

KAMI

A PREMIUM-GRADE IRON ORE PROJECT
READY FOR DEVELOPMENT
IN THE LABRADOR TROUGH

Corporate Presentation

August 2019



Special Note Regarding Forward-Looking Information

This presentation contains "forward-looking information" within the meaning of the U.S. Private Securities Litigation Reform Act and Canadian securities laws concerning anticipated developments and events that may occur in the future. Forward looking information contained in this presentation includes, but is not limited to, statements with respect to: (i) the estimation of mineral reserves and mineral resources; (ii) the market, demand for, and future price of iron ore and related products; (iii) estimates of future steel production; (iv) estimation of railway capacity; (v) the negotiation, conclusion and potential terms of infrastructure contracts; (vi) potential economic benefits of the Kami Project; (vii) future freight costs, (viii) the potential advantages of iron ore concentrate produced from the Kami Project and (ix) the results of the Updated Feasibility Study ("FS") including statements about future production, future operating and capital costs, the projected IRR, NPV, payback period, construction timelines and production timelines for the Kami Project.

In certain cases, forward-looking information can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved" suggesting future outcomes, or other expectations, beliefs, plans, objectives, assumptions, intentions or statements about future events or performance. Forward-looking information contained in this presentation is based on certain factors and assumptions regarding, among other things, the estimation of mineral reserves and resources, the realization of resource estimates, iron ore and other metal prices, the timing and amount of future exploration and development expenditures, the estimation of initial and sustaining capital requirements, the estimation of labour and operating costs, the availability of necessary financing and materials to continue to explore and develop the Kami Project in the short and long-term, the progress of exploration and development activities, the receipt of necessary regulatory approvals, the estimation of insurance coverage, and assumptions with respect to currency fluctuations, environmental risks, title disputes or claims, and other similar matters. While the Company considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect.

Forward-looking information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information. Such factors include risks inherent in the exploration and development of mineral deposits, including risks relating to changes in project parameters as plans continue to be redefined including the possibility that mining operations may not commence at the Kami Property, risks relating to variations in mineral resources, grade or recovery rates resulting from current exploration and development activities, risks relating to the ability to access rail transportation, sources of power and port facilities, risks relating to changes in iron ore prices and the worldwide demand for and supply of iron ore and related products, risks related to increased competition in the market for iron ore and related products and in the mining industry generally, risks related to current global financial conditions, uncertainties inherent in the estimation of mineral resources, access and supply risks, reliance on key personnel, operational risks inherent in the conduct of mining activities, including the risk of accidents, labour disputes, increases in capital and operating costs and the risk of delays or increased costs that might be encountered during the development process, regulatory risks, including risks relating to the acquisition of the necessary licenses and permits, financing, capitalization and liquidity risks, including the risk that the financing necessary to fund the exploration and development activities at the Kami Project may not be available on satisfactory terms, or at all, risks related to disputes concerning property titles and interest, environmental risks, and the additional risks identified in the "Risk Factors" section of the Company's Annual Information Form for the most recently completed financial year or other reports and filings applicable with Canadian securities regulators. Accordingly, readers should not place undue reliance on forward-looking information. The forward-looking information is made as of the date of this presentation. Except as required by applicable securities laws, the Company does not undertake any obligation to publicly update or revise any forward-looking information.

Additional Information

For further information on the Kami Project please refer to the Technical Report entitled "Updated Feasibility Study of the Kamistatusset (Kami) Iron Ore Property, Labrador" dated effective September 26, 2018 (the "Report"), that is available on SEDAR at www.sedar.com.

NI 43-101 Qualified Person

The technical information presented in this presentation is from the Report. The Report was prepared under the supervision of Mr. Angelo Grandillo, P.Eng, of BBA, a Qualified Person as defined by NI 43-101, with contributions from Gemtec Limited and Watts, Griffis and McQuat ("WGM"). Mr. Grandillo is a Qualified Person as defined by NI 43-101 and Mr. Grandillo is independent of Alderon. Mr. Grandillo has reviewed and approved the technical information contained in the Report, with the exception of the mineral resource estimate. Mr. Michael Kociumbas, P.Geo. with independent firm, Watts, Griffis and McQuat Limited, is a Qualified Persons as defined by NI 43-101 and is responsible for reviewing and approving the mineral resource estimate and the QA/QC associated with the mineral resource estimate. Mr. Kociumbas is independent of Alderon.

