

**CENTURYGLOBAL**  
commodities  
TSX:CNT · [www.centuryglobal.ca](http://www.centuryglobal.ca)

# Corporate Presentation

February 2022

***Compelling Near Term Low Capex Joyce Lake DSO Iron Ore Project in a Strong Recovering Seaborne Market***

*Joyce Lake is an award-winning development project in the Labrador Trough, Canada at feasibility study (2015) with >\$500M after tax NPV<sub>8%</sub> @US\$142.5/t iron ore spot price (base case NPV<sub>8%</sub> of \$61M at US\$95 spot, market trading at ~US\$147.15 on February 14, 2022)*

# Forward Looking Statement

Except for statements of historical fact, this presentation contains certain “forward-looking information” within the meaning of applicable securities law. Forward-looking information is frequently characterized by words such as “plan”, “project”; “intend”, “believe”, “anticipate”, “estimate” and other similar words, or statements that certain events or conditions “may” or “will” occur. Forward-looking statements are based on the opinions and estimates of management at the date the statements are made, and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those anticipated in the forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices for metals, the conclusions of detailed feasibility and technical analyses, lower than expected grades and quantities of mineralization and resources, mining rates and recovery rates and the lack of availability of necessary capital, which may not be available to the Corporation on terms acceptable to it or at all, changes in and the effect of government policies with respect to mineral exploration and exploitation, the ability to obtain required permits, delays in exploration and development projects and the possibility of adverse developments in the financial markets generally, potential environmental issues and liabilities associated with exploration and development and mining activities. The Corporation is also subject to the specific risks inherent in the mining business as well as general economic and business conditions. The Corporation undertakes no obligation to update forward-looking information if circumstances or management’s estimates should change except as required by law. The reader is cautioned not to place undue reliance on forward-looking statements. More detailed information about potential factors that could affect financial results is included in the documents that may be filed from time to time with the Canadian securities regulatory authorities by the Corporation.

# Content



## Iron Ore Market Update

Market recovery  
Management's Canadian iron ore  
development track records



## The Joyce Lake DSO Project

Simply quarry operation  
Feasibility study economics with >\$500M NPV<sub>8%</sub>  
@US\$142.5/t spot price  
Other Century's iron ore projects

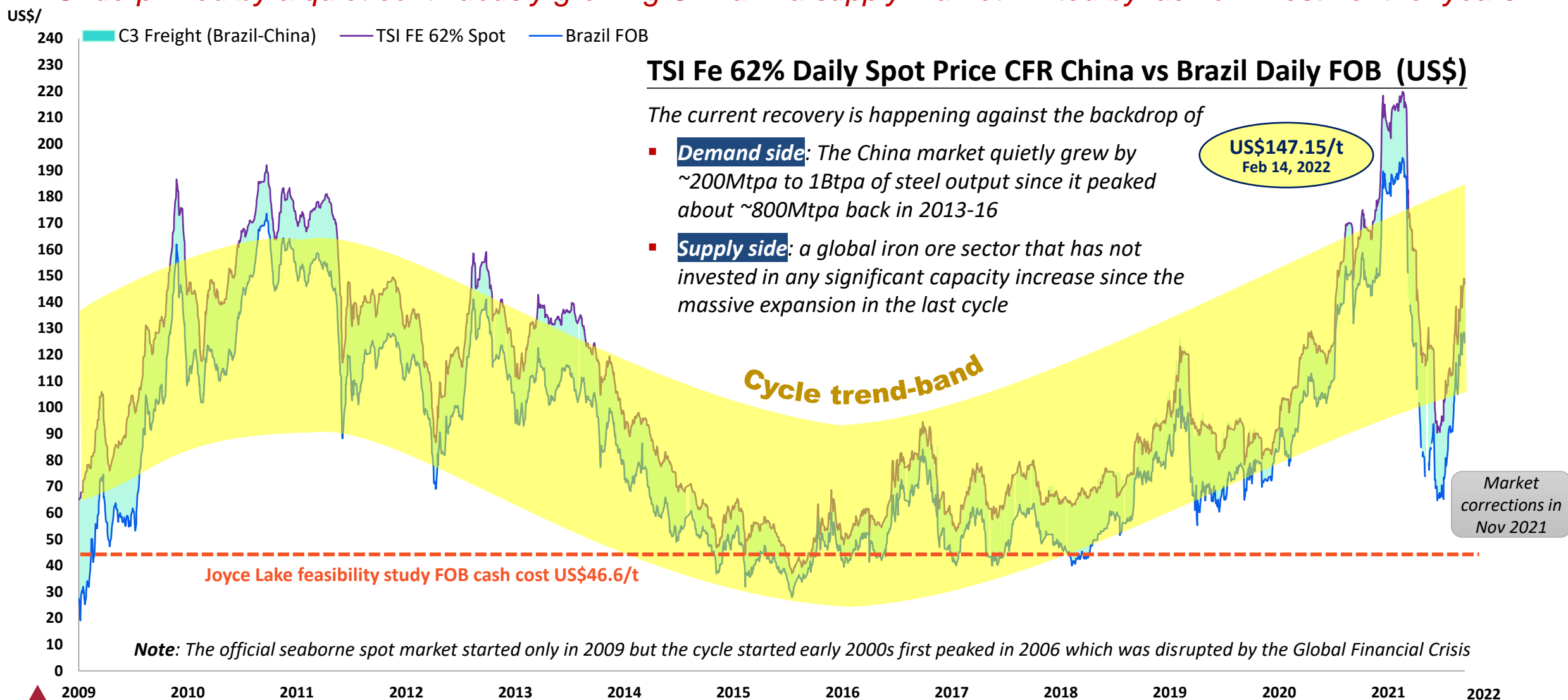


## Corporate Highlights

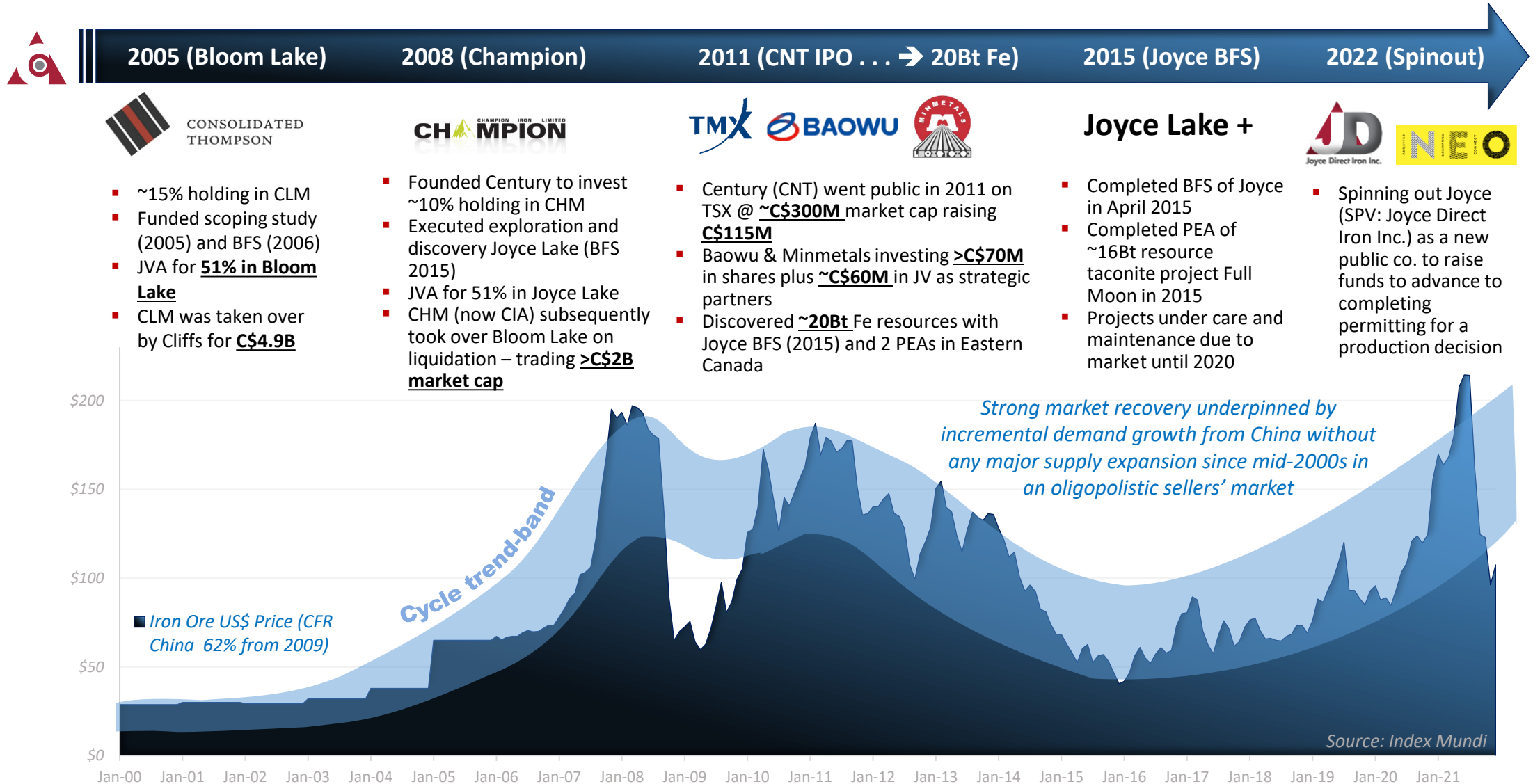
Corporate Snapshot  
Non-ferrous business unit  
Management  
Value summary

# Strong Market Recovery

*Underpinned by a quiet continuously growing China in a supply market limited by lack of investment for years*



# Management's Canadian Iron Ore Development Track Record





# Joyce Lake The Project

Simple bite size low capex intensity (US\$11/t) quarry project  
of 2.5Mtpa output in a favourable cycle

# Joyce Lake Open Pit Direct Shipping Iron Ore Project

Joyce Lake Feasibility Study <sup>(1)</sup> Summary		Unique Positive Project Features	
Production (Mt/year)	2.5 Mtpa	→	Bite size capex @ <C\$15/t at 2.5Mtpa
Reserves (LoM Strip Ratio: ~4:1)	17.7Mt		Joyce delivers C\$855M pre-tax NPV <sub>8%</sub> (\$503M post-tax) @2021 average iron price and freight rate
Initial Project Capex (~US\$200M) Capital Intensity - Capex/t: (~US\$12/t)	C\$259.6M ~C\$15/t		Iron ore price YTD average (2021): ~US\$160.75 with a recent correction in Oct/Nov and recovering to above US\$140/t by February 2022
Opex FOB Sept-Îles (~US\$46.6/t)	C\$58.25/t		Concurrently under environmental assessment with 2015 feasibility study being updated
Construction Time	~1.5 yrs	→	Short construction time after production decision
Life of Mine	7 yrs	→	Up to 4 yrs futures market available for most of LoM

## Feasibility Study <sup>(1)</sup> Financial Metrics

BFS Iron Ore Price <sup>(2)</sup> 62% Fe CFR China/t	US\$95 Base Case	US\$123.5 <sup>(3)</sup> 130% X Base	US\$142.5 <sup>(4)</sup> 150% x Base
Pre-tax / Post-tax NPV <sub>8%</sub> (C\$/t)	C\$130M / C\$61M	C\$586M / C\$341M <sup>(5)</sup>	C\$888M / C\$524M <sup>(5)</sup>
IRR (pre-tax / post-tax %)	18.7% / 13.7%	52.4% / 39%	73.7% / 55.0%
Payback (pre-tax / post-tax years)	4.4 / 4.9	2.0 / 2.3	1.5 / 1.7

