CHAMPION IRON LIMITED

ANNUAL REPORT
31 March 2015

REVIEW OF OPERATIONS

Champion Iron Limited (the "Company") is pleased to provide its review of operations for the financial year ending March 31, 2015.

Arrangement between Mamba Minerals Limited and Champion Iron Mines Limited

On March 31, 2014, pursuant to an Arrangement Agreement ("Arrangement"), Mamba Minerals Limited ("Mamba"): (a) acquired all of the issued and outstanding common shares of Champion Iron Mines Limited ("Champion") on the basis of an exchange ratio of 0.7333333 Mamba share and/or Exchangeable share (or combination thereof) for each outstanding Champion common share and (b) replaced each outstanding Champion warrant and Champion stock option on the basis that the holder will be entitled to acquire 0.7333333 Mamba share on the same terms and conditions.

Upon completion of the Arrangement, under Corporations Law, Mamba is the acquirer and Champion is the acquiree; however, for accounting purposes, Champion is deemed to be the acquirer and Mamba is deemed to be the acquiree.

The consolidated financial statements represent a continuation of the financial statements of Champion.

Following the closing of the Arrangement, Mamba changed its name to Champion Iron Limited.

The Company's shares are now quoted on the Australian Stock Exchange and the Toronto Stock Exchange under the symbol CIA.

Consolidated Fire Lake North Project

The Company holds 100% of Consolidated Fire Lake North, which is located in Canada's major iron ore producing district in the Labrador Trough in the province of Quebec. Consolidated Fire Lake North is located immediately north of Arcelor Mittal's operating Fire Lake Mine and 60km south of Cliffs Natural Resources Inc.'s Bloom Lake Mine in northeastern Quebec. The Company completed a Prefeasibility Study (PFS) on Fire Lake in February 2013 which indicates iron ore production of 9.3Mtpa, with a Net Present Value of C$3.3b with operating costs of C$44/t.The optimized engineered pits used in the PFS yield reserves of 464.6 million tonnes grading 32.37% total iron (FeT) at a 15% FeT cut-off grade with a weight recovery of 39.9%. The ore is metallurgical course-grained hematite which beneficiates easily with an 83% recovery achieved in the PFS to produce a 66% Fe grade.

On October 27, 2014, the Company announced that P&E Mining Consultants completed an independent audit of the CFLN project database and produced an updated Mineral Resource Estimate of over 1.2 billion tonnes, including 755 million tonnes of Measured and Indicated metallurgical coarse grained hematite mineralization for CFLN in compliance with JORC and National Instrument 43-101 (NI 43-101), the Canadian equivalent to JORC for the public reporting of geological information. The Company is not aware of any new information or data that materially affects the information included in the JORC report and confirms that all material assumptions and technical parameters underpinning the estimates in the JORC Resource & Reserve statement continue to apply and have not materially changed.

Snelgrove Lake Project

The Company has an option to acquire a 100% interest in 4 licenses covering 106 square kilometres located approximately 55 kilometres southeast of Schefferville, Newfoundland. Snelgrove Lake is encumbered with a 3% gross sales royalty. In order to earn its interest, the Company must issue Performance Shares, grant options, make option payments and incur exploration expenditures, as follows:

	Issue Performance shares	Grant options	Option payments A$	Option payments $	Exploration expenditures $
October 2012 (issued and paid)	32,000,000	17,000,000	425,000	410,000	–
March 11, 2014 (incurred)	–	–	–	–	3,250,000
August 1, 2018	–	–	–	5,750,000	3,250,000
	32,000,000	17,000,000	425,000	6,160,000	6,500,000

Up to March 31, 2015, the Company has incurred exploration expenditures of approximately $6,400,000.

An independent exploration report detailing all material work carried out on the Snelgrove Lake Project was commissioned by the Company. This report, which presents Snelgrove Lake in accordance with NI 43-101, was released on ASX by the Company on February 13, 2014.

All drilling data and technical reports from Snelgrove Lake were exported to an independent contractor in preparation for integration with the Company data post-merger. The drill data was subject to an audit with no material issues identified.

The decision to exercise the option will depend on the economic viability of Snelgrove Lake and the capacity to finance its development. Given the advanced stage of Consolidated Fire Lake North and the significant funds that will be required for its development, there is no certainty that the option for Snelgrove Lake Project will be exercised. Accordingly, prior to the completion of the Arrangement, Mamba recorded an impairment loss of $10,038,754 to write off the balance of Snelgrove Lake.

Powderhorn and Gullbridge

The Company owns a 100% interest in:

(a) Powderhorn, which consists of 148 claims covering an area of 37 square kilometres situated in the Buchans-Robert's Arm Belt in Central Newfoundland. Powderhorn is encumbered with a 2.85% net smelter royalty ("NSR"), of which, 1.85% can be purchased by the participants for $2,300,000 to reduce the NSR to 1%.

(b) Gullbridge, which consists of 179 claims covering 45 square kilometres situated in the Buchans-Robert's Arm Belt in Central Newfoundland.

The Company has not budgeted nor planned any substantive expenditure on further exploration for and evaluation of mineral resources for Powderhorn and Gullbridge. Accordingly, the Company recorded impairment losses of $1,645,065 and $1,286,599 to write off Powderhorn and Gullbridge, respectively.

Due from Cartier Iron Corporation

As at March 31, 2014, the amount due from Cartier Iron Corporation ("Cartier") was $2,100,000, of which, $100,000 was unsecured, earned interest at the rate of LIBOR plus 2% and was due on September 13, 2014.

On October 17, 2014, Cartier completed a private placement of $500,000, and as agreed, the Company converted $1,050,000 of the amount due from Cartier into 6,176,470 units of Cartier, with each unit consisting of one common share and one warrant entitling the Company to purchase one common share of Cartier for $0.22 until April 17, 2016 ("Conversion"). If the average closing price of Cartier's common shares is greater than $0.40 for 20 consecutive business days, the warrants must be exercised within 10 calendar days of Cartier providing written notice (or such longer period as Cartier may provide), or they will be cancelled.

The remaining $1,050,000 due from Cartier was converted to a demand loan, which is unsecured, bears interest at the rate of LIBOR plus 2% and is due 6 months after the Company demands repayment (the "Demand Loan"). The Company has the right to convert the Demand Loan, plus accrued but unpaid interest, into Cartier common shares at a conversion price equal to the lowest subscription price per Cartier common share paid for the most recent capital raising undertaken by Cartier at the time of the conversion, subject to the minimum pricing rules and stock exchange approval.

At March 31, 2015, the Company holds 11,019,970 common shares of Cartier, representing 33% of the issued and outstanding common shares of Cartier and 6,176,470 warrants entitling the Company to purchase one common share of Cartier for $0.22 until April 17, 2016. If the average closing price of common shares of Cartier is greater than $0.40 for 20 consecutive business days, the warrants must be exercised within 10 calendar days of Cartier providing written notice (or such longer period as Cartier may provide), or they will be cancelled.

The holdings of the Company in Cartier are subject to the terms of a pre-emptive rights agreement and an agreement respecting board representation rights and standstill obligations entered into on December 10, 2012.

Until December 31, 2017, the Company shall not sell common shares of Cartier without the prior written consent of Cartier, and thereafter, the Company shall not sell more than 2,000,000 common shares during any 30-day period.

Until December 31, 2017, provided that the Company owns at least 10% of the outstanding common shares of Cartier:

a) Cartier shall take all commercially reasonable steps to have a nominee of the Company elected as a director ("Nominee") the board of directors of the Company ("Board").

b) The Company shall not vote against any shareholder resolution recommended by the Board, except in the event that the Nominee dissented when the Board approved a shareholder resolution that proposes to: (i) reduce the voting or dividend rights of the common shares; (ii) issue shares which carry a number of votes proportionately greater than the capital to be represented thereby or which carry dividend rights at a rate which would substantially impair the dividends ordinarily payable on the common shares; and (iii) approve a transaction with an arm's length third party, which must be passed by at least two-thirds of the votes cast and in respect of which a shareholder has dissent rights.

c) The Company shall not vote in favour of the election of nominees to the Board who are not proposed by the then Board.

d) The Company shall not (i) participate in a take-over bid for any securities of Cartier; (ii) solicit proxies from any shareholder or attempt to influence the voting by any shareholders other than in support of initiatives recommended by the Board or (iii) seek to influence or control the management, Board or the policies or affairs of Cartier; or (iv) make any public or private announcement or disclosure with respect to the foregoing.

DIRECTOR'S REPORT

Your directors present their report on Champion Iron Limited and its controlled entities (collectively, the "Company") for the financial year ended March 31, 2015.

DIRECTORS
The Directors of the Company at any time during or since the end of the year are:

Director	Position	Note
Michael O'Keeffe	Executive Chairman and Chief Executive Officer	Appointed as Chief Executive Officer on October 3, 2014
Gary Lawler	Non-executive Director	Appointed on April 9, 2014
Andrew Love	Non-executive Director	Appointed on April 9, 2014
Paul Ankcorn	Non-executive Director	
Richard Wright	Non-executive Director	Left on April 5, 2014
Niall Lenahan	Director and Company Secretary	Resigned as director on April 9, 2014; resigned as Company Secretary on June 16, 2014
Thomas Larsen	Director and Chief Executive Officer	Term as director ended on August 29, 2014; resigned as Chief Executive Officer on August 29, 2014
James Wang	Non-executive Director	Term ended on August 29, 2014
Donald Sheldon	Non-executive Director	Term ended on August 29, 2014

Qualifications and experience of Directors' are disclosed on page 11.

PRINCIPAL ACTIVITY
The Company's principal activity is the exploration and development of iron ore properties in Quebec, Canada.

REVIEW OF OPERATIONS AND RESULTS
For the year ended March 31, 2015, the Company recorded a consolidated loss and comprehensive loss of $12,269,209 (2014: $48,592,898). Details of the operations of the Company are set out in the review of operations on page 1.

FINANCIAL POSITION
At March 31, 2015, the Company had net assets totaling $91,342,524 (2014: $102,896,980) and cash and cash equivalents and short-term investments $2,646,685 (2014: $16,287,821).

DIVIDENDS
No dividends were paid or recommended for the year ended March 31, 2015 (2014: Nil).

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

Investment in in La Société ferroviaire du Nord québécois, société en commandite
The Company is a founding partner in La Société ferroviaire du Nord québécois, société en commandite ("SFNQ"). The other partners in SFNQ are the Government of Québec and Lac Otelnuk Mining Ltd., a joint arrangement between Adriana Resources Inc. and WISCO International Resources Development & Investment Limited. SFNQ was formed as a partnership of government and industry to complete a feasibility study for the construction of a new multi-user rail link giving mining projects in the Labrador Trough access to the port at Sept-Îles at the lowest possible cost. The Government of Québec has set aside a maximum of $20,000,000 from its Plan Nord Fund to contribute to SFNQ, while the Company's contribution will consist of previously incurred costs of a minimum of $5,000,000 and a maximum of $6,000,000, with the final amount to be determined by an audit of the previously incurred costs.

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR
Other than those noted below, no matter or circumstance has arisen since March 31, 2015 that has significantly affected, or may significantly affect:

- The Company's operations in the future financial years, or
- The results of those operations in future financial years, or
- The Company's state of affairs in future financial years.

Receivables
On April 6, 2015, the Company received $1,135,539 in respect of its claim for Credit on Duties related to the year ended March 31, 2013.

On May 27, 2015, the Company received an interim payment of $2,996,932 in respect of its claim for Refundable Tax Credit related to the year ended March 31, 2013.

Investments
10,000,000 warrants entitling the Company to purchase one common share of Fancamp for $0.60 expired on May 17, 2015. As at March 31, 2015, the warrants had a nil fair value and the expiry had no financial impact to the Company.

Royalty
On June 25, 2015, the Company completed an agreement to reduce the net smelter royalty on Fermont from 3% to 1.5% by paying $50,000 on closing and $250,000 on October 25, 2015.

Warrants
5,133,333 warrants entitling the holder to purchase one common share of the Company for $4.0909 expired on May 17, 2015. The expiry had no financial impact on the Company.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS
Likely developments in the operations of the Company have been set out in the Review of Operations. Further information on the likely developments and expected results of operations of the Company has not been included in this report because the Directors believe it would be likely to result in unreasonable prejudice to the Company.

MEETINGS OF DIRECTORS
The number of meetings of directors of the Company (including meetings of committees of directors) held during the year and the number of meetings attended by each director was as follows:

		Directors		Audit Committee		Remuneration and Nomination Committee	
	Note	Meetings	Attended	Meetings	Attended	Meetings	Attended
Michael O’Keeffe		11	11	–	–	1	1
Gary Lawler	(a)	10	10	6	6	1	1
Andrew Love	(a)	10	9	6	5	1	1
Paul Ankcorn		11	11	6	6	–	–
Richard Wright	(b)	–	–	–	–	–	–
Niall Lenahan	(c)	–	–	–	–	–	–
Thomas Larsen	(d)	6	6	–	–	–	–
Donald Sheldon	(d)	6	6	–	–	–	–
James Wang	(d)	6	4	–	–	–	–

Notes:
(a) Appointed on April 9, 2014
(b) Left on April 5, 2014.
(c) Resigned on April 9, 2014.
(d) Term ended on August 29, 2014.

AUDIT COMMITTEE
The Company has established an Audit Committee that comprises Andrew Love (Chair), Gary Lawler and Paul Ankcorn.

REMUNERATION AND NOMINATION COMMITTEE
The Company has established a Remuneration and Nomination Committee that comprises Gary Lawler (Chair), Michael O’Keeffe and Andrew Love.

ENVIRONMENTAL ISSUES
The Company’s policy is to comply with all relevant legislation and the best practice conventions in respect of its exploration and mining activities on the tenements it holds.

There have been no significant known breaches of the Company’s licence conditions or any environmental regulations to which it is subject.

OPTIONS
The unissued shares of the Company under option at March 31, 2015 are disclosed in note 14 of the consolidated financial statements.

REMUNERATION REPORT – AUDITED
This report outlines the remuneration arrangements in place for Key Management Personnel ("KMP") of the Company.

Directors' Remuneration Policy

(a) The policy of the Company is to pay remuneration of KMP in cash and in amounts in line with employment market conditions relevant in the mining industry.

(b) The Company's performance, and hence that of its KMP, is measured in terms of a combination of Company share price growth, cash raised, exploration carried out and farm in expenditure attracted.

Remuneration Report
The directors of the Company present the Remuneration Report prepared in Accordance with Section 300A of the *Corporations Act* for the Company for the year ended March 31, 2015.