MARKET

Chinese demand + India on the move

PRICING

Sustained premia for higher quality ores

**Approved by
Regulators**

LOCATION

Premier district - Labrador Trough

ECONOMICS







\$1.7 billion NPV8

24.6% IRR

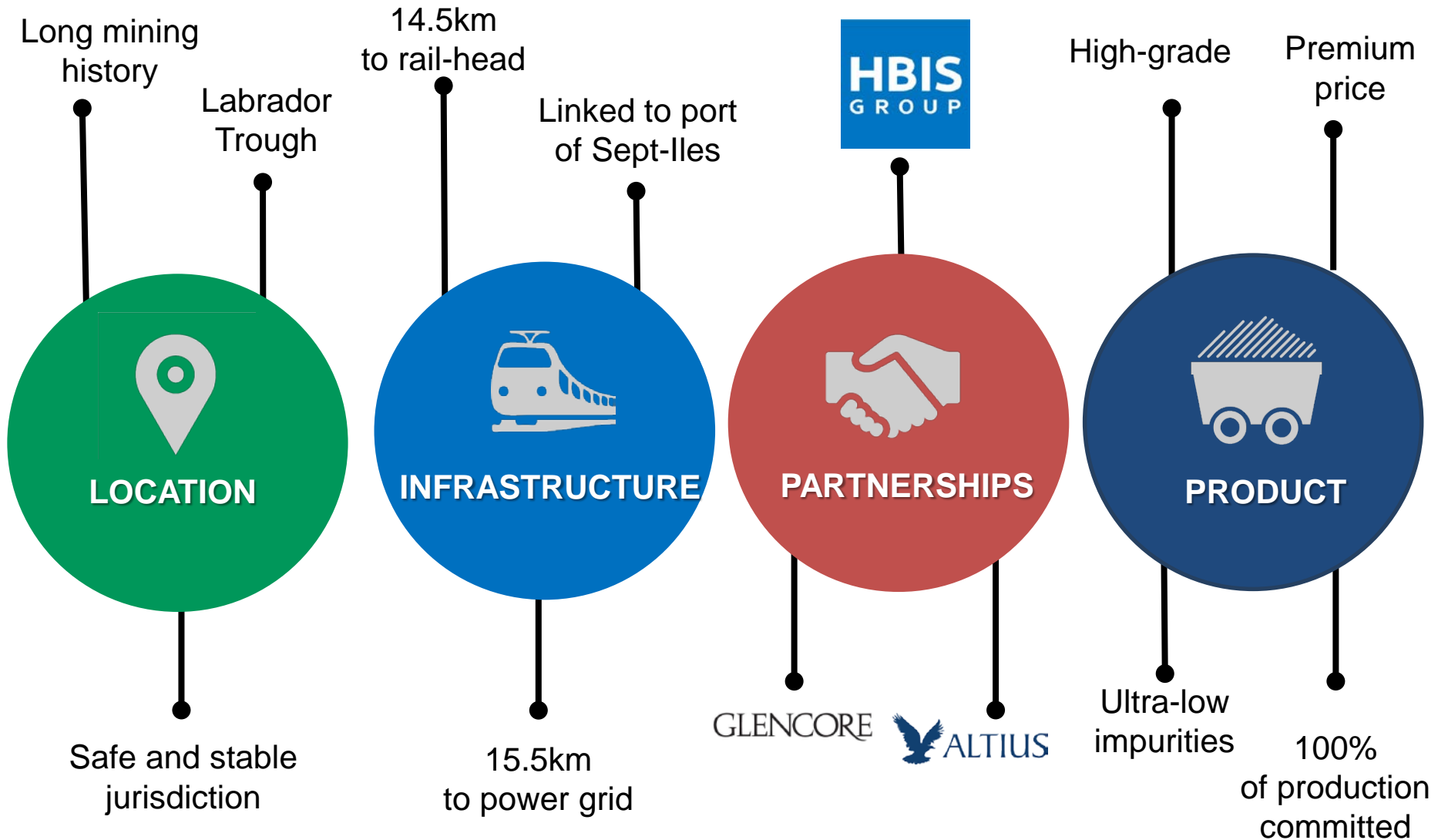
(USD, Pre-Tax)

**Projected premium product quality represents
an exceptional value-in-use proposition for the steelmakers**

Kami has been approved by the regulators and largely de-risked

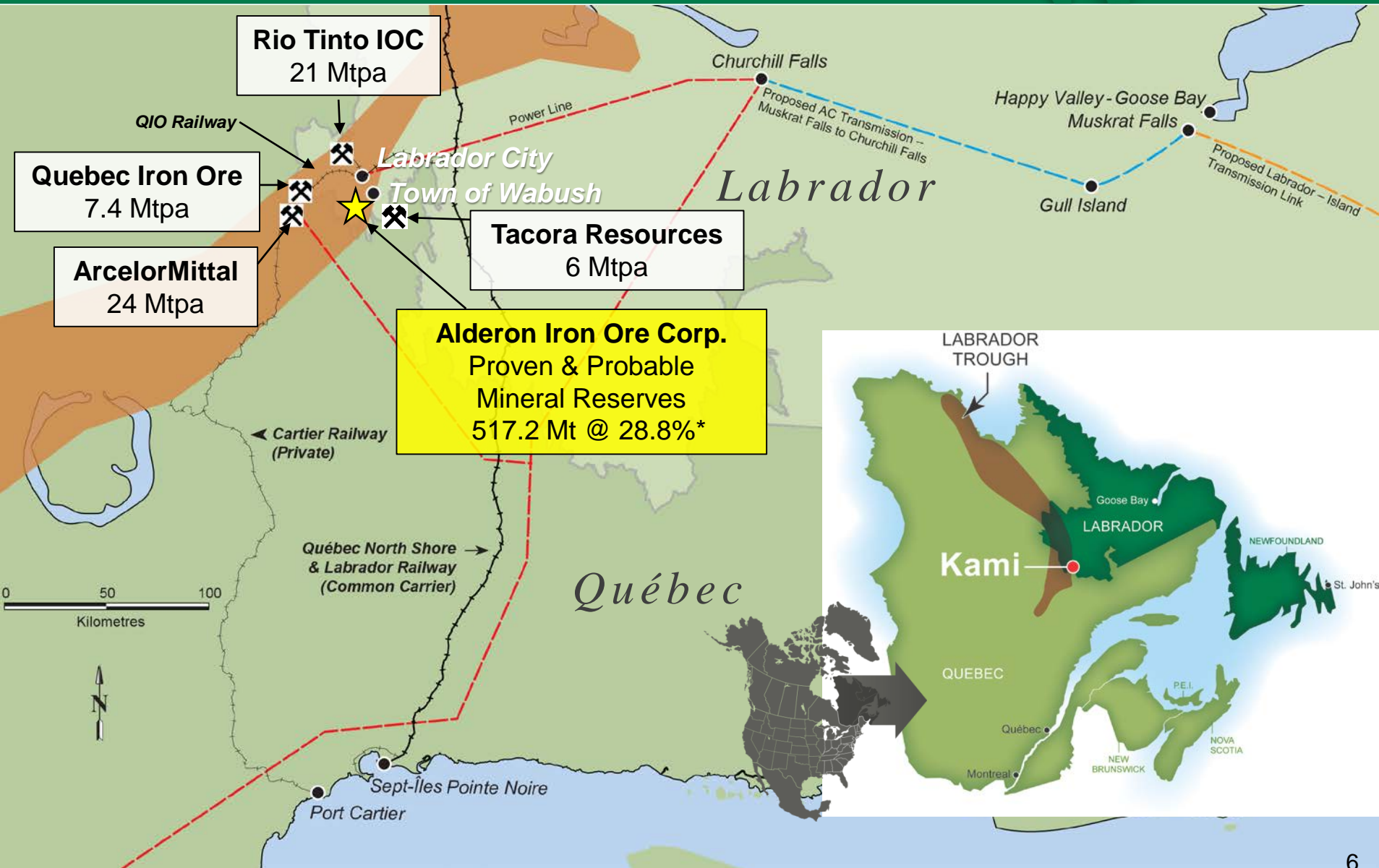
Achieved	 <p>Project Development</p>	<ul style="list-style-type: none"> ✓ Detailed engineering advanced to 50% ✓ Key processing equipment purchased ✓ Extensive flowsheet and product testing completed
	 <p>Infrastructure Agreements</p>	<ul style="list-style-type: none"> ✓ Port access agreement concluded ✓ Power purchase agreement concluded ✓ Rail access guaranteed under common-carrier obligations
	 <p>Environmental Assessment</p>	<ul style="list-style-type: none"> ✓ Released from Federal & Provincial Environmental Assessments ✓ Mining and surface leases obtained
	 <p>Off-Take</p>	<ul style="list-style-type: none"> ✓ Long-term offtake agreement with HBIS for 60% of production ✓ Long-term offtake agreement with Glencore for 40% of production
	 <p>Stakeholder Agreements</p>	<ul style="list-style-type: none"> ✓ Provincial benefits agreement and diversity plan concluded ✓ Municipal agreements concluded ✓ Indigenous agreements in place (2 out of 5)
I/P	 <p>Financing</p>	<ul style="list-style-type: none"> ✓ Updated feasibility study concluded in Q3-2018 ✓ Appointed Financial Advisor in Q1 2019

