

**With an Experienced Management Team and Strategic Partners in Place,
Century Iron Mines Corporation is Well Positioned for Future Growth
as they Advance their Joyce Lake Project towards Production
and Develop their Huge Taconite Target**

**Resources
Iron Ore Exploration
(FER-TSX)**



**Sandy Chim, C.A.
President, CEO and Director**

BIO:

Mr. Sandy Chim, CA, President and CEO of Century Iron Mines Corporation (TSX:FER), is the company's founder and a member of its board. Century's vision is to exploit its large property asset base—believed to be Canada's highest number of iron ore claims held by a publicly traded company—to become one of the country's largest iron ore producers. Century has structured a unique strategic formula to pave the way to achieving this vision: It has attracted WISCO and MinMetals, two of the largest Chinese state-owned enterprises, as equity investors and strategic partners (25% and 5% respectively). WISCO is a further 40% JV investor in individual

projects, and these partners have committed to 60-70% off-take agreements for future product. They will also procure to provide up to 70% of production capex on positive feasibility, in the form of non-dilutive debt financing for the Canadian company.

Mr. Chim was an early major shareholder of Consolidated Thompson (CLM) with a JV/option and off-take agreement on Bloom Lake in 2005, making it possible for Bloom Lake to build its first scoping study and the 5Mtpa bankable feasibility study.

In addition, Mr. Chim is a non-executive director of Prosperity Minerals Holdings Limited (listed on AIM, London), a director of Augyva Mining Resources Inc., and Sage Gold Inc. (listed on TSXV), and a member of the supervisory board of Anhui Chaodong Cement Co, Ltd., (listed on the Shanghai Stock Exchange of China). He has sat on public company boards in Australia and Hong Kong, as well as Canada, London and China.

Company Profile:

Century Iron Mines Corporation is a mining company with mineral exploration and development activities focused on iron ore. Listed on the TSX - stock symbol FER, it has iron ore rich mining properties in Western Quebec south of James Bay and in the well-known Labrador Trough that spans North-Eastern Quebec and Western Newfoundland and Labrador. Century has interests in the following mineral exploration projects:

- the Duncan Lake project (currently has 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 (currently has a 51% interest with an option to increase 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 Mines Corp.)

- the four Altius regional iron ore projects in the Labrador Trough: Astray, Grenville, Menihék and Schefferville. (100% owned by Century Iron Mines Corp.)

**Interview conducted by:
Lynn Fosse, Senior Editor
CEOCFO Magazine**

CEOCFO: Mr. Chim, the vision for the Century Iron Mines is to become one of Canada's largest iron ore producers. How will you get there?

Mr. Chim: We have been on the market for about a year. How we got here, actually there are a number of factors. Some of the more important ones are the fact that we have attracted two major state owned enterprises from China, who are WISCO, WUHAN Iron and Steel and MinMetals, the latter of which is a long standing metals trading company for the last half century. They have also, in the last ten years or so, transformed into a very large, sizeable mining company and conglomerate of inaudible investment. WUHAN Iron and Steel is the third largest steel mill in China and fourth largest in the world with some forty to forty-five million tons of annual steel-making capacity

growing to about sixty to sixty-five million tons. Over the last week or two the Chinese government announced the approval of two major 23 billion US dollars, expansion plan from two steel mills and WISCO is one of them. Therefore, they are very major. With the background of very large support from the largest steel producer and end user market in the world, we have established ourselves in the space of a high-end very important player, having the background of end users who are very large companies and with a very large trading platform as well. We are the largest iron claim holder in Canada rather than producer. We are on the way to exploration. In addition to being the largest claim owner, over time, we want to be moving towards being one of the largest iron producers in Canada. The fact that we acquired from another very successful peer group, an exploration & royalty company called Altius Minerals last year, buying a collection of iron ore properties along the iron ore camp in Canada some 160,000 hectares of very prime real estate with huge potential. Our mission is having achieved bringing very key strategic partners who have a significant interest, not controlling, but still very much a Canadian company with interest by the corporate level between the two SOEs (State-owned Enterprises) comes to only 30 percent. However, we are mainly a Canadian traded public company held by Canadian public share holders. With those backgrounds, those are a couple of the more important factors that have brought me here. Going forward, iron ore is a metal of scale so with access to the deep pockets of these SOEs is very crucial in developing our property and making a way to being one of the largest producers in Canada.

CEOCFO: Would you tell us about the various projects and what is happening on the ground now?

