

Century Announces Feasibility Results for the Joyce Lake DSO Project

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TORONTO, Oct. 31, 2022 - [Century Global Commodities Corp.](#) ("Century" or the "Corporation") (TSX: CNT) and its 91.6% owned subsidiary Joyce Direct Iron Inc. ("JDI"), or collectively (the "Company"), are pleased to announce the Feasibility Study ("FS") results for the Joyce Lake Direct Shipping Iron Ore ("DSO") Project (the "Project") of the Attikamagen Property, Labrador. JDI is 100% owner of the Joyce Lake DSO Project.

The FS was completed by BBA Inc. ("BBA"), with input from Stantec Consulting Ltd., Goldminds Geoservices Inc., Pinchin Ltd., and LVM, a division of Englobe Corporation. The NI 43-101 Technical Report of the FS will be filed on SEDAR and Century's website within 45 days of this news release. The FS results disclosed in this news release is in Canadian dollars unless otherwise stated. Please note estimates of total values in tables may differ slightly from total values in the text, due to rounding.

Project Summary

The Joyce Lake DSO Project is located in the province of Newfoundland and Labrador in proximity to Schefferville, Quebec. The Project comprises the following main sectors:

- Open pit mine which delivers run of mine high iron grade material to the crushing and screening plant, while stockpiling lower grade material for crushing and screening at the end of the open pit mine life.
- Dry crushing and screening of ore generating a split of 65% sinter fines and 35% lump products with an average annual production of 2.5 million dmt of DSO products at an average grade of 59.94% Fe.
- Approximately 7 years production including transporting to market fines products in the summer and dried lump products in the winter.
- Transportation of products over a 43km dedicated haul road from the mine site to a new rail siding near Astray Lake, which connects to existing rail infrastructure for product transport to the Port of Sept-Îles (POS) Multi-User port at Pointe Noire, for shipment to China and other world markets.

Economic Results

The economic results in Table 1 are based upon quotations with an effective date of March 31, 2022, and commodity pricing averaged over a three-year look-back from March 31, 2022.

Table 1: Key Project Economic Results

	Before Tax	After Tax
NPV at 8% discount rate	\$357.2 M	\$184.6 M
IRR	27.72 %	20.01 %
Years to Payback (from start of operations)	3.2	3.7
Initial Capital Costs	\$270.4 M	
Pre-production capital	\$80.4 M	
Life of Mine Sustaining Capital	\$18.3 M	
Average Operating Costs (loaded rail car at site rail siding)	\$36.26/dot	
Average Rail Transportation Costs	\$25.06/dot	
Average FOB Sept-Îles operating cost	\$61.32/dot	
Average Ocean Shipping Costs	\$33.93/dmt	
Average Operating Cost Landed (China)	\$95.26/dmt	

Mineral Resources

The Mineral Resource reporting was completed in GENESIS and the current pit constrained Mineral Resources ("Current MRE") were estimated in conformity with generally accepted CIM Estimation of Mineral Resources and Mineral Reserves Best Practices Guidelines of 2019.

The Current MRE was based on results from the 2011-2013 drilling program and are at a cut-off grade of 50%Fe generating 23.97 million tonnes of Measured and Indicated Mineral Resources at an average grade of 58.63% total Iron (Fe) and 0.83 million tonnes of Inferred Mineral Resources. The pit constrained Mineral Resources at a 55% cut-off grade was also calculated for sensitivity purposes and also shown in Table 2.

The Current MRE shown in Table 2 is constrained within an optimized pit shell with a 50%Fe cut off grade applied as per CIM 2019 guidelines. The cut-off grade was applied within an optimized pit shell, selected to achieve an overall resource iron content that would, in the author's opinion, meet typical DSO grade market specifications and have a reasonable prospect for economic extraction.

Table 2: Summary of current pit constrained MRE at Joyce Lake DSO Project, May 6, 2022

Joyce Lake (DSO) Mineral Resource Estimate ⁽¹⁾

50% Fe Cut-off ⁽²⁾	Tonnes ⁽³⁾	% Fe
Measured ("M")	18,530,000	58.71
Indicated ("I")	5,440,000	58.35
M+I	23,970,000	58.63
Inferred	830,000	62.10

Joyce Lake (DSO) Mineral Resource Estimate Sensitivity ⁽¹⁾

55% Fe Cut-off ⁽²⁾	Tonnes ⁽³⁾	% Fe
Measured ("M")	12,870,000	61.45
Indicated ("I")	3,590,000	61.55
M+I	16,460,000	61.47
Inferred	790,000	62.50

Notes:

1. Pit optimized using approximately \$68.97/t operating costs and \$157/t FOB Sept-Îles for material over 55% Fe (e
2. Within mineralized envelope and optimized pit shell, % Fe Cut-off on individual blocks.
3. Variable Density (equation derived from core measurements), tonnes rounded to nearest 10,000.

