



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

Press release, 15 April 2020
Stockholm, 14.30

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SOTKAMO SILVER PUBLISHES PROSPECTUS IN CONNECTION WITH RIGHTS ISSUE

Press release Stockholm 15 April 2020, 14.30

The board of Sotkamo Silver AB (publ) ("Sotkamo Silver" or "the Company") has prepared a prospectus for the forthcoming issue of new shares with preferential rights for existing shareholders of approximately SEK 60 million ("Rights Issue"). The prospectus has today been approved by and registered with the Swedish Financial Supervisory Authority. The Rights Issue is secured by way of subscription and guarantee commitments amounting to around 70 percent of the initial issue volume.

As previously communicated, supported by the authorisation of the annual general meeting on 11 April 2019, the board of Sotkamo Silver has also agreed on a directed issue of warrants which could bring in approximately an additional SEK 22 million to the Company. The issue of warrants will be directed to the Company, which in turn transfers the warrants for no consideration to those who have been allocated shares in the Rights Issue ("Warrant Issue").

SUMMARY OF THE RIGHTS ISSUE

- Shareholders in Sotkamo Silver have preferential rights to subscribe for one (1) new share for every three (3) existing shares of the same class, i.e. a subscription ratio of 1:3.
- The subscription price is set at SEK 1.38 per new share. Provided that the Rights Issue is fully subscribed, the Company will receive approximately SEK 62 million in issue proceeds before the deduction of issue costs.
- The subscription period runs from 16 April to 5 May 2020.
- Trading in subscription rights takes place from 16 to 30 April on NGN Stockholm, and from 16 to 28 April on Nasdaq Helsinki.
- The Company has entered into subscription and guarantee commitments amounting to around 70 percent of the total issue amount.

The prospectus will be available on Sotkamo Silver's website www.silver.fi, the Swedish Financial Supervisory Authority's website www.fi.se, Stockholm Corporate Finance AB's website www.stockholmcorp.se, and on Hagberg & Aneborn Fondkommission AB's website www.hagberganeborn.se.

For more information about the Rights Issue, please refer to the published prospectus.

SUMMARY OF THE WARRANT ISSUE

- Initially, the right to subscribe to the warrants shall, by deviating from the shareholders' preferential rights, be granted to the Company. The warrants are issued without consideration.



- The warrants will then be transferred without consideration to those allotted shares in the Rights Issue as follows: for four (4) shares allotted in the Rights Issue, one (1) warrant shall be transferred.
- Each warrant shall grant the right to subscribe for one (1) new share in the Company at a subscription price of SEK 2.00.
- The subscription of shares supported by the warrants may take place in accordance with the terms of the warrants from 1 May 2021 to 28 May 2021.
- The warrants are expected to be admitted for trading on NGM Equity and NASDAQ Helsinki during week 24, 2020 2020, provided that NGM Equity and NASDAQ Helsinki approve the Company's application for the warrants' admission for trading.

Advisor

Stockholm Corporate Finance is the financial advisor. A1 Advokater and Advokatfirman Schjødt are the legal advisors to Sotkamo Silver. Hagberg & Aneborn Fondkommission and Evli Bank are the issuing institutes in the Rights Issue and the Warrant Issue.

CONTACT PERSON

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The information was submitted for publication, through the agency of the contact persons set out above on April 15, 2020, at 14.30 CET.

The official Stock Exchange Releases are given in Swedish and there may be differences in the translated versions. Should there be any differences, the Swedish version takes precedence.

IMPORTANT INFORMATION

This press release does not constitute an offer to acquire, subscribe to, or otherwise trade in shares, warrants, subscription rights, paid subscription shares, or other securities in Sotkamo Silver AB (publ). Investors must subscribe to or acquire securities only on the basis of the information in the prospectus, which will be published before the start of the subscription period for the Rights Issue around 15 April 2020. Within the European Economic Area, no public offer is made in any country other than Sweden or Finland.

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This press release contains some forward-looking information that reflects the Company's current view of future events and financial and operational development. Words such as "intended", "will", "believed", "assessed", "expected", "planned", "estimated", and other expressions that imply indications or predictions of future developments or trends constitute forward-looking information. Forward-looking information is inherently associated with both known and unknown risks and uncertainties because it is dependent on future events and circumstances. Forward-looking information does not constitute a guarantee of future results or developments. Actual results may differ substantially from what is stated in this forward-looking information. This information, these opinions, and the forward-looking statements contained in this press release are valid only on this date and are subject to change without notice.

ABOUT SOTKAMO SILVER AB (publ)

Sotkamo Silver's business concept is the development and extraction of metal deposits in the Nordic region. The business is run with due regard for people and the environment. Sotkamo Silver owns mineral deposits containing silver and gold in Finland and zinc and gold in Norway. The company's primary project is the Silver mine in the municipality of Sotkamo.

Sotkamo Silver applies SveMin's and FinMin's joint reporting rules for public mining and exploration companies. Sotkamo Silver has chosen to report its mineral resources in accordance with the internationally accepted JORC or NI 43 101 codes. Sotkamo Silver applies the International Financial Reporting Standards (IFRS) as well as the standards adopted by the European Union.

Sotkamo Silver's ticker code is SOSI for NGM Equity and SOSI1 for NASDAQ Helsinki.

The ISIN number for Sotkamo Silver AB's shares is SE0001057910.

The Legal Entity Identifier (LEI) number is: 213800R2TQW1OZGYDX93.

Find out more about Sotkamo Silver at www.silver.fi