



QUARTERLY ACTIVITIES REPORT

CHAMPION IRON REPORTS ITS FY2026 FIRST QUARTER RESULTS, AND ADVANCES THE DRPF PROJECT AS SCHEDULED

- Quarterly production of 3.5M wmt, record level of sales of 3.8M dmt, revenue of \$390M, EBITDA of \$58M¹ and EPS of \$0.05
 - Reduced inventories of iron ore concentrate stockpiled at Bloom Lake by 0.4M wmt to 2.1M wmt
- DRPF project progressing as scheduled toward an expected start for commissioning in December 2025
- Refinanced Senior Credit Facilities with a US\$500M Senior Unsecured Notes offering, strengthening the Company's financial flexibility

MONTREAL, July 29, 2025 / SYDNEY, July 30, 2025 - Champion Iron Limited (TSX: CIA) (ASX: CIA) (OTCQX: CIAFF) ("**Champion**" or the "**Company**") reports its operational and financial results for its financial first quarter ended June 30, 2025.

Champion's CEO, Mr. David Cataford, said, "Our agile workforce remains focused on optimizing operations as we strategically position our Company to capitalize on the anticipated growth in demand for high-purity iron ore. Improving transportation logistics enabled us to achieve record quarterly iron ore concentrate sales volumes while further reducing stockpiled iron ore inventories at Bloom Lake. The DRPF project remains on track, and we recently achieved a significant milestone for the Kami Project by entering into a framework agreement with Nippon Steel Corporation and Sojitz Corporation. The framework agreement and the partnership contemplated, will allow us to advance the Kami Project without compromising our financial liquidity in the foreseeable future. Additionally, our successful US\$500M Senior Unsecured Notes offering in July replaced our previous credit facilities, reinforcing our balance sheet with greater flexibility and long-term stability. As we continue to de-risk our project portfolio, our commitment remains to maximizing shareholder value while maintaining a disciplined capital management approach."

Conference Call Details

Champion will host a conference call and webcast on July 30, 2025, at 9:00 AM (Montréal time) / 11:00 PM (Sydney time) to discuss the results of the financial first quarter ended June 30, 2025. The conference call details are set out at the end of this quarterly activities report.

1. Quarterly Highlights

Operations and Sustainability

- No serious injuries or major environmental incidents were reported in the three-month period ended June 30, 2025;
- Quarterly production of 3.5 million wmt (3.4 million dmt) of high-grade 66.3% Fe concentrate for the three-month period ended June 30, 2025, down 9% over the same period last year, impacted by higher hardness of processed ore and lower availability of both concentration plants;

- Record quarterly sales of 3.8 million dmt for the three-month period ended June 30, 2025, up 10% from the previous quarter and 11% from the same prior-year period, despite scheduled semi-annual maintenance on third-party rail infrastructure in June 2025. As a result, iron ore concentrate stockpiled at Bloom Lake decreased by 440,000 wmt quarter-over-quarter to 2.1 million wmt as at June 30, 2025; and
- Material mined and hauled at Bloom Lake reached a record 21.0 million tonnes for the three-month period ended June 30, 2025, an increase of 20% compared to the same period last year, supported by the recent addition of mining equipment.

