OCEANIC IRON ORE CORP.
Ste. 3083 – 595 Burrard Street
Vancouver, BC V7X 1L3
Tel: 604 566 9080
Fax: 604 566 9081

September 22nd, 2011

TSX Venture Exchange: FEO
OTCQX : FEOVF

PRESS RELEASE

HOPES ADVANCE PEA NPV OF $10.4 BILLION
AMEC PORT AND SHIPPING STUDY
PRELIMINARY ENVIRONMENTAL AND SOCIAL IMPACT REPORT

U.S. dollars unless otherwise noted

Vancouver, BC, September 22, 2011 - Oceanic Iron Ore Corp. (the "Company", "Oceanic") is pleased to announce that it has received the results of a Preliminary Economic Assessment prepared by Micon International Limited ("Micon") in respect of the Hopes Advance Project Area ("Hopes Advance"). The PEA was completed using the NI 43-101 Mineral Resource estimate prepared by Micon and reported in a Company news release on September 21st, 2011.

In addition, the Company is pleased to report initial findings on metallurgy, port and shipping feasibility and environmental and social impacts.

Highlights:

Positive Preliminary Economic Assessment on all four production cases analyzed:

- "Optimal" case production of 20 million tonnes per annum ("tpa") 66.5 % iron concentrate
- $3.7 billion initial capital cost inclusive of 25% contingency
- $2.4 billion initial capital cost for 10 million tpa case
- Concentrate selling price of $115/tonne
- Operating cost of $24.58 / tonne of ore pre royalty
- Waste / ore strip ratio of 1.12
- 24 year project life from 2016, pre – tax NPV of $10.4 billion, assuming 8% discount rate
- Pre-tax IRR of 34%, Payback of 2.4 years (post tax, unlevered)

Initial metallurgical testing suggests a very high quality product with minimal deleterious elements:

- Two metallurgical programs developed to assess the resource at Hopes Advance, one program was designed to develop a conceptual flowsheet for Hopes Advance while the

second program was designed to provide weight recovery and concentrate quality data on composites from drill holes in Hopes Advance that would subsequently be used to determine the mineral resources

- Preliminary metallurgical test results have been received from SGS Mineral Services, for composites from five diamond drill holes
- Preliminary results combined with what has been reported historically suggests mineralization from the Castle Mountain Deposit will respond well to gravity separation and can readily produce a 4.5 wt.% SiO2 concentrate, with an iron content of +65 wt.%, and an Fe Recovery of +80%. The preliminary Mozley gravity separation tests suggest it may be possible to produce a concentrate containing lower SiO2
- Over the next 3 to 6 months, further results from testwork regarding the other mineralized areas at Hopes Advance will be released
- A 200 tonne sample is in the process of being collected and shipped to SGS Mineral Services for pilot plant testing targeted for completion in Q2 2012

Marine Facility and Shipping Logistics Study Prepared by AMEC concludes that:

- Construction of a marine facility in Hopes Advance Bay is viable
- Breakwater Point has been identified as an ideal port location in terms of iron ore shipping logistics and marine facility construction costs
- Year round shipping to European and Asian markets using Cape size vessels is feasible
- The estimated incremental shipping cost from Hopes Advance Bay to Rotterdam is $5/tonne compared to the cost to ship to Rotterdam from the port of Sept-Iles. The optimum shipping cost is attained by direct shipment using ice class vessels from Hopes Advance Bay to Rotterdam
- The optimum shipping cost from Hopes Advance Bay to China is attained by direct shipping during summer and through trans-shipment during winter season. The estimated weighted incremental shipping cost from Hopes Advance Bay to China ranges between $6 to $8/tonne in comparison to the shipping cost from Sept-Iles Bay

Golder has produced a report covering first steps of the Environmental and Social Impact Assessment ("ESIA"):

- The report reviews the various areas requiring further study including the importance of continuing to inform and engage the Inuit community that resides in proximity to the project area, the need to complete a review of the presence of any species at risk or valued indigenous species and the potential impact of new infrastructures including energy sources for the project on the environment and local communities
- Initial field study data collection in respect of fish habitat, surface water quality and hydrology has been completed in order to facilitate target ESIA completion in Q4 2012
- Initial consultation with Inuit representatives has been completed