(1) NI 43-101 compliant feasibility study published in April 2015

(2) Futures market contracts for up to 4 years

(3) Jan 2022 average is trading at US\$120 - 130/t

(4) Feb 2022 average is trading at US\$140 - 150/t

(5) Post-tax NPVs calculated from Sensitivity Analysis data in Feasibility Study (2015)



# Joyce NI 43-101 Resources & Reserves (~18Mt)

*High quality of exploration with extensive drilling & closer spacing than average industrial standard in the region to guarantee accurate resources/reserves for pit optimization modeling*

Joyce Lake Mineral Resources <sup>1</sup>						
Category	Cut-off	Tonnes	Fe	SiO <sub>2</sub>	Al <sub>2</sub> O <sub>3</sub>	Mn
Measured & Indicated	55% Fe <sup>2</sup>	16,480,000	61.47%	9.10%	0.53%	0.81%
Inferred	55% Fe <sup>2</sup>	800,000	62.47%	7.73%	0.43%	0.80%
Joyce Lake Direct-Shipping Ore Reserves <sup>3</sup>						
Proven & Probable	above 55% Fe	14,080,000	61.38%	9.22%	0.53%	0.80%
Proven & Probable	52%-55% Fe	3,640,000	53.26%	20.95%	0.60%	0.62%
Total Proven & Probable		<b>17,720,000</b>	59.71%	11.62%	0.55%	0.76%

1: Mineral resources estimated for Joyce Lake as of April 17, 2014

2: @ 50% Fe cutoff: 24.29 Mt M&I resources @ 58.55% Fe, 13.34% SiO<sub>2</sub>. 0.84 Mt Inferred resources @ 62.00% Fe, 8.43% SiO<sub>2</sub>

3: Mineral reserves

estimated for Joyce Lake  
BFS of April 14, 2015

**2014 Explorer of the  
Year Award for  
Discovery of Joyce**

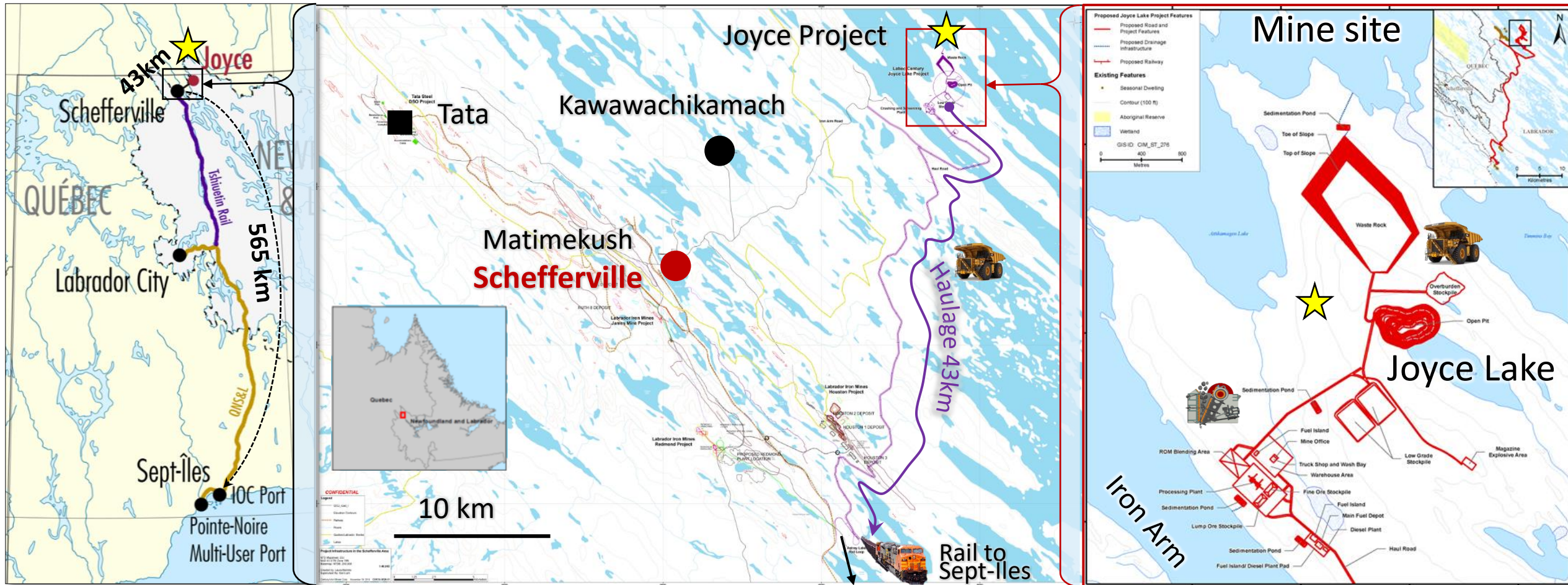
**CIM** Canadian  
Institute of  
Mining,  
Newfoundland  
Branch



Note: Joyce has the amongst highest meterage and closest spacing of drilling per resource tonne in the region providing the best drill database for quality understanding of the deposit for development

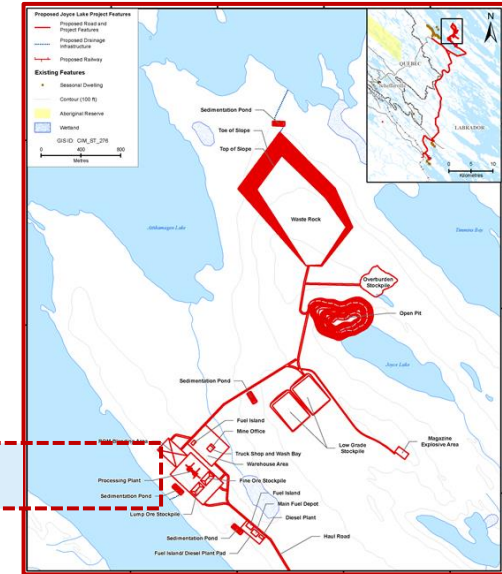
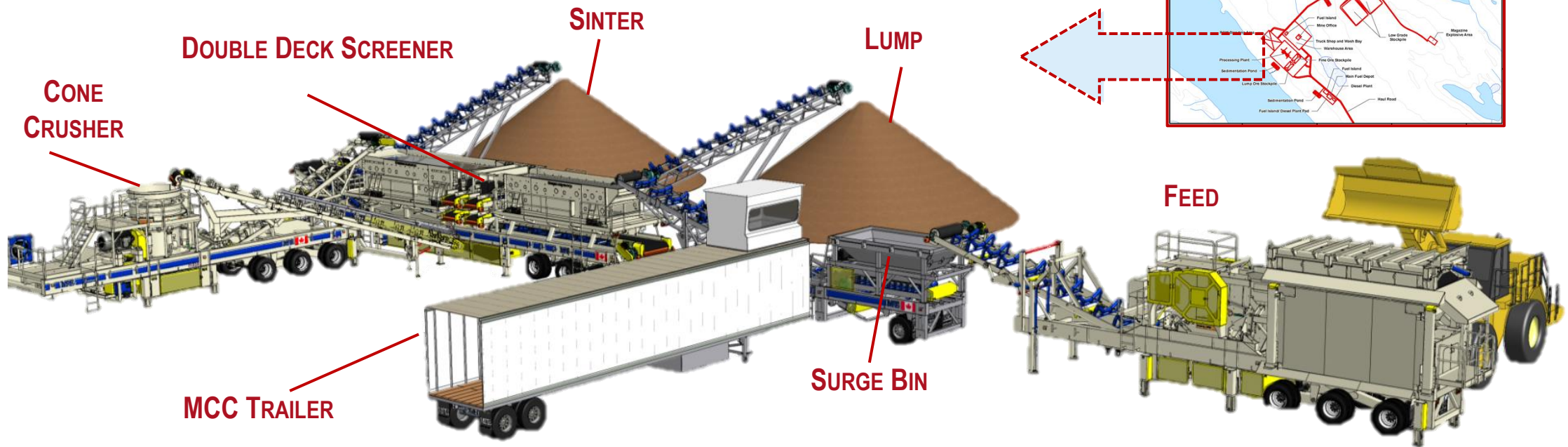


# Joyce Location – Labrador near Schefferville



# Simple Semi-Mobile Process Equipment

- Processing 8 months per year (April-November)
- Simple crushing and screening
- Producing lump ore (6.5-32mm) and sinter fines (<6.5mm)
- Diesel power generation





# Joyce: Simple 2.5Mtpa Quarry Operation

Direct shipping of simply crushed & screened high-grade ore without tailings & beneficiation

Mining & processing (including G&A) = C\$21.02/t

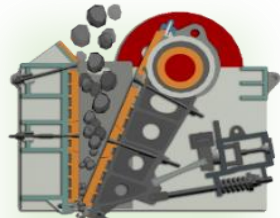
Mining: C\$13.56/t

Process: C\$2.25/t

G&A: C\$5.21/t



Open-Pit Mining



Crushing & Screening



Sinter Fines



Lump Ore

No  
beneficiation  
& tailings



All-Season  
Capesize  
Sept-Îles  
Ports

P



Railroad  
565 km

R2



Haulage  
43km

R1

Sea Freight:  
US\$15.00/wmt

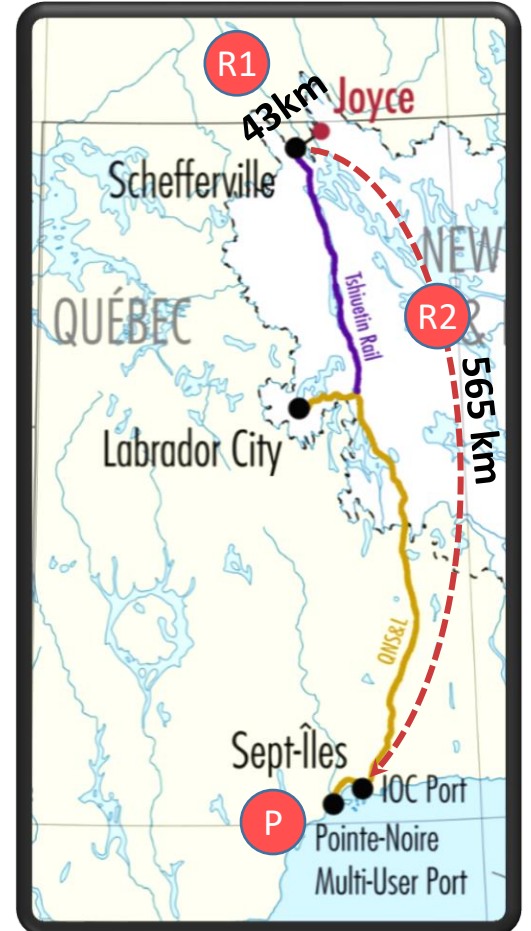
Port: C\$9.79/t

Rail: C\$ 23.92/t

Truck: C\$3.52/t

Land logistics = C\$37.23/t

FOB Opex: C\$58.25/t



# Complete Transportation Infrastructure

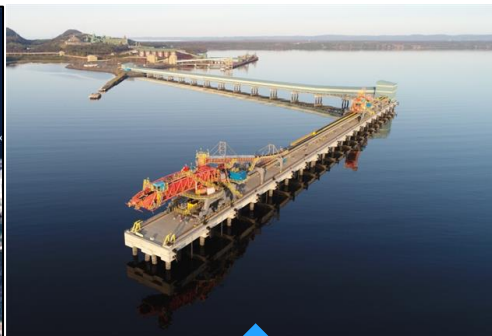
*Capesize bulk carrier accessible ports available to Joyce to ship to seaborne markets*

