

Nordic Iron Ore AB signs Letter of Intent with Rail Cargo Austria AG

Nordic Iron Ore AB (NIO) has signed a Letter of Intent (LoI) with the Austrian state owned logistics company Rail Cargo Austria AG (subsidiary of ÖBB) for the provision of logistics services between the mine head at Blötberget and the Port of Oxelösund. Rail Cargo will also assist NIO with studies and advice regarding logistics solutions to end customers.

The LoI follows comprehensive proposals provided by Rail Cargo for the inclusion of all services and equipment (including rail cars, engines, wagons and maintenance) as a pure tolling charge. Together with the previously signed Letter of Intent with the harbour of Oxelösund the whole logistics solution from mine to ship is now defined.

Paul Marsden, Managing Director of NIO says "This is a great occasion that marks a significant advancement of the NIO iron ore mine's redevelopment and demonstrates the growing confidence in the validity of the project. Rail Cargo will provide advanced solutions for NIO's logistics needs and are working with NIO to achieve simple and highly efficient logistics solutions. We have enjoyed a constructive relationship with Rail cargo and their partner, Innofreight AG, and look forward to working with them to help conclude both our feasibility studies and looking forward to the day that this LoI can be enacted and operations can begin in earnest".

Nordic Iron Ore AB is a mine development company aiming to reopen and restart iron ore production in the main Ludvika mines at Blötberget and Håksberg and open up a connecting mine of Västman. Initially NIO is developing Blötberget Mine, where it is planning around 1.35Mt/operations to produce a high grade (69%Fe content) iron ore product

With EUR 2.1 billion turnover annually and about 8,400 employees, the **Rail Cargo Group (RCG)** is one of the leading rail freight logistics companies in Europe. Based on the domestic markets of Austria and Hungary the Rail Cargo Group offers customized rail freight logistics solutions and ensures safe and reliable transportation on the environmentally friendly railway between the North Sea, Black Sea and the Mediterranean. The controlling company of the Rail Cargo Group is the Rail Cargo Austria AG.

Every year RCG carries over 109 million tonnes of goods, 85.6 million tonnes of which is in conventional wagonload traffic, in over 18 countries.

Innofreight AG specialises in innovative, patented logistics and modular transport systems for the movement of goods. This includes taking the projects from a concept through to complete implementation and for producing optimal solutions.

For further information please contact:

Paul Marsden Managing Director
phone: 44 7776 180 988

paul.marsden@nordicironore.se