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**For Immediate Release**

**TSX: FER**

**CENTURY IRON MINES CORPORATION ANNOUNCES POSITIVE PRELIMINARY ECONOMIC ASSESSMENT  
FOR THE JOYCE LAKE DSO PROJECT**

**Toronto, Ontario March 25, 2013** – Century Iron Mines Corporation (TSX: FER) (“**Century**” or “**Century Iron**” or the “**Company**”) is pleased to announce that it has received the results of a Preliminary Economic Assessment (“**PEA**”) prepared by Cima+ in respect of the Company’s Joyce Lake DSO Project located in the Province of Newfoundland and Labrador near Schefferville, Québec.

A summary of the PEA results from the NI 43-101 Technical report are given below. The NI 43-101 Technical Report on the PEA will be filed on SEDAR and the Company website within the next 45 days.

**JOYCE LAKE PEA HIGHLIGHTS BASED ON 100% OWNERSHIP OF THE PROJECT:**

- Net Present Value (“NPV”) of \$94.5 M (pre-tax) at 8% discount rate
- Internal Rate of Return (“IRR”) of 35% (pre-tax)
- Pre-tax Payback estimated at 2.9 years (years from production start-up)
- Mine life 4 years at 2 million tonnes per year (“Mtpy”) of lump and sinter fines
- Initial Project Capex of \$96.6 M
- Average total operating cost of \$62.80/tonne of product (lump and sinter fines)
- Accuracy of the estimate +/- 35%

**PEA PROJECT SUMMARY**

The PEA Study of the Joyce Lake DSO Project is based on production of 1 Mtpy for the first year and 2 Mtpy of product for the remaining years (35% of lump and 65% sinter fines). The mining activities will be year-round, but mineralized rock will be hauled across Iron Arm Bay of Lake Attikamagen by an ice bridge during winter. The mineralized rock will be sized using crushing and screening equipment (dry process). The lump and sinter fines will be hauled by truck 28 kilometres to a new rail loop. The two products will be loaded by wheeled loader into rail cars. The Project envisaged is a mix of local and fly-in/fly-out operations, with camps near the crushing and screening plant.

Sandy Chim, President and CEO of Century Iron Mines comments:

“We are very pleased with the PEA of Century’s Joyce Lake DSO Project. It shows a pre-tax IRR of 35% on a capital expenditure of less than \$100 million and a payback period of less than 3 years, based on conservative price assumptions compared with the current long-term forecasts. We continue to advance our exploration of Joyce Lake beyond its current resource boundaries, as well as other DSO targets on Century’s properties, to expand our DSO resource base with the objective of sustaining and growing the operation.

“Our strategy is to build Century’s value incrementally, beginning with low-capital expenditure DSO projects to generate early cash flow, and then to position the Company for the much larger magnetite/taconite projects. These projects require higher capital expenditure and financing.”

### **Mining**

In-pit resources were estimated from the optimal economic pit that was defined using the operating cost and sales prices (defined below) and based on the March 2013 SGS-Geostat resource model. The in-pit resources include measured, indicated and inferred resource categories from the block model. Potentially a total of 7 Mt of resources could be mined over a 4-year period using a mining contractor with 64 tonne trucks and 5 m<sup>3</sup> hydraulic excavators. Other mining highlights include:

- Average annual production of 2 Mt of resources grading 62.2% Fe, 7.5% SiO<sub>2</sub>, 0.6% Al<sub>2</sub>O<sub>3</sub>, 0.9% Mn and 1.6% LOI
- Average mine life stripping ratio of 4.8:1. (the fact that the weight recovery will be 100% allows for the stripping ratio to be higher than typically seen in the industry)

### **Metallurgical Testing**

The Joyce Lake DSO Project shows potential economic viability of a Direct Shipping Ore (DSO) deposit. Three (3) 10-tonne bulk samples were collected and tested for flowsheet development purposes. A dry process flowsheet consisting of crushing and screening was developed to allow the production of lump and sinter feed concentrate from an average 62% Fe feed grade with 100% recovery and no tailings generation. Testwork also showed a good gravity concentration potential for future development phases allowing the processing of lower grade ores through a wet process.

### **Port Facilities and Product Hauling**

Century plans to use the service of a common carrier to haul product from the Schefferville area to the Port of Sept-Îles.

### **Product Sales Price and Market Study**

Century is using an independent market analysis to estimate the market price of iron ore. The results of this analysis are listed below and were used in the Economic Assessment of the Project:

- Lump selling price: US\$ 108/tonne 62%Fe, FOB Sept-Îles as an average price
- Sinter fines selling price: US\$ 93/tonne 62%Fe, FOB Sept-Îles as an average price

## Operating Cost Summary

The following operating cost was estimated by Cima+, with input from other parties. Total operating cost over the average life of mine is estimated at \$62.80/tonne of concentrate based on the following:

Operating Cost	\$/tonne concentrate
Mine	21.40
Crushing & Screening Plant	4.35
General and Administration	6.85
Product Hauling	2.82
Rail Yard Operation	0.86
Rail Transportation	22.36
Port Handling	4.16
<b>TOTAL</b>	<b>62.80</b>

## Capital Cost Summary

The following capital cost of \$96.6 million was estimated by Cima+ using supplier costs and an internal database for the Preliminary Economic Assessment:

Capital Cost	\$ millions
Joyce Lake Mine	10.8
Crushing & Screening Plant	10.5
Railroad and Yard	10.3
Rail Cars	20.4
Haulage Road and Infrastructure	24.3
Trucks	6.7
<b>Total Direct Cost</b>	<b>83.0</b>
EPCM at 10% of Direct Cost (excluding mobile equipment)	5.6
Contingency 10% of Direct Cost	8.0
<b>Total Project Cost</b>	<b>96.6</b>

## Other Economic Assumptions

- Exchange rate: is assumed to be par, that is \$1.00 CAD = \$1.00 USD
- Fuel price: \$ 1.50 per litre for diesel
- Mine operation and wheeled loader are supplied and operated by a contractor
- Camp facilities are leased

The preliminary assessment includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that the preliminary assessment will be realized.