Rail	Port of Sept Iles
<ul style="list-style-type: none"> <li>565 km rail operated by common carriers (Tshiuetin Rail and QNS&amp;L Railway) from Schefferville to the Port of Sept Iles with available capacities to Joyce</li> </ul>	<ul style="list-style-type: none"> <li>2 deep-water year-round ports at Sept Iles connected to Joyce for shipping to China &amp; Europe</li> <li>New multiuser dock of 50Mtpa completed in 2018</li> <li>New storage, reclaim and ship loading to serve iron ore miners of the region operated by SFPPN (a Private Public Partnership) available</li> </ul>

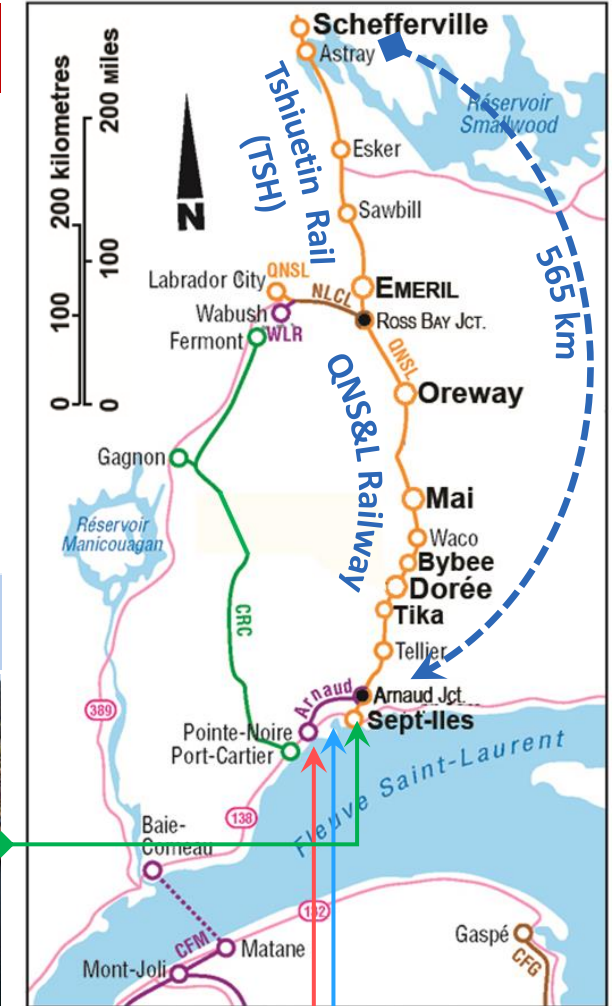
SFPPN (PPP) Ore loading facility:  
Storage, reclaim & ship loading



New (2018) => 50Mtpa (2 loaders)  
Multiuser Dock @ Pointe-Noire



~30Mtpa (14Mt in 2019)  
IOC, Port of Sept-Îles



# Feasibility Study (2015) Capex and Opex

Simple operation / Opex with low capital intensity: ~C\$15 Capex per tonne

Capital Cost	C\$M	Subtotals
Mine Preparation	\$ 26.04M	<b>Mine &amp; Plant</b> <b>\$ 60.60M</b>
Processing Plant	\$ 11.23M	
Mine Mobile Equipment	\$ 23.33M	
Telecommunications	\$ 3.03M	<b>Mine Services</b> <b>\$ 29.44M</b>
Power Plant	\$ 5.78M	
Maintenance Shop	\$ 8.09M	
Camp	\$ 11.47M	
Laboratory	\$ 1.08M	
Railroad and Yard	\$ 26.37M	<b>Infrastructure</b> <b>\$ 74.06M</b>
Rock Causeway	\$ 5.02M	
Haul Road & Infrastructure	\$ 42.67M	
Haul Trucks	\$ 10.93M	<b>Cars &amp; Trucks</b> <b>\$ 52.93M</b>
Rail Cars	\$ 42.00M	
<b>Total Direct Cost</b>		<b>\$ 217.04M</b>
Indirects	\$ 28.66M	
Contingency 10%	\$ 13.91M	
<b>Total Project Cost</b>		<b>\$ 259.62M</b>

Mine +  
process

G&A +  
Service

Logistics

Product Operating Cost	C\$/dmt
Mining	\$ 13.56
Processing Plant	\$ 2.25
<b>Mining/Processing Subtotal</b>	<b>\$ 15.91</b>
<b>G &amp; A Subtotal</b>	<b>\$ 5.26</b>
Product Hauling	\$ 3.52
Rail Yard Operation	\$ 1.11
Rail Transportation	\$ 23.01
Port Handling	\$ 9.54
<b>Logistics Subtotal</b>	<b>\$ 37.18</b>
<b>Total FOB Sept-Îles</b>	<b>\$ 58.25</b>
<b>Capex &amp; Opex @ BFS FX in US\$</b>	
BFS FX	US\$ 0.80
Capex	US\$ 207.70
Opex FOB per tonne	<b>US\$ 46.60</b>
Capex per tonne	<b>US\$ 11.73</b>

Total FOB  
Opex +  
Capex/t =  
**~US\$58**  
vs CIF  
spot price  
of  
**~US\$160**  
(2021  
average  
with C3  
freight  
rate of  
~US\$28)

# Joyce Lake Summary

## Cycle

*(recovering)*

- Positive near- and long-term market environment: Strong & steady incremental demand, COVID-19 global recovery, regional economic bloc developments etc.
- Next major global iron ore expansion will take similar amount of capital as the last cycle and 5-10 years to execute

## Project

*(bite size simple quarry + ready infrastructure)*

- Bite size capex C\$15/t (or C\$260M project), simple quarrying operation being further optimized
- Low opex (simple crush/screen process) 62% grade = US\$46/t FOB (current price ~US\$147.15/t)
- High volume, compressed early cashflow from 2.5Mtpa (hi-grade ~Fe 62% first 5 years) to maximize up cycle exposure
- Post-tax NPV of \$524M at US\$142.5/t Fe price compared with \$61.4M at a base case price of US\$95/t per NI 43-101 feasibility study (2015) with market traded at ~US\$160/t on average YTD 2021
- >\$40M invested to date in exploration, feasibility & environmental stage ready to be updated & permitted

## Cycle- Project Match

- Best cycle timing for such projects to catch the high cycle
- Quick (1.5-2.5 years permitting & 1.5 years construction) to production
- Enough time to observe coming cycle trajectory to make construction decision within ~one year
- Mine life (7 years) to maximize up cycle exposure & positioned to avoid bottom cycle with futures contracts available for up to 4 years



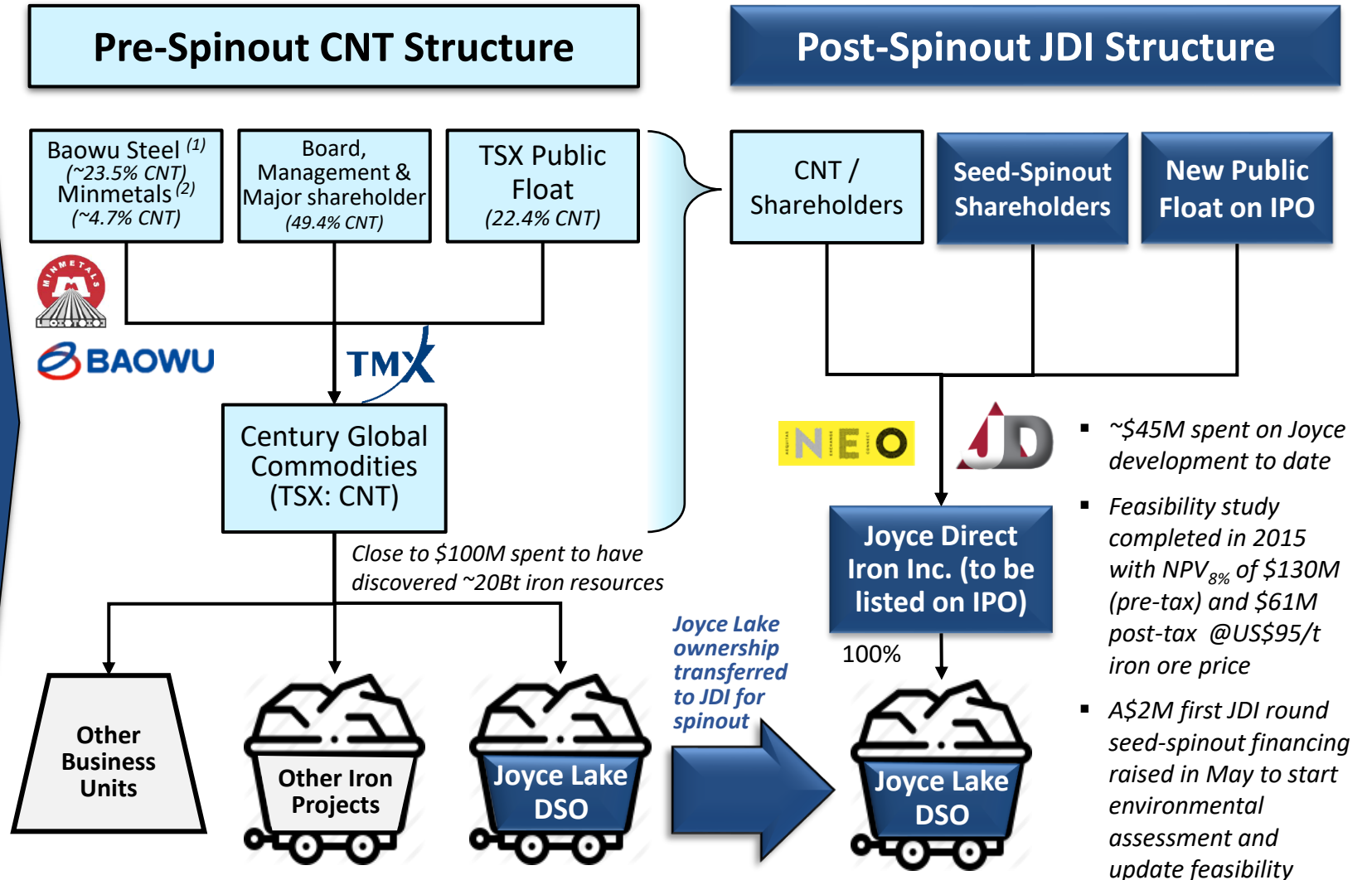
# Corporate Structure and Joyce Spinout

## Century Global Commodities:

- Listed on TSX as CNT
- 2 Global Fortune 500 strategic shareholders: Baowu & Minmetals
- Holding iron ore projects and other business units

## Joyce Lake Spinout:

- Joyce is Century's most advanced project with over \$40M spent
- 100% ownership was transferred to **Joyce Direct Iron Inc.** ("JDI") late 2020 and ~A\$2M seed financing was raised in May 2021 to advance project and complete spinout-IPO
- Under environmental assessment for permitting
- 2015 Feasibility Study being updated
- New board to be formed on IPO



- ~\$45M spent on Joyce development to date
- Feasibility study completed in 2015 with NPV<sub>8%</sub> of \$130M (pre-tax) and \$61M post-tax @US\$95/t iron ore price
- A\$2M first JDI round seed-spinout financing raised in May to start environmental assessment and update feasibility

(1) Baowu Steel is the world's largest steel maker and ranked 72<sup>nd</sup> of Fortune Global 500

(2) Minmetals is ranked 65<sup>th</sup> of Fortune Global 500





# Century's Iron Ore Projects

Multi-billion tonne advanced projects at preliminary economic assessment stage in the same region for future expansion