Mineral Reserves

The mineral reserves are reported in accordance with CIM definition standards for Mineral Resources & Mineral Reserves and their Guidelines and are compliant with NI43-101. The mineral reserves estimated for Joyce Lake DSO Project during the FS are set below.

Table 3: Joyce Lake Mineral Reserves at 52% Fe cut-off grade

Mineral Reserves	Tonnage	Grade	Grade	Grade	Grade
Mineral Category	(Mt)	(%Fe)	(%SiO ₂)	(%Al ₂ O ₃)	(%Mn)
High-grade Proven (Above 55% Fe)	11.32	61.65	8.72	0.55	0.84
Low-grade Proven (52% - 55% Fe)	2.84	53.49	20.42	0.62	0.69
Total Proven (Above 52% Fe)	14.16	60.01	11.07	0.56	0.81
High-grade Probable (Above 55% Fe)	2.49	61.51	9.46	0.50	0.61
Low-grade Probable (52% - 55% Fe)	0.72	53.27	21.68	0.59	0.29
Total Probable (Above 52% Fe)	3.21	59.65	12.21	0.52	0.54
Total Reserve (Above 52% Fe)	17.37	59.94	11.28	0.55	0.76

Table Notes:

1. Mineral Reserves are based on Measured and Indicated Mineral Resources with an effective date of May 6, 2022.
2. Mineral Reserves are reported based on open pit mining within designed pits and incorporate estimates for mining dilution and mining losses. As a result of regularization of the block model, an estimated 2.4% mining dilution and 2.4% mining loss were incorporated into the model.
3. Joyce Lake high-grade Mineral Reserves are reported at a diluted cut-off grade of 55% Fe. The cut-off grades and pit designs are considered appropriate for an iron ore price of \$117.53/dot for high-grade, a process recovery of 98% for crushing & screening, and estimated mining, processing, and G&A unit costs during pit operation.
4. Joyce Lake low-grade Mineral Reserves are reported at a diluted cut-off grade of 52% Fe and below the higher cut-off grades identified in Note 3. It is planned that low-grade Mineral Reserves within the designed pits will be stockpiled during pit operation and processed during pit closure. The low-grade cut-off is considered appropriate for an iron ore price of \$61.14/dot for low-grade, a process recovery of 98% and estimated ore rehandle, processing, and G&A unit costs during pit closure.
5. Proven Reserves are all blocks inside the engineered pit design in the Measured Resource category.
6. Probable Reserves are all blocks inside the engineered pit design in the Indicated Resource category.
7. Mineral Reserves were developed in accordance with CIM Definition Standards on Mineral Resources and Mineral Reserves (May 2014) and the CIM Estimation of Mineral Resources and Mineral Reserves Best Practice Guidelines (2019).
8. Rounding may result in apparent summation differences between tonnes and grade.
9. Mineral Reserves are reported with an effective date of May 6, 2022.

Financial Analysis

Table 4: Summary of key financial results

Mineral Category	Before Tax	After Tax
IRR	27.72 %	20.01 %
Payback Years	3.2	3.7
NPV @ 0% Discount Rate	\$660.2 M	\$394.7 M
NPV @ 4% Discount Rate	\$489.4 M	\$276.4 M
NPV @ 8% Discount Rate	\$357.2 M	\$184.6 M

Analysis Assumptions

- Long term price, CFR China of US\$124.95 dot 62% Fe fines.
- The average FOB Sept-Iles operating cost is C\$61.32/dot (US\$47.10/dot) before royalties. Ocean freight to China is assumed to be C\$33.93/dot (US\$26.06/dot). Total landed (China) cost is C\$95.26/dot (US\$73.16/dot).
- Royalty payments average C\$1.86/dot.
- Exchange rate of US\$0.77 per C\$1.00.
- Ore production of approximately 7 years.
- Initial capital cost estimate accuracy of -10% / +15%.

Table 5: Summary of Capital Costs and Other Expenditures

Initial Capital Costs	\$M
Mining (Capitalized Pre-Stripping)	20.7
Mining Equipment (Initial Owner Fleet)	26.3
Infrastructure Direct Costs	143.1
Infrastructure Indirect and Owners Costs	42.8
Railcars Lease Down Payment	9.2
Other Mobile Equipment Lease Down Payment	10.0
Contingency	18.4
Total Project CAPEX	270.4
Sustaining Capital	\$M
Mining Equipment Sustaining	18.3
Total Sustaining Capital	18.3

Pre-production Capital	\$M
Pre-payments for rail and port capacity buy-ins	58.4
Leasing payments incurred in pre-production	22.0
Total Pre-production Capital	80.4
Other Expenditures	\$M
Production Leasing Payments	87.9
Closure and Rehab Assurance Payment	6.4
Royalties	32.3
Salvage Value	(31.8)

The initial capital cost estimate is \$270.4M which excludes investment of \$58.4M to acquire pre-production capability for product handling at rail and ship-loading facilities. This investment is reclaimed through agreements which provide a credit per tonne of product transported or by selling acquired capacity at the end of mine life. Mobile equipment such as railcars, loaders and haul trucks will be leased thus incurring pre-production leasing payments of \$22.0M. Major equipment and rolling stock sold at the end of mine life generates \$31.8M of salvage value.

