



PRICE TARGET REVISION | COMMENT

FEBRUARY 15, 2012

Labrador Iron Mines Holdings Limited (TSX: LIM)
 After the FQ3 2012 Call: New Guidance, Revised Estimates

Sector Perform
Above Average Risk

Price:	5.78	Price Target:	7.50 ↓ 8.00
Shares O/S (MM):	54.1	Implied All-In Return:	30%
Dividend:	0.00	Market Cap (MM):	313
NAVPS:	7.35	Yield:	0.0%
		P/NAVPS:	0.8x
		Avg. Daily Volume (MM):	0.34

Fiscal Year End March 31st
 Priced as at 1:45pm ET, February 15, 2012

Event

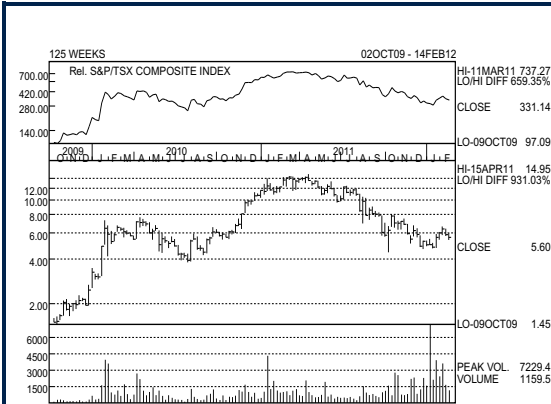
LIM reported its FQ3/12 financial results on February 14, 2012 and held a conference call on February 15, 2012.

Investment Opinion

- **FQ3/12 EPS - Not a focus:** LIM reported EPS of (\$0.03) in FQ3/12 (December quarter end) versus (\$0.13) in FQ2/12 and (\$0.02) in FQ3/11. For additional details see our comment "Reports FQ3/12 Results - Production Ramp-up Continues" published on February 15, 2012.
- **Guidance update:** LIM is targeting iron ore sales of 2.0 million tonnes (mt) in FY2013, 0.5 mt of which consists of direct rail ore. On the conference call, the company stated that capex for FY2012 was expected to be \$107 million versus our estimate of \$49 million, and that iron ore sales for FY2014 iron ore were expected to be 3.0 mt versus our estimate of 3.4 mt.
- **Balance sheet:** Based on LIM's planned capital expenditures, existing cash balance and its anticipated cash flow generation beginning in May 2012, our analysis suggests that LIM will have sufficient liquidity to fund its development plans in 2012. However, we note that a delay in first sale beyond May 2012, or a meaningful decline in iron ore prices, could result in LIM having to seek financing for working capital purposes in the first half of 2012.
- **Estimate revisions:** We have revised our model to reflect higher capex and lower sales volumes in FY2013 than we had previously been forecasting. We have also adjusted our model to reflect LIM's recently announced 2012 sales/marketing agreement with IOC. Our FY2013E EPS declines to \$0.73 from \$0.96 and our FY2014E EPS declines to \$1.34 from \$1.56. Our NAV decreases to \$7.35 from \$7.91. Our price target, set at 1.0x our NAV, declines from \$8.00 to \$7.50.
- **Investment rationale:** LIM is the newest producer of iron ore in Canada. The company provide investors with near-term exposure to iron ore and longer-term upside through resource and production growth potential. However, a number of challenges remain in order for LIM to achieve its medium term production targets. These include securing port access in 2013 and 2014, potentially building a new processing facility and successfully permitting and developing the Houston deposit. As a result of these challenges, we remain cautious in our outlook. We rate the shares Sector Perform, Above Average Risk.

Priced as of prior trading day's market close, EST (unless otherwise noted).

For Required Non-U.S. Analyst and Conflicts Disclosures, see page 5.



RBC Dominion Securities Inc.