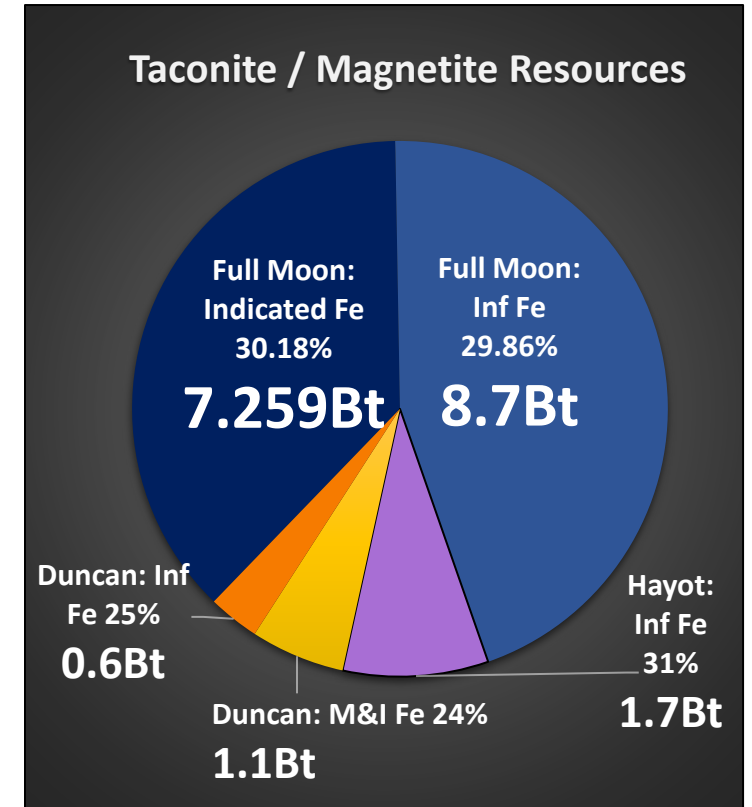
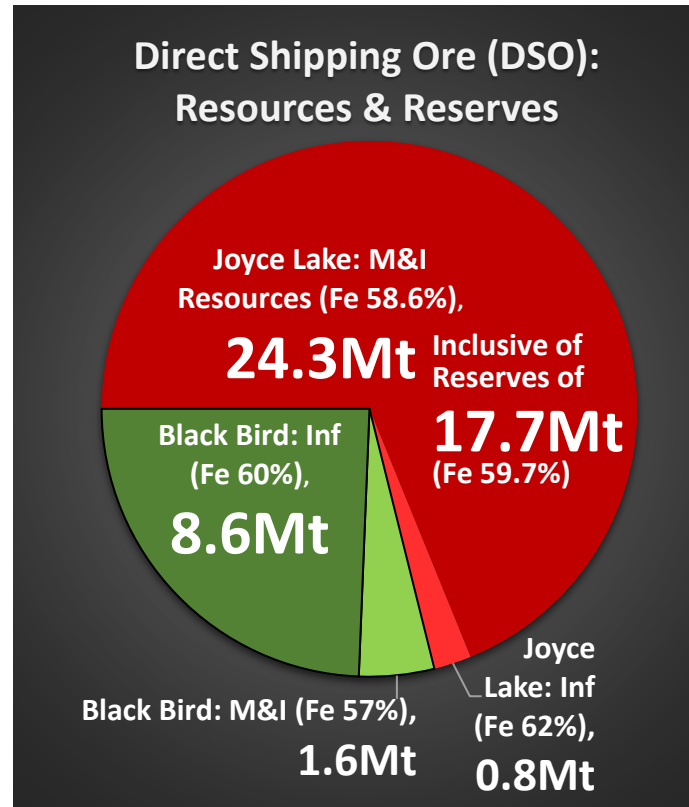
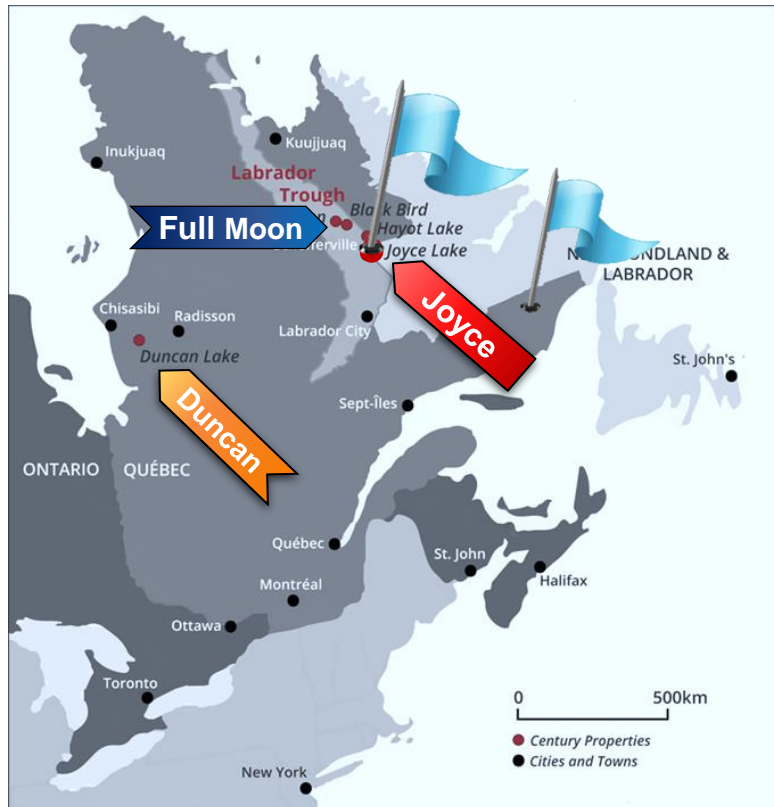
# World-class Multi-Billion-Tonne Advanced Canadian Iron Projects

*Ranging from BFS to PEAs (short and long-term development) ~C\$100M invested*

High-volume Full Moon PEA:  
IRR 15%, NPV C\$5.8B (pretax)

Flagship high-grade Joyce Lake BFS:  
IRR 18%, NPV C\$140M (pretax)

High-volume Duncan Lake PEA:  
IRR 20%, NPV C\$4.1B (pretax)



(1) Based on 100% ownership (2) See Appendix for details and assumptions ■ Mt: Million tonnes, Bt: Billion tonnes, ■ M&I: Measured & Indicated, Inf: Inferred

# Summary of Major Iron Ore Projects of Century in Value

US\$/t	\$95 <sup>(1)</sup>	101.37 <sup>(1)</sup>	\$108.95 <sup>(2)</sup>	\$125 <sup>(1)</sup>	\$142.50 <sup>(1)</sup>	\$167.83 <sup>(2)</sup>
	Joyce BFS/Full Moon PEA (Base case)	2019-20 Ave.	2020 Ave.	Duncan Lake PEA (Base case)	50% of Joyce Full Moon base case	Jan '21 (>70% of Joyce Full Moon base case)
<b>Joyce Lake @ Definitive Feasibility Study (Mine life: 5-7 years – within visibility of current cycle) – 100% owned</b>						
Pre-tax NPV <sub>8%</sub>	C\$130.8M	C\$232.4M	C\$353.4M	C\$609.5M	<b>C\$888.8M</b>	<b>C\$1,293.0M</b>
Post-tax NPV <sub>8%</sub>	C\$61.4M	C\$125.6M	C\$193.4M	C\$355.2M	<b>C\$524.2M</b>	<b>C\$766.2M</b>
Pre-tax/Post-tax IRR	18.7% / 13.7%	26.6% / 19.6%	35.6% / 25.9%	54.1% / 40.3%	73.7% / 55.0%	101.8% / 75.2%
Pre-/Post-tax Payback (yr)	4.4 / 4.9	3.6 / 4.1	2.9 / 3.4	2.0 / 2.2	1.5 / 1.7	1.1 / 1.2
<b>Full Moon @ Preliminary Economic Analysis (Mine life: 30+ years – beyond current cycle) – 100% owned</b>						
Pre-tax NPV <sub>8%</sub>	C\$5,771.0M					
Post-tax NPV <sub>8%</sub>	C\$2,965.3M					
Pre-tax/Post-tax IRR	15.2% / 12.4%					
Pre-/Post-tax Payback (yr)	5.7 / 6.3					
<b>Duncan Lake @ Preliminary Economic Analysis (Mine life: 20 years – beyond current cycle) – 68% owned</b>						
Pre-tax NPV <sub>8%</sub>				C\$4,144.1M		
Post-tax NPV <sub>8%</sub>				C\$2,238.4M		
Pre-tax/Post-tax IRR				20.1% / 15.9%		
Pre-/Post-tax Payback (yr)				4.2 / 4.8		

(1) NI 43-101 Feasibility Study (2015); (2) Extrapolation of sensitivity analysis of Feasibility

# World-class multi-billion tonne iron ore resources

Item	DSO		Taconite		Magnetite	Total
	Joyce	Black Bird	Full Moon <sup>1</sup>	Hayot	Duncan <sup>1</sup>	Total
Century's ownership	91.6%	100%	100%	100%	68%	
Most Recent Report	<b>BFS</b>	<b>Resource</b>	<b>PEA</b>	<b>Resource</b>	<b>PEA</b>	
P&P <sup>2</sup> reserves (Fe %)	17.7 Mt (59.7%)	-	-	-	-	17.7 Mt
M&I <sup>2</sup> resources (Fe %)	24.3 Mt <sup>3</sup> (58.6%)	1.6 Mt (59.9%)	7.3 Bt (30.2%)	-	1.1 Bt (24.2%)	8.4 Bt
Inferred <sup>2</sup> resource (Fe %)	0.8 Mt (62.0%)	8.6 Mt (57.0%)	8.7 Bt (29.9%)	1.7 Bt (31.3%)	0.6 Bt (24.7%)	11.0 Bt
Resource Cut-off grade	50% Fe	50% Fe	20% Fe	20% Fe	16% Fe	
Capex (C\$) <sup>2</sup>	\$259.6M		\$7.2B		\$3.9B	
IRR <sup>2</sup> (pre-tax)	18.7%		15.2%		20.1%	
IRR <sup>2</sup> (post-tax)	13.7%		12.4%		15.9%	
NPV (C\$) <sup>2</sup> (pre-tax) @ 8%	\$130.8M		\$5.8B		\$4.1B	\$10B
NPV (C\$) <sup>2</sup> (post-tax) @ 8%	\$61.4M		\$3.0B		\$2.2B	\$5.3B
Payback <sup>2</sup> (pre-tax)	4.4 yrs		5.7 yrs		4.2 yrs	
Payback <sup>2</sup> (post-tax)	4.9 yrs		6.3 yrs		5.2 yrs	
Production Mtpa <sup>2</sup>	2.5		20		12	
Price Used <sup>4</sup>	\$95		\$95		\$125	
Exchange Rate Used <sup>2</sup>	0.80		0.80		0.95	
Report Effective Date	2015/03/02	2015/03/02	2015/03/02	2012/09/25	2013/03/22	



- For Joyce Lake there is a US\$15/t lump premium that is applied for portions of both the high-grade (62% Fe) and low-grade (58% Fe) products.
- For Full Moon, there is a US\$22-23 pellet (66% Fe) product premium over the concentrate (66% Fe) product.
- For Duncan, there is a US\$35 pellet (66.3% Fe) product premium over the concentrate (62% Fe) product.

