

## **OUTOKUMPU – SALE OF HITURA MINE TO BELVEDERE COMPLETED**

Outokumpu and Belvedere Resources Ltd. of Canada have finalized the transaction, whereby Outokumpu sold the Hitura nickel mine in Finland to Belvedere. The total consideration, currently valued at some EUR 25 million, is in Belvedere shares and warrants entitling to subscribe for additional Belvedere shares, resulting in a maximum 19.2% ownership in Belvedere, on a fully-diluted basis. Outokumpu has agreed to a 4 to 8 months lock-up with respect to a sale of the shares. Outokumpu will recognise a non-recurring gain of some EUR 24 million, which will be entered above operating profit in the second quarter results. The shareholding in Belvedere will be classified as an available-for-sale financial asset with changes in fair value recognized directly in equity and the warrants as derivative instruments with changes in fair value recognized in financial income and expenses.

The Hitura mine was 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 addition to the transaction with Outokumpu, Belvedere has acquired full ownership in Suomen Nikkeli Oy, of which it previously owned 45%. With the Hitura assets combined with the nickel exploration targets of Suomen Nikkeli, Belvedere is targeting significant nickel mining in Finland.

The Kemi chromite mine is an essential part of Outokumpu's integrated stainless steel production chain in Tornio, Finland, and will continue to be part of the Group.

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