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PRESS RELEASE

**OCEANIC ENGAGES CAPITALASIA INVESTMENT HOLDINGS GROUP AS A STRATEGIC ADVISOR AND
ANNOUNCES FINANCING**

Vancouver, BC, May 21, 2013 - Oceanic Iron Ore Corp. (“Oceanic”, or the “Company”) announces that it has engaged CapitalAsia Investment Holdings Group (“CapitalAsia”) as a strategic advisor in respect of select strategic partnering initiatives focused in China.

The Company also announces a non-brokered financing of \$3 million (“Financing”) subscribed for by Sino-Canada Natural Resources Fund (“Sino-Canada Fund”).

Sino-Canada Fund will be issued convertible debentures (the “Debentures”) which will earn interest at a rate of 6% over the 30 month term (the “Term”) of the Debentures.

The principal amount of the Debentures will be convertible to common shares of the Company (“Common Shares”) at a price of \$0.16 per share at the election of the subscriber. In addition, the Company has the right at any time to pay all or any part of the unpaid principal in respect of the Debentures in Common Shares, where the issue price of each Common Share will be equal to the volume weighted average trading price for the 20 days prior to the date of notice of the conversion.

In the event that the volume weighted average trading price of Common Shares is equal to or greater than \$0.16 per share for any 20 consecutive trading day period during the term of the Debentures, the principal and interest owing under the Debentures will be automatically converted into Common Shares of the Company.

Following the closing of the Financing Sino-Canada Fund will have the right to nominate one individual for appointment to the Company’s Strategic Advisory Committee. Should the advisory services of CapitalAsia lead to the completion of a transaction between the Company and a strategic partner, Sino-Canada Fund will have the right to nominate one individual for appointment as a director of the Company.

Sino-Canada Fund has secured the necessary Chinese regulatory approvals for its investment in Oceanic. The Financing is subject to the approval of the TSX Venture Exchange. The Company will pay finder's fees in association with the private placement.

The Company intends to use the proceeds of the Financing to fund its ongoing negotiations with potential strategic partners, studies in connection with the feasibility study and environmental assessment in respect of the Company's Hopes Advance project as well as for general claims maintenance, and corporate and working capital purposes.

Thomas Lau, Managing Partner of Sino-Canada Natural Resources Fund indicated: *"Our investment in Oceanic provides us with excellent exposure to iron ore, which we believe will continue to have strong demand dynamics in Asia and other emerging economies developing infrastructure and focused on urbanization. Run by an experienced executive team led by Steven Dean, the Hopes Advance project has unique advantages, including an expected life of mine operating cost per tonne of approximately \$30, which makes it one of the best projects in the world. We are looking forward to offering our insights in respect of the Chinese market to Oceanic in order to create mutual benefit for both Canada's and China's economies."*

Steven Dean, Chairman added: *"We are pleased to have established an advisory relationship with CapitalAsia in respect of our strategic partnering initiatives focused in China and also look forward to welcoming Sino-Canada Natural Resources Fund as a new investor in Oceanic upon the closing of this transaction. We value Sino-Canada's endorsement and look forward to their participation on our Strategic Advisory Committee as we focus on both securing a strategic partner for the Hopes Advance project and advancing certain critical components of the feasibility and environmental assessment work."*

About Sino-Canada Natural Resources Fund:

Sino-Canada Natural Resources Fund is a Cayman Islands registered private equity fund focused on investments in Canadian listed and private companies that develop and operate natural resource projects (mining, oil & gas, forestry) worldwide. Sino-Canada Fund is managed in Hong Kong on behalf of private and institutional investors from China.

About Oceanic:

Oceanic is a feasibility stage company focused on the development of its 100% owned Hopes Advance, Morgan Lake and Roberts Lake iron ore development projects located on the coast in the Labrador Trough in Québec, Canada. The Company is led by a highly experienced management team that has managed, operated developed and/or sold over \$20 bn in assets. In November 2012, the Company published the results of the pre-feasibility study completed in respect of the flagship Hopes Advance project outlining a base case pre-tax NPV of \$5.6bn over a 30 year mine life, supported by a NI 43-101 proven and probable reserve of approximately 1.36 bn tonnes and a life of mine operating cost of approximately \$30/tonne, making it one of the lowest cost development projects globally. The pre-feasibility study is available for review on the Company's website (www.oceanicironore.com) and SEDAR (www.sedar.com). Further information in respect of the Morgan Lake and Roberts Lake projects, both of which have been explored historically and which have defined historical resources, is also available on the Company's website.

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

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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 February 27, 2013 (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.