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

NEWS RELEASE **TSX SYMBOL: BIM**

BAFFINLAND ANNOUNCES EXCEEDINGLY ROBUST ECONOMICS FOR THE MARY RIVER DIRECT-SHIPPING IRON ORE PROJECT

February 19, 2008 - TORONTO, ONTARIO – Baffinland Iron Mines Corporation (TSX: BIM) ("Baffinland" or the "Company") today released the results of the Definitive Feasibility Study on Deposit No. 1 (the "DFS") of its 100%-owned Mary River Project, located in Nunavut Territory, Canada. The DFS was managed by Aker Kvaerner E&C, a division of Aker Kvaerner Canada Inc. ("Aker Kvaerner")

A conference call and live web-cast, hosted by Gordon A. McCreary, President and CEO of Baffinland, will be held at 11:00 am (Toronto time) today, February 19, 2008, to discuss the results of the DFS and future plans. To participate in the conference call please call 416-695-6310 or 1-800-952-4972 prior to the commencement of the call. The live web-cast may be accessed through Baffinland's website at www.baffinland.com and clicking on the link provided. The conference call will also subsequently be available for replay at www.baffinland.com and at 416-695-5800 or 1-800-408-3053 (Access Code: 3252057) until February 26, 2008. An updated slide presentation is also available at www.baffinland.com.

All dollar amounts in this press release are in Canadian dollar unless otherwise stated.

Highlights of the Definitive Feasibility Study

- **20 year mine-life based on proven and probable reserves**
- **Pre-tax internal rate of return of 20.5%, with a payback period of 3.7 years**
- **After-tax internal rate of return of 15.9%, with a payback period of 4.3 years**
- **Project pre-tax cash flow is forecast to be $18.1 billion over the mine life**
- **Project after-tax cash flow is forecast to be $11.2 billion over the mine life**
- **Project pre-tax Net Present Value (7%) of $4.9 billion**
- **Project after-tax Net Present Value (7%) of $2.7 billion**
- **Capital cost of the Project is forecast to be $4.1 billion including contingency of $438 million**
- **Iron ore price assumption used in DFS approximately 40% below indicated 2008 benchmark**

Based on the shipment of 18 million tonnes of high-grade iron ore (64.7% iron) per year primarily to the European market, the proven reserves of 160 million tonnes and probable reserves of 205 million tonnes, sustain a mine life of over 20 years. A moisture content of two percent and a lump-to-fines ratio of 75%:25% are assumed and are reflective of the metallurgical test-work. Assuming FOB Steensby Inlet, average sales prices of US$67/tonne for lump ore and US$55/tonne for fines, the project generates a pre-tax internal rate of return of 20.5%, with a payback period of 3.7 years, and an after-tax internal rate of return of 15.9%. Project pre-tax cash flow over the life of the mine is forecast to be $18.1 billion with after-tax cash flow of $11.2 billion. During construction parity is assumed between the Canadian and the US dollars and an exchange rate of US$0.85 to C$1.00 is incorporated through the operating phase of the project. Although equity funding is assumed in the study, ultimate project financing is expected to include a substantial debt component.

"The completion of our DFS is a major milestone toward the development of our world class, direct-shipping iron ore deposits and results in significant reduction in project risk. In the second quarter of 2008, further risk reduction is expected with the completion of a Scoping Study demonstrating the scalability of the project by expanding output to 30 million tonnes per year based on the enormous resources delineated in Deposits Nos. 1, 2 and 3. During the third quarter, further technical de-risking of the project is anticipated with the delivery of our bulk sample of 250,000 tonnes of lump and fine iron ore to certain European steel mills," stated Gordon McCreary, President and CEO of Baffinland.

