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For Immediate Release

TSX: FER

**CENTURY IRON MINES CORPORATION ANNOUNCES FIRST PHASE MINERAL
RESOURCE STATEMENT OF 7.26 BILLION INDICATED TONNES AND 8.69 BILLION
INFERRED TONNES FOR RAINY LAKE IRON DEPOSIT**

Toronto, Ontario October 22, 2012. Century Iron Mines Corporation (TSX: FER) ("Century Iron" or the "Company") is pleased to announce its first Mineral Resource statement for its Rainy Lake Iron Deposit (also referred to as the "Full Moon" Iron Deposit) located in Quebec on the Sunny Lake Project. The Full Moon iron deposit is estimated to contain an Indicated Mineral Resource of 7.26 billion tonnes grading at an average of 30.18% total iron and an Inferred Mineral Resource of 8.69 billion tonnes grading an average of 29.86% Total Iron at a cut-off grade of 20% total iron. The first Mineral Resource statement has been prepared by SRK Consulting (Canada) Inc. (SRK) in accordance with Canadian Securities Administrators' National Instrument 43-101 "Standards of Disclosure for Mineral Projects" ("NI"43-101"). The Full Moon Iron deposit is located approximately 85 kilometres north of Schefferville.

Century originally selected and acquired by staking the Rainy Lake iron deposit area, based on a conceptual geological model following a compilation of all available technical data. Airborne magnetic survey in early 2010 and the follow-up ground mapping/sampling programs by Century's geological team confirmed the target areas. The Full Moon deposit was intersected during the first orientation drilling program.

From 2010 to 2012, Century drilled 148 core boreholes (30,941 metres) at Rainy Lake, of which 116 core boreholes (24,555 metres) were drilled in 2012. The Mineral Resource model is based on 124 core boreholes (22,900 metres) distributed on section lines spaced at 500 metres and borehole spacing on each section lines of 400 metres.

The Full Moon iron deposit is a relatively large taconite iron deposit hosted in banded iron formations of the Proterozoic Sokoman Formation. The deposit is relatively flat, with sedimentary units dipping gently to the east at approximately 12 degrees. The iron mineralization is stratabound and sedimentary in origin. The Sokoman formation was modelled based on geological information extracted from core drilling data and surface geological mapping. The area investigated by drilling measures approximately 11 kilometres along strike and up to 4 kilometres across strike. The combined true thickness of the iron-bearing units often exceeds 200 metres. The sedimentary units are deformed, locally folded and the iron

formations have been displaced and thickened by thrust faults that are sub-parallel to sedimentary strata.

The first Mineral Resource Statement for the Rainy Lake iron deposit is presented in the following Table:

Mineral Resource Statement*, Full Moon Iron Deposit, Sunny Lake Project, Quebec		
SRK Consulting (Canada) Inc., October 17, 2012		
	Tonnes (in billions)	Total Iron, Fe (%)
Indicated Mineral Resources	7.260	30.18
Inferred Mineral Resources	8.694	29.86

* Reported at a cut-off grade of 20 percent total iron inside a conceptual pit envelope optimized considering reasonable open pit mining, processing and selling technical parameters and costs benchmark against similar taconite iron projects and a selling price of US\$110 per dry metric tonne of iron concentrate. All figures are rounded to reflect the relative accuracy of the estimates. Mineral Resources are not Mineral Reserves and do not have a demonstrated economic viability.

The Mineral Resource estimation process was a collaborative effort between SRK and Century staff. Century provided to SRK a validated exploration database and a geological interpretation comprising a series of vertical cross sections through the areas investigated by core drilling. The geological model was constructed by Mr. Dominic Chartier, P.Geo. (OGQ#874) of SRK, with the assistance of Century geologists. The statistical, geostatistical analysis, variography, selection of resource estimation parameters, construction of the block model and the conceptual pit optimization work were completed by Mr. Filipe Schmitz Beretta under the supervision of Mr. Mark Campodonic, AusIMM (CP # 225925), both employees of SRK Consulting (UK) Ltd. The project was conducted under the overall supervision of Dr. Jean-François Couture, P.Geo., (OGQ#1106, APGO#0197) and the site visit was completed by Mr. Chartier and Dr. Couture both full time employees of SRK. By virtue of their education, work experience that is relevant to the style of mineralization and deposit type under consideration and to the activity undertaken, and membership to a recognized professional organization, Mr. Campodonic, Mr. Chartier and Dr. Couture are Qualified Persons pursuant to National Instrument 43-101 and are wholly independent from Century. Mr. Campodonic and Dr. Couture have verified the technical data contained in this news release and have reviewed and approved the contents of this news release with respect to the Mineral Resource estimation.

