

Ludvika Mines – The next European Iron Ore Producer

Invest Sweden Seminar, London, 4 December, 2012

Nordic
Iron Ore™



Ludvika Mines at a glance

Access to existing logistics

Logistics is the key to the success of any new iron ore project

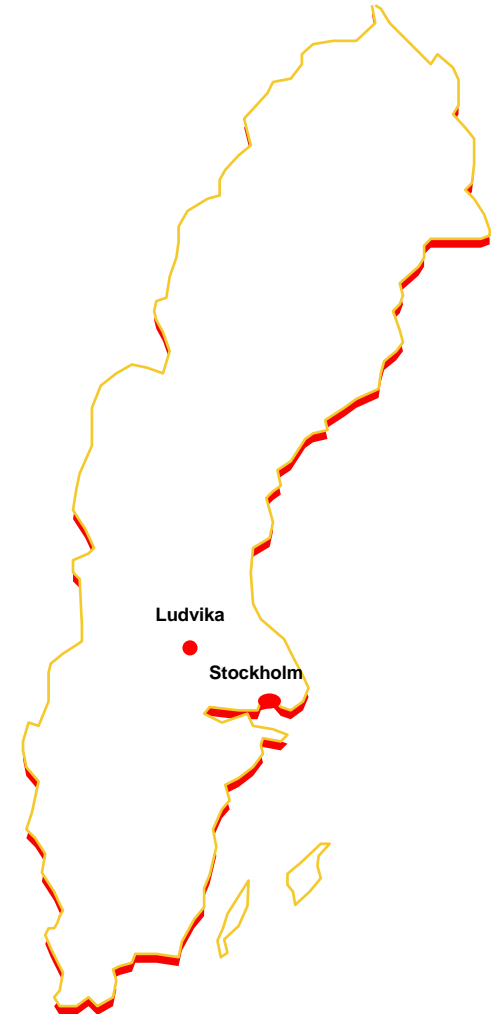
- ✓ Centrally located with access to modern logistics
- ✓ Existing rail links with Oxelösund deep water port, 5 mtpy capacity
- ✓ USD 130m (SEK 900m) committed by the Swedish Government for railway upgrade

Brownfield project with high quality product

Brownfield project reduce uncertainties

- ✓ Existing mine infrastructure reduces CAPEX by approximately USD ~90m (SEK ~600m)
- ✓ Two brownfield mines linked together, creating a integrated iron ore field.
- ✓ High graded concentrate, > 67% Fe

Competitive OPEX: USD 48/dmt (67% Fe, FOB)



