

Endomines updates on Pampalo mine re-opening

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During January, 2021, Endomines carried out a rights issue to enable the funding of the development of three of its key mines and mine development projects in the US and Finland. A portion of these funds will be allocated to the deepening of and re-starting gold production at the Pampalo mine in Ilomantsi, eastern Finland.

The Pampalo mine was put on care and maintenance (C&M) in 2018 when gold prices were at multi-year lows (\$1250/oz). The ore lenses in the underground mine are open at depth and the known extensions have been outlined by drilling down to the 855-mine level. These areas can be accessed by extending the existing decline thereby deepening the mine. The gold mineralisation and ore lenses are also still completely open below these levels. When the mine was placed on C&M, Endomines calculated that by extending the decline some 100m and developing these deep ore zones, the start-up of the mine production will be feasible at gold prices at/or above \$1500/oz.

During the C&M, the mine has been kept dry and the mill in good working order condition. Due to this the deepening of the decline can be started relatively quickly by late spring and immediately followed by stope development and ore extraction in the latter part of the year. Once, the ramp extension has progressed deep enough to provide drill set ups for underground drilling, diamond drilling programs will be completed to further test the extensions of the deep ore zones and other potential targets and possibilities for more ore, or new unknown lenses within the mine infrastructure.

Planning and preparations for the deepening of the decline is now starting; tenders for selecting mine contractor is being sent out and supplier agreements prepared. The equipment in the mill will be tested and, if required necessary rehabilitation work in the mill will be carried out. Recruitment of mill personnel will commence later in the summer.

Endomines is estimating that the first shipment of gold concentrate to a smelter can be done at yearend. Once in steady production, in the spring of next year, annual gold production will be in the range 8.000 - 9.000oz.

When reaching full production, the mine and mill will employ some 50-70 people including contractors.

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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).