

Pampalo Gold Mine ore reserve tonnage increased by 50% and gold content by 11 %

Endomines AB is pleased to release updated ore reserve estimates for its Pampalo Gold Mine. The Pampalo Gold Mine, located in Eastern Finland, is currently under commission by Endomines AB's fully owned subsidiary Endomines Oy. The JORC-compliant report was prepared by Outotec Oy, a leading global provider of process solutions, technologies and services for the mining and metallurgical industries.

The data includes results from the recently completed infill drilling campaign from the Pampalo underground mine. The key purpose of this campaign was aimed at delineating the intended production area for the initial three to four years of production, rather than to assessing the full potential of the Pampalo Gold deposit. Deep extensions of the Pampalo deposit will be explored in due course over the coming years.

A summary report will be filed on the company's web site before the end of October.

The summary table of the Pampalo Gold Mine reserves (excluding resources and reserves on the other deposits along Karelian Gold Line) as of Sept 27, 2010, is as follows:

Deposit	Tonnes	Grade Au g/t	Oz	Kg	Classification	Consultant
Pampalo	22 000	4,00	2 829	88	Stockpiled	WAI
	750 000	3,60	86 807	2 700	Proven	Outotec
	511 000	3,00	49 287	1 533	Probable	Outotec
Pampalo Reserves total	1 283 000	3,4	138 923	4 321		
Pampalo inferred resource	240 000	3,6				Outotec

Note: **Inferred resources are additional to ore reserves**
WAI stock pile estimate: top cut 10 g/t
Outotec estimate: reserve cut-off 1 g/t, gold price 940 €/oz (equals ~1150 usd /oz); Waste Rock Dilution 10-20%
Ore losses: drifting 0 %, stoping 5 % and stoping nearby talc chlorite rock 40 %

"We are delighted by the results of the recent infill drilling campaign. The increase of the mineable reserve tonnes at Pampalo Gold Mine by 50 % will add almost two years to the Pampalo Gold mine production plan. The increase is mainly due to lower cut-off grade as the gold price has increased from the time when previous estimate was prepared. With this increase and today's strong gold price the Pampalo Gold Project is even more robust than before. The resources and reserves of other deposits located on the Karelian Gold line are also due to be updated in due course", comments Markus Ekberg, CEO of Endomines.

"Pampalo Project is on schedule and costs are in line with our budget. Small overruns are due to improved quality of some critical areas", Ekberg continues.

During spring 2010 Endomines undertook an important underground infill drilling program with a view to delineate its ore reserves and resources at Pampalo Gold Mine. In all, 43 drill holes totaling 2727 meters were drilled on the known resources and reserve area at Pampalo.

Normal QA/QC (Quality Assurance/Quality Control) procedures were followed for all the samples. The quality of sample preparation, security, integrity and chemical assays was equal to or exceeded current industrial standards and the requirements of JORC-code.