Financial Results

- Gross average realized selling price of US\$105.5/dmt¹, compared to the P65 index average of US\$108.4/dmt in the period;
- Net average realized selling price of US\$73.4/dmt¹, a decrease of 14% quarter-over-quarter and 26% year-over-year;
- C1 cash cost for the iron ore concentrate loaded onto vessels at the Port of Sept-Îles totalled \$81.9/dmt¹ (US\$59.2/dmt)², representing an increase of 2% quarter-over-quarter and 7% year-over-year;
- Net income of \$23.8 million, representing EPS of \$0.05, compared to \$39.1 million with EPS of \$0.08 in the previous quarter, and compared to a net income of \$81.4 million with EPS of \$0.16 in the same prior-year period;
- EBITDA of \$57.8 million¹, a decrease of 55% quarter-over-quarter and 68% year-over-year;
- On June 3, 2025, Caisse de dépôt et placement du Québec exercised warrants to acquire 15 million ordinary shares of Champion, resulting in total proceeds to the Company of \$36.7 million. The warrants had been granted pursuant to a financing in August 2019;
- Cash balance totalled \$176.1 million as at June 30, 2025, an increase of \$58.6 million since March 31, 2025, benefiting from the improvements in operating working capital and proceeds from the warrants exercise along with a drawdown on the Company's senior revolving facility (the "Revolving Facility"), while the Company continued to advance the Direct Reduction Pellet Feed project (the "DRPF Project"), and invest in sustainable capital expenditures; and
- On July 2, 2025, Champion issued US\$500 million of 7-year Senior Unsecured Notes with an interest rate of 7.875%. Proceeds from the offering were used to repay the Company's existing US\$230 million senior term loan and the outstanding balance of US\$105 million under the Revolving Facility. The transaction had minimal impact on the Company's net debt and further strengthened its available liquidity, which totalled \$536.6 million¹ as at June 30, 2025, and is expected to be used to support general corporate purposes.

Growth and Development

- The DRPF project, designed to upgrade half of Bloom Lake's capacity to DR quality pellet feed iron ore grading up to 69% Fe, continues to progress as scheduled, with commissioning planned for December 2025 and commercial shipments of DR quality iron expected in the first half of the 2026 calendar year, gradually increasing thereafter. Quarterly and cumulative investments totalled \$47.5 million and \$387.0 million, respectively, as at June 30, 2025, out of an estimated total capital expenditure of \$470.7 million detailed in the project study highlights released in January 2023;
- During the three-month period ended June 30, 2025, progress continued on the definitive feasibility study (the "DFS") for the Kami Project, which is expected to be completed by the end of the 2026 calendar year; and
- On July 21, 2025, Champion entered into a definitive framework agreement (the "Framework Agreement") with Nippon Steel Corporation ("Nippon Steel") and Sojitz Corporation ("Sojitz", and collectively with Nippon Steel, the "Partners"), pursuant to which the Partners have agreed, subject to the Framework Agreement's terms and conditions, to initially contribute \$245 million for an aggregate 49% interest in Kami Iron Mine Partnership (the "Partnership"), a new entity formed for the ownership and potential development of the Kami Project. Additional details can be found in the Company's press release dated July 21, 2025 (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.

2. Bloom Lake Mine Operating Activities

The Company performs both its plants' scheduled maintenance in the second and fourth financial quarters, creating significant quarter-over-quarter variances in production output and mining and processing costs.

	Q1 FY26	Q4 FY25	Q/Q Change	Q1 FY25	Y/Y Change
Operating Data					
Waste mined and hauled (wmt)	10,963,600	10,886,200	1 %	6,733,700	63 %
Ore mined and hauled (wmt)	10,070,700	9,470,100	6 %	10,779,300	(7) %
Material mined and hauled (wmt)	21,034,300	20,356,300	3 %	17,513,000	20 %
Stripping ratio	1.09	1.15	(5) %	0.62	76 %
Ore milled (wmt)	10,500,700	9,160,300	15 %	11,084,300	(5) %
Head grade Fe (%)	28.2	29.2	(3) %	29.1	(3) %
Fe recovery (%)	78.2	78.3	— %	79.3	(1) %
Product Fe (%)	66.3	66.5	— %	66.3	— %
Iron ore concentrate produced (wmt)	3,520,600	3,167,000	11 %	3,876,500	(9) %
Iron ore concentrate sold (dmt)	3,831,800	3,495,300	10 %	3,442,800	11 %

Bloom Lake produced 3.5 million wmt (3.4 million dmt) of high-grade iron ore concentrate during the three-month period ended June 30, 2025, a decrease of 9% compared to 3.9 million wmt (3.8 million dmt) produced during the same period in 2024. Bloom Lake's overall performance continued to be impacted by the hardness of ore processed, together with lower head grade. As a result, Champion's average Fe recovery rate was 78.2% for the three-month period ended June 30, 2025, compared to 79.3% for the same period in 2024. Champion is adjusting its operating and maintenance strategies to manage varying ore feed characteristics. While mining performance remained robust during the three-month period ended June 30, 2025, processing harder ore impacted grinding efficiency and Fe recovery. The Company will continue to optimize its operations and remains focused on improving and stabilizing recovery rates over time. During the quarter, the Company capitalized on a scheduled annual power interruption by the service provider, which briefly impacted operations, to perform planned maintenance on certain processing equipment.

