

## NEWS RELEASE

### **Cartier Iron Defines Inferred Mineral Resource of 531 Million Tonnes grading 33% Total Iron for the Penguin Lake Deposit, southern Labrador Trough**

- **Cartier Iron outlines 531.2 million tonnes grading 33.1% total Iron of In-pit Inferred Mineral Resources at Penguin Lake Project**
- **Additional exploration target potential estimated to be in excess of a further 800 million tonnes**
- **Penguin Lake hosts the largest iron resource in the southern Gagnon Terrane**

**Toronto (Canada), December 19, 2013 – CARTIER IRON CORP. (CNSX: CFE)** (“Cartier Iron”, or the “Company”) is pleased to announce the completion of a current Mineral Resource Estimate for the Penguin Lake Project (“Penguin Lake”) located within the recently consolidated Round Lake Property, one of Cartier Iron’s Gagnon Holdings (**Figure 1**).

The Mineral Resource Estimate (MRE) was completed by Abder Ladidi, P. Geo., an independent QP of MRB & Associates (“MRB”) of Val-d’Or, Québec, based on 10 drill holes totalling 3,315 m, completed between January 16<sup>th</sup> and February 23<sup>rd</sup>, 2013.

The updated MRE increases the historic resource<sup>1</sup> by an order of magnitude to 531.1 million tonnes (Mt) grading 33.1% Total Iron (FeT) of In-pit Inferred Resources at a 15% FeT cut-off grade. The global in-situ mineral resource of 534.8 Mt grading 33.1% FeT was subject to a Whittle pit optimization to estimate the portion of in-situ Mineral Resource within the pit shell. P&E Mining Consultants of Brampton, ON were contracted by MRB to run the pit shell using a 1.05:1.00 \$CDN:\$US exchange rate, a mining cost of \$2.50/Tonne, and a charge of \$18.10/Tonne for the total processing, G&A, and freight costs. The process recovery, estimated to be 82%, an iron ore price of \$1.77/dmtu, and a 48° overall pit-slope, were used to complete the Whittle pit optimization. The sensitivity of the resource estimates are demonstrated by comparing the proportion of the mineral resources that may be economically exploited within the optimized pit shell to the global in-situ resource. A summary of the Global In-Situ Mineral Resource Estimate is presented in **Table 1** and the results of the In-Pit Mineral Resource are presented in **Table 2**.

John Langton, Cartier Iron’s President commented, “*The Company considers this inaugural drilling campaign to be an unqualified success. The considerable knowledge, experience and skill of our team has steered this Project to a ten-fold increase of the historic resource at Penguin Lake. The updated resource makes the Penguin Lake deposit the largest iron resource in the southern Gagnon Terrane. The current resource comprises less than half of the modelled bowl-shaped deposit. There is huge upside resource potential in the areas to the north, and to the west, where the iron formation is interpreted to re-surface.*”

Mr. Langton further stated, “*Additional work in the near-term at Penguin Lake will include metallurgical studies followed by a Preliminary Economic Assessment to establish the parameters required for the future development of the Project.*”

**Table 1: Global In-situ Mineral Resource Estimate, Penguin Lake Project**

Cut-off Grade	Global Inferred Resources*				Below Cut-off			
	Tonnes (millions)	FeT%	Grade CaO%	MgO%	Tonnes (millions)	FeT%	Grade CaO%	MgO%
15%	534.8	33.1	3.1	2.8	0.0	0.0	0.0	0.0
20%	534.7	33.1	3.1	2.8	0.1	15.4	2.1	1.7
25%	531.4	33.2	3.0	2.8	3.4	23.2	4.7	3.0
30%	466.4	33.9	2.9	2.8	68.4	28.2	4.1	2.7

**Table 2: In-Pit Mineral Resource Estimate, Penguin Lake Project**

Cut-off Grade	In-Pit Inferred Resources*				Below Cut-off			
	Tonnes	FeT%	Grade CaO%	MgO%	Tonnes	FeT%	Grade CaO%	MgO%
<b>15%</b>	<b>531.2</b>	<b>33.1</b>	<b>3.1</b>	<b>2.8</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
20%	531.1	33.1	3.1	2.8	0.0	15.4	2.1	1.7
25%	527.8	33.2	3.0	2.8	3.4	23.2	4.7	3.0
30%	463.9	33.9	2.9	2.8	67.3	28.2	4.1	2.7

