

# Swedish portfolio built on veteran's vast knowledge and sector experience

By Mark Fraser

A soon-to-be-listed Australian junior has adopted a reasonably simple strategy as it prepares to take on the task of establishing a mining project in Sweden by hiring the most senior geophysicist living in the country.

Scandinavian Resources Ltd has procured the services of Olof Forslund, an industry veteran who was regional manager of the Geological Survey of Sweden's mineral resources information office in the rural centre of Mala from 2003-2007, as well as an employee of the organisation between 1966-1982 and again during 1999-2007.

The company – which is looking to join the Australian bourse some time in December – has exploration projects in both Sweden and Norway and is currently the 12th largest permit holder in the latter Nordic country.

Its targets include precious metals (gold and silver), base metals (copper, lead and zinc), platinum group metals (platinum and palladium) as well as iron ore and manganese.

First cab off the rank for the junior's field team will be its Kiruna project in Sweden, where the company will be looking for an iron ore deposit.

The fledgling resources house, which plans to raise \$6.5 million on the ASX (with oversubscriptions of up to \$8.5 million), is a spin out of active Western Australian explorer Hannans Reward Ltd.

## Expertise priceless

During a recent press briefing in WA, Scandinavian Resources chairman Damian Hicks suggested the junior definitely had a strategic advantage given its access to both Forslund (who will be the outfit's technical director) and the Mala core and data library.

Forslund, he explained, was familiar with Sweden's geological endowment and was well connected. During his career he had dealt directly with some of the world's largest mining houses and found himself working in areas like the demilitarised zone between North and South Korea (where his brief was to locate any communist tunnels) and the Nevada Desert for the US military.

"The whole business is focused on Olof – there's no doubt about it," Hicks said.

"He's such a high quality guy and what we've done is just really packaged all the corporate support and resources behind him and based the development of the company on Olof."

"It was his job to manage the (Mala) data ... and when the Swedish Government realised it was probably a good idea to attract foreign investment from private companies, his job was to promote Sweden to all those companies.

"Through him we've been able to put this portfolio together at a very low cost, but (it is a) very highly prospective portfolio.

"That is really why I got so excited – to find someone who knows more about Swedish data and all the opportunities and all the people in the industry and work with him, from the ground up, to form a new company."

## First step

The biggest lift for Scandinavian Resources' shareholders, Hicks said, would be taking the Kiruna project (in which there are currently four targets – Luppovare, Skuokimjokk, Riekko and Kuosatjvare) from being a pure prospect and elevating it to an inferred JORC Code-compliant resource within the first 12 months of listing.

Located just 30 kilometres south west of the giant LKAB-owned Kiruna iron ore magnetite mine in northern Sweden, the Australian junior is looking for what it believes is a blend of high grade magnetite and hematite.

"Some of the samples that we've collected off the project have gone 68% (iron) just from surface," Hicks noted.

"One of the really positive things ... is that (the publicly-listed) Anglo American and Rio Tinto have announced that they are going to start iron mining (in the district).

"At the moment it's only LKAB there – there is lots of iron in the district, but there is only one mining operation, and Rio and Anglo have applied for a mining concession of a five year mine life to mine iron and



Damian Hicks



Olof Forslund

copper and gold right next to us.

"So that's really refreshing having some majors go in there and start it up."

## Blue sky

While still early days, Hicks said the junior was also excited about its Famnvatnet (Lake Embrace) play in Norway, which is prospective for gold-copper-lead-zinc targets.

"We've spent about \$350,000 in Norway flying a VTEM helicopter geophysical survey, which has just been fantastic," he explained.

"(Norway) is a long way behind Sweden in terms of its interest in minerals, and that's primarily because it is so wealthy from oil.

"But that is changing, meaning that the geological survey is improving its data bases and digitising a lot of the information because they know that oil is going to eventually run out or decrease.

"They are putting in a new mining act as well."