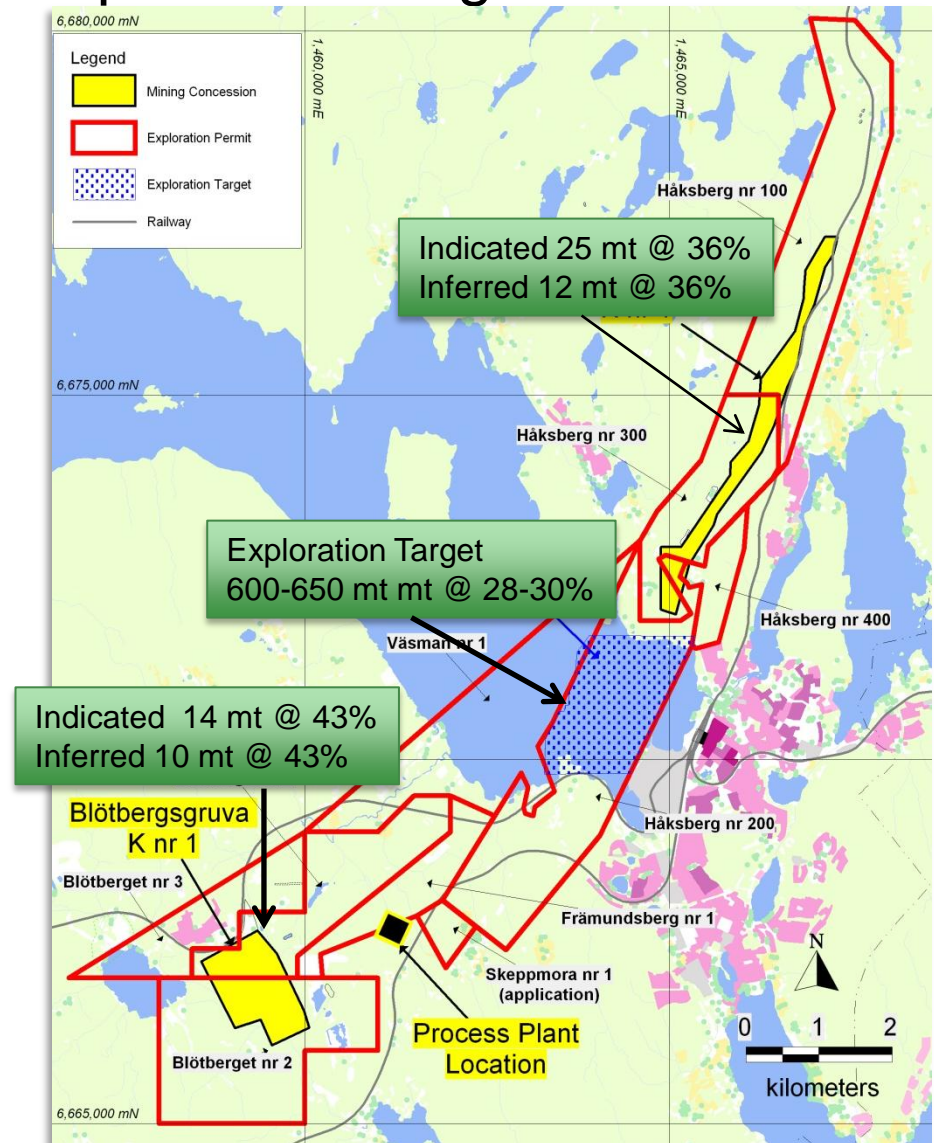
Ludvika Mines

Mineral Resources and Exploration Target

- Resources generally open at depth and sideways
- Mining concessions granted 2011
- Environmental permit application July 2012

On going DFS work:

- Mineral Resource Expansion
- Drilling program of 19,000 m
- Metallurgical tests
- Process layout



Mining and processing

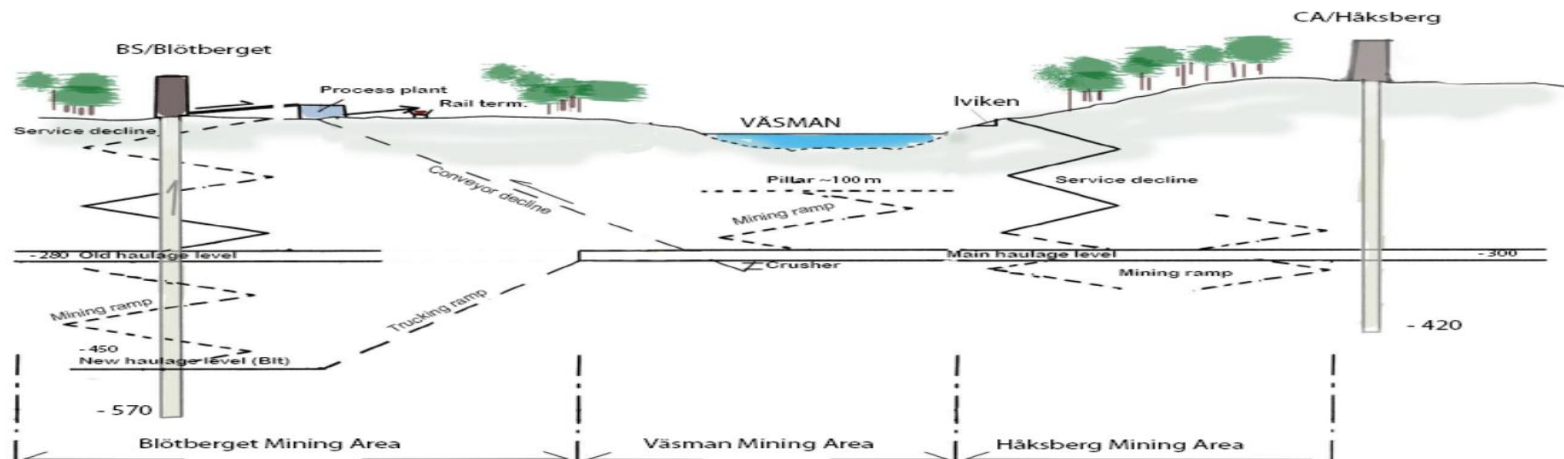


Production targets

Planned ROM¹: 10 mtpy
Iron ore products: 4.4 dmtpy (concentrate 67% Fe)
Pre-production: 2014
Start production: Q4 2015, ramp up to 2018
Life of mine: <15 years