The following persons had authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, during the financial year:

Person	**Position**	**Note**
Michael O'Keeffe	Executive Chairman and Chief Executive Officer	Appointed as Chief Executive Officer on October 3, 2014
Gary Lawler	Non-executive Director	Appointed on April 9, 2014
Andrew Love	Non-executive Director	Appointed on April 9, 2014
Paul Ankcorn	Non-executive Director	
Alexander Horvath	Chief Operating Officer	
David Cataford	Vice President, Engineering	Appointed on October 16, 2014
Miles Nagamatsu	Chief Financial Officer	
Jorge Estepa	Vice President, Corporate Secretary Canada	
Pradip Devalia	Company Secretary	Appointed on June 18, 2014.
Beat Frei	Head of Finance	
Richard Wright	Non-executive Director	Left on April 9, 2014
Niall Lenahan	Director and Company Secretary	Resigned as director on April 9, 2014; resigned as Company Secretary on June 18, 2014
Thomas Larsen	Director and Chief Executive Officer	Term as director ended on August 29, 2014; resigned as Chief Executive Officer on August 29, 2014
Donald Sheldon	Non-executive Director	Term ended on August 29, 2014
James Wang	Non-executive Director	Term ended on August 29, 2014

Remuneration of key management personnel

Year ended March 31, 2015	Short term $				Termination payments $	Post employment $	Equity settled share based $	Total $	Performance related	Consisting of shares and options
	Salary	Consulting fees	Bonus	Non-monetary						
Michael O'Keeffe	142,657	–	–	–	–	(l) 14,293	96,250	253.200	–	38.0%
Gary Lawler (a)	75,000	–	–	–	–	(l) 7,671	130,000	212,671	–	61.0%
Andrew Love (a)	75,000	–	–	–	–	(l) 7,671	130,000	212,671	–	61.1%
Paul Ankcorn	48,000	–	–	–	–	(m) 2,376	–	50,376	–	–
Alexander Horvath (b)	–	240,000	–	–	–	–	5,972	245,972	–	2.4%
David Cataford (c)	110,000	–	–	–	–	(m) 2,691	–	112,691	–	–
Miles Nagamatsu (d)	–	157,500	–	10,659	90,000	–	–	258,159	–	–
Jorge Estepa (e)	–	153,000	–	10,659	150,000	–	–	313,659	–	–
Pradip Devalia (f)	57,500	–	–	–	–	(l) 6,735	25,500	89,735	–	28.4%
Beat Frei (g)	–	240,000	–	–	–	–	5,972	245,972	–	2.4%
Richard Wright (h)	–	–	–	–	–	–	–	–	–	–
Niall Lenahan (i)	15,000	–	–	–	–	(l) 1,387	1,356	17,743	–	7.6%
Thomas Larsen (j)	–	125,000	–	6,978	300,000	–	120,000	551,978	–	21.7%
Donald Sheldon (k)	–	–	–	–	–	–	–	–	–	–
James Wang (l)	–	–	–	–	–	–	–	–	–	–
	523,157	915,500	–	28,296	540,000	42,824	515,050	2,564,827		

Notes:
(a) Appointed as director on April 9, 2014.
(b) Paid to A.S. Horvath Engineering Inc., a company controlled by Alexander Horvath
(c) Appointed as Vice President, Engineering on October 16, 2014.
(d) Paid to Marlborough Management Limited, a company controlled by Miles Nagamatsu
(e) Paid to J. Estepa Consulting Inc., a company controlled by Jorge Estepa.
(f) Appointed as Corporate Secretary on June 18, 2014.
(g) Paid to Comforta GmbH, a company controlled by Beat Frei.
(h) Left as director on April 9, 2014.
(i) Resigned as director on April 9, 2014; resigned as Company Secretary on June 18, 2014
(j) Paid to Gambier Holdings Corp., a company controlled by Thomas Larsen. Term as director ended on August 29, 2014; resigned as Chief Executive Officer on August 29, 2014.
(k) Term as director ended on August 29, 2014.
(l) Amount relates to superannuation
(m) Amount relates to employer portion of contributions to the Canada Pension Plan.

Year ended March 31, 2014	Short term $				Termination payments $	Post employment $	Equity settled share based $	Total $	Performance related	Consisting of shares and options
	Salary	Consulting fees	Bonus	Non-monetary						
Champion										
Thomas Larsen (a)	–	465,891	60,000	13,956	–	–	600,000	1,139,847	19.8%	52.6%
Paul Ankcorn	32,000	–	–	–	–	(h) 1,496	14,667	48,163	–	31.4%
Harry Burgess	46,645	–	–	–	–	–	44,000	90,645	–	48.5%
William Harding (b)	78,000	188,391	–	–	–	(h) 3,352	44,000	313,743	52.9%	14.0%
Alexander Horvath	–	180,000	–	–	–	–	180,000	360,000	–	–
Francis Sauve	12,000	–	–	–	–	(h) 558	14,667	27,225	–	55.0%
Donald Sheldon (c)(d)	–	69,939	–	–	–	–	–	69,939	–	–
James Wang	–	–	–	–	–	–	44,000	44,000	–	100.0%
Miles Nagamatsu (e)	–	207,648	–	13,956	–	–	360,000	581,604	4.8%	61.9%
Jorge Estepa (f)	–	207,648	–	13,956	–	–	360,000	581,604	4.8%	61.9%
	168,645	1,319,517	60,000	41,868		5,406	1,661,334	3,256,770		
Mamba					–					
Michael O'Keeffe (g)	65,400	–	–	38,633	–	(i) 6,049	56,146	166,228	37.8%	37.8%
Richard Wright (g)	39,240	–	–	–	–	(i) 3,630	28,073	70,943	39.6%	39.6%
Niall Lenahan (g)	39,240	–	–	–	–	(i) 3,630	56,146	99,016	56.7%	56.7%
	312,525	1,319,517	60,000	80,501	–	18,715	1,801,699	3,592,597		

Notes:
(a) Paid to Gambier Holdings Corp., a company controlled by Thomas Larsen.
(b) Paid to William Harding or Vanctor Investments Limited, a company controlled by William Harding.
(c) Paid to Sheldon Executive Services Inc., a company controlled by Donald Sheldon.
(d) In addition to the remuneration, legal fees of $499,212 were paid to Sheldon Huxtable Professional Corporation, a corporation controlled by Donald Sheldon.
(e) Paid to Marlborough Management Limited, a company controlled by Miles Nagamatsu.
(f) Paid to J. Estepa Consulting Inc., a company controlled by Jorge Estepa.
(g) Appointed as a director August 13, 2013.
(h) Amount relates to employer portion of contributions to the Canada Pension Plan.
(i) Amount relates to superannuation.

Service agreements

Remuneration and other terms of employment for key management personnel are formalised in service agreements. Each of these agreements has the provision for performance-related cash bonuses, other benefits and participation in Company's long term incentive plans. Major provisions of the service agreements relating to remuneration as at March 31, 2015 are set out below.

Michael O'Keeffe – Director and Executive Chairman

- Base salary and superannuation of A$109,250 per year up to June 30, 2014, and thereafter, A$171,780 to be reviewed annually, with a 2 year term of agreement.
- Payment of termination benefit equal to salary for 3 months annual package or salary for 1 year on a change of control event.

Gary Lawler – Non-executive Director

- Fees of A$75,000 per year until termination.

Andrew Love – Non-executive Director

- Fees of A$75,000 per year until termination.

Paul Ankcorn- Non-Executive Director

- Fees of $48,000 per year until termination.

Alexander Horvath – Chief Operating Officer

- Fees of $180,000 up to March 31, 2014, and thereafter, $240,000 per year payable to A.S. Horvath Engineering Inc. until December 31, 2016 pursuant to a professional services agreement.
- Payment of termination benefit equal to fees for 1 year.

David Cataford – Vice President, Engineering

- Salary of $240,000 per year pursuant to an employment agreement which continues for an indefinite period subject to termination for cause or without cause.
- Payment of termination benefit equal to salary for 6 months or salary for 1 year on a change of control event.

Miles Nagamatsu – Chief Financial Officer

- Up to December 31, 2014, fees of $180,000 per year payable to Marlborough Management Limited, a company controlled by Miles Nagamatsu, pursuant to a professional services agreement which, unless terminated, renews automatically on November 30.
- Effective January 1, 2015, a one-time fee of $90,000 was paid to reduce fees to $90,000 per year payable to Marlborough Management Limited, pursuant to an amended professional services agreement, which unless terminated, renews automatically on November 30.
- Payment of termination benefit equal to fees for 6 months.

Jorge Estepa – Vice President and Corporate Secretary, Canada

- Up to December 31, 2014, fees of $180,000 per year payable to J. Estepa Consulting Inc., a company controlled by Jorge Estepa, pursuant to a professional services agreement, which unless terminated, renews automatically on November 30.
- Effective January 1, 2015, a one-time fee of $150,000 was paid to terminate the professional services agreement and reduce fees to $72,000 per year payable to J. Estepa Consulting Inc., pursuant to an engagement letter, which may be terminated by either party on 30 days advance notice.

Pradip Devalia – Corporate Secretary, Australia

- Up to November 30, 2014, salary of A$50,000 per year pursuant to an employment agreement until termination on 3 months written notice.
- Effective December 1, 2014, salary of A$80,000 per year pursuant to an employment agreement until termination on 3 months written notice.
- Payment of termination benefit equal to salary for 6 months on a change of control event.

Beat Frei – Head of Finance

- Fees of $240,000 per year payable to Comforta GmbH, a company controlled by Beat Frei, pursuant to a professional services agreement, which, unless terminated, renews automatically on September 30.
- Payment of termination benefit equal to fees for 12 months.

Movement in key management personnel equity holdings

Ordinary shares

	Holding at March 31, 2014	Acquired	Sold	Other changes	Holding at March 31, 2015
Michael O'Keeffe	6,330,279	5,071,651	–	–	11,401,930
Gary Lawler	800,000	33,889	–	–	833,889
Andrew Love	520,000	200,000	–	–	720,000
Paul Ankcorn	163,533	–	–	–	163,533
Alexander Horvath	559,208	–	–	–	559,208
David Cataford	–	625,698	–	–	625,698
Miles Nagamatsu	1,211,916	–	–	–	1,211,916
Jorge Estepa	1,133,083	–	–	–	1,133,083
Pradip Devalia	–	–	–	–	–
Beat Frei	868,500	276,708	–	–	1,145,208
Richard Wright (a)	631,923	–	–	(631,923)	–
Niall Lenahan (b)	1,000,000	–	–	(1,000,000)	–
Thomas Larsen (c)	3,446,118	–	–	(3,446,118)	–
Donald Sheldon (d)	544,500	–	–	(544,500)	–
James Wang (d)	–	–	–	–	–

(a) Left as director on April 9, 2014.
(b) Resigned as director on April 9, 2014; resigned as Company Secretary on June 18, 2014
(c) Term as director ended on August 29, 2014; resigned as Chief Executive Officer on August 29, 2014
(d) Term as director ended on August 29, 2014.

Stock options

	Holding at March 31, 2014	Granted	Forfeited	Expired	Other changes	Holding at March 31, 2014	Exercisable at March 31, 2015
Michael O'Keeffe	1,000,000	–	–	–	–	1,000,000	500,000
Gary Lawler	–	500,000	–	–	–	500,000	500,000
Andrew Love	–	500,000	–	–	–	500,000	500,000
Paul Ankcorn	220,000	–	–	(110,000)	–	110,000	110,000
Alexander Horvath	385,000	500,000	–	(183,333)	–	701,667	201,667
David Cataford	–	–	–	–	–	–	–
Miles Nagamatsu	348,334	–	–	(183,334)	–	165,000	165,000
Jorge Estepa	458,334	–	–	(275,001)	–	183,333	183,333
Pradip Devalia	–	150,000	–	–	–	150,000	150,000
Beat Frei	366,667	500,000	–	–	–	866,667	366,667
Richard Wright (a)	500,000	–	(500,000)	–	–	–	–
Niall Lenahan (b)	1,000,000	–	(500,000)	–	(500,000)	–	–
Thomas Larsen (c)	1,173,333	1,000,000	–	–	(2,173,333)	–	–
Donald Sheldon (d)	256,666	–	–	–	(256,666)	–	–
James Wang (d)	220,000	–	–	–	(220,000)	–	–

(a) Left as director on April 5, 2014.
(b) Resigned as director on April 9, 2014; resigned as Company Secretary on June 18, 2014
(c) Term as director ended on August 29, 2014; resigned as Chief Executive Officer on August 29, 2014
(d) Term as director ended on August 29, 2014.

Each option entitles the holder to acquire 1 ordinary share and have been issued for no consideration.

Option compensation granted and vested during the year

Year ended March 31, 2015	Exercise price	Number granted	Grant date	Vested in period %	Fair value per option at grant date $	Value of options granted $	Expiry & last exercise date
Gary Lawler	A$0.50	500,000	April 9, 2014	100	0.26	130,000	April 9, 2017
Andrew Love	A$0.50	500,000	April 9, 2014	100	0.26	130,000	April 9, 2017
Pradip Devalia	A$0.50	150,000	June 18, 2014	100	0.17	25,500	June 18, 2017
Thomas Larsen	$0.45	1,000,000	September 1, 2014	100	0.12	120,000	September 1, 2018
Alexander Horvath	A$0.30	500,000	October 30, 2014	–	0.10	50,000	October 30, 2017
Beat Frei	A$0.30	500,000	October 30, 2014	–	0.10	50,000	October 30, 2017

On October 3, 2014, subject to shareholder approval, the Company agreed to grant 1,000,000 stock options to Michael O'Keeffe, entitling him to purchase one ordinary share for A$0.30 for 3 years from the date of shareholder approval. These options will vest in annual instalments over 3 years from the date of shareholder approval, subject to holder's continued service with the Company, the satisfactory progression towards the completion of a bankable feasibility study for Consolidated Fire Lake North during the term of the stock options, and the satisfactory completion of a bankable feasibility study by the expiry date of the stock options.

There were 1,000,000 options forfeited during the year ended March 31, 2015 (2014: Nil).

INDEMNIFICATION

There are indemnities in place for directors and officers insurance policies in regard to their positions.

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.

NON-AUDIT SERVICES

Ernst & Young performed other services in addition to their statutory duties. The details and remuneration for these services is disclosed in Note 22 of the consolidated financial statements.

AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration for the year ended March 31, 2015 has been received and has been included in this report.

Signed in accordance with a resolution of the Directors

Michael O'Keeffe, Executive Chairman

Andrew Love, Non-Executive Director

Sydney, New South Wales
June 29, 2015

BOARD OF DIRECTORS IN OFFICE AT THE DATE OF THIS REPORT

Executive Chairman and Chief Executive Officer

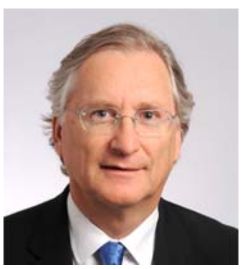
Michael O'Keeffe ***B.App.Sc*** *(Metallurgy)*

Mr O'Keeffe was appointed executive Chairman of Champion Iron Limited on August 13, 2013. Mr O'Keeffe commenced work with MIM Holdings in 1975. He held a series of senior operating positions, rising to Executive Management level in commercial activities. In 1995 he became Managing Director of Glencore Australia (Pty) Limited and held the position until July 2004. Mr O'Keeffe was the founder and Executive Chairman of Riversdale Mining Limited. He has previously held directorships in Anaconda Nickel Limited, Mt Lyell Mining Co Limited and BMA Gold Limited. Mr O'Keeffe is currently the chairman of Riversdale Resources Limited.