Kami Project possesses strong fundamentals



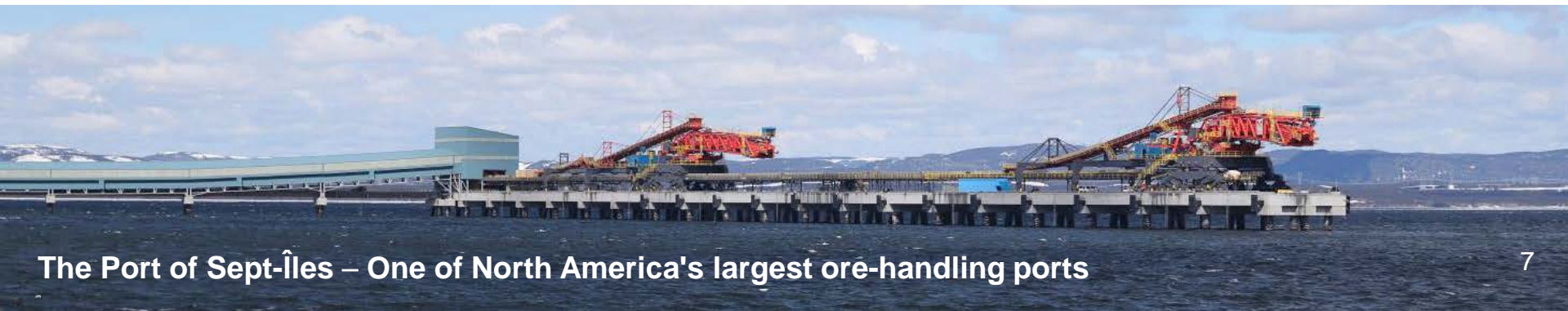
Underpinned by 1.1 billion tonnes of Measured & Indicated Mineral Resources

Ideal location with access to power, rail and port infrastructure



*Note: The Mineral Reserve estimate is effective as of August 12, 2018. The Proven and Probable Mineral Reserves are derived from the December 17, 2012 Mineral Resource estimate. Total Measured & Indicated Resources exclude Mineral Resources within the Mills Lake Deposit, and the Inferred Mineral Resources within the Rose Deposit.

- ***Concluded long-term agreement with Port of Sept-Îles*** in return for a C\$20.46 million investment
 - Multi-user berth in deep water up to 23 meters, suitable for large, cape-size vessels
 - Loading capacity of 50 to 60Mt per year
- ***Power Purchase Agreement concluded***
 - Life of mine contract for 65 mega-watts at very competitive rates
- ***Nearby common-carrier railway*** with over 80Mt per year capacity → ***guaranteed access***



Strategic partnerships in place



- HBIS Group is China's second largest steelmaker
 - Has invested a total of C\$182.2 million to date
 - Holds 25% interest in the Kami Project and 18.7% in Alderon
 - Committed to invest up to C\$220 million towards construction
 - Will purchase 60% of annual production for 15 years

- Altius Minerals is an exploration and project generation company
 - Holds 39% of the outstanding shares of Alderon
 - Has multiple successful investments in the Labrador Trough

- Glencore is one of the world's largest global diversified natural resource companies
 - Will purchase 40% of annual production for 15+ years



Chinese iron and steel manufacturing conglomerate.



Canadian diversified mining royalty company.

