial Measures of this MD&A for definitions of these metrics and reconciliations to the most comparable IFRS measure when applicable.
[2] See the "Currency" subsection of this MD&A included in section 8 — Key Drivers.

3. Quarterly Highlights

Operations and Sustainability

- During the three-month period ended March 31, 2025, no major environmental incidents were reported, but following a snowfall incident with minor consequences, safety procedures were reviewed as part of the Company's continuous improvement process;
- Employee total recordable injury frequency rate of 1.98 for the year, up from 1.91 in the previous year, which continues to compare favourably with Québec's industry statistics;
- Met or exceeded most annual sustainability targets set in the Company's previous sustainability report, which incorporated industry best practice disclosure frameworks, including the Global Reporting Initiative, the Sustainability Accounting Standard Board and the Task Force on Climate-Related Financial Disclosures. The sustainability report for the 2025 financial year is available on the Company's website at www.championiron.com;
- Quarterly production of 3.2 million wmt (3.1 million dmt) of high-grade 66.5% Fe concentrate for the three-month period ended March 31, 2025, down 13% from the previous quarter, mainly attributable to the scheduled semi-annual shutdowns of both concentration plants, and down 3% over the same period last year;
- Record quarterly sales of 3.5 million dmt for the three-month period ended March 31, 2025, up 6% from the previous quarter and 18% from the prior-year period due to the commissioning of additional rail equipment in previous quarters and despite seasonal weather conditions that usually impact rail shipments during this time of the year;
- Iron ore concentrate stockpiled at Bloom Lake decreased by 341,000 wmt quarter-over-quarter to 2.6 million wmt as at March 31, 2025, as sales volumes exceeded production volumes during the quarter, benefiting from improved rail shipment capabilities. The Company expects that the iron ore concentrate currently stockpiled at Bloom Lake will continue to decrease in future periods; and
- Record material mined and hauled at Bloom Lake, totalling 20.4 million tonnes for the three-month period ended March 31, 2025, up 2% from the previous quarter and 27% from the same period last year.

Financial Results

- Revenues of $425.3 million for the three-month period ended March 31, 2025, compared to $332.7 million for the same period in 2024, mainly due to higher sales volumes and higher net realized selling prices;
- Net cash flows from operating activities of $144.4 million for the three-month period ended March 31, 2025, compared to $100.5 million for the same period in 2024, partially driven by the reduction in iron ore concentrate stockpiled at Bloom Lake;
- Net income of $39.1 million representing EPS of $0.08 for the three-month period ended March 31, 2025, compared to $25.8 million with EPS of $0.05 for the same period in 2024;
- EBITDA of $127.4 million[1] for the three-month period ended March 31, 2025, up from $85.1 million for the same period in 2024;
- C1 cash cost for the iron ore concentrate loaded onto vessels at the Port of Sept-Îles totalled $80.0/dmt[1] (US$55.7/dmt)[2] for the three-month period ended March 31, 2025, compared to $76.6/dmt[1] (US$56.8/dmt)[2] for the same period in 2024;
- Cash balance totalled $117.5 million as at March 31, 2025, an increase of $24.4 million since December 31, 2024, mainly resulting from strong cash flows from operating activities, while the Company continued to advance the DRPF project;
- Available liquidity to support growth initiatives, including amounts available from the Company's credit facilities, totalled $605.9 million[1] as at March 31, 2025, compared to $595.0 million[1] as at December 31, 2024; and
- Semi-annual dividend of $0.10 per ordinary share declared on May 28, 2025 (Montréal) / May 29, 2025 (Sydney), in connection with the annual results for the period ended March 31, 2025.

[1] This is a non-IFRS financial measure, ratio or other financial measure. This measure is not a standardized financial measure under the financial reporting framework used to prepare the Financial Statements and might not be comparable to similar financial measures used by other issuers. Refer to the section 23 — Non-IFRS and Other Financial Measures of this MD&A for definitions of these metrics and reconciliations to the most comparable IFRS measure when applicable.

[2] See the "Currency" subsection of this MD&A included in section 8 — Key Drivers.

3. Quarterly Highlights (continued)

DRPF Project Update

- The DRPF project, designed to upgrade half of Bloom Lake's capacity to DR quality pellet feed iron ore grading up to 69% Fe, is progressing as planned, with the commissioning phase expected to start in December 2025;
- Quarterly and cumulative investments of $51.8 million and $339.5 million, respectively, as at March 31, 2025, compared to the estimated total capital expenditures of $470.7 million as detailed in the project study highlights released in January 2023;
- Completed engineering activities and started mechanical work, while progressing construction in accordance with the project schedule; and
- Continued active discussions with prospective customers to eventually supply DR quality iron ore, including pricing premiums to the Company's existing high-purity iron ore concentrate.

Other Growth and Development

- Entered into a binding agreement with Nippon Steel Corporation ("Nippon") and Sojitz Corporation ("Sojitz", and collectively with Nippon, the "Partners") to form a partnership (the "Partnership") for the joint ownership and development of the Kami Project (the "Transaction"). During the three-month period ended March 31, 2025, the Company and the Partners continued negotiations towards finalizing the definitive documentation with respect to the Transaction and advanced the definitive feasibility study for the Kami Project (the "DFS") to be completed by the end of calendar year 2026; and
- Continued efforts to deploy work programs tailored to optimize operations and analyze opportunities to structurally increase Bloom Lake's production beyond its current nameplate capacity over time.

4. Dividend on Ordinary Shares

The Board declared an eighth consecutive semi-annual dividend of $0.10 per ordinary share on May 28, 2025 (Montréal) / May 29, 2025 (Sydney), in connection with the annual financial results for the period ended March 31, 2025. The Company's shareholders of record as at the close of business on June 13, 2025 (Montréal and Sydney), will be entitled to receive payment of the dividend on July 10, 2025 (Montréal and Sydney).

The Board will evaluate future dividends concurrently with the release of the Company's semi-annual and annual results.

For shareholders holding ordinary shares on the Australian share register, the dividend will be paid in Australian dollars. The dividend amounts received will be calculated by converting the dividend determined to be paid, using the applicable exchange rates to Australian dollars five business days prior to the dividend payment date, as published by the Bank of Canada.

Additional details on the dividends and related tax information can be found on the Company's website at www.championiron.com under the Investors – Dividend Information section.

5. DRPF Project Update

In January 2024, the Board approved an FID to complete the DRPF project to upgrade Bloom Lake's second plant to produce approximately 7.5M wmt per year of DRPF quality iron ore grading up to 69% Fe with a combined silica and alumina content below 1.2%.

The DRPF project aims to capitalize on the steel industry's focus to reduce emissions and its associated impact on the raw material supply chain. Accordingly, production of a DRPF product would enhance the Company's ability to further contribute to different supply chains by engaging with additional customers focused on the DRI and EAF steelmaking route, which generally involves lower carbon emissions in the steelmaking process by approximately 50%, compared to the traditional steelmaking route using BF and BOF methods. By producing the DRPF product required for the DRI-EAF steelmaking process, the Company would contribute to a reduction in the use of coal in the conventional BF-BOF steelmaking method. The DRPF project is also expected to position the Company to engage with fast-growing economies in the Middle East and North Africa, where competitive natural gas prices support cost-effective steelmaking via the DRI-EAF process. Benefiting from a rare high-purity resource, the Company has a unique opportunity to produce one of the highest quality DRPF products available on the seaborne market, which is expected to attract a substantial premium over the Company's current high-grade 66.2% Fe iron ore concentrate.

During the commissioning phase of the DRPF project and related tie-in work, the Company anticipates temporary disruptions at its second concentration plant over several days, which are expected to negatively impact production during that time. However, with stockpiled iron ore concentrate at Bloom Lake and continued operations at its first plant, the Company does not expect a material impact on overall sales volumes. The ramp-up and product stabilization phase is expected to span several months. Until Champion successfully delivers the DRPF product that meets customers' quality specifications, sales may be directed to the spot market. Accordingly, during the ramp-up period, Champion does not expect to fully benefit from DRPF premiums or freight savings.

During the three-month period ended March 31, 2025, $51.8 million was invested in the DRPF project, with cumulative investments of $339.5 million, as at March 31, 2025, compared to the estimated total capital expenditures of $470.7 million as detailed in the 2023 project study. During the three-month period ended March 31, 2025, the Company completed engineering activities and started the mechanical work, allowing construction to achieve significant milestones as at March 31, 2025. The project is advancing as planned, with the commissioning phase expected to start in December 2025.

Additional details on the DRPF project, including key assumptions and capital costs, can be found in the Company's press release dated January 26, 2023 (Montréal), available under its profile on SEDAR+ at www.sedarplus.ca, the ASX at www.asx.com.au and the Company's website at www.championiron.com. The Company is not aware of any new information or data that materially affects the information included in the DRPF project study and confirms that all material assumptions and technical parameters underpinning the estimates in the DRPF project study continue to apply and have not materially changed.

6. Kami Project Update

On April 1, 2021, the Company acquired the Kami mining properties located in the Labrador Trough geological belt in southwestern Newfoundland and Labrador, near Québec's eastern border. The Kami Project is a DR grade quality iron ore project near available infrastructure, situated 21 kilometres southeast of the Company's operating Bloom Lake Mine. On March 14, 2024, the Company voluntarily filed the Kami Project Study (as defined in section 11 — Mineral Resources and Ore Reserves of this MD&A), which evaluated the construction of mining and processing facilities to produce DR grade pellet feed iron ore from the Kami Project. The Kami Project Study details a 25-year LoM with an average annual DR quality iron ore concentrate production of approximately 9.0M wmt per year grading above 67.5% Fe.

Kami benefits from the permitting work completed by its previous owner and has an estimated 48-month construction period, following an FID. As detailed in the Kami Project Study, the capital expenditures were estimated at $3,864 million, resulting in a net present value ("NPV") of $541 million and an internal rate of return ("IRR") of 9.8% after-tax, based on conservative pricing dynamics, compared to then prevailing iron ore prices, or an NPV of $2,195 million and IRR of 14.8% after-tax, based on the three previous calendar years' average of the P65 index which preceded the Kami Project Study. With the recent addition of high-purity iron ore to the critical minerals list by the governments of Newfoundland and Labrador, Québec and Canada, the Kami Project is one of several organic growth opportunities currently being considered by the Company.

The Company is not aware of any new information or data that materially affects the information included in the Kami Project Study and confirms that all material assumptions and technical parameters underpinning the estimates in the Kami Project Study continue to apply and have not materially changed. The Kami Project Study is available under the Company's profile on SEDAR+ at www.sedarplus.ca, the ASX at www.asx.com.au and the Company's website at www.championiron.com.

On December 18, 2024, the Company entered into a binding agreement with Nippon and Sojitz to form the Partnership for the joint ownership and development of the Kami Project. Subject to the finalization and the entering into a definitive framework agreement (the "Framework Agreement") in connection with the Transaction, it is expected that the Partners will initially contribute $245 million for 49% of the equity interest in the Partnership. The Company may receive future payments based on the Kami Project's financial performance, if and when in operation.

The closing of the Transaction is subject to the Company and the Partners entering into the Framework Agreement to advance the Kami Project towards a potential IID and, ultimately, an FID, including project permitting and the completion of a DFS by the end of calendar year 2026. The Partners will contribute cash to the Partnership to support their share of the DFS costs over the next two years, given that all Kami Project costs are to be shared by the Partners and Champion pursuant to their respective ownership interests. Through the Transaction and future pro-rata contributions from the Partners, the Kami Project is expected to benefit from up to $490 million in contributions prior to Champion requiring additional capital funding for its pro-rata share of the Kami Project.

During the three-month period ended March 31, 2025, the Company progressed discussions with the Partners towards finalizing the Framework Agreement, which is expected to be signed in the near-term, prior to receiving initial cash contributions from the Partners. In addition, the Company is advancing the recently initiated Environmental Impact Statement, as required by the Government of Newfoundland and Labrador. The Company is engaging with local stakeholders, including First Nations communities, reinforcing a collaborative approach to ensure the Kami Project delivers long-term regional benefits. Additionally, the Company is pursuing discussions with various levels of government, exploring potential support following the recent designation of high-purity iron ore as a critical mineral by the governments of Newfoundland and Labrador, Québec and Canada. The Company is also evaluating opportunities to enhance the Kami Project's economics. Concurrently, the Company continues to advance the DFS, building on the Kami Project Study, prior to considering an IID and, ultimately, an FID.

Additional details on the Transaction can be found in the Company's press release dated December 18, 2024 (Montréal), available under its profile on SEDAR+ at www.sedarplus.ca, the ASX at www.asx.com.au and the Company's website at www.championiron.com.

7. Research & Development Initiatives

The Company continued to advance its research and development programs aimed at developing technologies and products to support the transition from the BF-BOF steelmaking method to the DRI-EAF process, which is recognized for its comparatively lower intensity of GHG emissions. These efforts also include contributions to emission reductions within the BF-BOF process. Key to this strategy is the DRPF project, which is expected to produce an industry-leading DR quality iron ore, which could enable steelmakers to produce specialized steel through the DRI and EAF steelmaking route.

In June 2024, the Company received an additional hydroelectric power allocation from Hydro-Québec, providing access to renewable power that should enable the Company to support growth initiatives and contribute to the Company's efforts to reduce its carbon emissions over time.

The Company identified and initiated work programs addressing its Scope 1 emissions, which are direct emissions from the Company's operations, and Scope 2 emissions, which represent indirect emissions from energy consumption. These work programs include process electrification and energy efficiency improvements at the Company's concentration plants and mine site.

Additionally, the Company mapped its emissions across its value chain and designed a methodology aligned with the GHG Protocol, from the World Resource Institute and World Business Council for Sustainable Development, to estimate its Scope 3 emissions, enabling the identification of reduction opportunities. The assessment, based on several third-party emission benchmarking, including a leading global data provider, concluded that approximately 95% of the Company's entire value chain emissions relate to the processing of sold products for the 2025 financial year (Category 10 of the GHG Protocol). Accordingly, the Company estimates that its Scope 3 emissions for the 2025 financial year were approximately 18.3 million tonnes of CO_2 equivalent, an increase of 15.3% year-over-year, reflecting primarily the impact of higher sales volumes, but down slightly on an intensity basis per tonne of iron ore sold. Benefiting from an industry leading high-purity iron ore concentrate, the Company's Category 10 emission intensity is estimated to be 1.25 tonnes of CO_2 per tonne of iron ore sold for the 2025 financial year, comparing favourably to the estimated average of 1.34 tonnes of CO_2 per tonne of iron ore sold, reported by the industry's four largest publicly traded iron ore producers, based on their most recent public disclosure. The Company's Scope 3 assessment also highlights the importance of using high-purity iron ore in steelmaking to reduce emissions across the supply chain. Additional details regarding the Company's Scopes 1 and 2 emission reduction work programs and its Scope 3 assessment are outlined in the Company's sustainability report for the 2025 financial year, which is available on the Company's website at www.championiron.com.

8. Key Drivers

Iron Ore Concentrate Price

The price of iron ore concentrate is a critical factor influencing the Company's financial performance. The iron ore concentrate price fluctuates daily and is affected by several industries and macroeconomic factors beyond the Company's control. Due to the high-quality properties of its greater than 66% Fe iron ore concentrate, the Company's iron ore product has proven to attract a premium over the P62 index, widely used as the reference price in the industry. As such, the Company sells its products based on the high-grade P65 index. The premium captured by the P65 index is attributable to steel mills recognizing that higher iron ore grades offer the benefit of optimizing output while also significantly decreasing CO_2 emissions in the steelmaking process.

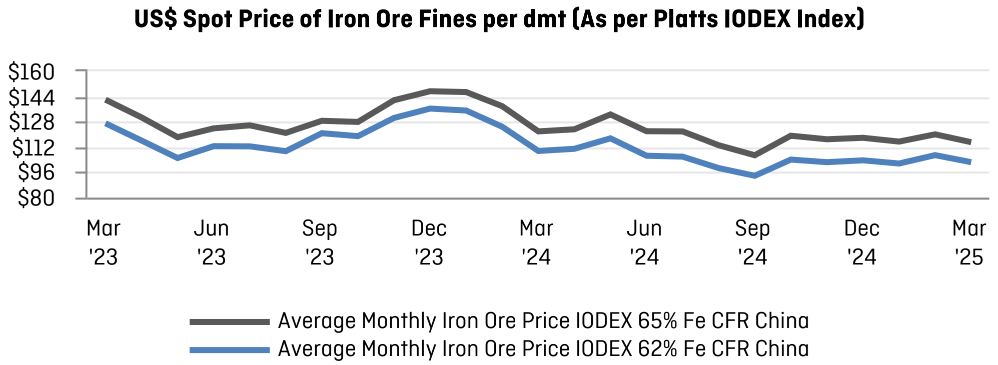
During the three-month period ended March 31, 2025, the P65 index averaged US$116.9/dmt, representing a modest decline of 1% quarter-over-quarter and a 14% decrease year-over-year. The decline in iron ore prices reflects ongoing weakness in global steel demand, which continues to weigh on the market, despite an increase in steel output from China. Escalating geopolitical trade tensions have further dampened the sentiment and market. On the supply side, major producers experienced disruptions from seasonal weather conditions, which commonly affect Brazil and Australia early in the year. The P65 index premium over the P62 index remained near recent lows, reflecting subdued demand for high-grade material as steelmakers continue to operate under margin pressure.

According to the World Steel Association[1], global crude steel production decreased 0.4% year-over-year for the three-month period ended March 31, 2025, but registered a 5.7% increase from the previous quarter, totalling 468.6 million tonnes. China's steel output defied expectations of a continued slowdown, recording a 0.8% year-over-year increase in quarterly production, despite previously announced capacity restrictions and the potential impact of global trade tensions. Among other major producers, India remained a stand out growth market, recording a 3.9% increase quarter-over-quarter. By contrast, Europe's steel sector remained under pressure, constrained by low economic growth and the ongoing impacts of the Russia-Ukraine conflict.

[1] World Steel Association

8. Key Drivers (continued)

Iron Ore Concentrate Price (continued)



Champion recognizes revenues when the iron ore concentrate is loaded onto the vessel. The quarterly gross realized selling price diverged from the quarterly P65 average index price primarily due to two pricing dynamics:

- Certain sales are based on P65 index prices set in months prior to the beginning of the reporting quarter; and
- Remaining sales in the quarter are based on P65 index prices subsequent to the date of the sale, according to a mutually agreed final quotation period, which generally depends on the discharge date. Considering that vessels are subject to freight routes that usually take up to 55 days before reaching the port of discharge, these sales are influenced by the volatility of the P65 index prices after the date of the sale.
  - For tonnage sold early in the reporting quarter, the final quotation period may be within the reporting quarter. Those volumes are typically mostly exposed to the back-ended months of the reporting quarter due to the aforementioned typical freight routes.
  - For tonnage sold in the reporting quarter and for which the final quotation period is after the reporting quarter, the Company provisionally prices the sales based on the P65 index forward iron ore prices at quarter-end to estimate the selling price upon or after the vessel's arrival at the port of discharge. These tonnes are exposed to variations in iron ore index prices after the end of the quarter, in particular to the initial months of the following quarter due to the aforementioned typical freight routes. The impact of iron ore price fluctuations, compared to the estimated price at the end of the prior quarter, is accounted for as a provisional pricing adjustment to revenues in the following quarter. Historically, sales volumes that remain exposed to provisional pricing adjustments at the end of quarters represent between approximately 30% to 80% of total quarterly sales volumes.

During the three-month period ended March 31, 2025, an average final price of US$112.2/dmt was established for the 1.7 million tonnes of iron ore that were in transit as at December 31, 2024, which were previously evaluated using an average expected price of US$110.1/dmt. Accordingly, during the three-month period ended March 31, 2025, positive pricing adjustments of $5.4 million (US$3.7 million) were recorded for tonnes subject to provisional prices as at December 31, 2024. For the total volume of 3.5 million dmt sold during the quarter ended March 31, 2025, the positive pricing adjustments represent US$1.1/dmt. As at March 31, 2025, 2.7 million tonnes of iron ore sold remained subject to provisional pricing adjustments, with a final price to be determined in the subsequent reporting periods. A gross average forward provisional price of US$111.1/dmt was used as at March 31, 2025, to estimate the sales that remain subject to final pricing.

The following table details the Company's gross revenue exposure, as at March 31, 2025, subject to the movements in iron ore prices for the provisionally priced sales volume:

	As at March 31,
(in thousands of U.S. dollars)	**2025**
Dry metric tonnes subject to provisional pricing adjustments	**2,689,200**
10% increase in iron ore prices	**29,863**
10% decrease in iron ore prices	**(29,863)**

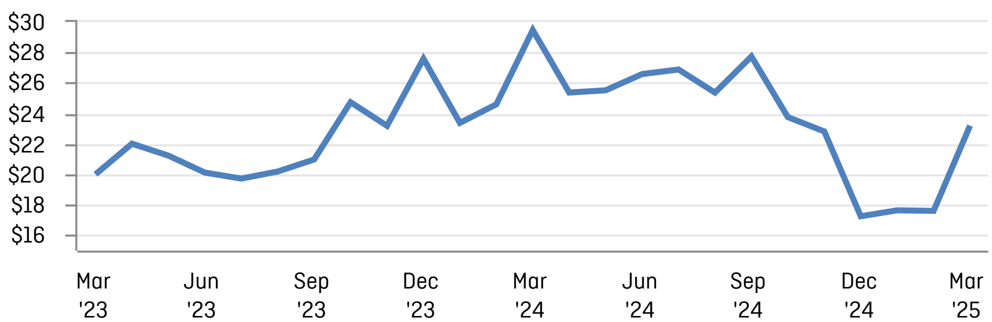
The sensitivities demonstrate the monetary impact on gross revenues in U.S. dollars resulting from a 10% increase and 10% decrease in gross realized selling prices as at March 31, 2025, while holding all other variables constant, including foreign exchange rates. The relationship between iron ore prices and exchange rates is complex, and movements in exchange rates can impact net realized selling price in Canadian dollars. The above sensitivities should, therefore, be used with caution.

8. Key Drivers (continued)

Sea Freight

Sea freight is an important component of the Company's cost structure as it ships nearly all of its iron ore concentrate to several regions overseas, including China, Japan, Europe, India, the Middle East and South Korea. The common reference route for dry bulk material from the Americas to Asia is the Tubarao (Brazil) to Qingdao (China) route which encompasses 11,000 nautical miles. The freight cost per tonne associated with this route is captured in the C3 index, which is considered the reference ocean freight cost for iron ore shipped from Brazil to Asia. There is no index for the route between the Port of Sept-Îles (Canada) and China. This route totals approximately 14,000 nautical miles and is subject to different weather conditions during the winter season. Therefore, the freight cost per tonne associated with this voyage is higher than the C3 index price. Additionally, the Company can be exposed to ice premiums in relation to the C3 index for a portion of its first and third quarters, but most particularly in its fourth quarter which is entirely subject to the effective period of ice premiums.

US$ Sea Freight Cost per wmt – C3 Baltic Capesize Index (Brazil to China)



During the three-month period ended March 31, 2025, the C3 index averaged US$19.5/t, down from US$21.6/t in the previous quarter and US$25.7/t during the same period in 2024. The decline came despite ongoing conflict in the Middle East, which continued to disrupt shipping routes and place upward pressure on freight rates. Ample vessel availability and low fleet utilization weighed on prices through January and February 2025. By March 2025, the market showed signs of recovery, with the C3 index averaging US$23.2/t for the month, up from February's average of US$17.6/t. This increase was driven by significantly higher iron ore shipments from Brazil, which led to port congestion and added upward pressure on prices.