Site planning overview

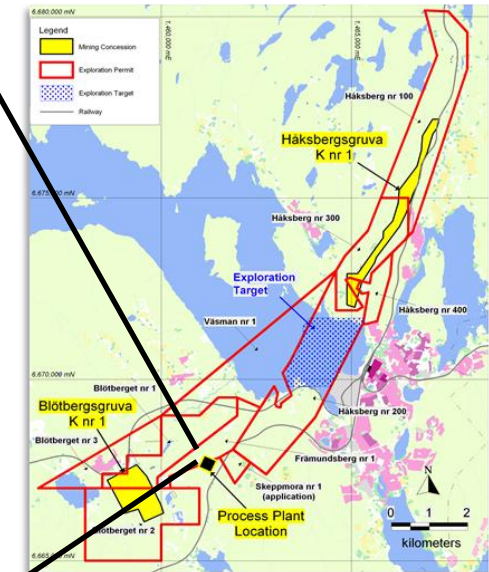
Ludvika mines principal section



Processing plant and terminal in Skeppmora (Blötberget)



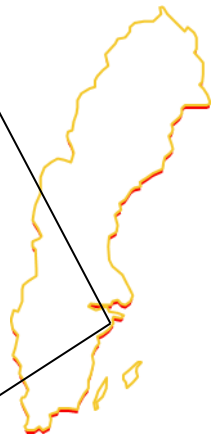
Existing Rail Road: Bergslagsbanan



Excellent High Capacity Public Rail Network

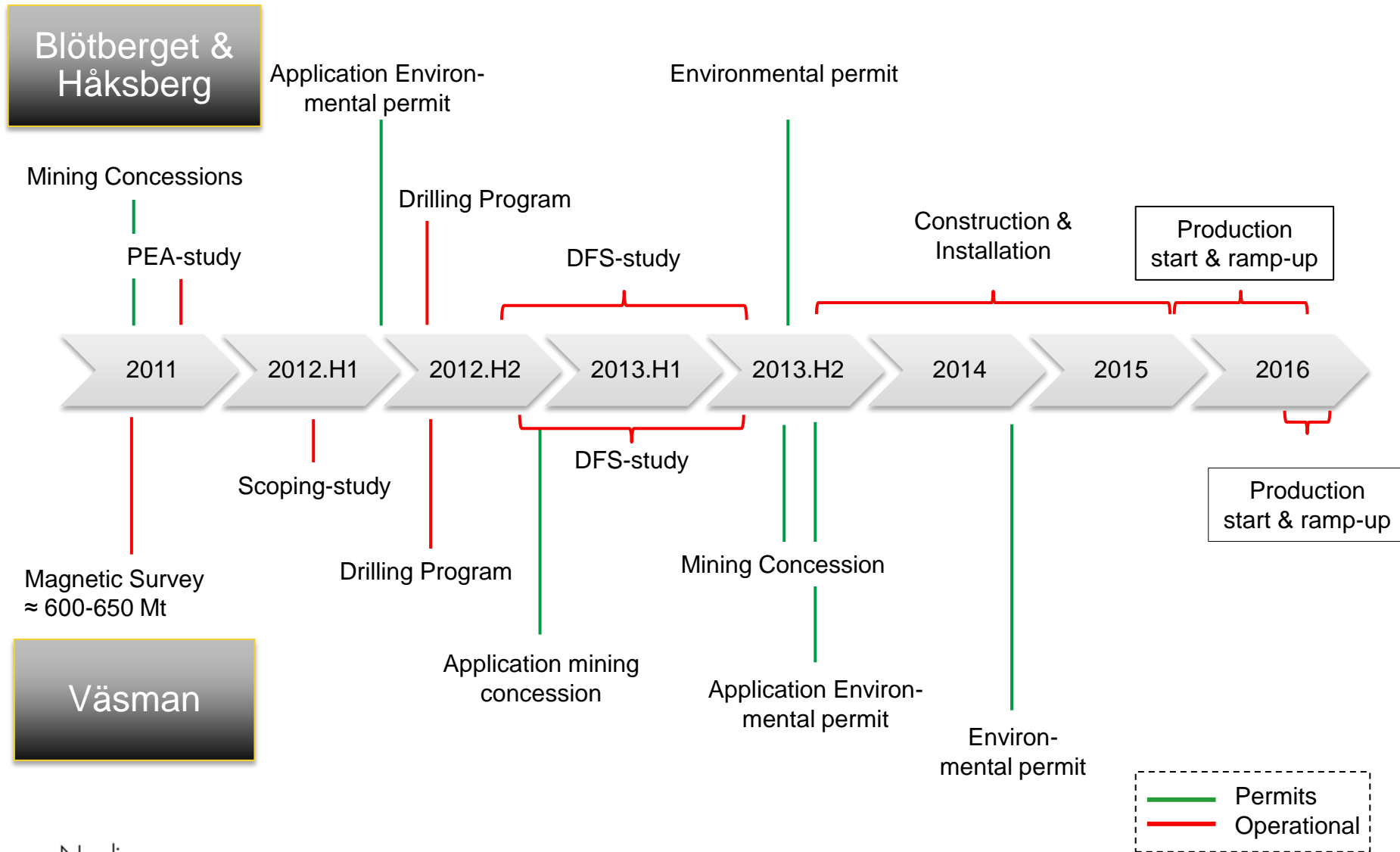


Oxelösund Deep Sea Port, Baltic Sea



All year ice free, 16,5 meter draft , Baby Cape/Panamax capacity

Project milestones



Ludvika Mines – Project Economics

| | Development Base Case 4,4 dmtpa |
|--|---------------------------------------|
|--|---------------------------------------|

