



Labrador Iron Mines Holdings Limited

NEWS RELEASE

LIM Receives Approval for Mine Operations

For Immediate Release

Toronto, Ontario - September 14, 2010 | **Labrador Iron Mines Holdings Limited** (TSX | LIM) is pleased to announce that it has received the Certificate of Approval for Mine Operations from the Department of Environment and Conservation of the Government of Newfoundland and Labrador for the development and operation of its Schefferville Area Iron Ore Project in Western Labrador.

The Approval covers operations for open-pit mining at James North, James South, Redmond 2B and Redmond 5 deposits; a beneficiation facility; ore, waste rock and overburden stockpiles; settling ponds; access roads; worker's camp and other associated works.

Interim Rail Operating Permit

The Company has also been notified by the Department of Transportation and Works of the Government of Newfoundland and Labrador that it has agreed to issue an Interim Operating Permit under the Rail Service Act for LIM's recently installed Rail Spur Line, which will facilitate rail transportation of goods and material directly to LIM's Silver Yard site for mine and plant construction.

*"Receipt of these two remaining operating permits marks the completion of the Environmental Assessment and Permitting Process for our Schefferville Area Iron Ore Project in Western Labrador," remarked **John Kearney Chairman and Chief Executive**. "Mobilization and construction are now well underway and we hope to complete construction of the plant and mine preparation prior to year end 2010," added Mr. Kearney.*

About Labrador Iron Mines Holdings Limited (LIM)

LIM's Schefferville Area project involves the development of twenty direct shipping iron ore deposits in western Labrador and north-eastern Quebec 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 four stages, the first phase of Stage 1 comprising the James and Redmond deposits, which are located in close proximity to existing infrastructure, and for which construction and operating permits have now been issued.

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

John F. Kearney
Chairman and Chief Executive
Tel: (647) 728-4105

Donna Yoshimatsu
Vice-President, Investor Relations
Tel: (647) 728-4119
E-mail: Yoshimatsu.d@labradorironmines.ca

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 iron ore and steel, 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 reach agreements with any potentially impacted aboriginal groups or to obtain required governmental, environmental or other project approvals. There can be no assurance that the Company will be successful in reaching 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 Area project. Caution should be exercised on placing undue reliance on forward looking information.