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Final results of Endomines' rights issue

The final result of Endomines AB's (publ) ("Endomines") rights issue shows that a total of 22,069,718 shares, corresponding to approximately 105 per cent of the shares offered, were subscribed for in the rights issue. Circa 94 per cent of shares offered in the rights issue, or 19,660,547 shares, were subscribed for by the exercise of subscription rights. In addition, applications for subscription without subscription rights of, in total, 2,409,171 shares, corresponding to approximately 11 per cent of the shares offered, were received. The rights issue is thus oversubscribed. Under the terms of the rights issue, the subscription price is SEK 9 per share in Sweden and EUR 0.92 per share in Finland. As a result of the rights issue, Endomines will receive gross proceeds amounting to approximately SEK 189 million before transaction costs.

Of the applications to subscribe for, in total, 2,409,171 shares without subscription rights, applications to subscribe for 1,644,815 shares were submitted by investors who also subscribed for shares with subscription rights, and applications to subscribe for 764,356 shares were submitted by investors who did not subscribe for shares with subscription rights. According to the terms of the rights issue outlined in the prospectus, in case of oversubscription, shares remaining after subscription with subscription rights are allotted to investors in the following order:

1. Primarily, to investors who also subscribed for shares with subscription rights
2. Secondly, to investors that have not subscribed for shares with subscription rights
3. Thirdly, to underwriters.

As applications to subscribe for shares without subscription rights submitted by the primary investor category (category 1) above, were made in relation to more than the remaining 1,312,003 shares to be allotted, no shares will be allotted to investors in categories 2 or 3.

The Board of Directors of Endomines has today decided, based on the principles outlined in the prospectus, on the allotment of 1,312,003 shares to shareholders and other investors, who submitted an application for share subscription without subscription rights. As stated above, allotment was made only to such shareholders and other investors that had also subscribed for shares by the exercise of subscription rights. Notification regarding the allotment of shares will be sent to those who have been allotted shares. Shareholders with nominee-registered holdings will receive notification of the allotment in accordance with the procedure of the respective nominee.

As a result of the rights issue, the total number of shares will, after registration of the rights issue, increase by 20,972,550 from 10,486,275 to 31,458,825 and the share capital will increase by SEK 136,331,314 from SEK 83,890,200 to SEK 220,221,514.

Indicative schedule

- 2.2. Trading in BTA/Interim shares ends on Nasdaq Stockholm (on or about)
- 6.2. BTA/Interim shares are converted into existing share class at Euroclear Sweden (on or about)
- 7.2. Issue is registered at the Swedish Companies Registration Office (Sw. Bolagsverket) (on or about)
- 7.2. Trading in BTA/Interim shares ends in Helsinki and they are converted into existing share class at Euroclear Finland (on or about)
- 8.2. Trading in new shares combined with existing share class begins on Nasdaq Stockholm and on Nasdaq Helsinki (on or about)

CEO Saira Miettinen-Lähde comments

"I am very pleased with the outcome of our rights issue, which was oversubscribed and demonstrated strong support to our renewed strategy by our current shareholders as well as a number of new investors. The proceeds of the rights issue will allow us to realize the planned restructuring and elimination of our bank debt, increase exploration along the Karelian Gold Line, and proceed with the acquisition of TVL Gold in the USA. Altogether, the successful rights issue along with the related transactions transforms the company into a new Endomines with a substantially strengthened balance sheet, significant new shareholders and a long-term platform for growth. I wish to thank all our existing and new shareholders for giving Endomines this opportunity and look forward to the forthcoming development work with excitement and dedication."

Financial and legal advisors

Evli Bank is financial advisor and Hannes Snellman Attorneys is legal advisor to Endomines in connection with the rights issue.

For more information, please contact:

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This information is information that Endomines AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 08:00 CET on 1 February 2018.

Endomines AB

Endomines AB is a mining and exploration company with its primary focus on gold. The Company operates a gold mine in Pampalo and has exploration activities more broadly along the Karelian Gold Line in Eastern Finland. Endomines aims to improve its growth prospects by increasing its exploration activities and through acquisitions. Endomines aims to acquire deposits that are situated in stable jurisdictions and can be brought to production rapidly with limited investments.

Endomines is listed on Nasdaq Stockholm and Nasdaq Helsinki.

Important information

The information in this press release does not contain or constitute an offer to acquire, subscribe or otherwise trade in shares, subscription rights or other securities in Endomines. Any invitation to the persons concerned to subscribe for shares in Endomines will only be made through the prospectus which Endomines has made public on January 11, 2018.

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The subscription rights, paid subscribed shares and shares in Endomines have not been and will not be registered under the United States Securities Act of 1933, as amended (the "Securities Act") or the securities legislation of any state or other jurisdiction in the United States and no subscription rights, paid subscribed shares or shares may be offered, subscribed for, exercised, pledged, sold, resold, granted, delivered or otherwise transferred, directly or indirectly, in or into the United States except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements under the Securities Act and in compliance with the securities legislation in the relevant state or any other jurisdiction of the United States. There will be no public offering of such securities in the United States.

The securities referred to herein have not been approved or disapproved by the US Securities and Exchange Commission, any state securities commission or other regulatory authority in the United States, nor have any of the foregoing authorities passed upon or endorsed the merits of the rights issue or the accuracy or adequacy of this announcement. Any representation to the contrary is a criminal offence in the United States.

This press release contains certain forward-looking information that reflects Endomines' present view of future events as well as financial and operational development. Words such as "intend", "assess", "expect", "may", "plan", "believe", "estimate" and other expressions entailing indications or predictions of future development or trends, not based on historical facts, constitute forward-looking information. Forward-looking information is inherently associated with both known and unknown risks and uncertainties as it depends on future events and circumstances. Forward-looking information is not a guarantee of future results or development and actual outcomes may differ materially from the statements set forth in the forward-looking information.