Mineral Resource Estimation Methodology

The database available for geology and Mineral Resource modelling comprises core borehole information acquired by Century in 2011 and 2012. Surface geological mapping supplements the exploration database. The borehole database comprises 124 core boreholes (22,900 metres) distributed on section lines spaced at 500 metres and borehole spacing on each section line of 400 metres.

SRK is satisfied that the exploration work carried out by Century was conducted in a manner consistent with industry best practices and that the exploration data and the drilling database are sufficiently reliable for the purpose of supporting Mineral Resource evaluation and disclosure pursuant to National Instrument 43-101.

Based on a sectional geological interpretation of the core drilling data and surface geology mapping provided by Century, SRK created a three dimensional model for the main stratigraphic rock units of the Sokoman Formation using the Leapfrog software. The three dimensional model honours drilling data.

The Mineral Resource model was constructed using a geostatistical block modelling approach constrained by a wireframe interpretation of the boundaries of the iron mineralization developed by SRK. SRK considers that the iron mineralization delineated by core drilling at the Rainy Lake iron deposit is amenable to open pit extraction.

Mineral Resources were estimated in conformity with generally accepted CIM *Estimation of Mineral Resource and Mineral Reserve Best Practices Guidelines*. The Mineral Resources are reported in accordance with NI 43-101 and have been classified in accordance with the “Canadian Institute of Mining, Metallurgy and Petroleum Definition Standards for Mineral Resources and Mineral Reserves.” The Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability. The Mineral Resources discussed herein may be affected by subsequent assessments of mining, environmental, processing, permitting, taxation, socio-economic, political and other factors. There is insufficient information available to assess the extent to which the Mineral Resources may be affected by these factors.

Sandy Chim, President & CEO of Century Iron, commented: “The Full Moon Deposit has the potential to be one of the world’s largest iron deposits discovered in a number of years. With approximately 7.3 billion tonnes of Indicated and 8.7 billion tonnes of Inferred Mineral Resource estimated by SRK and conveniently situated 75 kilometres from our Hayot taconite deposit and 85 kilometres from Schefferville, Full Moon is a relatively large taconite iron deposit and is in close proximity to existing operating infrastructure.

The deposit is an unusually thick iron Sokoman formation (as thick as 340 metres with many holes of over 200 metres of thickness) which potentially makes it proportionately more cost beneficial than a normal taconite deposit in the Schefferville district providing for the possibility of advantageous project economics.

Drilling at Full Moon continued to mid-October 2012 with infill and extension holes. The Mineral Resource model will be updated by the end of the year. Conceptual studies have already begun under the leadership of SVP Hubert Vallée, to prepare a preliminary economic assessment in parallel with a view to fast track the development of this project.

As part of the Sunny Lake Joint Venture with our partner, WISCO, the Full Moon Deposit offers the potential to be a strategic development project well positioned to fulfill the needs of WISCO as our strategic end user. This project alone has the potential to assist in meeting the iron ore feed requirement of WISCO that is growing to an estimated 100 million tonnes per year and a further potential to feed into the 700 million tonne iron ore market of China. Volume is scale and scale is economics in the iron business. We are extremely pleased with the confirmation of the large potential of Full Moon iron ore deposit.”

SRK’s Rainy Lake (Full Moon) Mineral Resource Technical Report will be filed on Sedar (www.sedar.com) within 45 days.

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Sunny Lake Iron Project

The Sunny Lake Iron Project includes two separate groups of claims (Lac Le Fer and Rainy Lake) comprising 335 and 195 designated cells covering an aggregate area of approximately 25,692 hectares. It was acquired in 2009 by staking for its potential to host iron mineralization. The Lac Le Fer and Rainy Lake properties are located respectively sixty-five and eighty-five kilometres northwest of the town of Schefferville, Quebec and are accessible by air.

