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PRESS RELEASE

OCEANIC IRON ORE CORP. PROVIDES AN UPDATE ON 2011 DRILL PROGRAM AND FAST-TRACK PEA PROCESS AND REPORTS MARCH 31, 2011 YEAR END RESULTS

Vancouver, BC, Aug 2, 2011 -Oceanic Iron Ore Corp. (the "Company") is pleased to provide an update on the Company's 2011 drill program and fast track PEA process and to report the Company's March 31, 2011 year end results.

Progress to Date

2011 Drill Program

When the Company's new senior management were appointed in January 2011, the board and the management team made a conscious decision to focus significant resources on fast-tracking the Company's development of the Ungava Bay iron properties, and in particular focus the initial efforts on the Hopes Advance project area, which is the area that had been most advanced historically (with historical scoping study and project design complete).

The 2011 drill program commenced in earnest in April 2011 and is targeted to delineate approximately 1 billion tonnes at a grade between 30% and 35% (Sol Fe) by the end of the fourth quarter of 2011. In setting this target, the Company has taken account of the historic resource, exploration work and metallurgical work completed on the project areas. The potential quantity and grade is conceptual in nature as to date there has been insufficient exploration to define a mineral resource to current 43-101 standards and it is uncertain if the current drill program will delineate the target as a mineral resource.

Three drills are now operational and focused on various targets in the Hopes Advance area. Holes are being targeted based on historical information, although management has also identified certain extension targets to be tested as part of the overall program. The drill program is expected to last until the end of the third quarter of 2011. To date, the Company has drilled approximately 68 holes over 7,220 metres. Once the program of twinning and exploration holes in Hopes Advance is substantially complete, focus will begin to shift to specific targets in the Roberts Lake and Morgan Lake areas.

Assay Results

On July 5th and 20th 2011, the Company released initial results from the first six twinned holes of its 2011 drill program. Results compare closely to those reported historically, in addition to indicating low levels of sulphur and phosphorous. Results of these assays and the corresponding historic results are set out in the tables below:

<u>Table 1: Hopes Advance – Assay Results to date</u>

2011 Results				
DDH	**From (m)**	**To (m)**	**T.Width (m)**	**% Fe total**
HA-11-03	36.85	96.7	58.94	**34.0%**
HA-11-04	10.67	83.76	63.13	**32.3%**
HA-11-05	21.65	79.55	57.02	**34.6%**
HA-11-06	28.30	71.00	44.02	**31.3%**
HA-11-07	0.20	64.40	63.22	**32.6%**
HA-11-08	11.70	75.10	62.44	**32.6%**

Corresponding Historic Drill Hole Results (1954 – 1957)				
DDH	**From (m)**	**To (m)**	**T.Width (m)**	**% Fe soluble**
P34	36.58	96.32	58.83	**35.4%**
P49	10.67	83.76	65.98	**34.9%**
P35	19.81	79.85	59.14	**34.9%**
P28	27.43	82.30	54.04	**30.8%**
P27	7.92	59.83	59.14	**34.5%**
P47	10.67	74.68	63.03	**33.4%**

In addition, the Company released initial results from the first two exploration holes. These results confirm potential extension of mineralization to the east, and a potential thickening of the zone outside the historic area.

The results of the assays will be used to select intervals with similar mineralogic and chemical characteristics for compositing. The composite samples will be analyzed to determine the combined weight recovery of magnetite and hematite and the resulting concentrate grade. The drilling is of NQ caliber with sample lengths being collected up to a maximum length of two meters. Assay samples collected are sent to ALS Chemex for Whole Rock analysis by lithium borate fusion and XRF (oxides), Ferrous iron by H2SO4 – HF and acid digestion and titrimetric finish, and Total Sulphur by LECO method.

Additional assay results are expected through the summer and updates will be made as appropriate.