Sales volumes reached a record level during the three-month period ended June 30, 2025, exceeding production, thereby reducing the level of iron ore concentrate stockpiled at Bloom Lake by 440,000 wmt to reach 2.1 million wmt as at June 30, 2025. During the quarter, sales were negatively impacted by a scheduled semi-annual shutdown of rail operations for third-party infrastructure maintenance. 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.

During the three-month period ended June 30, 2025, the Company set a new record by mining and hauling 21.0 million tonnes of waste and ore, surpassing the 17.5 million tonnes of waste and ore recorded in the same prior-year period. This improvement in mining performance was driven by Champion's investments in additional haul trucks and loading equipment during the second half of the previous financial year, 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 1.09 for the three-month period ended June 30, 2025, significantly higher than the 0.62 ratio recorded in the same prior-year period. Champion anticipates maintaining elevated stripping activity in upcoming periods, consistent with its LoM plan.

3. Financial Performance

	Q1 FY26	Q4 FY25	Q/Q Change	Q1 FY25	Y/Y Change
Financial Data (in thousands of dollars)					
Revenues	390,027	425,345	(8) %	467,084	(16) %
Cost of sales	313,928	279,644	12 %	264,911	19 %
Other expenses	18,712	19,619	(5) %	21,159	(12) %
Net finance costs	(13,256)	11,286	(217) %	8,259	(261) %
Net income	23,784	39,140	(39) %	81,357	(71) %
EBITDA ¹	57,753	127,378	(55) %	181,160	(68) %
Statistics (in dollars per dmt sold)					
Gross average realized selling price ¹	146.0	160.4	(9) %	171.6	(15) %
Net average realized selling price ¹	101.8	121.7	(16) %	135.7	(25) %
C1 cash cost ¹	81.9	80.0	2 %	76.9	7 %
AISC ¹	96.2	93.1	3 %	91.6	5 %
Cash operating margin ¹	5.6	28.6	(80) %	44.1	(87) %

A. Revenues

Revenues totalled \$390.0 million for the three-month period ended June 30, 2025, down \$77.1 million from \$467.1 million in the same period in 2024. Sales volumes rose by 11% and freight and other costs declined by 16% year-over-year. These positive impacts were more than offset by a lower gross average realized selling price, driven by a decline in the P65 index price, and negative provisional pricing adjustments on sales recorded during the previous quarter.

During the three-month period ended June 30, 2025, sales volumes reached a record of 3.8 million dmt, despite the impact of a planned rail shutdown during the quarter. A second semi-annual maintenance of rail infrastructure is scheduled in the second quarter of the current financial year and is expected to impact shipment pace and volumes transported to the Port of Sept-Îles.

Negative provisional pricing adjustments on prior-quarter sales of \$26.6 million (US\$20.1 million) were recorded during the three-month period ended June 30, 2025, representing a negative impact of US\$5.2/dmt over the 3.8 million dmt sold during the quarter. A final average price of US\$103.6/dmt was established for the 2.7 million dmt of iron ore subject to pricing adjustments as at March 31, 2025, which were provisionally priced at US\$111.1/dmt.

The gross average realized selling price of US\$105.5/dmt¹ for the three-month period ended June 30, 2025, was lower than the P65 index average price of US\$108.4/dmt. The 2.5 million dmt of iron ore subject to pricing adjustments as at June 30, 2025, were evaluated at an average price of US\$100.2/dmt. The gross average realized selling price was also negatively impacted by the Company's strategic transition to a 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 the short-term and spot markets, which have recently experienced greater pricing volatility and pricing discounts. These impacts were partially offset by sales using backward-looking iron ore index pricing, which exceeded the P65 index average price during the period.

Freight and other costs of US\$26.9/dmt during the three-month period ended June 30, 2025, decreased by 16%, compared to US\$32.1/dmt in the same prior-year period, mainly driven by a decrease in the average C3 index. Freight and other costs for the period remained elevated due to additional shipping expenses incurred from rerouting vessels via the Cape of Good Hope, as a result of the ongoing conflict in the Red Sea.

