



Certificate of Amendment

Canada Business Corporations Act

Certificat de modification

Loi canadienne sur les sociétés par actions

Labrador Iron Ore Royalty Corporation

Corporate name / Dénomination sociale

750185-4

Corporation number / Numéro de société

I HEREBY CERTIFY that the articles of the above-named corporation are amended under section 178 of the *Canada Business Corporations Act* as set out in the attached articles of amendment.

JE CERTIFIE que les statuts de la société susmentionnée sont modifiés aux termes de l'article 178 de la *Loi canadienne sur les sociétés par actions*, tel qu'il est indiqué dans les clauses modificatrices ci-jointes.

Virginie Ethier

Director / Directeur

2015-06-17

Date of Amendment (YYYY-MM-DD)

Date de modification (AAAA-MM-JJ)



Industry
Canada

Industrie
Canada

Canada Business Corporations Act (CBCA)

FORM 4

ARTICLES OF AMENDMENT

(Sections 27 or 177)

1 - Corporate name

Labrador Iron Ore Royalty Corporation

2 - Corporation number

7 5 0 1 8 5 - 4

3 - The articles are amended as follows: (Please note that more than one section can be filled out)

A: The corporation changes its name to:

B: The corporation changes the province or territory in Canada where the registered office is situated to:

To complete the change, a Form 3 - Change of Registered Office Address must accompany the Articles of Amendment.

C: The corporation changes the minimum and/or maximum number of directors to: (For a fixed number of directors, please indicate the same number in both the minimum and maximum options).

Minimum number

Maximum number

D: Other changes: (e.g., to the classes of shares, to restrictions on share transfers, to restrictions on the businesses of the corporation or to any other provisions that are permitted by the CBCA to be set out in the Articles) Please specify.

The articles of the Corporation be amended to replace clause (a)(iii) as set out under the heading, "Restrictions, if any, on the business the corporation may carry on" in the Schedule to the articles of arrangement of the Corporation dated June 30, 2010, as amended, with the following:

"(iii) securities of IOC and ownership interests in any other entity formed to conduct mining and exploration operations on such leases and licences and/or to process, transport and sell the ore mined pursuant to such operations; and"

4 - Declaration

I hereby certify that I am a director or an authorized officer of the corporation.

Signature:

Print name:

James C. McCartney

Telephone number: 416 601-7600

Note: Misrepresentation constitutes an offence and, on summary conviction, a person is liable to a fine not exceeding \$5000 or to imprisonment for a term not exceeding six months or to both (subsection 250(1) of the CBCA).



Certificate of Arrangement

Canada Business Corporations Act

Certificat d'arrangement

Loi canadienne sur les sociétés par actions

Labrador Iron Ore Royalty Corporation

750185-4

Corporate name(s) of CBCA applicants / Dénomination(s)
sociale(s) de la ou des sociétés LCSA requérantes

Corporation number(s) / Numéro(s) de la ou
des sociétés

I HEREBY CERTIFY that the arrangement set out in the attached articles of arrangement has been effected under section 192 of the *Canada Business Corporations Act*.

JE CERTIFIE que l'arrangement mentionné dans les clauses d'arrangement annexées a pris effet en vertu de l'article 192 de la *Loi canadienne sur les sociétés par actions*.

Marcie Girouard

Director / Directeur

2012-10-03

Date of Arrangement (YYYY-MM-DD)
Date de l'arrangement (AAAA-MM-JJ)



Industry Canada Industrie Canada
Canada Business Loi canadienne sur les
Corporations Act sociétés par actions

FORM 14.1
ARTICLES OF ARRANGEMENT
(SECTION 192)

FORMULAIRE 14.1
CLAUSES D'ARRANGEMENT
(ARTICLE 192)

1 -- Name of the applicant corporation(s) - Dénomination sociale de la(des) requérante(s) Labrador Iron Ore Royalty Corporation	2 -- Corporation No.(s) - N°(s) de la(des) société(s) 7501854
3 -- Name of the corporation(s) the articles of which are amended, if applicable Dénomination sociale de la(des) société(s) dont les statuts sont modifiés, le cas échéant Labrador Iron Ore Royalty Corporation	4 -- Corporation No.(s) - N°(s) de la(des) société(s) 7501854
5 -- Name of the corporation(s) created by amalgamation, if applicable Dénomination sociale de la(des) société(s) issue(s) de la(des) fusion(s), le cas échéant	6 -- Corporation No.(s) - N°(s) de la(des) société(s)
7 -- Name of the dissolved corporation(s), if applicable Dénomination sociale de la(des) société(s) dissoute(s), le cas échéant	8 -- Corporation No.(s) - N°(s) de la(des) société(s)
9 -- Name of other corporations involved, if applicable Dénomination sociale des autres sociétés en cause, le cas échéant	10 -- Corporation No.(s) or Jurisdiction of Incorporation N°(s) de la(des) société(s) ou loi sous le régime de laquelle elle est constituée

11 -- In accordance with the order approving the arrangement - Conformément aux termes de l'ordonnance approuvant l'arrangement

- a. ☒ The articles of the above named corporation(s) are amended in accordance with the attached plan of arrangement
Les statuts de la(des) société(s) susmentionnée(s) sont modifiés en conformité avec le plan d'arrangement ci-joint

The name of _____ is changed to _____

La dénomination sociale de _____ est modifiée pour _____

- b. ☐ The following bodies corporate are amalgamated in accordance with the attached plan of arrangement
Les personnes morales suivantes sont fusionnées conformément au plan d'arrangement ci-joint
- c. ☐ The above named corporation(s) is(are) liquidated and dissolved in accordance with the attached plan of arrangement
La(les) société(s) susmentionnée(s) est(sont) liquidée(s) et dissoute(s) conformément au plan d'arrangement ci-joint
- d. ☒ The plan of arrangement attached hereto, involving the above named body(ies), corporate is hereby effected
Le plan d'arrangement ci-joint portant sur la(les) personne(s) morale(s) susmentionnée(s) prend effet

Immediately after giving effect to the steps in paragraph (a) through (f) of Section 3.02 of the Plan of Arrangement (as attached hereto), the number of issued and outstanding common shares will be consolidated such that each shareholder will hold the same number of common shares after the consolidation as the shareholder held prior to the Effective Time of the Arrangement (as defined in the Plan of Arrangement).

