

Press release 13 March 2013

Update of Dannemora's mineral reserve

An update of Dannemora's mineral reserve as at 25 February shows a total reserve of 34.0 million tonnes with an average grade of 34.5 percent Fe. This is a decline in tonnage compared with the previous estimate in December 2011, which was 35.1 million tonnes and 35.3 percent Fe.

The decline during the year is due to the mining of 965 thousand tonnes of ore (sorting plant statistics) and improved knowledge of the ore boundaries through diamond drilling and drift mapping.

The new mineral reserve figures are based on an updated estimate of mineral resources. Previous estimates have been based on a cut-off level of 30 percent Fe, mainly because of the lack of analysis of historical material in the range of 20-30 percent Fe. New analyses have been conducted on all historical drill cores that were available. An economic evaluation of the studies showed that content down to 20 percent Fe was economically interesting and this would allow an increase in the amount of mineral resources for 2011.

The reported tonnage includes a certain amount of dilution and is a result of the mining technique used. In practice, it is not possible to mine ore alone; it will inevitably be diluted with some waste rock.

With the recently updated mineral reserve, the estimated life of the mine is ten years. Annual production is scheduled to increase to 3.5 million tonnes of crude ore from 2016 onwards. The Company carries out continuous exploration close to the mined ore bodies using core drilling. Several of the ore bodies have no proven termination, which appears to indicate that there are good opportunities for maintaining the size of the mineral reserve. It is the Company's aim to increase the ore reserves. As the mine was previously filled with water, it is only now that we are able to create favourable locations from which to drill down to levels below 500 metres.

	Measured and indicated mineral resources		Probable mineral reserves	
	Mt	% Fe	Mt	% Fe
2010	30.65	38.06	28.25	36.20
2011	33.60	38.40	35.10	35.30
2012	33.50	36.49	34.01	34.52

The mineral resources for 2012 were estimated by geologists Stefan Sandberg and Gunnar Rauseus in cooperation with Lindholm. The mineral reserve was then estimated by mining planner Daniel Eklund, taking into account ore losses and waste rock dilution, in agreement with the Company's independent qualified person, mining engineer Thomas Lindholm,

GeoVista AB, Luleå. Thomas Lindholm is a Fellow of AusIMM (Australasian Institute of Mining and Metallurgy) and has the required knowledge and experience in reporting this type of deposit.

For further information, please contact:

Ralf Nordén, President and CEO
Telephone 070 937 4891
ralf.norden@dannemoramineral.se

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 engages in exploration activities to increase the iron ore base locally and regionally, and to explore for base and precious metals in several areas in Uppland where the potential for finding mineable deposits is considered good.

Dannemora Mineral comprises the Parent Company Dannemora Mineral AB and the wholly-owned subsidiaries Dannemora Magnetit AB (responsible for operation of the Dannemora mine and the Group's exploration activities) and Dannemora Förvaltnings 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 Adviser on First North is Remium 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.