MANAGEMENT DISCUSSION AND ANALYSIS

For the three and six months ended June 30, 2023 and 2022

Oceanic Iron Ore Corp.

Dated August 22, 2023

The following is management's discussion and analysis ("MD&A") of the results and financial condition of Oceanic Iron Ore Corp. ("Oceanic" or the "Company") and should be read in conjunction with the accompanying unaudited condensed consolidated interim financial statements and related notes for the three and six months ended June 30, 2023 and 2022 (the "Interim Financial Statements), as well as the audited consolidated financial statements and related notes for the years ended December 31, 2022 and 2021 (the "Annual Financial Statements"). The Company reports its financial statements in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. All figures are reported in Canadian, dollars unless otherwise indicated.

Certain information included in this discussion may constitute forward looking statements. Forward looking statements are based on current expectations and entail various risks and uncertainties. These risks and uncertainties could cause or contribute to actual results that are materially different from those expressed or implied. Please see the section entitled "Forward Looking Statements" of this document for further detail on forward looking statements. The effective date of this report is August 22, 2023.

Description of Business

The Company was incorporated on March 8, 1986 under the British Columbia Business Corporations Act. Its common shares are traded on the TSX Venture Exchange (the "TSXV") under the symbol "FEO".

The Company is focused on the exploration and development of the Ungava Bay iron property (the "Property") in Nunavik, Québec, which the Company acquired in November 2010. The Property comprises three project areas: Hopes Advance (also referred to as the "Project" throughout), Morgan Lake and Roberts Lake, which cover over 35,999 hectares of iron formation and are located within 20 – 50 km of tidewater. The Company has a 100% interest, subject to a 2% net smelter returns royalty ("NSR") in the Property. The Company's two NSR holders are each entitled to annual advance NSR payments of $100,000 until the commencement of commercial production on the Company's Hopes Advance Project. Advanced royalty payments are deductible from actual royalty payments subsequent to the commencement of commercial production.

In December 2019, the Company announced the results of a revised and re-scoped National Instrument 43-101 Preliminary Economic Assessment in respect of the Company's Hopes Advance Project ("Study"). The objective of the Study was to rescope the Project profile and production scale using Measured and Indicated Mineral Resources estimated within three of the ten defined deposits from Hopes Advance in order to reduce the up-front capital required to bring the Project to commercial production. The Company continues to pursue a number of options to improve its financial capacity, including securing a strategic partner to further advance the Hopes Advance project, and obtaining cash flow through other forms of financing. The success of raising such funds cannot be assured.

Qualified Person

Eddy Canova, P.Geo., OGQ(403), a Qualified Person as defined by NI 43-101, has reviewed and is responsible for the technical information contained in this document.

Discussion of Operations

The following information for the three months ended June 30, 2023 and 2022 ("Q2 2023" and "Q2 2022", respectively) and six months ended June 30, 2023 and 2022 ("YTD 2023" and "YTD 2022", respectively) was derived in conjunction with the Interim Financial Statements which are available on www.sedarplus.ca.

	Q2 2023	Q2 2022	**YTD 2023**	YTD 2022
Expenses				
Consulting and management fees	**$ 73,750**	$ 58,750	**$ 147,500**	$ 117,500
Directors' fees	**7,500**	7,500	**15,000**	15,000
License and insurance	**5,852**	7,161	**12,427**	16,992
Office and general	**3,906**	3,562	**9,317**	7,279
Professional fees expense	**6,598**	14,181	**10,531**	26,705
Rent	**2,668**	2,612	**5,335**	5,211
Share-based compensation	**43,660**	17,018	**43,660**	39,186
Transfer agent and regulatory	**8,946**	6,145	**15,199**	8,982
Wages and benefits	**1,975**	17,264	**4,695**	34,239
Loss from operations	**(154,855)**	(134,193)	**(263,664)**	(271,094)
Other income (expenses)				
Gain (loss) on non-cash derivative liabilities	**1,021,577**	887,306	**32,704**	(24,150)
Convertible debenture accretion expense	**(134,681)**	(100,177)	**(267,856)**	(199,056)
Total other income (expenses)	**886,896**	787,129	**(235,152)**	(223,206)
Net income (loss) and comprehensive income (loss)	**$ 732,041**	$ 652,936	**$ (498,816)**	$ (494,300)

