

BAFFINLAND IRON MINES CORPORATION

OFFICERS' REGISTER

Name and Address	Office	Date Appointed	Date Ceased
Thomas Paddon 2275 Upper Road East, Suite 300 Oakville, ON L6H 0C3	President	October 9, 2013	
Thomas Paddon 2275 Upper Road East, Suite 300 Oakville, ON L6H 0C3	Chief Executive Officer	October 9, 2013	
Stephanie Anderson 2275 Upper Road East, Suite 300 Oakville, ON L6H 0C3	Chief Financial Officer	October 9, 2013	
Ronald Hampton 2275 Upper Road East, Suite 300 Oakville, ON L6H 0C3	Vice-President & Project Director	October 9, 2013	
Michael Zurowski 2275 Upper Road East, Suite 300 Oakville, ON L6H 0C3	Executive Vice-President, Exploration & Commercial	October 9, 2013	
Richard Matthews 2275 Upper Road East, Suite 300 Oakville, ON L6H 0C3	Vice-President, Technical Services & Engineering	October 9, 2013	
Gregory Missal 2275 Upper Road East, Suite 300 Oakville, ON L6H 0C3	Vice-President, Corporate Affairs	October 9, 2013	
Erik Madsen 2275 Upper Road East, Suite 300 Oakville, ON L6H 0C3	Vice-President, Sustainable Development, Health, Safety & Environment	October 9, 2013	
Michael Anderson 2275 Upper Road East, Suite 300 Oakville, ON L6H 0C3	Vice-President, Operations	October 9, 2013	
Murray Odesse 2275 Upper Road East, Suite 300 Oakville, ON L6H 0C3	Vice-President, Human Resources	April 1, 2014	

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Ministry of
Government Services

Ministère des
Services gouvernementaux

CERTIFICATE

This is to certify that these articles
are effective on

CERTIFICAT

Ceci certifie que les présents statuts
entrent en vigueur le

Ontario Corporation Number
Numéro de la société en Ontario

1904371

OCTOBER 09 OCTOBRE, 2013

K. [Signature]
Director / Directeur

Business Corporations Act / Loi sur les sociétés par actions

Form 4
Business
Corporations
Act

Formule 4
Loi sur les
sociétés par
actions

ARTICLES OF AMALGAMATION STATUTS DE FUSION

1. The name of the amalgamated corporation is: (Set out in BLOCK CAPITAL LETTERS)
Dénomination sociale de la société issue de la fusion: (Écrire en LETTRES MAJUSCULES SEULEMENT):

B	A	F	F	I	N	L	A	N	D		I	R	O	N		M	I	N	E	S		C	O	R	P	O	R	A	T
I	O	N																											

2. The address of the registered office is:
Adresse du siège social :

120 Adelaide Street West

Street & Number or R.R. Number & if Multi-Office Building give Room No. /

Rue et numéro ou numéro de la R.R. et, s'il s'agit d'un édifice à bureaux, numéro du bureau

Toronto

ONTARIO

M 5 H 1 T 1

Name of Municipality or Post Office /

Nom de la municipalité ou du bureau de poste

Postal Code/Code postal

3. Number of directors is: Fixed number OR minimum and maximum 1 10
Nombre d'administrateurs : Nombre fixe OU minimum et maximum

4. The director(s) is/are: / Administrateur(s) :

First name, middle names and surname
Prénom, autres prénoms et nom de famille

Address for service, giving Street & No. or R.R. No., Municipality,
Province, Country and Postal Code
Domicile élu, y compris la rue et le numéro ou le numéro de la R.R., le
nom de la municipalité, la province, le pays et le code postal

Resident Canadian
State 'Yes' or 'No'
Résident canadien
Oui/Non

See attached Exhibit "A"

EXHIBIT "A"

First name, initials and surname <i>Prénom, initiales et nom de famille</i>	Address for service, giving Street & No. or R.R. No., Municipality and Postal Code. <i>Domicile élu, y compris la rue et le numéro, le numéro de la R.R. ou le nom de la municipalité et le code postal</i>	Resident Canadian State Yes or No <i>Résident Canadien Oui/Non</i>
William Scotting	120 Adelaide Street West Toronto, ON M5H 1T1	No
Carole Whittall	120 Adelaide Street West Toronto, ON M5H 1T1	No
Stephen J. Wood	120 Adelaide Street West Toronto, ON M5H 1T1	Yes
John Calvert	120 Adelaide Street West Toronto, ON M5H 1T1	No
Bruce Walter	120 Adelaide Street West Toronto, ON M5H 1T1	Yes
Jowdat Waheed	120 Adelaide Street West Toronto, ON M5H 1T1	Yes

5. Method of amalgamation, check A or B
Méthode choisie pour la fusion – Cocher A ou B :

A - Amalgamation Agreement / Convention de fusion :

☐

The amalgamation agreement has been duly adopted by the shareholders of each of the amalgamating corporations as required by subsection 176 (4) of the *Business Corporations Act* on the date set out below.

Les actionnaires de chaque société qui fusionne ont dûment adopté la convention de fusion conformément au paragraphe 176(4) de la *Loi sur les sociétés par actions* à la date mentionnée ci-dessous.

or
ou

B - Amalgamation of a holding corporation and one or more of its subsidiaries or amalgamation of subsidiaries / Fusion d'une société mère avec une ou plusieurs de ses filiales ou fusion de filiales :

☒

The amalgamation has been approved by the directors of each amalgamating corporation by a resolution as required by section 177 of the *Business Corporations Act* on the date set out below.