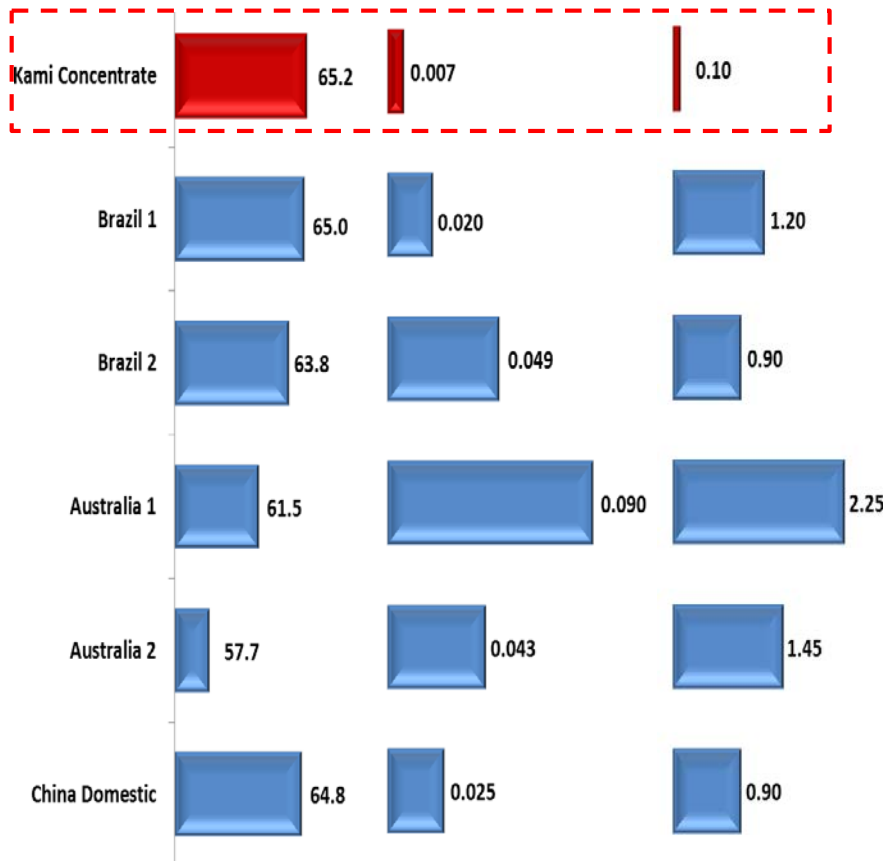


Anglo-Swiss multinational commodity trading and mining company.

Partners will purchase 100% of annual production

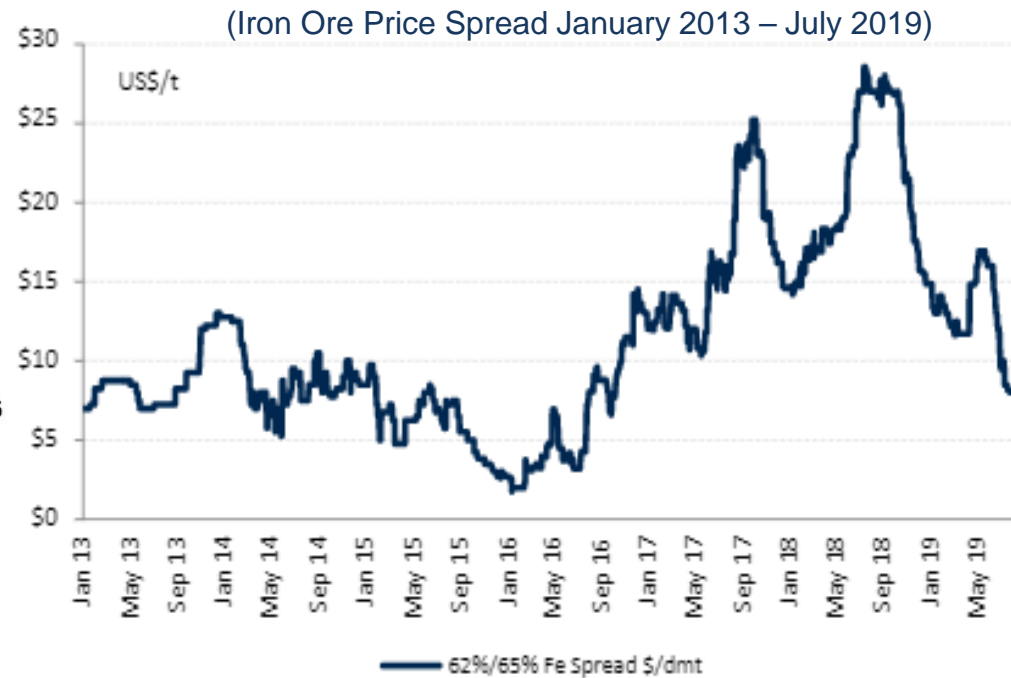
Kami offers a differentiated product to supply an evolving market

Iron %* (Fe) Phosphorus %* (P) Aluminium oxide%* (Al₂O₃)