Mr. Chim: On the ground we have been very busy for the last couple of years working on this portfolio which constitutes the largest iron ore block

of claims in Canada by a public company. The land position with the kind of potential iron ore deposits that we have, we have prioritized them in a logical fashion from a development point of view along the line of thinking of the closest to the existing infrastructure first and moving up as we go. This is the kind of progression of a development. Along this path we have been building a lot with very good and encouraging results that I am very pleased with. We moving steps closer to our aspiration with these very good iron showings. Last year we did some 60,000 meters of drilling with very good results. This year we have expedited the program and moved back to the property just after January and February when the ice froze up. Now we have done an-

We have deposits covering a wide range of different types of iron ore formations. We have worked out a plan of attack that we will put our Joyce Lake Project into production in a couple of year's time by 2015 that we target. Therefore, you will see cash flow production coming. We have more deposits that we developed along the way to sustain a higher tonnage. We will target one to three million tons and grow it. While we are growing it in a few years, starting 2015, then we have this huge taconite target that we will work on that will be a huge company maker.
- Sandy Chim, C.A.

other 20,000 meters of drilling. From these drillings a preliminary assessment, of course we are going to have gone through the regular 43-101 process, bringing in the qualified persons, (whom we call in Canada) to supervise the resources calculation. So far the sections that we have seen have content that is very encouraging. The whole Canadian iron industry was built about some sixty years ago. With this huge resource in this whole region, which is a classic text book case of iron ore formation, we are now working on the projects that are closest to infrastructure first. We have been working on the higher grade, albeit lower volume, deposits first which are called direct shipping ore or DSO. With DSO being the origination of the birth of the Canadian iron ore industry of some scale on the global

level. These ore appear smaller but they are very good grade. Some are sixty plus percent of iron ore total Fe content. You can operate with minimal capex requirement, because you do not need to concentrate it. You do not need to build a huge infrastructure to accommodate moving, because the highway nature makes mining very useful. A couple of Canadian producers have already been working in an advanced stage of development for the last two or three years. We have seen proof of concept that the world market needs this type of iron ore. They fit into the food chain of iron ore very well. These two companies are our peer group, Labrador Iron Mines and New Millennium. Therefore, our first strategy is our DSO potential deposits; are very close to actually the existing infrastructure. We will work on that, we have a number of those targets that we plan to develop so they can sustain a high tonnage when we work on a number of those projects.

CEOCFO: Would you tell us about the Taconite iron?

Mr. Chim: The taconite iron is very interesting. This is a good question because in the states taconite has been mined for almost half a century. Taconite constitutes fifty percent of the blast furnace input in the United States,

when actually the states have gone through a cycle that Canada has not gone through yet because of the size of the market which was the US decades ago realized those high grade smaller tonnage deposits were depleting. The states spent ten years how to study how to mine lower grades but with much larger deposits, like billions of tons. In those days in the area of Minnesota and Michigan which is called the Mesabi Range and the Marquette range of iron formation. What you see today, is what we call taconite which is exactly what we have here in Canada. Typically, about thirty % Fe content. They are very constant, and it goes for miles. They are very wide deposits but not very much depth maybe just a hundred meters, but are very easy to mine. After almost ten years of studying

metalurgically and the the process that was invented at that time was used around the globe. This cheap test can actually work out the characteristic of taconite looking at the magnetite nature of it, and that would give indication of the benchmark to see if a deposit meets that in order to put it into production. Coming back to the use of taconite in the US, I said earlier that almost half of the blast furnace feed uses taconite from this region, the Mesabi and Marquette range and for example the Mesabi range has got the major US steel makers or iron ore producers like ArcelorMittal or US Steel or even international mills like 1234 is in the Mesabi range. It has worked for decades. This industry or these taconite deposits have gone through the "thick and thin" of the industry and survived. At the lowest price of iron ore, of fifteen to twenty years ago. It is proven that this massive amount iron deposits can work and the characteristics of taconite can be worked on metalurgically. The mills in the US have been using it for half a century. Coming back to Canada, the same type of taconite has not been mined because there is not a need in Canada for a large amount of iron. Now the world of the iron ore market has changed so much and the seaborne iron market has grown so big that historically those Australian and Brazilian producers are the ones having great market shares, can not expand enough to meet the insatiable demand from China. That is why you see they have come back to Canada although we are even farther away than Australia and a bit farther from Brazil. Now the seaborne market from China has been buying now pretty consistently and growing over the last few years in Canada. As you may have noticed that last year the best and probably in terms of iron ore producing, the biggest iron ore company, Cliffs, offered \$5 billion for Consolidated Thompson. They bought the whole company. The company had eight million tons concentrate per year capacity. In order to get into some of the specularit deposits. That was actually a form of taconite, with some variation. However, moving up the trough where the taconite is very similar, but the same nature of taconite in the area is what we have, particularly