Les administrateurs de chaque société qui fusionne ont approuvé la fusion par voie de résolution conformément à l'article 177 de la *Loi sur les sociétés par actions* à la date mentionnée ci-dessous.

The articles of amalgamation in substance contain the provisions of the articles of incorporation of
Les statuts de fusion reprennent essentiellement les dispositions des statuts constitutifs de

1843208 Ontario Inc.

and are more particularly set out in these articles.
et sont énoncés textuellement aux présents statuts.

Names of amalgamating corporations Dénomination sociale des sociétés qui fusionnent	Ontario Corporation Number Numéro de la société en Ontario	Date of Adoption/Approval Date d'adoption ou d'approbation		
		Year année	Month mois	Day jour
1843208 Ontario Inc.	1843208	2013	10	09
Baffinland Iron Mines Corporation	658456	2013	10	09

6. Restrictions, if any, on business the corporation may carry on or on powers the corporation may exercise.
Limites, s'il y a lieu, imposées aux activités commerciales ou aux pouvoirs de la société.

None.

7. The classes and any maximum number of shares that the corporation is authorized to issue:
Catégories et nombre maximal, s'il y a lieu, d'actions que la société est autorisée à émettre :

an unlimited number of Class A Common Shares;
an unlimited number of Class B Common Shares; and
an unlimited number of Preferred Shares.

8. Rights, privileges, restrictions and conditions (if any) attaching to each class of shares and directors authority with respect to any class of shares which may be issued in series:

Droits, privilèges, restrictions et conditions, s'il y a lieu, rattachés à chaque catégorie d'actions et pouvoirs des administrateurs relatifs à chaque catégorie d'actions qui peut être émise en série :

The holders of the Class A Common Shares, Class B Common Shares and Preferred Shares shall have the rights, privileges and are subject to the restrictions and conditions set out in Appendix A attached hereto as pages 4A to 4H,

9. The issue, transfer or ownership of shares is/is not restricted and the restrictions (if any) are as follows:
L'émission, le transfert ou la propriété d'actions est/n'est pas restreint. Les restrictions, s'il y a lieu, sont les suivantes :

Shares issued by the Corporation shall not be transferred without (a) complying with any restrictions on transfer contained in any unanimous shareholders agreement; and (b) the consent of either (i) the Board evidenced by a resolution passed or signed by the directors and recorded in the books of the Corporation; or (ii) the holders of a majority in number of the outstanding voting shares of the Corporation, in each case in accordance with any unanimous shareholders agreement.

10. Other provisions, (if any):
Autres dispositions, s'il y a lieu :

Securities of the Corporation, other than shares and non-convertible debt securities, shall not be transferred without compliance with the restrictions on transfer contained in the applicable securityholders' agreement or, absent any such restrictions, without the consent of the Secretary of the Corporation.

11. The statements required by subsection 178(2) of the *Business Corporations Act* are attached as Schedule "A".
Les déclarations exigées aux termes du paragraphe 178(2) de la *Loi sur les sociétés par actions* constituent l'annexe A.
12. A copy of the amalgamation agreement or directors' resolutions (as the case may be) is/are attached as Schedule "B".
Une copie de la convention de fusion ou les résolutions des administrateurs (selon le cas) constitue(nt) l'annexe B.

These articles are signed in duplicate.
Les présents statuts sont signés en double exemplaire.

Name and **original signature** of a director or authorized signing officer of each of the amalgamating corporations. Include the name of each corporation, the signatories name and description of office (e.g. president, secretary). **Only a director or authorized signing officer can sign on behalf of the corporation.** / Nom et **signature originale** d'un administrateur ou d'un signataire autorisé de chaque société qui fusionne. Indiquer la dénomination sociale de chaque société, le nom du signataire et sa fonction (p. ex. : président, secrétaire). **Seul un administrateur ou un dirigeant habilité peut signer au nom de la société.**

1843208 ONTARIO INC.

Names of Corporations / Dénomination sociale des sociétés

By / Par



Stephanie Anderson

Chief Financial Officer

Signature / Signature

Print name of signatory /
Nom du signataire en lettres moulées

Description of Office / Fonction

BAFFINLAND IRON MINES CORPORATION

Names of Corporations / Dénomination sociale des sociétés

By / Par



Stephanie Anderson

Chief Financial Officer

Signature / Signature

Print name of signatory /
Nom du signataire en lettres moulées

Description of Office / Fonction

Names of Corporations / Dénomination sociale des sociétés

By / Par

Signature / Signature

Print name of signatory /
Nom du signataire en lettres moulées

Description of Office / Fonction

Names of Corporations / Dénomination sociale des sociétés

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Signature / Signature

Print name of signatory /
Nom du signataire en lettres moulées

Description of Office / Fonction

Names of Corporations / Dénomination sociale des sociétés

By / Par

Signature / Signature

Print name of signatory /
Nom du signataire en lettres moulées

Description of Office / Fonction

APPENDIX A

DESCRIPTION OF SHARE CAPITAL

The rights, privileges, restrictions and conditions attached to each class of Shares are as follows:

1. DEFINITIONS

For the purposes of this Schedule A, capitalized terms used herein but not otherwise defined shall have the meanings ascribed to such terms under the USA (as defined herein), or as otherwise expressly provided below:

"Act" means the *Ontario Business Corporations Act*;

