



Baffinland Releases High Grade Iron Assays for the Mary River Project

November 29, 2004 - Toronto, Ontario – Baffinland Iron Mines Corporation (TSX-V: BIM) (“Baffinland” or the “Company”) is pleased to report the following assays from the first batch of drill core from the Company’s 2004 drill program on its wholly-owned Mary River iron ore deposits, located 160 kilometres south of Pond Inlet, Baffin Island, Nunavut Territory, Canada. Assaying is being performed by SGS Lakefield Research Limited (“Lakefield”) under a strict sampling protocol designed for testing lump iron ores. Representative samples are also being sent from Lakefield to Studien Gesellschaft für Eisenerz-Aufbereitung (“SGA”) in Germany for detailed metallurgical testing to ISO standards for iron ore. The results of this metallurgical testing and the remaining assays will be released when the data becomes available. The attached table summarizes the assay data received to date and the attached plan view map shows the location of the holes drilled in Deposit No. 1. One hole was also drilled in Deposit No. 2 (Hole number MR2-04-42) located approximately two kilometres east of 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.

It’s All About Grade (and Metallurgy)

The hallmark of the Mary River iron ore deposits is the high grade nature of these exceptional iron oxide deposits of hematite and magnetite. The drilling completed in the 1960’s indicated a resource of about 120 million tonnes grading approximately 68% iron. Considering that pure hematite grades 69.94% iron and pure magnetite grades 72.36% iron, it becomes evident how remarkably high grade the Mary River deposits are. Currently, the world’s highest grade direct shipping iron ores (lump and fines) from Brazil, Western Australia and South Africa typically grade between 62% and 66% iron. Historic metallurgical test work on Mary River iron ores generally indicate that the hematite is suited as a premium priced lump ore while the lower reducibility of the magnetite makes it a poorer lump ore but an excellent sinter feed.

The drilling of Deposit No.1 in 2004 was designed to step out both north and south from the previously drilled strike length of 1.2 kilometres and was successful in more than doubling the drill-indicated strike length. In addition, holes were designed to probe the down dip extension of Deposit No. 1 and several holes penetrated the original Lower Zone at depths more than twice that of the previous drilling. Extensions of the original Lower Zone along strike were expected since Deposit No. 1 can be traced at surface for approximately 3.5 kilometres. The results confirming the extension are important. However, the most surprising result of the 2004 drill program was the intersection of high grade iron oxides dominantly in the form of high grade hematite in a newly identified Upper Zone. In hole MR1-04-37, the new Upper Zone graded 66.0% iron over three intervals totalling 95.4 metres and in hole MR1-04-39 this new zone graded 65.6% iron over three intervals totalling 81.4 metres. Assays are still pending for substantial intersections in the Upper Zone in three holes, MR1-04-34, 44, and 45.

Newly Discovered Upper Zone within Deposit No. 1

The first of these Upper Zone intercepts was in hole MR1-04-34 (assays pending) where the hole collared directly into hematite as soon as it penetrated the area of glacial overburden and recorded multiple intercepts totalling 116.7 metres in the combined Upper and Lower Zones.

The next intersections of the Upper Zone were in holes MR1-04-37 and MR1-04-39 that were both drilled from the same setup at slightly different angles and were also collared directly into hematite, after penetrating the overburden, approximately 250 metres northwest of MR1-04-34.

Hole MR1-04-37 had three intercepts in the new Upper Zone and one intercept in the Lower Zone totalling 162.1 metres at an average grade of 67.0% iron. Hole MR1-04-39 also had four intercepts totalling 138.8 metres at an average grade of 66.9% iron. Although both of these holes defined substantial intercepts in the Upper Zone, unfortunately due to technical drilling problems neither hole reached their targeted depths of 325 metres and ended in Lower Zone mineralization at depths of about 200 metres.

Hole MR1-04-44 spotted along the axis of the fold in Deposit No.1, approximately 150 metres northwest of holes MR1-04-37 and MR1-04-39, was completed in the south limb of Deposit No. 1 to its target depth of 401 metres yielding significant iron ore intercepts totalling over 250 metres in the combined Upper and Lower Zones with assays pending.

The last hole drilled in the 2004 program, MR1-04-45 (assays pending), was drilled from the same setup as MR1-04-44 but was angled to intercept the north limb of Deposit No.1. Hole MR1-04-45 intersected 140.7 metres of dominantly hematite in the Upper Zone and ended in mineralization with intercepts totalling 77.4 metres of Lower Zone hematite and magnetite at a depth of 320 metres. This final hole of the 2004 program ended prematurely when drilling water was not available due to cold temperatures combined with high winds causing very low wind chill temperatures in late September. It is the intent to deepen this hole by 100 metres to a depth of approximately 420 metres when the drill program is reactivated in the spring of 2005.