After taking into account sea freight and other costs of US\$26.9/dmt and the negative provisional pricing adjustments of US\$5.2/dmt, the Company obtained a net average realized selling price of US\$73.4/dmt (C\$101.8/dmt¹) for its high-grade iron ore concentrate shipped during the quarter.

B. Cost of Sales and C1 Cash Cost

For the three-month period ended June 30, 2025, the cost of sales totalled \$313.9 million with a C1 cash cost of \$81.9/dmt¹, compared to

\$264.9 million with a C1 cash cost of \$76.9/dmt¹ for the same period in 2024. The increase in cost of sales reflected the higher sales volumes and the reduction of stockpiled iron ore concentrate inventory over the quarter since these tonnes were valued at higher production costs than those of the current quarter due to major maintenance carried out in March 2025.

Mining and processing costs totalled \$53.7/dmt¹ for the 3.4 million dmt produced in the three-month period ended June 30, 2025, representing a 12% increase compared to \$47.9/dmt produced¹ in the same period last year. This increase was mainly driven by higher stripping activities, with 4.2 million more tonnes of waste mined and hauled during the quarter than in the same prior-year period, in line with the long-term mine plan. Additional contributing factors included increased maintenance resulting from premature wear on crushers and grinding circuits due to processing harder ore, and lower production volumes over which to amortize fixed costs.

Land transportation and port handling costs for the three-month period ended June 30, 2025, were \$24.3/dmt sold¹, a decrease from the \$25.3/dmt sold¹ for the same period last year. This decrease was mainly attributable to higher sales volumes during the period, which contributed to the amortization of fixed costs of the Sept-Îles port facilities.

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

C. Net Income & EBITDA

For the three-month period ended June 30, 2025, the Company generated EBITDA of \$57.8 million¹, representing an EBITDA margin of 15%¹, compared to \$181.2 million¹, representing an EBITDA margin of 39%¹, for the same period in 2024. Lower EBITDA and EBITDA margin were mainly driven by a lower net average realized selling price and a higher cost of sales, partially offset by higher sales volumes.

For the three-month period ended June 30, 2025, the Company generated net income of \$23.8 million (EPS of \$0.05), compared to \$81.4 million (EPS of \$0.16) for the same prior-year period. This decrease in net income was attributable to lower gross profit, partially offset by a foreign exchange gain resulting from the revaluation of U.S. dollar-denominated net monetary liabilities, driven by the strengthening of the Canadian dollar at the end of the quarter, as well as lower income and mining taxes.

D. All-in Sustaining Cost & Cash Operating Margin

During the three-month period ended June 30, 2025, the Company realized an AISC of \$96.2/dmt¹, compared to \$91.6/dmt¹ for the same period in 2024, an increase mainly attributable to a higher C1 cash cost, mitigated by higher volumes of iron ore concentrate sold during the period.

The Company generated a cash operating margin of \$5.6/dmt¹ for each tonne of high-grade iron ore concentrate sold during the three-month period ended June 30, 2025, compared to \$44.1/dmt¹ for the same prior-year period. The variation was mainly due to a lower net average realized selling price and a higher AISC for the period.

4. Exploration Activities

During the three-month period ended June 30, 2025, the Company maintained all its properties in good standing and no farm-in or farm-out arrangements came into effect. In relation to the Kami Project, 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 ended June 30, 2025, \$8.8 million in exploration and evaluation expenditures were incurred, compared to \$2.6 million for the same prior-year period. During the three-month period ended June 30, 2025, exploration and evaluation expenditures 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.

5. Cash Flows — Purchase of Property, Plant and Equipment

	Three Months Ended June 30,	
(in thousands of dollars)	2025	2024
Tailings lifts	14,766	16,104
Stripping and mining activities	12,975	10,325
Other sustaining capital expenditures	14,500	11,579
Sustaining Capital Expenditures	42,241	38,008
DRPF project	47,460	58,465
Other capital development expenditures at Bloom Lake	15,674	18,988
Purchase of Property, Plant and Equipment as per Cash Flows	105,375	115,461

Sustaining Capital Expenditures

Sustaining capital expenditures were \$11.0/dmt sold for the three-month period ended June 30, 2025, comparable to the same prior-year period.

