



Central Iron Ore Limited

NEWS RELEASE

April 11, 2011

Symbol: CIO-TSXV
For Immediate Dissemination

CENTRAL IRON ORE ANNOUNCES PRIVATE PLACEMENT

NOT FOR DISSEMINATION IN THE UNITED STATES OR THROUGH US NEWSWIRE SERVICES

VANCOUVER, BRITISH COLUMBIA — Central Iron Ore Limited (TSX-V: CIO) (the “**Company**”) is pleased to announce that it has engaged PowerOne Capital Markets Limited (the “**Agent**”) to act as agent on a best efforts basis in connection with a private placement offering (the “**Private Placement**”) of up to 15,000,000 units (the “**Units**”) at a price of \$0.20 per Unit (the “**Subscription Price**”) for gross proceeds of up to \$3,000,000. Each Unit will be comprised of one common share of the Company (a “**Common Share**”) and one-half of one common share purchase warrant (a “**Warrant**”). Each whole Warrant shall be exercisable for a period of 24 months following the closing of the Private Placement (the “**Closing Date**”) at an exercise price of \$0.30 per Common Share, provided that if the closing price of the Common Shares on the TSX Venture Exchange is equal to or greater than \$0.75 per Common Share for a period of 20 consecutive trading days at any time after four months and one day after the Closing Date, the Company may accelerate the expiry date of the Warrants by giving notice to the holders of Warrants to the 30th day after the date on which such notice is given by the Company.

The Company has also granted to the Agent an option exercisable in whole or in part, in the sole discretion of Agent, at any time up to the Closing Date, to arrange for the sale of up to an additional 5,000,000 Units (the “**Additional Units**”) at a price per Additional Unit equal to the Subscription Price for gross proceeds of up to \$1,000,000.

The Company has agreed to pay to the Agent a cash commission and issue to the Agent broker warrants (“**Broker Warrants**”) exercisable to acquire that number of Units (“**Broker Units**”) that is equal to 10% of the number of Units (including the Additional Units, if any) sold pursuant to the Private Placement at an exercise price of \$0.20 per Broker Unit at any time on or before the date which is 24 months following the Closing Date.

Closing of the Private Placement is expected to occur on or about April 26, 2011 and is subject to certain customary conditions, including, but not limited to, the execution of an agency agreement and definitive subscription agreements and the receipt of all necessary regulatory approvals, including the approval of the TSX Venture Exchange.

The net proceeds of the Private Placement will be used for the exploration on its gold and iron ore projects located in Western Australia and for working capital purposes.

About Central Iron Ore Limited

The Company is an exploration and development company engaged in the search for and development of iron ore and gold in Australia.

On behalf of the Board of Directors

CENTRAL IRON ORE LIMITED

“Brett Hodgins”

Brett Hodgins,
President & Chief Executive Officer

For further information, please contact:
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Cautionary Note Regarding Forward-Looking Statements

This news release contains forward-looking information within the meaning of Canadian securities laws. Such information includes, without limitation, information regarding the Company. Although the Company believes that such information is reasonable, it can give no assurance that such expectations will prove to be correct. Forward-looking information is typically identified by words such as: believe, expect, anticipate, intend, estimate, postulate and similar expressions, or are those, which, by their nature, refer to future events. The Company cautions investors that any forward-looking information provided by the Company is not a guarantee of future results or performance, and that actual results may differ materially from those in forward looking information as a result of various factors, including, but not limited to, the state of the financial markets for the Company's equity securities, the state of the market for iron ore or other minerals that may be produced generally, recent market volatility; variations in the nature, quality and quantity of any mineral deposits that may be located, the Company's ability to obtain any necessary permits, consents or authorizations required for its activities, to raise the necessary capital

or to be fully able to implement its business strategies and other risks associated with the exploration and development of mineral properties. The reader is referred to the Company's disclosure documents for a more complete discussion of such risk factors and their potential effects, copies of which may be accessed through the Company's page on SEDAR at www.sedar.com.