Robin B. Kozar (Analyst)
 (416) 842-7861; robin.kozar@rbccm.com

Lisa Wilkinson, P.Eng. (Associate)
 (416) 842-4126; lisa.wilkinson@rbccm.com

FY Mar	2011A	2012E	2013E	2014E
Adj EPS - FD	(0.08)	(0.23)	0.73	1.34
Prev.		(0.24)	0.96	1.56
P/AEPS	NM	NM	7.9x	4.3x
Adj CFPS - FD	(0.08)	(0.30)	1.33	2.50
Prev.		(0.08)	1.71	2.11
P/ACFPS	NM	NM	4.3x	2.3x
EBITDA (MM)	(4.9)	(15.0)	75.0	140.0
Prev.		(5.3)	94.7	157.8
Adj EPS - FD	Q1	Q2	Q3	Q4
2011	(0.01)A	(0.02)A	(0.02)A	(0.03)A
2012	(0.09)A	(0.13)A	(0.03)A	0.03E
Prev.			(0.08)E	(0.02)E
2013	0.18E	0.18E	0.18E	0.18E
Prev.	0.38E	0.38E	0.21E	0.00E
2014	0.34E	0.34E	0.34E	0.34E
Prev.	0.61E	0.61E		0.00E
Adj CFPS - FD				
2011	(0.02)A	(0.02)A	(0.02)A	(0.02)A
2012	(0.08)A	(0.11)A	(0.01)A	(0.10)E
Prev.			0.17E	(0.06)E
2013	0.33E	0.33E	0.33E	0.33E
Prev.	0.67E	0.67E	0.38E	0.00E
2014	0.62E	0.62E	0.62E	0.62E
Prev.	0.82E	0.82E	0.46E	0.00E

All values in CAD unless otherwise noted.

Appendix - Labrador Iron Mines



RBC Capital Markets®

Labrador Iron Mines (TSX: LIM)

Fiscal Year End March 31st

Valuation	2008A	2009A	2010A	2011A	2012E	2013E	2014E
EPS, adjusted			\$0.07	(\$0.08)	(\$0.23)	\$0.73	\$1.34
EPS Growth			n.a.	-207.1%	n.a.	n.a.	82.7%
P/E			36.2x	n.a.	n.a.	7.9x	4.3x
CFPS			(\$0.07)	(\$0.08)	(\$0.30)	\$1.33	\$2.50
P/CFPS			n.a.	n.a.	n.a.	4.3x	2.3x
EV/EBITDA			n.a.	n.a.	n.a.	3.9x	2.1x
Dividend Per Share			\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Dividend Yield (%)			0.0%	0.0%	0.0%	0.0%	0.0%
Franking (%)			-	-	-	-	-
Weighted Average Share Outstanding, F.D. (million)			37.4	43.7	53.6	56.0	56.0
Average Share Price	\$4.20	\$2.47	\$2.71	\$7.89	\$5.78	\$5.78	\$5.78
P&L (millions)	2008A	2009A	2010A	2011A	2012E	2013E	2014E
Total Revenue			\$0	\$0	\$0	\$214	\$303
Operating Costs			\$1	\$1	\$0	\$0	\$0
SG&A			\$0	\$0	\$0	\$0	\$0
Exploration + R&D			\$1	\$1	\$0	\$0	\$0
Other Expenses			\$1	\$3	\$15	\$140	\$163
EBITDA			(\$3)	(\$5)	(\$15)	\$75	\$140
DD&A			\$0	\$0	\$4	\$6	\$15
EBIT			(\$3)	(\$5)	(\$19)	\$68	\$125
Net Interest Expense			\$0	\$0	\$0	\$0	\$0
Others			(\$0)	(\$0)	\$0	(\$0)	(\$0)
Provision for Taxes			(\$4)	(\$1)	(\$8)	\$27	\$50
Equity & Associate Interests			\$0	\$0	\$0	\$0	\$0
Minority Interests			\$0	\$0	\$0	\$0	\$0
Net Earnings			\$1	(\$4)	(\$12)	\$41	\$75
Preferred Dividends & Other			\$0	\$0	\$0	\$0	\$0
Net Earnings to Common			\$1	(\$4)	(\$12)	\$41	\$75
Adjustments			\$2	\$0	\$0	\$0	\$0
Adjusted Net Earnings			\$3	(\$4)	(\$12)	\$41	\$75
Cash Flow (millions)	2008A	2009A	2010A	2011A	2012E	2013E	2014E
Net Earnings			\$1	(\$4)	(\$12)	\$41	\$75
DD&A			\$0	\$0	\$4	\$6	\$15
Deferred Taxes			(\$4)	(\$1)	(\$8)	\$27	\$50
Working Capital & Other			(\$0)	\$1	\$0	\$0	\$0
Operating Cash Flow			(\$3)	(\$3)	(\$15)	\$75	\$140
CAPEX			(\$14)	(\$27)	(\$107)	(\$41)	(\$46)
Repayment of Long-term Debt & Investment			\$0	\$0	\$0	\$0	\$0
Preferred Dividends			\$0	\$0	\$0	\$0	\$0
Free Cash Flow			(\$18)	(\$31)	(\$122)	\$33	\$94
Common Dividends			\$0	\$0	\$0	\$0	\$0
Dividends Paid to Minority Interests			\$0	\$0	\$0	\$0	\$0
Issuance/Buyback of Common Shares			\$35	\$0	\$121	\$0	\$0
Other Financing Activities			(\$2)	\$2	(\$7)	(\$0)	(\$0)
Acquisition/Disposal of Assets			\$0	\$0	\$0	\$0	\$0
Other Investing Activities			(\$2)	(\$12)	\$0	\$0	\$0
Net Change in Cash			\$13	(\$41)	(\$8)	\$33	\$93
Balance Sheet (millions)	2008A	2009A	2010A	2011A	2012E	2013E	2014E
Cash & Short-term Investments			\$48	\$8	(\$0)	\$33	\$126
Total Current Assets			\$49	\$10	\$2	\$35	\$128
Property, Plant & Equipment			\$151	\$164	\$267	\$302	\$333
Total Assets			\$210	\$225	\$321	\$389	\$513
Short-term Borrowing & Debt Due in One Year			\$0	\$0	\$0	\$0	\$0
Total Current Liabilities			\$2	\$15	\$15	\$15	\$15
Long-term Debt			\$0	\$2	\$1	\$1	\$0
Total Liabilities			\$34	\$51	\$43	\$69	\$119
Minority Interests			\$0	\$0	\$0	\$0	\$0
Common Shareholders' Equity			\$176	\$174	\$278	\$319	\$394
Exchangeable Debentures			\$0	\$0	\$0	\$0	\$0
Total Liabilities & Shareholders' Equity			\$210	\$225	\$321	\$389	\$513

