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PRESS RELEASE

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BAFFINLAND AND QIKIQTANI INUIT ASSOCIATION SIGN MOU FOR THE PROPOSED MARY RIVER PROJECT

TORONTO, ONTARIO and IQALUIT, NUNAVUT – **March 31, 2009** - Baffinland Iron Mines Corporation ("Baffinland" or the "Company") and the Qikiqtani Inuit Association ("QIA") are pleased to announce that a memorandum of understanding (an "MOU") has been successfully negotiated concerning detailed provisions intended to form part of a future Inuit Impact and Benefits Agreement (an "IIBA").

Subject areas included in the MOU are employment, training and education, contracting and business opportunities, workplace conditions for Inuit employees and contractors, as well as community support. Although these provisions are subject to review and refinement based on the outcomes of the regulatory review process currently being undertaken by the Nunavut Impact Review Board ("NIRB"), agreement by the parties is an important step leading to an IIBA.

Central to these negotiations has been an underlying principle of mutual benefit for the Inuit and Baffinland that would result from development of the Mary River Project. Under Article 26 of the Nunavut Land Claims Agreement, an IIBA is a prerequisite for the development of the Mary River Project. More importantly, an IIBA is a facilitating mechanism for Inuit engagement in major projects through the establishment of provisions with the Company across a broad range of subject areas.

"Baffinland and the QIA began negotiations in earnest early in the development process and the signing of this MOU is reflective of a strong relationship that we strive to have with all of our stakeholders. The negotiating teams are to be commended for tremendous efforts in working towards an agreement that works for both parties", stated Mr. Gordon McCreary, President and CEO of Baffinland.

Mr. Thomasie Alikatuktuk, President of the QIA, stated, "We have been working with Baffinland for several years now. The QIA has a strong relationship with the Company and we are committed to establishing an IIBA framework that will help unlock the tremendous potential of the Inuit with the Mary River Project."

Activities consistent with many of the provisions of the MOU have been taking place during the exploration and bulk sample programs undertaken to date at Mary River. For example, jointly with the QIA, Qikiqtaaluk Corporation and Kakivak Association, ten students, together with a respected elder from the community of Igloolik, have just completed a six week practical and classroom training program hosted by Baffinland's diamond drilling contractor, Springdale Forest Resources, and the College of the North Atlantic, in Springdale, Newfoundland. The training program was held to prepare driller helpers for the upcoming field season at Mary River and was made possible with the financial support of Human Resources and Skills Development Canada through the Aboriginal Skills and Employment Partnership.

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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.

The QIA administers the Nunavut Land Claims Agreement for, and represents the interests of the Inuit of the Baffin Region of Nunavut. Qikiqtaaluk Corporation is QIA's wholly-owned business arm, and Kakivak Association is QIA's community economic development and training organization.

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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 construction, operation, closure and reclamation of a conventional 18 mtpa open pit mine at Deposit No. 1; statements about the Memorandum of Understanding and any statements derived from the Memorandum of Understanding 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. While the Company considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect. Without limitation, in stating that a railway system will transport the ore from the mine site to the port at Steensby Inlet and then will be shipped via cape-sized ore carriers through Foxe Basin, the Company has assumed that it will have the necessary resources to construct and operate the open-pit mine and the railway and secure the appropriate ore carriers.

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.