LABRADOR IRON MINES
HOLDINGS LIMITED

News Release

LABRADOR IRON MINES FILES TECHNICAL REPORT ON HOUSTON PROJECT

Reports Grant of Restricted Share Units

Toronto, Canada, March 31, 2021. Labrador Iron Mines Holdings Limited ("LIMH" or the "Company") (OTC: LBRMF) reports that it has filed on SEDAR a Technical Report in accordance with National Instrument 43-101 ("NI 43-101"), with an Issue Date of February 26, 2021 and an Effective Date of December 31, 2020, prepared by Roscoe Postle Associates Inc. ("RPA"), now part of SLR Consulting Ltd., disclosing the results of an independent Preliminary Economic Assessment ("PEA") on its Houston Project.

There are no changes to the results of the PEA previously announced on March 9, 2021. (See LIMH News Release March 9, 2021). All currency references in this News Release are in Canadian dollars, unless otherwise noted.

The PEA of the Houston Project estimates an undiscounted pre-tax cash flow of \$240 million (\$234 million after-tax) and a pre-tax net present value of \$113 million (\$109 million after-tax), at an 8% discount rate ("$NPV_{8\%}$"), with an internal rate of return ("IRR") of 39%, under the base case assumed long term iron ore price of US\$90/dmt (62% Fe Sinter Fines CFR China basis).

RPA is a world-leading mining advisory business with teams in Toronto, Quebec, Vancouver, Denver, and London, and includes geological, mining and metallurgical consultants who have provided expertise and advice on every continent to clients in the mining industry for more than 35 years. RPA was uniquely qualified to carry out this work as it has extensive relevant iron ore experience on many projects in Canada (including Schefferville and Labrador) and in other parts of the world.

The strong results of this independent PEA support LIM's plan to resume iron ore production from its next phase Houston Project, with low re-start capital and demonstrated robust economics.

PEA Strong Financial Results

The PEA uses an assumed long term iron ore price of US\$90/dmt, reflecting the current 3-year trailing average, as the base case in the financial analysis, which is about 45% below the current iron ore market price.

Pre-production capital expenditures are estimated at \$86.8 million, including an 18% contingency, and sustaining capital is estimated at \$67.7 million.

The project economic results are most sensitive to the iron ore price and less sensitive to operating and capital costs. The initial capital cost at US\$65 million, and the initial capital intensity at only US\$33 per tonne of annual production, are considered low by industry standards.

The PEA economic model assumes a planned point-of-sale of product from the Houston Project at the Houston rail siding FOB (Free on Board). Using a current spot price of US\$160/dmt, adjusted for an assumed price participation by an offtake partner of 50/50 above the base case iron ore price of US\$90/dmt, would increase the after-tax $NPV_{8\%}$ to \$459 million and the after-tax IRR to 209%.

Using a current spot price of US\$160/dmt, not adjusted for an assumed price participation by an offtake partner, would increase the Project after-tax $NPV_{8\%}$ to \$778 million and the after-tax IRR to 514%.

The economic results of the PEA are based, in part, on Inferred Resources, and are preliminary in nature. Inferred Resources are considered too geologically speculative to have mining and economic considerations applied to them and to be categorized as Mineral Reserves. There is no certainty that economic forecasts on which this PEA is based will be realized.

Houston Project

The Houston Project is an open pit, direct shipping, iron ore project located in the Labrador Trough region in eastern Canada, near the town of Schefferville, Quebec. The Houston Project is owned 100% by Labrador Iron Mines Limited ("LIM") and its wholly-owned subsidiary Schefferville Mines Inc. ("SMI"). LIMH owns 52% of LIM.

The Houston Project consists of the Houston 1, Houston 2 and Houston 3 deposits located in Labrador and the adjacent Malcolm deposit located just over the provincial border in Quebec. The Houston 1 and Houston 2 deposits have been permitted and are considered ready for construction. The Houston 3 deposit and Malcolm deposit are planned to come on stream in the second half of the 12-year projected mine life, following permitting.

The Houston Project is planned as an initial 12-year mine life with production of 2 million dry metric tonnes ("dmt") of direct shipping iron ore ("DSO") per year for total production of 23.4m dmt of product at 62.2% Fe over the life of the mine. The product is expected to be comprised of 30% lump DSO and 70% sinter DSO at an average Fe grade of 62.2% and an average silica content of 7.4%. The PEA assumes a premium of US$10/dmt will be received over the benchmark price for lump product and a penalty of US$1.50/dmt will be charged for every 1.0% of silica content above 4.0%.

