



LABRADOR IRON ORE ROYALTY CORPORATION

ANNUAL GENERAL MEETING

MAY 13, 2025

NOTICE TO READER

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

The information contained in this presentation is derived from publicly available sources, such as annual and quarterly financial reports and the annual information form filed by Labrador Iron Ore Royalty Corporation (“LIORC”) in accordance with applicable securities laws, Rio Tinto reports and releases, news reports and analysts’ reports. Certain market and pricing data contained in this presentation has been obtained from S&P Global Platts.

This report 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 11, 2025 under the heading, “Risk Factors”. Although the forward-looking statements contained in this report 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 report and LIORC assumes no obligation, except as required by law, to update any forward-looking statements to reflect new events or circumstances. This report 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 FINANCIAL HIGHLIGHTS

	First Quarter		Fiscal Year	
	2025	2024	2024	2023
	(\$ in millions except per share information)			
Revenue	36.2	56.7	209.0	201.3
Net Income	21.4	59.3	175.0	186.3
Adjusted Cash Flow from Operations ⁽¹⁾	19.8	31.3	198.9 ⁽²⁾	161.5 ⁽³⁾
Net Income per Share	\$0.33	\$0.93	\$2.73	\$2.91
Adjusted Cash Flow from Operations per Share ⁽¹⁾	\$0.31	\$0.49	\$3.11 ⁽²⁾	\$2.52 ⁽³⁾

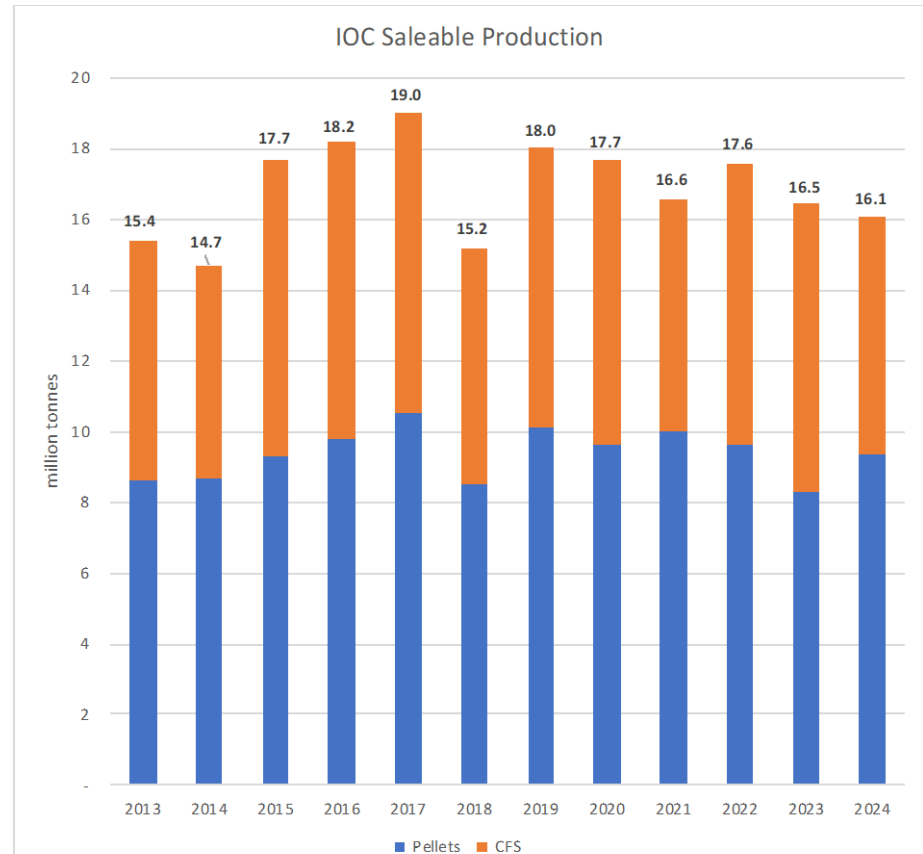
(1) Adjusted cash flow equals cash flow from operating activities, as adjusted for changes in amounts receivable, accounts payable and income taxes recoverable and payable.

(2) Includes IOC dividends totaling \$83.6 million or \$1.31 per share.

(3) Includes IOC dividends totaling \$50.4 million or \$0.79 per share.

