



Baffinland Announces Additional Thick Intervals of High Grade Iron

January 10, 2006 - Toronto, Ontario – Baffinland Iron Mines Corporation (TSX-V: BIM) (“Baffinland” or the “Company”) is pleased to report the following thick intervals of high grade iron assays from the second batch of drill core from the Company’s 2005 drill program on its wholly-owned Mary River iron ore deposits, located on Baffin Island, Nunavut Territory, Canada.

Highlights

- **The total high-grade iron intercepts contained in the holes released today is 1,330.5 metres at an average grade of 65.8% iron.**
- **The total of the multiple intervals in a single hole is as much as 229.8 metres in four intervals at an average grade of 64.8% iron.**
- **The thickest continuous interval is 128.1 metres at an average grade of 67.7% iron.**
- **The highest grade of the thick and continuous intercepts is 68.8% iron over an interval of 102.0 metres.**
- **Deposit No. 1 remains open along strike and at depth and since many holes collared and/or ended in high grade mineralization the deposit is also open to potential additional thickness in certain areas.**

Assaying and analytical work are performed by SGS Lakefield Research Limited (“Lakefield”) under a strict protocol designed for testing lump iron ores. Samples are then sent from Lakefield to Studien Gesellschaft für Eisenerz-Aufbereitung (“SGA”) in Germany, where they are composited for detailed metallurgical testing to ISO standards for iron ore. The testwork is specific for lump ores (less than 31.5mm greater than 6.3mm in size). Additional testwork is being completed on fine material (less than 6.3 mm in size) for sintering. These results will be released when available.

The attached tables summarizes the assay data for additional holes received from the 2005 program and the attached plan view map shows the location of the holes drilled in Deposit No. 1. Plan views showing the location of the drill holes and preliminary cross-sections to assist in interpretation of the data are available at the Baffinland website at www.baffinland.com.

2005 Assay Data

Gordon A. McCreary, President and CEO of Baffinland stated that, “At the risk of sounding too blasé about the high grade assay results of the holes released today, it is fair to say that these results are more of the same and that, is a good thing. The total intervals of assays being released is 1,330.5 metres at an average grade of 65.8% iron, bringing the total released to date for the 2005 drill program to 3,081.8 metres at an average grade of 65.7% iron. If you include the 2004 drilling on Deposit No. 1 with the drill results released to date for the 2005 program, the total is 4,190.1 metres at an average grade of 65.7% iron”

The primary objective of the 2005 program was to build on the successes of the 2004 program such that a new resource calculation incorporating all of the drilling would be sufficient to justify investigating the feasibility of a 10 million tonne per year direct-shipping iron ore operation for at least 25 years. Assay results for the remaining holes in the 2005 program are expected to be released later in January 2006 and will be followed as soon as possible thereafter, with the release of a new resource calculation for Deposit No.1 at Mary River.

South Limb

Although five of the holes being released today targeted the south limb of Deposit No. 1, two of these holes were unfortunately lost in overburden. A third hole, MR1-05-64, recorded an interval of 28.0 metres grading 67.6% iron before being abandoned due to technical drilling problems, at a depth of 152.0 metres. The hole ended in high grade mineralization and is located almost 400 metres southeast of the axis of the fold between the north and south limbs. Hole MR1-05-58 was drilled on the same section and successfully intersected four intervals totalling 164.1 metres at an average grade of 65.9% iron, with the thickest and highest-grade interval being 93.4 metres grading 66.7% iron. In addition, hole MR1-05-67, collared on section with hole S-2 drilled in the 1960's, was a steep hole drilled to a depth of 211.0 metres, intersected three intervals totalling 145.4 metres at an average grade of 68.6% iron, with the thickest intercept being 102.0 metres grading 68.8% iron.

North Limb

Eight of the holes being released today targeted the north limb of Deposit No. 1. The most northerly hole being released today is hole MR1-05-65 drilled approximately 400 metres northwest of the axis of the fold between the north and south limbs and on section with hole MR1-05-48, released previously. Hole MR1-05-65 intersected six intervals totalling 145.6 metres at an average grade of 66.5% iron. Hole MR1-05-54 was collared about 75 metres southwest of hole MR1-05-65, intersected two intervals totalling 150.8 metres at an average grade of 64.3% iron. Holes MR1-05-59 and 62, drilled to depths of 323.0 metres and 437.0 metres respectively, were on the same section about 75 metres southwest of the section of hole MR1-05-54. The upper hole, MR1-05-59 cut six intervals totalling 143.4 metres at an average grade of 64.7% iron while the lower hole MR1-05-62 intersected 142.5 metres in four intervals at an average grade of 62.5% iron. Hole MR1-05-55, located about 150 metres southwest of hole MR1-05-62, cut a narrow width of high grade iron before being abandoned due to caving.

