



ANNUAL MEETING OF SHAREHOLDERS

- VOTING RESULTS
- CORPORATE OVERVIEW

Toronto, Ontario, October 4, 2017. **Labrador Iron Mines Holdings Limited** (“LIM” or the “Company”) held its Annual Meeting of Shareholders in Toronto, Canada on October 3, 2017.

At the meeting, LIM’s **Chairman and Chief Executive Officer, John Kearney**, provided shareholders with an overview of the current position and outlook for the Company. The following are extracts from his remarks.

OVERVIEW

The past year, since the last AGM in September 2016, has been one of significant accomplishments for Labrador Iron Mines.

As shareholders will remember, LIM ended the year 2015, and started the year 2016, in a very difficult financial situation. Historically, the price of iron ore reached an all-time low of US\$37 in December of 2015. LIM had liabilities of \$66 million and significant continuing contractual obligations. In response to weak market conditions, hard decisions had to be taken to ensure the survival of the Company and preserve the long-term future of LIM’s iron ore assets and operations.

On April 2, 2015, the Company instituted proceedings in the Ontario Superior Court of Justice for a financial restructuring by means of a plan of compromise or arrangement under the *Companies’ Creditors Arrangement Act* (“CCAA”) to provide an opportunity for the orderly restructuring of the Company’s business and financial affairs.

The initial assessment by the Board of Directors was that there would be no residual value for creditors in a liquidation of assets or in a bankruptcy which would result in no return to stakeholders. This assessment was shared by the Monitor who had been appointed by the Court.

A five-year strategic plan, under various scenarios, was developed, covering the years 2016 – 2020, for a Court sanctioned Plan of Arrangement to settle all outstanding liabilities, successfully exit from the CCAA proceedings and place the Company and its projects on a firm footing with a five year runway in a position to restart mining operations upon a recovery in the iron ore price, while providing creditors with the hope of some recovery through an equity participation in LIM’s assets and business.

LIM’s focus during calendar 2016 was to implement a financial restructuring that would enable the Company to emerge with a viable business in the most favourable position to continue as a going concern. This involved challenging negotiations with major contract counterparties and suppliers and more than 100 creditors.

PLAN OF ARRANGEMENT – FINANCIAL RESTRUCTURING

The Plan was designed to restructure LIM's business to preserve its mining assets, permit the Company to continue its site activities in a standby mode in the near term, preserve a significant portion of the Company's tax losses and to position the Company to refinance an orderly resumption of its iron ore mining activities when the price of iron ore and economic conditions warrant.

The Plan was put forward in the expectation that all creditors, stakeholders and other persons with an economic interest in LIM and its business would derive a greater benefit from the implementation of the Plan than would result from a bankruptcy or immediate liquidation of assets.

As a result of the successful completion of the Plan of Arrangement in December 2016, LIM's financial situation improved significantly. The group has been transformed from having almost \$100 million in debt claims and liabilities to being debt free, while retaining all its important assets.

Today, Labrador Iron Mines Holdings Limited has only one asset, namely its 51% shareholding in Labrador Iron Mines Limited which holds all of the group's mineral properties and assets

On behalf of the Board of Directors, I would like to recognise the hard-work and exceptional performance of LIM's management in successfully completing the Plan of Arrangement, and exiting CCAA in just 20 months. I would also like to thank the creditors for supporting the Plan and welcome them as shareholders.

HOUSTON

Mr. Kearney reviewed LIM's Houston Project:

LIM's iron ore projects now consist of the Houston property and, subject to further exploration and development, other iron ore properties in the vicinity of Schefferville, including the Elizabeth taconite deposit.

Houston, which is LIM's principal asset, is situated in Labrador about 25 kilometres ("km") southeast of the town of Schefferville, Quebec. Together with the Malcolm deposit, considered to be its northwest extension, Houston is estimated to contain a National Instrument 43-101 ("NI 43-101") resource of 40.6 million tonnes grading 57.6% iron ("Fe").

When in full production, the Houston-Malcolm deposits are expected to produce consistent saleable product of about 2 to 3 million tonnes per year, with an initial mine-life of 8 to 10 years. The capital investment to put Houston into production, with a projected ten-year mine life, is relatively modest, and the lead time for development relatively short, compared with most other iron ore projects under development in the Labrador Trough.

Subject to securing development financing, LIM is now positioned to resume mining operations as soon as the price of iron ore and economic conditions warrant.

PROPERTY CARE AND MAINTENANCE

LIM's current operational activities focus on care and maintenance of the Company's mineral properties and assets.

Notwithstanding the challenging financial environment during the past several years, LIM continued to conduct a variety of operational activities with the objective of preserving its assets, maintaining its mineral properties on a standby basis, fulfilling environmental and regulatory obligations and controlling costs.

During the past two years, we conducted the field programs required to maintain our mineral claims in good standing although a number of non-core mineral claims have been dropped or surrendered.

Progressive rehabilitation work at the James Mine has been completed. The open pit is now flooded with natural water, as planned, and water is discharging by way of a reclaimed tributary. The rehabilitation work included placement of overburden and organic material on the settling pond area, waste rock stockpile and treat rock stockpile. We also completed vegetation work in the James Mine area and completed a geotechnical study to assess the waste rock stockpile stability. We also carried out an environmental site assessment as well as concluding an evaluation of the Redmond Creek fish habitat replacement.

The Company continues to fulfill all its environmental regulatory and reporting requirements, which principally relate to maintaining acceptable water quality and fish habitat conditions in the lakes and tributaries surrounding the James Mine.

