

Lapland Goldminers starts mine production at the Pahtavaara gold mine, Finland.

Lapland Goldminers AB (publ), listed on First North and the Norwegian OTC list, has decided, after completion of planning work, to start the mining production at the gold mine in Pahtavaara, Finland.

The Company has completed the necessary planning work and arranged the required financing by loan to start mining production at the Pahtavaara mine in northern Finland. The plan is to start production immediately, and to bring it up to full capacity during spring 2009. The production through the processing plant is estimated to be 400 000 tons of ore from the mine and 100 000 tons from the waste rock deposit, totalling 500,000 ton/year, equivalent to approx. 900 kg (29,000 oz) gold/year, at a production cost of around 480 USD /oz with the exchange rate of 8.10 SEK/USD. The annual profit for the wholly-owned subsidiary Lapland Goldminers OY, starting from spring 2009, is estimated to be around 50 MSEK (6.5 MUSD) with current exchange rate, before depreciation and interest.

As presented in press release 2008-10-03, the ore reserve and resource estimate provides raw material for three years worth of production, with a mineralization open towards the depth. The potential for increasing the life span of the mine seems to be good. The drilling in the mine will continue, and will gradually be extended to other promising areas nearby.

"Our strategy is to carry out thorough planning before an activity is started; this also includes the required financing. We now have operational financing in Finland through a long-term agreement with the main entrepreneur in the mine Lemminkäinen/Tolarock and the Finnvera Oyj. We are very pleased with the support and interest we have seen from the authorities as well as from our entrepreneurs and the employees, which makes it possible to now start up production quickly and create a good cash flow. It is very comforting that the record high gold prices expressed in Swedish Kronor (188 000 SEK/kilo), still persist when we now are starting our mine production", says Company CEO VD Karl-Åke Johansson.

The Company acquired the Pahtavaara deposit and surrounding exploration permits in April 2008. The deposit is located in the Sodankylä municipality in northern Finland, around 150 km north of Rovaniemi. An area near the processing plant of Pahtavaara seems to be very interesting for the company because it has good possibilities to find new gold deposits with possibilities for new mines which ore could be transported to the processing mill.

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About Mangold Fondkommission: www.mangold.se

Lapland Goldminers AB is an exploration company and a producing mining company. The company is listed on the market place "First North" under the name GOLD, with Mangold Fondkommission AB as the Certified Adviser, as well as on the Norwegian OTC list. Lapland Goldminers has secured a number of gold deposits along the so-called Gulmlinjen ("The Gold Line") in Västerbotten. The Company's strategy is to develop a profitable, producing gold company, with centrally located processing plants in Fäboliden and Blaiken, Sweden, and in the Haveri area in southern Finland and Pahtavaara in Northern Finland, supported by ore from one or several mines either through the Company's own exploration or alternatively through acquisitions. Lapland Goldminers is a member of SveMin, the trade association for mines, minerals and metal producers in Sweden (formerly called the Swedish Mining Association) and follows SveMin's reporting rules for public mining and exploration companies.