1. Preliminary Economic Analysis includes inferred resources  
2. On 100% project equity basis, as per technical reports filed on SEDAR  
3. Inclusive of Proven & Probable reserves  
4. US\$/dmt 62% Fe CFR China



# Corporate Highlights

# Century Global: A Compelling Iron Ore Story

*A near term production Joyce Lake DSO Project at BFS (with EIS complete & permit ready), in a strong recovering iron ore market at a market cap ~\$17.2M with working capital of \$12.4M*

## Strong Iron ore market recovery

Close to \$100M to date spent on developing Century's iron ore projects to BFS (Joyce Lake) and PEAs (Full Moon and Duncan Lake) with iron ore spot prices now surging to **US\$147.15/t** on February 14, 2022

**US\$147.15/t**

Spot 62% Fe CFR  
China price  
Feb 14, 2022

## Strong working capital position

Strong working capital position (**\$12.4M**) with liquid cash & marketable securities of **\$11.2M**

## Hi-grade/low-cost/quick to production

**Joyce Lake** is a high-grade low-cost (US\$46.6/t FOB and \$260M or \$15/t capex); can be brought to production in 18 months after permitted with **~\$524M post-tax NPV @ US\$142.5/t** iron ore spot price or **~\$61M post-tax NPV @ US\$95/t** base case spot price per feasibility study

**~\$12.4M**

Working capital

## Strategic Partners for China market

China will be the primary driver of global seaborne market for a long time and Century's partners are China's largest steel mill, Baowu and Minmetals, both Fortune Global 500 companies

**\$524M**

post-tax Joyce  
Lake BFS NPV  
(@ US\$142.5/t)

## Core technical team standing

In the meantime, a lean core development team of geologists and engineers is preparing for the advancement of Joyce Lake seizing the opportunity of a strong market recovery;

## Multi-Bt expansion potential

Other two large-volume projects (with billions of tonnes of resources) are at PEA stage as a second-phase strategic development beyond Joyce Lake



# Financial Highlights

*Strong balance sheet, trading below corporate working capital*

<i>Financial Highlights – December 31, 2021</i>		<i>C\$ M</i>
Cash		10.0
Marketable securities		1.2
Trade Receivables, Other Receivables, Prepaids, Inventories		3.7
Trade Payables, Other Payables and Accruals		(2.5)
<b><i>Total Net Corporate Working Capital</i></b>		<b><i>12.4</i></b>
Net Asset Value		22.1
<b><i>Market Cap (@ \$0.175, February 14, 2022)</i></b>		<b><i>17.2</i></b>



# Capital Structure and Iron Ore vs Share Prices

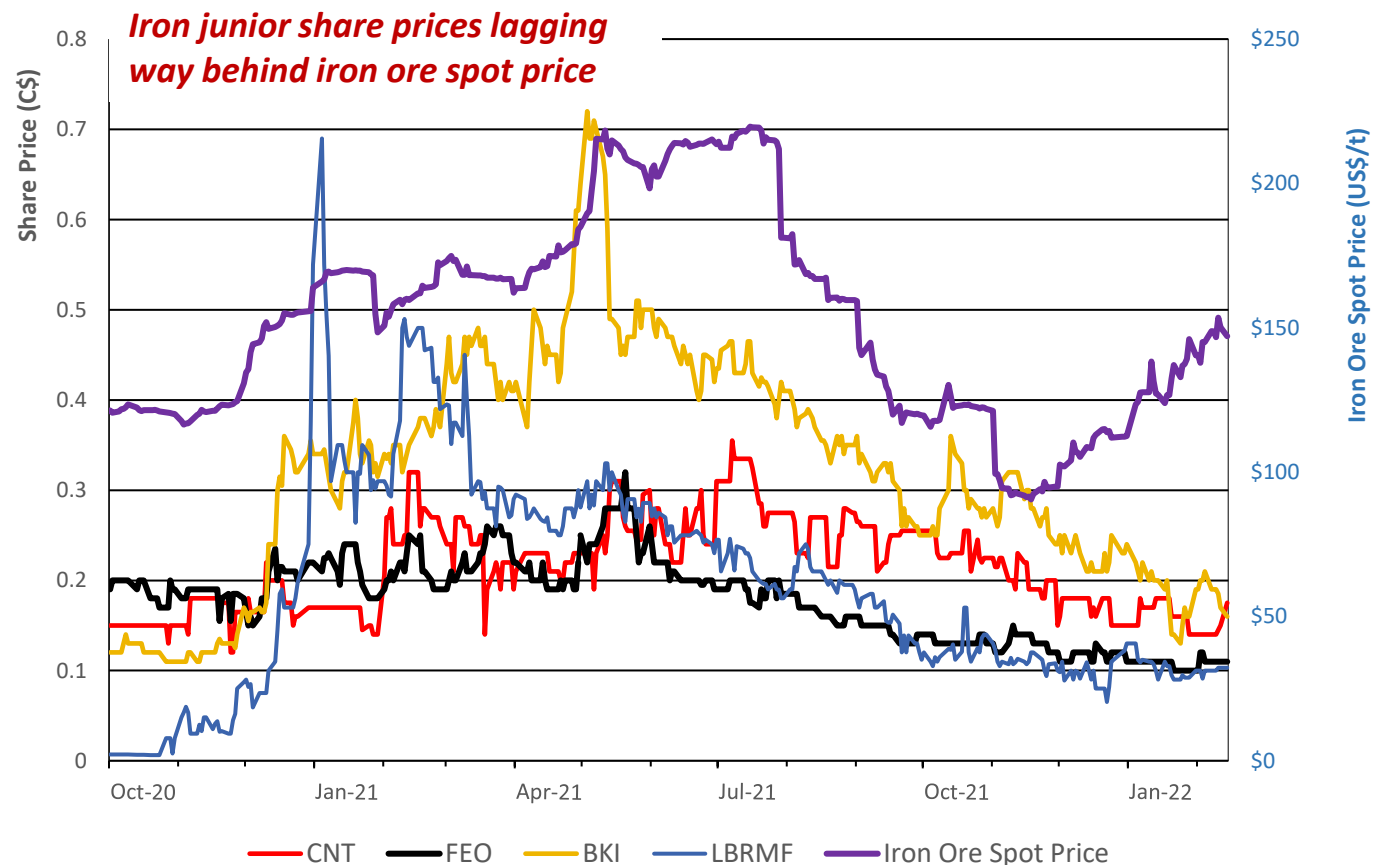
## Share Structure

Directors, officers & major shareholder	49.4%
 BAOWU (23.5%) & MinMetals (4.7%) 	28.2%
Public shareholders	22.4%
Total	100%

## Market Capitalization @ February 14, 2022

Shares outstanding	98,504,571
Options/grants	12,462,500
Fully diluted	110,967,071
Market Cap (@ \$0.175, February 14, 2022)	\$17.2M

## Oct 1, 2020 – February 14, 2022 Iron Spot Price vs CNT & Peers



Gain/Loss (%)

17%

-42%

+33%

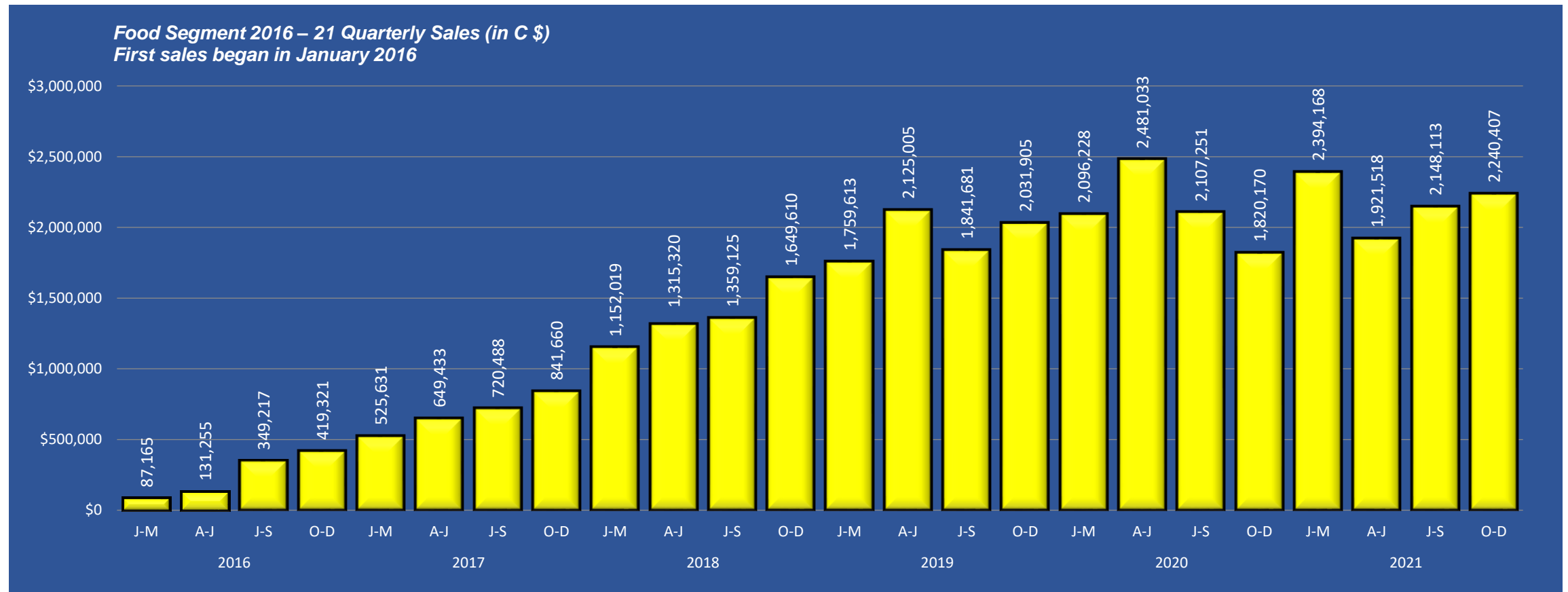
1371%

21%

# Counter-cyclical food distribution business unit with five years of growth from start-up at mid-20% GP generating >HK\$5M monthly sales

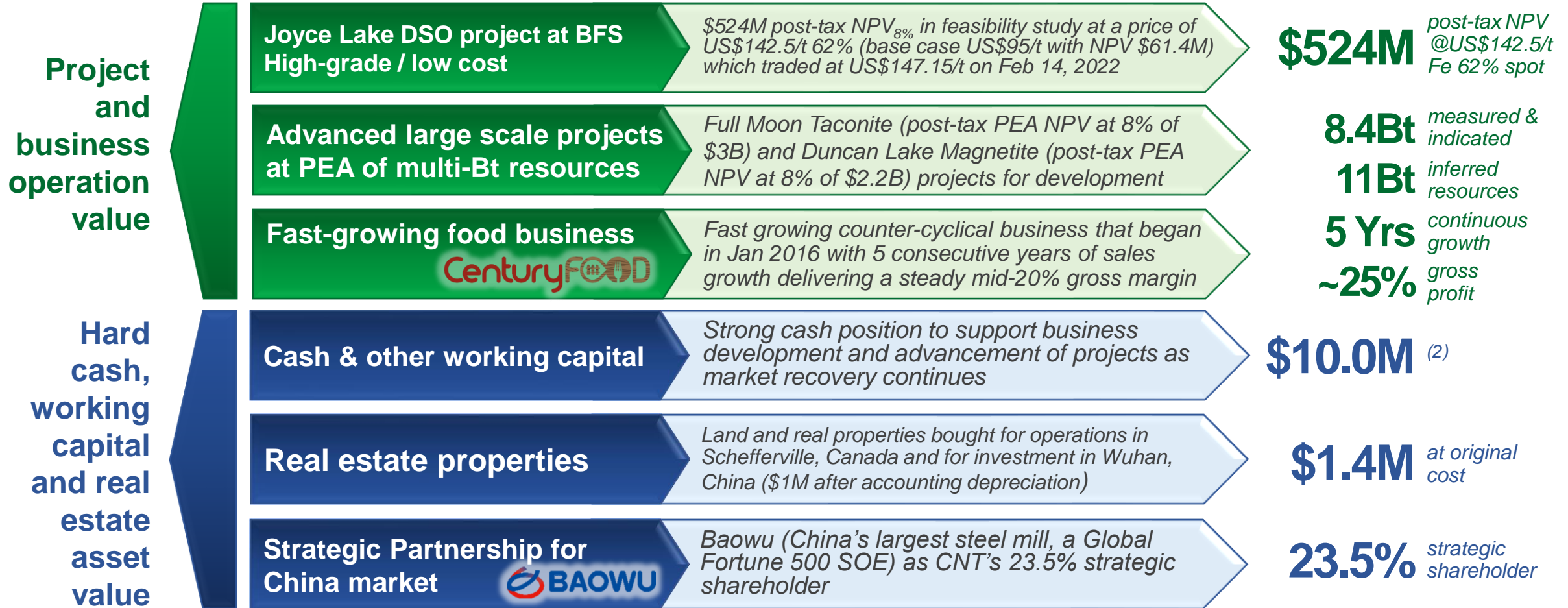
*Solid growing food marketing business focusing on brand-marketing quality meat and egg products from Europe and Australia to Hong Kong and Macau – started profit generation in 2018.*

