

LABRADOR IRON ORE
ROYALTY CORPORATION

**NOTICE OF ANNUAL AND SPECIAL MEETING
OF HOLDERS OF COMMON SHARES**

to be held on Thursday, May 28, 2015

and

MANAGEMENT INFORMATION CIRCULAR

April 23, 2015

NOTICE OF MEETING

Labrador Iron Ore Royalty Corporation

Notice is hereby given that an annual and special meeting (the “**Meeting**”) of the holders of common shares of Labrador Iron Ore Royalty Corporation (“**LIORC**”) will be held on Thursday, May 28, 2015 at 11:00 a.m. (Toronto time) at Toronto Region Board of Trade, 77 Adelaide Street West, First Canadian Place, Third Floor, Toronto, Ontario, Canada. The Meeting will be held for the following purposes:

- (a) to receive reports and audited financial statements;
- (b) to elect Directors for the coming year;
- (c) to appoint auditors for the coming year and authorize the Directors to fix their remuneration;
- (d) to consider and, if thought fit, to pass an ordinary resolution confirming By-law No. 5 of LIORC which establishes a framework for advance notice of nomination of Directors;
- (e) to consider and, if thought fit, to pass a special resolution approving an amendment to the articles of LIORC (the “**Articles**”) to expressly permit LIORC to own and manage securities of Iron Ore Company of Canada and ownership interests in any other entity formed to conduct mining exploration operations on certain leases and licences held by LIORC in or near Labrador City, Newfoundland and Labrador and/or to process, transport, and sell the ore mined pursuant to such operations; and
- (f) to consider and, if thought fit, to pass a special resolution approving an amendment to the Articles to give LIORC the flexibility to pursue attractive opportunities by acquiring, owning, holding, possessing, retaining and managing, directly or indirectly, interests in metal or mineral royalties or in entities whose primary source of revenue is metal or mineral royalties without prior shareholder approval and to issue up to 20% of the outstanding common shares (12.8 million) of LIORC in the aggregate as consideration for, or for cash to finance, an acquisition permitted under the restrictions on business LIORC may carry on as set forth in the Articles.

The specific details of the matters proposed to be put before the Meeting are set forth in the Information Circular accompanying and forming part of this Notice.

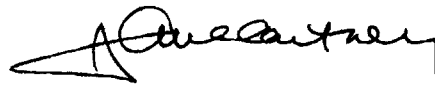
A holder of common shares who is unable to attend the Meeting in person should complete, sign and return the enclosed form of proxy for use at the Meeting in the envelope provided. In order to be valid and acted upon at the Meeting or any adjournment thereof, proxies must be received by Computershare Investor Services Inc. at 100 University Avenue, Toronto, Ontario, M5J 2Y1 by 5:00 p.m. (Toronto time) on May 27, 2015.

If you are a non-registered holder of common shares and received these materials through your broker or through another intermediary, please complete and return the form of proxy or voting instruction form, as the case may be, provided to you in accordance with the instructions provided by your broker or intermediary. Failure to do so may result in your common shares not being eligible to be voted at the Meeting.

On behalf of the Board of Directors,



Bruce C. Bone
President and Chief Executive Officer



James C. McCartney
Executive Vice President and Secretary

April 23, 2015

LABRADOR IRON ORE ROYALTY CORPORATION

MANAGEMENT INFORMATION CIRCULAR

This management information circular (“**Information Circular**”) is furnished in connection with the solicitation of proxies by management of Labrador Iron Ore Royalty Corporation (“**LIORC**”) for use at the annual and special meeting (the “**Meeting**”) of holders of common shares to be held at Toronto Region Board of Trade, 77 Adelaide Street West, First Canadian Place, Third Floor, Toronto, Ontario, Canada on Thursday, May 28, 2015 commencing at 11:00 a.m. (Toronto time) for the purposes set forth in the notice of meeting (the “**Notice**”) accompanying this Information Circular.

Solicitation of Proxies

Information contained herein is given as of April 23, 2015. The costs incurred in the solicitation of proxies and in the preparation of mailing of this Information Circular will be borne by LIORC. Solicitation of proxies by the management of LIORC and by employees of Scotia Capital Inc., in its capacity as administrator of LIORC, will be through the mail, in person and/or by telephone. LIORC may also engage a soliciting agent.

Appointment and Revocation of Proxies

A form of proxy accompanies the Notice and this Information Circular. The persons named in such form of proxy are directors and officers of LIORC. A person or corporation submitting a proxy shall have the right to appoint a person (who need not be a holder of common shares of LIORC) to be a representative at the Meeting, other than the persons designated in the form of proxy furnished by LIORC. Such appointment may be exercised by inserting the name of the appointed representative in the blank space on the form of proxy. A proxy will not be valid unless it is completed and returned in the envelope provided for that purpose. In order to be valid and acted upon at the Meeting or any adjournment thereof, proxies must be received by 5:00 p.m. (Toronto time) on May 27, 2015.

A holder of common shares of LIORC who has given a proxy may revoke it by depositing an instrument in writing executed by such holder (or by an attorney duly authorized in writing) or, if such holder is a corporation, by any officer or attorney thereof duly authorized, either at the registered office of LIORC at any time up to and including the close of business on the last business day preceding the Meeting or any adjournment thereof, or with the Chairman of the Meeting on the day thereof or any adjournment thereof.

Exercise of Discretion by Proxies

The persons named in the enclosed form of proxy will, if the instructions are certain, vote the common shares of LIORC represented thereby and, where a choice with respect to any matter to be acted upon has been specified in the form of proxy, the common shares of LIORC will be voted in accordance with the specification. In the event that a proxy is returned without voting instructions, the common shares of LIORC represented thereby will be voted in favour of the resolutions described in the Notice. If a person or corporation appoints a representative other than the persons designated in the form of proxy, LIORC assumes no responsibility as to whether the representative so appointed will attend the Meeting to vote the common shares of LIORC in accordance with the instructions of, or otherwise act on behalf of, the person or corporation appointing the representative.

The enclosed form of proxy confers discretionary authority on the persons with respect to amendments or variations of matters identified in the Notice. At the time of printing this Information Circular, the directors of LIORC (the “**Directors**”) are not aware of any such amendments or variations.

Information for Non-Registered Holders

Only holders of common shares of LIORC whose names are set out in the applicable registers maintained by LIORC’s transfer agent (“**Registered Holders**”) or the persons they appoint as their proxies are permitted to vote at the Meeting. CDS & Co. is a Registered Holder that acts as a clearing agent for intermediaries (each, an “**Intermediary**”) such as, among others, banks, trust companies, securities dealers or brokers and trustees,

administrators or managers of self-administered registered retirement savings plan, registered retirement income funds, registered education savings plans and similar plans. In accordance with the requirements of National Instrument 54-101, LIORC has caused the Notice, this Information Circular and the accompanying form of proxy (collectively, the “**Meeting Materials**”) to be distributed to CDS & Co. and the Intermediaries for onward distribution to non-registered holders of common shares of LIORC (“**Non-Registered Holders**”).

Intermediaries are required to forward the Meeting Materials to Non-Registered Holders unless a Non-Registered Holder has waived the right to receive them. Very often, Intermediaries will use service companies to forward the Meeting Materials to Non-Registered Holders.

