# Canadian Orebodies Inc.

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## PRESS RELEASE

## CANADIAN OREBODIES ANNOUNCES SECOND SET OF DRILL RESULTS FROM HAIG INLET IRON ORE PROJECT

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TORONTO, October 17, 2011 -- Canadian Orebodies Inc. (TSXV: CO) ("Orebodies") is pleased to announce the second set of drill results from the summer drill program at the Haig Inlet Iron Ore Project (“Haig Inlet”), located on the Belcher Islands in Nunavut, Canada. Assay results have now been received for an additional nineteen holes drilled at Haig Inlet, and highlights include:

- Hole CO11-42 assayed 30.0% Fe over 43.8m, including 34.2% Fe over 20.0m;
- Hole CO11-23 assayed 29.1% Fe over 50.0m, including 33.2% over 18.0m;
- Hole CO11-43 assayed 29.7% Fe over 42.5m, including 36.0% over 14.0m;
- Iron mineralization intersected over a strike length of roughly 7.5 kilometers and remains open to the north and south; and
- Preparation of initial NI 43-101 compliant resource estimate by Q1/2012.

The holes from this second set of assay results cover a widespread area that traces the iron mineralization from Haig Inlet to the north over a distance of approximately 7.5 kilometers. Drilling has indicated that the iron formation shows excellent continuity over this vast area and clearly demonstrates the potential of Haig Inlet to host a large tonnage of iron ore.

In this second set of assays, the top of the iron formation averages 90.7m below surface and ranges from 53.0m to 191.8m below surface. Thickness of the iron formation ranges from 29.8m to 50.0m and averages 40.1m, while average Fe grades over these intervals range from 26.2% to 30.0% and average 28.2%Fe.

A table of intercepts and average grades is included below. All drill holes were oriented vertically and all core intervals represent true widths.

| Hole ID | Section Line | From (m) | To (m) | Width of Zone (m) | Average Intercept Fe% Grade |
|---|---|---|---|---|---|
| CO11-12 | C | 53.0 | 99.0 | 46.0 | 29.8% |
| *including* | | *53.0* | *67.0* | *14.0* | *35.8%* |
| | | | | | |
| CO11-13 | C | 58.9 | 102.9 | 44.0 | 29.3% |
| *including* | | *58.9* | *74.9* | *16.0* | *34.6%* |
| | | | | | |
| CO11-14 | C | 73.3 | 115.1 | 41.8 | 30.0% |
| *including* | | *73.3* | *91.3* | *18.0* | *34.1%* |
| | | | | | |
| CO11-19 | D | 73.2 | 115.2 | 42.0 | 29.9% |
| *including* | | *73.2* | *91.2* | *18.0* | *34.5%* |
| | | | | | |
| CO11-20 | D | 78.8 | 122.8 | 44.0 | 29.3% |
| *including* | | *78.8* | *92.8* | *14.0* | *35.0%* |
| | | | | | |
| CO11-21 | D | 78.3 | 124.3 | 46.0 | 29.1% |
| *including* | | *78.3* | *92.3* | *14.0* | *35.7%* |
| | | | | | |
| CO11-23 | E | 107.9 | 157.9 | 50.0 | 29.1% |
| *including* | | *107.9* | *125.9* | *18.0* | *33.2%* |
| | | | | | |
| CO11-29 | DE | 119.0 | 169.0 | 50.0 | 28.6% |
| *including* | | *119.0* | *137.0* | *18.0* | *33.3%* |
| | | | | | |
| CO11-32 | I | 80.6 | 116.6 | 36.0 | 26.7% |
| *including* | | *80.6* | *84.6* | *4.0* | *32.4%* |
| | | | | | |
| CO11-33 | I | 58.3 | 94.3 | 36.0 | 27.4% |
| *including* | | *58.3* | *62.3* | *4.0* | *32.7%* |
| | | | | | |
| CO11-34 | K | 131.3 | 163.3 | 32.0 | 26.7% |
| CO11-35 | K | 100.2 | 134.2 | 34.0 | 26.3% |
| CO11-36 | J | 77.8 | 113.8 | 36.0 | 26.6% |
| CO11-37 | H | 60.5 | 96.5 | 36.0 | 27.3% |
| *including* | | *60.5* | *66.5* | *6.0* | *32.4%* |
| | | | | | |
| CO11-38 | M | 117.3 | 147.1 | 29.8 | 26.2% |
| CO11-39 | M | 191.8 | 222.2 | 30.4 | 26.4% |
| CO11-42 | AB | 58.1 | 101.9 | 43.8 | 30.0% |
| *including* | | *58.1* | *78.1* | *20.0* | *34.2%* |
| | | | | | |
| CO11-43 | AB | 71.7 | 114.2 | 42.5 | 29.7% |
| *including* | | *71.7* | *85.7* | *14.0* | *36.0%* |
| | | | | | |
| CO11-51 | G | 133.7 | 175.3 | 41.6 | 27.7% |
| *including* | | *133.7* | *143.7* | *10.0* | *33.6%* |
| *Average | | | | 40.1 | 28.2% |
| *Minimum | | | | 29.8 | 26.2% |
| *Maximum | | | | 50.0 | 30.0% |

