

## Century Iron Mines Corporation announces execution of joint venture agreement with WISCO Resources

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#### TSXV: FER

TORONTO, Aug. 31, 2011 /CNW Telbec/ - Century Iron Mines Corporation ("**Century Iron**" or the "**Company**") (TSXV: FER) is pleased to announce that it has entered into an agreement with WISCO International Resources Development & Investment Limited ("**WISCO Resources**") that will govern the joint ventures between the Company and WISCO Resources for the exploration and development of the Company's Duncan Lake, Attikamagen and Sunny Lake projects (the "**Joint Venture Agreement**"). The Joint Venture Agreement was executed further to the binding framework agreement entered into between Century Iron Ore Holdings Inc. and WISCO Resources on January 13, 2011, as supplemented on February 18, 2011. The Joint Venture Agreement contemplates separate joint ventures for each of the Duncan Lake, Attikamagen and Sunny Lake projects, with the definitive structures to be determined and definitive agreements to be executed within 60 days of signing of the Joint Venture Agreement.

The Joint Venture Agreement was executed at a signing ceremony held in Beijing, PRC on August 30, 2011. In attendance at the signing ceremony were Mr. Deng Qilin, Chairman and President of Wuhan Iron & Steel (Group) Corporation on behalf of WISCO Resources, Mr. Sandy Chim, President and CEO of Century Iron and the Honourable Jean Charest, Premier of Quebec.

The Premier of Quebec, Jean Charest, stated that "I am pleased to witness the successful achievement of such milestone of strategic partnership between Century Iron and WISCO Resources. This is a very meaningful beginning of a China-Canada joint effort in development of some promising iron ore projects which will bring investment, jobs and economic development to Quebec, particularly in the larger context of Plan Nord."

Mr. Deng stated that "We are pleased with the progress of our strategic partnership. This milestone is the first step of our undertaking to develop promising iron ore projects in Canada with our local partner, Century Iron, with the view of taking them to production. This is a significant partnership not just on the merit of its commercial benefits to all parties, but also in that it will strengthen trade and the investment relationship between Canada and China. We look forward to such a fruitful and long term relationship."

Mr. Chim stated that "We are very pleased to celebrate another significant milestone with our joint venture partner WISCO Resources. The execution of the Joint Venture Agreement solidifies both our and WISCO Resources' commitment for the funding and advancement of the Duncan Lake, Attikamagen and Sunny Lake projects. We believe that the projects will be of great benefit, both to ourselves and WISCO Resources, as our joint venture partner, and to the people and economy of the Province of Quebec, and of Canada at large."

The Joint Venture Agreement contemplates that Canadian Century will contribute its interest in the Duncan Lake joint venture for a 60% voting and participating interest in the joint

venture. WISCO Resources will invest \$40 million in exchange for a 40% voting and participating interest. WISCO Resources' investment will be comprised of (i) a \$20 million investment within 15 days of execution of the definitive agreement, and (ii) a \$20 million investment on the one year anniversary of the execution of the agreement. The joint venture agreements for the Attikamagen and Sunny Lake projects will contemplate that the Company's subsidiaries will retain a 60% voting and participating interest in each of the respective projects, with WISCO Resources investing an additional \$40 million into each project over an initial two year period in exchange for a 40% voting and participating interest. WISCO Resources will in aggregate invest \$120 million in the three joint ventures over two years. The Company and WISCO Resources will now move on to finalizing the definitive agreements for the projects. The Joint Venture Agreement and the definitive agreements will be subject to receipt of all applicable regulatory approvals, including the approval of the TSX Venture Exchange and regulatory approvals from the People's Republic of China.

### **About the Company**

The Company's mission is to enhance shareholder value through the development of iron ore projects in Canada and to become a Canadian iron ore producer. The Company has promising iron ore assets and is firmly entrenched in Western Quebec and in the prolific iron ore producing region of the Labrador Trough.

The Company has two key strategic partners in WISCO Resources and Minmetals Resources Ltd., both state-owned Chinese companies with the financial and technical resources to provide the Company with funding and technical expertise for the exploration and development of all of its iron ore projects.

The Company is an emerging iron ore exploration and development company with interests in the following mineral exploration projects:

- the Duncan Lake Project (currently a 51% interest with an option to increase to a 65% interest under an option and joint venture agreement with Augyva Mining Resources Inc. (TSXV: AUV)),
- the Attikamagen Project (option to acquire up to a 60% interest under an option and joint venture agreement with Champion Minerals Inc. (TSX: CHM)), and
- the Sunny Lake Project (100% owned by Century Iron).

### **About WISCO Resources**

WISCO Resources holds an approximate 25% interest in Century Iron. WISCO Resources is one of the major subsidiaries of Wuhan Iron & Steel (Group) Corporation ("**WISCO Group**"), headquartered in Wuhan in the province of Hubei in the People's Republic of China. WISCO Group is 340th in the list of Forbes Global 500 and is the third largest steel producer in China. The WISCO Group is one of the "big three" Chinese state-owned integrated iron and steel groups. In 2010, the WISCO Group had an annual output of 36 million tonnes of steel. The WISCO Group's portfolio of business activities includes mining, coking, sintering, iron making, steel making, rolling and associated utilities.

The TSX Venture Exchange has in no way passed on the merits of the proposed transaction and has neither approved or disapproved the contents of this press release. Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the

policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

### **Forward Looking Information**

This press release contains forward-looking statements and information that are based on the beliefs of management and reflect the Company's current expectations. When used in this press release, the words "estimate", "project", "belief", "anticipate", "intend", "expect", "plan", "predict", "may" or "should" and the negative of these words or such variations thereon or comparable terminology are intended to identify forward-looking statements and information. The forward-looking statements and information in this press release includes information relating to the determination of the definitive joint venture structures and the finalization of the definitive agreements to govern the joint ventures between the Company and WISCO Resources for the exploration and development of the Company's Duncan Lake, Attikamagen and Sunny Lake projects. The forward-looking information is based on certain assumptions, which could change materially in the future, including the assumption that the parties will be able to negotiate and settle the terms of the definitive joint venture agreements and that regulatory approvals will be obtained. Such statements and information reflect the current view of the Company with respect to risks and uncertainties that may cause actual results to differ materially from those contemplated in those forward-looking statements and information. 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 risk that the parties may not be able to enter into definitive joint venture agreements as contemplated or on materially different terms or that regulatory approvals may not be obtained. The Company cautions that the foregoing list of material factors is not exhaustive. When relying on the Company's forward-looking statements and information to make decisions, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. The Company has assumed a certain progression, which may not be realized. It has also assumed that the material factors referred to above will not cause such forward-looking statements and information to differ materially from actual results or events. However, the list of these factors is not exhaustive and is subject to change and there can be no assurance that such assumptions will reflect the actual outcome of such items or factors.

THE FORWARD-LOOKING INFORMATION CONTAINED IN THIS PRESS RELEASE REPRESENTS THE EXPECTATIONS OF THE COMPANY AS OF THE DATE OF THIS PRESS RELEASE AND, ACCORDINGLY, IS SUBJECT TO CHANGE AFTER SUCH DATE. READERS SHOULD NOT PLACE UNDUE IMPORTANCE ON FORWARD-LOOKING INFORMATION AND SHOULD NOT RELY UPON THIS INFORMATION AS OF ANY OTHER DATE. WHILE THE COMPANY MAY ELECT TO, IT DOES NOT UNDERTAKE TO UPDATE THIS INFORMATION AT ANY PARTICULAR TIME EXCEPT AS REQUIRED IN ACCORDANCE WITH APPLICABLE LAWS.

**For further information:**

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