
Press release 18 May 2010

DANNEMORA MINERAL TO DELIVER IRON ORE TO SSAB

Dannemora has signed an agreement with Swedish steel company SSAB for delivery of approx. 5,000 tonnes of iron ore products. Delivery will be in the second quarter of this year and the ore will be used in full-scale trial production at SSAB's production plant in Oxelösund. Following trial production, it is expected that negotiations on long-term supply contracts will begin.

SSAB is a leading manufacturer of high-strength cold-rolled steel, with production in Sweden and the USA. SSAB reported sales of SEK 29.8 billion in 2009.

The Dannemora iron ore mine was owned by SSAB from 1978 until its closure in 1992, and most of the ore from the mine was delivered to SSAB's steelworks in Oxelösund.

Staffan Bennerdt CEO and President of Dannemora Mineral: "I hope to be able to restore something of the close historical relationship between the Dannemora iron ore mine and Oxelösund's steelworks. I see many advantages for both parties – in particular, the short distance to Oxelösund."

Dannemora Mineral has already signed agreements for iron ore trial deliveries to Austrian steel company Voestalpine and German steel companies Salzgitter, ThyssenKrupp and Rogesa. The five companies' total annual iron ore consumption is approximately 50 million tonnes. Dannemora Mineral's annual production will be 1.5 million tonnes of iron ore at full capacity.

Staffan Bennerdt: "We are delighted at our success in negotiating trial delivery agreements with so many renowned steel companies. I expect many of our trial deliveries to culminate in long-term supply contracts, which should ensure the planned loan financing can be arranged."

For further information, please contact:

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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.