CHAMPION IRON

ANNUAL REPORT 2025

FOR THE FINANCIAL YEAR ENDED
MARCH 31, 2025

CONTENTS

This Annual Report contains forward-looking statements. Particular attention should be given to the risk factors described in the "Risk Factors" section and to the "Cautionary Note Regarding Forward-Looking Statements" section of the Annual Report. Unless otherwise specified, all dollar figures stated herein are expressed in Canadian dollars.

01

OVERVIEW

ABOUT CHAMPION

Through its wholly-owned subsidiary Quebec Iron Ore Inc. ("QIO"), Champion owns and operates the Bloom Lake Mining Complex located in Québec, on the south end of the Labrador Trough. Bloom Lake is an open-pit operation with two concentration plants having a combined nameplate capacity of 15M wmt per year, and producing low contaminant high-grade 66.2% Fe iron ore concentrate. With the upcoming commissioning of the direct reduction quality pellet feed iron ore process (the "DRPF project"), Champion expects to upgrade half of Bloom Lake's capacity to produce iron ore up to 69% Fe.

Iron ore concentrate from Bloom Lake is shipped by rail to a ship loading port in Sept-Îles, and is delivered globally, including in China, Japan, the Middle East, Europe, South Korea, India and Canada.

In addition to Bloom Lake, Champion owns the Kamistiatusset mining properties ("Kami"), a project expected to be jointly developed and constructed with two other partners. Located only 21 kilometres southeast of Bloom Lake, the Kami Project is expected to produce 9M wmt per year of direct reduction ("DR") quality iron grading above 67.5% Fe.

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.

BLOOM LAKE OPERATIONS

The Bloom Lake Mining Complex is located on the south end of the Labrador Trough, approximately 13 kilometres north of Fermont, Québec. It operates two concentration plants that primarily source energy from renewable hydroelectric power and produce low 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.

Originally commissioned in 2010 by its previous owners, the Bloom Lake Mine and related rail assets were acquired by Champion in 2016. The Company restarted the mining operations in 2018, ahead of schedule and within budget, significantly improving operations compared to its previous owners. As of today, Bloom Lake benefits from over US$4.5 billion in cumulative investments.

In 2022, Champion completed Bloom Lake's Phase II expansion project, which doubled the overall nameplate capacity to 15M wmt per year. This was achieved ahead of schedule and on budget, while overcoming the challenges imposed by the COVID-19 pandemic.

To this day, reaching these milestones remains a testament to the agility and operational excellence of the Company's employees and partners. Bloom Lake continues to produce high-purity iron ore concentrate, while creating a positive impact for its host community and all its stakeholders.

Today, benefiting from one of the highest purity resources globally, Champion is investing $470.7 million to upgrade half of Bloom Lake's mine capacity to a direct reduction quality pellet feed ("DRPF") product grading up to 69% Fe, one of the highest purity iron ores in the world. The project, which is designed to be carbon neutral, will further enable the Company to align with the green steel[1] transition and meet the rising demand for direct reduced iron ("DRI") globally.

While Bloom Lake benefits from substantial reserves, existing resources and other nearby deposits held by the Company could offer future growth opportunities.

[1] Green steel refers to steel that is produced using processes that significantly reduce or eliminate greenhouse gases ("GHG") compared to traditional steelmaking, which typically relies on blast furnaces that use coal as both a fuel and a reductant. Accordingly, the steel industry typically classifies green steel as either optimizing traditional steelmaking, including improved supply chains using quality metallics such as DRI and Hot Briquetted Iron. Additionally, green steel refers to using alternative methods of steelmaking, including electric arc furnaces ("EAF"), which utilizes recycled scrap metal or DRI to minimize GHG emissions, and could potentially be adapted to use hydrogen as a main source of energy.

KAMI PROJECT

Champion acquired the Kami Project in 2021. Located southwest of the towns of Wabush and Labrador City in Newfoundland and Labrador, and east of Fermont, it has benefited from significant investments by its previous owners, including the completion of several studies recognizing the quality of the project which is near available infrastructures. Following a study completed by Champion in March 2024, the Kami Project aims to build mining and processing facilities to produce 9M wmt per year of DR quality iron ore grading above 67.5% Fe.

Since its acquisition by Champion, Kami has undergone numerous optimizations, notably in terms of product quality and environmental performance, in line with the industry's highest standards.

In December 2024, Champion, Nippon Steel Corporation ("Nippon") and Sojitz Corporation ("Sojitz" and, collectively with Nippon, the "Partners") entered into a binding agreement to form a partnership for the joint ownership and development of Kami. It is expected that the Partners will initially contribute $245 million for 49% equity interest in the partnership (30% for Nippon and 19% for Sojitz). Upon closing, Champion will hold a 51% equity interest in Kami, retaining operatorship of the project as well as overseeing its potential development and future operations.

Should the Company and the Partners come to a positive final investment decision ("FID"), following completion of the project's definitive feasibility study ("DFS") by the end of calendar year 2026, development and construction costs will be shared pursuant to the respective ownership interests. As a result of this transaction and future pro-rata contributions from the Partners, the project is expected to benefit from contributions of up to $490 million before Champion requires additional capital funding for its pro-rata share of the project. The project construction period is estimated at 48 months, following an FID.

With Nippon's and Sojitz's successful history in the steelmaking industry, and Champion's proven track record in operating projects in the Labrador Trough, Kami has the potential to generate significant economic growth for the region, and contribute to decarbonizing the industry worldwide.

For more details regarding the transaction with Nippon and Sojitz, refer to Champion's press release dated December 18, 2024, and section 5 — Kami Project Update of the Directors' Report.

CHAMPION'S VISION & MISSION

VISION

Leverage the force of responsible materials to decarbonize and brighten the future.

MISSION

Produce responsible materials with ingenuity, caring and inclusivity to reduce the carbon footprint with and for those who seek change.

CHAMPION'S VALUES

PRIDE

Develop a collective sense of belonging in all spheres of iron ore mining.

INGENUITY

Leverage employee creativity and expertise to achieve and maintain efficient practices aimed at operational excellence.

RESPECT

Respect for people, resources, the environment, safety standards, partnerships and equipment.

TRANSPARENCY

Promote transparent communications through active listening and open dialogue.

FY2025 HIGHLIGHTS

13,834,200 wmt
Iron ore concentrate produced
(2% decrease year-over-year)

13,491,200 dmt
Record iron ore concentrate sold
(16% increase year-over-year)

$1,606.6M
Revenues
(5% increase year-over-year)

$78.3 / dmt sold
C1 cash cost[1]
(3% increase year-over-year)

$0.27
Basic EPS
(39% decrease year-over-year)

$605.9M
Available liquidity[1]
(36% decrease year-over-year)[2]

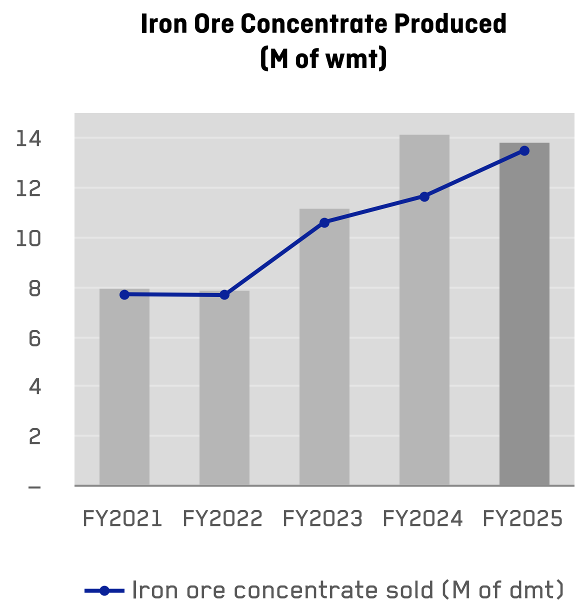
$471.3M
EBITDA[1]
(15% decrease year-over-year)

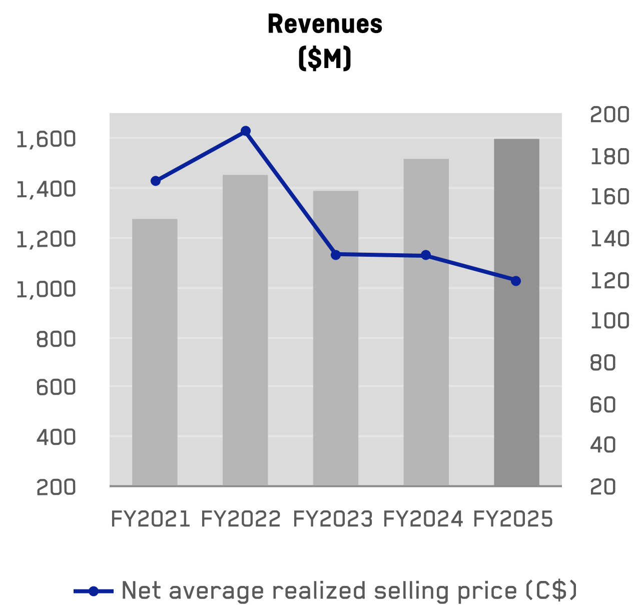
1.98
Recordable injury frequency rate
(Up 0.07 year-over-year)

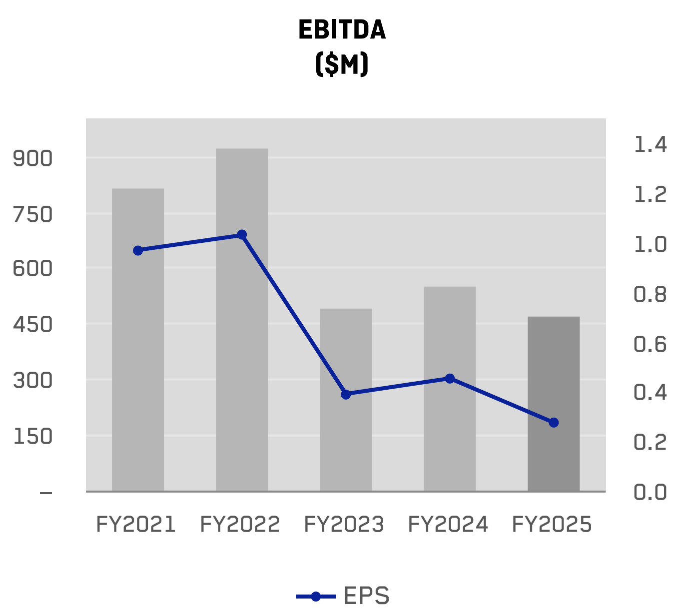
1 This is a non-IFRS financial measure, ratio or other financial measure. This measure is not a standardized financial measure under the financial reporting framework used to prepare the Financial Statements and might not be comparable to similar financial measures used by other issuers. Refer to the section 21 — Non-IFRS and Other Financial Measures of the Directors' Report for definitions of these metrics and reconciliations to the most comparable IFRS measure when applicable.

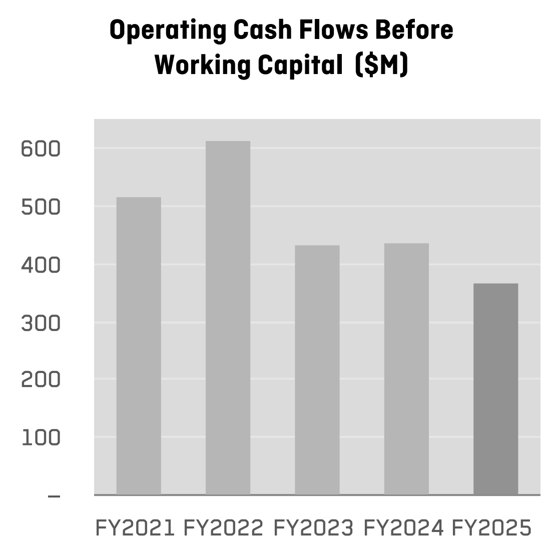
2 The reduction in available liquidity is correlated with a significant increase in property, plant and equipment, mainly reflecting the DRPF project progress.

HISTORICAL FIVE-YEAR PERFORMANCE MEASURES









OTHER HIGHLIGHTS

FINANCIAL & OPERATIONS

Declared two dividend payments totalling $0.20 per ordinary share for the financial year, in line with the Company's capital returns strategy;

Maintained significant financial liquidity to support growth opportunities while navigating uncertain economic environments; and

Proved its operational resilience with solid performance that delivered record annual sales and material mined and hauled, despite production and shipment challenges from unforeseen events, including nearby forest fires.

DRPF PROJECT

Completed key construction milestones, including the completion of the building structure and the delivery of long lead-time equipment; and

Advanced engineering and construction activities in accordance with the project schedule, with commissioning on track to begin in December 2025.

KAMI PROJECT

Initiated the Environmental Impact Statement and officially introduced the project's brand to raise local community awareness; and

Entered into a binding agreement with Nippon and Sojitz for the joint ownership, development and construction of the Kami Project, including permitting and the completion of a definitive feasibility study to be completed by the end of calendar year 2026.

GROWTH & DEVELOPMENTS

Received additional allocation of renewable hydroelectric power from Hydro-Québec, to support the Company's growth initiatives and contribute to Champion's efforts to reduce its carbon emissions over time; and

Continued evaluating the Company's value chain and advancing initiatives to reduce direct and indirect GHG emissions, including the release of its inaugural Scope 3 emissions assessment.

A WORD FROM THE EXECUTIVE CHAIRMAN

Champion concluded its 2025 financial year with key milestones reached and numerous projects underway, reinforcing its position as a leader in the high-purity iron ore industry. Despite a challenging global economic environment, we remained resilient, advancing key growth projects while maintaining our capital return strategy. This balance allows our Company to meet the growing demand for high-purity iron ore, while delivering positive outcomes for local communities, shareholders and all stakeholders.

Looking ahead, the global transition to green steelmaking offers a unique opportunity for our business. Several governments worldwide are encouraging the steel industry's transition from Blast Furnaces and Basic Oxygen Furnaces ("BF-BOF") to Direct Reduced Iron and Electric Arc Furnaces ("DRI-EAF"), which requires high-purity iron ore. This transition is gaining momentum, particularly in Europe, the Middle East and North Africa, where numerous low-carbon iron and steel projects have been announced or are under construction.

Once completed, our DRPF plant will mark a major milestone and will produce some of the highest purity iron ore globally, meeting the rapidly expanding needs of the green steel sector. The completion of this project also represents the culmination of a multi-year capital expenditure program focused on optimizing operations, increasing production volumes and enhancing product quality. These strategic investments strengthen our role in the green steel supply chain and are geared to increase cash flows, creating new opportunities to maximize shareholder value.

Our vision for the growing demand for high-purity iron ore has been validated by leading industry players. Our high-quality resources, the continued support of our host communities, and our proven operational capabilities have attracted Nippon and Sojitz as strategic partners for the Kami Project. This important milestone enables our Company to further evaluate and advance the Kami Project with third-party funding, including an ongoing feasibility study, as we explore its potential development in the coming years.

Looking further ahead, the de-risking and development of our Cluster II hub, which contains historical resources[1] several times greater than those at Bloom Lake, could provide the scale needed to support a broader transition to green steelmaking across the industry.

I want to express my gratitude to our dedicated team, whose hard work and commitment have been instrumental to this year's achievements. I also extend sincere thanks to our shareholders and First Nations partners for their trust and support, which continue to empower us to bring our vision to life and position Champion Iron as a global leader in the green steel supply chain.

MICHAEL O'KEEFFE
EXECUTIVE CHAIRMAN OF THE BOARD

1 The historical mineral resources are strictly historical in nature, are non-compliant with National Instrument 43-101 — Standards of Disclosure for Mineral Projects or the Joint Ore Reserves Committee Code (2012 edition and its updates) and should therefore not be relied upon.

A WORD FROM THE CEO

DAVID CATAFORD
CHIEF EXECUTIVE OFFICER

I am proud of our dedicated workforce. Their resilience, adaptability and commitment enabled us to pursue our growth ambitions, even while navigating economic uncertainty and unexpected challenges, including last year's forest fires.

Over the past several years, Bloom Lake has proven its operational stability. This has provided a solid foundation to strengthen our position as a leading high-purity iron ore producer, a critical mineral now recognized by the Government of Canada and the provinces where we operate. This recognition underscores the unique role our Company plays in contributing to the decarbonization of the steel industry, which represents nearly 10% of global GHG emissions.

Leveraging our skilled workforce, access to hydroelectric power, and the ongoing support of our communities and governments, we continue to develop projects that meet the rising demand for high-purity products essential to the green steel transition.

Our DRPF project remains on track for commissioning in December 2025. Not only will this project enable steelmakers to reduce emissions, it will also improve our Company's ability to command higher pricing premiums and strengthen our presence in growing global markets.

We are also proud to welcome Nippon and Sojitz as future partners in the Kami Project. As strategic partners of our Company, they share our long-term vision for the future of high-purity iron ore products and will be instrumental in advancing a project that can bring lasting economic benefits to the Labrador West region.

This past year, we further optimized operations while upholding our deep commitment to sustainability. We implemented new initiatives to reduce our carbon footprint and maintained our support for the communities where we operate.

Champion also reinforced its commitment to raise employee awareness of the rich cultural heritage of its First Nations partners. We launched Kapatakan, a cultural immersion program designed to strengthen employee interaction and engagement with the Uashat Mak Mani-Utenam Innu community.

At the heart of our success are the strong trust-based relationships we have developed with our Innu partners, the extraordinary talent within our workforce, and the ongoing support of our shareholders.

On behalf of the entire management team at Champion: thank you, merci, tshinashkumitin.

DAVID CATAFORD
CEO

MANAGEMENT TEAM

STRONG EXPERTS REPRESENTING THE COMPANY'S VALUES AND PRINCIPLES

MICHAEL O'KEEFFE
B AppSc (Metallurgy)

Executive Chairman of the Board

DAVID CATAFORD
Eng.

Chief Executive Officer and Director

ALEXANDRE BELLEAU
Eng.

Chief Operating Officer

DONALD TREMBLAY
CPA

Chief Financial Officer

STEVE BOUCRATIE

Senior Vice-President, General Counsel and Corporate Secretary

MICHAEL MARCOTTE
CFA

Senior Vice-President, Corporate Development and Capital Markets

ANGELA KOUROUKLIS
CRIA, MBA, ASC, C.Dir.

Senior Vice-President, Human Resources

FRANÇOIS LAVOIE
Eng.

Senior Vice-President, Sales, Technical Marketing and Product Development

MANAGEMENT TEAM

Michael O'Keeffe, B AppSc (Metallurgy)

Executive Chairman and Former Chief Executive Officer

Michael O'Keeffe is a founder and Executive Chairman of Champion Iron, having been appointed to the role in August 2013. He served as the Company's Chief Executive Officer until April 2019. A qualified metallurgist, Mr. O'Keeffe began his career in 1975 with MIM Holdings, where he held a variety of senior operating positions and advanced to Executive Management in commercial activities. In 1995, he became Managing Director of Glencore Australia (Pty) Limited, a position he held until July 2004. Mr. O'Keeffe was also the founder and Executive Chairman of Riversdale Mining Limited and currently serves as a member of the Board of Directors for Burgundy Diamond Mines Ltd.

David Cataford, Eng.

Chief Executive Officer and Director

David Cataford joined Champion Iron in 2014. He held the position of Chief Operating Officer before being appointed Chief Executive Officer of the Company in 2019. Mr. Cataford steered the recovery of assets, the restart of the Bloom Lake Mine and today, with the support of a team of over 1,300 employees, he leads all of the Company's growth projects. Under his leadership, Champion Iron has forged a strong position in the green steel supply chain, building on a trust-based partnership with First Nations communities. Prior to joining Champion Iron, he held various management positions with other mining companies operating in the Labrador Trough, including Cliffs Natural Resources Inc. and ArcelorMittal. He was also co-founder and president of the North Shore and Labrador Mineral Processing Society. Mr. Cataford holds a bachelor's degree in mining engineering from Université Laval. His career path has earned him several awards, including the Young Mining Professionals Award and the Brendan Woods International Top Gun CEO Award.

Alexandre Belleau, Eng.

Chief Operating Officer

Alexandre Belleau joined Champion Iron in 2016. As Chief Operating Officer, he oversees many of the Company's sectors – logistics, operations, exploration and projects, which benefit from his expertise in business development and project management. Driven by a constant desire to innovate and push back boundaries, he fully contributes to the organization's growth while creating value for employees, host communities, partners and shareholders. Prior to joining Champion Iron, he participated in the creation of two startups specializing in building control technologies and bioenergy. He also worked in the energy efficiency and recreational products sectors. Mr. Belleau holds a bachelor's degree in mechanical engineering from the Université de Sherbrooke and is an executive member of the Québec Mining Association since 2018.

Donald Tremblay, CPA

Chief Financial Officer

Donald Tremblay joined Champion Iron in 2022 as Chief Financial Officer. With over 25 years of extensive experience in finance and the mining industry, he has developed strategic skills in capital markets, investor relations and corporate development, which complement his experience in accounting, taxation, controls and compliance. He previously held similar positions with private and publicly traded companies, including Iron Ore Company of Canada, TransAlta Corporation and Brookfield Renewable Power. Mr. Tremblay is a Chartered Professional Accountant (CPA), and holds a Bachelor's degree in Business Administration from the Université du Québec en Outaouais.

Management Team (continued)

Steve Boucratie

Senior Vice-President, General Counsel and Corporate Secretary

Steve Boucratie joined Champion Iron in May 2019 as Vice-President, General Counsel and Corporate Secretary. He brings more than 19 years of legal and transactional experience to the team. He previously served as Director, Legal Affairs and Assistant Corporate Secretary for Osisko Gold Royalties Ltd. Prior to Osisko, he was a partner of the law firm Fasken Martineau DuMoulin LLP, where he practiced corporate law. Mr. Boucratie holds a bachelor's degree in finance from HEC Montréal, a bachelor's degree in law from Université de Montréal and a postgraduate diploma (DESS) in common law and transnational law from Université de Sherbrooke.

Michael Marcotte, CFA

Senior Vice-President, Corporate Development and Capital Markets

Michael Marcotte joined Champion Iron in 2018 as Vice-President of Investor Relations, and was promoted to Senior Vice-President of Corporate Development and Capital Markets in 2021. He was formerly Vice-President and Partner at Orion Financial Inc. for 15 years, which was later acquired by Macquarie Capital Markets Canada Ltd. During this time, he focused on natural resources equities with institutional investors across North America and Europe. His previous experience includes natural resource equity research at various institutional asset managers. He received the TopGun award by Brendan Wood International as a leading institutional sales professional in 2017 and 2018, then as a leading global investor relations representative in 2023. He also served for several years on the Board of Directors of Ruelle de l'Avenir, a non-profit organization contributing to the learning and academic success of young people in greater Montréal. Mr. Marcotte is a Chartered Financial Analyst (CFA), a Calvin C. Potter Fellow and holds a bachelor's degree in business administration (BAA) from Concordia University.

Angela Kourouklis, CRIA, MBA, ASC, C.Dir.

Senior Vice-President, Human Resources

Angela Kourouklis joined Champion Iron in August 2021 as Senior Vice-President, Human Resources. Through the implementation of a company-wide leadership development program, her strong commitment to First Nations relations and the alignment of the organization's people strategies, she fully contributes to Champion Iron's corporate culture. Prior to joining Champion Iron, she worked in various sectors such as manufacturing, aerospace, hospitality, retail and media. With over 20 years of experience in human resources management, her human touch enables her to foster engagement, innovation and creativity as she positions people at the heart of the Company in a context of significant growth. Ms. Kourouklis also serves as Chair of COREM's Board of Directors. Ms. Kourouklis holds a Bachelor's degree in Industrial Relations from the Université de Montréal, an MBA from UQAM and an EMBA from the Université Paris Dauphine – PSL. She is also certified as a Corporate Director (ASC) by Université Laval's Collège des administrateurs de sociétés and Chartered Directors (C.Dir.) from The Directors College.

François Lavoie, Eng.

Senior Vice-President, Sales, Technical Marketing and Product Development

François Lavoie joined Champion Iron as Chief Metallurgist in 2017 and contributed to the Bloom Lake Mine recommissioning in 2018. Promoted to Senior Vice-President, Sales, Technical Marketing and Product Development in July 2024, he actively participates and contributes to growth projects, strategic partnerships, and corporate planning. In recognition of his outstanding early career achievements in mineral processing, the Canadian Institute of Mining, Metallurgy and Petroleum (CIM) awarded him the Bill Moore Special Achievement Award in 2022. He was also a founding member of the Canadian Mineral Processors (CMP) Côte-Nord and Labrador chapter and served as its president for over 5 years. Mr. Lavoie holds a bachelor's degree in metallurgy from Université Laval. Prior to joining Champion Iron in 2017, he developed his expertise in various technical and operational roles in the iron ore industry, including with Cliffs Natural Resources, Arcelor Mittal, BBA Inc., and Soutex Inc.

Bill Hundy

Company Secretary – Australia

Bill Hundy joined Champion Iron in January 2023 as Company Secretary – Australia. Since 2020, he has been acting as Senior Company Secretary and Solicitor for MUFG Corporate Governance, a company providing corporate services to various publicly traded companies. Mr. Hundy is a highly experienced company secretary and lawyer and has held roles in major listed public companies for over three decades in the mining, energy and manufacturing industries, such as Origin Energy Limited, Email Limited, Placer Pacific Limited, Kidston Gold Mines Limited and Oil Company of Australia Limited. Mr. Hundy has extensive background in company secretarial practice, corporate governance, communications, compliance, risk management and insurance.

02

SUSTAINABILITY

SUSTAINABILITY POLICIES AND PRACTICES

Commitment to sustainability is deeply anchored in Champion's culture. As a mining company, we recognize our duty to protect the environment and biodiversity and provide a safe and inclusive working environment, avoiding social inequities, embracing cultures and respecting human rights. Integrating sustainable practices while conducting our business is an essential element for risk reduction, operational efficiency and, above all, the creation of long-term value for all our stakeholders. Our commitment to sustainable practices is highlighted through sustainability key performance measures to which management compensation is linked.

We continuously work to innovate and produce high-purity iron ore products that can enable our customers to produce steel more sustainably. Champion is committed to play a leading role in the global transition to a low-carbon economy. As such, we are consistently investing in energy consumption reduction initiatives and decarbonization projects to reduce our environmental footprint.

Our commitment is reflected in our sustainability policies, which include, amongst others, Human Rights, Environmental, Responsible Procurement, and Health and Safety Policies. While our policies primarily apply to our organization, several commitments also refer to our supply chain. All of our sustainability policies are available on our website at www.championiron.com.

The Company's responsible procurement policy enables it to avoid being complicit in or facilitating human rights violations or modern slavery throughout our supply chain. The Company's Modern Slavery Statement for the 2025 financial year, prepared in accordance with the Australian Modern Slavery Act 2018 (Cth) and Canada's Fighting Against Forced Labour and Child Labour in Supply Chains Act, is available on our website at www.championiron.com.

2024 Sustainability Highlights

Environment

- No major environmental incidents reported since Bloom Lake was recommissioned in 2018;
- Maintained a 99.0% water reuse rate[1];
- Achieved an 8.7% year-over-year reduction in water consumption per tonne of iron ore concentrate produced; and
- Reduced GHG emissions per tonne of material mined and hauled by 15.0% year-over-year.

Social, People & Community

- Employee total recordable injury frequency rate of 1.98, outperforming the Québec's industry average rate of 2.61[2];
- Launched the Kapatakan initiative, an immersive cultural program fostering connections between the Innu community and the Company's workforce, with the participation of 89 employees; and
- Continued to support local communities through donations and sponsorships, reinforcing Champion's commitment to positively impact Québec's Côte-Nord region.

Governance

- Successfully met or exceeded 13 of the 14 sustainability targets for the reporting period;
- The Government of Canada joined Québec and Newfoundland and Labrador in recognizing high-purity iron ore as a critical mineral;
- Strengthened sustainability oversight by assigning accountable Management officers to material sustainability risks; and
- Assessed, and updated all corporate policies and committee charters to align governance practices with industry standards.

The Company's full sustainability report for the 2025 financial year, based on the industry best practice disclosure frameworks for Global Reporting Initiative, Sustainability Accounting Standards Board and Task Force on Climate-Related Financial Disclosure, is available on our website at www.championiron.com.

1 From October 1, 2023, to September 30, 2024
2 Based on most recent publicly available data from the Québec Mining Association

03

CORPORATE GOVERNANCE

WE PRODUCE HIGH-GRADE IRON ORE CONCENTRATE WITH INTEGRITY

BOARD OF DIRECTORS

A DIVERSE BOARD IN SKILLS, EXPERIENCE, AND GENDER TO ENSURE BEST-PRACTICE GOVERNANCE AND CHAMPION'S PROSPERITY

MICHAEL O'KEEFFE
B AppSc (Metallurgy)

Executive Chairman of the Board

DAVID CATAFORD
Eng.

Chief Executive Officer and Director

GARY LAWLER
BA, LLB, LLM (Hons), ASIA, Master of Laws (Applied Laws) (Wills and Estates)

Lead Director

MICHELLE CORMIER
CPA

Director

LOUISE GRONDIN
P.Eng., MSc

Director

JESSICA MCDONALD

Director

JYOTHISH DEVINA GEORGE
Ph.D

Director

RONNIE BEEVOR
BA (Oxon)

Director

BOARD OF DIRECTORS

Michael O'Keeffe, B AppSc (Metallurgy)

Executive Chairman and Former Chief Executive Officer (non-independent)

Michael O'Keeffe is a founder and Executive Chairman of Champion Iron, having been appointed to the role in August 2013. He served as the Company's Chief Executive Officer until April 2019. A qualified metallurgist, Mr. O'Keeffe began his career in 1975 with MIM Holdings, where he held a variety of senior operating positions and advanced to Executive Management in commercial activities. In 1995, he became Managing Director of Glencore Australia (Pty) Limited, a position he held until July 2004. Mr. O'Keeffe was also the founder and Executive Chairman of Riversdale Mining Limited and currently serves as a member of the Board of Directors for Burgundy Diamond Mines Ltd.

David Cataford, Eng.

Chief Executive Officer and Director (non-independent)

David Cataford joined Champion Iron in 2014. He held the position of Chief Operating Officer before being appointed Chief Executive Officer of the Company in 2019. Mr. Cataford steered the recovery of assets, the restart of the Bloom Lake Mine and today, with the support of a team of over 1,300 employees, he leads all of the Company's growth projects. Under his leadership, Champion Iron has forged a strong position in the green steel supply chain, building on a trust-based partnership with First Nations communities. Prior to joining Champion Iron, he held various management positions with other mining companies operating in the Labrador Trough, including Cliffs Natural Resources Inc. and ArcelorMittal. He was also co-founder and president of the North Shore and Labrador Mineral Processing Society. Mr. Cataford holds a bachelor's degree in mining engineering from Université Laval. His career path has earned him several awards, including the Young Mining Professionals Award and the Brendan Woods International Top Gun CEO Award.

Gary Lawler, BA, LLB, LLM (Hons), ASIA, Master of Laws (Applied Laws) (Wills and Estates)

Lead Director (independent)

Gary Lawler was appointed as a Non-Executive Director on April 9, 2014. He worked as an Australian corporate lawyer specializing in mergers and acquisitions for 45 years, during which time he was a partner in several leading Australian law firms. Mr. Lawler is also the Chairman of Mont Royal Resources Limited. He has previously held board positions with Dominion Mining Limited, Riversdale Mining Limited, Riversdale Resources Limited and Cartier Iron Corporation, and brings a wealth of legal, governance and business experience to the Board.

Michelle Cormier, CPA

Non-Executive Director (independent)

Michelle Cormier is a senior-level executive with experience in management, including financial management, corporate finance, turnaround and strategic advisory situations and human resources. She has a strong capital markets background, with experience in public companies listed in the United States and Canada. She has significant experience in corporate governance, having served on several boards of directors of publicly listed and privately held companies as well as government-owned institutions and not-for-profit organizations. Ms. Cormier has been a consultant to Wynnchurch Capital Canada, Ltd. since 2014. Previously, she spent 13 years in senior management and as Chief Financial Officer of a large North American forest products company, and eight years in various senior management positions at Alcan Aluminum Limited (Rio Tinto). Ms. Cormier articled with Ernst & Young. She currently serves on the Board of Directors of Cascades Inc.

Board of Directors (continued)

Louise Grondin, P.Eng., MSc

Non-Executive Director (independent)

Louise Grondin retired as Senior Vice-President of Human Resources and Culture for Agnico Eagle Mines Limited ("Agnico Eagle"), an international gold producer based in Canada, in January 2021. Joining Agnico Eagle in 2001, Ms. Grondin has held various management positions, including Senior Vice-President of Environment, Sustainable Development and Human Resources and Senior Vice-President of Environment and Sustainable Development. Prior to working with Agnico Eagle, Ms. Grondin was Director of Environment, Human Resources and Safety for Billiton Canada Ltd. In 2013, she was named amongst the 100 Global Inspirational Women in Mining, in 2015, she received the Rick W. Filotte Career Recognition Award and, in 2016, she was the recipient of the Women in Mining Canada Trailblazer award. She also sits on the Board of the Canadian Mining Hall of Fame and Wesdome Gold Mines Ltd. Ms. Grondin is a member of the Association of Professional Engineers of Ontario, the Ordre des ingénieurs du Québec and a fellow of the Canadian Academy of Engineering.

Jessica McDonald

Non-Executive Director (independent)

Jessica McDonald joined Champion Iron in August 2023. She has been a corporate director since 2014 and has been certified by the Institute of Corporate Directors since 2017. She is currently a member of the board of directors of GFL Environmental Inc. and Foran Mining Corporation. Ms. McDonald was also a director of Coeur Mining, Inc. from 2018 to 2023, a director of Hydro One Limited from 2018 to 2022 and a director and chair of Trevali Mining Corporation between 2017 and 2020. From 2014 to 2017, Ms. McDonald was President and Chief Executive Officer of the BC Hydro and Power Authority, a clean energy utility with over $5.5 billion in annual revenue and more than 5,000 employees. She acted as interim President and Chief Executive Officer of Canada Post Corporation from April 2018 to March 2019 and was the chair of its board of directors between 2017 and 2020. Ms. McDonald served as the Chair of Powertech Labs, one of the largest testing and research laboratories in North America and a director of Powerex, an energy trading company. Ms. McDonald has extensive government experience, including serving as Deputy Minister to the Premier and Head of the BC Public Service. Ms. McDonald holds a Bachelor of Arts degree in Political Science from the University of British Columbia, is a graduate of the Institute of Corporate Directors and holds a certification in cybersecurity oversight from the National Association of Corporate Directors and Carnegie Mellon University.

Jyothish George, Ph. D

Non-Executive Director (independent)

Jyothish George joined Champion Iron in October 2017. Mr. George is currently Head of Copper Marketing at Glencore. Immediately prior to his current role, Mr. George served as head of marketing for iron ore at Glencore. Prior to that he was the Chief Risk Officer of Glencore. He earlier held a number of roles at Glencore's head office in Baar, Switzerland, and from 2009 onwards focused on iron ore, nickel and ferroalloys physical and derivatives trading, and has been involved with iron ore marketing since its inception at Glencore. Mr. George joined Glencore in 2006 in London. He was previously a Principal at Admiral Capital Management in Greenwich, Connecticut, a Vice-President in equity derivatives trading at Morgan Stanley in New York, and started his career at Wachovia Securities in New York as a Vice-President in convertible bonds trading. Mr. George received a Bachelor's in Technology from IIT Madras, India and a PhD in Mechanical Engineering from Cornell University.

Ronnie Beevor, BA (Oxon)

Non-Executive Director (independent)

Ronnie Beevor was appointed as a Non-Executive Director in March 2024. Mr. Beevor has over 40 years of experience in investment banking and the mining sector, including as Chair and non-executive director of several mining companies in Australia and internationally. He is presently Chairman of Felix Gold, which has substantial gold exploration properties in Alaska, director of Mont Royal Resources, building a dominant position in underexplored greenstone belts in Québec, and director of Lucapa Diamond Company Limited, an international producer of high value diamonds. He recently retired as Chairman of Bannerman Energy Limited, owner of the large Etango uranium deposit in Namibia. Previously, Mr. Beevor served as head of investment banking at Rothschild Australia, Chair of EMED Mining, which acquired, developed and operated the Rio Tinto copper mine in Southern Spain, board member of Riversdale Resources, which was acquired by Hancock Prospecting for A$800 million, as well as Talison Lithium which acquired the Greenbushes lithium mine in West Australia, prior to its acquisition by Tianqi Industry Group for nearly C$700 million. Mr. Beevor also served on the board of Oxiana Limited, which developed substantial gold and copper operations in Laos, acquired the Golden Grove polymetallic mine in Western Australia, developed the Prominent Hill mine in South Australia and merged with Zinifex Limited to form OZ Minerals, which was acquired in 2023 by BHP Group Limited for A$9.5 billion. Mr. Beevor holds an Honours degree in Philosophy, Politics and Economics from Oxford University, and qualified as a chartered accountant in England and Wales.

CORPORATE GOVERNANCE STATEMENT

Champion is committed to conducting business ethically, responsibly, in compliance with the legal requirements of the jurisdictions where it operates, and in accordance with the highest standards of corporate governance. Champion recognizes that good governance is of utmost importance to its stakeholders, and central to the continuous improvement of its accountability and sustainability performance. Proper corporate governance enables Champion to uphold its core values of transparency and respect.

Corporate Governance Statement

The Company's Board is committed to protecting and enhancing shareholder value and conducting the Company's business ethically and in accordance with the highest standards of corporate governance. In determining those standards, Champion supports the intent of the 4th Edition ASX Corporate Governance Principles and Recommendations ("Principles and Recommendations") and meets the specific requirements of the Principles and Recommendations, unless otherwise disclosed.

Champion believes that its practices are consistent with the Principles and Recommendations and will continue to adapt its governance practices to maintain this status or make changes as appropriate, in accordance with the nature and scale of the Company's business.

The 2025 financial year Corporate Governance Statement is available on the Company's website at www.championiron.com. The corporate governance section of Champion's website also provides further information on the Company's corporate governance policies, including its Whistleblower Policy.

Diversity Policy

The Diversity Policy adopted by Champion is available on the Company's website at www.championiron.com.

The Board aims to increase gender diversity as Director and Management positions become vacant and appropriately qualified candidates become available. As at March 31, 2025, 13% of the Company's Management team and 38% of its Board positions are held by women (14% and 38% respectively as at March 31, 2024).

In addition, as at March 31, 2025, women held 12% of positions throughout the Company (excluding Management and Board members), with a greater representation at its head office, where 39% of the workforce were women (12% and 38% respectively as at March 31, 2024).

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FORWARD-LOOKING STATEMENTS

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Forward-Looking Statements
This Annual Report 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 Annual Report 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;
(ii) the project to upgrade the Bloom Lake iron ore concentrate to a higher grade and to convert approximately half of Bloom Lake's nameplate capacity to commercially produce a DR 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 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 FID, 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 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;

Cautionary Note Regarding Forward-Looking Statements (continued)

Specific Forward-Looking Statements (continued)
(xvi) legal actions, including arbitration and class actions, their potential outcome and effect on the Company's consolidated financial position;
(xvii) future governance practices of the Company, including increased gender diversity;
(xviii) production and recovery rates and levels, ore characteristics and the Company's performance and related work programs;
(xix) pricing of the Company's products (including provisional pricing);
(xx) the Company's tax position;
(xxi) the Company's expected iron ore concentrate production and sales, mining and hauling activities and related costs;
(xxii) the Company's iron ore concentrate pricing trends compared to the P65 index;
(xxiii) the Company's storage expansion and related compensation plans;
(xxiv) available liquidity to support the Company's growth projects; and
(xxv) 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 09 — Risk Factors of this Annual Report.

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 EAF, 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 09 — Risk Factors of this Annual Report.

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 Annual Report 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.

Green Steel
Green steel refers to steel that is produced using processes that significantly reduce or eliminate GHG compared to traditional steelmaking, which typically relies on blast furnaces that use coal as both a fuel and a reductant. Accordingly, the steel industry typically classifies green steel as either optimizing traditional steelmaking, including improved supply chains using quality metallics such as DRI and Hot Briquetted Iron. Additionally, green steel refers to using alternative methods of steelmaking, including EAF, which utilizes recycled scrap metal or DRI to minimize GHG emissions, and could potentially be adapted to use hydrogen as a main source of energy.

05

DIRECTORS' REPORT

DIRECTORS' REPORT

This Directors' Report 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 Directors' Report, 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 Directors' Report: 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.

Non-IFRS and Other Financial Measures

Certain financial indicators 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 the 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 a substitute for measures of performance prepared in accordance with IFRS. The non-IFRS and other financial measures included in this Directors' Report 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 21 — Non-IFRS and Other Financial Measures of this Directors' Report.

I. OPERATING AND FINANCIAL REVIEW

"We are proud to report robust annual production, record sales and strong financial results for the period, notwithstanding the effect of forest fires on operations in the first half of the financial year and challenging economic uncertainties with rising trade tensions."

David Cataford, CEO

1. 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 21 — Non-IFRS and Other Financial Measures of this Directors' Report for definitions of these metrics and reconciliations to the most comparable IFRS measure when applicable.

[2] See the "Currency" subsection of this Directors' Report included in section 7 — Key Drivers.

2. 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 21 — Non-IFRS and Other Financial Measures of this Directors' Report for definitions of these metrics and reconciliations to the most comparable IFRS measure when applicable.

[2] See the "Currency" subsection of this Directors' Report included in section 7 — Key Drivers.

2. 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.

3. 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.

4. 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.

5. 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 06 — Mineral Resources and Ore Reserves Statement of this Annual Report), 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.

6. 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.

7. 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.

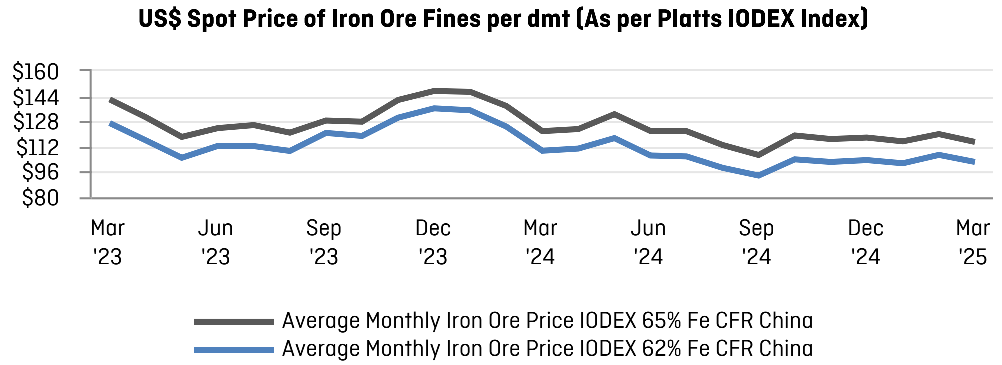
During the three-month period ended March 31, 2025, the P65 index averaged US$116.9/dmt, representing a modest decline of 1% quarter-over-quarter and a 14% decrease year-over-year. The decline in iron ore prices reflects ongoing weakness in global steel demand, which continues to weigh on the market, 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

7. 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)**

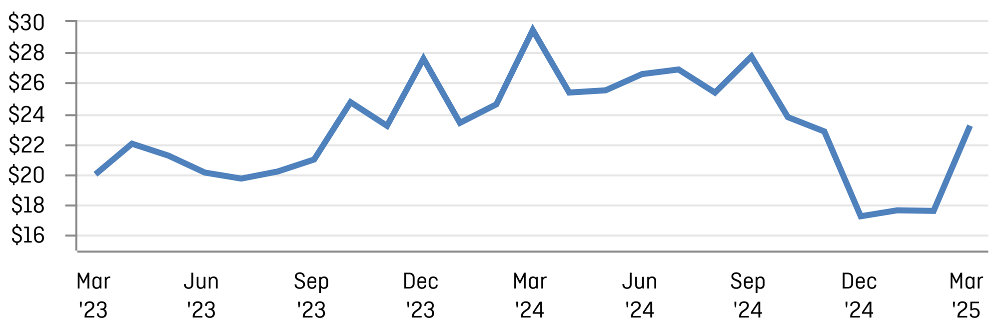
The sensitivities demonstrate the monetary impact on gross revenues in U.S. dollars resulting from a 10% increase and 10% decrease in gross realized selling prices as at March 31, 2025, while holding all other variables constant, including foreign exchange rates. The relationship between iron ore prices 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.