The factors affecting the changes in net loss primarily consisted of:

Expenses associated with convertible debentures

The derivative liabilities of the Company are carried at fair value, which fair value is derived by the use of binomial option models. During Q2 2023 and YTD 2023, the Company's share price reduced relative to the prior periods and a lower share price returns a lower fair value of the liability as determined by the option valuation model.

Share-based compensation

Share-based compensation increased by $26,642 and $4,474, respectively when comparing Q2 2023 to Q2 2022 and YTD 2023 to YTD 2022. The increase in both periods is related to the fact that during Q2 2023, the Company granted 1,540,000 stock options (of which one-third have vested in the period to date) compared to nil stock options granted in 2022. The share-based compensation in the comparative periods primarily relates to the vesting of 1,045,000 (of which approximately two-thirds had vested in the comparative period to date) of stock options granted during FY2021.

Liquidity, Capital Resources and Going Concern

While the condensed consolidated interim financial statements have been prepared on the basis that the Company will continue as a going concern, which contemplates the realization of assets and settlement of liabilities in the normal course of business as they come due, certain conditions and events could result in a material uncertainty casting significant doubt on the validity of this assumption. For the period ended June 31, 2023, the Company had an accumulated deficit of $34,421,901 a working capital deficit of $1,359,671.

The Company's ability to continue on a going concern basis for and beyond the next twelve months depends on its ability to successfully raise additional financing for continued operations and for the necessary capital expenditures required to achieve planned principal operations. The Company continues to pursue a number of options to improve its financial capacity, including securing a strategic partner to further advance the Hopes Advance project. While the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms acceptable to the Company.

Factors that could affect the availability of financing include the Company's performance, the state of international debt and equity markets which may be adversely impacted by uncertainty arising from the impacts of any global pandemics, as and if they arise, investor perceptions and expectations, the retention of key executive management and the state of global financial and metals markets.

The Company's net assets and working capital position(1) were as follows:

	As at June 30, 2023 $	As at December 31, 2022 $
Assets		
Cash	**508,054**	662,818
Other current assets	**19,704**	12,845
Current assets	**527,758**	675,663
Mineral properties	**44,276,252**	44,178,442
TOTAL ASSETS	**44,804,010**	44,854,105
Liabilities		
Current liabilities	**1,887,429**	1,789,325
Non-current liabilities	**3,884,128**	3,857,218
TOTAL LIABILITIES	**5,771,557**	5,646,543
NET ASSETS	**39,032,453**	39,207,562
WORKING CAPITAL DEFICIT (1)	**(1,359,671)**	(1,113,662)

(1) Working capital is calculated as current assets less current liabilities

The changes in the Company's net assets and working capital position were primarily the result of the non-cash fair value losses associated with the convertible debentures. Cash reductions on a quarterly basis are kept to a minimum while the Company seeks to secure a strategic partner to further advance the Hopes Advance project.

The Company's cash flow activities have been summarized as follows:

	Q2 2023	Q2 2022	**YTD 2023**	YTD 2022
Cash used in operating activities	**$ (66,241)**	$ (22,857)	**$ (122,262)**	$ (77,578)
Cash used in investing activities	**(3,871)**	(15,867)	**(32,502)**	(30,050)
Cash used in financing activities	**-**	(67,045)	**-**	(134,090)
Change in cash during the period	**(70,112)**	(105,769)	**(154,764)**	(241,718)
Cash, beginning of period	**578,166**	157,213	**662,818**	293,162
Cash, end of period	**$ 508,054**	$ 51,444	**$ 508,054**	$ 51,444

The Company's undiscounted commitments as at June 30, 2023 were as follows:

