



ASX Announcement / Media Release

26 July 2010

Fast Facts

ASX Code: SCR
SCRO

Capital Structure

Shares on issue: 62.5m
Options on issue: 65.0m (ex 20c – 25c)
Market cap: \$8.75m (undiluted)

Financial Position

Cash: \$5.84 m

Board of Directors

Damian Hicks Chairman
Olof Forslund Technical Director
Ian Gregory Director &
Company Secretary
Paul Thomas Non-executive Director

Primary Projects

Sweden

Kiruna Iron
Swampy Mountain Iron-copper-gold & PGE

Norway

Lake Embrace Copper-lead-zinc

Project Pipeline

Commodities

Manganese
Gold
Copper
Copper-gold
Copper-lead-zinc

High Grade Copper Results Daningen Project, Sweden

- Multiple high-grade copper assays from in-situ (i.e. not boulder) rock chip sampling at the Daningen Project include:
 - 4.95% copper
 - 6.55% copper
 - 4.99% copper
 - 2.26% copper
 - 7.13% copper
- Mineralised samples are co-incident with an historic EM anomaly identified in 1950
- Scandinavian Resources to complete modern EM survey this Quarter to better refine bedrock targets for future diamond drill testing

Scandinavian focussed minerals company Scandinavian Resources Ltd (ASX:SCR) has received multiple high-grade copper assays from rock chip sampling at its 100% owned Daningen Project. The Daningen Project is located approximately 50km southwest of Tärnaby, in the Swedish Caledonides (mountains) which hosts multiple base metal mineral deposits and mines (refer attached map).

The mineralised samples were collected by prospector Kjell Stenmark and are co-incident with a discrete historic electromagnetic (EM) anomaly. A second discrete EM anomaly has also been identified within the historic data and is located within the eastern portion of the Project.

Anomalous zinc up to 1.26% has also been reported from one of the rock chips.

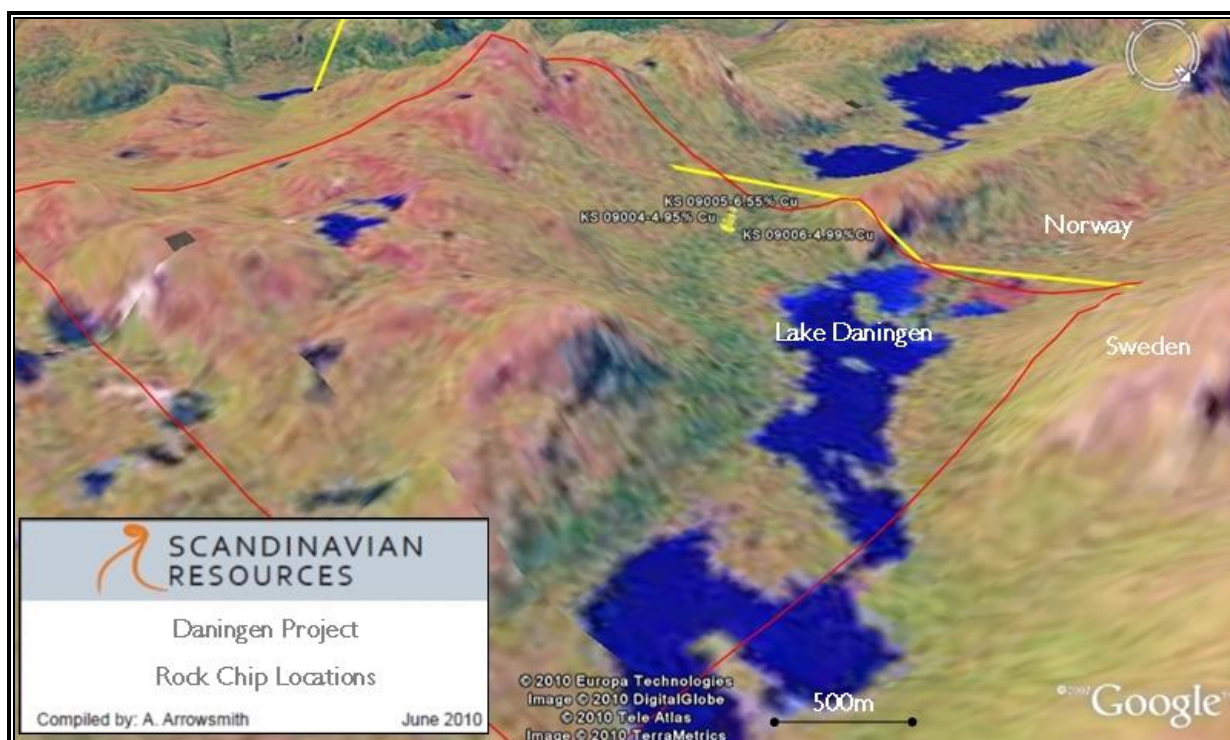
The Daningen project is one of a number of projects within Scandinavian Resources' 'Project Pipeline' that it aims to develop into 'Primary Project' status as soon as possible and reinforces the merits of the Company's incubation strategy.

