



SOTKAMO SILVER AB (PUBL)
(NGM:SOSI; NASDAQ: SOSI1)

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**SOTKAMO SILVER AB (PUBL): ANNOUNCEMENT FROM EXTRAORDINARY
SHAREHOLDERS' MEETING ON 7 JUNE 2016 IN SOTKAMO SILVER AB (PUBL)**

Sotkamo Silver AB (publ) held an Extraordinary Shareholders' Meeting (EGM) on Tuesday 7 June 2016 in Stockholm.

The following main decisions were made at the EGM:

The EGM resolved to adopt new articles of association in which the minimum and the maximum amount allowed for the share capital has been changed.

The EGM resolved to reduce the share capital with SEK 95,149,145.97 by allocation to a non-restricted reserve to be used in accordance with the shareholders' decision. The reduction of the share capital will be made without redemption of shares by changing the share quota value from appr. SEK 6.86 to SEK 2.25 per share.

The EGM resolved to adopt two alternative new articles of association. In the first articles of association, only the limits of the number of shares in the articles of association were changed and in the second articles of association both the the minimum and the maximum amount allowed for the share capital and the limits of the number of shares were changed. The EGM resolved to authorize the board of directors to submit for registration the articles of association which is the most appropriate with regard to the subscription level in the issue of units that the EGM approved.

The EGM resolved to approve the board of director's resolution on 4 May 2016 to issue not more than 20,643,198 units. One unit consists of four shares and one warrant. Each warrant entitles to subscription of one share in the company. Shareholders in the Company registered in the share register kept by Euroclear on the record date 9 June 2016 shall have preferential right to subscribe for the units. The shareholders will for every share they own in the company receive one unit right. One unit right will entitle to subscribe for one unit. The units will be issued at a subscription price of SEK 9 per unit, of which SEK 2.25 refers to the respective share. The warrants are issued without consideration. Subscription for units shall be made during the period from and including 15 June 2016 up to and including 29 June 2016. Each warrant entitles to subscription of one new share in the company during August 2017 for a subscription price of SEK 4 per share. If the issue is fully subscribed, and all of the issued warrants are exercised, the company's share capital will increase with SEK 232,235,977.50, of which SEK 185,788,782 for the shares in the issue and SEK 46,447,195.50 for the warrants. If the issue is fully subscribed, and all of the warrants are exercised, the number of shares in the company will increase by 103,215,990, of which 82,572,792 for the shares in the issue and 20,643,198 for the warrants. The prospectus that is expected to be published around 14 June 2015 will contain further information regarding the rights issue.



The EGM decided to carry out a bonus issue, thereby increasing the share capital with SEK 95,149,145.97 by making use of the company's non-restricted equity, to be carried out without issue of new shares.

The EGM decided to reduce the share capital with a maximum of SEK 185,788,782. The reduction of the share capital shall correspond to an amount in SEK that is equal to the increase in share capital through the issue of shares in the unit issue and the bonus issue resolved by the EGM minus the reduction amount resolved by the EGM, by allocation to a non-restricted reserve to be used in accordance with the shareholders' decision. The reduction of the share capital will be made without redemption of shares by changing the share quota value.

Stockholm on 7 June 2016

SOTKAMO SILVER AB (publ)

Timo Lindborg, CEO

Sotkamo Silver AB (publ) discloses the information provided herein pursuant to the Swedish Securities Markets Act and/or the Financial Instruments Trading Act.

The official Stock Exchange Releases are given in Swedish and there may be slight differences in the translated versions.

About Sotkamo Silver AB (publ)

Sotkamo Silver AB's business concept is to exploit mineral deposits in the Nordic countries with regards to human society and environment. Sotkamo Silver owns, through its subsidiary mineral deposits, which contains silver and gold in Finland. The Company's main development project is the Silver Mine project in the municipality of Sotkamo.

Sotkamo Silver applies SveMin's & FinnMin's respective rules of reporting for public mining & exploration companies. Sotkamo Silver has chosen to report mineral resources and ore reserves according to the internationally accepted JORC or NI 43-101-code. The company applies International Financial Reporting Standards (IFRS) as approved by the European Union.

The ticker symbol is SOSI in NGM and SOSI1 in NASDAQ OMX Helsinki. ISIN-code for Sotkamo Silver shares is SE0001057910.

Read more about Sotkamo Silver on www.sotkamosilver.com or www.silver.fi

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