7. 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

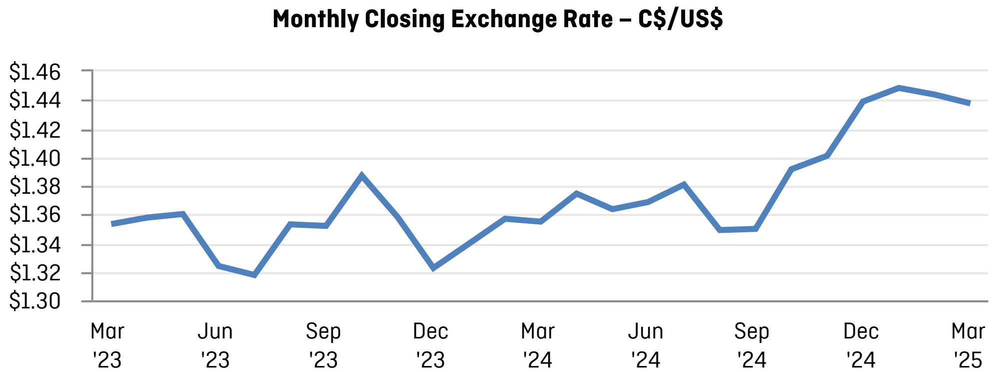
The Canadian dollar is the Company's functional and reporting currency. The Company is exposed to foreign currency fluctuations as its sales, sea freight costs and the majority of its long-term debt and lease liabilities are denominated in U.S. dollars. Consequently, the Company's operating results and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

7. Key Drivers (continued)

Currency (continued)



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 Annual Report, 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)

8. 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 %

8. 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.

9. 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 21 — Non-IFRS and Other Financial Measures of this Directors' Report for definitions of these metrics and reconciliations to the most comparable IFRS measure when applicable.

2 See the "Currency" subsection of this Directors' Report included in section 7 — Key Drivers.

9. Financial Performance (continued)

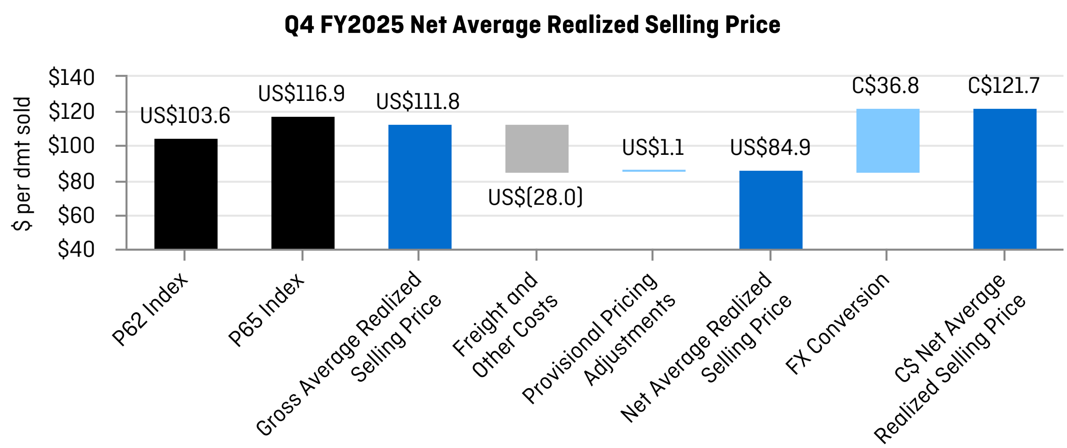
A. Revenues (continued)

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.



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 21 — Non-IFRS and Other Financial Measures of this Directors' Report for definitions of these metrics and reconciliations to the most comparable IFRS measure when applicable.

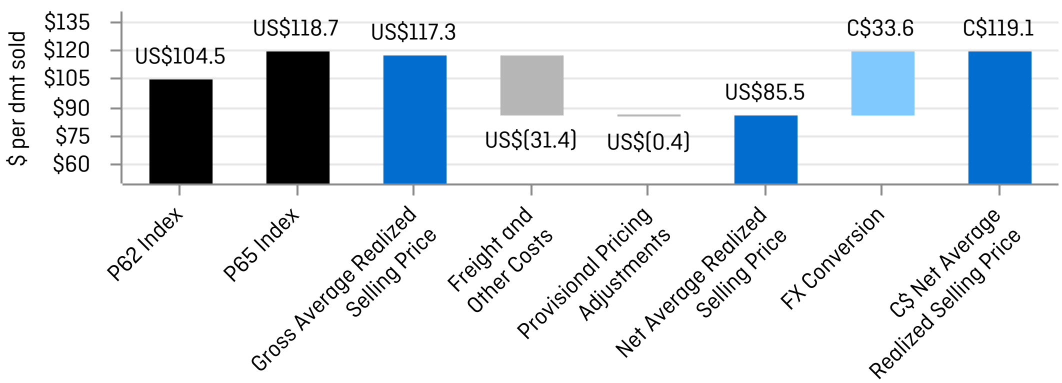
9. Financial Performance (continued)

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.

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9. 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)%

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9. 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 6 — Research & Development Initiatives of this Directors' Report.

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.

9. 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.

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(Expressed in Canadian dollars, except where otherwise indicated)

9. 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 11 — Cash Flows of this Directors' Report 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.

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10. 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 5 — Kami Project Update of this Directors' Report, 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.

11. 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

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 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 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 12 — Financial Position of this Directors' Report. 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.

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11. Cash Flows (continued)

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, comprised $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.

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 4 — DRPF Project Update of this Directors' Report.

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11. Cash Flows (continued)

Investing (continued)

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

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).

12. 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 11 — Cash Flows of this Directors' Report.

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 11 — Cash Flows of this Directors' Report. 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 10 — Exploration Activities and Regional Growth of this Directors' Report.

12. 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 21 — Non-IFRS and Other Financial Measures of this Directors' Report for definitions of these metrics and reconciliations to the most comparable IFRS measure when applicable.

13. Financial Instruments

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

14. 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 5 — Kami Project Update of this Directors' Report, 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.

15. 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.

16. 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.

16. 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.

17. 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.

18. 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.

19. 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.

20. 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 21 — Non-IFRS and Other Financial Measures of this Directors' Report for definitions of these metrics and reconciliations to the most comparable IFRS measure when applicable.

[2] See the "Currency" subsection of this Directors' Report included in section 7 — Key Drivers.

21. Non-IFRS and Other Financial Measures

The Company has included certain non-IFRS financial measures, ratios and supplementary financial measures in this Directors' Report, 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

21. 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%

21. 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, 2024	September 30, 2024	December 31, 2024	**March 31, 2025**	**March 31, 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, 2023	September 30, 2023	December 31, 2023	March 31, 2024	March 31, 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.

21. 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

21. 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 11 — Cash Flows of this Directors' Report.

21. 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, 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**
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, 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
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%

21. 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

22. 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.

23. 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.

24. 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.

II.REMUNERATION REPORT

Unless otherwise noted, the following information is for the Company's last completed financial year which ended March 31, 2025, and since the Company had one or more subsidiaries during that year, it is disclosed on a consolidated basis. The information in this Remuneration Report has been audited pursuant to section 308 (3C) of the Corporations Act 2001 (Cth) ("Corporations Act") of Australia. All monetary amounts are disclosed in Canadian dollars unless expressly stated otherwise.

Certain figures included in this Remuneration Report have been rounded for ease of presentation. Percentages and other figures included in this Remuneration Report have not in all cases been calculated on the basis of such rounded figures but on the basis of such figures prior to rounding. For this reason, percentages and other figures in this Remuneration Report may not add up precisely due to rounding.

Key Management Personnel and Named Executive Officers

In compliance with section 300A of the Corporations Act and National Instrument 51-102 - Continuous Disclosure Obligations, this Remuneration Report covers Key Management Personnel ("KMP") including Named Executive Officers ("NEO"), who were actively employed by the Company as at the end of the financial year (March 31, 2025).

KMP is defined as "those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of Champion". NEOs of the Company means each of the following individuals:

a. the Chief Executive Officer ("CEO") of the Company or each individual who acted in a similar capacity for any part of the most recently completed financial year;
b. the Chief Financial Officer ("CFO") of the Company or each individual who acted in a similar capacity for any part of the most recently completed financial year;
c. each of the three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than $150,000, as determined in accordance with applicable law at the end of that financial year; and
d. each individual who would be a NEO under paragraph (c) but for the fact that the individual was not an executive officer of the company, and was not acting in a similar capacity, at the end of that financial year.

(Expressed in Canadian dollars, except where otherwise indicated - audited)

Key Management Personnel and Named Executive Officers (continued)

The following persons were the KMPs, and NEOs of the Company during the financial year ended March 31, 2025.

Name	Position	Appointment Date
David Cataford (NEO and KMP)	CEO	April 1, 2019
Donald Tremblay (NEO and KMP)[(1)]	CFO	September 12, 2022
Alexandre Belleau (NEO and KMP)[(2)]	Chief Operating Officer ("COO")	July 22, 2020
Steve Boucratie (NEO and KMP)[(3)]	Senior Vice-President, General Counsel and Corporate Secretary	September 9, 2021
Michael Marcotte (NEO and KMP)[(4)]	Senior Vice-President, Corporate Development and Capital Markets	September 9, 2021
Michael O'Keeffe (KMP)[(5)]	Executive Chairman	April 1, 2019
Gary Lawler (KMP)[(6)]	Non-Executive Director and Lead Director	April 9, 2014
Michelle Cormier (KMP)[(7)]	Non-Executive Director	April 11, 2016
Jyothish George (KMP)	Non-Executive Director	October 16, 2017
Louise Grondin (KMP)	Non-Executive Director	August 27, 2020
Jessica McDonald (KMP)	Non-Executive Director	August 30, 2023
Ronnie Beevor (KMP)	Non-Executive Director	March 3, 2024

Notes:

(1) Mr. Tremblay was appointed as CFO of the Company on July 4, 2022, effective September 12, 2022.

(2) Mr. Belleau was promoted to COO of the Company on July 22, 2020. Prior to that, he had been General Manager of Projects and Innovation of the Company since 2017.

(3) Mr. Boucratie was promoted to Senior Vice-President, General Counsel and Corporate Secretary on September 9, 2021. Prior to that, he had been Vice-President, General Counsel and Corporate Secretary of the Company and a NEO since 2019.

(4) Mr. Marcotte was promoted to Senior Vice-President, Corporate Development and Capital Markets of the Company on September 9, 2021. Prior to that, he had been Vice-President, Investor Relations of the Company since 2018.

(5) Mr. O'Keeffe was appointed Executive Chairman on August 13, 2013, and CEO on October 3, 2014. Mr. O'Keeffe stepped down as CEO on April 1, 2019, and continues in his role as Executive Chairman.

(6) Mr. Lawler was appointed Lead Director on August 30, 2023.

(7) Ms. Cormier was appointed to the board of directors of the Company (the "Board") in 2016 as a nominee of WC Strategic Opportunity, L.P. ("Wynnchurch") pursuant to certain board nomination rights granted by the Company in favour of Wynnchurch in connection with a private placement of ordinary shares of the Company (the "Shares") completed on April 11, 2016. Following the disposition of Shares by Wynnchurch that was publicly announced by Wynnchurch on August 2, 2021, Wynnchurch is no longer entitled to nominate a candidate for election or appointment to the Board such that Ms. Cormier is no longer considered to be a director nominee of Wynnchurch.

When used in this Remuneration Report, the terms "executives" and "management" are used to refer to the Company's NEOs and the members of the Company's senior executive team from time to time, all of whom are employees of a Canadian subsidiary of the Company. For purposes of this Remuneration Report, references to "Champion" or the "Company" include, as the context requires, the Canadian subsidiary of the Company who employs the NEOs.

A. Role of Remuneration, People and Governance Committee

The Remuneration, People and Governance Committee advises the Board on matters relating to corporate governance, remuneration, people and diversity, and Board nomination and performance. Among other responsibilities, the Remuneration, People and Governance Committee assists the Board in fulfilling its responsibilities in respect of establishing appropriate remuneration levels and policies including incentive policies for directors and executives. The committee is notably responsible for setting policies for executives' remuneration and reviewing the salary levels of executives, and making recommendations to the Board on any proposed increases in compensation. As at March 31, 2025, the Remuneration, People and Governance Committee was comprised of Gary Lawler (Chair), Michelle Cormier, Louise Grondin and Ronnie Beevor, each of whom is an independent director and has direct knowledge and experience that is relevant to their responsibilities in executive compensation and governance as set out below. The Remuneration, People and Governance Committee has access to independent experts to provide advice in the conduct of its duties.

The current Committee members are:

Gary Lawler (Chair) — Mr. Lawler practiced corporate law for 45 years and, during that time was a partner at several leading Australian law firms. Mr. Lawler has also served as a director and contributed to compensation and governance matters for numerous listed companies over the years.

A. Role of Remuneration, People and Governance Committee (continued)

Michelle Cormier — Ms. Cormier is a CPA with over 30 years of experience in senior-level executive positions in management, including financial management, corporate finance, turnaround and strategic advisory situations and human resources. Ms. Cormier has a strong capital markets background in the United States and Canada, as well as significant experience in corporate governance, having served on several boards of directors in publicly listed and privately held companies as well as government-owned institutions and not-for-profit organizations.

Louise Grondin — Ms. Grondin is working as an independent consultant after retiring as the head of the Human Resources function at Agnico Eagle Mines Limited, in January 2021, where she oversaw the management of a number of human resource processes including remuneration, career development and training, succession planning and recruitment. Over her almost twenty years with Agnico Eagle, she held various leadership positions as Senior Vice-President, People and Culture, Senior Vice-President Environment, Sustainable Development and People, Regional Director Environment and Environmental Superintendent.

Ronnie Beevor — Mr. Beevor brings over 40 years of experience in investment banking and the global mining sector, including board and Chair roles across numerous listed companies. His background includes corporate governance, remuneration oversight, and strategic transactions across a range of jurisdictions. He has played a key role in guiding companies through growth, acquisitions, and successful exits, drawing on deep expertise in both operational and board-level leadership.

The Remuneration, People and Governance Committee makes recommendations to the Board on the executive remuneration framework and the remuneration level of executives including all awards under the Long-Term Incentive Plan ("LTIP"), and the Short-Term Incentive Program ("STIP") and remuneration levels for directors. The aim is to ensure that remuneration policies align with the long-term objectives of the Company, are fair and competitive within the market in which Champion operates, and are reflective of generally accepted market practices of Champion's peers and the jurisdiction in which Champion employs its people.

B. Remuneration Philosophy & Approach

The objective of Champion's executive remuneration program and strategy is to attract, retain and motivate talented executives and provide incentives for executives to create sustainable Shareholder value over the long-term, by driving a performance culture that is closely aligned to the achievement of the Company's strategy and business objectives. To achieve this objective, executive remuneration is designed and based on the following principles:

- **To align with Champion's business** — this principle focuses on the need for executive remuneration to reflect the Company's strategic goals and performance as an iron ore exploration, development and, particularly, a production company, in the context of an industry that continues to undergo a structural shift in its production methods with an increased focus on reducing GHG emissions as well as to reflect the structural complexity of Champion' business, namely with respect to managing global customer relationships, negotiating direct sales, and developing niche iron ore markets amid diverse regional demands and fluctuating market conditions. Accordingly, executive performance targets are directly aligned with activities that create sustainable long-term Shareholder value. The aim of this principle is to motivate the executives of the Company to develop and operate iron ore assets efficiently and effectively to generate free cash flows from the Shareholder capital deployed, with an ultimate goal of maximizing Shareholder returns, while adopting and implementing sustainability practices and de-carbonization initiatives for the benefit of the communities in which the Company operates, its workforce and its various stakeholders.

- **Pay competitively** — the pay received by each executive reflects each executive's performance, expertise, responsibilities and length of service to the Company. The Company aims to set overall target remuneration to ensure it remains competitive within the market in which Champion operates and which is reflective of generally accepted market practices of the Company's peers and the jurisdiction in which Champion employs its people. Although the Company is an Australian incorporated entity under the Corporations Act, Champion's business operations are primarily undertaken in Canada through its Canadian subsidiaries, with minimal footprint in Australia. As at March 31, 2025, almost all of the Company's workforce is located in the Province of Québec, Canada, such that the Company's executive remuneration program and strategy is intended to remain competitive within that market as well as the broader North American market[1], which have become increasingly competitive over the years, with companies aggressively pursuing mining executives with a successful track record.

[1] While Champion's employees and main operations are located in the Province of Québec, Canada, it generally competes within the broader North American market for executives (i.e. Canada and the United States). Therefore, the remuneration practices outlined in this report as well as the Company's remuneration philosophy focus on the North American market. However, given Champion is incorporated under the Corporations Act, proxy advisory firms evaluate Champion using Australian proxy voting guidelines (unlike most North American companies who compete for executive talent with the Company, who are reviewed based on Canadian or United States proxy voting guidelines).

B. Remuneration Philosophy & Approach (continued)

- **Pay for performance** — this principle aligns with the Company's desire to create a performance culture that has a direct tangible relationship between pay and performance. Champion does not "pay for failure" nor does it incentivize undue risk taking to achieve performance objectives.
- **To maintain a successful team** — this principle reflects the opportunity cost to retain key personnel who have successfully grown the Company's business over recent years. This includes recognizing individuals with responsibilities that facilitated the recommissioning of Bloom Lake's Phase I in 2018 and completion of the Bloom Lake Phase II expansion project ("Phase II") in 2022, in each case on time and on budget despite several challenges, including the COVID-19 pandemic, the acquisition of several projects and the robust relationships created with important stakeholders locally and globally, and key personnel who have led and are expected to lead Champion as it seeks to further increase production at Bloom Lake and continue to develop growth initiatives, such as the partnership with Nippon Steel Corporation ("Nippon") and Sojitz Corporation ("Sojitz") for the development of the Kami Project, which would increase the Company's participation in the green steel supply chain and help the Company decarbonize its operations over time.
- **To align with Shareholders' interests** — this principle focuses on the alignment of the interests of executives with those of the Shareholders of the Company (the "Shareholders") through a compensation structure where the majority of an executive's compensation is "at risk". Short-term incentive (bonus) ("STI") and long-term incentive ("LTI") remuneration are tied directly or indirectly to Company performance and relative and/or absolute Shareholder returns. Specifically, the use of awards which increase in value when the Company's Share price performance exceeds that of its peers and reduces in value when it trails the performance of its peers (using a second peer group of mining companies for such purposes, which is believed to best reflect Shareholders' investment alternatives to Champion)[2]. In addition to financial alignment, Champion believes in the importance of aligning executive interests with Shareholders' Environmental, Social and Governance ("ESG") expectations. Consistent with the Company's commitment to sustainable development, the compensation plan for the financial year ended March 31, 2025, incorporated operational performance with 20% of total bonus awards under the STIP tied to sustainability targets relating to (i) the Company's employees (including the diversity of its workforce), the environment, the Company's governance and relationship with local communities, as well as (ii) 15% of total bonus awards under the STIP tied to health and safety targets including no fatalities and minimal time lost due to injuries.
- **Corporate governance** — this principle reflects on the need to continually review and, as appropriate for Champion, adopt executive remuneration practices that align with current market practices in which the Company operates its business, being the North American mining industry and the competitive landscape, and provide Shareholders with robust disclosure to enable them to fully evaluate compensation practices.

The Remuneration, People and Governance Committee has implemented a compensation regime that is structured to reflect the principles set out above, which aligns with the industry standards in which the Company operates and aims to reward outcomes beyond objectives. Executive remuneration consists of a combination of salary, short-term incentives in the form of annual performance bonus awards and longer-term equity-based incentives. A foundation principle of the Company's remuneration philosophy is the promotion of a strong "performance culture" within Management.

At the Company's annual general meeting held in August 2024 (the "2024 AGM"), 32.1% of the votes cast by Shareholders were against the adoption of the Remuneration Report for the year ended March 31, 2024. While Champion acknowledges this as a significant improvement compared to the vote on the adoption of the Remuneration Report for the year ended March 31, 2023 (the "2023 AGM") (53.6% against), this nevertheless was the second consecutive year where more than 25% of eligible Shareholders (i.e., excluding KMPs and their closely related parties) cast votes against the Company's Remuneration Report – referred to as a "second strike". As a result, a conditional spill resolution was put to the 2024 AGM, where Shareholders had the opportunity to vote on whether an additional Shareholders meeting should be held at which all non-executive directors would be required to seek re-election (the "Spill Resolution"). The Spill Resolution was near-unanimously rejected, with 99.7% of Shareholders' votes cast against the Spill Resolution, reflecting Shareholders' very strong support of the Company's current Board.

[2] See "*Compensation Peer Group Selection and Benchmarking*" for a description of the peer group used for benchmarking total executives' compensation in connection with the development and implementation of executive compensation practices, and see "*Long-Term Incentives – Equity Incentives - RSU and PSU Grant*" for a description of the peer group used to assess total Shareholder return relative to peers for purposes of the total Shareholder return component of the PSUs grants under the LTIP.

B. Remuneration Philosophy & Approach (continued)

Nevertheless, the Board was disappointed with the result of the vote on the Remuneration Report, especially in light of the strong and active engagement undertaken by the Board and the Company ahead of the 2024 AGM. Following the Company's "first strike" at the 2023 AGM and in anticipation of the 2024 AGM, the Company had diligently sought and considered Shareholders' feedback and wider perspectives through meetings with investors, proxy advisers and other Shareholder representatives. The objective of this process was to identify opportunities and mechanisms to improve the Company's executive remuneration practices and disclosure thereof that would address Shareholders' concerns. The Company took this opportunity to explain to Shareholders and their representatives the need to ensure remuneration practices remain competitive compared to the Company's peers in the jurisdiction of the business operations and within the context of an extremely competitive employment market for mining executives with successful project development and operation experience in North America. In connection therewith and in order to address the concerns raised by Shareholders, the Company's annual report for the financial year ended March 31, 2024 included fulsome and transparent disclosures of the Board's response to the "first strike" and provided clear explanations as to the remuneration decisions taken by the Board.

Throughout its Shareholder engagement campaign, ahead of the 2024 AGM and directly following the meeting, the Company contacted over 120 groups, including asset managers, brokers, individuals and custodians collectively representing over 85% of the Company's outstanding Shares, resulting in over 70 engagements and meetings with management, including several with members of the Board. The outreach team included the Chair of the Remuneration, People and Governance Committee, the Company's Executive Chairman, members of the Company's investor relations team and legal department. As a result of such Shareholder engagements, the view of the Board and the Company was that substantial structural legacy concerns and issues expressed by Shareholders in the context of the 2023 AGM had been addressed, and that the vast majority of the Shareholders who engaged with the Company generally supported the Company's remuneration philosophies and recognized the practical reality and necessity of the Company to benchmark and align its remuneration practices against North American peers in order to attract and retain key employees. As was the case over recent years, through the engagement campaign, Shareholders acknowledged the work and performance of Management and the Board, which has resulted in substantial corporate growth over recent years, and expressed support for Management and the Board.

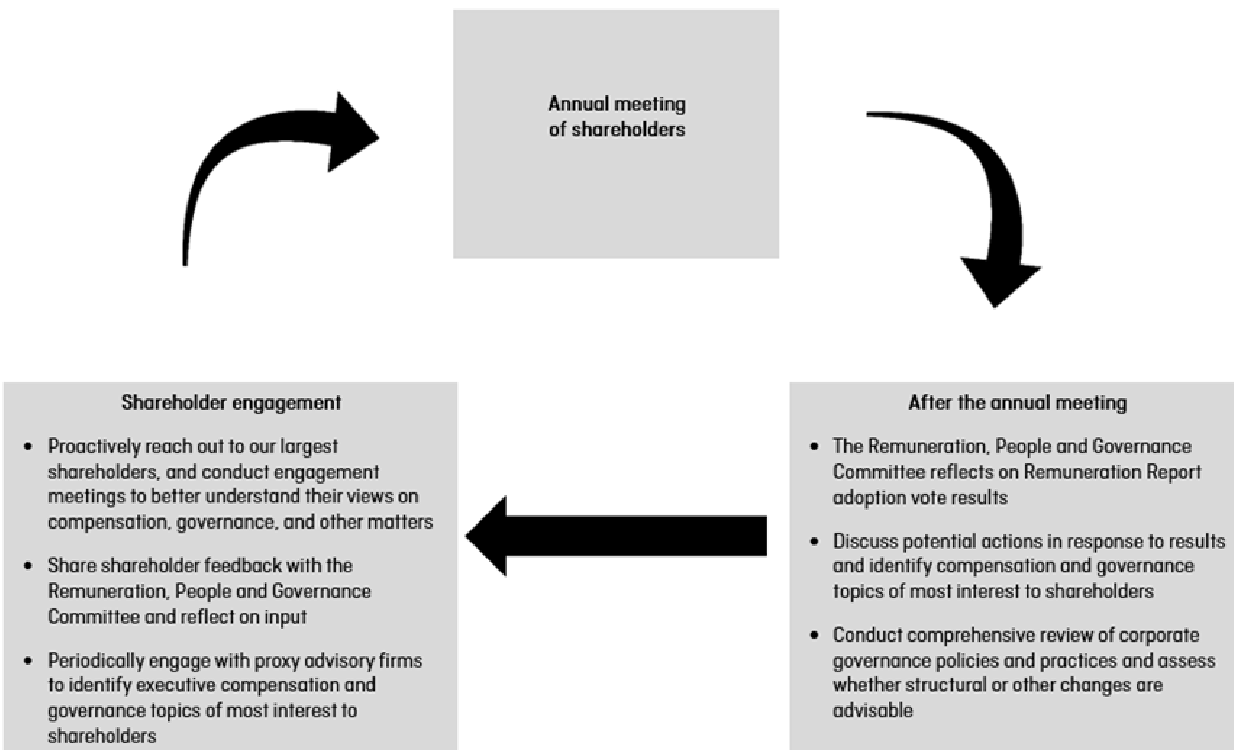
Champion, being a dual listed entity in Australia through the facilities of the Australian Securities Exchange (ASX) and in Canada through the facilities of the Toronto Stock Exchange (TSX), is required to comply with the requirements of both facilities and the respective laws of each region. As part of the active engagement process, the Company also discussed with certain investors the impact of the Company being subject to Australian proxy voting guidelines as an Australian incorporated entity, which are in certain cases more restrictive and not aligned with the equivalent guidelines applicable to the compensation of Canadian public companies and their Canadian executives, being the jurisdiction in which the Company's primary business operations are undertaken. While the Company aims to align its approach to governance with best practices for Australia, being its country of incorporation and which defines applicable proxy advisory firms' guidelines, the Company is also required to implement, and prioritize, best practice elements in relation to the region in which it operates and employs its personnel, being the Province of Québec, Canada.

Additionally, the Company proactively responded to proxy research providers' reports and recommendations regarding the Remuneration Report for the respective financial period ahead of the 2024 AGM. Glass Lewis, a key proxy advisory firm, had published a recommendation to vote for the adoption of the Company's Remuneration Report following discussions with the Company which allowed Glass Lewis to fully understand the Company's reality of being an Australian company with operations in North America which must remain competitive within that market and who recognized that the Company's remuneration practices were generally in line with practices of companies within the same operating region. Among other factors, Glass Lewis recognized, in their analysis of the Remuneration Report submitted at the 2024 AGM, that a strict interpretation of the applicability of their proxy guidelines, which automatically consider the country of incorporation of an issuer as the sole criterion for determining applicable guidelines, was not warranted considering that almost all of the Company's workforce is located in the Province of Québec, Canada. As a result, Glass Lewis supported the adoption of the Remuneration Report.

B. Remuneration Philosophy & Approach (continued)

As part of this process, the vast majority of Shareholders engaged supported the Company's remuneration philosophies and therefore voted in favour of the Company's Remuneration Report at the 2024 AGM. In analyzing the results of the vote, the Company identified that a substantial number of the votes cast against the Remuneration Report at the 2024 AGM were by passive asset managers receiving proxy advice primarily by proxy research groups (other than Glass Lewis, which supported the adoption of the Remuneration Report) – their recommendation in most cases, derived from a standardized set of guidelines applicable to all Australian issuers irrespective of the nature and type of company and its business strategy and location, and who in most cases do not or cannot engage with issuers. This is further highlighted by the fact that although the Company implemented significant changes to its remuneration practices in response to its "first strike" following the 2023 AGM and clear disclosure of such changes was included in the 2024 annual report, the Company received substantially the same comments from proxy advisory firms. The Company views the remuneration principles outlined on pages 70-71, namely to "pay competitively", to "pay for performance", and "to align with Shareholders' interests", to be the overarching principles in developing its remuneration practices, and the Board intends on continuing to prioritize these principles as they apply to the market and jurisdiction in which the Company undertakes its primary business operations and employs its personnel. The Company's remuneration practices have significantly contributed to the strong performance achieved in recent years, and the Company will continue to monitor the executive remuneration program to ensure its competitiveness in attracting and retaining personnel while ensuring that remuneration outcomes are aligned with Shareholder interests.

The Board believes that the remuneration practices of the Company are reflective of its success in attracting and retaining some of the best executives in the industry, based upon the level of sustained performance delivered over the tenure of their employment to date.



B. Remuneration Philosophy & Approach (continued)

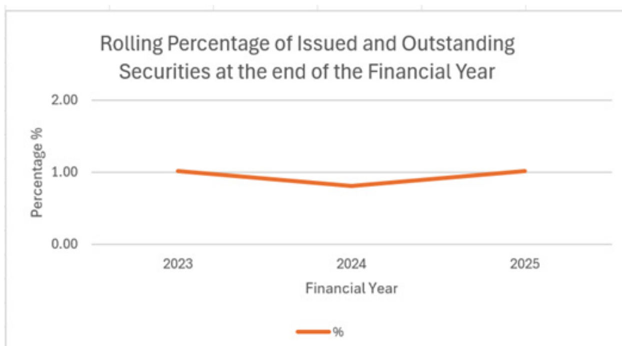
The table below provides a comprehensive overview of the feedback we received from Shareholders and proxy advisory firms over the past few years, along with the Company's responses. It includes a detailed examination of various general compensation practices, specific concerns raised, and the specific actions taken by the Company to address these issues.

Feedback Topics / What We Heard	Board Response	Status
Long-Term Incentive Program		
▪ LTI vesting under the relative Total Shareholder Return hurdle beginning at the 25th percentile with 100% vesting at the 50th percentile; 40% of the LTI grant is in the form of time-based restricted share units ("RSUs") vesting equally over three years with no additional performance hurdles	***Vesting percentiles*** - While proxy advisors and Australian market practice are in favour of no vesting for relative total shareholder return ("TSR") below the 50th percentile, this is still common market practice in North America. Champion will continue to monitor North American market practices, and use a vesting schedule that is competitive and reflective of generally accepted market practices in North America. ***Cliff-vesting*** - While RSUs vest equally over three-years, all Shares underlying a RSU grant are only paid at the end of the three-year vesting period based on Champion's Share price at such time, which ensures that executives remain incentivized and that their interests align with those of the Shareholders throughout the full three-year period. Therefore, the RSUs remain fully "at-risk" for three years; this equates to a cliff-vesting after the end of the three-year vesting period. Shareholders engaged over the years understand and agree that this practice is customary for TSX-listed issuers, including issuers in the North American mining industry. For example, if an executive is granted 300 RSUs, 100 RSUs will vest each year over three years. However, the actual Shares will only be paid out at the end of the three-year vesting period, based on Champion's Share price at that time. This means that the value of the RSUs is subject to Champion's performance and Share price fluctuations over the entire three-year period, ensuring that the executive's interests remain aligned with those of the Shareholders. In other words, no settlement of RSUs occurs prior to the end of the three-year vesting period.	The Board will continue to assess executive compensation practices in light of North American market practice to ensure compensation remains competitive and reflective of generally accepted market practices of its peers. Glass Lewis recognized in their 2024 report that such features are in line with North American practices.
▪ Dividend equivalent payment for outstanding Performance share units ("PSUs") and RSUs	Dividend equivalents on PSUs and RSUs are appropriate and common market practice because they align the interests of executives with those of Shareholders. It is crucial to understand that these dividend equivalents are not actual cash dividends paid at the time of dividend payment; rather, they are provided in the form of additional PSUs and RSUs based on PSUs and RSUs held by each executive, and which are subject to the same performance criteria and vesting conditions as the underlying PSUs and RSUs. As a result, any PSU and RSU granted as dividend equivalent is only paid out at the end of the vesting period and subject to any other applicable vesting conditions (e.g., performance based vesting conditions for PSUs). By granting dividend equivalents, Champion creates an opportunity for executives to benefit from the same dividends that shareholders receive, thereby reinforcing the executives' focus on long-term Shareholder value.	The Board will maintain its policy of granting dividend equivalents to ensure compensation stays competitive and aligns with generally accepted market practices of its peers.

B. Remuneration Philosophy & Approach (continued)

<table>
<tr><th>Feedback Topics / What We Heard</th><th>Board Response</th><th>Status</th></tr>
<tr><td colspan="3">Long-Term Incentive Program (continued)</td></tr>
<tr><td>▪ No LTI grant resolution</td><td>Historically, Australian proxy advisory firms have raised the fact that Champion does not submit its annual LTI grants for Shareholder approval. Champion LTI grants are currently being made under Champion's Omnibus Incentive Plan, first approved by the Board and Shareholders in 2018, as amended in 2024 (the "Omnibus Plan"). The Omnibus Plan contains provisions which provide for the automatic replenishment of the number of securities reserved for issuance and is therefore considered a "rolling plan" under TSX rules relating to security based compensation arrangements. As per TSX rules, rolling plans such as the Omnibus Plan must be re-approved by shareholders every three years. In this context, the Omnibus Plan was last approved by the Shareholders at the 2024 AGM.

The Board believes that the submission of the Omnibus Plan every three years to a Shareholder vote is common practice pursuant to the TSX rules and has no intention to change its practice.

Additionally, grants under the Omnibus Plan have historically had a very limited effect on overall dilution. The Company has prepared the illustrative graph below which outlines the rolling proportion of outstanding compensation securities issued under the Omnibus Plan compared to the total issued and outstanding securities of Champion for each of Champion's three most recent financial years ended March 31, 2025, 2024 and 2023:
</td><td>The Board will continue, in accordance with the rules of the TSX, to submit the renewal of the Omnibus Plan for approval by its Shareholders every three years.</td></tr>
<tr><td>▪ No re-testing or lowering of performance conditions</td><td>The Board has not and does not intend to re-test or lower performance conditions associated with PSUs.</td><td>Not applicable; no action required.</td></tr>
<tr><td>▪ Reduction of the Return on Capital Employed ("ROCE") target for the PSUs grants</td><td>The ROCE targets for PSU grants are lower than in prior years as a result of the growing capital employed in the business over time and to consider the impact of fluctuations in iron ore prices. The methodology used to establish ROCE targets for a given grant is based on Champion's financial plan approved by the Board near the end of the financial year, which includes certain assumptions with respect to the expected operational results for Champion and the forward-looking iron ore prices in the context of the market and analyst consensus. While operational elements embedded in the financial plan submitted to the Board assume operational initiative to improve the performance of the business year-over-year, the financial plan remains influenced by fluctuations of iron ore prices. The ROCE is also impacted by the growing capital employed in the business, especially in light of Champion having achieved nameplate capacity for both Phase I and Phase II of the Bloom Lake Mine and the multiple growth projects currently undertaken by Champion. The targeted ROCE for the financial year ended March 31, 2025 continues to reflect the same challenging threshold in meeting Champion's operational and financial budgets in the context of the industry at the time of grant, while reflecting the more mature state of Champion's business.</td><td>Not applicable; no action required.</td></tr>
</table>

B. Remuneration Philosophy & Approach (continued)

Feedback Topics / What We Heard	Board Response	Status
Short-Term Incentive Program		
▪ Choice of financial and operating key performance indicators ("KPIs") used to determine performance and payout under the STIP	Shareholders have generally agreed with the financial and operating KPIs used under the STIP (including measures, mix, weighting and targets) and indicated that they viewed these as appropriate and aligned with Champion's strategic goals, including in the context of the changes in STIP metrics for the financial year ended March 31, 2024, pursuant to which realized sales price and total C1 cash cost were added as measures under the STIP in order to ensure payout thereunder was less directly correlated to the iron ore's price and more closely tied to Champion's actual execution of its operating strategy. The Board did not change the STIP measures this year.	Shareholders generally agree with the methodology used to determinate performance targets under the STIP; no action required.
▪ No deferral of STIP	Australian proxy advisors and Australian market practice are in favour of having part of STI awards deferred. As this is not a common practice in North America and implementing such a deferral mechanism could be a real deterrent to recruiting executives, Champion has not implemented such a mechanism and does not intend to do so in the future. Rather than focusing on a specific narrow area of a remuneration profile such as STI deferral, Champion focuses on the fundamentals that influence the structure of remuneration profiles and developing and maintaining aggregate compensation packages that pay for performance, are competitive within the North American mining industry and are aligned with Shareholders' interests.	While Champion will continue to focus on the fundamentals that influence the structure of remuneration and ensuring alignment of interests with Shareholders, a STI deferral mechanism would not be appropriate in the context of a company with significant business operations in North America; therefore no action is required.
▪ Certain sustainable development objectives under the STIP relate to day-to-day responsibilities of the CEO and KMPs and are not worthy of any additional remuneration above executive base salaries, specifically (i) Talent development and succession planning; (ii) Talent acquisition and employee retention; and (iii) Communities and culture training.	Sustainability is an essential component of Champion's future and the Board believes the executives' compensation should in part depend on their ability to achieve specific objectives that support Champion's sustainability journey and maintain its strong relationship with local communities. Although arguably sustainable development objectives do not directly achieve superior financial performance, Champion considers that they at the minimum indirectly create value, and that executives should be specifically incentivized to attain them. This year, the Board reviewed the sustainable development objectives of the STIP and made substantial changes to further reflect industry best practices and Champion's commitment to sustainability. The Board namely increased the total number of specific objectives to be achieved in order to attain target STIP payout and replaced more generic and subjective objectives (talent development, succession planning, talent acquisition and employee retention objectives) with more specific and objective criteria, such as greenhouse gas emission reduction initiatives, diversity and sustainable governance practices ranking with recognized industry benchmarking, as further described in "*Short-Term Incentives (Annual Bonus)*" under "*2025 Executive Performance Metrics and Incentives*" on pages 83 to 86 of this report.	The Board will continue to integrate ESG related objectives into executives' remuneration including any relevant STIP, and ensure that those objectives remain ambitious and well aligned with Shareholders' focus on sustainability.

(Expressed in Canadian dollars, except where otherwise indicated - audited)

B. Remuneration Philosophy & Approach (continued)

Feedback Topics / What We Heard	Board Response	Status
Base Salary		
• Consecutive increases of base salary of the Chief Executive Officer	Over the years, the Board has increased the CEO's base salary incrementally in order to bring his base salary and total direct compensation within the median of Champion's peer group. These increases were reflective of the growing size and complexity of the business and the strong performance of Champion in the last years. For the financial year ended March 31, 2025, the Board approved an increase in the CEO's base salary of 3.6% (to $1,160,320) in order to, again, maintain his total direct compensation within the median of Champion's peer group.	Increasing base salary is essential for retaining executives, and Champion will continue to ensure that base salaries remain competitive in the market, especially in light of Champion's relative performance.
Alignment with Shareholders Interests		
• Executive securities ownership guidelines	In January 2024, Champion implemented a securities ownership policy applicable to senior executives and non-executive directors as further described in "*Senior Executives Securities Ownership Policy*" under "*2025 Executive Performance Metrics and Incentives*" on page 97, and "*Non-Executive Directors — Securities Ownership Policy*" under "*Director Remuneration*" on pages 104-105 of this report. The Securities Ownership Policy aims to ensure that Champion's senior executives' interests, in particular, the value of their personal holdings of Champion securities, are aligned to the interests of Champion's Shareholders.	The *Securities Ownership Policy* was implemented in January 2024, and applies to Champion's executives. The Board is also subject to a securities ownership policy; no action required.
• Emphasis of performance-based pay	Again this year, the Board was pleased to hear from Shareholders that they generally viewed the aggregate compensation packages, including pay mix and weighting of performance-based awards, as appropriate and aligned with North American market practice. Shareholders also acknowledged that prioritizing alignment with Australian remuneration practices to the detriment of Champion's competitiveness in the North American market for executives would negatively impact Champion's executive remuneration competitiveness. Given the location of Champion's employees and operations in Canada and the extremely competitive North American mining employment market, it is essential for Champion to align with North American market practices with respect to executive compensation.	No action required.
• The treatment of equity incentive securities upon a change of control provided for in the employment agreements with Champion's NEOs, including accelerated vesting at target without pro-ration; severance entitlements.	The Board has no intention to change the NEOs' current employment agreements and will continue to monitor the market practice. In prior years, Australian proxy advisory firms noted that severance entitlements were not reflective of market practice when compared with severance entitlements under Australian corporation laws. The employment agreements entered into with Champion's executives are governed by the laws of the Province of Québec, where notice period and other requirements relating to termination without cause are more generous than what is provided under Australian corporation law. The Board believes that providing such severance entitlements is necessary in order to provide NEOs with entitlements that are reflective of generally accepted market practices of the region in which Champion operates and that would not reasonably be expected to be below the minimum applicable notice period required under employment laws applicable in the Province of Québec in light of the applicable case law. This has been clearly disclosed in Champion's past Remuneration Reports and Champion will continue with this practice.	Champion will continue to comply with the applicable employment laws that govern each respective employment agreement. Champion does not intend to re-negotiate legacy agreements and will continue to ensure that the terms relating to a change of control for all NEOs remain generally aligned.

B. Remuneration Philosophy & Approach (continued)

Feedback Topics / What We Heard	Board Response	Status
Peer Group		
▪ The use of ASX-listed peer comparator companies by a third-party advisory firm in their quantitative and qualitative analyses, as Australian compensation practices differ significantly from those generally accepted in the North American mining industry. Notably, the use by Institutional Shareholder Services ("ISS") of a peer group comprised only of ASX-listed issuers, including some non-producing companies or companies operating in different industries, resulted in CEO compensation for 2024 being materially above ISS-selected peers, while actual compensation was generally aligned with the median of Champion's peer group in North America.	The Board was pleased to hear from Shareholders that Champion's methodology to use a mix of predominantly North American peers to benchmark executive compensation was appropriate, given that Champion's executives and almost all of its employees are based in the Province of Québec, Canada. There was no negative feedback on Champion's existing peer group selection. Nevertheless, Champion understands the importance of this information for Shareholders and will ensure it continues to provide Shareholders with clear disclosure with respect to executive remuneration decisions, including when salary increases are more significant.	Champion to continue providing clear disclosure with respect to the rationale for peer selection as the competitive landscape evolves and for executive remuneration decisions that result from that evolution.
▪ The use of gold mining entities with operations outside of Canada in Champion's peer group.	Champion evaluates the composition of its peer group on a yearly basis with the help of Meridian Compensation Partners LLC ("Meridian"), as independent remuneration advisers to the Board, and is of the opinion that it must be agnostic to the mining industries of the entities that make up Champion's peer group. This rationale considers the lack of comparable bulk and base metal producers with similar size and complexities to that of Champion, with its successful track record, and strong ESG initiatives. As a result Champion needs to expand its pool of potential entities for its peer group.	Champion to continue to evaluate the composition of its peer group to ensure that it provides an effective benchmark for compensation.
Use of Board Discretion		
▪ Use of Board discretion in connection with cash compensation granted in the 2023 financial year	The Board understands that the use of discretion to increase a STIP payout or to grant one-time payments should be limited to extraordinary circumstances, communicated as such directly to Shareholders, and generally consist of equity-based compensation subject to performance criteria.	As previously stated, this has been implemented and the Board intends to limit any use of such discretion to exceptional circumstances. The Board has not used discretion to grant/increase cash-based compensation in the last two years and has no plans for similar payments.