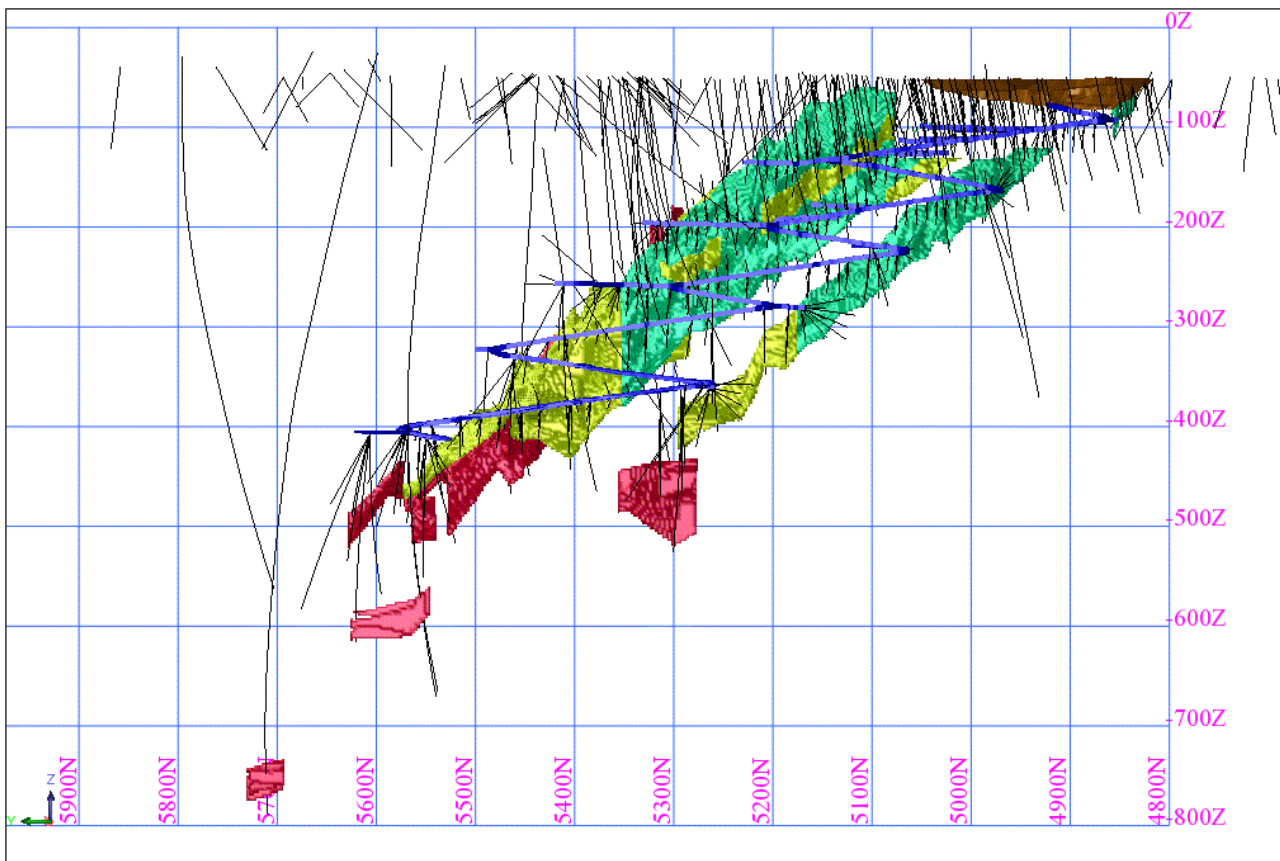


Figure: Pampalo Gold mine resources location on the longitudinal projection. Green=measured, yellow=indicated and red=inferred resource. Only measured and indicated resources were converted to mining reserve.

With the recent update the total reserve of the Karelian Gold Line has increased to 1.9 Mt with an average gold grade of 3.5 g/t containing 6 725 kg, 217 500 ounces gold (previous resources estimate 1.4 Mt @ 4.5 g/t; containing 6 175 kg, 198 500 ounces).

The management of Endomines intends to pursue exploration on all significant mineralized structures to further define and increase the resources and reserves along the Karelian Gold Line.

The resource and reserve estimate was prepared by Mr Markku Meriläinen (MSc, Geology, MAusIMM) and Mr Pekka Lovén, (MSc, Mining Engineering, MAusIMM), both Competent Persons in accordance with the JORC-code, and employed by Outotec (Finland) Oyj. Meriläinen and Lovén are not associated in any manner with Endomines AB or any of its subsidiaries.

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Endomines has taken several important steps to develop the business from exploration to full-scale gold production. By the end of 2010, the company will commence production at the Pampalo Gold Mine, with a projected output of 900–1,000 kg of gold per annum. Other deposits along the Karelian Gold Line will be exploited subsequently. Endomines has additional claims and mining concessions in Finnish Lapland (gold, Ostrobothnia (ilmenite) and Southern Finland (limestone/wollastonite).

Endomines applies SveMin's & FinnMin's respective rules for reporting (public mining & exploration companies). Endomines has chosen to report mineral resources and ore reserves according to JORC or NI 43-101-code which are internationally accepted. Endomines applies International Financial Reporting Standards (IFRS) as approved by the European Union.

The shares of Endomines AB are listed on First North Premier segment in Stockholm under the ticker ENDO.ST. Erik Penser Bankaktiebolag acts as Certified Adviser and Liquidity Provider.

Read more about Endomines on <http://www.endomines.com/>