IOC PRODUCTION

- IOC produced 16.1 million tonnes of pellets and CFS in 2024, down 2% from 2023.
- The decrease in production was due to a number of operational issues throughout the year and lower weight yields caused by changes to the mine sequencing, as well as an 11-day site-wide shutdown caused by area forest fires in mid-July.
- Q1, 2025 IOC produced 3.9 million tonnes of pellets and CFS, down 11% from Q1, 2024. While total mine material moved increased by 30% over the same quarter last year, the increase in material moved was more than offset by a higher strip ratio. Also, concentrate production in Q1, 2025 was negatively impacted by a lower weight yield.



IOC FOCUS ON STABILISING & IMPROVING OPERATIONS

Setting the strategy:

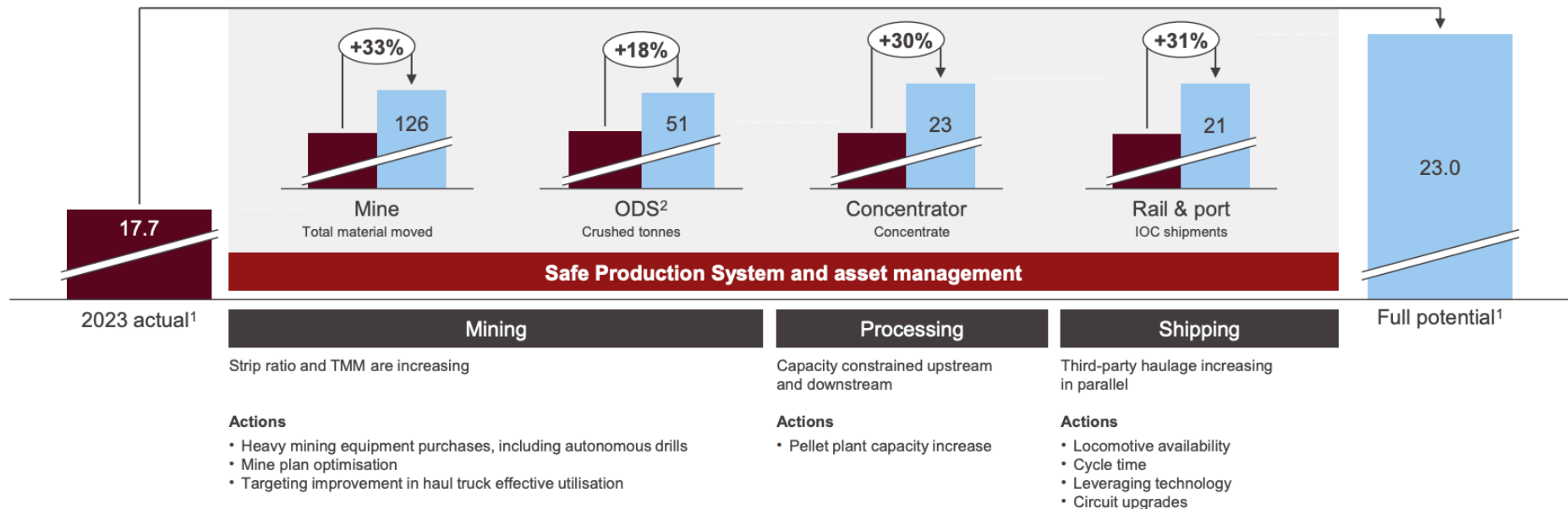
Stabilising operations to achieve safe, cost-effective, consistent production
 Executing integrated roadmap to optimise current operational footprint
 Advancing growth optionality to capture benefits of green steel transition

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

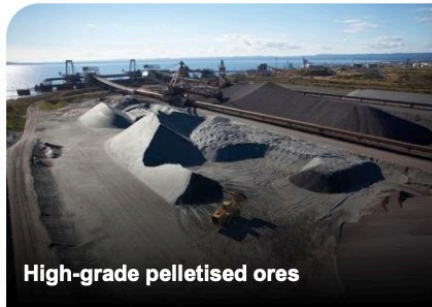


¹ Total concentrate production capacity which is saleable production plus volume loss in upgrading concentrate to pellets.

² Ore Delivery System: automated train, overland conveyor, and crusher systems connecting the mine to the concentrator.

