Oceanic Iron Ore Corp.

Unaudited Condensed Interim Financial Statements
For the three months ended June 30, 2015 and 2014
(Stated in Canadian Dollars)

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

The accompanying unaudited condensed interim financial statements of Oceanic Iron Ore Corp. (“the Company”) have been prepared by and are the responsibility of the Company’s management.

The Company’s independent auditor has not performed a review of these condensed interim financial statements in accordance with the standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity’s auditor.

Oceanic Iron Ore Corp.

Statements of Financial Position

		June 30, 2015	March 31, 2015
Assets			
Current assets			
Cash and cash equivalents	$	**1,564,035**	$ 1,944,510
Receivables (Note 3)		**126,466**	132,577
Prepaid expenses and deposits		**214,903**	251,673
Restricted cash		**34,500**	34,500
		1,939,904	2,363,260
Equipment		**200,734**	230,266
Mineral properties (Note 4)		**40,646,639**	40,500,238
	$	**42,787,277**	$ 43,093,764
Liabilities			
Accounts payable and accrued liabilities	$	**86,507**	$ 126,857
Due to related parties (Note 8)		**26,920**	23,056
Current portion of advance royalty payable (Note 4(b))		**184,135**	175,227
Convertible debenture - liability component (Note 5)		**2,816,507**	2,707,066
		3,114,069	3,032,206
Non-current portion of advance royalty payable (Note 4(b))		**462,765**	440,377
		3,576,834	3,472,583
Shareholders' equity			
Share capital (Notes 6(a),6(b))		**55,331,590**	55,331,590
Contributed surplus (Notes 6(c),6(d), 6(e))		**9,171,896**	9,091,588
Convertible debenture - equity component (Note 5)		**562,011**	562,011
Deficit		**(25,855,054)**	(25,364,008)
		39,210,443	39,621,181
	$	**42,787,277**	$ 43,093,764

Nature of operations and going concern (Note 1)
Commitments (Note 7)

Approved by the Board:

" Steven Dean " Director

" Gordon Keep " Director

The accompanying notes are an integral part of these condensed interim financial statements

Oceanic Iron Ore Corp.

Statements of Loss and Comprehensive Loss
For the three months ended June 30, 2015 and 2014

		June 30, 2015		June 30, 2014
Expenses				
Consulting and management fees	**$**	**56,250**	$	137,500
Directors' fees		**7,500**		7,500
Investor relations and corporate development		**32,988**		68,757
License and insurance		**8,370**		14,545
Office and general		**9,576**		23,336
Professional fees		**11,692**		59,029
Rent		**25,739**		24,500
Share-based payments (Note 6(c)(d))		**80,308**		36,832
Transfer agent and regulatory		**(163)**		14,099
Travel		**842**		1,740
Wages and benefits		**108,092**		110,724
Loss from operations		**341,194**		498,562
Other income (expenses)				
Interest income		**4,589**		4,515
Interest and other financing expense		**(154,441)**		(137,493)
Net loss before income taxes		**(491,046)**		(631,540)
Deferred income tax recovery		**-**		158,503
Net loss and comprehensive loss for the period	**$**	**(491,046)**	$	(473,037)
Loss per common share - basic and diluted	**$**	**(0.01)**	$	(0.02)
Weighted average number of common shares outstanding		**35,048,136**		19,661,822

The accompanying notes are an integral part of these condensed interim financial statements

Oceanic Iron Ore Corp.

Statements of Changes in Equity

For the three months ended June 30, 2015 and 2014

	Share capital										
	Number of shares		Amount		Contributed surplus		Convertible debenture		Deficit		Total equity
Balance - April 1, 2015	**35,048,136**	**$**	**55,331,590**	**$**	**9,091,588**	**$**	**562,011**	**$**	**(25,364,008)**	**$**	**39,621,181**
Share-based payments recognized	-		-		80,308		-		-		80,308
Net loss for the period	-		-		-		-		(491,046)		(491,046)
Balance - June 30, 2015	**35,048,136**	**$**	**55,331,590**	**$**	**9,171,896**	**$**	**562,011**	**$**	**(25,855,054)**	**$**	**39,210,443**

	Share capital										
	Number of shares		Amount		Contributed Surplus		Convertible debenture		Deficit		Total equity
Balance - April 1, 2014	**19,661,822**	**$**	**52,719,225**	**$**	**8,308,310**	**$**	**562,011**	**$**	**(23,063,238)**	**$**	**38,526,308**
Share-based payments recognized	-		-		39,556		-		-		39,556
Net loss for the period	-		-		-		-		(473,037)		(473,037)
Balance - June 30, 2014	**19,661,822**	**$**	**52,719,225**	**$**	**8,347,866**	**$**	**562,011**	**$**	**(23,536,275)**	**$**	**38,092,827**

The accompanying notes are an integral part of these condensed interim financial statements

Oceanic Iron Ore Corp.

