

Endomines Ore Reserve and Resource Estimate update

Endomines is making a public announcement of its updated ore reserves and mineral resources estimates. The estimates have been prepared according to the 2012 Australasian Code for Reporting of Mineral Resources and Ore Reserves (Joint Ore Reserve Committee - JORC-code). The updates have been prepared by various authors (Endomines - in house and others). The update represents the production situation as of December 31st 2016.

The results are as follows:

Gold ore reserves - Karelian Gold Line (status Dec 31 2016)							
Deposit	Tonnes	Grade Au g/t	Oz	kg	Classification	Prepared by	Note
Pampalo	100 000	2,4	7 716	240	Proven	Endomines	(1)
	60 000	2,7	5 208	162	Probable	Endomines	(1)
SubTotal	160 000	2,5	12 925	402			(1)
Pampalo East	32 000	1,3	1 358	42	Probable	Endomines update (JK-Kaivossuunnittelu Oy design 2015)	(2)
Pampalo Reserves total	192 000	2,3	14 283	444			
Grand total	192 000	2,3	14 283	444			

The Indicated and Inferred Mineral Resources are additional to the Ore Reserves

Mineral Resources – Karelian Gold Line (status Dec 31 2016)						
Deposit	Tonnes	Grade Au g/t	Oz	kg	Classification	Prepared by
Pampalo	31 000	3,2	3 189	99	Indicated	Endomines
Pampalo	127 000	3,5	14 291	445	Inferred	Endomines
Pampalo D-zone	170 000	2,0	11 095	345	Inferred	Endomines
Pampalo East	199 000	1,8	11 452	356	Indicated	Endomines
Pampalo East	62 000	1,4	2 791	87	Inferred	Endomines
Pampalo NW	29 000	2,5	2 284	71	Indicated	Endomines
Pampalonlammit	103 000	1,8	5 961	185	Inferred	Endomines
Pampalo Resources total	721 000	2,2	51 064	1 588		
Hosko	35 000	4,1	4 557	142	Measured	Geoconsulting Parkkinen
Hosko	675 000	1,2	25 761	801	Indicated	Geoconsulting Parkkinen
Hosko	240 000	0,8	6 019	187	Inferred	Geoconsulting Parkkinen
Rämepero	136 000	2,3	9 926	309	Inferred	Geoconsulting Parkkinen
Muurinsuo	354 000	1,9	22 080	687	Indicated	Endomines
Muurinsuo	231 000	1,4	10 398	323	Inferred	Endomines
Kuivisto East	37 000	3,2	3 807	118	Indicated	MAPTEK
Kuivisto East	145 000	1,0	4 662	145	Inferred	MAPTEK
Kuittila	275 000	2,6	22 988	715	Inferred	GSF, historical
Korvilansuo	256 000	2,0	16 461	512	Inferred	Outotec (Finland) Oy
Grand total	3 105 000	1,8	177 721	5 528		

Reserves and Resources estimated according the JORC-code (except Kuittila), all figures independently rounded

- (1) Cut-off 1,5 g/t; top cut 10-20 g/t gold; waste rock dilution 10-20%; ore loss: stoping 5%; drifting not modelled separately
(2) Cut-off 0,5 g/t; top cut 7 g/t gold; waste rock dilution 15%; ore loss 10%
(3) Cut-off 1,5 g/t; top cut 10-20 g/t gold
(4) Cut-off 0,5 g/t; top cut 7 g/t gold
(5) Cut-off 0,5 g/t; top cut 10 g/t gold
(6) Cut off 0,5 g/t; top cut 11g/t (low grade domain) or 50 g/t gold (high grade domain)
(7) Cut-off 0,5 g/t, top cut 40 g/t gold
(8) Cut-off 0,5 g/t, top cut 10 g/t gold
(9) Cut-off 0,5 g/t gold; no top cut

Troy ounce = 31,1035

In the Pampalo underground mine almost all the ore reserve and resource mined in 2016 has been replaced by new ore reserves and resources. The data included results from the underground drilling campaign completed in 2016. Totally some 21 000 meters were drilled during 2016.

A new resource estimate has been prepared for Pampalo NW and Pampalonlammit. Although the resource estimates are relatively modest, it proves that it is still possible to find new resources near Pampalo.

Hosko and Muurinsuo were removed from ore reserves because the deposits are likely uneconomic with the current gold price. Hosko and Muurinsuo remain as mineral resources.

"Pampalo total reserves and additional resources have remained almost on the same level as a year before as new resources have been discovered and resources have been converted to reserves from the Pampalo deep extension area. During the past years we have all the time been able to convert Pampalo deep resources to reserves and discover also new resources from Pampalo Deeps. This exploration history supports our view that the exploration potential of Pampalo deep extension is high and continues", comments Markus Ekberg, CEO of Endomines AB.

"We can certainly be satisfied that new resources Pampalo NW and Pampalonlammit – although modest at this stage - have been discovered and developed during the year 2016. This certainly confirms possibilities for new discoveries on the mining lease area", continues Markus Ekberg.

This statement has been controlled by Eurogeologist Jani Rautio MSc (Geol) acting as a Qualified Person. Endomines applies Fennoscandian Review Board –standards for public disclosure of mineral resource and reserves. Jani Rautio is a full time employee of Endomines.

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This information is information that Endomines AB is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Market Act. The information was submitted for publication, through the agency of the contact person set out above, at 08:45 CET on JANUARY 27, 2017.

About Endomines

Endomines is a gold concentrate producer with mining, development and exploration operations in Eastern Finland along the 40 kilometer long Karelian Gold Line. Through various regulatory approvals, Endomines controls the exploration rights to this entire area. Endomines vision is to participate in the future structural transformation and consolidation of the Nordic mining industry. The Company may therefore be involved in acquisitions of interesting deposits or companies, should such opportunities arise.

The shares trade on Nasdaq Stockholm (ENDO) and Nasdaq Helsinki (ENDOM).

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.
