



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

Stock Exchange Release 2013-07-28
8.45 A.M. Stockholm

THE SILVER MINE'S ENVIRONMENTAL PERMIT HAS NOW BECOME LEGALLY VALID

The Regional State Administrative Agency of Northern Finland granted an environmental permit for the Silver Mine on April 16th 2013. The permit was appealed at Vaasa Administrative Court. The Court announced its decision on them on 13th of June 2014. That decision was not appealed within the appealing period. This is now confirmed from Supreme Administrative Court that the Silver Mine's environmental-permit is legally valid.

The final environmental-permit allows construction and operation of the Silver Mine in Sotkamo. The permit consists of 108 detailed regulations, terms and provisions to secure an environmental-friendly and sustainable operation.

According to cash flow forecast of feasibility study, which is based on an average silver-price of \$ 21.5 / Oz between the years 2016-2025, the Mine's project IRR is estimated to 35%. Pay-back period from production-start is estimated to about 3 years. Life of mine capex is 32 million euro. It is projected to mill an average of 350,000 - 450,000 ton silver-ore to produce about 1,200,000 - 1,300,000 ounces silver and about 3,000 - 3,200 ounces gold in concentrates per year.

In addition to have the target of near-term silver-gold concentrate production, exploration and ore-development continues. By geophysics demonstrated significant exploration potential below the ore reserves is the first target for additional core-drilling to increase the resources. Technological tests and planning for pre-concentrating of lower grade mineralized resources will increase economically mineable amounts of silver and life-time of the mine. The high-grade nature of this mineralization and a large demonstrated exploration-potential means that the resource-tonnage could increase significant.

"Although the Management believe this is an ideal environment to build a Silver Mine due the good deposit, abundance of skilled labour and supplies, any final decision to proceed is not yet resolved. It would be based on secured financing on attractive terms. Several financing alternatives are currently reviewed. I believe that the received final environmental permit will help to facilitate this process." Comments Dr. Timo Lindborg, CEO.

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

Stockholm, 28th July 2014.

Timo Lindborg, CEO



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 Silver Mine project in the municipality of Sotkamo.

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 Equity in Stockholm and SOSI1 in NASDAQ OMX Helsinki. ISIN-code for Sotkamo Silver shares is SE0001057910.

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

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