



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

Press Release 28th, March 2018
Stockholm, 11.15

SOTKAMO SILVER AB: MINE CONSTRUCTION DECISION MADE AND SILVER MINE FULLY FUNDED

The financing package of the construction of Silver Mine has been finalised and convertibles allocated. The Board of Directors of the Company has resolved, based on the authorisation granted by the Annual General Meeting on 15th March 2018, to allocate convertibles of in total a nominal amount of about €5 million, divided between a maximum of 102 convertibles, each with a par value of €50,002. A full conversion could increase the company's share capital with 15,210,194.44 Swedish crowns. Allocated convertibles shall be paid at latest on 4th April 2018. The Board of Directors shall be entitled to extend the payment period. The financing package of the Silver Mine has now been finalised with these convertibles.

The financing of Silver Mine project and the Group liquid assets of about €46 million consists of following parts:

- €13 million 4-year secured bond issued by Sotkamo Silver Oy
- €4 million directed share issue issued by Sotkamo Silver AB
- €5 million 4.5-year convertible bond issued by Sotkamo Silver AB
- €2 million government grant to Sotkamo Silver Oy.
- €6 million loan from the Finnish Funding Agency for Innovation to Sotkamo Silver Oy
- €16 million liquid assets of the Group as of 31st December 2017.

As the financing has now been finalised, the Board of Directors made today a resolution to build Silver Mine. The works are now proceeding with full speed towards production start-up as planned in early 2019.

Alexander Corporate Finance Oy, DLA Piper Finland Attorneys Ltd, A1 Advokater KB Law firm and Hagberg & Aneborn Fondkommission AB have acted as advisors to the company in this financial transaction.

"We are delighted having finalised the financing package, the project is fully funded. In addition, the Board has been able to make the mine construction decision. We are also pleased to have new shareholders and financiers in the Company.

I am sure that our technical and mining team with its broad experience brings the project forward to production. I am very confident to complete the construction phase of the Silver Mine project as planned. I want to thank all the shareholders, financiers, consultants and companies who have given their support to us during the development stage and prior to finalising this financing package. Their support has been very encouraging and supporting", says Timo Lindborg, CEO of Sotkamo Silver AB.

Stockholm, March 28th 2018



Timo Lindborg, CEO

Contact person

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This information is information that Sotkamo Silver 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 persons set out above, on 28th March 2018, at 11.15 CET.

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

About Sotkamo Silver AB

Sotkamo Silver AB's business concept is to exploit mineral deposits in the Nordic countries with positive social and environmental benefits. Sotkamo Silver owns mineral deposits, which contain silver and gold in Finland as well as zinc and gold in Norway. 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.

Legal Entity Identifier (LEI): 213800R2TQW1OZGYDX93

The ticker symbol is SOSI in NGM Equity in Stockholm and SOSI1 in NASDAQ Helsinki.

ISIN-code for Sotkamo Silver shares is SE0001057910.

Read more about Sotkamo Silver on www.silver.fi

The Company's press releases and financial reports are distributed via Cision Sverige and are available on www.silver.fi