Source: Platts & Company Disclosures

Kami's concentrate quality will attract premium pricing

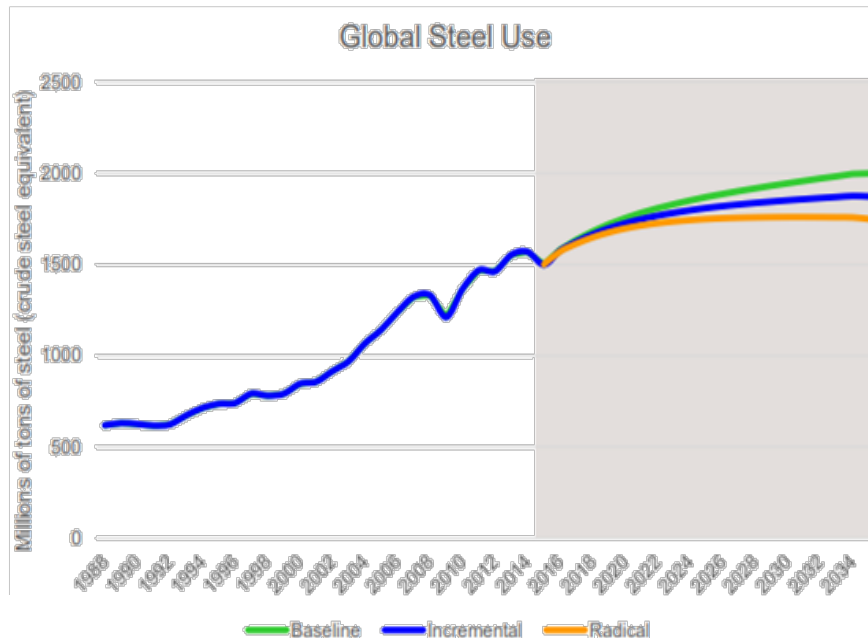


Source: Platts

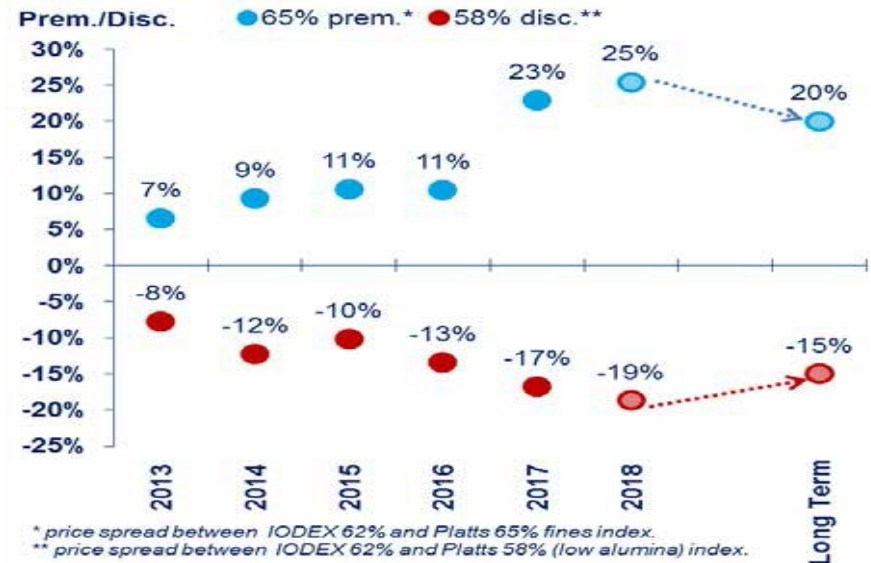
China's drive for emissions reduction is leading to supply side reforms and shift to higher-quality raw materials

Premium product and strong market form the foundation of Kami Project's launch

- Kami offers a premium product relative to benchmark 62%-Fe grade with higher iron content and ultra-low impurities
- Chinese steel production remains robust; India positioned to drive next wave of steel intensity growth
- Iron-ore consumption expected to peak by mid to late next decade (CAGR=0.4%)
- Price spread to moderate but will be sustained in the long term



Source: Wood Mackenzie



Source: Accenture Strategy

2018 Feasibility Study (FS) reconfirms economic potential*

\$1.7 billion NPV₈ 24.6% IRR

Annual Production (65.2% Fe con)	7.84 Mtpa
Initial CAPEX	\$982.41 million
Cash operating cost (FOB) (\$/t of concentrate)	\$30.72/t
Capital Intensity	~\$125/t
Payback Period	4.0 years
Proven and Probable Mineral Reserves Rose Pit ⁽¹⁾	517.2 Mt @ 28.8% TFe
Mine Life ⁽²⁾	23 years

*Pre-tax, USD

1. Effective as of August 12, 2018. Proven and Probable Mineral Reserves are derived from the December 17, 2012 Mineral Resource estimate.

