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Dannemora orders mobile mining equipment from Sandvik

Dannemora Mineral AB and Sandvik Mining and Construction Sweden AB have signed a contract worth approx. SEK 70 million for the supply of mobile mining equipment. The machinery will be delivered in stages from the planned start of production at the Dannemora iron ore mine in the second quarter of 2012 until the mine reaches full production 18 months later. The financing is provided under a framework agreement totalling SEK 120 million which Dannemora Mineral has signed with Swedbank Finans AB and allows mining machinery call-off orders to be placed as and when required.

"Sandvik is a reputable supplier with a broad product portfolio and will also be responsible for regular maintenance and servicing of the machinery," says Niklas Kihl, Dannemora Mineral AB's CFO. "The framework agreement with Swedbank represents a flexible financing tool for Dannemora and allows scope for further mobile equipment requirements."

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Dannemora Mineral AB is a mining and exploration company which has as its primary goal the resumption of 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 for 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 (responsible for operation of the Dannemora mine and the Group's exploration activities) and Dannemora Förvaltnings AB (responsible for the property portfolio).

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

The Company's Certified Adviser on First North is Remium AB.