Statement of Cash Flows

For the three months ended June 30, 2015 and 2014

		Three Months ended June 30, 2015		Three Months ended June 30, 2014
Operating activities				
Net loss for the period	**$**	**(491,046)**	$	(473,037)
Adjustments for:				
Deferred income tax (recovery)		**-**		(158,503)
Share-based payments		**80,308**		36,832
Interest income		**(4,589)**		(4,515)
Interest and financing expense		**154,441**		137,493
Net changes in non-cash working capital balances:				
Prepaid expenses and deposits		**9,975**		(78,864)
Receivables		**4,401**		34,648
Accounts payable and accrued liabilities		**(34,025)**		32,754
Due to related parties		**3,864**		6,861
		(276,671)		(466,331)
Investing activities				
Mineral property expenditures		**(58,981)**		(495,637)
Interest income received		**177**		2,692
		(58,804)		(492,945)
Financing activities				
Interest paid on convertible debenture (Note 5)		**(45,000)**		(45,000)
		(45,000)		(45,000)
Change in cash and cash equivalents during the period		**(380,475)**		(1,004,276)
Cash and cash equivalents, beginning of period		**1,944,510**		2,093,897
Cash and cash equivalents, end of period	**$**	**1,564,035**	$	1,089,621
Cash and cash equivalents are comprised of the following:				
Cash	**$**	**64,035**	$	289,621
Term deposits	**$**	**1,500,000**	$	800,000
	$	**1,564,035**	$	1,089,621
Non cash investing and financing activities				
Accretion on debt portion of convertible debenture		**154,441**		137,493
Accretion on advance royalty payable		**31,296**		27,118
Change in mineral property expenditures in accounts payable		**(6,323)**		(200,743)
Depreciation of equipment charged to mineral properties		**29,532**		29,532

The accompanying notes are an integral part of these condensed interim financial statements

1. NATURE OF OPERATIONS AND GOING CONCERN

Oceanic Iron Ore Corp. ("Oceanic" or the "Company") is an exploration stage company engaged in the acquisition and exploration of iron ore properties in Québec, Canada. The Company was incorporated on March 8, 1986 under the British Columbia Business Corporations Act. The Company maintains its head office at 595 Burrard Street, Suite 3083, Vancouver, British Columbia. The Company's registered/records office is located at 1500 – 1055 West Georgia Street, Vancouver, British Columbia. Its common shares are traded on the TSX Venture Exchange under the symbol "FEO".

The Company acquired a 100% interest in certain mining claims (the "Property") located near Ungava Bay, Québec, Canada in November, 2010. The Company is currently conducting exploration activity on the Property.

While these 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, there are certain conditions and events that may cast significant doubt on the validity of this assumption. For the three months ended June 30, 2015, the Company reported a loss of $491,046 and as at that date had an accumulated deficit of $25,855,054 and a working capital deficit of $1,174,165. The Company will need to raise sufficient funds in order to finance ongoing exploration, development and administrative expenses over the coming 12 months. The success of raising such funds cannot be assured. Factors that could affect the availability of financing include the Company's performance, the state of international debt and equity markets, investor perceptions and expectations, the retention of key executive management and the state of global financial and metals markets. These 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.

2. BASIS OF PRESENTATION

These condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") applicable to the preparation of interim financial statements, including International Auditing Standard 34, Interim Financial Reporting ("IAS 34") as issued by the International Accounting Standards Board. These condensed interim financial statements do not include all disclosures required for annual audited financial statements. Accordingly, they should be read in conjunction with the notes to the Company's audited annual financial statements for the year ended March 31, 2015. The accounting policies followed in these condensed interim financial statements are the same as those applied in note 3 of the Company's audited annual financial statements for the year ended March 31, 2015.

