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Re-opening of Grängesberg mine based on 80+ Mt of NI43-101 Fe resources

A recent independent report classifies the iron mineral resources of the Swedish Grängesberg mine to 82.8 million tons, Measured and Indicated, with additional Inferred resources of 37.5 million tons. These excellent figures make way for mining company Grängesberg Iron AB to start a full feasibility study on a re-opening of the mine, which was closed in 1989.

Grängesberg Iron AB is now taking the project to the next phase. "The promising resources stated in the independent report makes starting a feasibility study an easy decision", says Gösta Bergman, Chairman of the Board. The Grängesberg mine, in the old mining district of Bergslagen in Sweden, was closed in 1989, due to falling prices of iron ore. In a recent report by mining consultancy Behre Dolbear International, the iron ore resources at Grängesberg, Measured and Indicated, amount to 82.8 Mt, with additional Inferred resources of 37.5 Mt on a depth between 650 and 1000 meters. The Average Fe grades are 57%.

Resources for decades of mining

The Grängesberg mine was Sweden's second largest producer of iron ore, second only to the LKAB mines of Kiruna and Malmberget, before the closure two decades ago. With a planned output of more than 2.5 million tons of iron ore products per year, the resources will last for more than 20 years. However, the Behre Dolbear report identifies a potential of an additional 70 Mt at 57% average Fe grade on a depth between 1000 and 1280 meters.

Excellent logistics

The re-opening of the dormant iron ore mine will be facilitated by the extensive available infrastructure. Adjacent to the mine is a marshalling yard, connected to a railway line for heavy goods traffic, leading 250 km down to the high capacity harbour of Oxelösund on the Swedish east coast. Collaboration with the harbour company has been initiated.

Substantial resources available

Grängesberg Iron AB also has two deposits close to Kiruna, in the north of Sweden, Ekströmsberg and Tjärrojåkka, with Measured resources of 30.4 Mt and Inferred of 94.2 Mt, at Fe average grade of 51-52%. These deposits are advanced stage exploration projects, needing development with further measurements and drilling. With these three deposits of mainly magnetite, there is a total of 113.2 million tons, Measured & Indicated, NI43-101 compliant resources available to Grängesberg Iron AB, and 131.7 million tons, Inferred.

For further information, please visit: www.grangesberg.com

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Grängesberg Iron AB intends to re-open the historic Grängesberg mine and turn it into a profitable production unit for delivering more than 2.5 Mt high-quality iron ore products per year to the European and Middle East markets.