

LABRADOR IRON ORE ROYALTY CORPORATION

DIVERSITY AND INCLUSION POLICY

1. Diversity and Inclusion

Labrador Iron Ore Royalty Corporation (“**LIORC**”) is committed to creating a workplace environment that promotes dignity and respect for all directors and officers of LIORC in which individual differences and the contributions of all members are recognized and valued and this Diversity and Inclusion Policy (the “**Policy**”) sets out the Company’s commitments with respect to diversity and inclusion.

2. Diversity at the Board and Executive Officer Level

At the Board and executive officer levels, the Board believes that highly qualified individuals of diverse backgrounds are important elements in achieving strong corporate performance as well as good governance.

The Nominating Committee actively considers diversity matters in its annual review of the composition of the Board. LIORC believes that diversity in composition, together with diversity in certain identified attributes, skills and competencies deepens insight capability. Leveraging diverse perspectives, backgrounds, skills and talents contributes to the best outcomes in board discussions and in serving a diverse population of stakeholders.

The Nominating Committee discusses and considers the level of representation by women, aboriginal peoples, persons with disabilities and members of visible minorities (“**designated groups**”) on the Board and in executive officer positions at meetings held to identify and nominate candidates for election to the Board and executive officer positions.

Three of eight, or 37.5%, of the members of the Board are women. The Chair of the Audit Committee is also a woman. LIORC has four executive officer positions, one of which (25%) is held by a woman. Considering the reasonable level of representation of women on the Board and in senior executive positions, as well as the small numbers of directors and executive officers, the Company has not adopted targets regarding the number of members of the designated groups on the Board or in executive officer positions.

3. Administration of the Policy

3.1 *Changes to the Policy*

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

3.2 *Responsible Officer*

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

4. Date

Current as of November 5, 2020.