LABRADOR IRON MINES REPORTS FIRST QUARTER JUNE 30, 2025 RESULTS

Toronto, Ontario, Canada, August 29, 2025 | **Labrador Iron Mines Holdings Limited** (the "Company") (OTC: LBRMF) reports its financial results for the three months ended June 30, 2025.

This news release should be read in conjunction with the Company's unaudited condensed interim consolidated financial statements and the associated management's discussion and analysis for the three months ended June 30, 2025, which are available on the Company's website at www.LabradorIronMines.ca or under the Company's profile on SEDAR at www.sedarplus.ca.

All currency references in this news release are expressed in Canadian dollars, unless otherwise indicated.

OVERVIEW

The Company, through its majority owned subsidiaries Labrador Iron Mines Limited ("LIM") and Schefferville Mines Inc. ("SMI"), is engaged in the exploration and development of iron ore projects situated in the Menihek area of western Newfoundland and Labrador and northeastern Quebec, near the town of Schefferville, in the central part of the Labrador Trough region of eastern Canada, one of the major iron ore producing regions in the world.

The Company's current focus is planning and financing activities related to advancing the Houston Project, LIM's flagship property. The Houston Project is an open pit direct shipping iron ore project located near the town of Schefferville, on which an updated, independent Preliminary Economic Assessment was completed in February 2021 and demonstrated production of 2 million dry metric tonnes ("dmt") of DSO per year, with an initial 12-year mine life, for total production of 23.4 million dmt of product at 62.2% Fe over the life of the mine.

The Company continues to explore various short to medium term financing alternatives to secure working capital.

FINANCIAL RESULTS – THREE MONTHS ENDED JUNE 30, 2025

The Company did not conduct any mining activities during the three months ended June 30, 2025. Rather, the Company was focused on planning and financing activities related to advancing its Houston Project.

On a consolidated basis, the Company reported a loss of $113,285, or $0.00 per share, during the three months ended June 30, 2025, compared to a loss of $163,045, or $0.00 per share, during the same three month period of the previous year.

The loss of $113,285 in the three month period was mainly attributable to corporate and administrative costs of $86,662. The loss of $163,045 in the same three month period in the previous year was mainly attributable to site costs of $35,320 and corporate and administrative costs of $117,270.

SUMMARY OF QUARTERLY RESULTS

($000s, except per share data)	Sept 30, 2023	Dec 31, 2023	Mar 31, 2024	Jun 30, 2024	Sept 30, 2024	Dec 31, 2024	Mar 31, 2025	June 30, 2025
Net (loss)	(176)	(130)	(179)	(163)	(187)	(77)	(144)	(113)
(Loss) per share	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)
Total assets	26,856	26,847	26,919	26,911	26,962	26,968	27,016	27,265

WORKING CAPITAL ADVANCES

The Company had a working capital deficit of.$2,680,940 at June 30, 2025.

On April 10, 2025, a company controlled by the Chairman of the Company (the "Lender") advanced an additional $250,000 to the Company for working capital purposes. On the same date, the Company executed a secured promissory note (the "Secured Promissory Note") in the principal amount of $730,000, representing this additional advance together with prior, previously non-interest bearing, loans from the Chairman of a cumulative balance of $455,000 at March 31, 2025, consolidated into the Secured Promissory Note. The Secured Promissory Note bears interest on a simple basis at an annual rate of 10% and is payable on demand with 30 days notice.

As security for the obligations under the Secured Promissory Note, the Company entered into a General Security Agreement in favour of the Lender, securing the payment and performance of all present and future obligations of the Company to the Lender from time to time, and granted a collateral interest in one of its mineral licences over the Schefferville Projects.

In July and August 2025, the Lender advanced an additional $126,000 to the Company for working capital purposes. The terms of these additional advances are the same as those for the Secured Promissory Note (10% interest, payable on demand on 30 days notice and secured by the General Security Agreement and a collateral interest in the mineral license).

As these were related party transactions, the terms of these advances and the security were approved by an independent subcommittee of the Board.

The Company continues to explore various financing alternatives. There is a significant risk that additional or alternative financing will not be available to the Company on a timely basis or on acceptable terms.

