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NEWS RELEASE

TSX SYMBOL: BIM

**BAFFINLAND PROVIDES FURTHER DETAILS
OF PRIVATE PLACEMENT OFFERINGS**

TORONTO, ONTARIO - **December 4, 2008** - On November 24, 2008 and November 26, 2008, Baffinland Iron Mines Corporation ("Baffinland" or the "Company") announced certain details regarding two concurrent private placement transactions, being (i) a private placement of \$5 million of common shares and subscription receipts to Resource Capital Fund IV L.P. ("Resource LP") and (ii) a private placement of flow-through common shares (each, a "Flow-Through Share") for aggregate gross proceeds of approximately \$13.6 million (the "Flow-Through Private Placement") offered for sale on a best efforts basis by a syndicate led by CIBC World Markets Inc. (the "Agents").

In connection with the Flow-Through Private Placement, the Agents have advised Baffinland that Goodman & Company Investment Counsel Ltd. and certain affiliates ("Goodman"), on behalf of non-beneficially owned funds under its discretionary management, currently intend to purchase an interest in 31,905,000 Flow-Through Shares, representing approximately 21.6% of the current number of issued and outstanding common shares of the Company. On closing of the Flow-Through Private Placement, non-beneficially owned funds under discretionary management of Goodman will hold an interest in 43,763,003 common shares of Baffinland. Assuming the Flow-Through Private Placement is fully subscribed and the issuance of common shares to Resource LP pursuant to the terms of the subscription receipts, excluding the exercise of the options to increase the size of the private placements granted to Resource LP and the Agents, non-beneficially owned funds under discretionary management of Goodman will hold an interest in approximately 18.3% of the outstanding common shares of the Company on closing of the private placements. Goodman currently holds an interest in common shares of the Company and will, on closing of the Flow-Through Private Placement, continue to hold an interest in common shares on behalf of its non-beneficially owned funds under its discretionary management, for investment purposes only and not with the purpose of influencing the control or direction of Baffinland. Such investments will be reviewed on a continuing basis and such holdings may be increased or decreased in the future.

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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.

FOR FURTHER INFORMATION:

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This press release contains certain information that may constitute forward-looking information within the meaning of securities laws. Particularly, but without limitation, information about the private placements and the intention of Goodman to purchase an interest in Flow-Through Shares is forward-looking information. Forward-looking information is based on certain factors and assumptions regarding, among other things, the estimation of mineral reserves and resources, the realization of mineral reserve and resource estimates, iron ore prices, the timing and amount of future exploration expenditures, the estimation of initial and sustaining capital requirements, the estimation of labour and operating costs, the availability of necessary financing and materials, including financing to conduct other activities necessary to continue to develop the Company's Mary River project in the short and long-term, the progress of construction and development activities, the receipt of necessary regulatory approvals, and assumptions with respect to environmental risks, title disputes or claims, weather conditions, climate change and other similar matters. 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 risks inherent in the exploration and development of mineral deposits, risks relating to changes in iron ore prices and the worldwide demand for and supply of iron ore, uncertainties inherent in the estimation of mineral reserves and resources, risks relating to the remoteness of the Company's Mary River project including access and supply risks, reliance on key personnel, construction and operational risks inherent in the conduct of mining activities, including the risk of increases in capital and operating costs and the risk of delays or increased costs that might be encountered during the construction and development process, the risk of fluctuations in the Canadian/U.S. dollar exchange rate, regulatory risks, including risks relating to the acquisition of the necessary licenses and permits, financing, capitalization and liquidity risks, including the risk that the financing necessary to fund the exploration and development activities at the Mary River Property may not be available on satisfactory terms, or at all, environmental risks, including risks relating to climate change and the potential impact of global warming on project timelines and on construction and operating costs, and insurance risks. See the Company's public filings available at 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.