The industry has identified a historical relationship between the iron ore price and the C3 index for the Tubarao to Qingdao route. Based on this observed correlation, when the price of iron ore fluctuates, the ocean freight rate usually fluctuates in tandem over time. As the freight cost for ocean transport between Sept-Îles and China is largely influenced by the C3 index, a decrease in iron ore prices typically results in lower ocean freight costs for the Company, resulting in a natural hedge of an important revenue component.

When contracting vessels on the spot market, Champion typically books vessels three to five weeks prior to the desired laycan period due to its distance from main shipping hubs. Although this creates a delay between the freight paid and the C3 index, the effect of this delay is eventually reconciled since Champion ships its high-grade iron ore concentrate uniformly throughout the year. Additionally, the Company has multiple freight agreements based on an agreed-upon premium above the loading month average C3 index to further reduce price volatility.

Currency

The Canadian dollar is the Company's functional and reporting currency. The Company is exposed to foreign currency fluctuations as its sales, sea freight costs and the majority of its long-term debt and lease liabilities are denominated in U.S. dollars. Consequently, the Company's operating results and cash flows are influenced by changes in the exchange rate for the Canadian dollar against the U.S. dollar.

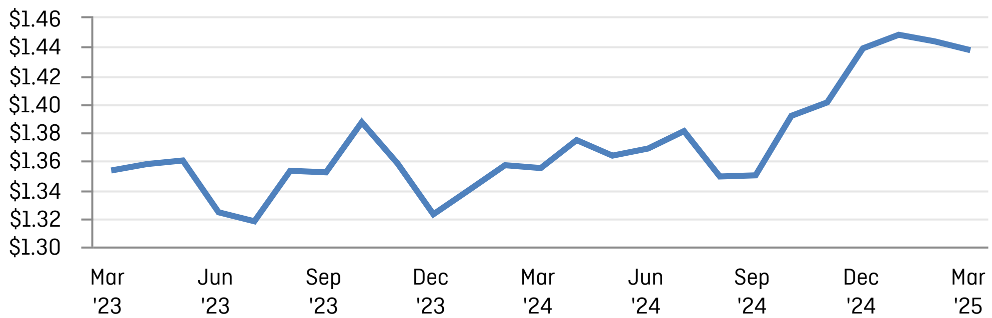
The strengthening of the U.S. dollar would positively impact the Company's net income and cash flows while the strengthening of the Canadian dollar would reduce its net income and cash flows. As the majority of the Company's long-term debt and lease liabilities are denominated in U.S. dollars, the Company is also subject to ongoing non-cash foreign exchange adjustments, which may impact its financial results. However, the Company maintains a cash balance and has trade receivables in U.S. dollars, enabling the Company to mitigate foreign exchange exposure. Assuming a stable selling price, a variation of C$0.01 against the U.S. dollar would impact gross revenues by approximately 1%. Assuming a stable long-term debt balance, a variation of C$0.01 against the U.S. dollar would impact debt revaluation by approximately 1%.

(Expressed in Canadian dollars, except where otherwise indicated)

8. Key Drivers (continued)

Currency (continued)

Monthly Closing Exchange Rate – C$/US$



Exchange rates were as follows:

	C$ / US$					
	Average			Closing		
	FY2025	FY2024	Variance	**FY2025**	FY2024	Variance
Q1	**1.3683**	1.3430	2 %	**1.3687**	1.3240	3 %
Q2	**1.3641**	1.3411	2 %	**1.3499**	1.3520	— %
Q3	**1.3982**	1.3622	3 %	**1.4389**	1.3226	9 %
Q4	**1.4352**	1.3486	6 %	**1.4376**	1.3550	6 %
Year-end as at March 31	**1.3913**	1.3487	3 %	**1.4376**	1.3550	6 %

Apart from these key drivers and the risk factors that are described in the "Risk Factors" section of this MD&A, Management is not aware of any other trends, commitments, events or uncertainties that would have a material effect on the Company's business, operating results or financial condition.

(Expressed in Canadian dollars, except where otherwise indicated)

9. Bloom Lake Mine Operating Activities

During the three-month period ended March 31, 2025, production was impacted for several days by the scheduled semi-annual shutdowns of both concentration plants and adjustments to operating and maintenance strategies, implemented to adapt to different ore feed zones, as the Company advanced its long-term mine plan during the period. Additionally, Bloom Lake's overall performance was impacted by premature wear of the grinding circuits due to the hardness of the ore processed in a geological sequence recently encountered, which is expected to persist in the coming months, and seasonal weather conditions, which primarily disrupted transportation logistics and limited equipment availability.

Sales volumes reached record levels during the three-month period ended March 31, 2025, exceeding production, and enabling a quarter-over-quarter reduction of iron ore concentrate stockpiled at Bloom Lake of 341,000 wmt, to reach 2.6 million wmt as at March 31, 2025. This achievement was driven by the recent commissioning of additional railcars and expanded rolling stock fleet by the Company and the rail operator, respectively. The Company expects that stockpiled volumes of iron ore concentrate will continue to decrease in future periods. However, the pace of future destocking is expected to vary due to scheduled semi-annual maintenance work at the mine and on the rail network, as well as seasonal transportation constraints. Champion continues to work closely with the rail operator to receive consistent contracted haulage services, ensuring that both ongoing production and existing stockpiles at Bloom Lake are hauled over future periods.

The Company remains committed to implement work programs tailored to optimize operations and reliably produce at Bloom Lake's nameplate capacity. Additionally, Champion continues to analyze opportunities to structurally increase Bloom Lake's nameplate capacity beyond 15M wmt per year over time.

Since the fourth quarter of the 2024 financial year, the Company has arranged for both plants' scheduled maintenance to occur in the second and fourth financial quarters. This creates significant quarter-over-quarter variances in production output and mining and processing costs.

	Three Months Ended March 31,			**Year Ended March 31,**		
	2025	2024	Variance	**2025**	2024	Variance
Operating Data						
Waste mined and hauled (wmt)	**10,886,200**	6,498,700	68 %	**36,637,700**	24,955,000	47 %
Ore mined and hauled (wmt)	**9,470,100**	9,471,200	— %	**39,884,000**	40,874,100	(2)%
Material mined and hauled (wmt)	**20,356,300**	15,969,900	27 %	**76,521,700**	65,829,100	16 %
Stripping ratio	**1.15**	0.69	67 %	**0.92**	0.61	51 %
Ore milled (wmt)	**9,160,300**	9,349,100	(2)%	**39,674,900**	40,721,400	(3)%
Head grade Fe (%)	**29.2**	28.7	2 %	**29.2**	28.8	1 %
Fe recovery (%)	**78.3**	80.2	(2)%	**78.9**	79.5	(1)%
Product Fe (%)	**66.5**	66.1	1 %	**66.4**	66.2	— %
Iron ore concentrate produced (wmt)	**3,167,000**	3,275,400	(3)%	**13,834,200**	14,162,400	(2)%
Iron ore concentrate sold (dmt)	**3,495,300**	2,968,900	18 %	**13,491,200**	11,643,700	16 %

9. Bloom Lake Mine Operating Activities (continued)

Fourth Quarter of the 2025 Financial Year vs Fourth Quarter of the 2024 Financial Year

Bloom Lake produced 3.2 million wmt (3.1 million dmt) of high-grade iron ore concentrate during the three-month period ended March 31, 2025, a decrease of 3% compared to 3.3 million wmt (3.2 million dmt) during the same period in 2024.

During the three-month period ended March 31, 2025, the Company set a new record by mining and hauling 20.4 million tonnes of waste and ore, surpassing the 16.0 million tonnes recorded in the same prior-year period, while also exceeding the previous quarter's output. This quarter-over-quarter improvement in mining performance was driven by the Company's strategic investments in additional haul trucks and loading equipment, as well as enhanced utilization and availability of mining equipment.

The strong mining performance enabled the Company to mine and haul a higher volume of waste material, resulting in a stripping ratio of 1.15 for the three-month period ended March 31, 2025, significantly higher than the 0.69 ratio recorded in the same prior-year period and 0.94 in the previous quarter. Champion anticipates maintaining elevated stripping activity in upcoming periods, consistent with its LoM plan.

During the three-month period ended March 31, 2025, the two concentration plants at Bloom Lake processed 9.2 million tonnes of ore, comparable to the same prior-year period.

The iron ore head grade for the three-month period ended March 31, 2025, was 29.2%, comparable to the same period in 2024. The variation in head grade was within the anticipated range of normal fluctuations outlined in the mine plan.

Champion's average Fe recovery rate was 78.3% for the three-month period ended March 31, 2025, compared to 80.2% for the same period in 2024. This decrease was primarily attributable to the geological sequence recently encountered, which also impacted grinding performances. The normal evolution of the mine plan required adjustments to ore blending strategies, hardness management and recovery circuits. The Company continues to optimize its operations and remains focused on improving and stabilizing recovery rates over time, despite the expectation that ore hardness challenges will persist in the coming months.

2025 Financial Year vs 2024 Financial Year

The Company produced 13.8 million wmt of high-grade iron ore concentrate during the year ended March 31, 2025, compared to 14.2 million wmt for the previous year. Annual production was impacted by approximately one week of production losses following the preventive evacuation of Bloom Lake's facilities in July 2024, in response to nearby forest fires. The Company is actively working towards achieving its expanded nameplate capacity of 15M wmt per year.

The Company mined and hauled 76.5 million tonnes of material during the year ended March 31, 2025, compared to 65.8 million tonnes last year, representing an increase of 16%, mostly driven by additional equipment and the construction of additional ramp accesses during the second half of last year, reducing trucking cycle times. The solid performance at the mine resulted in a stripping ratio of 0.92 for the year ended March 31, 2025, up from the 0.61 ratio recorded for the previous year.

Bloom Lake processed 39.7 million tonnes of ore during the year ended March 31, 2025, lower than the 40.7 million tonnes for the previous year. The production was impacted by the hardness of the ore mined, which resulted in lower grinding performances and lower Fe recovery, and by an interruption of operations for approximately one week in July 2024 due to the preventive evacuation of the site caused by nearby forest fires.

The iron ore head grade was 29.2% for the year ended March 31, 2025, consistent with the LoM head grade average and slightly up from the 28.8% head grade in the previous year.

The Fe recovery rate was 78.9% for the year ended March 31, 2025, comparable to the previous year. The Company's ongoing work programs aim to increase throughput and ore recoveries, and optimize operations.

10. Financial Performance

	Three Months Ended March 31,			Year Ended March 31,		
	2025	2024	Variance	**2025**	2024	Variance
Financial Data (in thousands of dollars)						
Revenues	**425,345**	332,673	28 %	**1,606,579**	1,524,294	5 %
Cost of sales	**279,644**	227,496	23 %	**1,056,243**	884,022	19 %
Other expenses	**19,619**	20,425	(4)%	**81,221**	87,481	(7)%
Net finance costs	**11,286**	8,831	28 %	**57,539**	36,138	59 %
Net income	**39,140**	25,791	52 %	**142,045**	234,191	(39)%
EBITDA[1]	**127,378**	85,099	50 %	**471,290**	552,549	(15)%
Statistics (in dollars per dmt sold)						
Gross average realized selling price[1]	**160.4**	166.3	(4)%	**163.2**	175.8	(7)%
Net average realized selling price[1]	**121.7**	112.1	9 %	**119.1**	130.9	(9)%
C1 cash cost[1]	**80.0**	76.6	4 %	**78.3**	75.9	3 %
AISC[1]	**93.1**	88.0	6 %	**94.9**	90.9	4 %
Cash operating margin[1]	**28.6**	24.1	19 %	**24.2**	40.0	(40)%

A. Revenues

	Three Months Ended March 31,			Year Ended March 31,		
	2025	2024	Variance	**2025**	2024	Variance
Indexes (in U.S. dollars per tonne)						
P62	**103.6**	123.6	(16)%	**104.5**	119.3	(12)%
P65	**116.9**	135.9	(14)%	**118.7**	130.9	(9)%
C3	**19.5**	25.7	(24)%	**23.4**	23.0	2 %
Statistics (in dollars per dmt sold)[2]						
Gross average realized selling price[1]	**111.8**	123.4	(9)%	**117.3**	130.3	(10)%
Freight and other costs	**(28.0)**	(32.5)	(14)%	**(31.4)**	(29.4)	7 %
Provisional pricing adjustments	**1.1**	(8.0)	(114)%	**(0.4)**	(3.9)	(90)%
US$ Net average realized FOB selling price[1]	**84.9**	82.9	2 %	**85.5**	97.0	(12)%
Foreign exchange conversion	**36.8**	29.2	26 %	**33.6**	33.9	(1)%
C$ Net average realized FOB selling price[1]	**121.7**	112.1	9 %	**119.1**	130.9	(9)%

Fourth Quarter of the 2025 Financial Year vs Fourth Quarter of the 2024 Financial Year

Revenues totalled $425.3 million for the three-month period ended March 31, 2025, up $92.7 million compared to $332.7 million for the same period in 2024. Lower gross average realized selling price, driven by the lower P65 index, was more than offset by the positive provisional pricing adjustments on sales recorded during the previous quarter, lower freight and other costs, and a weaker Canadian dollar. The increase in revenues was also attributable to an 18% increase in sales volumes year-over-year.

During the three-month period ended March 31, 2025, sales volumes reached a record of 3.5 million dmt, despite the challenging seasonal weather conditions affecting transportation logistics during this time of the year. This was achieved by reducing the inventory of iron ore concentrate currently stockpiled at Bloom Lake by 341,000 wmt during the period, as rail operations benefited from the Company's additional railcars and the rail operator's additional rolling stock, all commissioned in the previous quarters.

Positive provisional pricing adjustments on prior quarter sales of $5.4 million (US$3.7 million) were recorded during the three-month period ended March 31, 2025, representing a positive impact of US$1.1/dmt over the 3.5 million dmt sold during the quarter. A final average price of US$112.2/dmt was established for the 1.7 million dmt of iron ore that remained subject to pricing adjustments as at December 31, 2024, which were provisionally priced at US$110.1/dmt.

1 This is a non-IFRS financial measure, ratio or other financial measure. This measure is not a standardized financial measure under the financial reporting framework used to prepare the Financial Statements and might not be comparable to similar financial measures used by other issuers. Refer to the section 23 — Non-IFRS and Other Financial Measures of this MD&A for definitions of these metrics and reconciliations to the most comparable IFRS measure when applicable.
2 See the "Currency" subsection of this MD&A included in section 8 — Key Drivers.

10. Financial Performance (continued)

A. Revenues (continued)

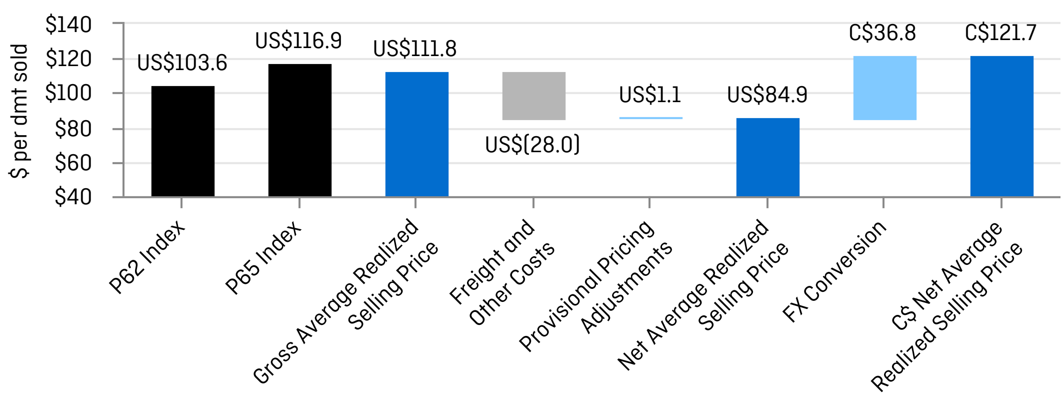
Fourth Quarter of the 2025 Financial Year vs Fourth Quarter of the 2024 Financial Year (continued)

The gross average realized selling price of US$111.8/dmt[1] for the three-month period ended March 31, 2025, was lower than the P65 index average price of US$116.9/dmt, as the 2.7 million dmt of iron ore that remained subject to pricing adjustments as at March 31, 2025, were evaluated at an average price of US$111.1/dmt. The gross average realized selling price was also negatively impacted by the Company's planned transition to higher grade DRPF product. As part of this shift, Champion intentionally reduced volumes of iron ore concentrate sold under long-term sales contracts to retain a greater proportion of its iron ore concentrate for short-term and spot markets, which have recently been more susceptible to pricing discounts. Sales using backward-looking iron ore index pricing for the period were in line with the P65 index average price for the period. The P65 index premium over the P62 index averaged 12.8% during the quarter, up from 10.0% in the comparative period of 2024.

Freight and other costs of US$28.0/dmt during the three-month period ended March 31, 2025, decreased by 14%, compared to US$32.5/dmt in the same prior-year period, mainly driven by a decrease in the average C3 index. Freight and other costs for the period continued to be negatively impacted by additional freight costs due to the vessels being rerouted via the Cape of Good Hope because of the conflict in the Red Sea.

After taking into account sea freight and other costs of US$28.0/dmt and the positive provisional pricing adjustments of US$1.1/dmt, the Company obtained a net average realized selling price of US$84.9/dmt (C$121.7/dmt[1]) for its high-grade iron ore concentrate shipped during the quarter.

Q4 FY2025 Net Average Realized Selling Price



2025 Financial Year vs 2024 Financial Year

Since the beginning of the 2025 financial year, revenues totalled $1,606.6 million, up $82.3 million compared to $1,524.3 million for the previous year, mainly due to a significant increase in sales volumes, partially offset by a lower net average realized selling price.

Despite the breakdown of a critical piece of equipment at the Bloom Lake mine's train load-out facility in December 2024, which persisted for several days, the Company sold 13.5 million dmt of iron ore concentrate for the year ended March 31, 2025, up 1.8 million dmt compared to the previous year. This year-over-year increase of 16% was mainly driven by the recent addition of railcars and rolling stock by the Company and the rail operator, respectively. Last year's sales volumes were impacted by rail interruptions and reduced service capacity lasting several days, due to the June 2023 forest fires.

Freight and other costs for the year ended March 31, 2025, totalled US$31.4/dmt, an increase of 7% compared to the previous year. This increase was driven by a slightly higher C3 index and additional freight costs, with vessels being diverted from their typical route due to the conflict in the Red Sea.

[1] This is a non-IFRS financial measure, ratio or other financial measure. This measure is not a standardized financial measure under the financial reporting framework used to prepare the Financial Statements and might not be comparable to similar financial measures used by other issuers. Refer to the section 23 — Non-IFRS and Other Financial Measures of this MD&A for definitions of these metrics and reconciliations to the most comparable IFRS measure when applicable.

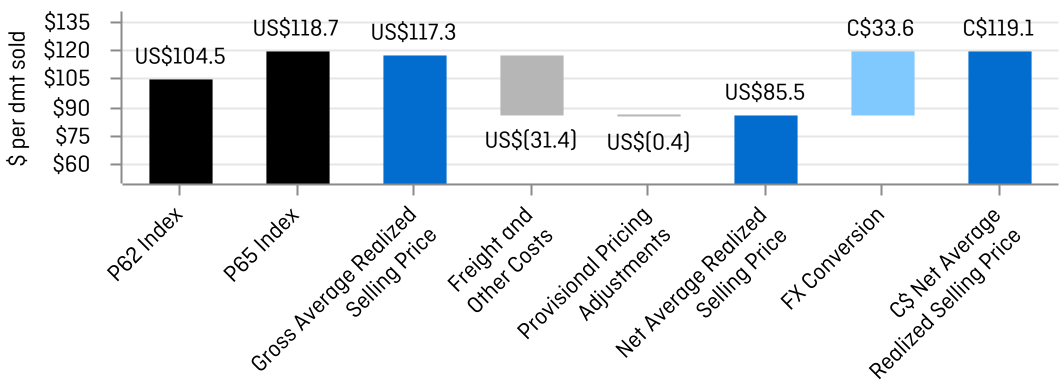
10. Financial Performance (continued)

A. Revenues (continued)

2025 Financial Year vs 2024 Financial Year (continued)

The Company sold its product at a gross average realized selling price of US$117.3/dmt[1] for the year ended March 31, 2025, slightly below the P65 index average price. In preparation for the planned transition in calendar year 2026 to include higher grade DRPF material in its product offering, Champion strategically reduced the volume of iron ore concentrate sold under long-term sales contracts, retaining a greater proportion of its iron ore concentrate production for short-term and spot markets, which are more exposed to pricing discounts. After accounting for sea freight and other costs of US$31.4/dmt and negative provisional pricing adjustments of US$0.4/dmt, the Company achieved a net average realized selling price of US$85.5/dmt (C$119.1/dmt)[1] for its high-grade iron ore concentrate sold during the period.

FY2025 Net Realized Selling Price



B. Cost of Sales and C1 Cash Cost

	Three Months Ended March 31,			Year Ended March 31,		
	2025	2024	Variance	**2025**	2024	Variance
Iron ore concentrate produced (dmt)	**3,069,200**	3,173,700	(3)%	**13,415,200**	13,733,700	(2)%
Iron ore concentrate sold (dmt)	**3,495,300**	2,968,900	18 %	**13,491,200**	11,643,700	16 %
(in thousands of dollars, except per dmt data)						
Mining and processing costs	**190,391**	182,985	4 %	**721,785**	684,658	5 %
Change in iron ore concentrate inventories	**5,792**	(32,606)	(118)%	**(9,378)**	(108,401)	(91)%
Land transportation and port handling	**83,461**	77,117	8 %	**343,836**	307,765	12 %
Cost of sales	**279,644**	227,496	23 %	**1,056,243**	884,022	19 %
C1 cash cost per dmt sold[1]	**80.0**	76.6	4 %	**78.3**	75.9	3 %
Mining and processing costs per dmt produced[1]	**62.0**	57.6	8 %	**53.8**	49.8	8 %

Fourth Quarter of the 2025 Financial Year vs Fourth Quarter of the 2024 Financial Year

For the three-month period ended March 31, 2025, the cost of sales totalled $279.6 million with a C1 cash cost of $80.0/dmt[1], compared to $227.5 million with a C1 cash cost of $76.6/dmt[1] for the same period in 2024.

Mining and processing costs for the 3.1 million dmt produced in the three-month period ended March 31, 2025, totalled $62.0/dmt produced[1], representing an increase of 8% compared to $57.6/dmt produced[1] in the same period last year. This increase was mainly driven by slightly higher costs related to the scheduled semi-annual shutdowns performed at both concentration plants, higher stripping activities, aligned with the long-term mine plan, and additional maintenance on crushers and grinding circuits that experienced premature wear due to the hardness of the ore processed in a geological sequence recently encountered, which is expected to persist in the coming months.

[1] This is a non-IFRS financial measure, ratio or other financial measure. This measure is not a standardized financial measure under the financial reporting framework used to prepare the Financial Statements and might not be comparable to similar financial measures used by other issuers. Refer to the section 23 — Non-IFRS and Other Financial Measures of this MD&A for definitions of these metrics and reconciliations to the most comparable IFRS measure when applicable.