12-Month Target

Analyst

Current Share Price
52-Week High
52-Week Low
Market Capitalization (million)
Shares Outstanding (million)
Float (million)
Year-end
Reporting Currency

Sector Perform

Above Average Risk

\$7.50

Robin B. Kozar

(416) 842-7861

robin.kozar@rbccm.com

\$5.78

\$14.95

\$4.44

\$313

54.1

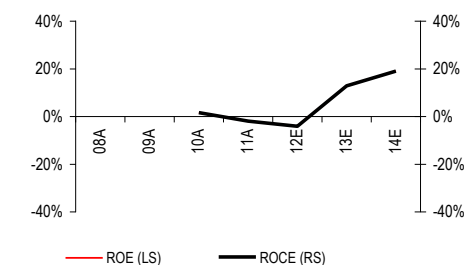
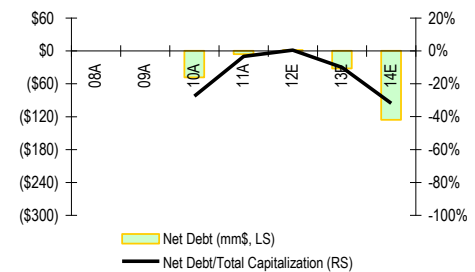
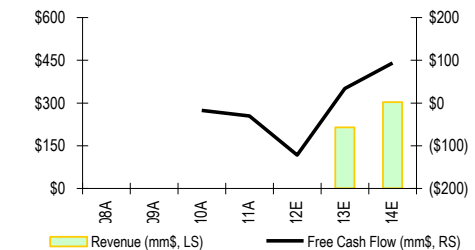
54.1

31-Mar

C\$



Chart priced as of market close February 14, 2012



RBC Capital Markets®

Labrador Iron Mines (TSX: LIM)

