



PRESS RELEASE

**Labrador Iron Mines Environmental Impact Statement
Accepted for Schefferville Area Iron Ore Project**

For Immediate Release

ST. JOHN'S, NEWFOUNDLAND. November 6, 2009.

Labrador Iron Mines Holdings Limited (TSX: LIM) is pleased to report that the **Minister of Environment and Conservation** today announced that review of the Environmental Impact Statement (“EIS”) for the Company’s proposed Schefferville Area Iron Ore Project in Western Labrador has been completed.

The Minister has confirmed that the EIS complies with the *Environmental Protection Act* and requires no further work under the Provincial environmental assessment process. The Minister has advised the Company that she will be making a recommendation for consideration by the Government of Newfoundland and Labrador on release of the Project from further environmental assessment.

The EIS relates to Phase One of the Company’s proposed Schefferville Area Iron Ore Project in Western Labrador and covers the development of the James and Redmond deposits, which are the first of eight separate deposits that LIM plans to develop in the coming years.

“Acceptance of our EIS is a major step forward in LIM’s Schefferville Area Iron Ore Project”, said **John F. Kearney, Chairman and CEO of Labrador Iron Mines** at the annual MINERAL RESOURCES REVIEW 2009 and PROVINCIAL MINING WEEK in St. John’s, Nfld. *“We are pleased that our efforts in planning the proper development of the Project, recognizing the requirements of sound environmental management, social responsibility, the support and aspirations of the Labrador Innu and the policies of the Province of Newfoundland and Labrador, have been acknowledged and accepted by this review and recommendation”.*

Upon Government approval and Project release the Company will progress the applications for the permits and licenses required for the construction of the necessary infrastructure for commencement of production planned for 2010. It is expected that these permits and licenses will be issued during the next few months.

LIM intends to commence construction of infrastructure immediately upon project release, including re-laying a 4 km rail spur line from the mine site to main railroad and the construction of the major items of process plant and equipment ahead of assembly on site in the spring of 2010.

“This successful completion of the environmental assessment process is particularly timely given the current outlook for both iron ore prices and demand. LIM is on track and we look forward to first production of direct shipping iron ore in the summer of 2010, in what we hope and expect will be a buoyant iron ore market,” added **LIM Chairman, John Kearney**.

Labrador Iron Mines Holdings Limited (LIM)

LIM's Schefferville area project involves the development of eight direct shipping iron ore deposits in Western Labrador near Schefferville, Quebec. The Company's properties are part of the historic Schefferville area iron ore district where mining of adjacent deposits was previously carried out by the Iron Ore Company of Canada from 1954 to 1982.

Labrador Iron Mines contemplates mining in three phases, the first phase comprising the James and Redmond deposits, which are located in close proximity to existing infrastructure, was covered by the now accepted EIS. The Company plans to commence iron ore production in mid-2010.

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

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Cautionary 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.