10. Financial Performance (continued)

B. Cost of Sales and C1 Cash Cost (continued)

Fourth Quarter of the 2025 Financial Year vs Fourth Quarter of the 2024 Financial Year (continued)

Land transportation and port handling costs for the three-month period ended March 31, 2025, were $23.9/dmt sold[1], lower than $26.0/dmt sold[1] for the same period last year. This decrease was mainly attributable to the semi-annual fuel price indexation outlined in the rail transportation contract, as well as higher sales volumes during the period, which contributed to the amortization of fixed costs at the Sept-Îles port facilities.

The C1 cash cost was impacted by several factors, including changes in iron ore concentrate inventory valuation reflecting mining and processing costs from the previous quarter, along with variations in production and sales volumes.

2025 Financial Year vs 2024 Financial Year

For the year ended March 31, 2025, the cost of sales totalled $1,056.2 million with a C1 cash cost of $78.3/dmt[1], compared to $884.0 million with a C1 cash cost of $75.9/dmt[1] for the same period in 2024.

Mining and processing costs for the 13.4 million dmt produced in the year ended March 31, 2025, totalled $53.8/dmt produced[1], compared to $49.8/dmt produced[1] for the previous year. The increase was mainly attributable to a higher stripping ratio compared to last year, higher maintenance costs due to increased plant and mining equipment utilization, as well as the full year impact of the new collective bargaining agreement with Bloom Lake's unionized employees. The Company continues to incur additional operating costs in relation to stockpile management, which is expected to continue in the near term until the inventories are fully drawn from Bloom Lake. Land transportation and port handling costs for the year ended March 31, 2025, represented $25.5/dmt sold[1], compared to $26.4/dmt sold[1] for the previous year. This slight year-over-year decrease was due to higher sales volumes favourably impacting fixed port handling costs.

C. Other Expenses

	Three Months Ended March 31,			Year Ended March 31,		
(in thousands of dollars)	**2025**	2024	Variance	**2025**	2024	Variance
Share-based payments	**(712)**	385	(285)%	**5,397**	7,455	(28)%
General and administrative expenses	**12,457**	13,973	(11)%	**48,734**	50,857	(4)%
Sustainability and other community expenses	**4,972**	4,855	2 %	**18,562**	17,838	4 %
Innovation and growth initiatives	**2,902**	1,212	139 %	**8,528**	11,331	(25)%
	19,619	20,425	(4)%	**81,221**	87,481	(7)%

Share-Based Payments

Share-based payments for the three-month period and year ended March 31, 2025, were impacted by the change in value of the related liability, which varies based on the price of the Company's shares at each reporting date.

General and Administrative Expenses

General and administrative expenses for the three-month period and year ended March 31, 2025, were slightly lower than in the corresponding periods in 2024, mainly due to lower insurance premiums. The following table details general and administrative expenses:

	Three Months Ended March 31,			Year Ended March 31,		
(in thousands of dollars)	**2025**	2024	Variance	**2025**	2024	Variance
Salaries, benefits and other employee expenses	**5,811**	6,773	(14)%	**23,936**	26,124	(8)%
Insurance	**2,385**	2,792	(15)%	**9,252**	11,118	(17)%
Other	**4,261**	4,408	(3)%	**15,546**	13,615	14 %
	12,457	13,973	(11)%	**48,734**	50,857	(4)%

[1] This is a non-IFRS financial measure, ratio or other financial measure. This measure is not a standardized financial measure under the financial reporting framework used to prepare the Financial Statements and might not be comparable to similar financial measures used by other issuers. Refer to the section 23 — Non-IFRS and Other Financial Measures of this MD&A for definitions of these metrics and reconciliations to the most comparable IFRS measure when applicable.

10. Financial Performance (continued)

C. Other Expenses (continued)

Sustainability and Other Community Expenses

Sustainability and community-related expenses for the three-month period and year ended March 31, 2025, remained largely consistent with prior-year levels, reflecting the Company's continued commitment to uphold high standards in sustainability and community relations. The increase in property and school taxes was driven by new infrastructures captured in the 2025 triennial revaluation, including the mine maintenance garage expansion, the third lodging complex and a reassessment of the value of the Company's second plant. The table below details sustainability and other community expenses:

	Three Months Ended March 31,			Year Ended March 31,		
(in thousands of dollars)	**2025**	2024	Variance	**2025**	2024	Variance
Property and school taxes	**2,469**	2,217	11 %	**8,201**	7,325	12 %
Impact and benefits agreement	**1,825**	1,759	4 %	**7,591**	7,375	3 %
Salaries, benefits and other employee expenses	**258**	426	(39)%	**1,210**	1,360	(11)%
Other expenses	**420**	453	(7)%	**1,560**	1,778	(12)%
	4,972	4,855	2 %	**18,562**	17,838	4 %

Innovation and Growth Initiative Expenses

Innovation and growth initiative expenses for the three-month period and year ended March 31, 2025, were comprised of consulting fees, salaries and benefits related to the Company's various ongoing projects. The Company's strategic initiatives are detailed in section 7 — Research & Development Initiatives of this MD&A.

D. Net Finance Costs

	Three Months Ended March 31,			Year Ended March 31,		
(in thousands of dollars)	**2025**	2024	Variance	**2025**	2024	Variance
Interest expense on long-term debt	**6,759**	9,136	(26)%	**28,083**	35,009	(20)%
Standby commitment fees on long-term debt	**660**	703	(6)%	**2,792**	2,049	36 %
Interest expense on lease liabilities	**1,288**	1,024	26 %	**4,370**	3,987	10 %
Realized and unrealized foreign exchange loss (gain)	**(717)**	380	(289)%	**18,335**	855	2044 %
Interest income	**(1,003)**	(4,499)	(78)%	**(9,618)**	(14,444)	(33)%
Other finance costs	**4,299**	2,087	106 %	**13,577**	8,682	56 %
	11,286	8,831	28 %	**57,539**	36,138	59 %

Fourth Quarter of the 2025 Financial Year vs Fourth Quarter of the 2024 Financial Year

Net finance costs increased to $11.3 million for the three-month period ended March 31, 2025, compared to $8.8 million for the same period in 2024, mainly driven by higher debt balances, partially offset by lower interest rates, higher borrowing costs capitalized and lower interest income due to lower average cash balances. Borrowing costs capitalized on the DRPF project totalled $5.7 million during the quarter, compared to $1.5 million for the same period last year. Net finance costs for the period also included a foreign exchange gain resulting from the revaluation of net monetary liabilities denominated in U.S. dollars, with the slight strengthening of the Canadian dollar at the end of the quarter.

2025 Financial Year vs 2024 Financial Year

Net finance costs increased to $57.5 million for the year ended March 31, 2025, up from $36.1 million for the previous year. This increase was primarily driven by a higher foreign exchange loss due to the revaluation of net monetary liabilities denominated in U.S. dollars and a higher debt balance during the year. The depreciation of the Canadian dollar against the U.S. dollar as at March 31, 2025, compared to March 31, 2024, further contributed to the increase, given the Company's net payable position consisting of borrowings, lease liabilities, trade receivables, and cash and cash equivalents denominated in U.S. dollars.

The increase was partially offset by higher capitalization of borrowing costs related to the construction of the DRPF infrastructure and lower average interest rates. During the year ended March 31, 2025, borrowing costs of $16.7 million were capitalized in the DRPF project, compared to $2.8 million for the previous year.

10. Financial Performance (continued)

E. Income Taxes

The Company and its subsidiaries are subject to tax in Australia and Canada. There is no deferred tax asset recognized in respect of the unused losses in Australia as the Company believes it is not probable that there will be a taxable profit available against which the losses can be used.

QIO is subject to Québec mining taxes at a progressive tax rate based on its mining profit margin as follows:

Mining Profit Margin Range	Tax Rate
Mining profit between 0% and 35%	**16%**
Incremental mining profit over 35%, up to 50%	**22%**
Incremental mining profit over 50%	**28%**

In addition, QIO is subject to income taxes in Canada where the combined provincial and federal statutory rate was 26.50% for the year ended March 31, 2025 (2024: 26.50%).

During the three-month period and year ended March 31, 2025, current income and mining tax expenses totalled $34.2 million and $79.1 million, respectively, compared to $4.7 million and $93.2 million, respectively, for the same periods in 2024. The variation was mainly due to the change in taxable income driven by gross profit. With net tax payments of $96.6 million during the year ended March 31, 2025, and a payable balance of $40.2 million as at March 31, 2024, the Company had net income and mining taxes payable of $22.7 million as at March 31, 2025.

During the three-month period and year ended March 31, 2025, deferred income and mining tax expenses totalled $1.3 million and $44.0 million, respectively, compared to $16.2 million and $65.4 million, respectively, for the same periods in 2024. The variation in deferred tax expenses was mainly attributable to temporary differences between the carrying amounts of property, plant and equipment and the tax basis.

The combined provincial and federal statutory tax and mining tax rate was 38% and the Company's effective tax rate ("ETR") was 46% for the year ended March 31, 2025, compared to 40% for the previous year. The higher ETR was mainly due to an unrealized foreign exchange loss not recognized for tax purposes and the withholding tax paid resulting from the dividends received from QIO in July and November 2024.

F. Net Income & EBITDA

Fourth Quarter of the 2025 Financial Year vs Fourth Quarter of the 2024 Financial Year

For the three-month period ended March 31, 2025, the Company generated EBITDA of $127.4 million[1], representing an EBITDA margin of 30%[1], compared to $85.1 million[1], representing an EBITDA margin of 26%[1], for the same period in 2024. Higher EBITDA and EBITDA margin were mainly driven by higher sales volumes and a higher net average realized selling price, partially offset by a higher cost of sales.

For the three-month period ended March 31, 2025, the Company generated net income of $39.1 million (EPS of $0.08), compared to $25.8 million (EPS of $0.05) for the same prior-year period. This increase in net income is attributable to higher gross profit, partially offset by higher income and mining taxes.

2025 Financial Year vs 2024 Financial Year

For the year ended March 31, 2025, the Company generated EBITDA of $471.3 million[1], representing an EBITDA margin of 29%[1], compared to $552.5 million[1], representing an EBITDA margin of 36%[1], for the previous year. This year-over-year decrease was mainly attributable to a lower net average realized selling price and a higher cost of sales, partially offset by higher sales volumes.

For the year ended March 31, 2025, the Company generated net income of $142.0 million (EPS of $0.27), compared to $234.2 million (EPS of $0.45) for the previous year. This year-over-year decrease is mainly due to a lower gross profit and an unrealized foreign exchange loss resulting from the revaluation of net monetary liabilities denominated in U.S. dollars, partially offset by lower income and mining taxes.

[1] This is a non-IFRS financial measure, ratio or other financial measure. This measure is not a standardized financial measure under the financial reporting framework used to prepare the Financial Statements and might not be comparable to similar financial measures used by other issuers. Refer to the section 23 — Non-IFRS and Other Financial Measures of this MD&A for definitions of these metrics and reconciliations to the most comparable IFRS measure when applicable.

(Expressed in Canadian dollars, except where otherwise indicated)

10. Financial Performance (continued)

G. All-in Sustaining Cost & Cash Operating Margin

	Three Months Ended March 31,			Year Ended March 31,		
	2025	2024	Variance	**2025**	2024	Variance
Iron ore concentrate sold (dmt)	**3,495,300**	2,968,900	18 %	**13,491,200**	11,643,700	16 %
(in dollars per dmt sold)						
Net average realized selling price[1]	**121.7**	112.1	9 %	**119.1**	130.9	(9)%
C1 cash cost[1]	**80.0**	76.6	4 %	**78.3**	75.9	3 %
Sustaining capital expenditures	**9.5**	6.7	42 %	**13.0**	10.7	21 %
General and administrative expenses	**3.6**	4.7	(23)%	**3.6**	4.3	(16)%
AISC[1]	**93.1**	88.0	6 %	**94.9**	90.9	4 %
Cash operating margin[1]	**28.6**	24.1	19 %	**24.2**	40.0	(40)%

Fourth Quarter of the 2025 Financial Year vs Fourth Quarter of the 2024 Financial Year

During the three-month period ended March 31, 2025, the Company realized an AISC of $93.1/dmt[1], compared to $88.0/dmt[1] for the same period in 2024, an increase mainly attributable to a higher C1 cash cost. The increase was also attributable to higher sustaining capital expenditures, mitigated by higher volumes of iron ore concentrate sold during the period. Refer to section 13 — Cash Flows of this MD&A for details on sustaining capital expenditures.

The Company generated a cash operating margin of $28.6/dmt[1] for each tonne of high-grade iron ore concentrate sold during the three-month period ended March 31, 2025, compared to $24.1/dmt[1] for the same prior-year period. The variation was due to a higher net average realized selling price, partially offset by a higher AISC for the period.

2025 Financial Year vs 2024 Financial Year

During the year ended March 31, 2025, the Company recorded an AISC of $94.9/dmt[1], above $90.9/dmt[1] in the previous year, mainly due to higher C1 cash costs and higher sustaining capital expenditures, which were not fully offset by higher sales volumes.

The cash operating margin totalled $24.2/dmt[1] for the year ended March 31, 2025, compared to $40.0/dmt[1] for the previous year. The decrease was mainly due to a lower net average realized selling price and a higher AISC for the period.

[1] This is a non-IFRS financial measure, ratio or other financial measure. This measure is not a standardized financial measure under the financial reporting framework used to prepare the Financial Statements and might not be comparable to similar financial measures used by other issuers. Refer to the section 23 — Non-IFRS and Other Financial Measures of this MD&A for definitions of these metrics and reconciliations to the most comparable IFRS measure when applicable.

(Expressed in Canadian dollars, except where otherwise indicated)

11. Mineral Resources and Ore Reserves

Tonnage and quality information contained in the following tables have been rounded and, as a result, the figures may not add up to the totals quoted. The abbreviation "Mt" used throughout this section refers to million tonnes.

Governance Arrangements and Internal Controls

Mineral resources and reserves are subject to a systematic internal peer review. As a control, external technical audits are conducted when required. The 2021 technical audit, which was the latest audit carried out by independent consultants, did not identify any major risks or flaws in the estimation. In general, any estimation update would be based on new information, including but not limited to, drilling information, calibration to production and changes to assumptions. Information used for an update is validated by a "qualified person" as defined in National Instrument 43-101 — Standards of Disclosure for Mineral Projects ("NI 43-101"). Tonnages and grades included in this section have been reviewed by the Company's internal resource and reserve working team.

Bloom Lake Resources and Reserves as at March 31, 2025

Bloom Lake resources and reserves are based on the technical report titled "Mineral Resources and Mineral Reserves for the Bloom Lake Mine, Fermont, Québec, Canada", prepared pursuant to NI 43-101 and Chapter 5 of the ASX Listing Rules, by André Allaire, P.Eng., PhD, and Benoit Ouellet, P.Eng., of BBA Inc.; Jérôme Martin, P.Eng., of Soutex; Erik Ronald, P.Geo., of SRK Consulting (U.S.) Inc.; and Vincent Blanchet, P.Eng., and Olivier Hamel, P.Eng., of QIO and dated September 28, 2023 (the "2023 Technical Report").

The Company is not aware of any new information or data that materially affects the information included in the 2023 Technical Report and confirms that all material assumptions and technical parameters underpinning the estimates in the 2023 Technical Report continue to apply and have not materially changed. The 2023 Technical Report is available under the Company's profile on SEDAR+ at www.sedarplus.ca.

During the 2025 financial year, mining activities continued on the basis of the 2023 Technical Report. Since the filing of the 2023 Technical Report, the Bloom Lake resources and reserves were adjusted for pit designs, model updates and depletion from mining operations.

Bloom Lake measured and indicated resources totalled 1,151 Mt as at March 31, 2025, compared to 1,226 Mt as at March 31, 2024;

- Bloom Lake inferred resources totalled 198 Mt as at March 31, 2025, compared to 246 Mt as at March 31, 2024; and
- Bloom Lake proven and probable reserves totalled 636 Mt at 28.6% Fe as at March 31, 2025, compared to 690 Mt at 28.6% Fe as at March 31, 2024.

Relative to the information reported as at March 31, 2024, the changes to mineral resources and reserves as at March 31, 2025 are due to:

- Depletion from mining activities;
- Routine adjustments to the unit cost model;
- Routine adjustments to the geological model; and
- Minor operational changes to the pit designs.

All Bloom Lake mineral resources reported are inclusive of the Bloom Lake mineral reserves. The Bloom Lake mineral resources reported were estimated using an iron ore reference price of US$110.24/dmt (P65 index) while the reserves were estimated using an iron ore reference price of US$99.0/dmt. Bloom Lake proven reserves and measured resources as at March 31, 2025, include 1.6 Mt of pre-concentration stockpiles.

Bloom Lake Mineral Resource Estimate (at 15% Fe Cut-Off Grade)

	As at March 31, 2025					As at March 31, 2024
Category	**Mt Tonnage (dmt)**	**Fe (%)**	**CaO (%)**	**MgO (%)**	**Al_2O_3 (%)**	**Mt Tonnage (dmt)**
Measured	150	30.4	1.2	1.2	0.3	170
Indicated	1,001	28.5	1.3	1.2	0.5	1,056
Total Measured and Indicated	1,151	28.7	1.3	1.2	0.5	1,226
Inferred	198	26.4	2.0	1.6	0.5	246

(Expressed in Canadian dollars, except where otherwise indicated)

11. Mineral Resources and Ore Reserves (continued)

Bloom Lake Resources and Reserves as at March 31, 2025 (continued)

Bloom Lake Mineral Reserve Estimate (at 15% Fe Cut-Off Grade, Diluted)

	As at March 31, 2025					As at March 31, 2024
Category	**Mt Tonnage (dmt)**	**Fe (%)**	**CaO (%)**	**MgO (%)**	**Al_2O_3 (%)**	**Mt Tonnage (dmt)**
Proven	148	29.9	1.3	1.2	0.3	167
Probable	488	28.1	2.1	1.9	0.5	523
Total Proven and Probable	636	28.6	1.9	1.8	0.4	690

Kami Project Resources and Reserves as at March 31, 2025

On April 1, 2021, the Company acquired the mining properties of the Kami Project.

Kami resources and reserves are based on the technical report titled "Pre-feasibility Study for the Kamistiatusset (Kami) Iron Ore Property, Newfoundland and Labrador, Canada", prepared pursuant to NI 43-101 and Chapter 5 of the ASX Listing Rules and dated March 14, 2024 (the "Kami Project Study").

The Company is not aware of any new information or data that materially affects the information included in the Kami Project Study and confirms that all material assumptions and technical parameters underpinning the estimates in the Kami Project Study continue to apply and have not materially changed. The Kami Project Study was filed voluntarily and is available under the Company's profile on SEDAR+ at www.sedarplus.ca.

Since no mining activities are underway, resources and reserves are unchanged since March 14, 2024.

- Kami measured and indicated resources totalled 975 Mt as at March 31, 2025;
- Kami inferred resources totalled 163 Mt as at March 31, 2025; and
- Kami proven and probable reserves totalled 643 Mt at 29.2% Fe as at March 31, 2025.

Kami mineral resources reported are inclusive of the Kami mineral reserves. The Kami mineral resources reported were estimated using an iron ore concentrate price of US$150.0/dmt (CFR China, including the high-grade premium), while the reserves were estimated using an iron ore reference price of US$120.0/dmt (P65 index) with a DRPF premium of US$34.0/dmt.

Kami Mineral Resource Estimate (at 15% Fe Cut-Off Grade)

	As at March 31, 2025					As at March 31, 2024
Category	**Mt Tonnage (dmt)**	**Fe (%)**	**MagFe (%)**	**HemFe (%)**	**MnO (%)**	**Mt Tonnage (dmt)**
Measured	212	30.2	14.8	13.0	1.6	212
Indicated	763	29.5	16.2	10.0	1.5	763
Total Measured and Indicated	975	29.6	15.9	10.7	1.5	975
Inferred	163	29.2	14.5	11.9	1.2	163

Kami Mineral Reserve Estimate (at 15% Fe Cut-Off Grade)

	As at March 31, 2025				As at March 31, 2024
Category	**Mt Tonnage (dmt)**	**Fe (%)**	**MagFe (%)**	**HemFe (%)**	**Mt Tonnage (dmt)**
Proven	167	29.7	13.2	13.8	167
Probable	476	29.0	15.1	10.6	476
Total Proven and Probable	643	29.2	14.6	11.4	643

In addition to the Bloom Lake Mine and the Kami Project, the Company owns interests in other iron deposits located in the Labrador Trough ranging from 6 to 80 km west and southwest of Fermont.

11. Mineral Resources and Ore Reserves (continued)

Material Changes

There were no material changes in the year ended March 31, 2025, other than the depletion at the Bloom Lake Mine. Additional information on the Company's exploration projects can be found in its Annual Report and Annual Information Form for the year ended March 31, 2025, available under the Company's profile on SEDAR+ at www.sedarplus.ca, on the ASX at www.asx.com.au and on the Company's website at www.championiron.com.

Qualified Person and Data Verification

Mr. Vincent Blanchet, P. Eng., Engineer at QIO, the Company's subsidiary and operator of Bloom Lake, is a "qualified person" as defined by NI 43-101 and has reviewed and approved, or has prepared, as applicable, the disclosure of the scientific and technical information contained in this section and has confirmed that the relevant information is an accurate representation of the available data and studies for the relevant projects. Mr. Blanchet's review and approval does not include statements as to the Company's knowledge or awareness of new information or data or any material changes to the material assumptions and technical parameters underpinning the 2023 Technical Report and the Kami Project Study. Mr. Blanchet is a member of the *Ordre des ingénieurs du Québec*.

12. Exploration Activities and Regional Growth

During the year ended March 31, 2025, the Company maintained all its properties in good standing and no farm-in or farm-out arrangements came into effect. As outlined in section 6 — Kami Project Update of this MD&A, the Partners agreed to jointly conduct and fund certain components of the DFS on a pro-rata basis, in accordance with their respective ownership interests. Expected reimbursements of expenditures already incurred by Champion pursuant to the existing collaboration agreement with the Partners were deducted from exploration and evaluation assets.

During the three-month period and year ended March 31, 2025, $11.0 million and $27.7 million were incurred in exploration and evaluation expenditures, respectively, compared to $1.6 million and $14.7 million, respectively, for the same prior-year periods. During the three-month period and year ended March 31, 2025, exploration and evaluation expenditures were related to activities carried out in Québec and Newfoundland and Labrador.

Details on exploration projects, along with maps, are available on the Company's website at www.championiron.com under the Operations & Projects section.

13. Cash Flows

The following table summarizes cash flow activities:

	Three Months Ended March 31,		**Year Ended March 31,**	
(in thousands of dollars, except per share data)	**2025**	2024	**2025**	2024
Operating cash flows before working capital	**83,043**	73,902	**367,326**	437,870
Changes in non-cash operating working capital	**61,335**	26,565	**(63,308)**	36,715
Net cash flows from operating activities	**144,378**	100,467	**304,018**	474,585
Net cash flows used in investing activities	**(111,568)**	(86,634)	**(615,749)**	(354,717)
Net cash flows from (used in) financing activities	**(8,777)**	(8,372)	**23,414**	(48,364)
Net increase (decrease) in cash and cash equivalents	**24,033**	5,461	**(288,317)**	71,504
Effects of exchange rate changes on cash and cash equivalents	**322**	7,227	**5,707**	1,751
Cash and cash equivalents, beginning of the period	**93,096**	387,373	**400,061**	326,806
Cash and cash equivalents, end of the period	**117,451**	400,061	**117,451**	400,061
Operating cash flow per share[1]	**0.28**	0.19	**0.59**	0.92

[1] This is a non-IFRS financial measure, ratio or other financial measure. This measure is not a standardized financial measure under the financial reporting framework used to prepare the Financial Statements and might not be comparable to similar financial measures used by other issuers. Refer to the section 23 — Non-IFRS and Other Financial Measures of this MD&A for definitions of these metrics and reconciliations to the most comparable IFRS measure when applicable.

