

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

Press Release 2015-01-26 Stockholm 8.45 am

## HIGH SILVER- AND GOLDVALUES WERE ENCOUNTERED IN DRILLING AT THE DEEP EXTENSION OF THE SILVERMINE DEPOSIT

Sotkamo Silver had conducted a diamond-drilling campaign at the Silver Mine to further investigate about the ore-formation, explore the depth-extension and to drill holes for new electricity-cables between the mine-levels. All drilling was underground drilling. 13 holes and a total of 2 502 meters were drilled. Drilling was carried out with NQ equipment, which gives a 50,7 mm core in diameter.

The mine's electricity-system were improved by installing two new cables in separate holes between levels +84, +175, +255 and +330. This enabled the construction of new power stations at each level.

Holes TU 6 and TU 7 were drilled to confirm continuity of the deposit. The four holes TU11, TU 20, TU 18 and TU 76 were drilled to investigate the lower part of the deposit and the continuity downwards. One long hole, TU 1 was drilled to investigate the reason of the geophysical anomaly that extends south from the main deposit. Locations of holes are given in attached picture-compilation. Table 1 shows the assay-values of the best intersections in the drilled holes. See also picture 1.

Drill-hole TU 1 was drilled from the deepest part of the production-tunnel to clarify reasons of the geophysical anomaly defined by earlier Sampo-surveys. In the depth of 611-615 meter the semi-massive sulfide-zone was intersected containing 9 % sulfur and 1.1 % zinc. In the depth of 808 -810 meters there is a 2 meter intersection containing 152 g/t silver and 0.6 g/t gold. These observations are 200-300 meters apart from earlier known ore-deposit model. This indicates a widespread occurrence of ore-forming processes and high ore potential of the area.

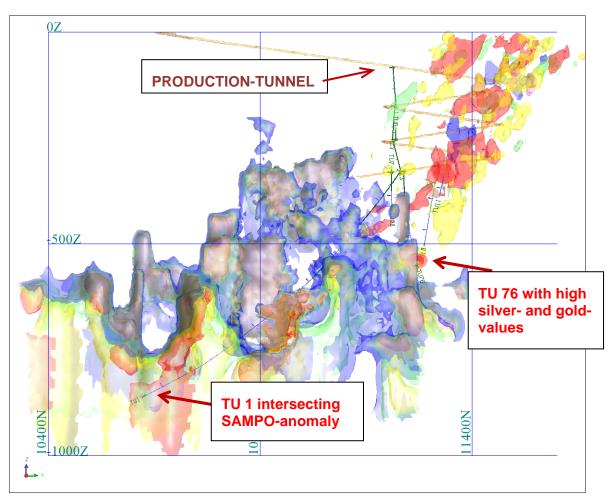
Holes TU 6 and TU 7 were drilled to confirm the continuity of the mineral resource. In both holes silver-grades above cut-off value of 50 g/t silver was found. Holes TU 11, TU 18, TU 20 and TU 76 were drilled in the lower part of the known deposit and below it. Holes TU 11, TU 18 and TU 20 intersect the silver mineralisation, which exceed the cut-off-value and confirm the continuity of the deposit and will increase the mineral-resources.

Hole TU 76 is one of best holes drilled in this part of deposit, about 100 meters below earlier observations. The core contains a 17,5 meters intersection with 266 g/t silver and 0,73 g/t gold. Inside this intersection the best part contains 411 g/t silver and 1,2 g/t gold at a length of 7,65 meters. The actual width of the intersected layer is about 5 meters as the intersection is oblique.

Drilling results confirm the deep extension of the silver deposit and that ore forming processes have been extensive.



"I am very pleased that we have been able to confirm that silver deposit continues downwards. Especially increase of gold values are a good sign. These results give remarkable new information of deposit structure and ore potential of depth continuation. I am convinced that these actions and continuous improvement are key to our success and future development of Sotkamo Silver" says CEO Timo Lindborg.