	Less than 1 year	**1 -3 years**	**More than 3 years**	**Total**
Accounts payable and accrued liabilities	$ 329,337	$ -	$ -	$ 329,337
Due to related parties	320,978	-	-	320,978
Convertible debenture - liability component	1,092,681	2,189,974	2,176,350	5,459,005
Advance royalty payable	200,000	400,000	400,000	1,000,000
	$ 1,942,996	$ 2,589,974	$ 2,576,350	$ 7,109,320

As at June 30, 2023, the convertible debentures and non-cash derivative liabilities have a combined carrying value of $4,465,098, representing the discounted face value of the debentures of $3,615,303 and the fair value of the non-cash embedded derivative liability of $3,671,528, offset by the deferred loss balance of $2,821,733.

The total future cash outflows associated with the repayment of the principal of the Series A Debentures ($760,000), Series B Debenture ($837,500), Series C Debentures ($1,557,548) and Series D Debentures ($1,220,000) cannot exceed the combined amount of principal of $4,375,048. Furthermore, provided that the Company's share price trade at levels in excess of the prevailing conversion price of the Series A Debentures and the Series D Debentures ($0.07/unit), management expects that the Series A Debentures and Series D debentures may be converted into units (comprised of one common share and one share purchase warrant each) and the resulting cash outflow could be as low as $nil. As the conversion price of the Series C Debentures ($0.19/unit) and Series B Debenture ($0.10/unit) exceeds the Company's share price at June 30, 2023 ($0.07/share), future cash outflows associated with the redemption of the Series B and C Debentures could be as high as $2,395,048.

Interest associated with the debentures above are settable in cash or common shares quarterly, at the election of the Company.

On January 3, 2023, the Company elected to settle $94,107 in accrued interest payable under the Company's previously issued convertible debentures through the issuance of 1,344,374 common shares of the Company, at a price of $0.07 per share.

On March 31, 2023, the Company elected to settle $92,970 in accrued interest due under the Company's previously issued convertible debentures through the issuance of 1,093,760 common shares of the Company, at a price of $0.085 per share.

On June 30, 2023, the Company elected to settle $92,970 in accrued interest due under the Company's previously issued convertible debentures through the issuance of 1,328,141 common shares of the Company, at a price of $0.07 per share.

The fair value of the non-cash embedded derivative does not represent a future cash liability to the Company.

In addition, management does not expect that the conversion of the Series A Debentures and Series D Debentures could result in cash inflows or outflows to the Company as the associated warrants are both exercisable at a price of $0.07 per warrant, which is equal to the Company's current prevailing share price at June 30, 2023 ($0.07/share).

Off-Balance Sheet Arrangements

As at June 30, 2023, the Company had no off-balance sheet arrangements.

Summary of Quarterly Results

Below is a summary of results for the eight most recently completed quarters in accordance with IFRS:

	June 30, 2023	March 31, 2023	December 31, 2022	September 30, 2022
Revenues (Note 1)	$ -	$ -	$ -	$ -
Share-based compensation	$ (43,660)	$ -	$ (4,482)	$ (6,720)
Loss from operations	$ (154,855)	$ (108,809)	$ (178,226)	$ (131,574)
Gain (loss) on non-cash derivative liabilities	$ 1,021,577	$ (988,873)	$ 325,317	$ (325,725)
Net income (loss)	$ 732,041	$ (1,230,857)	$ 15,297	$ (580,904)
Basic income (loss) per share	$ 0.01	$ (0.01)	$ 0.00	$ (0.01)
Diluted income (loss) per share	$ 0.01	$ (0.01)	$ (0.01)	$ 0.01

	June 30, 2022	March 31, 2022	December 31, 2021	September 30, 2021
Revenues (Note 1)	$ -	$ -	$ -	$ -
Share-based compensation	$ (17,018)	$ (22,168)	$ (39,871)	$ (7,608)
Loss from operations	$ (134,193)	$ (136,901)	$ (188,659)	$ (127,857)
Gain (loss) on non-cash derivative liabilities	$ 887,306	$ (911,456)	$ 2,618,206	$ 1,013,687
Net income (loss)	$ 652,936	$ (1,147,236)	$ 2,331,903	$ 789,369
Basic income (loss) per share	$ 0.01	$ (0.01)	$ 0.03	$ 0.01
Diluted income (loss) per share	$ 0.01	$ (0.01)	$ 0.02	$ 0.01

Note 1 – As the Company has yet to make a development decision or achieve commercial production from its mineral related assets, the Company has no revenue to report during the financial reporting periods noted above.