13. Cash Flows (continued)

Operating

During the three-month period ended March 31, 2025, the Company generated operating cash flows of $83.0 million before changes in working capital items, an increase of $9.1 million compared to $73.9 million for the same period last year. Higher EBITDA[1] of $42.3 million was partially offset by higher current income and mining taxes of $29.5 million, incurred during the quarter. Operating cash flows also benefited from the increase in income and mining taxes payable, the decrease in accounts receivable, mainly due to the timing of sales tax receipts, and the increase in accounts payable impacted by the timing of supplier payments, compared to December 31, 2024. The operating cash flow per share for the three-month period ended March 31, 2025, was $0.28[1], compared to $0.19[1] for the same prior-year period.

During the year ended March 31, 2025, the Company's operating cash flows before working capital items totalled $367.3 million, down $70.5 million compared to $437.9 million for the previous year, mostly driven by a lower EBITDA[1] of $81.3 million, partially offset by lower current income and mining taxes of $14.1 million. Operating cash flows were also negatively impacted by higher receivables and inventories, as well as lower income and mining taxes payable, partially offset by higher accounts payable. These variations are detailed in section 14 — Financial Position of this MD&A. The operating cash flow per share for the year ended March 31, 2025, totalled $0.59[1], compared to $0.92[1] for the previous year.

Investing

i. Purchase of Property, Plant and Equipment

	Three Months Ended March 31,		Year Ended March 31,	
(in thousands of dollars)	**2025**	2024	**2025**	2024
Tailings lifts	**6,150**	4,437	**71,765**	71,086
Stripping and mining activities	**15,372**	8,684	**48,679**	25,716
Other sustaining capital expenditures	**11,708**	6,638	**54,906**	27,237
Sustaining Capital Expenditures	**33,230**	19,759	**175,350**	124,039
DRPF project	**51,773**	35,365	**244,250**	94,375
Other capital development expenditures at Bloom Lake	**14,460**	30,288	**156,775**	109,730
Purchase of Property, Plant and Equipment as per Cash Flows	**99,463**	85,412	**576,375**	328,144

Sustaining Capital Expenditures

Sustaining capital expenditures were $13.0/dmt sold for the year ended March 31, 2025, compared to $10.7/dmt for the same prior-year period. This increase was mostly driven by higher mining development expenditures, the capitalization of mining costs to stripping assets, and increased investments in equipment rebuilds required to support elevated production over the LoM.

The tailings-related investments for the three-month period and year ended March 31, 2025, were in line with the Company's long-term plan to support the LoM operations. As part of its ongoing tailings infrastructure monitoring and inspections, Champion continues to invest in its safe tailings strategy and is implementing its long-term tailings investment plan. During the third quarter of the 2025 financial year, the Company initiated the expansion of its tailings storage capacity to accommodate increased operational throughput. Tailings-related work programs are typically carried out between May and November, when weather conditions are more favourable for construction activities.

Stripping and mining activities for the three-month period and year ended March 31, 2025, included $2.5 million and $29.5 million of mine development costs, respectively, including topographic and pre-cut drilling work, as part of the Company's mine plan ($8.1 million and $23.2 million, respectively, for the same periods in 2024). During the three-month period and year ended March 31, 2025, this also included $12.9 million and $19.2 million of capitalized stripping costs, respectively ($0.6 million and $2.5 million, respectively, for the same periods in 2024).

The increase in other sustaining capital expenditures for the three-month period and year ended March 31, 2025, was primarily driven by investments in mining equipment rebuilds to support the expansion of Champion's mining fleet, renovations to accommodation complexes, and railcar-related improvements. These expenditures align with the Company's long-term investment strategy to support growth projects over the LoM.

[1] This is a non-IFRS financial measure, ratio or other financial measure. This measure is not a standardized financial measure under the financial reporting framework used to prepare the Financial Statements and might not be comparable to similar financial measures used by other issuers. Refer to the section 23 — Non-IFRS and Other Financial Measures of this MD&A for definitions of these metrics and reconciliations to the most comparable IFRS measure when applicable.

13. Cash Flows (continued)

Investing (continued)

i. Purchase of Property, Plant and Equipment (continued)

DRPF Project

During the three-month period and year ended March 31, 2025, $51.8 million and $244.3 million, respectively, were spent in capital expenditures related to the DRPF project ($35.4 million and $94.4 million respectively, for the same prior-year periods). Investments during the year funded the completion of engineering activities and foundations-related civil work, the delivery of long lead-time equipment, and the finalization of the lodging complex, enabling the Company to achieve significant construction milestones as at March 31, 2025. Cumulative investments totalled $339.5 million as at March 31, 2025, out of an estimated total capital expenditure of $470.7 million, as outlined in the 2023 project study. A detailed description of the project is presented in section 5 — DRPF Project Update of this MD&A.

Other Capital Development Expenditures at Bloom Lake

During the three-month period and year ended March 31, 2025, other capital development expenditures at Bloom Lake totalled $14.5 million and $156.8 million, respectively ($30.3 million and $109.7 million, respectively, for the same periods in 2024). The following table details other capital development expenditures at Bloom Lake:

	Three Months Ended March 31,		Year Ended March 31,	
(in thousands of dollars)	**2025**	2024	**2025**	2024
Infrastructure improvements and conformity (i)	**6,000**	12,256	**36,828**	35,564
Mine maintenance garage expansion (ii)	**847**	6,201	**8,922**	26,744
Deposits or final payment for mining equipment	**2,752**	8,670	**22,289**	28,068
Railcars (iii)	**—**	—	**69,370**	—
Other (iv)	**4,861**	3,161	**19,366**	19,354
Other Capital Development Expenditures at Bloom Lake	**14,460**	30,288	**156,775**	109,730

(i) Infrastructure improvements and conformity expenditures included various capital projects aimed at improving the performance or capacity of assets, including pads to expand the Company's capacity to stockpile iron ore concentrate at the site, construction of a core shack, autonomous and remote drilling hardware and bridge conformity work programs.

(ii) The mine maintenance garage expansion was required to support the Company's expanded truck fleet, which made a significant contribution to the Company's recent mining performance.

(iii) To improve rail shipment flexibility, Champion ordered 400 additional railcars in July 2024, which were financed by a long-term loan. These were all delivered by December 31, 2024.

(iv) Other expenditures mainly consisted of capitalized borrowing costs on the DRPF project. For the 2024 financial year, the amount included investments in third-party facilities to handle additional production from the second plant, partially offset by the receipt of government grants related to the Company's initiatives to reduce GHG emissions and energy consumption.

ii. Other Main Investing Activities

During the three-month period and year ended March 31, 2025, the Company made advance payments of $0.9 million and $10.1 million, respectively, to third-party service providers in Sept-Îles for major replacement parts and asset improvement capital expenditures ($2.1 million and $13.7 million, respectively, in the same periods in 2024). During the three-month period and year ended March 31, 2025, the Company also invested $11.0 million and $27.7 million, respectively, in exploration and evaluation assets ($1.6 million and $14.7 million, respectively, for the same prior-year periods).

Financing

During the three-month period and year ended March 31, 2025, the Company made a net repayment of $5.5 million and a net drawdown of $73.0 million, respectively, on mining equipment and railcars financings (repayment of $7.5 million and drawdown of $3.0 million, respectively, for the same periods last year). During the year ended March 31, 2025, the Company also made a drawdown of $70.2 million on its revolving facility to support the construction of the DRPF project, and repaid $6.4 million from another financing (net drawdown of $61.1 million for the previous year).

During the year ended March 31, 2025, the Company returned $103.6 million to shareholders through dividend payments ($103.4 million for the previous year). During the three-month period and year ended March 31, 2025, the Company also made payments on lease liabilities of $3.2 million and $9.3 million, respectively ($1.7 million and $8.4 million, respectively, for the same prior-year periods).

14. Financial Position

The following table details the changes to the consolidated statements of financial position:

(in thousands of dollars)	**As at March 31, 2025**	As at March 31, 2024	Variance
Cash and cash equivalents	**117,451**	400,061	(71)%
Receivables	**202,470**	120,079	69 %
Inventories	**357,489**	332,611	7 %
Other current assets	**54,895**	47,368	16 %
Total Current Assets	**732,305**	900,119	(19)%
Advance payments	**76,307**	83,374	(8)%
Property, plant and equipment	**2,046,406**	1,545,961	32 %
Exploration and evaluation assets	**148,029**	131,827	12 %
Other non-current assets	**27,154**	28,270	(4)%
Total Assets	**3,030,201**	2,689,551	13 %
Total Current Liabilities	**358,682**	323,071	11 %
Long-term debt	**666,576**	508,367	31 %
Lease liabilities	**78,619**	70,649	11 %
Provisions	**141,628**	84,593	67 %
Net deferred tax liabilities	**325,105**	281,142	16 %
Other non-current liabilities	**24,193**	25,219	(4)%
Total Liabilities	**1,594,803**	1,293,041	23 %
Total Equity	**1,435,398**	1,396,510	3 %
Total Liabilities and Equity	**3,030,201**	2,689,551	13 %

Assets

The Company's cash and cash equivalents balance on March 31, 2025, compared to the amount held on March 31, 2024, is detailed in section 13 — Cash Flows of this MD&A.

The increase in receivables was mostly attributable to higher trade receivables, reflecting the re-evaluation of sales subject to provisional pricing, as well as the timing of shipments affecting payment schedules. The appreciation of the U.S. dollar against the Canadian dollar as at March 31, 2025, compared to March 31, 2024, also contributed to the increase in receivables. As at March 31, 2025, receivables also included an amount of $11.5 million related to the Kami Partners' obligation to fund 49% of the DFS expenditures incurred to date by the Company.

With the volume of iron ore concentrate stockpiled at Bloom Lake remaining stable year-over-year, the increase in inventories was attributable to a higher valuation of iron ore concentrate inventory as at March 31, 2025, due to increased mining and processing costs compared to March 31, 2024. A higher level of spare parts also contributed to the increase in inventories over the period.

The additions to property, plant and equipment are detailed in section 13 — Cash Flows of this MD&A. The increase in property, plant and equipment was also impacted by a non-cash addition of $53.7 million associated with the compensation plans' obligation to fulfill conditions associated with the authorizations received to execute the Company's tailings and waste rock storage expansion plan. The Company recorded the obligation of all compensation plans during the 2025 financial year, with a corresponding addition to property, plant and equipment, as the expansion works started to impact the fish habitats and wetland areas during this period. Refer to note 2 to the Financial Statements for more details. The increase in property, plant and equipment was also attributable to additional right-of-use assets for various equipment.

Exploration and evaluation expenditures for the year ended March 31, 2025 are detailed in section 12 — Exploration Activities and Regional Growth of this MD&A.

14. Financial Position (continued)

Liabilities and Equity

The increase in current liabilities was attributable to higher trade payables mainly resulting from the volume and timing of investments in the Company's growth projects, partially offset by lower income and mining taxes payable.

The increase in long-term debt was mainly attributable to the US$49.9 million of new financing related to the acquisition of 400 railcars to increase the Company's shipment flexibility, a US$50.0 million drawdown on the revolving facility to fund the construction of the DRPF project, and a net increase of the Caterpillar Financial Services Limited facility for the financing of additional mining equipment to support growth activities. The long-term debt balance was also impacted by the weakening of the Canadian dollar as at March 31, 2025, compared to March 31, 2024.

The increase in provisions was primarily driven by the recognition of financial obligations related to compensation plans during the financial year, totalling $53.7 million, as outlined above.

The increase in net deferred tax liabilities was mainly attributable to temporary differences between the carrying amounts of property, plant and equipment and the tax basis.

Total equity increased by $38.9 million since the beginning of the financial year as the dividend payments on the Company's ordinary shares were more than offset by the net income generated during the year.

Liquidity

The Company is well positioned to fund all of its cash requirements for the next 12 months from its existing cash balance, forecasted cash flows from operating activities and undrawn available credit facilities.

As at March 31, 2025, the Company held $117.5 million in cash and cash equivalents and had $488.4 million in undrawn loans for a total available liquidity of $605.9 million[1].

	As at March 31,
(in thousands of dollars)	**2025**
Senior Credit Facilities	**481,407**
Caterpillar Financial Services Limited	**7,003**
Total available and undrawn loans	**488,410**

The Company's cash requirements for the next 12 months are primarily related to the following activities:

- Sustaining and other capital expenditures;
- Growth projects expenditures, including DRPF project expenditures and costs associated with the completion of the Kami DFS;
- Semi-annual dividend payments to shareholders, if declared;
- Capital repayments related to lease liabilities and long-term debt; and
- Payment of mining and income taxes.

[1] This is a non-IFRS financial measure, ratio or other financial measure. This measure is not a standardized financial measure under the financial reporting framework used to prepare the Financial Statements and might not be comparable to similar financial measures used by other issuers. Refer to the section 23 — Non-IFRS and Other Financial Measures of this MD&A for definitions of these metrics and reconciliations to the most comparable IFRS measure when applicable.

15. Financial Instruments

The nature and extent of risks arising from the Company's financial instruments are summarized in note 26 to the Financial Statements.

16. Contingencies

The Company is and may be from time to time subject to legal actions, including arbitration and class actions, arising in the normal course of business. It is inherently difficult to predict the outcome of any of these proceedings with certainty, and it is possible that an adverse resolution could have a material adverse effect on the consolidated financial position of the Company. However, based on currently available information, it is not expected that any of the existing legal actions, either individually or in the aggregate, will have a material adverse effect on the consolidated financial position of the Company.

As outlined in section 6 — Kami Project Update of this MD&A, on December 18, 2024, Champion entered into a binding agreement to form a partnership for the joint ownership and development of the Kami Project. Closing of the Transaction is subject to the Company and the Partners entering into definitive agreements, including the Framework Agreement and a partnership agreement to advance the Kami Project towards a potential IID and, ultimately, an FID, including permitting and the completion of a DFS. Additional details can be found in the Company's press release dated December 18, 2024 (Montréal), available under its profile on SEDAR+ at www.sedarplus.ca, the ASX at www.asx.com.au and the Company's website at www.championiron.com.

17. Contractual Obligations, Commitments and Off-Balance Sheet Arrangements

Contractual Obligations and Commitments

The following are the contractual maturities of the Company's liabilities segmented by period, including estimated future interest payments and future minimum payments of the commitments, as at March 31, 2025:

(in thousands of dollars)	Less than 1 Year	1 to 5 Years	More than 5 Years	Total
Accounts payable and other (excluding current portion of lease liabilities and cash-settled share-based payment liability)	**272,400**	**—**	**—**	**272,400**
Long-term debt	**87,878**	**706,867**	**80,365**	**875,110**
Lease liabilities	**18,453**	**35,691**	**77,533**	**131,677**
Commitments as per note 29 to the Financial Statements	**120,144**	**84,772**	**235,376**	**440,292**
	498,875	**827,330**	**393,274**	**1,719,479**

The Company has obligations for services related to fixed charges for the use of infrastructure over a defined contractual period of time. Such service commitments are excluded from the above table as the services are expected to be used by the Company. To the extent that this changes, the commitment amount may change.

In relation to the Kami Project and contingent upon its advancing to commercial production, the Company is subject to:

- A gross sales royalty on iron ore concentrate, refined copper, fine gold bullion, silver bullion, and other refined products;
- Finite production payments on future production;
- An education and training fund for local communities; and
- Special tax payment to the Government of Newfoundland and Labrador's Department of Finance.

The Company is also subject to limited production payments on its Consolidated Fire Lake North, Lac Lamêlée, Moiré Lake, O'Keefe-Purdy and Harvey-Tuttle properties.

Other Off-Balance Sheet Arrangements

As at March 31, 2025, the undrawn portion of the finance agreement with Caterpillar Financial Services Limited and the available portion of the revolving facility amounted to $7.0 million (US$4.9 million) and $481.4 million (US$334.2 million), respectively, both subject to standby commitment fees.

18. Material Judgments, Estimates and Assumptions

The preparation of financial statements in conformity with IFRS requires the Company's management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are continually evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in any future years affected.

Production start date

The Company assessed the stage of its mining asset construction project to determine when it has reached the commercial production phase. Commercial production is achieved when the project is substantially completed and ready for its intended use. The Company considers various relevant criteria to assess when the commercial production phase is considered to have commenced including, but not limited to:

- Level of capital expenditure incurred compared to original budget;
- Majority of the assets making up the mining project are substantially complete and ready for use;
- Completion of a reasonable period of testing of the mine plant and equipment; and
- Ability to produce iron ore concentrate in saleable form (within specifications) and to sustain ongoing production of iron ore concentrate.

When a mine development project moves into the production phase, the capitalization of certain mine development costs ceases and costs are either regarded as forming part of the cost of inventory or expensed, except for costs that qualify for capitalization relating to mining asset additions or improvements, underground mine development or mineral reserve development. It is also at this point that depreciation commences.

Mineral resources and reserves

Mineral resource and reserve estimates are estimates of the amount of ore that can be economically and legally extracted from the Company's mining properties. The Company estimates its mineral resources and reserves based on information compiled by qualified persons relating to geological and technical data, on the size, depth, shape and grade of the ore body and suitable production techniques and recovery rates. Recovery of reserves is based on factors such as estimated future prices, expected future production and production costs and the timing of future capital expenditures, all of which are subject to many uncertainties and interpretations. Such an analysis requires complex geological judgments and estimates. Estimates of mineral resources and reserves have an impact on the following items:

- Capitalized stripping costs recognized as inventory or charged as cost of sales in profit or loss as it may change due to changes in stripping ratios;
- Depreciation charge as changes in estimates of mineral resources and reserves may affect the useful life or units-of-production method of calculation for depreciation;
- Rehabilitation obligation as changes in estimates may affect the expected date to settle the obligation; and
- Carrying value of non-financial assets as changes in estimates may affect estimated future cash flows and therefore impact impairment analysis.

The Company expects that, over time, its resource and reserve estimates will be revised upward or downward based on updated information such as the results of future drilling, testing and production levels, and may be affected by changes in iron ore prices.

Definition of separate open pits

Where a mine operates several open pits that are regarded as separate operations for the purpose of mine planning, initial stripping costs are accounted for separately by reference to the ore from each separate pit. If, however, the pits are highly integrated for the purpose of mine planning, the second and subsequent pits are regarded as extensions of the first pit in accounting for stripping costs. In such cases, the initial stripping of the second and subsequent pits is considered to be production phase stripping. There is a judgment as to whether multiple pit mines are considered separate or integrated operations depends on each mine's specific circumstances.

The following factors would point towards the initial stripping costs for the individual pits being accounted for separately:

- If the second and subsequent pits are mined consecutively following that of the first pit, rather than concurrently;
- If separate investment decisions are made to develop each pit, rather than a single investment decision being made at the outset;
- If the pits are operated as separate units in terms of mine planning and the sequencing of overburden removal and ore mining, rather than as an integrated unit; and
- If the pits extract ore from separate and distinct ore bodies, rather than from a single ore body.

18. Material Judgments, Estimates and Assumptions (continued)

Definition of separate open pits (continued)

If the designs of the second and subsequent pits are significantly influenced by opportunities to optimize output from several pits combined, including the co-treatment or blending of the output from the pits, then this would point to treatment as an integrated operation for the purposes of accounting for initial stripping costs. The relative importance of each of the above factors is considered in each case. The Company operates three open pits at the Bloom Lake Mine. The Company assessed that two open pits were integrated. As such, the Company uses two stripping ratios.

Depreciation of non-current assets

Property, plant and equipment are depreciated over its useful life, or over the remaining life of the mine if that is shorter and there is no reasonable alternative use for the asset by the Company. The useful lives of the major assets of a CGU are often dependent on the life of the mine to which they relate. Where this is the case, the lives of mining properties, plant, concentrators and other long-lived processing equipment are generally limited to the expected life of mine, which is estimated on the basis of the mining plan. Where the major assets of a CGU are not dependent on the life of mine, management applies judgment in estimating the remaining service potential of long-lived assets.

Recovery of exploration and evaluation assets

Exploration and evaluation assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable through future exploitation or sale. Such circumstances include the period for which the Company has the right to explore in a specific area, actual and planned expenditures, and results of exploration. Management judgment is also applied in determining whether an economically viable operation can be established or whether activities have not reached a stage that permits a reasonable assessment of the existence of reserves, significant negative industry or economic trends, CGUs, the lowest levels of exploration and evaluation assets grouping, for which there are separately identifiable cash flows, generally on the basis of areas of geological interest.

Lease liabilities and right-of-use assets

The Company makes judgments that affect the valuation of the lease liabilities and the valuation of right-of-use assets. These include determining contracts in scope of IFRS 16, determining the contract term, determining the interest rate used for discounting future cash flows, assessing purchase option and separating components of a contract. The lease term determined by the Company generally comprises a non-cancellable period of lease contracts, periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. The same term is applied as useful life of right-of-use assets. Lease payments include the exercise price of a purchase option if the Company is reasonably certain to exercise that option. The separation of components of a contract requires estimates and judgments for allocating the consideration in the contract to each lease component and non-lease component.

Provisions

The provisions are based on the best estimate of the amount that the Company would rationally pay to settle the present obligation at the end of the reporting period or to transfer it to a third party. Assumptions based on the current economic environment have been made, which management believes are a reasonable basis upon which to estimate the future liability. These estimates are reviewed at each reporting period to take into account any material changes to the assumptions, including regulatory changes and cost increases associated with site areas used for tailings and waste for the rehabilitation obligation, and revisions to future expenditures following the completion of projects, changes in projects concepts and additional data from field studies for the compensation plans' obligation.

Actual costs will ultimately depend upon future market prices for the necessary works required that will reflect market conditions at the time. Furthermore, the timing of rehabilitation is likely to depend on when Bloom Lake ceases to produce at economically viable rates. This, in turn, will depend upon future iron ore prices, which are inherently uncertain.

Revenue recognition

At each reporting period, the Company re-estimates sales subject to provisional pricing with reference to forward price indices. The forward price depends on the final quotation period as per sale contracts, which usually depends on the date when the vessel arrives at its final destination. The arrival date is initially estimated at the sale date and then re-evaluated before each reporting date. Price changes for shipments awaiting final pricing at year-end could have a material effect on future revenues.

19. New Accounting Amendments Issued and Adopted by the Company

The following amendments to existing standards have been adopted by the Company on April 1, 2024:

Amendments to AASB 101 (IAS 1), Presentation of Financial Statements ("IAS 1")

Amendments to IAS 1 clarify how to classify debt and other liabilities as current or non-current. The amendments help to determine whether, in the consolidated statements of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current. The amendments also clarify the classification requirements for debt an entity might settle by converting it into equity.

Amendments to IAS 1 also specify that covenants to be complied with after the reporting date do not affect the classification of debt as current or non-current at the reporting date. Instead, the amendments require an entity to disclose information about these covenants in the notes to financial statements.

Amendments to AASB 112 (IAS 12), Income Taxes ("IAS 12")

Amendments to IAS 12 specify how entities should account for deferred income taxes on transactions such as leases and decommissioning obligations. In specified circumstances, entities are exempt from recognizing deferred income taxes when they recognize assets or liabilities for the first time. The amendments clarify that the exemption does not apply to transactions such as leases and decommissioning obligations and that entities are required to recognize deferred income taxes on such transactions.