Signature 	Printed Name - Nom en lettres moulées Bruce C. Bone	12 -- Capacity of - En qualité de President	13 -- Tel. No. - N° de tél. 416-863-7133
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FOR DEPARTMENTAL USE ONLY - À L'USAGE DU MINISTÈRE SEULEMENT

OCT 03 2012

**PLAN OF ARRANGEMENT
MADE PURSUANT TO SECTION 192 OF THE
CANADA BUSINESS CORPORATIONS ACT
INVOLVING LABRADOR IRON ORE ROYALTY CORPORATION**

ARTICLE 1 — INTERPRETATION

1.01 Definitions

In this Plan of Arrangement, unless something in the subject matter or context is inconsistent therewith:

“Arrangement”, **“herein”**, **“hereof”**, **“hereto”**, **“hereunder”** and similar expressions mean and refer to the arrangement under section 192 of the CBCA described in this Plan of Arrangement, as amended from time to time.

“Arrangement Resolution” means the resolution of the Unitholders, substantially in the form attached as Appendix “A” to the Information Circular, approving and authorizing, among other things, the Plan of Arrangement.

“Articles of Arrangement” means the articles of arrangement in respect of the Arrangement required under subsection 192(6) of the CBCA to be filed with the Director after the Final Order has been granted which, together with the certificate issued by the Director in respect thereof, will give effect to the Arrangement.

“CBCA” means the *Canada Business Corporations Act*.

“Certificate of Arrangement” means the certificate or other confirmation of filing giving effect to the Arrangement to be issued by the Director pursuant to subsection 192(7) of the CBCA after the Articles of Arrangement have been filed.

“Computershare” means Computershare Trust Company of Canada.

“Corporation” means Labrador Iron Ore Royalty Corporation.

“Court” means the Ontario Superior Court of Justice.

“Director” means the Director appointed under section 260 of the CBCA.

“Effective Date” means the date shown on the Certificate of Arrangement giving effect to the Arrangement.

“Effective Time” means the earliest possible time on the Effective Date.

“Final Order” means the final order of the Court approving the Arrangement, as such order may be affirmed, amended, modified or supplemented by any court of competent jurisdiction.

“Holders” means holders of Note Receipts.

“Information Circular” means the management information circular of the Corporation dated August 24, 2012 prepared in connection with the Meeting.

“Interim Order” means the order of the Court dated August 24, 2012 under subsection 192(4) of the CBCA with respect to the Arrangement, as such order may be affirmed, amended, modified or supplemented by any court of competent jurisdiction.

“Meeting” means the special meeting of Unitholders to be held on September 28, 2012, including any adjournments or postponements thereof, to consider and to vote upon the Arrangement Resolution.

“Note Deposit Agreement” means the note deposit agreement dated as of June 4, 2010 between the Corporation (formerly Labrador Mining Company Limited) and Computershare, as amended by supplemental agreements made as of February 28, 2011 and May 30, 2011, as further amended or supplemented from time to time, governing the Note Receipts.

“Note Indenture” means the note indenture dated as of November 28, 1995 between the Corporation (formerly Labrador Mining Company Limited) and Montreal Trust Company of Canada, as trustee, as supplemented by (i) the supplemental note indenture dated as of December 10, 2001 between the Corporation (formerly Labrador Mining Company Limited), Montreal Trust Company of Canada and Computershare, (ii) the second supplemental note indenture dated as of July 1, 2010 between the Corporation (formerly Labrador Mining Company Limited) and Computershare, and (iii) the third supplemental note indenture dated as of July 1, 2010 between the Corporation and Computershare, as further amended or supplemented from time to time.

“Note Receipts” means the subordinated note receipts issued in accordance with the Note Deposit Agreement, each of which represents a \$3.875 principal amount of Notes and which entitles the holder to interest payments of \$0.468 per annum and other entitlements.

“Notes” means the subordinated notes issued by the Corporation under, or that incorporate by reference the terms and conditions of, the Note Indenture in the aggregate principal amount of \$248 million, comprised of (i) a \$200 million note due November 28, 2025 bearing interest at the rate of 12.5% per annum (issued under the Note Indenture), (ii) a \$4.8 million note due November 28, 2025 bearing interest at the rate of 11.5% per annum, (iii) a \$6.5 million note due November 28, 2025 bearing interest at the rate of 11.5% per annum, (iv) a \$36.5 million note due April 1, 2029 bearing interest at the rate of 10.0% per annum, and (v) a \$0.2 million note due April 1, 2029 bearing interest at the rate of 1.25% per annum.

“Plan of Arrangement” means this plan of arrangement and any modification or amendment made in accordance with the terms hereof.

“Shareholders” means the holders of Shares.

“Shares” means common shares of the Corporation.

“Stapled Unit” means a unit consisting of one Share and one Note Receipt, which trade together on the TSX.

“TSX” means the Toronto Stock Exchange.

“Unitholders” means the holders of Stapled Units.

1.02 Headings

The division of this Plan of Arrangement into Articles and Sections and the insertion of a table of contents and headings are for convenience of reference only and do not affect the construction or interpretation of this Plan of Arrangement. The terms “hereof”, “hereunder” and similar expressions refer to this Plan of Arrangement and not to any particular Article, Section or other portion hereof. Unless something in the subject matter or context is inconsistent therewith, references herein to Articles and Sections are to Articles and Sections of this Plan of Arrangement.

1.03 Extended Meanings

In this Agreement words importing the singular number only include the plural and vice versa, words importing any gender include all genders and words importing persons include individuals, corporations, limited and unlimited liability companies, general and limited partnerships, associations, trusts, unincorporated organizations, joint ventures and governmental authorities. The term “including” means “including without limiting the generality of the foregoing”.

1.04 Statutory References

In this Plan of Arrangement, unless something in the subject matter or context is inconsistent therewith or unless otherwise herein provided, a reference to any statute is to that statute as now enacted or as the same may from time to time be amended, re-enacted or replaced and includes any regulations made thereunder.

1.05 Currency

All references to currency herein are to lawful money of Canada.

ARTICLE 2 — EFFECT OF THE ARRANGEMENT

2.01 Binding Effect

This Plan of Arrangement, upon the filing of the Articles of Arrangement and the issuance of the Certificate of Arrangement, will become effective on the Corporation, Computershare and all registered and beneficial Unitholders.

2.02 Evidence of Effectiveness

The Articles of Arrangement and Certificate of Arrangement will be filed and issued, respectively, with respect to this Arrangement in its entirety. The Certificate of Arrangement will be conclusive evidence that the Arrangement has become effective and that each of the provisions of Article 3 will become effective in the sequence set out therein.

2.03 Timing of Arrangement

Other than as expressly provided for herein, no portion of this Plan of Arrangement will take effect with respect to any person until the Effective Time. Furthermore, each of the events listed in Article 3 will be, without affecting the timing set out in Article 3, mutually conditional, such that no event described in Article 3 may occur unless all steps to occur will occur, and those events will effect the integrated transaction which constitutes the Arrangement.

