

PRESS RELEASE

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**BAFFINLAND RESUMES FULL ORE HAULAGE OF
BULK SAMPLE PROGRAM**

TORONTO, ONTARIO – **August 5, 2008** – Baffinland Iron Mines Corporation (“Baffinland” or the “Company”) announced today that it has resumed full ore haulage operations associated with the shipment of the bulk sample (the “Bulk Sample Program”) between Mary River and Milne Inlet on the tote road.

Since resuming the ore haul during late July, an additional 12,000 tonnes of high grade iron ore have been hauled to the Milne Inlet stockpile. Completion of the tote road remediation program was consistent with the schedule assumptions made in association with the revised bulk sample program. Haulage road access has also been reestablished to Deposit No. 1 and drilling, blasting, and crushing operations are expected to resume early this week. The company is on track to meeting the revised bulk sample shipment targets.

Baffinland previously announced revised targets for the shipment of high grade iron ore under its Bulk Sample Program from its Mary River deposit on Baffin Island to key European blast furnace operators in 2008. Baffinland anticipates the shipment of between 120,000 tonnes and 150,000 tonnes of iron ore to be shipped to steelmakers in three trial cargos, of which two will be lump and one of iron ore fines.

The haulage and stevedoring equipment required to complete the bulk sample are on site, and a bulk carrier, the Federal Franklin, managed by Fednav Limited, has been nominated to deliver two ore cargos to Europe. Fednav will be nominating a second vessel in the near future. Ship loading arrangements have now been scheduled with these parties and discharge port arrangements are under discussion with customers in Europe.

Gordon McCreary, President and CEO, indicated, “We are pleased to announce the resumption of ore haulage on the upgraded tote road and are confident that the revised targets, and the original objectives, associated with our bulk sample program will all be met.”

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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.

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This press release contains certain information that may constitute forward-looking information within the meaning of securities laws. Forward-looking information may relate to management's future outlook and anticipated events or results, and may include statements or information regarding the future plans or prospects of the Company. Without limitation, statements made about the mining of the bulk sample and the shipment of bulk sample ore to Europe, the anticipated completion of the bulk sample technical objectives, statements concerning progress, execution, completion and planning developments associated with the bulk sample including timing and amount of ore shipped, and statements that the Company is on track to meeting the revised bulk sample shipment targets and that the revised bulk sample target will meet program objectives, and that 120,000 to 150,000 tonnes of ore will be shipped in three cargos in 2008, and statements made regarding the ratio of lump ore to iron ore fines, are forward-looking information.

Forward-looking information is based on certain factors and assumptions regarding, among other things, expected mineral resources, iron ore prices, the timing and amount of future exploration expenditures, the estimation of additional capital requirements and initial capital costs, the availability of necessary financing and materials, the receipt of necessary regulatory approvals, the feasibility of constructing and operating a direct-shipping iron ore mine at Baffinland's Mary River project and assumptions with respect to environmental risks, title disputes or claims, weather conditions and other similar matters. Without limitation, when stating that the Company is on track to meeting the revised bulk sample shipment targets, that the Company anticipates shipping 120,000 to 150,000 tonnes of ore to European steelmakers in three cargos, and that two cargos will be lump ore and one cargo will be iron ore fines, the Company has assumed that the ore haulage will progress at a rate of 2,000 tonnes per day, that mechanical availability on the truck haulage fleet will average 75%, that past proven drilling, blasting and crushing rates will be maintained until completion of the bulk sample, that Fednav Limited will supply, load and ship the three loads of high grade ore and that this will be accomplished before freeze up and that freeze up will occur as per historical timelines. 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 Mary River property including access and supply risks, reliance on key personnel, construction and operational risks inherent in the conduct of mining activities, including the risk of changes in capital and operation costs, regulatory risks, including risks relating to the acquisition of the necessary licences and permits, financing, capitalization and liquidity risks, including the risk that the financing required to fund all currently planned exploration and related activities may not be available on satisfactory terms, or at all, environmental risks and insurance risks. 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, it is under no obligation and does not undertake to update this information at any particular time.