

Pressrelease 25 November 2010

## Letter of Intent between Grängesberg Iron and K2 Shipping

**Mining company Grängesberg Iron AB and shipping service and logistics provider K2 Shipping Ltd have signed a Letter of Intent. The agreement is aimed at the mutual goal of developing an efficient and competitive ocean logistic solution for iron ore products from the Grängesberg iron ore mine, scheduled for re-opening in 2014. The current target production volume is a yearly minimum of 2.5 million tons of iron ore pellets.**

Grängesberg Iron AB, based in the geologically famous Bergslagen region in Sweden, is working on preparations to re-start the mining operations in the Grängesberg mine, which closed in 1989. The company aims for a listing on the Oslo Axess stock exchange in the first half of 2011. One of the many strengths of the project is the available infrastructure, in the form of a heavy goods railway 250 kilometers down to the high capacity Port of Oxelösund.

### **Valuable shipping competence**

The Letter of Intent opens the opportunity for Grängesberg Iron to get access to the valuable competence within the logistic area that K2 Shipping can offer. Strong logistic solutions are important for a successful iron ore project, and the Letter of Intent with K2 Shipping Ltd further adds to the possibilities of creating optimal logistics for the Grängesberg iron ore mine project. The recently communicated agreement with the Port of Oxelösund, together with the Letter of Intent with K2 Shipping, provides Grängesberg Iron with a strong potential to provide customers with effective transports of iron ore products.

For additional information on Grängesberg Iron AB:  
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**Grängesberg Iron AB** plans to re-open the historic Grängesberg mine and turn it into a profitable iron ore mine for delivering more than 2.5 Mt high-quality iron ore products per year to the European and Middle East markets. [www.grangesberg.com](http://www.grangesberg.com)

**K2 Shipping Ltd** operates a fleet of Panamax vessels world wide through their exclusive agent K2 Shipping AS, Oslo. For more information please visit [www.k2shipping.com](http://www.k2shipping.com)