
LABRADOR IRON MINES REPORTS

FISCAL 2025 YEAR END RESULTS

Toronto, Ontario, Canada, August 15, 2025. **Labrador Iron Mines Holdings Limited** (the “Company”) (OTC Pink: LBRMF) reports its financial results for the fiscal year ended March 31, 2025.

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, 2025, 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 Menihek 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.

FINANCIAL RESULTS – YEAR ENDED MARCH 31 2025

On a consolidated basis, the Company reported a loss of \$571,470, or \$0.00 per share during the year ended March 31, 2025, compared to a loss of \$666,957, or \$0.00 per share, during the previous year.

The loss of \$571,470 in the current year was mainly attributable to corporate and administrative costs of \$375,918 and non-cash share based compensation of \$111,505. The loss of \$666,957 in the previous year was mainly attributable to corporate and administrative costs of \$500,583 and non-cash share based compensation of \$100,000.

WORKING CAPITAL ADVANCES

The Company had a working capital deficit of \$2,345,672 at March 31, 2025.

On April 10, 2025, a company controlled by the Chairman of the Company (the “Lender”) advanced an additional \$250,000 to the Company for working capital purposes. On the same date, the Company executed a secured promissory note (the “Secured Promissory Note”) in the principal amount of \$730,000, representing this additional advance together with prior, previously non-interest bearing, loans from the Chairman of a cumulative balance of \$455,000 at March 31, 2025 (2024 - \$225,000), consolidated into the Secured Promissory Note. The Secured Promissory Note bears interest on a simple basis at an annual rate of 10% and is payable on demand with 30 days notice. As security for the obligations under the Secured Promissory Note, the Company entered into a General Security Agreement in favour of the Lender, securing the payment and performance of all present and future obligations of the Company to the Lender from time to time, and granted a collateral interest in one of its mineral licences over the Schefferville Projects.

In July and August 2025, the Lender advanced an additional \$126,000 to the Company for working capital purposes. The terms of these additional advances are the same as those for the Secured Promissory Note (10% interest, payable on demand on 30 days notice and secured by the General Security Agreement and a collateral interest in the mineral license).

As these were related party transactions, the terms of these advances and the security were approved by an independent subcommittee of the Board.

The Company continues to explore various financing alternatives. There is a significant risk that additional or alternative financing will not be available to the Company on a timely basis or on acceptable terms.

IRON ORE MARKET

The iron ore market remained volatile during the fiscal year ended March 31, 2025. The price fluctuated between US\$89 and US\$118 per tonne (62% Fe CFR China) during the fiscal year, averaging US\$105 per tonne during the period, compared to a range of US\$105 to US\$137 per tonne and an average of US\$120 per tonne in the fiscal 2024. The year began on a strong note, with the benchmark at US\$118 per tonne in April 2024, erasing some losses experienced since January 2024. However, persistent negative steel mill margins, and soft finished steel demand from both China and Europe weighed on seaborne iron ore prices through much of the year, culminating in a 23-month low of US\$89 per tonne in late September 2024 before recovering to US\$100 per tonne at December year-end. In the first quarter of 2025, the price of iron ore averaged US\$117 per tonne. (Platts, S&P Global Commodity Insights)

The outlook for iron ore pricing remains uncertain. Ongoing economic issues in China continue to negatively affect the demand for steel. In addition, threats of broad tariffs by the US and corresponding retaliatory tariffs by affected countries may cause a further decrease in economic investment and a further decrease in the global demand for steel.

Throughout the first half of 2024, there was ongoing concern that strong iron ore supply from Australia and Brazil was 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.

Escalating trade tensions between the US and China could put pressure iron ore prices in the remaining months of 2025, as increased tariffs would likely curb both direct and indirect Chinese steel exports and therefore demand for iron ore in China, which is the most likely market for Houston iron ore.

Looking forward, seaborne iron ore pricing will remain closely tied to Chinese economic policy and stimulus effectiveness, global trade dynamics, and steel market fundamentals. While risks of prolonged weakness persist, any meaningful rebound in Chinese construction activity or easing of trade tensions could support stronger demand and price recovery. Most analysts believe the iron ore price will remain above US\$100 for the rest of 2025.

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.

In June 2024 the Government of Canada announced an expansion of Canada's critical minerals list, adding high-purity iron, and two other minerals. 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 decarbonization efforts.**

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.

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 Markets under the symbol LBRMF. The Company continues in good standing as a Reporting Issuer in all the Provinces of Canada., All public filings of the Company may be inspected under the Company's profile on SEDAR at www.sedarplus.ca.

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 also holds the Elizabeth Taconite Project, which has an Inferred mineral resource estimate 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:

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