

TSX: [BIM](#)



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Baffinland Announces \$175 Million Bought Deal Offering

TORONTO, ONTARIO--(Marketwire - March 5, 2008) -

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Baffinland Iron Mines Corporation ("Baffinland" or the "Company") (TSX:BIM) announced today that it has entered into an agreement with a syndicate of underwriters led by Raymond James Ltd. under which the underwriters have agreed to buy 47,945,205 common shares of the Company ("Common Shares") at a price of \$3.65 per Common Share, representing aggregate gross proceeds of \$174,999,998.25. In addition, the underwriters will also have an option exercisable for a period of 30 days after the closing of the offering to purchase up to an additional 7,191,780 million Common Shares.

The Company intends to use the net proceeds of the Offering to finance further exploration and development activities at the Company's 100% owned Mary River project and for general corporate purposes.

Closing of the Offering is expected to be on or about March 27, 2008 and is subject to certain conditions, including but not limited to, receipt of all necessary securities regulatory approvals (including the approval of the Toronto Stock Exchange).

Baffinland is a Canadian publicly-traded junior mining company that is focused on its wholly-owned Mary River iron ore deposits located on Baffin Island, Nunavut Territory, Canada. Baffinland's shares trade on the Toronto Stock Exchange under the trading symbol BIM.

This press release contains certain information that may constitute forward-looking information within the meaning of securities laws. Particularly information about the proposed offering and the intended use of proceeds thereof is forward-looking information. Forward-looking information is based on certain factors and assumptions regarding, among other things, expected mineral resources, iron ore prices and the feasibility of constructing and operating a direct-shipping iron ore mine at the Company's Mary River project. While the Company considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect. Forward looking-information is subject to certain factors, including risks and uncertainties that could cause actual results to differ materially from what is currently expected. These factors include exploration and development risks, risks relating to the

worldwide price of, demand for and supply of iron ore and risks relating to the construction and operation of a mine at the Company's Mary River project. See the Company's filing on www.sedar.com. You should not place undue importance on forward-looking information and should not rely upon this information as of any other date. While the Company may elect to, the Company is under no obligation and does not undertake to update this information at any particular time, except as required by law.

The securities offered have not been registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or any applicable exemption from the registration requirements. This press release does not constitute an offer to sell or the solicitation of an offer to buy nor will there be any sale of the securities in any state in which such offer, solicitation or sale would be unlawful.

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