Non-Executive Director

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

Mr. Lawler was appointed as a Non-Executive Director on April 9, 2014. He is a leading Australian mergers and acquisitions lawyer who has been involved in some of Australia's most notable merger and acquisition transactions. Mr Lawler has over 30 years' experience as a practising corporate lawyer and has been a partner in a number of leading Australian law firms. He is currently a consultant of the legal firm Ashurst Australia. Mr Lawler was also previously a director of Riversdale Mining Limited and Dominion Mining Limited. Mr Lawler is currently a director of Riversdale Resources Limited.



Non-Executive Director

Andrew J. Love, ***FCA.***

Mr. Love was appointed as a Non-Executive Director on April 9, 2014. He is a Chartered Accountant with more than 30 years of experience in corporate recovery and reconstruction in Australia. He was a senior partner of Australian accounting firm Ferrier Hodgson from 1976 to 2013 and is now a consultant. In that time he advised major local and overseas companies and financial institutions in a broad variety of restructuring and formal insolvency assignments. During this time Mr. Love specialized in the Resources Industry. Mr. Love has been an independent company director of a number of companies over a 25-year period in the Resources, Financial Services and Property Industries. This has involved corporate experience in Asia, Africa, Canada, United Kingdom and United States. Mr. Love's previous recent Board positions have included Chairman of ROC Oil Ltd., Deputy Chairman of Riversdale Mining Ltd., Director of Charter Hall Office Trust and Chairman of Museum of Contemporary Art. Mr. Love is currently a director of Gateway Lifestyle Operations Ltd.

Non-Executive Director

Paul Ankcorn

Mr. Ankcorn is an Executive Officer in the mining business. He was the President and director of the Cartier Iron Corporation from 2012 to 2013, the Chief Financial Officer of Tartisan Resources Corp. since 2008, and President of Remington Resources Inc. from 2005 to 2010 (all resource exploration corporations). He is a director of ACME Resources Corp., Tartisan Resources Corp. and Fancamp Exploration Ltd.

DIRECTORS' DECLARATION

1) In the opinion of the Directors:

   (a) The accompanying financial statements and notes are in accordance with the Corporations Act 2001, including:

   - giving a true and fair view of the Group's financial position as at March 31, 2015 and of its performance for the year ended on that date; and

   - complying with Australian Accounting Standards and the Corporations Act 2001.

   (b) there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

   (c) the audited remuneration disclosure set out in the Remuneration Report of the Director's Report for the year ended March 31, 2015 complies with section 300A of the Corporations Act 2001.

2) The Directors have been given the declarations required by Section 295A of the Corporations Act 2001 for the financial year ended March 31, 2015.

3) The Group has included in the notes to the financial statements a statement of compliance with International Financial Reporting Standards.

Signed in accordance with a resolution of the Directors

Michael O'Keeffe, Executive Chairman | **Andrew Love, Non-executive Director**

Sydney, New South Wales
June 29, 2015

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Auditor's Independence Declaration to the Directors of Champion Iron Limited

In relation to our audit of the financial report of Champion Iron Limited for the financial year ended 31 March 2015, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the *Corporations Act 2001* or any applicable code of professional conduct.

Ernst & Young

Ryan Fisk
Partner
Sydney
29 June 2015

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Fax: +61 2 9248 5959
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Independent auditor's report to the members of Champion Iron Limited

Report on the financial report

We have audited the accompanying financial report of Champion Iron Limited, which comprises the consolidated statement of financial position as at 31 March 2015, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' responsibility for the financial report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal controls as the directors determine are necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with *International Financial Reporting Standards*.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial report 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 entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit we have complied with the independence requirements of the *Corporations Act 2001*. We have given to the directors of the company a written Auditor's Independence Declaration, a copy of which is included in the directors' report.

Opinion

In our opinion:

a. the financial report of Champion Iron Limited is in accordance with the *Corporations Act 2001*, including:

   i giving a true and fair view of the consolidated entity's financial position as at 31 March 2015 and of its performance for the year ended on that date; and

   ii complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and

b. the financial report also complies with *International Financial Reporting Standards* as disclosed in Note 1.

Report on the remuneration report

We have audited the Remuneration Report included in pages 6 to 10 of the directors' report for the year ended 31 March 2015. 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.

Opinion

In our opinion, the Remuneration Report of Champion Iron Limited for the year ended 31 March 2015, complies with section 300A of the *Corporations Act 2001*.

Ernst & Young

Ryan Fisk
Partner
Sydney
29 June 2015

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GPO Box 2646 Sydney NSW 2001

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To the Shareholders of
Champion Iron Limited

We have audited the accompanying consolidated financial statements of Champion Iron Limited, which comprise the consolidated statement of financial position as at March 31, 2015, and the consolidated statement of operations, comprehensive income (loss), changes in equity and cash flows for the year ended March 31, 2015, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Champion Iron Limited as at March 31, 2015, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Ernst & Young

Chartered accountants
Sydney, Australia
June 29, 2015

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Champion Iron Limited

(ACN: 119 770 142)

Consolidated Financial Statements
March 31, 2015 and 2014
(expressed in Canadian dollars)

Champion Iron Limited
Consolidated Statements of Financial Position
(expressed in Canadian dollars)

	Notes	As at March 31, 2015 $	2014 $
Assets			
Current			
Cash and cash equivalents	5	1,346,685	16,221,821
Short-term investments		1,300,000	66,000
Receivables	6	5,303,658	10,183,531
Due from joint venture	10	124,533	-
Prepaid expenses		188,034	151,259
Deposit		1,000,000	-
		9,262,910	26,622,611
Non-current			
Receivables	6	4,355,082	-
Due from Cartier Iron Corporation	7	1,063,036	2,086,049
Investments	8	1,628,300	4,975,865
Investment in associate	9	1,162,903	-
Investment in SFNQ	10	100	-
Long-term advance	11	6,000,000	6,000,000
Property and equipment		46,665	85,555
Exploration and evaluation	12	69,845,118	88,049,839
		93,364,114	127,819,920
Liabilities			
Current			
Accounts payable and accrued liabilities		1,421,590	5,922,939
Non-current			
Royalty payable	13 and 20	600,000	19,000,000
		2,021,590	24,922,939
Shareholders' equity			
Capital stock	14	171,420,382	171,420,382
Warrants	14	3,089,520	3,089,520
Contributed surplus		15,996,920	15,282,169
Foreign currency translation reserve		(429,098)	-
Deficit		(98,735,201)	(86,895,091)
		91,342,524	102,896,980
		93,364,114	127,819,920

On behalf of the Board:

Director **Director**

See accompanying notes to the consolidated financial statements

Champion Iron Limited
Consolidated Statements of Loss and Comprehensive Loss
(expressed in Canadian dollars)

	Notes	Years ended March 31, 2015 $	2014 $
Other income			
Interest		75,751	236,425
Gain on sale of exploration and evaluation		-	553,398
Gain on waiver of right of first refusal		-	440,000
Other	10	240,953	-
		316,704	1,229,823
Expenses			
Professional fees		560,986	687,749
Salaries		987,870	-
Consulting fees		1,499,282	1,689,025
Share-based compensation	14	714,751	239,000
General and administrative		1,467,375	804,792
Investor relations		448,775	1,595,602
Travel		568,983	544,633
Exploration		23,988	-
Foreign exchange gain		(443,523)	-
Unrealized loss (gain) on investments		2,521,212	(739,524)
Impairment of investment in associate	9	794,000	-
Impairment of exploration and evaluation	12	2,933,664	-
Impairment of goodwill	4	-	41,177,744
Transaction costs	4	-	3,811,438
Interest		-	12,263
		12,077,364	49,822,721
Loss before share of net loss of an		(11,760,660)	(48,592,898)
Share of net loss of associate accounted for using the equity method	9	(79,450)	-
Loss		(11,840,110)	(48,592,898)
Item that may be reclassified in to the statement of loss			
Net movement in foreign currency		(429,098)	-
Total comprehensive loss		(12,269,209)	(48,592,898)
Loss per share - basic and diluted		(0.06)	(0.50)
Weighted average number of shares outstanding - basic and diluted		196,599,004	96,562,150

See accompanying notes to the consolidated financial statements

Champion Iron Limited
Consolidated Statements of Changes in Equity
(expressed in Canadian dollars)

	Capital stock $	Warrants $	Contributed surplus $	Foreign currency translation reserve $	Deficit $	Total $
Balance, March 31, 2014	171,420,382	3,089,520	15,282,169	-	(86,895,091)	102,896,980
Loss	-	-	-	-	(11,840,110)	(11,840,110)
Other comprehensive loss	-	-	-	(429,098)	-	(429,098)
Total comprehensive loss	-	-	-	(429,098)	(11,840,110)	(12,269,209)
Share-based compensation	-	-	714,751	-	-	714,751
Balance, March 31, 2015	171,420,382	3,089,520	15,996,920	(429,098)	(98,735,201)	91,342,524
Balance, March 31, 2013	122,982,950	3,027,187	8,746,169	-	(38,302,192)	96,454,114
Total comprehensive loss	-	-	-	-	(48,592,898)	(48,592,898)
Issued for exploration and evaluation	190,000	-	-	-	-	190,000
Conversion of convertible debt	373,175	-	-	-	-	373,175
Conversion of debt	157,500					157,500
Private placement	3,000,000	-	-	-	-	3,000,000
Fair value of warrants issued	(1,277,000)	1,277,000	-	-	-	-
Fair value of expired warrants	1,214,667	(1,214,667)	-	-	-	-
Share-based compensation	-	-	239,000	-	-	239,000
Share issue costs	(337,446)	-	-	-	-	(337,446)
Acquisition of Mamba	45,116,536	-	6,297,000	-	-	51,413,536
Balance, March 31, 2014	171,420,382	3,089,520	15,282,169	-	(86,895,090)	102,896,980

See accompanying notes to the consolidated financial statements

Champion Iron Limited
Consolidated Statements of Cash Flows
(expressed in Canadian dollars)

	Notes	Years ended March 31, 2015 $	2014 $
Cash provided by (used in)			
Operating activities			
Loss before tax		(11,840,110)	(48,592,898)
Items not affecting cash			
Share-based compensation	14	714,751	239,000
Depreciation		40,754	-
Gain on sale of exploration and evaluation		-	(553,398)
Gain on waiver of right of first refusal		-	(440,000)
Unrealized loss (gain) on investments		2,521,212	(739,524)
Impairment of goodwill	4	-	41,177,744
Impairment of investment in associate	9	794,000	-
Impariment of exploration and evaluation	12	2,933,664	-
Share of net loss of SFNQ		79,450	-
		(4,756,279)	(8,909,076)
Changes in non-cash operating			
Receivables		(389,534)	945,467
Due from joint venture		(124,533)	-
Prepaid expenses		(36,775)	127,970
Accounts payable and accrued liabilities		(128,531)	2,616,512
		(5,435,652)	(5,219,127)
Financing activities			
Repayment of convertible note		-	(345,000)
Issue of common shares	14	-	3,000,000
Share issue costs		-	(337,446)
		-	2,317,554
Investing activities			
Receipt of refundable tax credit on exploration		1,649,157	11,000,000
Receipt of credit on duties refundable		1,325,433	404,424
Investment in short-term investment		(1,234,000)	-
Deposit		(1,000,000)	-
Advances to Cartier Iron Corporation		(26,987)	(2,011,049)
Investment in Cartier Iron Corporation		-	(27,811)
Investment in Lamêlée		-	(200,000)
Investment in joint venture		(100)	-
Purchase of property and equipment		(1,864)	-
Option payment from Cartier		150,000	-
Cash acquired on acquisition of		-	12,018,150
Exploration and evaluation		(5,499,206)	(6,595,409)
Arrangement costs		(4,372,818)	-
		(9,010,385)	14,588,305
Net decrease in cash and cash		(14,446,038)	11,686,732
Cash and cash equivalents,		16,221,821	4,535,089
Effects of exchange rate changes		(429,098)	-
Cash and cash equivalents, end of		1,346,685	16,221,821

See accompanying notes to the consolidated financial statements

Champion Iron Limited
Consolidated Statements of Cash Flows
(expressed in Canadian dollars)

	Notes	Years ended March 31, 2015 $	2014 $
Non-cash transactions			
Receipt of Cartier common shares			
Conversion of due from Cartier	7	1,050,000	-
Option payment from Cartier	12	160,000	-
Received on sale of exploration and evaluation			
Century common shares		-	930,000
Century warrants		-	193,440
Received for waiver of right of first refusal			
Fancamp common shares		-	200,000
Lamêlée common shares		-	240,000
Issue of convertible notes to settle accounts payable		-	718,525
Issue of common shares			
Exploration and evaluation		-	190,000
Conversion of convertible debt		-	373,175
To settle accounts payable		-	157,500
Reversal of mining tax credit		400,708	-

See accompanying notes to the consolidated financial statements

1. Basis of preparation

The financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board. The financial report has also been prepared on a historical cost basis, except for cash and cash equivalent, short-term investments, investments, investment in associate and royalty payable which have been measured at fair value.

On March 31, 2014, pursuant to an Arrangement Agreement (“Arrangement”), Mamba Minerals Limited (“Mamba”): (a) acquired all of the issued and outstanding common shares of Champion Iron Mines Limited (“Champion”) on the basis of an exchange ratio of 0.7333333 Mamba share and/or Exchangeable share (or combination thereof) for each outstanding Champion common share and (b) replaced each outstanding Champion warrant and Champion stock option on the basis that the holder will be entitled to acquire 0.7333333 Mamba share on the same terms and conditions.

Under corporations law, Mamba is the parent and Champion is the subsidiary. However, the former shareholders of Champion received 51% of the voting rights in the combined entity and Champion had the ability to appoint a majority of the members of the board of directors of the combined entity. Under the requirements of AASB 3 (IFRS 3) *Business Combinations*, for accounting purposes, Champion was deemed to be the acquirer, Mamba was deemed to be the acquiree and the consideration transferred by Champion was measured at fair value.

The consolidated financial statements represent a continuation of the financial statements of Champion. The consolidated financial statements for the year ended March 31, 2015 include the financial results of Champion and Mamba from March 31, 2014. The comparative consolidated financial statements are those of Champion.

Following the closing of the Arrangement, Mamba changed its name to Champion Iron Limited (the “Company”).

The consolidated financial statements of Champion Iron Limited and its subsidiaries (collectively the “Company”) for the year ended March 31, 2015 were approved and authorized for issue by the Board of Directors on June 25, 2015.

The nature of the operations and principal activities of the Company are described in the Directors’ Report.

Statement of compliance with IFRS

The financial statements are prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board.

Presentation currency

These consolidated financial statements are presented in Canadian dollars.