Deposit No. 1 North Limb Extension

Holes numbered MR1-04-33, 36, 38, 40, 41 and 43 were all focused on the northern extension of the north limb of Deposit No. 1 with varying degrees of success. The most northerly hole, MR1-04-40, was drilled approximately 700 metres north of the most northerly hole drilled in the 1960's and intersected a total of 80.1 metres in six intercepts averaging 68.7% iron. The two most significant intercepts in this hole were 49.8 metres grading 68.9% iron and 18.8 metres grading 69.7% iron, both dominantly magnetite.

Holes MR1-04-33 and MR1-04-36 were both drilled from the same setup about 250 metres south of hole MR1-04-40. Unfortunately, hole MR1-04-36 was abandoned at 155.0 metres due to a washout under the drill platform and hole MR1-04-33 was completed to a final depth of 254.0 metres with only minor intercepts of economic interest. Although these holes intersected significant thicknesses of banded iron formation most of the mineralization was not sampled in these two holes due to the expectation that grades would be substantially below 60% iron and as such not of economic interest as direct shipping iron ore.

Hole MR1-04-41 intersected a total of 68.5 metres in 4 intercepts grading 68.5% iron and was drilled about 300 metres south of holes MR1-04-33 and 36 and about 150 metres north of the most northerly hole drilled in the 1960's. Hole MR1-04-41 consisted of intercepts of magnetite and specular hematite.

Hole MR1-04-38 (assays pending) was drilled about 150 metres north of hole MR1-04-41 and intersected about 100 metres of dominantly magnetite mineralization. Hole number MR1-04-43 was collared on the same section as the most northerly hole drilled in the 1960's but as a down-dip step out

hole. Hole MR1-04-43 was cased as the program wound down due to weather at the end of September and as such is planned to be drilled in 2005.

Deposit No. 1 South Limb Extension

Holes numbered MR1-04-31, 32, 34 and 35 were focused on the southern extension of the south limb of Deposit No. 1. Hole MR1-04-35, collared in overburden as a step out hole on the southern limb of Deposit No. 1, was unfortunately lost in overburden and as such never reached bedrock.

Hole MR1-04-34 (assays pending) was drilled up-dip on the same section as MR1-04-35 and collared in hematite after it penetrated about 10 metres of overburden. This hole was completed to a depth of 194 metres and intersected 116.7 metres of dominantly hematite from four intercepts in both the newly discovered Upper Zone and the original Lower Zone.

Hole MR1-04-31 (assays pending) was the most southerly hole drilled in 2004 and represents a step out of over 700 metres from the most southerly hole drilled in the 1960's. This hole intersected over 50 metres of dominantly magnetite mineralization. Hole MR1-04-32 (assays pending) drilled on a section about half way between holes MR1-04-31 and MR1-04-34 intersected about 30 metres of dominantly magnetite mineralization.

Deposit No. 2

Hole number MR2-04-42 was drilled in Deposit No. 2 and intersected 107.5 metres of dominantly specular hematite at an average grade of 63.5% iron including a 59.3 metre intercept of 68.7% iron. Core recovery was 100% for this hole and the competent nature of the core suggests the potential for a high percentage of lump ore, subject to more definitive metallurgical testing, compared to previous expectations for this deposit of specular hematite. Due to the lack of availability of drill salt at the time of drilling, this hole was halted in mineralization at 122.0 metres and will likely be deepened through the footwall contact in a future drill program.

Conclusions

As indicated in previous Baffinland press releases, the objective of the 2004 and 2005 drill programs is to delineate a substantial resource to support a direct-shipping iron ore operation focused on European markets with a production rate of approximately 10 million tonnes per year. Justification for such an operation would require an approximate doubling of the tonnage of the resources delineated in the 1960's at a comparable grade and the encouraging results of the 2004 drill program suggest that Baffinland is on track to more than accomplish this objective with an anticipated 10,000 metre drill program in 2005. Recent meetings in Europe between Baffinland management and appropriate representatives of several large European steel mills have reinforced the validity of these objectives from a market perspective. Most of the heavy supplies for the 2005 program, such as drill salt, fuel and additional drilling equipment, were delivered to Pond Inlet by the sealift in early September. These supplies and additional supplies from southern Canada are to be airlifted by Hercules aircraft directly to the upgraded Mary River airstrip beginning in April 2005. Subject to financing, Baffinland anticipates drilling will commence in the spring of 2005 with up to four diamond drills.

