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**Press Release 20 March 2013**

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**Dannemora defines strategy for growth**

- The company will be developed into a medium-sized iron ore producer with an annual production of at least 5 million tonnes of iron ore products
- Dannemora Iron Ore Development will serve as the Group's platform for being able to assume an active and clear role in the restructuring of the Swedish iron ore industry

For some time, the Board of Dannemora has been considering the Company's future strategy beyond the exploitation of the Dannemora iron ore mine. This discussion is based on the understanding that when the Dannemora mine is in full operation, its shareholders must obtain optimal benefit from its profits.

In view of this, the DMAB 5.0 strategy has been established with the aim of eventually developing the Company into a medium-sized iron ore producer with an annual production of at least 5 million tonnes of iron ore products. It is not possible to achieve the target behind the vision solely through the development of the Dannemora mine and nearby deposits. A review and analysis of measured deposits in other parts of Bergslagen and northern Sweden has therefore been conducted. The strategy is summarised in *Vision DMAB 5.0*.

***Vision DMAB 5.0***

*Dannemora Mineral's vision is to make Dannemora the centre of more extensive mining in Bergslagen and northern Sweden, and the stated objective is to develop several mining projects. Top priority is given to production in the Dannemora mine and the surrounding area. The next step is to develop other deposits and next on the agenda is Riddarhyttan.*

*The Company runs a development programme with the working title DMAB 5.0, which is aimed at planning for the Company's future development and creating a sustainable mining company, able to conduct profitable operations for many years to come. DMAB 5.0 illustrates the vision of ultimately reaching an annual production of at least 5 million tonnes of iron ore products.*

This work has led to the realisation that large-scale structural development is needed to create an industry structure of the right size which will then make it economically sustainable. This applies in particular to the different projects in Bergslagen.

Dannemora, by virtue of its position as Sweden's only fully operational private iron ore mine, should have a leading role in this development.

### **Dannemora Iron Ore Development AB**

For the purpose of streamlining and focusing the business, relevant parts of the Company's exploration activities and research and development work will be carried out within the framework of a subsidiary - *Dannemora Iron Ore Development AB*.

The reorganization involves a division in terms of the development of the activities at the Dannemora iron ore mine and the development of regional and national exploration and business development activities.

Dannemora Iron Ore Development will serve as the Group's platform for being able to assume an active and clear role in the restructuring of the Swedish iron ore industry. This is an important prerequisite for the Company's achievement of the goal of an annual production of at least 5 million tonnes of iron ore products.

Over the next 12-18 months, operations will be financed through existing exploration budgets. When the Dannemora iron ore mine generates adequate profit or when the financial situation in other respects allows, more funds will be invested in the business.

*For further information, please contact:*

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*Dannemora Mineral AB is a mining and exploration company of which the primary activity is mining operations in the Dannemora iron ore mine. The Company also intends to engage in exploration activities to increase the iron ore base locally and regionally in several areas in Uppland where the potential for finding workable 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) and Dannemora Iron Ore Development AB, where parts of the company's future exploration will be operated.*

*The Company's most important asset is the iron deposit in the Dannemora Mine, and activity is focused mainly on the mining of this deposit at present.*

*The Company is listed on NASDAQ OMX First North, Stockholm, and Oslo Axess. The Company's Certified Adviser on First North is Remium AB.*

*The Company's independent qualified person is mining engineer Thomas Lindholm, Geovista AB, Luleå. Thomas Lindholm is qualified as a Competent Person as defined in the JORC Code based on*

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*education and experience in exploration, mining and estimation of mineral resources of iron, base and precious metals.*