

Significant Expansion and New Long Gold Intersections within Endomines Korvilansuo Gold Property and New Encouraging Results from Rämepuro, Eastern Finland

Endomines is pleased to announce results of the 2012 drilling campaigns at its Korvilansuo and Rämepuro properties located at Karelian Gold Line, Eastern Finland. Drilling campaign at Korvilansuo aimed to increase geological understanding and increase resources of the deposit. Drillings at Korvilansuo property has intersected gold mineralization represented by core sections from a couple of metres up to almost 50 metres in length with encouraging results. The drilling at Rämepuro was aiming to provide additional information from the areas where the information was less dense. Both campaigns succeeded well in their goals.

KORVILANSUO

Korvilansuo is located on the Karelian Gold Line, near Ilomantsi, in Eastern Finland and the mineral rights of the property are fully owned by the Company. Finnish authorities have within the last weeks granted new claims for the next 5 years over the whole target area.

The 2012 core drilling campaign at Korvilansuo was aimed at extending and verifying the gold mineralization discovered during the 2011 campaign, with a total of 3905 m of diamond drilling completed. Previously unpublished intercepts include:

- 49.6 m @ 2.1 g/t gold
- 20,5 m @ 4.6 g/t gold
- 16.9 m @ 5.3 g/t gold
- 14.8 m @ 4.6 g/t gold
- 12.3 m @ 1.3 g/t gold
- 8.0 m @ 2.4 g/t gold
- 7.0 m @ 4.1 g/t gold
- 6.6 m @ 2.1 g/t gold
- 6.3 m @ 3.0g/t gold
- 6.0 m @ 1.7 g/t gold
- 4.5 m @ 1.7 g/t gold
- 3.3 m @ 21.3 g/t gold
- 3.0 m @ 5.9 g/t gold
- 3.0 m @ 3.6 g/t gold
- 2.7 m @ 10.0 g/t gold
- 2.0 m @ 6.8 g/t gold

“The exploration program in the Korvilansuo-Muurinsuo area is just beginning but all of the results so far obtained support our firm conviction that this area has all the necessary characteristics of Archean greenstone-hosted gold provinces and real potential for growing into a significant and successful gold project”, comments Endomines CEO Markus Ekberg.

Additional 320 more assays are still pending and should be received within the next few weeks. Full exploration results for the Korvilansuo property are tabulated in the appendix.

Korvilansuo, along the Karelian Gold Line in Ilomantsi, is a typical Archaean orogenic gold occurrence, comprising subvertical lodes defined by sulphide disseminations and auriferous tourmaline-quartz veins and breccias. The principal host rocks at Korvilansuo are volcanogenic metasediments which are metamorphosed and altered to chloritic and sericitic schists under transitional greenschist-amphibolite facies conditions and intruded by quartz-feldspar porphyric tonalite dikes. Korvilansuo lies within the N-NE trending Korvilansuo Shear Zone, near the southern end of the Kuittila tonalite intrusion, which also host gold mineralization. Native gold is irregularly distributed through host rock disseminations and in quartz veins as inclusions in biotite, pyrrhotite, pyrite and arsenopyrite, as free grains up to 1 mm in size between silicates and intergrown with bismuth,

tellurides and rutile. Several hundred assays have been additionally checked with 0.5 kg screen fire assay or 500 g cyanide leach procedures so that nugget effects may be clearly distinguished.

Finnish authorities have within the last two weeks granted new claims covering the whole target area for the next 5 years. Korvilansuo and the neighboring areas have thus been covered by recently granted, already existing claims or new claim applications.

The drilling database will as soon as possible be sent to Outotec Oyj for resource estimation and the resource estimate will be published in due course.

RÄMEPURO

Four new exploration holes, totaling 320 m, were drilled at the Rämepuro deposit. The following intersections were received from the assays:

Drillhole 2012	Coord. Nord (m)	Coord. East (m)	Coord. Z (m)	Length (m)	AZI (deg)	Dip (deg)	Mineralisation from to (m)	Interval length (m)	Gold (g/ton)
HA-137	6977614.7	4564525.1	167.63	109.3	92.1	-50.1	34.3 35.6	1.3	1.2
							58.6 61.1	2.5	1.4
							71.6 73.0	1.4	5.1
							87.6 92.2	4.6	1.3
HA-138	6977770.1	4564540.1	167.25	91.2	91.7	-50.1	47.65 54.5	6.85	5.7
HA-139	6977630.2	4564569.8	167.67	51.8	95.9	-40.0	27.9 37.8	9.9	1.6
HA-140	6977710.3	4564540.4	167.23	69.8	89.3	-49.9	45.5 59.9	14.4	3.8

The drilling database has been sent to Outotec Oyj for the resource estimation.

A metallurgical study on mineralized bulk sample taken at the surface of Rämepuro gold deposit has been carried out in September 2012 at the Geological Survey of Finland (GTK) for Endomines Oy. Among other tests, the feasibility of adopting the present Pampalo Mill flow sheet for Rämepuro was tested by down-scaling the flow sheet at the GTK pilot plant.