The amendments also introduce a mandatory temporary exception to the accounting for deferred taxes arising from the implementation of the Organization for Economic Co-operation and Development (OECD) International Tax Reform, which established global rules to prevent tax-base erosion ("Pillar Two" Model). The Company is subject to Pillar Two and has applied the temporary exception from recognizing and disclosing deferred taxes related to Pillar Two income taxes and has no related current tax exposure at that date.

The adoption of the amendments listed above did not have a significant impact on the Company's Financial Statements.

20. New Accounting Standards or Amendments Issued to Be Adopted at a Later Date

The following amendments to existing standards and the new standard have been issued and are applicable to the Company for its annual period beginning on April 1, 2026, and thereafter, with an earlier application permitted:

Amendments to AASB 9 (IFRS 9), Financial Instruments ("IFRS 9") and AASB 7 (IFRS 7), Financial Instruments: Disclosures ("IFRS 7")

The amendments clarify that a financial liability is derecognized on the 'settlement date' and introduce an accounting policy choice to derecognize financial liabilities settled using an electronic payment system before the settlement date. Other clarifications include the classification of financial assets with Environmental, Social and Governance (ESG) linked features via additional guidance on the assessment of contingent features. Clarifications have been made to non-recourse loans and contractually linked instruments.

AASB 18 (IFRS 18), Presentation and Disclosure in Financial Statements ("IFRS 18")

IFRS 18 will replace IAS 1 and will require: i) income and expenses in the income statement to be classified into three new defined categories "Operating", "Investing" and "Financing" and two new subtotals "Operating profit or loss" and "Profit or loss before financing and income tax"; ii) disclosures about management-defined performance measures, which are non-IFRS measures related to the income statement, used in public communications to communicate management's view of the entity's financial performance; and iii) an appropriate level of aggregation and disaggregation based on similar characteristics and specific disclosure requirements for entities that present operating expenses by function in the income statement.

The Company is currently evaluating the impact of adopting the amendments and the new standard on the Company's consolidated financial statements.

21. Related Party Transactions

Related party transactions consist of transactions with key management personnel. The Company considers members of its Board and senior officers to be key management personnel.

Transactions with key management personnel are disclosed in note 28 to the Financial Statements. In connection with related party transactions, no significant changes occurred in the year ended March 31, 2025.

22. Summary of Quarterly Results

The following information is derived from, and should be read in conjunction with, the Financial Statements and the unaudited condensed interim consolidated financial statements for the previous quarters, as well as with the audited annual consolidated financial statements for the financial year ended March 31, 2024.

	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024
Financial Data (in millions of dollars, except per share data)								
Revenues	425.3	363.2	351.0	467.1	332.7	506.9	387.6	297.2
Operating income	84.6	50.8	39.6	145.5	55.2	211.3	123.6	39.1
Net income	39.1	1.7	19.8	81.4	25.8	126.5	65.3	16.7
Adjusted net income[1]	39.1	1.7	19.8	81.4	25.8	126.5	65.3	19.0
EBITDA[1]	127.4	88.2	74.5	181.2	85.1	246.6	155.0	65.8
Basic EPS	0.08	0.00	0.04	0.16	0.05	0.24	0.13	0.03
Adjusted EPS[1]	0.08	0.00	0.04	0.16	0.05	0.24	0.13	0.04
Diluted EPS	0.07	0.00	0.04	0.15	0.05	0.24	0.12	0.03
Net cash flows from (used in) operating activities	144.4	(6.4)	134.7	31.4	100.5	162.6	162.2	49.3
Operating Data								
Waste mined and hauled (thousands of wmt)	10,886	9,694	9,324	6,734	6,499	6,993	6,265	5,199
Ore mined and hauled (thousands of wmt)	9,470	10,348	9,287	10,779	9,471	11,216	10,594	9,594
Stripping ratio	1.15	0.94	1.00	0.62	0.69	0.62	0.59	0.54
Ore milled (thousands of wmt)	9,160	10,305	9,125	11,084	9,349	11,137	10,340	9,896
Head grade Fe (%)	29.2	29.3	29.1	29.1	28.7	29.4	28.2	28.8
Fe recovery (%)	78.3	79.1	78.7	79.3	80.2	81.4	77.8	78.2
Product Fe (%)	66.5	66.3	66.3	66.3	66.1	66.3	66.1	66.1
Iron ore concentrate produced (thousands of wmt)	3,167	3,621	3,170	3,877	3,275	4,043	3,447	3,397
Iron ore concentrate sold (thousands of dmt)	3,495	3,287	3,266	3,443	2,969	3,228	2,884	2,564
Statistics (in dollars per dmt sold)								
Gross average realized selling price[1]	160.4	158.8	161.8	171.6	166.3	195.8	169.4	168.8
Net average realized selling price[1]	121.7	110.5	107.5	135.7	112.1	157.1	134.4	115.9
C1 cash cost[1]	80.0	78.7	77.5	76.9	76.6	73.0	73.7	81.3
AISC[1]	93.1	93.9	101.4	91.6	88.0	83.9	99.1	94.1
Cash operating margin[1]	28.6	16.6	6.1	44.1	24.1	73.2	35.3	21.8
Statistics (in U.S. dollars per dmt sold)[2]								
Gross average realized selling price[1]	111.8	113.4	118.9	125.3	123.4	144.0	126.2	125.7
Net average realized selling price[1]	84.9	78.8	79.0	99.2	82.9	115.6	100.3	86.3
C1 cash cost[1]	55.7	56.3	56.8	56.2	56.8	53.6	55.0	60.5
AISC[1]	64.9	67.2	74.3	66.9	65.3	61.6	73.9	70.1
Cash operating margin[1]	20.0	11.6	4.7	32.3	17.6	54.0	26.4	16.2

[1] This is a non-IFRS financial measure, ratio or other financial measure. This measure is not a standardized financial measure under the financial reporting framework used to prepare the Financial Statements and might not be comparable to similar financial measures used by other issuers. Refer to the section 23 — Non-IFRS and Other Financial Measures of this MD&A for definitions of these metrics and reconciliations to the most comparable IFRS measure when applicable.

[2] See the "Currency" subsection of this MD&A included in section 8 — Key Drivers.

23. Non-IFRS and Other Financial Measures

The Company has included certain non-IFRS financial measures, ratios and supplementary financial measures in this MD&A, as listed in the table below, to provide investors with additional information in order to help them evaluate the underlying performance of the Company. These measures are mainly derived from the Financial Statements but do not have any standardized meaning prescribed by IFRS and, therefore, may not be comparable to similar measures presented by other companies. Management believes that these measures, in addition to conventional measures prepared in accordance with IFRS, provide investors with an improved ability to understand the results of the Company's operations. Non-IFRS and other financial measures should not be considered in isolation or as substitutes for measures of performance prepared in accordance with IFRS. The exclusion of certain items from non-IFRS financial measures does not imply that these items are necessarily non-recurring.

The Company presents certain of its non-IFRS measures and other financial measures in United States dollars in addition to Canadian dollars to facilitate comparability with measures presented by other companies.

Non-IFRS Financial Measures	
EBITDA	Earnings before income and mining taxes, net finance costs and depreciation
Adjusted net income	Net income plus Bloom Lake start-up costs, if any, less gain on disposal of non-current investments, plus write-off of non-current investment and the related tax effect of these items
Available liquidity	Cash and cash equivalents, plus short-term investments, plus undrawn amounts under credit facilities
Non-IFRS Ratios	
EBITDA margin	EBITDA as a percentage of revenues
Adjusted EPS	Adjusted net income per basic weighted average number of ordinary shares outstanding
C1 cash cost per dmt sold	Cost of sales before Bloom Lake start-up costs, if any, divided by iron ore concentrate sold in dmt
AISC per dmt sold	C1 cash cost, plus sustaining capital expenditures and general and administrative expenses, divided by iron ore concentrate sold in dmt
Cash operating margin	Net average realized selling price, less AISC
Gross average realized selling price per dmt sold	Revenues before provisional pricing adjustments and freight and other costs, divided by iron ore concentrate sold in dmt
Cash profit margin	Cash operating margin as a percentage of net average realized selling price
Other Financial Measures	
Net average realized selling price or net average realized FOB selling price per dmt sold	Revenues, divided by iron ore concentrate sold in dmt
Mining and processing costs per dmt produced	Mining and processing costs, divided by iron ore concentrate produced in dmt
Land transportation and port handling costs per dmt sold	Land transportation and port handling costs, divided by iron ore concentrate sold in dmt
Operating cash flow per share	Net cash flows from (used in) operating activities per basic weighted average number of ordinary shares outstanding

23. Non-IFRS and Other Financial Measures (continued)

EBITDA and EBITDA Margin

EBITDA is a non-IFRS financial measure that allows comparability of operating results from one period to another by excluding the effects of items that are usually associated with investing and financing activities. EBITDA is not necessarily indicative of operating profit or cash flows from operating activities as determined under IFRS. For simplicity and comparative purposes, the Company did not exclude non-cash share-based payments and other income or expenses.

EBITDA margin is used for the purpose of evaluating business performance. Management believes this financial ratio is relevant to investors to assess the Company's ability to generate liquidity by producing operating cash flows to fund working capital needs and capital expenditures, and service debt obligations.

EBITDA and EBITDA margin do not have any standardized meanings prescribed by IFRS and, therefore, may not be comparable to similar measures presented by other companies.

				Three Months Ended	**Year Ended**
	June 30,	September 30,	December 31,	**March 31,**	**March 31,**
(in thousands of dollars)	2024	2024	2024	**2025**	**2025**
Income before income and mining taxes	137,377	31,777	21,347	**74,646**	**265,147**
Net finance costs	8,259	7,486	30,508	**11,286**	**57,539**
Depreciation	35,524	35,273	36,361	**41,446**	**148,604**
EBITDA	181,160	74,536	88,216	**127,378**	**471,290**
Revenues	467,084	350,980	363,170	**425,345**	**1,606,579**
EBITDA margin	39%	21%	24%	**30%**	**29%**

				Three Months Ended	Year Ended
	June 30,	September 30,	December 31,	March 31,	March 31,
(in thousands of dollars)	2023	2023	2023	2024	2024
Income before income and mining taxes	28,966	112,187	204,981	46,693	392,827
Net finance costs	6,926	11,634	8,747	8,831	36,138
Depreciation	29,913	31,215	32,881	29,575	123,584
EBITDA	65,805	155,036	246,609	85,099	552,549
Revenues	297,162	387,568	506,891	332,673	1,524,294
EBITDA margin	22%	40%	49%	26%	36%

23. Non-IFRS and Other Financial Measures (continued)

Adjusted Net Income and Adjusted EPS

Management uses adjusted net income and adjusted EPS to evaluate the Company's operating performance and for planning and forecasting future business operations. Management believes that these financial measures provide investors with an enhanced understanding of the Company's results by excluding certain items that do not reflect the core performance of the Company. By excluding these items, Management believes it provides a better comparability of the Company's results from one period to another and with other mining entities. These financial measures do not have any standardized meanings prescribed by IFRS and, therefore, may not be comparable to similar measures and ratios presented by other companies.

Management's determination of the components of adjusted net income and adjusted EPS is evaluated periodically and is based, in part, on its review of non-IFRS financial measures and ratios used by mining industry analysts.

				Three Months Ended	**Year Ended**
	June 30,	September 30,	December 31,	**March 31,**	**March 31,**
	2024	2024	2024	**2025**	**2025**
(in thousands of dollars, except shares and per share data)					
Net income	81,357	19,807	1,741	**39,140**	**142,045**
Adjusted net income	81,357	19,807	1,741	**39,140**	**142,045**
(in thousands)					
Weighted average number of ordinary shares outstanding - Basic	518,080	518,111	518,251	**518,251**	**518,173**
Adjusted EPS (in dollars)	0.16	0.04	0.00	**0.08**	**0.27**

				Three Months Ended	Year Ended
	June 30,	September 30,	December 31,	March 31,	March 31,
	2023	2023	2023	2024	2024
(in thousands of dollars, except shares and per share data)					
Net income	16,657	65,281	126,462	25,791	234,191
Non-cash item					
Write-off of non-current investment	2,744	—	—	—	2,744
Tax effect of adjustments listed above[1]	(370)	—	—	—	(370)
Adjusted net income	19,031	65,281	126,462	25,791	236,565
(in thousands)					
Weighted average number of ordinary shares outstanding - Basic	517,193	517,258	517,761	518,104	517,579
Adjusted EPS (in dollars)	0.04	0.13	0.24	0.05	0.46

[1] The tax effect of adjustments is calculated using the applicable tax rate.

23. Non-IFRS and Other Financial Measures (continued)

Available Liquidity

Available liquidity is a non-IFRS measure used by Management to prudently monitor the cash accessible by the Company. Available liquidity is comprised of cash and cash equivalents, short-term deposits that mature within twelve months and undrawn amounts under available credit facilities. The Company uses available liquidity to measure the liquidity required to satisfy its lenders, fund capital expenditures and support operations. This measure does not have any standardized meaning prescribed by IFRS and, therefore, may not be comparable to similar measures presented by other companies.

	As at March 31,	As at December 31,
(in thousands of dollars)	**2025**	2024
Cash and cash equivalents	**117,451**	93,096
Undrawn amounts under credit facilities	**488,410**	501,919
Available liquidity	**605,861**	595,015

C1 Cash Cost per dmt sold

C1 cash cost per dmt is a common financial performance measure in the iron ore mining industry. Champion reports its C1 cash cost on a sales basis. The Company believes that, in addition to conventional measures prepared in accordance with IFRS, such as sales, certain investors use this information to evaluate the Company's performance and ability to generate operating earnings and cash flows from its mining operations. This measure also enables investors to better understand the performance of the Company's iron ore operations in comparison with other iron ore producers who present results on a similar basis. Management uses this metric as an important tool to monitor operating cost performance. This measure does not have any standardized meaning prescribed by IFRS and, therefore, may not be comparable to similar measures presented by other companies. The cost of sales includes production costs such as mining, processing and mine site-related general and administrative expenses, as well as rail and port operating costs. Depreciation expense is not a component of C1 cash cost.

				Three Months Ended	**Year Ended**
	June 30,	September 30,	December 31,	**March 31,**	**March 31,**
	2024	2024	2024	**2025**	**2025**
Iron ore concentrate sold (dmt)	3,442,800	3,265,700	3,287,400	**3,495,300**	**13,491,200**
(in thousands of dollars, except per dmt data)					
Cost of sales	264,911	252,960	258,728	**279,644**	**1,056,243**
C1 cash cost (per dmt sold)	76.9	77.5	78.7	**80.0**	**78.3**

				Three Months Ended	Year Ended
	June 30,	September 30,	December 31,	March 31,	March 31,
	2023	2023	2023	2024	2024
Iron ore concentrate sold (dmt)	2,563,500	2,883,800	3,227,500	2,968,900	11,643,700
(in thousands of dollars, except per dmt data)					
Cost of sales	208,485	212,584	235,457	227,496	884,022
C1 cash cost (per dmt sold)	81.3	73.7	73.0	76.6	75.9

23. Non-IFRS and Other Financial Measures (continued)

All-in Sustaining Cost per dmt sold

The Company believes that AISC defines the total cost associated with producing iron ore concentrate more accurately as this measure reflects all the sustaining expenditures incurred to produce high-grade iron ore concentrate. As this measure is intended to represent the cost of selling iron ore concentrate from current operations, it does not include capital expenditures attributable to development projects or mine expansions that would increase production capacity or mine life, including economic evaluations for such projects. Also, it does not include innovation and growth initiative expenses, start-up costs and exploration expenses that are not sustainable in nature, income and mining tax expenses, working capital, defined as current assets less current liabilities, net finance costs, or other income or expenses. This measure does not have any standardized meaning prescribed by IFRS and, therefore, may not be comparable to similar measures presented by other companies.

The Company calculates AISC as the sum of C1 cash costs, sustaining capital, including deferred stripping costs, and general and administrative expenses divided by the iron ore concentrate sold, to arrive at a per dmt figure. The AISC excludes the Bloom Lake Phase II start-up costs that are included in the cost of sales. Other companies may calculate this measure differently because of differences in underlying principles and policies applied. Differences may also arise due to a different definition of sustaining versus non-sustaining capital. The sustaining capital included in the AISC calculation excludes development capital expenditures such as capacity increase projects and studies for future expansion projects.

				Three Months Ended	**Year Ended**
	June 30,	September 30,	December 31,	**March 31,**	**March 31,**
	2024	2024	2024	**2025**	**2025**
Iron ore concentrate sold (dmt)	3,442,800	3,265,700	3,287,400	**3,495,300**	**13,491,200**
(in thousands of dollars, except per dmt data)					
Cost of sales	264,911	252,960	258,728	**279,644**	**1,056,243**
Sustaining capital expenditures[1]	38,008	65,919	38,193	**33,230**	**175,350**
General and administrative expenses	12,350	12,114	11,813	**12,457**	**48,734**
	315,269	330,993	308,734	**325,331**	**1,280,327**
AISC (per dmt sold)	91.6	101.4	93.9	**93.1**	**94.9**

				Three Months Ended	Year Ended
	June 30,	September 30,	December 31,	March 31,	March 31,
	2023	2023	2023	2024	2024
Iron ore concentrate sold (dmt)	2,563,500	2,883,800	3,227,500	2,968,900	11,643,700
(in thousands of dollars, except per dmt data)					
Cost of sales	208,485	212,584	235,457	227,496	884,022
Sustaining capital expenditures[1]	19,803	60,446	24,031	19,759	124,039
General and administrative expenses	12,949	12,729	11,206	13,973	50,857
	241,237	285,759	270,694	261,228	1,058,918
AISC (per dmt sold)	94.1	99.1	83.9	88.0	90.9

[1] Purchase of property, plant and equipment as per the consolidated statements of cash flows are classified into sustaining capital expenditures, DRPF project and other capital development expenditures at Bloom Lake. Sustaining capital expenditures are defined as capital expenditures to sustain or maintain the existing assets to achieve operations as per the mine plan, from which future economic benefits will be derived. Refer to section 13 — Cash Flows of this MD&A.

23. Non-IFRS and Other Financial Measures (continued)

Cash Operating Margin per dmt sold and Cash Profit Margin

Cash operating margin per dmt sold is used by Management to better understand the iron ore concentrate margin realized throughout a period. Cash operating margin represents the net average realized selling price per dmt sold less AISC per dmt sold. Cash profit margin represents the cash operating margin per dmt sold divided by the net average realized selling price per dmt sold. These measures do not have any standardized meanings prescribed by IFRS and, therefore, may not be comparable to similar measures presented by other companies.

				Three Months Ended	**Year Ended**
	June 30,	September 30,	December 31,	**March 31,**	**March 31,**
	2024	2024	2024	**2025**	**2025**
Iron ore concentrate sold (dmt)	3,442,800	3,265,700	3,287,400	**3,495,300**	**13,491,200**
(in thousands of dollars, except per dmt data)					
Revenues	467,084	350,980	363,170	**425,345**	**1,606,579**
Net average realized selling price (per dmt sold)	135.7	107.5	110.5	**121.7**	**119.1**
AISC (per dmt sold)	91.6	101.4	93.9	**93.1**	**94.9**
Cash operating margin (per dmt sold)	44.1	6.1	16.6	**28.6**	**24.2**
Cash profit margin	32%	6%	15%	**24%**	**20%**

				Three Months Ended	Year Ended
	June 30,	September 30,	December 31,	March 31,	March 31,
	2023	2023	2023	2024	2024
Iron ore concentrate sold (dmt)	2,563,500	2,883,800	3,227,500	2,968,900	11,643,700
(in thousands of dollars, except per dmt data)					
Revenues	297,162	387,568	506,891	332,673	1,524,294
Net average realized selling price (per dmt sold)	115.9	134.4	157.1	112.1	130.9
AISC (per dmt sold)	94.1	99.1	83.9	88.0	90.9
Cash operating margin (per dmt sold)	21.8	35.3	73.2	24.1	40.0
Cash profit margin	19%	26%	47%	21%	31%

23. Non-IFRS and Other Financial Measures (continued)

Gross Average Realized Selling Price per dmt sold

Gross average realized selling price is used by Management to better understand the iron ore concentrate price throughout a period. The measure excludes the provisional pricing adjustments on sale contracts structured on a provisional pricing basis and freight and other costs, which enables Management to track the level of its iron ore concentrate price, compared to the average P65 index used in the market.

Provisional pricing adjustments represent any difference between the revenue recognized at the end of the previous period and the final settlement price. Excluding this element presents a better understanding of the price realized on iron ore concentrate sold during the period. This measure does not have any standardized meaning prescribed by IFRS and, therefore, may not be comparable to similar measures presented by other companies.

				Three Months Ended	**Year Ended**
	June 30, 2024	September 30, 2024	December 31, 2024	**March 31, 2025**	**March 31, 2025**
Iron ore concentrate sold (dmt)	3,442,800	3,265,700	3,287,400	**3,495,300**	**13,491,200**
(in thousands of dollars, except per dmt data)					
Revenues	467,084	350,980	363,170	**425,345**	**1,606,579**
Provisional pricing adjustments	(27,947)	22,947	17,407	**(5,389)**	**7,018**
Freight and other costs	151,547	154,425	141,568	**140,627**	**588,167**
Gross revenues	590,684	528,352	522,145	**560,583**	**2,201,764**
Gross average realized selling price (per dmt sold)	171.6	161.8	158.8	**160.4**	**163.2**

				Three Months Ended	Year Ended
	June 30, 2023	September 30, 2023	December 31, 2023	March 31, 2024	March 31, 2024
Iron ore concentrate sold (dmt)	2,563,500	2,883,800	3,227,500	2,968,900	11,643,700
(in thousands of dollars, except per dmt data)					
Revenues	297,162	387,568	506,891	332,673	1,524,294
Provisional pricing adjustments	46,806	(1,559)	(15,997)	31,005	60,255
Freight and other costs	88,697	102,411	140,971	130,074	462,153
Gross revenues	432,665	488,420	631,865	493,752	2,046,702
Gross average realized selling price (per dmt sold)	168.8	169.4	195.8	166.3	175.8

24. Share Capital Information

The Company's share capital consists of ordinary shares without par value. As of May 28, 2025, there were 518,251,001 ordinary shares issued and outstanding, and 15,000,000 ordinary shares issuable pursuant to the exercise of warrants. In addition, there were 5,297,027 restricted share units, deferred share units and performance share units issued under the Company's Omnibus incentive plan.

25. Risk Factors

An investment in the securities of the Company is highly speculative and involves significant risks. If any of the events contemplated in the risk factors described below occurs, the Company's business, operating results and financial condition may be materially adversely affected. In that event, the trading price of the Company's securities could decline and security holders may lose all or part of their investment. The risks described herein are not the only risks facing the Company. Additional risks and uncertainties not currently known to the Company, or that the Company currently deems immaterial, may also materially adversely affect the Company's business, operating results and financial condition.

Iron Ore Prices

The Company's principal business is the exploration, development and production of iron ore. The Company's operating results and financial condition are largely dependent on movements in the price of iron ore, over which the Company has no control. Iron ore prices have historically been volatile and are primarily affected by the demand for and price of steel in addition to the supply and demand balance. Given the historical volatility of iron ore prices and lower prices experienced in recent years, there are no assurances that the iron ore price will remain at economically attractive levels. An increase in iron ore supply without a corresponding increase in iron ore demand would be expected to result in a decrease in the price of iron ore. Similarly, a decrease in iron ore demand without a corresponding decrease in the supply of iron ore would be expected to result in a decrease in the price of iron ore.