GLOBAL UNCERTAINTY AND THE IRON ORE MARKET

During the period, the iron ore market remained volatile, influenced by both supply disruptions and policy developments in China. Major producers like Vale and BHP reported increased production, however, logistical challenges, including rail and port delays in Brazil, led to inventory backlogs, with Vale's sales lagging behind production by approximately 6.3 million tonnes. Iron ore futures briefly spiked to US$110 per tonne following a fatality at Rio Tinto's Simandou project, underscoring the market's sensitivity to supply risk.

At the same time, sentiment improved with the announcement of housing initiatives in China. In addition, the Chinese government and local authorities have introduced a range of comprehensive housing measures across the country aimed at stabilizing the property market, stimulating residential demand, and addressing structural imbalances. These measures, along with earlier nationwide initiatives to reduce mortgage rates and down payment requirements, are aimed at stimulating construction activity and are expected to provide incremental support for steel demand and, in turn, seaborne iron ore pricing.

The outlook for iron ore pricing remains uncertain. Ongoing economic issues in China continue to negatively affect the demand for steel. In addition, threats of broad tariffs by the US and corresponding retaliatory tariffs by affected countries may cause a further decrease in economic investment and a further decrease in the global demand for steel.

Throughout the first half of 2025, there was ongoing concern that strong iron ore supply from Australia and Brazil was exceeding China's current steel production demand, due to a slowdown in China's residential construction industry. This has led to an increase in the level of iron ore port inventories in China and pressure on the metal's price.

Escalating trade tensions between the US and China could put pressure iron ore prices in the remaining months of 2025, as increased tariffs would likely curb both direct and indirect Chinese steel exports and therefore demand for iron ore in China, which is the most likely market for Houston iron ore.

Looking forward, seaborne iron ore pricing will remain closely tied to Chinese economic policy and stimulus effectiveness, global trade dynamics, and steel market fundamentals. While risks of prolonged weakness persist, any meaningful rebound in Chinese construction activity or easing of trade tensions could support stronger demand and price recovery.

Analysts are focused on whether Beijing will continue to stimulate the housing market, following the central bank's announcement in January that it would reduce the amount of cash banks are required to hold in reserves, a move aimed at boosting lending to fund property and infrastructure development. At the end of June Beijing unveiled additional measures to reduce the cost of buying a home by cutting mortgage interest rates and the minimum down payment ratio.

While it remains to be seen whether these measures translate into increased demand and construction activity in the world's second-largest economy, the optimism generated is likely to flow into increased demand for iron ore. For this reason, most analysts believe the iron ore price will remain above US$100 for the rest of 2025.

IRON ORE - A CRITICAL MINERAL

In November 2023, the government of Newfoundland and Labrador released the province's Critical Minerals Plan. In addition to typical critical minerals such as nickel, copper and cobalt, high-grade low impurity iron ore has been identified as critical due to its advantaged position in reducing greenhouse gas emissions in steel manufacturing and the potential for further value-added activity as a green steel input.

"The Critical Minerals Plan will help unlock the full potential and maximize the value of Newfoundland and Labrador's critical mineral resources. It will support the province as a globally competitive jurisdiction throughout all stages of critical mineral development from geoscience to manufacturing, and be inclusive, environmentally and socially responsible, innovative and collaborative."[Government of Newfoundland & Labrador News Release, Nov 1, 2023]

In June 2024 the Government of Canada announced an expansion of Canada's critical minerals list, adding high-purity iron, and two other minerals to the previously established 31 minerals. This update brings the total to 34 materials deemed essential for the country's economic future and energy transition. The newly included minerals play crucial roles in various high-demand technologies and industries. High-purity iron is a key component in the production of green steel, contributing significantly to decarbonization efforts.

"By updating Canada's critical minerals list, we are taking a proactive step to ensure that Canada's efforts to seize the generational economic opportunity presented by our critical minerals wealth is well informed by the most accurate market trends, geopolitical factors and science.[www.canada.ca/en/natural-resources-canada/news/2024/06/government-of-canada-releasesupdated-critical-minerals-list.html . The demand for critical minerals is rising across the globe amidst the transition to the green economy. Newfoundland and Labrador is well-positioned to maximize this opportunity to secure economic and social benefits for the province. The Labrador Trough hosts one of the largest resources of high-purity iron globally, creating an opportunity for Canada to become a global sustainable leader in the green steel supply chain." [https://nationtalk.ca/story/provincial-government-issuesexpression-of-interest-for-julienne-lake-deposit].