The metallurgical tests were carried out on 370 t mineralized samples from the Rämepuro deposit. The head grade of the sample was 2.4 g/t gold. The total net energy consumption for grinding in a two-stage ball mill circuit varied from 12 to 13 kWh/t, the latter when finer grinding was applied.

The average gold recovery in the tests was 86.5 % varying from 72.7 % to 92.7 %. The mass percentage of the bulk concentrate (gravity+flotation) was 1.71 wt%. The gold recovery of the shaking table concentrate varied between 30 and 45 %. The average gravity concentrate had a gold grade of 3,502 g/t at a recovery of 38.5 % and the average silver grade was 1,362 g/t at a recovery of 20.3 %.

Samples for an environmental permit application were collected during the pilot plant test run.

Drilling technical and QA/QC procedures

All drilling has been carried out by Pöyry Finland Oy, using WL-66 (~NQ2) tubes, resulting in cores of 50.5 mm in diameter. The locations of the drill holes have been surveyed using GNSS-GPS equipment. Azimuth and dip deviations have been measured using the Reflex Maxibor Borehole Survey System.

The preparation and assaying of the half-core samples cut by Endomines have been carried out at the Labtium laboratory in Rovaniemi, Finland. The sample procedure used at the Labtium laboratory was Pb - Fire Assay of 50g subsample and determination of gold using the ICPOES method (Labtium code 705P). Any assay with gold grades exceeding 10 g/t was re-assayed using a 50g Fire Assay method and gravimetric analysis (Labtium code 705G). Control assays have been done for 278 samples with 500 g Screen Fire assay or 500 g Cyanide leach (Labtium code 236A) methods to prevent the nugget effect.

Normal QA/QC (Quality Assurance/Quality Control) procedures have been adhered to on all the samples, with standards blanks and duplicates routinely submitted as part of the sampling program. The quality of sample preparation, security, integrity and chemical assays was equal to, or exceeded current industrial standards and the requirements of the JORC-code.

This statement has been prepared by Jaakko Liikanen (MSc Geol) acting as a Qualified Person in compliance with SveMin-FinnMin rules. He owns 1,143,892 (1.44%) Endomines AB shares and is employed by the Company as Chief Technical Officer. The data supporting this news release has been included in a Surpac database and has been verified against the original laboratory assay certificates.

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www.endomines.com

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 09:00 CET on January 21, 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.

17 Jan 2013 **Korvilansuo drilling Core WL-66 50,5 mm**

Note: no top-cut has been applied

Appendix

Drillhole	Coord. Nord (m)	Coord. East (m)	Coord. Z (m)	Length (m)	AZI (deg)	Dip (deg)	Mineralisation from to (m)	Interval length (m)	Gold (g/ton)		
KVS-1	6966765,1	4559680,4	183,3	180,4	99,17	-44,17	16,0	17,1	1,1	4,5	
							145,2	146,2	1,0	5,8	
							167,1	167,8	0,7	7,3	
KVS-2	6966768,5	4559789,3	181,4	168,4	99,19	-45,46	26,6	29,6	3,0	1,3	
							38,4	43,3	4,9	0,6	
							60,6	62,6	2,0	0,6	
							66,8	70,8	4,0	0,4	
							88,5	90,0	1,5	0,8	
							100,0	128,0	28,0	3,1	
							or	100,0	104,0	4,0	13,7
							141,0	142,5	1,5	1,0	
146,4	148,4	2,0	1,6								
160,4	162,4	2,0	1,6								
KVS-3	696696,4	4559695,3	183,5	204,5	101,27	-44,76	25,0	29,5	4,5	0,7	
							63,5	65,0	1,5	1,0	
							94,5	96,0	1,5	0,7	
							100,5	106,5	6,0	1,0	
							137,9	141,0	3,2	0,5	
200,0	201,5	1,5	1,0								
KVS-4	6966701,2	45597783	183,0	159,1	99,32	-43,88	107,5	110,0	2,5	1,7	
							132,0	135,1	3,1	1,1	
							137,5	139,4	1,9	1,0	
KVS-5	6966623,5	4559792,7	181,0	129,5	97,63	-44,32	73,0	74,6	1,6	1,0	
KVS-6	6966725,0	4559797,3	182,6	173,3	89,30	-44,5	57,2	58,2	1,0	1,1	
							127,3	128,3	1,0	1,3	
							133,3	134,3	1,0	1,1	
							142,3	146,3	3,0	1,2	
162,3	164,3	2,0	1,4								
KVS-7	6966760,3	4559799,2	181,6	177,6	90,80	-44,5	13,7	17,1	3,4	2,0	
							27,7	29,6	2,8	1,4	
							54,8	56,7	1,9	1,3	
							100,0	134,3	34,3	2,0	
							146,3	148,3	2,0	2,0	
							152,3	153,2	0,9	1,7	
165,2	169,3	4,1	1,6								
KVS-8	6966779,8	4559810,556	180,6	153,5	90,20	-44,5	15,5	25,3	9,8	2,2	
							57,3	63,3	6,0	1,0	
							93,3	108,3	15,0	4,5	
							incl.	107,3	108,3	1,0	41,1
KVS-9	6966797,6	4559816,8	180,2	168,4	90,00	-44,6	32,1	36,1	4,0	1,8	
							56,0	69,0	13,0	1,1	
							110,0	111,0	1,0	9,8	
KVS-10	6966760,2	4559837,4	180,1	159,4	89,20	-45,6	12,4	14,4	2,0	1,4	
							89,4	96,4	7,0	4,1	
							127,4	129,4	2,0	1,6	
							136,4	138,4	2,0	0,9	
144,4	146,4	2,0	1,7								
KVS-11	6966779,9	4559821,5	180,2	159,4	91,52	-43,60	7,6	15,8	8,2	1,1	
							44,8	46,8	2,0	1,4	
							53,8	55,8	2,0	2,2	
							146,4	149,5	3,1	1,0	

