

Endomines' Friday mine project in Idaho, USA, reaching anticipated milestones

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Endomines reports good progress on construction and commissioning activities at its Friday mine project in Idaho, USA. The project continues to advance in line with the original expectations regarding both timetable and budget and has reached several development milestones in accordance with the project plan. The announced target timetable is to start up the mine within a year from the acquisition, i.e. by the end of February 2019, and the project budget is USD 7.7million.

In preparation for mine startup, general site infrastructure improvements are being implemented by a contractor since April. These include installation of storm water control measures, improvements to access and haul roads, installation of lined waste rock disposal areas and preparations for a secondary mine access. The site improvement works are progressing ahead of schedule and are anticipated to be completed by early August.

Underground preproduction development of the secondary mine access is scheduled to start by mid-July. Dewatering of the existing decline is nearing completion, and rehabilitation is subsequently scheduled to begin in August. Endomines will contract the initial mine development but intends to carry out stoping activities using its own mining crews and equipment. Purchases of the key underground equipment have been completed in June, with deliveries anticipated between July and November.

The Friday ores will be shipped from the mine site to a processing facility that will be located close to the nearest township, Elk City, some 32 km from the mine. Endomines completed the purchase of the processing facility land on 11 June after a due diligence review and survey of the property. The property is located adjacent to a maintained road and has access to nearby power and water. Endomines intends to start initial development of the site in early July, with construction of the building foundations to be completed after the storm water permit for the site has been obtained. The permit is expected to be issued before the end of July.

Endomines has entered into a contract for the design, purchase and installation of the mill equipment. The detailed design of the process flow sheet is close to completion and most of the equipment has been identified or purchased. To optimize for the cost, delivery time and performance of the plant, the process will utilize both refabricated second-hand and new equipment. The detailed plant layout and building designs have been developed concurrently with the process design and are similarly nearing completion.

Permitting of the Friday mine and the processing facility are progressing according to plan. The underground operations at the mine are permitted, and the mine site already has a temporary water permit in place. Endomines has begun the application for an air quality permit, which it anticipates obtaining in early 2019. Until then, mining operations can commence at a scale that is allowed under the applicable State of Idaho exemptions for small mines. For the processing facility site, Endomines anticipates obtaining the storm water permit in late July but will not need to apply for the air quality permit. The Idaho Department of Environmental Quality has issued a letter to the Company confirming that the mill operation meets air permit exemption requirements. Excess water from both the mine and the processing facility site will be disposed of using a land-application disposal (LAD) method that allows the disposed water to evaporate or be taken up by plants. The disposal occurs through perforated piping during the summers and by snow-making machines in the winter time.

CEO Saira Miettinen-Lähde comments: *"I am pleased to announce that our first mine project in Idaho, the Friday mine, is progressing according to plan on all fronts. Our US team, supported by our Finnish personnel as well as selected consultants, is working hard to complete the project on time and on budget and has been demonstrating great dedication, skills and local knowledge over the first few months of the project. Our announced target of starting up the mine within a year from the acquisition, i.e. prior to the end of February 2019, remains very realistic thanks to the successful development steps taken so far."*

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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 12:30 CEST on 2 July 2018.

About Endomines

Endomines is a mining and exploration company with its primary focus on gold. The Company operates a gold mine in Pampalo, has exploration activities along the Karelian Gold Line in Eastern Finland and develops mining operations in Idaho, USA. Endomines aims to improve its long-term 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.

The shares trade on Nasdaq Stockholm (ENDO) and Nasdaq Helsinki (ENDOM).