The Board of Directors approved these condensed interim financial statements on August 27, 2015.

3. RECEIVABLES

	June 30, 2015	March 31, 2015
Input tax credits	$ 8,675	$ 19,201
Refundable exploration tax credits	100,000	100,000
Interest and other receivables	17,791	13,376
	$ 126,466	**$ 132,577**

4. MINERAL PROPERTIES - UNGAVA BAY

a) Acquisition costs

	Three months ended June 30, 2015	Three months ended June 30, 2014
Balance - Beginning of period	**$ 18,489,528**	$ 18,207,341
Additions		
Accretion of advance royalty payable	31,296	27,118
Balance - End of period	**$ 18,520,824**	$ 18,234,459

b) Exploration costs

	Three months ended June 30, 2015	Three months ended June 30, 2014
Cumulative exploration costs - Beginning of year	**$ 22,010,710**	$ 20,786,867
Expenditures during the year		
Permitting & claims	**12,407**	86,034
Drilling	**-**	6,000
Fieldwork & geology	**-**	6,850
Consultants	**2,400**	57,566
Salaries*	**-**	55,224
Fuel	**-**	834
Mapping & imagery	**-**	65,754
Assays & metallurgy	**-**	1,018
Equipment, supplies & rentals	**35,938**	(27,115)
Office and accomodation	**34,828**	48,670
Transportation	**-**	28,096
Equipment depreciation	**29,532**	29,532
Exploration expenditures for the year	**115,105**	358,463
Cumulative exploration costs - End of year	**$ 22,125,815**	**$ 21,145,330**
Grand total - mineral properties	**$ 40,646,639**	$ 39,379,789

* Includes a portion of share-based payments of $nil (2014: $2,724).

4. MINERAL PROPERTIES - UNGAVA BAY (continued)

c) Exploration costs (continued)

Under the terms of the acquisition of the Property, the Company must pay advance net smelter return ("NSR") payments of $200,000 per year until the commencement of commercial production. The aggregate advance NSR payments will then be credited against all future NSR payments payable from production. The advance NSR payments included in the purchase price represent the present value of advance payments to the Vendors until the estimated date of commencement of commercial production.

The Company discounted the advance NSR payments using a discount rate of 20%, representing the estimated rate of return of similar investments at the date of acquisition. The advance royalty balance will be accreted up to the date of ultimate NSR advance payment, resulting in an increase to mineral property acquisition costs and the advance royalty payable. The total estimated future undiscounted NSR payments as at June 30, 2015 was $1,000,000 (March 31, 2015: $1,000,000) (Note 7). For the three months ended June 30, 2015, accretion of the advance royalty payable totaled $31,296 (2014: $27,118). At June 30, 2015, the total Advance Royalty payable was $646,900 (March 31, 2015: $615,604), with $184,135 (March 31, 2015: $175,227) recognized as current and $462,765 recognized as long term (March 31, 2015: $440,377).

5. CONVERTIBLE DEBENTURE

	Liability component	Equity component	Total
Opening balance - April 1, 2014	**$ 2,312,720**	**$ 562,011**	**$ 2,874,731**
Amortization of issuance costs	60,979	-	**60,979**
Accretion of discount	513,367	-	**513,367**
Interest payments	(180,000)	-	**(180,000)**
Balance - March 31, 2015	**$ 2,707,066**	**$ 562,011**	**$ 3,269,077**
Amortization of issuance costs	15,245	-	**15,245**
Accretion of discount	139,196	-	**139,196**
Interest payments	(45,000)	-	**(45,000)**
Balance - June 30, 2015	**$ 2,816,507**	**$ 562,011**	**$ 3,378,518**

Accretion and other financing expense on the Company's convertible debenture for the three months ended June 30, 2015 was $154,441 (2014: $137,493). As the convertible debenture matures in November 2015, the liability portion of the convertible debenture is classified as a current liability.

6. SHARE CAPITAL

(a) Share Capital

Unlimited common and preferred shares without par value

(b) Issued and fully paid common shares

On July 2, 2014, the Company's common shares were consolidated on the basis of one post-consolidated share for every ten pre-consolidated shares. All common share, share option, share purchase warrant, restricted share unit and per share amounts in these financial statements have been retrospectively restated to present post-consolidation amounts.