Steven Dean, Chairman and CEO stated: *"The results of our preliminary work has far exceeded our expectations. The combination of a large tonnage, high NPV deposit at tidewater with some of the best quality metallurgical characteristics in the Labrador Trough suggests that Hopes Advance is one of the premier iron development projects in Canada. In addition to the 25 to 50 year mine life at*

Hopes Advance, there is potential significant upside from both the Roberts Lake and Morgan Lake project areas, which have historic resources of approximately 1.8 billion tonnes. We will continue to fast track our work on Hopes Advance with pilot testing on a 200 tonne bulk sample as well as delivery of a pre-feasibility study in Q2 2012."*

**These are historical resource estimates that do not comply with the current Canadian Institute of Mining, Metallurgy and Petroleum Resources (CIM) Definition Standards on Mineral Resources and Mineral Reserves as required by National Instrument 43-101 (NI 43-101) Standards of Disclosure for Mineral Projects. These historical resource estimates were described as "drill indicated" and "potential" at the time of reporting which does not correspond to the categorization set forth in sections 1.2 and 1.3 of NI 43-101. Although these historical resource estimates are relevant to support the presence of large areas of iron mineralization, these estimates are speculative, are based on very limited exploration drilling and will require extensive new exploration and metallurgical efforts to validate. They should not be treated as current mineral resources or reserves or relied upon until confirmed by current exploration and a Qualified Person. A Qualified Person has not done sufficient work to upgrade or classify these historical resource estimates as current NI-43-101 compliant mineral resources. The Roberts Lake historic resource was reported in 1970 from drilling in the late 1950s and the Morgan Lake historic resource was reported in 1957 and 1964. Further information in respect of these historic resources is outlined in a 43-101 technical report prepared by Micon entitled "Technical Report on the Ungava Iron Property - Ungava Bay Region, Quebec, Canada" dated Oct. 29, 2010, available on SEDAR.*

Preliminary Economic Assessment

The PEA for Hopes Advance outlines four potential project scenarios:

- Scenario 1 assumes production of 10 million tpa of 66.5% iron concentrate;
- Scenario 2 assumes production of 20 million tpa of 66.5% iron concentrate;
- Scenario 3 assumes production of 20 million tpa of iron pellets
- Scenario 4 assumes production of 10 million tpa of 66.5% iron concentrate and 10 million tpa iron pellets

In all four scenarios, the PEA demonstrates positive project economics. The Company will continue to study each alternative in detail through the pre-feasibility study stage prior to making a final decision as to the optimal scenario at the feasibility study stage.

The PEA has been based on the 43-101 Mineral Resource estimate as set out below, prepared by Micon and reported in a Company news release on September 21, 2011.

Table 1 – NI 43-101 In-Pit Mineral Resource Estimate Hopes Advance Bay (25% Cut-off)

Category	Tonnes	Total Fe (%)	Weight Recovery (%)
Indicated	358,362,000	31.8%	38.2%
Inferred	872,423,000	32.4%	39.0%

The PEA is preliminary in nature and it includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that the conclusions in the PEA will be realized. As noted above, the interim mineral resource estimate is expected to be updated before the year-end to take into account analysis on holes that have not yet reported. As a result, there is potential to enhance the project's economics if increases in the compliant mineral resources or upgrading of certain inferred resources to the indicated or measured category are achieved.

The tables below list the key PEA metrics. The analysis is based on the assumption that production would begin in 2016.

Table 2 – PEA Results (Pre-tax)

Category	Scenario 1 10m tpa con	Scenario 2 20m tpa con	Scenario 3 20m tpa pellet	Scenario 4 10m tpa con 10m tpa pellet
Price assumption	$115 / tonne	$115 / tonne	$150 / tonne	$115 / tonne con $150/tonne pellet
Pre-tax NPV (8%)	$5.5 billion	$10.4 billion	$12.0 billion	$11.0 billion
Pre tax IRR (%)	26.9%	34.0%	26.2%	28.4%
Payback (years)*	3.1 years	2.4 years	3.25 years	3.0 years
Mine Life (years)	47.7	23.8	25.9	24.8
Initial Capital Costs	$2.4 billion	$3.7 billion	$6.4 billion	$5.2 billion
Strip ratio	*1.12*	*1.12*	*1.12*	*1.12*

**post tax, unlevered*

As noted above, the PEA assumes a concentrate selling price of $115/tonne and also takes into consideration the 2% NSR payable to the vendors of the project. The Company can purchase 1% of the NSR payable to the vendors at any time within the first two years of commencement of commercial production for a one-time payment of CAD $3 million.