In determining the level of annual performance bonus awards, the Remuneration, People and Governance Committee takes into account overall corporate performance against predetermined performance objectives and metrics. In setting equity-based incentive awards, the Remuneration, People and Governance Committee establishes time-based and performance-based vesting criteria in line with retention and reward objectives. The Remuneration, People and Governance Committee has the authority to seek advice from outside consultants. A more detailed explanation of the various components of executive remuneration can be found at paragraph "*Elements of Executive Remuneration*" on page 81 of this report.

B. Remuneration Philosophy & Approach (continued)

Based on these assessments and within the context of pay for performance principles, the Remuneration, People and Governance Committee makes its recommendations to the Board for approval. These recommendations may reflect factors and considerations other than those indicated by market data or provided by advisors, including a consideration of prevailing economic conditions - both on a corporate level and on national and international levels, industry norms for such awards and other elements of executive compensation.

The Remuneration, People and Governance Committee and the Board as a whole have discretion to reward above the noted plan parameters when an individual or team has made an exceptional contribution to the performance of the Company or to apply downward discretion where deemed appropriate, provided that, as explained above, the Board intends to limit any discretionary cash awards to exceptional circumstances. When determining whether it is appropriate and necessary to use its discretion to adjust compensation, the Board gives consideration, among other things, to the circumstances warranting discretion; to whom discretion should apply; the accountability of the individual and/or group for the issue at hand; and the appropriate impact to remuneration and/or other consequences. An overarching principle considered by the Remuneration, People and Governance Committee is that compensation is about incentivizing the right behaviour and Champion does not want to limit the incentive to outperform.

The Remuneration, People and Governance Committee has considered the implications of the risks associated with the Company's remuneration program by structuring executive remuneration in which a significant portion of overall remuneration is subject to the achievement of certain milestones, including: (i) criteria relating to annual performance, in the case of bonus payments, (ii) vesting periods for RSUs, which vest over three years, and (iii) the achievement of performance criteria over a period of three years for PSUs.

The Remuneration, People and Governance Committee evaluates all executive compensation policies and programs with a view to confirming that the policies and programs do not drive behaviours that would result in inappropriate or excessive risk taking, and that the Company's compensation policies and practices do not result in identified risks that are likely to have a material effect on the Company. This evaluation process focuses on, among other things, strategic and operational risks; compliance risk; reputational risk; and financial and economic risks. Risks are assessed and considered on both an individual element basis and in totality.

Policies of the Company include certain prohibitions which prevent KMPs from engaging in short-term dealings or short selling or margin lending or other secured financing arrangements in respect of the Company's securities without the prior approval of the Senior Vice-President, General Counsel and Corporate Secretary and the Executive Chairman. KMPs are prohibited from engaging in derivatives in respect of Shares of the Company (such as put and call options), or any other hedging or equity monetization transaction in which the individual's economic interest and risk exposure in Shares is changed (such as collars or forward sales contracts).

The Board will continue to review executive remuneration to ensure that executive remuneration continues to align with the Company's strategy, motivate management, reflect market practices in the North American mining industry and support the delivery of sustainable long-term returns to Shareholders. As part of the review process, the Board will continue to engage with major Shareholders, and receive advice from independent experts.

C. External Advice

Since December 2021, Meridian has been engaged to assist the Board and to provide independent, third-party analysis and advice on the remuneration levels and practices for the executives as well as the remuneration for the Board. Meridian provided advice and recommendations on the remuneration program for KMPs during each of the financial years ended March 31, 2025 and 2024. The Remuneration, People and Governance Committee exercises oversight over the retention and general scope of work of remuneration consultants to ensure that remuneration recommendations are made free from undue influence by the KMPs to whom they relate.

The table below provides an overview of the total fees paid to Meridian for services rendered during the financial years ended March 31, 2025 and 2024.

(in Canadian dollars)	2025	2024
Fees for services related to executives and Board compensation	$85,234	$137,444
All other fees	—	—
Total	$85,234	$137,444

D. Compensation Peer Group Selection and Benchmarking

When developing and implementing compensation packages for KMPs, it is standard practice to benchmark total compensation for KMPs against a peer group of companies at similar stages of development, operations, regional geography and of similar size in terms of market capitalization and revenue. For avoidance of doubt, compensation packages for KMPs are not benchmarked against Australian market standards given the employment agreements are based in and relate to the business operations of the Company in Canada.

The Board, in consultation with Meridian, identified a peer group of mining companies with similar operations, with a view to implement market-competitive compensation arrangements for the executives. For the financial year ended March 31, 2025, the Remuneration, People and Governance Committee approved the following compensation peer group that includes 17 similarly-sized publicly-traded mining peers that are generally within 0.5x to 2.5x of Champion's market capitalization and/or total revenues:

Executive Compensation Peer Group[1]	
Alamos Gold Inc.	Alpha Metallurgical Resources, Inc.
Capstone Copper Corp.	Centerra Gold Inc.
Coeur Mining, Inc.	Compass Minerals International, Inc.
Eldorado Gold Corporation	Endeavour Mining plc
Equinox Gold Corp	Hecla Mining Company
HudBay Minerals Inc.	IAMGOLD Corporation
Lundin Mining Corporation	Metallus Inc.
New Gold Inc.	SSR Mining Inc.
Torex Gold Resources Inc.	

Note:
(1) Yamana Gold Inc., which was included in the executive compensation peer group in previous years, has been removed as a result of being acquired and compensation disclosure no longer being available. Alpha Metallurgical Resources, Inc. has been added to the peer group to ensure robust compensation data over time.

In order to benchmark relative total Shareholder return for purposes of performance share units grants, the Company's independent directors and the Remuneration, People and Governance Committee also identified a second peer group of mining companies further described under the heading "*Long-Term Incentives — Equity Incentives — RSU and PSU Grant*". This peer group is believed to best reflect Shareholders' investment alternatives to Champion, considering the underlying commodity, market capitalization and countries where shares are listed. Accordingly, this peer group differs from the peer group set to implement market-competitive compensation, which in contrast reflects the industry competitive dynamics to retain and attract management in their region of domicile.

E. Key Achievements of the Named Executive Officers in the Financial Year Ended March 31, 2025

Since the successful acquisition and commissioning of the Bloom Lake Mine in the 2018 calendar year, Champion has successfully increased production over time, including by achieving nameplate capacity for the Phase II expansion project in 2024, while making substantial progress on, other growth projects aimed at further strengthening Champion's position in the green steel supply chain such as the direct reduction pellet feed ("DRPF") project and the recently signed partnership agreement for the development of the Kami Project. All of the achievements and initiatives have contributed to increasing Champion's operational footprint as well as Champion's production, revenues and cash flows. Additionally, the Company focused on integration of sustainability principles in its day-to-day operations and decision-making, in line with its commitment to deploy industry best practices in ESG responsibilities.

E. Key Achievements of the Named Executive Officers in the Financial Year Ended March 31, 2025
(continued)

Key achievements of management during the financial year ended March 31, 2025 include:

- Solid operational and financial performance despite production and shipment challenges from unforeseen events, including nearby forest fires, with an annual production of 13.8 million wmt of high-grade 66.4% Fe concentrate, as well as annual revenues and EBITDA of $1,606.6 million and $471.3 million[1], respectively; and
- Despite the aforementioned circumstances, the Company was able to deliver record annual sales and material mined and hauled;
- The DRPF project, designed to upgrade half of Bloom Lake's capacity to DR quality pellet feed iron ore grading up to 69% Fe, progressed as planned, with the commissioning phase expected to start in December 2025. Various activities and work related to the project have been progressing as planned;
- Entered into a binding agreement with Nippon and Sojitz to form a partnership for the joint ownership and development of the Kami Project;
- Employee total recordable injury frequency rate of 1.98 for the year, which continues to compare favourably with Québec's open pit industry statistics;
- Met and exceeded most annual sustainability KPIs set in the Company's previous sustainability report, which incorporated industry best practice disclosure frameworks including the Global Reporting Initiative, Sustainability Accounting Standard Board and Task Force on Climate-Related Financial Disclosures;
- Successfully mitigated the impact of significant forest fires in the region, including a preventive evacuation of Bloom Lake to ensure the safety of personnel and infrastructures; and
- Paid two dividends of $0.10 per Share during the financial year ended March 31, 2025, totalling approximately $104 million of capital returns to Shareholders.

F. Remuneration of Executive Chairman

Mr. O'Keeffe was CEO and Chairman of the Board for the period of August 13, 2013 to March 31, 2019. On April 1, 2019, as part of the implementation of Champion's succession plan, Mr. O'Keeffe stepped down as CEO and was named Executive Chairman of the Board. Mr. O'Keeffe remains an executive and for the financial year ended March 31, 2025, was paid an annual base salary of $800,000, which includes all entitlements payable by the Company to Mr. O'Keeffe. Mr. O'Keeffe was not eligible to receive any annual short and long-term incentives in the form of annual bonus or equity-based compensation, nor was he eligible for non-monetary compensation paid to a superannuation fund on his behalf.

G. Elements of Executive Remuneration

As is the prevailing practice in the mineral exploration and mining industry, remuneration of the NEOs is comprised of four components:

a) base salary (fixed);
b) short-term incentive (STI) in the form of annual bonus awards (at-risk);
c) long-term incentive (LTI) in the form of equity-based compensation (at-risk); and
d) retirement plan contributions, personal benefits and perquisites (fixed).

The Remuneration, People and Governance Committee determined the aforementioned elements to be key to executive compensation for the 2025 financial year.

[1] Non-IFRS financial measure, ratio or other financial measure with no standard meaning under the financial reporting framework used to prepare the financial statements. Refer to section P — Non-IFRS Financial Measures and Ratios at the end of this Remuneration Report.

(Expressed in Canadian dollars, except where otherwise indicated - audited)

H. 2025 Executive Performance Metrics and Incentives

Overall Company Strategic Objectives	• To maximize operational performance and continue its organic growth.
Key Deliverables	The executives needed to: • deliver operational performance while ensuring strict adherence to the Company's safety culture and the continuing integration of the Company's sustainability principles in its day-to-day operations and decision-making; and • pursue the Company's organic growth, including by continuing to oversee production at the Bloom Lake Mine, its flagship asset and by continuing to work on the Company's other growth and development projects.
Short-Term Incentives (Annual Bonus)	• The target bonus was set as a percentage of each NEO's base salary. The actual bonus was dependent on performance against agreed baseline benchmarking.
Long-Term Incentives (RSUs)	• The Company utilized time vesting RSU grants to incentivize and retain the executives in accordance with Canadian practice for the compensation of executives of public companies.
Long-Term Incentives (PSUs)	• The Company utilized PSU grants, the vesting of which is based on the performance of the Company against a set of peer companies and certain performance conditions compared to internal targets over a three year period.

i. Base Salary

The Company provides executives with base salaries that represent a fixed element of compensation and their minimum compensation for services rendered or expected to be rendered. The base salary of executives depends on the scope of their experience, responsibilities, leadership skills, performance, length of service, general industry trends and practices, competitiveness and the Company's existing financial resources. Base salaries are determined annually based on the Remuneration, People and Governance Committee's recommendations to the Board. In making its recommendations, the Remuneration, People and Governance Committee, with the assistance of third-party advisors, annually reviews the base salaries of the Company's executives against the base salaries of executives in comparable positions at public companies in the Company's peer group of mining companies.

<u>Base Salary for the Financial Year Ended March 31, 2025</u>

The NEOs' base salaries are intended to be competitive with those paid in the North American mining industry and align with the Company's performance. In the context of recognizing achievements contributing to significant Shareholder value, it is crucial to retain the executives that contributed to value creating drivers over the years including:

- Successful recommissioning of the Bloom Lake Mine Phase I on time and on budget in the 2018 calendar year;
- A series of asset consolidations in the Labrador Trough, including repurchase of a minority stake in the Bloom Lake Mine and the Kami Project, and infrastructure in the region, including the Pointe-Noire Pellet Plant;
- Commitment to sustainable management of the business, highlighted by filing in recent years of sustainability reports which incorporate industry best practice disclosure frameworks as well as the fact that there have been no significant environmental issues since the recommissioning of Bloom Lake in 2018;
- Diligent management of the business, including several refinancings to maintain a healthy financial situation throughout the delivery of growth projects, and return to Shareholders via dividends;
- Delivery and ongoing technical studies on several organic growth projects;
- Successful commissioning of the Phase II expansion project in late April 2022, leading to commercial production in December 2022, and achievement of nameplate capacity in the first quarter of the financial year ended March 31, 2024, all of which were achieved on time and on budget;
- The Company's vision to align with the steel industry green steel transition and innovation leading to the ongoing conversion of half of Bloom Lake's nameplate capacity to an industry leading DRPF iron ore at up to 69% Fe, which is expected to result in significant emission reductions across the steelmaking supply chain;
- Creation of over 1,300 high quality jobs since commissioning of the Bloom Lake Mine, and being amongst the largest employers of First Nations in the Québec Côte-Nord region;
- The entering into a partnership with Nippon and Sojitz for the joint ownership and development of the Kami Project; and
- The reception, in June 2024, of an additional hydroelectric power allocation from Hydro-Québec, providing access to renewable power that will enable the Company to support growth initiatives that would increase its participation in the green steel supply chain and further decarbonize its operations over time.

(Expressed in Canadian dollars, except where otherwise indicated - audited)

H. 2025 Executive Performance Metrics and Incentives (continued)

i. Base Salary (continued)

Base Salary for the Financial Year Ended March 31, 2025 (continued)

Over the years, the Board has increased the CEO's base salary incrementally in order to bring his base salary and total direct compensation within the median of the Company's peer group. These increases were reflective of the growing size and complexity of the business and the strong performance of the Company in the last years.

For the financial year ended March 31, 2025, the Board approved an increase in the CEO's base salary of 3.6% (to $1,160,320) in order to, again, maintain his total direct compensation within the median of the Company's peer group.

The salary for each NEO for the financial year ended March 31, 2025, is set out in a table under the heading "*2025 Remuneration Awards for the Named Executive Officers*".

ii. Short-Term Incentives (Annual Bonus)

Target bonus levels (as a percentage of salary) are established to achieve total cash compensation (salary + bonus) at not less than the median of the market when performance is at target levels. In determining annual bonus awards, Champion aims to achieve certain strategic objectives and milestones, which are further described below. An annual target performance bonus award is set for each NEO. The actual performance bonus paid in any year will be based on the performance of the NEOs against pre-determined KPIs. KPIs reflect key deliverables for a particular year.

The STI is an annual incentive plan designed to reward executives for achieving or exceeding financial and non-financial objectives over a one-year period. The STI has been designed to foster an organizational culture of collaboration, co-operation and mutual respect which supports the objective of a long-term outperformance in both the financial and non-financial areas of the business, mainly with annual measures linked to the business strategy, set at levels that are challenging, yet achievable.

Bonus Awards for the Financial Year Ended March 31, 2025

For the financial year ended March 31, 2025, the Board set a target bonus for each NEO as follows, based on their role and responsibilities and competitive opportunities in the Company's peer group of mining companies:

NEO	Target Bonus (% Salary)[1]
David Cataford	125%
Donald Tremblay	90%
Alexandre Belleau	90%
Steve Boucratie	90%
Michael Marcotte	80%

Note:
(1) As a percentage of base salary for the financial year ended March 31, 2025.

Non-executive directors are not eligible to receive any bonus awards, and directors who are not NEOs have not received any bonus awards.

Since the financial year ended March 31, 2024, the Board uses realized sales price and total C1 cash cost as part of the performance metrics for the STIP. The Board uses these measures given they are less directly correlated to the price of iron ore and more closely tied to the executive's performance and Company's actual execution of its operating strategy (when compared to EBITDA and free cash flows, which were used in prior years).

(Expressed in Canadian dollars, except where otherwise indicated - audited)

H. 2025 Executive Performance Metrics and Incentives (continued)

ii. Short-Term Incentives (Annual Bonus) (continued)

Bonus Awards for the Financial Year Ended March 31, 2025 (continued)

For the financial year ended March 31, 2025, the following financial and operating KPIs were established and evaluated:

- 50% of the total bonus was based on meeting a total production target of 14,511,496 dmt (25%), total C1 cash cost of $73.70/dmt sold (10%) and a mining and processing cost of $49.06/dmt sold (15%), respectively, in each case based on the budget for the financial year. The Board selected these measures as key performance metrics given that high production volume and costs efficiency represent meaningful operating measures for an iron ore producer;
- 15% of the total bonus was based on obtaining a realized sales price per dmt of P65 - US$3/dmt - (C3 x 1.25), based on the budget for the financial year. The Board selected realized sales price as a key performance metric given that it is a strong reflection of operational efficiency and cost management while also reflecting the impact of the iron ore concentrate price throughout a period; and
- 35% of the total bonus was based on overall performance imperatives comprising of health and safety and sustainable development objectives:
    - 15% was based on health and safety targets including no fatalities and minimal time lost due to injuries.
    - 20% was based on sustainability and environmental goals of the Company. The goals are set out below:

#	Category	Description
		Environment
1	Environmental Compliance	Achieve 0 major or significant environmental incident/environmental violation.
2	Water Management	Achieve 90% of recycled water.
3	Tailings Management	Achieve above "A" ratings and compliance assessments at 100% with the Mining Association of Canada's tailings management governance model and framework towards monitoring tailings retaining structures.
4	Greenhouse Gas (GHG)	2030 target 2025 objective: Identified a list of projects that are expected to contribute to the 2030 target and monitor projects' effectiveness. 2050 target 2025 objective: Disclose its first Scope 3 emissions aligned with the GHG Protocol.
		Social
5	Diversity and Inclusion	Year-over-year increase in the number of women employees working for the Company and deploy supporting initiatives to develop women.
6	Community Relations	Address 100% of grievances within 30 days.
7	First Nations Partners	Organize and hold an annual consultation with its First Nations partners to assess alignment and opportunities to improve collaboration.
		Governance
8	Management	Yearly review of all corporate governance policies to ensure best practices. Amend existing corporate policies based on the previous year's review and successfully adopt new policies to align stakeholders' expectations.
9	Towards Sustainable Mining (TSM)	Reach and maintain "A" ratings or "compliant" assessments in 90% of categories.

All objectives were subject to a gradation scale allowing them to be met either at 0% or anywhere from 50% to 200%. No amount of STI is payable in relation to a KPI unless the minimum performance level for that KPI is met. As a result of the application of the gradation scale (0% to 200%) to the target bonus (as a % of salary), the total annual bonus payable to the NEOs is capped at 250% of base salary for the CEO, 180% of base salary for the CFO, COO and the Senior Vice-President, General Counsel and Corporate Secretary and 160% of base salary for the Senior Vice-President, Corporate Development and Capital Markets.

(Expressed in Canadian dollars, except where otherwise indicated - audited)

H. 2025 Executive Performance Metrics and Incentives (continued)

ii. Short-Term Incentives (Annual Bonus) (continued)

Bonus Awards for the Financial Year Ended March 31, 2025 (continued)

This year the Board, with the advice of Meridian, reviewed the Company's payout opportunity in respect of the STIP against short-term incentive plans adopted by its peers and found that the STIP generally provided lower upside opportunity in the case of maximum performance compared to peers (with payout capped at 150%), while the STIP's downside risk in the case of lower performance was generally aligned with peers. As a result, the Board approved an increase in the maximum payout of the STIP from 150% to 200% in order to align maximum payout opportunity in the case of maximum performance with its peers. The Board concurrently reviewed STIP objectives and metrics to ensure that the achievement of the maximum payout would be more challenging under this new design. While the maximum STIP payout opportunity has been increased from 150% to 200%, the Board concurrently reviewed STIP objectives and metrics to ensure that the change reflects a higher bar for exceptional performance rather than an increase in target compensation, which ensure maximal alignment with Shareholders' interests.

The budget for the financial year ended March 31, 2025, was approved in March 2024, as part of the regular Board approval timetable. At such time, the iron ore price assumptions were set through a consensus of various industry experts market iron ore price forecasts for the forthcoming year, plus a critical assessment and scenario analysis on forward-looking operational performance assessed by management. Both the timeline and budget preparation approach were consistent with previous years. The targets for the STI program for the financial year ended March 31, 2025, were recommended by the Remuneration, People and Governance Committee to the Board, and approved by the Board, in May 2024.

The following bonus score card table outlines the weighting, performance objectives, actual results and payout factor for the bonus awards for the financial year ended March 31, 2025.

KPI	Weighting	Minimum Threshold (50% Performance Level)	Target (100% Performance Level)	Stretch (200% Performance Level)	Actual Results[2]	Payout Factor
Total Production (dmt)	25%	13,350,576	14,511,496	14,644,252	13,415,224	13.2 %
C1 Cash Cost ($/dmt)[3]	10%	$81.07	$73.70	$70.38	$78.29	6.9 %
Mining and Processing Cost ($/dmt)[3]	15%	$53.97	$49.06	$46.85	$53.80	7.8 %
Realized Sales Price/P65 (US$/dmt)[3]	15%	P65 - US$5/dmt - (C3 x 1.30)	P65 - US$3/dmt - (C3 x 1.25)	P65 + US$1.75/dmt - (C3 x 1.20)	US$85.90	13.5 %
Meet Sustainable Development Objectives	20%	3 objectives	5 objectives	9 objectives	9 objectives	40.0 %
Incident Frequency[1] (QIO)	7.5%	2.48	1.91	1.53	1.98	7.0 %
Incident Frequency[1] (Contractor)	7.5%	4.03	3.10	2.48	3.10	7.5 %
Total 2025 Bonus Payout Factor						95.9 %

Notes:

(1) Mine Gate Lost time injury frequency rate, calculated as the (i) total lost time injury, restricted work injury and medical treatment injury, divided by (ii) the total hours worked multiplied by 200,000 (100 employees working full time).

(2) If there is a fatality at QIO or with a contractor, as applicable, the actual result for the applicable KPI is 0.

(3) Non-IFRS financial measure, ratio or other financial measure with no standard meaning under the financial reporting framework used to prepare the financial statements. Refer to section P — Non-IFRS Financial Measures and Ratios at the end of this Remuneration Report.

(Expressed in Canadian dollars, except where otherwise indicated - audited)

H. 2025 Executive Performance Metrics and Incentives (continued)

ii. Short-Term Incentives (Annual Bonus) (continued)

Bonus Awards for the Financial Year Ended March 31, 2025 (continued)

The following table sets out the tabulations for bonuses awarded to NEOs under the Company's STIP for the financial year ended March 31, 2025:

NEO	Target Bonus (% Salary)[1]	Weighted Score	Actual Bonus (% Salary)	Annual Bonus ($)
David Cataford	125%	95.9%	120%	1,390,294
Donald Tremblay	90%	95.9%	86%	491,568
Alexandre Belleau	90%	95.9%	86%	589,882
Steve Boucratie	90%	95.9%	86%	500,368
Michael Marcotte	80%	95.9%	77%	417,088

Note:

(1) As a percentage of base salary for the financial year ended March 31, 2025.

Non-executive directors are not eligible to receive any bonus awards, and directors who are not NEOs have not received any bonus awards.

iii. Long-Term Incentive — Equity-Based Incentives

Equity-based incentives are a particularly important component of compensation in the mining industry given the long lifecycle of mining and are a critical component of the Company's remuneration philosophy. These plans are designed to align the interests of the NEOs and other participating employees with the interests of Shareholders by linking a component of compensation to the long-term performance of the Shares through "at risk" pay. Awards under these arrangements for the NEOs are structured to create total direct compensation (i.e., the combination of salary + bonus + equity-based incentives) at median market positioning, or above median when performance warrants.

The tables under the section "*RSU and PSU Grants made in the Financial Year ended March 31, 2025*" on pages 89 to 92 of this report set out the tabulation for the NEO LTI awards that were made during the financial year ended March 31, 2025. Such RSUs and PSUs will vest over a period of three years following the date of grant, and the value of such grants is reported below on pages 95-96 of this report under the heading "*Tabular Remuneration Disclosure for the Named Executive Officers — Summary Remuneration Table – Non-Statutory*".

Omnibus Incentive Plan

The Omnibus Plan provides flexibility to the Company to grant, in addition to stock options, Deferred Share Units ("DSUs"), PSUs, RSUs, and other forms of equity-based incentive awards. Following the initial approval of the Omnibus Plan by the Shareholders at the 2018 annual and special meeting, all grants of equity-based awards are made pursuant to, or as otherwise permitted by, the Omnibus Plan. In accordance with the rules of the TSX, evergreen plans (such as Champion's) are subject to renewal by Shareholder approval every three years. Subsequent to its initial approval in 2018, the Omnibus Plan was re-approved by the Shareholders at the annual Shareholder meetings held in August 2021 and August 2024 and its renewal will be due for Shareholder approval again in 2027.

The purpose of the Omnibus Plan is to provide eligible persons with an opportunity to share in the growth in value of the Company and to encourage participants to improve the longer-term performance of the Company and its returns to Shareholders. The Omnibus Plan assists the Company in attracting and retaining skilled and experienced employees and aligns their incentives with the longer-term goals of the Company.

Stock Options

At the discretion of the Board, options may be granted under the Omnibus Plan to NEOs taking into account a number of factors, including the amount and term of options previously granted, base salary and bonuses and competitive market factors. The Board has the ability to establish the expiry date for each stock option, provided that in no event will the expiry date be later than the date which is ten years following the grant date. Typically, stock options granted by the Board vest one third (1/3) on each of the grant date and on the 12 and 24-month anniversaries of grant and are issued with a three-year or four-year term before expiring.

No stock options were granted to NEOs during the financial year ended March 31, 2025.

(Expressed in Canadian dollars, except where otherwise indicated - audited)

H. 2025 Executive Performance Metrics and Incentives (continued)

iii. Long-Term Incentive — Equity-Based Incentives (continued)

The following table provides the annual burn rate associated with the Omnibus Plan for each of the Company's three most recent financial years ended March 31, 2025, 2024 and 2023:

Equity Compensation Plan	Financial Year Ended March 31,	Number of Securities Granted under the Plan[1]	Weighted Average Number of Securities Outstanding[2]	Annual Burn Rate[3]
Omnibus Plan	2025	2,051,338	518,173,000	0.40%
	2024	2,095,418	517,579,000	0.40%
	2023	1,101,501	517,046,000	0.21%

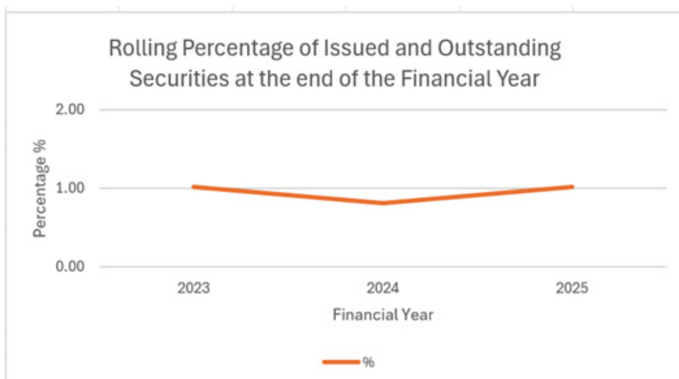
Notes:

(1) Corresponds to the number of dilutive securities granted under the Omnibus Plan in the applicable financial year.

(2) The weighted average number of securities outstanding during the period corresponds to the number of securities outstanding at the beginning of the period, adjusted by the number of securities bought back or issued during the period multiplied by a time-weighting factor.

(3) The annual burn rate percent corresponds to the number of dilutive securities granted under the Omnibus Plan divided by the weighted average number of securities outstanding.

In addition to the annual burn rate outlined above, the graph below provides an illustrative overview of the rolling aggregate proportion of outstanding compensation securities issued under the Omnibus Plan compared to the total issued and outstanding securities of the Company for each of the Company's three most recent financial years ended March 31, 2025, 2024 and 2023:



Types of Awards under the Omnibus Plan

The types of awards which may be granted under the Omnibus Plan include stock options, RSUs, PSUs, DSUs, or other share-based awards (collectively, the "Awards"). All of the Awards described below are subject to the conditions, limitations, restrictions, exercise price, vesting and forfeiture provisions determined by the Board in its sole discretion, and subject to such limitations provided in the Omnibus Plan, and will be evidenced by an award agreement. In addition, subject to the limitations provided in the Omnibus Plan and in accordance with applicable law, the Board may accelerate or defer the vesting or payment of Awards, cancel or amend outstanding Awards, and waive any condition imposed with respect to Awards or Shares issued pursuant to Awards. Any cancellation or amendment to an outstanding Award that may materially adversely alter or impair the rights of a participant under any Award previously granted requires the consent of the affected Participant.

Stock Options

A stock option is a right to purchase Shares upon the payment of a specified exercise price as determined by the Board at the time the stock option is granted. The exercise price shall not be less than the "Market Price" of a Share at the time the option is issued, determined as the volume weighted average trading price ("VWAP") of the Shares on the ASX if the eligible person is a resident in Australia and otherwise the VWAP of the Shares on the TSX, calculated by dividing the total value by the total volume of securities traded during the period of five trading days immediately prior to the date of issue.

H. 2025 Executive Performance Metrics and Incentives (continued)

iii. Long-Term Incentive — Equity-Based Incentives (continued)

Stock Options (continued)

Stock options may be subject to vesting conditions as determined by the Board. The Board will establish the expiry date for each stock option, provided that in no event will the expiry date be later than the date which is ten years following the grant date. The exercise notice of such option must be accompanied by payment in full of the purchase price for the Shares subject to the options. No Shares will be issued upon the exercise of stock options in accordance with the terms of the grant until full payment for the Shares has been received by the Company.

No stock options were granted during the financial year ended March 31, 2025.

Restricted Share Units (RSUs)

A RSU is a unit equivalent in value to a Share credited by means of a bookkeeping entry in the books of the Company which entitles the holder to receive Shares or cash based on the price of the Shares at some future date.

A RSU will be subject to time-based vesting conditions, timing of settlement and other terms and conditions, not inconsistent with the provisions of the Omnibus Plan, as the Board shall determine; provided that no RSU granted shall vest and be payable after December 31 of the third calendar year following the year of service for which the RSU was granted. When cash dividends are paid by the Company on outstanding Shares, the Company credits additional dividend equivalent RSUs to the participant's account. Dividend equivalent RSUs are subject to the same terms and conditions as the RSUs and vest and are settled at the same time and in the same form as the RSUs to which such dividend equivalent RSUs relate. As is the case for RSUs granted under incentive plans of many TSX-listed issuers, including issuers in the North American mining industry, vesting of the RSUs is based on time-based vesting conditions rather than performance-based vesting conditions. The Company believes that grants of time-based RSUs that are only paid at the end of the three-year vesting period based on the Company's Share price at such time is an effective means of retaining executives by providing compensation packages that remain competitive and reflective of generally accepted market practices of its peers and which reward past performance against pre-established targets and contribute to the Company's annual profitability and growth, and tying executive remuneration to the long-term performance of the Company. This time-based vesting approach with payment at the end of three years based on the Company's Share price at such time is effectively "cliff-vesting" of the of grants.

Performance Share Units (PSUs)

A PSU is a unit equivalent in value to a Share credited by means of a bookkeeping entry in the books of the Company which entitles the holder to receive Shares, or cash based on the price of the Shares, at some future date, subject to the achievement of performance goals established by the Board over a period of time or with respect to certain project-related specific milestones.

The Board has the authority to determine any vesting and settlement terms applicable to the grant of PSUs, provided that no PSU granted shall vest and be payable after December 31 of the third calendar year following the year of service for which the PSU was granted. It is currently intended that PSUs granted under the Omnibus Plan will be subject to such performance-based vesting conditions, as the Board shall determine from time to time, designed to align the participant with the Company's corporate objectives. When cash dividends are paid by the Company on outstanding Shares, the Company credits additional dividend equivalent PSUs to the participant's account. Dividend equivalent PSUs are subject to the same terms and conditions as the PSUs and vest and are settled at the same time and in the same form as the PSUs to which such dividend equivalent PSUs relate.

All vesting conditions shall be such that the PSUs will comply with the exception to the definition of "salary deferral arrangement" contained in paragraph (k) of subsection 248(1) of the Income Tax Act (Canada) or any successor provision thereto.

The Company began granting PSUs under the Omnibus Plan during the financial year ended March 31, 2020. The PSUs granted during the financial year ended March 31, 2022 vested, in accordance with the applicable performance-based vesting conditions, during the financial year ended on March 31, 2025, and the payout thereunder is disclosed in the section "*Corporate Performance Measures, Results and Related Payout during the Financial Year Ended March 31, 2025*" on page 92 of this report.

(Expressed in Canadian dollars, except where otherwise indicated - audited)

H. 2025 Executive Performance Metrics and Incentives (continued)

iii. Long-Term Incentive — Equity-Based Incentives (continued)

Types of Awards under the Omnibus Plan (continued)

Deferred Share Units (DSUs)

A DSU is a unit equivalent in value to a Share credited by means of a bookkeeping entry in the books of the Company which entitles the holder to receive Shares, or cash based on the price of the Shares, on a future date, provided that in no event shall a DSU be settled prior to the applicable participant's date of termination of service to the Company. If DSUs are settled in Shares, the rules of the Omnibus Plan require that the Shares be purchased on the market.

DSUs will only be issued to directors of the Company or any of its affiliates who are not employees (the "Directors"). Subject to certain limitations, any Director may, on a bi-annual basis, elect to receive DSUs in lieu of such Director's annual fees or in lieu of a portion of such Director's annual fees by giving written notice of such election. When cash dividends are paid by the Company on outstanding Shares, the Company credits additional dividend equivalent DSUs to the participant's account. Dividend equivalent DSUs are subject to the same terms and conditions as the DSUs and vest and are settled at the same time and in the same form as the DSUs to which such dividend equivalent DSUs relate.

Other Share-Based Awards

The Board may grant to an eligible person, subject to the terms of the Omnibus Plan, such awards, other than those described above, that are denominated or payable in, valued in whole or in part by reference to, or otherwise based on or related to, Shares (including, without limitation, securities convertible into Shares), as are deemed by the Board to be consistent with the purpose of the Omnibus Plan.

The Board deems equity awards as a valuable retention and incentive mechanism for management. Retention of executives and highly skilled staff continues to be a high priority for the Company for the following reasons:

- the Company aims to set overall target remuneration such that the Company's executive remuneration program and strategy remain competitive within the North American market, which have become increasingly competitive over the years, with companies aggressively pursuing mining executives with a successful track record;
- the high opportunity cost to retain key personnel who have led and are expected to lead Champion as it seeks to further increase production at Bloom Lake and continue to develop growth initiatives that would increase the Company's participation in the green steel supply chain and help the Company decarbonize its operations over time; and
- if there is an interruption to production for any number of reasons, the Company needs to be able to restart production in a safe environment as soon as reasonably possible. The necessary skills that have been developed internally to deal with these challenges cannot be procured easily outside the Company.

RSU and PSU Grants made in the Financial Year ended March 31, 2025

During the financial year ended March 31, 2025, the Board granted RSUs and PSUs to its NEOs under the Omnibus Plan. In determining the size of such grants and setting a target for the LTI for each NEO, the Board considered among other things their roles and responsibilities and competitive opportunities in the Company's peer group of mining companies, as described below. The number of RSUs or PSUs granted was determined according to the VWAP of the Shares on the TSX during the period of five trading days immediately prior to the date of grant. The value of such grants is also reported below under the heading "*Tabular Remuneration Disclosure for the Named Executive Officers — Summary Remuneration Table — Non-Statutory*" on pages 95-96 of this report.

NEO	LTIP Target (% salary)[1]	Value of Annual Equity Awards ($)	RSUs ($)	RSUs (# of units)[2]	PSUs ($)	PSUs (# of units)[2]
David Cataford	265%	3,074,848	1,229,939	207,060	1,844,909	310,591
Donald Tremblay	145%	826,210	330,484	55,637	495,726	83,456
Alexandre Belleau	180%	1,230,768	492,307	82,880	738,461	124,320
Steve Boucratie	155%	899,000	359,600	60,539	539,400	90,808
Michael Marcotte	145%	788,655	315,462	53,108	473,193	79,662

Notes:

(1) As a percentage of base salary for the financial year ended March 31, 2025.

(2) The number of units granted was determined according to the VWAP per Share on the TSX during the period of five trading days immediately prior to the date of grant, being $5.94.

H. 2025 Executive Performance Metrics and Incentives (continued)

iii. Long-Term Incentive — Equity-Based Incentives (continued)

Types of Awards under the Omnibus Plan (continued)

RSU and PSU Grants made in the Financial Year ended March 31, 2025 (continued)

None of the directors who are not NEOs received any grants of RSUs or PSUs in the financial year ended March 31, 2025.

The value of the LTIP and related grants are reported in a table on pages 95-96 of this report under the heading "*Tabular Remuneration Disclosure for the Named Executive Officers — Summary Remuneration Table — Non-Statutory*" for the applicable financial year in which grants were made, irrespective of whether the performance criteria for vesting had been achieved during such period. The portion of any such LTI awards that vested during any year is shown in the table presented in the section "*Incentive Plan Awards — Value Vested or Earned During the Year*" on page 107 of this report.

The grants of RSU and PSU awards made during the financial year ended March 31, 2025, consisted of the following components:

- RSU Grant (40% of LTI): vesting equally over a three-year period following the date of grant and subject to no performance hurdles (RSUs effectively "cliff-vest" because they are not paid out until the end of the three-year vesting period and the payment for all RSUs is based on the Company's Share price at such time); and
- PSU Grant (60% of LTI): measured against certain performance conditions over the three years commencing on April 1, 2024, and ending on March 31, 2027, and which vest at the end of that three-year period subject to the key performance measures having been met.

This year the Board, with the advice of Meridian, reviewed the Company's payout opportunity in respect of the LTIP against long-term incentive plans adopted by its peers and found that the plan, as is the case for the STIP, generally provided lower upside opportunity in the case of maximum performance. Most peers have a maximum payout of 200% of target, while the Company's maximum payout is 175% of target. Various elements were taken into account by the Board to approve an increase in the maximum payout of the LTIP from 175% to 200% in order to align the maximum payout opportunity in the case of maximum performance with its peers. Namely, on the one hand, there is less downside risk for the ROCE component (e.g., 75% of target payout for threshold performance) than the peer market, which, in and of itself, may warrant the lower upside, however, on the other hand, the TSR component has more downside risk than the peer market (e.g., 50% of target payout for P37.5 performance, compared to peers that typically earn a larger payout for weaker performance levels at P25). In addition, the Company has a slightly higher performance composition to the long-term incentive program than peers. Taken together, these elements balance/mitigate the lower downside risk on the ROCE component. While the maximum LTIP payout opportunity has been increased from 175% to 200%, the Board concurrently reviewed LTIP objectives and metrics to ensure that the change reflects a higher bar for exceptional performance rather than an increase in target compensation, which ensure maximal alignment with Shareholders' interests. For instance, substantial peer relative outperformance is needed to attain maximum payout for the TSR component, which such maximum payout being attained at a P85 performance.

The Board established the following key performance measures for the PSUs which the Board believes provide the most suitable link to long-term Shareholder value creation. Specifically, the criteria encourage executives to focus on the key performance drivers which underpin the Company's strategy with a view to delivering long-term growth in Shareholder value. The potential "maximum" earning opportunity is not expected to be achieved each year, but is designed to only be achieved in respect of exceptional performance or circumstances.

- 40% of the grant based on the performance of the Company's Share price (or TSR) relative to a peer group, between April 1, 2024, and March 31, 2027. 200% of the TSR portion of the PSUs grant will vest if the Company's TSR reaches the 85% percentile of the peer group, 175% of the TSR portion of the PSUs grant will vest if the Company's TSR reaches the 75% percentile of the peer group, 100% of the TSR portion of the PSUs grant will vest if the Company's TSR is at the 50% percentile of the peer group and 50% of the TSR portion of the PSUs grant will vest if the Company's TSR is at the 37.5% percentile of the peer group. Proportional vesting will, respectively, occur between the 25% and 50% percentiles, 50% and 75% percentiles and 75% and 85% percentiles. No vesting will occur if Champion's TSR is less than the 25% percentile of the peer group. This approach as to vesting relative to the peer group is customary in the North American mining industry and is taken into account by the Board when determining the overall compensation of NEOs. The Board believes this approach is appropriate to ensure executive compensation remains competitive and reflective of generally accepted market practices of the Company's peers.

(Expressed in Canadian dollars, except where otherwise indicated - audited)

H. 2025 Executive Performance Metrics and Incentives (continued)

iii. Long-Term Incentive — Equity-Based Incentives (continued)

Types of Awards under the Omnibus Plan (continued)

RSU and PSU Grants made in the Financial Year ended March 31, 2025 (continued)

Relative TSR provides an appropriate, external market performance measure having regard to a peer group of companies with which the Company competes for capital, customers and talent. The use of relative TSR ensures that executives are motivated to deliver returns that are superior to what a Shareholder could achieve in the broader market and ensures management maintains a strong focus on Shareholder outcomes. In order to benchmark relative TSR for purposes of the grants of PSUs made in the financial year ended March 31, 2025, the Company's independent directors and the Remuneration, People and Governance Committee identified a peer group of mining companies with generally similar stage of development operations, annual revenues and market capitalization. The group has been designed to include (i) internationally listed companies that are involved in the same commodity, and (ii) companies that are involved in metallurgical coal, or companies having thermal coal exposure, given its correlation to iron ore (since both are used in the steelmaking process).

TSR Peer Group[1]	
Rana Gruber ASA (OSE)	Cleveland-Cliffs Inc. (NYSE)
Capstone Copper Corp. (TSX)	Deterra Royalties Ltd. (ASX)
Ero Copper Corp. (TSX)	Fortescue Metals Group Ltd. (ASX)
Grange Resources Limited (ASX)	Hudbay Minerals Inc. (TSX)
Kumba Iron Ore Ltd. (JSX)	Labrador Iron Ore Royalty Corporation (TSX)
Lundin Mining Corporation (TSX)	Mineral Resources Ltd. (ASX)
Mount Gibson Iron Limited (ASX)	Sandfire Resources Ltd. (ASX)
Stelco Holdings Inc. (TSX)	Whitehaven Coal Limited (ASX)
CAP SA (SSE)	Algoma Steel Group Inc. (TSX)

Note:

(1) 29-Metals Inc., who was included in the TSR peer group for grants made in previous years, was removed due to its market capitalization no longer being relevant as a valid peer for the Company. CAP SA, Rana Gruber ASA and Algoma Steel Group Inc. have been added to the peer group as they all represent global investment alternatives to Champion with similar underlying commodities.

- 60% of the grant based on an actual ratio of ROCE compared to a target ratio set by the Board. The actual ratio is measured over the three-year period commencing on April 1, 2024, and ending on March 31, 2027, by dividing (i) average EBITDA for each year in the three-year period by (ii) average capital employed (long-term debt plus Champion's consolidated total equity, including options and warrants, including lease liabilities and excluding cash and cash equivalents up to a certain threshold) for each year in the three-year period.

