

April 8, 2015

TO: ALL KNOWN CREDITORS

Re: Labrador Iron Mines Holdings Limited, Labrador Iron Mines Limited and Schefferville Mines Inc. (collectively the "Company")

Take notice that on April 2, 2015, the Ontario Superior Court of Justice (Commercial List) ("Court") made an order ("Initial Order") granting the Company protection pursuant to the *Companies' Creditors Arrangement Act* ("CCAA"). Pursuant to the Initial Order, Duff & Phelps Canada Restructuring Inc. was appointed as the Company's monitor ("Monitor").

Please note that:

- *Pursuant to the Initial Order, there is a stay of proceedings until May 1, 2015, which may be extended by the Court from time-to-time.*
- *Pursuant to the Initial Order, all persons having oral or written agreements with the Company or statutory or regulatory mandates for the supply of goods and/or services are restrained until further Order of the Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Company, provided that the normal prices or charges for all such goods or services received after the date of the Initial Order are paid by the Company in accordance with normal payment practices of the Company or such other practices as may be agreed upon by the supplier or service provider, the Company and the Monitor, or as may be ordered by the Court.*
- *All parties are prohibited from commencing or continuing legal action against the Company and all rights and remedies of any party against or in respect of the Company or their assets are stayed and suspended except with the written consent of the Company and the Monitor, or with leave of the Court.*

The Company is not bankrupt – it is pursuing a strategy to see the business return to viability.

To date, no claims procedure has been approved by the Court and creditors are therefore not required to file a proof of claim at this time. A proof of claim form will be provided in due course, if required.

A copy of the Initial Order and copies of materials filed in the CCAA proceedings are available on the Monitor's website at: <http://www.duffandphelps.com/intl/en-ca/Pages/RestructuringCases.aspx>. Should you wish to receive a copy of the Initial Order by mail, please contact Raj Kashyap of the Monitor's office at: 416-932-6012 or raj.kashyap@duffandphelps.com.

Yours very truly,



**DUFF & PHELPS CANADA RESTRUCTURING INC.
SOLELY IN ITS CAPACITY AS CCAA MONITOR OF
LABRADOR IRON MINES HOLDINGS LIMITED, LABRADOR IRON MINES LIMITED AND
SCHEFFERVILLE MINES INC.
AND NOT IN ITS PERSONAL OR CORPORATE CAPACITY**