ARTICLE 3 — ARRANGEMENT

3.01 Events Occurring Prior to the Effective Time

Effective as of the latest possible time on September 30, 2012, and without any further act or formality, interest on the Notes will cease to accrue.

3.02 Events Occurring at the Effective Time

Commencing at the Effective Time, each of the events set out below will occur and will be deemed to occur in the following order without any further act or formality:

- (a) Each Note Receipt will be transferred from each Holder to the Corporation, free and clear of all liens, charges, encumbrances and any other rights of others, in exchange for the issuance by the Corporation to each such Holder of that number of Shares having a fair market value equal to \$3.875, being the principal amount of Notes represented by the Note Receipt so transferred; provided, however, that each holder of a Note Receipt will retain the right to be paid interest accrued on the Notes represented by the Note Receipt so transferred.
- (b) The amount of the consideration received for the Shares issued under the Arrangement will be equal to the aggregate principal amount of the Notes represented by Note Receipts transferred to the Corporation.

- (c) The amount to be added to the stated capital account maintained for the Shares will be an amount equal to the aggregate principal amount of the Notes represented by Note Receipts transferred to the Corporation.
- (d) Upon the issuance of Shares for Note Receipts pursuant to Section 3.02(a):
 - (i) a notation will be made on the register of Shares as to the issuance of Shares to each former holder of Note Receipts; and
 - (ii) no certificates will be issued to represent Shares issued to each Holder.
- (e) Upon the transfer of Note Receipts in exchange for Shares pursuant to Section 3.02(a):
 - (i) each former Holder of Note Receipts will cease to be a Holder of Note Receipts so transferred and the name of such former Holder of Note Receipts will be removed from the register of Note Receipts;
 - (ii) the Corporation will become the sole legal and beneficial Holder of Note Receipts and will be added to the register of Note Receipts.
- (f) The Note Deposit Agreement, the Note Indenture, the Note Receipts and the Notes will be terminated or cancelled, as applicable, and be of no further force and effect except for any rights of indemnity in favour of Computershare which will remain in full force and effect in accordance with the applicable terms thereof.
- (g) Immediately after giving effect to the foregoing, the number of issued and outstanding Shares will be consolidated such that each Shareholder will hold the same number of Shares after the consolidation as the Shareholder held prior to the Arrangement.

ARTICLE 4 — OUTSTANDING CERTIFICATES

4.01 Outstanding Certificates

From and after the Effective Time, certificates formerly representing Stapled Units will no longer represent Stapled Units or Note Receipts and will represent only the number of Shares to which the Shareholder is entitled as a result of the Arrangement. Upon all transfers after the Effective Time of the Arrangement or upon a request by a holder, the Corporation will replace old Stapled Unit certificates with new Share certificates.

ARTICLE 5 — AMENDMENTS

5.01 Amendments

- (1) Subject to Sections 5.01(2) and 5.01(4), the Corporation reserves the right to amend, modify or supplement this Plan of Arrangement at any time and from time to time

prior to the Effective Time, provided that any amendment, modification or supplement must be contained in a written document and filed with the Court.

- (2) Any amendment, modification or supplement to this Plan of Arrangement may be made after the Effective Time by the Corporation without the approval of the Shareholders, provided it concerns a matter which, in the reasonable opinion of the Corporation, is of an administrative nature required to better give effect to the implementation of this Plan of Arrangement and is not adverse to the financial or economic interests of any former Holder of Note Receipts.
- (3) Any amendment, modification or supplement to this Plan may be proposed by the Corporation at any time prior to or at the Meeting with or without any prior notice or communication to Unitholders, and if so proposed and accepted by the persons voting at the Meeting (other than as may be required under the Interim Order), will become part of this Plan of Arrangement for all purposes.
- (4) Any amendment, modification or supplement to this Plan of Arrangement that is made after the Meeting and prior to the Effective Time will be effective only if: (a) it is approved by the Court subject to such conditions as the Court may impose, (b) if required by the Court, communicated to Unitholders in the manner directed by the Court, and (c) if required by the Court, approved and authorized by Unitholders voting in the manner directed by the Court.

ARTICLE 6 — GENERAL

6.01 Further Assurances

Notwithstanding that the transactions and events set out herein will occur and be deemed to occur in the order set out in this Plan of Arrangement without any further act or formality, the Corporation will from time to time execute and deliver all such further documents and instruments and do all acts and things as may, either before or after the Effective Time, be reasonably required to effectively carry out or better evidence or perfect the full intent and meaning of this Plan of Arrangement.

6.02 Governing Law

This Plan of Arrangement is governed by and will be construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.



Certificate of Amendment

Canada Business Corporations Act

Certificat de modification

Loi canadienne sur les sociétés par actions

Labrador Iron Ore Royalty Corporation

Corporate name / Dénomination sociale

750185-4

Corporation number / Numéro de société

I HEREBY CERTIFY that the articles of the above-named corporation are amended under section 178 of the *Canada Business Corporations Act* as set out in the attached articles of amendment.

JE CERTIFIE que les statuts de la société susmentionnée sont modifiés aux termes de l'article 178 de la *Loi canadienne sur les sociétés par actions*, tel qu'il est indiqué dans les clauses modificatrices ci-jointes.

Marcie Girouard

Director / Directeur

2012-05-16

Date of Amendment (YYYY-MM-DD)

Date de modification (AAAA-MM-JJ)



Form 4
Articles of Amendment

*Canada Business Corporations Act
(CBCA) (s. 27 or 177)*

Formulaire 4
Clauses modificatrices

*Loi canadienne sur les sociétés par
actions (LCSA) (art. 27 ou 177)*

1 Corporate name
Dénomination sociale
Labrador Iron Ore Royalty Corporation

2 Corporation number
Numéro de la société
750185-4

3 The articles are amended as follows
Les statuts sont modifiés de la façon suivante

The corporation amends the restrictions on the business it may carry on as follows:

Les limites imposées aux activités commerciales sont modifiées comme suit :

See attached schedule / Voir l'annexe ci-jointe

4 Declaration: I certify that I am a director or an officer of the corporation.
Déclaration : J'atteste que je suis un administrateur ou un dirigeant de la société.

Original signed by / Original signé par

Bruce C. Bone

Bruce C. Bone

416-644-1713

Note: Misrepresentation constitutes an offence and, on summary conviction, a person is liable to a fine not exceeding \$5000 or to imprisonment for a term not exceeding six months or both (subsection 250(1) of the CBCA).