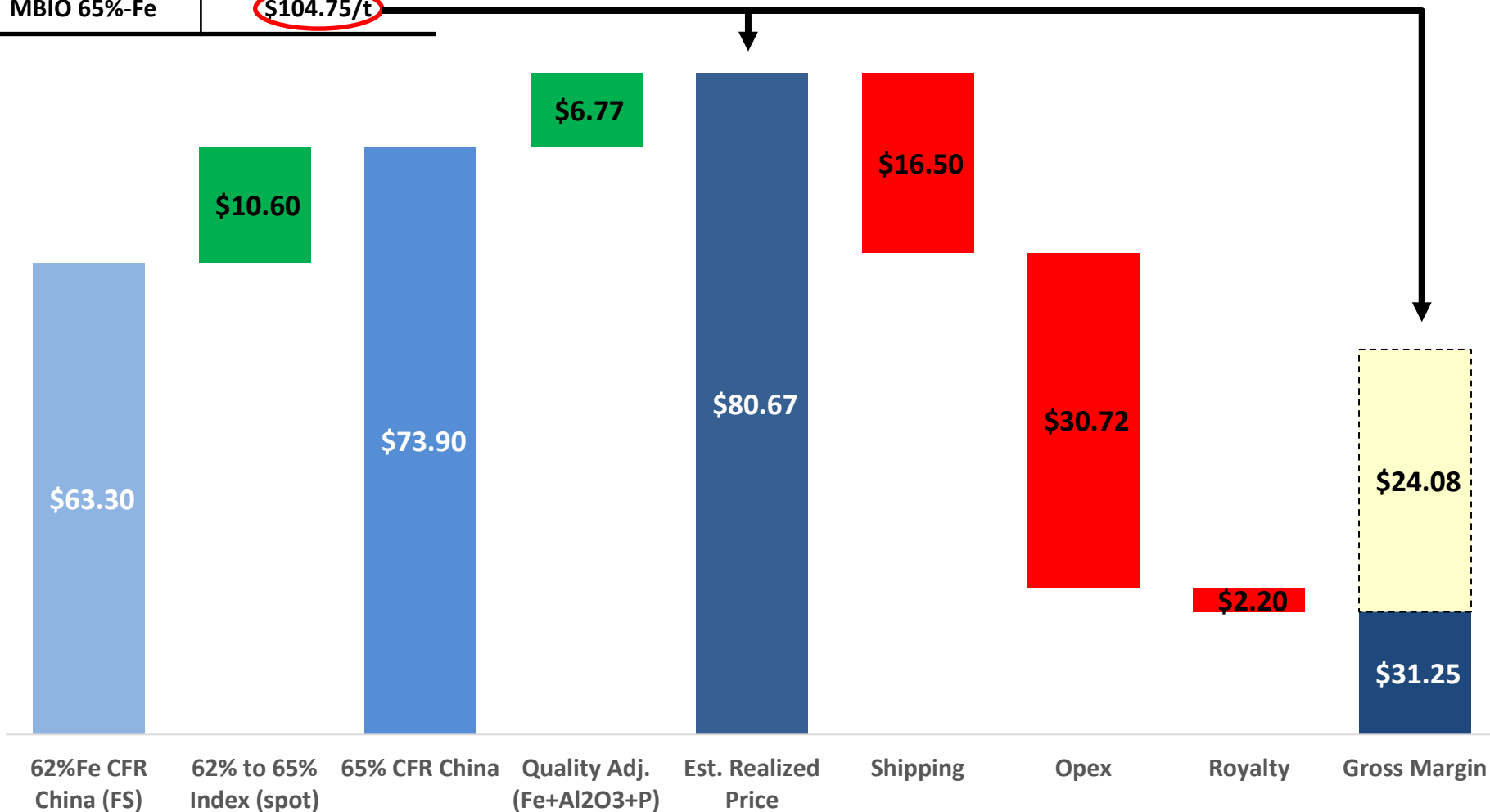
2. LOM excludes developing Mills Lake.

Premium grade concentrates underpin strong margins

Benchmark Prices, 8 August 2019

MBIO 62%-Fe	\$94.15.15/t
MBIO 65%-Fe	\$104.75/t

Current pricing implies substantial upside to feasibility study (FS) assumptions



Summary of CAPEX & OPEX

Estimated Initial Capital Costs (Million US\$)

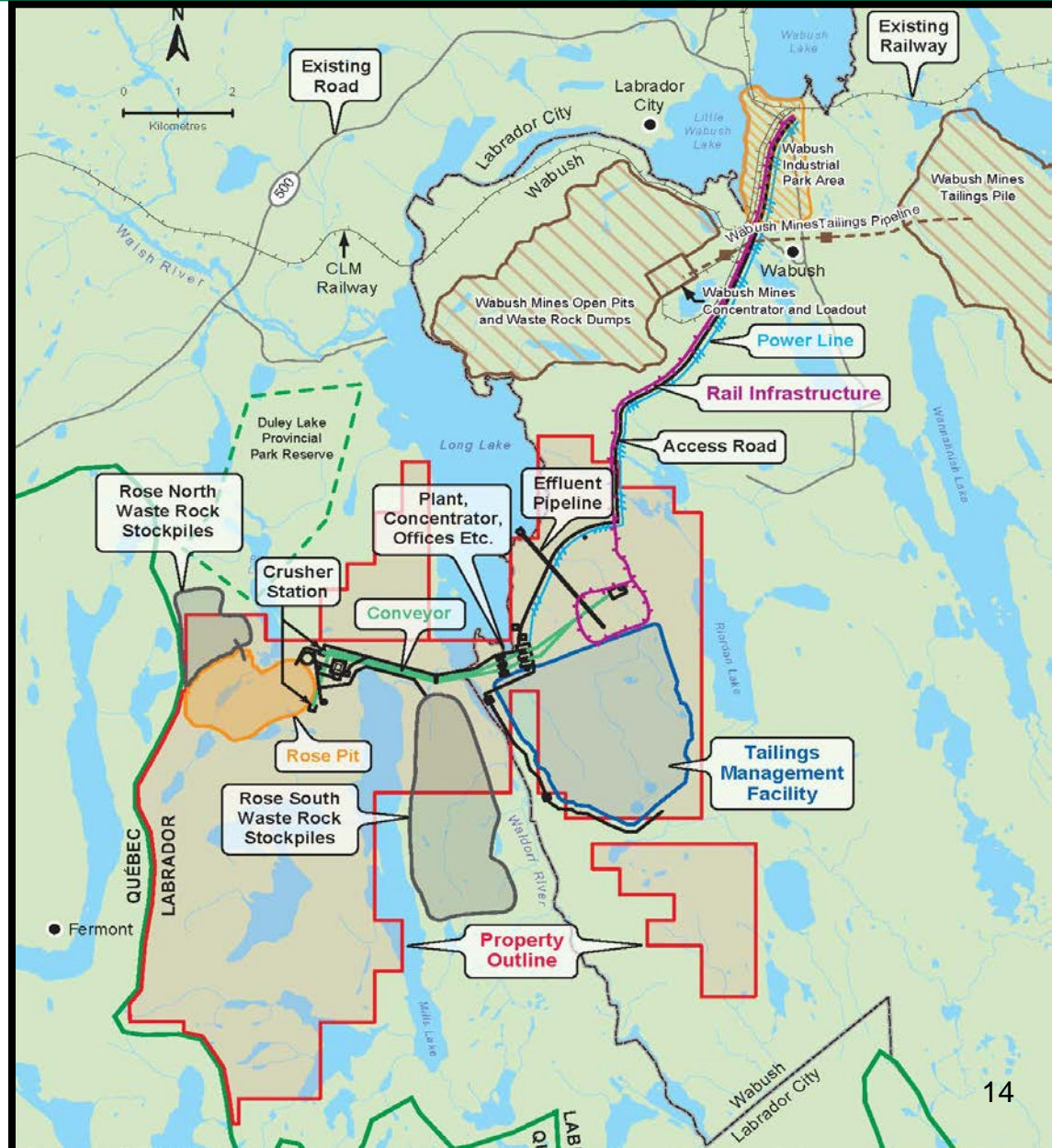
Mine	\$72.20
Mineral Processing Area	\$302.81
TMF Area (Initial Dykes)	\$23.66
Site Infrastructure and Utilities	\$309.90
Other EPC Costs (Indirects, Guaranties, Insurance)	\$192.17
Total EPC Costs	\$900.74
Pre-Operational Capitalized Costs	\$26.90
Owner's Costs	\$30.98
Mine (Waste Rock Pre-Stripping by Kami)	\$23.79
TOTAL	\$982.41

