

## LABRADOR IRON MINES ANNUAL MEETING OF SHAREHOLDERS

### Six Iron Ore Shipments (1,050,000 Tonnes) to Date in 2013

Toronto, Ontario, September 19, 2013. At its Annual Meeting of Shareholders (“AGM”) held in Toronto, Ontario on September 18, 2013, **Labrador Iron Mines** (“**LIM**” or the “**Company**”) (TSX: LIM) provided an operations update of its direct shipping iron ore (“DSO”) mines and projects in the Schefferville/Menihek area of the Labrador Trough, with the following highlights:

- LIM reported the completion of the Joint Venture Agreement with Tata Steel Minerals Canada (“TSMC”) for the exploration and development of LIM’s Howse Deposit.
- For the fiscal second quarter ending September 30, 2013, LIM expects to report the sale of four iron ore shipments (Ships 3 – 6) totalling approximately 700,000 wet metric tonnes (“wmt”) of 62% Fe lump and sinter product. Three iron ore shipments were completed in July and August 2013 and the fourth shipment (Ship 6) is awaiting loading at the Port of Sept-Îles.
- LIM’s four shipments during the quarter should benefit from more favourable iron ore market conditions, where the average iron ore price on the Platts Index has been above US\$125 per tonne (CFR China 62% Fe).
- LIM’s 2013 exploration program is budgeted at \$8 million to drill approximately 14,000 metres (“m”) on a number of key projects including the Howse, Gill and Houston Deposits.

#### Joint Venture with Tata Steel Minerals Canada

LIM reported that the previously-announced Joint Venture Agreement with TSMC for the exploration and development of LIM’s Howse Deposit has been completed. LIM has sold a 51% participating interest in the Howse Property to Howse Minerals Limited (“HML”), a wholly-owned subsidiary of TSMC, for a total cash consideration of \$30 million.

As part of the Joint Venture, LIM is conducting a \$5 million exploration program on the Howse Property over the course of the 2013 calendar year. The exploration program comprises a targeted 70 holes with up to 10,000 m of drilling. The objective of the drill program is to convert the historical resources, currently 28 million tonnes at a grade of 58% Fe (natural basis) to National Instrument 43-101 (“NI 43-101”) compliant mineral resources by spring 2014 and to collect metallurgical, geotechnical, hydrogeological, and hydrology information to advance Howse towards production.

Following the completion of the Howse exploration program and the calculation of a new NI 43-101 resource, HML will contribute the next \$23.5 million to the Joint Venture and thereby increase its participating interest in the Howse Deposit to 70%. It is currently planned to complete a feasibility study by July 2014, with a target for commencement of mine development in 2015 and commercial production in 2016.

Details of the Joint Venture Agreement with TSMC can be found in LIM’s press release dated September 18, 2013.

#### Iron Ore Sales

For the quarter ending September 30, 2013, LIM expects to report the sale of four iron ore shipments (Ships 3 – 6) totalling approximately 700,000 wmt of 62% Fe lump and sinter products, outlined as follows:

- Ship 3, SamJohn Dream, departed the Port in mid-July carrying approximately 186,500 wmt of sinter;
- Ship 4, Hydra Warrior, departed the Port in early August carrying approximately 175,000 wmt (combined cargo of 128,000 tonnes of sinter and 47,000 tonnes of lump);
- Ship 5, Cape Althea, departed the Port at the end of August carrying approximately 175,000 wmt of sinter; and,
- Ship 6, Cape Northville, is currently docked at the Port awaiting loading with approximately 165,000 wmt of sinter.

During the first quarter ended June 30, 2013, LIM completed its first two shipments of iron ore totaling 328,000 dry tonnes (approximately 351,500 wmt), which brings total shipments in 2013 to date to approximately 1,050,000 wmt. LIM is working to complete four more shipments during the balance of the year to achieve its target of 1.7 million tonnes of iron ore production in 2013.

## Labrador Iron Mines

News Release

TSX: LIM

### Exploration

In addition to the \$5 million Howse exploration program, LIM has budgeted \$3 million for exploration drilling mainly on the Gill and Houston Deposits. Gill is located less than one kilometre north of Silver Yards and is expected to provide ore feed to the process plant in future operating years. The Gill Deposit currently has a historic resource of 4.1 million tonnes at a grade of 56% Fe (dry basis).

Drilling will also be carried out on the Houston Deposits, which will test for potential extensions (Houston remains open along strike) and to collect further metallurgical information.

A copy of LIM's AGM presentation can be found at: <http://www.labradorironmines.ca/pdf/LIM-AGM-2013-f.pdf>.

### 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, Richard Lister 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	41,376,609	98.00%	844,103	2.00%
D. William Hooley	41,376,409	98.00%	844,303	2.00%
Matthew Coon Come	41,988,442	99.45%	232,270	0.55%
Eric Cunningham	41,976,156	99.42%	244,556	0.58%
Gerry Gauthier	41,994,742	99.46%	225,970	0.54%
Richard Lister	41,989,442	99.45%	231,270	0.55%
Danesh Varma	41,376,929	98.00%	843,783	2.00%

#### *Re-Appointment of Auditors*

McGovern Hurley Cunningham 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.

The formal report on voting results with respect to all matters voted upon at the AGM has been filed on SEDAR at [www.sedar.com](http://www.sedar.com).

## Labrador Iron Mines

News Release

TSX: LIM

### About Labrador Iron Mines Holdings Limited (LIM)

Labrador Iron Mines (LIM) is Canada's newest iron ore producer with a portfolio of DSO iron ore operations and projects located in the prolific Labrador Trough. Initial production commenced at the James Mine in June 2011, and through 2012, iron ore sales have totalled 2.0 million dry tonnes in 13 shipments into the Chinese spot market.

Now in its third year of operations, LIM is targeting the sale of 1.7 million tonnes of iron ore products in 10 shipments in 2013.

The James Mine is connected by a direct rail link to the Port of Sept-Îles, Québec. The operation also benefits from established infrastructure including the town, airport, hydro power and railway service. Starting with the James Mine and leading to the development of the expanding Houston flagship project, LIM's objective is to provide shareholders with long-term value with a plan to increase production towards five million tonnes per year from its iron ore deposits in Labrador and Quebec, all within 50 kilometres of the town of Schefferville.

LIM is currently the only independently-owned Canadian iron ore producer listed on the Toronto Stock Exchange and trades under the symbol LIM.

For further information, please visit LIM's website at [www.labradorironmines.ca](http://www.labradorironmines.ca) or contact:

#### **John F. Kearney**

Chairman and Chief Executive Officer

Tel: (647) 728-4105

#### **Rodney Cooper**

President and Chief Operating Officer

Tel: (647) 729-1287

#### **Keren Yun**

Vice President, Investor Relations  
and Communications

Tel: (647) 725-0795

#### **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.

#### **Historical Resources:**

The historical resources estimates in this Press Release are based on work completed and estimates prepared by Iron Ore Company of Canada ("IOC") prior to 1983, they are not current and were not prepared in accordance with National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("NI 43-101"). The IOC classification reported all resources (measured, indicated and inferred) within the total mineral resource. A qualified person has not done sufficient work to classify the historical estimates as current mineral reserves. These historical results provide an indication of the potential of the properties and are relevant to ongoing exploration. However, the historical estimates should not be relied upon.

#### **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, the Company'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. 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, 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 the Company will be successful in maintaining any agreement with any First Nations groups who may assert aboriginal rights or may have a claim which affects the Company'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. The Company 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.