Nota : Faire une fausse déclaration constitue une infraction et son auteur, sur déclaration de culpabilité par procédure sommaire, est passible d'une amende maximale de 5 000 \$ ou d'un emprisonnement maximal de six mois, ou de ces deux peines (paragraphe 250(1) de la LCSA).

Schedule / Annexe
Restrictions on Business / Restrictions imposes aux activités commerciale

The articles of the Corporation are amended to replace clause (a) of the list of activities to which the business of the Corporation is restricted as set out in the Schedule to the articles of arrangement of the Corporation dated June 30, 2010 with the following:

"(a) owning, holding, possessing, retaining and managing, directly or indirectly,

(i) assets, both real and personal, relating to mining and exploration operations as presently conducted, or as may be expanded, on mineral leases and licences held by the Corporation from time to time in or near Labrador City, Newfoundland and Labrador and subleased or sublicensed to Iron Ore Company of Canada ("IOC"), including, without limitation, the sublease and royalty referred to in (ii) below, and all rights and obligations ancillary thereto;

(ii) the sublease agreement dated February 25, 1953, as amended from time to time, between the Corporation and IOC and the royalty granted thereunder;

(iii) securities of IOC and ownership interests in any other entity formed to conduct mining and exploration operations on such leases and licences; and

(iv) an equity interest in Hollinger-Hanna Limited; and"



Industry Canada Industrie Canada

Certificate of Arrangement

Certificat d'arrangement

Canada Business Corporations Act

Loi canadienne sur les sociétés par actions

Labrador Mining Company Limited

734780-4

Name of CBCA corporation(s) involved -
Dénomination(s) de la (des) société(s)
1 C S A concernée(s)

Corporation number - Numéro de la société

I hereby certify that the arrangement set out in the attached articles of arrangement, involving the above-referenced corporation(s), has been effected under section 192 of the *Canada Business Corporations Act*

Je certifie que l'arrangement mentionné dans les clauses d'arrangement annexées, concernant la (les) société(s) susmentionnée(s), a pris effet en vertu de l'article 192 de la *Loi canadienne sur les sociétés par actions*

Aïssa Aomari
Deputy Director - Directeur adjoint

June 30, 2010 / le 30 juin 2010

Date of Arrangement - Date de l'arrangement

Canada



Industry Canada Industrie Canada
Canada Business Loi canadienne sur les
Corporations Act sociétés par actions

FORM 14.1
ARTICLES OF ARRANGEMENT
(SECTION 192)

FORMULAIRE 14.1
CLAUSES D'ARRANGEMENT
(ARTICLE 192)

1 - Name of the applicant corporation(s) - Dénomination sociale de la(des) requérante(s) Labrador Mining Company Limited	2 - Corporation No.(s) - N°(s) de la(des) société(s) 734780-4
3 - Name of the corporation(s) the articles of which are amended, if applicable Dénomination sociale de la(des) société(s) dont les statuts sont modifiés, le cas échéant N/A	4 - Corporation No.(s) - N°(s) de la(des) société(s)
5 - Name of the corporation(s) created by amalgamation, if applicable Dénomination sociale de la(des) société(s) issue(s) de la(des) fusion(s), le cas échéant Labrador Iron Ore Royalty Corporation	6 - Corporation No.(s) - N°(s) de la(des) société(s) 7501854
7 - Name of the dissolved corporation(s), if applicable Dénomination sociale de la(des) société(s) dissoute(s), le cas échéant N/A	8 - Corporation No.(s) - N°(s) de la(des) société(s)
9 - Name of other corporations involved, if applicable Dénomination sociale des autres sociétés en cause, le cas échéant Labrador Iron Ore Royalty Corporation	10 - Corporation No.(s) or Jurisdiction of Incorporation N°(s) de la(des) société(s) ou loi sous le régime de laquelle elle est constituée 751703-3

11 - In accordance with the order approving the arrangement - Conformément aux termes de l'ordonnance approuvant l'arrangement

- a. ☐ The articles of the above named corporation(s) are amended in accordance with the attached plan of arrangement
Les statuts de la(des) société(s) susmentionnée(s) sont modifiés en conformité avec le plan d'arrangement ci-joint

The name of _____ is changed to _____

La dénomination sociale de _____ est modifiée pour _____

- b. ☒ The following bodies corporate are amalgamated in accordance with the attached plan of arrangement
Les personnes morales suivantes sont fusionnées conformément au plan d'arrangement ci-joint
- c. ☐ The above named corporation(s) is(are) liquidated and dissolved in accordance with the attached plan of arrangement
La(les) société(s) susmentionnée(s) est(sont) liquidée(s) et dissoute(s) conformément au plan d'arrangement ci-joint
- d. ☒ The plan of arrangement attached hereto, involving the above named body(ies), corporate is hereby effected
Le plan d'arrangement ci-joint portant sur la(les) personne(s) morale(s) susmentionnée(s) prend effet

The following bodies corporate are to be amalgamated in accordance with the attached Plan of Arrangement: Labrador Mining Company Limited and Labrador Iron Ore Royalty Corporation.

For information relating to the amalgamation forming part of the plan of arrangement, which will occur on July 1, 2010, and the resulting amalgamated corporation, Labrador Iron Ore Royalty Corporation, see Schedule attached hereto.

The steps contemplated in the attached Plan of Arrangement (including the amalgamation) are to occur on July 1, 2010

Signature 	Printed Name - Nom en lettres moulées James C. McCartney	12 - Capacity of - En qualité de Secretary	13 - Tel. No. - N° de tél. (416) 601-7600
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BOULEVARD D'ORLÉANS - 1000, 10 ^e ÉTAGE - OTTAWA, ONTARIO K1P 6K6
JUN 30 2010

SCHEDULE

AMALGAMATION OF LABRADOR MINING COMPANY LIMITED AND LABRADOR IRON ORE ROYALTY CORPORATION ON JULY 1, 2010

Name of the Amalgamated Corporation:

Labrador Iron Ore Royalty Corporation

The province or territory in Canada where the registered office is to be situated:

Newfoundland and Labrador

The classes and any maximum number of shares that the corporation is authorized to issue:

The capital of the Corporation will consist of an unlimited number of common shares. The rights, privileges, restrictions and conditions attaching to the common shares of the Corporation are as follows:

- (a) **Payment of Dividends:** The holders of the common shares will be entitled to receive dividends if, as and when declared by the board of directors of the Corporation out of the assets of the Corporation properly applicable to the payment of dividends in such amounts and payable in such manner as the board of directors may from time to time determine. Subject to the rights of the holders of any other class of shares of the Corporation entitled to receive dividends in priority to or concurrently with the holders of the common shares, the board of directors may in its sole discretion declare dividends on the common shares to the exclusion of any other class of shares of the Corporation.
- (b) **Participation upon Liquidation, Dissolution or Winding Up:** In the event of the liquidation, dissolution or winding up of the Corporation or other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs, the holders of the common shares will, subject to the rights of the holders of any other class of shares of the Corporation entitled to receive assets of the Corporation upon such a distribution in priority to or concurrently with the holders of the common shares, be entitled to participate in the distribution. Such distribution will be made in equal amounts per share on all the common shares at the time outstanding without preference or distinction.
- (c) **Voting Rights:** Subject to the rights of the holders of any other class, or of any series of any other class, of shares of the Corporation entitled to have separate meetings of that class or series or to vote separately as a class or series, the holders of the common shares will be entitled to receive notice of and to attend all annual and special meetings of the shareholders of the Corporation and to one vote in respect of each common share held at all such meetings.

