LABRADOR IRON ORE ROYALTY CORPORATION

INVESTOR PRESENTATION

January 16, 2025

NOTICE TO READER

All dollar figures are stated in Canadian (“CDN”) dollars unless noted otherwise.

This presentation may contain "forward-looking" statements that involve risks, uncertainties and other factors that may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Words such as "may", "will", "expect", "believe", "plan", "intend", "should", "would", "anticipate" and other similar terminology are intended to identify forward-looking statements. These statements reflect current assumptions and expectations regarding future events and operating performance as of the date of this report. Forward-looking statements involve significant risks and uncertainties, should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether or not such results will be achieved. A number of factors could cause actual results to vary significantly, including iron ore price and volume volatility; the performance of IOC; market conditions in the steel industry; fluctuations in the value of the Canadian and U.S. dollar; mining risks that cause a disruption in operations and availability of insurance; disruption in IOC's operations caused by natural disasters, severe weather conditions and public health crises, including the COVID-19 outbreak; failure of information systems or damage from cyber security attacks; adverse changes in domestic and global economic and political conditions; changes in government regulation and taxation; national, provincial and international laws, regulations and policies regarding climate change that further limit the emissions of greenhouse gases or increase the costs of operations for IOC or its customers; changes affecting IOC's customers; competition from other iron ore producers; renewal of mining licenses and leases; relationships with indigenous groups; litigation; and uncertainty in the estimates of reserves and resources. A discussion of these factors is contained in LIORC's annual information form dated March 12, 2024 under the heading, "Risk Factors". Although the forward-looking statements contained in this presentation are based upon what management of LIORC believes are reasonable assumptions, LIORC cannot assure investors that actual results will be consistent with these forward-looking statements.

These forward-looking statements are made as of the date of this presentation and LIORC assumes no obligation, except as required by law, to update any forward-looking statements to reflect new events or circumstances. This presentation should be viewed in conjunction with LIORC's other publicly available filings, copies of which can be obtained electronically on SEDAR+ at www.sedarplus.ca