In Scenario 2, the Company's "Optimal Case", reducing the concentrate selling price to $85/tonne results in a pre-tax NPV of $6.0 billion, assuming 8% discount rate, pre-tax IRR of 24.6% and payback of 3.5 years.

Total capital costs by scenario are set out below:

Table 3 – Initial Capital Costs

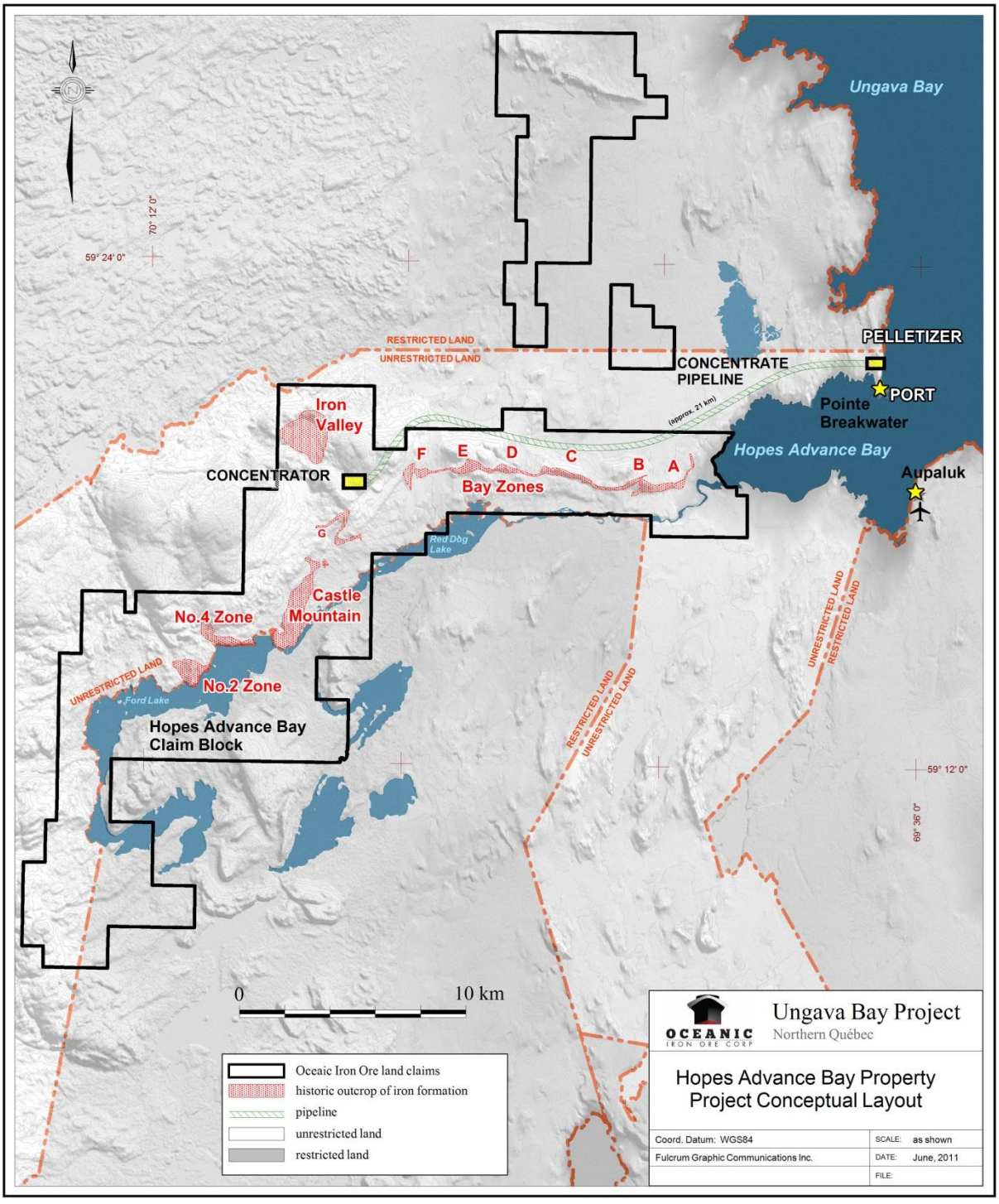
	Scenario 1 10m tpa con $ 000	Scenario 2 20m tpa con $ 000	Scenario 3 20m tpa pellet $ 000	Scenario 4 10m tpa con 10m tpa pellet $ 000
Mine (Equipment)	194,673	351,202	351,202	351,202
Mine (Development)	38,935	70,240	70,240	70,240
Crusher	44,600	88,000	88,000	88,000
Concentrator	515,900	965,900	965,900	965,900
Pelletizer	-	-	1,634,331	854,374
Pipeline	35,532	43,666	43,666	43,666
Hydro - electric power	480,000	540,000	600,000	600,000
Concentrate Storage (at Port)	60,000	122,000	122,000	122,000
Port	258,000	294,000	294,000	294,000
Site Roads	15,306	15,306	15,306	15,306
Camp	82,240	126,760	180,280	180,280
Airstrip	3,500	3,500	3,500	3,500
Fresh Water Supply	3,500	4,618	5,804	5,804
Sewage	5,400	7,126	8,955	8,955
Waste Disposal	2,100	2,771	3,482	3,482
Office Complex	9,000	11,748	14,168	14,168
Communications	1,000	1,000	1,000	1,000
Mobile Equipment	5,000	6,000	8,000	8,000
Indirect (EPCM, Closure)	204,509	358,905	926,195	659,471
Contingency	438,672	663,459	1,102,459	907,469
Total CAPEX	**$ 2,397,867**	**$ 3,676,201**	**$ 6,438,487**	**$ 5,196,817**