"Critical minerals pose a unique opportunity for the mineral development industry. The magnitude of the increases in demand, the timeline for climate goals and the level of effort by jurisdictions to secure stable supply chain inputs are all factors that will affect the opportunities for development. As a stable, secure jurisdiction pursuing sustainable development by incorporating environmental, social and governance principles, Newfoundland and Labrador can supply the transition to a green and digital economy both domestically and globally."[Government News Release, Nov 1, 2023].

OUTSTANDING SHARE CAPITAL

Labrador Iron Mines Holdings Limited currently has 162,364,427 common shares issued and outstanding.

The common shares of the Company trade on the OTC Markets under the symbol LBRMF.

The Company continues in good standing as a Reporting Issuer in all the Provinces of Canada, and in compliance with all the requirements of the Securities Acts and Securities Regulations in Canada. All public filings of the Company may be inspected under the Company's profile on SEDAR at www.sedarplus.ca.

ABOUT LABRADOR IRON MINES HOLDINGS LIMITED

Labrador Iron Mines Holdings Limited, through its majority owned subsidiaries Labrador Iron Mines Limited ("LIM") and Schefferville Mines Inc. ("SMI"), owns extensive iron ore resources in the central part of the Labrador Trough region, one of the major iron ore producing regions in the world, centered near the town of Schefferville, Quebec.

LIM's current focus is on planning activities related to the development of its Houston Project, subject to securing development financing. In the three-year period of 2011, 2012 and 2013 LIM produced a total of 3.6 million dry metric tonnes of iron ore, all of which was sold in 23 cape-size shipments into the China spot market.

In March 2021, the Company reported the results of the Technical Report on The Preliminary Economic Assessment of the Houston Project, Provinces of Newfoundland and Labrador and Québec, Canada ("PEA") prepared by RPA, now part of SLR Consulting Ltd. The PEA, prepared in accordance with National Instrument 43-101, may be viewed under the Company's profile on SEDAR, or on the Company's website.

In addition to its Houston Project, LIM also holds the Elizabeth Taconite Project, which has an Inferred mineral resource estimate (as at June 15, 2013) of 620 million tonnes at an average grade of 31.8% Fe.

For further information, please visit LIM's website at www.LabradorIronMines.ca or contact:

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Cautionary Statements:
The terms "iron ore" and "ore" in this document are used in a descriptive sense and should not be considered as representing current economic viability. A Feasibility Study has not been conducted on any of the Company's Schefferville Projects.

Forward Looking Statement:
Some of the statements contained in this News Release may be forward-looking statements which involve known and unknown risks and uncertainties relating to, but not limited to, LIM's expectations, intentions, plans and beliefs. Forward-looking information can often be identified by forward-looking words such as "anticipate", "believe", "expect", "goal", "plan", "intend", "estimate", "may" and "will" or similar words suggesting future outcomes, or other expectations, beliefs, plans, objectives, assumptions, intentions or statements about future events or performance. Forward- looking information may include reserve and resource estimates, estimates of future production, unit costs, costs of capital projects and timing of commencement of operations, and is based on current expectations that involve a number of business risks and uncertainties and assumptions regarding financing. Factors that could cause actual results to differ materially from any forward-looking statement include, but are not limited to, failure to establish estimated resources and reserves, the grade and recovery of ore which is mined varying from estimates, delays in obtaining or failures to obtain required financing, capital and operating costs varying significantly from estimates, delays in obtaining or failures to obtain required governmental, environmental or other project approvals, delays in the development of projects, changes in exchange rates, fluctuations in commodity prices, inflation and other factors. Forward-looking statements are subject to risks, uncertainties and other factors that could cause actual results to differ materially from expected results. There can be no

assurance that LIM will be successful in maintaining any agreement with any First Nations groups who may assert aboriginal rights or may have a claim which affects LIM's properties or may be impacted by the Schefferville Projects. Shareholders and prospective investors should be aware that these statements are subject to known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. Shareholders and prospective investors are cautioned not to place undue reliance on forward-looking information. By its nature, forward-looking information involves numerous assumptions, inherent risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts, projections and various future events will not occur. LIM undertakes no obligation to update publicly or otherwise revise any forward-looking information whether as a result of new information, future events or other such factors which affect this information, except as required by law.