

Canadian Orebodies Inc.

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PRESS RELEASE

CANADIAN OREBODIES ANNOUNCES FIRST DRILL RESULTS FROM HAIG INLET IRON ORE PROJECT

TORONTO, September 12, 2011 -- Canadian Orebodies Inc. (TSXV: CO) ("Orebodies") is pleased to announce the first set of drill results from the ongoing 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 the first fourteen holes drilled at Haig Inlet, and highlights include:

- Average iron (Fe) grade of 29.2% over the first fourteen holes.
- Iron mineralization delineated over an area of roughly 9 square kilometers and remains open to the north and south.
- Infill drilling now underway for preparation of initial NI 43-101 compliant resource estimate by Q1/2012.

The first phase of drilling this season was completed on seven lines spaced approximately 500 metres (m) apart on an area measuring roughly 3km by 3km immediately north of Haig Inlet. On each line, drill holes were also spaced approximately 500m apart. These initial assays comprise a number of holes on lines A, B, C and D, covering an area of roughly 1.5km north-south by 2.5km east-west.

The Kipalu Iron Formation in this target area is essentially flat lying with only very slight changes in dip. Drilling has indicated that the iron formation shows excellent continuity over the entire 9 square kilometer area in the drilling completed during the first phase of the program.

In the first set of assays, the top of the iron formation averages 59m below surface and ranges from 41m to 94m below surface. Thickness of the iron formation ranges from 32m to 52m and averages 45m, while average Fe grades over these intervals range from 28.4% to 30.2% and average 29.2%Fe.

The assays received to date are divided amongst four lines of vertical drill holes as follows:

Line A contains holes 1 through 5.

Line B contains holes 6 through 10.

Line C contains holes 15 and 16.

Line D contains holes 17 to the eastern extent and 22 to the western extent.

A table of intercepts, average grades and depths below surface are included in the following table.

Hole ID	Average Intercept Fe % Grade	Width of Zone (m)	Depth to Top of Zone (m)
CO11-01	29.4	52.1	43.5
CO11-02	29.4	44.8	49.7
CO11-03	28.4	32.2	72.9
CO11-04	28.5	47.0	59.1
CO11-05	28.6	42.0	54.3
CO11-06	29.4	50.7	46.8
CO11-07	29.9	43.7	67.8
CO11-08	29.1	48.3	67.8
CO11-09	29.1	48.2	56.9
CO11-10	29.3	44.0	41.5
CO11-15	29.4	44.0	65.7
CO11-16	29.5	44.0	43.9
CO11-17	30.2	41.7	94.0
CO11-22	28.6	46.0	65.2
Average	29.2	44.9	59.2
Minimum	28.4	32.2	41.5
Maximum	30.2	52.1	94.0

A Fe regression formula based on 50 initial samples indicates a mean density factor of 3.34g/cc.

“It’s very exciting to see such positive results from Phase 1 of our drill program. The first set of assay results clearly demonstrates the potential of Haig Inlet to be a large-tonnage iron ore project,” says Gordon McKinnon, President & CEO of Canadian Orebodies. “These results cover a small area of a very large and continuous iron formation of the Superior type, which we believe will allow us to confirm and potentially expand the historical resource estimate.”

The Kipalu Iron Formation is a Paleoproterozoic Superior-type banded iron formation that was deposited between an extensive shallow marine carbonate succession and deep marine turbidites interbedded with mafic volcanics and gabbro sills, which covers a vast area around the Haig Inlet area.

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 has been the focus of Orebodies' current drilling program. 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. This area represents an untested continuation of the iron mineralization which could hold considerable upside based on the fact that this deposit is of the Superior type and that excellent continuity in the zone to the north is shown in our initial results.

Drilling Program Update

The second phase of drilling is currently underway utilizing 3 diamond drills, infilling between the current 500m drill hole spacing in order to prepare for an initial NI 43-101 compliant resource estimate. This phase of drilling should be completed by the end of September with assay results expected this fall. A resource estimate and technical report is anticipated to be completed by the first quarter of 2012.

Orebodies has now completed over 7,430 meters (m) in 50 drill holes to date on the Haig Inlet Iron Ore Project. All 50 holes have been focused on the Kipalu Formation of iron-bearing rocks, following up on the work previously carried out on the Property in the 1950's by Belcher Mining Corporation Ltd ("BMC"), in the central location around and north of Haig Inlet. All 50 of the holes completed have intersected iron oxide mineralization and further assay results will be released when they are received.

About the Property

The Haig Inlet Iron Ore Project covers over 14,180 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 containing laterally extensive magnetite (with subordinate hematite) iron formations 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 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.