## Strong Growing Counter-cyclical Business Unit (in C\$)



# Value Fundamentals of Century

Large gap between the sum of the parts & a market cap of **\$17.2M** <sup>(1)</sup>



(1) At Feb 14, 2022

(2) At Dec 31, 2021

# Appendix

# Management

<b>Sandy Chim,</b> <i>CPA, CA, MBA</i>	<ul style="list-style-type: none"> <li>▪ &gt;35 years of international capital market, mining &amp; other industrial experience</li> <li>▪ Successful business building and capital market transactions in London, North America, Australia &amp; Asia</li> </ul>	<b>Peter Jones,</b> <i>P. Eng.</i>	<ul style="list-style-type: none"> <li>▪ &gt;45 years of mining operation and development experience including mining majors and as chief executive of multi-billion-dollar public mining companies</li> </ul>
<i>President &amp; CEO</i>	<ul style="list-style-type: none"> <li>▪ CPA qualifications in Canada, Hong Kong</li> </ul>	<i>Chair, Advisory Board</i>	<ul style="list-style-type: none"> <li>▪ Professional engineer qualifications in Canada, UK</li> </ul>
<b>Ivan Wong,</b> <i>CPA</i>	<ul style="list-style-type: none"> <li>▪ &gt;25 years of public capital market &amp; accounting with strong business start-up experience</li> <li>▪ Directorships with multi-billion dollar public metals companies in China</li> </ul>	<b>Bonnie Leung,</b> <i>CPA, MBA</i>	<ul style="list-style-type: none"> <li>▪ &gt;20 years of all-rounded financial experience including financial audits and IPOs from Big 4 CPA firm, risk management, internal control and financial management with multinational corporation</li> </ul>
<i>Senior VP</i>	<ul style="list-style-type: none"> <li>▪ CPA qualifications in Hong Kong, UK</li> </ul>	<i>CFO</i>	<ul style="list-style-type: none"> <li>▪ CPA qualifications in Hong Kong, UK</li> </ul>
<b>Alan Sin,</b> <i>MBA</i>	<ul style="list-style-type: none"> <li>▪ &gt;25 years of food and beverage and other industrial product marketing with MNCs</li> <li>▪ Successful track record of start-up marketing and distribution operation in Hong Kong, China for a multi-billion-euro Nordic meat company</li> </ul>	<b>Allan Gan,</b> <i>P. Geo, MSc. (Hons)</i>	<ul style="list-style-type: none"> <li>▪ &gt;30 years of bulk, base and precious metals exploration and development experience</li> <li>▪ Professional earth science education and Professional Geoscientist qualifications in Canada, Australia and China</li> </ul>
<i>VP, Food Distribution</i>		<i>Director of Exploration</i>	

# An Award-Winning Team

2014

## Explorer of the Year



Canadian Institute of Mining  
Newfoundland Branch

*George Ogilvie, President of  
CIM - Newfoundland  
congratulates Sandy Chim  
Chairman of Labec Century  
Iron Ore on receiving 2014  
Explorer of the Year*



2014

## Gold Business Excellence Award



Canada China Business Council  
Conseil commercial Canada-Chine  
加中贸易理事会

*Rt. Hon. Jean Chrétien  
congratulates Sandy Chim,  
President & CEO of Century on  
receiving the Canada China  
Business Council's 2014 Gold  
Business Excellence Award for  
Chinese investment in Canada.*



2016

## Silver Award in Professional, Scientific and Technical Services



Canada China Business Council  
Conseil commercial Canada-Chine  
加中贸易理事会

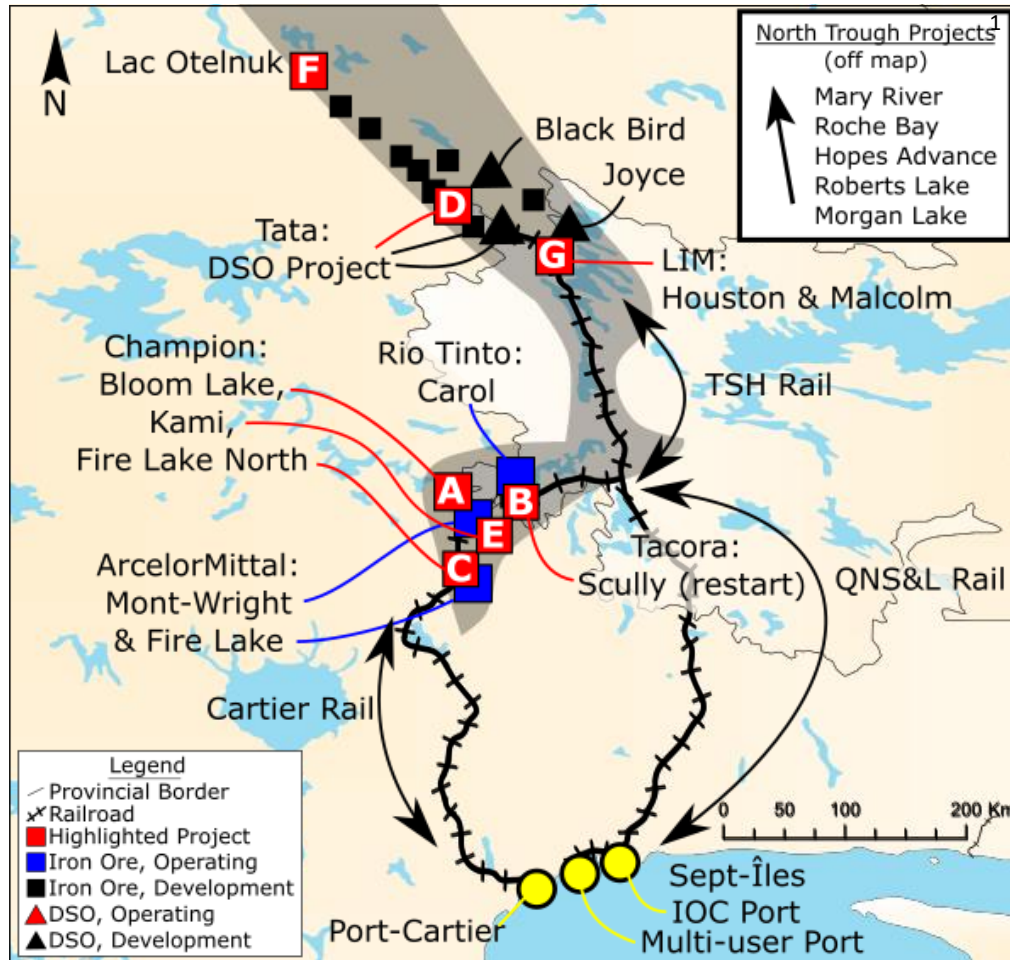
*EVP Peter Jones receiving  
the Award from Mr. Wang  
Wentian, Chargé d'affaires  
a.i. of the Chinese Embassy  
in Canada, and Peter Kruyt,  
Chairman of the Board of the  
CCBC*





# Recent Project History in the Labrador

## *The Importance of Working with/within Cycles*



1: At the extreme north of the Labrador Trough, does not share infrastructure with other producers listed.

2: Howse reserves/resources source: Impact Assessment Agency of Canada, Howse project description, June 29, 2018

3: Tata reserves/resources source: TSMC website (<https://web.archive.org/web/20190921084904/http://www.tatasteelcanada.com:80/the-dso-project/>) Accessed Sept. 21, 2019

	Project Name	Project History	Status	Reserves (Mt)	Output (Mtpa)	LoM
<b>A</b>	Bloom Lake	<ul style="list-style-type: none"> <li>Started operations 2008</li> <li>Cliffs bought in 2011</li> <li>Sold in liquidation in 2015</li> <li>Champion restarted 2018</li> </ul>	Restarted operating after shutdown	2,405	23.8	100
<b>B</b>	Scully	<ul style="list-style-type: none"> <li>Started operations 1965</li> <li>Shut down 2014 under Cliffs</li> <li>Tacora bought in 2017</li> <li>Tacora restarted 2019</li> </ul>	Restarting	444	6.0	26
<b>C</b>	Fire Lake North	<ul style="list-style-type: none"> <li>Champion discovered 2008</li> <li>Acquired 100% in 2012</li> </ul>	Dev.	465	9.3	19.6
<b>D</b>	DSO Project <sup>2,3</sup>	<ul style="list-style-type: none"> <li>Mined by IOC 1954-1982</li> <li>Active development from 2010</li> <li>Concentration plant &amp; DSO</li> </ul>	Start-up	105	1.6	15
<b>E</b>	Kami	<ul style="list-style-type: none"> <li>Alderon purchased in 2010</li> <li>Sold 20% to Chinese group in 2012</li> <li>Champion acquired post-liquidation in 2020</li> </ul>	Dev.	517	7.8	23
<b>F</b>	Lac Oteluk	<ul style="list-style-type: none"> <li>Staked 2005, explored by Adriana</li> <li>60% sold to WISCO in 2012</li> <li>WISCO/Sprott (acquired Adriana) abandoned the project</li> </ul>	Dev.	4,993	50.0	30
<b>G</b>	Houston & Malcolm	<ul style="list-style-type: none"> <li>Discovered by IOC 1950s-80s</li> <li>LIM operated 2011-2014</li> <li>Receivership in 2015, exited 2016</li> <li>Restarted development Nov. 2020</li> </ul>	Dev.	39 Mt M+I Resource	N/A	N/A