As encouraging as some of the assay data is in this first batch of results, Baffinland particularly looks forward to receiving and releasing the balance of the assay results from the 2004 program. Assays are pending on thick intersections of dominantly magnetite mineralization in holes MR1-04-31, 32 and 38. Most importantly, however, assays are pending on very thick intersections of dominantly hematite

mineralization in holes MR1-04-34, 44 and 45. These three holes together with assay results released in this press release for holes MR1-04-37 and 39 are major step outs from the drilling done in the 1960's. They are dominantly hematite mineralization and all provide important assay data on the newly discovered Upper Zone. Importantly, all five of these holes drilled in the new Upper Zone were collared in hematite after the holes penetrated the glacial overburden. Consequently, Deposit No. 1 is not only open along strike to the north and south and down dip but also remains open to further step out holes to the east.

The press release has been prepared under the supervision of Michael T. Zurowski, P. Eng., a Qualified Person as defined by National Instrument 43-101. The resource figure quoted in the text of this press release is a historical resource estimate, by Watts Griffis and McOuat Limited in the 1960's, containing approximately 116.7 million tonnes grading 68.3% Fe, 0.8% SiO₂, 0.03% S and 0.03% P and a high sulphur resource containing 26.9 million tonnes grading 62.8% Fe, 3.8% SiO₂, and 0.43% S and 0.03% P. Management believes that the historical estimate is relevant and conforms to an indicated resource under NI 43-101. Current drill results are not included in this historic resource estimate and as part of its advanced exploration program, management will be seeking to generate a new resource estimate based upon the new results as soon as possible.

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:

Gordon A. McCreary
Chairman & CEO
Baffinland Iron Mines Corporation
416 364-8820

Michael T. Zurowski
President
Baffinland Iron Mines Corporation
416 364-8820

THE TSX VENTURE EXCHANGE INC. HAS NEITHER APPROVED NOR DISAPPROVED THE CONTENTS OF THIS PRESS RELEASE.

Summary of Drill Hole Assays

As of 2004 November 26

(True width is approximately 75-80% of core length)



Drill Hole	TD (m)	From (m)	To (m)	Interval (m)	SiO ₂ %	Al ₂ O ₃ %	Fe %	S %
MR1-04-33	254.0	237.8	248.3	10.5	1.6	0.3	64.8	0.94
MR1-04-35	Hole lost in overburden							
MR1-04-36	155.0	108.3	108.8	0.5	4.9	2.2	65.7	1.85
MR1-04-37 (hole collared and ended in mineralization)	206.0	20.0	54.2	34.2	1.0	0.6	68.7	<0.01
		61.3	100.4	39.1	6.4	0.5	65.1	0.15
		109.8	131.9	22.1	8.0	0.8	63.6	0.19
		139.3	206.0	66.7	0.6	0.5	68.4	0.40
MR1-04-39 (hole collared and ended in mineralization)	199.4	20.0	54.7	34.7	0.8	0.5	68.5	<0.01
		66.8	94.7	27.9	8.6	0.5	63.6	0.09
		113.0	131.8	18.8	7.6	0.7	63.4	0.31
		142.0	199.4	57.4	0.6	0.5	68.8	0.40
MR1-04-40	179.4	36.7	39.1	2.4	6.7	1.7	63.9	0.24
		41.7	44.8	3.1	3.0	1.1	66.6	0.34
		46.9	49.5	2.6	4.3	1.8	65.5	0.31
		55.7	105.5	49.8	1.5	0.7	68.9	0.49
		106.3	109.7	3.4	2.4	1.3	67.3	0.20
		117.9	136.7	18.8	1.1	2.3	69.7	0.47
MR1-04-41	137.0	11.5	46.3	34.8	0.5	0.6	69.7	0.04
		51.6	63.5	11.9	0.9	0.9	68.5	0.01
		68.6	70.7	2.1	0.5	0.8	68.2	0.02
		82.8	102.5	19.7	2.3	0.9	66.4	1.15
MR2-04-42 (hole collared and ended in mineralization)	122.0	14.5	122.0	107.5	6.5	0.5	63.5	<0.01
MR1-04-43	Cased, drilling to resume in 2005							



MARY RIVER PROJECT DEPOSIT No. 1

BAFFIN ISLAND, NUNAVUT
CANADA