2. Significant accounting policies and future accounting changes

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

Basis of consolidation and functional currency

The consolidated financial statements include the accounts of the Company and its subsidiaries:

Subsidiary	Ownership percentage	Country of incorporation	Functional currency
Champion Iron Mines Limited	100.0%	Canada	Canadian dollars
Champion Exchange Limited	100.0%	Canada	Canadian dollars
Mambas Minerais Limitada	97.5%	Mozambique	Australian dollars
CIP Magnetite Pty Limited	100.0%	Australia	Australian dollars
CIP Magnetite Limited	100.0%	Canada	Canadian dollars

During the year ended March 31, 2014, Mambas Minerais Limitada was placed into liquidation.

Intercompany balances and any unrealized gains and losses or income and expenses arising from intercompany transactions are eliminated on consolidation.

Financial instruments

Non-derivative financial assets

The Company initially recognizes loans and receivables and deposits on the date that they are originated. All other financial assets (including assets designated at fair value through profit or loss) are recognized initially on the trade date, which is the date that the Company becomes a party to the contractual provisions of the instrument.

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Company is recognized as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

The Company classifies non-derivative financial assets into the following categories: financial assets at fair value through profit or loss, held-to-maturity financial assets, loans and receivables and available-for-sale financial assets.

Financial assets at fair value through profit or loss

A financial asset is classified at fair value through profit or loss if it is classified as held for trading or is designated as such upon initial recognition. Financial assets are designated at fair value through profit or loss if the Company manages such investments and makes purchase and sale decisions based on their fair value in accordance with the Company's documented risk management or investment strategy. Attributable transaction costs are recognized in profit or loss as incurred. Financial assets at fair value through profit or loss are measured at fair value (i.e. quoted close price) and changes therein are recognized in profit or loss.

The Company has classified cash and cash equivalents, short-term investments and investments as financial assets at fair value through profit or loss.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortized cost using the effective interest method, less any impairment losses.

The Company has classified receivables, due from joint venture and due from Cartier Iron Corporation as loans and receivables.

Non-derivative financial liabilities

The Company initially recognizes debt securities issued and subordinated liabilities on the date that they are originated. All other liabilities (including liabilities designated at fair value through profit or loss) are recognized initially on the trade date, which is the date that the Company becomes a party to the contractual provisions of the instrument.

The Company derecognizes a financial liability when its contractual obligations are discharged, cancelled or expire.

The Company classifies non-derivative financial liabilities into the other financial liabilities category. Such financial liabilities are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortized cost using the effective interest method.

The Company has classified accounts payable and accrued liabilities as other financial liabilities.

Impairment of non-derivative financial assets

A financial asset is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Business combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value. Acquisition-related costs are expensed as incurred and included in administrative expenses.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration over the net identifiable assets acquired and liabilities assumed. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Cash and cash equivalents

Cash and cash equivalents consists of cash in bank, cash held in trust and short-term deposits with a maturity of less than three months.

Property and equipment

Property and equipment is recorded at cost less accumulated amortization and provisions for impairment. Cost consists of expenditures directly attributable to the acquisition of the asset. Amortization is provided for on a straight-line basis over the estimated useful lives of the assets at the rate of 20% to 40%. Residual values, useful lives and methods of amortization are reviewed at each year end and adjusted prospectively.

Exploration and evaluation

Recognition and measurement

Exploration and evaluation, including the costs of acquiring licenses and directly attributable general and administrative costs, initially are capitalized as exploration and evaluation. 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 Quebec are recorded as a reduction to exploration and evaluation assets when there is 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 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 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.

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 is first tested for impairment and then reclassified to property, plant and equipment and/or intangibles or expensed to the statement of loss and comprehensive loss to the extent of any impairment.

Impairment

Exploration and evaluation is assessed for impairment if (i) sufficient data exists to determine technical feasibility and commercial viability, and (ii) facts and circumstances suggest that the carrying amount exceeds the recoverable amount. An impairment loss is recognized in the statement of loss and comprehensive loss if the carrying amount of a property exceeds its estimated recoverable amount. The recoverable amount of property used in the assessment of impairment of exploration and evaluation is the greater of its value in use ("VIU") and its fair value less costs of disposal ("FVLCTS"). VIU is determined by estimating the present value of the future net cash flows at a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the property. FVLCTS refers to the price that would be received to sell the property in an orderly transaction between market participants. For a property that does not generate largely independent cash flows, the recoverable amount is determined for the cash-generating unit to which the property belongs. Impairment losses previously recognized are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount only to the extent that the property's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognized.

Royalties payable

Upon completion of a pre-feasibility study, royalties are recorded at estimated fair value as an acquisition cost of exploration and evaluation and an offsetting royalty payable. Future adjustments of royalties payable will be reflected as an adjustment to exploration and evaluation and an offsetting royalty payable.

Share capital

Share capital is classified as equity. Incremental costs directly attributable to the issue of common shares are recognized as a deduction from equity, net of any tax effects.

Share-based payments

The Company offers a stock option plan for its officers, directors, employees and consultants. 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 compensation 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 compensation associated with the unvested portion of the stock options forfeited is reversed.

The fair value of share-based payment transactions to non-employees and other share-based payments including shares issued to acquire exploration and evaluation are based on the fair value of the goods and services received. If the fair value cannot be estimated reliably, the share-based payment transaction is measured at the fair value of the equity instruments granted at the date the Company receives the goods or services.

Provisions

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

Income tax

Income tax expense comprises current and deferred taxes. Current tax and deferred tax is 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;
- 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; and
- taxable temporary differences arising on the initial recognition of goodwill.

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.

Loss per share

The Company presents basic and diluted loss per share data for its ordinary shares. Basic loss per share is calculated by dividing the loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted for any of its own shares held. Diluted loss per share is determined by adjusting the loss attributable to shareholders and the weighted average number of ordinary shares outstanding, adjusted for any of its own shares held, for the effects of all dilutive potential ordinary shares, which comprise outstanding warrants and stock options. As at March 31, 2015 and March 31, 2014, outstanding stock options and warrants are anti-dilutive.

Changes in accounting standards

On April 1, 2014, the Company adopted all of the mandatorily applicable new Australian Accounting Standards and International Financial Reporting Standards, amendments to standards and interpretations. The adoption of these accounting standards had no impact on these financial statements.

New standards and interpretations not yet adopted

Australian Accounting Standards and International Financial Reporting Standards that have been issued but are not yet effective have not been adopted by the Company for the year ended March 31, 2015. The Company has not determined the extent of the impact of these standards and does not plan to early adopt these new standards.

3. Significant accounting 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 reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in any future years affected.

Estimates

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are as follows:

Estimates of mining tax credit receivables
The Company estimates amounts to be received for unassessed claims for Refundable Tax Credits and Credits on Duties as a receivable and a reduction to exploration and evaluation assets when there is reasonable assurance that the Company has complied with all conditions needed to obtain the credits. See note 6.

Fair value of investment in options and warrants
The Company uses the Black-Scholes option pricing model in determining the fair value of its investment in options and warrants, which requires a number of assumptions to be made, including the risk-free interest rate, expected life, forfeiture rate and expected share price volatility. Consequently, actual fair value of its investments in options and warrants may vary from the amounts estimated. See notes 8 and 14.

Estimates of mineral resources
The amounts used in impairment calculations are based on estimates of mineral resources. Resource estimates are based on engineering data, estimated future prices, expected future rates of production and the timing of future capital expenditures, all of which are subject to many uncertainties and interpretations. The Company expects that, over time, its resource 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. See note 12.

Impairment of exploration and evaluation
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, results of exploration, whether an economically-viable operation can be established and significant negative industry or economic trends. Management judgment is also applied in determining cash generating units, 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.

As at March 31, 2015, the Company determined that indicators of impairment existed on its Powderhorn and Gullbridge properties based on the fact that, in both cases, no exploration or evaluation expenditures are planned in the near future. As such, the Company performed impairment assessments on both mining properties and in each case estimated the recoverable amount of the exploration and evaluation assets at nil due to the fact that no commercially viable deposits have been discovered. As such, for the year ended March 31, 2015, the Company recorded impairment losses in respect of Powderhorn and Gullbridge amounting to $1,645,065 and $1,286,599 respectively. See note 12.

Estimate of royalty payable
The Company used inputs that are not based on observable market data in determining the fair value of the royalty payable. The Company expects that, over time, royalty payable will be revised upward or downward based on updated information on production levels and changes in iron ore prices. See notes 13 and 20.

Share-based payments
The Company uses the Black-Scholes option pricing model in determining share-based payments, which requires a number of assumptions to be made, including the risk-free interest rate, expected life, forfeiture rate and expected share price volatility. Consequently, actual share-based compensation may vary from the amounts estimated. See note 14.

4. Acquisition of Mamba Minerals Limited
Pursuant to the Arrangement which was completed on March 31, 2014 (see note 1), for accounting purposes, Champion is deemed to have (a) acquired all of the issued and outstanding ordinary shares of Mamba on the basis of an exchange ratio of 1.3636 Champion common shares for each Mamba share issued and outstanding and (b) replaced each outstanding Mamba stock option on the basis that the holder will be entitled to acquire, on the same terms and conditions, 1.3636 Mamba shares. The allocation of the purchase price is summarized as follows:

(expressed in Canadian dollars)

Deemed consideration	**$**
Fair value of 132,695,695 Champion common shares	45,116,536
Fair value of 28,362,880 Replacement Stock Options	6,297,000
	51,413,536

Fair value of assets acquired and liabilities assumed	
Cash and cash equivalents	12,018,150
Receivables	57,126
Property, plant and equipment	85,555
Accounts payable and accrued liabilities	(1,925,039)
Net assets acquired	10,235,792
Goodwill	41,177,744
	51,413,536

The fair value of the Champion common shares is based on (a) the number of common shares that Champion would have issued to give Mamba the same percentage in the combined entity that results from the reverse acquisition and (b) the closing market value of $0.34 per Champion common share on March 31, 2014.

The fair value of the Replacement Stock Options of $6,297,000 was calculated using the Black-Scholes option pricing model with the following weighted-average assumptions:

Exercise price	$0.2957
Share price	$0.5600
Risk-free interest rate	2.5%
Expected volatility based on historical volatility	80%
Expected life of stock options	1.94 years
Expected dividend yield	0%
Forfeiture rate	0%

Goodwill recognized upon acquisition was tested for impairment and determined to be fully impaired as its fair value less costs to sell was estimated to be nil. Accordingly, the Company recorded an impairment of goodwill of $41,177,744 in the consolidated statement of loss and comprehensive loss for the year ended March 31, 2014.

5. Cash and cash equivalents

As at March 31, 2014, cash included the proceeds of a private placement of A$10,000,000 which was held in trust and received by the Company on April 2, 2014.

6. Receivables

The Company files a Québec Corporation Income Tax Return claiming a refundable tax credit on eligible exploration expenditures incurred in Québec (“Refundable Tax Credits”) and a Québec Mining Duties Return claiming a credit on duties refundable for losses (“Credit on Duties”).

(expressed in Canadian dollars)

	Claims for years ended March 31, 2015	2014	2013	Receivable as at March 31, 2015	2014
Refundable Tax Credits					
As filed (2015 - to be filed)	1,275,091	1,410,115	7,555,705		
Receivable at March 31, 2015					
Current	–	901,483	2,936,222	3,837,705	9,222,521
Non-current	1,020,073	226,609	3,108,400	4,355,082	–
	1,020,073	1,128,092	6,044,622	8,192,787	9,222,521
Credit on Duties					
As filed (2015 - to be filed)	281,802	209,515	1,122,562		
Receivable at March 31, 2015					
Current	–	–	1,135,539	1,135,539	–
Harmonized and Quebec sales taxes					
Receivable at March 31, 2015					
Current				330,414	961,010
Total				9,658,740	10,183,531
Allocation					
Current				5,303,658	10,183,531
Non-current				4,355,082	–
				9,658,740	10,183,531

It is the Company's policy to record an estimate of amounts to be received for unassessed claims for Refundable Tax Credits and Credits on Duties as a receivable and a reduction to exploration and evaluation assets when there is reasonable assurance that the Company has complied with all conditions needed to obtain the credits. Due to the assessment process and the length of time involved, the Company estimates the amount of the receivables that it does not expect to receive in the next 12 months and classifies the amount as a non-current receivable.

During the year ended March 31, 2014, the Company recorded Refundable Tax Credits of $11,000,000 that were received and $9,222,521 that were estimated to be received as a reduction to exploration and evaluation. The amount of the unassessed and uncollected claims are subject to audit by Revenu Québec and Ressources naturelles et Faune Québec.

See note 20 for subsequent events.

7. Due from Cartier Iron Corporation

As at March 31, 2014, the amount due from Cartier Iron Corporation ("Cartier") was $2,100,000, of which, $100,000 was unsecured, earned interest at the rate of LIBOR plus 2% and was due on September 13, 2014.

On October 17, 2014, Cartier completed a private placement of $500,000, and as agreed, the Company converted $1,050,000 of the amount due from Cartier into 6,176,470 units of Cartier, with each unit consisting of one common share and one warrant entitling the Company to purchase one common share of Cartier for $0.22 until April 17, 2016 ("Conversion"). If the average closing price of Cartier's common shares is greater than $0.40 for 20 consecutive business days, the warrants must be exercised within 10 calendar days of Cartier providing written notice (or such longer period as Cartier may provide), or they will be cancelled.

(expressed in Canadian dollars)

The remaining $1,050,000 due from Cartier was converted to a demand loan, which is unsecured, bears interest at the rate of LIBOR plus 2% and is due 6 months after the Company demands repayment (the "Demand Loan"). The Company has the right to convert the Demand Loan, plus accrued but unpaid interest, into Cartier common shares at a conversion price equal to the lowest subscription price per Cartier common share paid for the most recent capital raising undertaken by Cartier at the time of the conversion, subject to the minimum pricing rules and stock exchange approval.

One director of the Company is a director of Cartier.

8. Investments

The fair values of the Company's investments are as follows:

		As at March 31,
	2015	**2014**
	$	**$**
Fancamp Exploration Ltd. ("Fancamp")		
Common shares	880,000	2,200,000
Warrants	–	74,000
Cartier Iron Corporation (note 9)		
Common shares	–	730,265
Century Iron Mines Corporation ("Century")		
Common shares	567,300	1,041,600
Warrants	18,000	161,000
Lamêlée Iron Ore Ltd. ("Lamêlée")		
Common shares	160,000	680,000
Warrants	3,000	89,000
	1,628,300	4,975,865

Investments in common shares are classified as financial assets at fair value through profit or loss and investment in warrants are classified as derivative financial assets at fair value through profit or loss.

For the year ended March 31, 2015, the decrease in the fair value of investments of $2,521,212, comprised of $2,218,212 for investment in common shares and $303,000 for investments in warrants, has been recorded as an unrealized loss on investments in the consolidated statement of loss and comprehensive loss.