Restrictions, if any, on share transfers:

None

Minimum and maximum number of directors:

Minimum: 3 Maximum: 10

Restrictions, if any, on business the corporation may carry on:

The business of the Corporation is restricted to:

- (a) owning, holding, possessing, retaining and managing, directly or indirectly,
 - (i) mineral leases and licenses granted by the Government of Newfoundland and Labrador covering land near Labrador City, Newfoundland;
 - (ii) the sublease agreement dated February 25, 1953, as amended from time to time, between the Corporation and Iron Ore Company of Canada ("IOC"), including the royalty granted thereunder;
 - (iii) securities of IOC; and
 - (iv) an equity interest in Hollinger-Hanna Limited; and
- (b) holding cash and investing in money market debt securities.

Other Provisions:

1. A resolution passed by a majority of not less than 75% of the votes cast by shareholders, representing in aggregate not less than 10% of the outstanding shares of the Corporation, at a meeting of shareholders of the Corporation is required for:
 - (a) any amendment to the Articles of the Corporation to change or remove any restriction on the business of the Corporation, change the authorized share capital or amend the rights, privileges, restrictions and conditions attaching to the Corporation's shares;
 - (b) any sale, lease or other disposition of, or of any interest in, the mineral leases and licenses granted by the Government of Newfoundland and Labrador covering land near Labrador City, Newfoundland (the "LM&E Leases"), the sublease agreement (the "Labrador Sub-Lease") dated February 25, 1953, as amended from time to time, between the Corporation and Iron Ore Company of Canada ("IOC"), including the royalty granted thereunder, securities of IOC (the "IOC Equity") or an equity interest in Hollinger-Hanna Limited; provided that no such resolution is required in connection with any grant by the Corporation to any financial institution or institutions of any mortgage, charge or other security on such assets as security for credit advanced to the Corporation by, or for the payment or performance of any

other obligation of the Corporation to, such institution or institutions, or for any realization on such assets by such institution or institutions pursuant thereto;

(c) any amalgamation or other merger with any other corporation; or

(d) any issue of shares in the capital of the Corporation.

2. Notwithstanding clause 1 above and subject to compliance with applicable legal obligations, the Corporation may internally restructure the manner in which it holds its interest in the LM&E Leases, the Labrador Sub-Lease, including the royalty granted thereunder, the IOC Equity, the equity interest in Hollinger-Hanna Limited or participate in the restructuring of any such interests, without such shareholder approval.
3. The number of directors within the minimum and maximum number set out above may be determined from time to time by resolution of the directors. Any vacancy among the directors resulting from an increase in the number of directors as so determined may be filled by resolution of the directors.

Amalgamating Corporations:

Labrador Mining Company Limited

Labrador Iron Ore Royalty Corporation

PLAN OF ARRANGEMENT

**PLAN OF ARRANGEMENT MADE PURSUANT TO
SECTION 192 OF THE *CANADA BUSINESS CORPORATIONS ACT*
INVOLVING, AMONG OTHERS, LABRADOR MINING COMPANY LIMITED,
LABRADOR IRON ORE ROYALTY CORPORATION,
LABRADOR IRON ORE ROYALTY INCOME FUND AND
THE UNITHOLDERS OF LABRADOR IRON ORE ROYALTY INCOME FUND**

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ARTICLE 1 — INTERPRETATION

1.01 Definitions

In this Plan of Arrangement, unless something in the subject matter or context is inconsistent therewith:

"Amalgamation" has the meaning set out in Section 3.01(n).

"Arrangement", **"herein"**, **"hereof"**, **"hereto"**, **"hereunder"** and similar expressions mean and refer to the arrangement under section 192 of the CBCA described in this Plan of Arrangement, as amended from time to time.

"Arrangement Resolution" means the extraordinary resolution of the Fund Unitholders, substantially in the form attached as Appendix "B" to the Information Circular, approving and authorizing, among other things, the Plan of Arrangement.

"Articles of Arrangement" means the articles of arrangement in respect of the Arrangement required under subsection 192(6) of the CBCA to be filed with the Director after the Final Order has been granted which, together with the certificate issued by the Director in respect thereof, will give effect to the Arrangement.

"CBCA" means the *Canada Business Corporations Act*.

"Certificate of Arrangement" means the certificate or other confirmation of filing giving effect to the Arrangement to be issued by the Director pursuant to subsection 192(7) of the CBCA after the Articles of Arrangement have been filed.

"Court" means the Ontario Superior Court of Justice.

"Custodian" means Computershare Trust Company of Canada, or such other person as may be designated by LabMin or LIORC.

"Director" means the Director appointed under section 260 of the CBCA.

"Effective Date" means July 1, 2010.

"Effective Time" means the earliest possible time on the Effective Date.

"Final Order" means the final order of the Court approving the Arrangement, as such order may be affirmed, amended, modified or supplemented by any court of competent jurisdiction.

"Fund" means Labrador Iron Ore Royalty Income Fund, an unincorporated limited purpose trust formed under the laws of the Province of Ontario pursuant to the Fund Declaration of Trust.

"Fund Declaration of Trust" means the declaration of trust of the Fund dated October 5, 1995, as amended.

"Fund Unit" means a trust unit of the Fund.

"Fund Unitholders" means holders of Fund Units.

"Governmental Authority" means any domestic or foreign legislative, executive, judicial or administrative body or person having or purporting to have jurisdiction in the relevant circumstances.

"Information Circular" means the management information circular of the Fund dated April 15, 2010 prepared in connection with the Meeting.

"Interim Order" means the order of the Court dated April 12, 2010 under subsection 192(4) of the CBCA with respect to the Arrangement, as such order may be affirmed, amended, modified or supplemented by any court of competent jurisdiction.

"LabMin" means Labrador Mining Company Limited, a corporation continued under the CBCA.

