

Canadian Orebodies Inc.

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PRESS RELEASE

CANADIAN OREBODIES ANNOUNCES PROPOSED SPIN-OUT OF NON IRON ORE ASSETS

TORONTO, April 24, 2012 -- Canadian Orebodies Inc. (TSXV: CO) (“Canadian Orebodies” or the “Company”) is pleased to announce that its Board of Directors has determined, in principle, to proceed with a restructuring of its assets by spinning out the non iron ore assets into a new company to be incorporated (“SpinCo”). The objective of such restructuring is to enhance shareholder value by, among other things, improving the recognition and value of its iron ore and lithium and rare metals assets by separating such assets between two companies (as described below).

Canadian Orebodies’ Board believes that:

- The Company’s current capitalization understates the intrinsic value of its iron ore and lithium and rare metals assets.
- Market participants tend to prefer ‘pure play’ single commodity focused entities for undertaking valuations and market comparisons.
- Providing shareholders with a shareholding in a new company that holds the lithium and rare metals assets, pro-rata to their shareholding in Canadian Orebodies (which will continue to hold the iron ore assets), will offer exposure to the potential value to be created from each set of assets.
- Following the completion of the Arrangement (as defined below), each of Canadian Orebodies and SpinCo (as defined below) will be better positioned to finance their respective businesses and grow through exploration and acquisition.

“The proposed restructuring of Canadian Orebodies’ assets is designed to allow Canadian Orebodies to become a pure play iron ore company and SpinCo [as defined below] to focus on the lithium and rare metals projects acquired from Canadian Orebodies,” said Gordon McKinnon, President & CEO of Canadian Orebodies. “This transaction will enable Canadian Orebodies to focus on the growth of its Haig Inlet deposit, while still giving our shareholders exposure to discovery stage opportunities through SpinCo. We believe this pure play structure will allow each company to be properly valued in the market independently, ultimately resulting in enhanced shareholder value. We look forward to keeping shareholders updated on the progress of the Arrangement.”

Canadian Orebodies’ current principal assets are:

Iron Ore Assets

- The Haig Inlet Iron Ore project (10% interest with the option to acquire up to 100%) in Nunavut, Canada, with a National Instrument 43-101 Mineral Resource estimate of 230 million tonnes of Indicated Mineral Resources at a grade of 35.17% Fe and a further 289 million tonnes of Inferred Mineral Resources at a grade of 35.47% Fe.
- The Haig West property (100% interest), consisting of 13 staked claims totalling 10,172 hectares on the west side of Flaherty Island, approximately 10km west of Haig Inlet.

Lithium, Rare Metals and Other Assets

- The Crescent Lake project (comprised of the Zig-Zag property [option to earn up to 80% interest], Outer Zig-Zag claims [100% interest], Despard property [100%] and Falcon Lake property [100% interest]), in Ontario, Canada.
- The Hawkins property [100% interest] which was subject to a shallow drilling program carried out in the mid-1980s that defined a low-grade auriferous felsic horizon.
- The Trump property [in which Canadian Orebodies holds an 80% interest through a joint venture agreement].
- Canadian Orebodies' interest in Noble Mineral Exploration Inc. ("Noble") (TSXV: NOB), consisting of 5,000,000 common shares in the capital of Noble and 4,000,000 warrants to acquire common shares in the capital of Noble.

The Arrangement

Canadian Orebodies proposes to complete the reorganization by way of a plan of arrangement (the "Arrangement"), which will be subject to regulatory, shareholder and court approval. Pursuant to the Arrangement, as currently proposed, Canadian Orebodies' lithium and rare metals assets and any related liabilities (as well as an estimated \$400,000 in cash and cash equivalents, and certain other assets) will be transferred to a holding company that will become a wholly-owned subsidiary of a new company to be incorporated ("SpinCo"), with Canadian Orebodies retaining its current interest in its iron ore assets. Under the Arrangement, holders of Canadian Orebodies common shares will be entitled to receive new common shares of Canadian Orebodies and common shares of SpinCo in exchange for the common shares of Canadian Orebodies held by such holders on the record date of the Arrangement. Upon completion of the Arrangement, Canadian Orebodies shareholders will continue to hold a 100% indirect interest in the assets of both Canadian Orebodies and SpinCo, through their separate shareholdings in each of Canadian Orebodies and SpinCo. It is expected that neither Canadian Orebodies nor SpinCo will hold shares in the other.

While the proposed Arrangement remains subject to further review and approval by the Canadian Orebodies Board of Directors, it is anticipated that Canadian Orebodies will structure the transactions contemplated under the Arrangement on a tax neutral basis for the

Company and its shareholders.