A conceptual diagram outlining the project layout is set out below. As illustrated, the deposits are optimally located approximately 20 km from the potential port site at Pointe Breakwater (discussed in more detail below) such that a pipeline will run from the concentrator, expected to be placed in proximity to all deposits, to the port.

Pelletizing equipment would be located at the port site should the Company decide to produce a pellet finished product. Green hydroelectric power is expected to be run from one of the existing operational power reservoirs in closest proximity to Ungava Bay.

As highlighted in its September 20, 2011 news release, the Company is working alongside Makivik Corporation, the Quebec provincial government and Quebec Hydro in respect of a solution to the delivery of power both to the Company's project areas and to local communities in a timescale to suit the development of the Company's projects.

Figure 1 – Hopes Advance Conceptual Layout



A summary of operating costs by scenario is set out below:

Table 4 – Operating Costs (excluding royalty)

Category	Scenario 1 10m tpa con	Scenario 2 20m tpa con	Scenario 3 20m tpa pellet	Scenario 4	
				10m tpa con	10m tpa pellet
Mining *($/tonne all material)*	$1.96	$1.89	$1.89	$1.89	$1.89
Mining ($/tonne product)	$10.71	$10.36	9.54	$10.27	$9.62
Concentrator *($/tonne product)*	$10.67	$9.73	$8.96	$9.73	$8.96
Pipeline *($/tonne product)*	$0.25	$0.21	$0.19	$0.21	$0.19
Pelletizer *($/tonne pellets)*	N/A	N/A	$14.12	N/A	$14.99
Port *($/tonne product)*	$2.13	$1.45	$1.45	$1.45	$1.45
Camp and Infrastructure *($/tonne product)*	$2.24	$1.73	$2.23	$2.23	$2.23
G&A (Site only) *($/tonne product)*	$1.84	$1.11	$1.24	$1.24	$1.24
Total operating cost /tonne product	***$27.85***	***$24.58***	***$37.74***	***$25.13***	***$38.70***

Metallurgy

Metallurgical Programs

Two metallurgical programs were developed to assess the resource at Hopes Advance. One program was designed to develop a conceptual flowsheet for Hopes Advance while the second program was designed to provide weight recovery and concentrate quality data on composites from drill holes at Hopes Advance that would subsequently be used to determine the ore resource. Approximately 800 composites will be analyzed for ore characterization purposes.

FL Smidth was contracted to develop a conceptual flowsheet for Hopes Advance. The conceptual flowsheet will be developed from grind-grade, shaker table and Davis Tube tests. The shaker table simulates spiral performance and the Davis Tube simulates low intensity magnetic separation (LIMS). FL Smidth will provide an overall process flowsheet and an analysis of process alternatives for the comminution and iron upgrade unit operations. The samples for the FL Smidth flowsheet development test work were collected from the historic bulk sample trenches at Castle Mountain. Results from FL Smidth are expected in early October.

