

GOVERNANCE AND HUMAN RESOURCES COMMITTEE CHARTER

Purpose

The Governance and Human Resources Committee (the “Committee”) is established by and among the Board of Directors (the “Board”) of Labrador Iron Ore Royalty Corporation (the “Corporation”). The Committee’s principal responsibility is to assist the Board in fulfilling its oversight responsibility with respect to corporate governance, compensation and Board nomination matters. This includes the responsibility to oversee, among other things as may be delegated by the Board from time to time:

- corporate governance documents;
- structure, composition and effectiveness of the Board and its committees;
- performance of the executive officers;
- compensation of directors and executive officers;
- policies and procedures designed to identify and mitigate risks associated with the Corporation’s compensation policies and practices;
- succession planning for executive officers; and
- selection of director candidates for nomination to the Board.

Composition of Committee

The Committee will consist of a minimum of three independent Board members. The Committee members will be appointed by the Board annually to hold office for the following year or until their successors are appointed. Committee members may be removed at any time by the Board. For the purposes of membership on the Committee, an independent director is one who meets the criteria in accordance with applicable regulatory and stock exchange requirements.

The Board will appoint a Chair for the Committee or if the Board fails to do so, the Committee will appoint one of its members as Chair. The Secretary of the Corporation will be the Secretary of the Committee.

Committee Meetings and Reports

The Chair of the Committee or the Chair of the Board or any member of the Committee may call a meeting of the Committee. The Committee will meet at such times during each year as it deems appropriate.

The Committee will keep minutes of its meetings in which are recorded all actions taken by the Committee, and such minutes will be made available to the directors.

Duties and Responsibilities

Corporate Governance Matters

- (a) The Committee will establish and review the Corporation's corporate governance documents, including the mandate for the Board, position descriptions, corporate policies (including those related business conduct and ethics, confidentiality and fair disclosure and insider trading) and the charters of various committees of the Board and, in the Committee's discretion, recommend any changes to the Board for consideration.
- (b) The Committee will review and assess the size, composition and operation of the Board and composition and chairs of the committees of the Board.
- (c) Each year, the Committee will conduct an assessment the performance and effectiveness of the Board and its committees.
- (d) The Committee will periodically review corporate governance issues, trends, best practices and proposed, new or amended regulatory requirements and recommend changes to the Corporation's corporate governance practices and principals for approval by the Board.
- (e) The Committee will report to the Board periodically on the Committee's governance activities.

Compensation Matters

- (a) The Committee will review and approve annually the key objectives applicable to the compensation of the executive officers of the Corporation; evaluate at least annually the performance of the executive officers in light of those key objectives; and determine and make recommendations to the Board with respect to the compensation of the executive officers based on this evaluation.
- (b) Each year the Committee will review and make recommendations to the Board with respect to the compensation of directors, the Chair and those acting as committee chairs to, among other things, ensure their compensation appropriately reflects the responsibilities they are assuming.
- (c) The Committee will review and make recommendations to the Board regarding and, when appropriate, recommend to the Board for approval, incentive compensation plans and equity-based compensation plans.
- (d) The Committee will, in conjunction with the executive officers, administer any equity-based compensation plans of the Corporation and such other similar plans as established by the Board.
- (e) The Committee will review and make recommendations to the Board regarding any employment agreements and any severance agreements or plans, including benefits to be provided in connection with a change in control, for executive officers.
- (f) The Committee will periodically review the Corporation's executive compensation philosophy and programs to ensure that they are consistent with the Corporation's goals of attracting, retaining and motivating executive officers to enhance shareholder value.
- (g) Each year the Committee will review and make recommendations to the Board regarding the Corporation's compensation policies and programs for its executive officers to ensure that any risks arising from the policies and programs are not reasonably likely to have a material adverse effect on the Corporation.
- (h) The Committee will review and discuss with management the Corporation's compensation disclosure to be included in public disclosure documents of the Corporation.

- (i) The Committee will report to the Board periodically on the Committee's compensation activities.

Nomination Matters

- (a) The Committee will develop and recommend to the Board a skills/needs guideline (the "Skills/Needs Guideline") to ensure that the Board comprises individual directors who, collectively, have the full range of skills, expertise and experience necessary to oversee management and otherwise fulfill its duties and responsibilities. The Committee will consider:
 - o the competencies and skills that the Board as a whole should possess;
 - o the competencies and skills that each existing director possesses;
 - o the personality and other qualities of each director and how these affect boardroom dynamics; and
 - o the appropriate size of the Board for facilitating effective decision making.
- (b) Each year, the Committee will conduct and review an analysis of the Skills/Needs Guideline and update it if required.
- (c) The Committee will identify and screen individuals qualified to become members of the Board, consistent with criteria approved by the Board and having regard to diversity and gender balance. The Committee will consider any nominations of director candidates validly made by shareholders in accordance with applicable laws, rules and regulations and the provisions of the Corporation's constating documents.
- (d) The Committee will annually, or as required, make recommendations to the Board regarding the selection and approval of the nominees for director to be submitted to a shareholder vote at the annual meeting of shareholders, subject to approval by the Board.
- (e) The Committee will annually review the performance and attendance record of the incumbent directors and diversity and gender balance.
- (f) The Committee will review the Board's committee structure and composition and make recommendations to the Board regarding the appointment of directors to serve as members of each committee.
- (g) The Committee will develop and oversee a Company orientation program for new directors and a continuing education program for current directors; and periodically review these programs and update them as necessary.
- (h) If a vacancy on the Board and/or any Board committee occurs, the Committee will identify and make recommendations to the Board regarding the selection and approval of candidates to fill such vacancy.
- (i) Develop and recommend to the Board for approval an executive officer succession plan, which will be reviewed at least annually.
- (j) The Committee will report to the Board periodically on the Committee's nomination activities.

Resources and Authority

The Corporation will provide appropriate funding, as determined by the Committee, for compensation to any advisors that the Committee chooses to engage, and for payment of ordinary administrative expense of the Committee that are necessary or appropriate in carrying out its duties.

The Committee has the authority to conduct investigations into any matters within its scope of responsibilities and obtain advice and assistance from outside legal, accounting and other advisors when necessary to perform its duties and responsibilities.

In carrying out its duties and responsibilities the Committee has the authority to engage outside legal, accounting and other advisors.

The Committee will review and reassess the adequacy of this charter annually.

Reviewed March 7, 2023