

LAMÊLÉE IRON ORE LTD. / LAMÊLÉE MINÉRAIS DE FER LTÉE.

February 24, 2016

TSX-V: LIR

Lamêlée announces the conclusions of its strategic review

Montreal (Quebec) – The Board of directors of Lamêlée Iron Ore Ltd. (“Lamêlée” or the “Company”) (TSX VENTURE EXCHANGE SYMBOL: **LIR**) has completed its strategic review in light of prevailing conditions in the seaborne iron ore and capital markets. It is seeking shareholder approval for the implementation of the conclusions of the review at the next shareholders’ meeting scheduled to be held on March 22, 2016.

The surge in iron ore supply from Australia and Brazil and slowing demand in China caused seaborne iron prices to plummet in 2015. Forecasts for 2016 project a continued erosion of iron ore prices. Financial markets react to this situation by significantly curtailing the availability of funds for the development of new mines. Reviewing the situation, the actions of the major iron miners to defend market share and industry forecasts with respect to the evolution of global steel and iron ore markets, the Board concluded that it is most likely that iron ore prices will remain depressed and access to capital markets closed for a period longer than Lamêlée can withstand.

Given these circumstances, the Board concluded that the course of action which is described below is the one that offers existing shareholders the best chances to save and better their investment. In a nutshell, the objective is to maximize the value of Lamêlée’s listing by performing a merger, amalgamation or business combination with a private mining exploration or junior mining company seeking to acquire a TSX Venture listed corporation.

To facilitate the achievement of this objective, the following course of action needs to be completed:

1. A share consolidation to reduce the current number of shares outstanding;

In order to increase the chances of the Company to attract parties to reorganize with it, it is deemed necessary to undertake a share consolidation in order to reduce the number of issued and outstanding common shares in the capital of Lamêlée (the “Lamêlée Shares”) to a level more appropriate for a new venture.

Lamêlée is therefore seeking approval from the shareholders to amend the articles of Lamêlée to consolidate the Lamêlée Shares on the basis of a ratio to be determined by the Board but not to exceed one (1) new Lamêlée Share for every twenty (20) existing Lamêlée Shares.

The principal effect of the share consolidation will be that the number of Lamêlée Shares issued and outstanding will be reduced from 90,838,977 Lamêlée Shares to a minimum of 4,541,948 Lamêlée Shares (or 4,608,659 Lamêlée Shares if the Debts (as defined hereinafter) are converted into Lamêlée Shares).

2. The potential return of the claims on the Lamêlée property acquired from Fancamp Exploration Ltd. (“Fancamp”) on September 16th, 2013, (“the Claims”), which is a non-arm’s length party and, at the sole discretion of Fancamp Exploration Ltd, the return for cancellation all of the Lamêlée Shares it owns.

The potential return of the Claims may be required if Lamêlée is unable to make the advance royalty payment on June 30, 2016 since, in such a case, Lamêlée would be in default and will have the contractual obligation to return the Claims to Fancamp on the due date. Fancamp has informed Lamêlée that in order to support Lamêlée's management initiatives to restructure the company, Fancamp may decide to voluntarily return all of its Lamêlée Shares for cancellation, even if the operations of Lamêlée continue afterwards. Such reduction in the number of issued and outstanding Lamêlée Shares will make Lamêlée more attractive for potential partners who seek a public company structure for their own project and would be more fair for the remaining shareholders.

Should Fancamp, on its own initiative after the share consolidation, voluntarily return all its Lamêlée Shares for cancellation, then the approximate number of outstanding Lamêlée Shares will be a minimum of 2,391,948 Lamêlée Shares (or 2,458,659 Lamêlée Shares if the Debts (as defined hereinafter) are converted into Lamêlée Shares).

3. The approval of the Stock Option Plan in order to satisfy regulatory requirements.

Although the Board has no plan to award Stock Options under the current circumstances, the maintenance of the Stock Option Plan in accordance with the TSXV rules is considered important in the eventuality that Lamêlée merged or was acquired by a private company. The award of options to the team appointed to manage the restructured operations is an essential incentive tool that must be maintained.

4. The issuance of Lamêlée Shares to pay for the debts incurred by Lamêlée towards three service providers which are associated with insiders of Lamêlée (the "Debts"). The Debts are in the amount of \$66,710.39 and at a conversion rate of \$0.05, the corporation would issue 1,334,207 Lamêlée Shares to the service providers; this will not result in a new control person.
5. A change in name from "Lamêlée Iron ore Ltd. / Lamêlée Minerais de fer Ltée" to "Corporation minière Lamêlée / Lamêlée Mining Corporation" (or to such other name as may be chosen by the directors of the Corporation and acceptable to regulators) to eliminate the reference to iron ore.

Should the Board not succeed in completing on acceptable terms the restructuring transaction mentioned above, it would then be necessary to effect a voluntary dissolution and delist from the TSX Venture Exchange.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

About Lamêlée Iron Ore Ltd

The Company is a new iron ore mineral exploration company focused on the development of an iron mine project located in the southern segment of the Labrador Trough near the border with Newfoundland and Labrador, approximately 50 km south of the city of Fermont (Quebec). The project consists of 29 mineral claims covering 1,524 hectares or 15 km². The common shares are listed on the TSX-V under the symbol "LIR". In December 2013, the Company acquired 100% of Fancamp Exploration's Lac Lamêlée South Iron Project located in the Fermont Mining District of northeastern Quebec, subject to a 1.5% Net Smelter Return royalty in favour of the Sheridan Platinum Group Ltd., of which 0.5% is subject to a buy-back option by the Company for \$1.5 million. The Company also granted an additional 1.5% Net Smelter Return royalty in favor of Fancamp Exploration on the Lac Lamêlée South Iron Project, of which 0.5% is subject to a buy-back option by the Company for \$1.5 million.

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