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PRESS RELEASE

OCEANIC ANNOUNCES SETTLEMENT OF 2016 ADVANCE ROYALTY PAYMENT WITH SPG ROYALTIES INC.

Montreal QC - Oceanic Iron Ore Corp. ("**Oceanic**", or the "**Company**") is pleased to announce that it has reached agreement with SPG Royalties Inc. ("**SPG**") in respect of the settlement of its 2016 advance royalty payment of \$100,000.

The Company and SPG have agreed to settle the 2016 advance royalty payment through the issuance of 500,000 common shares at a price of \$0.20 per share, subject to approval by the TSX Venture Exchange. The common shares issued will be subject to the statutory four month hold period.

In accordance with the agreement between Oceanic and SPG, SPG is entitled to a \$100,000 annual advance royalty payment until the commencement of commercial production on the Company's Hopes Advance Project. Advanced royalty payments for both SPG and the other royalty holder, 154619 Canada Inc., are deductible from actual royalty payments subsequent to the commencement of commercial production.

With the settlement of the 2016 advanced royalty payment Oceanic remains current in respect of its contractual obligations with SPG.

Alan Gorman, President and CEO of Oceanic commented: *"We are pleased to have reached an agreement with SPG Royalties Inc. Their ongoing support of the development of the Hopes Advance project, and their willingness to assist the Company in its ongoing efforts to preserve available cash reserves is appreciated by the Company's directors and has been in the best interest of all shareholders. The spot pricing trend through 2016 for iron ore, as well as potential gains derived from the spread between Canadian and U.S. currencies, and progress being made by Power China and SNC Lavalin on their EPC proposal are cause for optimism as we enter into 2017. The Company remains optimistic regarding additional progress regarding the development of Hopes Advance next year."*

OCEANIC IRON ORE CORP. (www.oceanicironore.com)

On behalf of the Board of Directors

"Steven Dean"
Executive Chairman

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This news release 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 Oceanic Iron Ore Corp. ("Oceanic", or 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; and (6) labour and material costs increasing on a basis consistent with the Company's current expectations. 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 Company's MD&A filed November 24, 2016 (a copy of which is publicly available on SEDAR at www.sedar.com under the Company's profile) and elsewhere in documents filed from time to time, including MD&A, with the TSX Venture Exchange and other regulatory authorities. 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.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.