



Ontario
Securities
Commission

Commission des
valeurs mobilières
de l'Ontario

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**IN THE MATTER OF THE *SECURITIES ACT*
R.S.O. 1990, CHAPTER S.5, AS AMENDED**

AND

**IN THE MATTER OF BAFFINLAND IRON MINES CORPORATION, IRON ORE
HOLDINGS, LP AND ITS WHOLLY-OWNED SUBSIDIARY NUNAVUT IRON ORE
ACQUISITION INC.**

**ORDER
(Section 127)**

WHEREAS Nunavut Iron Ore Acquisition Inc. ("**Nunavut Iron**" or the "**Applicant**") applied to the Ontario Securities Commission (the "**Commission**") by way of an application dated November 1, 2010 (the "**Application**") for a permanent order pursuant to section 127 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "**Act**") that trading cease in respect of any securities to be issued under or in connection with a Baffinland Iron Mines Corporation ("**Baffinland**") shareholder rights plan approved by shareholders on March 24, 2009;

AND WHEREAS on September 22, 2010, an unsolicited offer was made by Nunavut Iron to purchase all of the outstanding common shares of Baffinland (the "**Baffinland Shares**") for \$0.80 in cash per share and such offer was extended on October 28, 2010 and further extended on November 8, 2010 (the "**Nunavut Offer**");

AND WHEREAS on November 8, 2010, ArcelorMittal S.A. ("**ArcelorMittal**") announced that it had entered into a support agreement with Baffinland (the "**Support Agreement**") pursuant to which it agreed to make an offer to acquire all of the outstanding Baffinland Shares for \$1.10 cash per share, and all of the outstanding warrants of Baffinland issued on January 31, 2007 (the "**2007 Warrants**") for \$0.10 cash per 2007 Warrant (the "**ArcelorMittal Offer**");

AND WHEREAS following the announcement of the ArcelorMittal Offer on November 8, 2010, Nunavut extended its offer to November 22, 2010;

AND WHEREAS on November 9, 2010, a Notice of Hearing was issued by the Office of the Secretary setting down the hearing of the Application on November 18, 2010;

AND WHEREAS the Application was heard on November 18, 2010 and Nunavut Iron, Baffinland, ArcelorMittal and Staff appeared at such hearing;

AND WHEREAS at the outset of the hearing, ArcelorMittal was granted standing to make oral submissions, on consent of the parties, and on the grounds that ArcelorMittal could be directly affected by the outcome of the Application;

AND WHEREAS Baffinland implemented a shareholder rights plan (the “**Rights Plan**”) that was adopted by its board of directors (the “**Baffinland Board**”) on January 27, 2009 and was subsequently approved by Baffinland shareholders on March 24, 2009;

AND WHEREAS the Applicant submits that it is in the public interest for the Commission to cease trade the Rights Plan in order to allow Baffinland shareholders to decide for themselves whether to accept the Nunavut Offer or the ArcelorMittal Offer;

AND WHEREAS Baffinland submits, among other things, that maintaining the Rights Plan would protect the interests of Baffinland shareholders and would facilitate the auction for the Baffinland Shares;

AND WHEREAS the Commission considered the evidence, relevant case law and the submissions of Nunavut Iron, Baffinland, ArcelorMittal and Staff at the hearing;

AND WHEREAS the Commission is of the opinion that it is in the public interest to make this order and the Commission will issue reasons for this order in due course;

IT IS HEREBY ORDERED:

1. pursuant to subsection 127(1)2 of the Act, that trading in any securities issued or to be issued under or in connection with the Rights Plan shall cease permanently; and
2. pursuant to subsection 127(1)3 of the Act, that any exemptions contained in Ontario securities law do not apply permanently to any securities issued or to be issued under or in connection with the Rights Plan.

DATED at Toronto this 19th day of November, 2010.

“James E.A. Turner”

James E.A. Turner

“Mary G. Condon”

Mary G. Condon

“Paulette L. Kennedy”

Paulette L. Kennedy