Estimated Average LOM Operating Costs (US\$/t Dry Concentrate)

Mining (including mining equipment leasing costs)	\$11.25
Mineral Processing	\$5.72
General Site	\$0.50
General Administration	\$2.26
Environmental & Tailings Management	\$0.37
Rail Transportation and Port Services (including railcar leasing costs)	\$10.62
TOTAL	\$30.72

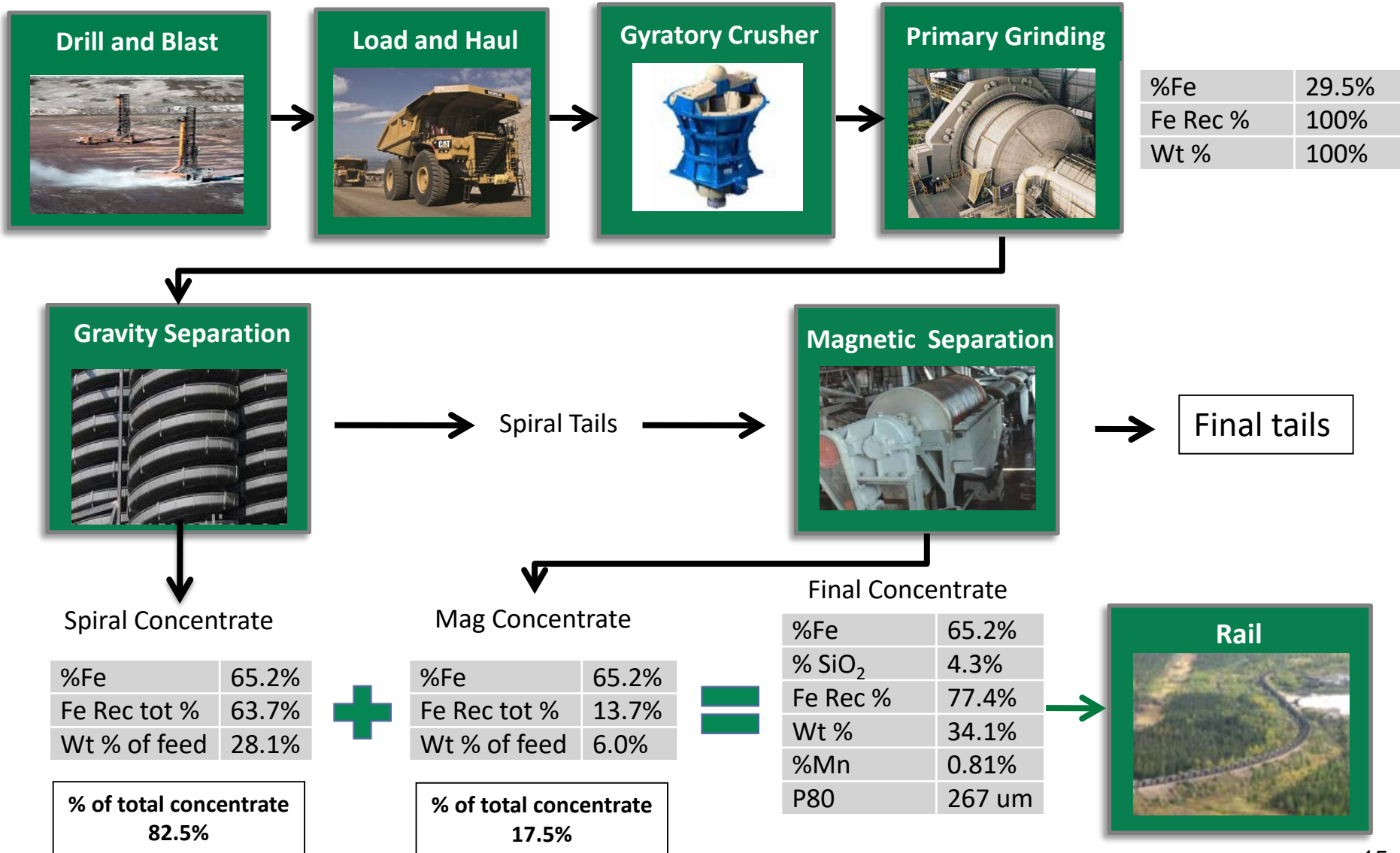
Subject to financing, project remains shovel-ready

- Flowsheet includes:
 - Open pit with load and haul
 - In-pit crushing & conveying
 - Concentrator
 - Rail loop and load-out
- Redesigned tailings management facility to meet stricter safety requirements
- 15km rail spur to connect to QNS&L
- Multi-user terminal facilities & operations contracted from SFPPN
- Ship-loading via the new multi-user dock in Pointe-Noire



