



LABRADOR IRON MINES REPORTS FISCAL 2023 YEAR END RESULTS

Toronto, Ontario, Canada, June 29, 2023. **Labrador Iron Mines Holdings Limited** (the “Company”) (OTC Pink: LBRMF) reports its financial results for the fiscal year ended March 31, 2023.

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, 2023, which are available on the Company’s website at www.labradorironmines.ca or under the Company’s profile on SEDAR (www.sedar.com).

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.

The Company continues to explore various short term financing alternatives to secure near term working capital..

FINANCIAL RESULTS – YEAR ENDED MARCH 31, 2023

The Company did not conduct any mining activities during the year ended March 31, 2023. Rather, the Company was focused on planning and financing activities related to advancing its Houston Project.

On a consolidated basis, the Company reported a loss of \$767,110, or \$0.00 per share during the year ended March 31, 2023, compared to a loss of \$98,154, or \$0.00 per share, during the previous year.

The loss of \$767,110 in the current year was mainly attributable to site costs of \$99,659, corporate and administrative costs of \$510,204 and non-cash share based compensation of \$103,722. The loss of \$98,154 million in the previous year was mainly attributable to site costs of \$320,149, corporate and administrative costs of \$482,738 and non-cash share-based compensation of \$329,150, offset by a rehabilitation provision recovery of \$1,032,567.

Site costs include the expenditures required to maintain the Company’s mineral properties in good standing. Share based compensation represents the expense of restricted share units recognized during the year using the graded vesting method of expense recognition. Rehabilitation provision recovery represents the difference between the actual rehabilitation expenditures incurred during the year and the previously estimated costs that formed the basis of the rehabilitation liability discharged.

IRON ORE MARKET

Similar to recent years, the iron ore market was very volatile in the year ended March 31, 2023. While averaging US\$117 per tonne (62% Fe Sinter Fines CFR China) for the full twelve month period, the price ranged between US\$160 and US\$82 per tonne, with the price falling significantly during the summer of 2022, before rebounding later in the year. By year end March 31, 2023, the price had improved to US\$127 per tonne.

The market negativity in the summer of 2022 was attributed to a slowdown in Chinese homebuilding resulting from Beijing's zero-Covid lockdown measures that dampened demand for the steelmaking raw material. Chinese authorities abandoned the zero-Covid measures late fall, unleashing pent-up demand for residential construction and other infrastructure development. Demand for iron ore imports immediately increased, with an associated rise in price that continued into 2023.

There is unlikely to be any meaningful increase in iron ore supply in the near term, as shipments from top exporter Australia are expected to rise only modestly, while those from number two Brazil are expected to remain largely steady for the time being. Many analysts believe a surge in industrial and real estate activity in China combined with the potential for continued interruption in supply from Ukraine and limited supply growth elsewhere may lead to a strong iron ore market throughout calendar 2023.

ACQUISITION OF MINORITY INTEREST IN SUBSIDIARY LABRADOR IRON MINES LIMITED

At a Special Meeting of Shareholders of the Company's 52% subsidiary Labrador Iron Mines Limited ("LIM") held on March 30, 2023, a requisite two-thirds majority of votes cast by LIM shareholders at the meeting approved a special resolution authorizing the amalgamation of LIM with a wholly owned subsidiary of the Company, involving the issue of shares of the Company to LIM shareholders, such that LIM will, once again, become a wholly owned subsidiary of the Company.

The number of shares of the Company to be issued in exchange for the LIM shares was calculated to equate to the relative percentage interest of each company in the underlying assets. That is, the shareholders of LIM, other than the Company, will continue to hold, indirectly, the same percentage interest in the assets of LIM upon completion of the amalgamation as they hold, directly, before the amalgamation.

Under the amalgamation all LIM shares, other than LIM shares held by the Company, will be exchanged for shares of the Company on the basis of 3.1136546 shares of the Company for each LIM share held, resulting in the issuance of an aggregate of approximately 148,362,500 shares of the Company to LIM shareholders.

As at the date hereof, the Company is authorized to complete the amalgamation, but has not yet completed the amalgamation.

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 Pink Open Market under symbol LBRMF.

The Company continues in good standing as a Reporting Issuer in all the Provinces of Canada, and in compliance with all the requirements of the Securities Acts and Securities Regulations in Canada. All public filings of the Company may be inspected under the Company's profile on SEDAR at www.sedar.com.

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 holds approximately 50 million tons in historical DSO resources in various deposits. LIM also holds the Elizabeth Taconite Project, which has an Inferred mineral resource estimate (as at June 15, 2013) 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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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 News 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.