Ratio Analysis	2008A	2009A	2010A	2011A	2012E	2013E	2014E
Sales Growth (%)			n.a.	n.a.	n.a.	n.a.	41.4%
EBITDA/Sales (%)			n.a.	n.a.	n.a.	34.8%	46.1%
EBIT/Sales (%)			n.a.	n.a.	n.a.	31.9%	41.2%
Net Earnings/Sales (%)			n.a.	n.a.	n.a.	19.2%	24.8%
Effective Tax Rate			142.4%	17.3%	40.0%	40.0%	40.0%
Net Interest Coverage (EBIT/Interest Charges)			n.a.	n.a.	n.a.	n.a.	n.a.
Net Debt/Equity			-27.5%	-3.4%	0.4%	-10.1%	-31.9%
Net Debt/ Total Capitalization			-27.5%	-3.3%	0.4%	-10.1%	-31.9%
Return on Assets (ROA)			1.3%	-1.6%	-3.6%	10.6%	14.6%
Return on Equity (ROE)			1.6%	-2.0%	-4.2%	12.9%	19.0%
Return on Capital Employed (ROCE)			1.6%	-2.0%	-4.1%	12.8%	19.0%

Commodity & FX Assumptions	2008A	2009A	2010A	2011A	2012E	2013E	2014E
Fines Benchmark Price (64% Fe, CFR China)				\$155	\$181	\$153	\$135
Lump Benchmark Price (65% Fe, CFR China)				\$164	\$202	\$172	\$152
Fines Realized Price (US\$/t, FOB Canada)					\$132	\$107	\$101
Lump Realized Price (US\$/t, FOB Canada)					\$155	\$128	\$119
Weighted Avg Realized Iron Ore Price (US\$/t, FOB Canada)				n.a.		\$104	\$99
CAD/USD				\$0.98	\$1.00	\$0.97	\$0.97

Saleable Production (millions tonn)	2008A	2009A	2010A	2011A	2012E	2013E	2014E
Total Saleable Iron Ore Production				0.0	0.9	1.5	3.0

Cash Costs (US\$/tonne, FOB Port)	2008A	2009A	2010A	2011A	2012E	2013E	2014E
Mining & processing					\$0.00	\$21.75	\$21.36
SG&A and other				n.a.		\$6.18	\$5.56
Rail & port handling				n.a.		\$31.83	\$28.68
Total cash cost					\$0.00	\$59.76	\$55.60

Operating Profits By Operations (million)	2008A	2009A	2010A	2011A	2012E	2013E	2014E
Schefferville Projects				(\$0)	(\$7)	\$70	\$128

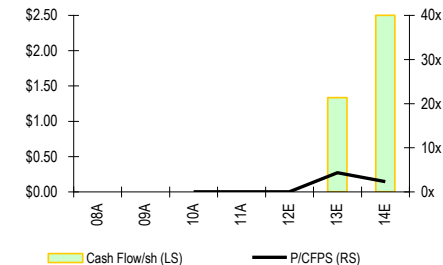
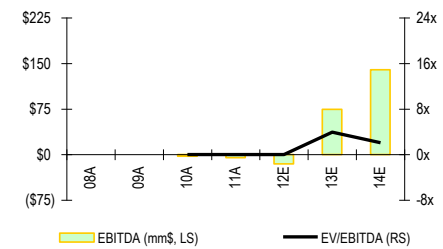
Estimated Earnings Leverage	2008A	2009A	2010A	2011A	2012E	2013E	2014E
US\$10 Increase in Fines Iron Ore Benchmark Price					(\$0.00)	\$0.13	\$0.25
US\$10 Increase in Lump Iron Ore Benchmark Price					\$0.00	\$0.04	\$0.03
Combined US\$10/t Increase in Iron Ore Prices					(\$0.00)	\$0.16	\$0.28
US \$0.05 Increase in US\$/C\$					\$0.00	(\$0.10)	(\$0.15)

Estimated NAV Break-Down (at 8%)	millions C\$	C\$/sh	% Assets
Schefferville Projects	\$398	\$7.35	100.0%
Gross Asset Value	\$398	\$7.35	100%
Net Corporate Overheads & CAPEX	(\$20)	(\$0.38)	
Net Debt	\$20	\$0.37	
Net Asset Value	\$397	\$7.35	

