

ASX Announcement / Media Release

19 January 2011

**Appointment of Markus Bachmann
Non-Executive Director**

Fast Facts

ASX Code: SCR
SCRO

Capital Structure

Shares on issue: 63.35m
Options on issue: 67.47m (ex 20c – 75c)
Market cap: \$30.4m (undiluted)

Board of Directors

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

- Founder of Craton Capital
- Craton Capital awarded 'Fund Manager of the Year' by the Mining Journal in London in December 2010

Scandinavian Resources Ltd (ASX:SCR) is pleased to announce the appointment of Mr. Markus Bachmann as a non-executive director.

Mr. Bachmann graduated with Honours ("cum laude") from the University of Berne, Switzerland and began his corporate finance career in 1993.

In 2001, Mr Bachmann was Senior Portfolio Manager with Coronation Fund Managers in Cape Town when it was awarded the Standard & Poor's Award for Manager of the Best Performing Large Cap Equity Unit Trust in South Africa.

In 2003, Mr Bachmann was founding partner of Craton Capital (cratoncapital.com) and is the Chief Executive Officer. Craton Capital was awarded Fund Manager of the Year at the Mining Journal's "Outstanding Achievement Awards" announced in London during December 2010 for the Craton Capital Precious Metal Fund. The award is the most prestigious fund award in the mining industry.

Craton Capital has offices in Johannesburg, South Africa and in Zurich, Switzerland.

Mr. Bachmann brings an extensive network of contacts in Europe and Africa to the Board which will assist with rapidly growing the Company's minerals portfolio including its flagship Kiruna Iron Project.



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.
- 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.

Contacts:

Damian Hicks
Chairman
Scandinavian Resources Ltd
Tel: 9324 1153

Karen Oswald
Professional Public Relations
Tel: 9388 0944
Mobile: 0423 602 353