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PRESS RELEASE

OCEANIC AND POWER CHINA INTERNATIONAL GROUP LIMITED EXECUTE AGREEMENT

Montreal, QC, August 15, 2016 - Oceanic Iron Ore Corp. ("**Oceanic**", or the "**Company**") announces that it has executed a Pre EPC Framework Agreement (the "**Agreement**") with PowerChina International Group Limited ("**PowerChina Int'l**"), the international business subsidiary of Power Construction Corporation of China ("**PowerChina**") in respect of the EPC infrastructure requirements for the Company's Hopes Advance project (the "**Project**").

Under the terms of the Agreement, PowerChina Int'l, having completed a detailed preliminary evaluation of the Project, has been provided a period of exclusivity, ending November 30, 2016, to complete further technical and financial analysis of the Project.

Moreover, PowerChina Int'l will submit an EPC Proposal to Oceanic at, or before the completion of the exclusive period which is intended to form the basis for a future EPC Contract.

PowerChina Int'l will facilitate the arrangement of project financing necessary for construction of the Project upon the award of a future EPC contract. The Company will work cooperatively with Power China to satisfy future project financing requirements, including arranging off-take agreements that will satisfy lenders as to the sales revenues that will demonstrate the project's ability to service its future debt requirements and provide a favourable return to the Company's shareholders.

The Company signed an earlier Memorandum of Understanding with Sinohydro, a subsidiary of Power China, on August 20, 2015. That press release is available on the Company's website www.oceanicironore.com and SEDAR.

Su Qian, Regional Manager Power China Americas indicated: *"Power China's work in respect of Oceanic's Hopes Advance project has satisfied our organization that we should move forward with a detailed costing of the project's capital infrastructure with the objective of formalizing an EPC contract with Oceanic that will form the basis for project financing and construction. The development of Oceanic's Hopes Advance project fits very well with Power China's Canadian business development objectives."*

Alan Gorman, President/ CEO added: *“We have been engaged with Power China discussing a model whereby Power China is awarded the EPC contract for the Hopes Advance project development and have been impressed with the manner that they have engaged with management, as well as the depth, experience, and capability within their organization. We intend to arrive at an agreement on Power China's EPC proposal at, or before, the conclusion of the exclusive period which will then allow for formalizing an EPC contract and the arrangement of project financing and the construction of our low cost, high quality, Hopes Advance iron ore project. Power China and Oceanic intend that the Hopes Advance project development will be an example of productive Sino Canadian trade and business relations undertaken within the province of Quebec where the government is supportive of natural resource development within the context of its comprehensive Plan Nord economic development strategy.”*

About Power China:

The Power Construction Corporation of China was founded in September 2011. It provides a comprehensive and full-range of services from planning, investigation, designing, consulting, civil works construction to M&E installation and manufacturing services in the fields of hydropower, thermal power, new energy and infrastructure. Its business also extends into real estate, investment, finance, and O&M services.

The vision of Power China is to become a top global enterprise in renewable energy and the development of hydropower resources, a key player in the infrastructure sector, and a driving force in China's power and water conservancy industries, as well as an important participant in real estate development and operations.

Power China boasts world-leading EPC services in the development of hydropower, water works, thermal power, new energy, and transmission and distribution projects, in addition to the achievements in the fields of infrastructure, equipment manufacturing, real estate and investment.

Power China has world-class construction capacity, including the annual capacity of 300 million m³ of earth and rock cutting, 30 million m³ of concrete placement, 15,000 MW of installation of turbine-generator units, 1-million-ton of metal fabrication works, 5-million m³ of foundation grouting as well as 540,000 m³ of construction of impervious walls.

Power China possesses state-of-the-art technology in dam engineering and construction, installation of turbine-generator units, foundation design, investigation and construction of extra large underground caverns, investigation, engineering and treatment of high earth/rock slopes, dredging and hydraulic fill works, construction of runways in airports, design and construction of thermal and hydropower plants, design and installation of power grids, and related equipment and hydraulic machinery.

Power China also has first-class capacity of scientific and technological innovation in hydropower, thermal power, and power transmission and transformation.

By the end of 2015, Power China had total assets of USD 77.1 billion and 200,000 employees. The annual revenue in 2015 was USD 43.6 billion. By the end of 2015, Power China performed 1,863 overseas projects in 116 countries in the fields of engineering construction, design consultation and equipment manufacturing. Power China ranked 253rd in the Fortune 500 in 2015.

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 \$5.6 bn 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 July 27, 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.