



Alderon Reappoints Tayfun Eldem as Chief Executive Officer

January 16, 2018

(TSX: IRON)

VANCOUVER, BRITISH COLUMBIA, Alderon Iron Ore Corp. (TSX: IRON) ("Alderon" or the "Company") is pleased to announce the reappointment of Mr. Tayfun Eldem as the President & Chief Executive Officer and Director of Alderon effective as of February 5, 2018, at which time Mr. Mark J. Morabito will assume the role of Non-Executive Chairman.

"I am very excited to rejoin Alderon and continue to advance the Kami Project into production," stated Tayfun Eldem. "Kami will bring jobs to and grow the economies of Newfoundland and Labrador and Quebec by producing a high-quality iron ore in Newfoundland and Labrador and shipping it through the Port of Sept-Îles in Quebec. Currently, prices for high-quality iron ore have a significant spread above the benchmark Platts 62% iron ore index price, and this spread is expected to continue to widen as environmental regulation becomes more rigorous. I want to thank Mark Morabito and the Board for their leadership during the market downturn and their excellent work in maintaining and advancing Kami by updating the Preliminary Economic Assessment (PEA) and Economic Impact Assessment (EIA) reports. With the technical reports fully updated and showing strong fundamentals, now is the ideal time to progress the Kami Project toward production."

Mr. Eldem was President and CEO of Alderon from September 2011 to August 2015, and was instrumental in further developing the Kami Project. Kami Project milestones achieved during Mr. Eldem's past tenure include: completion of a preliminary economic assessment and bankable feasibility study, establishment of the current mineral resource estimate, signing of a strategic partnership and off-take agreement with HBIS Group of China that included financing commitments totalling \$402 million, conclusion of a 15-year off-take agreement with Glencore AG, securing \$49 million in equity financing from Liberty Metals and Mining, conclusion of a user agreement with the Port of Sept-Îles, signing of a power purchase agreement with Newfoundland and Labrador Hydro, conclusion of a number of stakeholder agreements and attainment of successful release from Federal and Provincial environmental assessment processes.

Mr. Eldem has 29 years of experience in the mining industry and has previously worked for the Iron Ore Company of Canada, a Rio Tinto subsidiary, for more than 20 years. During this period, Mr. Eldem held many senior roles including Chief Operating Officer, Vice President, Expansion Projects & Engineering, and General Manager of Processing Operations. As COO Mr. Eldem was accountable for all of IOC's operations from the mine through the processing plants to rail and port and oversaw the development and delivery of a nearly \$2.0 billion program of green and brown fields expansion projects. A graduate of Dalhousie University Mr. Eldem is a professional engineer and has completed the Operations Management Program at the Richard Ivey School of Business and the Strategic Leadership Program at London Business School.

Consistent with the strategic plan to fast track the Kami Project, Mark Morabito, Alderon's founder and current Chairman and CEO, will transition with Mr. Eldem and continue to be involved with Alderon as Non-Executive Chairman of its Board of Directors. Mr. Morabito will focus on Alderon's capital market program and strategic initiatives.

"I am very pleased that Tayfun Eldem has decided to rejoin Alderon as CEO. The high-grade, low deleterious element iron ore that will be produced at Kami is the perfect composition to be blended with Pilbara iron ore and will fetch a premium price because of its quality," stated Mark Morabito. "Stricter

environmental regulation has driven demand for superior quality iron ore, as it allows end users to improve productivity, reduce costs, and meet more stringent environmental standards. The updated PEA and EIA studies, released in late 2017, demonstrate that the Kami Project maintains robust economics and will significantly benefit the economies of Newfoundland and Labrador, Quebec, and Canada as a whole."

Kami Project Updated PEA and EIA Highlights:

EIA Highlights:

- 100,600 person years of direct, indirect, and induced employment across Canada
- \$7.6 billion in direct, indirect, and induced incomes to workers and businesses across Canada
- Over 32,000 person years for Newfoundland and Labrador and over 42,400 person years for Quebec of direct, indirect and induced employment during construction and operations
- \$2.2 billion for Newfoundland and Labrador and \$3.3 billion for Quebec in direct, indirect, and induced incomes to workers and local businesses

PEA Highlights:

- US\$1,781 million NPV at 8% discount rate
- 25.7% IRR and 3.7 projected years to payback
- US\$999.4 million total estimated capital cost
- US\$29.94/dmt average estimated operating costs (loaded in ship Port of Sept-Îles)

The Economic Impact Assessment was based on the production profile, operating cost assumptions and capital cost projections included in the technical report entitled "Update to the Re-Scoped Preliminary Economic Assessment of the Kamistatusset (Kami) Iron Ore Property, Labrador", dated effective November 7, 2017 (the "Updated PEA"). The PEA Highlights are taken from the Updated PEA. A copy of the Updated PEA is available on SEDAR at www.sedar.com. The Updated PEA was prepared under the supervision of Mr. Angelo Grandillo, P.Eng, of BBA, a Qualified Person as defined by National Instrument 43-101, with contributions from Gemtec and 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 PEA Highlights.

About Alderon Iron Ore Corp.

Alderon is a leading iron ore development company in Canada. The Kami Project, owned 75% by Alderon and 25% by HBIS Group Co. Ltd. (formerly Hebei Iron & Steel Group Co. Ltd.) ("HBIS") through The Kami Mine Limited Partnership, is located within Canada's premier iron ore district, the Labrador Trough, and is surrounded by two producing iron ore mines. Its port handling facilities are located in Sept-Îles, the leading iron ore port in North America. HBIS is Alderon's strategic partner in the development of the Kami Project and China's second largest steel producer.

For more information on Alderon, please visit our website at www.alderonironore.com

ALDERON IRON ORE CORP.

On behalf of the Board

"Mark J Morabito"

Chairman & CEO



Alderon is part of the King & Bay group of companies. King & Bay is a merchant bank that specializes in identifying, funding, developing and supporting growth opportunities in the resource, aviation, and technology sectors.

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Cautionary Note Regarding Forward-Looking Information

This press release 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 press release include, but are not limited to, statements with respect to (i) future shipping operations of the Kami LP; (ii) the financing process for the Kami project; (iii) future demand for production from the Kami Project; (iv) the results of the EIA and Update Pea; and (v) the next steps in the development of 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 press release is based on certain factors and assumptions regarding, among other things, receipt of governmental and other approvals, the estimation of mineral resources, the realization of resource estimates, iron ore and other metal prices, the timing and amount of future 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 ability of the Company to use the multi-user terminal facility at the Port of Sept-Îles, the receipt of necessary regulatory approvals, the estimation of insurance coverage, assumptions with respect to currency fluctuations and exchange rates, 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 Project, 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 licences 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, risks related to disputes with Aboriginal groups, risks related to insufficient capacity being available for the Company to access the multi-user terminal facility at the Port of Sept-Îles, 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 with applicable 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 press release. Except as required by applicable securities laws, the Company does not undertake any obligation to publicly update or revise any forward-looking information.