  For the PSUs granted in the financial year ended March 31, 2025, if the actual ratio represents more than 125% of the corresponding target ratio based on the Company's budget for the three-year reference period (which was set at 0.27 for the financial year ended March 31, 2025), 200% of that portion of the PSUs grant will vest at the end of the three-year period. If the actual ratio equals the corresponding target ratio based on the Company's budget for the three-year reference period, 100% of that portion of the PSUs grant will vest at the end of the reference period. If the actual ratio is less than the target ratio based on the Company's budget for the three-year reference period, a reduced percentage of this portion of the PSUs grant will vest. Proportional vesting will occur if the actual ratio represents between 70% to 100% or 100% to 125% of the target ratio, and will be between 75% and 200%. No vesting will occur if the actual ratio is less than 70% of the target ratio based on the Company's budget for the three-year reference period. The Board believes that the use of ROCE as a performance measure allows executive pay to be linked to capital allocation discipline and therefore further aligns executives' interests with Shareholders' interests.

(Expressed in Canadian dollars, except where otherwise indicated - audited)

H. 2025 Executive Performance Metrics and Incentives (continued)

iii. Long-Term Incentive — Equity-Based Incentives (continued)

Types of Awards under the Omnibus Plan (continued)

RSU and PSU Grants made in the Financial Year ended March 31, 2025 (continued)

The following table outlines the payout percentages associated to the specific ranges of actual ratio of ROCE, for the PSU grants made during the financial year ended March 31, 2025:

Targets — ROCE	Vesting of 60% Portion of PSU Grants
0.34 and above	200%
0.27	100%
0.19	75%
Less than 0.19	Nil

The ROCE target continues to be set using the same methodology year-over-year and continues to reflect the same challenging threshold relative to Company's operational and financial budgets as in prior years. The ROCE targets for PSU grants, are lower than in prior years as a result of the growing capital employed in the business over time and to consider the impact of fluctuations in iron ore prices.

The methodology used to establish ROCE targets for a given grant is based on the Company's financial plan approved by the Board near the end of the financial year, which includes certain assumptions with respect to the expected operational results for the Company and the forward-looking iron ore prices in the context of the market and analyst consensus. While operational elements embedded in the financial plan submitted to the Board assume operational initiative to improve the performance of the business year-over-year, the financial plan remains influenced by fluctuations of iron ore prices. The ROCE is also impacted by the growing capital employed in the business, especially in light of the Company having achieved nameplate capacity for both Phase I and Phase II of the Bloom Lake Mine and the multiple growth projects currently undertaken by the Company. The targeted ROCE for the financial year ended March 31, 2025 continues to reflect the same challenging threshold in meeting the Company's operational and financial budgets in the context of the industry at the time of grant, while reflecting the more mature state of the Company's business.

The Board believes that the performance criteria for such PSU grants provide the most suitable link to long-term Shareholder value creation. Specifically, the performance criteria encourage executives to focus on the key performance drivers which underpin the Company's strategy to deliver long-term growth in Shareholder value. Generally, the potential "maximum" earning opportunity is not expected to be achieved each year, but is designed to only be achieved in respect of exceptional performance or circumstances. The value of the LTI grants is reported in a table on pages 95-96 of this report under the heading "*Tabular Remuneration Disclosure for the Named Executive Officers — Summary Remuneration Table — Non-Statutory*", irrespective of whether the performance criteria for vesting had been achieved during such period. The portion of any such LTI awards that vested during any year is shown in the table presented on page 107 of this report "*Incentive Plan Awards — Value Vested or Earned During the Year*".

Corporate Performance Measures, Results and Related Payout during the Financial Year Ended March 31, 2025

During the financial year ended March 31, 2025, the PSUs granted during the financial year ended March 31, 2022, which vested over a three-year period subject to the achievement of performance-based vesting conditions, vested and paid out at the maximum performance level as a result of the TSR and ROCE performance criteria having exceeded the maximum payout targets for the performance period.

Financial Measure	Weighting	Actual Result	Payout
TSR	40%	58.3rd percentile of peer group[1]	49.96%
ROCE[2]	60%	0.58	105.00%
Total	**100%**	**—**	**154.96%**

Notes:

(1) Based on the total Shareholder return over the three-year period ended on March 31, 2025, compared to the Company's applicable PSU peer group average.

(2) Non-IFRS financial measure, ratio or other financial measure with no standard meaning under the financial reporting framework used to prepare the financial statements. Refer to section P — Non-IFRS Financial Measures and Ratios at the end of this Remuneration Report.

(Expressed in Canadian dollars, except where otherwise indicated - audited)

H. 2025 Executive Performance Metrics and Incentives (continued)

iii. Long-Term Incentive — Equity-Based Incentives (continued)

Update on Phase II PSU Grant

During the financial year ended March 31, 2025, vesting for the last milestone (achievement of nameplate capacity, which was attained on April 3, 2023) under the PSUs granted during the financial year ended March 31, 2022, for which vesting was aligned with the achievement of key milestones related to the successful completion of the Phase II expansion project (the "Phase II PSUs"), occurred. Vesting occurred on April 3, 2024, being 12 months following the achievement of the nameplate capacity milestone. Refer to the section, "*Omnibus Plan Awards — Value Vested or Earned During the Financial Year Ended March 31, 2025*", on page 96 of this report for details on such vesting and refer to the Company's 2024 Remuneration Report for additional details on the achievement of the milestones of the Phase II PSUs. As disclosed in last year's Remuneration Report, the total weighted payout for the Phase II PSUs was 84.6%.

iv. Retirement Plan Contributions, Personal Benefits and Perquisites

Champion has adopted a registered pension plan and a non-registered savings plan for its NEOs. The executive plan design is based on employer contributions solely and calculated on base salary and STI. Personal group health and life insurance benefits provided to the NEOs are available to all permanent full-time employees of the Company. At the discretion of the Board and based on market-prevalent practices, other perquisites may be provided to NEOs in relation to the specific office held by each NEO.

Eligibility	Upon start of employment for executives
Participation	Compulsory
Employer Contributions	Effective April 1, 2022, 10.5% of base salary and STI
Employer Maximum Contributions	Employer contribution up to a maximum of $32,490 for the calendar year 2025 within the registered pension plan, excess is vested in non-registered savings plan.
Vesting	Immediate
Transfers from Other Plans	Permitted in non-registered savings plan

The following table sets out, for each NEO, the accumulated value at the start of the financial year, the compensatory value and the accumulated value at the end of the financial year ended March 31, 2025.

Name	Accumulated Value at Start of Year ($)	Employer's Contribution ($)	Accumulated Value at Year-End ($)
David Cataford	1,067,997	274,524	1,342,521
Donald Tremblay	178,213	118,064	296,277
Alexandre Belleau	524,855	140,416	665,271
Steve Boucratie	391,662	120,596	512,258
Michael Marcotte	322,272	107,509	429,781

Directors who are not NEOs are not eligible for, and have not received, any of the retirement plan contributions and personal benefits set out above during the financial year ended March 31, 2025.

(Expressed in Canadian dollars, except where otherwise indicated - audited)

H. 2025 Executive Performance Metrics and Incentives (continued)

iv. Retirement Plan Contributions and Personal Benefits (continued)

2025 Remuneration Awards for the Named Executive Officers

Annual base salary, bonus, PSU grants and RSU grants in the financial year ended March 31, 2025, to the NEOs were as follows.

Name and Principal Position	Annual Base Salary ($)	Bonus ($)	Total PSU Grant ($)	Total RSU Grant ($)
David Cataford CEO	1,160,320	1,390,294	1,844,909	1,229,939
Donald Tremblay CFO	569,800	491,568	495,726	330,484
Alexandre Belleau COO	683,760	589,882	738,461	492,307
Steve Boucratie Senior Vice-President, General Counsel and Corporate Secretary	580,000	500,368	539,400	359,600
Michael Marcotte Senior Vice-President, Corporate Development and Capital Markets	543,900	417,088	473,193	315,462

Further information pertaining to the NEO's remuneration for the past three financial years is found in the section, "*Tabular Remuneration Disclosure for the Named Executive Officers — Summary Remuneration Table — Non-Statutory*", on page 95 of this report.

(Expressed in Canadian dollars, except where otherwise indicated - audited)

H. 2025 Executive Performance Metrics and Incentives (continued)

iv. Retirement Plan Contributions and Personal Benefits (continued)

Tabular Remuneration Disclosure for the Named Executive Officers — Summary Remuneration Table — Non-Statutory

The following table discloses a summary of remuneration earned by each of Champion's NEOs for each of the three most recently completed financial years ended March 31, 2025, 2024 and 2023. As described in the footnotes to the summary remuneration table, amounts presented under the columns entitled "*Share-based Awards*" and "*Option-based Awards*" reflect the full fair values of the awards as measured at their respective grant dates. Accordingly, the amounts presented thereunder are not reflective of the related accounting expense for the current financial year. Refer to "*Details of Total Statutory Remuneration for KMP (NEOs and Directors)*" on page 108 of this report for the statutory remuneration table for this financial year as calculated with reference to the Corporations Act, Australian Accounting Standards and International Financial Reporting Standards.

The value of an incentive award is included below in the year during which the grant of the award was made. Further information pertaining to the NEOs' LTI remuneration for the 2025 financial year is presented in the section, "*2025 Remuneration Awards for the Named Executive Officers*" on page 94 of this report.

Name and Principal Position	Year	Salary ($)	Share-Based Awards[1] ($)	Option-Based Awards ($)	Non-Equity Incentive Plan Compensation		Pension Value ($)	All Other Compensation ($)	Total ($)	At Risk (%)
					Annual Incentive Plans ($)	Long-Term Incentive Plans ($)				
David Cataford CEO	2025	1,160,320	3,074,848	—	1,390,294	—	274,524	69,049	5,969,035	75 %
	2024	1,120,000	2,968,000	—	1,290,800	—	259,228	67,273	5,705,301	75 %
	2023	936,000	2,025,000	—	1,335,000 [2]	—	241,427	43,953	4,581,380	57 %
Donald Tremblay[3] CFO	2025	569,800	826,210	—	491,568	—	118,064	73,035	2,078,677	63 %
	2024	550,000	797,500	—	456,390	—	110,235	50,351	1,964,476	64 %
	2023	288,750	576,250	—	236,250	—	56,280	15,744	1,173,274	69 %
Alexandre Belleau COO	2025	683,760	1,230,768	—	589,882	—	140,416	72,953	2,717,779	67 %
	2024	660,000	1,188,000	—	547,668	—	132,932	61,694	2,590,294	67 %
	2023	540,000	650,000	—	243,000	—	84,233	19,992	1,537,225	58 %
Steve Boucratie Senior Vice-President, General Counsel and Corporate Secretary	2025	580,000	899,000	—	500,368	—	120,596	75,634	2,175,598	64 %
	2024	545,000	844,750	—	401,992	—	103,855	51,579	1,947,176	64 %
	2023	500,000	576,000	—	200,000	—	76,338	30,321	1,382,659	56 %
Michael Marcotte Senior Vice-President, Corporate Development and Capital Markets	2025	543,900	788,655	—	417,088	—	107,509	72,953	1,930,105	62 %
	2024	525,000	761,250	—	387,240	—	100,399	51,219	1,825,108	63 %
	2023	400,000	456,000	—	140,000	—	53,134	29,889	1,079,023	55 %

Notes:

(1) Share-based awards consist of RSUs and/or PSUs which are subject to vesting criteria. The Share-based awards value is based on the fair market value of the Share price at the time of the grant. Until and up to the financial year ended March 31, 2023, prior to completing a grant of PSUs or RSUs under the Omnibus Plan, the Board considered the annual performance for the most-recently completed financial year and took such performance into account in determining the size of such grants, which grants were made as a percentage of an NEO base salary for the most-recently completed financial year. Accordingly, grants would typically be made after the publication of the annual results for such financial year based on the VWAP per Share on the TSX during the period of five trading days immediately prior to grant. Starting with the financial year ending March 31, 2024, in order to better align with generally accepted market practice followed by the Company's peers, the Board determined that RSU and PSU grants made during any financial year will relate to an NEO's compensation for that particular year and will be made as a percentage of the NEO's base salary for such year. For the awards granted in the financial year ended March 31, 2025, the fair market value of the Shares at the time of grant was at $5.94. For the awards granted in the financial year ended March 31, 2024, the fair market value of the Shares at the time of grant was at $5.06. For the awards granted in the financial year ended March 31, 2023, the fair market value of the Shares at the time of grant was at $6.89.

(2) Represents amounts paid to Mr. Cataford under the Company's short-term incentive plan for the financial year ended March 31, 2023, and the one-time bonus of $750,000 paid to Mr. Cataford in recognition for his outstanding performance during the year and the work achieved on several key projects.

(3) Mr. Tremblay was appointed as CFO of the Company on July 4, 2022, effective September 12, 2022. Mr. Tremblay did not earn any remuneration from the Company prior to September 12, 2022. Upon joining the Company, Mr. Tremblay was granted 125,000 RSUs with a value of $576,250.

(Expressed in Canadian dollars, except where otherwise indicated - audited)

H. 2025 Executive Performance Metrics and Incentives (continued)

iv. Retirement Plan Contributions and Personal Benefits (continued)

Tabular Remuneration Disclosure for the Named Executive Officers — Summary Remuneration Table — Non-Statutory (continued)

Outstanding Share-Based Awards and Option-Based Awards

The following table sets out the outstanding option-based and share-based awards for NEOs as at March 31, 2025, the end of the Company's most recently completed financial year.

Name and Principal Position	Option-Based Awards				Share-Based Awards[1]		
	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price ($)	Option Expiration Date (M/D/Y)	Value of Unexercised In-the-Money Options ($)	Number of Shares or Units of Shares that Have not Vested (#)	Market or Payout Value of Share-Based Awards that Have not Vested ($)	Market or Payout Value of Vested Share-Based Awards not Paid Out or Distributed ($)
David Cataford CEO	—	—	—	—	1,308,582	5,744,675	742,104
Donald Tremblay CFO	—	—	—	—	332,946	1,461,633	496,793
Alexandre Belleau COO	—	—	—	—	504,838	2,216,241	266,795
Steve Boucratie Senior Vice-President, General Counsel and Corporate Secretary	—	—	—	—	376,559	1,653,095	211,151
Michael Marcotte Senior Vice-President, Corporate Development and Capital Markets	—	—	—	—	328,153	1,440,590	178,397

Note:

(1) Share-based awards consist of RSUs and PSUs and are settled in Shares or cash in accordance with the Company's Omnibus Plan, and include RSUs and PSUs issued as dividend equivalents. RSUs vest over a specific period of time while PSUs vest over a predetermined period of time upon meeting predetermined performance criteria. For more information regarding RSU and PSU vesting, please see the Omnibus Plan Awards. The market or payout value is based on the TSX market closing price of the Shares on March 31, 2025, being $4.39.

Omnibus Plan Awards — Value Vested or Earned During the Financial Year Ended March 31, 2025

The following table discloses incentive plan awards, including annual incentive bonuses and contracted milestone bonuses, vested or awarded during the financial year ended March 31, 2025:

Name	Value Vested During the Year ($)[1]		Value Earned During the Year ($)
	Option-Based Awards	Share-Based Awards	Non-Equity Incentive Plan Compensation
David Cataford	—	2,345,984	1,390,294
Donald Tremblay	—	351,245	491,568
Alexandre Belleau	—	820,328	589,882
Steve Boucratie	—	731,395	500,368
Michael Marcotte	—	443,553	417,088

Note:

(1) Option-based awards value vested during the year is the difference between the market price of the underlying securities at vesting date and the exercise price of the options under the option-based award. Share-based award value vested during the year is calculated using the Company's VWAP of the Shares on the TSX during the period of five trading days immediately prior to the vesting date. Share-based awards consisted of RSUs and PSUs (including the portion of the Phase II PSUs related to the achievement of the last milestone (achievement of nameplate capacity)) and include RSUs and PSUs issued as dividend equivalents.

(Expressed in Canadian dollars, except where otherwise indicated - audited)

H. 2025 Executive Performance Metrics and Incentives (continued)

iv. Retirement Plan Contributions and Personal Benefits (continued)

Senior Executives Securities Ownership Policy

In January 2024, Champion implemented the Securities Ownership Policy, which replaced the prior share and share-based ownership policy, of the Company that only applied to non-executive directors. The Securities Ownership Policy implemented share and share-based ownership requirements for the senior executives of Champion and its subsidiaries ("Senior Executives") and non-executive directors of Champion, and is designed to align the interests of those subject to the policy with the long-term interests of Shareholders.

Pursuant to the Securities Ownership Policy, the executive Chairman and the CEO of Champion are each required to hold an aggregate number of Shares, vested and unvested RSUs, and a portion (only 65%) of vested and unvested PSUs (for purposes of this section, collectively, "Champion Equity") having an aggregate value of at least three times their annual base salary, and the CFO, the COO and the senior vice presidents of Champion are each required to hold an aggregate number of Champion Equity having an aggregate value of at least two times their annual base salary. The required level of ownership of Champion Equity held by Senior Executives is referred to as the "Relevant Threshold". Ownership requirements must be achieved by January 30, 2029, or within five years of the date of appointment as a Senior Executive, whichever occurs later. If a Senior Executive's base salary increases, such Senior Executive shall meet the required level of ownership of the Securities Ownership Policy taking into account such increased salary within five years of the increase occurring.

Once the value of the Champion Equity held by a Senior Executive exceeds the Relevant Threshold, calculated as the greater of either the aggregate acquisition value for the Champion Equity held by the Senior Executive or the fair market value of the Champion Equity held by the Senior Executive at the relevant time (in each case with only 65% of PSUs held being taken into account), such individual is deemed to meet the applicable ownership guideline. A Senior Executive who has achieved the necessary ownership level will be deemed to meet the applicable ownership guideline on an ongoing basis as long as such Senior Executive does not dispose of Shares which would cause such individual to no longer meet the Relevant Threshold immediately following such disposition based on the Champion Equity then held or deemed to be held by such individual. In developing the Securities Ownership Policy, the Board, with the advice of Meridian, determined that, given the heavier weighting of PSUs in the Champion's LTI program compared to market standards, a portion of the PSUs held by Senior Executives would be taken into account for purposes of the Securities Ownership Policy, provided that PSUs would only be accounted for assuming vesting at the threshold level (i.e., 65% of the PSUs).

Where the value of the Champion Equity held by a Senior Executive is below the applicable requirement, the Senior Executive is required to use 50% of the after-tax proceeds from any cash settlement of his or her RSUs or PSUs to purchase Shares on-market.

As of the date of this Remuneration Report, all NEOs have met the minimum securities ownership requirements. Without considering the PSUs that are taken into account for purposes of the Securities Ownership Policy (being 65% of the PSUs held at the relevant time, as explained above), all NEOs would still meet the minimum securities ownership requirements. The table below sets out, for each NEO, his security ownership requirements, whether he satisfied such requirements and his ownership of Champion Equity for purposes of the Securities Ownership Policy, in each case as of the end of the financial year ended March 31, 2025:

Name	Total Number of Securities Owned	Total Value of Champion Equity[1]	Value Required to meet Guidelines	Latest Date to Comply	Satisfies Requirements	Ownership as Multiple of Annual Base Salary	Total Value of Shares and RSUs[1]
David Cataford	2,459,284 Shares 591,050 RSUs 576,274 PSUs[2]	$15,920,811	3x Base Salary	January 30, 2029	Yes	13.7x Base Salary	$13,390,966 11.5x Base Salary
Donald Tremblay	38,000 Shares 260,429 RSUs 120,693 PSUs[2]	$2,166,179	2x Base Salary	January 30, 2029	Yes	3.8x Base Salary	$1,506,072 2.6x Base Salary
Alexandre Belleau	311,197 Shares 226,245 RSUs 220,589 PSUs[2]	$3,885,650	2x Base Salary	January 30, 2029	Yes	5.7x Base Salary	$2,621,220 3.8x Base Salary
Steve Boucratie	158,997 Shares 169,864 RSUs 165,616 PSUs[2]	$2,697,913	2x Base Salary	January 30, 2029	Yes	4.7x Base Salary	$1,739,985 3.0x Base Salary
Michael Marcotte	249,517 Shares 147,516 RSUs 143,828 PSUs[2]	$2,771,108	2x Base Salary	January 30, 2029	Yes	5.1x Base Salary	$1,943,805 3.6x Base Salary

Notes:

(1) Calculated as the greater of (i) the aggregate acquisition value of the Champion Equities held by the Senior Executive, being the acquisition cost of all Shares held by the Senior Executive and the sum of the "market price" at the time of grant of each PSUs and RSUs held by the Senior Executive, and (ii) the aggregate market value of the Champion Equities held by the Senior Executive, calculated based on the closing market price of the Company's Shares on the TSX of $4.39 on March 31, 2025.

(2) Represents the PSUs that are taken into account for purposes of the Securities Ownership Policy (being 65% of the PSUs held at the relevant time).

H. 2025 Executive Performance Metrics and Incentives (continued)

iv. Retirement Plan Contributions and Personal Benefits (continued)

Agreements with Named Executive Officers (NEOs)

The Company has written employment agreements with its NEOs. These contracts, which are governed by the laws of the Province of Québec, provide for the payment and provision of other benefits triggered by a termination without cause. Employment laws applicable in the Province of Québec require the Company to provide employees, in the case of termination other than for cause, reasonable notice or pay in lieu thereof, and such reasonable notice period which, in the case of the NEOs, would reasonably be expected to exceed 12 months in each case. The cash amount in lieu of reasonable notice provided for in the employment agreements entered into between the Company and each of the NEOs are generally aligned with the severance benefits that an executive working in similar circumstances would have been entitled to pursuant to applicable Province of Québec case law had such executive been terminated without cause without the benefit of a written employment agreement. The Board believes that providing such severance entitlements is necessary in order to provide NEOs with entitlements that are reflective of generally accepted market practices of the region in which the Company operates and that would not reasonably be expected to be below the minimum applicable notice period required under employment laws applicable in the Province of Québec in light of the applicable case law. In addition, the employment agreement of each NEO provides for the acceleration of vesting (as if vesting occurred at 100%) of incentive awards in the event a change of control occurs during the term of their employment, as described in the section "*Executive Employment Agreements – Change of Control*" on page 101 of this report.

<u>David Cataford — CEO</u>

Mr. Cataford was appointed CEO of the Company on April 1, 2019. Mr. Cataford had been Champion's COO since March 20, 2017. Mr. Cataford and Champion entered into an employment agreement under which Mr. Cataford is entitled to participate in all elements of the executive remuneration program as well as any group insurance or health benefit plans the Company establishes.

Mr. Cataford's employment agreement includes termination remuneration and benefit scenarios. Under the terms of Mr. Cataford's employment agreement, no remuneration other than remuneration earned prior to the date of termination is payable by the Company in the event the employment agreement is terminated for just cause, voluntarily terminated or terminated due to death.

The Company may terminate the employment agreement at any time without cause by providing 60 days' notice, pay in lieu of notice or a combination of notice or pay in lieu thereof which covers the 60 days' notice period. In such scenario, the Company would pay to Mr. Cataford a lump sum severance payment equal to (i) an indemnity in lieu of reasonable notice equal to 24 months of Mr. Cataford's then current annual base salary, (ii) an indemnity for loss of STIP bonus calculated by taking an average of the annual STIP bonuses paid to Mr. Cataford in the three years immediately preceding the date of termination, dividing by 12 and multiplying by 24, (iii) an indemnity for loss of pension plan contributions of Mr. Cataford's then current annual base salary divided by 12 and multiplied by 24, and (iv) an indemnity for the loss of the annual car allowance and financial advice allowance on a 24-month period. In addition, the Company will be required to maintain Mr. Cataford's participation in the same group insurance and/or health benefit plans as those he was entitled or participating immediately prior to termination (except for disability insurance) for a period of 24 months, and all unvested stock options, RSUs or PSUs held by Mr. Cataford that would have otherwise vested during the 24 months following termination had Mr. Cataford remained employed will immediately vest (as if vesting occurred at 100%), become exercisable and payable. Stock options, RSUs and PSUs held by Mr. Cataford that did not otherwise become vested, exercisable and payable in accordance with such provisions will vest and become exercisable and payable up to an amount equivalent to Mr. Cataford's 12-month base salary as calculated in accordance with the Corporations Act. If Mr. Cataford resigns due to an event that constitutes constructive dismissal under common law and constructive dismissal did in fact exist at the time of Mr. Cataford's resignation, the Company will be required to pay severance equal to that which would have been payable had Mr. Cataford been terminated without cause.

<u>Donald Tremblay — CFO</u>

Mr. Tremblay was appointed as CFO of the Company on July 4, 2022, effective September 12, 2022. In 2022, Mr. Tremblay and Champion entered into an employment agreement under which Mr. Tremblay is entitled to participate in all elements of the executive remuneration program as well as any group insurance or health benefit plans the Company establishes.

Mr. Tremblay's employment agreement includes termination remuneration and benefit scenarios. Under the terms of the employment agreement, no remuneration other than remuneration earned prior to the date of termination is payable by the Company in the event the employment agreement is terminated for just cause, voluntarily terminated or terminated due to death.

H. 2025 Executive Performance Metrics and Incentives (continued)

iv. Retirement Plan Contributions and Personal Benefits (continued)

Agreements with Named Executive Officers (NEOs) (continued)

Donald Tremblay — CFO (continued)

The Company may terminate the employment agreement at any time without cause by providing 60 days' notice, pay in lieu of notice or a combination of notice or pay in lieu thereof which covers the 60 days' notice period. In such scenario, the Company would pay to Mr. Tremblay a lump sum severance payment equal to (i) an indemnity in lieu of reasonable notice equal to 18 months of Mr. Tremblay's then current annual base salary, (ii) an indemnity for loss of STIP bonus calculated by taking an average of the annual STIP bonuses paid to Mr. Tremblay in the three years immediately preceding the date of termination, dividing by 12 and multiplying by 18 (if at the date of termination, Mr. Tremblay had not completed three years of employment with the Company, the indemnity for loss of STIP bonus shall be based on the STIP bonus paid to Mr. Tremblay in the year prior to the date of termination, divided by 12 and multiplied by 18), (iii) an indemnity for loss of pension plan contributions of Mr. Tremblay's then current annual base salary divided by 12 and multiplied by 18, and (iv) an indemnity for the loss of the annual car allowance and financial advice allowance on an 18-month period. In addition, the Company will be required to maintain Mr. Tremblay's participation in the same group insurance and/or health benefit plans as those he was entitled or participating immediately prior to termination (except for disability insurance) for a period of 18 months, and all unvested stock options, RSUs or PSUs held by Mr. Tremblay that would have otherwise vested during the 18 months following termination had Mr. Tremblay remained employed will immediately vest (as if vesting occurred at 100%), become exercisable and payable. Stock options, RSUs and PSUs held by Mr. Tremblay that did not otherwise become vested, exercisable and payable in accordance with such provisions will vest and become exercisable and payable up to an amount equivalent to Mr. Tremblay's 12-month base salary as calculated in accordance with the Corporations Act. If Mr. Tremblay resigns due to an event that constitutes constructive dismissal under common law and constructive dismissal did in fact exist at the time of Mr. Tremblay's resignation, the Company will be required to pay severance equal to that which would have been payable had Mr. Tremblay been terminated without cause.

Alexandre Belleau — COO

Mr. Belleau was appointed COO of the Company on July 22, 2020. Mr. Belleau and Champion entered into an employment agreement under which Mr. Belleau is entitled to participate in all elements of the executive remuneration program as well as any group insurance or health benefit plans the Company establishes.

Mr. Belleau's employment agreement includes termination remuneration and benefit scenarios. Under the terms of the employment agreement, no remuneration other than remuneration earned prior to the date of termination is payable by the Company in the event the employment agreement is terminated for just cause, voluntarily terminated or terminated due to death.

The Company may terminate the employment agreement at any time without cause by providing 60 days' notice, pay in lieu of notice or a combination of notice or pay in lieu thereof which covers the 60 days' notice period. In such scenario, the Company would pay to Mr. Belleau a lump sum severance payment equal to (i) an indemnity in lieu of reasonable notice equal to 18 months of Mr. Belleau's then current annual base salary, (ii) an indemnity for loss of STIP bonus calculated by taking an average of the annual STIP bonuses paid to Mr. Belleau in the three years immediately preceding the date of termination, dividing by 12 and multiplying by 18, (iii) an indemnity for loss of pension plan contributions of Mr. Belleau's then current annual base salary divided by 12 and multiplied by 18, and (iv) an indemnity for the loss of the annual car allowance and financial advice allowance on an 18-month period. In addition, the Company will be required to maintain Mr. Belleau's participation in the same group insurance and/or health benefit plans as those he was entitled or participating immediately prior to termination (except for disability insurance) for a period of 18 months, and all unvested stock options, RSUs or PSUs held by Mr. Belleau that would have otherwise vested during the 18 months following termination had Mr. Belleau remained employed will immediately vest (as if vesting occurred at 100%), become exercisable and payable. Stock options, RSUs and PSUs held by Mr. Belleau that did not otherwise become vested, exercisable and payable in accordance with such provisions will vest and become exercisable and payable up to an amount equivalent to Mr. Belleau's 12-month base salary as calculated in accordance with the Corporations Act. If Mr. Belleau resigns due to an event that constitutes constructive dismissal under common law and constructive dismissal did in fact exist at the time of Mr. Belleau's resignation, the Company will be required to pay severance equal to that which would have been payable had Mr. Belleau been terminated without cause.

H. 2025 Executive Performance Metrics and Incentives (continued)

iv. Retirement Plan Contributions and Personal Benefits (continued)

Agreements with Named Executive Officers (NEOs) (continued)

Steve Boucratie — Senior Vice-President, General Counsel and Corporate Secretary

Mr. Boucratie was appointed Vice-President, General Counsel and Corporate Secretary of the Company on May 20, 2019. On September 9, 2021, Mr. Boucratie was promoted to Senior Vice-President, General Counsel and Corporate Secretary. Mr. Boucratie and Champion entered into an employment agreement under which Mr. Boucratie is entitled to participate in all elements of the executive remuneration program as well as any group insurance or health benefit plans the Company establishes.

Mr. Boucratie's employment agreement includes termination remuneration and benefit scenarios. Under the terms of the employment agreement, no remuneration other than remuneration earned prior to the date of termination is payable by the Company in the event the employment agreement is terminated for just cause, voluntarily terminated or terminated due to death. The Company may terminate the employment agreement at any time without cause by providing 60 days' notice, pay in lieu of notice or a combination of notice or pay in lieu thereof which covers the 60 days' notice period. In such scenario, the Company would pay to Mr. Boucratie a lump sum severance payment equal to (i) an indemnity in lieu of reasonable notice equal to 18 months of Mr. Boucratie's then current annual base salary, (ii) an indemnity for loss of STIP bonus calculated by taking an average of the annual STIP bonuses paid to Mr. Boucratie in the three years immediately preceding the date of termination, dividing by 12 and multiplying by 18, (iii) an indemnity for loss of pension plan contributions of Mr. Boucratie's then current annual base salary divided by 12 and multiplied by 18, and (iv) an indemnity for the loss of the annual car allowance and financial advice allowance on an 18-month period. In addition, the Company will be required to maintain Mr. Boucratie's participation in the same group insurance and/or health benefit plans as those he was entitled or participating immediately prior to termination (except for disability insurance) for a period of 18 months, and all unvested stock options, RSUs or PSUs held by Mr. Boucratie that would have otherwise vested during the 18 months following termination had Mr. Boucratie remained employed will immediately vest (as if vesting occurred at 100%), become exercisable and payable. Stock options, RSUs and PSUs held by Mr. Boucratie that did not otherwise become vested, exercisable and payable in accordance with such provisions will vest and become exercisable and payable up to an amount equivalent to Mr. Boucratie's 12-month base salary as calculated in accordance with the Corporations Act. If Mr. Boucratie resigns due to an event that constitutes constructive dismissal under common law and constructive dismissal did in fact exist at the time of Mr. Boucratie's resignation, the Company will be required to pay severance equal to that which would have been payable had Mr. Boucratie been terminated without cause.

Michael Marcotte — Senior Vice-President, Corporate Development and Capital Markets

Mr. Marcotte was appointed Vice-President, Investor Relations of the Company on January 10, 2019. On September 9, 2021, Mr. Marcotte was promoted to Senior Vice-President, Corporate Development and Capital Markets. Mr. Marcotte and Champion entered into an employment agreement under which Mr. Marcotte is entitled to participate in all elements of the executive remuneration program as well as any group insurance or health benefit plans the Company establishes.

Mr. Marcotte's employment agreement includes termination remuneration and benefit scenarios. Under the terms of the employment agreement, no remuneration other than remuneration earned prior to the date of termination is payable by the Company in the event the employment agreement is terminated for just cause, voluntarily terminated or terminated due to death.

The Company may terminate the employment agreement at any time without cause by providing 60 days' notice, pay in lieu of notice or a combination of notice or pay in lieu thereof which covers the 60 days' notice period. In such scenario, the Company would pay to Mr. Marcotte a lump sum severance payment equal to (i) an indemnity in lieu of reasonable notice equal to 18 months of Mr. Marcotte's then current annual base salary, (ii) an indemnity for loss of STIP bonus calculated by taking an average of the annual STIP bonuses paid to Mr. Marcotte in the three years immediately preceding the date of termination, dividing by 12 and multiplying by 18, (iii) an indemnity for loss of pension plan contributions of Mr. Marcotte's then current annual base salary divided by 12 and multiplied by 18, and (iv) an indemnity for the loss of the annual car allowance and financial advice allowance on an 18-month period. In addition, the Company will be required to maintain Mr. Marcotte's participation in the same group insurance and/or health benefit plans as those he was entitled or participating immediately prior to termination (except for disability insurance) for a period of 18 months, and all unvested stock options, RSUs or PSUs held by Mr. Marcotte that would have otherwise vested during the 18 months following termination had Mr. Marcotte remained employed will immediately vest (as if vesting occurred at 100%), become exercisable and payable. Stock options, RSUs and PSUs held by Mr. Marcotte that did not otherwise become vested, exercisable and payable in accordance with such provisions will vest and become exercisable and payable up to an amount equivalent to Mr. Marcotte's 12-month base salary as calculated in accordance with the Corporations Act. If Mr. Marcotte resigns due to an event that constitutes constructive dismissal under common law and constructive dismissal did in fact exist at the time of Mr. Marcotte's resignation, the Company will be required to pay severance equal to that which would have been payable had Mr. Marcotte been terminated without cause.

(Expressed in Canadian dollars, except where otherwise indicated - audited)

H. 2025 Executive Performance Metrics and Incentives (continued)

iv. Retirement Plan Contributions and Personal Benefits (continued)

Agreements with Named Executive Officers (NEOs) (continued)

Executive Employment Agreements — Change of Control

The employment agreements entered into between the Company and each of the NEOs further provides that in the event a change of control (as such term is defined in the agreement) occurs during their respective term of employment (that does not involve a transfer of the whole or any part of the undertaking or property of the Company), all of their respective unvested stock options, RSUs and PSUs will immediately vest (as if vesting occurred at 100%) and become exercisable.

Executive Employment Agreements — Non-Competition, Non-Solicitation and Confidentiality Restrictions

NEOs gain strategic business knowledge during their employment. Champion ensures that this information is not used to the detriment of the Company by any executive following termination. To protect the Company's interests, the employment agreements entered into between Champion and its NEOs include customary non-competition and non-solicitation covenants applicable during the term of the agreements and for a period of twelve months following the end of employment, together with customary confidentiality clauses.

The following table sets forth the estimated incremental value that would become payable to each NEO in the event of employment termination by the Company without cause (including following a change of control) or in the event of a change of control of the Company, in each case as if the triggering event (change of control or termination without cause) had occurred on March 31, 2025.

Name and Principal Position	Termination Without Cause[1] ($)	Termination Without Cause Following Change of Control[2] ($)	Change of Control[3] ($)
David Cataford CEO	10,122,522	10,775,006	5,744,675
Donald Tremblay CFO	3,105,352	3,105,352	1,461,633
Alexandre Belleau COO	4,094,948	4,157,329	2,216,241
Steve Boucratie Senior Vice-President, General Counsel and Corporate Secretary	3,268,499	3,268,499	1,653,095
Michael Marcotte Senior Vice-President, Corporate Development and Capital Markets	2,908,845	2,908,845	1,440,590

Notes:

(1) Amounts represent the value of the severance entitlements described under "*Agreements with Named Executive Officers (NEOs)*" above, and include the incremental value of the unvested stock options, RSUs or PSUs held by the NEO that would have otherwise vested during the severance period had the NEO remained employed that will immediately vest (as if vesting occurred at 100%) and become exercisable upon termination without cause (based on the TSX market closing price of the Shares on March 31, 2025 of $4.39). Amounts do not include the value of vested in-the-money options and vested and undelivered RSUs.

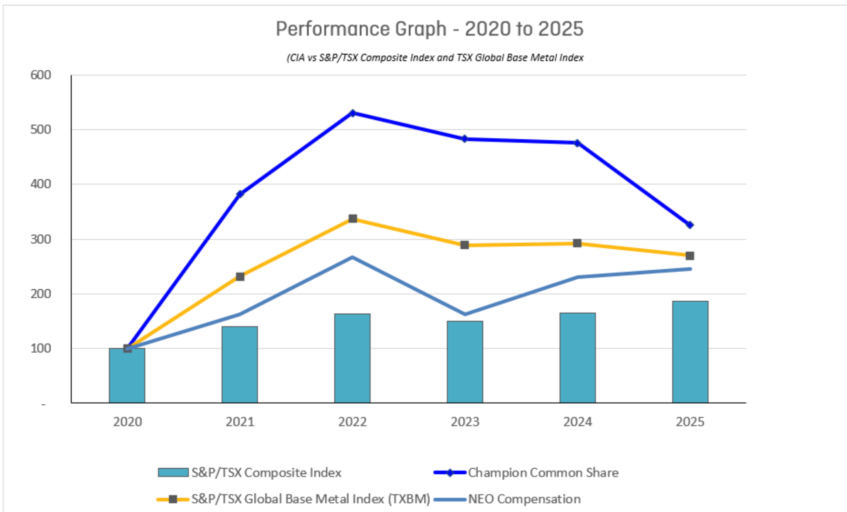
(2) Amounts represent the aggregate of (i) the incremental value of unvested stock options, RSUs and PSUs which will immediately vest (as if vesting occurred at 100%) and become exercisable upon a change of control of the Company (based on the TSX market closing price of the Shares on March 31, 2025 of $4.39), and (ii) the value of the severance entitlements described under "*Agreements with Named Executive Officers (NEOs)*" above (without duplication with respect to unvested stock options, RSU and PSUs which would have immediately vested and become exercisable upon the change of control). Amounts do not include the value of vested in-the-money options and vested and undelivered RSUs.

(3) Amounts represent the incremental value of unvested stock options, RSUs and PSUs which will immediately vest (as if vesting occurred at 100%) and become exercisable upon a change of control of the Company (based on the TSX market closing price of the Shares on March 31, 2025 of $4.39).

I. Performance

i. Performance Graph

The following graph and table is a reporting requirement under Canadian securities laws, and compares the Company's five-year cumulative total Shareholder return had $100 been invested in the Company on the first day of the five-year period at the closing price of the Shares on that date (April 1, 2020), with the cumulative total return of the S&P/TSX Composite Index and the S&P/TSX Global Mining Index over the five most recently completed financial years ended on March 31.



ii. Performance Metrics

From April 1, 2020 to March 31, 2025, the share price of the Company increased by 225% compared to an increase of 86% and 170% in the S&P/TSX Composite and in the S&P/TSX Global base Metal Index, respectively, during the corresponding five-year period. During the same period, the aggregate remuneration of all individuals acting as NEOs increased by 145%, from a base of $6,074,000 in 2020 to $14,871,000 in 2025. When comparing the increase in aggregate remuneration for the four NEOs in 2020 (on a full-year basis) to the aggregate remuneration of the four highest compensated NEOs in 2025, this represents an increase of 122% over the period. The Board believes the compensation during those years matched the Company's strong performance and was in line with its peers.

Accordingly, the Company's Share price has significantly outperformed its peers since April 1, 2020, while also outpacing the growth in NEO remuneration. The Board is of the view that this has been driven by:

- management's advancement of the Bloom Lake Mine through several stages, including acquisition, evaluation, financing, restart of operation and production ramp-up of the Phase I project, the planning and construction of the Phase II expansion throughout volatile macroeconomic environments and within budgeted constraints;
- achievement of commercial production of the Phase II concentrator in December 2022, and nameplate capacity in April 2023;
- the operational and financial performance generated by the Bloom Lake Mine since it went into production in 2018;
- achieving record production to capture elevated Fe prices and generate record EBITDA during the COVID-19 pandemic while progressing the construction of the Phase II expansion aiming at doubling the Bloom Lake iron mine's production;
- the acquisition of several properties in the Labrador Trough, including the Kami Project and the Lac Lamêlée project, and agreements entered into with respect to the acquisition of the Pointe-Noire Pellet Plant;
- the entering into a partnership agreement with Nippon and Sojitz for the development of the Kami Project;
- the Company's vision to align with the steel industry green steel transition and innovation leading to the proposed conversion of half of Bloom Lake's nameplate capacity to an industry leading DR pellet feed iron ore at up to 69% Fe, which is expected to result in significant emission reductions across the steelmaking supply chain and, most recently, the obtention of the Board's final investment decision with respect to the DRPF project;
- diligent management of the Company's financial position while deploying growth projects and implementing a Shareholder return strategy; and
- sustainable management, including the filing in recent years of sustainability reports which incorporate industry best practice disclosure frameworks as well as the fact that there have been no significant environmental issues since the recommissioning of Bloom Lake in 2018.

I. Performance (continued)

ii. Performance Metrics (continued)

As previously indicated, the majority of NEO remuneration is subject to KPIs ("at risk"), as STI (bonus) and LTI remuneration are tied directly or indirectly to Company performance and relative and/or absolute Shareholder returns (including performance of the Company's Share price relative to a peer group, with a view to ensure that executives are motivated to deliver returns that are superior to what a Shareholder could achieve in the broader market). As a consequence, actual NEO remuneration will increase with the outperformance of the Company's Share price compared to industry peers, but conversely decrease in the face of an underperforming share price. The Board believes this is the ultimate test of the "pay-for-performance" principle and true alignment of NEO remuneration with Shareholder returns.

J. Director Remuneration

i. Remuneration Philosophy and Approach

The remuneration arrangements for non-executive directors are intended to attract highly qualified individuals with the capability to meet the challenging oversight responsibilities of a mining company and to closely align the interests of non-executive directors with Shareholder interests. Since the introduction of the Omnibus Plan, non-executive directors may receive equity-based remuneration in the form of DSU grants in lieu of the whole or part of their annual compensation. See "*Remuneration Arrangements for Non-Executive Directors*" below for details on the Omnibus Plan.

The Remuneration, People and Governance Committee reviews director compensation periodically and makes remuneration recommendations to the Board for its consideration and approval. Recommendations take into consideration the directors' skills, time commitment, duties and responsibilities, and director remuneration practices and levels at comparable companies.

ii. Remuneration Arrangements for Non-Executive Directors

In conjunction with the review of executive compensation conducted for the financial year ended March 31, 2025, the Remuneration, People and Governance Committee of the Board engaged Meridian to provide an independent, third-party analysis of the Company's director compensation levels and practices. Meridian's analysis included a thorough review of market practices compared to the Company's industry peers. Their findings indicated that Champion's director compensation was below the median of its peer group. Consequently, the recommended changes were intended to bring Champion's director compensation closer to the median of its peers, ensuring competitive remuneration that aligns with market standards.

The Board approved the following changes to the remuneration of Non-Executive Directors:

- Increase of $50,000 (from $200,000 to $250,000) in the annual cash retainer; and
- Increase of $20,000 (from $20,000 to $40,000) in the cash retainer for the Chair of the Sustainability and Indigenous Affairs Committee.

Based on the findings and recommendations of the analysis from Meridian, the Board set the following non-executive director remuneration framework starting April, 2024:

- annual cash retainer of $250,000 for non-executive directors;
- cash retainer of $60,000 for lead director;
- cash retainer of $40,000 for each of the Chair of Audit Committee, the Chair of Remuneration, People and Governance Committee and the Chair of Sustainability and Indigenous Affairs Committee;
- no retainer for Committee members;
- no additional fees are paid for attendance at Board or committee meetings; and
- directors have all reasonable expenses covered when travelling on Company business.

