

Endomines completes directed new share issue raising SEK 48 million - proceeds to be used for accelerated exploration

The Board of Endomines AB (publ) (the “Company”) has, exercising the mandate that was granted at the AGM held on 26 April 2012, made the decision to make a directed issue of 7,944,000 new shares (the “Issue”).

There was significant interest for the Issue and allotment of 7,944,000 shares was made to mainly Swedish and Finnish investors. The issue price was set through book building at SEK 6.10, which corresponds to a discount to yesterday’s volume weighted average share price of 6.3 percent. Payment for the new shares shall be made in cash three days after settlement note has been sent. Through the Issue, approximately SEK 48 million will be brought to the Company before issue expenses.

Following the Issue, the number of shares amounts to 87,385,625 of which the new shares correspond to approximately 9.1 percent of the equity. The Company’s share capital increases with SEK 23,832,000 from SEK 238,324,875 to SEK 262,156,875.

The new shares will entitle to dividends for the first time at the record date for dividend that is closest after the new shares have been registered in the share register kept by Euroclear Sweden AB.

The reason for deviating from the shareholders’ preferential right is to reach institutional investors and broaden the Company’s investor base.

Use of proceeds from the Issue

The proceeds from the Issue are intended to be used to fund a more expansive exploration program along the Karelian Gold Line in Eastern Finland. The main target of the intensified exploration will be the highly potential Korvilansuo-Elinsuo-Muurinsuo-area, which is totally 6 km long and has already established mineral resources in three different deposits and several bedrock gold anomalies.

“All of the results so far obtained from the Korvilansuo- area support our firm conviction that the Korvilansuo-area has real potential for growing into a significant and successful gold project. The area is a textbook example of intrusive-related orogenic gold mineralization and has all the typical characteristics of an Archean greenstone-hosted gold province”, comments Markus Ekberg, CEO of Endomines. The geology of the area is explained in the attached map on next page.

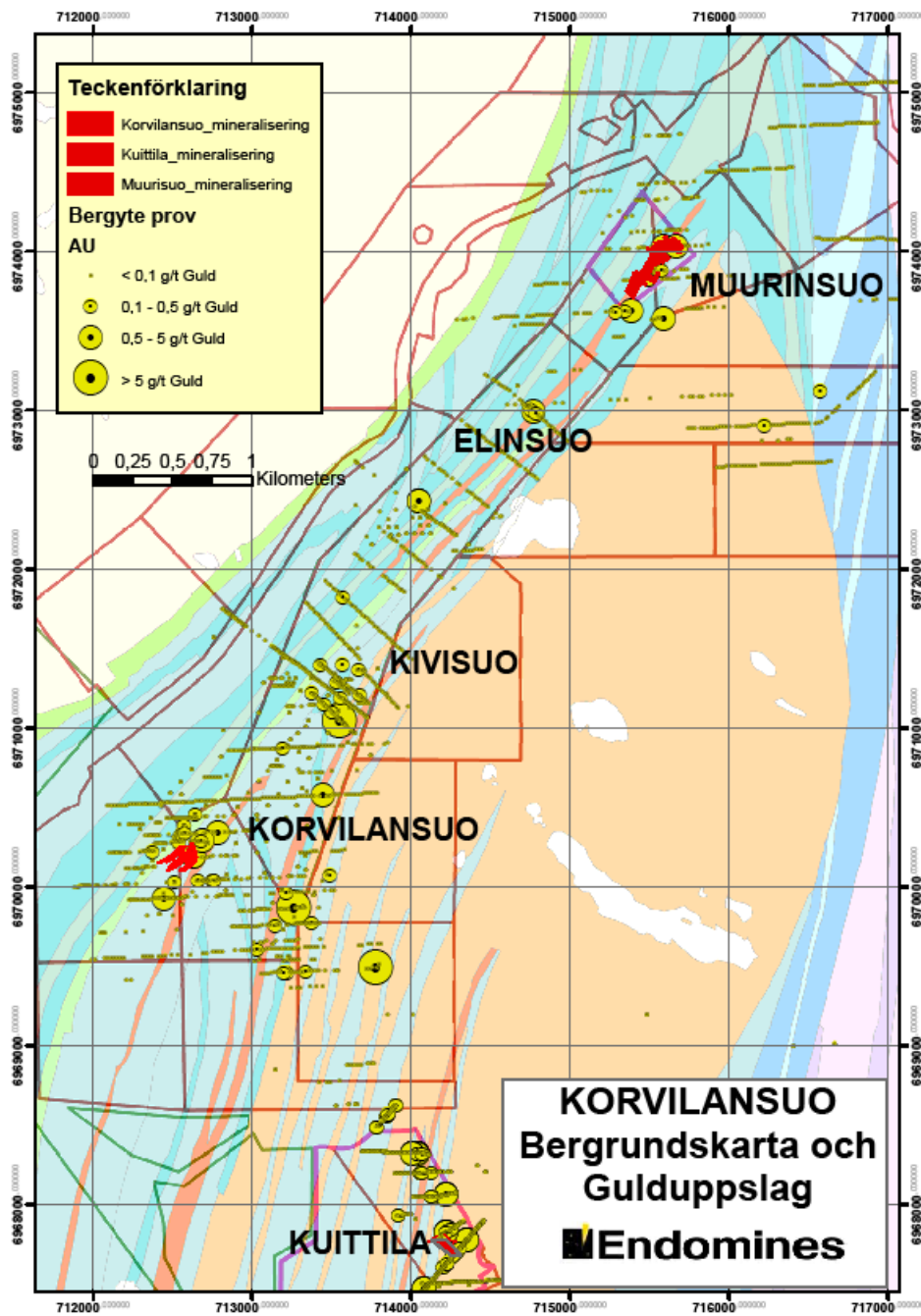


Figure 1: Geological map of the area

“We are only at beginning of our exploration program but what is encouraging us, is that we already have three clearly defined mineralization targets with established mineral resources surrounding the Kuittila-tonalite”, comments Endomines CEO Markus Ekberg.

“Although the main exploration target area will be around the Kuittila tonalite, we will also continue our evaluation of other deposits. Our aim is to complete industrial scale test mining at Rämepuro

during summer of 2013 and bring it to production in the summer of 2014, when we expect that the environmental permitting procedure is completed. At the high grade Hosko deposit we aim to do large scale bulk sampling and pilot plant processing tests during the summer of 2013 and follow with the industrial scale test mining and processing in the summer of 2014”, continues Markus Ekberg.

Pareto Öhman AB is financial adviser to the Company in connection with the Issue. Cederquist is the legal adviser in connection with the Issue.

For further information, please contact

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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 March 27, 2013.

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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 also 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.ST. Pareto Öhman acts as Liquidity Provider.

Read more about Endomines on www.endomines.com