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**PRESS RELEASE 25 JUNE 2008**

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**Communiqué from EGM of Dannemora Mineral AB (publ)**

**At an extraordinary general meeting held on Wednesday, Dannemora Mineral decided to authorise the Board to issue new shares for the purpose of raising capital for the company's continuing development of the Dannemora mine. Last week the Swedish Environmental Court approved the company's application to start mining operations in Dannemora, scheduled to commence at the end of 2009. The meeting also ratified the Board's proposal to extend the share option scheme.**

**Board mandate**

The extraordinary general meeting authorised the Board to issue new shares (class A and/or class B) on one or more occasions before the next annual general meeting, with or without preferential rights for shareholders. However, class A shares may only be issued with preferential rights for shareholders. The aim of the mandate is to raise capital for the company's continuing development of the Dannemora mine.

**Share option scheme**

The EGM approved the Board's proposal to extend the share option scheme adopted by the EGM on 11 April 2008, comprising 50,000 share options and 50,000 warrants. The extended share option scheme for key management personnel in Dannemora Mineral consists of two parts: 35,000 share options and 35,000 warrants.

Each warrant will entitle the holder to subscribe for one new class B share in Dannemora Mineral during the period 1 July 2009 – 15 January 2012 at a price corresponding to 150 percent of the volume weighted average price of the company's B share on First North between 23 May and 23 June 2008 (the 20 trading days immediately prior to the annual general meeting), but no less than SEK 86.

The warrants will be issued at a market price defined using the Black & Scholes option pricing formula.

Each share option will entitle the holder to acquire one class B share in Dannemora Mineral during the period 1 July 2011 – 15 January 2012 at a price corresponding to 110 percent of the volume weighted average price of the company's B share on First North between 23 May and 23 June 2008 (the 20 trading days immediately prior to the annual general meeting), but no less than SEK 68.

Share options will be allotted to employees free of charge. Share options are not securities and are not negotiable.

*This document is a translation of the original Press Release in Swedish. In case of divergence, the Swedish version shall have precedence.*

*For further information, please contact:*

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*Dannemora Mineral AB is a mining and exploration company, with the main goal to recommence 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 feasible mineralisations is considered to be good.*

*Dannemora Mineral consists of the parent company Dannemora Mineral AB and the wholly-owned subsidiaries Dannemora Magnetit AB, responsible for the operations of the Dannemora iron ore mine, Dannemora Prospektering AB, responsible for all exploration, 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 mainly on the planned mining of this deposit.*

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