



120 Adelaide Street West, Suite 1016
Toronto, Ontario M5H 1T1
Tel: (416) 364-8820
Fax: (416) 364-0193
E-mail: info@baffinland.com
Website: www.baffinland.com

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NEWS RELEASE

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BAFFINLAND ANNOUNCES PRIVATE PLACEMENT OFFERINGS

November 24, 2008 - TORONTO, ONTARIO – Baffinland Iron Mines Corporation (“Baffinland” or the “Company”) announced that it intends to complete two concurrent private placement transactions (the “Proposed Private Placements”) for aggregate gross proceeds of up to approximately \$25 million. The Proposed Private Placements will be: (i) a private placement of \$5 million of common shares (each, a “Common Share”) to Resource Capital Fund IV L.P. (“Resource LP”, and such private placement being the “RCF Private Placement”) and (ii) a private placement of flow-through common shares for aggregate gross proceeds of up to approximately \$20 million (the “Flow-Through Private Placement”), with CIBC World Markets Inc. (“CIBC World Markets”) and such co-agents, if any, as CIBC World Markets may determine (the “Agents”). A portion of the Common Shares issuable to Resource LP will initially be issued in the form of subscription receipts as described below.

RCF Private Placement

Resource LP will be entitled to subscribe for an aggregate of 14,665,541 Common Shares and 11,650,248 subscription receipts (each, a “Subscription Receipt”) at a subscription price of \$0.19 per share or Subscription Receipt, as applicable, for gross proceeds to the Company of \$5 million. Each Subscription Receipt will entitle Resource LP to acquire one Common Share for no additional consideration at any time prior to April 30, 2009 on notice being given that the Company and its shareholders have approved certain amendments to its shareholder rights plan, as described below. The proceeds received from the issuance of the Subscription Receipts will be held in escrow, as described below. The Subscription Receipts will include typical anti-dilution provisions. Resource LP has also been granted the option to purchase an additional 21,052,632 Subscription Receipts exercisable at any time prior to 48 hours before the closing of the RCF Private Placement.

Resource LP and Resource Capital Fund III LP (collectively, the “Resource Funds”) are joint actors and are both current securityholders of Baffinland. Russell Cranswick is currently a director of the Company and a partner of Resource Capital Funds, which has an interest in the Resource Funds. The RCF Private Placement has been negotiated on an arm’s length basis between Baffinland, CIBC World Markets and Resource LP.

Pursuant to the terms of the RCF Private Placement, the Resource Funds will be granted the right to participate in future offerings of the Company as long as the Resource Funds continue to hold more than 10% of the issued and outstanding Common Shares. Baffinland has also agreed to reduce the size of its board of directors to nine members prior to the closing of the RCF Private Placement and to undertake a study to determine an appropriate board size for like-sized and natured companies.

Flow-Through Private Placement

The size of the Flow-Through Private Placement and the subscription price per Common Share issued thereunder will be determined through a best efforts overnight marketing by the Agents, and by negotiation between the Company and the Agents. The Agents will be entitled to a fee equal to 5% of the gross proceeds raised in the Flow-Through Private Placement.

Closing of the Proposed Private Placements

The Proposed Private Placements are subject to the approval of the TSX and all other necessary regulatory approvals. The Proposed Private Placements are expected to close on or about December 11, 2008, and in any event no sooner than ten days from dissemination of this press release, and are subject to certain conditions, including, but not limited to, the Company entering into subscription agreements with subscribers. The Company considers such a closing date commercially reasonable and necessary in the present circumstances, due to the uncertainty of current market conditions. Baffinland reserves the right to decrease the size of the Flow-Through Private Placement, or to not proceed with the Proposed Private Placements, in its discretion. The Common Shares issuable pursuant to the Proposed Private Placements will be subject to applicable regulatory hold periods.

The gross proceeds of the Flow-Through Private Placement will be used to fund Canadian Exploration Expenses, as defined by the Canadian Revenue Agency, at the Company's 100% owned Mary River project, and the net proceeds of the RCF Private Placement will be used to continue exploration activities at the Mary River project and for general corporate purposes.

