
Press Release 28 January 2014

Default under the 21 MSEK bridge financing

One of the milestone conditions for the 21 MSEK bridge financing obtained by Dannemora Magnetit AB requires that all rights and obligations under the existing equipment lease facility made available to Dannemora Mineral AB should have been transferred to Dannemora Magnetit AB by 20 January 2014 (subject to a three day remedy period). Due to the circumstance that the lease bank refused to give its approval to such transfer, this milestone condition was not satisfied by the applicable date and, consequently, an event of default under the terms of the bridge financing has occurred and is continuing.

The bondholders are currently considering granting approval to Dannemora Magnetit AB to make further drawdowns under the bridge financing until further notice, notwithstanding the event of default.

The liquidity position of the Dannemora group has improved above expectations since announcement of the bridge financing. The future success of the business is, however, dependent upon the arrangement of a long-term financing solution. The work to explore possible long-term financing solutions continues.

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Dannemora Mineral AB is a mining and exploration company of which the primary activity is mining operations in the Dannemora iron ore mine. The Company also intends to engage in exploration activities to increase the iron ore base locally and regionally in several areas in Uppland where the potential for finding workable deposits is considered good.

Dannemora Mineral comprises the parent company Dannemora Mineral AB and the wholly-owned subsidiaries Dannemora Magnetit AB, responsible for operation of the Dannemora mine, Dannemora Iron Ore Development AB, responsible for the Group's exploration, and Dannemora Förvaltnings AB, responsible for the property portfolio.

The Company's most important asset is the iron deposit in the Dannemora Mine, and activity is focused mainly on the mining of this deposit at present.

The Company is listed on NASDAQ OMX First North, Stockholm, and Oslo Axess. The Company's Certified Advisor on First North is Remium Nordic AB.

The Company's independent qualified person is mining engineer Thomas Lindholm, Geovista AB, Luleå. Thomas Lindholm is qualified as a Competent Person, as defined in the JORC Code, based on education and experience in exploration, mining and estimation of mineral resources of iron, base and precious metals.