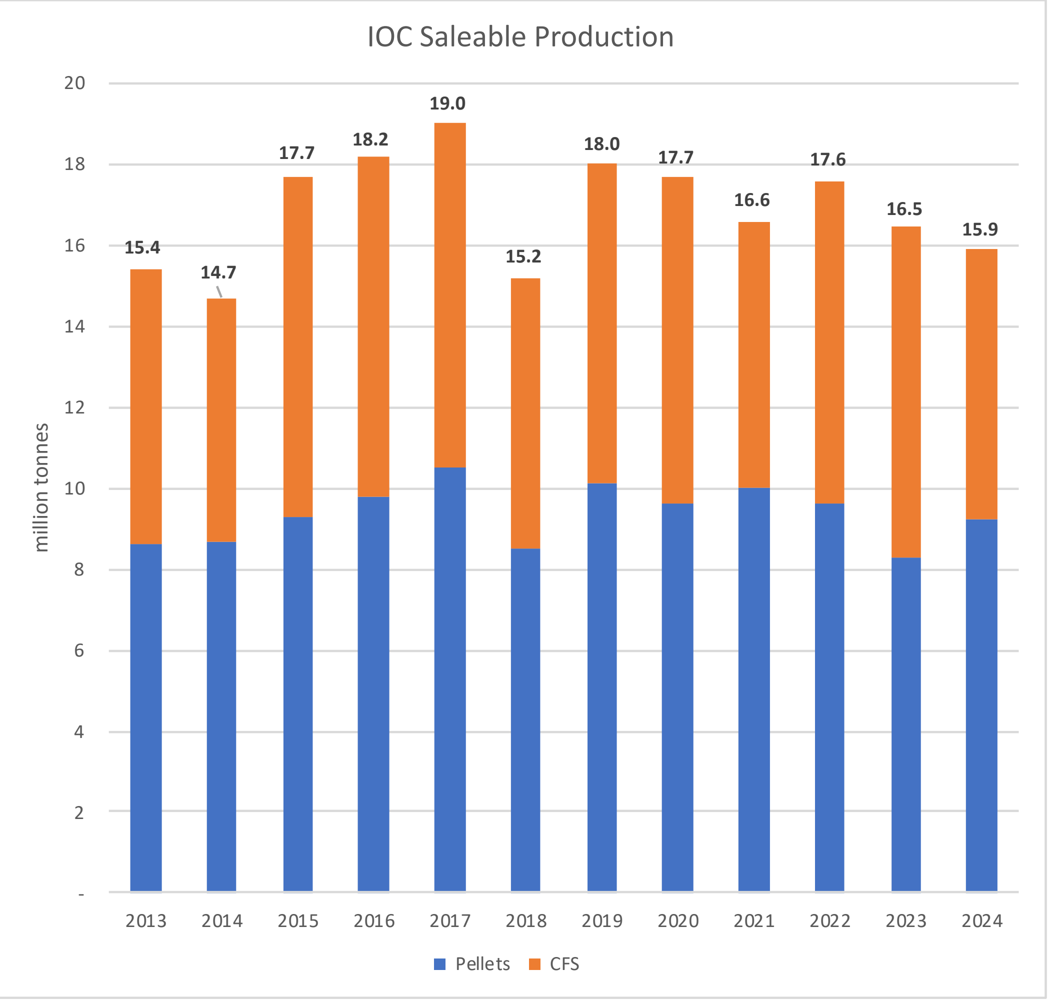
LIORC OVERVIEW

- LIORC has a unique ownership interest in Iron Ore Company of Canada (IOC).
  - 15.1% equity in IOC
  - 7% top line royalty in IOC
  - 10¢ per tonne commission on all IOC sales

- IOC is a leading producer of premium iron ore pellets and high-grade concentrate.
  - Large, high quality resource with a long mine life (1 billion tonnes of reserves, representing approximately 21 years of production, with another 1.64 billion tonnes of measured, indicated and inferred resources).
  - Significant infrastructure including concentrator, pellet plant, and wholly owned 418 km railway and port facilities.
  - Competitive operating costs (over 50 years without a shut down due to market conditions).
  - World class operator – Rio Tinto

IOC SALEABLE PRODUCTION

- Total IOC saleable production for 2024 is estimated to be 15.9M tonnes, down from 16.5M tonnes a year ago.
- This continues to be well short of name plate capacity of 23M tonnes of concentrate and 12.5M tonnes of pellets.
- While forest fires created challenges, Rio Tinto recognizes ongoing issues and has increased efforts to improve operations.
- IOC has significantly increased its capital expenditure budget over the last few years (almost US$1.5 billion in Capex over the last 4 years).



Note: 2024 represents most recent forecast from Rio Tinto

FOCUS ON STABILISING AND IMPROVING OPERATIONS

Setting the strategy:

Stabilising operations to achieve safe, cost-effective, consistent production

Executing integrated roadmap to optimise current operational footprint

Advancing growth optionality to capture benefits of green steel transition

Initial scoping:

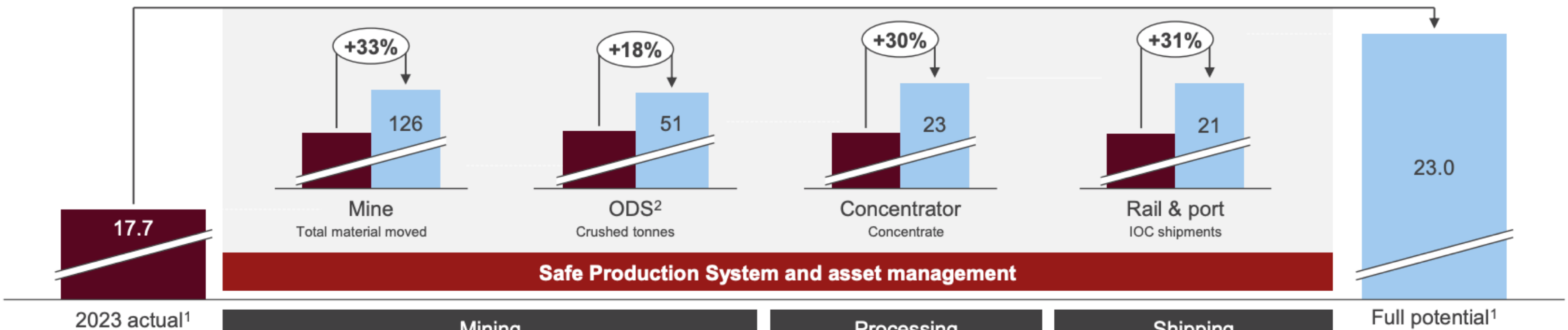
Concentrator 23Mtpa capacity

Improvement programs underway

Asset integrity and operational issues being addressed

Entire value chain:

