

OUTOKUMPU TO SELL HITURA MINE TO BELVEDERE RESOURCES

Outokumpu and Belvedere Resources Ltd. of Canada have signed a Memorandum of Understanding, whereby Outokumpu intends to sell the Hitura nickel mine in Finland to Belvedere. The total consideration, estimated at some EUR 10 million, will be in Belvedere shares. Outokumpu will book most of the total consideration as a non-recurring gain in its second quarter results. The final agreement is expected to be signed by the end of March 2007 and the transaction is expected to be closed by the end of May 2007.

The Hitura mine is the last remaining asset in Outokumpu's Exit Mining program that started in 1999. Hitura produces some 2 200 tons of nickel in concentrate annually and has 90 employees. In connection with the transaction with Outokumpu, Belvedere also intends to acquire full ownership in Suomen Nikkeli Oy, of which it currently owns 45%. With the Hitura assets combined with the nickel exploration targets of Suomen Nikkeli, Belvedere is targeting significant nickel mining in Finland.

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