SGS Mineral Services was contracted to determine weight recovery and concentrate grade information on composites from Hopes Advance. Since the Castle Mountain Deposit contains both hematite and magnetite (hematite > magnetite), a program was designed to simulate recoveries that could be expected in a concentrating plant using gravity separation followed by regrinding and LIMS. Gravity separation tests by Mozley table were conducted first to recover hematite and coarse magnetite. Davis Magnetic Tube Tests were then conducted on the tail from the gravity tests to recover the remaining magnetite following additional grinding to liberate the magnetite.

Initial Metallurgical Test Results

Preliminary metallurgical test results have been received from SGS Mineral Services for composites from five diamond drill holes (HA-11-001b, HA-11-002, HA-11-003, HA-11-007, and HA-11-008) from the Castle Mountain Deposit. Grind grade tests indicated good hematite and magnetite liberation is achieved with a relatively coarse grind. Preliminary results for the gravity separation tests have been received and are summarized below. The concentrate results have been adjusted to reflect a 4.5wt.% SiO2, that is desirable for iron ore pellet production, because SiO2 grades lower than 4.5wt.% were achieved in many instances at the target grind. At this time, the results of the Davis Magnetic Tube Tests on the Mozley table tails have not been received. Satmagan analyses of the Mozley table tails indicate that in many instances most of the magnetite is recovered by gravity separation. This appears to be due to the recovery of relatively fine grained magnetite by gravity separation which typically occurs when fine grained magnetite is intergrown with hematite, and when magnetite grains grow together forming coarser magnetite aggregates.

The Mozley tests indicate that the ore from the Castle Mountain Deposit will respond well to gravity separation and can readily produce a 4.5wt.% SiO2 concentrate, with an iron content of +65 wt.%, and an Fe Recovery of +80%. The preliminary Mozley tests suggest it may be possible to produce a lower SiO2 concentrate. Mozley table concentrates have very low levels of deleterious elements (Table 7).

Table 5 – Preliminary Results from Gravity Separation Tests Target 4.5% SiO2

				Head Grade		Concentrate Grade		
Drill Hole	**From**	**To**	**Thick**	**Total Fe**	**Sat**	**Total Fe**	**Target SiO2***	**Fe Rec.**
HA-11-001b	58.00	73.00	15.00	29.5	17.3	63.7	4.5	72.3
HA-11-001b	73.00	101.00	28.00	37.1	6.5	64.0	4.5	87.3
HA-11-001b	101.00	115.40	14.40	28.5	3.5	64.9	4.5	85.9
HA-11-001b	115.40	121.00	5.60	21.1	9.6	63.4	4.5	82.5
HA-11-002	30.60	38.00	7.40	28.9	27.1	65.4	4.5	81.1
HA-11-002	45.10	67.00	21.90	33.4	14.2	66.6	4.5	78.9
HA-11-002	95.00	102.00	7.00	36.5	10.9	64.2	4.5	88.6
HA-11-002	102.00	114.00	12.00	37.6	2.1	64.8	4.5	85.8
HA-11-002	114.00	136.00	22.00	30.2	2.8	65.3	4.5	84.7
HA-11-003	36.85	44.40	7.55	28.7	29.6	66.4	4.5	65.3
HA-11-003	44.40	68.00	23.60	34.6	10.2	66.1	4.5	75.4
HA-11-003	68.00	88.00	20.00	36.2	5.1	65.3	4.5	82.1
HA-11-003	88.00	96.70	8.70	33.6	2.7	64.8	4.5	77.7
HA-11-007	0.20	23.00	22.80	36.5	19.7	65.1	4.5	83.3
HA-11-007	23.00	29.00	6.00	36.7	11.8	65.7	4.5	84.8
HA-11-007	29.00	50.10	21.10	31.9	14.1	64.4	4.5	83.1
HA-11-007	50.10	64.40	14.30	24.8	19.3	66.3	4.5	76.8
HA-11-008	11.70	23.30	11.60	32.3	28.0	66.8	4.5	73.9
HA-11-008	23.30	52.00	28.70	35.3	10.9	66.6	4.5	77.5
HA-11-008	52.00	69.15	17.15	31.5	4.5	64.5	4.5	78.9
HA-11-008	69.15	75.10	5.95	20.3	9.2	64.8	4.5	70.5

*Presents either the Mozley concentrate, or a combination of the concentrate with the middlings in order to generate a product as close as possible to the target 4.5% SiO2.

