

## **Endomines AB raises EUR 3.7 million senior secured bond**

*Endomines AB, Stock Exchange Release 4 March 2019 at 09:45 CET*

**NOT FOR PUBLICATION OR DISTRIBUTION IN OR INTO THE UNITED STATES OR TO ANY PERSON LOCATED OR RESIDENT IN THE UNITED STATES OR TO ANY U.S. PERSON, OR IN OR INTO ANY OTHER JURISDICTION WHERE PUBLICATION OR DISTRIBUTION WOULD BE UNLAWFUL.**

**Endomines AB has placed EUR 3.7m senior secured bond (the “Bonds”) with warrants to primarily Finnish institutional and other selected investors, including certain members of the Board of Endomines and the company’s CEO and CFO.**

On 14 February 2019, Endomines AB (“Endomines” or the “Company”) announced that it was in the process of raising capital through a senior secured bond issue. Bonds amounting to EUR 3.7m have now been placed with primarily Finnish institutional investors. Among the investors are also, in line with market practice in Finland, certain members of the Board of Endomines and the Company’s CEO and CFO that have each subscribed for Bonds to an amount of EUR 50 000, which has been assessed to contribute to the institutional investors’ appetite in the Bonds. The proceeds from the Bonds will be used for (i) financing the ramp-up, including the new mining method of the Friday Mine located in Idaho, U.S., (ii) financing exploration of the Karelian Gold Line, Finland and the Friday Mine, Idaho, U.S. as well as other U.S. assets, (iii) payment of transaction costs, and (iv) financing general corporate purposes of the Endomines group.

Saila Miettinen-Lähde, CEO of Endomines, comments: *“I am pleased to confirm the placing of our EUR 3.7 million bond, which allows us to continue the ramp-up of our Friday mine as well as pursue exploration in Idaho, U.S. and along the Karelian Gold Line in Finland. We are excited about our prospects both in the U.S. and Finland are grateful for the opportunity to continue our development work as planned.”*

The Bonds will be issued on or about 4 March 2019 and have a three-year tenor and a fixed annual interest rate of 12.0 percent. The Bonds are callable at 103 percent of the nominal amount after one year and at 101 percent of the nominal amount after two years. The Bonds will not be listed on a regulated market or other trading facility. The terms and conditions of the Bonds will be made available on Endomines’ webpage on or about 4 March 2019.

For each EUR 50,000 bond subscription, the Company shall issue 55,555 warrants (Sw. *teckningsoptioner*), in total 3,888,877, entitling to new shares (the “Warrants”) to the Bond investors at a price of EUR 0.009 per Warrant (in total EUR 35,000). Each Warrant entitles to subscription of one new share in the Company, at a strike price of EUR 0.90 during the period from 31 March 2019 until and including 31 March 2022. The terms and conditions of the Warrants will be made available on Endomines’ webpage following registration of the Warrants by the Swedish Companies Registration Office (the “SCRO”). No Warrants will be issued with respect to Bonds that have been subscribed for by members of the Board or management. In order to compensate the members of the Board and management that have subscribed for Bonds, without the right to subscribe for Warrants, it is proposed that the 2019 Annual General Meeting resolves on an additional directed issue of 222,220 Warrants. The complete proposal will be presented in the notice to the Annual General Meeting. Provided that all Warrants (including any warrants that may be issued to the members of the Board and management following a resolution of the 2019 Annual General Meeting) are exercised, 4,111,097 new shares will be issued, corresponding to 11.6 percent of the total number of the currently outstanding shares in the Company.

UB Securities Ltd acts as the Lead Manager for the issuance of the Bonds with Warrants.

Borenus Attorneys Ltd and Advokatfirman Cederquist KB act as legal counsel to Endomines in the issuance of the Bonds with Warrants.

#### **Contact person**

Saila Miettinen-Lähde, CEO, +358 40 548 36 95, [saila.miettinen-lahde@endomines.com](mailto:saila.miettinen-lahde@endomines.com)

#### **About Endomines**

*Endomines is a mining and exploration company with its primary focus on gold. The Company explores for gold 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).*

#### **Important information**

*The information contained herein is not for release, publication or distribution, in whole or in part, directly or indirectly, in or into Australia, Canada, Hong Kong, Japan, New Zealand, South Africa, Singapore or the United States or such other countries or otherwise in such circumstances in which the release, publication or distribution would be unlawful. The information contained herein does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of, securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration, exemption from registration or qualification under the securities laws of any such jurisdiction. Members of the public are not eligible to take part in the offering.*

*This communication does not constitute an offer of securities for sale in the United States. The securities have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") or under the applicable securities laws of any state of the United States and may not be offered or sold, directly or indirectly, within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.*

*This communication does not constitute an offer of securities to the public in the United Kingdom. No prospectus has been or will be approved in the United Kingdom in respect of the securities. Consequently, this communication is directed only at (i) persons who are outside the United Kingdom, (ii) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**"), (iii) high net worth companies, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "**relevant persons**"). In addition, this communication is, in any event only directed at persons who are "**qualified investors**" pursuant to the Prospectus Directive (2003/71/EC, as amended). Any investment activity to which this communication relates will only be available to, and will only be engaged with, relevant persons. Any person who is not a relevant person should not act or rely on this communication or any of its contents.*