"Applicable Preferred Share Redemption Amounts" has the meaning given in section 2.5.1;

"Conversion Date" means the date on which the Preferred Shares will be, in accordance with the terms of the USA, converted to Common Shares;

"holder", "securityholder" or "registered holder" means a person who is registered on the securities register of a body corporate as the owner of securities;

"Liquidation Event" means either the liquidation, dissolution or winding-up of the affairs of the Corporation;

"Operating Committee" means the operating committee established by the shareholders of the corporation, provided that if no such committee shall exist at the relevant time, references to the "Operating Committee" shall be deemed to be a reference to the board of directors;

"person" means any individual, partnership, limited partnership, joint venture, syndicate, sole proprietorship, company or corporation with or without share capital, unincorporated association, trust, trustee, executor, administrator or other legal personal representative; and

"Preferred Share Conversion Right" has the meaning given in section 2.2.1;

"Preferred Share Initial Issue Price" means, with respect to each Preferred Share (subject to adjustments for stock dividends, splits, combinations and similar events), an amount in US dollars which is the US dollar equivalent of CDN\$146,869.86, with such US dollar equivalent amount to be determined in accordance with section 8 hereof as of the Preferred Share Original Issue Date;

"Preferred Share Junior Shares" means, collectively, the Common Shares, and any other class of securities that is specifically designated as junior to the Preferred Shares;

"Preferred Share Liquidation Preference" has the meaning given in section 2.3.1;

"Preferred Share Original Issue Date" means the date the first Preferred Share is issued by the Corporation;

"Preferred Share Redemption Date" has the meaning given in section 2.5.3;

"Preferred Share Redemption Election" has the meaning given in section 2.5.1;

"Preferred Share Redemption Notice" has the meaning given in section 2.5.3;

"USA" means the Joint Venture Agreement of the Corporation, and immediately after the completion of the reorganization contemplated by section 2.1 of such Joint Venture Agreement (the **"USA Amendment Time"**), means the Shareholders Agreement between the Corporation and its shareholders, as the same may be amended, restated, revised or supplemented from time to time.

2. PREFERRED SHARES

2.1 Voting Rights.

2.1.1 Subject to section 2.1.2, the holders of the Preferred Shares as a class shall not be entitled as such to receive notice of, to attend or to vote at any meeting of the shareholders of the Corporation.

2.1.2 Subject to the provisions of the USA, the approval of the holders of Preferred Shares shall be required to add to, change or remove any rights, privilege, restriction or condition attached to the Preferred Shares. Subject to the USA, such approval may be given in such manner as may then be permitted by law. The formalities to be observed with respect to the giving of notice of any meeting in which holders of Preferred Shares are entitled to attend in accordance with this section 2.1.2 or any adjourned thereof, the quorum required therefor and the conduct thereof shall be those from time to time prescribed by the USA with respect to meetings of shareholders or, if not prescribed, as required by the Act as in force at the time of the meeting.

2.2 Conversion into Common Shares.

2.2.1 *Preferred Share Conversion Rights.* On the Conversion Date, without payment of any additional consideration, each outstanding Preferred Share shall automatically be converted into one fully-paid and non-assessable Class A Common Share or Class B Common Share, in accordance with the prior election of the applicable holder (any conversion pursuant to this Section 2.2, the **"Preferred Share Conversion Right"**), in each case, subject to the adjustments pursuant to sections 2.2.4, and 2.2.5. On the Conversion Date, the Preferred Shares so converted (the **"Converted Preferred Shares"**) shall irrevocably cease to be outstanding and the corresponding fully-paid and non-assessable Class A Common Shares or Class B Common Shares, as applicable, issued, and the Corporation shall make appropriate book entries in respect of the issuance of the Common Shares upon the basis herein prescribed and in accordance with the provisions hereof for each holder of Converted Preferred Shares. Such conversion shall be deemed to have been made on the Conversion Date, and the person or persons entitled to receive the Common Shares issuable upon such conversion shall be treated for all purposes as the holder or holders of record of such Common Shares as of such date. All Converted Preferred Shares shall no longer be deemed to be outstanding, and all rights with respect to such shares, including the rights, if any, to receive notices and to vote, shall immediately cease and terminate on the Conversion Date, except only the right of the holders thereof to receive the applicable class of Common Shares in exchange therefor.

2.2.2 *Restriction on Subdivision and Consolidation.* Neither the Preferred Shares nor the Common Shares shall be subdivided, consolidated, or otherwise changed into a different number of outstanding Shares of the same class, unless, contemporaneously therewith, the other class of Shares is subdivided, consolidated, reclassified or otherwise changed in the same proportion and in the same manner. Notwithstanding the foregoing, in the event that any Common Shares are

issued, subdivided, consolidated or cancelled in accordance with Section 9.5 of the USA (or, immediately after the USA Amendment Time, Section 9.2 of the USA, a "**Section 9.2 Adjustment**"), appropriate adjustments will be made to the Preferred Shares to account for such Section 9.2 Adjustment in order to maintain the economic entitlement of the Preferred Shares.

2.2.3 Restriction on Certain Dividends and Distributions on Common Shares. The Corporation shall not declare or pay a dividend or other distribution payable to the holders of Common Shares in additional Common Shares, unless, contemporaneously therewith, the Corporation declares and pays a dividend or other distribution to the holders of the Preferred Shares in additional Preferred Shares in the same proportion and in the same manner. The Corporation shall not declare or pay a dividend or other distribution payable to the holders of Preferred Shares in additional Preferred Shares, unless, contemporaneously therewith, the Corporation declares and pays a dividend or other distribution to the holders of the Common Shares in additional Common Shares in the same proportion and in the same manner.

