
LABRADOR IRON MINES REPORTS

FISCAL 2024 YEAR END RESULTS

Toronto, Ontario, Canada, August 8, 2024. **Labrador Iron Mines Holdings Limited** (the “Company”) (OTC Pink: LBRMF) reports its financial results for the fiscal year ended March 31, 2024.

This News Release should be read in conjunction with the Company’s audited consolidated financial statements and Management’s Discussion and Analysis for the year ended March 31, 2024, which are available on the Company’s website at www.labradorironmines.ca or under the Company’s profile on SEDAR+ (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 Menihék 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 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 term financing alternatives to secure near term working capital.

FINANCIAL RESULTS – YEAR ENDED MARCH 31, 2024

On a consolidated basis, the Company reported a loss of \$666,957, or \$0.00 per share during the year ended March 31, 2024, compared to a loss of \$767,110, or \$0.00 per share, during the previous year.

The loss of \$666,957 in the current year was mainly attributable to corporate and administrative costs of \$500,583 and non-cash share based compensation of \$100,000. The loss of \$767,110 in the previous year was mainly attributable to site costs of \$99,659, corporate and administrative costs of \$510,204 and non-cash share based compensation of \$103,722.

Share based compensation represents the expense of restricted share units recognized during the year using the graded vesting method of expense recognition.

The Company had a working capital deficit of \$1,812,389 at March 31, 2024.

IRON ORE MARKET

The iron ore market continues to be very volatile. The price fluctuated between US\$105 and US\$137 per tonne (62% Fe CFR China) during the fiscal year ended March 31, 2024, averaging US\$120 per tonne during the period. This was an improvement over the previous fiscal year, during which the price fluctuated between US\$93 and US\$151 per tonne and averaged US\$117 per tonne.

Throughout the first half of 2024 there has been ongoing concern that strong iron ore supply from Australia and Brazil is 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.

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 conservatively believe the iron ore price will remain above US\$100 for the rest of 2024.

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." Industry, Energy and Technology, Government of Newfoundland and Labrador, November 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 decarbonisation efforts.**

The refreshed list aims to bolster Canada's position in the global market, particularly in sectors vital for the transition to a greener economy. *"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,"* Jonathan Wilkinson Minister of Energy and Natural Resources, Canada, June 10, 2024

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.

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.

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 Pink Open Market under symbol LBRMF.

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 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 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 an independent Preliminary Economic Assessment (“PEA”) on its Houston Project prepared by RPA, now part of SLR Consulting Ltd. The Technical Report on 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 holds approximately 50 million tons 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
Chairman and Chief Executive Officer
Tel: (647) 728-4105

Richard Pinkerton
Chief Financial Officer
Tel: (647) 728-4104