IOC DECARBONIZATION EFFORTS

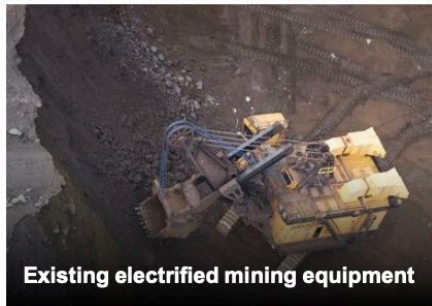
IOC is a high-quality, resilient, low-carbon mine with optionality for energy transition



High-grade pelletised ores



Zero carbon hydro power



Existing electrified mining equipment

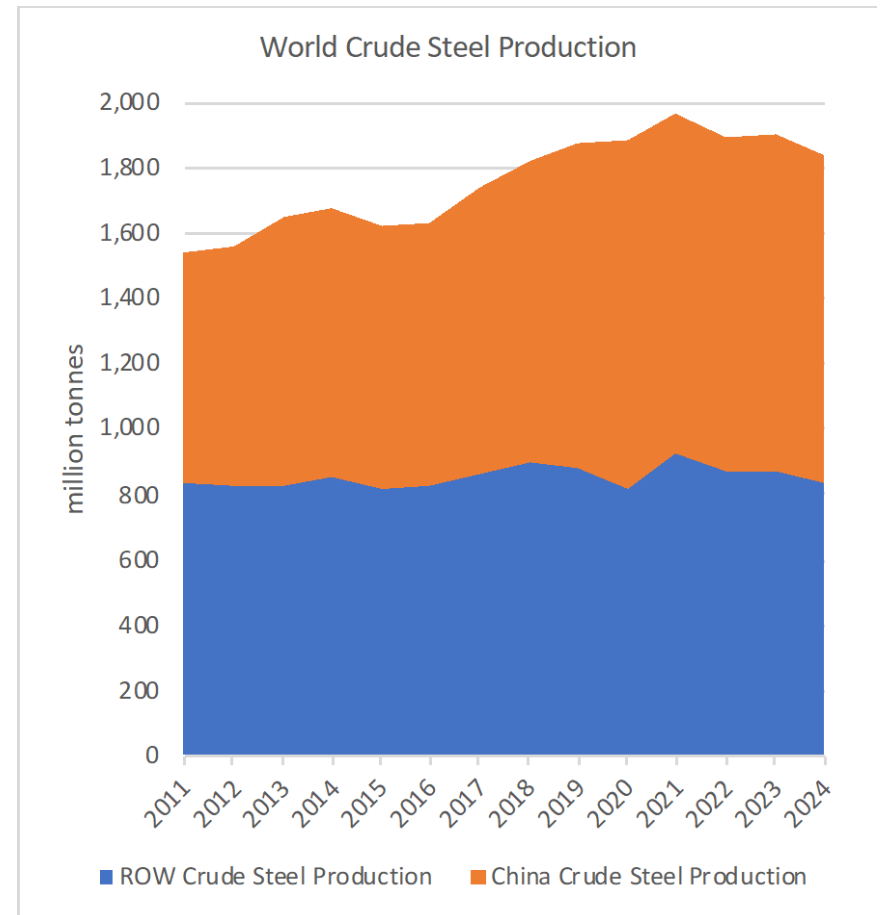


Energy-advantaged region suitable for expansion

- Targeting 50% reduction in Scope 1 & 2 emissions by 2030.
 - Currently 0.9 Mt CO₂e.
- 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 CO₂/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 hydrogen based DRI/EAF customers in the Atlantic.

