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Sweden uncovers new resource

A COUPLE of things about the Swedish mining industry really surprised Hannans Reward chief executive Damian Hicks.

The first was that all of the drill core samples from the country are stored in a giant warehouse in the scenic northern town of Mala.

Like a giant Ikea store with more than 4000 kilometres of drill core, it even provides a handy saw so that any core of interest can be cut and taken away to be assayed, as long as the results are returned to the voluminous one-stop library at the Mineral Information Office.

The second was that despite being home to some of Europe's largest iron ore and copper mines, large

areas of highly prospective adjacent land was literally unpegged.

"If it was the Pilbara, these mines would have been surrounded by pegged tenements," said Damian, who is chairman of the soon to list Scandinavian Resources.

Of course Damian did what any self-respecting Perth entrepreneur would do, so with the help of experienced Swedish technical director Olof Forslund he started pegging ground and developing a pipeline of potential mining projects.

The result is the just opened \$6.5 million float of the company through the issue of 32.5 million shares at 20¢, each with a free attaching option exercisable at the same price before October 31, 2011.

The offer is expected to close this month with a probable listing date on the ASX next month.

With the Swedish Government performing all exploration before 1992, Damian thinks there is "huge potential" for major discoveries with the wealth of well-organised exploration data and low sovereign risk a massive bonus.

The first project to be drilled is close to the massive Kiruna underground iron mine and has already turned up rock chip samples well above 60 per cent iron.

Next are 12 base metals targets in Norway, followed by some precious metals plays.



Music to the ears: the Swedish mining industry is potentially as big as its earlier export ABBA