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PRESS RELEASE

OCEANIC ANNOUNCES POWER CHINA INTERNATIONAL WORK PROGRAM

Montreal, QC - Oceanic Iron Ore Corp ("**Oceanic**" or the "**Company**") (FEO-TSXV) is pleased to announce the commencement of Power China International Group Limited's ("**Power China Int'l**") work program (the "**Program**") pursuant to the terms of the Pre Engineering Procurement and Construction ("**EPC**") Framework Agreement (the "**Agreement**").

Power China Int'l has started to mobilize its technical and management team to Quebec to complete its EPC Proposal as noted in the Agreement previously announced by the Company on August 15, 2016. Senior executives of Power China Int'l and its affiliated companies will attend Montreal and the Company's Hopes Advance project site during the months of September and October as the Program progresses. Logistical arrangements are currently proceeding under the direction of Power China Int'l's Manager of North American business development, who is presently situated in Montreal.

Power China Int'l has dedicated a team of approximately 25 technical and specialized personnel to complete its EPC Proposal for the Hopes Advance project. Approximately one third of the team will be based in Montreal with the balance working from China.

As part of the current program, Power China Int'l will meet with various engineering firms and constructors in formulating the current EPC Proposal work and as part of a pre-qualification process for future involvement in the project's design and execution. Moreover, Power China Int'l and Oceanic will continue to evolve discussions in respect of future project financing and product off take arrangements during the exclusive period.

Alan Gorman, President and CEO of Oceanic noted: "We are very pleased with the professionalism and expediency visible in Power China Int'l's work progress to date. They have made a significant resource commitment and have left the Company's management and directors with confidence in respect of their resolve regarding the project's further development and the completion of their EPC Proposal as the next step in advancing the Hopes Advance project toward commercial production."

OCEANIC IRON ORE CORP. (www.oceanicironore.com)

On behalf of the Board of Directors
"Steven Dean"
Executive Chairman and Director

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

"Steven Dean"
Executive Chairman

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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.