In addition to the changes to the Non-Executive Directors remuneration outlined above, the Board approved an amendment to the Securities Ownership Policy to introduce a new requirement which would require non-executive directors to take at least one third of their remuneration in DSUs once they have satisfied the base share ownership threshold. See section "*Non-Executive Directors — Securities Ownership Policy*" on pages 104-105 of this report.

J. Director Remuneration (continued)

ii. Remuneration Arrangements for Non-Executive Directors (continued)

At the 2021 annual meeting of Shareholders of the Company, Shareholders approved, for the purpose of ASX Listing Rule 10.17, Clause 10.2 of the Company's constitution and for all other purposes, that the total aggregate amount available for the remuneration of non-executive directors be increased by $750,000 from $1.0 million per year to $1.75 million per year. The total aggregate amount available per year has not been increased since, and the total aggregate amount of non-executive directors' fees payable to all non-executive directors has not exceeded the total aggregate amount available in any year. See the table in the section "*Fees Paid*" on page 106 of this report.

Directors may elect to receive all or a portion of any of their annual fees in DSUs granted under the Omnibus Plan. The purpose of the DSU portion of the Omnibus Plan is to promote the alignment of interests between directors and Shareholders and it is an important component of non-executive director remuneration because it:

- provides a remuneration system for directors that is reflective of the responsibility, commitment and risk accompanying Board membership;
- assists the Company to attract and retain individuals with experience and ability to serve as members of the Board; and
- allows the directors to participate in the long-term success of the Company.

With respect to directors having the ability to elect to receive all or a portion of any of their annual fees in DSUs, the Securities Ownership Policy provides that, where the value of the Champion Equity held by a non-executive director is below the applicable requirement, such non-executive director will be required to receive 50% of his or her annual cash retainer in the form of DSUs until he or she meets the applicable requirement. Once the applicable requirement is met, non-executive directors are required to receive at least one third of his or her annual cash retainer in the form of DSUs. See "*Non-Executive Directors — Securities Ownership Policy*" on pages 104-105 of this report. DSUs are priced based on the five-day VWAP of the Shares over the last five trading days preceding the grant. DSUs issued under the Omnibus Plan may be settled in cash or in Shares acquired on ASX or TSX at the time of the directors' retirement from all positions with the Company.

Mr. O'Keeffe and Mr. Cataford held management positions in the financial year ended March 31, 2025, and consequently did not receive compensation for their service as directors. In addition, Mr. Jyothish George has elected not to receive compensation and, as such, is not considered a Compensated Director (as defined herein).

iii. Non-Executive Directors — Securities Ownership Policy

The Securities Ownership Policy, which was implemented in January 2024 and replaced the prior share and share-based ownership requirements that applied to non-executive directors, sets out the securities ownership requirements for the non-executive directors of Champion who are compensated in their capacity as a director of Champion (collectively the "Compensated Directors"). The Securities Ownership Policy, which also applies to Senior Executives, is designed to align the interests of those subject to the policy with the long-term interests of Shareholders.

Pursuant to the Securities Ownership Policy, each Compensated Director is required to hold Champion Equity having an aggregate value of at least three times the gross amount of his or her annual board cash retainer. The required level of ownership of Champion Equity held by non-executive directors is referred to as the "Relevant Threshold". Ownership requirements must be achieved by January 30, 2029, or within five years of the date of appointment or election as a non-executive director, whichever occurs later. If a non-executive director's annual cash retainer increases, the non-executive director shall meet the required level of ownership of the Securities Ownership Policy taking into account such increased cash retainer within five years of the increase occurring. As Mr. Jyothish George has elected not to receive compensation, he is not considered a Compensated Director and the Securities Ownership Policy did not require Mr. George to hold securities under the Securities Ownership Policy.

Once the value of the Champion Equity held by a Compensated Director exceeds the Relevant Threshold, calculated as the greater of either the aggregate acquisition value for the Champion Equity held by the Compensated Director or the fair market value (as of the relevant date) of the Champion Equity held by the Compensated Director, such individual is deemed to meet the applicable ownership guideline. A Compensated Director who has achieved the necessary ownership level will be deemed to meet the applicable ownership guideline on an ongoing basis as long as such Compensated Director does not dispose of Shares which would cause such individual to fail to meet the Relevant Threshold immediately following such disposition based on the Champion Equity then held or deemed to be held by such individual. Since this year, once a Compensated Director achieves the Relevant Threshold, he or she is required to take at least one third of its remuneration in DSUs.

As of the date of this Remuneration Report, all Compensated Directors have met the minimum share ownership requirements, other than Ms. Louise Grondin, Ms. Jessica McDonald and Mr. Ronnie Beevor who joined the Board in August 2020, August 2023 and March 2024, respectively, and are in transition towards satisfying their minimum ownership requirements.

(Expressed in Canadian dollars, except where otherwise indicated - audited)

J. Director Remuneration (continued)

iii. Non-Executive Directors — Securities Ownership Policy (continued)

The table below sets out, for each non-executive director, his or her security ownership requirements, whether he or she satisfied such requirements and his or her ownership of Champion Equity for purposes of the Securities Ownership Policy, in each case as of the end of the financial year ended March 31, 2025:

Name	Total Number of Securities Owned		Total Value of Champion Equity[1]	Value Required to meet Guidelines	Latest Date to Comply	Satisfies Requirements
Michael O'Keeffe[2]	41,623,830	Shares	$182,728,614	3x Base Salary	January 30, 2029	Yes
Gary Lawler	1,719,725 149,867	Shares DSUs	$8,207,509	3x Cash Retainer	January 30, 2029	Yes
Jyothish George[3]	—		—	—	—	—
Michelle Cormier	456,500 129,621	Shares DSUs	$2,573,072	3x Cash Retainer	January 30, 2029	Yes
Louise Grondin	118,092	DSUs	$626,061	3x Cash Retainer	January 30, 2029	No
Jessica McDonald	47,260	DSUs	$261,518	3x Cash Retainer	January 30, 2029	No
Ronnie Beevor	60,000 46,987	Shares DSUs	$469,674	3x Cash Retainer	March 3, 2029	No

Notes:

(1) Calculated as the greater of (i) the aggregate acquisition value of the Champion Equities held by the non-executive director, being the acquisition cost of all Shares held by the non-executive director and the sum of the "market price" at the time of grant of each DSU held by the non-executive director, and (ii) the aggregate market value of the Champion Equities held by the non-executive director, calculated based on the closing market price of the Shares on the TSX of $4.39 on March 31, 2025.

(2) As Executive Chairman of the Company, Mr. O'Keeffe is required to comply with the Securities Ownership Requirements in such capacity such that requirements applicable to non-executive directors do not apply to Mr. O'Keeffe.

(3) As Mr. George has elected not to receive compensation and, he is not considered a Compensated Director and the Securities Ownership Policy did not require Mr. George to hold securities under the Securities Ownership Policy.

Director Remuneration Table — Non-Statutory

The following table discloses all compensation provided to directors, other than any director who is an NEO of the Company, for the Company's most recently completed financial year ended March 31, 2025. Amounts presented under the column entitled "*Fees Earned in DSUs*" reflect the full fair values of the awards as measured at their respective grant dates. Accordingly, the amounts presented thereunder are not reflective of the related accounting expense for the period. Refer to "*Details of Total Statutory Remuneration for KMP (NEOs and Directors)*" on pages 108-109 of this report for the statutory remuneration table as calculated with reference to the Corporations Act. Fees to Canadian resident directors are paid on a bi-weekly basis and fees to Australian resident directors are paid on a monthly basis. All DSUs were fully vested on March 31, 2025.

Name	Fees Earned in Cash ($)	Fees Earned in DSU ($)	Other Share-Based Awards ($)	Option-Based Awards ($)	All Other Compensation ($)	Total ($)
Michael O'Keeffe[1]	—	—	—	—	—	**—**
Gary Lawler	187,500	162,500	—	—	—	**350,000**
Jyothish George	—	—	—	—	—	**—**
Michelle Cormier[2]	210,000	80,000	—	—	—	**290,000**
Louise Grondin	177,500	112,500	—	—	—	**290,000**
Jessica McDonald	125,325	124,675	—	—	—	**250,000**
Ronnie Beevor	85,000	165,000	—	—	—	**250,000**

Notes:

(1) Mr. O'Keeffe was not compensated in the financial year ended March 31, 2025, for acting as a director by virtue of his employment with the Company. See the section "*Remuneration of Executive Chairman*" on page 81 of this report.

(2) Ms. Cormier was appointed to the Board in 2016 as a nominee of Wynnchurch pursuant to certain board nomination rights granted by the Company in favour of Wynnchurch in connection with a private placement of Shares completed on April 11, 2016. Following the disposition of Shares by Wynnchurch that was publicly announced by Wynnchurch on August 2, 2021, Wynnchurch is no longer entitled to nominate a candidate for election or appointment to the Board such that Ms. Cormier is no longer considered to be a director nominee of Wynnchurch.

(Expressed in Canadian dollars, except where otherwise indicated - audited)

J. Director Remuneration (continued)

iii. Non-Executive Directors — Securities Ownership Policy (continued)

Fees Paid

The following table discloses a detailed breakdown of the fees paid to directors, other than any director who is an NEO of the Company, for the Company's most recently completed financial year (ended March 31, 2025). Fees to Canadian resident directors are paid on a bi-weekly basis and fees to Australian resident directors are paid on a monthly basis. All DSUs were fully vested on March 31, 2025.

Name	Board Retainer Fee ($)	Committee Retainers ($)	Meeting Fees ($)	Total ($)	Fees Paid in Cash[1] ($)	Fees Earned in DSUs[2] ($)	Total Fees ($)
Michael O'Keeffe[3]	—	—	—	**—**	—	—	**—**
Gary Lawler	250,000	100,000[4]	—	**350,000**	187,500	162,500	**350,000**
Jyothish George	—	—	—	**—**	—	—	**—**
Michelle Cormier	250,000	40,000	—	**290,000**	210,000	80,000	**290,000**
Louise Grondin	250,000	40,000	—	**290,000**	177,500	112,500	**290,000**
Jessica McDonald	250,000	—	—	**250,000**	125,325	124,675	**250,000**
Ronnie Beevor	250,000	—	—	**250,000**	85,000	165,000	**250,000**

Notes:

(1) Portion of total fees paid to the non-executive directors in cash.

(2) Portion of the total fees paid to the non-executive directors in DSUs.

(3) Mr. O'Keeffe was not compensated in the financial year ended March 31, 2025, for acting as a director by virtue of his employment with the Company. See the section "*Remuneration of Executive Chairman*" on page 81 of this report.

(4) Represents the total retainers in the roles of chair of the Remuneration, People and Governance Committee and Lead Director.

iv. Tabular Remuneration Disclosure for the Directors

Outstanding Share-Based Awards and Option-Based Awards

As at March 31, 2025, the end of the Company's most recently completed financial year, outstanding option-and share-based awards for all directors, other than any director who is an NEO of the Company, are set out in the following table:

Name	Option-Based Awards				Share-Based Awards		
	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price ($)	Option Expiration Date (M/D/Y)	Value of Unexercised In-the-Money Options ($)	Number of Shares or Units of Shares that Have not Vested (#)	Market or Payout Value of Share-Based Awards that Have not Vested ($)	Market or Payout Value of Vested Share-Based Awards not Paid Out or Distributed ($)
Michael O'Keeffe	—	—	—	—	—	—	—
Gary Lawler	—	—	—	—	—	—	657,916
Jyothish George	—	—	—	—	—	—	—
Michelle Cormier	—	—	—	—	—	—	569,037
Louise Grondin	—	—	—	—	—	—	518,422
Jessica McDonald	—	—	—	—	—	—	207,469
Ronnie Beevor	—	—	—	—	—	—	206,274

Note:

Calculated based on the TSX market closing price of the Shares on March 31, 2025 of $4.39.

(Expressed in Canadian dollars, except where otherwise indicated - audited)

J. Director Remuneration (continued)

iv. Tabular Remuneration Disclosure for the Directors (continued)

Incentive Plan Awards — Value Vested or Earned During the Year

The following table discloses incentive plan awards to directors, other than any director who is an NEO of the Company, for the financial year ended March 31, 2025. Except for Mr. O'Keeffe, all of the share-based awards vested during the year which are referred to in the following table represent DSUs which directors elected to receive in lieu of annual fees paid in cash.

Name	Option-Based Awards Value Vested During the Year ($)	Share-Based Awards Value Vested During the Year [1] ($)	Non-Equity Incentive Plan Compensation Value Earned During the Year ($)
Michael O'Keeffe	—	—	—
Gary Lawler	—	167,307	—
Jyothish George	—	—	—
Michelle Cormier	—	122,069	—
Louise Grondin	—	117,696	—
Jessica McDonald	—	120,336	—
Ronnie Beevor	—	155,938	—

Note:

(1) With respect to Mr. Lawler, Ms. Cormier, Ms. Grondin, Ms. McDonald and Mr. Beevor, share-based awards value vested during the year also includes DSUs related to the 2026 financial year issued in March 2025 in the amount of $82,708, $70,503, $58,751, $66,438 and $85,069, respectively, and, where applicable, includes DSUs issued as dividend equivalents, calculated in each case based on the TSX market closing price of the Shares on March 31, 2025 of $4.39.

(Expressed in Canadian dollars, except where otherwise indicated - audited)

K. Details of Total Statutory Remuneration for KMP (NEOs and Directors)

The following table discloses statutory remuneration for KMPs as calculated with reference to the Corporations Act, Australian Accounting Standards and International Financial Reporting Standards, and reflects for share-based and option-based awards, the related accounting expense for the current financial year. Accordingly, amounts disclosed in this section are different than amounts disclosed under the heading "*Tabular Remuneration Disclosure for the Named Executive Officers — Summary Remuneration Table — Non-Statutory*" on pages 95-96 of this report, which are disclosed in accordance with Canadian securities laws (which require, among other things, to include the full fair values of share-based and option-based awards as measured at their respective grant dates).

Financial Year Ended March 31, 2025	Short-Term ($)				Termi-nation Payments ($)	Pension ($)	Options and Share-Based Awards[1] ($)	DSUs[2] ($)	Total ($)	Perfor-mance Related	Consisting of Options
	Salary	Con-sulting Fees	Bonus	Non-Monetary							
Michael O'Keeffe	800,000	—	—	—	—	—	—	—	800,000	— %	— %
Gary Lawler	187,500	—	—	—	—	—	—	(59,557)	127,943	— %	— %
Michelle Cormier[3]	210,000	—	—	—	—	—	—	(84,616)	125,384	— %	— %
Jyothish George	—	—	—	—	—	—	—	—	—	— %	— %
Louise Grondin	177,500	—	—	—	—	—	—	(67,606)	109,894	— %	— %
Jessica McDonald	125,325	—	—	—	—	—	—	80,044	205,369	— %	— %
Ronnie Beevor	85,000	—	—	—	—	—	—	132,662	217,662	— %	— %
David Cataford	1,160,320	—	1,390,294	69,049	—	274,524	1,707,824	—	4,602,011	30.21 %	37.11 %
Donald Tremblay	569,800	—	491,568	73,035	—	118,064	322,682	—	1,575,149	31.21 %	20.49 %
Alexandre Belleau	683,760	—	589,882	72,953	—	140,416	681,064	—	2,168,075	27.21 %	31.41 %
Steve Boucratie	580,000	—	500,368	75,634	—	120,596	513,517	—	1,790,115	27.95 %	28.69 %
Michael Marcotte	543,900	—	417,088	72,953	—	107,509	401,281	—	1,542,731	27.04 %	26.01 %
Total	**5,123,105**	**—**	**3,389,200**	**363,624**	**—**	**761,109**	**3,626,368**	**927**	**13,264,333**		

Notes:

(1) Represents PSUs and RSUs granted under the Omnibus Plan. No stock options were granted to KMPs during the financial year ended March 31, 2025.

(2) Represents DSUs which directors elected to receive in lieu of annual fees paid in cash.

(3) Ms. Cormier was appointed to the Board in 2016 as a nominee of Wynnchurch pursuant to certain board nomination rights granted by the Company in favour of Wynnchurch in connection with a private placement of Shares completed on April 11, 2016. Following the disposition of Shares by Wynnchurch that was publicly announced by Wynnchurch on August 2, 2021, Wynnchurch is no longer entitled to nominate a candidate for election or appointment to the Board such that Ms. Cormier is no longer considered to be a director nominee of Wynnchurch.

(Expressed in Canadian dollars, except where otherwise indicated - audited)

K. Details of Total Statutory Remuneration for KMP (NEOs and Directors) (continued)

Financial Year Ended March 31, 2024	Short-Term ($)				Termination Payments ($)	Pension ($)	Options and Share-Based Awards[1] ($)	DSUs[2] ($)	Total ($)	Performance Related	Consisting of Options
	Salary	Consulting Fees	Bonus	Non-Monetary							
Michael O'Keeffe	586,143	—	—	29,192	—	—	—	—	615,335	— %	— %
Gary Lawler	142,054	—	—	—	—	—	—	171,591	313,645	— %	— %
Michelle Cormier[3]	180,000	—	—	—	—	—	—	76,528	256,528	— %	— %
Jyothish George	—	—	—	—	—	—	—	—	—	— %	— %
Louise Grondin	100,000	—	—	—	—	—	—	137,244	237,244	— %	— %
Jessica McDonald[4]	55,385	—	—	—	—	—	—	127,426	182,811	— %	— %
Ronnie Beevor[5]	15,054	—	—	—	—	—	—	73,612	88,666	— %	— %
David Cataford	1,120,000	—	1,290,800	67,273	—	259,228	2,180,298	—	4,917,599	26.25 %	44.34 %
Donald Tremblay	550,000	—	456,390	50,351	—	110,235	661,715	—	1,828,691	24.96 %	36.19 %
Alexandre Belleau	660,000	—	547,668	61,694	—	132,932	846,696	—	2,248,990	24.35 %	37.65 %
Steve Boucratie	545,000	—	401,992	51,579	—	103,855	687,620	—	1,790,046	22.46 %	38.41 %
Michael Marcotte	525,000	—	387,240	51,219	—	100,399	506,560	—	1,570,418	24.66 %	32.26 %
Andrew Love[6]	108,333	—	—	—	—	—	—	(30,819)	77,514	— %	— %
Wayne Wouters[6]	25,385	—	—	—	—	—	—	(144,299)	(118,914)	— %	— %
Total	**4,612,354**	**—**	**3,084,090**	**311,308**	**—**	**706,649**	**4,882,889**	**411,283**	**14,008,573**		

Notes:

(1) Represents PSUs and RSUs granted under the Omnibus Plan. No stock options were granted to KMPs during the financial year ended March 31, 2024.

(2) Represents DSUs which directors elected to receive in lieu of annual fees paid in cash.

(3) Ms. Cormier was appointed to the Board in 2016 as a nominee of Wynnchurch pursuant to certain board nomination rights granted by the Company in favour of Wynnchurch in connection with a private placement of Shares completed on April 11, 2016. Following the disposition of Shares by Wynnchurch that was publicly announced by Wynnchurch on August 2, 2021, Wynnchurch is no longer entitled to nominate a candidate for election or appointment to the Board such that Ms. Cormier is no longer considered to be a director nominee of Wynnchurch.

(4) Ms. McDonald was appointed to the Board at the annual general meeting of the Company held on August 30, 2023.

(5) Mr. Beevor was appointed to the Board on March 3, 2024.

(6) Each of Mr. Love and Mr. Wouters did not stand for re-election at the annual general meeting of the Company held on August 30, 2023, and ceased to be directors of the Company on that date.

(Expressed in Canadian dollars, except where otherwise indicated - audited)

L. Movement of Equity Held by Key Management Personnel (Named Executive Officers and Directors)

Stock Options as at March 31, 2025

Name	Balance April 1, 2024	Grant	Exercised	Cancelled	Held and Vested March 31, 2025	Unvested March 31, 2025
Michael O'Keeffe	—	—	—	—	—	—
David Cataford	37,500	—	37,500	—	—	—
Donald Tremblay	—	—	—	—	—	—
Alexandre Belleau	37,500	—	37,500	—	—	—
Steve Boucratie	37,500	—	37,500	—	—	—
Michael Marcotte	37,500	—	37,500	—	—	—
Gary Lawler	—	—	—	—	—	—
Jyothish George	—	—	—	—	—	—
Michelle Cormier	—	—	—	—	—	—
Louise Grondin	—	—	—	—	—	—
Jessica McDonald	—	—	—	—	—	—
Ronnie Beevor	—	—	—	—	—	—

Shares as at March 31, 2025

Name	Balance April 1, 2024	Purchased	Acquired Upon Exercise of Equity Award	Sold	Balance March 31, 2025	Value of Shares Issued During the Year[1]
Michael O'Keeffe	41,523,830	100,000	—	—	41,623,830	—
Gary Lawler	1,719,725	—	—	—	1,719,725	—
Michelle Cormier	456,500	—	—	—	456,500	—
Jyothish George	—	—	—	—	—	—
Louise Grondin	—	—	—	—	—	—
Jessica McDonald	—	—	—	—	—	—
Ronnie Beevor	60,000	—	—	—	60,000	—
David Cataford	2,459,284	—	37,500	37,500	2,459,284	213,375
Donald Tremblay	38,000	—	—	—	38,000	—
Alexandre Belleau	304,022	—	44,675	37,500	311,197	256,210
Steve Boucratie	151,822	—	44,675	37,500	158,997	256,210
Michael Marcotte	245,930	—	41,087	37,500	249,517	234,789

Note:

(1) Represents value of Shares issued during the year upon exercise of option-based awards and settlement of share based-awards, calculated as at the applicable exercise date(s) based on the TSX market closing price of the Shares on the exercise date(s) multiplied by the number of options or rights exercised.

(Expressed in Canadian dollars, except where otherwise indicated - audited)

M. Outstanding Grants of PSUs and Related Performance Periods

Name	Grant Date	Performance Period	Number of PSUs Granted	Value per PSU Granted at Grant Date ($)	Value of PSUs Granted at Grant Date ($)	Number of Additional PSUs Granted as Dividend Equivalent[1]	% of Performance Achieved, and Vested vs Forfeited PSUs
David Cataford CEO	June 6, 2022	April 1, 2022 to March 31, 2025	176,342	6.89	1,214,996	19,197	Will be determined in Financial Year 2026
	August 9, 2023	April 1, 2023 to March 31, 2026	351,937	5.06	1,780,801	17,681	Will be determined in Financial Year 2027
	June 11, 2024	April 1, 2024 to March 31, 2027	310,591	5.94	1,844,909	10,828	Will be determined in Financial Year 2028
Donald Tremblay CFO	August 9, 2023	April 1, 2023 to March 31, 2026	94,565	5.06	478,499	4,751	Will be determined in Financial Year 2027
	June 11, 2024	April 1, 2024 to March 31, 2027	83,456	5.94	495,726	2,910	Will be determined in Financial Year 2028
Alexandre Belleau Chief Operating Officer	June 6, 2022	April 1, 2022 to March 31, 2025	56,604	6.89	390,002	6,162	Will be determined in Financial Year 2026
	August 9, 2023	April 1, 2023 to March 31, 2026	140,870	5.06	712,802	7,077	Will be determined in Financial Year 2027
	June 11, 2024	April 1, 2024 to March 31, 2027	124,320	5.94	738,461	4,334	Will be determined in Financial Year 2028
Steve Boucratie Senior Vice-President, General Counsel and Corporate Secretary	June 6, 2022	April 1, 2022 to March 31, 2025	50,159	6.89	345,596	5,460	Will be determined in Financial Year 2026
	August 9, 2023	April 1, 2023 to March 31, 2026	100,168	5.06	506,850	5,032	Will be determined in Financial Year 2027
	June 11, 2024	April 1, 2024 to March 31, 2027	90,808	5.94	539,400	3,166	Will be determined in Financial Year 2028
Michael Marcotte Senior Vice-President, Corporate Development and Capital Markets	June 6, 2022	April 1, 2022 to March 31, 2025	39,710	6.89	273,602	4,323	Will be determined in Financial Year 2026
	August 9, 2023	April 1, 2023 to March 31, 2026	90,267	5.06	456,751	4,535	Will be determined in Financial Year 2027
	June 11, 2024	April 1, 2024 to March 31, 2027	79,662	5.94	473,193	2,777	Will be determined in Financial Year 2028

Note:

(1) Represents PSUs granted as dividend equivalent. Dividend equivalent PSUs are subject to the same terms and conditions as the PSUs and vest and are settled at the same time and in the same form as the PSUs to which such dividend equivalent PSUs relate.

(Expressed in Canadian dollars, except where otherwise indicated - audited)

N. Securities Authorized for Issuance under Equity Compensation Plans

The following table sets out, as at March 31, 2025, the end of the Company's last completed financial year, information regarding outstanding options, RSUs, PSUs and DSUs granted by the Company under the Omnibus Plan. As at March 31, 2025, the number of issued and outstanding Shares of the Company was 518,251,001.

Equity Compensation Plan Information

	Number of Securities to be Issued upon Exercise of Outstanding Options, PSUs, RSUs and DSUs	Weighted-Average Exercise Price of Outstanding Options	Number of Securities Remaining Available for Future Issuance under Equity Compensation Plans (excluding securities reflected in column (a))
Plan Category	**(a)**	**(b)**	**(c)**
Equity Compensation plans approved by security holders	0 (Options) 491,827 (DSUs) 2,006,610 (RSUs) 2,798,590 (PSUs)	N/A	46,528,073
Equity Compensation plans not approved by security holders	—	N/A	N/A
Total	**5,297,027**	**N/A**	**46,528,073**

O. Other Information

Indebtedness of Directors and Executive Officers

As at the date of this Remuneration Report or within 30 days of this date, no executive officer, director, employee or former executive officer, director or employee of the Company or any of its subsidiaries is indebted to the Company, or any of its subsidiaries, nor are any of these individuals indebted to another entity, which indebtedness is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company, or its subsidiaries.

Interest of Informed Persons in Material Transactions

None of the directors or executive officers of the Company beneficially own, directly or indirectly, Shares carrying more than 10% of the voting rights attached to all issued Shares of the Company nor any associate or affiliate of the foregoing persons has any material interest, direct or indirect, in any transaction since the commencement of the Company's last completed financial year or in any proposed transaction which has or will materially affect the Company except as disclosed elsewhere in this report.

Management Contracts

Except as set out in the Remuneration Report, there are no management functions of the Company which are to any substantial degree performed by a person or company other than the directors or executive officers of the Company.

Director's Attendance for the Financial Year Ended March 31, 2025

Name	Board of Directors Meetings	Audit Committee Meetings	Remuneration, People and Governance Committee Meetings	Sustainability and Indigenous Affairs Committee Meetings
Michael O'Keeffe	6 of 6	N/A	N/A	N/A
David Cataford	6 of 6	N/A	N/A	N/A
Gary Lawler	6 of 6	5 of 5	5 of 5	N/A
Jyothish George	6 of 6	N/A	N/A	N/A
Michelle Cormier	6 of 6	5 of 5	5 of 5	4 of 4
Louise Grondin	6 of 6	N/A	5 of 5	4 of 4
Jessica McDonald	6 of 6	5 of 5	N/A	4 of 4
Ronnie Beevor[1]	5 of 6	2 of 2	2 of 2	N/A

Note:

(1) Mr. Beevor was appointed to the Audit Committee and to the Remuneration, People and Governance Committee on October 23, 2024.

P. Non-IFRS Financial Measures and Ratios

This Remuneration Report contains non-IFRS financial measures and ratios such as EBITDA, ROCE, C1 cash cost per dmt sold, mining and processing cost per dmt produced and realized sales price. 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. These non-IFRS financial measures and ratios, which are representative of the Company's performance, are used to determine the executive compensation.

Additional details on EBITDA, C1 cash cost per dmt sold and mining and processing cost per dmt produced, including reconciliations to the most directly comparable IFRS measures, have been incorporated by reference and can be found in section 21 — Non-IFRS and Other Financial Measures of the Directors' Report.

Return on Capital Employed

ROCE is a non-IFRS ratio, which was defined as EBITDA divided by capital employed, which represents capital used by the business to generate revenues and income. It includes capital funded by way of debt, lease liabilities and equity as per the consolidated statements of financial position. Non-productive capital associated with growth projects under development are excluded from capital employed. Starting in the financial year ended March 31, 2024, ROCE also excluded the excess of cash to better align the ratio with the Company's growth objectives. ROCE is largely used in a capital-intensive industry such as mining. ROCE does not have any standardized meaning prescribed by IFRS and therefore, may not be comparable to similar measures presented by other companies.

	Year Ended March 31, 2024	Year Ended March 31, 2023	Year Ended March 31, 2022	**Average 2022-2024**
(in thousands of dollars)				
EBITDA	552,549	493,176	925,817	**657,181**
Long-term debt	539,428	475,281	323,360	**446,023**
Lease liabilities	76,978	86,841	53,979	**72,599**
Total equity	1,396,510	1,262,704	1,161,698	**1,273,637**
Cumulative Phase II capital expenditures[1]	—	(508,400)	(640,200)	**(382,867)**
Cumulative DRPF capital expenditures	(95,300)	(917)	—	**(32,072)**
Excess of cash[2]	(300,061)	(226,806)	(221,892)	**(249,586)**
Capital Employed	**1,617,555**	**1,088,703**	**676,945**	**1,127,734**
ROCE	**0.34**	**0.45**	**1.37**	**0.58**

Notes:

(1) Capital expenditures, for the purposes of this definition, include addition to property, plant and mining equipment, in addition to deposits and advance payments to third-party service providers used as part of the Phase II project as well as Phase II start-up costs incurred before the commissioning. For the purposes of the return on capital employed calculations, as Phase II achieved commercial operation on December 1, 2022, capital expenditures for the year ended March 31, 2023, have been prorated to reflect the number of months it was in commercial operation over the year.

(2) Excess of cash is calculated as cash and cash equivalents as per the consolidated statements of financial position less $100,000,000.

The table shows the reconciliation of the actual result of 0.58 related to the payout of the PSUs granted in the financial year ended March 31, 2022, and which vested in the financial year ended March 31, 2025.

P. Non-IFRS Financial Measures and Ratios (continued)

Realized Sales Price

Realized sales price is a non-IFRS ratio, which represents revenues before provisional pricing adjustments. This measure was selected by the Board as a key performance metric given that it is a strong reflection of operational efficiency and freight cost management while also reflecting the impact of the iron ore concentrate price throughout a period. Realized sales price does not have any standardized meaning prescribed by IFRS and therefore, may not be comparable to similar measures presented by other companies.

	Year Ended March 31,
	2025
Iron ore concentrate sold (dmt)	13,491,200
(in thousands of dollars, except per dmt data)	
Revenues	1,606,579
Provisional pricing adjustments	7,018
	1,613,597
Realized Sales Price (per dmt sold) in C$	**119.6**
Foreign exchange conversion	33.7
Realized Sales Price (per dmt sold) in US$	**85.9**

III. SPECIFIC AND GENERAL INFORMATION

Principal Activities

Champion's principal activities include the production of high-grade iron ore concentrate and the development and exploration of its iron ore properties in Québec and Newfoundland and Labrador, in the Labrador Trough, Canada.

Operating and Financial Review

The review of operations and financials is set out in section I and forms part of this Directors' Report.

Events Occurring After the Reporting Period

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 on 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).

Other than elements listed above, there are no significant matters, circumstances or events that have arisen since the end of the financial year ended March 31, 2025, that have significantly affected, or may significantly affect, in future financial years, the Company's operations, the results of those operations, or the Company's state of affairs.

Directors

The Directors of the Company in office during the year and until the date of this report, their qualifications and experience are set out in section 03 — Corporate Governance of the Annual Report.

Company Secretary and Corporate Secretary

Bill Hundy is the Company Secretary - Australia and Steve Boucratie is the Corporate Secretary. Details of their qualifications and experience are set out in section 01 — Overview (Management Team) of the Annual Report.

Environmental Regulation and Compliance

Champion's operations are located in Canada and, as such, it is not subject to the environmental laws or regulations of the Commonwealth of Australia or any State or Territory in Australia.

Dividends

A final unfranked dividend, in the amount of C$0.10 per ordinary share, in connection with the annual financial results for the period ended March 31, 2024, was paid on July 3, 2024. An interim unfranked dividend in the amount of C$0.10 per ordinary share, in connection with the semi-annual financial results for the period ended September 30, 2024, was paid on November 28, 2024. Additional information relating to dividends for the current and prior financial year is disclosed in note 17 — Share Capital and Reserves to the Financial Statements (section 07 — Financial Report of the Annual Report).

Indemnification and Insurance of Directors and Officers

There are indemnities in place for Directors and Officers and insurance policies in regard to their positions. Since the end of the previous year, the Company has paid premiums to insure the Directors and Officers of Champion. No payment has been made to indemnify any director or officer during or since the year ended March 31, 2025.

Significant Changes in the State of Affairs

There have been no significant changes in the state of affairs of Champion, other than those disclosed in this report.

Proceedings on Behalf of the Company

No person has applied for leave of court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings. The Company was not a party to any such proceedings during the year.

Indemnity of Auditors

To the extent permitted by law, the Company has agreed to indemnify its auditors, Ernst & Young (Australia), as part of the terms of its audit engagement agreement against claims from third-parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Ernst & Young (Australia) during or since the end of the financial year.

Non-Audit Services

Ernst & Young (Australia) performed other services in addition to their statutory duties. The details and remuneration for these services is disclosed in note 33 to the Financial Statements (section 07 — Financial Report of the Annual Report). The Directors have considered the non-audit services provided during the year by the auditor, and are satisfied that the provision of non-audit services by the auditor during the year is compatible, and does not compromise, the auditor independence requirements of the Corporations Act 2001 for the following reasons:

(a) All non-audit services were subject to the corporate governance procedures adopted by the Company and have been reviewed by the audit committee to ensure they do not impact the integrity and objectivity of the auditor; and

(b) The non-audit services provided do not undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants, as they did not involve reviewing or auditing the auditor’s own work, acting in a management or decision-making capacity for the Company, acting as an advocate for the Company or jointly sharing risks and rewards.

Auditor’s Independence Declaration

The lead auditor’s independence declaration for the year ended March 31, 2025, has been received, as set out in section 07 — Financial Report of the Annual Report.

Rounding

The Company is of a kind referred to in ASIC Corporation (Rounding in Financial/Directors’ report) Instruments 2016/191 issued by the Australian Securities and Investments Commission. In accordance with the class order, amounts in this report and in the Financial Report have been rounded to the nearest thousand dollars unless specifically stated to be otherwise.

Signed in accordance with a resolution of the Directors

/s/ Michael O’Keeffe
Michael O’Keeffe, Executive Chairman

/s/ Gary Lawler
Gary Lawler, Lead Director

Dated on May 29, 2025

06

MINERAL RESOURCES AND ORE RESERVES STATEMENT

MINERAL RESOURCES AND ORE RESERVES STATEMENT

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.

1. 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.

2. Historical Mineral Resources and Reserves

The historical mineral resources and reserves mentioned in this Annual Report are strictly historical in nature, are non-compliant with NI 43-101 or the Joint Ore Reserves Committee Code (2012 edition and its updates) (the "JORC Code") and should therefore not be relied upon. Historical estimates have not been verified in accordance with the Appendix 5A of the JORC Code since their last technical report. A "qualified person", as defined in NI 43-101, or a "competent person", as defined in the JORC Code, has not done sufficient work to upgrade or classify the historical estimates as current mineral resources, mineral reserves or ore reserves, and Champion is not treating the historical estimates as current mineral resources or reserves, and it is uncertain whether, following evaluation or further exploration work, the historical estimates will be able to be reported as mineral resources, mineral reserves or ore reserves in accordance with NI 43-101 or the JORC Code.

Certain resources mentioned are foreign estimates from an Australian perspective.

3. 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.

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

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.

Table 1: 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

Table 2: 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

4. 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.

Table 3: 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

4. Kami Project Resources and Reserves as at March 31, 2025 (continued)

Table 4: 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

5. Consolidated Resources and Reserves as at March 31, 2025

In addition to the Bloom Lake Mine and the Kami Project (refer to sections 3 and 4, above), the Company owns interests in other iron deposits located in the Labrador Trough ranging from 6 to 80 km west and southwest of Fermont.

The historical mineral resources and reserves, contained in the section 5 of this Mineral Resources and Ore Reserves Statement, are strictly historical in nature, are non-compliant with NI 43-101 or the JORC Code and should therefore not be relied upon. Historical estimates have not been verified in accordance with the Appendix 5A of the JORC Code since their last technical report. A "qualified person", as defined in NI 43-101, or a "competent person", as defined in the JORC Code, has not done sufficient work to upgrade or classify the historical estimates as current mineral resources, mineral reserves or ore reserves, and Champion is not treating the historical estimates as current mineral resources or mineral reserves, and it is uncertain whether, following evaluation or further exploration work, the historical estimates will be able to be reported as mineral resources, mineral reserves or ore reserves in accordance with NI 43-101 or the JORC Code.

Table 5: Current Consolidated Mineral Resource Estimate (million dmt)

Property	Group	Measured	Indicated	Total Measured & Indicated	Inferred
Bloom Lake	Bloom Lake	**150**	**1,001**	**1,151**	**198**
Kamistiatusset	Rose North	82	339	420	90
	Rose Central	94	364	457	60
	Mills Lake	37	61	98	13
	Total	**212**	**763**	**975**	**163**
Total as at March 31, 2025		**362**	**1,764**	**2,127**	**361**
Total as at March 31, 2024		**382**	**1,819**	**2,201**	**409**

Table 6: Historical Consolidated Mineral Resource Estimate (million dmt)

Property	Group	Measured	Indicated	Total Measured & Indicated	Inferred
Consolidated Fire Lake North[1]	Fire Lake North	27	667	694	522
	Bellechasse	—	—	—	215
	Oil Can	—	—	—	967
	Total	**27**	**667**	**694**	**1,704**
Moiré Lake[2]	Moiré Lake	**—**	**164**	**164**	**417**
Quinto Claims[3]	Peppler Lake	—	327	327	216
	Lamêlée North	—	272	272	653
	Hobdad	—	—	—	508
	Total	**—**	**599**	**599**	**1,377**
Lamêlée South[4]	Lamêlée South	**—**	**75**	**75**	**229**
Harvey-Tuttle[5]	Harvey-Tuttle	**—**	**—**	**—**	**947**
Penguin Lake[6]	Penguin Lake (45% Champion Iron Limited interest)	**—**	**—**	**—**	**239**
Total as at March 31, 2025		**27**	**1,505**	**1,531**	**4,913**
Total as at March 31, 2024		**27**	**1,505**	**1,531**	**4,913**

5. Consolidated Resources and Reserves as at March 31, 2025 (continued)

[1] The historical Consolidated Fire Lake resource estimates are based on the technical reports titled "Preliminary Feasibility Study of the West and East Pit Deposits of the Fire Lake North Project" dated February 22, 2013, and having an effective date of January 25, 2013 (as regards Fire Lake North), "Technical Report and Resource Estimate on the Bellechasse and Fire Lake North Properties, Fermont Project Area, Québec, Canada" dated December 23, 2009, and having an effective date of November 10, 2009 (as regards Bellechasse), and "Technical Report and Mineral Resource Estimate on the Oil Can Deposit of the Consolidated Fire Lake North Property, Fermont Area, Quebec, Canada" dated August 17, 2012, and having an effective date of July 1, 2012 (as regards Oil Can). The historical mineral resources mentioned are strictly historical in nature, are non-compliant with NI 43-101 and the JORC Code and should therefore not be relied upon. A "qualified person", as defined in NI 43-101, or a "competent person", as defined in JORC Code, has not done sufficient work to upgrade or classify the historical estimates as current "mineral resources", "mineral reserves" or "ore reserves", as such terms are defined in NI 43-101 and the JORC Code and Champion is not treating the historical estimates as current mineral resources, mineral reserves or ore reserves, and it is uncertain whether, following evaluation or further exploration work, the historical estimates will be able to be reported as mineral resources, mineral reserves or ore reserves in accordance with NI 43-101 or the JORC Code.

[2] The historical Moiré Lake resource estimates are based on the technical report titled "Technical Report and Mineral Resource Estimate on the Moire Lake Property" dated May 11, 2012, and having an effective date of March 28, 2012. The historical mineral resources mentioned are strictly historical in nature, are non-compliant with NI 43-101 and the JORC Code and should therefore not be relied upon. A "qualified person", as defined in NI 43-101, or a "competent person", as defined in JORC Code, has not done sufficient work to upgrade or classify the historical estimates as current "mineral resources", "mineral reserves" or "ore reserves", as such terms are defined in NI 43-101 and the JORC Code and Champion is not treating the historical estimates as current mineral resources, mineral reserves or ore reserves, and it is uncertain whether, following evaluation or further exploration work, the historical estimates will be able to be reported as mineral resources, mineral reserves or ore reserves in accordance with NI 43-101 or the JORC Code. These resources are not material mining projects and are for properties adjacent to or near Champion's existing mining tenements and therefore the reports on these mineralizations have not been prepared in accordance with the JORC Code and the ASX Listing Rules.

[3] The historical Quinto resource estimates are based on the technical reports titled "Mineral Resource Technical Report, Peppler Project, Quebec" (as regards Peppler Lake), "Mineral Resource Technical Report, Lamêlée Project, Quebec" (as regards Lamêlée) and "Mineral Resource Technical Report, Hobdad Project, Quebec" (as regards Hobdad), each dated February 15, 2013, and having an effective date of December 31, 2012. The historical mineral resources mentioned are strictly historical in nature, are non-compliant with NI 43-101 and the JORC Code and should therefore not be relied upon. A "qualified person", as defined in NI 43-101, or a "competent person", as defined in JORC Code, has not done sufficient work to upgrade or classify the historical estimates as current "mineral resources", "mineral reserves" or "ore reserves", as such terms are defined in NI 43-101 and the JORC Code and Champion is not treating the historical estimates as current mineral resources, mineral reserves or ore reserves, and it is uncertain whether, following evaluation or further exploration work, the historical estimates will be able to be reported as mineral resources, mineral reserves or ore reserves in accordance with NI 43-101 or the JORC Code. These resources are not material mining projects and are for properties adjacent to or near Champion's existing mining tenements and therefore the reports on these mineralizations have not been prepared in accordance with the JORC Code and the ASX Listing Rules.

[4] The historical Lac Lamêlée resource estimates are based on the technical report titled "NI 43-101 Technical Report and Mineral Resource Estimate on the Lac Lamêlée South Resources Quebec - Canada" dated July 28, 2017, and having an effective date of January 26, 2017. The historical mineral resources mentioned are strictly historical in nature, are non-compliant with NI 43-101 and the JORC Code and should therefore not be relied upon. A qualified person or competent person has not done sufficient work to upgrade or classify the historical estimates as current "mineral resources", "mineral reserves" or "ore reserves", as such terms are defined in NI 43-101 and the JORC Code, and it is uncertain whether, following evaluation or further exploration work, the historical estimates will be able to be reported as mineral resources, mineral reserves or ore reserves in accordance with NI 43-101 or the JORC Code. Champion is not treating the historical estimates as current mineral resources, mineral reserves or ore reserves. These resources are not material mining projects and are for properties adjacent to or near Champion's existing mining tenements and therefore the reports on these mineralizations have not been prepared in accordance with the JORC Code and the ASX Listing Rules.