Achieving concentrator capacity will require step change across the entire value chain



Mining	Processing	Shipping
Strip ratio and TMM are increasing	Capacity constrained upstream and downstream	Third-party haulage increasing in parallel

Mining

Strip ratio and TMM are increasing

Actions

- Heavy mining equipment purchases, including autonomous drills
- Mine plan optimisation
- Targeting improvement in haul truck effective utilisation

Processing

Capacity constrained upstream and downstream

Actions

- Pellet plant capacity increase

Shipping

Third-party haulage increasing in parallel

Actions

- Locomotive availability
- Cycle time
- Leveraging technology
- Circuit upgrades

[1] Total concentrate production capacity which is saleable production plus volume loss in upgrading concentrate to pellets.
[2] Ore Delivery System: automated train, overland conveyor, and crusher systems connecting the mine to the concentrator.

IOC DECARBONIZATION EFFORTS

IOC is a high-quality, resilient, low-carbon mine with optionality for energy transition

- Targeting 50% reduction in Scope 1 & 2 emissions by 2030.
    - Currently 0.9 Mt CO_2e
- Recent actions include:
    - 40MW electric boiler
    - Hydro-powered plasma trials
    - R&D coke elimination trials including use of biocarbon
- Targeting a 50% reduction in Scope 3 emissions by 2035.
    - Currently, approximately 1.9t CO_2/t steel
- Opportunities include:
    - Increased share of CFS transitioning from BF customers in Asia to integrated DRI/EAF producers in MENA
    - Growing DR pellet demand, coupled with potential increasing demand from H_2 based DRI/EAF customers in the Atlantic