Generally, Non-Registered Holders who have not waived the right to receive Meeting Materials will be given either:

- (i) a form of proxy which has already been signed by the Intermediary (typically by a facsimile, stamped signature), which is restricted as to the numbers of common shares of LIORC beneficially owned by the Non-Registered Holder but which is otherwise not completed; this form of proxy need not be signed by the Non-Registered Holder; in this case, the Non-Registered Holder who wishes to submit a proxy should otherwise properly complete the form of proxy and send or deliver it to Computershare Investor Services Inc. as set out in the Notice; or
- (ii) a voting instruction form, which must be completed and signed by the Non-Registered Holder in accordance with the directions on the voting instruction form and returned to the Intermediary or its service company. In some cases, the completion of the voting instruction form by telephone, the internet or facsimile is permitted.

The purpose of these procedures is to permit Non-Registered Holders to direct the voting of the common shares of LIORC that they beneficially own at the Meeting. Should a Non-Registered Holder who receives either a form of proxy or a voting instruction form wish to vote at the Meeting in person (or have another person attend and vote on behalf of the Non-Registered Holder), the Non-Registered Holder should strike out the names of the persons designated in the form of proxy and insert the Non-Registered Holder’s (or such other person’s) name in the blank space provided or, in the case of a voting instruction form, follow the corresponding directions on the form.

Common shares of LIORC held by Intermediaries can only be voted at the Meeting upon the instructions of the Non-Registered Holders. Non-Registered Holders should carefully follow the instructions of their Intermediaries, including those regarding when and where the proxy or voting instruction form is to be delivered.

Quorum

The presence, in person or by proxy, of at least two holders of common shares of LIORC holding or representing at least 25% of the number of common shares outstanding on the date of the Meeting is required to constitute a quorum at the Meeting. If a quorum is not present at the Meeting, the Meeting will be adjourned to such day being not less than 14 days after the date of the Meeting, as may be specified by the Chairman of the Meeting. If at such adjourned meeting a quorum is not present, the holders of common shares present in person or by proxy will form a quorum.

Voting Securities and Principal Holders

Common Shares

Holders of common shares of LIORC of record at the close of business on April 23, 2015 are entitled to notice of and to attend the Meeting in person or by proxy and are entitled to one vote per share held on all matters to be considered at the Meeting. There are 64 million common shares outstanding.

Principal Holders

To the best of the knowledge of the Directors, no person beneficially owns, directly or indirectly, or exercises control or direction over, common shares of LIORC carrying more than 10% of the voting rights attached to the outstanding common shares of LIORC which may be voted at the Meeting.

Compensation

The compensation paid by LIORC to its executive officers for the period from January 1, 2012 to December 31, 2014 and to its Directors for the period from January 1, 2014 to December 31, 2014, was as follows:

<u>Name and Principal Position</u>	<u>Year</u>	<u>Salary</u>	<u>All Other Compensation (Bonus)</u>	<u>Fees Earned</u>	<u>Total Compensation</u>
Bruce C. Bone	2014	\$230,000	—	—	\$230,000
President and CEO, Director	2013	\$220,000	\$50,000	—	\$270,000
	2012	\$220,000	—	—	\$220,000
James C. McCartney	2014	\$155,000	—	—	\$155,000
Executive Vice President and Secretary, Director	2013	\$155,000	\$50,000	—	\$205,000
	2012	\$155,000	—	—	\$155,000
Alan R. Thomas.	2014	\$125,000	—	—	\$125,000
CFO, Director	2013	\$120,000	—	—	\$120,000
	2012	\$120,000	—	—	\$120,000
William J. Corcoran	2014			\$79,300	\$ 79,300
Non-executive Chairman of the Board and Director					
Duncan N.R. Jackman	2014			\$44,300	\$ 44,300
Director					
Mark J. Fuller	2014			\$54,083	\$ 54,083
Director					
Paul H. Palmer	2014			\$66,800	\$ 66,800
Director					
Sandra L. Rosch	2014			\$29,083	\$ 29,083
Director					
Harold S. (Hap) Stephen	2014			\$12,817	\$ 12,817
Director, retired May 29					
Patricia M. Volker	2014			\$29,083	\$ 29,083
Director					
Donald J. Worth	2014			\$54,300	\$ 54,300
Director					

The Compensation Committee, made up of independent Directors, determines the compensation (including the amount of each element thereof) for each of the executive officers. LIORC is a passive holder of interests in Iron Ore Company of Canada (“**IOC**”) and has no operating business. In these circumstances, the Compensation Committee’s process for determining executive compensation is very simple and it relies solely on Committee discussion, without any formal objectives, criteria and analysis. The focus is on the performance of the executive officer of his duties and responsibilities. The Compensation Committee believes that LIORC’s compensation policies do not encourage unnecessary risk-taking.

The current annual compensation of Mr. Bone is \$240,000; the current annual compensation of Mr. McCartney is \$155,000; and the current annual compensation of Mr. Thomas is \$130,000. Messrs. Bone, McCartney and Thomas each have an employment contract that provides for the payment of two times his salary in the event of a change of control of LIORC, but no amount is payable if he continues as an employee of LIORC for a period longer than 90 days after the change of control.

The Directors are entitled to compensation as approved by the Board. As at December 31, 2014, the annual compensation of the Directors, other than the three executive officers, is \$30,000 each and \$1,200 for each

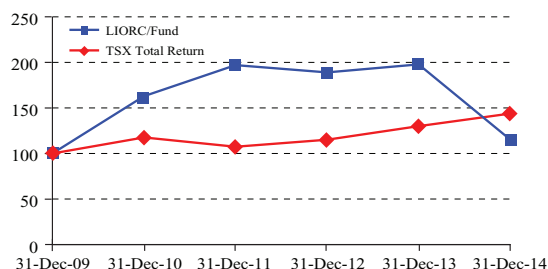
meeting attended. Mr. William Corcoran serves as non-executive Chairman of the Board and his annual compensation as such is \$25,000. The Chairman of the Audit Committee is paid an additional \$20,000 per annum, the Chairman of the Compensation Committee is paid an additional \$10,000 per annum and the Chairman of the Nominating Committee is paid an additional \$10,000 per annum. Mr. Fuller is paid an additional \$50,000 per annum for serving on the board of directors of IOC. The three Directors who are also executive officers do not receive compensation for serving as Directors.

For the year ended December 31, 2014, the total compensation paid to the officers and Directors was \$887,273. For the year ended December 31, 2013, the total compensation paid to the officers and Directors was \$901,193. There is no short or long term incentive arrangement and no stock option plan. Officers' salaries and Directors' fees are not affected by the price performance of LIORC's shares.

The officers and Directors of LIORC are not entitled to any pension or other retirement benefit.

Performance Graph

The graph below shows the cumulative total return on a \$100 investment on December 31, 2009 in trust units of the Labrador Iron Ore Royalty Income Fund (the "Fund"), the predecessor reporting issuer to LIORC, and the cumulative total return of the S&P/TSX Composite Index over the five year period ending December 31, 2014, assuming reinvestment of all distributions.



	2009	2010	2011	2012	2013	2014
LIORC/Fund	100.0	162.9	197.0	189.0	197.8	115.3
TSX Total Return . .	100.0	117.6	107.4	115.1	130.0	143.8

Administration Agreement

Pursuant to an administration agreement extended on July 1, 2014, Scotia Capital Inc. acts as administrator for LIORC and Hollinger Hanna Limited, for an aggregate annual fee of \$250,000 (payable quarterly in advance). Scotia Capital Inc., as administrator, has agreed to provide or arrange for the provision of services required in the administration of LIORC and Hollinger Hanna Limited. The administration agreement may be terminated by either party on six months' written notice. The address of Scotia Capital Inc. is 40 King Street West, Scotia Plaza, 26th Floor, Box 4085, Station "A", Toronto, Ontario, M5W 2X6.