# The Iron Ore Market

The beginning of a new cycle

# Demand

## *Steady Incremental Growth*

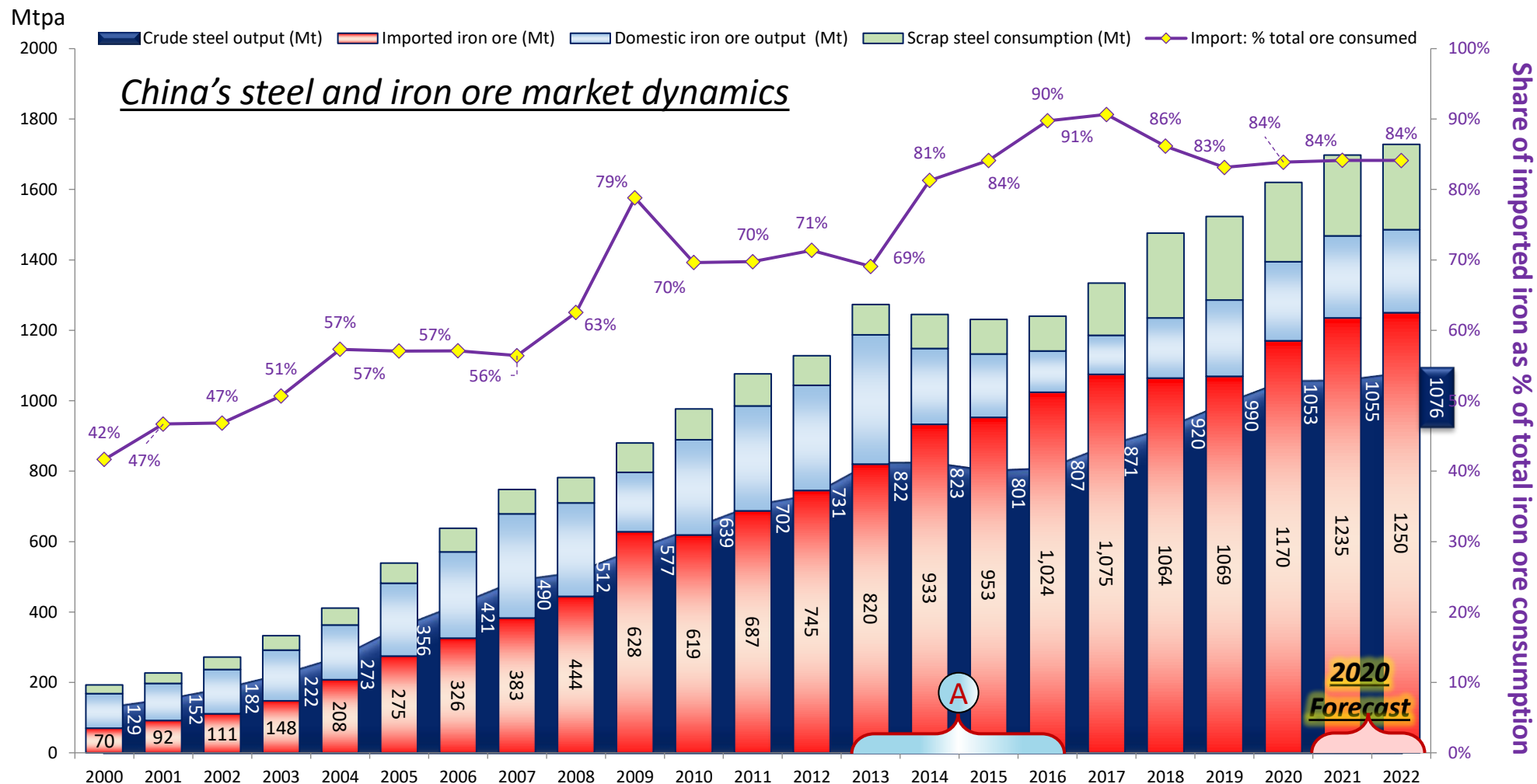
The beginning of a new cycle

# China produced >1Bt of steel & imported >1Bt of iron ore in 2020

## China's steel market growth surprises the world by generating NEW demand (~200Mtpa)

A

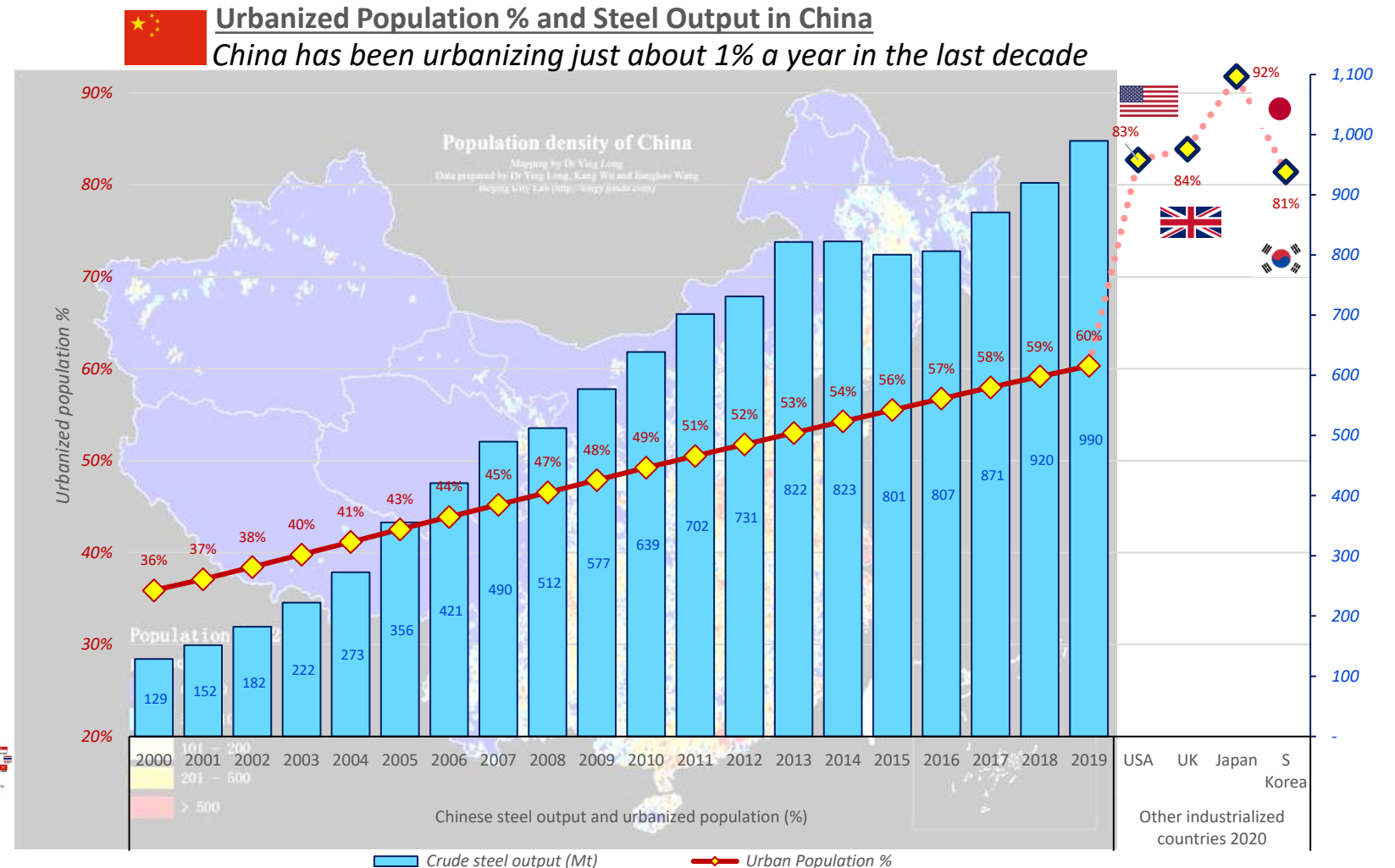
- China appeared to have peaked between 2013 to 2016 at a plateau @~800-820Mtpa when the economy was over leveraged with excess inventory and capacity
- During this time of corrective economic calibration China underwent capacity & inventory reduction, deleveraging, etc.
- From 2017 on China managed to add ~200Mtpa crude steel to the economy and reached about 1Btpa in 2019 @ >~8%pa



Source: UNCTAD The Iron Ore Market 2012-2014; General Customs Administration of the PRC, Index Mundi, Century, World Steel, McKinsey & Company 2000-2006; Bureau of International Recycling 2007-2013, J.P. Morgan 2014-2017; Reuters & Macquarie Aug 2020: 2018-2022

# Continuing Urbanization of a Well Industrialized Economy

- China is a **well industrialized economy** (largest production output in the world = ~sum of the next 5 countries) **still urbanizing steadily** (already for half a century)
- By 2030, **Morgan Stanley** (2019) forecasts the average size of China's 5 supercities will reach **120 million** (attracting half of an **additional 220 million city dwellers**) and its urbanization rate will rise from ~**60% to 75%** driven by three initiatives – city clusters, smart cities and agricultural modernization.
- Its GDP has been growing solid in concert providing a conducive environment for quality urbanization and per capita income growth supporting a **healthy housing and infrastructure demand**
- Other than the short-term plateau during 2012-16, China **resumed growth** in 2017 in the steel market – now surpassing 1Btpa
- Additional future economic drivers include:
  - RCEP (ASEAN +5): Regional Comprehensive Economic Partnership
  - Belt and Road Initiative



# Supply

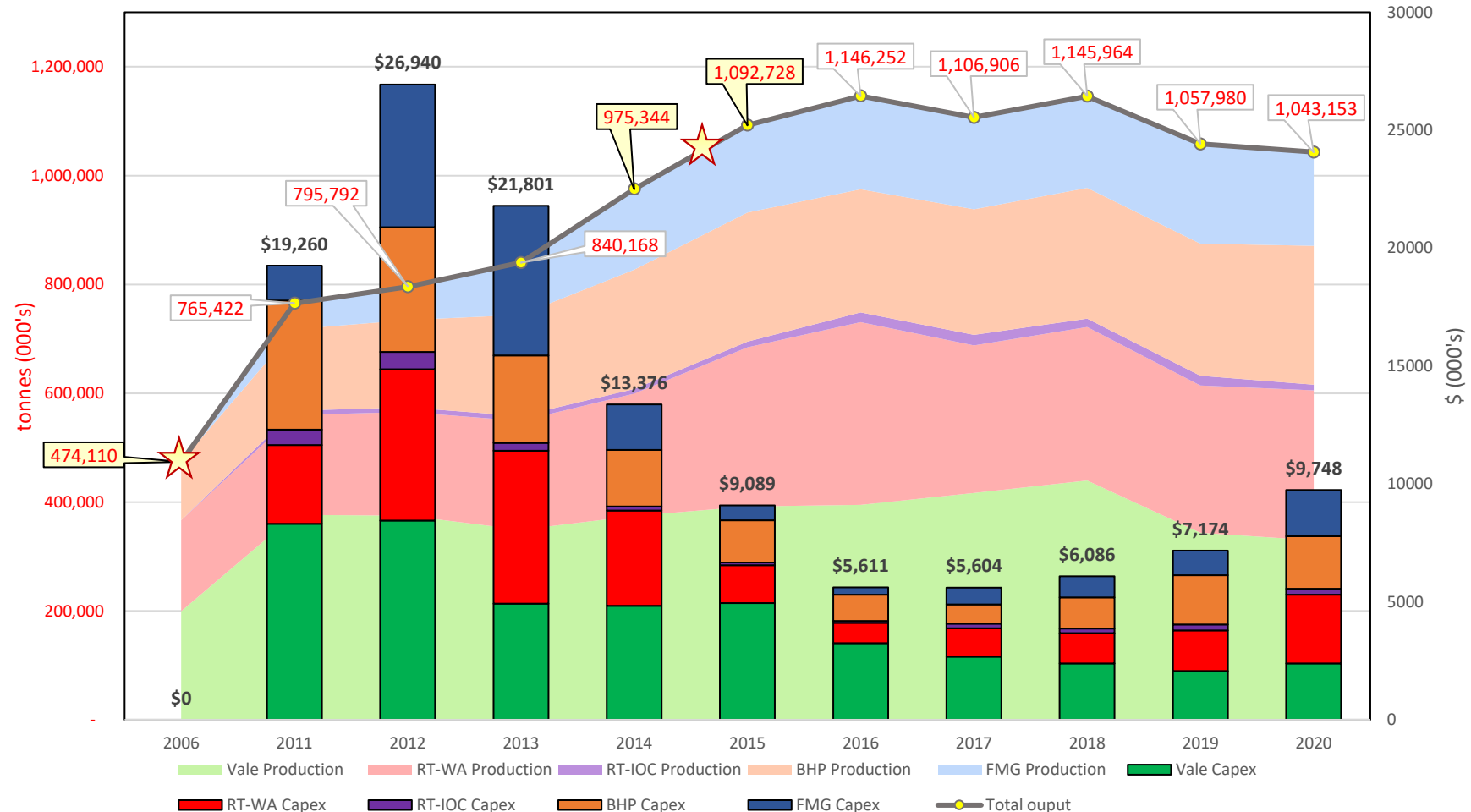
## *An Oligopolistic Structure*

The beginning of a new cycle

# FMG's emergence in 2000s sparked an expansion spree by the Big 3 to become the Big 4 Oligopoly doubling output in a few years . . . staging price hikes in a new cycle

