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

Stock Exchange Release 2013-08-28
9.00 A.M

INCREASED POTENTIAL AT SILVER MINE DEPOSIT DOWN TO THE DEPTH OF 2 000 METERS

The volume of the Exploration Target is more than 20 Mt mineral-resources and the grade 60 g/t Ag at the cut- off grade of 30 g/t Ag, which increase the target substantially.

Sotkamo Silver has conducted an additional geophysical survey at its Silver Mine-deposit. The conductive zone, which is an extension of the deposit, can be defined as an Exploration Target (JORC 2012), because it forms a liable extension of the Silver Mine-Deposit both as to shape and position and in accordance with known geological structures. The zone has been penetrated by six drill-holes which contain the same type of cores as in Silver Mine´s intersections.

In purpose to find possible deep extensions at the Silver-Deposit, Sotkamo Silver engaged GTK to perform an EM Sampo (Gefinex 400S) during 2011-2012 under Geophysicist Matti Niskanen, who also created the first 3D- models to visualise conductive zones. Both the original models and the complementary work indicate that the Deposit extends to the depth of more than -1 400 meters and might bend towards upright and westwards. The model extends to the depth of -2 000 meters, while the lower part below -1 400 meters should be considered speculative and theoretical.

An Exploration Target is a statement or estimate of the exploration potential of a mineral deposit in a defined geological setting where the statement or estimate, quoted as a range of tonnes and a range of grade (or quality), relates to mineralisation for which there has been insufficient exploration to estimate a Mineral Resource.

"The result of this study shows clearly the great potential, which Silver Mine deposit has towards depth and strike. This increases the potential of the Silver Mine projektet and our expectations of the deposit quality. I am certain that the Silver Mine will have much longer life time than the actual reserves shows today." Comments Timo Lindborg, CEO

The independent consultant Dr. Jyrki Parkkinen, Doctor in Geology, who holds a Qualified Person status under "The European Federation of Geologists" (EFG) and is qualified to make statements according JORC and NI 43 101 rules.

Dr. Parkkinen is independent from the Company and he does not hold any shares in Sotkamo Silver. He has been involved in the preparation of this press release.

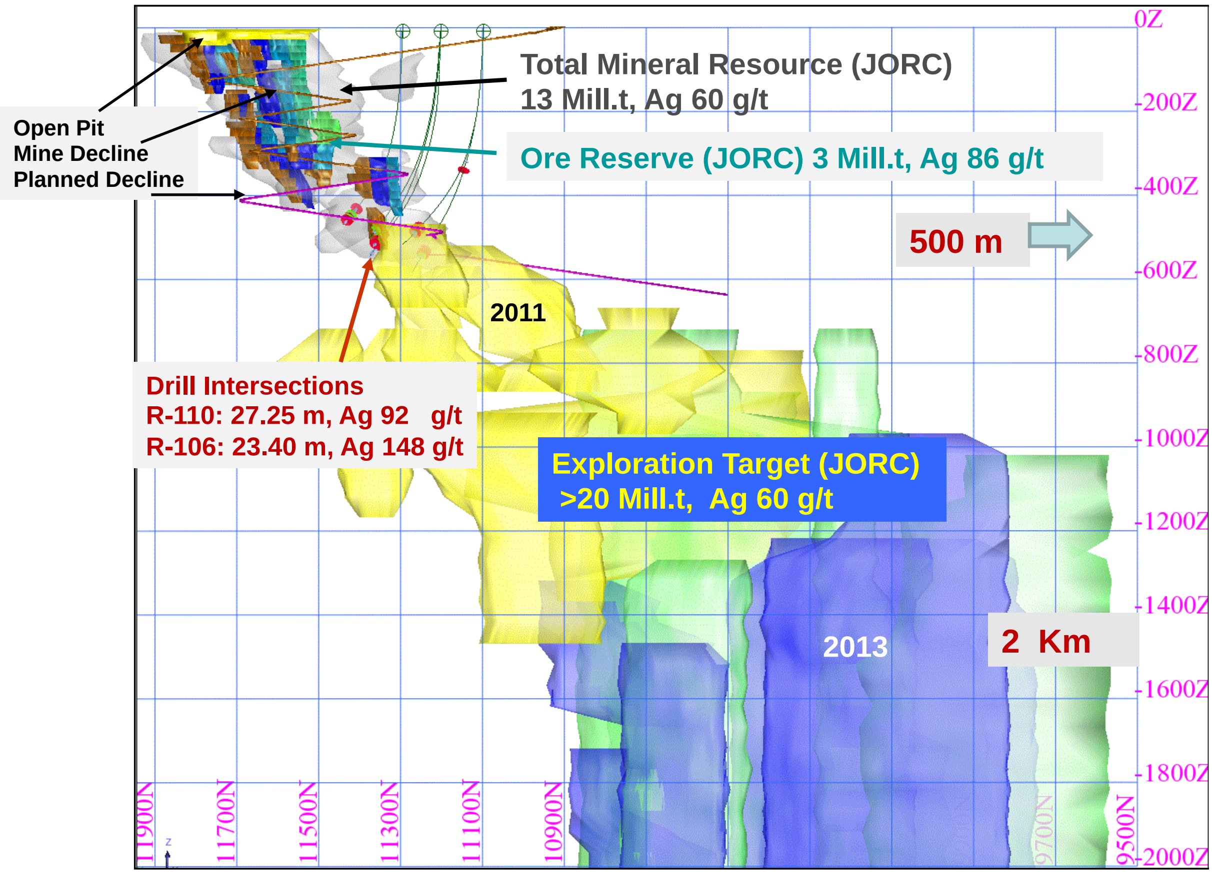
For more detailed information see our web pages at: www.silver.fi

Sotkamo Silver AB

Stockholm, 28th August 2013

Timo Lindborg, CEO

Image 1 below: Silver Mine Deposit, mine plan and models for the Exploration Target. The models extend to the depth of 2 000 m while the lower portion below -1 400m should be considered speculative.



About Sotkamo Silver AB:

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 Taivaljärvi Silver Mine.

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 and for warrants SE0004635290.

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

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