Interest of Certain Persons and Companies in Matters to be Acted Upon

The Directors of LIORC are not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of any Director or executive officer of LIORC at any time since January 1, 2014, or of any associate or affiliate of any of the foregoing, in any matter to be acted on at the Meeting.

BUSINESS OF THE ANNUAL MEETING

Financial Statements

The financial statements of LIORC for the years ended December 31, 2014 and December 31, 2013 together with the auditors' report thereon, contained in the 2014 Annual Report mailed to the holders of common shares with this Information Circular, will be presented to the holders of common shares at the Meeting.

Election of Directors

On March 3, 2015, the Board of Directors, by resolution, determined that it would be appropriate to reduce the number of Directors to be elected at the Meeting from 10 to 9. A resolution to elect Bruce C. Bone, William J. Corcoran, Mark J. Fuller, Duncan N.R. Jackman, James C. McCartney, William H. McNeil, Sandra L. Rosch, Alan R. Thomas and Patricia M. Volker as Directors will be presented to the holders of common shares at the Meeting. The term of office for each Director is from the date of the meeting at which he or she is elected until the next annual meeting or until a successor is elected or appointed. It is the intention of the persons named in the enclosed form of proxy, if not expressly directed to the contrary in such form of proxy, to vote such proxies for the election of the nominees as Directors. Management does not contemplate that any of the nominees will be unable to serve as a Director but should that circumstance arise for any reason prior to the Meeting, the persons named in the enclosed form of proxy reserve the right to vote for another nominee at their discretion.

In accordance with the LIORC's majority voting policy, any nominee in an uncontested election who receives a greater number of common shares withheld than common shares voted in favour of his or her appointment will submit his or her resignation promptly after the Meeting for the Nominating Committee's consideration. The Nominating Committee will make a recommendation to the Board after reviewing the matter, and the Board's decision to accept or reject the resignation will be disclosed to the public. The nominee will not participate in any Nominating Committee or Board deliberations in considering the resignation. The proxy permits holders of common shares to vote in favour of all nominees, to vote in favour of some nominees and to withhold votes for other nominees, or to withhold votes for all nominees. The Chairman of the Board will ensure that the number of common shares voted in favour or withheld from voting for each nominee is recorded and promptly made public after the Meeting. If the vote is by a show of hands, LIORC will disclose the number of common shares voted by proxy in favour or withheld for each nominee.

The name, province and country of residence, office held, principal occupation, date of appointment and number of common shares owned, or over which control or direction is exercised, with respect to each of such nominees are as follows:

<u>Name and Residence</u>	<u>Office(s) Held</u>	<u>Principal Occupation</u>	<u>Director Since⁽⁵⁾</u>	<u>Number of Common Shares</u>
Bruce C. Bone Ontario, Canada	President, CEO and Director	President, CEO and Director of LIORC	1995	26,000 ⁽¹⁾
William J. Corcoran ⁽²⁾⁽³⁾⁽⁴⁾ Ontario, Canada	Non-executive Chairman of the Board and Chairman of Nominating Committee	Vice-Chairman of Jarislowsky Fraser Limited, Investment Counsel, a registered investment counseling firm	1995	20,000
Mark J. Fuller ⁽²⁾⁽³⁾⁽⁴⁾ Ontario, Canada	Director	President and CEO of Ontario Pension Board, the administrator of the Ontario Public Service Pension Plan	2014	2,000
Duncan N.R. Jackman ⁽²⁾⁽³⁾⁽⁴⁾ Ontario, Canada	Director	Chairman, President and CEO of E-L Financial Corporation Limited, an investment and insurance holding company	2010	2,000
James C. McCartney Ontario, Canada	Executive Vice President, Secretary and Director	Company Director; Retired partner of McCarthy Tétrault LLP, Barristers and Solicitors	1995	10,000
William H. McNeil Ontario, Canada	—	Managing Director and Senior Mining Engineer, The Bank of Nova Scotia	—	Nil
Sandra L. Rosch ⁽²⁾⁽³⁾⁽⁴⁾ Ontario, Canada	Director	President, Stonecrest Capital Inc., a restructuring firm	2014	1,000
Alan R. Thomas Ontario, Canada	CFO and Director	Company Director	2004	2,000
Patricia M. Volker ⁽²⁾⁽³⁾⁽⁴⁾ Ontario, Canada	Director	Director, Public Accounting, Chartered Professional Accountants of Ontario	2014	1,000

Notes:

- (1) An associate of Mr. Bone owns 15,000 common shares. Mr. Bone personally owns 11,000 common shares.
- (2) Member of Audit Committee.
- (3) Member of Compensation Committee.
- (4) Member of Nominating Committee.
- (5) Messrs. Bone, Corcoran, McCartney and Thomas each served as a director of Labrador Mining Company Limited, a predecessor by amalgamation to LIORC, since the date shown opposite his name.

As at December 31, 2014, directors and officers of LIORC collectively beneficially owned, directly or indirectly, or exercised control and direction over an aggregate of 55,000 common shares, representing approximately 0.1% of the outstanding common shares.

The directors of LIORC are also directors and officers of Hollinger-Hanna Limited. Mr. Bone and Mr. Fuller serve as directors of IOC.

LIORC does not have an executive committee.

Also see LIORC's annual information form for the year ended December 31, 2014 for information about the Audit Committee, including a copy of its charter and information about independence, financial literacy, relevant education and experience of Audit Committee members.

Director Biographies

Bruce C. Bone — Mr. Bone has been Chief Executive Officer of LIORC since its inception in 1995. Prior to that, Mr. Bone was Vice-President and Treasurer of Noranda Inc., a mining and metallurgy company, having held the position of treasurer for a number of companies within the Noranda group. He is a CPA, CA, having obtained the CA designation with Clarkson Gordon (now Ernst & Young), and has a BA from the University of Toronto.

William J. Corcoran — Mr. Corcoran has been Vice Chairman of Jarislowsky Fraser Limited, a registered investment counseling firm, since 2001. From 1991 to 2001, Mr. Corcoran was Vice Chairman of the Ontario Pension Board and prior to that was a Managing Director of Scotia McLeod, an investment banking firm. He received a BA and a LLB from the University of Toronto.

Duncan N. R. Jackman — Mr. Jackman is Chairman, President and Chief Executive Officer of E-L Financial Corporation Limited, an investment and insurance holding company. He has been a director of E-L Financial Corporation Limited since 1997. He holds a BA from McGill University.

Mark J. Fuller — Mr. Fuller is President and Chief Executive Officer of Ontario Pension Board, the administrator of the Ontario Public Service Pension Plan. He joined the Ontario Pension Board in 1999. He received a LLB from the University of Western Ontario in 1983 and was called to the bar in Ontario in 1985.

James C. McCartney — Mr. McCartney is a retired partner of McCarthy Tétrault. He has extensive experience in the mining area. He served in various management roles at McCarthy Tétrault, including Chairman. He received a B.Comm. and a LLB from the University of Toronto, and was called to the bar in Ontario in 1966.

William H. McNeil — Mr. McNeil is a Managing Director and Senior Mining Engineer at The Bank of Nova Scotia. He joined The Bank of Nova Scotia in 1995. Mr. McNeil holds a MBA from the University of Western Ontario and a B.Sc. from Queen's University.