Drillhole	Coord. Nord (m)	Coord. East (m)	Coord. Z (m)	Length (m)	AZI (deg)	Dip (deg)	Mineralisation from to (m)		Interval length (m)	Gold (g/ton)
KVS-12	6966799,8	4559840,1	179,7	150,5	88,30	-44,80	21,2	27,7	6,6	2,1
							117,8	119,0	1,2	2,0
							133,6	134,7	1,1	4,7
KVS-13	6966700,011	4559809,146	181,7	150,1	89,03	-45,90	128,7	131,2	2,5	2,5
							117,8	119,0	1,2	2,0
							133,6	134,7	1,1	4,7
KVS-14	6966760,0	4559759,8	182,5	201,15	89,01	-46,2	47,6	56,2	8,6	1,2
							93,5	101,9	8,4	0,4
							123,1	140,0	16,9	5,3
							144,0	150,3	6,3	3,0
							157,0	158,0	1,0	1,4
							172,0	173,0	1,0	1,1
							179,0	184,0	5,0	1,4
							199,2	201,2	2,0	1,1
KVS-15	6966659,6	4559818,4	181,6	154,4	89,10	-44,10	40,9	42,1	1,2	3,2
							123,4	130,4	7,0	1,6
KVS-16	6966760,2	4559898,2	178,9	157,1	272,43	-45,6	Geotechnical hole Not assayed			
KVS-17	6966819,6	4559839,3	179,4	150,5	89,70	-44,40	48,5	51,7	3,2	1,7
							56,5	58,0	1,5	3,3
							75,8	77,4	1,6	2,5
							121,0	124,0	3,0	1,5
							137,4	138,4	1,1	2,8
KVS-18	6966760,0	4559858,0	180,2	171,4	89,20	-44,80	68,4	69,4	1,0	1,2
							73,4	79,4	6,0	1,1
							116,4	124,4	8,0	2,4
							167,5	170,2	2,7	10,0
KVS-19	6966780,3	4559841,3	179,6	99,6	88,9	-44,6	25,6	27,6	2,0	1,1
							33,6	39,6	6,0	1,0
KVS-20	6966719,7	4559857,8	181,08	150,9	92,3	-45,8	38,9	39,9	1,0	1,4
							102,9	104,9	2,0	6,8
							134,4	137,4	3,0	5,9
KVS-21	6966740,0	4559858,3	180,6	150,6	91,78	-42,0	3,3	6,6	3,3	21,3
							12,0	14,0	2,0	1,2
							35,9	85,5	49,6	2,1
							incl. 47,7	62,5	14,8	4,6
							106,3	118,5	12,3	1,3
KVS-22	6966740,0	4559819,7	181,0	195,4	90,9	-41,3	53,0	54,0	1,0	1,4
							59,0	62,0	3,0	3,6
							65,6	68,2	2,6	1,2
							73,4	74,4	1,0	13,0
							124,4	127,4	3,0	1,1
							141,4	147,4	6,0	1,7
KVS-23	6966740,0	4559770,02	183,1	201,5	90,8	-45,6	6,5	15,9	9,4	1,0
							94,7	101,5	6,8	1,3
							128,5	134,0	5,5	1,3
KVS-24	6966700,0	4559740,5	183,4	301,1	91,7	-61,6	Assays pending			
KVS-25	6966740,0	4559738,1	183,0	336	90	-59,9	29,9	50,4	20,5	4,6
							incl. 40,3	45,7	5,5	14,2
							63,4	65,2	1,8	1,8
							319,4	323,4	4,0	1,7

Drillhole	Coord. Nord (m)	Coord. East (m)	Coord. Z (m)	Length (m)	AZI (deg)	Dip (deg)	Mineralisation		Interval length (m)	Gold (g/ton)
							from	to (m)		
KVS-26	6966779,9	4559759,47	181,6	315,9	91,9	-60,6	28,9	30,9	2,0	1,9
							74,1	79,1	5,0	1,1
							96,9	99,1	2,2	1,4
							110,4	114,9	4,5	1,7
							122,4	125,4	3,0	1,1
							134,9	136,9	2,0	1,6
							216,9	219,9	3,0	1,0
							253,9	254,9	1,0	4,9