Table – 6 – Mozley Table Concentrates

				Head Grade		Concentrate Grade		
Drill Hole	**From**	**To**	**Thick**	**Fe**	**Sat**	**Fe**	**SiO2**	**Fe Rec.**
HA-11-001b	58.00	73.00	15.00	29.5	17.3	67.7	2.3	68.2
HA-11-001b	73.00	101.00	28.00	37.1	6.5	65.0	3.8	86.4
HA-11-001b	101.00	115.40	14.40	28.5	3.5	66.0	3.7	83.0
HA-11-001b	115.40	121.00	5.60	21.1	9.6	66.1	1.6	81.4
HA-11-002	30.60	38.00	7.40	28.9	27.1	66.4	3.8	79.8
HA-11-002	45.10	67.00	21.90	33.4	14.2	68.8	2.0	77.4
HA-11-002	95.00	102.00	7.00	36.5	10.9	66.1	2.4	87.9
HA-11-002	102.00	114.00	12.00	37.6	2.1	65.8	3.6	84.0
HA-11-002	114.00	136.00	22.00	30.2	2.8	67.5	2.3	82.1
HA-11-003	36.85	44.40	7.55	28.7	29.6	68.7	2.1	63.1
HA-11-003	44.40	68.00	23.60	34.6	10.2	66.3	4.4	75.2
HA-11-003	68.00	88.00	20.00	36.2	5.1	69.5	1.0	80.3
HA-11-003	88.00	96.70	8.70	33.6	2.7	66.3	2.8	76.6
HA-11-007	0.20	23.00	22.80	36.5	19.7	68.3	1.5	80.5
HA-11-007	23.00	29.00	6.00	36.7	11.8	68.0	1.9	83.6
HA-11-007	29.00	50.10	21.10	31.9	14.1	64.9	4.1	82.6
HA-11-007	50.10	64.40	14.30	24.8	19.3	69.9	1.3	72.3
HA-11-008	11.70	23.30	11.60	32.3	28.0	68.9	2.2	72.7
HA-11-008	23.30	52.00	28.70	35.3	10.9	65.6	5.6	78.3
HA-11-008	52.00	69.15	17.15	31.5	4.5	68.1	1.5	73.6
HA-11-008	69.15	75.10	5.95	20.3	9.2	64.3	5.2	70.8

Table 7 – Mozley Table Concentrates Assays of Elements of Interest

	From	To	Thick	Al2O3	MgO	CaO	Na2O	K2O	TiO2	P2O5	MnO
HA-11-001b	58.00	73.00	15.00	<0.01	0.18	0.26	<0.01	<0.01	<0.01	<0.01	0.04
HA-11-001b	73.00	101.00	28.00	<0.01	0.15	0.40	<0.01	<0.01	<0.01	<0.01	0.26
HA-11-001b	101.00	115.40	14.40	0.01	0.01	0.09	<0.01	<0.01	<0.01	<0.01	0.04
HA-11-001b	115.40	121.00	5.60	0.01	0.14	0.30	<0.01	<0.01	<0.01	<0.01	0.03
HA-11-002	30.60	38.00	7.40	<0.01	0.15	0.23	<0.01	<0.01	<0.01	<0.01	0.02
HA-11-002	45.10	67.00	21.90	<0.01	0.02	0.06	<0.01	<0.01	<0.01	<0.01	0.02
HA-11-002	95.00	102.00	7.00	<0.01	0.19	0.48	<0.01	<0.01	<0.01	0.01	0.26
HA-11-002	102.00	114.00	12.00	0.01	0.06	0.28	<0.01	<0.01	<0.01	<0.01	0.83
HA-11-002	114.00	136.00	22.00	0.02	0.06	0.36	<0.01	<0.01	0.01	<0.01	0.13
HA-11-003	36.85	44.40	7.55	0.02	0.19	0.14	<0.01	<0.01	<0.01	<0.01	0.02
HA-11-003	44.40	68.00	23.60	0.04	0.03	0.10	<0.01	<0.01	<0.01	<0.01	0.02
HA-11-003	68.00	88.00	20.00	0.02	0.01	0.07	0.02	<0.01	<0.01	<0.01	0.06
HA-11-003	88.00	96.70	8.70	0.03	0.08	0.28	<0.01	<0.01	<0.01	<0.01	0.41
HA-11-007	0.20	23.00	22.80	0.02	0.13	0.46	<0.01	<0.01	<0.01	<0.01	0.24
HA-11-007	23.00	29.00	6.00	<0.01	0.06	0.16	<0.01	<0.01	<0.01	<0.01	0.11
HA-11-007	29.00	50.10	21.10	0.05	0.08	0.21	<0.01	<0.01	0.02	<0.01	0.40
HA-11-007	50.10	64.40	14.30	0.03	0.06	0.15	<0.01	<0.01	0.01	<0.01	0.04
HA-11-008	11.70	23.30	11.60	<0.01	0.09	0.29	<0.01	<0.01	<0.01	<0.01	0.08
HA-11-008	23.30	52.00	28.70	0.03	0.13	0.42	0.02	<0.01	<0.01	<0.01	0.17
HA-11-008	52.00	69.15	17.15	0.01	0.05	0.32	0.01	<0.01	<0.01	<0.01	0.24
HA-11-008	69.15	75.10	5.95	0.04	0.40	1.13	<0.01	<0.01	<0.01	<0.01	0.10

