

# Canadian Orebodies Inc.

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## PRESS RELEASE

### **CANADIAN OREBODIES CONFIRMS PRESENCE OF MAGNETITE AND INCREASES LAND POSITION ON BELCHER ISLANDS**

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TORONTO, September 20, 2012 -- Canadian Orebodies Inc. (TSXV: CO) ("Canadian Orebodies" or the "Company") is pleased to announce that drilling on the Belcher Islands Iron Project is continuing to successfully expand the extent of iron formation. Highlights include:

- Confirmation of magnetite trend on Haig West;
- Acquired three highly prospective targets, increasing Company's land position by 57%;
- Intersected iron mineralization 17 kilometers north of Haig Inlet Deposit; and
- Drilling to upgrade existing Haig South mineral resource category.

A total of 4,269m in 24 drill holes and collection of 1,128 samples have been completed to date. Drilling has been focused on three new prospective areas, never previously drill tested, which have all returned encouraging intercepts within the Kipalu iron formation.

"Canadian Orebodies is thrilled with the progress of this drill program to date. We have intersected both magnetite and hematite dominant mineralization over very long strike lengths in two new areas thus far," said Gordon McKinnon, President and CEO of Canadian Orebodies. "The success of this program to date combined with the identification and acquisition of three new target areas reinforces management's belief that the Belcher Islands could represent a new iron ore district in Canada."

Drilling is expected to continue well into October on these four areas with the intent of outlining additional inferred mineral resources. Samples have been forwarded to SGS Laboratories in Lakefield for assaying and results are pending.

#### **Confirmation of Magnetite Trend on Haig West**

At Haig West, drilling over a 25 kilometer strike extent has encountered the west dipping iron formation in 13 drill holes. Significant widths of iron bearing hematite and magnetite intercepts were encountered over the entire strike extent. All drill holes at Haig West were collared to intersect the magnetic anomaly which extends across the entire strike length. A 4.5 kilometer long outcrop of iron formation that had never been historically mapped was discovered at the south end of the strike extent, and the company is currently taking channel samples. Several drill holes were positioned back from the outcrop and successfully intersected the iron formation at depth, suggesting continuity to the zone at surface.

## **Iron Mineralization Intersected 17 Kilometers North of Haig Inlet Deposit**

Drilling on the Haig North area is comprised of 4 holes at 2 kilometer step-outs indicating excellent continuity of the east dipping iron formation. These holes run north along the iron formation on the north-west side of Flaherty Island, beginning approximately 10 kilometers north of the Haig Inlet Deposit. This confirms the presence of iron mineralization in another area that had never been drill tested.

## **Step-out Drilling Northeast of Haig Inlet Confirms Continuation of Mineralization**

The drilling at Kihl Bay is comprised of 5 holes targeted to test a drift covered near-surface anticline. Two of these holes were successful in fully penetrating the iron formation confirming the continuation of iron mineralization northeast of the Haig Inlet Deposit.

## **Upgrading Existing Haig South Resource**

Haig South was tested with a single hole in 2011 which encountered enriched iron formation within a relatively flat lying, near surface, 3.5 square kilometer zone. Current drilling is targeted to upgrade the mineral resource in this area from inferred to the indicated category.

## **Expanding Land Position to Cover Three Highly Prospective Targets**

Canadian Orebodies has added three new Inuit Owned Land parcels totalling 14,527 hectares, increasing the Company's land position on the Belcher Islands by 57% to 39,903 hectares in total. Based on historical data and confirmation by ground prospecting, each new area was selected for having the highest potential to host near surface iron mineralization that may be amenable to open pit mining.

## **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".

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

For more information please visit [www.canadianorebodies.com](http://www.canadianorebodies.com) or contact:

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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 any intent or obligation to update any forward-looking statement, whether as a result of new information, future events or results or otherwise. Although the Company believes that the assumptions inherent in the forward-looking statements are reasonable, forward-looking statements are not guarantees of future performance and accordingly undue reliance should not be put on such statements due to the inherent uncertainty therein.