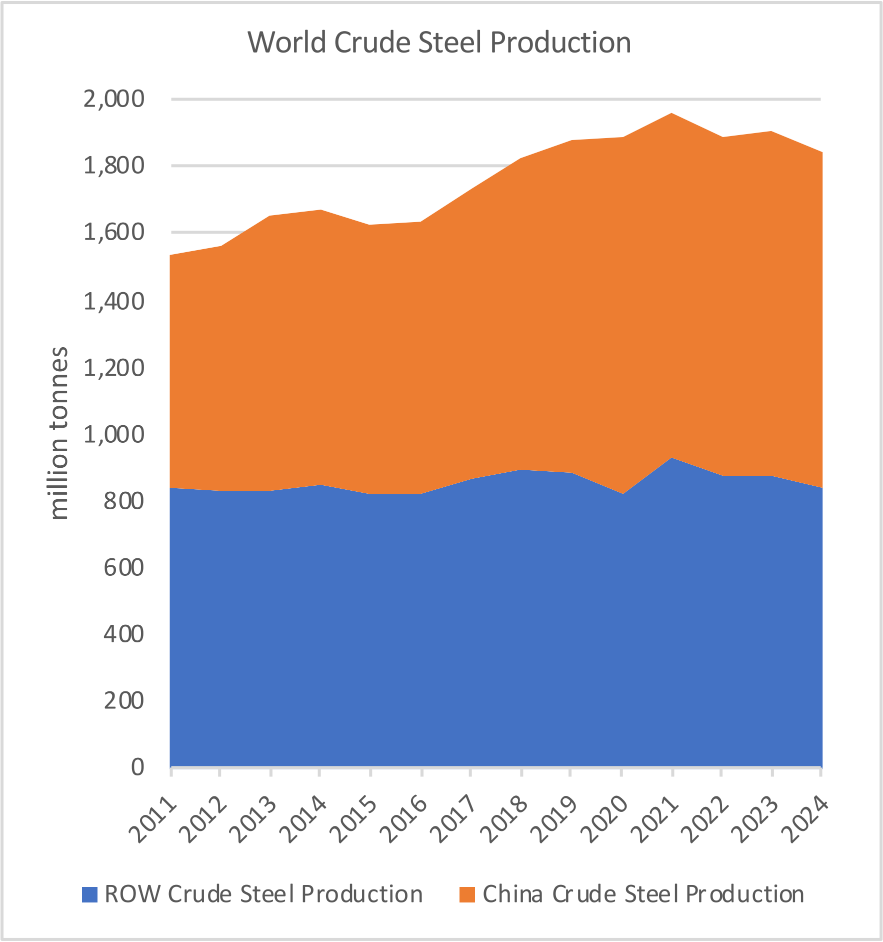
GLOBAL STEEL MARKETS

- Over the last 13 years, global steel production has grown at a rate of 1.4% per year. All of this growth has come from China. Steel production from the rest of the world has been relatively flat over this time.

- However, China steel production, which had been growing at a rate of 4.5% per year, has slowed and has been relatively flat over the last 5 years.

- In 2024, global steel production dropped by 3%, due to persistent weakness in global manufacturing activity and continuing concerns about China's property construction sector.

- The World Steel Association is forecasting a 1.2% rebound in global steel demand for 2025, driven by growth from India and other emerging economies.

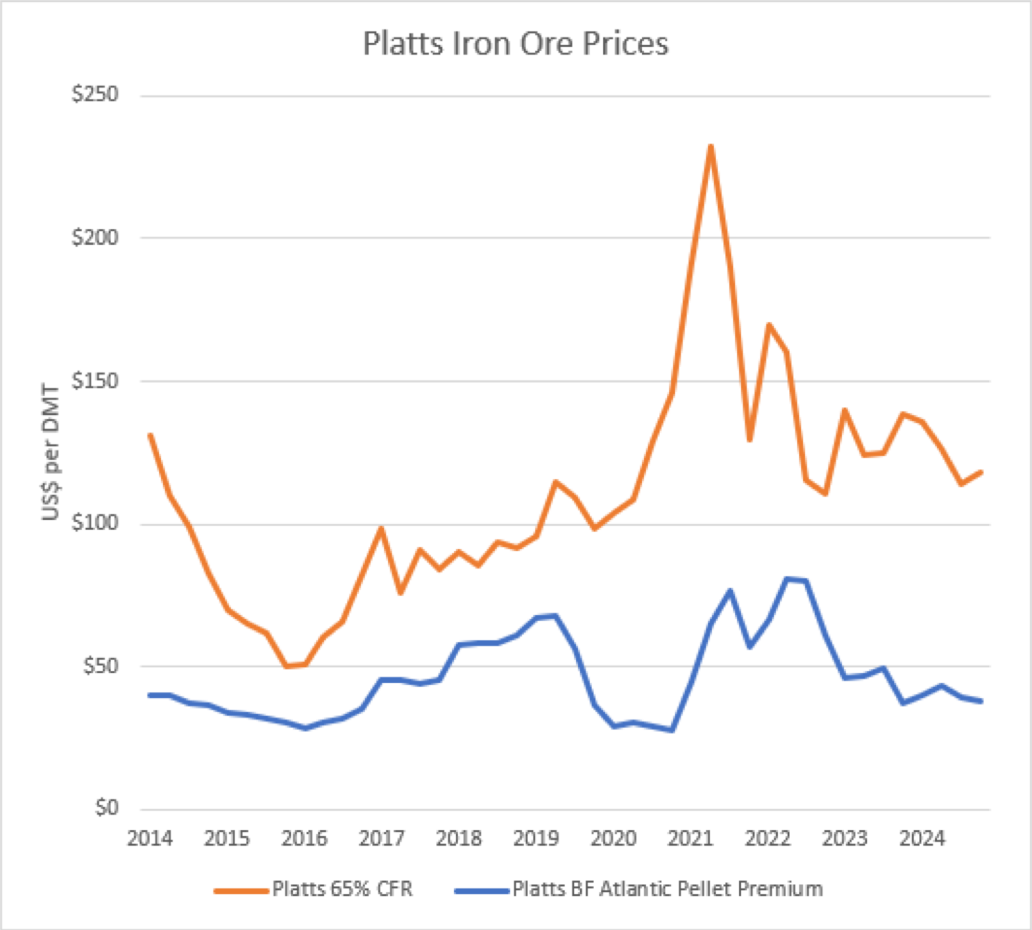


Note: 2024 represents TTM ending November 2024
Source: World Steel Association

IRON ORE PRICES

- In 2024, the Platts 65% Index averaged US$123 per tonne, down from US$132 per tonne in 2023 and US$139 per tonne in 2022, as a result of lower steel demand.