Conventional flowsheet

Premium-quality product



Major Chemistry (wt% - dry basis)							
Fe	Fe ⁺⁺	SiO ₂	MgO	CaO	Al ₂ O ₃	Na	K
65.2	13.8	4.3	0.6	0.6	0.1	<0.02	<0.01
Mn	Ti	Cr	V	P	S	C	LOI
0.7-0.8	0.01	<0.01	<0.005	<0.007	0.013	0.4	<0.31

Physical Characteristics	
Size Distribution (p80)	267µm
Size Distribution (+450µm)	2.5%
Size Distribution (-150µm)	52.6%
Shipping Moisture	4.7%

- Fully released from Federal and Provincial Environmental Assessment; **permitted for construction start**
- Concluded stakeholder agreements
 - Provincial benefits agreement with Newfoundland and Labrador
 - Municipal agreements with Labrador City and Wabush
 - Impact/benefit agreement with two Indigenous organizations
- *Project Consultation Plan* involves engaging community residents and groups, local businesses, and government regulators
- *Indigenous Relations Policy* involves information sharing, engagement, and traditional land and resource use studies

Preliminary project schedule

	2019				2020			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Marketing								
Strategic Investor								
Financing Relaunch								
Debt								
Equity								
Project Restart*								
Construction Start*								

* Subject to full financing



Appendix

Board of Directors



<p>Mark J. Morabito B.A., J.D. Chairman</p>	<ul style="list-style-type: none">• 20 years of experience in public markets with strong focus on capital-raising and corporate development for junior mining companies.• Led the team that struck an off-take agreement with Hebei Iron & Steel, China's largest steel producer, worth over \$400 million.• Holds a BA from Simon Fraser University and completed his J.D. at the University of Western Ontario.
<p>Tayfun Eldem P.Eng President & CEO, Director</p>	<ul style="list-style-type: none">• Seasoned mining executive with nearly 30-years of operating and technical experience in iron ore.• Held several executive roles at Rio Tinto's Iron Ore Company of Canada, including COO and VP, Expansion Projects & Engineering.• Formerly Managing Director of Iron Ore & Coal at Hatch.• Professional Engineer and a graduate of Dalhousie University.
<p>Rolland G. Morier MBA Director</p>	<ul style="list-style-type: none">• Served as President of Northern Strategies Inc. since 2015.• 20 years at the Rio Tinto Group in senior executive roles including CFO roles at the Iron Ore Company of Canada and Quebec Iron & Titanium.• Holds Master of Business Administration and Bachelor of Commerce degrees from Concordia University and McGill University respectively.
<p>Adrian Loader M.A. Director</p>	<ul style="list-style-type: none">• 20 years working for Shell, including most recently as President and CEO of Shell Canada.• Previously served as Director of Strategy and Business Development and Director of Strategic Planning, External Affairs, HSE and Sustainable Development for the Royal Dutch Shell Group.• Graduated with an MA from the University of Cambridge.
<p>John Baker Q.C Director</p>	<ul style="list-style-type: none">• Co-founded Altius in 1997, has been the Chairman of Altius since 2006 and was appointed its Executive Chairman in June 2014.• Senior partner in a leading St. John's law firm until June 2014, where he conducted mining corporate and commercial practice.• Named "St. John's Corporate Lawyer of the Year" by the respected peer review publication Best Lawyers.
<p>David Porter MBA Director</p>	<ul style="list-style-type: none">• Formerly Vice President, Human Resources & Organizational Effectiveness for the Iron Ore Company of Canada.• 33 years experience in operations, HSE, sustainable development, and community relations across the mining and steel sectors.• Negotiated landmark agreements with international unions, governments, and communities.
<p>Zhou (Wayne) Wei Director</p>	<ul style="list-style-type: none">• President of HBIS Canada and Vice President, Finance & Procurement (China) of The Kami Mine Limited Partnership.• Managed the Export Department of HBIS group prior to becoming President of HBIS Canada.• Holds an Industry Management Engineering degree from Hebei University of Science and Technology.
<p>Dr. Andrew Furey MD, MSc, BSc, FRCSC Director</p>	<ul style="list-style-type: none">• Associate Professor of Surgery at Memorial University, the President of the Newfoundland and Labrador Surgical Society.• Named one of Atlantic Business Magazine's Top 50 CEOs and was the recipient of the 2015 CBC Innovator of the Year award.• Holds a B.Sc. Biology, M.D., and M.Sc., Medicine: Clinical Epidemiology, from Memorial University in Newfoundland.

Ticker	IRON: TSX
Shares Outstanding as of June 30, 2019	139,353,486
Options as of June 30, 2019	5,860,000
Compensation Options Outstanding (as at June 30, 2019)	900,000
Market capitalization	C\$40 million
52-week Share Price Range	\$0.22 - \$0.495
Current Share Price as of August 6, 2019	\$0.29

Board of Directors	Management
Mark Morabito – Chairman	Tayfun Eldem – President & CEO
Tayfun Eldem	Kate-Lynn Genzel – CFO
Rolland G. Morier	Gary Norris – Executive VP Government & Community Affairs
Adrian Loader	Xinneng (David) Li – VP Asia Pacific Affairs
John Baker	Olen Aasen – Corporate Secretary
David Porter	
Zhou Wei (Wayne)	
Dr. Andrew Furey	

Major Shareholders in Alderon Iron Ore Corp*.	
Altius Minerals	38%
HBIS Group	19%
Other Insiders	~2%

Shareholder Distribution



*Source: SEDI



ALDERON

IRON ORE CORP

For more information, please contact:

Allison Penton

Phone: 604-681-8030 ext. 289

Email: info@alderonironore.com

Corporate Head Office

1240 – 1140 West Pender St.
Vancouver, BC V6E 4G1

Montreal

4th Floor
6500 Trans Canada Highway
Pointe-Claire, QC H9R 0A5

www.alderonironore.com

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