2.2.4 Restrictions on Reclassification, Exchange, or Substitution. If the Common Shares of the Corporation shall be changed into the same or a different number of shares of any class, whether by capital reorganization, reclassification, or otherwise (other than a subdivision or consolidation of shares or stock dividend provided for above, or a reorganization, merger, amalgamation, arrangement, consolidation, business combination or sale of assets provided for below) (a "**Structuring Change**"), then and in each such event, subject to further adjustment as provided herein, notwithstanding such Structuring Change, the Preferred Shares shall remain outstanding and shall, on the Conversion Date, convert into the kind and amount of shares or other securities or property to which the securities into which such Preferred Shares were otherwise to be converted into were changed into as a consequence of such Structuring Change.

2.2.5 Restrictions on Merger or Reorganization, etc. In case of any merger, amalgamation, consolidation, arrangement, reorganization or other business combination involving the Corporation and any other corporation or other entity or person (other than a Liquidation Event) (a "**Transaction**"), then in each such event, subject to further adjustment provided herein, notwithstanding such Transaction, the Preferred Shares shall remain outstanding and shall on the Conversion Date convert into the kind and number of shares or other securities or assets of the Corporation or of the successor entity resulting from such Transaction to which the securities into which such Preferred Shares were otherwise to be converted into were changed into as a consequence of such Transaction, provided that appropriate adjustments (as determined in good faith by the Operating Committee) may be made with respect to the rights of the Preferred Shares hereunder to ensure that the provisions of this section 2.2 shall thereafter be applicable, as nearly as possible, to the Preferred Shares in relation to any shares, securities or assets thereafter acquirable upon conversion of such Preferred Share (including provisions with respect to changes in and other adjustments of the Preferred Share Conversion Right).

2.2.6 Certificate of Adjustment. In each case of an adjustment or readjustment of the Preferred Share Conversion Right, as the case may be, or the number of applicable Common Shares or other securities issuable upon conversion of the Preferred Shares, the Corporation, at its expense, shall compute such adjustment or readjustment in accordance with the provisions hereof and prepare applicable book-entries showing such adjustment or readjustment, and shall mail a copy of such book-entry adjustments, by first class mail, postage prepaid, to each registered holder of Preferred Shares at the holder's address as shown in the Corporation's books.

2.3 Liquidation Event.

2.3.1 In the event of a Liquidation Event, with respect to each Preferred Share held by it, each holder of outstanding Preferred Shares shall be entitled to receive, in priority to any distribution of the property or assets of the Corporation to the holders of any Preferred Share Junior Shares, out of the assets of the Corporation legally available for distribution to the holders of Shares of the capital of the Corporation, an amount, in US dollars, for each such Share in cash equal to the Preferred Share Liquidation Preference on the date of the Liquidation Event. The “**Preferred Share Liquidation Preference**” on any particular date shall be calculated as follows:

Preferred Share Liquidation Preference on a particular date: means the Preferred Share Initial Issue Price of said Preferred Share.

If, upon any Liquidation Event, the amount available for distribution among the holders of all outstanding Preferred Shares is insufficient to permit the payment of the Preferred Share Liquidation Preference in full, then the amount available for distribution shall be distributed among the holders of the Preferred Shares rateably in proportion to the relative Preferred Share Liquidation Preference for such holders.

2.3.2 After payment has been made in full as provided in section 2.3.1, the Corporation shall have satisfied its obligations with respect to the Preferred Share Liquidation Preference.

2.3.3 In the event of a Liquidation Event, no dividend or other distribution of any amount shall be made in respect of Preferred Share Junior Shares until the Corporation has satisfied its obligations with respect to the Preferred Share Liquidation Preference.

2.4 Restrictions on Dividends and Retirement of Shares.

2.4.1 So long as any of the Preferred Shares are outstanding, the Corporation shall not, without the approval of the holders of the Preferred Shares:

2.4.1.1 declare, pay or set apart for payment any dividends on any Preferred Share Junior Shares (other than dividends payable in Preferred Share Junior Shares); or

2.4.1.2 call for redemption, redeem, purchase or otherwise pay off or retire for value, or make any capital distributions in respect of, any Preferred Share Junior Shares.

2.5 Redemption.

2.5.1 Subject to the provisions of this section 2.5, at the election of the Corporation (a “**Preferred Share Redemption Election**”), the Corporation may, after giving a Preferred Share Redemption Notice (as defined below), redeem such number of the then outstanding Preferred Shares specified in such Preferred Share Redemption Notice, in accordance with section 2.5.4, in consideration for payment of, in US dollars, the Preferred Share Liquidation Preference applicable to each Preferred Share to be redeemed on the applicable Preferred Share Redemption Date (the “**Applicable Preferred Share Redemption Amount**”).

2.5.2 Payment of the Applicable Preferred Share Redemption Amount shall be made on the relevant Preferred Share Redemption Date.