[5] The historical Harvey-Tuttle resource estimates are based on the technical report titled "Technical Report and Resource Estimate on the Harvey-Tuttle Property Québec, Canada" dated April 13, 2011, and having an effective date of February 25, 2011. The historical mineral resources mentioned are strictly historical in nature, are non-compliant with NI 43-101 and the JORC Code and should therefore not be relied upon. A "qualified person", as defined in NI 43-101, or a "competent person", as defined in JORC Code, has not done sufficient work to upgrade or classify the historical estimates as current "mineral resources", "mineral reserves" or "ore reserves", as such terms are defined in NI 43-101 and the JORC Code and Champion is not treating the historical estimates as current mineral resources, mineral reserves or ore reserves, and it is uncertain whether, following evaluation or further exploration work, the historical estimates will be able to be reported as mineral resources, mineral reserves or ore reserves in accordance with NI 43-101 or the JORC Code. These resources are not material mining projects and are for properties adjacent to or near Champion's existing mining tenements and therefore the reports on these mineralizations have not been prepared in accordance with the JORC Code and the ASX Listing Rules.

[6] The historical Penguin Lake resource estimates are based on the technical report titled "43-101 Technical Report and Mineral Resource Estimate on the Penguin Lake Project" dated February 3, 2014, and having an effective date of May 1, 2013. The historical mineral resources mentioned are strictly historical in nature, are non-compliant with NI 43-101 and the JORC Code and should therefore not be relied upon. A qualified person or competent person has not done sufficient work to upgrade or classify the historical estimates as current "mineral resources", "mineral reserves" or "ore reserves", as such terms are defined in NI 43-101 and the JORC Code, and it is uncertain whether, following evaluation or further exploration work, the historical estimates will be able to be reported as mineral resources, mineral reserves or ore reserves in accordance with NI 43-101 or the JORC Code. Champion is not treating the historical estimates as current mineral resources, mineral reserves or ore reserves. These resources are not material mining projects and are for properties adjacent to or near Champion's existing mining tenements and therefore the reports on these mineralizations have not been prepared in accordance with the JORC Code and the ASX Listing Rules.

5. Consolidated Resources and Reserves as at March 31, 2025 (continued)

Table 7: Current Consolidated Mineral Reserve Estimate (million dmt)

Property	Proven	Fe (%)	Probable	Fe (%)	Reserves Proven & Probable	Fe (%)
Bloom Lake	148	29.9	488	28.1	636	28.6
Kamistiatusset	167	29.7	476	29.0	643	29.2
Total as at March 31, 2025	**315**	**29.8**	**964**	**28.6**	**1,279**	**28.9**
Total as at March 31, 2024	**334**	**29.8**	**999**	**28.5**	**1,333**	**28.9**

Table 8: Historical Consolidated Mineral Reserve Estimate (million dmt)

Group	Proven	Fe (%)	Probable	Fe (%)	Reserves Proven & Probable	Fe (%)
Fire Lake North[7]	24	36.0	441	32.2	465	32.4
Total as at March 31, 2025	**24**	**36.0**	**441**	**32.2**	**465**	**32.4**
Total as at March 31, 2024	**24**	**36.0**	**441**	**32.2**	**465**	**32.4**

Additional information on other iron deposits is presented below.

Consolidated Fire Lake North

The consolidated Fire Lake North project includes three deposits, the Fire Lake North, Bellechasse and Oil Can deposits. All deposits are located north of ArcelorMittal's Fire Lake mine.

Table 9: Fire Lake North Historical Mineral Resource Estimate at Cut-Off 15% Fe[8]

Category	Mt Tonnage (dmt)	Fe (%)
Measured	27	35.2
Indicated	667	31.4
Total Measured and Indicated	694	31.5
Inferred	522	30.1

Table 10: Fire Lake North Historical Mineral Reserve Estimate at Cut-Off 15% Fe[8]

Category	Mt Tonnage (dmt)	Fe (%)	CaO (%)	Weight Recovery (%)
Proven	24	36.0	0.5	45.0
Probable	441	32.2	2.8	39.6
Total Proven and Probable	465	32.4	1.3	39.9

7 The historical Fire Lake North reserve estimates are based on the technical report titled "Preliminary Feasibility Study of the West and East Pit Deposits of the Fire Lake North Project" dated February 22, 2013, and having an effective date of January 25, 2013. The historical mineral reserves mentioned are strictly historical in nature, are non-compliant with NI 43-101 and the JORC Code and should therefore not be relied upon. A "qualified person", as defined in NI 43-101, or a "competent person", as defined in JORC Code, has not done sufficient work to upgrade or classify the historical estimates as current "mineral resources", "mineral reserves" or "ore reserves", as such terms are defined in NI 43-101 and the JORC Code and Champion is not treating the historical estimates as current mineral resources or mineral reserves, and it is uncertain whether, following evaluation or further exploration work, the historical estimates will be able to be reported as mineral resources, mineral reserves or ore reserves in accordance with NI 43-101 or the JORC Code. These reserves are not material mining projects and are for properties adjacent to or near Champion's existing mining tenements and therefore the reports on these mineralizations have not been prepared in accordance with the JORC Code and the ASX Listing Rules.

8 The historical Fire Lake North resource and reserve estimates are based on the technical report titled "Preliminary Feasibility Study of the West and East Pit Deposits of the Fire Lake North Project" dated February 22, 2013, and having an effective date of January 25, 2013. The historical mineral resources and reserves mentioned are strictly historical in nature, are non-compliant with NI 43-101 and the JORC Code and should therefore not be relied upon. A "qualified person", as defined in NI 43-101, or a "competent person", as defined in JORC Code, has not done sufficient work to upgrade or classify the historical estimates as current "mineral resources", "mineral reserves" or "ore reserves", as such terms are defined in NI 43-101 and the JORC Code and Champion is not treating the historical estimates as current mineral resources, mineral reserves or ore reserves, and it is uncertain whether, following evaluation or further exploration work, the historical estimates will be able to be reported as mineral resources, mineral reserves or ore reserves in accordance with NI 43-101 or the JORC Code. These reserves and resources are not material mining projects and are for properties adjacent to or near Champion's existing mining tenements and therefore the reports on these mineralizations have not been prepared in accordance with the JORC Code and the ASX Listing Rules.

5. Consolidated Resources and Reserves as at March 31, 2025 (continued)

Consolidated Fire Lake North (continued)

Table 11: Historical Inferred Resource for Other Consolidated Fire Lake North Deposits at Cut-Off 15% Fe[9]

Deposit	Mt Tonnage (dmt)	Fe (%)
Bellechasse	215	28.7
Oil Can	967	33.2

Moiré Lake

Moiré Lake is a stand-alone deposit located approximately 6 km west from the city of Fermont and it is the far extension of ArcelorMittal's Mont-Wright Mine. While ArcelorMittal's ore is hematite-rich, the Moiré Lake deposit is a mix of hematite and magnetite.

Table 12: Moiré Lake Historical Resource Estimate at Cut-Off 15% Fe[10]

Category	Mt Tonnage (dmt)	Fe (%)
Measured	—	—
Indicated	164	30.5
Total Measured and Indicated	164	30.5
Inferred	417	29.4

Quinto Claims

The Quinto holding is composed of several iron deposits and occurrences. The property is adjacent to the Consolidated Fire Lake North project. All the deposits have more magnetite than hematite with small amounts of iron silicates. The Peppler Lake and Lamêlée projects are part of the Quinto Claims.

Table 13: Peppler Lake Historical Resource Estimate at Cut-Off 18% Fe[11]

Category	Mt Tonnage (dmt)	Fe (%)
Measured	—	—
Indicated	327	28.0
Total Measured and Indicated	327	28.0
Inferred	216	27.5

[9] The historical Consolidated Fire Lake North resource estimates are based on the technical reports titled "Technical Report and Resource Estimate on the Bellechasse and Fire Lake North Properties, Fermont Project Area, Québec, Canada" prepared dated December 23, 2009, and having an effective date of November 10, 2009 (as regards Bellechasse), and "Technical Report and Mineral Resource Estimate on the Oil Can Deposit of the Consolidated Fire Lake North Property, Fermont Area, Quebec, Canada" dated August 17, 2012, and having an effective date of July 1, 2012 (as regards Oil Can). The historical mineral resources mentioned are strictly historical in nature, are non-compliant with NI 43-101 and the JORC Code and should therefore not be relied upon. A "qualified person", as defined in NI 43-101, or a "competent person", as defined in JORC Code, has not done sufficient work to upgrade or classify the historical estimates as current "mineral resources", "mineral reserves" or "ore reserves", as such terms are defined in NI 43-101 and the JORC Code and Champion is not treating the historical estimates as current mineral resources, mineral reserves or ore reserves, and it is uncertain whether, following evaluation or further exploration work, the historical estimates will be able to be reported as mineral resources, mineral reserves or ore reserves in accordance with NI 43-101 or the JORC Code. These resources are not material mining projects and are for properties adjacent to or near Champion's existing mining tenements and therefore the reports on these mineralizations have not been prepared in accordance with the JORC Code and the ASX Listing Rules.

[10] The historical Moiré Lake resource estimates are based on the technical report titled "Technical Report and Mineral Resource Estimate on the Moiré Lake Property" dated May 11, 2012, and having an effective date of March 28, 2012. The historical mineral resources mentioned are strictly historical in nature, are non-compliant with NI 43-101 and the JORC Code and should therefore not be relied upon. A "qualified person", as defined in NI 43-101, or a "competent person", as defined in JORC Code, has not done sufficient work to upgrade or classify the historical estimates as current "mineral resources", "mineral reserves" or "ore reserves", as such terms are defined in NI 43-101 and the JORC Code and Champion is not treating the historical estimates as current mineral resources, mineral reserves or ore reserves, and it is uncertain whether, following evaluation or further exploration work, the historical estimates will be able to be reported as mineral resources, mineral reserves or ore reserves in accordance with NI 43-101 or the JORC Code. These resources are not material mining projects and are for properties adjacent to or near Champion's existing mining tenements and therefore the reports on these mineralizations have not been prepared in accordance with the JORC Code and the ASX Listing Rules.

[11] The historical Peppler Lake resource estimates are based on the technical report titled "Mineral Resource Technical Report, Peppler Project, Quebec" dated February 15, 2013, and having an effective date of December 31, 2012. The historical mineral resources mentioned are strictly historical in nature, are non-compliant with NI 43-101 and the JORC Code and should therefore not be relied upon. A "qualified person", as defined in NI 43-101, or a "competent person", as defined in JORC Code, has not done sufficient work to upgrade or classify the historical estimates as current "mineral resources", "mineral reserves" or "ore reserves", as such terms are defined in NI 43-101 and the JORC Code and Champion is not treating the historical estimates as current mineral resources, mineral reserves or ore reserves, and it is uncertain whether, following evaluation or further exploration work, the historical estimates will be able to be reported as mineral resources, mineral reserves or ore reserves in accordance with NI 43-101 or the JORC Code. These resources are not material mining projects and are for properties adjacent to or near Champion's existing mining tenements and therefore the reports on these mineralizations have not been prepared in accordance with the JORC Code and the ASX Listing Rules.

5. Consolidated Resources and Reserves as at March 31, 2025 (continued)

Quinto Claims (continued)

Table 14: Lamêlée North Historical Resource Estimate at Cut-Off 18% Fe[12]

Category	Mt Tonnage (dmt)	Fe (%)
Measured	—	—
Indicated	272	29.4
Total Measured and Indicated	272	29.4
Inferred	653	30.5

Table 15: Hobdad Historical Resource Estimate at Cut-Off 18% Fe[13]

Category	Mt Tonnage (dmt)	Fe (%)
Measured	—	—
Indicated	—	—
Total Measured and Indicated	—	—
Inferred	508	27.4

Lamêlée South

Table 16: Lamêlée South Historical Resource Estimate at Cut-Off 18% Fe[14]

Category	Mt Tonnage (dmt)	Fe (%)
Measured	—	—
Indicated	75	31.6
Total Measured and Indicated	75	31.6
Inferred	229	30.5

[12] The historical Lamêlée North resource estimates are based on the technical report titled "Mineral Resource Technical Report, Lamêlée Project, Quebec" dated February 15, 2013, and having an effective date of December 31, 2012. The historical mineral resources mentioned are strictly historical in nature, are non-compliant with NI 43-101 and the JORC Code and should therefore not be relied upon. A "qualified person", as defined in NI 43-101, or a "competent person", as defined in JORC Code, has not done sufficient work to upgrade or classify the historical estimates as current "mineral resources", "mineral reserves" or "ore reserves", as such terms are defined in NI 43-101 and the JORC Code and Champion is not treating the historical estimates as current mineral resources, mineral reserves or ore reserves, and it is uncertain whether, following evaluation or further exploration work, the historical estimates will be able to be reported as mineral resources, mineral reserves or ore reserves in accordance with NI 43-101 or the JORC Code. These resources are not material mining projects and are for properties adjacent to or near Champion's existing mining tenements and therefore the reports on these mineralizations have not been prepared in accordance with the JORC Code and the ASX Listing Rules.

[13] The historical Hobdad resource estimates are based on the technical reports titled "Mineral Resource Technical Report, Hobdad Project, Quebec" dated February 15, 2013, and having an effective date of December 31, 2012. The historical mineral resources mentioned are strictly historical in nature, are non-compliant with NI 43-101 and the JORC Code and should therefore not be relied upon. A "qualified person", as defined in NI 43-101, or a "competent person", as defined in JORC Code, has not done sufficient work to upgrade or classify the historical estimates as current "mineral resources", "mineral reserves" or "ore reserves", as such terms are defined in NI 43-101 and the JORC Code and Champion is not treating the historical estimates as current mineral resources, mineral reserves or ore reserves, and it is uncertain whether, following evaluation or further exploration work, the historical estimates will be able to be reported as mineral resources, mineral reserves or ore reserves in accordance with NI 43-101 or the JORC Code. These resources are not material mining projects and are for properties adjacent to or near Champion's existing mining tenements and therefore the reports on these mineralizations have not been prepared in accordance with the JORC Code and the ASX Listing Rules.

[14] The historical Lac Lamêlée South resource estimates are based on the technical report titled "NI 43-101 Technical Report and Mineral Resource Estimate on the Lac Lamêlée South Resources Quebec - Canada" dated July 28, 2017, and having an effective date of January 26, 2017. The historical mineral resources mentioned are strictly historical in nature, are non-compliant with NI 43-101 and the JORC Code and should therefore not be relied upon. A qualified person or competent person has not done sufficient work to upgrade or classify the historical estimates as current "mineral resources", "mineral reserves" or "ore reserves", as such terms are defined in NI 43-101 and the JORC Code, and it is uncertain whether, following evaluation or further exploration work, the historical estimates will be able to be reported as mineral resources, mineral reserves or ore reserves in accordance with NI 43-101 or the JORC Code. Champion is not treating the historical estimates as current mineral resources, mineral reserves or ore reserves. These reserves and resources are not material mining projects and are for properties adjacent to or near Champion's existing mining tenements and therefore the reports on these mineralizations have not been prepared in accordance with the JORC Code and the ASX Listing Rules.

5. Consolidated Resources and Reserves as at March 31, 2025 (continued)

Harvey-Tuttle

The Harvey-Tuttle property is located northwest of the Quinto Claims. It holds several small deposits, although one of them, Turtleback Mountain, holds significant historical resources. As a whole, the Harvey-Tuttle property has 947 Mt of inferred historical resources at 23.2% Fe.[15]

Cluster III

A series of claims located near the closed Lac Jeannine Mine, identified as Cluster III, were optioned to Cartier Silver Corporation (formerly Cartier Iron Corporation). Champion Iron Limited holds 45% of the property. The main asset in Cluster III is the Penguin Lake deposit. It has a total of 535 Mt of inferred historical resources (239 Mt attributable to the Company) at 33.1% Fe with a cut-off at 15% Fe.[16] Cluster III also includes a series of small deposits near Round Lake (north-west of Penguin Lake).

6. Material Changes

There were no material changes in the year ended March 31, 2025, other than the depletion at the Bloom Lake Mine. All changes have been detailed further in previous sections.

7. 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 report 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*.

[15] The historical Harvey-Tuttle resource estimates are based on the technical report titled "Technical Report and Resource Estimate on the Harvey-Tuttle Property Québec, Canada" dated April 13, 2011, and having an effective date of February 25, 2011. The historical mineral resources mentioned are strictly historical in nature, are non-compliant with NI 43-101 and the JORC Code and should therefore not be relied upon. A "qualified person", as defined in NI 43-101, or a "competent person", as defined in JORC Code, has not done sufficient work to upgrade or classify the historical estimates as current "mineral resources", "mineral reserves" or "ore reserves", as such terms are defined in NI 43-101 and the JORC Code and Champion is not treating the historical estimates as current mineral resources, mineral reserves or ore reserves, and it is uncertain whether, following evaluation or further exploration work, the historical estimates will be able to be reported as mineral resources, mineral reserves or ore reserves in accordance with NI 43-101 or the JORC Code. These resources are not material mining projects and are for properties adjacent to or near the Company's existing mining tenements and therefore the reports on these mineralizations have not been prepared in accordance with the JORC Code and the ASX Listing Rules.

[16] The historical Penguin Lake resource estimates are based on the technical report titled "43-101 Technical Report and Mineral Resource Estimate on the Penguin Lake Project (Round Lake Property), NTS 23C/01, Quebec" dated February 3, 2014 and having an effective date of May 1, 2013. The historical mineral resources mentioned are strictly historical in nature, are non-compliant with NI 43-101 and the JORC Code and should therefore not be relied upon. A "qualified person", as defined in NI 43-101, or a "competent person", as defined in JORC Code, has not done sufficient work to upgrade or classify the historical estimates as current "mineral resources", "mineral reserves" or "ore reserves", as such terms are defined in NI 43-101 and the JORC Code and Champion is not treating the historical estimates as current mineral resources, mineral reserves or ore reserves, and it is uncertain whether, following evaluation or further exploration work, the historical estimates will be able to be reported as mineral resources, mineral reserves or ore reserves in accordance with NI 43-101 or the JORC Code. These resources are not material mining projects and are for properties adjacent to or near the Company's existing mining tenements and therefore the reports on these mineralizations have not been prepared in accordance with the JORC Code and the ASX Listing Rules.

07

FINANCIAL REPORT

DIRECTORS' DECLARATION

In the Directors' opinion:

a. the accompanying financial statements and notes

- comply with the Corporations Act 2001, the Australian Accounting Standards and the Corporations Act 2001;
- comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 2 to the Financial Statements; and
- give a true and fair view of the Company's financial position as at March 31, 2025, and of its performance for the year ended on that date.

b. the audited remuneration disclosure set out in the Remuneration Report of the Directors' Report for the year ended March 31, 2025, complies with section 300A of the Corporations Act 2001.

c. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

d. the information disclosed in the attached Consolidated Entity Disclosure Statement required by section 295(3A) of the Corporations Act 2001 is true and correct.

The Directors have been given the declarations required by section 295A of the Corporations Act 2001 for the financial year ended March 31, 2025.

Signed in accordance with a resolution of the Directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

/s/ Michael O'Keeffe
Michael O'Keeffe, Executive Chairman

/s/ Gary Lawler
Gary Lawler, Lead Director

Dated on May 29, 2025

CONSOLIDATED ENTITY DISCLOSURE STATEMENT

In accordance with the requirements of section 295(3A) of the Australian Corporations Act 2001, the following table presents the information relating to Champion Iron Limited and entities it controlled as at March 31, 2025:

Entity name	Type of entity	Country of incorporation	Share capital held	Tax residency	Foreign jurisdiction
Champion Innovations Limited	Body corporate	Canada	100 %	Foreign	Canada
Champion Iron Mines Limited	Body corporate	Canada	100 %	Foreign	Canada
Québec Iron Ore Inc.	Body corporate	Canada	100 %	Foreign	Canada
Lac Bloom Railcars Corporation Inc.	Body corporate	Canada	100 %	Foreign	Canada
Champion Kami Partner Inc.	Body corporate	Canada	100 %	Foreign	Canada
Kami Iron Mine Partnership	Partnership	Canada	100 %	Foreign	Canada
Pointe-Noire Limited Partnership	Partnership	Canada	100 %	Foreign	Canada
13527379 Canada Inc.	Body corporate	Canada	100 %	Foreign	Canada
13527387 Canada Inc.	Body corporate	Canada	100 %	Foreign	Canada
13527395 Canada Inc.	Body corporate	Canada	100 %	Foreign	Canada
16739938 Canada Inc.	Body corporate	Canada	100 %	Foreign	Canada
16772919 Canada Inc.	Body corporate	Canada	100 %	Foreign	Canada
Champion Exchange Limited	Body corporate	Canada	100 %	Foreign	Canada
CIP Magnetite Ltd.	Body corporate	Canada	100 %	Foreign	Canada
CIP Magnetite Pty Ltd.	Body corporate	Australia	100 %	Australia	N/A

AUDITOR'S INDEPENDENCE DECLARATION

Shape the future with confidence

Ernst & Young
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Auditor's independence declaration to the directors of Champion Iron Limited

As lead auditor for the audit of the financial report of Champion Iron Limited for the financial year ended March 31, 2025, I declare to the best of my knowledge and belief, there have been:

a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit;

b. No contraventions of any applicable code of professional conduct in relation to the audit; and

c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Champion Iron Limited and the entities it controlled during the financial year.

Ernst & Young

Scott Nichols
Partner
Sydney, Australia
May 29, 2025

Champion Iron Limited

(ACN: 119 770 142)

Consolidated Financial Statements
For the Years Ended March 31, 2025 and 2024

(Expressed in thousands of Canadian dollars)

Management's Responsibility for Financial Reporting

Management is responsible for the preparation and presentation of the accompanying consolidated financial statements, which includes making material accounting judgments and estimates in accordance with International Financial Reporting Standards and ensuring that all information in the annual report is consistent with the consolidated financial statements, selecting appropriate accounting principles and methods, and making decisions that affect the measurement of transactions.

The Board of Directors and Audit Committee are composed primarily of Directors who are neither management nor employees of the Company. The Board of Directors is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial information included in the annual report. The Board of Directors fulfills these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Audit Committee has the responsibility of meeting with management and external auditors to discuss the internal controls over the financial reporting process, auditing matters and financial reporting issues. The Audit Committee is also responsible for recommending the appointment of the Company's external auditors.

Ernst & Young, the independent auditors, has been appointed by the shareholders to audit the consolidated financial statements as at March 31, 2025, and 2024 and for the years then ended and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Audit Committee and management to discuss their audit findings.

/s/ David Cataford
David Cataford
Chief Executive Officer

/s/ Donald Tremblay
Donald Tremblay
Chief Financial Officer

May 29, 2025

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Independent auditor's report to the members of Champion Iron Limited

Report on the audit of the financial report

Opinion

We have audited the financial report of Champion Iron Limited (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at March 31, 2025, the consolidated statement of income, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

a. Giving a true and fair view of the consolidated financial position of the Group as at March 31, 2025 and of its consolidated financial performance for the year ended on that date; and

b. Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial report of the current year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial report* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial report. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial report.

Revenue from Iron Ore Sales

Why significant	How our audit addressed the key audit matter
The Group recognised revenues of \$1,607 million from the sale of iron ore for the year ended March 31, 2025, of which \$224 million remained subjected to provisional pricing at year-end. The Company discloses in Note 2, its accounting policy and material judgments, estimates and assumptions for revenue recognition. The amount of revenue recognised is impacted by the Company's provisional pricing arrangements, where the final sales price is determined based on iron ore prices subsequent to a shipment arriving at the port of discharge. The Company initially recognises sales revenue at the consideration received or expected to be received on the shipment date and re-estimates the consideration to be received using forecast iron ore prices at the end of each reporting period. The impact of iron ore price movements until final settlement is recorded as an adjustment to revenue. This was considered to be a key audit matter due to the material effect provisional pricing arrangements can have on the amount of revenue recognised and the estimation involved in re-measuring receivables on sales that remain provisional at year-end given volatile iron ore prices.	Our audit procedures included the following: ▸ Obtained an understanding of the Group's process relating to the initial recognition of revenue and the re-measurement of receivables. ▸ For a sample of provisional and final sales, agreed key terms to offtake agreements and volumes, quality and pricing to shipping documentation and invoices. ▸ For the same sample referred to above, assessed whether the timing of recognition of revenue was appropriate in accordance with the requirements of the relevant Australian Accounting Standards. ▸ Assessed the measurement of receivables for which final pricing remained outstanding as at March 31, 2025, including assessing the accuracy of forecast iron ore prices used in forming the estimate by agreeing to external data. ▸ Assessed the adequacy and appropriateness of the disclosures included in the notes to the financial report.

Information other than the financial report and auditor's report thereon

The directors are responsible for the other information. The other information comprises the information included in the Company's 2025 annual report, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of:

- The financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and
- The consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001;* and

for such internal control as the directors determine is necessary to enable the preparation of:

- The financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- The consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group financial report. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated to the directors, we determine those matters that were of most significance in the audit of the financial report of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the audit of the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended March 31, 2025.

In our opinion, the Remuneration Report of Champion Iron Limited for the year ended March 31, 2025, complies with section 300A of the *Corporations Act 2001*.

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Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Ernst & Young

Scott Nichols
Partner
Sydney, Australia
May 29, 2025

Champion Iron Limited

Consolidated Statements of Financial Position

(Expressed in thousands of Canadian dollars)

	Notes	As at March 31, 2025	As at March 31, 2024
Assets			
Current			
Cash and cash equivalents	**3**	**117,451**	400,061
Receivables	**4**	**202,470**	120,079
Income and mining taxes receivable	**24**	**3,173**	—
Prepaid expenses and advances	**5**	**51,722**	47,368
Inventories	**6**	**357,489**	332,611
		732,305	900,119
Non-current			
Non-current investments	**7**	**15,393**	14,509
Advance payments	**8**	**76,307**	83,374
Intangible assets	**9**	**5,219**	5,172
Property, plant and equipment	**10**	**2,046,406**	1,545,961
Exploration and evaluation assets	**11**	**148,029**	131,827
Other non-current assets	**12**	**6,542**	8,589
Total assets		**3,030,201**	2,689,551
Liabilities			
Current			
Accounts payable and other	**13**	**289,660**	251,778
Income and mining taxes payable	**24**	**25,895**	40,232
Current portion of long-term debt	**14**	**40,725**	31,061
Current portion of provisions	**16**	**2,402**	—
		358,682	323,071
Non-current			
Long-term debt	**14**	**666,576**	508,367
Deferred grant	**14**	**8,573**	9,797
Lease liabilities	**15**	**78,619**	70,649
Provisions	**16**	**141,628**	84,593
Other long-term liabilities	**17**	**15,620**	15,422
Net deferred tax liabilities	**24**	**325,105**	281,142
Total liabilities		**1,594,803**	1,293,041
Shareholders' equity			
Share capital	**17**	**411,047**	409,785
Contributed surplus		**16,647**	17,372
Warrants	**17**	**22,288**	22,288
Foreign currency translation reserve		**374**	429
Retained earnings		**985,042**	946,636
Total equity		**1,435,398**	1,396,510
Total liabilities and equity		**3,030,201**	2,689,551
Commitments and contingencies	**29**		
Subsequent event	**34**		

Should be read in conjunction with the notes to the consolidated financial statements

Approved on May 29, 2025 on behalf of the Directors of Directors

/s/ Michael O'Keeffe
Executive Chairman

/s/ Gary Lawler
Lead Director

Champion Iron Limited

Consolidated Statements of Income

(Expressed in thousands of Canadian dollars, except where otherwise indicated)

		Year Ended March 31,	
	Notes	**2025**	2024
Revenues	**18**	**1,606,579**	1,524,294
Cost of sales	**19**	**(1,056,243)**	(884,022)
Depreciation	**30**	**(148,604)**	(123,584)
Gross profit		**401,732**	516,688
Other expenses			
Share-based payments	**17**	**(5,397)**	(7,455)
General and administrative expenses	**20**	**(48,734)**	(50,857)
Sustainability and other community expenses	**21**	**(18,562)**	(17,838)
Innovation and growth initiatives		**(8,528)**	(11,331)
Operating income		**320,511**	429,207
Net finance costs	**22**	**(57,539)**	(36,138)
Other income (expenses)	**23**	**2,175**	(242)
Income before income and mining taxes		**265,147**	392,827
Current income and mining taxes	**24**	**(79,139)**	(93,221)
Deferred income and mining taxes	**24**	**(43,963)**	(65,415)
Net income		**142,045**	234,191
Earnings per share		(in dollars)	(in dollars)
Basic	**25**	**0.27**	0.45
Diluted	**25**	**0.27**	0.44
Weighted average number of ordinary shares outstanding		(in thousands)	(in thousands)
Basic	**25**	**518,173**	517,579
Diluted	**25**	**527,659**	527,525

Should be read in conjunction with the notes to the consolidated financial statements

Champion Iron Limited

Consolidated Statements of Comprehensive Income

(Expressed in thousands of Canadian dollars)

	Year Ended March 31,	
	2025	2024
Net income	**142,045**	234,191
Other comprehensive loss		
Item that may be reclassified subsequently to the consolidated statements of income:		
Net movement in foreign currency translation reserve	**(55)**	(1)
Total other comprehensive loss	**(55)**	(1)
Total comprehensive income	**141,990**	234,190

Should be read in conjunction with the notes to the consolidated financial statements

Consolidated Statements of Changes in Equity

(Expressed in thousands of Canadian dollars, except where otherwise indicated)

		Attributable to Champion Shareholders						
		Share Capital						
		Ordinary Shares						
	Note	**Shares[1]** (in thousands)	**$**	**Contributed Surplus**	**Warrants**	**Foreign Currency Translation**	**Retained Earnings**	**Total**
March 31, 2024		**518,071**	**409,785**	**17,372**	**22,288**	**429**	**946,636**	**1,396,510**
Net income		**—**	**—**	**—**	**—**	**—**	**142,045**	**142,045**
Other comprehensive loss		**—**	**—**	**—**	**—**	**(55)**	**—**	**(55)**
Total comprehensive income (loss)		**—**	**—**	**—**	**—**	**(55)**	**142,045**	**141,990**
Exercise of stock options	**17**	**150**	**1,073**	**(323)**	**—**	**—**	**—**	**750**
Release of performance share units	**17**	**30**	**189**	**(403)**	**—**	**—**	**(4)**	**(218)**
Dividends on ordinary shares	**17**	**—**	**—**	**—**	**—**	**—**	**(103,635)**	**(103,635)**
Share-based payments	**17**	**—**	**—**	**1**	**—**	**—**	**—**	**1**
March 31, 2025		**518,251**	**411,047**	**16,647**	**22,288**	**374**	**985,042**	**1,435,398**
March 31, 2023		517,193	401,282	22,796	22,288	430	815,908	1,262,704
Net income		—	—	—	—	—	234,191	234,191
Other comprehensive loss		—	—	—	—	(1)	—	(1)
Total comprehensive income (loss)		—	—	—	—	(1)	234,191	234,190
Exercise of stock options	**17**	1,050	7,508	(2,258)	—	—	—	5,250
Release of performance share units	**17**	161	995	(2,132)	—	—	66	(1,071)
Cancellation of ordinary shares	**17**	(333)	—	—	—	—	—	—
Dividends on ordinary shares	**17**	—	—	—	—	—	(103,448)	(103,448)
Dividend equivalents	**17**	—	—	81	—	—	(81)	—
Share-based payments	**17**	—	—	(1,115)	—	—	—	(1,115)
March 31, 2024		518,071	409,785	17,372	22,288	429	946,636	1,396,510

Should be read in conjunction with the notes to the consolidated financial statements

[1] All issued ordinary shares are fully paid and have no par value.

Champion Iron Limited

Consolidated Statements of Cash Flows

(Expressed in thousands of Canadian dollars)

		Year Ended March 31,	
	Notes	2025	2024
Cash provided by (used in)			
Operating activities			
Net income		**142,045**	234,191
Adjustments for non-cash items			
Depreciation	**30**	**148,604**	123,584
Share-based payments	**17**	**5,397**	7,455
Write-off of a non-current investment	**7, 26**	**—**	2,744
Change in fair value of non-current investments	**7, 26**	**(884)**	(2,502)
Unrealized foreign exchange loss		**18,094**	797
Accretion expense of provisions	**16, 22**	**1,717**	1,294
Amortization of transaction costs and accretion of long-term debt	**22**	**4,648**	5,129
Amortization of deferred grant	**14, 22**	**(1,224)**	(817)
Loss on disposal of property, plant and equipment	**10**	**5,074**	630
Deferred income and mining taxes	**24**	**43,963**	65,415
Other		**130**	(50)
Utilization of provisions	**16**	**(238)**	—
		367,326	437,870
Changes in non-cash operating working capital	**30**	**(63,308)**	36,715
Net cash flows from operating activities		**304,018**	474,585
Investing activities			
Decrease in short-term investments		**—**	312
Increase in advance payments	**8**	**(10,101)**	(13,683)
Purchase of intangible assets	**9**	**(1,568)**	(430)
Purchase of property, plant and equipment	**10, 30**	**(576,375)**	(328,144)
Proceeds from disposal of property, plant and equipment	**10**	**38**	2,688
Investment in exploration and evaluation assets	**11**	**(27,653)**	(14,700)
Increase in other non-current financial assets	**12**	**(90)**	(760)
Net cash flows used in investing activities		**(615,749)**	(354,717)
Financing activities			
Issuance of long-term debt	**14**	**187,951**	337,920
Repayment of long-term debt	**14**	**(51,136)**	(273,792)
Transaction costs on long-term debt	**14**	**(1,029)**	(4,801)
Payment of lease liabilities	**15**	**(9,269)**	(8,422)
Exercise of stock options	**17**	**750**	5,250
Withholding taxes paid pursuant to the settlement of PSUs	**17**	**(218)**	(1,071)
Dividends paid on ordinary shares	**17**	**(103,635)**	(103,448)
Net cash flows from (used in) financing activities		**23,414**	(48,364)
Net increase (decrease) in cash and cash equivalents		**(288,317)**	71,504
Cash and cash equivalents, beginning of the year		**400,061**	326,806
Effects of exchange rate changes on cash and cash equivalents		**5,707**	1,751
Cash and cash equivalents, end of the year		**117,451**	400,061
Interest paid		**48,059**	36,707
Interest received		**10,828**	13,223
Income and mining taxes paid (net of refund)	**24**	**96,649**	15,077

Should be read in conjunction with the notes to the consolidated financial statements

1. Description of Business

Champion Iron Limited ("Champion" or the "Company") 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). The Company is domiciled in Australia and its principal administrative office is located on 1155 René-Lévesque Blvd. West, Suite 3300, Montréal, QC, H3B 3X7, Canada.

Champion, through its wholly-owned subsidiary Quebec Iron Ore Inc. ("QIO"), owns and operates the Bloom Lake Mining Complex ("Bloom Lake" or "Bloom Lake Mine"), 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 15 million wet metric tonnes 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 (the "DRPF Project"). Bloom Lake's high-grade and lower contaminant iron ore products have attracted a premium to the Platts IODEX 62% Fe iron ore benchmark. 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 Kamistiatusset mining properties, a project with an expected annual production of 9 million wet metric tonnes per year of direct reduction quality iron grading above 67.5% Fe (the "Kami Project"), 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 (collectively the "Partners") 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. Material Accounting Policy Information and Future Accounting Changes

a) Basis of Preparation and Statement of Compliance

The Company's consolidated financial statements are for the group consisting of Champion Iron Limited and its subsidiaries.

These audited consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

The financial report is a general purpose financial report which has also been prepared for a for-profit enterprise in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards ("AAS") and other authoritative pronouncements of the Australian Accounting Standards Board ("AASB").

The Company has consistently applied the accounting policies used in the preparation of its IFRS consolidated financial statements with the exception of those arising from new accounting standards issued and adopted by the Company as described in this note.

These consolidated financial statements have been prepared on the historical cost basis, except for the revaluation of certain financial assets and liabilities which have been measured at fair value.

The nature of the operations and principal activities of the Company are described in the Directors' Report for the year ended March 31, 2025.

These consolidated financial statements were approved and authorized for issue by the Board of Directors (the "Board") on May 29, 2025.

b) Material Accounting Policy Information

The accounting policies set out below have been applied consistently to all years presented in these consolidated financial statements.

Consolidation

The consolidated financial statements of the Company include the accounts of the Company and its subsidiaries. Subsidiaries are those entities which the Company controls. Control is achieved when the Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (current ability to direct the relevant activities of the investee). Generally, there is a presumption that a majority of voting rights results in control. The Company considers all relevant facts and circumstances in assessing whether voting rights are sufficient to obtain control over an investee.

All intra-group assets and liabilities, revenues, expenses and cash flows relating to intra-group transactions are eliminated.

(Expressed in thousands of Canadian dollars, except where otherwise indicated)

2. Material Accounting Policy Information and Future Accounting Changes (continued)

b) Material Accounting Policy Information (continued)

Consolidation (continued)

The significant subsidiaries are listed below:

	Ownership Percentage	Country of Incorporation	Functional Currency
Champion Innovations Limited	100 %	Canada	Canadian dollars
Champion Iron Mines Limited	100 %	Canada	Canadian dollars
Québec Iron Ore Inc.	100 %	Canada	Canadian dollars
Champion Kami Partner Inc.*	100 %	Canada	Canadian dollars
Lac Bloom Railcars Corporation Inc.	100 %	Canada	United States ("U.S.") dollars

*12364042 Canada Inc. was renamed Champion Kami Partner Inc. As at March 31, 2025, Champion still holds 100% of the Kami Project's assets. Refer to note 29 — Commitments and Contingencies.

Foreign currencies

These consolidated financial statements are presented in Canadian dollars, which is the Company's functional currency. Items included in the financial statements of each consolidated entity are measured using the currency of the primary economic environment in which the entity operates (the functional currency).

i) Transactions and balances

Foreign currency transactions are translated into the functional currency of the Company's entities using the exchange rates prevailing at the dates of the transactions or the appropriate average exchange rate. Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the consolidated statements of income within net finance costs. Non-monetary items that are measured based on historical cost in a foreign currency are translated using the exchange rate at the dates of the initial transactions.

ii) Foreign operations

The financial statements of entities that have a functional currency different from the Company's presentation currency are translated into Canadian dollars as follows: assets and liabilities are translated at the closing exchange rate at the reporting date, and income and expenses are translated at the average exchange rate of the period. Equity transactions are translated using the exchange rate at the date of the transaction. Exchange differences arising from these translations are recognized directly in other comprehensive income within the foreign currency translation reserve until the subsidiary is disposed or dissolved, on which date the cumulative amount is reclassified to profit or loss.

Inventories

Stockpiled iron ore and iron ore concentrate inventories are measured and valued at the lower of average production cost and net realizable value. Production costs that are capitalized as inventories include the costs directly related to bringing the inventories to its current condition and location, such as materials, direct labour, depreciation and manufacturing overhead costs, based on normal capacity of the production facilities. Net realizable value is the estimated selling price of the iron ore concentrate in the ordinary course of business based on the prevailing iron ore prices at the reporting date, less estimated costs to complete production and to bring iron ore concentrate to the point of sale.

Supplies and spare parts are valued at the lower of cost or net realizable value. Any provision for obsolescence is determined by reference to specific items of stock. A regular review is undertaken to determine the extent of any provision for obsolescence.

2. Material Accounting Policy Information and Future Accounting Changes (continued)

b) Material Accounting Policy Information (continued)

Intangible assets

Intangible assets acquired separately are carried at cost, less accumulated depreciation and accumulated impairment losses. Configuration and customization costs under cloud computing arrangements are capitalized only when the Company has control over the intellectual property of the underlying software code.

Depreciation on finite-life intangible assets is recognized on a straight-line basis over their estimated economic useful lives and assessed for impairment whenever there is an indication that the intangible assets may be impaired. The estimated useful life and depreciation method are reviewed at least at each financial year-end, with the effect of changes in estimates being accounted for on a prospective basis if any.

Depreciation is calculated on the following basis over the economic lives of the intangible assets with a finite useful life:

Port access	Straight-line over 20 years
Software	Straight-line over 3 years

Property, plant and equipment

Property, plant and equipment are carried at historical cost less any accumulated depreciation and impairment losses. Depreciation is calculated on the following basis over the estimated useful lives of property, plant and equipment:

Mining and processing equipment	Straight-line over 1 to 15 years or units-of-production basis over the recoverable reserves
Locomotives, railcars and rails	Straight-line over 24 years
Tailings dikes	Straight-line over 7 years or units-of-production basis over the recoverable reserves
Mining development and stripping asset	Straight-line over 5 years or units-of-production basis over the recoverable reserves
Asset rehabilitation obligation and other	Straight-line over 10 to 24 years or units-of-production basis over the recoverable reserves
Right-of-use assets	Straight-line over 1 to 24 years or units-of-production basis over the recoverable reserves

Useful lives of the assets are reviewed annually and adjusted prospectively if appropriate. Gains and losses on disposals of items of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of the asset and are recognized in the consolidated statements of income.

Assets under construction

i) Property, plant and equipment in the course of construction or use for its own purposes

The cost comprises their purchase price and any costs directly attributable to bringing them into working conditions for their intended use. Assets under construction include capitalized borrowing costs attributable to the acquisition, development or construction of assets that necessarily take a substantial period of time to get ready for their intended use. Assets under construction are carried at cost less any recognized impairment loss and are not subject to depreciation. Assets under construction are classified to the appropriate category of property, plant and equipment and the depreciation of these assets commences when the assets are ready for their intended use.

ii) Mineral properties under development

Costs incurred subsequent to the establishment of the technical feasibility and commercial viability of the extraction of resources from a particular mineral property are capitalized. Capitalized costs, including mineral property acquisition costs and certain mine development and construction costs, are not depreciated until the related mining property has reached a level of operating capacity pre-determined by management, often referred to "as commercial production" or expected capacity. The date of transition from construction to commercial production or expected capacity accounting is based on both qualitative and quantitative criteria such as substantial physical project completion, sustained levels of mining and processing activity, and passage of a reasonable period of time. Upon completion of mine construction activities (based on the determination of commercial production or expected capacity), costs are removed from assets under development and incorporated into the appropriate categories of property, plant and equipment and supplies inventories.

2. Material Accounting Policy Information and Future Accounting Changes (continued)

b) Material Accounting Policy Information (continued)

Acquisition of a group of assets

When acquiring a group of assets, the Company determines whether the set of activities and assets acquired meet the definition of a business. If they do not constitute a business, the group of assets, including intangible assets acquired and liabilities assumed, are accounted based on their relative fair values at the date of acquisition. The cost of acquisition, including directly attributable acquisition-related costs, is measured as the aggregate of the consideration transferred measured at the acquisition date fair value.

The cost of the assets on initial recognition excludes any variable contingent consideration.

Production stripping (waste removal) costs

Where the benefits are realized in the form of improved access to ore to be mined in the future, the costs are recognized as a production stripping asset within property, plant and equipment, if the following criteria are met:

- Future economic benefits (being improved access to the ore body) are probable;
- The component of the ore body for which access will be improved can be accurately identified; and
- The costs associated with the improved access can be reliably measured.

If any of the criteria are not met, the production stripping costs are charged to profit or loss as operating costs in cost of sales as they are incurred.

The stripping ratio varies depending on the stage of the mine life. All costs related to a stripping ratio higher than the life of mine ratio are capitalized and all costs related to a stripping ratio lower than the life of mine ratio results in amortization of the stripping activity asset. Stripping costs incurred in the pre-production period have also been capitalized using the same methodology. Refer to the Material judgments, estimates and assumptions section below.

Exploration and evaluation assets

Exploration and evaluation expenditures, including the costs of acquiring licenses and directly attributable general and administrative costs, are initially capitalized as exploration and evaluation assets. The costs are accumulated by property pending the determination of technical feasibility and commercial viability. Pre-license costs are expensed when incurred. Pre-exploration costs are expensed unless it is considered probable that they will generate future economic benefits.

Mining tax credits earned in respect to costs incurred in Québec are recorded as a reduction to exploration and evaluation assets when there is a reasonable assurance that the Company has complied with, and will continue to comply with, all conditions needed to obtain the credits.

The recoverability of amounts shown for exploration and evaluation assets is dependent upon the ability of the Company to obtain financing to complete the exploration and development of its mineral resource properties, the existence of economically recoverable reserves and future profitable production, or alternatively, upon the Company's ability to recover its costs through a disposition of its mineral resource properties. The amounts shown for exploration and evaluation assets do not necessarily represent present or future value. Changes in future conditions could require a material change in the amount recorded for exploration and evaluation assets.