Fancamp

The Company and Fancamp have entered into a reciprocal rights agreement governing certain investor rights and obligations as between them. The Company and Fancamp will each be restricted from transferring securities of the other until May 17, 2018, after which time, transfers will be permitted subject to certain restrictions.

As at March 31, 2015, the Company held 10,000,000 warrants entitling the Company to purchase one common share of Fancamp for $0.60 between November 17, 2014 and May 17, 2015 ("Fancamp Warrants"). The Fancamp Warrants expired on May 17, 2015 and there was no financial impact on the Company.

Century

The Century common shares are subject to a hold period ending on November 29, 2015, after which, in the event that the Company seeks to sell Century common shares, Century will have a right of first refusal to arrange sales.

The Company holds 930,000 warrants entitling it to purchase one common share of Century for:

(expressed in Canadian dollars)

Exercise price	**Exercise period**
$0.75	November 29, 2013 to November 29, 2014
$1.00	November 30, 2014 to November 29, 2015
$1.50	November 30, 2015 to November 29, 2016
$2.00	November 30, 2016 to November 29, 2017
$2.50	November 30, 2017 to November 29, 2018

Lamêlée

The Company holds 930,000 warrants entitling it to purchase one common share of Lamêlée for $0.15 until December 20, 2015.

9. Investment in associate

As at June 30, 2014, the Company held a 19.9% interest in the outstanding common shares of Cartier (March 31, 2014 - 19.9%). A director of the Company was appointed to the board of directors of Cartier on June 30, 2014 and the Company determined that it obtained significant influence over Cartier as of July 1, 2014. Accordingly, from that date onward, the investment in Cartier has been accounted for as an associate using the equity method of accounting.

	$
Fair value as at July 1, 2014	826,353
Fair value of Cartier common shares received	
Conversion of receivable due from Cartier (note 7)	1,050,000
Option payments (note 12)	160,000
Share of net loss	(79,450)
Impairment	(794,000)
Balance at March 31, 2015	1,162,903

At March 31, 2015, the Company compared the carrying value of investment in Cartier to the fair value less costs to sell of the common shares of Cartier as indicated by the trading price on the Canadian Securities Exchange. As the carrying value exceeded the fair value, the Company recorded an impairment loss of $794,000.

At March 31, 2015, the Company holds 11,019,970 common shares of Cartier, representing 33% of the issued and outstanding common shares of Cartier and 6,176,470 warrants entitling the Company to purchase one common share of Cartier for $0.22 until April 17, 2016. If the average closing price of common shares of Cartier is greater than $0.40 for 20 consecutive business days, the warrants must be exercised within 10 calendar days of Cartier providing written notice (or such longer period as Cartier may provide), or they will be cancelled.

The holdings of the Company in Cartier are subject to the terms of a pre-emptive rights agreement and an agreement respecting board representation rights and standstill obligations entered into on December 10, 2012.

Until December 31, 2017, the Company shall not sell common shares of Cartier without the prior written consent of Cartier, and thereafter, the Company shall not sell more than 2,000,000 common shares during any 30-day period.

Until December 31, 2017, provided that the Company owns at least 10% of the outstanding common shares of Cartier:

a) Cartier shall take all commercially reasonable steps to have a nominee of the Company elected as a director (“Nominee”) the board of directors of the Company (“Board”).
b) The Company shall not vote against any shareholder resolution recommended by the Board, except in the event that the Nominee dissented when the Board approved a shareholder resolution that proposes to: (i) reduce the voting or dividend rights of the common shares; (ii) issue shares which carry a number of votes proportionately greater than the capital to be represented thereby or which carry dividend rights at a rate which would substantially impair the dividends ordinarily payable on the common shares; and (iii) approve a transaction with an arm’s length third party, which must be passed by at least two-thirds of the votes cast and in respect of which a shareholder has dissent rights.

c) The Company shall not vote in favour of the election of nominees to the Board who are not proposed by the then Board.
d) The Company shall not (i) participate in a take-over bid for any securities of Cartier; (ii) solicit proxies from any shareholder or attempt to influence the voting by any shareholders other than in support of initiatives recommended by the Board or (iii) seek to influence or control the management, Board or the policies or affairs of Cartier; or (iv) make any public or private announcement or disclosure with respect to the foregoing.

10. Investment in SFNQ

The Company is the general partner and a limited partner in La Société ferroviaire du Nord québécois, société en commandite ("SFNQ"). The other limited partners in SFNQ are the Government of Québec and Lac Otelnuk Mining Ltd., a joint arrangement between Adriana Resources Inc. and WISCO International Resources Development & Investment Limited. SFNQ was formed as a partnership of government and industry to complete a feasibility study for the construction of a new multi-user rail link giving mining projects in the Labrador Trough access to the port at Sept-Îles at the lowest possible cost. The Government of Québec has set aside a maximum of $20,000,000 from its Plan Nord Fund to contribute to SFNQ, while the Company's contribution will consist of previously incurred costs of a minimum of $5,000,000 and a maximum of $6,000,000, with the final amount to be determined by an audit of the previously incurred costs.

The Company has determined that it has significant influence over SFNQ, and accordingly, the Company will account for its investment in SFNQ using the equity method.

Other income includes $264,953 for management services provided the Company in its capacity of general partner of SFNQ, of which, $124,533 was due as at March 31, 2015.

11. Long-term advance to Sept-Îles Port Authority ("Port")

On July 13, 2012, the Company signed an agreement ("Agreement") with the Sept-Îles Port Authority ("Port") to reserve annual loading capacity of 10 million metric tons of iron ore for an initial term of 20 years with options to renew for 4 additional 5-year terms. Pursuant to the Agreement, the Company was to pay $25,581,000 and take-or-pay payments as an advance on the Company's future shipping, wharfage and equipment fees. The Company provided the Port with irrevocable guarantees in the form of a deed of hypothec regarding its mining rights, title and interest over Moire Lake and Don Lake ("Mining Rights") to secure its obligations under the Agreement.

On June 28, 2013, the Company sent to the Port a notice of termination of the Agreement and requested the repayment of the $6,000,000 that had already been advanced ("Advances"). The Port registered a notice of hypothecary recourse dated August 22, 2013 ("Notice") that requested the Company to surrender the Mining Rights and advised of its intention to have the Mining Rights sold under judicial authority. The Notice alleges that the Company is in default of a payment of $19,581,000, accrued interest of $4,522,182 up to August 22, 2013, and thereafter, *per diem* interest of $10,729. Since then, the Port has taken no further legal action.

Based on the advice of its legal counsel, the Company believes that it was entitled to terminate the Agreement, the Company would be entitled to the repayment of the Advances and the Port would not be entitled to any payment under the Agreement or recover the loss of profits. Accordingly, no amount has been recorded as a liability in these consolidated financial statements.

(expressed in Canadian dollars)

12. Exploration and evaluation assets

	March 31, 2014 $	Acquisition costs (other) $	Exploration $	Mining tax credits $	Impairment $	March 31, 2015 $
Fermont						
Consolidated Fire Lake North	68,438,585	(18,400,000)	6,677,607	(2,811,284)	–	53,904,908
Harvey-Tuttle	6,573,514	–	12,297	(11,625)	–	6,574,186
Moire Lake	3,045,597	–	1,710	(117,035)	–	2,930,272
O'Keefe Purdy	3,319,458	–	4,349	(118,885)	–	3,204,922
Other	3,755,817	(560,000)	56,522	(21,508)	–	3,230,831
	85,132,971	(18,960,000)	6,752,485	(3,080,337)	–	69,845,118
Powderhorn	1,630,771	–	14,294	–	(1,645,065)	–
Gullbridge	1,286,098	–	500	–	(1,286,599)	–
	88,049,840	(18,960,000)	6,767,279	(3,080,337)	(2,931,664)	69,845,118

	March 31, 2013 $	Acquisition costs (disposition) $	Exploration $	Mining tax credits $ (note 6)	Write-off $	March 31, 2014 $
Fermont						
Consolidated Fire Lake North	60,921,905	19,000,000	5,553,225	(17,036,545)	–	68,438,585
Harvey-Tuttle	8,050,375	–	12,056	(1,488,917)	–	6,573,514
Moire Lake	4,070,050	–	14,147	(1,038,600)	–	3,045,597
O'Keefe Purdy	4,151,873	–	24,837	(857,253)	–	3,319,458
Other	3,863,839	32,382	65,226	(205,630)	–	3,755,817
	81,058,042	19,032,382	5,669,491	(20,626,945)	–	85,132,971
Attikamagen	503,948	(505,191)	1,243	–	–	–
Powderhorn	1,494,505	111,402	24,864	–	–	1,630,771
Gullbridge	1,069,336	78,598	138,164	–	–	1,286,098
	84,125,831	18,717,191	5,833,762	(20,626,945)	–	88,049,840

Exploration and evaluation is reported net of option payments and mining tax credits received.

Fermont
The Company owns a 100% interest in Fermont consisting of 12 mineral concessions covering an area of 848 square kilometres situated in northeastern Quebec ("Fermont"). For reporting purposes, Fire Lake North, Oil Can, Bellechasse and Midway properties were consolidated into one property known as Consolidated Fire Lake North.

Other properties include the Hope Lake, Casse Lake, Claire Lake, Audrey-Ernie, Three Big Lakes, Aubertin-Tougard Lakes, Jeannine Lake, Silicate-Brutus Lakes, Penguin and Black Dan properties.

See note 13 for details of agreement to reduce net smelter royalty from 3% to 1.5 % and revision in measurement of the acquisition cost of the asset.

Grant of option for Cluster 3 Properties to Cartier Iron Corporation
On September 28, 2012, the Company granted an option to Cartier Iron Corporation ("Cartier") to acquire a 65% interest in Aubertin-Tougard, Audrey-Ernie, Black Dan, Jeannine Lake, Penguin Lake, Silicate-Brutus and Three Big Lakes ("Cluster 3 Properties"). In order to earn its interest, Cartier must make option payments, issue common shares and incur exploration expenditures, as follows:

(expressed in Canadian dollars)

	Option payments $	Common shares Number	Fair value $	Exploration expenditures $
Upon execution of agreement (received)	–	1,000,000	250,000	–
Upon conditional approval from a stock exchange for the listing of the common shares of Cartier (received)	100,000	–	–	–
December 10, 2013 (paid, issued and incurred)	150,000	500,000	80,000	500,000
December 10, 2014 (issued and incurred)	–	500,000	80,000	750,000
Extended from December 10, 2014 to the date that Cartier received its refundable tax credit on eligible expenditures incurred in Québec for the year ended December 31, 2013 (paid)	250,000	–	–	–
December 10, 2015	250,000	500,000	–	–
December 10, 2016	250,000	–	–	4,750,000
	1,000,000	2,500,000	410,000	6,000,000

Upon Cartier earning its 65% interest, a joint venture will be formed to incur additional exploration expenditures. If the Company does not fund its proportionate interest in the joint venture, its interest will be diluted and, when its interest is reduced below 10%, its interest would be reduced solely to a 1% royalty. Cartier will have the option to reduce the royalty from 1% to 0.5% by making a payment of $3,000,000.

In the event that the Company or Cartier proposes to acquire any property within 10 kilometres of the Cluster 3 Properties, the acquirer must offer the property at cost to the other party for inclusion in the Cluster 3 Properties.

Waiver of right of first refusal on the Lac Lamêlée Property
On December 20, 2013, the Company waived its right of first refusal to allow Fancamp to sell its interest in the Lac Lamêlée Property, consisting of 29 mining claims contiguous with the Company's Consolidated Fire Lake North property, to Lamêlée Iron Ore Ltd. ("Lamêlée"). In consideration for the waiver, the Company received 2,000,000 common shares of Lamêlée with a fair value of $240,000 and 4,000,000 common shares of Fancamp with a fair value of $200,000. In addition, the Company subscribed to 2,000,000 units of Lamêlée at a price of $0.10 per unit. Each unit consisted of one common share and one-half of one common share purchase warrant, with each whole warrant entitling the holder to purchase one common share for $0.15 until December 20, 2015.

Attikamagen
The Company owned a 100% interest in 946 claims covering 310 square kilometres in Labrador and Quebec. The Company originally acquired 4 licences covering 52 claims ("Original Claims") and acquired an additional 894 claims primarily by staking. The Original Claims are encumbered with an aggregate royalty of $1.50 per tonne of iron content in any and all iron ore, pellets or other products produced from those claims, which royalty may be purchased for $2,500,000.

On May 12, 2008, the Company granted an option to Labec Century Iron Ore Inc. ("Labec") to earn up to a 60% interest in Attikamagen.

On or about May 15, 2012, Labec earned an increase in its interest in Attikamagen from 51% to 56%, and subsequently, gave notice that it had incurred sufficient exploration expenditures to earn an increase in its interest in Attikamagen from 56% to 60% and to further increase its interest and dilute the Company's interest for exploration expenditures that it had incurred without contribution from the Company.

Effective November 29, 2013, the Company sold its remaining interest in Attikamagen to Labec, a subsidiary of Century Iron Mines Corporation ("Century"), for 2,000,000 Century common shares with a fair value of $1,000,000 and 1,000,000 Century warrants (see note 8 for a description of the warrants). The fair value of the Century warrants was calculated using the Black-Scholes option pricing model with the following assumptions:

(expressed in Canadian dollars)

	November 29, 2013
Number of warrants	1,000,000
Share price	$0.50
Risk-free interest rate	1.73%
Expected volatility based on historical volatility	88%
Expected life of warrants	5 years
Expected dividend yield	0%
Fair value	$208,000
Fair value per warrant	$0.21

Century assumed the existing royalty on Attikamagen and granted the Company a 1% royalty on the sale of minerals mined from Attikamagen until $2,500,000 has been paid, and thereafter, a 2% royalty on the sale of minerals mined from Attikamagen.

In connection with the sale, the Company paid a 7% finder's fee consisting of 140,000 Century common shares and 70,000 Century warrants.

On the date of the sale, the carrying value of Attikamagen was $505,191 and the Company recorded a gain of $553,398.

Powderhorn and Gullbridge
As at March 31, 2015, the Company owned a 100% interest in:

(a) Powderhorn Lake Project ("Powderhorn"), which consists of 148 claims covering an area of 37 square kilometres situated in the Buchans-Robert's Arm Belt in Central Newfoundland. Powderhorn is encumbered with a 2.85% net smelter royalty ("NSR"), of which, 1.85% can be purchased by the participants for $2,300,000 to reduce the NSR to 1%.
(b) Gullbridge Property, which consists of 179 claims covering 45 square kilometres situated in the Buchans Robert's Arm Belt in Central Newfoundland.

On July 26, 2013, the Company increased its interest in Powderhorn and Gullbridge to 100% by acquiring the remaining 30% interest in Powderhorn and 49% interest in Gullbridge for 1,000,000 common shares with a fair value of $190,000 and a 1% royalty on Gullbridge, which the Company has the option to acquire for $1,000,000 or 1,000,000 common shares. The Company also has the right of first refusal on any sale, transfer, mortgage or grant of security interest or any other disposition or encumbrance in the royalty.