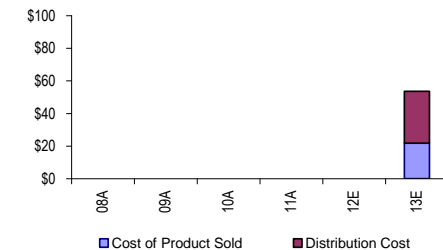
Estimated NAV Leverage to	Valuation (1.0x NAV)
US\$10 Increase in Fines Iron Ore Benchmark Price	\$1.33
US\$10 Increase in Lump Iron Ore Benchmark Price	\$0.48
Combined US\$10/t Increase in Iron Ore Prices	\$1.81
US \$0.05 Increase in US\$/C\$	(\$0.70)
12-month Target	\$7.50
Price/NAV	0.79x

Sector Perform - Above Average Risk

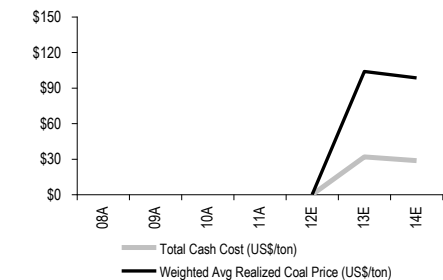
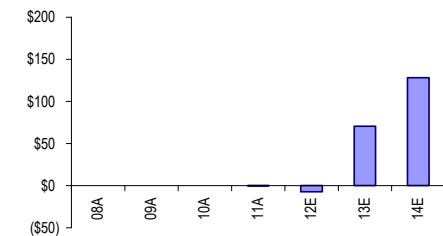
12-Month Target \$7.50



Cash Cost (C\$/tonne)



Operating Profit (mm\$)



NOTE: Priced as of 1:45pm ET, February 15, 2012

Source: Company reports, RBC Capital Markets estimates

Valuation

We value Labrador Iron Mines using a discount cash flow approach. We derive our \$7.50 price target by applying a 1.0x multiple to our NAV of \$7.35 per share. We believe an NAV approach is the appropriate valuation metric as LIM transitions from a development company into commercial producer in early 2012.

Price Target Impediment

Higher-than-expected operating costs, a delay in production ramp-up, or the inability to secure future port access would negatively affect our outlook. Changes to iron ore prices and foreign exchange rates could also pose risks to our outlook.

Company Description

Labrador Iron Mines is primarily engaged in developing its 100%-owned iron ore properties in the Schefferville area, located 1,150 km northeast of Montreal. These high-grade, high-quality direct shipping ore operations are located in the central region of the trough and are the remnants of IOC's previous mining operations that took place from 1954 to 1982. LIM was established in 2007 and commenced iron ore production in June 2011.

Required Disclosures

Non-U.S. Analyst Disclosure

Lisa Wilkinson (i) is not registered/qualified as a research analyst with the NYSE and/or FINRA and (ii) may not be associated persons of the RBC Capital Markets, LLC and therefore may not be subject to FINRA Rule 2711 and NYSE Rule 472 restrictions on communications with a subject company, public appearances and trading securities held by a research analyst account.

Conflicts Disclosures

The analyst(s) responsible for preparing this research report received compensation that is based upon various factors, including total revenues of the member companies of RBC Capital Markets and its affiliates, a portion of which are or have been generated by investment banking activities of the member companies of RBC Capital Markets and its affiliates.

The author is employed by RBC Dominion Securities Inc., a securities broker-dealer with principal offices located in Toronto, Canada.

Explanation of RBC Capital Markets Equity Rating System

An analyst's 'sector' is the universe of companies for which the analyst provides research coverage. Accordingly, the rating assigned to a particular stock represents solely the analyst's view of how that stock will perform over the next 12 months relative to the analyst's sector average.

Ratings

Top Pick (TP): Represents analyst's best idea in the sector; expected to provide significant absolute total return over 12 months with a favorable risk-reward ratio.

Outperform (O): Expected to materially outperform sector average over 12 months.

Sector Perform (SP): Returns expected to be in line with sector average over 12 months.

Underperform (U): Returns expected to be materially below sector average over 12 months.

Risk Qualifiers (any of the following criteria may be present):

Average Risk (Avg): Volatility and risk expected to be comparable to sector; average revenue and earnings predictability; no significant cash flow/financing concerns over coming 12-24 months; fairly liquid.