Sandra L. Rosch — Ms. Rosch has 31 years' experience in financial restructuring, mergers and acquisitions and financing transactions. She is President of Stonecrest Capital Inc., a leading Canadian restructuring firm. She was an investment banker with Scotia Capital Inc. from 1994 to 2001. She received a MBA from the University of Western Ontario and a B. Comm. from McMaster University.

Alan R. Thomas — Prior to retiring, Mr. Thomas held the position of Chief Financial Officer of ShawCor Ltd., an energy services firm, from 2000 to 2006. He was the Chief Financial Officer of Noranda Inc. from 1987 to 1998. Mr. Thomas is a CPA, CA and holds a B. Comm. from the University of Toronto.

Patricia M. Volker — Ms. Volker is Director, Public Accounting, Chartered Professional Accountants of Ontario. She has served in various capacities in the accounting profession since 1997. Ms. Volker is a CPA, CA, CMA and holds a B.Sc. from the University of Toronto.

Experience Matrix

The Nominating Committee reviews annually the composition of the Board of Directors and its committees, including the current strengths, skills and experiences of the Board. The objective is to ensure the composition of the Board and its committees provides the appropriate mix of skills and experience to guide the strategy of LIORC. The Nominating Committee identifies any gaps in composition and seeks to fill those gaps. Qualities such as integrity, good character and high regard in his or her professional field will always be basic criteria for Directors.

LIORC maintains a skills matrix and the Directors indicate their experience in each area. The matrix below illustrates the Board's mix of experience in five categories that are important to LIORC.

<u>Experience Description</u>	<u>No. of Directors with significant experience</u>
CEO/Senior Officer — experience working as a CEO or senior officer for a major organization	6
Governance/Board — experience as a board member of a major or public company organization	8
Mining — experience working in the mining industry	6
Strategy — experience driving strategic direction and leading growth of an organization . .	7
Financial/Risk — experience in financial accounting and reporting, corporate finance, internal controls and risk management	9

Appointment of Auditors

A resolution to appoint Deloitte LLP as auditors of LIORC will be presented to holders of common shares at the Meeting. The persons named in the enclosed form of proxy, if not expressly directed to the contrary, will vote the common shares of LIORC represented by proxy for the appointment of Deloitte LLP, Chartered Accountants, as auditors of LIORC until the next annual meeting of holders of common shares at remuneration to be fixed by the Directors. Deloitte LLP were first appointed auditors of the Fund on November 28, 1995 and of LIORC on July 1, 2010.

SPECIAL BUSINESS OF THE ANNUAL MEETING

By-law No. 5 — Advance Notice of Nominations of Directors

The Board of Directors has determined that it would be appropriate and in the best interests of LIORC and its shareholders (“**Shareholders**”) to implement a requirement for advance notice in connection with the election of Directors. Accordingly, on February 3, 2015, LIORC announced that the Board of Directors adopted By-law No. 5 (the “**Advance Notice By-law**”) which sets out the framework by which Shareholders must submit director nominations to LIORC prior to any annual or special meeting of Shareholders at which Directors are to be elected. A copy of the Advance Notice By-law is attached as Appendix B to this Information Circular.

At the Meeting, holders of common shares will be asked to pass the following ordinary resolution (the “**By-law Resolution**”):

“RESOLVED that By-law No. 5 of the Corporation in the form attached as Appendix B to the management information circular of the Corporation dated April 23, 2015 is confirmed.”

In order to be approved, the By-law Resolution must be passed by a majority of the votes cast by holders of common shares, present in person or represented by proxy, at the Meeting. **The Board of Directors recommends that holders of common shares vote FOR the approval of the By-law Resolution.** The persons named in the enclosed form of proxy, if not expressly directed to the contrary, will vote the common shares of LIORC represented by proxy in favour of the By-law Resolution.

Purpose of the Advance Notice By-law

The purpose of the Advance Notice By-law is to provide a transparent and fair process for nominating Directors in connection with any annual or special meeting of Shareholders. The Advance Notice By-law is intended to: (i) facilitate an orderly and efficient process for an annual meeting or, where the need arises, special meeting, of Shareholders, (ii) ensure that all Shareholders, including those participating in a meeting by proxy rather than in person, receive adequate notice of director nominations and sufficient information with respect to all Director nominees; (iii) allow LIORC and Shareholders to evaluate each nominee’s qualifications and suitability as a Director; and (iv) allow Shareholders to cast an informed vote.

Among other things, the Advance Notice By-law fixes the deadline by which Shareholders must submit director nominations to LIORC prior to any meeting of Shareholders at which Directors are to be elected, and sets forth the information that a Shareholder must include in such notice for an effective nomination to occur.

Effect of the Advance Notice By-law

Subject to the *Canada Business Corporations Act* (“**CBCA**”), applicable securities laws and the articles of LIORC, the Advance Notice By-law stipulates that only persons who are nominated in accordance with the following procedures will be eligible for election as Directors.

Nominations of persons for election to the Board of Directors may be made at any annual meeting of Shareholders, or at any special meeting of Shareholders if the election of Directors is a matter specified in the notice of meeting:

- (a) by or at the direction of the Board of Directors or an authorized officer of LIORC, including pursuant to a notice of meeting;
- (b) by or at the direction or request of one or more Shareholders pursuant to a proposal made in accordance with the provisions of the CBCA, or a requisition of a shareholders meeting by one of more of the Shareholders made in accordance with the provisions of the CBCA; or
- (c) by any person (a “**Nominating Shareholder**”) who:
 - (i) at the close of business on the date of the giving of the notice provided for below and on the record date for notice of such meeting, is entered in the securities register of LIORC as a holder of one or more shares carrying the right to vote at such meeting or who beneficially owns shares

that are entitled to be voted at such meeting and provides evidence of such beneficial ownership to LIORC; and

(ii) complies with the notice procedures set forth below.

Timely Notice

In addition to any other applicable requirements, for a nomination to be made by a Nominating Shareholder, the Nominating Shareholder must have given timely notice thereof in proper written form to the secretary of LIORC.

To be timely, a Nominating Shareholder's notice must be given:

- (a) in the case of an annual meeting (including an annual and special meeting) of Shareholders, not less than 30 days prior to the date of the meeting; provided, however, that in the event that the meeting is to be held on a date that is less than 50 days after the date (the "**Notice Date**") on which the first public announcement of the date of the meeting was made, notice by the Nominating Shareholder must be made not later than the close of business on the 10th day following the Notice Date; and
- (b) in the case of a special meeting (which is not also an annual meeting) of Shareholders called for the purpose of electing Directors (whether or not also called for other purposes), not later than the close of business on the 15th day following the day on which the first public announcement of the date of the meeting was made.

To be considered timely and in proper written form, a Nominating Shareholder's notice will be promptly updated and supplemented, if necessary, so that the information provided or required to be provided in such notice will be true and correct as of the record date for the meeting.

Proper Form of Notice

To be in proper written form, a Nominating Shareholder's notice to the secretary of LIORC must set forth, among other things, the name, age, business address, residential address and principal occupation, business or employment (both present and within the five years preceding the notice) of the proposed nominee, whether the proposed nominee is a "resident Canadian" within the meaning of the CBCA, and the security holdings of LIORC or any of its subsidiaries which are beneficially owned, or controlled or directed, directly or indirectly, by the proposed nominee, as of the record date for the meeting of Shareholders (if such date has been made publicly available and has occurred) and as of the date of such notice.

