

5 November 2010

Mr Wade Baggott  
ASX Limited  
Level 8, Exchange Plaza  
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Dear Sir

**Update on Transactions**

Scandinavian Resources Ltd is pleased to advise that it is working towards completion of two transactions that will significantly advance its stated strategies of:

1. Incubating a highly prospective pipeline of precious and base metals projects; and
2. Developing Kiruna Iron AB (a wholly owned subsidiary of Scandinavian Resources Ltd) into a significant iron ore company.

This release is not intended to end the voluntary suspension however we expect such an announcement next week.

Yours faithfully



Ian Gregory  
Director

EXPLORING THE SCANDINAVIAN SHIELD

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