Mineral resources are not mineral reserves and do not have demonstrated economic viability. The mineral resource estimates discussed herein may be affected by subsequent assessments of mining, environmental, processing, permitting, taxation, socio-economic, legal, political and other factors. There is insufficient information available to assess the extent to which the potential development of the mineral resources described herein may be affected by these risk factors.

### **Technical Report**

An NI 43-101 Technical Report (PEA) will be filed on SEDAR and on Century's website within 45 days of the date of this news release. The report is being prepared under the supervision of Jean-Sébastien Tremblay Eng. of Cima+, a Qualified Person as defined by NI 43-101 with contributions from Claude Duplessis P. Eng., Jefferey Cassoff Eng., and Mathieu Girard Eng.

### **Qualified Person**

The PEA was prepared under the supervision of Jean-Sébastien Tremblay Eng. of Cima+. Mr. Tremblay is a Qualified Person as defined by NI 43-101 and Mr. Tremblay is independent of Century. Mr. Tremblay has reviewed and is responsible for the technical information contained in this news release. Mr. Tremblay has verified all the data disclosed in this news release.

### **Joyce Lake DSO Project**

The Joyce Lake DSO Project is part of Century's Attikamagen Project. The Attikamagen Project consists of 1,022 claims straddling the boundary between the Provinces of Québec and Newfoundland and Labrador. The Attikamagen Project's Hayot Lake property consists of 405 designated cells located in Québec while the Joyce Lake property consists of 617 claims located in Newfoundland and Labrador. The Attikamagen Project covers an aggregated area of approximately 34,348 hectares and is located approximately 20 kilometres north-east of Schefferville, Québec.

### **About Century**

Century is an exploration and development company of iron ore projects in Canada. It has significant interests in several properties in western Québec and in the prolific iron ore-producing region of the Labrador Trough in eastern Québec and western Newfoundland & Labrador. Century has two key strategic partners in WISCO International and Minmetals Exploration & Development (Luxembourg) Limited S.à.r.l., both state-owned Chinese companies with the financial and technical resources to assist the Company with funding and technical expertise for the exploration and development of its projects.

Century has interests in the following mineral exploration projects located in the Provinces of Québec and Newfoundland and Labrador:

- The Duncan Lake Project in which Century currently has earned a 65% interest under an option and joint venture agreement with Augyva Mining Resources Inc. (TSX-V: AUV) ("**Augyva**"). Century has entered into a Joint Venture Framework Agreement with WISCO pursuant to which WISCO may earn a 40% joint venture interest in the Duncan Lake Project;
- The Attikamagen Project in which Labec Century Iron Ore Inc. ("**Labec Century**") has a registered 56% interest and in which it has requested a further 4% interest under the Attikamagen Joint Venture Agreement with Champion Iron Mines Limited ("**Champion**"). Champion is completing

its due diligence investigations with respect to the transfer of the 4% interest. Labec Century is a joint venture company owned by Century and WISCO, as announced by Century on September 26, 2012.

- The Sunny Lake Project, which is a joint venture between Century and WISCO under the Sunny Lake Joint Venture Agreement, as announced by Century on November 29, 2012; and
- The Astray, Grenville, Menihek and Schefferville projects acquired from Altius Minerals Corp. (TSX: ALS) (100% owned by the Company). These projects are 100% owned by Century, except that Century has sold 80% of its interest in the Astray project and retained a 20% interest.

The Company's mission is to enhance shareholder value through the development of iron ore projects in Canada and to become a major Canadian iron ore producer. Century Iron's website is: [www.centuryiron.com](http://www.centuryiron.com).

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**CAUTIONARY STATEMENT ON FORWARD-LOOKING INFORMATION**

*Information set forth in this news release may involve forward-looking statements under applicable securities laws. Forward-looking statements are statements that relate to future, not past, events. In this context, forward-looking statements often address expected future business and financial performance, and often contain words such as "anticipate", "believe", "plan", "estimate", "expect", and "intend", statements that an action or event "may", "might", "could", "should", or "will" be taken or occur, or other similar expressions. All statements, other than statements of historical fact, included herein including, without limitation; statements about future production, future operating and capital costs, the projected IRR, NPV, payback period, mine life, initial project capital and average site operating cost for the Joyce Lake DSO Project, details about infrastructure requirements, and future exploration on and the development of the Joyce Lake DSO Project are forward-looking statements. By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements, or other future events, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, the following risks: the need for additional financing; operational risks associated with mineral exploration; the possibility that the testwork may not be demonstrated on a larger scale; the need for permits; fluctuations in commodity prices; title matters; environmental liability claims and insurance; reliance on key personnel; the potential for conflicts of interest among certain officers, directors or promoters with certain other projects; the inability to*

*conclude contracts for rail, port and power infrastructure; disputes with First Nations groups; the absence of dividends; competition; dilution; the volatility of our common share price and volume and the additional risks identified in the "Risk Factors" section of the Company's Annual Information Form for the year ended March 31, 2012, other reports and filings with the Toronto Stock Exchange (TSX) and applicable Canadian securities regulations. Forward-looking statements are made based on management's beliefs, estimates and opinions on the date that statements are made and Century Iron Mines Corporation undertakes no obligation to update forward-looking statements if these beliefs, estimates and opinions or other circumstances should change, except as required by applicable securities laws. Investors are cautioned against attributing undue certainty to forward-looking statements.*