The Company has not budgeted nor planned any substantive expenditure on further exploration for and evaluation of mineral resources for Powderhorn and Gullbridge. Accordingly, the Company recorded impairment losses of $1,645,065 and $1,286,599 to write off Powderhorn and Gullbridge, respectively.

Snelgrove Lake
The Company has an option to acquire a 100% interest in 5 licenses covering 106 square kilometres located approximately 55 kilometres southeast of Schefferville, Newfoundland. Snelgrove Lake is encumbered with a 3% gross sales royalty. In order to earn its interest, the Company must issue Performance Shares, grant options, make option payments and incur exploration expenditures, as follows:

(expressed in Canadian dollars)

	Issue Performance shares	Grant options	Option payments A$	Option payments $	Exploration expenditures $
October 2012 (issued and paid)	32,000,000	17,000,000	425,000	410,000	–
March 11, 2014 (incurred)	–	–	–	–	3,250,000
August 1, 2018	–	–	–	5,750,000	3,250,000
	32,000,000	17,000,000	425,000	6,160,000	6,500,000

Up to March 31, 2015, the Company has incurred exploration expenditures of approximately $6,400,000.

The decision to exercise the option will depend on the economic viability of Snelgrove Lake and the capacity to finance its development. Given the advanced stage of Consolidated Fire Lake North and the significant funds that will be required for its development, there is no certainty that the option for Snelgrove Lake Project will be exercised. Accordingly, prior to the completion of the Arrangement, Mamba recorded an impairment loss of $10,038,754 to write off the balance of Snelgrove Lake.

13. Royalty payable

With the completion of the pre-feasibility study for Consolidated Fire Lake North, the Company recorded an estimate of the present value for the 3% net smelter royalty on Fermont (“NSR”) as an acquisition cost of exploration and evaluation and an offsetting royalty payable. As the Company granted a waiver to Fancamp of the Company’s right to reduce the NSR by 0.5% for $2,000,000 and the Company retained an option to reduce the net smelter royalty by 0.5% by making a payment of $1,500,000, the fair value of the NSR was estimated to be $19,000,000 as at March 31, 2014.

With the completion of an agreement on June 25, 2015 to reduce the NSR from 3% to 1.5% by paying $50,000 on closing and $250,000 on October 25, 2015, effective March 31, 2015, the Company recorded a reduction of $18,400,000 to the estimate of the fair value for the NSR as a reduction of the acquisition cost of exploration and evaluation and the offsetting royalty payable. As the Company reduced the NSR by 1.5% for total consideration of $300,000, the fair value of the NSR has been estimated to be $600,000.

On completion of the agreement, Fermont is encumbered by a 1.5% net smelter royalty with no option to reduce the royalty.

14. Capital stock

The Company is authorized to issue ordinary shares, performance shares, exchangeable shares and special voting shares.

Each Exchangeable Share will be exchangeable into an ordinary share at no cost to the holder from January 1, 2015 or earlier on the occurrence of certain specified events. Upon conversion, application for the quotation of these ordinary shares will be made. All exchangeable shares in existence on March 31, 2017 will be automatically converted into ordinary shares on that date.

The Company has issued 1 special voting share (SVS) to a trustee which will hold the SVS on behalf of all holders of exchangeable shares in order that holders of exchangeable shares will be able to vote at the Company’s shareholder meetings. The SVS will carry as many votes at shareholder meetings of the Company as there are exchangeable shares on issue at the voting eligibility cut-off time of the meeting. The SVS is not transferable, will not be listed and will cease to have any voting rights at meetings of the Company’s shareholders once all exchangeable shares have been converted to ordinary shares

(expressed in Canadian dollars)

Issued

	Number of shares	$
Pre-Arrangement		
Common shares of Champion		
Balance, March 31, 2013	119,901,465	122,982,950
Private placement	15,000,000	3,000,000
Fair value of warrants issued	–	(1,277,000)
Fair value of expired warrants	–	1,214,667
Acquisition of exploration and evaluation (note 10)	1,000,000	190,000
Issued to settle accounts payable	500,000	157,500
Conversion of convertible debt	1,494,144	373,175
Share issue costs	–	(337,446)
	137,895,609	126,303,846
Adjustment for exchange ratio of 0.7333333 Mamba ordinary share for each outstanding Champion common share	(36,771,791)	–
Exchanged for exchangeable shares	(1,941,199)	–
Balance, March 31, 2014	99,182,619	126,303,846
Ordinary shares of Mamba		
Balance, March 31, 2014	97,310,534	45,116,536
Post-Arrangement		
Ordinary shares of the Company		
Balance, March 31, 2014	196,493,153	171,420,382
Cancelled	(13)	–
Conversion of exchangeable shares	164,849	–
Balance, March 31, 2015	196,657,989	171,420,382
Exchangeable shares of the Company		
Balance, March 31, 2014	1,941,199	
Conversion to ordinary shares	(164,849)	
Balance, March 31, 2015	1,776,350	

Champion private placement

On July 31, 2013, Champion completed a private placement of 15,000,000 units at a price of $0.20 per unit for proceeds of $3,000,000. Each unit consisted of one common share and one common share purchase warrant entitling the holder to purchase one common share for $0.25 until July 31, 2015. In connection with the private placement, Champion paid an 8% cash commission.

The fair value of the 15,000,000 common share purchase warrants was calculated using the Black-Scholes option pricing model with the following assumptions:

Share price	$0.21
Risk-free interest rate	1.15%
Expected volatility based on historical volatility	84%
Expected life of warrants	2 years
Expected dividend yield	Nil
Fair value	$1,277,000
Fair value per warrant	$0.0852

(expressed in Canadian dollars)

Issue of Champion common shares to settle accounts payable
On January 6, 2014, Champion issued 500,000 common shares with a fair value of $157,500 to settle accounts payable for legal fees owed to a company controlled by a director.

Warrants
A summary of the Company's warrants is presented below:

	Number of warrants	Weighted-average exercise price $	Amount $
Balance, March 31, 2013	9,222,222	2.59	3,027,187
Issued	15,000,000	0.25	1,277,000
Expired	(2,222,222)	1.30	(1,214,667)
Adjustment to reflect replacement of outstanding Champion warrants with Replacement Warrants (note 1)	(5,866,667)	–	–
Balance, March 31, 2014 and 2015	16,133,333	1.53	3,089,520

A summary of the Company's warrants outstanding at March 31, 2015 is presented below:

Common share warrant exercise price	Expiry date	Number of warrants
$4.0909 exercisable between November 17, 2014 and May 17, 2015	May 17, 2015	5,133,333
$0.3409	July 31, 2015	11,000,000
		16,133,333

See note 20 for subsequent event.

(expressed in Canadian dollars)

Stock options

	Number of stock options	Weighted-average exercise price $
Pre-Arrangement		
Champion		
Balance, March 31, 2013	9,750,000	1.03
Granted	1,600,000	0.40
Expired	(280,000)	0.81
Cancelled	(1,600,000)	1.29
Adjustment to reflect replacement of outstanding Champion stock options with Replacement Stock Options (note 4)	(2,525,333)	–
	6,944,667	0.89
Mamba		
Balance, March 31, 2014	20,800,000	0.30
Post-Arrangement		
Balance, March 31, 2014	27,744,667	0.53
Granted	5,150,000	0.37
Expired	(2,289,834)	0.83
Cancelled	(1,381,334)	0.92
Balance, March 31, 2015	29,223,499	0.46

A summary of the stock options granted and the assumptions for the calculation of the fair value of those stock options using the Black-Scholes option pricing model is presented below:

Date of grant	December 23, 2013	April 8, 2014	June 18, 2014	September 25, 2014	October 30, 2014	December 11, 2014
Expiry date	December 23, 2016	April 8, 2017	June 18, 2017	September 1, 2018	October 30, 2017	December 11, 2017
Options granted	1,600,000	1,000,000	150,000	1,000,000	1,000,000	2,000,000
Exercise price	$0.40	A$0.50	A$0.50	$0.45	A$0.30	A$0.30
Share price	$0.31	A$0.50	A$0.37	$0.46	A$0.20	A$0.14
Risk-free interest rate	1.84%	2.5%	2.5%	2.5%	2.5%	2.5%
Expected volatility based on historical volatility	83%	80%	80%	80%	80%	80%
Expected life of stock options	3 years	3 years	3 years	4 years	3 years	3 years
Expected dividend yield	0%	0%	0%	0%	0%	0%
Forfeiture rate	0%	0%	0%	0%	0%	0%
Vesting	On date of grant	On date of grant	On date of grant	On date of grant	3 years	On date of grant
Fair value	$239,000	$260,000	$25,500	$120,000	$100,000	$100,000
Fair value per stock option	$0.15	$0.26	$0.17	$0.12	$0.10	$0.05

A summary of the Company's outstanding and exercisable stock options at March 31, 2015 is presented below:

(expressed in Canadian dollars)

Exercise price	Expiry date	Number of stock options Outstanding	Exercisable
A$0.25	August 8, 2015	17,000,000	17,000,000
$1.3637	October 3, 2015	1,466,667	1,466,667
$1.3637	October 4, 2015	183,333	183,333
A$0.50	December 15, 2015	500,000	500,000
$2.9591	January 10, 2016	73,333	73,333
$2.0455	September 9, 2016	715,000	715,000
$0.5455	December 20, 2016	1,173,333	1,173,333
$1.7728	December 23, 2016	661,833	661,833
A$0.50	April 8, 2017	1,000,000	1,000,000
A$0.50	June 18, 2017	150,000	150,000
A$0.30	October 31, 2017	1,000,000	–
A$0.30	December 11, 2017	2,000,000	2,000,000
$0.45	September 1, 2018	1,000,000	1,000,000
A$0.50	November 29, 2018	2,300,000	800,000
		29,223,499	26,723,499

On October 3, 2014, subject to shareholder approval, the Company agreed to grant 1,000,000 stock options entitling the holder to purchase one ordinary share for A$0.30 for 3 years from the date of shareholder approval. These options will vest in annual instalments over 3 years from the date of shareholder approval, subject to holder's continued service with the Company, the satisfactory progression towards the completion of a bankable feasibility study for Consolidated Fire Lake North during the term of the stock options, and the satisfactory completion of a bankable feasibility study by the expiry date of the stock options.

Share-based compensation
In the absence of a reliable measurement of the services provided by consultants, the services have been measured at the fair value of the stock options granted.

15. Income taxes

The Company's effective income tax rate differs from the amount that would be computed by applying the federal and provincial statutory rate of 26.5% (2014 – 26.5%) to the loss for the year. The reasons for the difference are as follows:

	2015 $	2014 $
Income tax recovery based on combined statutory rate	(3,116,575)	(954,985)
Share-based compensation and other non-deductible items	189,409	63,335
Share issue costs	–	(343,965)
Effect of changes in rate on temporary items	–	(216,154)
Tax losses not recognized	2,927,166	1,451,770
	–	–

Deferred income tax assets and liabilities
The Company's deferred income tax assets and liabilities are as follows:

(expressed in Canadian dollars)

	As at March 31, 2015	2014
Deferred tax asset		
Non-capital loss carry-forward and share issue costs	8,030,812	7,277,503
Investments	(1,234,531)	655,596
Deferred income taxes not recognized	(5,514,615)	(3,955,786)
	1,281,666	3,977,313
Liability		
Exploration and evaluation assets	(1,281,666)	(3,977,313)
	–	–

Losses carried forward

At March 31, 2015, the Company had non-capital loss carryforwards which expire as follows:

	$
2027	153,000
2028	406,000
2029	1,089,000
2030	1,812,000
2031	4,291,000
2032	5,789,000
2033	5,644,000
2034	6,424,000
2035	4,700,000
	30,308,000

Resource deductions

At March 31, 2015, the Company has cumulative Canadian exploration expenses of $28,062,209 (2014 - $25,387,123) and cumulative Canadian development expenses of $8,588,438 (2014 - $9,148,130) which may be carried forward indefinitely to reduce taxable income in future years.

16. Determination of fair values

A number of the Company's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

Cash and cash equivalents, short-term investments, receivables, due from Cartier and accounts payable and accrued liabilities

The fair values of cash and cash equivalents, short-term investments, receivables, due from Cartier and accounts payable and accrued liabilities approximate their carrying value due to their short term to maturity.

Investments

The fair values of the investment in common shares of Fancamp, Cartier, Century and Lamêlée are measured at the bid market price on the measurement date.

The fair value of the investment in warrants of Fancamp, Century and Lamêlée is measured using a Black-Scholes option pricing model. Measurement inputs include share price on the measurement date, exercise price, expected volatility (based on historical volatility), expected life, expected dividends and the risk-free interest rate (based on government bonds).

(expressed in Canadian dollars)

Stock options

The fair value of stock options is measured using a Black-Scholes option pricing model. Measurement inputs include share price on grant date, exercise price, expected volatility (based on historical volatility or historical volatility of securities of comparable companies), weighted average expected life and forfeiture rate (both based on historical experience and general option holder behaviour), expected dividends, and the risk-free interest rate (based on government bonds).

Classification of fair value of financial instruments

The Company classified the fair value of its financial instruments measured at fair value according to the following hierarchy based on the amount of observable inputs used to value the instrument:

- Level 1 - quoted prices in active markets for identical assets and liabilities;
- Level 2 - inputs, other than the quoted prices included in Level 1, that are observable for the asset or liability, either directly or indirectly;
- Level 3 - inputs for the asset or liability that are not based on observable market data.

As at March 31, 2015

	Level 1 **$**	**Level 2** **$**	**Level 3** **$**	**Total** **$**
Financial asset at fair value through profit and loss				
Cash and cash equivalents and short-term investments	2,651,832	–	–	2,651,832
Investments				
Common shares	1,607,300	–	–	1,607,300
Warrants	–	21,000	–	21,000

As at March 31, 2014

	Level 1 **$**	**Level 2** **$**	**Level 3** **$**	**Total** **$**
Financial asset at fair value through profit and loss				
Cash and cash equivalents and short-term investments	16,287,821	–	–	16,287,821
Investments				
Common shares	4,651,865	–	–	4,651,865
Warrants	–	324,000	–	324,000

17. Financial risk management

The Company's activities expose it to a variety of financial risks that arise as a result of its exploration, development and financing activities, including credit risk, liquidity risk and market risk.

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital. Further quantitative disclosures are included throughout these financial statements.

The Board of Directors oversees management's establishment and execution of the Company's risk management framework. Management has implemented and monitors compliance with risk management policies. The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to market conditions and the Company's activities.

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 amount due from Cartier. The Company limits its exposure to credit risk on its cash and cash equivalents by holding its cash and cash equivalents and short-term investments in deposits with high credit quality Australian and Canadian chartered banks. The Company is able to limit the credit risk on the amount due from Cartier by settling the amount in common shares of Cartier.