The completion of the Arrangement will be conditional upon, among other matters, approval by the Ontario Superior Court of Justice, confirmation, in form and substance satisfactory to Canadian Orebodies, with respect to the tax consequences of the Arrangement and receipt of all other required regulatory and third party consents and approvals required in connection with the Arrangement, including receiving TSX Venture Exchange (the "TSXV") conditional approval of the listing thereon of the SpinCo common shares to be received by Canadian Orebodies' shareholders pursuant to the Arrangement.

The Arrangement will also be subject to shareholder approval by at least two-thirds of the votes cast by shareholders of Canadian Orebodies at a meeting of shareholders called for such purpose. The Company expects to deliver to shareholders an information circular, describing the proposed Arrangement in greater detail, with a view to holding a special meeting of shareholders to approve the Arrangement and completing the Arrangement in Q3/2012. Further particulars relating to the Arrangement, including the record and meeting dates for such shareholders' meeting, will be announced in due course by press release.

All current directors and the officers of Canadian Orebodies are expected to remain the same following the completion of the Arrangement. In addition, Gordon McKinnon has been appointed as the Chief Executive Officer of SpinCo. Certain of the directors and officers of Canadian Orebodies are expected to serve on the Board of Directors of SpinCo following the completion of the Arrangement.

About Canadian Orebodies Inc.

Canadian Orebodies is a Canadian-based mineral exploration company with a portfolio of properties in Nunavut and Ontario. Canadian Orebodies' primary focus is on advancing and developing its Haig Inlet Iron Ore Project, located on the Belcher Islands in Nunavut. The Haig Inlet Iron Ore Project is host to an indicated iron ore resource of 230 million tonnes at 35.17% Fe and an additional inferred resource of 289 million tonnes at 35.47% Fe. Canadian Orebodies trades on the TSXV under the symbol "CO".

For more information please visit www.canadianorebodies.com or contact:

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Forward-Looking Information

This press release contains certain forward-looking information. All information, other than information regarding historical fact, that addresses activities, events or developments that the Company believes, expects or anticipates will or may occur in the future is forward-looking information. Forward-looking information contained in this press release includes, but may not be limited to: the future plans and objectives of Canadian Orebodies, including the completion of the proposed Arrangement and the terms, timing and consequences relating thereto; the anticipated management and Board of Directors of SpinCo; the listing on the TSXV of the SpinCo common shares to be received by Canadian Orebodies shareholders in connection with the proposed Arrangement; the ability by Canadian Orebodies to continue to meet the listing requirements of the TSXV; mineral resource estimates; information relating to the continued exploration and development of Canadian Orebodies' mineral properties; the ability of Canadian Orebodies and SpinCo to obtain future financing; and statements relating to the intention and/or ability of the Company to effect the Arrangement and related transactions on a tax-neutral basis. The foregoing and other forward-looking information contained in this press release reflects the current expectations, assumptions or beliefs of Canadian Orebodies based on information currently available to Canadian Orebodies. With respect to the forward-looking information contained in this press release, Canadian Orebodies has made assumptions regarding, among other things: general business, economic and mining industry conditions; Canadian Orebodies' mineral resource estimates; future production at the Company's Haig Inlet iron ore property; the completion of the Arrangement, including the receipt of all necessary approvals to proceed therewith; the Company's ongoing exploration and development activities; the transferability of Orebodies' lithium and rare metals assets, including the transferability of its interest in any applicable joint venture or other agreement; and it has also been assumed that no material adverse change in the price of rare and/or base metals occurs and no significant events occur outside of Canadian Orebodies' normal course of business.

Such forward-looking information is subject to a number of risks and uncertainties that may cause actual results or events to differ materially from current expectations, including: delays in obtaining, or a failure to obtain, required regulatory approvals (including the approval of the TSXV with respect to the listing of the SpinCo common shares to be received by Canadian Orebodies' shareholders as part of the proposed Arrangement); the Company's inability to complete the proposed Arrangement or to favourably structure the tax consequences of the Arrangement; risks normally incidental to exploration and development of mineral properties; uncertainties in the interpretation of mineral resources estimates; adverse changes in rare and/or base metal prices; and future unforeseen liabilities and other factors including, but not limited to, those that will be enumerated in the information circular that the Company expects to deliver to shareholders, in due course, describing the proposed Arrangement. A copy of such information circular will subsequently be made available under the Company's SEDAR profile available at www.sedar.com.

Forward-looking information speaks only as of the date on which it is made and, except as may be required by applicable law, Canadian Orebodies disclaims any obligation to update or modify such forward-looking information, either as a result of new information, future events or for any other reason.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accept responsibility for the adequacy or accuracy of this release.