"While we would have preferred to issue equity at a higher level, under the current turbulent global financial environment we are pleased to have an opportunity to potentially fund a drill program designed to advance a substantial portion of our huge inferred resources to indicated resources. This financing, together with our cash reserves and the possibilities of our strategic partnering initiative are the potential sources of funding of this stage of our world-class direct-shipping iron ore project. Such an upgrading of resources is expected to enhance the economic viability of our Mary River project in a more stable market environment," stated Gordon McCreary, President and Chief Executive Officer of Baffinland.

Proposed Amendment to Shareholder Rights Plan

The Company's shareholders rights plan dated January 13, 2006 (the "Rights Plan") currently includes a definition of the term "Exempt Acquisition" that restricts, among other things, the acquisition by any person of more than 25% of the current number of issued and outstanding Common Shares by way of private placement. If Resource LP subscribed for more than 14,665,541 Common Shares pursuant to the RCF Private Placement, the Resource Funds,

collectively, would beneficially own more than 25% of the issued and outstanding Common Shares and would trigger the operative provisions of the Rights Plan.

Baffinland currently intends to call a meeting of its shareholders to approve an amendment to the Rights Plan to provide that any private placement that has been approved by the TSX will fall within the definition of an “Exempt Acquisition” under the terms of the Rights Plan. It is expected that such amendment will apply to the RCF Private Placement. Baffinland currently expects to call a meeting of its shareholders to propose this amendment to the Rights Plan on or about March 31, 2008 and the approval will require a majority of the disinterested shareholders of the Company. The proceeds from the issue of the Subscription Receipts pursuant to the RCF Private Placement will be held in escrow and will not be released, and the Subscription Receipts will not be exercisable until after such approval has been obtained. The Subscription Receipts will be automatically exercised as soon as all conditions have been met such that the issuance of the Common Shares on such exercise will be an Exempt Acquisition. In the event that the Company’s shareholders do not approve the amendments to the Rights Plan by March 31, 2009 any amounts held in escrow in respect of the Subscription Receipts will be returned to Resource LP along with any interest earned thereon from the date of closing the RCF Private Placement.

TSX Approval of the Proposed Private Placements

The Company is continuing its process of seeking one or more strategic partners. However Baffinland has not reached an agreement with any such partners at this time and there is a risk that this undertaking may not be successful. Additionally, as result of continuing uncertainty in financial markets and reduced demand for iron ore, Baffinland is currently experiencing financial difficulty. Without significant and ongoing additional funding, the Company will be unable to advance development at the Mary River Project and/or attract a strategic partner.

Based on the size of the Proposed Private Placements and as a consequence of and to ameliorate its current financial hardship, Baffinland is proceeding with the Proposed Private Placements in reliance on certain exemptions, including the financial hardship exemption in section 604(e), of the TSX Company Manual. The Company’s board of directors, and its independent directors, acting in good faith, have determined that Baffinland faces serious financial difficulty and that the Proposed Private Placements have been designed to improve the financial position of Baffinland. Factors considered by the independent directors in making such a determination include the existing going concern note in its financial statements for the period ended September 30, 2008, prevailing conditions in the financial markets and the limited availability of alternative financing arrangements. As a consequence of relying upon the financial hardship exemption, the TSX has informed the Company that it will, in the ordinary course, commence a continued listing review.

MI 61-101

As a result of the relationship between Baffinland, the Resource Funds and Russell Cranswick, the RCF Private Placement is considered a “related party transaction” pursuant to Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (“MI 61-101”). The Company will rely upon the formal valuation exemption in Section 5.5(a) of MI 61-101 and upon the minority approval exemption in Section 5.7(a) of MI 61-101 on the basis that the RCF

Private Placement does not, at the time the transaction was entered into, exceed 25% of Baffinland's market capitalization.

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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:

Please visit Baffinland's website at www.baffinland.com, email info@baffinland.com or contact:

Gordon A. McCreary
President and Chief Executive Officer
(416) 814-3163

Micheal Zurowski
Executive Vice President
(416) 814-3161

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 Proposed Private Placements, the intended use of the proceeds thereof and the intent of Baffinland to call of meeting of shareholders to approve amendments to the Rights Plan 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.