A continued decline in iron ore prices would adversely impact the business of the Company and could affect the feasibility of the Company's projects. A continued decline in iron ore prices would also be expected to adversely impact the Company's ability to attract financing. There is no assurance that, even as commercial quantities of iron ore are produced, a profitable market will exist for it. A decline in the price of iron ore may also require Champion to write down its mineral reserves and mineral resources, which could materially adversely affect the Company's business, operating results and financial condition.

Iron ore prices are also affected by numerous other factors beyond the Company's control, including the exchange rate of the United States dollar with other major currencies, the overall state of the economy and expectations for economic growth (including as a result of global and regional demand, epidemics, extreme seasonal weather conditions, geopolitical events such as global economic conditions, including trade protection measures such as tariffs and import and export restrictions as well as retaliation measures adopted in response thereof, conflicts between Russia and Ukraine and in the Middle East, or the tensions between China and other countries, production levels and costs and transportation costs in major iron ore producing regions). See also "*Trade Barriers*" and "*Epidemic Outbreaks, Boycotts and Geopolitical Events*" below.

The Company cannot predict the future impact of those factors on iron ore prices, nor whether those factors will continue or if other factors that may negatively affect iron ore prices and high-grade iron ore premiums will emerge. If as a result of a decline in iron ore prices, revenues from iron ore sales were to fall below cash operating costs, the feasibility of continuing operations and development activities would be evaluated and, if warranted, could be reduced or discontinued. Any reduction or discontinuation of operations or development activities could in turn materially and adversely affect the Company's business, operating results and financial condition.

Infrastructure and Reliance on Third-Parties for Transportation of the Company's Iron Ore Concentrate

Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. To develop its Bloom Lake Mine, the Company has entered into agreements for various infrastructure requirements, including power, rail transportation and port access with various industry participants, including external service and utility providers such as rail companies, loading and port authorities, necessary for the transportation and handling of production of Bloom Lake iron ore. Disruption in such services, including due to equipment or infrastructure breakdown or deficiencies (such as the outage which occurred on the Company's train load-out facility at Bloom Lake in the third quarter of its financial year ended March 31, 2025, and which caused a 14-day interruption of rail haulage activities) have in the past affected and could in the future affect the operating results and financial condition of the Company and its ability to transport its product according to its schedules and contractual commitments. Most of the Company's other mineral properties are located in relatively remote areas at a distance from existing infrastructure. Active mineral exploitation at any of these other properties would require building, adding or extending infrastructure, which could add to the time and cost required for mine development. These are important determinants affecting capital and operating costs.

25. Risk Factors (continued)

Operating Costs

The Company's financial performance is affected by its ability to achieve production volumes at certain cash operating costs. The Company's expectations with respect to cash operating costs are based on the mine plan that reflects the expected method by which the Company will mine mineral reserves at the Bloom Lake Mine and the expected costs associated with the plan. Actual iron ore production and cash operating costs may differ significantly from those the Company has anticipated for a number of reasons, including variations in the volume of ore mined and ore grade, which could occur because of changing mining rates, ore dilution, varying metallurgical and other ore characteristics and short-term mining conditions that require different sequential development of ore bodies or mining in different areas of the mine. Mining rates are impacted by various risks and hazards inherent during operation, including industrial accidents, natural phenomena, such as inclement weather conditions, and unexpected civil disobedience and protests, labour shortages or strikes or availability of mining fleet. Cash operating costs are also affected by ore characteristics that impact recovery rates, as well as labour costs, the cost of mining supplies and services, maintenance and repair costs of mining equipment and installations, foreign currency exchange rates and stripping costs incurred during the production phase of the mine, and some of these costs have in the past and may continue in the future to be exacerbated by inflationary pressure and other factors.

Energy prices can be affected by numerous factors beyond the Company's control, including global and regional supply and demand, political and economic conditions and applicable regulatory regimes. The prices and various sources of energy the Company relies on may be negatively impacted and any such change could have an adverse effect on its operating results. The prices of various sources of energy may increase significantly from current levels; therefore, an increase in energy prices could materially adversely affect the Company's business, operating results and financial condition.

In the normal course of operations, the Company manages each of these risks to mitigate, where possible, the effect they have on operating results. However, any significant change in any of the foregoing could have a negative impact on the Company's operating costs, which could in turn materially adversely affect the Company's business, operating results and financial condition.

Freight Costs

Sea freight is an important component of the Company's cost structure as it ships nearly all of its iron ore concentrate to several regions overseas. The Company uses external sea freight to ship most of its iron ore concentrate. Global sea freight capacity issues, which have from time to time been exacerbated by factors beyond the Company's control, including port congestion globally and, in recent years, the ongoing conflict in the Middle East, in addition to high fuel prices and ongoing inflationary pressure, continue to persist worldwide. Such dynamics, in tandem with limited capacity and equipment, has resulted in the past and may continue to cause longer shipping times and price increases. Although the Company is seeking to manage and reduce its freight premium volatility, including through freight contracts, the Company remains exposed to fluctuations in freight costs. Adverse fluctuations in freight costs, including as a result of general economic conditions, rising fuel prices, decreased vessel availability or otherwise, could materially adversely affect the Company's business, operating results and financial condition.

Liquidity / Financing Risk

The Company may need to obtain additional financing in the future through the sale of equity or debt securities, the optioning or selling its properties, or otherwise. In addition to the capital expenditures required to maintain its operations, the execution of the Company's growth strategy will require the Company to incur significant capital expenditures in the future, including in connection with the DRPF project, the development of the Kami Project and the Company's other strategic initiatives to participate in the efforts to decarbonize the iron and steel industry. To do so, the Company may need to raise additional capital. In addition, the Company may need significant amounts of ongoing capital to manage uncertain development and permitting timelines and the volatility associated with fluctuating mineral prices. These financing requirements could adversely affect the Company's credit ratings and its ability to access capital markets in the future. Financial markets, including banking, debt and equity markets, can also be extremely volatile and can prevent the Company from gaining access to the capital required to maintain and grow its business. No assurance can be given that additional financing will be available for further exploration and development of the Company's properties when required, upon terms acceptable to the Company or at all. Current geopolitical events, including the imposition by the United States in early 2025 of tariffs on foreign imports into the United States as well as measures adopted by other countries in retaliation thereof, could also impact the Company's ability to obtain additional financing. Failure to obtain such additional financing could result in the delay or indefinite postponement of further exploration and development of the Company's properties which could in turn materially adversely affect the Company's business, operating results and financial condition.

25. Risk Factors (continued)

Liquidity / Financing Risk (continued)

As of March 31, 2025, the Company had cash and cash equivalents of $117.5 million with a face value of long-term debt of approximately $718.0 million, including (i) an outstanding debt of US$50.0 million under the revolving facility, (ii) a fully drawn term loan, with an outstanding debt of US$230.0 million, (iii) an outstanding debt of US$82.5 million under the Caterpillar Financial Services Limited equipment facility, (iv) an outstanding debt of US$49.1 million under the Railcars Loan, (v) a fully drawn loan with Investissement Québec, with an outstanding debt of $51.2 million, and (vi) a fully drawn loan with Fonds de Solidarité des Travailleurs du Québec, with an outstanding debt of $75.0 million. Although the Company has been successful in repaying debt in the past and restructuring its capital structure with a lower cost of capital, there can be no assurance that it can continue to do so. In addition, the Company may in the future assume additional debt or reduce its holdings of cash and cash equivalents in connection with funding future growth initiatives, existing operations, capital expenditures or in pursuing other business opportunities. The Company's level of indebtedness could have important consequences for its operations, and the Company's ability to finance its operations, capital expenditures and working capital needs could also be impacted by a rise in interest rates as any such increase in interest rates would lead to higher costs of borrowing for the Company. In particular, the Company may need to use a large portion of its cash flows to repay the principal and pay interest on its debt as well as payment under lease liabilities, which will reduce the amount of funds available to finance its operations and other business activities. The Company's debt level may also limit its ability to pursue other business opportunities, borrow money for operations or capital expenditures or implement its business strategy.

As of March 31, 2025, the Company had $488.4 million in available undrawn financing.

The Company's ability to meet its payment obligations will depend on its future financial performance and ability to raise additional capital if and when needed, which will be impacted by factors beyond the Company's control, including the overall state of capital markets and investor appetite for investments in the Company's securities as well as global financial, business, economic and other factors. There is no certainty that the Company's existing capital resources and future cash flows from operations will be sufficient to allow it to pay principal and interest on its debt, lease liabilities and other financial instruments and meet its other obligations. If these amounts are insufficient or if the Company is not able to comply with financial covenants under the revolving facility, the term loan or its other financial instruments, the Company may be required to refinance all or part of its existing debt, sell assets, borrow more money or issue additional equity. The ability of the Company to access the bank, public or private debt or equity capital markets on an efficient basis may be constrained by a disruption in the credit markets or capital or liquidity constraints in the banking, debt or equity markets at the time of such refinancing.

The Company is also exposed to liquidity and various counterparty risks including, but not limited to: (i) the Company's lenders and other banking and financial counterparties; (ii) the Company's insurance providers; (iii) financial institutions that hold the Company's cash; (iv) companies that have payables to the Company; and (v) companies that have received deposits from the Company for the future delivery of equipment. In the event that such counterparties were affected by a business disruption, insolvency or similar event, the Company's liquidity or access to funds could be adversely affected, which could limit its ability to pursue other business opportunities or implement its business strategy and materially adversely affect its business, operating results and financial condition.

Global Economic and Financial Conditions and Capital Markets

As future capital expenditures of the Company are expected to be financed out of funds generated from operations, borrowings and possible future equity sales, the Company's ability to do so is dependent on, among other factors, the overall state of capital markets and investor appetite for investments in the Company's securities.

Global financial markets experienced extreme and unprecedented volatility and disruption in 2008, 2009, 2020 and the first half of 2025. World economies experienced a significant slowdown in 2008 and 2009 and only slowly began to recover late in 2009, through 2010 to 2019, although the strength of recovery has varied by region and by country. In the latter half of 2011 and in 2012 and 2013, debt crises in certain European countries and other factors adversely affected the recovery. Similarly, the COVID-19 pandemic, the ongoing conflicts between Russia and Ukraine and in the Middle East and the imposition by the United States in early 2025 of tariffs on foreign imports into the United States as well as measures adopted in retaliation thereof have resulted in slowdowns and increased volatility in world economies. In recent years, solvency concerns of the United States and other banks have had a destabilizing effect on financial markets. Global financial markets could suddenly and rapidly destabilize in response to future events. Global capital markets have continued to display increased volatility in response to global events. In addition, increasing geopolitical tensions could have multiple unforeseen implications for the global financial markets. Future crises may be precipitated by any number of causes, including geopolitical instability (including as a result of the uncertainty surrounding the imposition of tariffs or other protectionist measures by one or more countries and the effect of such tariffs on the global financial markets), natural disasters, epidemics, changes to energy prices or sovereign defaults.

25. Risk Factors (continued)

Global Economic and Financial Conditions and Capital Markets (continued)

A slowdown in the financial markets or other economic conditions, including, but not limited to, reduced consumer spending, increased unemployment rates, deteriorating business conditions, inflation, deflation, volatile fuel and energy costs, increased consumer debt levels, lack of available credit, changes in interest rates and changes in tax rates may materially adversely affect the Company's business, operating results and financial condition.

These factors may impact the ability of the Company to obtain equity or debt financing in the future on favourable terms, in a timely manner or at all. Additionally, these factors, as well as other related factors, may impair the Company's ability to make capital investments and may cause decreases in asset values that are deemed to be other than temporary, which may result in impairment losses. If such increased levels of volatility and market fluctuations continue, the Company's operations and the trading price of its securities may be adversely affected.

Reduced Global Demand for Steel or Interruptions in Steel Production

The global steel manufacturing industry has historically been subject to fluctuations based on a variety of factors, including general economic conditions and interest rates. Fluctuations in the demand for steel can lead to similar fluctuations in iron ore demand. The Chinese market is a significant source of global demand for commodities, including steel and iron ore. Chinese demand has been a major driver in global commodities markets for a number of years. A slowing in China's economic growth could result in lower prices and demand for the Company's products and negatively impact its operating results or financial condition. The Company could also experience these adverse effects if demand in China slowed for other reasons, such as trade disputes, increased self-sufficiency, tariffs or expectations with respect to tariffs on commodities, increased reliance on other suppliers to meet demand or a prolonged market disruption event, including as a result of geopolitical events or global conflicts. Notably, escalating trade tensions between China and other countries could put pressure on iron ore prices, as increased anti-dumping measures and tariffs would likely curb both direct and indirect Chinese steel exports and therefore demand for iron ore in China. Any decrease in economic growth or steel consumption could have an adverse effect on the demand for iron ore and consequently on the Company's ability to obtain financing and to achieve production which, in turn, could materially adversely affect the Company's business, operating results and financial condition. See also "*Global Economic and Financial Conditions and Capital Markets*" above.

Trade Barriers

There has recently been a rise in threatened and imposed tariffs as well as threatened or imposed retaliatory tariffs between countries. The Company may be negatively affected by trade barriers and other governmental protectionist measures, which can be imposed suddenly and unpredictably. The implementation or expansion of any such measures could decrease the Company's ability to sell its products if imposed on the iron ore it is selling in a given market. Trade barriers, trade conflicts and trade wars may also exacerbate many of the risks the Company is already exposed to, including iron ore prices risk, inflation risk, liquidity and financing risk and operating risk.

Foreign Exchange

Iron ore is sold in U.S. dollars and thus revenue generated by the Company from production on its properties, net of related sea freight shipment costs, are received in U.S. dollars, while operating and capital costs are incurred primarily in Canadian dollars. The Company is therefore subject to foreign exchange risks relating to the relative value of the Canadian dollar as compared to the U.S. dollar. The U.S. dollar/Canadian dollar exchange rate has fluctuated significantly over the last several years. However, historical exchange rate fluctuations are not necessarily indicative of future fluctuations. A decline in the U.S. dollar would result in a decrease in the real value of the Company's revenues and could materially adversely affect the Company's business, operating results and financial condition. In addition, the Company's functional and reporting currency is Canadian dollars, while the majority of its long-term debt and lease liabilities are denominated in U.S. dollars. Therefore, as the exchange rate between the Canadian dollar and the U.S. dollar fluctuates, the Company will experience foreign exchange gains and losses, which can have a significant impact on its consolidated operating results.

Interest Rates

The Company is exposed to interest rate risk, mainly as a result of certain borrowings being at variable rates of interest. As of March 31, 2025, US$362.5 million of the Company's borrowings were at variable rates. To manage inflation risks in accordance with their mandates, the central banks of several jurisdictions, including Canada, have historically increased their benchmark rates in an effort to reduce inflation. Any prevailing high interest rates could have a material adverse impact on the interest payable under the Company's long-term debt, long-term leases and other financial instruments, which could impact the Company's business, operating results and financial condition.

25. Risk Factors (continued)

Structural Shift in the Steel Industry's Production Methods

With an increased focus on decarbonizing the steel industry, a structural shift in the industry's production methods is underway. This dynamic is expected to create additional demand for higher-purity iron ore products, as the industry transitions towards DRI. However, DR grade quality iron ore represents a niche product in the iron ore industry, and while it is expected that an increasing number of customers will seek to participate in the iron and steel industry's decarbonization, it is not possible to predict how the demand and pricing (which currently tends to be directly negotiated between producers and sellers without an available global pricing index) for DR grade quality iron will evolve in the future, or whether producing DR grade quality iron ore will be more profitable than other production methods, including other production methods that are expected to favour the green steel supply chain. In addition, developments in alternative or analogous technologies or improvements in current production methods may harm the Company's competitive position and growth prospects or materially adversely affect the Company's business, operating results or financial condition, including in ways which it currently does not anticipate. Even if the steel industry and the Company's customers adopt DR grade quality iron, the Company may be unable to maintain or improve its competitive position, which could materially adversely affect its business, operating results or financial condition. See also "*Development and Expansion Projects Risks*" below.

Carbon Emissions, Global Carbon Tax and Carbon Import Duties

There continues to be increased focus on carbon emissions, also referred to as GHG, produced by the mining and other industries. Legislation and regulations in various jurisdictions aimed at reducing domestic GHG emissions, implementing systems to prevent the import of goods with embedded emissions or reporting requirements on the matter continue to be considered or adopted. Yet it is not possible to reasonably estimate the nature, extent, timing and cost or other impacts of any future taxes or other programs that may be enacted, including the impact on demand for iron ore products from traditional steel producers and other customers, and the impact on the Company's ability to sell its products to customers. Additionally, as countries attempt to implement systems to prevent the import of goods with embedded emissions, carbon import duties may impact the Company's historical trade partners, sales and financial performance. See also "*Climate Change, Natural Disasters and Unusually Adverse Weather*" below.

There can be no certainty that the Company will achieve any required targets for GHG emission reduction within the stated timeframe or that achieving any of these targets will meet all of the expectations of the Company's stakeholders or applicable legal requirements. The implementation of these objectives may expose the Company to certain additional heightened financial and operational risks, and is expected to require additional costs, which may be higher than anticipated. If the Company is unable to achieve its GHG emission reduction targets or satisfy the expectations of its stakeholders, its reputation could be affected, which could materially adversely affect the Company's business, operating results and financial condition.

Mineral Exploration, Development and Operating Risks

Mineral exploration is highly speculative in nature, generally involves a high degree of risk and is frequently non-productive. Resource acquisition, exploration, development and operation involve significant financial and other risks over an extended period of time, which even a combination of careful evaluation, experience and knowledge may not eliminate. Significant expenses are required to locate and establish economically viable mineral deposits, to acquire equipment and to fund construction, exploration and related operations, and few mining properties that are explored are ultimately developed into producing mines.

Success in establishing an economically viable project is the result of a number of factors, including the quantity and quality of minerals discovered, proximity to infrastructure, the highly cyclical metal and mineral prices, costs and efficiencies of the recovery methods that can be employed, the quality of management, available technical expertise, taxes, royalties, environmental matters, government regulation (including land tenure, land use and import/export regulations), social acceptance by the local communities and other factors. In the event that mineralization is discovered on a given property, it may take several years in the initial phases of drilling until production is possible, during which time the economic feasibility of production may change as a result of such factors. The effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Company not receiving an adequate return on its invested capital, and no assurance can be given that any exploration program of the Company will result in the establishment or expansion of resources or reserves or the economically viable exploitation thereof.

25. Risk Factors (continued)

Mineral Exploration, Development and Operating Risks (continued)

The Company's operations are subject to all the hazards and risks normally encountered in the exploration, development and production of iron ore and other minerals, including, but not limited to, environmental hazards (including hazards relating to the discharge of pollutants), industrial accidents, labour force disruptions, health crises (including epidemics), adjacent or adverse land or mineral ownership rights or claims that may result in constraints on current or future mining operations, availability of materials and equipment, equipment failures, changes in anticipated grade and tonnage of ore, unusual or unexpected adverse geological or geotechnical conditions or formations, unanticipated ground and water conditions, unusual or unexpected adverse operating conditions, slope failures, rock bursts, cave-ins, seismic activity, the failure of pit walls or tailings dams, pit flooding, fire, explosions and natural phenomena and "acts of God" such as inclement weather conditions, floods, earthquakes or other conditions, any of which could result in, among other things, damage to, or destruction of, mineral properties or production facilities, personal injury or death, damage to property, environmental damage, unexpected delays in mining, limited mine site access, difficulty selling iron ore concentrate, increased production costs, reputational loss, monetary payments and losses and possible legal liability. As a result, production may fall below historic or estimated levels and the Company may incur significant costs or experience significant delays that could have a material adverse effect on its financial performance, liquidity and operating results. The Company maintains insurance to cover some of these risks and hazards; however, such insurance may not provide sufficient coverage in certain circumstances or may not be available or otherwise adequate for the Company's needs. Although the Company is focused on providing regular training for its employees and maintaining adequate procedures, it takes substantial time and resources to maintain and update standard operating procedures, safety plans, safety audits, mine inspector visits and other initiatives. Any failure to continuously update, facilitate and actively implement these programs could result in investigations, costs, downtime or other setbacks that could, in turn, materially adversely affect the Company's business, operating results and financial condition. See also "*Insurance and Uninsured Risks*" below.

The Company's processing facility is dependent on continuous mine feed to remain in operation. Insofar as the Bloom Lake Mine does not maintain material stockpiles of ore or material in process, any significant disruption in either mine feed or processing throughput, whether due to hardness of the ore, equipment failures, adverse weather conditions, supply interruptions, export or import restrictions, labour force disruptions or other causes, may have an immediate adverse effect on the results of its operations. A significant reduction in mine feed or processing throughput at the mine could cause the unit cost of production to increase to a point where the Company could determine that some or all of its mineral reserves are or could be uneconomic to exploit.

The Company periodically reviews mining schedules, production levels and asset lives in its LoM planning for all of its operating and development properties. Significant changes in the LoM plans can occur as a result of mining experience, new ore discoveries, changes in mining methods and rates, process changes, investment in new equipment and technology, iron ore price assumptions and other factors. Based on this analysis, the Company reviews its accounting estimates and, in the event of impairment, may be required to write down the carrying value of one or more of its long-lived assets. This complex process continues for the entire duration of the LoM. See also "*Ability to Support the Carrying Value of Non-Current Assets*" below.

In addition, any current and future mining operations are and will be subject to the risks inherent in mining, including adverse fluctuations in commodity prices, fuel prices, exchange rates and metal prices, increases in the costs of constructing and operating mining and processing facilities, availability of energy, access and transportation costs, supply chain cost increases and disruption, delays and repair costs resulting from equipment failure, changes in the regulatory environment, industrial accidents and labour actions or unrest. The occurrence of any of these events could materially adversely affect the development of a project, including the Kami Project (which remains subject to FID), or the operations of a facility, including the DRPF project, which, in turn, could materially adversely affect the Company's business, operating results and financial condition.

Furthermore, risks may arise with respect to the management of tailings and waste rock, mine closure, rehabilitation and management of closed mine sites (regardless of whether the Company operated the mine site or acquired it after operations were conducted by others). Financial assurances may also be required with respect to closure and rehabilitation costs, which may increase significantly over time and reserved amounts may not be sufficient to address actual obligations at the time of decommissioning and rehabilitation.

As a result of the foregoing risks, and in particular, where a project is in a development stage, expenditures on any and all projects, actual production quantities and rates, and cash costs may be materially adversely affected and may differ materially from anticipated expenditures, production quantities and rates, and costs. In addition, estimated production dates may be delayed materially, in each case especially to the extent development projects are involved. Any such events can materially adversely affect the Company's business, operating results and financial condition.

25. Risk Factors (continued)

Climate Change, Natural Disasters and Unusually Adverse Weather

The Company recognizes that climate change is a global challenge that will affect its business in a range of possible ways. The Company's mining and processing operations are energy intensive, resulting in a carbon footprint either directly or through the purchase of fossil-fuel based energy. As a result, the Company is impacted by current and emerging policy and regulations relating to the GHG emission levels, energy efficiency and reporting of climate change related risks. While some of the costs associated with reducing emissions may be offset by increased energy efficiency and technological innovation, the current regulatory trend may result in additional transition costs at the Company's operations.

