



Oxelösunds Hamn AB



Pressrelease 6 October 2010

Letter of Intent between Grängesberg Iron and the Port of Oxelösund

Mining company Grängesberg Iron AB and the Port of Oxelösund (Oxelösunds Hamn AB) have signed a Letter of Intent on future transports and loading of iron ore from the Grängesberg mine through the Oxelösund port. The mining operations in Grängesberg are planned to be re-started within five years, with a target of producing a yearly minimum of 2.5 million tons of iron ore products.

The mine in Grängesberg was closed in 1989, after more than 400 years of mining. Now, preparations are ongoing for re-starting the mining operations. The remaining mineral resources, sufficient for several decades of future mining, is one of the main strengths of the project, together with the high capacity railway from the mine all the 250 kilometers down to the Port of Oxelösund.

"The Letter of Intent between our company and the port is an important step towards a future co-operation and displays the tremendous logistic advantages of the Grängesberg project", says Gösta Bergman, Chairman of the Board of Grängesberg Iron AB.

The Grängesberg mine and the Port of Oxelösund have a historical connection. The Grängesberg Group once owned both the mine and the port, as well as the railway to connect them. The Grängesberg mine and the Port of Oxelösund are today both designated as objects of national interest.

Unique connection between railway and sea transport

"We are proud to say that our unique infrastructure, which connects sea and railway transports, is the reason for why Grängesberg Iron has made the choice to initiate a co-operation with the Port of Oxelösund", says Erik Zetterlund, Managing Director of Oxelösunds Hamn AB. "We have an effective technology for reloading from rail to ship and a profile towards heavy bulk transports in large sea vessels."

The iron ore products will be transported by train to Oxelösund for unloading and storage until shipping. The Port of Oxelösund has shown a strong development the last years and has made major investments to increase effectivity and for environmental benefits. Since 2006, the company has invested the equivalent of 30 million USD in the port and four new cranes have been taken in service.

For additional information on Grängesberg Iron AB:
John Thoweman, press contact Grängesberg Iron AB, +46 70-336 70 74, info@grangesberg.com

For additional information on the Port of Oxelösund (Oxelösunds Hamn AB):
Erik Zetterlund, Managing Director Oxelösunds Hamn AB, +46 155-25 81 10, +46 70-545 84 77
erik.zetterlund@oxhamn.se

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

The Port of Oxelösund grows. The port has several advantages: a depth of 16.5 meters, ice-free, a short approach and specialised to handle heavy goods transports to and from the south and central parts of Sweden. The port is operated 24/7, enabling ships to load and unload at the same call. This provides the effectivity the shipping companies of today expect of modern ports. www.oxhamn.se