



Labrador Iron Mines Holdings Limited

NEWS RELEASE

Labrador Iron Mines reports on regulatory approvals for the Schefferville Area Iron Ore Project, Western Labrador

For Immediate Release

March 16, 2009. Toronto, Ontario - Labrador Iron Mines Holdings Limited (TSX: LIR) reports that the Department of Environment and Conservation of Newfoundland and Labrador has completed its review of the Company's Environmental Impact Statement ("EIS") of its Schefferville Area Iron Ore Project (the "Project") located in Western Labrador, near the town of Schefferville, Quebec, submitted on December 19, 2008.

The Minister of Environment and Conservation has requested some additional information to supplement the EIS relating to the potential use of the area by woodland caribou, clarification on residue disposal options and surface water protection, together with additional details on mitigative measures and clarification of storm water management proposals. No additional field work will be required to submit the requested information, most of which has already been collected by the Company.

The Canadian Environmental Assessment Agency ("CEAA") has also completed its review of the Project and has determined that a federal level Canadian Environmental Assessment is not required. This decision was made following the recent receipt of a determination by the Department of Fisheries and Oceans, that a Harmful Alteration, Disruption, or Destruction authorization will not be required for the Project. Other federal agencies, including Environment Canada, Transport Canada, Natural Resources Canada, Health Canada and the Canadian Transportation Agency, have also completed their reviews and confirmed that they had no triggers for a federal level environmental assessment. In addition, the Major Projects Management Office has declared that the Project does not constitute a major natural resources project.

Following submission of the requested additional information to the Department of Environment and Conservation of Newfoundland and Labrador, a further public and ministerial review period is required by law. This further review period, together with the time to prepare the submission, is likely to take in the order of 100 days, and this may limit the scope of work that the Company will be able to carry out in the 2009 summer season. Assuming timely receipt of Project approval and permitting from the Province by mid-summer, the Company expects to be in a position to initiate construction and development work during 2009 in preparation for the start of full commercial production in the spring of 2010. The Company had hoped to be able to commence initial production and deliver its first shipment of iron ore towards the end of the 2009 working season.

The deposits constituting the Project have been the subject of prior activity carried out by the Iron Ore Company of Canada, some of which are already partially developed, with extensive benefit to be derived from the existing infrastructure. Filing of the Project Registration in May 2008 and the Environmental Impact Statement in December 2008 have followed extensive studies carried out over the past three years by Labrador Iron Mines' engineering and environmental teams. The Company understands that only one public comment was submitted on the EIS

The Company has signed a life of mine Impact Benefit Agreement with the Labrador Innu Association, representing the Sheshatshiu Innu First Nation and the Mushuau Innu First Nation, as well as Memoranda of Understanding with each of the Naskapi Nation of Kawawachikamach and the Innu Nation of Matimekush-Lac John (Schefferville) reflecting the agreement of the parties with respect to community support for the Project. Labrador Iron Mines anticipates the accrual to the Province and region of significant long term economic benefits in job creation, training, business opportunities and financial participation in the Project.

About Labrador Iron Mines Holdings Limited

Labrador Iron Mines Holdings Limited was established to explore and develop “direct shipping” iron ore deposits on properties in which it holds interests located in the Labrador Trough, in the province of Newfoundland and Labrador near Schefferville, Quebec. The Company’s properties in Labrador are part of the historic Schefferville iron ore district from which over 150 million tons of direct shipping iron ore was previously mined by the Iron Ore Company of Canada from 1954 to 1982.

Forward-Looking Statements

Some of the statements contained herein may be forward-looking statements which involve known and unknown risks and uncertainties. Without limitation, statements regarding potential mineralization and resources, exploration results, and future plans and objectives of the Company are forward looking statements that involve various degrees of risk. The following are important factors that could cause the Company's actual results to differ materially from those expressed or implied by such forward looking statements: changes in the world wide price of mineral commodities, general market conditions, the uncertainty of future profitability and access to additional capital, risks inherent in mineral exploration and risks associated with development, construction and mining operations, delays in obtaining or failures to obtain required governmental, environmental or other project approvals. Caution should be exercised on placing undue reliance on forward looking information.

For further information, please view the Company’s website at www.labradorironmines.ca or contact:

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