2.5.3 The Corporation shall provide each registered holder of the Preferred Shares a notice (a **"Preferred Share Redemption Notice"**) in writing of the intention of the Corporation to redeem the Preferred Shares. Such notice shall set out (i) the number of Preferred Shares held by the person to whom it is addressed which are to be redeemed; (ii) the Applicable Preferred Share Redemption Amount for each share, and (iii) the date specified for redemption, which shall not be less than thirty (30) days from the date of the Preferred Share Redemption Notice and not more than sixty (60) days from the date of the Preferred Share Redemption Notice (the **"Preferred Share Redemption Date"**).

2.5.4 On or after the Preferred Share Redemption Date, the Corporation shall pay or cause to be paid to or to the order of the registered holders of the applicable Preferred Shares, the Applicable Preferred Share Redemption Amount for each Preferred Share to be redeemed. Payment in respect of the Preferred Shares being redeemed shall be made by wire transfer to the respective holders thereof in lawful money of United States.

2.5.5 If any holder of Preferred Shares being redeemed in accordance with this section 2.5 fails to provide the Corporation with valid wire instructions for the deposit of the Applicable Preferred Share Redemption Amount not less than five (5) days prior to the date specified or referenced in the Preferred Share Redemption Notice, the Corporation shall have the right to deposit the monies representing the Applicable Preferred Share Redemption Amount in respect of such Preferred Shares of such holder called for redemption with any trust company in Canada named in the Preferred Share Redemption Notice, to the credit of a special account or accounts in trust for the applicable holders of such Preferred Shares, to be paid upon surrender to the applicable trust company of a statement from the Corporation that such holder is entitled to the amounts held in trust. Any such deposit shall constitute payment and satisfaction of the aggregate Applicable Preferred Share Redemption Amount of the Preferred Shares for which the deposit is made and the rights of the applicable holders of such Preferred Shares shall be limited to receiving the proportion (less any tax required or permitted by law to be deducted or withheld therefrom) of the amounts so deposited applicable to such shares, without interest thereon. Any interest allowed on such deposit shall belong to the Corporation.

2.5.6 From and after the date specified for redemption in any Preferred Share Redemption Notice, the Preferred Shares called for redemption shall cease to be entitled to any participation in any distribution of the assets of the Corporation and the holders thereof shall not be entitled to exercise any of the other rights as shareholders in respect thereof unless payment of the Applicable Preferred Share Redemption Amount shall not be made in accordance with sections 2.5.2, 2.5.4 and/or 2.5.5, in which case the rights of such holders shall remain unaffected.

2.5.7 If, pursuant to any Preferred Share Redemption Notice the Corporation calls for the redemption of all the outstanding Preferred Shares, but is not permitted by applicable law to redeem all of the Preferred Shares referenced in such Preferred Share Redemption Notice, the Corporation shall redeem only the maximum number of Preferred Shares which the Operating Committee determines the Corporation is then permitted to redeem. So long as the Operating Committee has acted in good faith in making any of the determinations referred to above as to the number of Preferred Shares which the Corporation is permitted at any one time to redeem, neither the Corporation, the Operating Committee nor the board of directors shall be liable in the event that any such determination proves to be inaccurate. The Preferred Shares referenced in any Preferred Share Redemption Notice that are not ultimately redeemed shall remain outstanding and entitled to all rights and preferences provided for herein. At any time thereafter when additional funds of the Corporation are legally available for the redemption of Preferred Shares that were originally referenced in a Preferred Share Redemption Notice but not ultimately redeemed, such

funds will be used, no later than the end of the next succeeding fiscal quarter, to redeem the balance of such Preferred Shares, or such portion thereof for which funds are legally available, on the basis set forth above.

2.5.8 Any redemption of less than all of the outstanding Preferred Shares shall be made from all holders of Preferred Shares on a pro rata basis, disregarding fractions of shares, according to the number of Preferred Shares held by each such holder and the Corporation shall make the appropriate book-entries to adjust for the number of Preferred Shares actually redeemed in accordance with this Section 2.5.

2.6 Rank.

With respect to (i) priority of redemptions, and (ii) payment of dividends and distribution of assets upon a Liquidation Event, all Preferred Shares shall rank senior to all Preferred Share Junior Shares.

3. CLASS A COMMON SHARES

3.1 Voting Rights.

Each holder of Class A Common Shares shall be entitled to receive notice of and to attend all meetings of shareholders of the Corporation and to vote thereat, except meetings at which only holders of a specified class of shares (other than Class A Common Shares) are entitled to vote. At all meetings of which notice must be given to the holders of the Class A Common Shares, each holder of Class A Common Shares shall be entitled to one (1) vote in respect of each Class A Common Share held by that holder.

3.2 Dividends.

The Class A Common Shares and the Class B Common Shares shall rank equally as to dividends. Subject to any distribution restrictions set forth in Section 18 of the USA (or, immediately after the USA Amendment Time, Section 16 of the USA), as applicable, the holders of Class A Common Shares and the Class B Common Shares shall be entitled to participate in the property, profits and surplus assets of the Corporation and, for that purpose, to receive any dividends payable in cash, in kind or by way of issuance of fully-paid shares at such times and in such manner as the Operating Committee may determine in their discretion. For the avoidance of doubt, for so long as any Preferred Shares are outstanding, no dividend shall be paid on the Class A Common Shares or the Class B Common Shares (unless such obligations are waived in whole or in part pursuant to an Extraordinary Resolution in accordance with section 18.1 of the USA (or, immediately after the USA Amendment Time, Section 16.1 of the USA)). All dividends declared in any fiscal year shall be declared and paid in equal or equivalent amounts per share on all the Class A Common Shares and all the Class B Common Shares at the time outstanding without preference or distinction.