The tailings-related investments for the three-month period ended June 30, 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 remains committed to its safe tailings strategy and continues to implement its long-term investment plan for tailings infrastructure. During the third quarter of the 2025 financial year, the Company initiated the expansion of its tailings and waste storage capacity to accommodate increased operational throughput. Tailings-related construction activities are typically conducted between May and November, when weather conditions are more favourable.

Stripping and mining activities for the three-month period ended June 30, 2025, comprised \$7.8 million of mine development costs, including topographic and pre-cut drilling work, contained in the Company's mine plan (\$10.3 million for the same period in 2024). During the three-month period ended June 30, 2025, stripping and mining activities also included \$5.2 million in capitalized stripping costs (nil for the same period in 2024).

The increase in other sustaining capital expenditures for the three-month period ended June 30, 2025, was primarily driven by investments in mining equipment rebuilds to support the expansion of Champion's mining fleet. These expenditures align with the Company's long-term investment strategy to support growth initiatives across the LoM.

DRPF Project

During the three-month period ended June 30, 2025, the Company spent \$47.5 million in capital expenditures related to the DRPF project (\$58.5 million for the same prior-year period). Investments during the period mainly consisted of structural construction activities, as well as mechanical, piping and electrical work, all of which are progressing as planned. Cumulative investments totalled \$387.0 million as at June 30, 2025, out of an estimated total capital expenditure of \$470.7 million outlined in the project's study highlights released in January 2023.

Other Capital Development Expenditures at Bloom Lake

During the three-month period ended June 30, 2025, other capital development expenditures at Bloom Lake totalled \$15.7 million (\$19.0 million for the same period in 2024). The following table details other capital development expenditures at Bloom Lake:

	Three Months Ended June 30,	
(in thousands of dollars)	2025	2024
Infrastructure improvements and conformity (i)	3,019	10,158
Mine maintenance garage expansion	457	3,783
Deposits or final payment for mining equipment	6,219	2,752
Other (ii)	5,979	2,295
Other Capital Development Expenditures at Bloom Lake	15,674	18,988

- (i) Infrastructure improvements and conformity expenditures included various capital projects aimed at improving the performance or capacity of assets and complying with various regulations governing mining practices.

(ii) Other expenditures mainly consisted of capitalized borrowing costs on the DRPF project.

6. Conference Call and Webcast Information

A webcast and conference call to discuss the foregoing results will be held on July 30, 2025, at 9:00 AM (Montréal time) / 11:00 PM (Sydney time). Listeners may access a live webcast of the conference call from the Investors section of the Company's website at www.championiron.com/investors/events-presentations or by dialing toll free +1-888-699-1199 within North America or +61-2-8017-1385 from Australia.

An online archive of the webcast will be available by accessing the Company's website at www.championiron.com/investors/events-presentations. A telephone replay will be available for one week after the call by dialing +1-888-660-6345 within North America or +1-289-819-1450 overseas, and entering passcode 96866#.

About Champion Iron Limited

Champion, through QIO, owns and operates the Bloom Lake Mining Complex located on the south end of the Labrador Trough, approximately 13 kilometres north of Fermont, Québec. Bloom Lake is an open-pit operation with two concentration plants that primarily source energy from renewable hydroelectric power, having a combined nameplate capacity of 15M wmt per year that produce lower contaminant high-grade 66.2% Fe iron ore concentrate with a proven ability to produce a 67.5% Fe direct reduction quality iron ore concentrate. Benefiting from one of the highest purity resources globally, Champion is investing to upgrade half of the Bloom Lake's mine capacity to a direct reduction quality pellet feed iron ore with up to 69% Fe. Bloom Lake's high-grade and lower contaminant iron ore products have attracted a premium to the P62 index. Champion ships iron ore concentrate from Bloom Lake by rail, to a ship loading port in Sept-Îles, Québec, and has delivered its iron ore concentrate globally, including in China, Japan, the Middle East, Europe, South Korea, India and Canada. In addition to Bloom Lake, Champion owns the Kami Project, a project with an expected annual production of 9M wmt per year of direct reduction quality iron grading above 67.5% Fe, located near available infrastructure and only 21 kilometres southeast of Bloom Lake. On July 21, 2025, Champion entered into a definitive framework agreement with Nippon Steel Corporation and Sojitz Corporation to form a partnership for the shared ownership and potential development of the Kami Project. 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.

