

## New gold lodes discovered at Pampalo

Endomines reports the results of the exploration drilling programme which has been completed at the Pampalo Gold mine mining concession area in 2013, in Ilomantsi municipality, in Eastern Finland.

The results include robust and encouraging intersections of gold bearing zones from the area north of the Pampalo open pits (**P-299 31,6 m @2,6 g/t gold, P-306 11,0 m @2,4 g/t gold, P-312 10,0 m @2,3 g/t gold, P-319 8,7 m @ 3,1 g/t gold and P-322 6 m @4,1 g/t gold**).

The mineral rights of the Pampalo mining area are fully owned by the Company.

The drillings have identified two previously unknown lode structures with significant grades. The eastern mineralisation is called the Lietoja-zone and the western mineralisation is called the D-zone. These new discoveries are the result of detailed drilling, structural investigation and surface mapping and do establish a new structural/gold-mineralisation model for the broader area of Pampalo. The results of the drillings together with images of the preliminary interpretation are published on the Company's website.

The upper part of the Lietoja zone is located within the planned Pampalo East pit. The mineralization continues at least 120 m down dip. The D zone continues at least 80 m down dip. At the Pampalo mine the gold occurs within three zones that have been investigated by means of detailed diamond drilling down to approximately 550 m depth. Exploration drilling further down indicates that the mineralization continues to at least 700 m depth.

Results include all assays received until the 31st of January 2014. Totally 1,916 meters, 994 samples have been drilled and so far results from 558 samples have been received.

"These results are in accordance with what we have been expecting. We have been quite confident that there are more gold mineralisations in the Pampalo area that will strengthen the future development of the operations. The recently established structural model may yield additional resources and reserves at Pampalo and prolong the life expectancy of the mine", comments Markus Ekberg, CEO of Endomines.

Assay results and technical parameters of all presented holes can be found on Endomines website, <http://endomines.com/index.php/karelian-gold-line/exploration-2013/drilling-results-pampalo-17-february-2014>

### General

Karelian Gold Line is located in the easternmost part of Finland in Ilomantsi municipality. Karelian Gold Line is an array of gold deposits and occurrences along the Hattu Schist belt, a part of the more than 200 kilometres long, N-S trending Ilomantsi-Kostamuksha greenstone belt, which is late Archaean (2750 my) in age and one of the best preserved Archaean supracrustal sequences in Finland.

The bedrock is dominated by metasediments with lesser amounts of komatites, tholeiitic basalts and calc-alkaline rocks. All above mentioned lithologies are intruded by typical Archaean tonalite-trondhjemite-granodiorite series rocks and metamorphosed at upper greenschist-lower amphibolite conditions.



Gold mineralisation occurs with sulphide disseminations in quartz-carbonate veins and shear zones in hydrothermally altered tonalites, quartz-feldspar porphyry dykes, quartz-tourmaline veins/breccia and mica schist.

## Pampalo

The Pampalo deposit is located in the central part of the Karelian Gold Line, 5 km north of the village Hattuvaara. The Pampalo mineralisation consists of three parallel auriferous lodes. They have been explored in detail by core drilling down to approximately 550 metres depth. Deep drilling indicates that the gold mineralisation continues at least down to 700 metres depth.

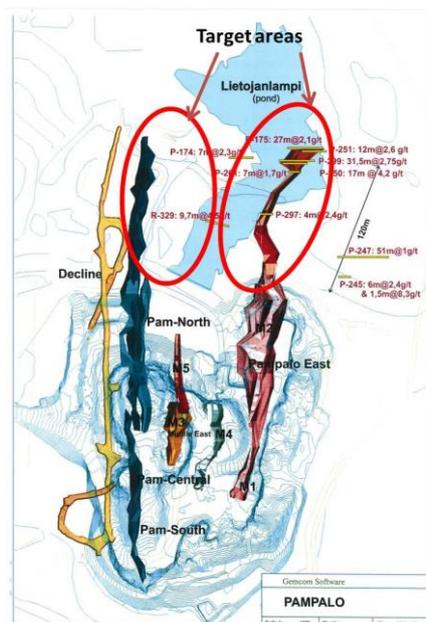
## Drilling areas

The presented drillings aimed to extend the known mineralisation zones of Pampalo and Pampalo East deposits. The drilling campaign included 24 deep drilling holes. The total amount of drilled meters was at 1916 m of which 994 samples were sent to the laboratory for assaying. Until now 588 assay results have been received and these comprise the base of this preliminary announcing. The assay results and drill hole details are shown in Appendix 1.

