

DANNEMORA

Press Release 30 January 2015

Dannemora Mineral's subsidiary Magnetit presents composition proposal

Dannemora Magnetit AB, the subsidiary of Dannemora Mineral AB where the majority of the operations is conducted, today presented a composition proposal for their unsecured creditors, in which the creditors would receive 25 per cent in payment for their debts. This would be paid within 12 months of the completion of the reconstruction. The remainder of the debt would be written off through the proposed composition.

The composition proposal is only part of the solution if the Dannemora Group is to be reconstructed and avoid bankruptcy. The Dannemora Group will only be able to be reconstructed if the financial negotiations that are currently underway can be completed according to plan and if a private agreement can be reached with the creditors in the parent company, Dannemora Mineral AB. As a public composition is needed for Dannemora Magnetit AB, legal proceedings are required, which take time. This means that these proceedings have to be initiated before knowing whether the financial negotiations can be completed according to plan and whether a private agreement can be reached in the parent company.

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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 DannemoraMagnetit AB, responsible for operation of the Dannemora mine, Dannemora Iron Ore Development AB, responsible for the Group's exploration, and DannemoraFörvaltnings AB, responsible for the property portfolio.

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 Advisor on First North is Remium Nordic 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 education and experience in exploration, mining and estimation of mineral resources of iron, base and precious metals.