

LABRADOR IRON ORE ROYALTY CORPORATION

CODE OF BUSINESS CONDUCT AND ETHICS

1 Introduction

This Code of Business Conduct and Ethics (this “**Code**”) covers a wide range of business practices and procedures, and reflects the core values of honesty, responsibility and fairness of Labrador Iron Ore Royalty Corporation (“**LIORC**”). It does not cover every issue that may arise, but sets out basic principles to guide all directors, officers and authorized representatives (collectively, “**LIORC Personnel**”) of LIORC and its wholly-owned subsidiary Hollinger-Hanna Limited (collectively with LIORC, the “**Company**”). All LIORC Personnel must conduct themselves accordingly and seek to avoid even the appearance of improper behavior.

If a law conflicts with a policy in this Code, LIORC Personnel must comply with the law. If you have any questions about these conflicts, you should ask the Chief Executive Officer and Corporate Secretary how to handle the situation.

LIORC Personnel who violate the standards in this Code will be subject to disciplinary action, which could include the termination for cause of their employment or other relationship with the Company.

2 The Code

2.1 *Compliance with Laws, Rules and Regulations*

Obeying the law, both in letter and in spirit, is the foundation on which the Company’s ethical standards are built and is critical to our reputation and continued success. All LIORC Personnel must respect and obey the laws of the various Canadian provinces in which the Company operates and avoid even the appearance of impropriety. The Chief Executive Officer and Corporate Secretary are always available to assist LIORC Personnel in determining applicable legal requirements.

2.2 *Conflicts of Interest*

A “conflict of interest” exists when a person’s personal or private interests interfere in any way with the interests of the Company or Iron Ore Company of Canada (“**IOC**”). LIORC Personnel may also find it difficult to perform their work for the Company objectively and effectively if they or members of their families have received improper personal benefits through their position with the Company.

Loans to, or guarantees of obligations of, LIORC Personnel may present conflicts of interests.

It is almost always a conflict of interest for LIORC Personnel to work at the same time for a competitor or a person with whom the Company or IOC has a business relationship. LIORC Personnel are not allowed to work for a competitor as a consultant or board member. The best policy is to avoid any direct or indirect business relationship (except on behalf of the Company) with competitors of the Company or IOC or persons with whom the Company or IOC has business relationships. All outside interests must be brought to the attention of the Chief Executive Officer and Corporate Secretary before any action or commitment is undertaken.

Conflicts of interest are prohibited as a matter of LIORC policy, except under guidelines approved by the Board of Directors of the Company. Conflicts of interest may not always be clear-cut. If you have a question, you should consult with the Chief Executive Officer and Corporate Secretary. Any LIORC Personnel who become aware of a conflict or potential conflict of interest should bring it to the attention of the Chief Executive Officer and Corporate Secretary.

2.3 Confidentiality

LIORC Personnel must maintain the confidentiality of confidential information entrusted to them by the Company and persons with whom the Company does business, except when disclosure is authorized by the Chief Executive Officer or the Corporate Secretary or is required by laws or regulations. Confidential information includes all non-public information that might be of use to competitors or harmful to the Company or the person to whom it relates if disclosed. The obligation to preserve confidential information continues even after LIORC Personnel cease to have a relationship with the Company.

LIORC Personnel who have access to confidential information are not permitted to use or share that information for stock trading purposes or for any other purpose except the conduct of the Company's business. Compliance by all LIORC Personnel with the Confidentiality and Fair Disclosure Policy and the Insider Trading Policy, as amended from time to time, is required.

2.4 Corporate Opportunities

LIORC Personnel are prohibited from taking for themselves personally opportunities that are discovered through their positions with the Company without the consent of the Board of Directors and from using corporate information or position for improper personal gain. No LIORC Personnel may compete with the Company directly or indirectly. LIORC Personnel owe a duty to the Company to advance its legitimate interests, before their own, when the opportunity to do so arises.

2.5 Competition and Fair Dealing

The Company seeks to excel and to outperform any competitors fairly and honestly through superior performance and not through unethical or illegal business practices. Taking proprietary information without the owner's consent, inducing disclosure of that information by past or present employees of other persons or using that information is prohibited. LIORC Personnel should respect the rights of, and deal fairly with, the Company's competitors and persons with whom the Company has a business relationship. No LIORC Personnel should take unfair advantage of anyone through illegal conduct, manipulation, concealment, abuse of proprietary information, misrepresentation of material facts or any other intentional unfair-dealing practice. Nor should any LIORC Personnel act in a manner that may be anti-competitive under anti-trust laws. The Chief Executive Officer and Corporate Secretary are always available to assist LIORC Personnel in determining the application of those laws.

2.6 Gifts and Entertainment

Business gifts and entertainment are customary courtesies designed to build goodwill and constructive relationship among business partners. These courtesies may include such things as meals and beverages, tickets to sporting or cultural events, discounts not available to the general public, accommodation and other merchandise or services. A problem may arise when these

courtesies compromise, or appear to compromise, the Company's ability to make fair and objective business decisions or to gain an unfair advantage.