"LabMin Shares" means the issued and outstanding common shares of LabMin.

"Letter of Transmittal" means the letter of transmittal accompanying the Information Circular sent to the Fund Unitholders pursuant to which Fund Unitholders are required to deliver certificates representing Fund Units to receive certificates representing Stapled Units issuable to them pursuant to the Arrangement.

"LIORC" means Labrador Iron Ore Royalty Corporation, the corporation resulting from the Amalgamation.

"LIORC Shares" means common shares of LIORC.

"Meeting" means the special meeting of Fund Unitholders to be held on May 19, 2010, including any adjournments or postponements thereof, to consider and to vote upon the Arrangement Resolution.

"Newco" means Labrador Iron Ore Royalty Corporation, a corporation incorporated under the CBCA.

"Newco Shares" means common shares of Newco.

"Note Deposit Agreement" means the note deposit agreement dated as of the Effective Date between the Fund, LabMin, and the Custodian, as amended or supplemented from time to time, governing the deposit of the subordinated notes with the Custodian and the issuance of Subordinated Note Receipts by the Custodian.

"Note Indenture" means the note indenture dated as of November 28, 1995 between LabMin and Montreal Trust Company of Canada, as trustee, as supplemented by the supplemental note indenture dated as of December 10, 2001 between LabMin, Montreal Trust Company of Canada and Computershare Trust Company of Canada, as further amended or supplemented from time to time.

"Plan of Arrangement" means this plan of arrangement and any modification or amendment made in accordance with the terms hereof.

"Stapled Unit" means a unit consisting of one LIORC Share and one Subordinated Note Receipt.

"Subordinated Note Receipts" means the subordinated note receipts to be issued by the Custodian in accordance with the Note Deposit Agreement and this Plan of Arrangement, each of which represents a \$7.75 face amount of Subordinated Notes and which entitles the holder to interest payments of \$0.936 per annum and other entitlements.

"Subordinated Notes" means the notes issued by LabMin prior to the Effective Time in the aggregate principal amount of \$248 million, comprised of (a) a \$200 million note due November 28, 2025 bearing interest at the rate of 12.5% per annum (issued under the Note Indenture), (b) a \$4.8 million note due November 28, 2025 bearing interest at the rate of 11.5% per annum, (c) a \$6.5 million note due November 28, 2025 bearing interest at the rate of 11.5% per annum, (d) a \$36.5 million note due April 1, 2029 bearing interest at the rate of 10.0% per annum, and (e) a \$0.2 million note due April 1, 2029 bearing interest at the rate of 1.25% per annum.

"Tax Act" means the *Income Tax Act* (Canada).

"Trustees" means the trustees of the Fund.

1.02 Headings

The division of this Plan of Arrangement into Articles and Sections and the insertion of a table of contents and headings are for convenience of reference only and do not affect the construction or interpretation of this Plan of Arrangement. The terms "hereof", "hereunder" and similar expressions refer to this Plan of Arrangement and not to any particular Article, Section or other portion hereof. Unless something in the subject matter or context is inconsistent therewith, references herein to Articles and Sections are to Articles and Sections of this Plan of Arrangement.

1.03 Extended Meanings

In this Agreement words importing the singular number only include the plural and vice versa, words importing any gender include all genders and words importing persons include individuals, corporations, limited and unlimited liability companies, general and limited

partnerships, associations, trusts, unincorporated organizations, joint ventures and Governmental Authorities. The term "including" means "including without limiting the generality of the foregoing".

1.04 Statutory References

In this Plan of Arrangement, unless something in the subject matter or context is inconsistent therewith or unless otherwise herein provided, a reference to any statute is to that statute as now enacted or as the same may from time to time be amended, re-enacted or replaced and includes any regulations made thereunder.

1.05 Currency

All references to currency herein are to lawful money of Canada.

ARTICLE 2 — EFFECT OF THE ARRANGEMENT

2.01 Binding Effect

This Plan of Arrangement, upon the filing of the Articles of Arrangement and the issuance of the Certificate of Arrangement, will become effective on the Fund, LabMin, Newco, LIORC, the Custodian and all registered and beneficial Fund Unitholders.

2.02 Evidence of Effectiveness

The Articles of Arrangement and Certificate of Arrangement will be filed and issued, respectively, with respect to this Arrangement in its entirety. The Certificate of Arrangement will be conclusive evidence that the Arrangement has become effective and that each of the provisions of Article 3 will become effective in the sequence set out therein.

2.03 Timing of Arrangement

Other than as expressly provided for herein, no portion of this Plan of Arrangement will take effect with respect to any person until the Effective Time. Furthermore, each of the events listed in Article 3 will be, without affecting the timing set out in Article 3, mutually conditional, such that no event described in Article 3 may occur unless all steps to occur will occur, and those events will effect the integrated transaction which constitutes the Arrangement.

ARTICLE 3 — ARRANGEMENT

3.01 Events Occurring at the Effective Time

Commencing at the Effective Time, each of the events set out below will occur and will be deemed to occur, except as otherwise expressly noted, in the following order without any further act or formality:

- (a) The Fund Declaration of Trust will be deemed to be amended to the extent necessary or desirable to facilitate the Arrangement and the implementation of the steps and transactions described herein;
- (b) LabMin and Computershare Trust Company of Canada will enter into a second supplemental indenture to the Note Indenture to give effect to the subordination of the Subordinated Notes and to conform the events of default in the Note Indenture to the description thereof in the Information Circular;
- (c) The registered ownership of the Subordinated Notes will be transferred by the Fund to the Custodian, and the Custodian will issue to the Fund, as evidence of the Fund's beneficial ownership interest in the Subordinated Notes, a number of Subordinated Note Receipts that is equal to the number of issued and outstanding Fund Units, all in accordance with the Note Deposit Agreement (and the Fund will retain beneficial ownership of the Subordinated Notes evidenced by such Subordinated Note Receipts until the step contemplated by Section 3.01(d));
- (d) Upon the transfer of the registered ownership of the Subordinated Notes to the Custodian pursuant to Section 3.01(c), the Fund will cease to be the registered holder of the Subordinated Notes (but will remain the beneficial owner of the Subordinated Notes), and the Custodian will become the sole registered holder of the Subordinated Notes;
- (e) The Fund will undertake a return of capital by distributing a number of Subordinated Note Receipts to each Fund Unitholder equal to the number of Fund Units that is held by such holder;
- (f) Upon the distribution of Subordinated Note Receipts to the Fund Unitholders pursuant to Section 3.01(e), the Fund will cease to be the holder of the Subordinated Note Receipts so distributed and each Fund Unitholder will become the holder of a number of Subordinated Note Receipts that is equal to the number of Fund Units held by such holder;
- (g) The Fund Units held by Fund Unitholders will be transferred to Newco, free and clear of all liens, charges, encumbrances and any other rights of others, in exchange for the issuance by Newco to the Fund Unitholders of Newco Shares on the basis of one Newco Share for each Fund Unit so transferred. The amount of the consideration received for the Newco Shares issued under the Arrangement will be equal to the fair market value of the Fund Units transferred to Newco;
- (h) The amount to be added to the stated capital account maintained for the Newco Shares will be an amount equal to the consideration received by the Fund on the issuance of the Fund Units less the amount of all return of capital distributions by the Fund to Fund Unitholders prior to the transfer of Fund Units to Newco;