## The preliminary interpretation of the drilling results

The drillings have been carried out at areas north of the discovered mineral resources. The drilling areas are close to the eastern and western shores the Lietoanlampi pond. The Company has previously dewatered half of the pond and has an environmental permit for complete dewatering. Dewatering works are ongoing

The drilling identified two separate new mineralisations with significant gold intersections. As shown in the attached Figure, the eastern lens is named Lietoja lode and the western Dam-zone. Both of these expose on surface under the till layer dipping approx. 40 degrees to the northeast and are open at depth.



The upper part of the Lietoja lode lies inside the planned Pampalo East open pit and continues for at least 120 meters downwards.

The Dam-lode has been verified from surface down to 80 m but there are strong implications from underground drillings that lode continues parallel to the main North ore lens down to 400 meters. This mineralisation is accessible both from the currently extending open pit and from existing underground drifts.

The company is awaiting the assay results in order to estimate the mineral resources and possible reserves of these new lodes. Further actions will be decided when all results have been compiled and complete interpretation has been done.

## Drilling technical

All drilling has been carried out by Pöyry Finland Oy and MK-Drilling Oy, using WL-66 or WL-76 tubes, resulting in cores of 50, 5mm or 57, 5 mm in diameter. The locations, start azimuths and -dips of the drill holes have been surveyed using GNSS-GPS equipment. Azimuth and dip deviations down the hole have been measured using the Reflex Maxibor Borehole Survey System or Deviflex™ Survey tool. All cores have been orientated with Reflex ACT equipment.

## Assays and QA/QC procedures

The drill cores have been logged by Endomines own personnel. The preparation and assaying of the half-core samples cut by Endomines have been carried out at the Endomines laboratory in Pampalo, Finland.

The sample procedure used at the laboratory was MPC's PAL1000 PULVERISE AND LEACH machine with AAS finishing. The used sample size was 500 g of crushed core.

Normal QA/QC (Quality Assurance/Quality Control) procedures have been adhered to on all the samples, with standards, blanks and duplicates routinely submitted as part of the sampling program. The quality of sample preparation, security, integrity and chemical assays was equal to, or exceeded, current industrial standards and the requirements of the JORC-code.

Competent Person: The technical aspects of this news release have been prepared by MSc (geology) Jaakko Liikanen, who is acting as Competent Person with respect to this release. Jaakko Liikanen is Chief Technical Officer of Endomines AB and owns 1,120,892 shares (1.3%) of the company. The data supporting this news release has been provided in a Surpac database and has been verified against the original laboratory assay certificates. The Competent Person has not undertaken any independent sampling of the drill core, but has reviewed the QA/QC procedures, and considers the results to be within expected margins of error.

**For further information, please contact:**

Markus Ekberg  
CEO of Endomines AB  
tel. +358 40 706 48 50

or visit the Company's home page: [www.endomines.com](http://www.endomines.com)

**About Endomines AB**

*Endomines AB is a Nordic mining and exploration company with its first operating gold mine in production since February 2011. The mine is located in Eastern Finland, on the Karelian Gold Line, a 40 km long gold critical belt, where Endomines controls all currently known gold deposits.*

*The company's business practices and mining operations are based on sustainable principles and on minimizing the impact on the environment.*

*Endomines applies SveMin's & FinnMin's respective rules for reporting (public mining & exploration companies). It has chosen to report mineral resources and ore reserves according to the JORC-code, which is the internationally accepted Australasian code for reporting ore reserves and mineral resources.*

*The shares of Endomines AB are quoted on NASDAQ OMX Stockholm under ticker ENDO and on NASDAQ OMX Helsinki under ticker ENDOM. Pareto Öhman acts as Liquidity Provider.*

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*This news release may contain forward-looking statements, which address future events and conditions, which are subject to various risks and uncertainties. The Company's actual results, programs and financial position could differ materially from those anticipated in such forward-looking statements as a result of numerous factors, some of which may be beyond the Company's control. These factors include: the availability of funds; the timing and content of work programs; results of exploration activities and development of mineral properties, the interpretation of drilling results and other geological data, the uncertainties of resource and reserve estimations, receipt and security of mineral property titles; project cost overruns or unanticipated costs and expenses, fluctuations in metal prices; currency fluctuations; and general market and industry conditions.*

*Forward-looking statements are based on the expectations and opinions of the Company's management on the date the statements are made. The assumptions used in the preparation of such statements, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking statements.*

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*Endomines AB discloses the information provided herein pursuant to the Swedish Securities Markets Act and/or the Swedish Financial Instruments Trading Act. The information was submitted for publication at 08:45 CET on February 17<sup>th</sup>, 2014.*