About 200 metres southwest of the section containing hole MR1-59 and 62, hole MR1-05-57 and 60 were collared along section both to expand known mineralised zones and also to increase confidence levels in historic data. Hole MR1-05-60 effectively twined S-6 from the 1960's drill program and cut a cumulative 120.0 metres of 68.8% iron in four intervals, before entering the footwall schists. Hole MR1-05-57 intercepted a cumulative 229.8 metres of 64.8% iron in four intervals, the thickest being 128.1 metres grading 67.7% iron. The final hole being reported today was hole MR1-05-63. It was drilled high up in the deposit, at hole S-5 also drilled in the 1960's, and collared about 150 metres southwest of hole MR1-05-60. Hole MR1-05-63 intersected a single interval of 59.0 metres grading 68.6% before being abandoned due to caving at a depth of only 87.0 metres.

Conclusions

The management of Baffinland continues to be pleased with the quality of the drill results and believes that this data bodes well for the eventual results of a new resource calculation that will be completed after all of the assay data is available from the 2005 program. Assay data for the remainder of the holes drilled in 2005 is expected to be released in one additional batch, later in January 2006, when the data becomes available from Lakefield. Michael T. Zurowski, Executive Vice President and COO, stated, "The high grade iron mineralization persists throughout Deposit No. 1, while phosphorus, a significant deleterious element in iron ores that makes steel more



brittle, averaged less than 0.03% for the holes released today, well below the current standard for high quality directly shipped ores.”

The drill hole assay composites were calculated by Michael T. Zurowski, P. Eng., a Qualified Person as defined by National Instrument 43-101.

This press release includes certain “Forward-Looking Statements” within the meaning of section 21E of the United States Securities and Exchange Act of 1934, as amended. All statements, other than statements of historical fact, included herein, including without limitation, statements regarding potential mineralization and reserves, exploration results and future plans and objectives of Baffinland Iron Mines Corporation, are forward-looking statements that involve various risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statement. Important factors that could cause actual results to differ materially from Baffinland’s expectations are disclosed under the heading “Risk Factors” and elsewhere in Baffinland’s documents filed from time to time with the TSX Venture Exchange Inc. and other regulatory authorities.

For further information visit the Baffinland website at www.baffinland.com, e-mail info@baffinland.com or contact:

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Summary of Drill Hole Assays



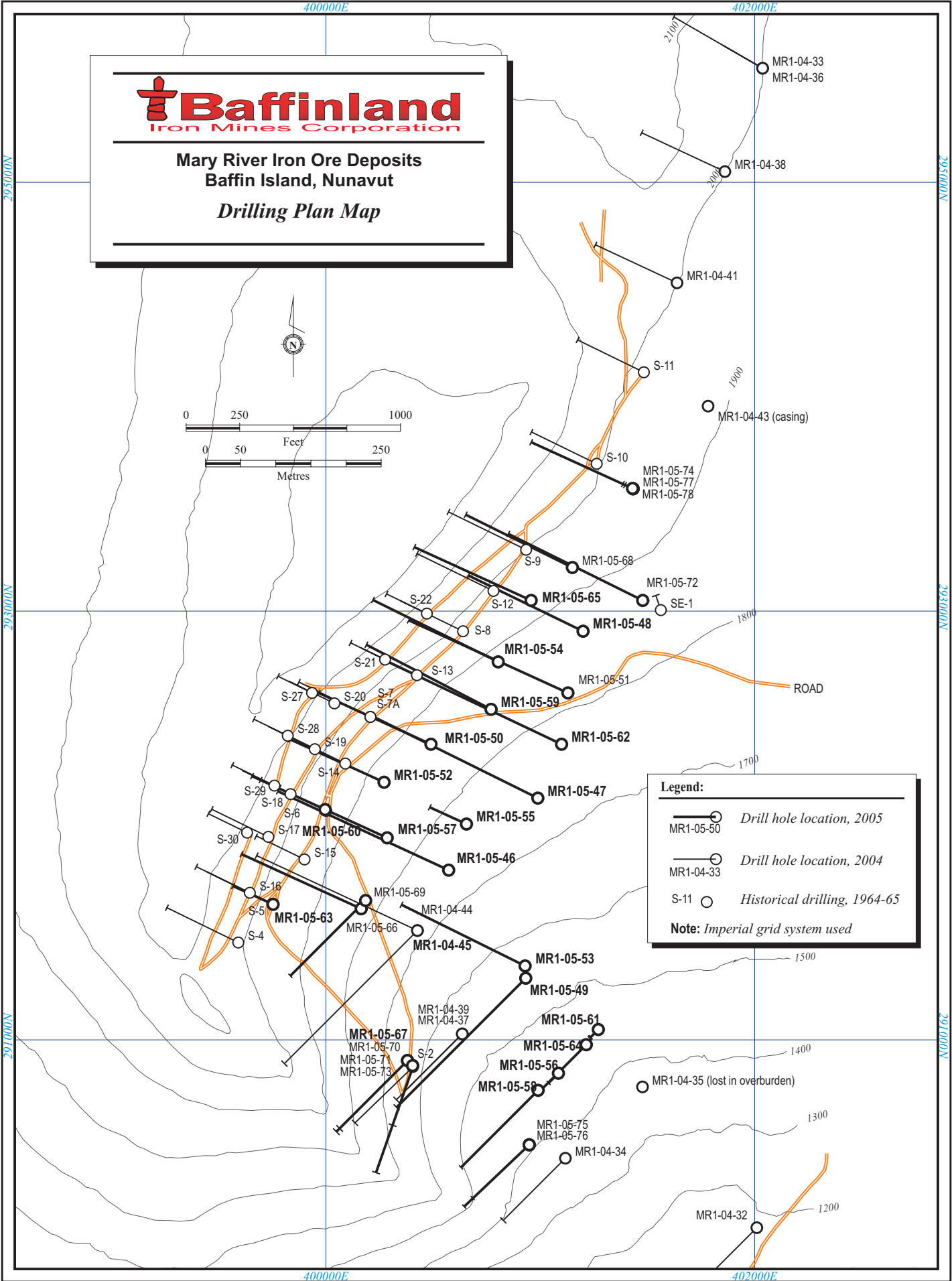
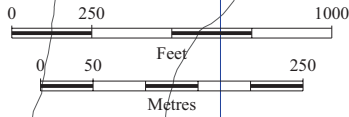
(True width is approximately 70-80% of core length)