Historical Metallurgical Testing

Considerable metallurgical work was done on Hopes Advance in the late 1950's. This metallurgical work was used to design a flowsheet using spirals followed by LIMS. Most of the historic resource estimate was based on soluble iron assays supplemented with metallurgical work on a few drill holes, and the results of metallurgical testing on a bulk sample from Castle Mountain. A summary report by Lone Star published in 1973 demonstrates that concentrate weight recoveries of 40 percent at 5 percent silica were achieved with the spirals and magnetite separation alone. The results from the current metallurgical test work confirm the historic metallurgical work in that the iron in both the hematite and magnetite ore is largely recovered by gravity due to the apparent inter-grown magnetite with the hematite and the aggregation of magnetite grains.

Continuing Metallurgical Testing

Metallurgical data from the remaining composites should be received over the next three months. The conceptual flowsheet should be received from FL Smidth in early October. Discussions have been held with prospective labs for a pilot plant test. A 200 tonne bulk sample is being collected in anticipation of a pilot plant test program targeted for completion in Q2 2012.

Marine Logistics Study

The Company has engaged AMEC Environment & Infrastructure, a Division of AMEC Americas Limited ("AMEC") to identify a location for a port facility in Hope Advance Bay and prepare an initial report as to the feasibility of the construction of the facility at Breakwater Point.

As part of the Hopes Advance Bay Marine Facility initial report, the following tasks were performed:

- Identified, evaluated and selected the optimum location for the Hopes Advance marine facility;
- Established marine terminal configuration at the selected location;
- Proposed and evaluated iron ore ocean shipping logistics to European and Asian mills;
- Established onshore infrastructure required for port operation;
- Executed Hopes Advance Bay bathymetric survey;
- Established Ungava Bay and Hopes Advance Bay environmental conditions;

The marine design basis for the port infrastructure heavily relies on oceanographic environmental conditions present within Ungava Bay. The shoreline experiences Nordic climate conditions through the calendar year. A tidal water level fluctuation of 13.6m is used for wharf design. In comparison the world's highest tidal ranges of 16.8m occur in Leaf Basin for Ungava Bay and 17.0m at Burntcoat Head for Bay of Fundy.

The proposed port location at Breakwater Point has been chosen based on distance from the concentrator, onshore area topography, distances to deep waters, optimal ship navigation and minimal exposure to open sea conditions. From the conducted bathymetric survey by Aquatics ESI the proposed port location has shown adequate deep waters for wharf construction suitable for Cape Size vessels. Deep waters are present just after the tidal flats of Breakwater Point, thus creating an ideal location for port construction.

For this phase of the project, two shipping destinations are analyzed: Rotterdam and Qingdao Port. Due to the Nordic weather conditions two shipping seasons are defined as follows: Ice free season from mid June – mid November (150 days) and Ice season from mid November – mid June (215 days). The bulk material can either be shipped through direct shipment to final destination or through trans-shipment in the fjord in Nuuk, Greenland during the ice season. Optimal shipment to Europe is through direct shipment with ice class or blue water vessels. Export to China shall be completed with the trans-shipment option in Greenland with increased export in the ice free season to 50% of total annual production of the mine. However during the ice free season direct shipment to China is the most economical option.