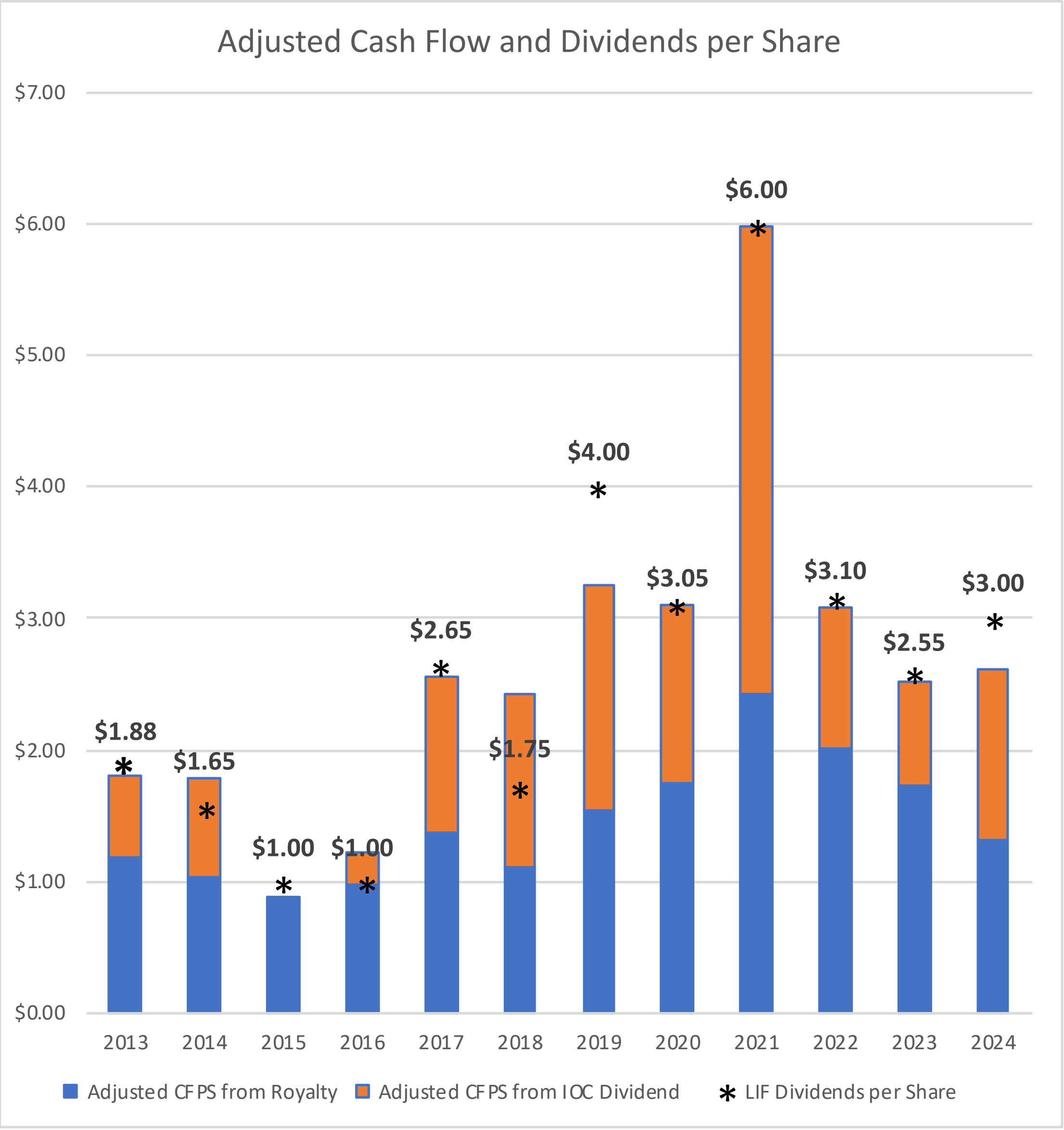
- In 2024, the Platts Atlantic Blast Furnace Pellet Premiums averaged US$40 per tonne, as compared to US$45 per tonne in 2023 and US$72 per tonne in 2022, as lower steel margins have caused some producers to use cheaper, lower quality iron ore inputs.