The technical feasibility and commercial viability of extracting a mineral resource from a property is considered to be determinable when proved and/or probable reserves are determined to exist and the necessary permits have been received to commence production. A review of each property is carried out at least annually. Upon determination of technical feasibility and commercial viability, exploration and evaluation assets are first tested for impairment and then reclassified to property, plant and equipment or expensed to the consolidated statements of income to the extent of any impairment.

2. Material Accounting Policy Information and Future Accounting Changes (continued)

b) Material Accounting Policy Information (continued)

Impairment of non-financial assets

The Company's non-financial assets, such as intangible assets, property, plant and equipment and exploration and evaluation assets are reviewed for indicators of impairment at least annually and upon the occurrence of events or changes in circumstances indicating that the carrying value of the assets may not be recoverable. If indication of impairment exists, the asset's recoverable amount is estimated.

An impairment loss is recognized in the consolidated statements of income when the carrying amount of an asset, or its cash-generating unit ("CGU"), exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the assets or CGUs in an arm's length transaction between knowledgeable and willing parties, using assumptions that an independent market participant may take into account. Value in use is determined as the present value of the future cash flows expected to arise from the continued use of the assets or CGUs. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is reversed if there is an indication that there has been a change in the estimates used to determine the recoverable amount. However, the impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognized.

Financial instruments

i) Financial assets recognition and classification

On initial recognition, financial assets are either classified and measured at amortized cost, fair value through profit and loss ("FVTPL") or fair value through other comprehensive income ("FVOCI"). In order for financial assets to be classified and measured at amortized cost or FVOCI, it needs to give rise to cash flows that represent solely payments of principal and interest ("SPPI") on the principal amount outstanding. Financial assets with cash flows that are not SPPI are classified and measured at FVTPL, irrespective of the business model.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortized cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at FVOCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Financial assets at amortized cost mainly include the Company's cash and cash equivalents, short-term investments, if any, trade receivables associated with contracts not subject to provisional pricing and other receivables which are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Interest income received and impairment losses are recognized within net finance costs in the consolidated statements of income. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

Financial assets at FVTPL include the Company's trade receivables subject to provisional pricing and non-current investments. The Company's trade receivables subject to provisional pricing relate to sale contracts where the selling price is determined after delivery to the customer, based on the market price at the relevant quotation period stipulated in the contract. The embedded derivative related to this exposure to the commodity price causes such trade receivables to fail the SPPI test. As a result, these receivables are measured at FVTPL in its entirety from the date of recognition of the corresponding sale, with subsequent movements being recognized as provisional pricing adjustments within revenues in the consolidated statements of income. Financial assets at FVTPL are carried in the consolidated statements of financial position at fair value with subsequent net changes in fair value recognized in profit or loss.

Trade receivables are non-interest-bearing. Typically, 95% of the provisional invoice, independently of the quotation period, is received in cash between 15 and 30 days of the date of the sale, which reduces the credit risk associated with trade receivables. The remaining 5% balance in addition to price changes post-shipment is generally received (or paid) within 3 months of the vessel discharge date.

2. Material Accounting Policy Information and Future Accounting Changes (continued)

b) Material Accounting Policy Information (continued)

Financial instruments (continued)

ii) Impairment of financial assets

The Company recognizes an allowance for expected credit loss ("ECL") for all financial assets not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original EIR. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For receivables (other than trade receivables subject to provisional pricing) due in less than 12 months, the Company applies the simplified approach in calculating ECL. Therefore, the Company does not track changes in credit risk, but instead, recognizes a loss allowance based on the financial asset's lifetime ECL at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. For any other financial assets carried at amortized cost (which are due in more than 12 months), the ECL is based on the 12-month ECL. The 12-month ECL is the proportion of lifetime ECLs that results from default events on a financial instrument that are possible within 12 months after the reporting date. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment including forward-looking information.

The Company considers a financial asset in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows, which generally occurs when past due for more than one year and not subject to any enforcement activity.

At each reporting date, the Company assesses whether financial assets carried at amortized cost are credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

iii) Financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL or at amortized cost. All financial liabilities are recognized initially at fair value and, in the case of loans and payables, net of directly attributable transaction costs.

A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designed as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and change in fair value are recognized in profit or loss.

Other liabilities are subsequently measured at amortized cost using the EIR method by taking into account any discount or premium on acquisition and fees or costs. Interest expenses are recognized as finance costs in the consolidated statements of income. Financial liabilities at amortized cost include the Company's long-term debt and trade payable.

iv) Derecognition of financial liabilities

A financial liability is derecognized when the associated obligation is discharged, cancelled or expires with gains or losses on derecognition recognized in the consolidated statements of income. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the consolidated statements of income.

2. Material Accounting Policy Information and Future Accounting Changes (continued)

b) Material Accounting Policy Information (continued)

Financial instruments (continued)

v) Derivative financial instruments

Derivative financial instruments are measured at FVTPL, unless they are designated as hedging instruments for which hedge accounting is applied. Changes in the fair value of derivative financial instruments not designated in a hedging relationship are recognized in other income (expenses), based on the nature of the exposure. The Company has no hedging instrument.

Financial or non-financial contracts may include embedded derivatives. Embedded derivatives for which economic characteristics and risks are closely related to the host contracts are not accounted for as a separate derivative. Embedded derivatives that are not closely related to the host contract such as prepayment options are measured at fair value, with the initial value recognized as an increase of the related long-term debt and amortized to income using the effective interest method. Subsequent changes in the fair value of embedded derivatives are recorded either in net finance costs or other income (expenses), depending on the nature of the derivative.

Reassessment of embedded derivatives only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the FVTPL category.

Leases

i) Champion as a lessee

Leases are recognized as a right-of-use asset in property, plant and equipment and a corresponding liability in lease liabilities at the date at which the leased asset is available for use by the Company. The right-of-use assets are initially measured at cost, which comprises:

- The amount of the initial measurement of the lease liability;
- Any lease payments made at or before the commencement date, less any lease incentives;
- Any initial direct costs incurred by the Company; and
- Restoration costs.

After the commencement date, the right-of-use assets are measured at cost less any accumulated depreciation. The right-of-use asset is depreciated either on a straight-line basis over the lease term, taking into account any extensions that are likely to be exercised (or longer if a purchase option is reasonably certain to be exercised) or the units-of-production basis over the recoverable reserves. Right-of-use assets are subject to impairment.

The lease liability is initially measured at the present value of the lease payments that are not paid at that date. These include:

- Fixed payments, less any lease incentives receivable;
- Variable lease payments that depend on an index or a rate;
- Amounts expected to be payable by the Company under residual value guarantees;
- The exercise price of a purchase option if the Company is reasonably certain to exercise that option; and
- Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The lease payments are discounted using the Company's incremental borrowing rate unless the implicit rate in the lease contract is readily determinable in which case the latter is used. Each lease payment is allocated between the repayment of the principal portion of the lease liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

After the commencement date, the amount of lease liability is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liability is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Payments associated with short-term leases, leases of low-value assets and certain variable lease payments are recognized on a straight-line basis as an expense in profit or loss.

At the time of the full termination of the lease, the Company derecognizes the right-of-asset and lease liability. A gain or loss for any difference between the carrying amounts of the right-of-use asset and lease liability as of the date of termination is recognized under other income (expenses) in the consolidated statements of income.

2. Material Accounting Policy Information and Future Accounting Changes (continued)

b) Material Accounting Policy Information (continued)

Leases (continued)

ii) Champion as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising from these contracts is accounted for on a straight-line basis over the lease term and is included in other income (expenses) in the consolidated statements of income as it is not part of the Company's regular operations.

Provisions

The Company records provisions for the legal and constructive asset retirement obligations as well as compensation plans obligation to fulfill conditions associated with tailings and waste rock storage expansion plan. The provisions are recorded for an amount that represents the expected expenditure required to settle the present obligation at the end of the reporting period. Where the effect of the time value of money is material, the Company adjusts the amount of the provision which is the present value of the expenditures expected to be required to settle the obligation, discounted by the number of years between the reporting date and the expected disbursement date, using a discount rate that reflects current market assessments of the time value and risks at the reporting period. The unwinding of the discount is recognized as finance cost.

Share capital and dividends

Share capital is classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognized as a deduction from equity, net of any tax effects. Proceeds from issuance of share capital are allocated between shares capital and ordinary share purchase warrants by calculating the fair value of the warrants using the Black-Scholes option pricing model and recording the share capital portion using the residual method as the difference between the fair value of the warrants and the proceeds received. Issuance costs are allocated pro rata between the share capital and warrants and netted against each component.

The Company recognizes a liability to pay a dividend when the distribution is authorized by the Board, and the distribution is no longer at the discretion of the Company. A corresponding amount is recognized directly in equity.

Employee benefits

i) Post-employment benefits

Certain employees of the Company have entitlements under the Company's collective pension and retirement agreement, which operates as a defined-contribution pension plan. The cost of defined contribution retirement benefit plan is recognized as an expense when employees have rendered service entitling them to the contributions.

ii) Stock option plan

The Company offers a stock option plan for eligible directors and employees. The fair value of stock options for each vesting period is determined using the Black-Scholes option pricing model and is recorded over the vesting period as an increase to stock-based payments and contributed surplus. A forfeiture rate is estimated on the grant date and is adjusted to reflect the actual number of options that vest. Upon the exercise of stock options, the proceeds received by the Company and the related contributed surplus are recorded as an increase to share capital. In the event that vested stock options expire, previously recognized share-based compensation is not reversed. In the event that stock options are forfeited, previously recognized share-based payments associated with the unvested portion of the stock options forfeited is reversed.

iii) Other awards

As part of the remuneration plan, the Company offers performance share unit ("PSU") awards, restricted share unit ("RSU") awards and deferred share unit ("DSU") awards. Recipients of these share-based awards are entitled to receive a dividend equivalent.

Equity-settled share-based payments are measured at fair value and the awards expected to vest are accrued on a straight-line basis over the vesting period with a corresponding increase in contributed surplus. The grant date fair value of equity-settled share-based awards is determined using the share price of the Company on the TSX at the grant date. At a dividend record date, if any, the dividend equivalent is recognized directly as an increase in contributed surplus with a corresponding amount in retained earnings based on the vesting period, measured at the grant date fair value of the dividend equivalent.

2. Material Accounting Policy Information and Future Accounting Changes (continued)

b) Material Accounting Policy Information (continued)

Employee benefits (continued)

iii) Other awards (continued)

Cash-settled share-based payments are measured at fair value at the grant date with a corresponding liability. The grant date fair value of the compensation is measured based on the closing share price of the Company on the TSX adjusted to take into account the terms and conditions upon which the shares were granted, if any, and the awards that are expected to vest. Until the liability is settled, the fair value of the liability is remeasured at the end of each reporting period and at the date of settlement, based on the closing share price, with any changes in the fair value measurement of the liability recognized in profit or loss. At a dividend record date, if any, the dividend equivalent is recognized as a liability for cash-settled awards with a corresponding amount as share-based payments in profit or loss.

When terms of an equity-settled share-based award are modified to be being cash-settled award, at the date of modification, a liability is recognized based on the fair value of the cash–settled award as at that date and the extent to which the vesting period has expired with a corresponding decrease in contributed surplus. Subsequently, the fair value of the liability is remeasured at the end of each reporting period with any changes in fair value recognized in profit or loss.

Revenue

The Company recognizes revenue from sales of iron ore concentrate, net of any discount, when control of the iron ore concentrate is transferred to the customer, which is generally when the iron ore concentrate is delivered to the vessel. The product is generally sold on Free On Board (FOB) Incoterm, where the Company has no responsibility for freight or insurance once control of the iron ore concentrate has passed at the loading port. Thus, the performance obligation is satisfied at a point in time. At the time the iron ore concentrate is loaded, the Company has transferred the significant risks and rewards to the customer, including the legal title, as well as the physical transfer of the iron ore concentrate. The Company recognizes revenues net of freight, freight commission, marketing incentives and other costs.

The Company's iron ore concentrate is sold to customers under contracts that vary in pricing mechanism. The majority of the Company's sales are sold under pricing arrangements when final prices are determined by quoted market prices subsequent to the date of the sale, based on a mutually agreed final quotation period stipulated in the contract. For these sales, revenue is recognized at an amount that reflects the consideration to which the Company expects to receive in exchange for the iron ore concentrate transferred, with reference to the relevant price indices. At each reporting period, the Company re-estimates these sales, with subsequent mark-to-market adjustments recorded as provisional pricing adjustments in sales revenue up to the date of the final settlement.

Customers have no right of return. If the iron ore concentrate delivered does not meet quality specifications agreed in the sale contracts according to discharge port certificates, the selling price is adjusted to reflect a penalty specification.

Government grants

Government grants are recognized at fair value when there is a reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recorded as a deferred credit and recognized as income or recorded against the expenditure, as the related costs for which it is intended to compensate are expensed. When the grant relates to an asset, it is deducted from the cost of the related asset. The Company presents grants received related to an expense item within operating activities whereas grants received related to an asset are presented within the investing activities against the purchase of property, plant and equipment in the consolidated statements of cash flows.

Interest-bearing loans from government at a below-market interest rate are treated as government grants and are recognized at fair value measured at the present value of all future cash flows discounted using the prevailing market rate of interest for similar instruments. The difference between the fair value of the loan and the consideration received is recognized as a government grant. After initial recognition, the interest-bearing loan is subsequently measured at amortized cost using the effective interest rate method. The government grant is amortized over the loan maturity.

Innovation and growth initiative expenses

Innovation and growth initiative expenses are recognized in profit or loss as incurred, except if the expenditures are related to the development and setup of new products, processes and systems and satisfy generally accepted conditions for capitalization, including reasonable assurance that they will be recovered. Capitalized innovation and growth expenditures are measured at cost less accumulated depreciation, using the straight-line method, and accumulated impairment losses.

2. Material Accounting Policy Information and Future Accounting Changes (continued)

b) Material Accounting Policy Information (continued)

Income tax

Income tax expense comprises current and deferred taxes. Current tax and deferred tax are recognized in profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for:

- Temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and
- Temporary differences related to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

c) 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.

2. Material Accounting Policy Information and Future Accounting Changes (continued)

c) Material Judgments, Estimates and Assumptions (continued)

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. The Company latest updated National Instrument 43-101 Technical report for the mineral resources and reserves of the Bloom Lake Mine was published in October 2023.

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.

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.

2. Material Accounting Policy Information and Future Accounting Changes (continued)

c) Material Judgments, Estimates and Assumptions (continued)

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. Refer to note 11 — Exploration and Evaluation Assets.

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. Refer to notes 10 — Property, Plant and Equipment and 15 — Lease Liabilities.

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. As at March 31, 2025, there was US$223,992,000 in revenues that were awaiting final pricing (March 31, 2024: US$142,079,000).

d) 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.

(Expressed in thousands of Canadian dollars, except where otherwise indicated)

2. Material Accounting Policy Information and Future Accounting Changes (continued)

d) New Accounting Amendments Issued and Adopted by the Company (continued)

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 consolidated financial statements.

e) 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.

3. Cash and Cash Equivalents

	As at March 31, 2025	As at March 31, 2024
Bank balances	**117,451**	263,027
Short-term deposits (i)	**—**	137,034
	117,451	400,061

(i) Short-term deposits had a maturity of less than three months from the investment date.

(Expressed in thousands of Canadian dollars, except where otherwise indicated)

4. Receivables

	Notes	As at March 31, 2025	As at March 31, 2024
Trade receivables (i)		**145,457**	71,560
Sales tax		**36,345**	39,143
Grant receivable	**10**	**2,543**	2,543
Other receivables	**11**	**18,125**	6,833
		202,470	120,079

(i) As at March 31, 2025, the trade receivables, associated with revenues that remained subject to provisional pricing, represented a receivable balance of $70,410 (March 31, 2024: payable of $34,793).

For information about the Company's exposure to credit risk, refer to note 26 — Financial Instruments.

5. Prepaid Expenses and Advances

	Note	As at March 31, 2025	As at March 31, 2024
Railway transportation and terminal logistic (i)		**36,644**	39,056
Port handling services	**8**	**3,965**	3,725
Insurance		**1,028**	1,391
Other		**10,085**	3,196
		51,722	47,368

(i) As at March 31, 2025, the railway transportation and terminal logistic prepaid included the current portion of railway services agreements of $16,706 (March 31, 2024: $15,305) and monthly prepayments pursuant to service agreements. Refer to note 8 — Advance Payments.

6. Inventories

	As at March 31, 2025	As at March 31, 2024
Stockpiled ore	**47,048**	45,460
Iron ore concentrate inventories	**189,955**	176,460
Supplies and spare parts	**120,486**	110,691
	357,489	332,611

For the year ended March 31, 2025, the amount of inventories recognized as an expense totalled $1,204,847 (year ended March 31, 2024: $1,007,606).

(Expressed in thousands of Canadian dollars, except where otherwise indicated)

7. Non-Current Investments

	As at March 31, 2025	As at March 31, 2024
Equity investments in a private entity - at FVTPL	**15,384**	14,500
Equity investments in a publicly listed entity - at FVTPL	**9**	9
	15,393	14,509

	Note	**Year Ended March 31, 2025**	2024
Opening balance		**14,509**	14,751
Change in fair value	**23**	**884**	2,502
Write-off	**23**	**—**	(2,744)
Ending balance		**15,393**	14,509

For information about the Company's equity instruments, refer to note 26 — Financial Instruments.

8. Advance Payments

	Note	**As at March 31, 2025**	As at March 31, 2024
Advance payments related to railway transportation and terminal logistic (i)		**34,780**	45,872
Prepaid future port handling services (ii)		**18,484**	19,956
Other long-term advance (iii)		**43,714**	36,576
		96,978	102,404
Less current portion classified in "Prepaid expenses and advances"	**5**	**(20,671)**	(19,030)
		76,307	83,374

(i) In October 2017, the Company entered into a railway and stockyard facilities access agreement with Société Ferroviaire et Portuaire de Pointe-Noire ("SFP Pointe-Noire") for the transportation, unloading, stockpiling and loading of iron ore concentrate from Sept-Îles to Pointe-Noire, Québec. In connection with the agreement, the Company makes annual payments of $3,750 to SFP Pointe-Noire to cover the investments made at the time with respect to a portion of the infrastructure. Advance payments are amortized over the life of mine. As at March 31, 2025, the related advance payments amounted to $15,247 (March 31, 2024: $13,229).

In April 2021, the Company entered into an agreement to expand an existing long-term rail contract with a third-party railway services provider to accommodate the anticipated increased production volumes associated with its second plant. Advance payments are recovered by means of a monthly credit per tonne hauled exceeding a predetermined tonnage. In connection with this agreement, the remaining advance payments totalled $19,533 as at March 31, 2025 (March 31, 2024: $32,643). The current portion of the railway transportation advance payments totalled $16,706 as at March 31, 2025 (March 31, 2024: $15,305) and is included under Prepaid expenses and advances in the consolidated statements of financial position.

(ii) Pursuant to the agreement between the Company and the Sept-Îles Port Authority ("Port"), the Company made an advance payment on its future shipping, wharfage and equipment fees. Advance payments totalled $18,484 as at March 31, 2025 (March 31, 2024: $19,956) and are recovered by means of a monthly credit per tonne sold. The current portion of the port advances totalled $3,965 as at March 31, 2025 (March 31, 2024: $3,725) and is included under Prepaid expenses and advances in the consolidated statements of financial position.

(iii) The other long-term advance totalled $43,714 as at March 31, 2025 (March 31, 2024: $36,576) and relates to amounts paid to SFP Pointe-Noire annually which are recoverable under the guarantee access agreement if certain conditions are met. It also includes advance payments for major replacement parts, transshipment and rail assets improvement expenditures incurred by railway and port service providers, which are amortized in the Cost of sales based on the expected useful life of the assets.

The additional investments related to capital maintenance expenditures are presented under the Investing activities in the consolidated statements of cash flows, on the line advance payments and totalled $10,101 for the year ended March 31, 2025 (year ended March 31, 2024: $13,683).

(Expressed in thousands of Canadian dollars, except where otherwise indicated)

9. Intangible Assets

	Port Access	Software	Total
Cost			
March 31, 2024	**3,513**	**7,979**	**11,492**
Additions	**—**	**1,568**	**1,568**
March 31, 2025	**3,513**	**9,547**	**13,060**
Accumulated depreciation			
March 31, 2024	**243**	**6,077**	**6,320**
Depreciation	**183**	**1,338**	**1,521**
March 31, 2025	**426**	**7,415**	**7,841**
Net book value - March 31, 2025	**3,087**	**2,132**	**5,219**

	Port Access	Software	Total
Cost			
March 31, 2023	3,513	13,222	16,735
Additions	—	430	430
Disposals	—	(5,673)	(5,673)
March 31, 2024	3,513	7,979	11,492
Accumulated depreciation			
March 31, 2023	61	8,808	8,869
Depreciation	182	2,942	3,124
Disposals	—	(5,673)	(5,673)
March 31, 2024	243	6,077	6,320
Net book value - March 31, 2024	3,270	1,902	5,172

(Expressed in thousands of Canadian dollars, except where otherwise indicated)

10. Property, Plant and Equipment

	Mining and Processing Equipment	Locomotives, Railcars and Rails (i)	Tailings Dikes	Assets under Construction (ii)	Mining Development and Stripping Asset (iii)	Asset Rehabilitation Obligation and Other	Subtotal	Right-of-use Assets	Total
Cost									
March 31, 2024	**880,602**	**64,797**	**285,458**	**153,508**	**155,916**	**124,854**	**1,665,135**	**200,366**	**1,865,501**
Additions	**66,854**	**69,764**	**—**	**377,257**	**116,895**	**2,024**	**632,794**	**25,315**	**658,109**
Disposals and lease termination	**(37,353)**	**—**	**(460)**	**—**	**(305)**	**(1,466)**	**(39,584)**	**(11,591)**	**(51,175)**
Transfers	**58,343**	**—**	**73,060**	**(164,889)**	**3,162**	**30,324**	**—**	**—**	**—**
Foreign exchange and other	**—**	**2,817**	**—**	**—**	**422**	**1,806**	**5,045**	**—**	**5,045**
March 31, 2025	**968,446**	**137,378**	**358,058**	**365,876**	**276,090**	**157,542**	**2,263,390**	**214,090**	**2,477,480**
Accumulated depreciation									
March 31, 2024	**159,586**	**15,013**	**33,943**	**—**	**74,754**	**15,999**	**299,295**	**20,245**	**319,540**
Depreciation	**92,532**	**3,933**	**15,949**	**—**	**20,244**	**7,410**	**140,068**	**15,682**	**155,750**
Disposals and lease termination	**(33,584)**	**—**	**(460)**	**—**	**(305)**	**(123)**	**(34,472)**	**(10,628)**	**(45,100)**
Transfers	**—**	**—**	**—**	**—**	**187**	**(187)**	**—**	**—**	**—**
Foreign exchange and other	**—**	**884**	**—**	**—**	**—**	**—**	**884**	**—**	**884**
March 31, 2025	**218,534**	**19,830**	**49,432**	**—**	**94,880**	**23,099**	**405,775**	**25,299**	**431,074**
Net book value - March 31, 2025	**749,912**	**117,548**	**308,626**	**365,876**	**181,210**	**134,443**	**1,857,615**	**188,791**	**2,046,406**

	Mining and Processing Equipment	Locomotives, Railcars and Rails	Tailings Dikes	Assets under Construction (ii)	Mining Development and Stripping Asset	Asset Rehabilitation Obligation and Other	Subtotal	Right-of-use Assets	Total
Cost									
March 31, 2023	825,883	64,739	202,142	29,264	132,355	124,363	1,378,746	97,962	1,476,708
Additions	56,253	—	—	237,945	23,561	2,033	319,792	114,285	434,077
Disposals and lease termination	(27,564)	—	—	—	—	(1,100)	(28,664)	(11,881)	(40,545)
Transfers	26,030	—	83,316	(113,701)	—	4,355	—	—	—
Foreign exchange and other	—	58	—	—	—	(4,797)	(4,739)	—	(4,739)
March 31, 2024	880,602	64,797	285,458	153,508	155,916	124,854	1,665,135	200,366	1,865,501
Accumulated depreciation									
March 31, 2023	100,085	12,175	21,790	—	60,340	10,220	204,610	10,130	214,740
Depreciation	84,656	2,814	12,153	—	14,414	5,970	120,007	14,488	134,495
Disposals and lease termination	(25,155)	—	—	—	—	(191)	(25,346)	(4,373)	(29,719)
Foreign exchange and other	—	24	—	—	—	—	24	—	24
March 31, 2024	159,586	15,013	33,943	—	74,754	15,999	299,295	20,245	319,540
Net book value - March 31, 2024	721,016	49,784	251,515	153,508	81,162	108,855	1,365,840	180,121	1,545,961

(i) During the year ended March 31, 2025, the Company acquired 400 railcars to improve the Company's rail shipment flexibility. The acquisition was entirely financed through a long-term loan. Refer to note 14 — Long-Term Debt. Certain of these railcars are subject to a rental agreement. Refer to note 23 — Other Income (Expenses). As at March 31, 2025, 240 railcars with a net book value of $40,865 were leased under an operating lease contract.

(Expressed in thousands of Canadian dollars, except where otherwise indicated)

10. Property, Plant and Equipment (continued)

(ii) During the development period of the DRPF Project, the amount of borrowing costs capitalized for the year ended March 31, 2025, was $16,683 (year ended March 31, 2024: $2,818). Borrowing costs consisted of interest expense and the amortization of transaction costs on the long-term debt. The capitalization rate used to determine the amount of borrowing costs eligible for capitalization for the year ended March 31, 2025, was 7.5% (year ended March 31, 2024: 7.6%).

(iii) As part of the expansion of its tailings and waste rock storage area, the Company is realizing compensation plans aiming to restore or create fish habitats and improve access to spawning grounds to fulfill the conditions associated with the expansion authorizations. During the year ended March 31, 2025, the Company recorded its entire compensation plans' obligation with a corresponding entry to mining development and stripping asset under property, plant and equipment, as the expansion works started to impact the fish habitats and wetland areas during the period. Additions of mining development and stripping asset for the period included $53,710 related to these compensation plans. Refer to note 16 — Provisions.

The Company qualified for a government grant up to $21,817, payable in multiple advances, in relation to energy consumption reduction initiatives under certain conditions. The Company met the construction timeline milestone and must reach gas emission reduction targets over a period of 10 years. The grant payments are recognized as a reduction of property, plant and equipment. For the year ended March 31, 2025, no grants were recognized (year ended March 31, 2024: $663). A total grant of $2,543 was receivable as at March 31, 2025 (March 31, 2024: $2,543). Refer to note 4 — Receivables.

Right-of-use assets consist of the following:

	Building	Transshipment Infrastructure	Mining and Processing Equipment	Locomotives, Railcars and Rails	Other	Total
March 31, 2024	**8,249**	**95,701**	**4,214**	**70,112**	**1,845**	**180,121**
Additions	**869**	**—**	**23,243**	**—**	**1,203**	**25,315**
Lease termination	**—**	**—**	**(963)**	**—**	**—**	**(963)**
Depreciation	**(646)**	**(5,255)**	**(5,405)**	**(3,490)**	**(886)**	**(15,682)**
March 31, 2025	**8,472**	**90,446**	**21,089**	**66,622**	**2,162**	**188,791**

	Building	Transshipment Infrastructure	Mining and Processing Equipment	Locomotives, Railcars and Rails	Other	Total
March 31, 2023	8,696	—	14,681	64,455	—	87,832
Additions	128	99,443	3,394	8,927	2,393	114,285
Lease termination	—	—	(7,508)	—	—	(7,508)
Depreciation	(575)	(3,742)	(6,353)	(3,270)	(548)	(14,488)
March 31, 2024	8,249	95,701	4,214	70,112	1,845	180,121

Refer to note 15 — Lease Liabilities for more details.

(Expressed in thousands of Canadian dollars, except where otherwise indicated)

11. Exploration and Evaluation Assets

	Labrador Trough	Newfoundland	Total
March 31, 2024	**127,275**	**4,552**	**131,827**
Additions	**25,918**	**1,735**	**27,653**
Refundable expenditures (i)	**(11,451)**	**—**	**(11,451)**
March 31, 2025	**141,742**	**6,287**	**148,029**

	Labrador Trough	Newfoundland	Total
March 31, 2023	113,002	4,125	117,127
Additions	14,273	427	14,700
March 31, 2024	127,275	4,552	131,827

(i) The Company entered into a memorandum of understanding ("MOU") with Nippon Steel Corporation and Sojitz Corporation to fund the completion of the feasibility study for the Kami Project. Under the terms of the MOU, the Partners agreed to share the costs of the feasibility study on a pro-rata basis of 30% and 19%, respectively, including expenditures already incurred by the Company prior to the signature of the MOU. As at March 31, 2025, the Company recognized an amount of $11,451 as reduction of exploration and evaluation assets for the Kami Project with a corresponding receivable included in Other receivables and representing the parties' obligation to fund 49% of the feasibility study expenditures incurred to date by the Company.

Exploration and evaluation assets mainly comprise acquisition of mining rights and exploration and evaluation expenditures which typically include costs associated with prospecting, sampling, trenching, drilling and other work involved in searching for ore such as topographical, geological, geochemical and geophysical studies. Exploration and evaluation assets also include the costs of activities related to evaluating the technical feasibility and commercial viability of extracting mineral resources.

12. Other Non-Current Assets

	Note	As at March 31, 2025	As at March 31, 2024
Transaction costs related to the revolving facility (i)	**14**	**5,692**	7,829
Other		**850**	760
		6,542	8,589

(i) Transaction costs are amortized on a straight-line basis over the term of the revolving facility.

13. Accounts Payable and Other

	Notes	As at March 31, 2025	As at March 31, 2024
Trade payable and accrued liabilities		**232,944**	203,026
Wages and benefits		**39,456**	37,477
Cash-settled share-based payment liability	**17**	**3,544**	4,946
Current portion of lease liabilities	**15**	**13,716**	6,329
		289,660	251,778

For information about the Company's exposure to liquidity risk, refer to note 26 — Financial Instruments.

(Expressed in thousands of Canadian dollars, except where otherwise indicated)

14. Long-Term Debt

	Interest Rate (i)	Maturity	As at March 31, 2025	As at March 31, 2024
Term Loan	SOFR + 2.25% to 3.25%	November 29, 2028	**328,560**	308,843
Revolving Facility	SOFR + 2.00% to 3.00%	November 29, 2027	**71,880**	—
IQ Loan	3.70%	April 1, 2032	**45,798**	50,668
FTQ Loan	7.75%	May 21, 2028	**74,095**	73,816
CAT Financing (ii)	SOFR + 2.35% to 3.25%	July 2025 to October 2030	**117,053**	106,101
Railcars Loan	6.66% and 6.57%	November 22 and December 4, 2034	**69,915**	—
			707,301	539,428
Less current portion			**(40,725)**	(31,061)
			666,576	508,367

(i) The interest rate of the Senior Credit Facilities and the CAT Financing is based on Secured Overnight Financing Rate ("SOFR"), plus a credit spread adjustment and a financial margin. For the Senior Credit Facilities, the financial margin fluctuates depending on the net debt to EBITDA ratio.

(ii) The CAT Financing matures between 3 and 6 years depending on the equipment.

	As at March 31, 2025	As at March 31, 2024
Face value of long-term debt	**717,967**	552,173
Unamortized transaction costs	**(10,666)**	(12,745)
Long-term debt, net of transaction costs	**707,301**	539,428

The Senior Credit Facilities, FTQ Loan and the CAT Financing are subject to operational and financial covenants, all of which have been met as at March 31, 2025. The undrawn portion of the Senior Credit Facilities and the CAT Financing is subject to standby commitment fees varying from 0.5% to 0.75%.

Senior Credit Facilities

On May 24, 2022, the Company signed a US$400,000,000 general purpose revolving facility (the "Revolving Facility") with various lenders, maturing on May 24, 2026. Transaction costs were classified as Other non-current assets in the consolidated statements of financial position.

On November 29, 2023, the Company completed a new $310,661 (US$230,000,000) five-year term loan (the "Term Loan") with the same syndicate of lenders and extended the maturity of the existing US$400,000,000 Revolving Facility to November 2027 (collectively the "Senior Credit Facilities"). The Company used the proceeds from the Term Loan to repay the $243,125 (US$180,000,000) Revolving Facility outstanding balance at the transaction date.

Given that the Revolving Facility was extended with substantially the same terms, the Company treated the refinancing as a non-substantial modification. Total transaction costs of $4,801 were incurred for this refinancing, of which $1,755 associated with the Revolving Facility was recorded in Other non-current assets, and $3,046 associated with the Term Loan were presented as a reduction of the Long-term debt.

The Senior Credit Facilities could be repaid at any time at the discretion of the Company. The Term Loan is payable quarterly starting in June 2026, with additional mandatory repayments in the event of excess cash flow, based on EBITDA calculation and limited to US$60,000,000 per year.

Collateral is comprised of all of the present and future undertakings, properties and assets of QIO and Lac Bloom Railcars Corporation Inc. The Company guaranteed all the obligations of QIO and Lac Bloom Railcars Corporation Inc. and pledged all of the shares it holds in QIO and Lac Bloom Railcars Corporation Inc.

During the year ended March 31, 2025, the Company drew $70,210 (US$50,000,000) on the Revolving Facility (year ended March 31, 2024: nil) resulting in a balance of $71,880 as at March 31, 2025.

As at March 31, 2025, the Term Loan balance was $330,648 (US$230,000,000) (March 31, 2024: $311,647 (US$230,000,000)) and the Company had $21,751 letters of credit issued under the $503,160 (US$350,000,000) balance of the Revolving Facility. For the year ended March 31, 2025, the weighted average interest rate was 7.4% (year ended March 31, 2024: 7.6%).

14. Long-Term Debt (continued)

IQ Loan

On July 21, 2021, QIO entered into an unsecured loan agreement with Investissement Québec (the "IQ Loan") to finance the Company's share of the increase in transshipment capacity by SFP Pointe-Noire for an amount up to $70,000. The repayment commenced on April 1, 2022, in ten equal annual installments of the principal balance outstanding. The agreement comprises an option to prepay the loan at any time without penalty.

The IQ Loan was determined to be at a below-market rate. The fair value of the total advances of $70,000 was estimated at $59,386 and was determined based on the prevailing market interest rate for a similar instrument at the time the advances were made. The residual amount of $10,614 was recognized as a government grant and presented as a Deferred grant in the consolidated statements of financial position. The deferred grant is amortized on a straight-line basis over the loan maturity starting in September 2023 when SFP Pointe-Noire's new infrastructure became available for use. The remaining deferred grant as at March 31, 2025 totalled $8,573 (March 31, 2024: $9,797).

During the year ended March 31, 2025, the Company repaid $6,400 (year ended March 31, 2024: $6,400). The remaining IQ Loan balance was $51,200 as at March 31, 2025 (March 31, 2024: $57,600).

FTQ Loan

On May 21, 2021, QIO entered into an unsecured loan agreement with Fonds de Solidarité des Travailleurs du Québec (the "FTQ Loan") to fund the completion of the Bloom Lake expansion project and for general purposes thereafter for an amount up to $75,000. The FTQ Loan includes an option to prepay in whole or in part at any time, but not prior to the second anniversary, by paying a premium that varies from 2% to 6% based on the prepayment date. The remaining balance was $75,000 as at March 31, 2025 (March 31, 2024: $75,000).

CAT Financing

On April 1, 2021, the Company signed an agreement with Caterpillar Financial Services Limited (the "CAT Financing") to finance mining equipment required for the Bloom Lake expansion for a facility of up to US$75,000,000 and available until March 31, 2023. Over the years, the facility was increased by US$73,000,000 and the availability period extended to July 2025. Transaction costs of $314 were incurred in the year ended March 31, 2025 (year ended March 31, 2024: nil).

The CAT Financing includes an option to prepay the loan without penalty at any time and is collateralized by all of the financed equipment. The carrying value of the financed equipment was $98,849 as at March 31, 2025 (March 31, 2024: $102,922).

During the year ended March 31, 2025, the Company drew $47,899 (US$34,168,000) and repaid $43,586 (US$31,278,000) (year ended March 31, 2024: drawdown of $27,259 and repayment of $24,267), resulting in a balance of $118,660 (US$82,540,000) as at March 31, 2025 (March 31, 2024: $107,926 (US$79,650,000)).

For the year ended March 31, 2025, the weighted average interest rate was 7.98% (year ended March 31, 2024: 8.50%).

Railcars Loan

On November 1, 2024, the Company signed a loan agreement (the "Railcars Loan") to finance the purchase of 400 railcars for a facility of $69,842 (US$49,897,000). The Railcars Loan consists of two equal equipment notes payable in 120 progressive monthly installments, with a final payment of US$5,872,000 and US$5,861,000 at their respective maturities. The Railcars Loan includes an option to prepay in whole at any time, but not prior to the second anniversary, by paying a premium of 1% of the amount prepaid for each remaining year of the loan. The Railcars Loan is collateralized by all the financed railcars. Transaction costs of $715 were incurred in the year ended March 31, 2025.

During the year ended March 31, 2025, the Company repaid $1,150 (US$803,000), resulting in a balance of $70,579 (US$49,094,000) as at March 31, 2025. The carrying value of the financed railcars was $68,109 as at March 31, 2025.

(Expressed in thousands of Canadian dollars, except where otherwise indicated)

15. Lease Liabilities

	Notes	Year Ended March 31, 2025	2024
Opening balance		**76,978**	86,841
New lease liabilities		**21,670**	5,915
Capital payments		**(13,639)**	(12,409)
Interest expense	**22**	**4,370**	3,987
Lease termination		**(833)**	(7,439)
Foreign exchange loss		**3,789**	83
		92,335	76,978
Less current portion classified in "Accounts payable and other"	**13**	**(13,716)**	(6,329)
Ending balance		**78,619**	70,649

During the year ended March 31, 2025, new lease liabilities were discounted using an average incremental borrowing rate of 7.1% (year ended March 31, 2024: 6.7%).

Lease liabilities include a master lease agreement for 450 railcars for a term of 20 years. This railcar lease liability is guaranteed by Champion and QIO is not subject to any financial covenants under the master lease agreement and cannot assign or sublease any railcars.

The expenses related to short-term leases, low-value leases and variable leases were $456, $1,659 and $7,253, respectively, for the year ended March 31, 2025 (year ended March 31, 2024: $103, $1,285 and $5,437, respectively). The total cash outflow for leases was $23,007 for the year ended March 31, 2025 (year ended March 31, 2024: $19,234).

16. Provisions

	Note	Rehabilitation obligation (i)	Compensation plans' obligation (ii)	Total
March 31, 2024		**84,593**	**—**	**84,593**
Additions to the obligation		**2,020**	**53,710**	**55,730**
Utilization		**—**	**(238)**	**(238)**
Accretion expense	**22**	**1,292**	**425**	**1,717**
Effect of change in discount rate		**1,806**	**422**	**2,228**
March 31, 2025		**89,711**	**54,319**	**144,030**
Less current portion		**—**	**(2,402)**	**(2,402)**
		89,711	**51,917**	**141,628**

	Note	Rehabilitation obligation (i)	Compensation plans' obligation	Total
March 31, 2023		85,508	—	85,508
Additions to the obligation		2,588	—	2,588
Accretion expense	22	1,294	—	1,294
Effect of change in discount rate		(4,797)	—	(4,797)
March 31, 2024		84,593	—	84,593
Less current portion		—	—	—
		84,593	—	84,593

(i) The estimate of the rehabilitation obligation includes, but is not limited to, dismantling and removing infrastructure and operating facilities as well as restoring water ponds and vegetating affected areas. The accretion of the rehabilitation obligation was evaluated as the amount of the expenditure required to settle the present obligation at the end of the reporting period, discounted by the number of years between the reporting date and the rehabilitation date using a real discount rate of 1.37% as at March 31, 2025 (March 31, 2024: 1.50%). The undiscounted amount related to the rehabilitation obligation was estimated at $110,022 as at March 31, 2025 (March 31, 2024: $107,489).

16. Provisions (continued)

(ii) The compensation plans' obligation includes the estimated investments required for each project based on other projects of similar nature and scale. The provision was discounted based on a long-term realization schedule using a nominal discount rate of 2.97% as at March 31, 2025, as estimations considered yearly inflation. The undiscounted amount related to the obligation was estimated at $59,583 as at March 31, 2025.

17. Share Capital and Reserves

a) Authorized

The Company's share capital consists of authorized:

- Unlimited number of ordinary shares, without par value; and
- Unlimited number of preferred shares, without par value, issuable in series.

b) Ordinary Shares

	Year Ended March 31,	
	2025	2024
	(in thousands)	(in thousands)
Opening balance	**518,071**	517,193
Shares issued for exercise of options — incentive plan	**150**	1,050
Shares issued for release of performance share units — incentive plan	**30**	161
Shares cancelled	**—**	(333)
Ending balance	**518,251**	518,071

c) Dividends

The following table details the dividends declared and paid on the Company's ordinary shares:

Results Period	Montréal Declaration Date	Payment Date	Amount per Share	Year Ended March 31, 2025	2024
Final — Mar-24	May 30, 2024	July 3, 2024	0.10	**51,810**	—
Interim — Sep-24	October 30, 2024	November 28, 2024	0.10	**51,825**	—
Final — Mar-23	May 30, 2023	July 5, 2023	0.10	**—**	51,686
Interim — Sep-23	October 25, 2023	November 28, 2023	0.10	**—**	51,762
				103,635	103,448

d) Share-Based Payments

The Company has various share-based compensation plans for eligible employees and directors. The objective of the Omnibus incentive plan is to enhance the Company's ability to attract and retain talented employees and to provide the alignment of interests between such employees and the shareholders of the Company. Under the Omnibus incentive plan, the Company grants stock option awards, RSU awards, PSU awards and DSU awards. If and when cash dividends are declared, the holders of RSUs, PSUs and DSUs are entitled to receive a dividend equivalent.

Stock option and RSU awards vest annually in three equal tranches from the date of grant. PSU awards vest i) at the end of three years from the date of grant or ii) according to the date of achievement when the PSUs are specific to a project. Vesting is subject to key performance indicators established by the Board. DSU awards vest at the date of grant. The cash consideration for awards settled through cash payment is included in Accounts payable and other under the Changes in non-cash operating working capital in the consolidated statements of cash flows.

As at March 31, 2025, the Company is authorized to issue 51,825,000 stock options and share rights (March 31, 2024: 51,807,000) equal to 10% (March 31, 2024: 10%) of the issued and outstanding ordinary shares for issuance under the Omnibus incentive plan.

17. Share Capital and Reserves (continued)

d) Share-Based Payments (continued)

The following table summarizes the share-based payment expense:

	Year Ended March 31,	
	2025	2024
RSU	**1,947**	3,057
PSU	**3,449**	3,987
DSU	**1**	411
	5,397	7,455

For the year ended March 31, 2025, the amount recognized as share-based payment expense related to equity-settled awards was $1 (year ended March 31, 2024: share-based payment net recovery of $1,115).

For the year ended March 31, 2025, the amount recognized as share-based payment expense related to cash-settled awards was $5,396 (year ended March 31, 2024: $8,570).

The following table summarizes the carrying amount of the Company's cash-settled share-based payment liability in the consolidated statements of financial position for PSUs, RSUs and DSUs.