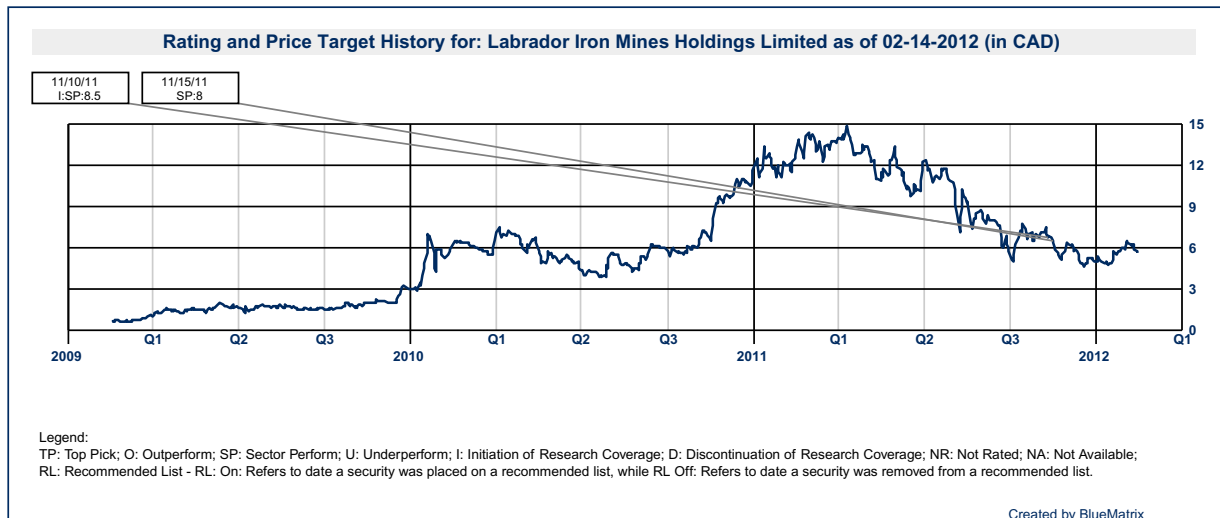
Above Average Risk (AA): Volatility and risk expected to be above sector; below average revenue and earnings predictability; may not be suitable for a significant class of individual equity investors; may have negative cash flow; low market cap or float.

Speculative (Spec): Risk consistent with venture capital; low public float; potential balance sheet concerns; risk of being delisted.

Distribution of Ratings

For the purpose of ratings distributions, regulatory rules require member firms to assign ratings to one of three rating categories - Buy, Hold/Neutral, or Sell - regardless of a firm's own rating categories. Although RBC Capital Markets' ratings of Top Pick/Outperform, Sector Perform and Underperform most closely correspond to Buy, Hold/Neutral and Sell, respectively, the meanings are not the same because our ratings are determined on a relative basis (as described above).

Distribution of Ratings RBC Capital Markets, Equity Research				
Rating	Count	Percent	Investment Banking Serv./Past 12 Mos.	
			Count	Percent
BUY[TP/O]	778	52.00	225	28.92
HOLD[SP]	647	43.20	146	22.57
SELL[U]	72	4.80	5	6.94



References to a Recommended List in the recommendation history chart may include one or more recommended lists or model portfolios maintained by a business unit of the Wealth Management Division of RBC Capital Markets, LLC. These Recommended Lists include a former list called the Prime Opportunity List (RL 3), a former list called the Private Client Prime Portfolio (RL 4), the Guided Portfolio: Prime Income (RL 6), the Guided Portfolio: Large Cap (RL 7), Guided Portfolio: Dividend Growth (RL 8), the Guided Portfolio: Midcap 111 (RL9), and the Guided Portfolio: ADR (RL 10). The abbreviation 'RL On' means the date a security was placed on a Recommended List. The abbreviation 'RL Off' means the date a security was removed from a Recommended List.

Conflicts Policy

RBC Capital Markets Policy for Managing Conflicts of Interest in Relation to Investment Research is available from us on request. To access our current policy, clients should refer to <https://www.rbccm.com/global/file-414164.pdf> or send a request to RBC CM Research Publishing, P.O. Box 50, 200 Bay Street, Royal Bank Plaza, 29th Floor, South Tower, Toronto, Ontario M5J 2W7. We reserve the right to amend or supplement this policy at any time.

