NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN OR INTO AUSTRALIA, CANADA, HONG KONG, JAPAN, SINGAPORE, SOUTH AFRICA, NEW ZEALAND, THE UNITED STATES OR ANY OTHER COUNTRY WHERE SUCH PUBLICATION, DISTRIBUTION OR RELEASE WOULD BE UNLAWFUL OR REQUIRE ADDITIONAL DOCUMENTS TO BE PREPARED OR REGISTERED OR REQUIRE ANY OTHER ACTIONS TO BE TAKEN, IN ADDITION TO THE REQUIREMENTS UNDER SWEDISH LAW. THIS PRESS RELEASE IS NOT A PROSPECTUS OR AN OFFER FOR SALE OF SECURITIES. SECURITIES MAY NOT BE SOLD IN THE UNITED STATES ABSENT REGISTRATION WITH THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION OR AN EXEMPTION FROM REGISTRATION UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED. SOTKAMO SILVER DOES NOT INTEND TO REGISTER ANY PART OF THE OFFERING IN THE UNITED STATES OR TO CONDUCT A PUBLIC OFFERING OF THE SUBSCRIPTION RIGHTS OR THE SHARES IN THE UNITED STATES. OTHER RESTRICTIONS ARE APPLICABLE. PLEASE SEE IMPORTANT INFORMATION AT THE END OF THE PRESS RELEASE.

THE PLANNED SHARE ISSUES IN SOTKAMO SILVER WILL NOT BE CARRIED OUT

Sotkamo Silver AB ("Sotkamo Silver" or the "Company") holds an Extraordinary General Meeting today on 28 December 2022 (the "EGM"). Based on the voting forms received, the Company can conclude that the EGM will resolve against the proposed share issue with preferential rights for existing shareholders as well as against the directed share issue. Consequently, the planned share issues will not be carried out and the intended final terms that were published on 23 December 2022 may be disregarded from.

The full bulletin from the EGM will be published separately later today.

The prevailing general economic and market situation has had an impact on the Sotkamo Silver's operations and profitability during 2022. The sharply increased prices of energy and consumables and the simultaneous decline of the metal prices, as well as the great uncertainty and volatility associated with them, has required measures to ensure the profitability of production and the continuity of operations. The Company therefore needs to strengthen its financial position and requires additional working capital to meet the variations.

Sotkamo Silver will continue to assess alternative options to strengthen its financial position.

For more information, please contact:

Mikko Jalasto, CEO, tel. +358 50 482 1689

This information is information that Sotkamo Silver AB is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact persons set out above on 28 December 2022, at 07:20 CET.

The official Stock Exchange Releases are given in Swedish and there may be differences in the translated version..

About Sotkamo Silver AB

Sotkamo Silver's business concept is to develop mineral deposits with regards to human society and environment. The Company owns the Silver Mine in Sotkamo which started production in March 2019. In addition, the Company holds mining and exploration rights to precious and base metal deposits in Finland.

The Company applies International Financial Reporting Standards (IFRS) as approved by the European Union.

The ticker symbol is SOSI on NGM Main Regulated in Stockholm and SOSI1 on Nasdaq Helsinki.

ISIN-code for Sotkamo Silver shares is SE0001057910.

Legal Entity Identifier (LEI): 213800R2TQW1OZGYDX93

Read more about Sotkamo Silver on www.silver.fi

The Company's press releases, and financial reports are distributed via Cision Sverige and are available on www.silver.fi

Important information

In certain jurisdictions, the publication, announcement or distribution of this press release may be subject to restrictions according to law. Persons in such jurisdictions where this press release has been published or distributed should inform themselves, observe and abide by such restrictions. The recipient of this press release is responsible for using this press release, and the information herein, in accordance with applicable rules in the respective jurisdiction.

This press release does not contain or constitute an invitation nor offer to acquire, sell, subscribe for or otherwise trade in shares, subscription rights or other securities in Sotkamo Silver. Invitation to the persons concerned to subscribe for shares in Sotkamo Silver will only be made by means of the prospectus that Sotkamo intends to publish on Sotkamo Silver's website, following the approval and registration of the prospectus by the Swedish Financial Supervisory Authority (Sw. *Finansinspektionen*). The prospectus will contain, among other things, risk factors and certain selected financial information. This press release has not been approved by any regulatory authority and is not a prospectus. Investors should not subscribe for or purchase any securities referred to in this press release except on the basis of information contained in the prospectus to be published by Sotkamo Silver.

This press release is not directed to persons located in Australia, Canada, Hong Kong, Japan, Singapore, South Africa, New Zealand or the United States or in any other jurisdiction where the offer or sale of the subscription rights, paid subscribed shares (Sw. *betalda tecknade aktier*) or new shares is not permitted. This press release may not be released, published or distributed, directly or indirectly, in or into Australia, Canada, Hong Kong, Japan, Singapore, South Africa, New Zealand or the United States or any other jurisdiction where such measure is wholly or partially subject to legal restrictions or where such measure would require additional prospectuses, offer documents, registrations or any other measures in addition to what is required under Swedish law. The information in this press release may not be forwarded, reproduced or disclosed in such a manner that would contravene such restrictions or would require such additional prospectuses, offer documents, registrations or any other measure. Failure to comply with this instruction may result in a violation of applicable law.

This press release is not an offer of securities for sale in the United States. Securities may not be offered or sold in the United States absent registration or an exemption from registration under the Securities Act of 1933, as amended (the "Securities Act"). Any securities mentioned herein have not been and will not be registered under the Securities Act, and no public offering will be made in the United States.

This press release is directed only at (i) persons who are outside the United Kingdom or (ii) persons who have professional experience in matters relating to investments falling within Article 19(2) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order") or (iii) are persons falling within Article 49(2)(a) to (d) or (iv) persons to whom this press release may otherwise be lawfully communicated (all such persons together being referred to as relevant persons). Any investment or investment activity to which this press release relates will only be available to and will only be engaged with, relevant persons. Any person who is not a relevant person should not act or rely on this press release or any of its content.

This press release is distributed in any member state of the European Economic Area under Regulation (EU) 2017/1129 (the "Prospectus Regulation") only to those persons who are qualified investors for the purposes of the Prospectus Regulation in such member state, and such other persons as this press release may be addressed on legal grounds, and no person that is not a relevant person or qualified investor may act or rely on this press release or any of its contents.

Statements in this press release relating to any future status or circumstances, including statements regarding future performance, growth and other trend projections and other effects of the Share Issues or the other matters described herein, are forward-looking statements. These statements may generally, but not always, be identified by the use of words such as "anticipate", "believe", "expect", "intend", "plan", "seek", "will", "would" or similar expressions. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that could occur in the future. There can be no assurance that actual results will not differ materially from those expressed or implied by these forward-looking statements due to several factors, many of which are outside Sotkamo Silvers's control. Any forward-looking statements in this press release speak only as of the date on which the statements are made and Sotkamo Silver has no obligation (and undertakes no obligation) to update or revise any of them, whether as a result of new information, future events or otherwise.