In addition, the notice by the Nominating Shareholder must also disclose any other information relating to both the proposed nominee and the Nominating Shareholder that would be required to be disclosed in a dissident's proxy circular or other filings required to be made in connection with solicitations of proxies for election of directors pursuant to the CBCA or any applicable securities laws. Further, such notice must set forth or be accompanied by, as applicable, any proxy, contract, arrangement, understanding, or relationship pursuant to which such Nominating Shareholder or any other person with whom such Nominating Shareholder is acting jointly or in concert with respect to LIORC or any of its securities, as of the record date for the meeting (if such date has been made publicly available and has occurred) and as of the date of such notice has a right to vote any voting securities of LIORC, as well as a written consent duly signed by the proposed nominee to being named as a nominee for election to the Board of Directors and to serve as a Director, if elected.

The procedures set forth in the Advance Notice By-law will be the exclusive means for any person to bring nominations for election to the Board of Directors before any annual or special meeting of Shareholders.

The chair of the meeting will have the power and duty to determine whether a nomination was made in accordance with the procedures set forth in the foregoing provisions and, if any proposed nomination is not in compliance with such foregoing provisions, to declare that such defective nomination will be disregarded.

The Board of Directors may, in its sole discretion, waive any requirement of the Advance Notice By-law.

Amendment to Business Restrictions — Housekeeping

The articles of LIORC currently permit LIORC to, among other things, own and manage securities of IOC and ownership interests in any other entity formed to conduct mining and exploration operations on certain leases and licences held by LIORC in or near Labrador City, Newfoundland and Labrador.

In addition to conducting mining and exploration operations, IOC also processes, transports and sells the iron ore that it mines. At the Meeting, Shareholders will be asked to pass a special resolution (the “**Housekeeping Special Resolution**”) approving an amendment to the articles of LIORC to amend the restrictions on the business of LIORC to more precisely reflect the operations conducted by IOC. The proposed amendment would expressly permit LIORC to own and manage securities of IOC and ownership interests in any other entity formed to conduct mining and exploration operations on the applicable leases and licences and/or to process, transport and sell the ore mined pursuant to such operations.

The Board of Directors has determined that the foregoing amendment to the articles of LIORC amending the restrictions on the business of LIORC is in the best interests of the Shareholders and recommends that Shareholders vote FOR the approval of the Housekeeping Special Resolution. The persons named in the enclosed form of proxy, if not expressly directed to the contrary, will vote the common shares of LIORC represented by proxy in favour of the Housekeeping Special Resolution.

The full text of the proposed Housekeeping Special Resolution is set out in Appendix C to this Information Circular. In order to be approved, the Housekeeping Special Resolution must be passed by not less than 75% of the votes cast by holders of common shares, present in person or represented by proxy, at the Meeting and representing in aggregate not less than 10% of the outstanding common shares. The Board of Directors may revoke the Housekeeping Special Resolution at any time before it is acted upon without any further approval.

Amendment to Business Restrictions — Investment in Metal or Mineral Royalties

The management and the Board of Directors of LIORC have 20 years’ experience successfully managing the iron ore royalty on production of IOC and have created significant value for Shareholders. This will continue as LIORC’s main focus. However, opportunities may arise to diversify LIORC’s revenue sources by acquiring metal or mineral royalties to potentially create more value for Shareholders. The current LIORC articles, which require Shareholder approval prior to completing such an acquisition, place LIORC at a disadvantage with competing buyers. Sellers would have concern with the delay and uncertainty associated with the requirement for LIORC to seek Shareholder approval to complete, and possibly finance, the acquisition, and thus would favour others who did not have this restriction. Passage of the proposed amendment to the articles would remove the current disadvantage of LIORC in pursuing any attempt to acquire an attractive metal or mineral royalty.

The current LIORC articles prohibit the acquisition of any asset that does not relate to the operations of IOC without having the acquisition approved first by Shareholders and also prohibits the issue of any shares without prior Shareholder approval. Shareholders will be asked to amend the articles to give management and the Board of Directors the authority to acquire other metal or mineral royalties without prior Shareholder approval. Since it may be advantageous to issue shares to complete or finance such acquisitions, Shareholders will also be asked to authorize the issuance of up to 20% of the outstanding common shares (12.8 million) in the aggregate to do so.

At the Meeting, Shareholders will be asked to pass a special resolution (the “**Investment in Royalties Special Resolution**”) approving an amendment to the articles of LIORC to (i) amend the restrictions on the business of LIORC to give LIORC the flexibility to pursue attractive opportunities by acquiring, owning, holding, possessing, retaining and managing, directly or indirectly, interests in metal or mineral royalties or in entities whose primary source of revenue is metal or mineral royalties, and (ii) amend the restriction on the issuance of shares in the capital of LIORC to give LIORC the flexibility to issue up to 20% of the outstanding common shares (12.8 million) in the aggregate as consideration for, or for cash to finance, an acquisition permitted under the restrictions on business LIORC may carry on as set forth in its articles.

The Board of Directors has determined that the amendment to the articles of LIORC amending the restrictions on the business of LIORC is in the best interests of the Shareholders and recommends that

Shareholders vote FOR the approval of the Investment in Royalties Special Resolution. The persons named in the enclosed form of proxy, if not expressly directed to the contrary, will vote the common shares of LIORC represented by proxy in favour of the Investment in Royalties Special Resolution.

The full text of the proposed Investment in Royalties Special Resolution is set out in Appendix D to this Information Circular. In order to be approved, the Investment in Royalties Special Resolution must be passed by not less than 75% of the votes cast by holders of common shares, present in person or represented by proxy, at the Meeting and representing in aggregate not less than 10% of the outstanding common shares. The Board of Directors may revoke the Investment in Royalties Special Resolution at any time before it is acted upon without any further approval.

CORPORATE GOVERNANCE MATTERS

Disclosure regarding LIORC's corporate governance practices is set out in Appendix A to this Information Circular.

ADDITIONAL INFORMATION

Additional information relating to LIORC is available on SEDAR at www.sedar.com. Additional information is also available on LIORC's website at www.labradorironore.com. Financial information is provided in LIORC's comparative financial statements and MD&A in its 2014 Annual Report. Holders of common shares may contact LIORC at 40 King Street West, Scotia Plaza, 26th Floor, Box 4085, Station "A", Toronto, Ontario M5W 2X6; telephone (416) 863-7133; email investor.relations@labradorironore.com to request copies of LIORC's financial statements and MD&A.

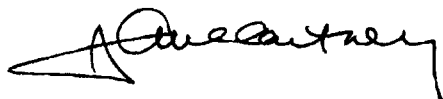
SHAREHOLDER PROPOSALS FOR NEXT YEAR'S ANNUAL MEETING

The CBCA permits certain eligible shareholders to submit shareholder proposals to LIORC for inclusion in a management proxy circular for an annual meeting of shareholders. The final date by which LIORC must receive shareholder proposals for the annual meeting to be held in fiscal 2016 is January 1, 2016.

DIRECTORS' APPROVAL

The contents and sending of this Information Circular have been approved by the Directors of LIORC.

Dated the 23rd day of April 2015.