In managing the Study, Aker Kvaerner worked with several specialist sub-consulting firms. Railway design and costs have been prepared by Canarail Consultants Inc., material handling systems design and costs have been prepared by Lassing Dibben Consulting Engineers Ltd – Bulk Handling, shipping costs and port design have been prepared by Aker Arctic Technology Inc. ("Aker Arctic"). Fednav Limited ("Fednav") provided expert input into all maritime aspects of the project, while ICAP Hyde & Company Limited contacted shipyards on behalf of the project. Peter Kiewit Sons Co., H.J.O'Connell Construction Ltd., North American Energy Partners Inc., Clark Builders and Black & McDonald Limited provided critical input into construction planning and costs, logistics and scheduling. Comprehensive metallurgical test-work has been performed at Studien Gesellschaft für Eisenerz-Aufbereitung ("SGA") in Germany. The overall intended level of estimation accuracy for the Study is +/- 15 percent. Aker Kvaerner E&C is also preparing a Technical Report in conformance to National Instrument 43-101 which will be filed on SEDAR in the near future. Aker Kvaerner is also completing a strategic, or "blue sky" study describing an expansion to 30 million tonnes per annum, incorporating Deposits No. 2 and No. 3 in the Q2 2008.

Open Pit Mining

Mining of Deposit No. 1 at Mary River would utilize conventional open pit drilling and blasting techniques, diesel-hydraulic shovels and 210-tonne haulage trucks. Mining equipment is assumed to be leased and operated by Baffinland. A manufacturer-supported full maintenance and repair contract for the life of the mine is assumed in the costs. Working capital for the project includes provision for mining, crushing and rail haulage of ore for 6 months prior to first commercial shipments.

Pit optimization was completed using Whittle software, an industry-recognized pit optimization program. A cut-off grade of 50% iron was used for production scheduling. The mine design criteria includes average overall pit slopes of 36 to 42 degrees. Internal dilution was included in the block model. Allowances of 97.5% to 99.0% for mining recovery were included in the analysis. The overall waste-to-ore strip ratio is 1.6 to 1 over the life of the mine. The open pit design is based on measured and indicated resources only. The inferred resources contained within the open pit are considered as waste in the production schedule.

Crushing and Screening

Run-of-mine ore is hauled to a primary gyratory crusher located approximately 200 metres south of the deposit. Ore is crushed to -8 inches in size and conveyed to three secondary crushers where it is further reduced in size. Lump ore (less than 31.5 mm greater than 6.3 mm) is expected to constitute 75% of the crusher product. Sinter feed, or fines (less than 6.3 mm), should constitute 25% of the crusher product. Two linear stockpiles containing 400,000 tonnes for fines, and 1,000,000 tonnes for lump, are planned near the rail loadout facility at the mine. The stockpiles are equipped with rail-mounted stacker/reclaimer systems. This facility would have the capability of loading rail cars at a rate of 6,000 tonnes per hour.

Railway System

From the Mary River rail load-out facility, trains would proceed 143 kilometres to port facilities located at Steensby Inlet. The railway has been designed in accordance with standard mainline railway practice and includes maintenance equipment, sidings, yard tracks, and rolling stock workshops. The rail system is designed to accommodate production rates well in excess of the initial production requirements, with only six trains per day, 300 days per year, required to deliver 18 million tonnes per year to the port. The railway system will be used to transfer operating supplies, personnel and equipment from Steensby Inlet to the Mary River operations. Steensby Inlet was selected as the preferred location for the port, over Milne Inlet, after a comprehensive review of socio-economic, environment and operational considerations.

Port Facilities

From the rail loop at the Steensby Inlet port, rail cars are emptied with a twin rotary car dumper to a conveyor system that discharges to a 1,300,000 tonne fines stockpile or a 3,200,000 tonne lump stockpile. Rail-mounted stacker/reclaimer systems manage the stockpiled ore. From here the ship loading conveyor discharges to a ship loader which would operate at 12,000 tonnes per hour.

One ore carrier berth and two service berths are planned at Steensby Inlet. The service berths would be used by harbour tugs and for the delivery of supplies. Other facilities at Steensby Inlet include a diesel fuel tank farm, diesel power generation, camp, general warehousing and the railway maintenance yard and facilities.

Infrastructure

Infrastructure envisioned at the Mary River mine site includes open pit maintenance shops, explosives mixing plant and storage, diesel fuel tank farm, diesel power generation, the primary camp, airstrip capable of accommodating Boeing 737 jet aircraft, general warehousing, surface equipment maintenance shops, administrative and technical offices, environmental and metallurgical laboratories, as well as mine rescue and training facilities.

Ocean Transportation

The port facility at Steensby Inlet is designed to accommodate cape-sized ore carriers for 12 months each year. Shipment of ore from Steensby Inlet primarily to the European market, together with all port assistance vessels, is assumed to be a service provided by major international shipping company(s), coordinated by our valued shipping partner, Fednav.