Metallurgical Testing

On June 16, 2011, the Company announced that it had shipped a ten tonne bulk sample to FLSmidth of Utah for analysis of general metallurgical and mineralogical characterization and to establish a conceptual flowsheet. In addition, on July 26, 2011, the Company announced the appointment of SGS in Lakefield to conduct bench scale metallurgical testing, including head assays, Wilfley table gravity testing and Davis tube testing on some 800 samples from the Company's Hopes Advance Bay project. This testing will provide an analysis of weight recoveries and concentrate grades which will be included in the 43-101 resource estimate and Preliminary Economic Assessment. The Company is deliberately undertaking metallurgical analysis in excess of that which is typical for a PEA as the Company believes that the metallurgical characteristics of the iron and the quality of the product will be a key differentiating factor compared to others in the sector.

Fast-Tracking of Resource Estimate and PEA

The Company is targeting the release of an interim CIM compliant 43-101 mineral resource estimate as well as Preliminary Economic Assessment in respect of the Hopes Advance project in October 2011. As previously announced, the Company has appointed Micon International to lead the studies. Micon is working alongside AMEC, which is producing a marine facility study with the help of FedNav, FLSmidth, who as noted above, are analyzing the Company's bulk sample and establishing a conceptual flowsheet, SGS who are conducting bench scale metallurgical testing and Golder, who are producing a report to be incorporated into the PEA that will focus on the environmental and social components important to the project.

Interaction with Stakeholders

The Company has made the establishment of positive social and community relations a corporate philosophy and priority. The Company engaged at a very early stage with the local Inuit communities and has ensured that communication lines remain open and strong. In particular, the Company has met with and maintains dialogue with representatives of the Makivik Corporation, the Landholdings Group, the Nunavik Mineral Exploration Fund, as well as local leaders.

On May 31, 2011, the Company announced that it had engaged SECOR, an international strategic consulting firm to produce a high level economic impact study to be used as the basis for its continuing discussions with the Quebec government in relation to the potential economic benefits of the development of the Ungava Bay Project under the Plan Nord. This initial study lays the foundation for further analysis as the projects develop, focusing on job creation, fiscal revenues, infrastructure development and potential economic and structural benefits for the local communities in the region. The Company has used this study as a basis for engaging with both the Federal and Provincial governments in respect of the development of the projects.

Capital Markets Site Visit

The Company hosted a total of 9 institutional analysts and shareholders at the Company's inaugural site visit, which took place on July 6 and 7th, 2011. Participants had the opportunity to tour the Company's Hopes Advance project and view first-hand the progress the Company has made in its 2011 drill program, as well as get a sense of the potential of the project.

Steven Dean, Chairman and CEO of Oceanic noted: *"In a very short period of time, we have managed to catch up to and will soon surpass the development timeline of many of our peers in the industry thanks to the hard work and dedication of our management and operational team, as well as having the advantage of rigorous historical data and early studies. We are targeting the release of our PEA in October and given the progress we have made to date, are confident that we will be in a position to follow this up with the release of a pre-feasibility study in Q2 2012."*

Year – end March 31, 2011 Results

The Company announced today its financial results for the fourth quarter and year ended March 31, 2011.

The following discussion of the Company's financial performance is based on the audited Financial Statements and Management's Discussion and Analysis ("MD&A") for the year ended March 31, 2011, which have been filed on the SEDAR website at www.sedar.com.

Results for the Fourth Quarter ended March 31, 2011

For the three months ended March 31, 2011, the Company recorded a net loss of $2,969,334 or ($0.02) per share, compared with a net loss of $91,190, or ($0.01) per share, for the same period of 2010.

As was the case with the year ended March 31, 2010, operating expenses for the three months ended March 31, 2011, when compared to those for the same period of 2010 have increased significantly due to the overall increase in business activity.