James C. McCartney
Executive Vice President and Secretary

APPENDIX A

CORPORATE GOVERNANCE DISCLOSURE

Directors

- The Directors who are independent are William J. Corcoran, Duncan N.R. Jackman, Mark J. Fuller, Sandra L. Rosch and Patricia M. Volker. William H. McNeil, who is also a nominee for election as a Director at the Meeting, is independent.
- Bruce C. Bone, James C. McCartney and Alan R. Thomas are officers of LIORC and not considered to be independent.
- A majority of the Directors are independent.
- William J. Corcoran is also a director of E-L Financial Corporation. Mark J. Fuller is a director of The Empire Life Insurance Company. Duncan N.R. Jackman is Chairman, President and CEO and a director of E-L Financial Corporation Limited and is also a director of Algoma Central Corporation, Dundee Real Estate Investment Trust, Economic Investment Trust Limited, First National Financial Income Trust and United Corporations Limited. James C. McCartney was a director of Campbell Resources Inc. until October 2008, and in January 2009 it filed under the *Companies' Creditors Arrangement Act* (Canada). Sandra L. Rosch is also a director and chair of Cline Mining Corporation, which filed under CCAA in December, 2014. Alan R. Thomas is also a director of Teranga Gold Corporation.
- The independent Directors do not meet separately on a regularly scheduled basis. They do make up the Audit, Compensation and Nominating Committees. LIORC is a passive holder of interests in Iron Ore Company of Canada (IOC) and has no operating business. The main responsibility of the Directors is to supervise the receipt of revenues and the payment of dividends to holders of common shares. In these circumstances, LIORC does not require as much organization and structure as an operating company. All discussion, including discussion among the independent Directors, is open and candid. The Directors facilitate open and candid discussion among the independent Directors by asking non-independent Directors to recuse themselves from meetings in the event of any conflict or potential conflict of interest. The Audit Committee meets with LIORC's auditors at least once each year without management present.
- The Chairman of the Board is an independent Director. When present, he presides at all meetings of the Board of Directors and, in the absence of the President and CEO, at meetings of the shareholders.
- In 2014, 8 meetings of the Directors were held. All of the Directors attended all of the meetings, except Mr. McCartney was absent from one meeting. In 2014, 8 meetings of Committees of the Board were held and all members of the Committees attended all of the meetings.

Mandate

- The Directors have developed a written mandate which is attached as a Schedule hereto.

Position Descriptions

- The Directors have developed written descriptions of the responsibilities of the Chairman of the Board and the President and CEO. The chairmen of the committees are appointed under resolutions appointing the committees and their responsibilities are those usually applicable to the offices.

Orientation and Continuing Education

- Five of the existing Directors were the initial Trustees when the predecessor Fund was established in 1995. Each of them underwent an initial education program. When Alan R. Thomas, Duncan N.R. Jackman, Mark J. Fuller, Sandra L. Rosch and Patricia M. Volker were first elected, they were provided with an orientation and education program regarding the role of the Board, its committees and its Directors and the nature of LIORC's business.

- The Directors receive confidential monthly reports on the operations of IOC and visit the mine and other facilities of IOC in many years.

Ethical Business Conduct

- The Directors have adopted a written code of conduct which is posted, together with the Mandate for the Board of Directors, on LIORC's website at www.labradorironore.com. The Board of Directors monitors compliance with the code as part of its ongoing responsibilities.

Nomination of Directors

- The Nominating Committee, made up of the independent Directors, is responsible for reviewing the performance of the Directors annually and for selecting the nominees for election as Directors by the holders of common shares at each annual meeting. The Chairman of the Nominating Committee is the Chairman of the Board.

Compensation

- The Compensation Committee, made up of the independent Directors, determines the fees and other compensation for the Directors and the compensation for the officers. The Compensation Committee considers the responsibilities, risks and time commitments of the Directors and the officers. The Compensation Committee is responsible for reviewing the performance of the officers.

Assessments

- The Nominating Committee assesses the performance of the Directors during each year as part of the process of selecting nominees for election as Directors by the holders of common shares for the following year.

Director Term Limits

- The Directors are elected until the next annual meeting or until their successors are elected or appointed. There are no other term limits for Directors. The annual nomination and election process, including the annual review of the composition of the Board, is regarded by the Board as a sufficient mechanism of Board renewal.

Representation of Women on the Board and in Executive Officer Positions

- LIORC does not currently have a written policy relating to the identification and nomination of women directors. The Directors do not believe that such a policy is necessary in light of the fact that the Nominating Committee actively considers gender balance matters in its annual review of the composition of the Board. The Nominating Committee discusses the level of representation by women on the Board at meetings held to identify and nominate candidates for election to the Board. If the Directors nominated in this Information Circular are elected at the Meeting, 2 of 9, or 22%, of the Directors will be women. Prior to 2014, there were no women on the Board of Directors of LIORC.
- LIORC has 3 executive officer positions, none of which are held by women. There are no women serving as executive officers of LIORC's wholly-owned subsidiary, Hollinger-Hanna Limited. There have not been any executive officer appointments in recent years and therefore there has not been an opportunity to fill a vacancy with a woman.
- LIORC has not adopted targets regarding the number of women on the Board or in executive officer positions. LIORC is a passive holding company and has no operating business. As a result, the numbers of directors and executive officers are relatively small and a target would not be meaningful.

SCHEDULE TO APPENDIX A
MANDATE FOR THE BOARD OF DIRECTORS

The board of directors of the Corporation (the “**Board**”) is elected by its shareholders and is responsible for managing, or supervising the management of, the investments and other business and affairs of the Corporation, including its subsidiary, Hollinger-Hanna Limited, and their holdings of a 7% gross overriding royalty on all products sold, delivered and shipped by Iron Ore Company of Canada (“**IOC**”), a 15.1% equity interest in IOC and a 10 cent per tonne fee on all products sold and shipped by IOC.

The Corporation is a passive holder of interests in IOC and has no operating business. The most important activity of the Board is supervising the receipt of revenues and the payment of distributions to the holders of its common shares. In these circumstances, the Corporation does not require as much organization and structure as an operating company. Accordingly, the numbers of its directors and officers are small. The Board has appointed Scotia Capital Inc. as administrator of the Corporation and its subsidiary, subject to the supervision of the Board and the officers of the Corporation.

The Board discharges its responsibilities directly and through committees, including an Audit Committee, Compensation Committee and Nominating Committee. In addition to the Board’s primary responsibility of managing, or supervising the management of, the business and affairs of the Corporation, including the management of the investments of the Corporation, its responsibilities include, but are not limited to, the following:

General

1. The Board has the responsibility to manage, or to supervise the management of, the business and affairs of the Corporation, to approve policies of the Corporation and to review and approve major decisions taken by the Corporation. The stewardship of the Corporation involves the Board in strategic planning, identification of principal risks and ensuring implementation of appropriate systems to manage those risks, management appointments, succession planning and internal control integrity.

Oversight of Officers

2. The Board has the responsibility for approving the appointment of the officers of the Corporation and satisfying itself as to the integrity of the officers.
3. The Board has delegated authority to the President and Chief Executive Officer for the overall management of the Corporation, including operations to ensure the long term success of the Corporation and to maximize shareholder value.
4. The Board may from time to time delegate authority to the officers, subject to specified limits. Matters which are outside the scope of the authority delegated to the officers and material transactions are reviewed by and subject to the prior approval of the Board. The Board is responsible for the Corporation’s approach to corporate governance.