Enfotec, Fednav's consulting company specializing in ice navigation, completed a comprehensive review of ice conditions over a ten year period in order to establish appropriate shipping lanes, and to recommend the required "ice class" for the dedicated ore carriers. A detailed bathymetric survey of the shipping lanes was completed, to Canadian Hydrographic Service standards, by Kivalliq Marine. Trans-Atlantic transit simulations to evaluate the efficiency of ore shipment in each month of the year were completed by Fednav and Aker Arctic, the designers of approximately 60 percent of the ice-breaking vessels currently in operation worldwide.

The ship design used in the DFS is a cape-size ore carrier, Polar Class 4 (DNV +1A1), of 135,000 dwt (deadweight tonnes) capacity, suitable for dedicated operations between Steensby Port and Europe over a 12 month operating period each year. A fleet of ten dedicated vessels is required to fully service the project requirements. This design will be evaluated in 2008 and optimized with respect to cargo capacity and dimensions. In addition, market vessels may be chartered in the ice-free period, August and September each year. Construction costs for the dedicated ships have been obtained from five of the world's largest and most reputable shipyards in South Korea and Europe, including Aker Yards, Daewoo Shipbuilding & Marine Engineering Co. Ltd., Hyundai Heavy Industries Co. Ltd., Samsung Heavy Industries Co. Ltd. and STX Shipbuilding Company Ltd.

Environment and Permitting

Knight Piésold Ltd. has been engaged to conduct environmental baseline studies and Inuit knowledge studies, to complete the environmental impact assessment of the project and the closure plan, and to represent Baffinland through the Nunavut Impact Review Board ("NIRB") and Canadian Environmental Assessment Act ("CEAA") processes. Baseline studies have been underway for nearly four years. A project description will be filed with the regulators to initiate the NIRB and CEAA processes in March 2008, and the Draft Environmental Impact Statement is anticipated to be completed in Q4, 2008. Negotiations for the Inuit Impact and Benefits Agreement with the Qikiqtani Inuit Association ("QIA") began in late 2006 and are anticipated to be completed concurrent with the regulatory approval process. Management is not aware of any impediments to the successful completion of the regulatory process.

Engineering and Construction Schedule

Basic engineering for the project is anticipated to be completed in early 2010, leading to the definitive capital cost estimate for control during project construction. With completion of the regulatory process in 2010, project construction will proceed, with commissioning and startup of the project anticipated in early 2014. Full commercial ore shipments are scheduled to commence in May 2014, with 11.8 million tonnes delivered to market in that year.

Capital Costs

The initial capital cost for the project is estimated to be $4.1 billion, including all direct costs, indirect costs, contingencies and owner's costs. Sustaining capital is estimated to be $0.4 billion over the life of the project, including project reclamation and closure costs.

Direct Costs	**$ Millions**
Mining	$23
Mary River Site	591
Railway	1,215
Steensby Site	706
Direct Costs Subtotal	**$2,535**
Indirect Costs	
Support	$988
Owner's Costs	86
Gravel	29
Contingency	438
Indirect Cost Subtotal	**$1,540**
Initial Capital Cost Total	**$4,075**

Financing and escalation costs are not included. The assumptions that are most sensitive in the capital cost estimate are the Canadian dollar exchange rate with the US dollar (parity assumed), geotechnical design criteria for the rail corridor, and construction costs, particularly construction labour costs. Mary River site costs, exploration, bulk sample, environmental and permitting costs in 2008 through 2010 are excluded.

Operating Costs

Operating costs for all facilities at Mary River and Steensby Inlet are estimated to be $14.62 per tonne., excluding taxes and financing costs.

Cost Centre	**$/Tonne**
Mining	$4.08
Crush / Screen / Load	4.89
Railway	1.45
Camp / Catering	0.59
Aircraft Services	0.60
Leased Equipment	0.40
G&A Onsite	2.25
G&A Offsite	0.36
Operating Cost Total	**$14.62**

The assumptions that are most sensitive in the operating cost estimate are the Canadian dollar exchange rate with the US dollar (US$0.85 : C$1.00 assumed), and fuel prices (US$60 per barrel basis). Ocean freight costs, estimated from first principles at US$26.32 per tonne, representing a very conservative scenario, are assumed to be recovered through DES sales contracts.