**Average, minimum, & maximum calculated using complete hole intercepts only.*

Complete assay results with drill plan maps are available on the Canadian Orebodies website at: http://www.canadianorebodies.com/s/HaigInletIronOre.asp

"This set of assays is very encouraging as these results demonstrate a strike length of over 7.5 kilometers of iron ore mineralization and confirms that the northern extension of the iron formation trends well beyond the primary target area, where it still remains open to both the north and south," says Gordon McKinnon, President & CEO of Canadian Orebodies. "The size of the Haig Inlet project relative to the area covered by this season's drilling represents significant blue sky potential. Combined with the project's proximity to tidewater, these are two key aspects which could give Haig Inlet a considerable advantage over other projects."

Canadian Orebodies has acquired and staked portions of land around Haig Inlet that Orebodies believes to be the most amenable to open pit mining. The area immediately north of Haig Inlet represents one of these target areas which was the focus of Orebodies' summer drilling program. The iron mineralization in this target area is essentially flat lying with only very slight changes in dip. Other highly prospective areas, including the continuation of the Kipalu Iron Formation stratigraphy south of Haig Inlet, are being assessed in preparation for further anticipated drilling in 2012.

About the Property

The Haig Inlet Iron Ore Project covers over 15,204 hectares on Flaherty Island in Nunavut. A significant amount of exploration work, including numerous widely-spaced diamond drill holes, was carried out on the property during the 1950's by BMC. BMC's exploration programs targeted the Kipalu Formation of iron-bearing rocks, which is an iron formation of the Superior type. The Haig Inlet project is host to a significant unclassified historical resource estimate of 907 million tonnes grading 27% iron as defined in the government publication, "Northern Mineral Policy Series; NM1: Mines and Important Mineral Deposits of the Yukon and Northwest Territories, 1982* ".

**The mineral resource outlined here is a non-compliant NI 43-101 Mineral Resource since it is historical in nature and should not be relied upon. There is no direct evidence that these numbers or any portion thereof will ever be achieved at any time with further exploration work. These are historical resource estimates that do not comply with the current Canadian Institute of Mining, Metallurgy and Petroleum Resources (CIM) Definition Standards on Mineral Resources and Mineral Reserves as required by National Instrument 43-101 (NI 43-101) "Standards of Disclosure for Mineral Projects." Historical BMC exploration results were studied by a qualified person and compared with other non-BMC exploration programs carried out on the Belcher Islands. Although conclusions support the presence of a large area of iron mineralization, the historical results are not considered reliable given an incomplete database of diamond drill hole logs and the lack of accurate collar surveying related to the BMC historical exploration programs. In addition, the unknown level of quality assurance/quality control implemented during the historic BMC programs, which is currently required to be carried out under the supervision of a qualified person as defined by NI 43-101 policy, questions the reliability and confidence in the historic estimate.*

Quality Assurance, Quality Control and Qualified Person

All drilling samples have been prepared and analyzed by SGS Minerals Services (“SGS”), which is independent of Orebodies. Sample preparation and analyses were performed at the SGS laboratories based in Garson, Ontario and Lakefield, Ontario respectively. The samples were analyzed by XRF.

A thorough QA/QC program is in place which includes the submission by Orebodies of systematic standards samples within every sample batch submitted to SGS. In addition, SGS inserts its own duplicate samples. The results from these control samples indicate acceptable consistency of analysis.

This press release has been prepared under the supervision of Mr. Henry Hutteri (P.Geo.), who is an independent consultant to the Company and a "qualified person" (as such term is defined in National Instrument 43-101). Mr. Hutteri has verified the technical data disclosed in this press release.

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*Forward Looking Information:*

*This press release contains certain "forward-looking statements". All statements, other than statements of historical fact, that address activities, events or developments that the Company believes, expects or anticipates will or may occur in the future (including, without limitation, statements relating to mineral resources, potential mineralization, exploration results and the Company's plans with respect to the exploration and development of the Properties) are forward-looking statements. These forward-looking statements reflect the current expectations or beliefs of the Company based on information currently available to the Company. Forward-looking statements are subject to a number of risks and uncertainties that may cause the actual results of the Company to differ materially from those discussed in the forward-looking statements, and even if such actual results are realized or substantially realized, there can be no assurance that they will have the expected consequences to, or effects on the Company. Factors that could cause actual results or events to differ materially from current expectations include, among other things, changes in commodity prices, changes in equity markets, failure to establish mineral resources, changes to regulations affecting the Company's activities, delays in obtaining or failures to obtain required regulatory approvals, uncertainties relating to the availability and costs of financing needed in the future, the uncertainties involved in interpreting drilling results and other ecological data, and the other risks involved in the mineral exploration and development industry. Any forward-looking statement speaks only as of the date on which it is made and, except as may be required by applicable securities laws, the Company disclaims*

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