\* The quantity and grade of the reported Mineral Resources within the Project are categorized as Inferred Mineral Resources. Inferred Mineral Resources are that part of a Mineral Resource for which quantity and grade or quality can be estimated on the basis of geological evidence and limited sampling and reasonably assumed, but not verified, geological and grade continuity. The estimate is based on limited information and sampling gathered through appropriate techniques from drill core. There is no guarantee that further exploration will upgrade the Inferred Mineral Resources to Indicated or Measured Mineral Resources. Mineral Resources which are not Mineral Reserves do not have demonstrated economic viability. The estimate of Inferred Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues.

The 10 drill holes that define the MRE drilled only the southern portion of the deposit. The deposit occurs in the form of a multiply refolded tightly overturned synform that produces a bowl-like shape of shallow dipping iron formation host rock. No recent drilling has been completed in the northern portion of the deposit however, the strong correlation of magnetic response to where iron formation surfaces and a historic drill hole located in the NW portion of the deposit allow for projection of the modelled iron formation and an estimate of the exploration target potential\*\*. The interpreted 3D model of iron formation includes an additional 700 to 900 million tonnes of similar grade as suggested by the current Inferred Resource, predominantly in the undrilled portion of the deposit to the north and northwest where additional resources might be identified.

\*\* Exploration Target Potential is not a Mineral Resource. There is insufficient work completed to estimate the quantity and grade or quality of the exploration target on the basis of geological evidence and sampling. There is no guarantee that further exploration will define additional mineral resources from any portion of the exploration target potential.

A comparison of the current global in-situ mineral resource and in-pit mineral resource demonstrates the amenable geometry of the deposit to open-pit mining with 99+% of the in-situ resource occurring within the optimized pit shell.

Furthermore, it is apparent that a natural geological cut-off grade exists for the modelled high grade iron oxide deposit that is above the economic cut-off grade. As can be seen by the quantity and grade of below cut-off grade material at the higher cut-off grades, the natural cut-off grade of the deposit is near 25% FeT where only 0.6% of the material is below cut-off at an average grade of 23.2% and well above the economic cut-off grade of 15% FeT.

The Penguin Lake Project is being carried out on the Round Lake Property, part of Cartier Iron's "Gagnon Holdings", which encompass 5 separate mineral concessions covering 344 km<sup>2</sup> in the Gagnon Terrane of the southern Labrador Trough. The Gagnon Holdings are currently being explored pursuant to an option agreement with Champion Iron Mines Limited (TSX: CHM) whereby Cartier Iron was granted the right to earn a 65% interest in the iron-rich mineral concession (see Cartier Iron's press release dated December 11, 2012).

#### ***About Cartier Iron Corporation***

Cartier Iron is an exploration and development Company focused on discovering and developing significant iron ore resources in eastern Canada, particularly in the provinces of Quebec. The Company's projects include the Gagnon Holdings in the Cote-Nord Region of east-central Quebec, and the Borel River Prospect in the Nunavik Region of northern Quebec.

*The technical information in this news release was prepared by John Langton, P. Geo., President and a Director of the Company, and a Qualified Person under NI 43-101 standards.*

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*The CNSX has not reviewed nor accepts responsibility for the adequacy or accuracy of this release. Statements in this release that are not historical facts are "forward-looking statements" and readers are cautioned that any such statements are not guarantees of future performance, and that actual developments or results, may vary materially from those in these "forward-looking statements."*

<sup>1</sup>*The on-line documented information on the Lac Pingouin Occurrence describes the rocks hosting the mineralization and the historic resource, and can be viewed at <http://sigeom.mrnf.gouv.qc.ca/> (COGITE #23C/01-0004). Historical Mineral Resource for the Lac Pingouin occurrence are also stated in MRNFQ Assessment Files GM12096 and GM13035.*

Please visit Cartier Iron's website at [www.cartieriron.com](http://www.cartieriron.com).

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**Gagnon Holdings**

**Legend**

- ★ Provincially catalogued iron occurrence
- Québec Cartier railway (ArcelorMittal)
- Highway 389 (all season)
- Hydroelectric line
- Cartier Iron claims
- ArcelorMittal claims