As demonstrated in the above table, the differences in net income (loss) from one quarter to another is predominantly due to the non-cash losses or gains recognized on the fair value adjustments to the derivative liability component contained in the convertible debentures. The Company uses binomial option pricing models to value the derivative component of the convertible debentures which relies on a combination of observable and unobservable market inputs (including changes in the Company's share price from one period-end to another).

Fluctuations in loss from operations are also impacted by changes in the amount of share-based compensation recognized in any particular period. The amount of share-based compensation varies predominantly based on (i) the number of stock options granted during a fiscal year and (ii) the price of the Company's common shares at the grant date.

Critical Accounting Policies and Critical Accounting Estimates

Full disclosure of the Company's accounting policies and significant accounting judgments and estimation uncertainties in accordance with IFRS can be found in Note 3 of the Company's Annual Financial Statements.

Financial Instruments and Other Instruments

Financial Risk Management

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board approves and monitors the risk management processes.

Credit Risk

Credit risk arises from the potential for non-performance by counterparties of contractual financial obligations. The Company's exposure to credit risk is on its cash and receivables. The Company has concentration of risk with respect to cash being held with one large Canadian financial institution. The Company's credit risk is mitigated by maintaining its financial liquid assets with highly reputable counterparties. The maximum exposure to credit risk is equal to the carrying value of the financial assets noted above.

Liquidity Risk

Liquidity risk is the risk that the Company cannot meet its obligations as they fall due. The Company's cash is invested in business accounts and are available on demand. The Company manages liquidity risk by preparing and maintaining cash forecasts, which illustrate cash spent to date and the Company's cash needs over the short term. Contractual undiscounted cash flow requirements for financial liabilities as at June 30, 2023 are included in the "*Liquidity and Capital Resources*" section of this MD&A.

The Company's ability to continue operations in the normal course of business is dependent on several factors, including the ability to secure additional financing.

Market Risk

Market risk is the risk that the fair market value of the Company's financial instruments will significantly fluctuate due to changes in market prices. The value of the financial instruments can be affected by changes in interest rates, foreign exchange rates and equity and commodity prices. The Company is exposed to market risk on its cash balances. The Company manages market risk by investing funds with a reputable financial institution that provides competitive rates of return.

The Company's financial instruments are not subject to significant fluctuation due to changes in equity prices of investments included in commodity prices or foreign exchange rates.

The Company also invests surplus cash in fixed rate term deposits. It is the Company's policy to reduce interest rate risk over future cash flows through the use of instruments with a history of returns. A 1% change in interest rates would have a negligible impact on net loss and comprehensive loss.

Fair value

Fair value is based on available public market information or, when such information is not available, estimated using present value techniques and assumptions concerning the amount and timing of future cash flows and discount rates which factor in the appropriate credit risk. The carrying values of cash, receivables, accounts payable and accrued liabilities, and due to related parties approximate their fair values due to their short-term nature. The embedded derivative liability component of the convertible debenture falls under a level 3 hierarchy due to certain inputs that are not based on observable market data.