GLOBAL STEEL MARKETS

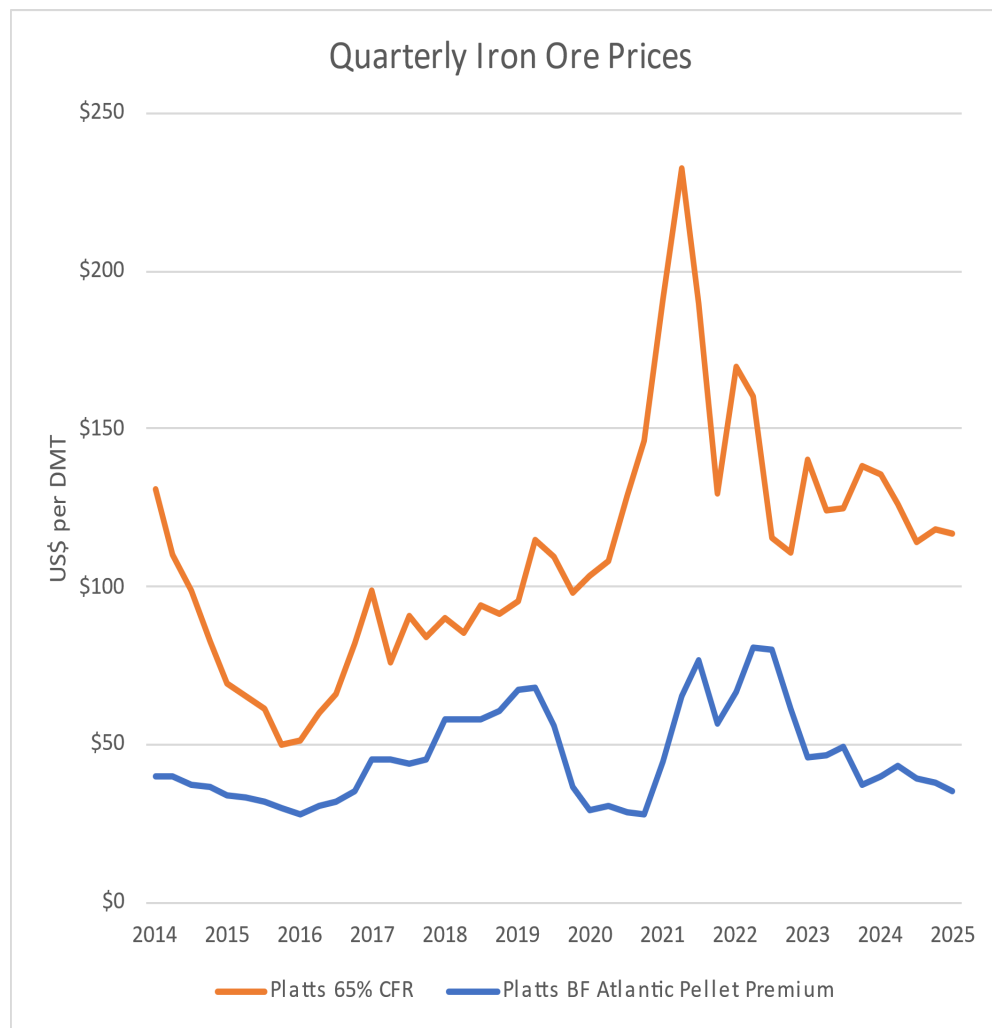
- Over the last 13 years all of the growth in global steel production has come from China. However, China steel production, which had been growing at a rate of 4.5% per year, has slowed and has been relatively flat over the last 5 years.
- In 2024, global steel production dropped by 1%, due to persistent weakness in global manufacturing activity and continuing concerns about China's property construction sector.
- This broader trend has continued in 2025. Global crude steel production in the first quarter of 2025 was flat relative to the first quarter of 2024.



