

# Champion Iron Ltd. completes C\$31.2M private placement with Glencore International AG

**Date closed:** 10/13/2017

**Value:** C\$31.2 million

On October 13, 2017, Champion Iron Limited (Champion) completed a non-brokered sale of a C\$31,200,000 subordinated unsecured mandatory convertible debenture (the Debenture) to Glencore International AG (Glencore) on a private placement basis. The Debenture has a term to maturity of eight years and bears interest at a rate of 12% for the first year and thereafter will bear interest at the same rate as the subordinated debt committed by CDP Investissements Inc., a wholly-owned subsidiary of Caisse de dépôt et placement du Québec (Caisse), as of October 10, 2017. The Debenture will be convertible at the option of Glencore at any time into Champion ordinary shares at a conversion price of CDN\$1.125 per share. The Debenture also includes a mandatory conversion clause at a conversion price of CDN\$0.85 per share of Champion.

In connection with the closing of the Debenture, Champion's subsidiary, Québec Iron Ore Inc. (QIO), has entered into an off-take agreement with Glencore pursuant to which Glencore secures global off-take rights for life-of-mine of the Bloom Lake iron mine (Bloom Lake) with fixed commercial terms for a 10-year period for all tonnes of future iron ore production at Bloom Lake not sold in Japan under the existing off-take agreement with Sojitz Corporation.

Champion, headquartered in Toronto, Ontario, is an iron ore exploration and development company with major projects in the southern Labrador Trough, Canada's largest iron ore-producing region.

Glencore, headquartered in Baar, Switzerland, is an integrated commodity producer and marketer.

BLG represented Glencore with a team led by [Erik Goldsilver](#) (securities, mining) that included [Andrew Powers](#) (securities, mining) and [James Mathers](#) (financial services, mining).

## **For more information, please contact:**

### **Tamara Costa**

National Director, Marketing and Communications

Borden Ladner Gervais LLP

[TCosta@blg.com](mailto:TCosta@blg.com)

416.350.2642



---

## **BLG | Canada's Law Firm**

As the largest, truly full-service Canadian law firm, Borden Ladner Gervais LLP (BLG) delivers practical legal advice for domestic and international clients across more practices and industries than any Canadian firm. With over 725 lawyers, intellectual property agents and other professionals, BLG serves the legal needs of businesses and institutions across Canada and beyond – from M&A and capital markets, to disputes, financing, and trademark & patent registration.

[\*\*blg.com\*\*](https://www.blg.com)

© 2022 Borden Ladner Gervais LLP. Borden Ladner Gervais LLP is an Ontario Limited Liability Partnership.