In addition, the physical risks of climate change may also have an adverse effect on the Company's business and operations. These may include increased incidence of extreme weather events and conditions, resource shortages, water droughts, changes in rainfall and storm patterns and intensities and changing temperatures. A recent assessment of physical climate risks potentially impacting Bloom Lake, the Port of Sept-Îles and the railways essential for material transportation highlighted three specific risks: potential interruption of rail services due to flooding, forest fires or extreme heat; the risk of flooding at the mine site; and potential impact of a storm or a flood at the port. For example, in July 2024, the Company had to proceed with the preventive evacuation of Bloom Lake's facilities in response to nearby forest fires. While the forest fires did not cause damage to the Company's facilities, they resulted in approximately one week of production losses, which negatively impacted revenues for the period.

Associated with these physical risks is an increasing risk of climate-related litigation (including class actions) and associated costs. In addition, global efforts to transition to a lower-carbon economy may entail extensive policy, legal, technology, and market changes to address mitigation and adaptation requirements related to climate change. Depending on the nature, speed, focus and jurisdiction of these changes, transition risks may pose varying levels of financial and reputational risk to the business, which could, in turn, materially adversely affect the Company's business, operating results and financial condition.

Stakeholders and regulators are seeking enhanced disclosure of the material risks, opportunities, financial impacts and governance processes related to climate change. Adverse publicity or climate-related litigation could have an adverse effect on the Company's reputation, financial condition or operating results.

Water Management

Water is a critical resource for the Company's operations and inadequate water management and stewardship could have a material adverse effect on the Company and its operations. As Bloom Lake's footprint and production increases, the amount of contact water generated is expected to increase and the Company will need to have efficient water management plans. While the Company's existing surface water management system is operational and is considered appropriately designed, upgrades may need to be implemented and there can be no guarantee that the water management plans will be sufficient or perform as intended, and there can be no assurances that the Company will be able to discharge water when needed, which could subject the Company to liability and affect the Company's business, financial condition and operating results. In addition, while certain aspects relating to water management are within the Company's control, extreme weather events can negatively impact the Company's water management practices. These can consequently impact operations, disrupt production, increase costs and damage site and ancillary infrastructure.

Permits and Licenses

The operations of the Company require licenses and permits from various governmental authorities. The Company believes that it presently holds all necessary licenses and permits required to carry out the activities which it is currently conducting under applicable laws and regulations, and the Company believes it is presently complying in all material respects with the terms of such licenses and permits. However, there can be no assurance that the Company will be able to obtain all necessary licenses and permits required in the future (or to modify existing permits and licenses as may be required) to carry out exploration, development and mining operations at its projects on acceptable terms, in a timely manner or at all. The costs and delays associated with obtaining necessary permits and complying with these permits and applicable laws and regulations could stop or materially delay or restrict the Company from proceeding with the development of an exploration project or the operation or further development of a mine, which could have a material and adverse effect on the Company's business, operating results and financial condition. There can be no guarantee that the Company will be able to obtain or maintain all necessary licenses and permits that may be required to explore and develop its properties, commence construction or operation of mining facilities or to maintain continued operations that economically justify the cost. The licenses, permits and approvals may also be granted subject to conditions which impose material restrictions on the Company's ability to carry out its operations, which could materially adversely affect its business, operating results and financial condition.

25. Risk Factors (continued)

Cybersecurity Threats

The Company's operations depend, in part, on how well it and its suppliers protect networks, technology systems and software against infiltration from a number of threats, including viruses, security breaches and cyber-attacks. Cybersecurity threats include attempts to gain unauthorized access to data or automated network systems and the manipulation or improper use of information technology systems. A failure of any part of the Company's information technology systems could, depending on the nature of such failure, materially adversely impact the Company's reputation, business, operating results and financial condition. From time to time, the Company is subject to attempted cybersecurity attacks and related threats. To date, the Company has not experienced any material losses relating to cyber-attacks or other information security breaches, there can be no assurance that it will not incur such losses in the future. Furthermore, the Company may have little or no oversight with respect to security measures employed by third-party service providers, which may ultimately prove to be ineffective at countering threats. The risk and exposure to these matters cannot be fully mitigated because of, among other things, the evolving nature of these threats and related technological advancements, including, but not limited to, emerging technologies such as advanced forms of artificial intelligence ("AI"), quantum computing, machine learning, fleet electrification and autonomous equipment and other disruptive technologies. As cyber threats continue to evolve, the Company may be required to expend additional resources to continue to modify or enhance protective measures or to investigate and remediate any system vulnerabilities. In addition, the Company's insurance coverage for cyber-attacks may not be sufficient to cover all the losses it may experience as a result of a cyber incident.

Uncertainty of Mineral Resource and Mineral Reserve Estimates

Although the mineral resource and mineral reserve estimates disclosed by the Company have been carefully prepared by "qualified persons" as defined by NI 43-101, these amounts are estimates only and no assurance can be given that any particular level of recovery of iron ore or other minerals will in fact be realized or that an identified mineral deposit will ever qualify as a commercially mineable (or viable) ore body which can be economically exploited. Additionally, no assurance can be given that the anticipated tonnages and grades will be achieved or that the indicated level of recovery will be realized. Estimates of mineral resources and mineral reserves can also be affected by such factors as environmental permitting regulations and requirements, weather, environmental factors, unforeseen technical difficulties, unusual or unexpected geological formations and work interruptions. In addition, the grade of ore ultimately mined may differ dramatically from that indicated by results of drilling, sampling and other similar examinations. Short-term factors relating to mineral resources and mineral reserves, such as the need for orderly development of ore bodies or the processing of new or different grades, may also have an adverse effect on mining operations and on the operating results. Material changes in mineral resources and mineral reserves, grades, stripping ratios or recovery rates may affect the economic viability of projects. Mineral resources and mineral reserves are reported as general indicators of LoM and should not be interpreted as assurances of potential LoM or of the profitability of current or future operations. There is a degree of uncertainty attributable to the calculation and estimation of mineral resources and mineral reserves and corresponding grades. Until ore is actually mined and processed, mineral resources and mineral reserves and grades must be considered as estimates only. Furthermore, mineral resource and mineral reserve estimates may change over time as new information becomes available, particularly actual production data, further drilling and market factors, such as changes in supply of, demand for or pricing of iron ore.

Additionally, investors should not assume that mineral resources are capable of being directly converted to mineral reserves under NI 43-101. Mineral resources are not mineral reserves and have a greater degree of uncertainty as to their feasibility and prospects for economic extraction. Mineral resources that are not mineral reserves do not have demonstrated economic viability. Mineral resources that are in the inferred category are even more risky. An inferred mineral resource is that part of a mineral resource for which quantity and grade or quality are estimated on the basis of limited geological evidence and sampling. Geological evidence is sufficient to imply but not verify geological and grade or quality continuity. Inferred mineral resources have a lower level of confidence than that applying to any other category of mineral resources and is considered too speculative geographically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves. In accordance with Canadian securities laws, estimates of inferred mineral resources cannot form the basis of feasibility or other economic studies, except in limited circumstances where permitted under NI 43-101. Finally, the quantity of mineral resources and mineral reserves may vary depending on mineral prices. Any material change in resources, mineral resources or mineral reserves, or grades or stripping ratios, in particular those of the Bloom Lake Mine, will affect the economic viability of the Company's projects.

Uncertainties and Risks Relating to Feasibility Studies

Feasibility studies, pre-feasibility studies, preliminary economic assessments and other technical studies are used to determine the economic viability of a deposit or a project. Feasibility studies are the most detailed and reflect a higher level of confidence in the reported capital and operating costs. For example, generally accepted levels of confidence are plus or minus 15% for feasibility studies, plus or minus 25-30% for pre-feasibility studies and plus or minus 35-40% for preliminary economic assessments. While the Company's various technical reports (including the 2023 Technical Report, the DRPF Project study and the Kami Project Study) are based on the best information available to the Company, it cannot be certain that actual costs under each study will not significantly exceed the estimated cost.

25. Risk Factors (continued)

Uncertainties and Risks Relating to Feasibility Studies (continued)

While the Company incorporates what it believes is an appropriate contingency factor in cost estimates to account for this uncertainty, there can be no assurance that the contingency factor is adequate. Many factors are involved in the determination of the economic viability of a mineral deposit, including the achievement of satisfactory mineral reserve estimates, the level of estimated metallurgical recoveries, capital and operating cost estimates and estimates of future mineral and metal prices.

In addition, ongoing mining operations at the Bloom Lake Mine are dependent on a number of factors including, but not limited to, the acquisition and/or delineation of economically recoverable mineralization, favourable geological conditions, seasonal weather patterns, unanticipated technical and operational difficulties encountered in extraction and production activities, mechanical failure of operating plant and equipment, unplanned or prolonged maintenance shutdowns, shortages or increases in the price of consumables, spare parts and plant and equipment, cost overruns, access to the required level of funding and contracting risk from third-parties providing essential services. Actual operating results may differ from those anticipated in the relevant reports, including the 2023 Technical Report, the DRPF Project study and the Kami Project Study. The Company's operations may be disrupted by a variety of risks and hazards which are beyond its control, including environmental hazards, industrial accidents, technical failures, epidemics, government-imposed restrictions on operations, labour disputes, unusual or unexpected rock formations, flooding and extended interruptions due to inclement or hazardous weather conditions and fires, explosions or accidents. There is no certainty that metallurgical recoveries obtained in bench scale or pilot plant scale tests will be achieved in ongoing or future commercial operations. Capital and operating cost estimates are based upon many factors, including anticipated tonnage and grades of ore to be mined and processed, the configuration of the ore body, ground and mining conditions, expected recovery rates of the metals from the ore and anticipated environmental and regulatory compliance costs. Each of these factors involves uncertainties. Therefore, the Company cannot give any assurance that results of any feasibility studies or other technical studies (including the 2023 Technical Report, the DRPF Project study and the Kami Project Study) will not be subject to change and revisions.

Dependence on the Bloom Lake Mine

While the Company may invest in additional mining and exploration projects in the future, the Bloom Lake Mine is currently the Company's sole producing asset providing all of the Company's operating revenue and cash flows. Consequently, a delay or any difficulty encountered in the operations at the Bloom Lake Mine may materially adversely affect the Company's business, operating results and financial condition. In addition, the operating results of the Company could be materially adversely affected by any events which cause the Bloom Lake Mine to operate at suboptimal capacity, including, among other things, equipment failure, unplanned or prolonged maintenance shutdowns, outages, adverse weather, serious environmental, public health and safety issues, any permitting or licensing issues and any failure to produce expected amounts of iron ore. See also "*Infrastructure and Reliance on Third-Parties for Transportation of the Company's Iron Ore Concentrate*" and "*Liquidity / Financing Risk*" above.

Development and Expansion Projects Risks

The Company's ability to meet development and production schedules and cost estimates for its development and expansion projects cannot be assured. Construction and development of these projects are subject to numerous risks, including, without limitation, risks relating to: significant cost overruns due to, among other things, delays, changes to inputs or changes to engineering; delays in construction and technical and other problems, including adverse geotechnical conditions and other obstacles to construction; ability to obtain regulatory approvals or permits, on a timely basis or at all; ability to comply with any conditions imposed by regulatory approvals or permits, maintain such approvals and permits or obtain any required amendments to existing regulatory approvals or permits; accuracy of reserve and resource estimates; accuracy of engineering and changes in scope; adverse regulatory developments, including the imposition of new regulations; significant fluctuations in iron ore and other commodity prices, fuel and utilities prices, which may affect the profitability of the projects; community action or other disruptive activities by stakeholders; adequacy and availability of a skilled workforce; labour disruptions; difficulties in procuring or a failure to procure required supplies and resources to construct and operate a mine; availability, supply and cost of water and power; weather or severe climate impacts; litigation; dependence on third-parties for services and utilities; development of required infrastructure; a failure to develop or manage a project in accordance with the planning expectations or to properly manage the transition to an operating mine; the reliance on contractors and other third-parties for management, engineering, construction and other services, and the risk that they may not perform as anticipated and unanticipated disputes may arise between them and the Company; and the effects of potential epidemics, including regulatory measures or operating restrictions in response thereto, supply chain impacts and other factors. These and other risks could lead to delays in developing certain properties or delays in current mining operations. The materialization of any of these risks could materially adversely affect the Company's business, operating results and financial condition.

25. Risk Factors (continued)

Development and Expansion Projects Risks (continued)

In addition, there is no assurance that the Company will be able to realize, in full or in part, the anticipated benefits it expects to generate from the DRPF project. Furthermore, the integration of the DRPF project with Bloom Lake's existing infrastructure would be expected to require additional onsite work programs, a modification to its access road and an upgrade to the site's electricity transport and distribution systems as well as potentially requiring modifications to the existing Société Ferroviaire et Portuaire de Pointe-Noire facilities, all of which could increase the risk of shutdowns, outages or other events which would cause the Bloom Lake Mine to operate at less than optimal capacity and negatively impact production, which could in turn have a material adverse effect on the Company's business, operating results or financial condition. See also "*Structural Shift in the Steel Industry's Production Methods*" above.

Joint Ventures and Option Agreements

From time to time, the Company may participate in the acquisition, exploration and development of natural resource properties through options, joint ventures or other structures, thereby allowing for its participation in larger projects, allowing involvement in a greater number of projects and reducing financial exposure in respect of any one project. From time to time, the Company may enter into option agreements and joint ventures as a means of gaining property interests, developing properties or raising funds (for instance, the Partnership to be formed for the joint ownership and development of the Kami Project). The Company may also enter into other strategic alliances, partnerships or investments.

Risks associated with the foregoing include the sharing of confidential information, the reduced ability to exert control over strategic, tactical and operational decisions, the diversion of management's time and focus from operating its business, the use of resources that may be needed in other areas of the business, disagreements with partners on when and how to develop and operate projects, the inability of, or the failure by, partners to meet their obligations to the joint venture or third-parties, unforeseen costs or liabilities, litigation or other claims arising in connection with partnerships or joint ventures, and the possibility of adverse tax consequences. In determining whether or not the Company will participate in a particular project, the structure of its participation and the interest therein to be acquired by it, the Company's Board will primarily consider the degree of risk to which the Company may be exposed and its financial position at that time.

In some of those arrangements, a failure of the Company to fund its proportionate share of the ongoing costs could result in its proportionate share being diluted and possibly eliminated. Any failure of any option or joint venture partner to meet its obligations to the Company or other third-parties, or any disputes with respect to third-parties' respective rights and obligations, could have a material adverse effect on such agreements. In addition, the Company may be unable to exert direct influence over strategic decisions made in respect of properties that are subject to the terms of these agreements.

Replacement of Mineral Reserves

Mines have limited lives based on proven mineral reserves and probable mineral reserves. The Bloom Lake Mine is currently the Company's only source of production. The Company's ability to maintain, past the current LoM at the Bloom Lake Mine (which is 15 years as of March 31, 2025), or increase its annual production will depend on its ability to bring new mines into production and to expand mineral reserves at the Bloom Lake Mine. Bloom Lake's current LoM is determined based on the Company's best estimate given the information available to the Company, and this estimate and the underlying assumptions may prove to be incorrect.

Exploration for minerals is highly speculative in nature and exploration projects involve many risks. Many projects are unsuccessful and there are no assurances that current or future exploration programs will be successful. Once a site with mineralization is discovered, it may take several years from the initial phases of drilling until production is possible, during which time the economic feasibility of production may change. Substantial expenditures are required to establish mineral reserves and to construct mining and processing facilities. As a result of these uncertainties, there is no assurance that current or future exploration programs may be successful. There is a risk that depletion of mineral reserves will not be offset by discoveries. As a result, the reserve base of the Company may decline if mineral reserves are mined without adequate replacement and the Company may not be able to sustain production beyond the current LoM, based on current production rates, which could have a material and adverse effect on the Company's business, operating results and financial condition.

Premium paid for High-Grade Iron Ore

The Company currently receives a premium over the P62 index prices for the iron ore it produces. In addition to applicable market forces, the premium received reflects the quality of the Company's product. If the Company is unable to continue to produce to quality specifications, its product may not continue to command a premium to index prices, which may materially adversely affect the Company's business, operating results and financial condition. See "*Iron Ore Prices above*".

25. Risk Factors (continued)

Environmental Risks and Hazards

The operations of the Company are subject to environmental laws and regulations relating to the protection of the environment (including living things), occupational health and safety, hazardous or toxic substances, wastes, pollutants, contaminants or other regulated or prohibited substances or dangerous goods (collectively, "Environmental Laws"), as adopted and amended from time to time. Environmental Laws provide for, among other things, restrictions and prohibitions on spills, releases and emissions of various substances produced in association with, or resulting from, mining industry operations, such as seepage from tailings disposal areas that result in environmental pollution, and mandate, among other things, the maintenance of air and water quality standards and land reclamation. A breach of Environmental Laws may result in the imposition of fines, penalties, restrictive orders or other enforcement actions.

In addition, certain types of operations require the submission and approval of environmental impact assessments or other environmental authorizations. Environmental Laws are evolving toward stricter standards, and enforcement, fines and penalties for non-compliance are becoming more stringent. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and their directors, officers and employees. The Company incurs substantial costs to comply with Environmental Laws, regulations and permits that apply to the Company's operations and to address the outcome of inspections. The required compliance and actions are often time-consuming, and any failure to comply could result in significant fines and penalties or cancellation of the Company's permits. This cost of compliance with such changes to Environmental Laws has a potential to adversely impact the Company's business, operating results and financial condition.

The Company's operation is subject to environmental regulations which are enforced primarily by the Ministry of Natural Resources and Forests (Québec), the Ministry of Environment, Fight Against Climate Change, Wildlife and Parks (Québec), the Department of Environment and Climate Change (Newfoundland and Labrador), the Department of Industry, Energy and Technology (Newfoundland and Labrador), Fisheries and Oceans Canada, and Environment and Climate Change Canada.

Land Reclamation and Mine Closure Costs

Land reclamation requirements are generally imposed on mining companies in order to minimize long-term effects of land disturbance. The Company is required to submit for government approval a reclamation plan in connection with certain mining sites, to submit financial warranties covering the anticipated cost of completing the work required under such a plan, and to pay for the reclamation work upon the completion or cessation of certain mining activities. Reclamation costs are uncertain and planned expenditures may differ from the actual expenditures required. Therefore, the amount that the Company is required to spend could be materially higher than current estimates. Any significant increases over the Company's current estimates of future cash outflows for reclamation costs, as a result of the Company being required to carry out unanticipated reclamation work or otherwise, could have an adverse impact on the Company's business, operating results and financial condition. Although the Company includes liabilities for estimated reclamation costs in its financial statements, it may be necessary to spend more than what is projected to fund required reclamation work.

Applicable Laws and Regulations

Exploration, development and mining of minerals are subject to extensive and complex federal, provincial and local laws and regulations within the jurisdiction of the respective project and the jurisdiction of the Company's incorporation, including laws and regulations governing acquisition of mining interests, prospecting, development, mining, production, exports, taxes, labour standards, occupational health, waste disposal, toxic substances, water use, land use, land claims of aboriginal peoples and local people, environmental protection and remediation, endangered and protected species, mine safety and other matters. The costs of compliance and any changes to the Company's operations mandated by new or amended laws or regulations, may be significant. Such costs and delays may materially adversely impact the Company's business, operating results or financial condition. Furthermore, any violations of these laws or regulations may result in substantial fines and penalties, remediation costs, third-party damages, or a suspension or cessation of the Company's operations, which could materially adversely affect the Company's business, operating results or financial condition. The Company is exposed to these potential liabilities through its current projects and operations as well as exploration and development projects and operations that it may in the future close, sell or dispose of otherwise. The Company may incur material costs and liabilities resulting from claims for damages to property or injury to persons arising from its operations. If the Company is subject to sanctions, costs and liabilities in respect of these matters, its mining operations and, as a result, its business, operating results and financial condition could be materially adversely affected.

In addition, no assurance can be given that new laws and regulations will not be enacted or that existing laws and regulations will not be applied in a manner that could limit or curtail exploration, development or production activities. Amendments to current laws and regulations governing operations and activities of mining and exploration companies, or the more stringent implementation and application thereof, could cause increases in exploration expenses, capital expenditures or production costs or a reduction in the levels of production at the Company's producing properties or require abandonment or delays in exploring or developing the Company's properties, which, in turn, could materially adversely affect the Company's business, operating results and financial condition.

25. Risk Factors (continued)

Potential First Nations Land Claims

The Company conducts its operations in the Province of Québec and in the Province of Newfoundland and Labrador, which are subject to conflicting First Nations land claims. Aboriginal claims to lands, and the conflicting claims to traditional rights between Aboriginal groups, may have an impact on the Company's ability to develop its properties.

Pursuant to section 35 of The Constitution Act of 1982, the Federal and Provincial Crowns (including those of the Provinces of Québec and Newfoundland and Labrador) have in some circumstances a duty to consult and a duty to accommodate Aboriginal peoples. When development is proposed in an area to which an Aboriginal group asserts Aboriginal rights or Aboriginal title, and a credible claim to such rights or title has been made, a developer may also be required by the Crown to conduct consultations with Aboriginal groups who may be affected by the proposed project and, in some circumstances, make appropriate accommodations. The outcome of such consultations may significantly delay or even prevent the development of the Company's properties.

There is an increasing level of public concern relating to the perceived impact of mining activities on indigenous communities. The evolving expectations related to human rights, indigenous rights and environmental protection may adversely impact the Company's current or future activities. Such opposition may be directed through legal or administrative proceedings, against the government or the Company, or expressed in manifestations such as protests, delayed or protracted consultations, blockades or other forms of public expression against the Company's activities or against the government's position. There can be no assurance that these relationships can be successfully managed. Intervention by the aforementioned groups may have a material adverse effect on the Company's business, operating results and financial condition.

The development and the operation of the Company's properties may require entering into impact and benefits agreements ("IBAs") or other agreements with the affected First Nations. As a result, the Company may incur significant financial or other obligations to affected First Nations.

On April 12, 2017, the Company, through QIO, entered into an IBA with the Uashaunnuat, Innu of Uashat and of Mani-Utenam, the Innu Takuaikan Uashat Mak Mani-Utenam Band No. 80 and the Innu Takuaikan Uashat Mak Mani-Utenam Band Council with respect to future operations at Bloom Lake (the "Bloom Lake IBA"). The Bloom Lake IBA is a LoM agreement and provides for real participation in Bloom Lake for the Uashaunnuat in the form of training, jobs and contract opportunities and ensures that the Innu of Takuaikan Uashat Mak Mani-Utenam receive fair and equitable financial and socio-economic benefits. The Bloom Lake IBA also contains provisions which recognize and support the culture, traditions and values of the Innu of Takuaikan Uashat Mak Mani-Utenam, including recognition of their bond with the natural environment.

The negotiation of any IBA may significantly delay the development of the properties. There are no assurances that the Company will be successful in reaching an IBA or other agreement with First Nation groups asserting Aboriginal rights or Aboriginal title or who may have a claim in connection with the Kami Project or any of the Company's other projects.

Availability of Energy

The Company's mining operations and facilities are intensive users of energy, including electricity, diesel and other consumables that are essential to its business and there is no certainty that the Company will be able to continue to access sources of power on economically feasible terms, or that such sources of power will be available in sufficient quantities, for all of its projects and requirements. The availability of energy may be negatively impacted due to a variety of reasons, including fluctuations in climate, severe weather conditions, inadequate infrastructure capacity, equipment failure or the ability to extend supply contracts on economic terms. The inability for the Company to secure sufficient power for all of its projects and requirements or to do so on economically favourable terms could have a material adverse effect on the Company's business, operating results and financial condition.