in our Rainy Lake target which have nine to ten kilometers of strike length, three kilometers of width, and we have actually about two to three times thicker than usual taconite formation. This is the kind of potential deposit that can build a huge amount of taconite over time as we have seen in the experience of the US. In a nutshell, I see there is a huge potential for taconite in Canada. It has been much undervalued because no one has done any taconite in Canada for the small market. However, if you look at the evolution of just a couple of years, the market needs to be educated in order to come to the realization that those are very good deposits, although it has not been mined in Canada. Our very strong neighbor in the US market, has already done that for the last fifty years. The market just needs to see somebody do it and I can see that we are a very possible candidate with a lot of companies that we can make those DSO and overtime for the future the taconite a reality.

CEOCFO: If all goes according to plan, when will production be targeted?

Mr. Chim: The plan is to put the DSO low-volume, high-grade mine ore into production in a couple of years in 2015. We already have a management team. Over the last almost thirty years only one team has done it on a massive scale to put into production. Canada has been in hibernation in terms of putting in new mines. We are happy to have one of our very key executives responsible for mine development and logistics. Hubert Vallee joined our team beginning March from Cliffs. Before that, he was part of the Consolidated Thompson management team for five years. After the Cliff's takeover he was to take charge of the expansion plan; and then we were very fortunate that Hubert since March. We are very confident in this market of huge shortages of mining engineering talent that we have somebody who has that practical experience in Canada right where our venture deposit properties are, to help us to execute. Beyond that we are going to have a number of targets along with a huge collection of properties that we have. We are going to do more and put more small ton-

nage high-grade DSO into production over time. Then we will build it. If I show you a physical map you will see our thought process but it would be to a huge potential deposit which is a very typical, classic text-book case of taconite formation with a strike length of almost ten kilometers and width of three. Some of our drilling are almost close to 20,000 meters on this deposit and it has been going while we speak. Therefore, some time this year we will be able to publish the 43-101 calculation and that is our plan.

CEOCFO: Why should investors look at Century Iron today?

Mr. Chim: There are very few compelling factors. First of all we have the management execution team. We have deposits covering a wide range of different types of iron ore formations. We have worked out a plan of attack that we will put our Joyce Lake Project into production in a couple of year's time by 2015 that we target. Therefore, you will see cash flow production coming. We have more deposits that we developed along the way to sustain a higher tonnage. We will target one to three million tons and grow it. While we are growing it in a few years, starting 2015, then we have this huge taconite target that we will work on that will be a huge company maker. If you look at our neighbors, I cannot talk about their projected tonnage, but if you look at our neighbors on strike in the Trough that they have almost ten billion tons of taconite already. They are in joint venture partnership with one of the top international steel mill, so we have that. With the progressive plan moving from small volume to high grade DSO short term productions, low capex, so for our investors they are in a favourable position. However, we have enough buying power that will put cash flows on the books, that when we come due in a few years time the taconite deposits would have enough cash for that. We would put the company in a much higher valuation when we do that. We have target production in the immediate terms;, but in the terms of mining development this is short, maybe a couple of year's time to see production and cash flow, but with a huge upside. Without any acquisitions we can de-

velop those huge deposits when bigger dollars are required when we will have the books of cash flow production to support that. From that financial investment point of view, the upside is extremely attractive. To compliment that, I was talking about the strategic partners, they own 30 percent on a corporate level in our company and they have 40 percent on the project. They also commit to procure on a debt basis up to 70 percent when they come to do financing of the projects. That will give us huge accretive effect for a company of our size. This access to capital and the structure of how we access the capital, together gives us huge benefits of being able to attract capital first of all, and the

way that the capital structure that we have put into place will give us much leverage so that a little capital can go a long way. This is another access of capital strategy that we have. Thirdly, we have this whole strain of deposits, even beyond the taconite deposits. It is a huge market that, through our strategic partners, we have automatically already built a captive user which guarantees our future sales. A lot of people think of iron as a commodity but it is not quite. Like a kitchen, you have to have a certain type of ingredients, food and recipe. You put in some sixty percent of iron ore but the thirty and forty percent of something else, so your have to calibrate with the characteristic of those

non iron content of thirty or forty percent. Therefore, the ability to put a captive end user earlier in the books is very important for the long term run-of-mine twenty years of operation. When somebody has already calibrated the kitchen to your food then your raw material can be used and whether the market is good or bad they will buy from you. Those are the few key elements of success that we have put in the formula that we are confident will bring a very attractive return and potential capital gain.

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