3.3 Liquidation.

In the event of a Liquidation Event, whether voluntary or involuntary, after satisfying the Preferred Share Liquidation Preference, all remaining property and assets of the Corporation shall be paid or distributed equally to the holders of the Class A Common Shares and the Class B Common Shares in equal amounts per share, without preference or distinction.

3.4 Notice Entitlement.

The holders of the Class A Common Shares shall be entitled to receive not less than ten (10) days' notice in writing upon a proposal to change the financial year-end of the Corporation.

4. CLASS B COMMON SHARES

4.1 Voting Rights.

Each holder of Class B Common Shares shall be entitled to receive notice of and to attend all meetings of shareholders of the Corporation and to vote thereat, except meetings at which only holders of a specified class of shares (other than Class B Common Shares) are entitled to vote. At all meetings of which notice must be given to the holders of the Class B Common Shares, each holder of Class B Common Shares shall be entitled to one (1) vote in respect of each Class B Common Share held by that holder.

4.2 Dividends.

The Class A Common Shares and the Class B Common Shares shall rank equally as to dividends. Subject to any distribution restrictions set forth in Section 18 of the USA (or, immediately after the USA Amendment Time, Section 16 of the USA), as applicable, the holders of Class A Common Shares and the Class B Common Shares shall be entitled to participate in the property, profits and surplus assets of the Corporation and, for that purpose, to receive any dividends payable in cash, in kind or by way of issuance of fully-paid shares at such times and in such manner as the Operating Committee may determine in their discretion. For the avoidance of doubt, for so long as any Preferred Shares are outstanding, no dividend shall be paid on the Class B Common Shares or the Class A Common Shares (unless such obligations are waived in whole or in part pursuant to an Extraordinary Resolution in accordance with section 18.1 of the USA (or, immediately after the USA Amendment Time, Section 16 of the USA)). All dividends declared in any fiscal year shall be declared and paid in equal or equivalent amounts per share on all the Class A Common Shares and all the Class B Common Shares at the time outstanding without preference or distinction.

4.3 Liquidation.

In the event of a Liquidation Event, whether voluntary or involuntary, after satisfying the Preferred Share Liquidation Preference, all remaining property and assets of the Corporation shall be paid or distributed equally to the holders of the Class A Common Shares and the Class B Common Shares in equal amounts per share, without preference or distinction.

4.4 Notice Entitlement.

The holders of the Class B Common Shares shall be entitled to receive not less than ten (10) days' notice in writing upon a proposal to change the financial year end of the Corporation.

5. LIQUIDATION OF PROPERTY

In the event of distribution of property and assets other than cash pursuant to any provision of this Schedule A, the valuation of such property and assets shall be determined in good faith by the Operating Committee.

6. CLASS VOTE

Except as required by law, holders of Shares of any class shall not be entitled to vote separately as a class, or to exercise dissent rights under section 185 of the Act, upon a proposal to amend the articles (whether by articles of amendment or articles of amalgamation) of the Corporation to: (i) increase or decrease any maximum number of authorized Shares of such class, or increase any maximum number of authorized shares of a class having rights or privileges equal or superior to the Shares of such class; (ii) effect an exchange, reclassification or cancellation of all or part of the Shares of such class, or (iii) create a new class or series of shares equal or superior to the Shares of such class.

7. RESTRICTIONS ON SHARES

All Shares issued by the Corporation shall remain subject to the terms and conditions of the USA, including, but not limited to, any restrictions on transfer contained therein.

8. CURRENCY

Unless otherwise specified herein, all dollar amounts referenced in this Schedule A shall be in US dollars. For purposes of this Schedule A, calculation of US dollars equivalents on any day shall be based (a) on the Bank of Canada's Canada-US dollar daily noon exchange rate on the date of settlement, as such rate is reported on the Bank of Canada's website, or, if not so reported, (b) the spot selling rate for trading among banks in amounts of \$1,000,000 or more as quoted by Citibank N.A. at its principal office in New York, New York at or around 3:00 p.m. on the date on which spot exchange transactions settled on such date are quoted.

SCHEDULE "A"

CANADA	)	IN THE MATTER OF the <i>Business</i>
	)	<i>Corporations Act</i> (Ontario) and the Articles of
PROVINCE OF ONTARIO	)	Amalgamation of 1843208 Ontario Inc. and
	)	Baffinland Iron Mines Corporation
	)	
	)	
TO WIT:	)	

Oatville 87

I, Stephanie Anderson, of the City of ~~Toronto~~, in the Province of Ontario, hereby certify that:

1. I am the Chief Financial Officer of 1843208 Ontario Inc. and have knowledge of the matters herein declared.
2. There are reasonable grounds for believing that:
 - (a) each amalgamating corporation is, and the amalgamated corporation will be, able to pay its liabilities as they become due;
 - (b) the realizable value of the amalgamated corporation's assets will not be less than the aggregate of its liabilities and stated capital of all classes; and
 - (c) no creditor will be prejudiced by the amalgamation.

DATED at Toronto, this *9th* day of *October*, 2013.