The production profile of 23.4 million dmt is based on an updated, current NI 43-101 Mineral Resource estimate of 20.5 mt (62.7% Fe) in the Measured and Indicated categories and 14.3 million mt (59.4% Fe) in the Inferred category. Planned production for the Houston 1 and 2 deposits is based primarily on Measured and Indicated resources. Subject to further drilling and analysis, excellent additional exploration potential exists along strike and between the Houston and Malcolm deposit, which could possibly expand the project's resource base and extend the mine life.

The Houston Project is considered ready for construction as the first stage deposits have already undergone extensive regulatory review and permitting approval. With an 18-month construction period, the Houston Project has very low technical risk, with only a short gravel road and rail siding as the principal construction components.

Independent Qualified Persons

The PEA and Technical Report were prepared for the Company by independent Qualified Persons (QPs) from RPA. The independent QPs, and the sections of the PEA that they were responsible for preparing, are identified below:

Qualified Person	Title	Responsibilities
Glen Ehasoo, P.Eng.	Principal Mining Engineer	Section 13, portions of Sections 1 to 6, 15 to 19, and 21 to 27.
Dorota El Rassi, P.Eng.	Senior Geological Engineer	Portions of Sections 1, 7 to 12, 14, and 25 to 27.
Marc Lavigne, M.Sc., ing.	Principal Mining Engineer	Portions of Sections 1, 15 to 19, and 21 to 27.
Luke Evans, M.Sc., ing.	Technical Director, Geology Group Leader	Portions of Sections 1 to 12, 14, and 25 to 27.
Stephan Theben, SME R.M.	Mining Sector Lead, Managing Principal	Section 20; portions of Sections 1, and 25 to 27.

Technical information included in this News Release has been reviewed and approved by Rodney A. Cooper, P.Eng., a non-independent QP and Chief Operating Officer of the Company.

Adoption of Restricted Share Unit Plan and Grant of RSUs

The Company announces that it has adopted and implemented a rolling Restricted Share Unit Plan ("RSU Plan") whereby the Company may issue up to 5% of its issued capital as Restricted Share Units (each, an "RSU") to eligible directors, officers, employees and consultants. The RSU Plan was adopted to provide remuneration and long-term incentives to the Company's directors, executives, employees and service providers, while preserving the Company's cash, and to align the interests of such persons with the long term interests of shareholders.

The Board of Directors has approved the grant of a total of 1,475,000 RSUs to directors, officers, management, and employees of the Company pursuant to the RSU Plan. Upon vesting, each RSU entitles the grantee the right to receive, on or after the payout election date and until the expiry date, one fully paid common share of the Company, or the then equivalent value in cash, at the Company's discretion.

300,000 RSUs were granted to independent directors, with immediate vesting, a payout election date of January 1, 2022, and an expiry date of March 31, 2026.

750,000 RSUs were granted to senior officers, half (50%) thereof with immediate vesting and a payout election date of January 1, 2022, and half (50%) vesting on March 31, 2022 with a payout election date of January 1, 2023, and an expiry date of March 31, 2026.

425,000 RSUs were granted to employees and other service providers, half (50%) thereof with immediate vesting and a payout election date of January 1, 2022, and half (50%) vesting on March 31, 2022 with a payout election date of January 1, 2023, and an expiry date of March 31, 2026.

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., 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, Canada (collectively, the "Schefferville Projects").

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.

LIM's current focus is on planning activities related to the development of its Houston Project and, subject to securing development financing, LIM is positioned to resume project development and production of direct shipping iron ore from the Houston deposits at the earliest opportunity.

In March 2021, the Company reported the results of an independent Preliminary Economic Assessment ("PEA") on its Houston Project prepared by Roscoe Postle Associates Inc. ("RPA"), now part of SLR Consulting Ltd. The Technical Report on the PEA, prepared by RPA, in accordance with National Instrument 43-101 ("NI 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 holds approximately 50 million tonnes in historical DSO resources in various deposits. 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:

John F. Kearney	Richard Pinkerton	Rodney Cooper
Chairman and Chief Executive Officer	Chief Financial Officer	Chief Operating Officer
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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. LIMH 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.