Financial Evaluation Summary

	Pre- Tax	After Tax
Net Present Value 0%	$18.1 billion	$11.2 billion
Net Present Value 7%	$4.9 billion	$2.7 billion
Internal Rate of Return	20.5%	15.9%
Payback of Initial Capital	3.7 years	4.3 years

Iron Ore Pricing assumptions (US cents/dry metric tonne unit - dmtu)
Lump Iron Ore: 103.7; Sinter Fines: 84.7 representing the benchmark iron ore pricing for 2007.

Conclusions

Rod Cooper, Baffinland's Chief Operating Officer stated, "Construction execution is a critical success factor for this project, given its challenging location. Very experienced contractors with proven excellence in cold-regions construction were therefore engaged early in the DFS process in order to validate the construction planning and capital costs."

"The comprehensive metallurgical test-work completed to date is perhaps unprecedented and has established a high quality lump and fine iron ore. Our bulk sample program is designed to further confirm this high quality and as a result we expect our iron ores will be a highly sought after addition to the European blast furnace burden," stated Michael Zurowski, Executive Vice President of Baffinland.

Gordon McCreary added, "In addition to the de-risking of our world class Mary River Project through our DFS, expansion Scoping Study and Bulk Sample Program, we are also focused on reducing financing risk in 2008. We have engaged financial advisors to assist in our minority strategic partnering initiative and now that we have our DFS we will become more proactive in interfacing with logical project debt providers. The remarkably robust nature of our Mary River Project coupled with an exceedingly favourable pricing environment for iron ore are a potent combination for adding value for the benefit of our partners, other stakeholders and of course, Baffinland shareholders."

Additional Disclosure

Resource estimation is performed by George Wahl, P. Geo., while open pit mine planning is performed by Rene Gharapethian, P. Eng. Both of these independent technical professionals are Qualified Persons as defined by NI 43-101 and they performed their resource estimation and open pit planning under the guidance of Aker Kvaerner for inclusion in the Study.

Assaying and analytical work was performed by SGS Lakefield Research Limited ("Lakefield") under a strict protocol designed for testing lump iron ores. Samples were then sent from Lakefield to SGA in Germany, where samples were composited for detailed metallurgical testing to ISO standards for iron ore. The testwork was specific for lump ores. Additional test-work was also completed on fine material for sintering.

Drill hole metallurgical data were interpreted by Michael T. Zurowski, P. Eng., Executive VP and a Qualified Person as defined by NI 43-101. Rodney Cooper, P. Eng., VP Operations and COO, a Qualified Person as defined by NI 43-101, has had oversight responsibility regarding the various components of the DFS.

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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	Rodney A. Cooper, P. Eng.	Michael T. Zurowski, P. Eng.
President and CEO	Vice President, Operations and COO	Executive Vice President
416-814-3163	416-814-3158	416-814-3161

CAUTION REGARDING FORWARD-LOOKING INFORMATION

This press release contains 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 includes statements or information regarding the future plans, intentions, beliefs and prospects of the Company, and can often be identified by forward-looking words such as "anticipate", "believe", "expect", "plan", "intend", "estimate", "envision", "may" and "will" or similar words suggesting future outcomes, or other expectations, beliefs, plans, objectives, assumptions, intentions or statements about future events or performance. In particular, readers are cautioned that substantially all of the information contained in and/or derived from the DFS constitutes forward-looking information. Actual results may vary.