	As at March 31, 2025	As at March 31, 2024
Accounts payable and other	**3,544**	4,946
Other long-term liabilities	**11,126**	10,576
	14,670	15,522

e) Stock Options

The following table details the stock options activities of the share incentive plan:

	Year Ended March 31,			
	2025		2024	
	Number of Stock Options (in thousands)	**Weighted Average Exercise Price**	**Number of Stock Options** (in thousands)	**Weighted Average Exercise Price**
Opening balance	**150**	**5.00**	1,200	5.00
Exercised	**(150)**	**5.00**	(1,050)	5.00
Ending balance	**—**	**—**	150	5.00
Options exercisable - end of the year	**—**	**—**	150	5.00

During the year ended March 31, 2025, a total of 150,000 stock options were exercised at a weighted average share price, at the exercise date, of $5.79 (year ended March 31, 2024: 1,050,000 stock options at a weighted average share price of $6.82).

17. Share Capital and Reserves (continued)

f) Restricted Share Units

The following table details the RSU activities of the share incentive plan:

	Year Ended March 31,			
	2025		2024	
	Number of RSUs	Weighted Average Share Price	Number of RSUs	Weighted Average Share Price
	(in thousands)		(in thousands)	
Opening balance	**1,510**	**5.62**	1,115	5.08
Granted	**763**	**5.94**	804	5.06
Dividend equivalents	**68**	**5.79**	43	6.23
Settled through cash payment	**(291)**	**6.16**	(382)	2.94
Forfeited	**(43)**	**5.54**	(70)	5.68
Ending balance	**2,007**	**5.67**	1,510	5.62
Vested - end of the year	**567**	**5.69**	341	6.17

During the year ended March 31, 2025, 763,000 RSUs were granted to key management personnel (year ended March 31, 2024: 804,000 RSUs).

During the year ended March 31, 2025, 291,000 RSUs were settled in exchange for cash consideration based on a weighted average share price at the settlement date of $6.05 (year ended March 31, 2024: 382,000 RSUs based on a weighted average share price of $5.61).

g) Performance Share Units

The Company assesses each reporting period if performance criteria of share-based units will be achieved in measuring the share-based payments. The actual share-based payment and the period over which the expense is being recognized may vary from the estimate.

The following table details the PSU activities of the share incentive plan:

	Year Ended March 31,			
	2025		2024	
	Number of PSUs	Weighted Average Share Price	Number of PSUs	Weighted Average Share Price
	(in thousands)		(in thousands)	
Opening balance	**2,212**	**5.74**	2,581	5.59
Granted	**1,145**	**5.94**	1,206	5.06
Dividend equivalents	**96**	**5.79**	86	6.07
Settled through cash payment	**(526)**	**6.22**	(1,108)	4.47
Forfeited	**(64)**	**5.53**	(208)	5.97
Released through the issuance of ordinary shares	**(30)**	**6.16**	(161)	6.16
Withheld as payment of withholding taxes	**(34)**	**6.16**	(184)	6.16
Ending balance	**2,799**	**5.74**	2,212	5.74
Vested - end of the year	**—**	**—**	—	—

During the year ended March 31, 2025, 1,145,000 PSUs were granted to key management personnel (year ended March 31, 2024: 1,206,000 PSUs) and 30,000 PSUs were released through the issuance of ordinary shares at a weighted average share price, at the release date, of $6.46 (year ended March 31, 2024: 161,000 PSUs at a weighted average share price of $5.82). Withholding taxes of $218 were paid pursuant to the issuance of these aforementioned ordinary shares resulting in the Company not issuing an additional 34,000 PSUs (year ended March 31, 2024: withholding taxes of $1,071 and 184,000 PSUs).

During the year ended March 31, 2025, 526,000 PSUs were settled in exchange for cash consideration based on a weighted average share price at the settlement date of $6.13 (year ended March 31, 2024: 1,108,000 PSUs based on a weighted average share price of $5.71).

17. Share Capital and Reserves (continued)

h) Deferred Share Units

The following table details the DSU activities of the share incentive plan:

	Year Ended March 31,			
	2025		2024	
	Number of DSUs	**Weighted Average Share Price**	**Number of DSUs**	**Weighted Average Share Price**
	(in thousands)		(in thousands)	
Opening balance	**336**	**4.72**	366	3.97
Granted	**143**	**5.56**	86	6.21
Dividend equivalents	**13**	**5.94**	11	6.27
Settled through cash payment	**—**	**—**	(125)	3.66
Forfeited	**—**	**—**	(2)	6.06
Ending balance	**492**	**5.00**	336	4.72
Vested - end of the period	**492**	**5.00**	336	4.72

During the year ended March 31, 2025, 143,000 DSUs were granted to directors (year ended March 31, 2024: 86,000 DSUs).

During the year ended March 31, 2025, no DSUs were settled in exchange for cash consideration (year ended March 31, 2024: 125,000 DSUs based on a weighted average share price of $5.24).

i) Warrants

During the years ended March 31, 2025 and 2024, no activities occurred in connection to warrants. As at March 31, 2025, the Company had 15,000,000 warrants outstanding and exercisable, and expiring on August 16, 2026 (March 31, 2024: 15,000,000 warrants), with a unit exercise price of $2.45.

18. Revenues

	Year Ended March 31,	
	2025	2024
Iron ore revenue	**1,613,597**	1,584,549
Provisional pricing adjustments	**(7,018)**	(60,255)
	1,606,579	1,524,294

Quarterly provisional pricing adjustments represent subsequent changes to revenue attributable to iron ore concentrate sold in prior quarters based on the final settlement price. Annual provisional pricing adjustments represent the sum of the quarterly provisional pricing adjustments. As at March 31, 2025, 2.7 million tonnes of iron ore sales remained subject to provisional pricing, with the final price to be determined in the subsequent reporting periods (March 31, 2024: 1.8 million tonnes).

19. Cost of Sales

	Year Ended March 31,	
	2025	2024
Mining and processing costs	**721,785**	684,658
Change in iron ore concentrate inventories	**(9,378)**	(108,401)
Land transportation and port handling	**343,836**	307,765
	1,056,243	884,022

For the year ended March 31, 2025, expenses for defined contribution plans amounted to $17,115, of which $15,169 were recorded in Cost of sales (year ended March 31, 2024: $13,735, including $12,028 in Cost of sales) and are presented in Mining and processing costs.

(Expressed in thousands of Canadian dollars, except where otherwise indicated)

20. General and Administrative Expenses

	Year Ended March 31,	
	2025	2024
Salaries, benefits and other employee expenses	**23,936**	26,124
Insurance	**9,252**	11,118
Other expenses	**15,546**	13,615
	48,734	50,857

21. Sustainability and Other Community Expenses

	Year Ended March 31,	
	2025	2024
Property and school taxes	**8,201**	7,325
Impact and benefits agreement	**7,591**	7,375
Salaries, benefits and other employee expenses	**1,210**	1,360
Other expenses	**1,560**	1,778
	18,562	17,838

22. Net Finance Costs

	Year Ended March 31,	
	2025	2024
Interest expense on long-term debt	**28,083**	35,009
Amortization of transaction costs and accretion of long-term debt	**4,648**	5,129
Standby commitment fees on long-term debt	**2,792**	2,049
Interest expense on lease liabilities	**4,370**	3,987
Realized and unrealized foreign exchange loss	**18,335**	855
Amortization of deferred grant	**(1,224)**	(817)
Interest income	**(9,618)**	(14,444)
Accretion expense of provisions	**1,717**	1,294
Other finance costs	**8,436**	3,076
	57,539	36,138

During the development period of the DRPF Project, borrowing costs are capitalized. Refer to note 10 — Property, Plant and Equipment.

23. Other Income (Expenses)

		Year Ended March 31,	
	Note	**2025**	2024
Rental income (i)		**1,421**	—
Write-off of non-current investment	**26**	**—**	(2,744)
Change in fair value of non-current investments	**26**	**884**	2,502
Net loss on non-financial assets		**(130)**	—
		2,175	(242)

(i) Rental income arises from certain owned railcars. The lease was classified as an operating lease. Future undiscounted minimum lease payments to be received under the railcars rental agreement is $1,740 over the next twelve months and $1,304 thereafter.

(Expressed in thousands of Canadian dollars, except where otherwise indicated)

24. Income and Mining Taxes

a) Net Deferred Tax Liabilities

	As at March 31, 2025	As at March 31, 2024
Deferred tax assets	**90,263**	62,648
Deferred income tax liability	**(303,161)**	(249,526)
Deferred mining tax liability	**(112,207)**	(94,264)
	(415,368)	(343,790)
Net deferred tax liabilities	**(325,105)**	(281,142)

The movements in deferred tax assets and liabilities during the year, without taking into consideration the offsetting of balances within the same tax jurisdiction, are as follows:

Deferred Tax Assets	Operating losses carried forward	Provisions	Mining tax deduction and other	Total
As at March 31, 2023	9,452	22,659	22,793	54,904
Credited (charged) to statements of income	3,530	(242)	4,456	7,744
As at March 31, 2024	**12,982**	**22,417**	**27,249**	**62,648**
Credited (charged) to statements of income	7,318	15,751	4,546	27,615
As at March 31, 2025	**20,300**	**38,168**	**31,795**	**90,263**

Deferred Tax Liabilities	Property, plant and equipment	Mining tax	Exploration and evaluation assets	Other	Total
As at March 31, 2023	186,353	71,479	7,996	4,803	270,631
Charged to statements of income	50,131	22,785	95	148	73,159
As at March 31, 2024	**236,484**	**94,264**	**8,091**	**4,951**	**343,790**
Charged to statements of income	52,300	17,943	1,186	149	71,578
As at March 31, 2025	**288,784**	**112,207**	**9,277**	**5,100**	**415,368**

b) Deferred Tax Assets and Liabilities Not Recognized

As at March 31, 2025, the Company had $38,100 (March 31, 2024: $11,658) of net deductible temporary differences, other than Canadian exploration expenses, cumulative Canadian development expenses and tax losses, for which no deferred tax assets have been recognized.

As at March 31, 2025, the Company had $1,261,432 (March 31, 2024: $1,205,487) of taxable temporary differences related to investments in subsidiaries for which a deferred tax liability was partially recorded for an amount of $2,750 (March 31, 2024: $2,750). The deferred tax liabilities related to the remaining balance were not recognized as the Company controls the decisions affecting the realization of such liabilities and does not expect this temporary difference to be reversed in the foreseeable future. Upon distribution of these earnings in the form of dividends or otherwise, the Corporation may be subject to income taxes and/or withholding taxes.

c) Losses and Other Items Carryforward

As at March 31, 2025, the Company had $31,900 (March 31, 2024: $27,952) of operating losses carried forward that were not recognized and that can be carried forward indefinitely against future taxable income. As at March 31, 2025, the Company also had $95,551 (March 31, 2024: $67,279) of operating losses that can be carried forward against future taxable income and that will expire from 2031 to 2045. Out of those losses, $17,103 (March 31, 2024: $16,445) were not recognized.

As at March 31, 2025, the Company had $18,199 (March 31, 2024: $15,947) of net capital losses that can be carried forward indefinitely against future capital gains. Out of those capital losses, $18,199 (March 31, 2024: $15,947) were not recognized.

(Expressed in thousands of Canadian dollars, except where otherwise indicated)

24. Income and Mining Taxes (continued)

c) Losses and Other Items Carryforward (continued)

As at March 31, 2025, the Company had cumulative Canadian exploration expenses of $43,553 (March 31, 2024: $39,953) and cumulative Canadian development expenses of $35,334 (March 31, 2024: $38,589) which may be carried forward indefinitely to reduce taxable income in future years. Out of those expenses, no amount was not recognized.

As at March 31, 2025, the Company had $1,778 (March 31, 2024: $1,778) of unrecognized investment tax credit that can be carried forward against future income tax payable and that will expire from 2033 to 2035.

d) Tax Expense

The tax expense components are as follows:

	Year Ended March 31,	
	2025	2024
Current income and mining taxes		
Current income tax on profits for the year	**46,244**	51,141
Current mining tax on profits for the year	**32,895**	42,080
	79,139	93,221
Deferred income and mining taxes		
Deferred income tax for the year	**26,020**	42,630
Deferred mining tax for the year	**17,943**	22,785
	43,963	65,415
Total income and mining taxes expense	**123,102**	158,636

The Company's income and mining taxes expense is different from the amount that would have been calculated by applying the Canadian statutory income tax rate as a result of the following:

	Year Ended March 31,	
	2025	2024
Income before income and mining taxes	**265,147**	392,827
Canadian combined federal and provincial tax rate	**26.50 %**	26.50 %
Expected income tax expense calculated at Canadian combined tax rate	**70,264**	104,099
Increase (decrease) resulting from the tax effects of:		
Mining tax, net of tax benefit	**37,294**	47,668
Other taxes included in income tax expense, net of tax benefits	**5,619**	5,541
Expenses (income) not deductible (taxable) for tax purposes	**3,575**	(473)
Unrecorded tax benefits	**5,450**	4,012
Non-deductible capital losses	**298**	534
Difference in tax rate	**(192)**	270
Adjustment in respect of prior years	**794**	(2,921)
Other	**—**	(94)
Income and mining taxes expense	**123,102**	**158,636**
Effective tax rate	**46.43 %**	**40.38 %**

24. Income and Mining Taxes (continued)

e) Income and Mining Taxes Payable (Receivable)

The reconciliation of income and mining taxes payable (receivable) is presented as follows:

	Mining Tax	Income Tax	Total
As at March 31, 2023	(13,585)	(24,327)	(37,912)
Current tax on profit for the year	42,080	51,141	93,221
Tax paid during the year and transfer (i)	(11,770)	(4,778)	(16,548)
Reimbursement received during the year	—	1,471	1,471
As at March 31, 2024	**16,725**	**23,507**	**40,232**
Current tax on profit for the year	32,895	46,244	79,139
Tax paid during the year	(34,588)	(67,210)	(101,798)
Reimbursement received during the year	51	5,098	5,149
As at March 31, 2025	**15,083**	**7,639**	**22,722**

(i) Tax paid during the year ended March 31, 2024, includes a non-cash tax transfer of $11,015 from Income Tax to Mining Tax.

25. Earnings per Share

Earnings per share amounts are calculated by dividing the net income by the weighted average number of shares outstanding during the period.

	Year Ended March 31,	
	2025	2024
Net income	**142,045**	234,191
	(in thousands)	(in thousands)
Weighted average number of common shares outstanding - Basic	**518,173**	517,579
Dilutive share options, warrants and equity settled awards	**9,486**	9,946
Weighted average number of outstanding shares - Diluted	**527,659**	527,525
	(in dollars)	(in dollars)
Basic earnings per share	**0.27**	0.45
Diluted earnings per share	**0.27**	0.44

(Expressed in thousands of Canadian dollars, except where otherwise indicated)

26. Financial Instruments

a) Measurement Categories

Financial assets and financial liabilities have been classified into categories that determine their basis of measurement and, for items measured at fair value, whether changes in fair value are recognized in the profit or loss or in other comprehensive income. These categories are financial assets and financial liabilities at FVTPL, financial assets at amortized cost, and financial liabilities at amortized cost. The following tables show the carrying values and the fair value of assets and liabilities for each of these categories:

As at March 31, 2025		Financial Instruments at FVTPL	Financial Assets at Amortized Cost	Financial Liabilities at Amortized Cost	Total Carrying Amount and Fair Value
Assets					
Current					
Cash and cash equivalents	Level 1	—	117,451	—	117,451
Trade receivables	Level 2	119,345	26,112	—	145,457
Other receivables (excluding sales tax and grant)	Level 2	—	18,125	—	18,125
		119,345	161,688	—	281,033
Non-current					
Equity investment in a publicly listed entity (included in non-current investments)	Level 1	9	—	—	9
Equity investment in a private entity (included in non-current investments)	Level 3	15,384	—	—	15,384
Other non-current financial assets	Level 1	—	850	—	850
		134,738	162,538	—	297,276
Liabilities					
Current					
Accounts payable and other (excluding current portion of lease liabilities and cash-settled share-based payment liability)	Level 2	—	—	272,400	272,400
Current portion of long-term debt	Level 3	—	—	40,725	40,725
		—	—	313,125	313,125
Non-current					
Long-term debt	Level 3	—	—	666,576	666,576
		—	—	979,701	979,701

(Expressed in thousands of Canadian dollars, except where otherwise indicated)

26. Financial Instruments (continued)

a) Measurement Categories (continued)

As at March 31, 2024		Financial Instruments at FVTPL	Financial Assets at Amortized Cost	Financial Liabilities at Amortized Cost	Total Carrying Amount and Fair Value
Assets					
Current					
Cash and cash equivalents	Level 1	—	400,061	—	400,061
Trade receivables	Level 2	46,487	25,073	—	71,560
Other receivables (excluding sales tax and grant)	Level 2	—	6,833	—	6,833
		46,487	431,967	—	478,454
Non-current					
Equity investment in a publicly listed entity (included in non-current investments)	Level 1	9	—	—	9
Equity investment in a private entity (included in non-current investments)	Level 3	14,500	—	—	14,500
Other non-current financial assets	Level 1	—	760	—	760
		60,996	432,727	—	493,723
Liabilities					
Current					
Accounts payable and other (excluding the current portion of lease liabilities and cash-settled share-based payment liability)	Level 2	—	—	240,503	240,503
Current portion of long-term debt	Level 3	—	—	31,061	31,061
		—	—	271,564	271,564
Non-current					
Long-term debt	Level 3	—	—	508,367	508,367
		—	—	779,931	779,931

Current financial assets and financial liabilities are valued at their carrying amounts, which are reasonable estimates of their fair value due to their near-term maturities; this includes cash and cash equivalents, short-term investments and restricted cash if any, other receivables, and accounts payable and other (excluding current portion of lease liabilities and cash-settled share-based payment liability). Long-term debt was accounted for at amortized cost using the effective interest method, and its fair value approximate its carrying value, given that it is subject to terms and conditions, including variable interest rates, similar to those available to the Company for instruments with comparable terms.

b) Fair Value Measurement Hierarchy

Subsequent to initial recognition, the Company uses a fair value hierarchy to categorize the inputs used to measure the financial instruments at fair value grouped into the following levels based on the degree to which the fair value is observable.

- Level 1: Inputs derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: Inputs derived from other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- Level 3: Inputs that are not based on observable market data (unobservable inputs).

There were no transfers between Level 1, Level 2 and Level 3 during the year ended March 31, 2025 (year ended March 31, 2024: nil).

(Expressed in thousands of Canadian dollars, except where otherwise indicated)

26. Financial Instruments (continued)

c) Financial Instruments Measured at FVTPL

Trade receivables

The trade receivables are classified as Level 2 in the fair value hierarchy. Their fair values are a recurring measurement. The measurement of the trade receivables is impacted by the Company's provisional pricing arrangements, where the final sale price is determined based on iron ore prices subsequent to the date of the sale. The Company initially recognizes sales trade receivables at the contracted provisional price on the shipment date and re-estimates the consideration to be received using forecast iron ore prices at the end of each reporting period. The impact of iron ore price movements until the final settlement is recorded as an adjustment to sales trade receivables.

Equity instruments publicly listed

Equity instruments publicly listed are classified as a Level 1 in the fair value hierarchy. Their fair values are a recurring measurement and are estimated using the closing share price observed on the relevant stock exchange. No fair value adjustment was recorded in the consolidated statements of income during the year ended March 31, 2025 (year ended March 31, 2024: nil).

Equity instruments in private entity

The Company holds equity instruments in a European-based private entity which collaborates with the Company in industrial trials related to cold pelletizing technologies. The fair value of the equity instruments is a recurring measurement and it is classified as Level 3. The determination of fair value is conducted on a quarterly basis and it is based on the entity's financial performance from the latest financial statements as well as enterprise values used in financing, if any. The change in fair value also reflects the foreign exchange gains or losses.

During the year ended March 31, 2025, the Company recognized an increase in the fair value of the equity instruments, amounting to $884 attributable to the changes in exchange rates (year ended March 31, 2024: increase of $2,896, including $2,709 associated with increased enterprise value of the private entity, with the remainder attributable to the changes in exchange rates). During the year ended March 31, 2024, the Company wrote off $2,744 related to the derivative asset upon the expiry of the right to subscribe for equity instruments).

As at March 31, 2025, the equity instruments totalled $15,384 (March 31, 2024: $14,500).

The following table shows a breakdown of the changes in fair value recognized on non-current investments per fair value hierarchy.

		Year Ended March 31,	
		2025	2024
Change in fair value included in Other Income (Expenses)			
Unrealized gain on private equity instrument	Level 3	**884**	2,896
Unrealized loss on convertible loans	Level 3	**—**	(167)
Realized loss on derivative asset	Level 3	**—**	(227)
		884	2,502

26. Financial Instruments (continued)

d) Financial Risk Factors

Market

i) Interest rate risk

Interest risk is the risk that the value of assets and liabilities will change when the related interest rates change. The Company is exposed to interest rate risk primarily on its long-term debt bearing interest at variable rates and does not take any particular measures to protect itself against fluctuations in interest rates. With the exception of its long-term debt, the Company's current financial assets and financial liabilities are not significantly exposed to interest rate risk because either they are of a short-term nature or because they are non-interest bearing.

The long-term debt bearing interest at variable rates is subject to interest based on SOFR. The following table illustrates a SOFR sensitivity analysis calculating the impact on net income and equity over a 12-month horizon:

	Year Ended March 31,	
(in thousands of U.S. dollars)	**2025**	2024
Increase in net income and equity with a 1% decrease in the SOFR	**3,625**	3,096
Decrease in net income and equity with a 1% increase in the SOFR	**(3,625)**	(3,096)

ii) Commodity price risk

Commodity price risk arises from fluctuations in market prices of iron ore. The Company is exposed to the commodity price risk, as its iron ore sales are predominantly subject to prevailing market prices. The Company has limited ability to directly influence market prices of iron ore. The Company has sought to establish strategies that mitigate its exposure to iron ore price volatility in the short-term. The strategy of utilizing renowned brokers is aimed at providing some protection against decreases in the iron ore price while maintaining some exposure to pricing upside.

However, most of the Company's iron ore sale contracts are structured using the iron ore price indexes. These are provisionally priced sales volumes for which price finalization is referenced to the relevant index at a future date or the valuation is prescribed in some of the contracts. The estimated consideration in relation to the provisionally priced contracts is marked to market using the forward iron ore price at the end of each reporting period with the impact of the iron ore price movements recorded as an adjustment to revenue.

The following table presents the Company's gross revenue exposure subject to the movements in iron ore prices for the provisionally priced sales volume:

	Year Ended March 31,	
(in thousands of U.S. dollars)	**2025**	2024
Dry metric tonnes subject to provisional pricing adjustments	**2,689,200**	1,821,100
10% increase in iron ore prices	**29,863**	20,536
10% decrease in iron ore prices	**(29,863)**	(20,536)

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 at each reporting date, 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.

26. Financial Instruments (continued)

d) Financial Risk Factors (continued)

Market (continued)

iii) Foreign exchange risk

Foreign exchange risk is the risk that the Company financial performance could be affected by fluctuations in the exchange rates between currencies. The Company is exposed to foreign currency fluctuations on its sales, sea freight costs, and its long-term debt and lease liabilities denominated in U.S. dollars. The Company maintains a cash balance and has trade receivables in U.S. dollars, enabling it to mitigate foreign exchange exposure related to long-term debt balances and lease liabilities denominated in U.S. dollars.

The Company has no hedging contracts in place and therefore has exposure to the foreign exchange rate fluctuations. 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.

The following table presents the exposure of the Company's statement of financial position to foreign currency:

(in thousands of U.S. dollars)	**As at March 31, 2025**	As at March 31, 2024
Current assets		
Cash and cash equivalents	**68,604**	273,589
Trade receivables	**101,180**	52,812
Non-current assets		
Non-current investments	**10,701**	10,701
Current liabilities		
Accounts payable and other	**(29,044)**	(20,968)
Current portion of long-term debt	**(23,877)**	(18,200)
Non-current liabilities		
Lease liabilities	**(48,515)**	(44,696)
Long-term debt	**(387,759)**	(291,448)
Total foreign currency net liabilities in U.S. dollars	**(308,710)**	(38,210)
Canadian dollar equivalents	**(443,801)**	(51,775)

The following table provides a currency risk sensitivity analysis calculating the exposure to exchange rate fluctuations of the Company's net liabilities denominated in U.S. dollars:

	As at March 31, 2025	As at March 31, 2024
Foreign exchange gain resulting from a 10% depreciation in the U.S. dollar	**44,380**	5,177
Foreign exchange loss resulting from a 10% appreciation in the U.S. dollar	**(44,380)**	(5,177)

The sensitivity analysis above assumes that all other variables remain constant. The Company's exposure to other currencies is not significant.

(Expressed in thousands of Canadian dollars, except where otherwise indicated)

26. Financial Instruments (continued)

d) Financial Risk Factors (continued)

Credit Risk

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises principally from the Company's cash and cash equivalents, short-term investments, and trade and other receivables.

i) Cash and cash equivalents and short-term investments

With respect to credit risk arising from cash and cash equivalents and short-term investments, the Company's exposure to credit risk arises from default of the counterparty, with a maximum exposure corresponding to the carrying amount of these instruments. The Company limits its counterparty credit risk on these assets by dealing only with financial institutions with credit ratings of at least A or equivalent.

ii) Trade and other receivables

For the majority of its sales, the Company does business with two renowned brokers, who assume the credit risk associated with end customers. These brokers have similar activities and economic characteristics, representing a significant portion of sales with a maximum exposure corresponding to the carrying value of trade receivables. The credit risk associated with these two brokers is mitigated through an annual credit check to monitor the credit worthiness of the brokers. For direct sales occurring from time to time, the Company conducts credit monitoring activities, including performing financial or other assessments to establish and monitor a customer's credit worthiness, setting credit limits and monitoring exposure by in relation to these limits. There is no guarantee that brokers or other customers will remain solvent over time and in the event that a significant customer is unable to accept contracted volumes, then volumes may be sold on a spot basis to traders, sold under renegotiated contractual volumes with existing customers, or sold under contracts with new customers.

Revenues from the sale of iron ore concentrate mainly arise from contracts with the Company's two brokers, who each represents more than 10% of total revenues in both 2025 and 2024 financial years.

For trade receivables subject to provisional pricing classified at FVTPL, the fair value measurement reflects the credit risk exposure. For trade receivables not subject to provisional pricing, an impairment analysis is performed at each reporting date. Loss allowance on receivables is based on actual credit loss experience over the past years and current economic conditions. Receivables are generally settled within six months and are historically collectable. The Company has no receivables past due as at March 31, 2025 (March 31, 2024: nil). For the year ended March 31, 2025, no provision was recorded on any of the Company's receivables (year ended March 31, 2024: nil). The Company holds no collateral for any receivable amounts outstanding as at March 31, 2025 (March 31, 2024: nil).

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its financial liabilities and lease liabilities that are settled in cash or other financial assets. The Company's approach to managing liquidity risk is to ensure, as far as possible, through budgeting and cash forecasting, that it will have sufficient liquidity to meet its liabilities as they come due.

The following table provides the contractual maturities of financial liabilities and lease liabilities (non-financial liabilities) including estimated future interest payments:

As at March 31, 2025	**Less than a 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**
	378,731	**742,558**	**157,898**	**1,279,187**

As at March 31, 2024	**Less than a 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)	240,503	—	—	240,503
Long-term debt	71,470	603,346	30,843	705,659
Lease liabilities	10,184	28,045	77,808	116,037
	322,157	631,391	108,651	1,062,199

(Expressed in thousands of Canadian dollars, except where otherwise indicated)

27. Capital Risk Management

The Company's main objective when managing its capital is to maintain an adequate balance between having sufficient capital to invest in growth opportunities including exploring and developing mineral resource properties and investing in new product development as well as maintaining a satisfactory return on equity to ordinary shareholders.

The Company defines its capital as long-term debt, lease liabilities and share capital. The Company manages its capital structure and makes adjustments based on the funds available to the Company in light of changes in economic conditions. Dividend payments are discretionary and depends on financial circumstances. The Company is not subject to externally imposed capital requirements other than certain restrictions under the terms of its lending agreements for which the Company complied as at March 31, 2025. In order to facilitate the management of its capital requirements, the Company prepares long-term cash flow projections that consider various factors, including successful capital deployment, general industry conditions and economic factors. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

The Company's capital was as follows:

	As at March 31, 2025	As at March 31, 2024
Long-term debt	**707,301**	539,428
Lease liabilities	**92,335**	76,978
Share capital	**411,047**	409,785
	1,210,683	1,026,191

28. Related Party Transactions

The Company considers its directors and some of its executive officers to be key management personnel. Transactions with key management personnel are set out as follows:

	Year Ended March 31,	
	2025	2024
Short-term benefits		
Salaries	**5,123**	4,612
Bonus	**3,389**	3,084
	8,512	7,696
Share-based payments	**3,627**	5,294
Post-employment benefits	**761**	707
All other remuneration	**364**	312
	13,264	14,009

The Company has employment agreements with its executive officers, which include termination remuneration and benefits varying according to different scenarios. Had all these officers been terminated as at March 31, 2025, the Company would have paid an amount of approximately $15,175 (March 31, 2024: $14,226), in addition to amounts in the table above.

(Expressed in thousands of Canadian dollars, except where otherwise indicated)

29. Commitments and Contingencies

The Company's future minimum payments of commitments as at March 31, 2025 are as follows:

	Less than a year	1 to 5 years	More than 5 years	Total
Impact and Benefits Agreement with the Innu community	**7,991**	**35,607**	**132,061**	**175,659**
Take-or-pay fees related to the Port Agreement	**8,027**	**35,768**	**103,165**	**146,960**
Capital expenditure obligations	**42,403**	**—**	**—**	**42,403**
Other obligations	**61,723**	**13,397**	**150**	**75,270**
	120,144	**84,772**	**235,376**	**440,292**

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 figure 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 the 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.

On December 18, 2024, Champion entered into a binding agreement with two partners to form a partnership (the "Partnership") for the joint ownership and development of the Kami Project upon certain conditions, including entering into definitive agreements and the completion of a definitive feasibility study. The Partners will receive a 49% interest in the Partnership in exchange for a $245 million contribution. All Kami Project costs are to be shared by the Partners and Champion on a pro-rata basis in accordance with their respective ownership interests.

30. Financial Information Included in the Consolidated Statements of Cash Flows

a) Changes in non-cash operating working capital

	Year Ended March 31,	
	2025	2024
Receivables	**(61,936)**	36,939
Prepaid expenses and advances	**(4,354)**	(13,244)
Inventories	**(19,948)**	(151,346)
Advance payments	**17,168**	13,788
Accounts payable and other	**29,831**	83,439
Income and mining taxes receivable or payable	**(17,510)**	78,144
Other long-term liabilities	**(6,559)**	(11,005)
	(63,308)	36,715

(Expressed in thousands of Canadian dollars, except where otherwise indicated)

30. Financial Information Included in the Consolidated Statements of Cash Flows (continued)

b) Reconciliation of additions presented in the property, plant and equipment schedule to the net cash flows used in investing activities

	Year Ended March 31,	
	2025	2024
Additions of property, plant and equipment as per note 10	**658,109**	434,077
Additions of right-of-use assets (i)	**(21,670)**	(98,306)
Depreciation of property, plant and equipment allocated to stripping activity asset	**(3,737)**	(440)
Non-cash increase of the asset related to provisions	**(55,730)**	(2,588)
Government grant recognized	**—**	663
Government grant received (ii)	**—**	(5,195)
Capitalized amortization of transaction costs	**(597)**	(67)
Net cash flows used in investing activities - Purchase of property, plant and equipment	**576,375**	328,144

(i) The additions of right-of-use assets for the year ended March 31, 2025, differ from those presented in note 10 — Property, Plant and Equipment, as they excluded $3,645 of deposits paid in advance to secure the delivery of equipment (year ended March 31, 2024: $15,979).

(ii) The additions of property, plant and equipment for the year ended March 31, 2024 comprised government grants received of $5,195.

c) Reconciliation of depreciation presented in the property, plant and equipment schedule to the consolidated statements of income

	Year Ended March 31,	
	2025	2024
Depreciation of property, plant and equipment as per note 10	**155,750**	134,495
Depreciation of property, plant and equipment allocated to stripping activity asset	**(3,737)**	(440)
Depreciation of intangible assets	**1,521**	3,124
Net effect of depreciation of property, plant and equipment allocated to inventory	**(4,930)**	(13,595)
Depreciation as per consolidated statements of income	**148,604**	123,584

d) Changes in liabilities arising from financing activities

	Year Ended March 31,	
	2025	2024
Opening balance - Long-Term Debt	**539,428**	475,281
Cash from (used in) financing activities		
Issuance	**187,951**	337,920
Repayment	**(51,136)**	(273,792)
New transaction costs (i)	**(1,029)**	(3,046)
Non-cash changes		
Foreign exchange movement	**28,979**	390
Amortization of transaction costs and accretion	**3,108**	2,675
Ending balance - Long-Term Debt	**707,301**	539,428

(i) Transaction costs on the long-term debt differ from those presented in the consolidated statement of cash flows for the year ended March 31, 2024, as they excluded transaction costs of $1,755 associated with the revolving facility that was recorded in Other non-current assets through the long-term debt refinancing.

(Expressed in thousands of Canadian dollars, except where otherwise indicated)

31. Segmented Information

The Company is conducting mining operations and exploration and evaluation activities in Canada. The operating segments reflect the management structure of the Company and are consistent with the internal reporting reviewed by the Company's chief operating decision-maker to assess the business performance and make strategic decisions. The Company evaluates the performance of its operating segments primarily based on segment operating income, as defined below. The Bloom Lake mine site, which is comprised of two facilities in operation, was identified as a segment, namely Iron Ore Concentrate. Exploration and Evaluation and Corporate were identified as separate segments due to their specific nature.

Year Ended March 31, 2025	Iron Ore Concentrate	Exploration and Evaluation	Corporate	Total
Revenues	**1,606,579**	**—**	**—**	**1,606,579**
Cost of sales	**(1,056,243)**	**—**	**—**	**(1,056,243)**
Depreciation	**(146,380)**	**(125)**	**(2,099)**	**(148,604)**
Gross profit (loss)	**403,956**	**(125)**	**(2,099)**	**401,732**
Share-based payments	**—**	**—**	**(5,397)**	**(5,397)**
General and administrative expenses	**—**	**—**	**(48,734)**	**(48,734)**
Sustainability and other community expenses	**(8,198)**	**—**	**(10,364)**	**(18,562)**
Innovation and growth initiative expenses	**—**	**—**	**(8,528)**	**(8,528)**
Operating income (loss)	**395,758**	**(125)**	**(75,122)**	**320,511**
Net finance costs, other income (expenses) and tax expenses				**(178,466)**
Net income				**142,045**
Segmented total assets	**2,835,046**	**150,024**	**45,131**	**3,030,201**
Segmented total liabilities	**(1,561,644)**	**—**	**(33,159)**	**(1,594,803)**
Segmented property, plant and equipment	**2,035,248**	**1,996**	**9,162**	**2,046,406**

Year Ended March 31, 2024	Iron Ore Concentrate	Exploration and Evaluation	Corporate	Total
Revenues	1,524,294	—	—	1,524,294
Cost of sales	(884,022)	—	—	(884,022)
Depreciation	(121,919)	(42)	(1,623)	(123,584)
Gross profit (loss)	518,353	(42)	(1,623)	516,688
Share-based payments	—	—	(7,455)	(7,455)
General and administrative expenses	—	—	(50,857)	(50,857)
Sustainability and other community expenses	(7,326)	—	(10,512)	(17,838)
Innovation and growth initiative expenses	—	—	(11,331)	(11,331)
Operating income (loss)	511,027	(42)	(81,778)	429,207
Net finance costs, other income (expenses) and tax expenses				(195,016)
Net income				234,191
Segmented total assets	2,513,428	133,947	42,176	2,689,551
Segmented total liabilities	(1,265,468)	—	(27,573)	(1,293,041)
Segmented property, plant and equipment	1,534,315	2,120	9,526	1,545,961

(Expressed in thousands of Canadian dollars, except where otherwise indicated)

32. Parent Entity Information

The following table is an AAS requirement and presents the information relating to Champion Iron Limited:

	As at March 31, 2025	As at March 31, 2024
Current assets	**13,034**	9,868
Non-current assets	**115,144**	164,485
Total assets	**128,178**	174,353
Current liabilities	**3,729**	5,128
Non-current liabilities	**9,833**	9,053
Total liabilities	**13,562**	14,181
Net assets	**114,616**	160,172
Share capital	**281,653**	280,392
Warrants	**22,288**	22,288
Contributed surplus (deficit)	**(32,356)**	8,387
Accumulated deficit	**(156,969)**	(150,895)
Total equity	**114,616**	160,172
Net loss of the parent entity	**(11,525)**	(12,857)
Comprehensive loss of the parent entity	**(11,525)**	(12,857)

33. Auditor's Remuneration

The following table is an AAS requirement and presents the total remuneration received or receivable by the auditors in connection with:

	Year Ended March 31,	
	2025	2024
E&Y Canada		
Audit fees	**644**	592
Audit-related fees	**8**	8
Tax fees	**47**	77
All other non-audit fees	**—**	164
	699	841
E&Y Australia		
Audit fees	**87**	81
Tax fees	**48**	3
	135	84
	834	925

Other non-audit fees were mainly comprised of consulting services.

34. Subsequent Event

On May 28, 2025 (Montréal) / May 29, 2025 (Sydney), the Board declared a semi-annual dividend of $0.10 per ordinary share of the Company in connection with the semi-annual results for the period ended March 31, 2025, payable on July 10, 2025 (Montréal and Sydney), to registered shareholders at the close of business in Australia and Canada on June 13, 2025.

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ADDITIONAL STOCK EXCHANGE INFORMATION

STOCK EXCHANGE INFORMATION

The additional information set out below relates to the ordinary shares of the Company as at April 24, 2025. The Company does not hold other classes of equity securities, which excludes shares held by its subsidiaries.

1. Distribution of Equity Security Holders[1] as at April 24, 2025

Size of Holding	Number of Holders	Number of Ordinary Shares	% of issued Capital
1 to 1,000	2,098	821,492	0.16 %
1,001 to 5,000	1,079	2,636,217	0.51 %
5,001 to 10,000	265	2,039,732	0.39 %
10,001 to 100,000	268	8,889,603	1.72 %
100,000 and over	95	503,863,957	97.22 %
	3,805	518,251,001	100.00 %

2. Substantial Shareholders as at April 24, 2025

The Company has received substantial shareholder notifications from the shareholders below. The following table sets out the shareholding of each substantial shareholder from these substantial shareholder notifications with the percentage of issued share capital updated for the current issued share capital of the Company.

Name of Shareholder	Date of Notice	Number of Ordinary Shares	% of issued Capital[3]
Investissement Québec	May 14, 2021	43,500,000	8.39 %
Mr. Michael O'Keeffe (and associates)[2]	September 4, 2023	43,023,830	8.30 %
WC Strategic Opportunity LP	August 3, 2021	41,944,444	8.09 %
State Street Corporation	March 3, 2025	31,130,366	6.01 %
Blackrock Group	July 4, 2022	27,944,212	5.39 %
Vanguard Group	December 10, 2024	25,966,079	5.01 %

3. Marketable Parcels as at April 24, 2025

453 shareholders held less than a marketable parcel of ordinary shares as at April 24, 2025.

4. Voting Rights

All ordinary shares issued by the Company carry one vote per share without restriction.

[1] Distribution of equity security holders reflecting the Australian register.
[2] Mr. Michael O'Keeffe (and associates) holdings as of April 24, 2025 of 41,623,830.
[3] As at April 24, 2025.

5. Twenty Largest Shareholders as at April 24, 2025

The following table lists the 20 largest registered holders of the Company's shares, together with the number of shares and the percentage of the issued capital each holds, as of April 24, 2025, being the last practicable date.

Many of the 20 largest shareholders shown below hold shares as a nominee or custodian. In accordance with the reporting requirements, the tables reflect the legal ownership of shares and not the details of the underlying beneficial holders.

	Name of Shareholder	Number of Ordinary Shares	% of issued Capital[4]
1	HSBC Custody Nominee Aust Ltd	79,560,617	15.35 %
2	JP Morgan Nom Aust PL	64,683,112	12.48 %
3	Citicorp Nom PTY Ltd	45,338,634	8.75 %
4	Investissement Québec	43,500,000	8.39 %
5	WC Strategic Opportunity LP	41,944,444	8.09 %
6	Prospect AG Trading PL	34,362,930	6.63 %
7	Blackrock Group	27,944,212	5.39 %
8	Vanguard Group	25,966,079	5.01 %
9	Metech Super PL	10,600,000	2.05 %
10	Mr. Michael O'Keeffe	6,851,900	1.32 %
11	BNP Paribas Nominees PTY LTD	4,415,887	0.85 %
12	National Nominees LTD	3,648,290	0.70 %
13	HSBC Custody Nominees Aust Ltd (Commonwealth Super Corp)	2,318,950	0.45 %
14	BNP Paribas Nominees PTY LTD Custodial Serv LTD DRP	2,252,104	0.43 %
15	BNP Paribas Nominees PTY LTD Global Markets	2,248,552	0.43 %
16	Mr. David Cataford	2,244,999	0.43 %
17	HSBC Custody Nominees Aust Ltd - AC2	2,215,086	0.43 %
18	BNP Paribas Nominees PTY LTD Agency Lending	2,019,163	0.39 %
19	Bass Family Foundation PTY LTD	1,510,000	0.29 %
20	HSBC Custody Nominees Aust Ltd	1,323,948	0.26 %

Shareholder information sourced from transfer agents reports, ASX filings and System for Electronic Disclosure by Insiders ("SEDI"). The twenty largest shareholders list is based on the registered holdings, which does not include underlying beneficial holdings, and as such may not reflect all shareholders of the Company.

[4] As at April 24, 2025.

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RISK FACTORS

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.

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.

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.

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.

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.

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.

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.

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.

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.

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*".

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.

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.

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.

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.

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.

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.

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.

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.

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COMPANY DIRECTORY

COMPANY DIRECTORY

DIRECTORS	Michael O'Keeffe (Executive Chairman) - Non-independent David Cataford (Executive Director and Chief Executive Officer) - Non-independent Gary Lawler (Non-Executive Director) - Independent Michelle Cormier (Non-Executive Director) - Independent Louise Grondin (Non-Executive Director) - Independent Jessica McDonald (Non-Executive Director) - Independent Jyothish George (Non-Executive Director) - Independent Ronnie Beevor (Non-Executive Director) - Independent
COMPANY SECRETARY	Bill Hundy
CORPORATE SECRETARY	Steve Boucratie
REGISTERED OFFICE	Level 1, 91 Evans Street Rozelle NSW 2039, Australia Telephone: +61 2 9810 7816 Facsimile: +61 2 8065 5017 Website: www.championiron.com ACN 119 770 142
PRINCIPLE ADMINISTRATIVE OFFICE	3300-1155 René-Lévesque Blvd. West Montréal, QC, H3B 3X7, Canada Telephone: +1 514-316-4858 Facsimile: +1 514-819-8100
AUDITORS	**Ernst & Young** *(for the purpose of the Company's Australian legislative requirements)* 200 George Street Sydney, NSW 2000, Australia **Ernst & Young LLP** *(for the purpose of the Company's Canadian legislative requirements)* 900, De Maisonneuve Blvd West Montréal, Québec, H3A 0A8, Canada
SHARE REGISTRIES	**Computershare Investor Services Pty Limited** GPO Box 2975 Melbourne, Victoria 3001, Australia Telephone (Australia): 1300 850 505 Telephone (International): +61 3 9415 4000 **Computershare Investor Services Inc.** 100 University Avenue, 8th Floor Toronto, Ontario, M5J 2Y1, Canada Telephone (North America Toll-Free): 1-800-564-6253 Telephone (international): 1-514-982-7555
STOCK EXCHANGES	The Company's shares are listed on the Australian Stock Exchange (ASX) and Toronto Stock Exchange (TSX) under the symbol CIA. The Company's shares are also available to trade on the OTCQX Best Market under the symbol CIAFF.
ASX CODE & TSX SYMBOL	CIA (Fully Paid Ordinary Shares)

CHAMPION IRON