Drill Hole	TD (m)	From (m)	To (m)	Interval (m)	SiO2 %	Al2O3 %	Fe %	P %	S %
MR1-04-54	314.0	119.0	233.8	114.8	6.4	1.3	64.2	0.098	0.30
		269.5	305.5	36.0	1.9	0.4	64.5	0.007	1.02
MR1-05-55	95.0	87.0	88.9	1.9	9.5	0.5	63.0	0.053	0.23
MR1-05-56	42.0	Lost in overburden							
MR1-05-57	318.0	13.8	74.0	60.2	7.0	2.1	61.2	0.037	0.01
		82.8	115.0	32.2	5.3	0.8	61.9	0.078	0.08
		175.3	303.4	128.1	1.6	1.2	67.7	0.004	0.29
		306.5	315.8	9.3	9.4	2.3	59.3	0.088	0.61
MR1-05-58	242.0	45.0	72.0	27.0	1.3	0.6	68.3	0.009	0.07
		81.3	115.8	34.5	9.1	1.1	62.6	0.058	0.33
		130.6	224.0	93.4	1.3	0.9	66.7	0.004	0.97
		226.0	235.2	9.2	1.5	0.7	63.3	0.003	1.56
MR1-05-59	323.0	78.8	82.8	4.0	6.3	0.6	60.6	0.004	0.06
		93.0	99.7	6.7	11.0	0.3	58.6	0.012	0.47
		136.1	146.6	10.5	2.7	1.1	63.2	0.002	0.85
		192.0	308.3	116.3	3.3	1.1	65.3	0.003	0.42
		313.1	316.8	3.7	3.6	0.6	64.3	0.004	0.86
		318.4	320.6	2.2	3.6	0.3	67.2	0.007	0.15
MR1-05-60	181.0	51.5	85.0	33.5	1.0	1.2	67.9	0.002	0.02
		89.0	109.5	20.5	0.2	0.5	69.7	0.002	0.01
		111.0	112.5	1.5	0.3	0.5	69.7	0.007	0.05
		114.0	178.5	64.5	0.2	0.3	69.2	0.004	0.11
MR1-05-61	46.0	Lost in overburden							
MR1-05-62	437.0	243.0	257.7	14.7	6.4	0.5	58.7	0.073	0.65
		259.0	271.0	12.0	7.5	2.6	56.7	0.078	0.14
		303.1	307.7	4.6	3.6	2.1	64.3	<0.003	1.24
		318.7	429.9	111.2	2.4	1.1	63.6	0.005	0.64
MR1-05-63	87.0	13.0	72.0	59.0	0.4	0.8	68.6	0.013	0.01
MR1-05-64	152.0	124.0	152.0	28.0	1.6	0.5	67.7	0.022	0.02
MR1-05-65	278.0	30.0	42.9	12.9	3.0	2.1	63.7	<0.003	0.02
		106.7	119.3	12.6	2.1	1.1	68.4	<0.003	0.01
		120.5	134.5	14.0	6.2	1.9	64.5	0.004	0.33
		141.9	198.5	56.6	2.5	1.3	66.9	0.174	0.44
		215.9	219.5	3.6	4.8	0.6	67.0	0.003	0.01
		224.2	270.1	45.9	1.1	0.5	67.0	0.017	1.26
MR1-05-66	292.0	Assays pending							
MR1-05-67	211.0	7.0	29.4	22.4	1.3	1.3	67.7	0.025	0.01
		43.0	64.0	21.0	1.0	0.9	68.5	0.015	0.01
		67.5	169.5	102.0	0.5	0.6	68.8	0.007	0.03



Mary River Iron Ore Deposits
Baffin Island, Nunavut

Drilling Plan Map



Legend:

- MR1-05-50 Drill hole location, 2005
- MR1-04-33 Drill hole location, 2004
- S-11 Historical drilling, 1964-65

Note: Imperial grid system used