Cautionary Note Regarding Forward-Looking Statements

This quarterly activities 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 quarterly activities 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, nameplate capacity and related opportunities and benefits; (ii) the project to upgrade the Bloom Lake iron ore concentrate to a higher grade and to convert approximately half of Bloom Lake's increased nameplate capacity of 15M wmt per year to commercially produce a direct reduction quality pellet feed iron ore, expected DRPF project timeline, capital expenditures, budget and financing, production metrics, technical parameters, efficiencies, economic and other benefits, the expected commissioning, first shipments of iron ore and ramping-up of the DRPF project; (iii) Kami Project's potential to produce a DR grade product, expected production and technical parameters; (iv) the formation of a partnership with Nippon Steel and Sojitz with respect to the Kami Project, the completion of the DFS for the Kami Project and the timing thereof, the Partners' contributions to support the DFS,

the completion of the transactions contemplated by the Framework Agreement and its timing, the ability of Champion to realize the benefits of the transactions contemplated by the Framework Agreement, and the ability and timing for the parties to the Framework Agreement to fund cash calls to advance the development of the Kami Project and pursue its development; (v) the Company's capital management and shareholder return strategies; (vi) the shift in steel industry production methods, expected rising demand for higher-grade iron ore products and direct reduced iron (DRI) globally and related market deficit and higher premiums, and the Company's participation therein, contribution thereto and positioning in connection therewith, including the transition of the Company's product offering (including producing high-quality DRPF products), related investments and expected benefits thereof; (vii) maintaining higher stripping activities; (viii) 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; (ix) increased shipments of iron ore concentrate and related rail capacity and the impact thereon of scheduled rail infrastructure maintenance activities; (x) the Company's mining equipment rebuild program and mining fleet expansion, safe tailings strategy, tailings investment plan and related work programs, investments and benefits; (xi) 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-purity iron ore products; (xii) production and recovery rates and levels, ore characteristics and the Company's performance and related strategies and work programs to optimize operations; (xiii) pricing of the Company's products (including provisional pricing); (xiv) the Company's iron ore concentrate pricing trends compared to the P65 index; (xv) the Company's storage expansion; (xvi) available liquidity and the Company's financial flexibility; (xvii) the offering of Senior Unsecured Notes and the use of proceeds therefrom; and (xviii) the Company's growth and opportunities generally.

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: (i) future prices of iron ore; (ii) future transportation costs; (iii) general economic, competitive, political and social uncertainties; (iv) continued availability of capital and financing and general economic, market or business conditions; (v) timing and uncertainty of industry shift to electric arc furnaces, impacting demand for high-grade feed; (vi) failure of plant, equipment or processes to operate as anticipated; (vii) delays in obtaining governmental approvals, necessary permitting or in the completion of development or construction activities; (viii) the results of feasibility studies; (ix) changes in the assumptions used to prepare feasibility studies; (x) project delays; (xi) geopolitical events; and (xii) 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 entitled "Risk Factors" of the Company's Management's Discussion and Analysis for the financial year ended March 31, 2025, 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.

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 quarterly activities 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.

Abbreviations

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 United States dollars, as indicated. The following abbreviations and definitions are used throughout this quarterly activities report: US\$

(United States dollar), C\$ (Canadian dollar), Fe (iron ore), wmt (wet metric tonnes), dmt (dry metric tonnes), M (million), LoM (life of mine), Bloom Lake or Bloom Lake Mine (Bloom Lake Mining Complex), DR (direct reduction), DRPF (direct reduction pellet feed), Kami Project (Kamistiatusset project), 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), EPS (earnings per share) and Management (Champion's management team). The utilization of "Champion" or the "Company" refers to Champion Iron Limited and/or one, or more, or all of its subsidiaries, as applicable. "IFRS" refers to International Financial Reporting Standards. The term "QIO" refers to Quebec Iron Ore Inc., the Company's subsidiary and operator of Bloom Lake.