Stephanie Anderson

SCHEDULE "A"

CANADA	)	IN THE MATTER OF the <i>Business</i>
	)	<i>Corporations Act</i> (Ontario) and the Articles of
PROVINCE OF ONTARIO	)	Amalgamation of 1843208 Ontario Inc. and
	)	Baffinland Iron Mines Corporation
	)	
	)	
TO WIT:	)	

Oakville 89

I, Stephanie Anderson, of the City of ~~Toronto~~, in the Province of Ontario, hereby certify that:

1. I am the Chief Financial Officer of Baffinland Iron Mines Corporation and have knowledge of the matters herein declared.
2. There are reasonable grounds for believing that:
 - (a) each amalgamating corporation is, and the amalgamated corporation will be, able to pay its liabilities as they become due;
 - (b) the realizable value of the amalgamated corporation's assets will not be less than the aggregate of its liabilities and stated capital of all classes; and
 - (c) no creditor will be prejudiced by the amalgamation.

DATED at Toronto, this *9th* day of *October*, 2013.


 Stephanie Anderson

SCHEDULE "B"

**"1843208 ONTARIO INC.
(the "Corporation")"**

RESOLUTION OF THE OPERATING COMMITTEE AND SHAREHOLDERS

RECITALS:

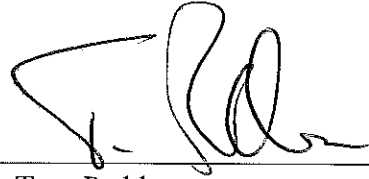
- A. The Corporation was formed by amalgamation under the laws of Ontario by certificate and articles of amalgamation dated January 27, 2011.
- B. It is desirable that the Corporation amalgamate with Baffinland Iron Mines Corporation ("Baffinland").
- C. All the issued and outstanding shares of Baffinland are held by the Corporation.

RESOLVED THAT:

- 1. the amalgamation of the Corporation with Baffinland is hereby approved;
 - 2. the by-laws of the amalgamated corporation shall be the by-laws of the Corporation, until amended or repealed;
 - 3.
 - (i) the shares of Baffinland shall be cancelled without any repayment of capital in respect of those shares;
 - (ii) except as may be prescribed by the *Business Corporations Act* (Ontario), the articles of amalgamation shall be the same as the articles of the Corporation;
 - (iii) the stated capital of Baffinland shall be added to the stated capital of the Corporation;
 - 4. any two members of the Operating Committee or officers of the Corporation are hereby authorized to take any action and to execute any document which, in the opinion of such persons, is necessary or desirable to give effect to this resolution and to deliver all or any of those documents to the Ontario Ministry of Government Services; and"
-

The undersigned, Tom Paddon and Stephanie Anderson, being the President and Chief Financial Officer, respectively, of 1843208 Ontario Inc. (the "**Corporation**") hereby certify that the foregoing is a true and correct copy of a resolution passed by the Operating Committee and the shareholders of the Corporation and that such resolution is, at the date hereof, in full force and effect, unamended.

DATED this 9th day of October, 2013.



Tom Paddon



Stephanie Anderson

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SCHEDULE "B"

**"BAFFINLAND IRON MINES CORPORATION
(the "Corporation")"**

RESOLUTION OF THE OPERATING COMMITTEE AND SOLE SHAREHOLDER

RECITALS:

- A. The Corporation has been incorporated under the laws of Ontario by certificate and articles of incorporation dated March 10, 1986.
- B. It is desirable that the Corporation amalgamate with 1843208 Ontario Inc. ("Parent").
- C. The Corporation is a wholly-owned subsidiary corporation of Parent.

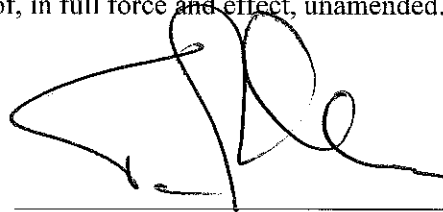
RESOLVED THAT:

- 1. the amalgamation of the Corporation with Parent is hereby approved;
- 2. the by-laws of the amalgamated corporation shall be the by-laws of Parent, until amended or repealed;
- 3.
 - (i) the shares of the Corporation shall be cancelled without any repayment of capital in respect of those shares;
 - (ii) except as may be prescribed by the *Business Corporations Act* (Ontario), the articles of amalgamation shall be the same as the articles of Parent;
 - (iii) the stated capital of the Corporation shall be added to the stated capital of Parent;
- 4. any two members of the Operating Committee or officers of the Corporation are hereby authorized to take any action and to execute any document which, in the opinion of such persons, is necessary or desirable to give effect to this resolution and to deliver all or any of those documents to the Ontario Ministry of Government Services; and"

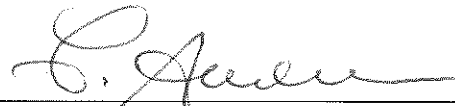
[Signature Page Follows]

The undersigned, Tom Paddon and Stephanie Anderson, being the President and Chief Financial Officer, respectively, of Baffinland Iron Mines Corporation (the "**Corporation**") hereby certify that the foregoing is a true and correct copy of a resolution passed by the Operating Committee and sole shareholder of the Corporation and that such resolution is, at the date hereof, in full force and effect, unamended.

DATED this 9th day of October, 2013.