Liquidity risk
Liquidity risk is the risk that the Company will encounter difficulty in meeting its financial 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, that it will have sufficient liquidity to meet its liabilities as they come due. The amounts for accounts payable and accrued liabilities are subject to normal trade terms.

Market risk
Market risk is the risk that changes in market prices, such as equity prices, foreign exchange rates and interest rates will affect the Company's income or the value of its financial instruments. The Company is exposed to equity price risk with respect to investments. The Company estimates that if the fair value of its investment as at March 31, 2014 had changed by 10%, with all other variables held constant, the loss would have decreased or increased by approximately $497,000.

Capital management
Capital of the Company consists of capital stock, options, warrants, contributed surplus and deficit. The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern so that it can acquire, explore and develop mineral resource properties for the benefit of its shareholders. The Company manages its capital structure and makes adjustments based on the funds available to the Company in light of changes in economic conditions. The Board of Directors has not established quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain the future development of the Company. In order to facilitate the management of its capital requirements, the Company prepares annual expenditure budgets that consider various factors, including successful capital deployment and general industry conditions. 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 principal source of capital is from the issue of ordinary shares. In order to achieve its objectives, the Company intends to raise additional funds as required.

The Company is not subject to externally imposed capital requirements and there were no changes to the Company's approach to capital management during the year.

(expressed in Canadian dollars)

18. Related party transactions

	Years ended March 31, 2015 $	2014 $	Outstanding at March 31, 2015 $	20134 $
Exploration and evaluation				
Paid to a company controlled by a former director	–	187,500	–	–
Paid or payable to 2 companies controlled by former officers	381,930	1,845,758	–	276,660
Transaction costs on Arrangement				
Director's fees paid to a company controlled by a former director	–	69,939	–	79,031
Common shares				
Share issue costs for legal fees paid to a company controlled by a former director	–	25,020	–	–
Finder's fee paid to a company controlled by a former director	–	60,000	–	–
Professional fees				
Paid for legal fees to a company controlled by a former director	–	474,192	–	51,372
Paid for legal fees to a firm, of which, a director was a partner	22,700	–	–	–
General and administrative				
Paid for rent to a company controlled by a director	54,540	–	–	–

See notes 7 and 12 for related party transactions with Cartier and note 10 for related party transactions with SFNQ.

Compensation of key management personnel
The Company considers its directors and officers to be key management personnel. Transactions with key management personnel are set out as follows:

	Years ended March 31, 2015 $	2014 $
Salaries	523,157	168,645
Consulting fees	915,500	1,319,517
Bonus	–	60,000
Non-monetary benefits	28,296	41,868
Post-employment benefits	42,824	5,406
Termination benefits	540,000	–
Share-based payments, representing share-based compensation (2014 - share-based compensation and change of control payments paid in shares)	515,050	1,661,334
	2,564,827	3,256,770

(expressed in Canadian dollars)

19. Commitments and contingencies

Commitments for annual basic premises rent are as follows:

	As at March 31, 2015 $	2014 $
Less than 1 year	190,642	182,185
1-5 years	–	17,087
More than 5 years	–	–
	190,642	199,272

See note 11 for information regarding the Company's contingent liabilities.

20. Subsequent events

Other than those noted below, no matter or circumstance has arisen since March 31, 2015 that has significantly affected, or may significantly affect:

- The Company's operations in the future financial years, or
- The results of those operations in future financial years, or
- The Company's state of affairs in future financial years.

Receivables

On April 6, 2015, the Company received $1,135,539 in respect of its claim for Credit on Duties related to the year ended March 31, 2103.

On May 27, 2015, the Company received an interim payment of $2,996,932 in respect of its claim for Refundable Tax Credit related to the year ended March 31, 2013.

Investments

The Fancamp Warrants expired on May 17, 2015 (see note 8).

Warrants

5,133,333 warrants entitling the holder to purchase one common share for $4.0909 expired on May 17, 2015 (see note 14).

(expressed in Canadian dollars)

21. Parent entity information
Information relating to Champion Iron Limited:

	As at March 31, 2015 $	As at March 31, 2014 $
Current assets	730,139	11,323,162
Non-current assets	17,932,402	77,545
Total assets	18,662,541	11,400,707
Current liabilities	87,882	1,920,859
Total liabilities	87,882	1,920,859
Net assets	18,574,659	9,479,848
Issued capital	28,259,111	28,259,111
Reserves	2,689,210	2,766,642
Accumulated losses	(12,373,662)	(21,545,904)
Total equity	18,574,659	9,479,848

	Year ended March 31, 2015 $	9 months ended March 31, 2014 $
Loss of parent entity	1,734,804	(14,117,395)
Total comprehensive loss of the parent entity	1,734,804	(14,117,395)

22. Auditors remuneration
Total of all remuneration received or due and receivable by the auditors in connection with:

	2015 $	2014 $
Ernst & Young Australian firm		
Audit of the financial report	67,500	61,000
Review of interim financial statements	42,000	–
Investigating accountant’s report	–	55,300
Collins Barrow Canadian firm		
Audit and review of the financial report	–	27,500
Review of interim financial statements	–	22,000
Review of pro-forma consolidated financial statements	–	12,300
Taxation services	–	13,500
	109,500	191,600

23. Segment information

The Company operates in one business segment being mineral exploration in Canada. As the Company is focused on exploration, the Board monitors the Company based on actual versus budgeted exploration expenditure incurred by project. The internal reporting framework is the most relevant to assist the Board with making decisions regarding this Company and its ongoing exploration activities, while also taking into consideration the results of exploration work that has been performed to date.

STOCK EXCHANGE INFORMATION

The additional information set out below relates to shares and options as at June 15, 2015

DISTRIBUTION OF EQUITY SECURITY HOLDERS

Size of Holding	Number of ordinary shares
1 to 1,000	20,517
1,001 to 5,000	461,144
5,001 to 10,000	617,767
10,001 to 100,000	7,732,207
100,000 and over	187,840,800
	196,672,435

243 shareholders held less than a marketable parcel of ordinary shares at June 15, 2015

ORDINARY SHARES

SUBSTANTIAL SHAREHOLDERS

Name of shareholder	Number of ordinary shares	% of issued capital
Gavin John Argyle	14,847,227	7.55
William Michael O'Keeffe	11,401,930	5.80
Fancamp Exploration Limited	11,018,333	5.60
Baotou Chen Hua Investments Limited	11,000,000	5.59

VOTING RIGHTS

All ordinary shares issued by the Company carry one vote per share without restriction.

TWENTY LARGEST SHAREHOLDERS

	Name of shareholder	Number of ordinary shares	% of issued capital
1	UBS Wealth Management Aust Nominee	12,749,974	6.48
2	JP Morgan Nom Aust Ltd	11,249,559	5.72
3	Fancamp Exploration Ltd	11,018,333	5.60
4	Baotou Chen Hua Investments Ltd	11,000,000	5.59
5	Zero Nom P/L	7,598,771	3.86
6	Gavin John Argyle	4,012,364	2.04
7	Eastbourne DP P/L	3,500,000	1.78
8	Charles Bass B + SC	3,400,000	1.73
9	Citicorp Nom P/L	2,820,921	1.43
10	GAB Super Fund P/L	2,443,334	1.24
11	Nathanson Hilton Darren	2,288,890	1.16
12	Angela Maree Rowe	1,700,000	0.86
13	David Gilad Hayeem	1,555,554	0.79
14	National Nom Ltd	1,500,000	0.76
15	GAB Super Fund P/L	1,417,823	0.72
16	Far East Entps P/L	1,410,001	0.72
17	Flue Holdings P/L	1,331,375	0.68
18	Prospect AG Trading P/L	1,280,000	0.65
19	Pershing Aust Nom P/L	1,100,000	0.56
20	Blue Crystal P/L	1,055,200	0.54

SCHEDULE OF TENEMENTS

The Company owns a 100% interest in the following properties:

Property-Québec	SNRC	Claims	Hectares
Consolidated Fire Lake North	23B06; 23B11; 23B12	544	27,462.19
Harvey-Tuttle	23B12; 23B05	186	9,748.46
Moire Lake	23B14	36	1,665.56
O'Keefe-Purdy	23B11; 23B12	215	11,120.56
Cassé Lake	23B05; 23C08	100	5,261.4
Claire Lake	23B06	33	1,739.67
Hope Lake	23B06	40	2,108.24
Aubertin Tougard *(Note 1)*	22O13; 23B04	48	2,546.37
Jeannine Lake *(Note 1)*	22N16	21	1,117.40
Round Lake *(Notes 1 & 2)*	23B04; 23C01; 23N16	352	18,625.88
Silicate-Brutus *(Note 1)*	22O13	54	2868.4
Three Big Lakes *(Note 1)*	23C01	9	476.86

Property-Newfoundland	Licences		
Powderhorn	11346M, 11367M, 15136M, 15137M, 18969M, 19227M	148	3,700
Gullbridge	11956M, 11960M, 16260M, 16261M	179	4,475

Note 1 – Currently under option to Cartier Iron Corporation
Note 2 – Round Lake property includes Aubrey-Ernie, Black Dan, Penguin Lake and Round Lake project claims

The Company has an option to purchase the following property:

Property-Labrador	Leases	Holder	Claims	Hectares
Snelgrove Lake	017901M, 018333M, 018334M, 022461M	CIP Magnetite Limited	424	10,600

MINERAL RESOURCE AND ORE RESERVES STATEMENT

Fermont Holdings

The Company owns a 100% interest in 12 properties covering 847.5 square kilometres (collectively, the "Fermont Holdings") located in the Fermont Iron Ore District of northeastern Quebec, some 250 km north of the St. Lawrence River port town of Port-Cartier, and ranging from 6 to 80 kilometres southwest of Fermont. The Consolidated Fire Lake North Property ("CFLN") is the Company's flagship project.

The Fermont Holdings are subject to a 1.5% royalty.

The Fermont Holdings are grouped into three clusters from north to south, termed Clusters 1, 2 and 3. The Fermont Holdings are located in proximity to and locally contiguous to an operating iron mine and a number of former operating iron mines and projects currently being developed for iron mining.

Following completion of a prefeasibility study in February 2013 in respect of CLFN, work commenced to complete a full feasibility study on the project. During the year, the Company completed a Joint Ore Reserves Committee (JORC) Resource and Reserve Statement which was announced on 27 October 2014.

A JORC compliant resource of over 1.2 billion tonnes (Bt), including 755 million tonnes (Mt) of Measured and Indicated metallurgically coarse grained hematite mineralisation for CLFN has been estimated. The successful spring 2014 drilling campaign data has been combined with data from the previous resource estimate reported under the Canadian National Instrument 43-101 ("NI 43-101") to produce the JORC estimate.

Table 1: October 2014 Fire Lake North Deposit Mineral Resource Estimate at Cut-off 15% Fe						
Category	**Tonnage (Mt)**	**Fe (%)**	**SiO_2 (%)**	**Al_2O_3 (%)**	**P (%)**	**LOI (%)**
Measured	**40.3**	**34.19**	**48.31**	**1.28**	**0.015**	**0.21**
Indicated	**715.0**	**31.42**	**51.38**	**1.56**	**0.020**	**0.31**
M+I Total	**755.3**	**31.57**	**51.22**	**1.55**	**0.019**	**0.30**
Inferred	**461.0**	**31.83**	**49.64**	**2.22**	**0.032**	**0.37**

Further to the Resource Statement, the Company also announced the first Reserve Statement for the Consolidated Fire Lake North Project to comply with JORC. The JORC Reserve estimate totals approximately 464Mt of reserves with an estimated 23Mt, in the Proved category.

Table 2: 2013 Fire Lake North Deposit Mineral Reserve Estimate at Cut-off 15% Fe **(These Ore Reserves were estimated from the Mineral Resources as reported in the January 25, 2013 PFS. New Ore Reserves will be estimated during the Feasibility Study, based on the October 2014 Mineral Resource Estimate as presented above)**			
Category	**Tonnage (Mt)**	**Fe (%)**	**Weight Recovery (%)**
Proved	**23.7**	**35.96**	**45.00**
Probable	**440.9**	**32.17**	**39.58**
Total	**464.6**	**32.37**	**39.86**

The Company is not aware of any new information or data that materially affects the information included in the JORC report and confirms that all material assumptions and technical parameters underpinning the estimates in the JORC Resource & Reserve statement continue to apply and have not materially changed.

The current Mineral Resource Estimate was calculated by P&E Mining Consultants Ltd. ("P&E") of Brampton, Ontario using the Canadian Institute of Mining, Metallurgy and Petroleum (CIM) Standards on Mineral Resources and Reserves and Definitions and Guidelines prepared by the CIM Standing Committee on Reserve Definitions. Mineral resources, which are not mineral reserves, do not have demonstrated economic viability. The mineral resource estimate may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues. In addition, the quantity and grade of estimated Inferred Resources reported herein are uncertain and there has been insufficient exploration to categorize them as an Indicated or Measured Resource. Furthermore, it is uncertain whether further exploration will result in reclassification of Inferred Mineral Resources to the Indicated or Measured resource categories. The tonnage numbers are rounded according to NI 43-101 standards.

The Snelgrove Lake Project

The Snelgrove Lake Project is located in western Labrador and is approximately 55 kilometres south east of the community of Schefferville, Quebec and approximately 200 kilometres north of Labrador City, Labrador. The project consists of four contiguous map-staked licences totaling 424 mineral claims of 10,600 hectares. All the claims are located on NTS map sheets 23J08, 23J09, 23I05 and 23I/12 and overlap UTM zones 19 and 20. The claims are in good standing to January 2018 with the majority valid up to 2023-2024 where more assessment work needs to be filed. Three licences require payment of Renewal Fees January 2016.

The Company's wholly-owned Canadian subsidiary, CIP Magnetite Ltd., has an option with Altius Minerals Inc. to acquire 100% of the Snelgrove Project for expenditures of $6.5 million within three years after the initiation of the Option Agreement on May 2012 with a 3% gross revenue royalty afterwards. In July 2013, the Issuer and Altius agreed to a modification of the Option Agreement that extends the final date two years to May 2017. As at March 31, 2015, the Company has incurred expenditure of $6.4 million.

The Snelgrove Project does not have any mineral resource or ore reserves and is at an early stage of exploration and development. Hence, no material work was conducted on the project during the year as company efforts were directed towards the development of the more advanced flagship Fire Lake North Project.

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CORPORATE GOVERNANCE STATEMENT

In recognising the need for the highest standards of corporate behaviour and accountability, the Directors of Champion have adhered to the principles of corporate governance. A description of the main corporate governance practices is set out below. Unless otherwise stated, the practices were in place for the entire year.

Board of Directors

The Board of Directors of the Company is responsible for the corporate governance of the Company. The Board guides and monitors the business and affairs of the Company on behalf of shareholders by whom they are elected and to whom they are accountable.

As the Board acts on behalf of shareholders, it seeks to identify the expectations of shareholders, as well as other ethical expectations and obligations. In addition, the Board is responsible for identifying areas of significant business risk and ensuring arrangements are in place to adequately manage those risks.