EXPLORING THE SCANDINAVIAN SHIELD

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Scandinavian Resources' Exploration Manager Amanda Arrowsmith said, "It's very exciting to have these high grade copper assays and now having put them into context with the historical EM surveys I think the project has significant potential. I aim to visit the project this Quarter and co-ordinate a modern EM survey over the areas of interest as soon as possible. The aim of the survey will be to generate diamond drill targets for the next field season".

Field validation of the historic EM anomalies is scheduled for August 2010 and a modern EM survey will follow soon thereafter to further define both anomalies. Whilst copper mineralisation within the project area has been known about since 1939 when minor costeaning was completed, no drilling has ever occurred. The exploration activities to be completed by Scandinavian Resources during the next twelve months will aim to establish whether the Daningen Project has the potential to host an economic copper deposit.

Scandinavian Resources Ltd (ASX: SCR)

By way of introduction Scandinavian Resources':

- strategy is to 'incubate' a highly prospective portfolio of iron, manganese, gold, PGE and base metals projects in Scandinavia (primarily Sweden and Norway).
- cornerstone investor is S&P/ASX Top 200 company, OM Holdings Ltd (ASX:OMH).
- Technical Director Mr. Olof Forslund was previously Regional Manager of the Geological Survey of Sweden's Mineral Resources Information Office in Malå, Sweden.
- is the 11th largest landholder (by area) of minerals exploration projects in Sweden and one of the largest landholders in the world class Kiruna IOCG District.
- exploration projects are the Kiruna iron Project (Kiruna District, Sweden), Lake Embrace copper-lead-zinc-silver Project (Nordland District, Norway) and Swampy Mountain iron-copper-gold plus PGE Project (Skellefte District, Sweden).
- flagship Kiruna iron Project is 30km from the 2Bt Kiruna iron mine (owned by LKAB) – the world's largest and most modern underground iron mine.
- 'pipeline' of projects cover manganese, gold, copper-gold and lead-zinc prospects in Sweden and Norway.
- raised AUD6.7 million through an Initial Public Offering and was granted admission to the ASX in April 2010.

Please visit www.scandinavianresources.com for a detailed summary of the Company's projects.

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COMPETENT PERSONS STATEMENTS

The information in this document that relates to exploration results is based on information compiled by Mrs. Amanda Arrowsmith, Exploration Manager, Scandinavian Resources Ltd, who is a Member of the Australian Institute of Mining and Metallurgy. Mrs. Arrowsmith is a full-time employee of Scandinavian Resources Ltd. Mrs. Arrowsmith has sufficient experience, which is relevant to the style of mineralisation and types of deposits under consideration and to the activity which has been undertaken to qualify as a Competent Person as defined by the 2004 edition of the "Australian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mrs. Arrowsmith consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.