Source: World Steel Association

IRON ORE PRICES

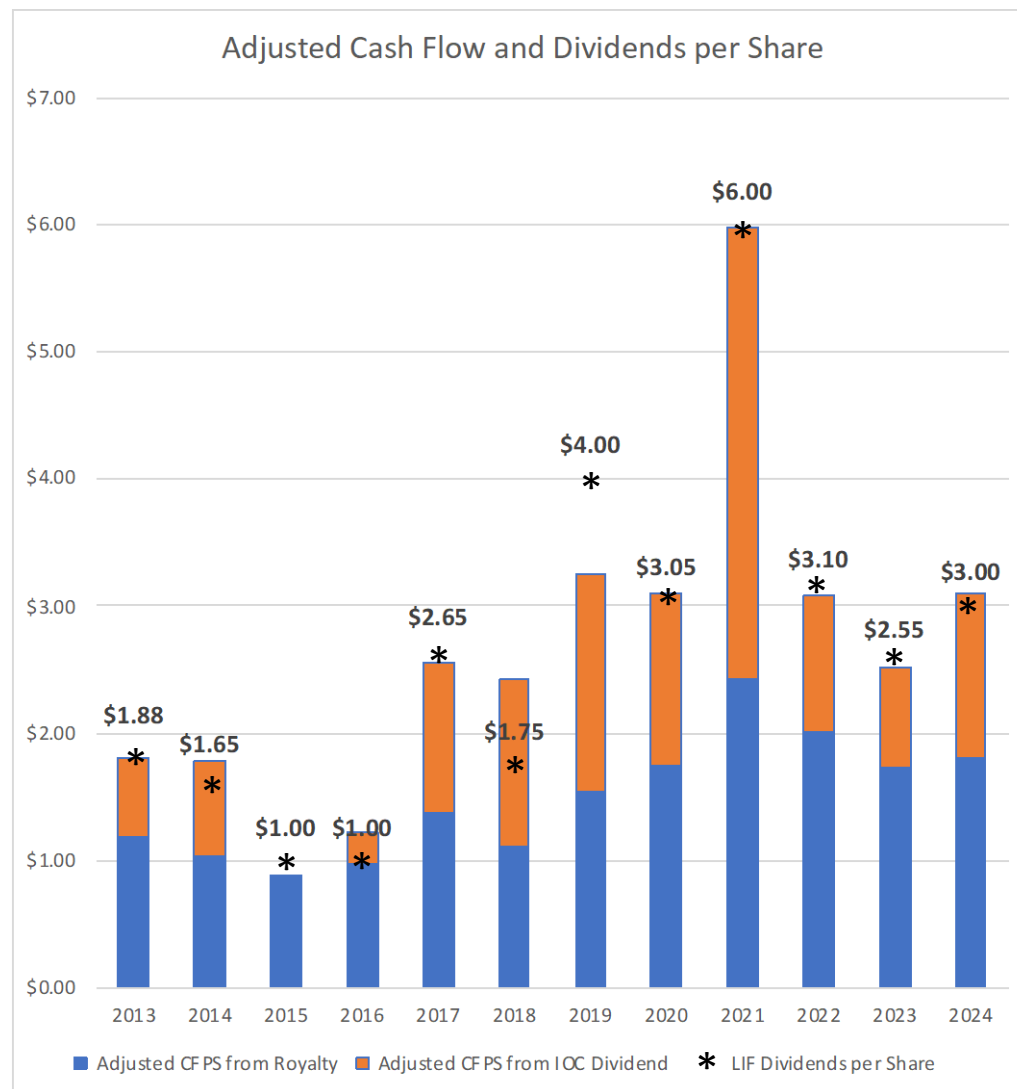
- In 2024, the Platts 65% Index averaged US\$123 per tonne, down from US\$132 per tonne in 2023 and the Platts Atlantic Blast Furnace Pellet Premiums averaged US\$40 per tonne, as compared to US\$45 per tonne in 2023.
- In 2024, IOC achieved an average realized price for pellets and CFS of US\$125 per tonne, FOB Sept-Iles*, a decrease of 4% from 2023. The decrease was a result of lower CFS prices and lower pellet premiums
- In Q1, 2025, the Platts 65% Fe Index averaged US\$117 per tonne, and the pellet premium averaged of US\$35 per tonne. In Q1, 2025, IOC achieved an average realized price for pellets and CFS of US\$110 per tonne, FOB Sept-Iles*.



* Based on sales as reported for the LIORC royalty

LIORC CASH FLOW

- In 2024, adjusted cash flow per share was \$3.11, up from \$2.52 in 2023.
 - Adjusted cash flow per share from the royalty was \$1.81, up from \$1.73, as higher sales tonnages and an improved product mix were offset by lower realized iron ore prices.
 - Adjusted cash flow per share from IOC dividends of \$1.30, was up from \$0.79 as IOC increased payouts due to excess cash on its balance sheet.
- In Q1, 2025, adjusted cash flow per share was \$0.31, down from \$0.49 per share in Q1, 2024, on lower sales tonnages and lower realized iron ore prices.



Note: Adjusted Cash Flow from Royalty means total Adjusted Cash Flow less IOC Dividend Received

OUTLOOK

- IOC's production guidance for 2025 is 16.5 to 19.4 million tonnes of pellets and CFS. This compares to 2024 production volumes of 16.1 million tonnes, and production volumes in the first quarter of 2025 of 3.9 million tonnes, which were 11% lower than last year's first quarter.
- IOC's capital expenditures for 2025 are forecasted to be US\$342 million, down from US\$376 million in 2024 and US\$362 million in 2023.
- LIORC's returns remain highly correlated to iron ore prices. The outlook for iron ore pricing remains uncertain. Currently the market is in a wait-and-see mode, as geopolitical developments involving US and reciprocal tariffs are evolving rapidly and continue to significantly impact market conditions. While China exports very little crude steel to the US, increases in US tariffs on imports from China could indirectly impact China's steel sector, as China exports large volumes of manufactured goods to the US with substantial embodied steel inputs. A material reduction in these exports could reduce Chinese demand for steel, depressing steel prices and mill profitability, in turn placing downward pressure on iron ore prices.
- In April 2025, the 65% Fe index averaged US\$112 per tonne or 4% lower than the average in first quarter of 2025.



QUESTIONS

