
Press Release 8 March 2010

DANNEMORA SIGNS IRON ORE SUPPLY AGREEMENT WITH THYSSENKRUPP

Dannemora has signed an agreement with German steel company ThyssenKrupp Steel Europe AG for delivery of between 20,000 and 30,000 tonnes of iron ore. Delivery will be in the second quarter of this year and the iron ore will be used in full-scale production at the Group's steelworks in Duisburg. Following technical verification of the production results, negotiations on long-term supply contracts are expected to begin.

ThyssenKrupp is one of the world's leading producers of advanced low-alloy plate steel products, supplying customers in the automotive, shipbuilding and construction industries.

Dannemora Mineral has already signed agreements for trial deliveries of iron ore to Austrian steel company Voestalpine and German steel company Salzgitter. The three companies' total annual iron ore consumption is 30 million tonnes. Dannemora Mineral will have an annual production of 1.5 million tonnes of iron ore at full capacity.

Staffan Bennerdt CEO and President of Dannemora Mineral: "We are also engaged in trial delivery negotiations with several other steel companies. Since the beginning of the year, interest in iron ore deliveries from Dannemora has soared. We shall increase our efforts to get iron ore to potential customers."

Dannemora Mineral is currently well equipped to tie up the financing quickly and make the investments needed to get production up and running in 2011. All the required official permits are in place, and the business plan has been reviewed and put through a stress testing process by the renowned consultant Micon Ltd, resulting in a banking due diligence report. Iron ore prices are expected to be buoyant in the next few years, and for new producers on the scene like Dannemora Mineral, it is a key advantage to be able to start production in a strong iron ore market.

Staffan Bennerdt: "I am really looking forward to starting negotiations on long-term supply agreements. We expect to be able to conclude the agreements needed to complete the financing phase during spring."

For further information, please contact:

Staffan Bennerdt, Group President
Telephone 0295- 24 44 22
staffan.bennerdt@dannemoramineral.se

Dannemora Mineral AB is a mining and exploration company. The Company's primary goal is to recommence mining operations in the Dannemora iron ore mine. The Company also engages in exploration activities to increase the iron ore base locally and regionally, and to explore base and precious metals in several areas in Uppland where the potential for finding mineable deposits is considered good.

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

The Company's most important asset is the iron ore deposit at Dannemora, and activities will initially focus mainly on the planned mining of this deposit.

The Company's Certified Advisor on First North is E. Öhman J:or Fondkommission AB.