Board Organization

5. The Board has the responsibility for developing and monitoring corporate governance principles and guidelines, the selection of the Chairman, the selection of nominees for election to the Board, orientation of new directors, committee and committee chair appointments, committee charters and director’s compensation.
6. The Board may delegate to Board committees matters it is responsible for, including the approval of compensation of the directors and management, the conduct of performance evaluations and oversight of internal controls systems and disclosure controls and procedures, but the Board retains its oversight function and ultimate responsibility for these matters and all other delegated responsibilities.
7. All Board committees will consist only of independent directors.

8. Each member of a Board committee will hold office until the next annual meeting of shareholders after the member's appointment, except that any member of a committee may be removed at any time by the Board and will cease to be a member upon ceasing to be a director. The Board may fill vacancies on any committee by appointment from among its members. If and when a vacancy exists on a committee, the remaining members of the committee may exercise all of its powers and discharge all of its duties as long as a quorum remains in office.
9. The Board will appoint one of the members of a committee to be chairman of the committee. The Secretary of the Corporation will be secretary of the committee. A committee must keep minutes of its meetings in which all action taken by it is recorded. Minutes will be made available to the directors.
10. Unless otherwise provided by the Board, meetings of a committee may be held at such place, on such day and at such time as the chairman of the committee determines. Notice of a meeting will be given to each member of a committee at least 48 hours before the time when the meeting is to be held, unless all members of the committee otherwise consent. At all meetings of a committee every question will be decided by a majority of the votes cast on the question, and in the case of an equality of votes the chairman of the meeting will not be entitled to a second or casting vote.

Monitoring of Financial Performance and Other Financial Reporting Matters

11. The Board is responsible for exercising the powers and authorities set out in the articles and by-laws of the Corporation.
12. The Board is responsible for approving the audited and unaudited financial statements of the Corporation and the notes thereto and the related Management's Discussion and Analysis.
13. The Board is responsible for reviewing and approving material transactions involving the Corporation and/or its subsidiaries.

Policies and Procedures

14. The Board is responsible for:
 - (a) approving and monitoring compliance with all significant policies and procedures under which the Corporation is operated;
 - (b) approving policies and procedures designed to ensure that the Corporation operates at all times within applicable laws and regulations and to the highest ethical and moral standards; and
 - (c) enforcing obligations of the Corporation respecting confidential treatment of the Corporation's proprietary information and Board deliberations.

Communications and Reporting

15. The Board is responsible for:
 - (a) overseeing the accurate reporting of the financial performance of the Corporation to shareholders, other security holders and regulators on a timely and regular basis;
 - (b) overseeing the reporting of financial results, fairly and in accordance with generally accepted accounting principles and related legal disclosure requirements;
 - (c) overseeing the integrity of the internal control and management information systems of the Corporation;
 - (d) overseeing the evaluation of the disclosure controls and procedures of the Corporation;
 - (e) overseeing the timely disclosure of any other developments that have a significant and material impact on the Corporation;
 - (f) reporting annually to shareholders on its stewardship for the preceding year; and
 - (g) overseeing the investor relations and communications strategy of the Corporation.

APPENDIX B
ADVANCE NOTICE BY-LAW
BY-LAW NO. 5

A by-law relating to advance notice of nominations of directors of

LABRADOR IRON ORE ROYALTY CORPORATION
(the “Corporation”)

1. **Introduction.** The Corporation is committed to: (i) facilitating an orderly and efficient annual meeting or, where the need arises, special meeting, process; (ii) ensuring that all shareholders receive adequate notice of director nominations and sufficient information with respect to all nominees; (iii) allowing the Corporation and shareholders to evaluate each nominee’s qualifications and suitability as a director of the Corporation; and (iv) allowing shareholders to cast an informed vote.

The purpose of this by-law of the Corporation is to provide shareholders, directors and management of the Corporation with guidance on the nomination of directors. This by-law is the framework by which the Corporation seeks to fix a deadline by which shareholders of the Corporation must submit director nominations to the Corporation prior to any annual or special meeting of shareholders and sets forth the information that a shareholder must include in the notice to the Corporation for the notice to be in proper written form.

It is the belief of the Corporation and the board of directors of the Corporation that this by-law is beneficial to shareholders and other stakeholders. This by-law will be subject to periodic review by the board and, subject to the Act (as defined below), will reflect changes as required by securities regulatory agencies or stock exchanges and, at the discretion of the board of directors, amendments necessary to meet evolving industry standards.

In this by-law, unless the context otherwise requires, words importing the singular number only will include the plural, gender will include the masculine, feminine and neuter genders; words importing persons will include an individual, partnership, association, body corporate, trustee, executor, administrator, legal representative, and any number or aggregate of persons.

2. **Nomination Procedures.** Subject only to the Act, Applicable Securities Laws and the articles of the Corporation, only persons who are nominated in accordance with the following procedures will be eligible for election as directors of the Corporation. Nominations of persons for election to the board of directors may be made at any annual meeting of shareholders, or at any special meeting of shareholders if the election of directors is a matter specified in the notice of meeting:
- (a) by or at the direction of the board of directors or an authorized officer of the Corporation, including pursuant to a notice of meeting;
 - (b) by or at the direction or request of one or more shareholders pursuant to a proposal made in accordance with the provisions of the Act, or a requisition of a shareholders meeting by one or more of the shareholders made in accordance with the provisions of the Act; or
 - (c) by any person (a “Nominating Shareholder”) who:
 - (i) at the close of business on the date of the giving of the notice provided for in Section 4 of this by-law and on the record date for notice of such meeting, is entered in the securities register of the Corporation as a holder of one or more shares carrying the right to vote at such meeting or who beneficially owns shares that are entitled to be voted at such meeting and provides evidence of such beneficial ownership to the Corporation, and
 - (ii) complies with the notice procedures set forth below in this by-law.
3. **Nominations for Election.** For the avoidance of doubt, the procedures set forth in this by-law will be the exclusive means for any person to bring nominations for election to the board of directors before any annual or special meeting of shareholders of the Corporation.

4. **Timely Notice.** In addition to any other applicable requirements, for a nomination to be made by a Nominating Shareholder, the Nominating Shareholder must have given timely notice thereof in proper written form to the secretary of the Corporation in accordance with this by-law.
5. **Manner of Timely Notice.** To be timely, a Nominating Shareholder's notice must be given:
 - (a) in the case of an annual meeting (including an annual and special meeting) of shareholders, not less than 30 days prior to the date of the meeting; provided, however, that in the event that the meeting is to be held on a date that is less than 50 days after the date (the "Notice Date") on which the first public announcement of the date of the meeting was made, notice by the Nominating Shareholder must be made not later than the close of business on the 10th day following the Notice Date; and
 - (b) in the case of a special meeting (which is not also an annual meeting) of shareholders called for the purpose of electing directors (whether or not also called for other purposes), not later than the close of business on the 15th day following the day on which the first public announcement of the date of the meeting was made.
6. **Proper Form of Notice.** To be in proper written form, a Nominating Shareholder's notice must set forth or be accompanied by, as applicable:
 - (a) as to each person whom the Nominating Shareholder proposes to nominate for election as a director (a "Proposed Nominee"):
 - (i) the name, age and business and residential address of the Proposed Nominee;
 - (ii) the principal occupation, business or employment of the Proposed Nominee, both present and within the five years preceding the notice;
 - (iii) whether the Proposed Nominee is a "resident Canadian" within the meaning of the Act;
 - (iv) the number of securities of each class of voting securities of the Corporation or any of its subsidiaries beneficially owned, or controlled or directed, directly or indirectly, by the Proposed Nominee, as of the record date for the meeting of shareholders (if such date has been made publicly available and has occurred) and as of the date of such notice;
 - (v) a description of any relationship, agreement, arrangement or understanding (financial, compensation or indemnity related or otherwise) between the Nominating Shareholder and the Proposed Nominee, or any affiliates or associates of, or any person or entity acting jointly or in concert with the Nominating Shareholder or the Proposed Nominee, in connection with the Proposed Nominee's nomination and election as a director;
 - (vi) whether the Proposed Nominee is party to any existing or proposed relationship, agreement, arrangement or understanding with any competitor of the Corporation or any other third party which may give rise to a real or perceived conflict of interest between the interests of the Corporation and the interests of the Proposed Nominee; and
 - (vii) any other information relating to the Proposed Nominee that would be required to be disclosed in a dissident's proxy circular or other filings required to be made in connection with solicitations of proxies for election of directors pursuant to the Act or any Applicable Securities Laws;
 - (b) as to the Nominating Shareholder:
 - (i) the name, business and residential address of such Nominating Shareholder;
 - (ii) the number of securities of each class of voting securities of the Corporation or any of its subsidiaries beneficially owned, or controlled or directed, directly or indirectly, by such Nominating Shareholder or any other person with whom such Nominating Shareholder is acting jointly or in concert with respect to the Corporation or any of its securities, as of the record date for the meeting (if such date has been made publicly available and has occurred) and as of the date of such notice;