6. SHARE CAPITAL (continued)

b) Issued and fully paid common shares (continued)

On October 9, 2014, the Company completed a non-brokered private placement issuing 15,248,750 units at $0.20 per unit for aggregate gross proceeds of $3,049,750. Each unit consisted of one common share of the Company and one common share purchase warrant. Each whole warrant entitles the holder to acquire one common share of the Company at a price of $0.30 per share until April 9, 2017. The Company incurred cash share issue costs in the amount of $76,800 in connection with the private placement. The share capital was valued using the closing stock price of the Company on the completion date of the private placement, with the residual amount of $381,219 allocated to the warrants and recognized in contributed surplus.

c) Restricted Share Units ("RSUs")

The RSU plan provides for the issuance of common shares from treasury upon the exercise of vested RSUs at no additional consideration. The current maximum number of common shares authorized for issue under the RSU plan is 3,491,057. The RSUs have vesting conditions determined by the Board of Directors.

A summary of the changes in RSUs is as follows:

	Number of RSUs
Balance - April 1, 2014	476,406
Granted	1,225,806
Settled	(137,564)
Forfeited	(82,813)
RSUs exercisable - March 31, 2015 and June 30, 2015	**1,481,835**

On November 25, 2014, the Company granted a total of 1,225,806 RSUs to directors and officers of the Company. The vesting period for the RSUs granted is as follows: 1/3 on the grant date, 1/3 on the twelve month anniversary date, and 1/3 on the twenty four month anniversary date. Each RSU has a fair value of $0.16 which was the closing share price at the grant date.

RSU expense for the three months ended June 30, 2015 was $55,020 (2014: $39,556), of which $55,020 (2014: $36,832) was recorded within Share-based payment expense in the Statement of Loss and Comprehensive Loss and $nil (2014: $2,724) was capitalized to mineral properties.

6. SHARE CAPITAL (continued)

(c) Stock options

The Company has established a rolling stock option plan (the "Plan") in compliance with the TSX Venture Exchange's policy for granting stock options. Under the Plan, the maximum number of shares reserved for issuance may not exceed 10% of the total number of issued and outstanding common shares and the term of any option granted under the Plan may not exceed ten years. The exercise price of each option shall not be less than the market price of the Company's stock at the date of grant. Each option vesting period is determined on a grant by grant basis. Stock options are settled through the issuance of the Company's common shares.

As at June 30, 2015 and March 31, 2015, the Company had a total of 3,404,350 stock options outstanding with a weighted average exercise price of $0.18.

A summary of the changes in the stock options is as follows:

	Options	Weighted average exercise price
Options outstanding - April 1, 2014	1,964,350	0.20
Granted	1,440,000	0.16
Options outstanding - March 31, 2015 and June 30, 2015	**3,404,350**	**0.18**
Options exercisable - June 30, 2015	**2,920,184**	**0.19**

The following table summarizes information about stock options outstanding at June 30, 2015:

Number of Options	Options outstanding	Exercise Price	Expiry Date	Options Exercisable
25,000	25,000	0.20	May 28, 2017	25,000
526,350	526,350	0.20	November 30, 2020	526,350
350,000	350,000	0.20	January 5, 2021	350,000
30,000	30,000	0.20	January 11, 2021	30,000
10,000	10,000	0.20	April 5, 2021	10,000
150,000	150,000	0.20	May 18, 2021	150,000
317,500	317,500	0.20	December 16, 2021	317,500
100,000	100,000	0.20	May 25, 2022	100,000
150,000	150,000	0.20	October 18, 2022	150,000
305,500	305,500	0.20	January 18, 2023	305,500
1,415,000	1,415,000	0.155	November 25, 2024	939,167
25,000	25,000	0.155	December 15, 2024	16,667
3,404,350	3,404,350			2,920,184

6. SHARE CAPITAL (continued)

(d) Share purchase warrants

As at June 30, 2015 the Company had a total of 19,032,500 share purchase warrants outstanding with a weighted average exercise price of $2.11.