Tom Paddon



Stephanie Anderson



The Bank of Nova Scotia

Trade Service Centre
61 Front Street West, 4th Floor
Toronto, Ontario, M5H 1H1
Tel: 416-847-6250
Fax: 416-866-4286
SWIFT: NOSCCATTPT

**Irrevocable
Standby Letter of Credit
No. S18572/269319**

Amendment no. 5
Dated July 22, 2014

Beneficiary:

QIKIQTANI INUIT ASSOCIATION
P.O. BOX 219, IQALUIT, NUNAVUT
X0A 0H0
ATTENTION: LANDS DEPARTMENT, Canada

Applicant:

Baffinland Iron Mines Corporation,
2275 Upper Middle Road East
Suite 300
Oakville, ON L6H 0C3 Canada
Ref: S18572/269319

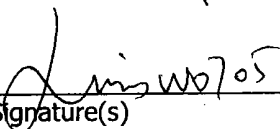
We amend our Standby Letter of Credit subject to the following terms and conditions. This amendment forms an integral part of the original instrument. All other terms and conditions remain unchanged.

Amended Terms:

The amount of the Standby Letter of Credit is increased by: CAD 9,800,000.00 to CAD 39,793,000.00

Unless otherwise instructed herein, all correspondence and enquiries regarding this transaction should be directed to our Customer Service Centre at the above address, telephone: 416-847-6250. Please indicate our reference number in all your correspondence or telephone enquiries.

Regards,



Authorized Signature(s)



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ORIGINAL



The Bank of Nova Scotia

Trade Service Centre
61 Front Street West, 4th Floor
Toronto, Ontario, M5H 1H1
Tel: 416-847-6250
Fax: 416-866-4286
SWIFT: NOSCCATTTPT

**Irrevocable
Standby Letter of Credit No.
OSB4357TOR**

Beneficiary:

Her Majesty the Queen in Right of
Canada as represented by the
Minister of Indian Affairs and
Northern Development Canada, Canada

Applicant:

Baffinland Iron Mines Corporation
2275 Upper Middle Road East
Suite 300
Oakville, Ontario, L6H 0C3 Canada

Date of Issue:

January 31, 2014

Date and Place of Expiry:

January 30, 2015 Canada

Amount:

Not Exceeding CAD 166,000.00 One Hundred Sixty Six Thousand
and 00/100 Canadian Dollars

Beneficiary's full name and address: Her Majesty the Queen in Right of Canada, as represented by the
Minister of Indian Affairs and Northern Development Canada, Payable to the Receiver General of
Canada c/o P.O. Box 100, Bldg. 918 Iqaluit, Nunavut, Canada X0A 0H0.

Attention: Manager of Water Resources, Nunavut Regional Office.

Re: Security pursuant to: Type A - CAD166,000 - Licence No. 2AM-MRY1325

At the request and for the account of Baffinland Iron Mines Corporation (the "Applicant"), we, The
Bank of Nova Scotia, Toronto Trade Service Centre, 61 Front Street West, 4th Floor, Toronto, Ontario,
Canada M5H 1H1, hereby establish in your favour our Irrevocable Standby Letter of Credit No.
OSB4357TOR ("Letter of Credit" or "Credit") for sums not exceeding in the aggregate amount of One
Hundred Sixty Six Thousand and 00/100 Canadian Dollars (CAD 166,000.00).

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The Bank of Nova Scotia

This Credit is available with us for drawing at sight, without enquiry as to whether you have a right as between yourself and the Applicant to make such demand and without recognizing any claim of the Applicant or objection by the Applicant, against presentation to us, by you or your duly authorized representative or agent, of the following documents:

1. a sight draft, payable to the Receiver General of Canada, drawn on The Bank of Nova Scotia, Toronto Trade Service Centre, 61 Front Street West, 4th Floor, Toronto, Ontario, Canada M5H 1H1; and
2. the original of this Irrevocable Letter of Credit No. OSB4357TOR for endorsement of payment thereon; and
3. a statement signed by an official of the Department of Indian Affairs and Northern Development Canada certifying
 - a) that the signatory is an official of Indian Affairs and Northern Development Canada and has the authority to sign the statement on behalf of the Minister of Indian Affairs and Northern Development Canada ("the Minister"), and
 - b) either
 - i. that the Minister is entitled to apply the amount drawn, being all or part of the security posted and maintained pursuant to Type A Number 2AM-MRY1325, issued by the Nunavut Water Board, whether as originally issued or as amended, renewed or replaced from time to time, or
 - ii. that this credit is due to expire in thirty (30) days or less and that the Applicant has not replaced this credit by posting with the Minister other security satisfactory to the Minister.

Partial drawings are permitted.

This Credit is effective from 8:30 A.M. on January 31st, 2014 and shall expire at our counters at 5:00 P.M. on January 30th, 2015 (the "Initial Expiry Date"). This Credit shall be renewed automatically without amendment for an additional one year period from the Initial Expiration Date and for an additional one year period from each future expiration date (each such expiration date, the "Operative Expiration Date"), unless at least Ninety (90) days prior to the Operative Expiration Date we notify you in writing by registered mail or courier that we elect not to consider this Credit renewed for such additional period.

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The Bank of Nova Scotia

The Water Licence is referred to herein for reference purposes and does not form part of the terms of this Credit.

We hereby agree that all drafts drawn under and in compliance with the terms of this Credit shall be duly honoured by us if presented for payment on or before the Operative Expiration Date.

This credit is subject to the Uniform Customs and Practice for Documentary Credits (2007 Revision), International Chamber of Commerce, Publication No. 600. Notwithstanding Article 36 of said Publication, if this Credit expires during an interruption of business as described in Article 36, we agree to effect payment if this Credit is drawn on us within thirty (30) days after the resumption of business.

Regards,

Authorised Signature(s)

[Handwritten signature] *[Handwritten signature]*

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