- (i) The one Newco Share issued to Hollinger-Hanna Limited in connection with the organization of Newco will be purchased for cancellation by Newco for consideration of \$10.00 and will be cancelled;
- (j) Upon the exchange of Fund Units for Newco Shares pursuant to Section 3.01(g):
 - (i) each former holder of Fund Units will cease to be the holder of the Fund Units so exchanged and the name of such former holder of Fund Units will be removed from the register of Fund Units and Newco will become the sole holder of the Fund Units and will be added to the register of Fund Units as the sole owner of Fund Units; and
 - (ii) each such holder of Fund Units will become the holder of the Newco Shares exchanged for Fund Units by such holder and will be added to the register of holders of Newco Shares in respect thereof;
- (k) The Fund will be wound-up and the LabMin Shares and all other assets held by the Fund will be transferred to Newco free and clear of all liens, charges, encumbrances and any other rights of others and Newco will fulfill and perform all obligations and liabilities of the Fund and, in connection therewith, the Fund will irrevocably constitute and appoint Newco the true and lawful attorney of the Fund for and in the name of or otherwise on behalf of the Fund with full power of substitution to do and execute all acts, deeds, matters and things as may be required to give effect to this Section 3.01(k);
- (l) Upon the transfer of LabMin Shares to Newco pursuant to Section 3.01(k):
 - (i) the Fund will cease to be the holder of the LabMin Shares so transferred and the name of the Fund will be removed from the register of LabMin Shares and Newco will become the sole holder of the LabMin Shares and will be added to the register of LabMin Shares as the sole owner of LabMin Shares; and
 - (ii) the Fund will terminate and cease to exist and each of the Trustees will cease to hold office as a trustee of the Fund.
- (m) The stated capital account maintained by LabMin in respect of the LabMin Shares will be reduced to \$1.00 without any payment to the holder of the LabMin Shares;
- (n) LabMin and Newco will amalgamate (the "Amalgamation") with the same effect as provided in section 186 of the CBCA and will continue as one corporation under the CBCA upon and subject to the following terms and conditions:

- (i) The name of the amalgamated corporation will be "Labrador Iron Ore Royalty Corporation";
- (ii) The registered office of LIORC will be situated in the Province of Newfoundland and Labrador;
- (iii) LIORC will be authorized to issue an unlimited number of LIORC Shares;
- (iv) The rights, privileges, restrictions and conditions attaching to the LIORC Shares will be as set out on Schedule A to this Plan of Arrangement;
- (v) There will be no restrictions on the transfer of the LIORC Shares;
- (vi) The number of directors of LIORC will be a minimum of three and a maximum of 10;
- (vii) The number of directors within the minimum and maximum number set out in Section 3.01(n)(vi) may be determined from time to time by resolution of the board of directors;
- (viii) Any vacancy among the directors resulting from an increase in the number of directors as so determined may be filled by resolution of the directors;
- (ix) The first directors of LIORC who will hold office until the next annual meeting of shareholders of LIORC, or until their successors are elected or appointed, will be the persons whose names and municipalities of residence appear below:

Bruce C. Bone	Toronto, Ontario
William J. Corcoran	Kleinburg, Ontario
Duncan N.R. Jackman	Toronto, Ontario
James C. McCartney	Toronto, Ontario
Paul H. Palmer	Toronto, Ontario
Alan R. Thomas	Toronto, Ontario
Donald J. Worth	Toronto, Ontario

- (x) The articles of LIORC will contain the restrictions and other provisions set forth on Schedule B of this Plan of Arrangement;
- (xi) The by-laws of Newco will, with necessary changes, be the by-laws of LIORC, such by-laws after the Effective Time to be supplemented, amended or repealed in accordance with the provisions of the CBCA relating to the making, amending and repealing of by-laws;

- (xii) Each of the outstanding Newco Shares will be converted into one LIORC Share;
- (xiii) All of the LabMin Shares held by Newco will be cancelled without any repayment of capital in respect thereof; and
- (xiv) The stated capital maintained by LIORC in respect of the LIORC Shares will be the same as the stated capital maintained by Newco in respect of the Newco Shares.

ARTICLE 4 — OUTSTANDING CERTIFICATES

4.01 Outstanding Certificates

(1) From and after the Effective Time, certificates formerly representing Fund Units that were exchanged under Section 3.01(g) will represent only the right to receive the consideration to which the holders are entitled under the Arrangement.

(2) Subject to the provisions of the Letter of Transmittal, LIORC will, as soon as practicable following the later of the Effective Date and the date of deposit by a former holder of Fund Units of a duly completed Letter of Transmittal and the certificates representing such Fund Units, either:

- (a) forward or cause to be forwarded by first class mail (postage prepaid) to such former holder at the address specified in the Letter of Transmittal; or
- (b) if requested by such holder in the Letter of Transmittal, make available or cause to be made available at LIORC's transfer agent for pickup by such holder,

certificates representing the number of Stapled Units, issued to such holder under the Arrangement.

(3) If any certificate which immediately prior to the Effective Time represented an interest in outstanding Fund Units that were exchanged for Newco Shares pursuant to Section 3.01(g) has been lost, stolen or destroyed, upon the making of an affidavit of that fact by the person claiming such certificate to have been lost, stolen or destroyed, LIORC's transfer agent will issue and deliver in exchange for such lost, stolen or destroyed certificate the consideration to which the holder is entitled pursuant to the Arrangement (and any dividends, interest or other distributions with respect thereto) as determined in accordance with the Arrangement. The person who is entitled to receive such consideration will, as a condition precedent to the receipt thereof, give a bond to LIORC and its transfer agent, which bond is in form and substance satisfactory to each of LIORC and its transfer agent, or will otherwise indemnify LIORC and its transfer agent against any claim that may be made against either of them with respect to the certificate alleged to have been lost, stolen or destroyed.