The primary responsibilities of the Board include:

- formulation and approval of strategic direction, objectives and goals of the Company;
- monitoring the financial performance of the Company, including approval of the Company's financial statements;
- ensuring that adequate internal control systems and procedures exist and that compliance with these systems and procedures is maintained;
- the identification of significant business risk and ensuring that such risks are adequately managed;
- the review of performance and remuneration of Executive Directors; and
- the establishment and maintenance of appropriate ethical standards.
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Following the completion of the merger with Champion Iron Mines Limited (CIML), Mr Tom Larsen was appointed as Chief Executive Officer and Mr Michael O'Keeffe continued in the role of Executive Chairman. The Board of the Company was also expanded to increase the number of non-executive Directors. On 31 March 2014, Mr Paul Ankcorn, Mr Donald Sheldon, and Mr James Wang were appointed as non-executive Directors and on 8 April 2014, Mr Gary Lawler and Mr Andrew Love were also appointed as non-executive Directors.

At the Company's Annual General Meeting on 29 August 2014, Mr Thomas Larsen, Mr James Wang and Mr Donald Sheldon did not stand for re-election. The Board currently comprises of Mr Michael O'Keeffe, Mr Andrew Love, Mr Gary Lawler and Mr Paul Ankcorn. The Company's operational performance is assessed on an ongoing basis by the Board, to ensure that the operation and administration of the Company are being performed in alignment with expectations and risks identified by the Board.

Independent Directors

In accordance to ASX Guidelines it is considered that all of the non-executive Directors of the Company during the year ended 31 March 2015 meet the criteria of an Independent Director. All appointments of non-executive Directors are considered to be Independent Directors.

Communication to Market & Shareholders

The Board aims to ensure that shareholders, on behalf of whom they act, are informed of all information necessary to assess the performance of the Directors and the Company. Information is communicated to shareholders and the market through:

- the Annual Report which is distributed to all shareholders;
- the periodic reports which are lodged with ASX and TSX are available for shareholder scrutiny;
- other announcements made in accordance with ASX and TSX Listing Rules;
- special purpose information memoranda issued to shareholders as appropriate; and
- the Annual General Meeting ("AGM") and other meetings called to obtain approval for Board action as appropriate.

Board Composition

When the need for a new Director is identified, selection is based on the skills and experience of prospective Directors, having regard to the present and future needs of the Company. Any Director so appointed must then stand for election at the next Annual General Meeting of the Company.

Terms of Appointment as a Director
The constitution of the Company provides that a Director must retire each year and is eligible for re-election. All the Directors retire at each Annual General Meeting.

Workplace Diversity Policy
Diversity includes, but is not limited to, gender, age, ethnicity and cultural background. The Company is committed to diversity and recognises the benefits arising from employee and board diversity and the importance of benefiting from all available talent. Accordingly, the Company has established a diversity policy which is available on the Company's website.

The Board has a commitment to promoting a corporate culture that is supportive of diversity and encourages the transparency of Board processes, review and appointment of Directors. The Board is responsible for developing policies in relation to the achievement of measurable diversity objectives and the extent to which they will be linked to the Key Performance Indicators for the Board and senior executives.

The Company's strategies may include:
- recruiting from a diverse range of candidates for all positions, including senior executive roles and Board positions;
- reviewing pre-existing succession plans to ensure that there is a focus on diversity;
- encourage female participation across a range of roles across the Company;
- review and report on the relative proportion of women and men in the workforce at all levels of the Company;
- articulate a corporate culture which supports workplace diversity and in particular, recognizes that employees at all levels of the Company may have domestic responsibilities;
- develop programs to encourage a broader pool of skilled and experienced senior management and Board candidates, including, workplace development programs, mentoring programs and targeted training and development; and
- any other strategies that the Board or the Nomination Committee develops from time to time.

Board Committee
During the period, in view of the size of the Company and the nature of its activities, the audit, nomination and remuneration committees comprised all members of the Board as constituted during the period.

The Company has formed an Audit Committee which comprises of Mr Andrew Love (Chairman), Mr Paul Ankcorn and Mr Gary Lawler all of who are non-executive Directors. The Company has also formed a Remuneration & Nomination Committee which comprises of Mr Gary Lawler (Chairman), Mr Michael O'Keefe and Mr Andrew Love. With the appointment of the Committees, all audit matters, the nomination of new Directors and the setting, or review, of remuneration levels of Directors and senior executives are reviewed by the relevant Committee and approved by resolution of the Board (with abstentions for relevant Directors where there is a conflict of interest). Where the Board considers that particular expertise or information is required, which is not available from within the Board, appropriate external advice may be taken and received prior to a final decision being made by the Board.

Remuneration
The Constitution of the Company provides that the non-executive Directors may collectively be paid as remuneration for their services a fixed sum not exceeding the aggregate maximum sum per annum from time to time determined by the Company in general meeting. The current aggregate maximum is $500,000. A Director may be paid fees or other amounts as the Directors may determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a director. A Director may also be reimbursed for out of pocket expenses incurred as a result of their directorship or any special duties.

Independent Professional Advice
Directors have the right, in connection with their duties and responsibilities as Directors, to seek independent professional advice at the Company's expense. Prior approval of the Chairman is required, which will not be unreasonably withheld.

Share Trading
The Board has adopted a Securities Trading Policy, which complies with the requirements of Listing Rule 12.12, which regulates dealings by Directors, officers and employees in securities issued by the Company.

The policy, which is available on the Company's website, includes the Company's closed periods, restrictions on trading that apply to the Company's key management personal, trading that is not subject to the policy, exceptional circumstances in which key management personnel may be permitted to trade during a prohibited period with prior written clearance and the procedure for obtaining written clearance. The policy provides that employees, directors and officers must not enter into transactions or arrangements, which operate to limit the economic risk of their security holding in the Company without first seeking and obtaining written acknowledgement from the Board.

Code of Conduct

The Board has adopted a Code of Conduct policy to guide executives, management and employees in carrying out their duties and responsibilities. The policy is available on the Company's website.

CORPORATE GOVERNANCE STATEMENT

In fulfilling its obligations and responsibilities to its various stakeholders, the Board of Champion Iron Limited ("Company") is a strong advocate of corporate governance. The Board has adopted corporate governance policies and practices consistent with the ASX Corporate Governance Council's "Corporate Governance Principles and Recommendations 2nd edition" (Recommendations) where considered appropriate for a company of the Company's size and nature.

Principle No.	Recommendation	Compliance	Reason for Non-compliance
1.1	Establish the functions reserved to the Board and those delegated to senior executives and disclose those functions.	The Board has adopted a formal board charter setting out the responsibilities of the Board. This charter can be accessed at the Company's website.	Not applicable
1.2	Disclose the process for evaluating the performance of senior executives.	The Board will meet annually to review the performance of executives. The senior executives' performance is assessed against the performance of the Company as a whole.	Not applicable
1.3	Provide the information indicated in the Guide to reporting on Principle 1.	The information will be disclosed in the Annual Report.	Not applicable
2.1	A majority of the Board should be independent Directors.	The Board has considered the guidance to Principle 2: *Structure the Board to Add Value* and in particular, Box 2.1, which contains a list of "relationships affecting independent status". With effect from 9 April 2014, the Board comprised of 7 Directors, 5 of who are considered to be Independent in accordance to the relevant ASX Guidelines. Following the 2014 Annual General Meeting on 29 August 2014, the Board comprises of 4 Directors, 3 of who are considered to be Independent in accordance to the relevant ASX Guidelines.	Not applicable
2.2	The chair should be an independent Director.	The Company's current Chairman Mr. Michael O'Keeffe is not considered to be an Independent Director.	Mr. O'Keeffe has significant experience and knowledge of the mining industry, corporate and operating matters of the Company and the Board therefore believes he is an appropriate Chairman given the size and development of the Company at the present time.

Principle No.	Recommendation	Compliance	Reason for Non-compliance
2.3	The roles of Chair and Chief Executive Officer should not be exercised by the same individual.	Following the retirement of Mr. Tom Larsen as Director of the Company at the conclusion of the 2014 Annual General meeting on 29 August 2014, the roles of Company Chairman and Chief Executive Officer have been exercised by Mr. Michael O'Keeffe.	Given the size and development of the Company at the present time, the Board believes it is acceptable to have Mr. O'Keeffe filling the dual roles.
2.4	The Board should establish a nomination committee.	The Company has a Remuneration and Nomination Committee. This charter can be accessed at the Company's website.	Not applicable
2.5	Companies should disclose the process of evaluating the performance of the board, its committees and individual directors.	The Board has adopted a board performance evaluation policy which can be accessed at the Company's website	Not applicable
2.6	Provide the information indicated in the Guide to reporting on Principle 2.	The skills, experience and expertise relevant to the position held by each Director will be disclosed in the Directors' Report which forms part of the Annual Report. The Directors are entitled to take independent professional advice at the expense of the Company. The period of office held by each Director will be disclosed in the Directors' Report which forms part of the Annual Report. A statement will be included in the Annual Report as to the mix of skills and diversity for which the Board is looking to achieve in membership of the Board.	Not applicable
3.1	Establish a code of conduct and disclose the code for a summary of the code as to: • the practice necessary to maintain confidence in the Company's integrity; • the practices necessary to take into account their legal obligations and the reasonable expectations of their stakeholders; • the responsibility and accountability of individuals for reporting and investigating reports of unethical practices.	The Company has adopted a Code of Conduct, which can be accessed at the Company's website.	Not applicable

Principle No.	Recommendation	Compliance	Reason for Non-compliance
3.2	Establish a policy concerning diversity and disclose the policy or a summary of that policy.	The Company has adopted a Diversity Policy, which can be accessed at the Company's website.	Not applicable
3.3	Disclose in each annual report the measurable objectives for achieving gender diversity set by the Board in accordance with the diversity policy and progress towards achieving them.	The information will be disclosed in the Annual Report.	Due to the current size, nature and scale of the Company's activities the Board has not yet developed objectives regarding gender diversity. As the size and scale of the company grows the Board will set and aim to achieve gender diversity objectives as director and senior executive positions become vacant and appropriately qualified candidates become available.
3.4	Companies should disclose in each annual report the proportion of women employees in the whole organization, women in senior executive positions and women on the Board.	The information will be disclosed in the Annual Report.	At the date of this report the Company has 7 male executives, 12% of employees are women and no women are currently in senior executive positions or on the Board.
3.5	Provide the information indicated in the Guide to reporting on	The information will be disclosed in the Annual Report.	Not applicable
4.1	The Board should establish an audit committee.	The Board has established an audit committee.	Not applicable
4.2	The audit committee should be structured so that it: • consists only of Non-Executive Directors; • consists of a majority of independent Directors; • is chaired by an independent chair, who is not chair of the Board; • has at least three members.	The audit committee fulfils these criteria.	Not applicable.
4.3	The audit committee should have a formal charter.	The formal charter can be accessed at the Company's	Not applicable
4.4	Provide the information in the Guide to reporting on Principle 4.	The audit committee will meet at least four times in each year, before sign off of the annual, half year financial statements and interim financial statements.	Not applicable

Principle No.	Recommendation	Compliance	Reason for Non-compliance
5.1	Establish written policies and procedures designed to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability at a senior executive level for that compliance and disclose those policies or a summary of those policies.	The Company has adopted a Continuous Disclosure Policy which can be accessed at the Company's website.	Not applicable
5.2	Provide the information indicated in the Guide to reporting on Principle 5.	The information will be disclosed in the Annual Report.	Not applicable
6.1	Design a communications policy for promoting effective communication with shareholders and encouraging their participation at general meetings and disclose that policy or a summary of that policy.	The Company has adopted a Shareholder Communications Policy which can be accessed at the Company's website.	Not applicable
6.2	Provide the information indicated in the Guide to reporting on Principle 6.	The information will be disclosed in the Annual Report.	Not applicable
7.1	Companies should establish policies for the oversight and management of material business risks and disclose a summary of those policies	The Company has adopted a Risk Management Policy which can be accessed at the Company's website. This policy identifies the key material risks faced by the Company as identified by the Board.	Not applicable
7.2	The Board should require management to design and implement the risk management and internal control system to manage the Company's material business risks and report to it on whether those risks are being managed effectively. The Board should disclose that management has reported to it as to the effectiveness of the Company's management of its material business risks.	The technical director reports to the board regularly on the areas he is responsible for, including material business risks and provides an annual written report to the Board summarising the effectiveness of the Company's management of material business risks.	Not applicable

Principle No.	Recommendation	Compliance	Reason for Non-compliance
7.3	The Board should disclose whether it has received assurance from the Chief Executive Officer (or equivalent) and the Chief Financial Officer (or equivalent) that the declaration provided in accordance with section 295A of the Corporations Act is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks.	The Board has received appropriate declarations from the Executive Chairman and the Chief Financial Officer.	Not applicable
7.4	Companies should provide the information indicated in the Guide to reporting on Principle 7.	The information will be disclosed in the Annual Report.	Not applicable
8.1	The Board should establish a remuneration committee.	The Company has established a remuneration and nomination committee.	Not applicable.
8.2	The Remuneration Committee should be structured so that it: • consists of a majority of independent directors; • is chaired by an independent director; and • has at least three members.	The remuneration and nomination committee fulfils these criteria.	Not applicable.
8.3	Companies should clearly distinguish the structure of Non-Executive Directors' remuneration from that of Executive Directors and senior executives.	The structure of non-executive Directors' remuneration is clearly distinguished from that of Executive Directors and senior executives, as described in the Directors' Report which forms part of the Company's Annual Report.	Not applicable
8.4	Companies should provide the information indicated in the Guide to reporting on Principle 8.	The information will be disclosed in the Annual Report.	Not applicable

COMPANY DIRECTORY

DIRECTORS	Michael O'Keeffe (Executive Chairman and Chief Executive Officer) Gary Lawler (Non-Executive Director) Andrew Love (Non-Executive Director) Paul Ankcorn (Non-Executive Director)
COMPANY SECRETARIES	Jorge Estepa and Pradip Devalia
REGISTERED & PRINCIPAL OFFICE	Level 1, 91 Evans Street Rozelle NSW 2039 Telephone: +61 2 9810 7816 Facsimile: +61 2 8065 5017 Website: http://www.championiron.com ACN 119 770 142
AUDITORS	Ernst & Young 680 George Street Sydney 2000 NSW
SHARE REGISTRIES	Security Transfer Registrars Pty Ltd Suite 1, Alexandria House 770 Canning Highway Applecross WA 6153 Telephone: +61 8 9315 2333 Facsimile: +61 8 9315 2233 TMX Equity Transfer Services 200 University Avenue, Suite 300 Toronto, ON, Canada M5H 4H1 Telephone: (416) 361-0930 Facsimile: (416) 361-0470
STOCK EXCHANGES	The Company's shares are listed on the Australian Stock Exchange (ASX) and Toronto Stock Exchange (TSX)
ASX CODE AMD TSX SYMBOL	CIA (Fully Paid Ordinary Shares)