

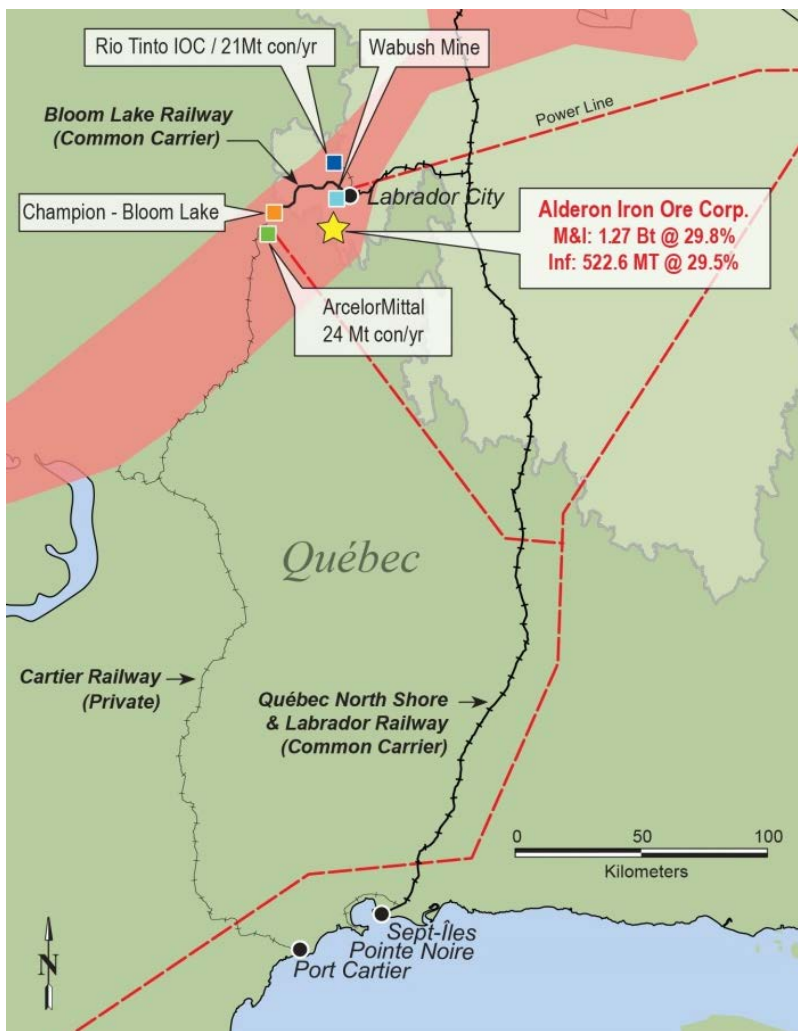
# RE-BOOTING THE KAMI PROJECT



July 2018

TSX: IRON

www.alderonironore.com



**STRATEGICALLY LOCATED IN THE LABRADOR TROUGH, CANADA'S PREMIER IRON ORE DISTRICT**

## KAMI PROJECT

- High-grade (65.2%-Fe) iron ore concentrate with ultra-low impurities and 100% of production committed
- Access to power, port and rail secured/guaranteed
- Fully released from Federal and Provincial environmental assessments; ready to commence construction
- Backed by robust economics and resource estimate
- Realized prices bolstered by sustained market premium for high-grade ores
- Will create C\$7.6 billion in income for workers and businesses and contribute C\$5.1 billion in tax revenue over project's lifecycle
- **A feasibility study refresh is underway**

## Investment Highlights

Iron ore market is improving with Chinese demand for higher grade product expected to remain strong

Premium product with high Fe content of 65.2% and ultra-low deleterious elements

Ideal location in Canada's premier iron ore district with secured access to low-cost utilities and transport

Shovel-ready project with robust economics (USD)

\$1.8B NPV<sub>8</sub>  
25.7% IRR

Capex = \$999.4M  
C1 cost = \$29.94 (FOB)

## Management

**Tayfun Eldem, P.Eng**  
President, CEO & Director

**Kate-Lynn Genzel, CPA, CA**  
Chief Financial Officer

**Gary Norris, BA**  
Executive VP Government &  
Community Affairs

**Xinneng (David) Li, MBA, PhD**  
VP Asia Pacific Affairs

**Olen Aasen, JD**  
Corporate Secretary

## Board of Directors

Mark J. Morabito, BA, JD  
*Founder, Chairman*

Tayfun Eldem, P.Eng

Rolland G. Morier

Adrian Loader, MA

John Baker, Q.C.

David Porter, MBA

Zhou Wei

Dr. Andrew Furey, MD, FRCSC

## Disclaimer

This fact sheet contains "forward-looking information" for information regarding these please visit:  
[www.alderonironore.com/index.php/discclaimer](http://www.alderonironore.com/index.php/discclaimer)

## PEA Financial Highlights (US\$)

Update to the Re-Scoped Preliminary Economic Assessment of the Kamistatusset (Kami) Iron Ore Property, Labrador Technical Report filed on SEDAR on November 20, 2017

<b>Total Estimated Capital Cost</b> (excluding sustaining capital)	\$999.4 million
<b>CFR Concentrate Sales Price Forecast</b> - based on three year trailing average CFR benchmark price of \$62.40/T @ 62% iron adjusted for Kami Fe grade, and HBIS Group and Glencore agreement terms.	\$86.23 (FOB 72.23)
<b>Estimated Mine Life</b>	24 years
<b>Final Product Grade (%Fe)</b>	65.2%
<b>Annual Production Rate</b> (average life of mine, post ramp-up year)	7.8Mtpa
<b>Construction Period</b> (incl. pre-operational verification and handover to operations)	29 months
<b>Estimated Net Present Value (NPV) at 8% Discount Rate</b> (pre-tax)	\$1.8 billion
<b>Internal Rate of Return (IRR) for the Project</b> (pre-tax)	25.7%

## Kami Project NI 43-101 Mineral Resource Estimate (15% cut-off grade, Rose and Mills Lake Deposits)

Category	Tonnes (Million)	Tfe%
Total Measured & Indicated	1,274.5	29.8
Total Inferred	522.6	29.5

## Strategic Partnerships with Offtake Agreements for 100% of Production



GLENCORE

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Ticker: **TSX: IRON** 52 Week Hi/Lo: **C\$0.38/\$C0.21** Fully Diluted Shares: **~156M**

Market Cap: **C\$44.1M** Strategic Partners & Other Insiders: **~61%**

(As of July 3, 2018)