| | |
|------------------------|------|
| Total CAPEX (US\$M) | 662 |
| Payback period (years) | 3.9 |
| IRR | 27% |
| NPV @ 8%(US\$M) | 1648 |

| Cash Operating Costs | |
|----------------------|--------|
| | US\$/t |
| Mining | 28.6 |
| Beneficiation | 9.3 |
| Logistics & Others | 10 |
| Total | 47.9 |

Management



Christer Lindqvist, Chief Executive Officer

MSc in Metallurgy, Royal Institute of Technology

- Former Director/Project Director of Dannemora Mineral AB
- 25 years experience of project financing and management mainly from the ABB Group
- Chairman of Kopparberg Mineral AB,
- Former Executive Vice President ABB Electro Invest AB and STC Interfinans AB



Lennart Eliasson, Chief Financial Officer

MSc in Business and Administration, Uppsala University

- Authorised Public Accountant 1985
- Partner at KPMG 1989, audit engagement partner in public and private enterprises and specialist in corporate finance and transaction services
- VP Corporate Finance at Swedbank Markets for 9 years



Hans Thorshag, Technical Director

MSc in Mining, Royal Institute of Technology

- 36 years of experience in underground mining and construction as Project Manager and Mining Specialist at LKAB, Boliden, Midroc Gold and Lundin Mining
- Iron ore mine development experience
- Experience from project Evaluation/feasibility Studies – economical and technical
- Appointed “Qualified Person” by the Swedish Mining Association (SveMin)



Louise Sjögren, Chief Geologist

MSc in Earth Sciences, University of Gothenburg

- 9 years experience from exploration and mining geology most recently from Boliden
- Experience within exploration of Zn-Pb-Ag and Cu-Au from a number of Swedish mining sites
- Certified risk analyst



Paul Marsden, Technical Sales and Marketing Director

BSc, Geological Sciences from Aston University, Chartered Engineer, Chartered Scientist

- 33 years of experience in iron ore product development with a wide range of technical and commercial skills and strategic knowledge of iron ore mine and steel industry developments
- First-hand knowledge of global iron ore mining operations
- Most recent position as Vice President of Business Development at Northland Resources AB
- Qualified Person according to IMMM

Supporting consultants

Project management,
technical and financial
studies



Geological studies



Environmental studies



Logistical studies



Board of Directors



Ulf Adelsohn, Chairman of the Board

Master of Laws, Stockholm University

- Director of the Swedish Trade Council
- Former Minister of Transport & Communication
- Former Mayor of Stockholm
- Former Governor of Stockholm
- Former Chairman of SJ AB
- Former leader of the Swedish Conservative Party



Göran Ekdahl, Director

Master of Law, Stockholm University

- Founder and partner of Gedda & Ekdahl law firm, now Bird & Bird Sweden
- Former secretary to the Board of LKAB
- Former Director of Fundia AB



Jonas Bengtsson, Director

MSc in Business and Economics, Stockholm University

- Partner of BTAB Invest
- CEO and Director of Stenbe Fastigheter AB
- CEO and Director of Dala Press AB
- Director of Bengtssons Värdepapper AB



Johnas Jansson, Director

- Founder & Owner, Elbolaget i Ludvika Montage,
- Director Elbolaget Produktion AB



Christer Lindqvist, CEO & Director

MSc in Metallurgy, Royal Institute of Technology

- See Management



Lars-Göran Ohlsson, Director

MSc in Mining, Royal Institute of Technology

- CEO and Director of GEO-Management AB
- Director of Kopparberg Mineral AB
- Former CEO of Dannemora Mineral AB
- Former CEO of Riddarhyttan Resources AB, LKAB Prospektering AB, and Swedish Geology AB



Per Storm, Director

MSc in Metallurgy, Royal Institute of Technology

- CEO of Kopparberg Mineral
- Former CEO of Raw Materials Group
- Former Executive VP of Royal Swedish Academy of Sciences



Anders Bengtsson, Director

MBA, Monterrey Institute of International Business

- CEO, Director and Partner of DIMITRA AB
- Partner of BTAB Invest
- Director of Bengtssons Värdepapper AB



Thomas Olovsson, Director

- CEO, Lemont Maskin AB
- Chairman Mercapto AB
- Chairman Datorama AB



Thank you

christer.lindqvist@nordicironore.se

+46 240 883 01

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