Source: S&P Global Platts

LIORC HISTORICAL DIVIDENDS AND CASH FLOW

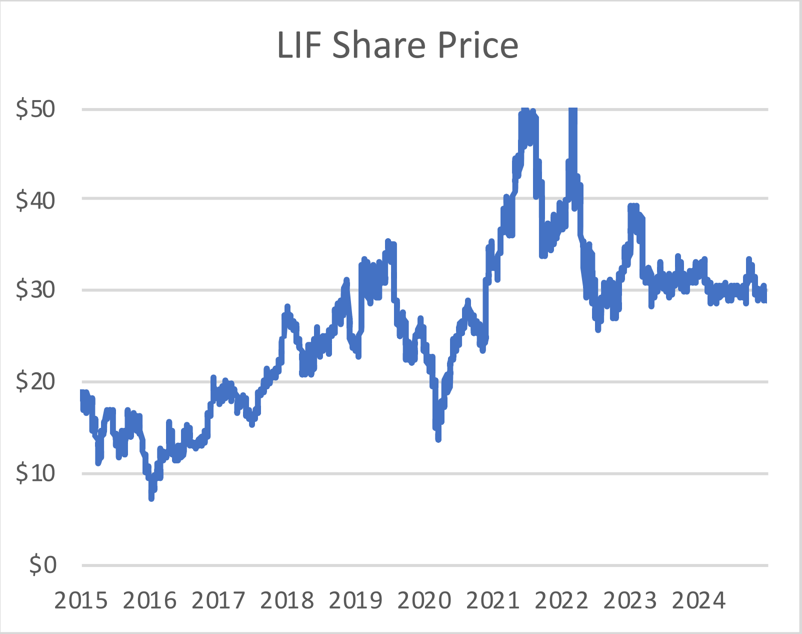
- LIORC has traditionally paid out all of the free cash flow it generates to its shareholders in the form of quarterly dividends
  - Average of $3.54/share per year over the last 5 years and $2.81/share per year over the last 10 years
- The royalty has historically provided stable after-tax cash flow per share throughout the commodity cycle – protects the downside
- The IOC equity interest has provided significant additional upside from dividends in years when iron ore prices have been strong
  - High of $3.56 per share in 2021



Note: 2024 Adjusted CFPS from Royalty excludes unreported cashflow from Q4

LIORC SHAREHOLDER RETURNS

- Dividend yield mitigates share price volatility, which has produced strong total returns for shareholders over the longer-term.
- In 2024, LIORC declared $3.00 per share of dividends – 9.6% yield based on trading price at beginning of 2024.
- LIORC has performed well relative to both the TSX Global Mining Index and the S&P/TSX Composite Index over the long-term.



Average Annualized Returns (1)

	1 Year	**3 Year**	**5 Year**	**10 Year**
Labrador Iron Ore Royalty Corporation	0.6%	1.1%	15.0%	15.8%
TSX Global Mining Index (Total Return) (2)	4.6%	7.5%	11.0%	9.9%
S&P/TSX Composite Index (Total Return) (2)	21.7%	8.6%	11.1%	8.7%

(1) For periods ending December 31, 2024

(2) As indicated on spglobal.com

LIORC INVESTMENT RATIONALE

- Attractive dividend yield.
- Returns supported by IOC, which is a high-grade (>65% Fe), low-impurity, long-life asset in a stable jurisdiction.
- Royalty structure limits operational and capex risk, while benefiting from any production growth.
- Upside potential from increased production.
  - Supported by significant capital expenditures recently (close to US$1.5 billion spent in the last 4 years).
- Additional IOC rail revenues from increased QSNL third-party iron ore haulage.
- While the near-term iron ore market remains uncertain, global efforts to reduce GHG emissions provides a positive long-term outlook for IOC's high quality, low impurity iron ore products, including DR pellets.
- Debt-free balance sheet at both LIORC and IOC.
  - LIORC's net working capital position was +$29 million as at September 30, 2024.