

Form 603
Corporations Act 2001
Section 671B

Notice of initial substantial holder

To Company Name/Scheme SCANDINAVIAN RESOURCES LIMITED

ACN/ARSN 132 035 842

1. Details of substantial holder (1)

Name EQUITY & ROYALTY INVESTMENTS LIMITED

ACN/ARSN (if applicable) 129 549 435

The holder became a substantial holder on 03/07/2008

2. Details of voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Person's votes (5)	Voting power (6)
Ordinary fully paid shares (Ord)	20,000,001	20,000,001	32.01%

3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
Equity & Royalty Investments Ltd	Legal and beneficial holder	20,000,001 Ord

4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Class and number of securities
Equity & Royalty Investments Ltd	Equity & Royalty Investments Ltd	Equity & Royalty Investments Ltd	20,000,001 Ord

5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (9)		Class and number of securities
		Cash	Non-cash	
Equity & Royalty Investments Ltd	03/07/2008	\$1 cash		1 Ord
Equity & Royalty Investments Ltd	Please refer to Annexure "A" attached.	Please refer to Annexure "A" attached.		20,000,000 Ord

6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:


Name and ACN/ARSN (if applicable)	Nature of association

7. Addresses

The addresses of persons named in this form are as follows:

Name	Address
Equity & Royalty Investments Ltd	Ground Floor, 28 Ord Street, West Perth WA 6005

Signature

print name	Ian Gregory	capacity	Company Secretary
sign here		date	21/04/2010

DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 7 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The total number of votes attached to all the voting shares in the company or voting interests in the scheme (if any) that the person or an associate has a relevant interest in.
- (6) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (7) Include details of:
 - (a) any relevant agreement or other circumstances by which the relevant interest was acquired. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown."
- (9) Details of the consideration must include any and all benefits, moneys and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.

Scandinavian Resources Limited
ACN 132 035 842

This is annexure "A" of one page referred to in form number 603 Notice of Initial Substantial Holder dated 21 April 2010 issued by Equity & Royalty Investments Limited ACN 129 549 435.

5. Consideration

By an agreement dated 18 July 2008 and varied 26 August 2009 Scandinavian Resources Limited acquired 100% of Hannans Scandinavia AB from Equity & Royalty Investments Limited in consideration for:

1. \$17,259;
2. The issue of 20,000,000 shares in Scandinavia Resources Limited;
3. The issue of 20,000,000 options in Scandinavian Resources Limited exercisable at 20 cents per option on or before 31 October 2012 to Equity & Royalty Investment Limited;
4. The payment of a 1% gross revenue royalty from future production;
5. Agreement to issue deferred acquisition consideration of a further 5 million Scandinavian Resources Limited shares and 5 million Scandinavian Resources Limited options exercisable at 20 cents per option on or before 31 October 2012 to Equity & Royalty Investments Limited in the event that the market capitalisation of Scandinavian Resources Limited exceeds \$50 million for 15 consecutive ASX trading days within two years of listing on ASX; and
6. The assignment and assumption of all loan agreements entered into by Hannans Scandinavia AB.



Ian Gregory
Company Secretary
21 April 2010