The largest component of the loss in the quarter is represented by a non-cash expense for stock-based compensation of $2,803,521 (2010 – Nil). This amount comprises approximately 88% of the total administrative expenses. This amount also substantially contributes to the entire increase in net loss compared to the three months ended March 31, 2010. The third quarter of 2011 was the first period in which stock based compensation was recorded and as such, contributed to the sharp increase in net loss for the Company.

Furthermore, the Company recorded an income tax recovery of $145,140 to reflect the tax benefit for losses incurred since the acquisition of the Property.

Other expense items such as Consulting and Management (2011 - $174,355, 2010 - $6,000), Professional Fees (2011 - $55,777, 2010 - $23,577), and Travel (2011 - $28,531, 2010 - Nil) all significantly increased from the same period of 2010. The items that offset the expenses above include interest income of $52,150 (2010 – ($7,101)) from the Company's investment of excess cash in fixed rate term deposits, and unrealized gain on marketable securities of $29,998 (2010 – ($15,543).

Results for the Year ended March 31, 2011

The Company incurred a net loss of $5,215,728 during the year ended March 31, 2011 (2010: $253,738). The most significant expenses incurred were stock-based compensation of $4,668,087 (2010: nil), professional fees of $140,893 (2010: $47,425) and consulting and management fees of $284,194 (2010: $24,000). The stock-based compensation represents the Black-Scholes calculated fair value of the stock options issued to directors, officers and charities during the 3rd and 4th quarters. The increase in both professional fees and consulting and management fees were a result of expenditures incurred pursuant to the acquisition of the properties.

During the year ended March 31, 2011, the Company recorded interest income of $59,159 (2010: $399), which consisted of interest earned on the Company's term deposits. The Company recorded an unrealized gain on marketable securities of $121,250 (2010: $11,000) in relation to the Company's investment in Yellowhead Mining Inc. and a loss on write-off of investments of $50,056 (2010: nil) in respect of the Company's investment in a private company.

Total assets increased to $42,459,994 at March 31, 2011 from $344,760 at March 31, 2010. The most significant assets at March 31, 2011 were mineral properties of $22,252,259 (March 31, 2010: nil) and cash and cash equivalents of $19,082,521 (March 31, 2010: $194,169).

The increase in mineral properties during the period was a result of the acquisition of the properties. The increase in cash and cash equivalents during the period was the result of net private placement proceeds of $21,645,438, proceeds on exercise of warrants and options of $1,608,782 and proceeds on the sale of marketable securities of $25,726, partially offset by $2,011,600 paid to the Kataria group, $807,427 spent on the acquisition of claims and subsequent exploration expenditures, and $1,572,567 used in operating activities.

<u>Significant transactions</u>

The most significant activities in the year, which are fully described in the MD&A were:

a) The acquisition of a 100% interest in approximately 3,000 mining claims located near Ungava Bay, Quebec (subject to a 2% Net Smelter Returns Royalty);
b) The completion of 3 private placements, which resulted in 81,525,00 shares being issued for gross proceeds of $22,972,500;
c) The appointment of Steven Dean as Chairman and CEO, Irfan Shariff as CFO and Corporate Secretary, and Eddy Canova as Exploration Manager;
d) The commencement of the Company's 2011 drill program in March, 2011; and
e) The hiring of Micon and other technical consultants to help advance the 2011 exploration program and prepare technical studies on the projects

<u>Subsequent Events</u>

Subsequent to year end,

a) The Company issued a total of 1,600,000 stock options to officers and employees of the Company with an exercise price ranging from $0.44 to $0.62 and expiry dates ranging from April 5, 2020 to May 18, 2021.

b) A total of 527,014 options were exercised, with exercise prices ranging from $0.24 to $0.27.

c) A total of 850,000 options with an exercise price of $0.40 were forfeited as a result of the resignation of a director of the Company.

d) A total of 885,000 warrants were exercised at a price of $0.10.

e) The Company sold 125,000 shares of an unrelated company for proceeds of $171,962.

Eddy Canova, P.Geo., 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
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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 "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 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.