The Company continued its efforts to offset operating costs by the sale of non-core assets and equipment and by generating third party income from otherwise idle property and equipment. Such initiatives include the development of a rail car repair and refurbishment business at the Centre Ferro facility in Sept-Îles, Quebec. LIM has succeeded in reducing its ongoing care and maintenance costs significantly, while at the same time completing required reclamation activities.

The asset sales concluded or contemplated include: maintenance facilities and other real property located in Schefferville and Sept-Îles: miscellaneous production equipment, rail sidings and non-core capital assets, and interests in various iron ore deposits.

CORPORATE G&A

From a corporate perspective, LIM has significantly reduced corporate overhead and we continue to focus on cost reduction. A major work-force reduction and office lease rationalization process was completed which significantly reduced corporate overhead. Corporate salaries have also been reduced and all directors' fees have been waived.

Some questions have been raised regarding senior executive compensation as disclosed in the Information Circular for this meeting. It should be noted that this disclosure is in respect of the year ended March 31, 2017, which as I have mentioned was a very active year. Since year end March 31, 2017 further reductions in senior executive compensation have been implemented in the current year. Further part of the reported executive compensation for previous years was subject to compromise and settled as part of the CCAA, in the same way as all other creditors.

I would like to take this opportunity to thank the senior management and remaining staff of LIM who stayed loyal and committed, working under very uncertain circumstances.

IRON ORE PRICE

The iron ore market continues to be very volatile. Driven by increased Chinese demand, the price of iron ore doubled in 2016, reaching a two-year high of US\$80 per tonne (62% Fe CFR China basis) by the end of the year. In early 2017 the price continued to rise, peaking at US\$97 per tonne in February 2017, its highest level since mid-2014. However, during the quarter ended June 30, 2017 the iron ore price declined to a low of US\$55 per tonne, before recovering to US\$75 per tonne subsequent to quarter end and then down again to about US\$60 per tonne.

The market outlook for iron ore remains uncertain. Robust steel production and iron ore demand from China have underpinned the iron ore price over the past ten years. China's increasing steel intensity (steel usage per capita) has been driven by rapid economic growth and continued urbanization, leading to significant increases in the rate of residential construction, public infrastructure development and durable goods production. Demand for steel, and thus for iron ore, is largely dependent on economic and infrastructure growth in China. Despite an economic slowdown, it would seem that Chinese steel production continues to increase and China will need to import more iron ore to replace the shutdown of domestic production, which should help iron ore price stability.

Based on current industry analyst consensus, the iron ore spot price is anticipated to be in the US\$60 to US\$70 per tonne range over the next two years, while the forecast for long-term iron ore prices is in the range of US\$70 to US\$80 per tonne.

NEAR-TERM FOCUS

LIM owns extensive iron ore resources, processing plant and equipment and rail infrastructure and facilities in its Schefferville Projects. LIM's current operational activities focus on care and maintenance of the Company's mineral properties and assets. The Company is cognizant that its operations will need to be funded on a care and maintenance basis. In that regard, we have identified surplus assets to be sold on an orderly basis in order to cover stand-by reclamation and operating costs for a two year period.

LIM does not plan to develop the Houston Project until market conditions improve. There is currently no indication that the iron ore market is likely to materially improve in the short to medium term and it is likely to be a number of years before market conditions improve such that the value of LIM's existing assets may improve significantly or where it may be possible to extract value from a joint venture or sale.

LIM needs to secure additional financial resources to fund the development of our Houston project. However, there are no assurances that the Company will be successful in obtaining any required financing. If LIM is unable to successfully obtain adequate additional financing, the Company will be required to curtail all operations and development activities.

In the meantime, Labrador Iron Mines Holdings Limited, which holds only 51% of the shares of Labrador Iron Mines Limited, plans to evaluate other possible opportunities in the mining business.

I would like to thank the Board of Directors who stayed in their positions, without compensation, fulfilling their fiduciary responsibilities through the difficult CCAA restructuring period.

Finally, I would like to thank all our stakeholders: employees, contractors, suppliers, governments, local communities and our shareholders for their continuing support.

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To view Mr. Kearney's full remarks as presented at the Annual Meeting held on October 3, 2017, please visit the Company's website at www.labradorironmines.ca.

MATTERS OF THE AGM

Election of Directors

All of the nominees for election as director: Messrs. John Kearney, William Hooley, Matthew Coon Come, Eric Cunningham, Gerry Gauthier, Brendan Lynch and Danesh Varma, were unanimously re-elected as directors by a show of hands, to serve until the next annual general meeting of shareholders or until their successors are elected or appointed. The detailed results of the proxies submitted for the vote on the election of directors are as follows:

Director	Votes For	% of Votes For	Votes Withheld	% of Votes Withheld
John F. Kearney	55,331,998	98.22%	1,000,000	0.01%
D. William Hooley	56,331,998	100%	Nil	0%
Matthew Coon Come	56,331,998	100%	Nil	0%
Eric Cunningham	56,331,998	100%	Nil	0%
Gerry Gauthier	56,331,998	100%	Nil	0%
Brendan Lynch	56,331,998	100%	Nil	0%
Danesh Varma	56,331,998	100%	Nil	0%

Re-Appointment of Auditors

UHY McGovern Hurley LLP Chartered Accountants were re-appointed as the Company's Auditors for the current year and the directors were authorized to fix the remuneration of the Auditors.

ABOUT LABRADOR IRON MINES HOLDINGS LIMITED

Labrador Iron Mines is engaged in the mining, exploration and development of its direct shipping (DSO) deposits located in the Schefferville/Menihek region of the prolific Labrador Trough. In the three year period of 2011, 2012 and 2013 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 care and maintenance of the Company's mineral properties and assets along with planning activities related to Houston Project development. Subject to securing development financing, LIM is now positioned to resume mining operations as soon as economic conditions warrant.

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

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 Press 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.