For further information, please contact:

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For additional information on Champion Iron Limited, please visit our website at: www.championiron.com.

This document has been authorized for release to the market by the Board of Directors.

The Company's unaudited Condensed Consolidated Financial Statements for the three-month period ended June 30, 2025 (the "Financial Statements") and associated Management's Discussion and Analysis ("MD&A") are available under the Company's profile on SEDAR+ (www.sedarplus.ca), the ASX (www.asx.com.au) and the Company's website (www.championiron.com).

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 below — Non-IFRS and Other Financial Measures for definitions of these metrics and reconciliations to the most comparable IFRS measure when applicable. Additional details for these non-IFRS and other financial measures, have been incorporated by reference and can be found in section 20 of the Company's MD&A for the three-month period ended June 30, 2025, available on SEDAR+ at www.sedarplus.ca, the ASX at www.asx.com.au and the Company's website under the Investors section at www.championiron.com.

² See the "Currency" subsection included in section 6 — Key Drivers of the MD&A for the three-month period ended June 30, 2025, available on SEDAR+ at www.sedarplus.ca, the ASX at www.asx.com.au and the Company's website under the Investors section at www.championiron.com.

Non-IFRS and Other Financial Measures

The Company has included certain non-IFRS financial measures, ratios and supplementary financial measures in this quarterly activities report 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.

EBITDA and EBITDA Margin

(in thousands of dollars)	Q1 FY26	Q4 FY25	Q1 FY25
Income before income and mining taxes	24,213	74,646	137,377
Net finance costs (income)	(13,256)	11,286	8,259
Depreciation	46,796	41,446	35,524
EBITDA	57,753	127,378	181,160
Revenues	390,027	425,345	467,084
EBITDA margin	15%	30%	39%

Available Liquidity

(in thousands of dollars)	As at June 30, 2025	As at March 31, 2025
Cash and cash equivalents	176,054	117,451
Undrawn amounts under credit facilities	360,569	488,410
Available liquidity	536,623	605,861

C1 Cash Cost

	Q1 FY26	Q4 FY25	Q1 FY25
Iron ore concentrate sold (dmt)	3,831,800	3,495,300	3,442,800
(in thousands of dollars, except per dmt data)			
Cost of sales	313,928	279,644	264,911
C1 cash cost (per dmt sold)	81.9	80.0	76.9

All-in Sustaining Cost

	Q1 FY26	Q4 FY25	Q1 FY25
Iron ore concentrate sold (dmt)	3,831,800	3,495,300	3,442,800
(in thousands of dollars, except per dmt data)			
Cost of sales	313,928	279,644	264,911
Sustaining capital expenditures	42,241	33,230	38,008
General and administrative expenses	12,581	12,457	12,350
	368,750	325,331	315,269
AISC (per dmt sold)	96.2	93.1	91.6

Cash Operating Margin and Cash Profit Margin

	Q1 FY26	Q4 FY25	Q1 FY25
Iron ore concentrate sold (dmt)	3,831,800	3,495,300	3,442,800
(in thousands of dollars, except per dmt data)			
Revenues	390,027	425,345	467,084
Net average realized selling price (per dmt sold)	101.8	121.7	135.7
AISC (per dmt sold)	96.2	93.1	91.6
Cash operating margin (per dmt sold)	5.6	28.6	44.1
Cash profit margin	6%	24%	32%

Gross Average Realized Selling Price per dmt Sold

	Q1 FY26	Q4 FY25	Q1 FY25
Iron ore concentrate sold (dmt)	3,831,800	3,495,300	3,442,800
(in thousands of dollars, except per dmt data)			
Revenues	390,027	425,345	467,084
Provisional pricing adjustments	26,552	(5,389)	(27,947)
Freight and other costs	142,687	140,627	151,547
Gross revenues	559,266	560,583	590,684
Gross average realized selling price (per dmt sold)	146.0	160.4	171.6