

Pampalo Q4/2012 production statistics and progress report – record gold production 277.4 kg and full year 866.5 kg

Endomines AB publishes its Fourth Quarter 2012 (ending Dec 31, 2012) production results for its Pampalo Gold Mine in Eastern Finland. The mine produced 277.4 kg or 8 920 oz, of gold during the period.

Pampalo Q4/2012 Production Results¹:

	Q1/2012	Q2/2012	Q3/2012	Q4/2012	YTD
Tonnes mined	61,134	57,718	61,988	69,950	250,790
Tonnes processed	61,596	64,730	64,177	59,446	249,949
Head grade (Au g/t)	3.2	4.4	3.2	5.4	4.0
Gold recovery (%)	85.6	86.6	85.5	87.2	86.1
Hourly utilization (%)	86.5	94.2	95.0	88.1	91.0
Gold produced kg	168.8	244.5	175.8	277.4	866.5
Gold produced oz	5,427	7,862	5,652	8,920	27,860
LTIFR ² (12 month rolling)	16	11	10	9	9

“Mining during the quarter took place from the high-grade areas. Good head grade in combination with efficient mining resulted in the highest quarterly gold production since inception of the mine. Whole year production is also very satisfactory and we passed our guidance of 800 kg with a good margin”, said Markus Ekberg, CEO of Endomines.

“Moreover, our continuous safety improvement efforts are also producing results and this was the third consequent quarter without any Lost Time Injuries at Pampalo. Our own workforce has now worked 643 days without accidents and our contractors 294 days”, comments Markus Ekberg, CEO of Endomines.

The Pampalo processing plant capacity expansion project is progressing as planned and on schedule. We do expect all installations to be completed in time before the approval from the environmental authorities. As earlier communicated the approval is expected to be received early 2013.

Endomines has applied for a capacity expansion to a maximum of 450 000 tonnes per annum but expects to operate the plant at an annual capacity of 330 000 – 380 000 tonnes per annum. Additional ore production will be mined from the Pampalo East open pit areas. Ore and waste rock mining has commenced by the contractor Lemminkäinen Oy.

As earlier announced all laboratories used by the company as well as other certified laboratories have reported serious overload problems resulting in significant delays in the assaying work. This has also affected Endomines and thus results from 2012 exploration campaign will be published when all relevant results are available. The Company intends to publish the resource and reserve update during the Q1/2013.

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¹ Production figures for Q4 are based on company own assaying and not confirmed by any external laboratory. Figures are individually rounded. Cash Cost USD/oz will be published in the Q4-report, due on 22nd February 2013.

² LTIFR = The Lost Time Injury Frequency Rate (LTIFR) is based on reported lost time injuries resulting in one day/shift or more off work per 1,000,000 hours worked.

Endomines

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 11:00 CET on January 3rd, 2013.

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 has several other gold and industrial mineral properties at various stages of development. All Endomines' mineral assets are located in Finland, which is politically stable, has a highly developed infrastructure and is ranked as one of the most favorable jurisdictions for the mining industry.

Endomines aims to increase shareholder value by developing its strong portfolio of assets, as well as exploring new deposits on the Karelian Gold Line and in Finnish Lapland. The company will also consider new opportunities and acquisitions for further growth.

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

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.