- (iii) any instrument, agreement, understanding, security or exchange contract which is beneficially owned, or controlled or directed, directly or indirectly, by such Nominating Shareholder or any other person with whom such Nominating Shareholder is acting jointly or in concert with respect to the Corporation or any of its securities, as of the record date for the meeting (if such date has been made publicly available and has occurred) and as of the date of such notice which is derived from any security of the Corporation;
 - (iv) any proxy, contract, arrangement, understanding, or relationship pursuant to which any such Nominating Shareholder or any other person with whom such Nominating Shareholder is acting jointly or in concert with respect to the Corporation or any of its securities, as of the record date for the meeting (if such date has been made publicly available and has occurred) and as of the date of such notice has a right to vote any voting securities of the Corporation;
 - (v) whether such Nominating Shareholder intends to deliver a proxy circular and/or form of proxy to any shareholder of the Corporation in connection with such nomination or otherwise solicit proxies or votes from shareholders of the Corporation in support of such nomination; and
 - (vi) any other information relating to such Nominating Shareholder that would be required to be disclosed in a dissident's proxy circular or other filings required to be made in connection with solicitations of proxies for election of directors pursuant to the Act or any Applicable Securities Laws; and
- (c) a written consent duly signed by each Proposed Nominee to being named as a nominee for election to the board of directors and to serve as a director of the Corporation, if elected.

References to "Nominating Shareholder" in this by-law will be deemed to refer to each shareholder that nominates or seeks to nominate a person for election as director in the case of a nomination proposal where more than one shareholder is involved in making such nomination proposal.

7. **Notice to be Updated.** To be considered timely and in proper written form, a Nominating Shareholder's notice will be promptly updated and supplemented, if necessary, so that the information provided or required to be provided in such notice will be true and correct as of the record date for the meeting.
8. **Power of the Chair.** The chair of the meeting will have the power and duty to determine whether a nomination was made in accordance with the procedures set forth in the foregoing provisions and, if any proposed nomination is not in compliance with such foregoing provisions, to declare that such defective nomination will be disregarded.
9. **Delivery of Notice.** Notwithstanding any other provision of this by-law, notice given to the corporate secretary of the Corporation pursuant to this by-law may only be given by personal delivery or electronic mail, and will be deemed to have been given and made only at the time it is served by personal delivery or sent by electronic mail of such transmission has been received) to the Secretary of the Corporation, at the address of the administrative offices of the Corporation specified in its most recent annual information form, or, in the case of electronic mail, to: investor.relations@labradorironore.com (or such other email address as stipulated from time to time by the Secretary of the Corporation for purposes of the notice); provided that if such delivery or electronic communication is made on a day which is not a business day or later than 5:00 p.m. (Toronto time) on a day which is a business day, then such delivery or electronic communication will be deemed to have been made on the subsequent day that is a business day.
10. **Board of Directors Discretion.** Notwithstanding the foregoing, the board of directors may, in its sole discretion, waive any requirement in this by-law.
11. **Definitions.** For purposes of this by-law:
 - (a) "Act" means the Canada Business Corporations Act;
 - (b) "Applicable Securities Laws" means the applicable securities legislation of each relevant province and territory of Canada, as amended from time to time, the written rules, regulations and forms made or promulgated under any such statute and the published national instruments, multilateral instruments,

policies, bulletins and notices of the securities commissions and similar regulatory authorities of each province and territory of Canada; and

- (c) “**public announcement**” will mean disclosure in a press release reported by a national news service in Canada, or in a document publicly filed by the Corporation under its profile on the System for Electronic Document Analysis and Retrieval at www.sedar.com.

Terms used in this by-law that are defined in the Act will have the meanings given to those terms in that Act.

12. **Effective Date.** This By-law No. 5 will come into force on the date of the resolution of the board of directors enacting this by-law or such other date as provided by the board of directors.

The foregoing By-law No. 5 was made a by-law of the Corporation by resolution of the directors of the Corporation passed at a meeting held on the 30th day of January, 2015.

APPENDIX C

TEXT OF HOUSEKEEPING SPECIAL RESOLUTION

Special Resolution

RESOLVED as a special resolution of the shareholders of Labrador Iron Ore Royalty Corporation (the “**Corporation**”) that:

1. 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”
2. Each director and officer of the Corporation is authorized to do all such acts and things and to execute (whether under the corporate seal of the Corporation or otherwise) and deliver all such documents as in such director’s or officer’s opinion may be necessary or desirable to implement the foregoing.
3. The directors of the Corporation are authorized to revoke this resolution without further approval of the shareholders of the Corporation at any time prior to the filing of articles of amendment in respect thereof.

(This page has been left blank intentionally.)

APPENDIX D

TEXT OF INVESTMENT IN ROYALTIES SPECIAL RESOLUTION

Special Resolution

RESOLVED as a special resolution of the shareholders of Labrador Iron Ore Royalty Corporation (the “**Corporation**”) that:

1. The articles of the Corporation be amended to add the following clause (c) to the list of activities to which the business of the Corporation is restricted 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:

“(c) acquiring, owning, holding, possessing, retaining and managing, directly or indirectly, interests in metal or mineral royalties or in persons whose primary source of revenue is metal or mineral royalties.”
2. The articles of the Corporation be amended to replace clause 1(d) as set out under the heading, “Other Provisions” in the Schedule to the articles of arrangement of the Corporation dated June 30, 2010, as amended, with the following:

“(d) any issue of shares in the capital of the Corporation, other than any issue of 20% or less of the outstanding common shares in the capital of the Corporation in the aggregate as consideration for, or for cash to finance, an acquisition permitted under the restrictions on business the Corporation may carry on as set forth in the articles of the Corporation.”
3. Each director and officer of the Corporation is authorized to do all such acts and things and to execute (whether under the corporate seal of the Corporation or otherwise) and deliver all such documents as in such director’s or officer’s opinion may be necessary or desirable to implement the foregoing.
4. The directors of the Corporation are authorized to revoke this resolution without further approval of the shareholders of the Corporation at any time prior to the filing of articles of amendment in respect thereof.

LABRADOR IRON ORE

ROYALTY CORPORATION