Total CAPEX and OPEX estimates for port construction and maintenance have been assessed for the defined service life of 30 years. The CAPEX direct cost for marine infrastructure including the iron ore wharf was estimated at $258M (10Mt/y production) and $294M (20Mt/y production). Additional stockyard CAPEX direct costs are $60M (10Mt/y production) and $122M (20Mt/y production).

Operating costs for the port are summarized in the PEA section above.

As a result of their work to date, AMEC has concluded that:

- Construction of a marine facility in Hopes Advance Bay is viable,
- Breakwater Point has been identified as an ideal port location in terms of iron ore shipping logistics and marine facility construction cost,
- Year round shipping to European and Asian markets using Cape size vessels is feasible,
- The estimated incremental shipping cost from Hopes Advance Bay to Rotterdam is $5/tonne in comparison to shipping cost from Sept-Iles Bay. The optimum shipping cost is attained by direct shipment using ice class vessels from the Hopes Advance Bay to Rotterdam,
- The optimum shipping cost from Hopes Advance Bay to China is attained by direct shipping during summer and through trans-shipment during winter season. The estimated weighted incremental shipping cost from Hopes Advance Bay to China ranges between $6 to $8/tonne in comparison to shipping cost from Sept-Iles Bay.

Further work on the marine facility and shipping options will be completed in the coming months, including:

- Confirmation of exact transshipment location within the fjord near Nuuk, Greenland. Contact Greenland Port Authorities (Government of Greenland: Bureau of Minerals & Petroleum and the Royal Danish Navy) to confirm transshipment cost;
- Initiation of ice measurement program for the Hopes Advance Area;
- Initiation of Geotechnical Investigation to collect design parameters for dredging requirements, caisson and causeway designs;
- Further investigation of shipping distance, route, type of shipping contracts, export volume, oil prices and port charges to support work on export costs;
- Availability of ice class vessels for the project and shipping costs;
- Optimization of winter/summer shipping volumes to optimize shipping cost.

Environmental

The Company has engaged Golder Associates of Montreal (“Golder”) to advance the work necessary to produce an ESIA on Hopes Advance. Golder has completed an initial report entitled “INTEGRATING ENVIRONMENTAL AND SOCIAL CONSIDERATIONS IN THE HOPES ADVANCE PROJECT – A FIRST OVERVIEW”. This report summarizes the first steps of the ESIA in relation to Hopes Advance.

The report reviewed the various areas requiring further study including the importance of continuing to inform and engage the Inuit community that resides in proximity to the project area, the need to complete a review of the presence of any species at risk or valued indigenous species and the potential impact of new infrastructures including energy sources for the project on the environment and local communities.

The report also notes that Golder has recently completed its first field survey and data collection at Hopes Advance, focused on aquatic habitats and that Golder has initiated consultations with the Inuit people, having now met with representatives of both Makivik Corporation and Aupaluk Landholdings, to exchange information about the environmental and social studies undertaken by

the Company as well as increase the understanding of traditional land-use within the project study area. Golder is planning additional desktop work and consultations in the coming months as well as additional field surveys with targeted completion for an ESIA in the fourth quarter of 2012.

Next Steps

The complete report in respect of the PEA including further detail on metallurgy, marine logistics and environmental review will be filed on SEDAR and on the Company's website within 45 days of this news release.

Over the coming months, the Company will be focused on:

- Resource estimate update in respect of Hopes Advance targeted by year end 2011;
- Resource estimate from the Roberts Lake / Kayak Bay area targeted in the first quarter of 2012;
- Pre-feasbility study in respect of Hopes Advance targeted for Q2 2012;
- Environmental and Social Impact Assessment expected in Q4 2012;
- Feasibility study targeted in the first half of 2013.

In addition, the Company will continue its work at all levels of government and with Inuit representatives to ensure good communication and dialogue; and that its infrastructure requirements are understood and implemented in a timely manner to support the development of its Ungava Bay project areas.

Eddy Canova, P.Geo. (Q403), the Exploration Manager for the Company and a Qualified Person as defined by NI 43-101, has reviewed and is responsible for the technical information contained in this news release.

OCEANIC IRON ORE CORP. (www.oceanicironore.com)
On behalf of the Board of Directors

"Steven Dean"
Chairman and Chief Executive Officer
+1 604 566 9080

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 "Risk Factors" in the Company's Filing Statement dated November 22, 2010 (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 Toronto Stock 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.