(4) All dividends, interest or other distributions, if any, made with respect to any Stapled Units allotted and issued pursuant to this Arrangement but for which a certificate has not been issued will be paid or delivered to LIORC's transfer agent to be held by LIORC's transfer agent in trust for the registered holder thereof. Subject to Section 4.01(5), LIORC's transfer agent will pay and deliver to any such registered holder, as soon as reasonably practicable after application therefor is made by the registered holder to LIORC's transfer agent in such form as LIORC's transfer agent may reasonably require, such dividends, interest and distributions to which such holder, is entitled, net of applicable withholding and other taxes.

(5) Any certificate formerly representing Fund Units that is not deposited with all other documents as required by this Plan of Arrangement on or before the sixth anniversary of the Effective Date will cease to represent a right or claim of any kind or nature including the right of the holder of such Fund Units to receive Stapled Units (and any dividend, interest and distributions thereon). In such case, such Stapled Units will be returned to LIORC for cancellation.

(6) No fractional Stapled Units, and no certificates representing fractional Stapled Units, will be issued pursuant to the Plan of Arrangement.

ARTICLE 5 — AMENDMENTS

5.01 Amendments

(1) Subject to Sections 5.01(2) and 5.01(4), the Fund, LabMin and Newco reserve the right to amend, modify or supplement this Plan of Arrangement at any time and from time to time prior to the Effective Time, provided that any amendment, modification or supplement must be contained in a written document and filed with the Court.

(2) Any amendment, modification or supplement to this Plan of Arrangement may be made after the Effective Time by LIORC without the approval of the Fund Unitholders, provided it concerns a matter which, in the reasonable opinion of LIORC, is of an administrative nature required to better give effect to the implementation of this Plan of Arrangement and is not adverse to the financial or economic interests of any former holder of Fund Units.

(3) Any amendment, modification or supplement to this Plan may be proposed by the Fund, LabMin or Newco at any time prior to or at the Meeting with or without any prior notice or communication to Fund Unitholders, and if so proposed and accepted by the persons voting at the Meeting (other than as may be required under the Interim Order), will become part of this Plan of Arrangement for all purposes.

(4) Any amendment, modification or supplement to this Plan of Arrangement that is made after the Meeting and prior to the Effective Time will be effective only if: (a) it is approved by the Court subject to such conditions as the Court may impose, (b) if required by the Court, communicated to Fund Unitholders in the manner directed by the Court, and (c) if required by

the Court, approved and authorized by Fund Unitholders voting in the manner directed by the Court.

ARTICLE 6 — GENERAL

6.01 Further Assurances

Notwithstanding that the transactions and events set out herein will occur and be deemed to occur in the order set out in this Plan of Arrangement without any further act or formality, each of the Fund, LabMin, Newco and LIORC will from time to time execute and deliver all such further documents and instruments and do all acts and things as may, either before or after the Effective Time, be reasonably required to effectively carry out or better evidence or perfect the full intent and meaning of this Plan of Arrangement.

6.02 Governing Law

This Plan of Arrangement is governed by and will be construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

Schedule A

The rights, privileges, restrictions and conditions attaching to the common shares of the Corporation are as follows:

- (a) **Payment of Dividends:** The holders of the common shares will be entitled to receive dividends if, as and when declared by the board of directors of the Corporation out of the assets of the Corporation properly applicable to the payment of dividends in such amounts and payable in such manner as the board of directors may from time to time determine. Subject to the rights of the holders of any other class of shares of the Corporation entitled to receive dividends in priority to or concurrently with the holders of the common shares, the board of directors may in its sole discretion declare dividends on the common shares to the exclusion of any other class of shares of the Corporation.
- (b) **Participation upon Liquidation, Dissolution or Winding Up:** In the event of the liquidation, dissolution or winding up of the Corporation or other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs, the holders of the common shares will, subject to the rights of the holders of any other class of shares of the Corporation entitled to receive assets of the Corporation upon such a distribution in priority to or concurrently with the holders of the common shares, be entitled to participate in the distribution. Such distribution will be made in equal amounts per share on all the common shares at the time outstanding without preference or distinction.
- (c) **Voting Rights:** Subject to the rights of the holders of any other class, or of any series of any other class, of shares of the Corporation entitled to have separate meetings of that class or series or to vote separately as a class or series, the holders of the common shares will be entitled to receive notice of and to attend all annual and special meetings of the shareholders of the Corporation and to one vote in respect of each common share held at all such meetings.

Schedule B

Restrictions — Business

The business of the Corporation is restricted to:

- (a) owning, holding, possessing, retaining and managing, directly or indirectly,
 - (i) mineral leases and licenses granted by the Government of Newfoundland and Labrador covering land near Labrador City, Newfoundland;
 - (ii) the sublease agreement dated February 25, 1953, as amended from time to time, between the Corporation and Iron Ore Company of Canada ("IOC"), including the royalty granted thereunder;
 - (iii) securities of IOC; and
 - (iv) an equity interest in Hollinger-Hanna Limited; and
- (b) holding cash and investing in money market debt securities.

Other Provisions

1. A resolution passed by a majority of not less than 75% of the votes cast by shareholders, representing in aggregate not less than 10% of the outstanding shares of the Corporation, at a meeting of shareholders of the Corporation is required for:
 - (a) any amendment to the Articles of the Corporation to change or remove any restriction on the business of the Corporation, change the authorized share capital or amend the rights, privileges, restrictions and conditions attaching to the Corporation's shares;
 - (b) any sale, lease or other disposition of, or of any interest in, the mineral leases and licenses granted by the Government of Newfoundland and Labrador covering land near Labrador City, Newfoundland (the "LM&E Leases"), the sublease agreement (the "Labrador Sub-Lease") dated February 25, 1953, as amended from time to time, between the Corporation and Iron Ore Company of Canada ("IOC"), including the royalty granted thereunder, securities of IOC (the "IOC Equity") or an equity interest in Hollinger-Hanna Limited; provided that no such resolution is required in connection with any grant by the Corporation to any financial institution or institutions of any mortgage, charge or other security on such assets as security for credit advanced to the Corporation by, or for the payment or performance of any other obligation of the Corporation to, such institution or institutions, or for any realization on such assets by such institution or institutions pursuant thereto;

(c) any amalgamation or other merger with any other corporation; or

(d) any issue of shares in the capital of the Corporation.

2. Notwithstanding clause 1 above and subject to compliance with applicable legal obligations, the Corporation may internally restructure the manner in which it holds its interest in the LM&E Leases, the Labrador Sub-Lease, including the royalty granted thereunder, the IOC Equity, the equity interest in Hollinger-Hanna Limited or participate in the restructuring of any such interests, without such shareholder approval.