Dissemination of Research and Short-Term Trade Ideas

RBC Capital Markets endeavors to make all reasonable efforts to provide research simultaneously to all eligible clients, having regard to local time zones in overseas jurisdictions. RBC Capital Markets' research is posted to our proprietary websites to ensure eligible clients receive coverage initiations and changes in ratings, targets and opinions in a timely manner. Additional distribution may be done by the sales personnel via email, fax or regular mail. Clients may also receive our research via third-party vendors. Please contact your investment advisor or institutional salesperson for more information regarding RBC Capital Markets' research. RBC Capital Markets also provides eligible clients with access to SPARC on its proprietary INSIGHT website. SPARC contains market color and commentary, and may also contain Short-Term Trade Ideas regarding the securities of subject companies discussed in this or other research reports. SPARC may be accessed via the following hyperlink: <https://www.rbcinsight.com>. A Short-Term Trade Idea reflects the research analyst's directional view regarding the price of the security of a subject company in the coming days or weeks, based on market and trading events. A Short-Term Trade Idea may differ from the price targets and/or recommendations in our published research reports reflecting the research analyst's views of the longer-term (one year) prospects of the subject company, as a result of the differing time horizons, methodologies and/or other factors. Thus, it is possible that the security of a subject company that is considered a long-term 'Sector Perform' or even an 'Underperform' might be a short-term buying opportunity as a result of temporary selling pressure in the market; conversely, the security of a subject company that is rated a long-term 'Outperform' could be considered susceptible to a short-term downward price correction. Short-Term Trade Ideas are not ratings, nor are they part of any ratings system, and RBC Capital Markets generally does not intend, nor undertakes any obligation, to maintain or update Short-Term Trade Ideas. Short-Term Trade Ideas discussed in SPARC may not be suitable for all investors and have not been tailored to individual investor circumstances and objectives, and investors should make their own independent decisions regarding any Short-Term Trade Ideas discussed therein.

Analyst Certification

All of the views expressed in this report accurately reflect the personal views of the responsible analyst(s) about any and all of the subject securities or issuers. No part of the compensation of the responsible analyst(s) named herein is, or will be, directly or indirectly, related to the specific recommendations or views expressed by the responsible analyst(s) in this report.



Disclaimer

RBC Capital Markets is the business name used by certain branches and subsidiaries of the Royal Bank of Canada, including RBC Dominion Securities Inc., RBC Capital Markets, LLC, RBC Europe Limited, RBC Capital Markets (Hong Kong) Limited, Royal Bank of Canada, Hong Kong Branch and Royal Bank of Canada, Sydney Branch. The information contained in this report has been compiled by RBC Capital Markets from sources believed to be reliable, but no representation or warranty, express or implied, is made by Royal Bank of Canada, RBC Capital Markets, its affiliates or any other person as to its accuracy, completeness or correctness. All opinions and estimates contained in this report constitute RBC Capital Markets' judgement as of the date of this report, are subject to change without notice and are provided in good faith but without legal responsibility. Nothing in this report constitutes legal, accounting or tax advice or individually tailored investment advice. This material is prepared for general circulation to clients and has been prepared without regard to the individual financial circumstances and objectives of persons who receive it. The investments or services contained in this report may not be suitable for you and it is recommended that you consult an independent investment advisor if you are in doubt about the suitability of such investments or services. This report is not an offer to sell or a solicitation of an offer to buy any securities. Past performance is not a guide to future performance, future returns are not guaranteed, and a loss of original capital may occur. RBC Capital Markets research analyst compensation is based in part on the overall profitability of RBC Capital Markets, which includes profits attributable to investment banking revenues. Every province in Canada, state in the U.S., and most countries throughout the world have their own laws regulating the types of securities and other investment products which may be offered to their residents, as well as the process for doing so. As a result, the securities discussed in this report may not be eligible for sale in some jurisdictions. This report is not, and under no circumstances should be construed as, a solicitation to act as securities broker or dealer in any jurisdiction by any person or company that is not legally permitted to carry on the business of a securities broker or dealer in that jurisdiction. To the full extent permitted by law neither RBC Capital Markets nor any of its affiliates, nor any other person, accepts any liability whatsoever for any direct or consequential loss arising from any use of this report or the information contained herein. No matter contained in this document may be reproduced or copied by any means without the prior consent of RBC Capital Markets.