A summary of the changes in the share purchase warrants is as follows:

	Number		Weighted average exercise price	Expiry date
Balance - April 1, 2014	3,783,750	$	9.39	-
Issued	15,248,750		0.30	April 9, 2017
Balance - March 31, 2015 and June 30, 2015	**19,032,500**	**$**	**2.11**	

The following table summarizes information about share purchase warrants outstanding at June 30, 2015:

Outstanding and exercisable		Weighted average exercise price	Expiry date	Weighted average remaining contractual life (years)
656,250	$	6.50	November 30, 2015	0.4
2,840,000		10.00	November 30, 2015	0.4
287,500		10.00	December 22, 2016	1.5
15,248,750		0.30	April 9, 2017	1.8
19,032,500	**$**	**2.11**		**1.5**

7. COMMITMENTS

Effective March 1, 2011 (amended on July 1, 2012) the Company entered into an agreement with an affiliated company, with a director and officer in common, in respect of shared lease, overhead and service costs. Under the agreement, the Company is billed quarterly for office rental and other services relating to its office in Vancouver. The agreement expires on September 29, 2015. Either party may terminate the agreement by providing 90 days' notice.

Effective May 25, 2012, the Company entered into an agreement with Monit International Inc. in respect of the leasing of office space in Montreal, Québec. The agreement expires on January 31, 2023, but the Company may terminate the agreement effective December 31, 2016 with six months' notice.

As part of the acquisition of the Ungava Bay mineral properties, commencing on November 30, 2011, Oceanic must pay advance net smelter royalty ("NSR") payments of $200,000 per year, which will be credited against all future NSR payments payable from production. The Company made its fourth annual payment on November 25, 2014.

7. COMMITMENTS (continued)

The committed charges for the Company are as follows:

June 30,	Vancouver office rent	Montreal office rent	NSR payments	Total commitments
2016	35,851	130,784	200,000	366,635
2017	-	132,973	200,000	332,973
Thereafter	-	175,761	600,000	775,761
	$ 35,851	$ 439,518	$ 1,000,000	$ 1,475,369

8. RELATED PARTY TRANSACTIONS AND KEY MANAGEMENT COMPENSATION

a) Key Management Compensation

Key management includes the Company's directors, Chief Executive Officer, Chief Financial Officer and Chief Operating Officer. Compensation awarded to key management is presented in the table below:

	Three months ended June 30, 2015	Three months ended June 30, 2014
Wages and benefits	$ 81,250	$ 68,750
Directors' fees	7,500	7,500
Share-based payments	78,771	36,001
	$ 167,521	$ 112,251

b) Payments for services by related parties

During the three months ended June 30, 2015, the Company incurred corporate consulting fees of $41,250 (2014: $82,500), to Sirocco Advisory Services Ltd., a company controlled by a director and officer of the Company. Effective November 1, 2014, in order to preserve the cash balance of the Company, Sirocco Advisory Services Ltd. entered into an amended consulting agreement which reflected a reduced consulting fee. The fees earned for the three months ended June 30, 2015 incorporate the reduced fee.

During the three months ended June 30, 2015, the Company incurred corporate consulting fees of $nil (2014: $40,000), to Shariff Advisory Services Ltd., a company controlled by a former officer of the Company. Effective November 1, 2014, in order to preserve the cash balance of the Company, Shariff Advisory Services Ltd. entered into an amended consulting agreement which reflected a reduced consulting fee. The fees earned for the three months ended June 30, 2015 incorporate the reduced fee.

As disclosed in Note 7, the Company is charged shared lease, overhead, and service costs by Atlantic Gold Corporation, a company with a director and officer in common. For the three month period ended June 30, 2015, the Company incurred $35,851 (2014: $35,000) in shared lease, overhead, and service costs. Refer to Note 7 for a listing of future commitments in respect of such lease costs.

8. RELATED PARTY TRANSACTIONS AND KEY MANAGEMENT COMPENSATION (continued)

b) Payments for services by related parties (continued)

Amounts due to related parties at June 30, 2015 amounted to $26,920 (March 31, 2015: $23,056). All related party transactions were made on terms equivalent to those that prevail in arm's length transactions. None of the amounts due to related parties are secured against assets of the Company.

9. FAIR VALUE OF FINANCIAL INSTRUMENTS

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 and cash equivalents, receivables, accounts payable, accrued liabilities, liability component of the convertible debenture, advance royalty payable, and due to related parties approximate their fair values due to their short term nature.