Picture 1. Mineralized lenses containing more than 0,3 g/ton gold are presented in the upper part of the picture. In lower part Sampo-anomaly, interpreted from a geophysical survey, indicates conductive layers. Drill hole TU 76 intersects the conductive layers about 100 meters below earlier observations along with 17.5 meters with 266 g/t silver and 0.73 g/t gold.

Sotkamo Silver AB discloses the information provided herein pursuant to the Swedish Securities Markets Act and/or the Swedish Financial Instruments Trading Act

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



Hole Id	from	to	Ag g/t	Au g/t	Cu g/t	Pb %	Zn %	S %	Length m
TU 6									
TU6	76	77,7	151,55	0,30	108,50	1,10	2,76	2,39	1,7
TU 7									
TU7	49	52	55,17	0,12	52,67	0,14	0,40	0,56	3
TU7	64	67,1	80,35	0,31	43,00	0,09	0,35	3,16	3,1
TU 11									
TU11	0	4	196,70	0,33	92,00	0,40	0,68	1,59	4
TU11	8	14	164,72	0,57	601,50	0,33	1,07	1,42	6
TU11	20	23	90,50	0,37	104,33	0,26	0,79	1,24	3
TU11	24	35	96,09	0,64	66,00	0,15	0,50	0,88	11
TU11	41	43	249,50	2,55	706,00	0,40	0,82	2,07	2
TU11	50	52	158,40	0,56	58,00	0,95	0,60	2,04	2
TU 18									
TU18	17	21	53,78	0,24	46,75	0,06	0,08	0,98	4
TU18	25	26	63,20	0,23	83,00	0,17	0,30	1,20	1
TU18	30	36	48,92	0,19	89,50	0,09	0,25	1,21	6
TU18	40	41	58,70	0,36	59,00	0,13	0,10	0,97	1
TU18	65	67	60,40	0,51	24,00	0,20	0,86	1,08	2
TU18	69	70	82,60	0,19	238,00	0,42	1,54	2,90	1
TU18	80	82	66,95	0,98	758,50	0,04	0,33	1,79	2
TU18	127	128	92,80	0,28	35,00	0,28	0,41	1,11	1
TU18	150	153	152,00	0,32	56,67	0,98	0,93	3,30	3
TU 20									
TU20	119	126	57,46	0,08	84,14	0,15	0,46	1,50	7
TU20	130	132	76,35	0,16	28,50	0,26	0,45	2,01	2
TU20	150	155	69,80	0,21	54,40	0,06	0,39	2,85	5
TU 76									
TU76	77	81	106,93	0,29	194,50	0,40	0,86	1,75	4
TU76	112	115	78,73	0,62	66,50	0,06	0,13	1,07	4
TU76	122	124	84,40	0,24	87,00	0,40	0,63	3,45	3
TU76	144	146	259,50	0,44	144,50	0,14	0,44	1,80	2
TU76	226	227	85,30	0,27	241,00	0,89	2,45	1,19	1
TU76	268	271	73,87	0,10	36,67	0,21	1,63	2,50	3
TU76	277	294	265,85	0,73	382,95	0,29	0,70	3,35	17,4
TU 1									
TU1	508	510	45,20	0,10	10,00	0,17	0,65	2,19	2
TU1	555	557	59,30	0,11	2,00	0,17	0,15	1,90	2
TU1	611	615	32,00	0,06	45,00	0,08	1,10	9,01	4
TU1	808	810	152,25	0,62	79,50	0,05	0,01	1,61	2

Table 1: The best intersections in the drilled holes from core-drilling campaign Autumn 2014.

Stockholm

Sotkamo Silver AB (publ)

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 Taivaljärvi Silver Mine.

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

Company's press releases and financial reports are distributed via NGM and are available on www.silver.fi

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

For further information: Timo Lindborg, CEO, tel. +358 40 508 3 507