Epidemic Outbreaks, Boycotts and Geopolitical Events

The occurrence of epidemic outbreaks, boycotts and geopolitical events, such as trade protection measures like tariffs and import and export restrictions (including the tariffs imposed in early 2025 on foreign imports into the United States as well as measures adopted by other countries in retaliation thereof), tensions between China and other countries, the ongoing conflicts between Russia and Ukraine and in the Middle East, or the occurrence of similar disruptions, could materially adversely affect the Company's business, operating results or financial condition. Some of these events could result in an increase in energy prices, shutdowns or outages at the Company's facilities, temporary lack of an adequate workforce, temporary or long-term disruption in the supply of raw materials, equipment and product parts required to conduct business, temporary disruption in ocean freight overseas, or disruption to the Company's information systems. The Company may incur expenses or delays relating to such events outside of its control, which could materially adversely affect its business, operating results and financial condition.

25. Risk Factors (continued)

Epidemic Outbreaks, Boycotts and Geopolitical Events (continued)

Although the Company does not conduct business directly with or within Russia or Ukraine, or with or within Israel or Palestine, increasing global instability could impact its operations with worsening supply chain disruptions or macroeconomic conditions. Governments have warned that conflicts like the one between Russia and Ukraine may increase the risk of coordinated cyberattacks on critical infrastructures. Additionally, the Russia-Ukraine conflict has triggered global sanctions across many jurisdictions, which have impacted and may continue to impact the global trade flows of iron ore products and steel. This may also have an impact on the Company's historical business relationships. While the Company has risk mitigation measures in place such as advance placement of orders to secure materials and supplier diversification (alternate sourcing), continuation or further escalation of the conflict could continue to result in additional inflationary pressure, and supply chain and transportation disruption, which could materially adversely affect the Company's business, operating results and financial condition. Moreover, the Middle East is an important contributor to global oil supplies and any instability in the region, as a result of an escalation of the Israel-Palestine conflict or otherwise, could cause price hikes due to anticipated supply or shipping routes disruptions, which can in turn increase market volatility, affect global inflation rates and trade balances. See "*Trade Barriers*" above.

No Assurance of Titles

The acquisition of title to mineral projects is a very detailed and time-consuming process. Although the Company has taken precautions to ensure that legal title to its property interests is properly recorded in the name of the Company or, where applicable, in the name of its joint venture partners, there can be no assurance that such title will ultimately be secured. Title to, and the area of, mineral concessions may be disputed, and there is no assurance that the interests of the Company in any of its properties may not be challenged or impugned. Third-parties may have valid claims on underlying portions of the Company's interests, including prior unregistered liens, agreements, transfers or claims, including land claims by indigenous groups, and title may be affected by, among other things, undetected defects. In addition, the Company may be unable to conduct its operations on one or more of its properties as currently anticipated or permitted or to enforce its rights in respect of its properties. Even if a claim is unsuccessful, it may potentially affect the Company's current operations due to the high costs of defending against the claim and its impact on Management's time. Title insurance is generally not available for mineral properties and the Company's ability to ensure that it has obtained a secure claim or title to individual mineral properties or mining concessions may be severely constrained. If the Company loses a commercially viable property, such a loss could lower its future revenues or cause it to cease operations if the property represented all or a significant portion of its Mineral Reserves at the time of the loss, which, in turn, could materially adversely affect its business, operating results and financial condition.

Reliance on Small Number of Significant Purchasers and Geographical Areas

The Company relies on a small number of significant direct purchasers of its iron ore (for the financial year ended March 31, 2025, most of the Company's revenues came from its top 10 customers). As a result of this reliance, the Company could be subject to adverse consequences if any of these direct purchasers breaches its purchase commitments, reduces its purchases or ceases to buy from the Company or becomes insolvent, including incurring losses on the production already shipped or being forced to sell a greater volume of its production in the spot market, which is subject to additional market price fluctuations. Additionally, the Company delivers its product to a relatively small number of geographical areas, namely China, Japan, the Middle East, Europe, South Korea, India and Canada, which concentrates the Company's exposure regionally.

Availability of Reasonably Priced Raw Materials and Mining Equipment

The Company requires and will continue to require a variety of raw materials in its business as well as a wide variety of mining equipment. Since 2021, supply chains have been affected by a number of factors, including inflation affecting the price of raw materials and transportation, and supply chain disruptions resulting from the lingering COVID-19 pandemic implications, geopolitical events (including tariffs and import and export restrictions as well as retaliation measures adopted in response thereof) and conflicts and other factors. To the extent these materials or equipment are unavailable or available only at significantly increased prices, the Company's production and financial performance could be adversely affected, including requiring the suspension of its operations.

Dependence on Third-Parties

The Company has relied upon consultants, engineers and others and intends to continue relying on these parties for development, construction and operating expertise. Substantial expenditures are required to construct mines, to establish mineral resources and mineral reserves through drilling, to carry out environmental and social impact assessments, to develop metallurgical processes to extract the metal from the ore and, in the case of new properties, to develop the exploration and plant infrastructure at any particular site. If the work of such parties is deficient, negligent or is not completed in a timely manner, it could have a material adverse effect on the Company.

25. Risk Factors (continued)

Reliance on Information Technology Systems

The Company's operations are dependent upon information technology ("IT") systems. The Company's operations depend on the timely maintenance, upgrade and replacement of these systems, as well as pre-emptive efforts to mitigate cybersecurity risks and other technology system disruptions. In addition, a portion of the Company's workforce now regularly works remotely, which has increased the Company's reliance on its IT systems and associated risks. These systems are subject to disruption, damage or failure from a variety of sources, including an increasing threat of continually evolving cybersecurity risks. Failures in the Company's IT systems could translate into production downtimes, operational delays, compromising of confidential information, destruction or corruption of data, loss of production or accidental discharge; expensive remediation efforts; distraction of management; damage to the Company's reputation; or events of noncompliance which could lead to regulatory fines or penalties or ransom payments. Accordingly, any failure in the Company's IT systems could materially adversely affect its financial condition and results of operations. Such failures could also materially adversely affect the effectiveness of the Company's internal controls over financial reporting.

The Company incorporates and expects to continue to incorporate AI technologies into its business and operations from time to time. However, there can be no assurance that investments made in these technologies and related processes and tools will provide a valuable return, if any. Moreover, AI capabilities continue to develop rapidly and are becoming more generally available, increasing the risk that AI could become disruptive to the Company's business. Failure to keep pace with the advancement of new technologies such as AI could impact the Company's competitive advantage and negatively affect its business, financial condition and operating results. Implementation and reliance on new technologies, including machine learning and generative AI, within the Company and through third-party providers, increase the risk that flaws in algorithms, processes or data may result in inaccurate decisions and potentially increase the cost of operational or cybersecurity related interruptions.

The Company and its third-party service providers collect, use, disclose, store, transmit and otherwise process customer, supplier and employee and others' data as part of its business and operations, which may include personal data or confidential or proprietary information. There can be no assurance that any security measures that the Company or its third-party service providers have implemented will be effective against current or future security threats. If a compromise of such data were to occur, the Company may become liable under its contracts with other parties and under applicable law for damages and incur penalties and other costs to respond to, investigate and remedy such an incident. Depending on the facts and circumstances of such an incident, these damages, penalties, fines and costs could be significant. Notably, privacy regimes that apply to the Company set out substantial fines for non-compliance. Any such event could result in both financial and reputational harm for the Company and result in litigation against it, which, in turn, could materially adversely affect the Company's business, operating results and financial condition.

Litigation

All industries, including the mining industry, are subject to legal claims which may be with or without merit. The causes of potential future litigation cannot be known and may arise from, among other things, business activities, agreements with customers and third-parties, environmental laws, volatility in stock price or failure or alleged failure to comply with disclosure obligations. The Company has in the past been, and may in the future be, involved in various legal proceedings. The outcome of any future proceedings is uncertain, and may incur defense costs in connection therewith, even with respect to claims that have no merit. Due to the inherent uncertainty of the litigation process, there can be no assurance that the resolution of any particular or several combined legal proceedings will not have a material adverse effect on the Company's business, operating results and financial condition.

ESG Matters

There is increased investor attention on environmental, social and governance (ESG) issues more generally. To the extent mining companies fall out of favour with some investors due to the mining industry's real or perceived impacts on climate change, and its perceived role in a transition to a low carbon economy, this could negatively affect the Company's shareholder base and access to capital. There has also been increased regulatory attention to ESG issues, which has resulted in new, pending and proposed legislation in Canada and Australia, including anti-greenwashing disclosure rules, including amendments to the Competition Act that became law in June 2024 which could subject the Company to substantial monetary penalties and reputational harm should the Company inadvertently fail to properly comply with the explicit provisions targeting misleading environmental benefit claims. Additionally, Australia's climate-related financial disclosure regime, which requires businesses which meet certain regulatory thresholds under the Corporations Act 2001 (Cth), to include mandatory climate reporting against Australian Sustainability Standards Board aligned standards in their annual financial reporting, commenced in January 2025. While the Company has been actively monitoring the impact of such anti-greenwashing disclosure rules and seeks to mitigate any related risks, there can be no assurance that challenges regarding its disclosure will not take place in the future. Additionally, the lack of consistent legal requirements across jurisdictions and rapidly evolving regulatory landscapes worldwide represents an additional challenge for the Company.

25. Risk Factors (continued)

ESG Matters (continued)

In addition, government policies are evolving to support the transitioning to a low carbon economy by implementing climate and sustainability-related legislation and regulations, including carbon pricing proposals, mandates for emission reductions and supply chain mapping disclosures. While additional regulation of emissions in the future appears likely, it is too early to predict whether any such regulations could ultimately have a material adverse effect on the Company's business or financial results. See also "*Climate Change, Natural Disasters and Unusually Adverse Weather*" and "*Potential First Nations Land Claims*" above and "*Reputational Risk*" below.

Reputational Risk

As a result of the increased usage and the speed and global reach of social media and other web-based tools used to generate, publish and discuss user-generated content and to connect with other users, companies today are at much greater risk of losing control over how they are perceived socially and in the market generally. Damage to the Company's reputation can result from the actual or perceived occurrence of any number of events, including any negative publicity (for example with respect to the Company's handling of environmental and social matters or its relations with stakeholders), whether true or not. The Company places great emphasis on protecting its image and reputation by managing its social media and other web-based platforms, but it does not ultimately have direct control over how it is perceived by others.

Reputation loss may lead to increased challenges in developing and maintaining community relations, ability to secure labour and ability to finance, ability to secure permits and governmental approvals, decreased investor confidence and impediments to the Company's overall ability to advance its projects, which, in turn, could materially adversely affect its business, operating results and financial condition.

Dependence on Management and Key Personnel

The Company is dependent on the services of key executives, including a small number of highly skilled and experienced executives and personnel. The Company's development to date, including the recommissioning of Bloom Lake's Phase I in 2018 and the completion of the Phase II in 2022, has largely depended, and in the future will continue to depend, on the efforts of management and other key personnel to develop its projects. The employment market for mining executives with successful project development and operation experience has been and is expected to continue to be extremely competitive. Loss of any of these people, particularly to competitors, could materially adversely affect the Company's business, operating results and financial condition. In addition, the Company's success also depends, in part, on its continuing ability to identify, recruit, train, develop and retain other qualified managerial and technical employees with specialized market knowledge and technical skills to build and maintain its operations. If the Company requires such persons and is unable to successfully recruit and retain them, its development and growth could be significantly curtailed.

Volatility of Stock Price

In recent years, the securities markets in Australia and Canada have experienced a high level of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. It may be anticipated that any quoted market for the Company's securities will be subject to market trends generally, notwithstanding any potential success of the Company in creating revenues, cash flows or earnings and that the value of its securities will be affected by such volatility.

Certain institutional investors may base their investment decisions on considerations of the Company's ESG practices and performance against such institutions' respective investment guidelines and criteria, and failure to satisfy such criteria may result in limited or no investment in the Company's securities by such investors, which could materially adversely affect the trading price of the Company's securities.

Shareholder Activism

In recent years, publicly-traded companies, including in the mining sector, have increasingly been subject to actions, demands or grievances from activist shareholders, including short sellers, relating to environmental or social issues, corporate governance, executive compensation practices, fiduciary duties of directors and officers and strategic direction and operations, among other matters. Responding to these demands may be costly and time-consuming and may disrupt business operations, divert management and employee attention or present other legal and business challenges that could materially adversely affect the Company's business, reputation or financial results. Moreover, such investor activism could result in uncertainty of the direction of the Company, harm the business, hinder execution of the business strategy and initiatives and create adverse volatility in the market price and trading volume of the Company's securities.

25. Risk Factors (continued)

Internal Controls and Procedures

Management of the Company has established processes to provide the Board with sufficient information and assurances to support representations that they have exercised reasonable diligence to ensure that (i) the financial statements of the Company do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as at the date of and for the periods presented thereby, and (ii) the financial statements of the Company fairly present in all material respects the financial condition, operating results and cash flows of the Company, as at the date of and for the periods presented. The Company files certifications of annual and interim filings, signed by the Company's CEO and CFO, as required by National Instrument 52-109 – *Issuers' Annual and Interim Filings*. In such certifications, the appropriateness of the financial disclosure in the Company's filings with the securities regulators, the design and effectiveness of the Company's disclosure controls and procedures and the design and effectiveness of internal controls over financial reporting at the respective financial period end are certified by the CEO and CFO. The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in the certificate.

Internal controls over financial reporting are procedures designed to provide reasonable assurance that transactions are properly authorized, assets are safeguarded against unauthorized or improper use and transactions are properly recorded and reported. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance with respect to the reliability of financial reporting and financial statements preparation. Any failure of the Company's internal controls and procedures could result in improper disclosure to the financial markets, which could materially adversely affect the Company's business, operating results and financial condition.

Insurance and Uninsured Risks

The Company maintains insurance to protect it against certain risks related to current operations (including, among others, directors' and officers' liability insurance) in amounts that it believes are reasonable depending upon the circumstances surrounding each identified risk. However, the Company is unable to maintain insurance to cover all risks at economically feasible premiums, and in certain cases, insurance coverage may not be available or may not be adequate to cover any resulting liability. Consequently, the Company may elect not to insure against certain risks due to high premiums or for various other reasons. Accordingly, insurance maintained by the Company does not cover all of the potential risks associated with its operations. In addition, no assurance can be given that the current insurance maintained by the Company will continue to be available at economically feasible premiums or at all, that the Company will obtain or maintain such insurance or that such insurance will provide sufficient coverage for any future losses. As a result, the Company's property, liability and other insurance may not provide sufficient coverage for losses related to the risks identified herein or other risks or hazards. Should liabilities arise as a result of insufficient or non-existent insurance, any future profitability could be reduced or eliminated and delays, increases in costs and legal liability could materially adversely affect the Company's business, operating results and financial condition.

Potential Conflicts of Interest

The directors and officers of the Company may serve as directors or officers of other companies involved in the mining industry or have significant shareholdings in such companies. Situations may arise in connection with potential acquisitions and investments where the other interests of these directors and officers may conflict with the interests of the Company. In the event that such a conflict of interest arises, a director is required to disclose the conflict of interest and to abstain from voting on the matter.

Employee Relations

The Company's ability to achieve its future goals and objectives is dependent, in part, on maintaining good relations with its employees, minimizing employee turnover and attracting new skilled employees. Work stoppages, prolonged labour disruptions or other industrial relations events at the Company's major capital projects, as well as inability to recruit and retain qualified employees, could lead to project delays or increased costs and could materially adversely affect the Company's business, operating results and financial condition.

The Company cannot predict the outcome of any future negotiations relating to labour disputes, union representation or the renewal of any collective agreement relating to its employees, nor can the Company assure that it will not experience work stoppages, strikes, property damage or other forms of labour protests pending the outcome of any future negotiations. A deterioration in relationships with employees or in the labour environment could result in a strike or work interruptions or other disruptions to the Company's operations, damage to the Company's property or interruption to its services, or cause management to divert time and resources from other aspects of the Company's business, any of which could have a material adverse effect on the Company's business, operating results or financial condition.

25. Risk Factors (continued)

Competitive Conditions

There is aggressive competition within the mineral exploration and mining industry for the discovery and acquisition of properties considered to have commercial potential and for management and technical personnel. The Company's ability to acquire projects in the future is highly dependent on its ability to operate and develop its current assets and its ability to obtain or generate the necessary financial resources. The Company will compete in each of these respects, as well as with respect to equipment, suppliers and purchasers, with other parties, many of which have or may have greater financial resources, greater access to credit and other financial resources, newer or more efficient equipment, lower cost structures, more effective risk management policies and procedures and a greater ability to withstand losses than the Company.

The Company may also encounter increasing competition from other mining companies in its efforts to hire experienced mining professionals. Increased competition could adversely affect the Company's ability to attract necessary capital funding, to acquire it on acceptable terms or to acquire suitable producing properties or prospects for mineral exploration in the future. The Company is predicting a long-term shortage of skilled workers for the mining and metals processing industries, and competition for the available workers limits its ability to attract and retain employees as well as engage third-party contractors. Accordingly, there can be no assurance that any of the Company's future acquisition efforts will be successful or that it will be able to attract and retain required personnel. There is no assurance that the Company will continue to be able to compete successfully with its competitors in acquiring such properties or prospects. Any failure to do so could have a material adverse effect on the Company's business, financial condition, operating results and prospects.

Dilution and Future Sales

The Company may from time to time undertake offerings of its ordinary shares or securities convertible into ordinary shares, and it may also enter into acquisition agreements under which it may issue ordinary shares in satisfaction of certain required payments. An increase in the number of ordinary shares issued and outstanding and the prospect of issuance of ordinary shares upon conversion of convertible securities may have a depressive effect on the price of ordinary shares. In addition, as a result of such additional ordinary shares, the voting power and equity interests of the ordinary shareholders will be diluted. Furthermore, sales of a large number of ordinary shares in the public markets, or the potential for such sales, could decrease the trading price of the ordinary shares and could impair the Company's ability to raise capital through future sales of ordinary shares or of securities convertible into ordinary shares.

Anti-Corruption and Anti-Bribery Laws

The Company may be impacted by anti-bribery, anti-corruption, and related business conduct laws. The Canadian Corruption of Foreign Public Officials Act and anti-bribery and anticorruption laws in other jurisdictions where the Company conducts its business, prohibit companies and their intermediaries from making improper payments for the purposes of obtaining or retaining business or other commercial advantages. The Company's policies mandate compliance with these laws, the failure of which often carry substantial penalties. There can be no assurances that the Company's internal control policies and procedures will always protect it from inappropriate acts committed by the Company's affiliates, employees, or agents. Violations of these laws, or allegations of such violations, could have a material adverse effect on the Company's reputation, business, financial condition, and operating results.

Forced Labor and Child Labour

Following the coming into force of the Fighting Against Forced Labor and Child Labour in Supply Chains Act (Canada) (the "Supply Chains Act"), there is increased scrutiny of any forced labour or child labour occurring in domestic and international supply chains. The Company is subject to statutory obligations under the Supply Chains Act in Canada and the Modern Slavery Act in Australia, both of which require companies to carry out due diligence and publish detailed reports enumerating the actions they are taking to prevent and reduce the risk of forced labour and child labour in their operations and supply chains. Any failure to comply with the obligations under these laws may result in financial sanctions, reputational damage and loss of community and stakeholder trust.

Ability to Support the Carrying Value of Non-Current Assets

As of March 31, 2025, the carrying value of the Company's non-current assets was approximately $2,297.9 million, or approximately 76% of the Company's total assets. Non-current assets are tested for impairment when events or changes in circumstances indicate that the carrying value of these assets may not be recoverable. If indication of impairment exists, a non-current asset's recoverable amount is estimated. Such estimation is subjective and it involves making estimates and assumptions with respect to a number of factors, including, but not limited to, mine design, estimates of production levels and timing, mineral reserves and mineral resources, ore characteristics, operating costs and capital expenditures, as well as economic factors beyond management's control, such as iron ore prices, discount rates and observable net asset value multiples. If the recoverable amount is lower than the carrying value, the Company may be required to record an impairment loss on the non-current asset, which will reduce the Company's earnings. The timing and amount of such impairment charges are uncertain.

25. Risk Factors (continued)

Fluctuating Mineral Prices

Factors beyond the control of the Company may affect the marketability of any other minerals discovered. Resource prices have fluctuated widely and are affected by numerous factors beyond the Company's control. These factors include market fluctuations, inflationary pressures impacting costs to extract minerals, the proximity and capacity of natural resource markets and processing equipment, international economic and political conditions, inflation or deflation and expectations with respect to inflation or deflation, interest rates and expectations with respect to interest rates, global and regional levels of supply and demand and government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted, and there can be no assurance that the market price of these minerals will remain at current levels or that such prices will improve. The combination of these factors may result in the Company not receiving an adequate return on invested capital, and a loss of all or part of an investment in the Company's securities may result.

26. Disclosure Controls and Procedures and Internal Controls over Financial Reporting

Disclosure Controls and Procedures

The Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO") of the Company have designed, or caused to be designed under their supervision, disclosure controls and procedures ("DC&P") to provide reasonable assurance that:

i. material information relating to the Company is made known to Management by others, particularly during the period in which the annual filings are being prepared; and

ii. information required to be disclosed by the Company in its annual filings, interim filings or other reports filed or submitted by the Company under securities legislation is recorded, processed, summarized and reported within the periods specified in securities legislation.

The CEO and CFO of the Company have evaluated, or caused to be evaluated under their supervision, the design and operating effectiveness of the Company's DC&P as defined in Regulation 52-109 respecting Certification of Disclosure in Issuers' Annual and Interim Filings as at March 31, 2025, and have concluded that such DC&P were designed and operating effectively.

Internal Control over Financial Reporting

The CEO and CFO are also responsible for establishing and maintaining adequate internal controls over financial reporting ("ICFR") to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

The CEO and CFO of the Company have evaluated the design and operating effectiveness of its ICFR as defined in Regulation 52-109 respecting Certification of Disclosure in Issuers' Annual and Interim Filings. The evaluation was based on the Internal Control-Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this evaluation, the CEO and CFO concluded that, as at March 31, 2025, the ICFR were appropriately designed, effective and able to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

There have been no changes in the Company's ICFR that occurred during the period beginning on January 1, 2025, and ended on March 31, 2025, which have materially affected or are reasonably likely to materially affect the Company's ICFR.

Limitations of DC&P and ICFR

All internal control systems have inherent limitations and may become ineffective because of changes in conditions. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to the preparation and presentation of financial statements.

27. Approval

The Board oversees Management's responsibility for financial reporting and internal control systems through its Audit Committee. The Audit Committee meets quarterly with Management and with the Company's independent auditors to review the scope and results of the annual audit and quarterly reviews, as applicable, and to review the financial statements and related financial reporting and internal control matters before the financial statements are approved by the Board and submitted to the shareholders. The Board has approved the Financial Statements and the disclosure contained in this MD&A as of May 29, 2025.

28. Nature of Securities

The purchase of the Company's securities involves a high degree of risk and should be undertaken only by investors whose financial resources are sufficient to enable them to assume such risks. The Company's securities should not be purchased by people who cannot afford the possibility of losing their entire investment. Furthermore, an investment in the Company's securities should not constitute a major portion of an investor's portfolio.

29. Additional Information

Additional information related to the Company is available for viewing under the Company's profile on SEDAR+ at www.sedarplus.ca, the ASX at www.asx.com.au and the Company's website at www.championiron.com.