During operations, additional mining equipment is required which incurs a sustaining capital of \$18.3M. Additional costs which are incurred during operations include: \$32.3M in royalty payments, leasing payments for mobile equipment such as railcars, loaders and haul trucks which totals \$87.9M and site closure costs of \$6.4M. These estimates are included in the FS financial analysis.

Table 6: Site and Astray Lake Loading Operating Cost Summary

Area	(\$/dmt)
Mining	15.5
Perimeter Dewatering and Water Management	0.7
Cushing and Screening and Product Handling	3.0
Product Truck Haulage to Astray Lake Rail Loading	6.7
Load-out and Rail Siding at Astray Lake	1.8
Site Administration	4.5
Site Services (Room & Board and FIFO Air Tickets)	3.1
Lump Drying	0.9
Total operating costs excluding Royalties	36.3

Note: The project remains subject to permitting and there is no assurance permitting will be obtained for the project or that material modifications may not be required

Technical Report and Qualified Person

An NI 43-101 Technical Report (the "Report") will be filed on SEDAR and on Century's website within 45 days of the date of this news release. The Report will consist of a summary of the FS prepared by BBA in respect of the FS. The technical information contained in this news release has been reviewed and approved by Mr. Derek Blais, P. Eng., of BBA with the exception of the Current MRE's which was reviewed and approved by Mr. Claude Duplessis, P.Eng., of Goldmunds Ecoservices Inc. and the mine design and mining plan which were prepared and approved by Ms. Joanne Robinson, P. Eng. of BBA. These individuals are considered as Qualified Persons ("QPs") as defined by NI 43-101 and are independent of the Corporation and Company. Additional FS QPs include Guillaume Joyal, P.Eng., of Englobe Corp., Sheldon Smith, P.Geo., of Stantec Consulting Ltd., and Byron O'Connor, P.Eng., of Pinchin Ltd.

Comments by the Company

Sandy Chim, Century's President and CEO added, "I am pleased with the feasibility study results at an initial capital cost of C\$270.4M, generating after-tax NPV₈ of C\$184.6M and after-tax IRR of 20.01%, which provide the foundation for our further advancement of the development of the Project."

He went on to say, "The feasibility study adopted the extraordinary innovation of transporting DSO fines in summer while also drying and stockpiling DSO lump. The dried lump will be transported in winter, avoiding the customary take-or-pay penalties of a winter transportation shut-down. The transportation innovation together with discrete equipment leasing and a reduction in transportation equipment, has greatly enhanced the Projects financial performance."

He also said, "Supported by these excellent results, management will work diligently to complete Indigenous Groups consultation and environmental assessment and permitting to reach a production decision as soon as possible."

Peter Jones, Chair of Century's Advisory Committee said, "The cost of drying DSO lump product to 2% moisture content, stockpiling and protecting it from additional moisture gain before reclaiming and winter transport, is a fraction of the cost of a normal winter transportation shutdown. Working with BBA Inc. of Montreal, Century has developed this innovative concept, which I believe is a first in Canada's Labrador Trough iron ore mines."

ABOUT CENTURY

[Century Global Commodities Corp.](#) (TSX:CNT) is primarily a resource exploration and development company with a large portfolio of multi-billion tonne iron ore projects in Canada, mostly discovered by its own exploration team. It has other non-ferrous metals properties under exploration as well as a well-established food distribution business (Century Food) in Hong Kong.

The Joyce Lake DSO Iron Ore Project

Joyce Lake, our most advanced project, is a DSO project in Newfoundland and Labrador, close to the town of Schefferville, Québec which is serviced by a rail link directly to ocean shipping iron ore ports at Sept-Îles. The Project has completed an updated feasibility study in 2022 and is undergoing environmental assessment. Joyce Lake is held in a special purpose vehicle, Joyce Direct Iron Inc., to be spun out to be a separate listed company.

Century Food

Century Food is a subsidiary operation of the Company which started a few years ago and is a value-adding marketing and distribution business of quality food products sourced from such regions as Europe and Australia and sold in the Hong Kong and Macau markets.

For further information please contact:

Sandy Chim, President & CEO

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