Offering or receiving any gift, gratuity or entertainment that might be perceived to unfairly influence a business relationship should be avoided. These guidelines apply at all times and do not change during traditional gift-giving seasons.

No gift or entertainment should ever be offered, given, provided, authorized or accepted by any LIORC Personnel or their family members unless it is not a cash gift, is consistent with customary business practices, is not excessive in value, cannot be construed as a bribe or payoff, and does not violate any laws. Strict rules apply when the Company does business with governmental agencies and officials. LIORC Personnel should discuss with Chief Executive Officer or the Corporate Secretary any gifts or proposed gifts about which they have any questions.

2.7 *Payments to Government Personnel*

All LIORC Personnel must abide by all the provincial and federal laws of Canada applicable to the provinces in which the Company conducts business. In addition, all LIORC Personnel must comply with all laws prohibiting improper payments to domestic and foreign officials.

Certain governments have laws regarding business gifts that may be accepted by government personnel. The promise, offer or delivery to an official or employee of various governments of a gift, favor or other gratuity in violation of these laws would not only violate Company policy but could also be a criminal offense. Illegal payments should not be made to any government officials. The Chief Executive Officer and Corporate Secretary can provide guidance to LIORC Personnel in this area.

2.8 *Discrimination, Harassment and Equal Opportunity*

The diversity of LIORC Personnel is an asset. The Company is firmly committed to providing equal opportunity in all aspects of employment and will not tolerate any illegal discrimination or harassment of any kind. Examples include derogatory comments based on racial or ethnic characteristics and unwelcome sexual advances. LIORC Personnel are encouraged to speak with the Chief Executive Officer and Corporate Secretary, when a co-worker's conduct makes them uncomfortable and to report harassment when it occurs. Compliance by all LIORC Personnel with the Company's Discrimination, Harassment and Equal Opportunity Policy, as amended from time to time, is required.

2.9 *Health and Safety*

The Company strives to provide all LIORC Personnel with a safe and healthy work environment. All LIORC Personnel have responsibility for maintaining a safe and healthy workplace by following health and safety rules and practices. Violence and harassment in the workplace are not permitted. The Company expects that all LIORC Personnel will be free of alcohol and drugs which could impair their judgment or affect their ability to perform their job safely while undertaking their duties.

2.10 *Accuracy of Company Records and Reporting*

The Company requires honest and accurate recording and reporting of information to make responsible business decisions. The Company's accounting records are relied upon to produce

reports for our management, directors, shareholders, governmental agencies and persons with whom the Company does business. All of the Company's financial statements and the books, records and accounts on which they are based must appropriately reflect the Company's activities and conform to applicable legal and accounting requirements and to the Company's system of internal controls. Unrecorded or "off the books" funds or assets should not be maintained unless required by applicable law or regulation.

All LIORC Personnel have a responsibility, within the scope of their positions, to ensure that the Company's accounting records do not contain any false or intentionally misleading entries. The Company does not permit intentional misclassification of transactions as to accounts, departments or accounting records. All transactions must be supported by accurate documentation in reasonable detail and recorded in the proper accounts and in the proper accounting period.

Many LIORC Personnel use business expense accounts, which must be documented and recorded accurately.

Business records and communications often become public through legal or regulatory proceedings or the media. LIORC Personnel should avoid exaggeration, derogatory remarks, guesswork or inappropriate characterizations that can be misunderstood. This requirement applies equally to communications of all kinds, including e-mail, informal notes, internal memos, and formal reports.

2.11 Use of E-mail

E-mail services are provided by the Company to certain LIORC Personnel. Regardless of whether the e-mail services used by LIORC Personnel to carry out their work are provided by the Company, LIORC Personnel must never use such e-mail for any improper purpose. Incidental and occasional personal use is permitted where the e-mail services are provided by the Company. LIORC Personnel may not access, send or download any information that could be insulting or offensive to another person, such as sexually explicit messages, cartoons, jokes, unwelcome propositions, derogatory messages based on racial or ethnic characteristics or any other messages that could reasonably be viewed as harassment.

Messages (including voice-mail) and computer information sent, received or created by LIORC Personnel are considered Company property and LIORC Personnel should recognize that these messages and information are not "private". Unless prohibited by law, the Company reserves the right to access and disclose those messages and information as necessary for its business purposes. LIORC Personnel should use good judgement and not access, send messages or store any information that they would not want to be seen or heard by others.

3 Administration of the Code

3.1 Additional Policies

The Company may adopt additional policies on topics or issues of importance to the proper and ethical conduct of the business of the Company and LIORC Personnel must seek out these policies and adhere to their purposes and specific terms.

3.2 Changes to the Code

The Board of Directors will review this Code annually to ensure that it is effective in achieving its objectives and may recommend changes to such objectives or this Code, or may recommend additional objectives, as appropriate.

3.3 *Responsible Officer*

The Chief Executive Officer has been designated as the individual responsible to oversee this Code.

4 Date

Current as of November 5, 2020.