News Release

The Government of Nunavut welcomes ArcelorMittal and Nunavut Iron Ore's takeover of Baffinland

IQALUIT, Nunavut (February 5, 2011) – Peter Taptuna, Minister of Economic Development & Transportation, will work with ArcelorMittal on its Mary River Iron Ore Project now that the company has taken over Baffinland Iron Mines Corporation (Baffinland).

At 11:59 p.m. Eastern Time on February 4, 2011, ArcelorMittal and Nunavut Iron Ore were successful in acquiring more than two-thirds of Baffinland's common shares by offering $1.50 per share to its shareholders.

"ArcelorMittal is the largest steel manufacturer in the world," said Minister Taptuna. "It has the capital and technical ability to bring the Mary River project into production. We will support this development provided ArcelorMittal will develop Mary River without any significant impact on the environment and provide substantive and sustainable benefits to people in our territory."

The Mary River project could produce 18 million tonnes of iron ore annually. This production rate equates to 45-50 years of mine life.

"The potential scale and mine-life of the Mary River project sets it apart from other mining projects in Nunavut," added Taptuna. "When it starts producing we will have an opportunity for at least two generations of Nunavummiut to benefit from this economic development. The development of Mary River will advance the goal of *Parnautit: the Nunavut Mineral Exploration and Mining Strategy* by creating conditions for a strong and sustainable minerals industry that contributes to a high and sustainable quality of life for all Nunavummiut."

The Mary River project is located about 950 kilometres northwest of Iqaluit. Right now the project is in the environmental review process.

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