

**NOT FOR DISTRIBUTION TO UNITED STATES NEWSWIRE SERVICES OR
DISSEMINATION IN THE UNITED STATES**

Canadian Orebodies Inc.

141 Adelaide Street West, Suite 520, Toronto, Ontario, M5H 3L5

PRESS RELEASE

Canadian Orebodies Inc. announces C\$5.25 million private placement

TORONTO, Ontario – February 17, 2011 – Canadian Orebodies Inc. (TSX Venture: CO) (“Orebodies” or the “Company”) is pleased to announce that it has entered into an agreement with Primary Capital Inc. to lead a syndicate of agents, including Pope & Company Limited and Jones, Gable & Company Limited (together with Primary Capital Inc., the “Agents”) to complete a private placement of up to 15,000,000 subscription receipts (“Subscription Receipts”) on a best efforts agency basis, at a price of C\$0.35 per Subscription Receipt to raise aggregate gross proceeds of up to C\$5,250,000 (the “Offering”).

The gross proceeds from the sale of the Subscription Receipts (the “Escrowed Proceeds”) will be deposited on the Closing Date (as defined below) in escrow with an escrow agent mutually satisfactory to the Company and the Agents (the “Escrow Agent”). In the event that on or prior to 5:00 p.m. (Toronto time) on July 8, 2011 (i) the Company has obtained, to the extent required, the approval of its shareholders in accordance with applicable corporate and securities laws, including the rules of TSX Venture Exchange (the “TSX-V”), in respect of its proposed acquisition of up to a 100% legal and beneficial interest in the Inuit Owned Lands Mineral Exploration Agreement with Nunavut Tunngavik Incorporated which covers the Haig Inlet Iron Ore Project, located on the Belcher Islands, Nunavut, Canada as described in the Company’s February 14, 2011 press release (the “Acquisition”); and (ii) the Company has delivered to the Agents a certificate confirming that all regulatory and other approvals required in respect of the Acquisition have been obtained, the Escrow Agent will release the Escrowed Proceeds plus any interest or income earned thereon (the “Escrowed Funds”) to the Company (less the Agents’ commission related to the sale of the Subscription Receipts, which amount shall be released to the Agents) and each Subscription Receipt will be automatically converted into one unit of the Company (a “Unit”) without payment of additional consideration and without any further action by the holder thereof.

Each Unit will consist of one common share in the capital of the Company (each a “Common Share”) and one-half of one Common Share purchase warrant (each whole Common Share purchase warrant, a “Warrant”). Each Warrant will entitle the holder thereof to purchase one Common Share (a “Warrant Share”) at a price of C\$0.475 per Warrant Share for a period of 18 months following the date that the Escrowed Funds are released to the Company. Insiders of Orebodies intend to purchase, directly or indirectly, between approximately \$15,000 to \$50,000 of the Offering.

The Company has agreed to pay to the Agents, in aggregate, a cash fee up to 6% of the gross proceeds of the Offering and to grant to the Agents, in aggregate, that number of broker warrants which is equal to 6% of the number of Subscription Receipts sold under the Offering, with each such broker warrant entitling the holder to purchase one Unit of the Company at a price of C\$0.35, or such other price as may be required pursuant to the rules of the TSX-V, for a period of 18 months from the date that the Escrowed Funds are released to the Company.

The Offering is expected to close on or about March 9, 2011 (the “Closing Date”) and is subject to the receipt of all necessary regulatory and stock exchange approvals, including the approval of the TSX-V and applicable securities regulatory authorities.

The net proceeds of the Offering are intended to be used by the Company to cover expenses associated with the Acquisition and for general corporate purposes.

This news release does not constitute an offer to sell or solicitation of an offer to sell any securities in the United States. The securities (and the underlying Units) have not been and will not be registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”), or any state securities laws and may not be offered or sold within the United States unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

About Canadian Orebodies Inc.

Canadian Orebodies Inc. is a junior natural resource exploration and development company with its mineral properties located in Canada. The Company is dedicated to its properties and prides themselves on the extensive research they devote to them. Canadian's management team is the foundation for the company which brings together diverse, knowledgeable members with decades of exploration and development experience. The Company is currently evaluating several exploration projects situated in northern Ontario.

For information, please contact:

Gordon McKinnon, President & CEO
Canadian Orebodies Inc.
(416) 644-1747
gmckinnon@canadianorebodies.com
www.canadianorebodies.com

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.

Forward-Looking Statements

Certain information set forth in this news release may contain forward-looking statements that involve substantial known and unknown risks and uncertainties, including without limitation, statements respecting the Offering and the Acquisition. Forward-looking statements are subject to a number of significant risks and uncertainties and other factors that may cause the actual results of Orebodies 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 Orebodies.

Factors that could cause actual results or events to differ materially from current expectations include, but are not limited to the failure to complete the Offering, in a timely manner or at all, and the failure to complete the Acquisition. 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, Orebodies 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 Orebodies 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.