In addition to assumptions regarding the general conduct of mining operations at the Mary River Project, the information contained in the DFS is also based on a number of assumptions regarding, among other things, mineral reserve and resource estimates, future annual production and shipment quantities, the grade and moisture content of iron ore produced from the Mary River Project, iron ore sale prices, currency exchange rates, the relative composition of lump ore and fines, estimated initial and sustaining capital costs and estimated operating costs. Many of these assumptions are described in this press release, and readers are cautioned that 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 estimating an initial capital cost for the project of $4.1 billion, the Company has assumed that current high construction input costs for labour, equipment and materials prevail over the construction period, that the current strength in the Canadian dollar prevails over the construction period, that Federal goods and services taxes are recoverable, that the Government of Nunavut fuel importation tax is recoverable, that the royalties imposed by the Federal Government and the QIA for the use of gravel do not change, that construction input costs do not escalate from this present time through to the end of construction, that financing costs are excluded from the capital cost estimate, that any payments required under the terms of the future Inuit Impact and Benefits Agreement do not exceed the allowance for such currently included in the capital costs, that the allowances made in the construction estimate to account for the effects of global warming prove to be adequate, that design criteria concerning the geotechnical conditions present at Mary River, Steensby Inlet and along the rail corridor prove to be adequate, that the construction cost for the dedicated cape-size ore carriers will be undertaken by ship owners operating through the Fednav shipping pool rather than by Baffinland, that there is no delay in the project timeline after mobilization of contractor equipment in 2009 that necessitates additional holding costs for said equipment and that, as a result of the regulatory process, costs in excess of those already included in the capital costs for regulatory compliance are not imposed.

In estimating that operating costs for all facilities at Mary River and Steensby Inlet will be $14.62 per tonne, excluding taxes and financing costs, the Company has assumed that Baffinland will operate all facilities constructed on land for the project, that current high operating input costs for labour, equipment and materials return to more moderate historical levels over the operational period, that the Canadian dollar returns to more moderate historical levels over the operational period, that Federal goods and services taxes are recoverable, that the Government of Nunavut fuel importation tax is recoverable, that the royalties imposed by the Federal Government and the QIA for the use of gravel do not change, that operational input costs do not escalate from this present time through to the end of the production period, that financing costs are excluded from the operating cost estimate, that any payments required under the terms of the future Inuit Impact and Benefits Agreement do not exceed the allowance for such currently included in the operating costs, that the allowances made in the operating cost estimate to account for the effects of global warming prove to be adequate, that the ocean freight costs paid by Baffinland as the long-term charterer of the dedicated ore carrier fleet will be fully reimbursed by Baffinland's customers through long-term off-take agreements that reflect DES sales terms, that Baffinland's customers will view the ocean freight costs imposed by Baffinland are competitive throughout the operating period such that no freight equalization payments are required, that there is no delay in the delivery of the dedicated ore carrier fleet such that the start of commercial production is delayed, that the early delivery of the dedicated ore carrier fleet will not impose additional costs on the project, that as a result of the regulatory process, costs in excess of those already included in the capital costs for regulatory compliance are not imposed.

In making statements concerning the planned engineering and construction schedule of the Mary River Project, including the timing of completion of basic engineering and project construction, the Company has assumed, among other things, that it will obtain in a timely fashion all of the financing, regulatory approvals and other authorizations required to enable the continued exploration and development of the Mary River property, and the mining activities required in order to complete such activities.

By its nature 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 increases in capital and operating costs, 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 required to fund the required exploration and development activities may not be available on satisfactory

terms, or at all, environmental risks and insurance risks. In particular, the key sensitivities of the conclusions reached in the DFS relate to Baffinland's ability to obtain regulatory approvals that do not materially change the project timeline, that construction contractors, equipment, materials and labour are available at the appropriate time, in adequate quantity and with adequate qualtity, and at similar cost to the assumptions reflected in the DFS, that weather, ocean, and ice conditions allow for the mobilization and execution of the construction plan in general agreement with the assumptions in the DFS, that future decisions on the part of regulators are consistent with assumptions included in the DFS , that the Inuit Impact and Benefits Agreement negotiated with the QIA is consistent with the assumptions included in the DFS, that the ocean shipping market and ship-building market continue to function in accordance with assumptions included in the DFS, that the terms and conditions associated with the abandonment and restoration of the project site remain in accordance with the assumptions in the DFS.

Although the Company has attempted to identify important factors that could cause actual results, performance or achievements to differ materially from those described in forward-looking statements, there may be other factors that cause results, performance or achievements not to be as anticipated, estimated or intended. Readers should be aware that these statements are subject to known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the DFS, and are cautioned not to place undue reliance on such information. By its nature, forward-looking information involves numerous assumptions, inherent risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts, projections and various future events will not occur. While the Company may elect to update publicly or otherwise revise any forward-looking information, the Company undertakes no obligation to do so, whether as a result of new information, future events or other such factors which affect this information, except as required by law.