Related Party Transactions and Key Management Compensation

Key management compensation

Key management includes the Company's directors (Messrs. Steven Dean, Gordon Keep, Hon. John D. Reynolds P.C., Thomas Lau and Ms. Cathy Chan), Chief Executive Officer (Mr. Bing Pan), Chief Financial Officer (Mr. Gerrie van der Westhuizen, effective January 1, 2023). The amounts for the three and six months ended June 30, 2022 included the compensation paid to the former Chief Financial Officer, Mr. Chris Batalha, who resigned effective December 31, 2022. Compensation awarded to key management is presented in the table below:

	Three months ended June 30, 2023	Three months ended June 30, 2022	**Six months ended June 30, 2023**	Six months ended June 30, 2022
Directors' fees	**$ 7,500**	$ 7,500	**$ 15,000**	$ 15,000
Consulting and management fees	**58,750**	43,750	**117,500**	87,500
Wages and benefits	**-**	15,000	**-**	30,000
Share-based payments	**34,588**	14,366	**34,588**	32,838
	$ 100,838	$ 80,616	**$ 167,088**	$ 165,338

Payments for services by related parties

During each of the three and six months ended June 30, 2023 and 2022, the Company incurred corporate consulting fees of $28,750 and $57,500, respectively to Sirocco Advisory Services Ltd. ("Sirocco"), a company controlled by a director and officer of the Company. As at June 30, 2023, the Company owed $86,250 to Sirocco relating to unpaid consulting fees (December 31, 2022 - $28,750).

During each of the three and six months ended June 30, 2023 and 2022, the Company incurred corporate consulting fees of $15,000 and $30,000, respectively to Sinocan Consultant Hong Kong Ltd. ("Sinocan"), a company controlled by an officer of the Company. As at June 30, 2023, the Company owed $5,000 to Sinocan relating to unpaid consulting fees (December 31, 2022 - $10,000).

During the three and six months ended June 30, 2023, the Company incurred corporate consulting fees of $15,000 and $30,000, respectively (for the three and six months ended June 30, 2022 - $nil) to Timbavati Consult ("Timbavati"), an entity controlled by an officer of the Company. As at June 30, 2023, the Company owed $30,000 to Timbavati relating to unpaid consulting fees (December 31, 2022 - $nil).

During each of the three and six months ended June 30, 2023 and 2022, the Company incurred corporate consulting fees of $15,000 and $30,000, respectively to Fiore Management & Advisory Corp. ("Fiore"), a company controlled by a director of the Company. As at June 30, 2023, the Company owed $47,250 to Fiore relating to unpaid consulting fees (December 31, 2022 - $15,750).

As at June 30, 2023, the Company owed $72,500 in directors' fees to certain directors of the Company (December 31, 2022 - $57,500).

The Company was charged shared lease, overhead and service costs by Artemis Gold Inc. ("Artemis"), a company with common management and directors. For the three and six months ended June 30, 2023, the Company incurred $4,978 and $9,886, respectively (for the three and six months ended June 30, 2022 - $5,355 and $10,713, respectively) in shared lease, overhead and service costs. As at June 30, 2023, the Company owed $79,978 to Artemis (December 31, 2022 - $69,598).

All related party transactions were made on terms equivalent to those that prevail in arm's length transactions.

Outstanding Share Data

As at the date of this MD&A, there were 103,720,787 common shares issued and outstanding.

As at the date of this report, there were 8,325,000 stock options and 19,500,000 common share purchase warrants.

As at the date of this MD&A, the Company also had the following convertible debentures outstanding:

- Series A Debentures - $760,000 convertible into units at a conversion price of $0.07 per unit. The conversion price during the first year of the term (until September 26, 2023) is $0.07 per unit, increasing to $0.10 per unit for the remainder of the term. Each unit will consist of 1 common share of the Company and 1 common share purchase warrant of the Company, with each whole warrant entitling the holder to purchase one common Share at a price of $0.07 per common Share and mature on September 26, 2027.
- Series B Debenture - $837,500 convertible into units at a conversion price of $0.10 per unit. Each unit will be comprised of one common share and one share purchase warrant exercisable into one common share of the Company at a price of $0.05 per common share and mature on November 29, 2023.
- Series C Debentures - $1,557,548 convertible into units at a conversion price of $0.19 per unit. Each unit will be comprised of one common share and one share purchase warrant exercisable into one common share of the Company at a price of $0.19 per common share and mature on March 10, 2026.
- Series D Debentures- $1,220,000 convertible into units at a conversion price of $0.07 per unit. The conversion price during the first year of the term (until September 26, 2023) is $0.07 per unit, increasing to $0.10 per unit for the remainder of the term. Each unit will consist of 1 common share of the Company and 1 common share purchase warrant of the Company, with each whole warrant entitling the holder to purchase one common Share at a price of $0.07 per common Share and mature on September 26, 2027.