Additional information is available on request.

To U.S. Residents:

This publication has been approved by RBC Capital Markets, LLC (member FINRA, NYSE, SIPC), which is a U.S. registered broker-dealer and which accepts responsibility for this report and its dissemination in the United States. Any U.S. recipient of this report that is not a registered broker-dealer or a bank acting in a broker or dealer capacity and that wishes further information regarding, or to effect any transaction in, any of the securities discussed in this report, should contact and place orders with RBC Capital Markets, LLC.

To Canadian Residents:

This publication has been approved by RBC Dominion Securities Inc.(member IIROC). Any Canadian recipient of this report that is not a Designated Institution in Ontario, an Accredited Investor in British Columbia or Alberta or a Sophisticated Purchaser in Quebec (or similar permitted purchaser in any other province) and that wishes further information regarding, or to effect any transaction in, any of the securities discussed in this report should contact and place orders with RBC Dominion Securities Inc., which, without in any way limiting the foregoing, accepts responsibility for this report and its dissemination in Canada.

To U.K. Residents:

This publication has been approved by RBC Europe Limited ('RBCEL') which is authorized and regulated by Financial Services Authority ('FSA'), in connection with its distribution in the United Kingdom. This material is not for general distribution in the United Kingdom to retail clients, as defined under the rules of the FSA. However, targeted distribution may be made to selected retail clients of RBC and its affiliates. RBCEL accepts responsibility for this report and its dissemination in the United Kingdom.

To Persons Receiving This Advice in Australia:

This material has been distributed in Australia by Royal Bank of Canada - Sydney Branch (ABN 86 076 940 880, AFSL No. 246521). This material has been prepared for general circulation and does not take into account the objectives, financial situation or needs of any recipient. Accordingly, any recipient should, before acting on this material, consider the appropriateness of this material having regard to their objectives, financial situation and needs. If this material relates to the acquisition or possible acquisition of a particular financial product, a recipient in Australia should obtain any relevant disclosure document prepared in respect of that product and consider that document before making any decision about whether to acquire the product.

To Hong Kong Residents:

This publication is distributed in Hong Kong by RBC Investment Services (Asia) Limited, RBC Investment Management (Asia) Limited and RBC Capital Markets (Hong Kong) Limited, licensed corporations under the Securities and Futures Ordinance or, by the Royal Bank of Canada, Hong Kong Branch, a registered institution under the Securities and Futures Ordinance. This material has been prepared for general circulation and does not take into account the objectives, financial situation, or needs of any recipient. Hong Kong persons wishing to obtain further information on any of the securities mentioned in this publication should contact RBC Investment Services (Asia) Limited, RBC Investment Management (Asia) Limited, RBC Capital Markets (Hong Kong) Limited or Royal Bank of Canada, Hong Kong Branch at 17/Floor, Cheung Kong Center, 2 Queen's Road Central, Hong Kong (telephone number is 2848-1388).

To Singapore Residents:

This publication is distributed in Singapore by the Royal Bank of Canada, Singapore Branch and Royal Bank of Canada (Asia) Limited, registered entities granted offshore bank and merchant bank status by the Monetary Authority of Singapore, respectively. This material has been prepared for general circulation and does not take into account the objectives, financial situation, or needs of any recipient. You are advised to seek independent advice from a financial adviser before purchasing any product. If you do not obtain independent advice, you should consider whether the product is suitable for you. Past performance is not indicative of future performance. If you have any questions related to this publication, please contact the Royal Bank of Canada, Singapore Branch or Royal Bank of Canada (Asia) Limited.

To Japanese Residents:

Unless otherwise exempted by Japanese law, this publication is distributed in Japan by or through RBC Capital Markets (Japan) Ltd., a registered type one financial instruments firm and/or Royal Bank of Canada, Tokyo Branch, a licensed foreign bank.

® Registered trademark of Royal Bank of Canada. RBC Capital Markets is a trademark of Royal Bank of Canada. Used under license.

Copyright © RBC Capital Markets, LLC 2012 - Member SIPC
Copyright © RBC Dominion Securities Inc. 2012 - Member CIPF
Copyright © RBC Europe Limited 2012
Copyright © Royal Bank of Canada 2012
All rights reserved