About the Company

Century Iron is Canada's largest holder of iron ore land claims in a public company, with interests in several properties in the Provinces of Quebec and Newfoundland & Labrador. Century has promising iron ore assets and is firmly entrenched in western Quebec and in the prolific iron ore-producing region of the Labrador Trough in eastern Quebec and western Labrador. The Company has two key strategic partners in WISCO International Resources Development & Investment Limited ("Wisco") and Minmetals Exploration & Development (Luxembourg) Limited S.à.r.l., both state-owned Chinese companies with the financial and technical resources to assist the Company with funding and technical expertise for the exploration and development of its iron ore projects.

Century Iron Mines Corporation has interests in mineral exploration projects located in Quebec and Newfoundland & Labrador including:

- The Duncan Lake Project in which the Company has a 51% interest (and has notified Augyva Mining Resources Inc. (TSXV:AUV) that it has completed its final \$14 million in expenditures to increase its interest from to a 65% interest) in the Duncan Lake Iron Project under an option and joint venture agreement with Augyva. Century has entered into a Joint Venture Agreement with Wisco pursuant to which Wisco may earn a 40% joint venture interest in Century's interest in the Duncan Lake Project.
- The Attikamagen Lake Project in which Labec Century Iron Ore Inc., a subsidiary of the Company, has a registered 56% interest and in which it has requested a further 4% interest under the Attikamagen Joint Venture Agreement with Champion Iron Mines Limited (TSX:CHM) ("Champion"). Champion is completing its due diligence investigations with respect to the

transfer of the 4% interest. As recently announced, Century has completed a Joint Venture Agreement with Wisco pursuant to which Wisco may earn a 40% joint venture interest in Century's interest in the Attikamagen Lake Project.

- The Sunny Lake Project in which Wisco may earn a 40% joint venture interest in Century's previously owned 100% interest in the Sunny Lake Project.
- The Astray, Grenville, Menihek and Schefferville projects acquired from Altius Minerals Corp. (TSX:ALS) (100% owned by the Company).

The Company's objective is to enhance shareholder value through the development of iron ore projects in Canada and to become a major Canadian iron ore producer. Century Iron's website is:

www.centuryiron.com.

Forward Looking Information

This news release contains forward-looking statements and information that are based on the beliefs of management and reflect the Company's current expectations. When used in this news release, the words "estimate", "project", "belief", "anticipate", "intend", "expect", "plan", "predict", "may" or "should" and the negative of these words or such variations thereon or comparable terminology are intended to identify forward-looking statements and information. The forward-looking statements and information in this news release includes information relating to the first mineral resource statement for the Company's Rainy Lake Iron Deposit ("Full Moon") located in Quebec on the Sunny Lake Project and related potential mineralization and estimates of resource potential, results of exploration and prospective mining and development plans and the Company's objective to enhance shareholder value through the development of iron ore projects in Canada and to become a major Canadian iron ore producer. The forward-looking information is based on certain assumptions, which could change materially in the future and that the development of the Company's iron ore projects will enhance shareholder value and be sufficient for it to become a major Canadian iron ore producer. Such statements and information reflect the current view of the Company with respect to risks and uncertainties that may cause actual results to differ materially from those contemplated in those forward-looking statements and information. By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements, or other future events, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include the risks that the Full Moon project may be uneconomic to bring into production, that no economic assessments of the Full Moon project have been completed, that reserves have not and may not be established and general risks associated with access to capital, required necessary permitting and regulatory process, prices of iron ore, general market conditions, development, construction and the risks associated with mining operations.

The Company cautions that the foregoing list of material factors is not exhaustive. When relying on the Company's forward-looking statements and information to make decisions, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. The Company has assumed a certain progression, which may not be realized. It has also assumed that the material factors referred to above will not cause such forward-looking statements and information to differ materially from actual results or events. However, the list of these factors is not exhaustive and is subject to change and there can be no assurance that such assumptions will reflect the actual outcome of such items or factors.