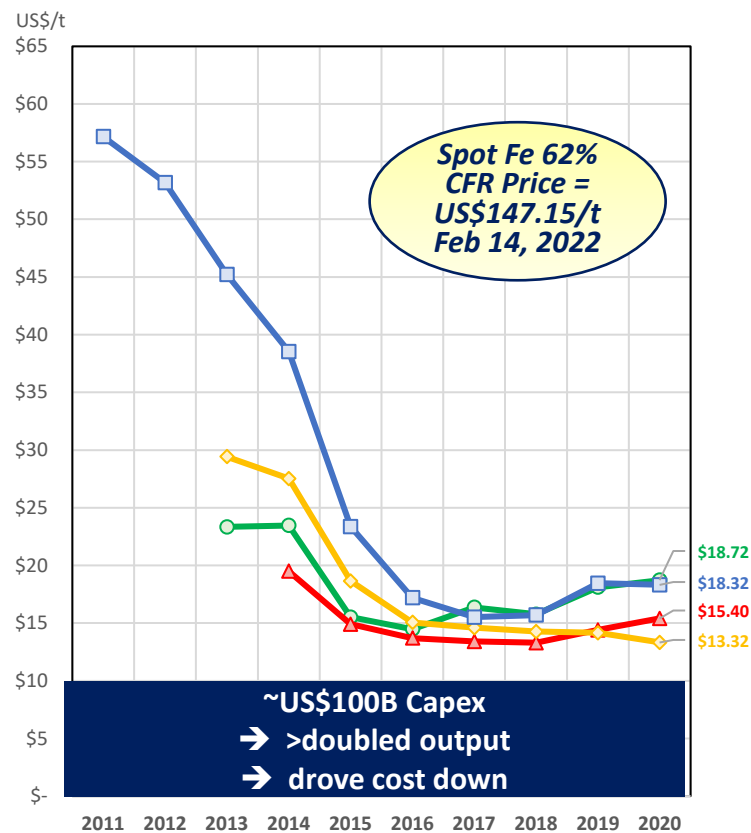
- ★ Almost US\$100B expansion Capex spent in the last cycle to double their capacity
- ★ >1Btpa was achieved in 2015 from <500Mtpa in 2006 – more than doubling their annual output in 10 years – by the big 4 combined
- Total Big 4 production has stayed flat @ ~1.1Btpa since 2016
- No major capex since and in the foreseeable future
- The 2019 Brazilian tailing dam failure & other causes brought production down since igniting a long-awaited cycle return
- Big 4s have been making extraordinary profits on price hikes and paying special dividends from the year rather than retaining capital for any major expansions
- Any major future expansions will take \$10'sB & 5-10 years to take effect if decided today

Combined Big 4 Annual Production vs Capex (2011-Present)

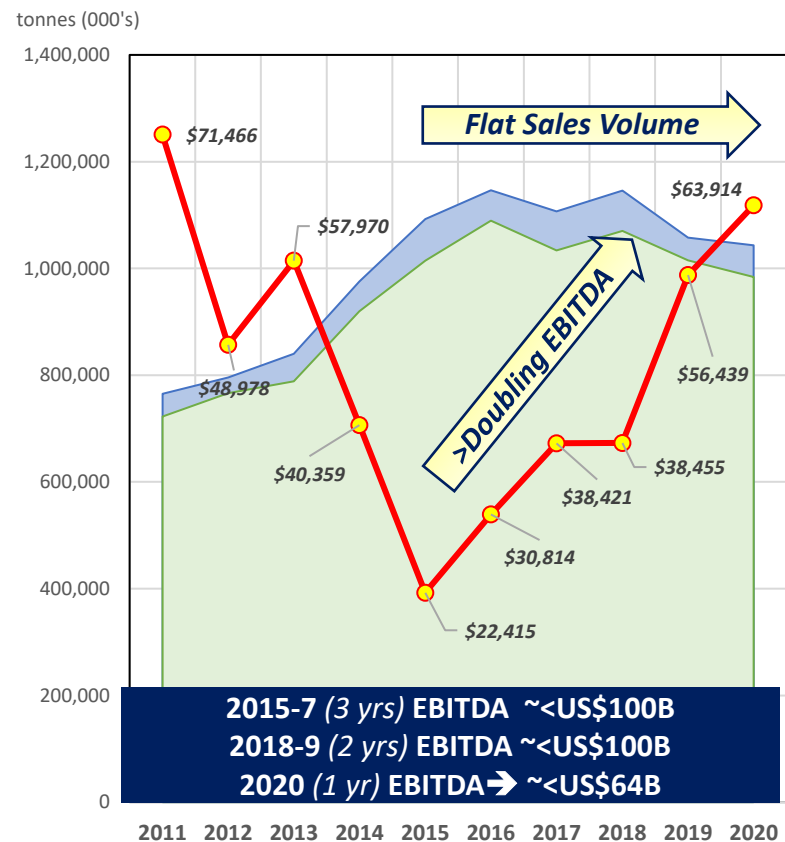


# Big 4's massive expansion drove cost substantially to ~US\$15/t (FOB), total EBITDA & dividends up on Flat Shipments

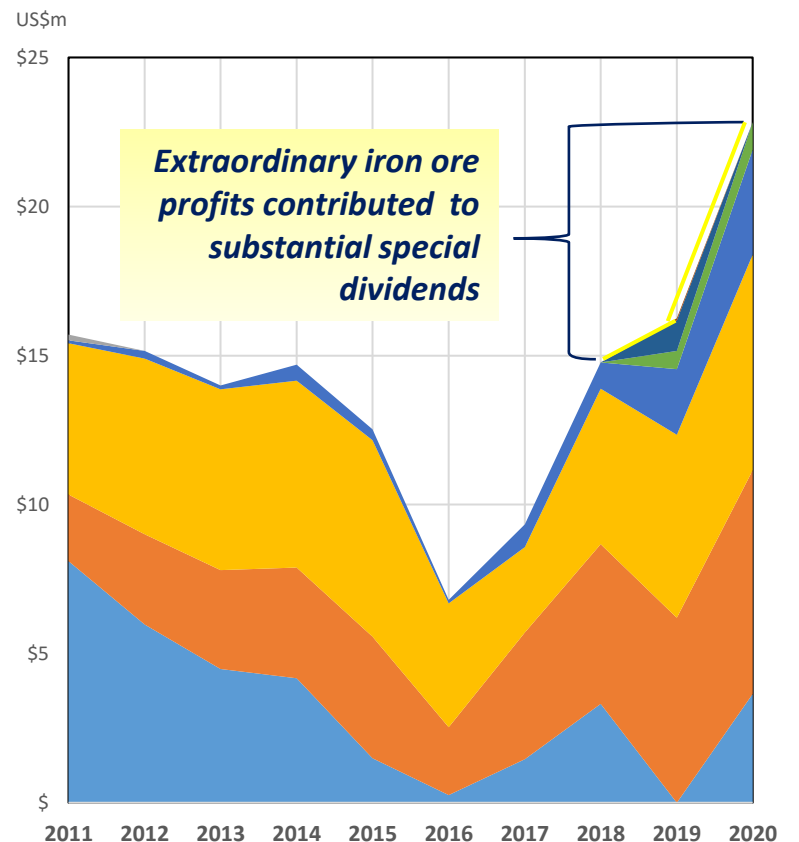
Annual Cash Cost US\$/t (FOB) (2011-2020)



Total Big 4 Volume vs EBITDA (2011-2020)



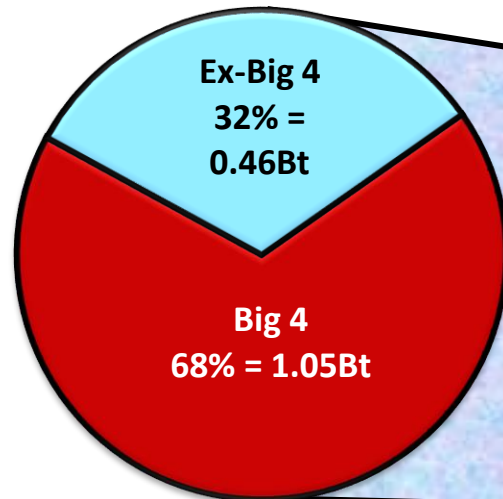
Total Big 4 Dividends (2011-2020)



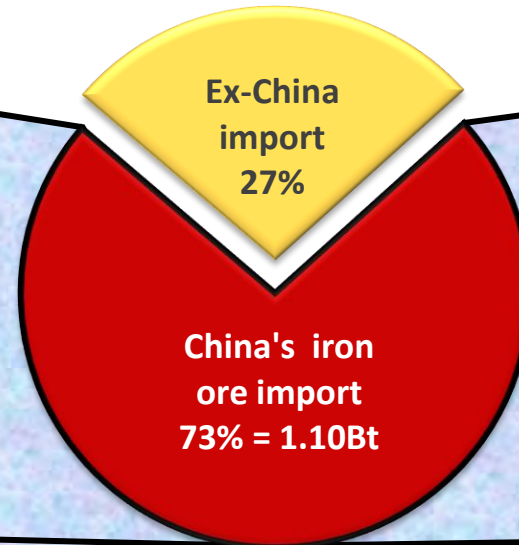


# China vs Big 4 Supply-Demand Dynamics

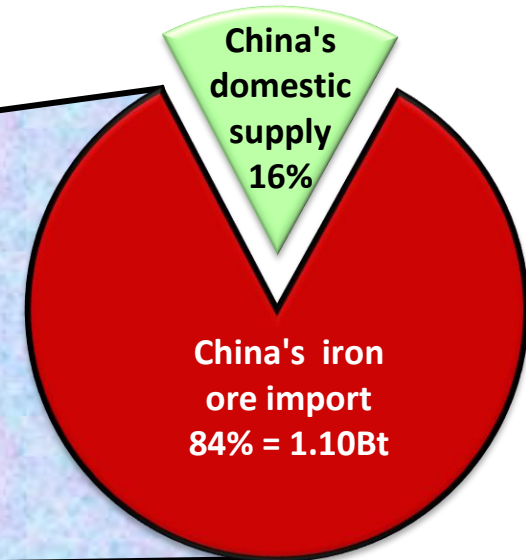
Global Seaborne Iron Ore Supply / Export  
in 2020 (1.5Bt)



Global Seaborne Iron Ore  
Demand / Import in 2020 (1.5Bt)



China's Iron Ore  
Sourcing in 2020 (1.3Bt)



*An oligopolistic supply structure for a single dominant buyer market amplifies small short-term supply-demand imbalances with much greater price responses in a sellers' market*