Risks and Uncertainties

The Company is in the business of acquiring, exploring and, if warranted, developing and exploiting natural resource properties. At present, the mineral properties owned by the Company are located in Québec, Canada. Due to the nature of the Company's proposed business and the present stage of exploration of its mineral properties (which are primarily exploration), the Company is subject to significant risks. For details of these risks, refer to the risk factors set forth in the Company's most recently filed Annual Financial Statements, which can be found under the Company's corporate profile on SEDAR at www.sedarplus.ca. Management is not aware of any significant changes to the risks identified in the Company's most recently filed Annual Financial Statements nor has the Company's mitigation of those risks changed significantly during the three and six months ended June 30, 2023. These risks and the risk factor described below could materially affect the Company's business, future prospects and share price and could cause actual events to differ materially from those described in forward-looking statements relating to the Company. Additional risks and uncertainties not presently known to the Company or that the Company currently considers immaterial may also impair the business, future prospects and share price of the Company. If any of the risks actually occur, the business of the Company may be harmed, and its financial condition and results of operations may suffer significantly.

Going Concern

The Interim Financial Statements have been prepared on a going concern basis, which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business. Factors that may impact the Company's ability to continue as a going concern are described in the *Liquidity, Capital Resources and Going Concern* section of this MD&A. The financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and statement of financial position classifications that would be necessary were the going concern assumption deemed to be inappropriate, and these adjustments could be material.

Forward Looking Statements

This document includes certain "Forward-Looking Statements" as that term is used in applicable securities law. All statements included herein, other than statements of historical fact, including, without limitation, statements regarding potential mineralization and resources, exploration results, and future plans and objectives of the Company, are forward-looking statements that involve various risks and uncertainties. In certain cases, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "scheduled", "believes", or variations of such words and phrases or statements that certain actions, events or results "potentially", "may", "could", "would", "might" or "will" be taken, occur or be achieved. There can be no assurance that such statements will prove to be accurate, and actual results could differ materially from those expressed or implied by such statements. Forward-looking statements are based on certain assumptions that management believes are reasonable at the time they are made. In making the forward-looking statements in this presentation, the Company has applied several material assumptions, including, but not limited to, the assumption that: (1) there being no significant disruptions affecting operations, whether due to labour/supply disruptions, damage to equipment or otherwise; (2) permitting, development, expansion and power supply proceeding on a basis consistent with the Company's current expectations; (3) certain price assumptions for iron ore; (4) prices for availability of natural gas, fuel oil, electricity, parts and equipment and other key supplies remaining consistent with current levels; (5) the accuracy of current mineral resource estimates on the Company's property; (6) labour and material costs increasing on a basis consistent with the Company's current expectations; and (7) the ability to achieve the required financing from equity markets, debt markets and/or a strategic partner/off-taker to facilitate the development and eventual construction of the Company's projects. Important factors that could cause actual results to differ materially from the Company's expectations are disclosed under the heading "Risks and Uncertainties" in the MD&A for the year ended December 31, 2022. Such factors include, among others, risks related to the ability of the Company to obtain necessary financing and adequate insurance; the economy generally; fluctuations in the currency markets; fluctuations in the spot and forward price of iron ore or certain other commodities (e.g., diesel fuel and electricity); changes in interest rates; disruption to the credit markets and delays in obtaining financing; the possibility of cost overruns or unanticipated expenses; employee relations. Accordingly, readers are advised not to place undue reliance on Forward-Looking Statements. Except as required under applicable securities legislation, the Company undertakes no obligation to publicly update or revise Forward-Looking Statements, whether as a result of new information, future events or otherwise.

Additional information relating to the Company is available on SEDAR at www.sedarplus.ca.