EXPLORATION UPDATE REPORT – July 3, 2015

Exploration results update from Karelian Gold Line

- encouraging gold intersections from Pampalo Deep extensions

Endomines has carried out further diamond core drilling and base-of-till sampling at its properties along the Karelian Gold Line, near Ilomantsi, in Eastern Finland. The mineral rights of the drilled and sampled properties are fully owned by the Company.

Endomines is pleased to release assay results received up to 30th of June 2015 from Pampalo Gold Mine and other Karelian Gold Line exploration targets. Results include new very encouraging gold intersections from the Pampalo Deep Extensions including holes T-916 7.0m@12.2 g/t gold (including 4.0m@20.4 g/t gold) and T-917 17.0m@3.2 g/t gold. These holes were drilled to a previously unknown structure at Pampalo Deep Northern lens extension and indicate that there might be previously unknown high grade lenses at Pampalo.

In addition the recently identified new S2-lens extension has been confirmed by the drill hole number T-910 (6m@5.3 g/t gold) at the level 590. The S2-lens has also been verified with drifting at the upper levels. The most interesting drill intersections are presented in the figure below:



The Company continues exploration in the area once geometric and operational conditions and development drifting allows. "We are very excited and delighted of these higher grade intersections in the previously unknown area. Our commitment to continue exploration at Pampalo and other targets has given very positive results", comments Markus Ekberg, CEO of Endomines.

Diamond Core Drilling programs

Diamond core drillings were commenced late 2014, both at underground and at surface. Underground drillings were targeted to depth extensions of Pampalo ore lenses. Surface drillings were done at Pampalo East, Rämepuro, Hosko and Korvilansuo. Total meters drilled, including production and infill drillings, at underground since Q4/2014 are 13,637 meters and at surface 7,924 meters of diamond core. Core logging is in progress and some of the assay results still pending.

Pampalo

The Pampalo deposit is located in the central part of the Karelian Gold Line, 5 km north of the village Hattuvaara. The Pampalo mineralisation consists of three parallel auriferous lodes. They have been explored in detail by core drilling down to approximately 550 metres depth. Deep drilling indicates that the gold mineralisation continues at least down to 700 metres depth.

The underground drilling program targeted mainly areas between the 490m and 570m level in order to define the resources for mining. In addition exploration drill holes were targeted the depth extension of the mineralisation. Total of 126 drill holes are completed with a total length of 13,637m. The assay results of analysed exploration drill holes can be seen in table 1.

Hole ID	Northing	Easting	Elevation	Azimuth (°)	Dip (°)	Length (m)	From (m)	To (m)	Downhole lenght (m)	Au (g/t)
T-899	5770.0	10131.3	-557.2	90.5	-10.6	125.80	66.30	67.30	1.00	2.33
							69.30	70.30	1.00	1.79
							73.30	76.30	3.00	1.82
							92.55	93.55	1.00	3.93
T-900	5783.9	10131.0	-556.3	84.4	-8.2	122.80	62.50	65.50	3.00	6.60
							98.50	100.50	2.00	3.35
T-901	5784.0	10131.0	-556.4	71.4	-7.5	125.80	109.50	112.50	3.00	1.58
T-902	5783.9	10131.0	-556.4	57.2	-6.9	130.50	120.85	121.85	1.00	3.80
T-903	5783.9	10131.0	-556.4	46.3	-5.5	136.30	73.45	74.45	1.00	2.31
T-904	5784.0	10130.9	-556.4	31.5	-4.0	162.50	No significant intersections			
T-909	5714.2	10121.1	-567.0	146.1	-37.5	137.65	124.50	125.50	1.00	2.34
T-910	5731.6	10149.9	-571.3	128.3	-24.7	77.10	46.65	52.65	6.00	5.27
							57.65	58.65	1.00	6.65
T-916	5811.9	10130.8	-557.0	44.2	-36.5	158.45	76.60	78.60	2.00	1.31
							84.60	85.60	1.00	1.80
							110.60	117.60	7.00	12.18
							Includes	4.00m @ 20).40g/t gold from	n 110.60m
							121.60	122.60	1.00	1.34
							125.60	127.65	2.05	3.57
							135.55	136.55	1.00	1.23
T-917	5811.9	10130.8	-557.1	54.8	-39.7	158.15	69.75	70.75	1.00	14.38
							91.50	92.50	1.00	13.90
							99.50	100.50	1.00	1.46
							110.50	112.50	2.00	2.85
							129.50	146.50	17.00	3.13
							Includes	5.00m @ 4	.00g/t gold from	130.50m

Table 4	Diamanda	مقاربته مستحميا الأسام مس	201	Demonsle	بالمصدية ستستبيه المصدي	maina at Kanalia.	Cold Line	Eind an d
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Coordinates are in local Mine Grid



Pampalo East

Pampalo East is approximately 100 meters east of the Pampalo mineralization. The Pampalo East mineralization consists of separate silicified feldspar porphyries and felsic volcanite lodes which are found in talc-chlorite-rich rock types. The size of these lodes vary from a few metres to 100 metre. The gold mineralisation associated with thin quartz tourmaline veins with disseminated pyrrhotite, pyrite, scheelite and arsenopyrite.

The suraface drilling program targeted the depth extensions of the known lodes and the Lietoja Pond area 50-120m north of the current open pit. In addition infill drill holes were drilled in the open pit area. Total of 50 drill holes are completed with a total length of 2,805m. The assay results of analysed drill cores can be seen on table 2.

Hole ID	Northing	Easting	Elevation	Azimuth (°)	Dip (°)	Length (m)	From (m)	To (m)	Downhole lenght (m)	Au (g/t)
P-336	5369.8	10432.1	-51.0	270.0	-60.8	115.80	90.15	104.70	14.55	2.15
P-337	5349.9	10432.2	-52.0	270.0	-50.4	116.80	72.15	85.20	13.05	2.25
							105.20	114.20	9.00	1.50
P-338	5330.0	10407.7	-53.2	270.0	-50.6	86.30	28.90	31.65	2.75	3.87
P-339	5319.9	10401.9	-52.4	270.0	-49.3	110.80	87.50	88.50	1.00	1.17
P-340	5300.1	10371.9	-52.0	270.0	-51.6	62.80	42.60	43.60	1.00	2.09
							49.60	50.60	1.00	1.04
							52.60	55.60	3.00	3.99
P-341	5274.9	10370.6	-52.1	270.0	-43.9	65.70	27.70	29.70	2.00	1.16
							32.70	33.70	1.00	1.36
							37.70	38.70	1.00	1.49
P-342	5275.0	10355.9	-52.5	270.0	-44.1	46.30	31.90	32.90	1.00	3.26
P-343	5330.0	10301.9	-51.7	90.0	-45.2	41.20	17.60	21.60	4.00	2.90
							29.60	35.60	6.00	1.42
P-344	5300.2	10427.7	-52.2	270.0	-45.1	92.30	47.10	51.10	4.00	1.79
							72.70	76.70	4.00	1.32
P-345	5279.8	10412.1	-52.0	270.0	-50.0	50.80	6.80	7.80	1.00	1.05
							20.80	21.80	1.00	4.57
							27.80	30.80	3.00	1.37
							35.80	43.50	7.70	2.71
P-346	5249.9	10416.5	-52.3	270.0	-50.8	98.80	85.50	86.50	1.00	8.42
P-347	5250.0	10325.5	-51.7	90.0	-43.0	59.30	6.40	7.50	1.10	1.55
							11.40	12.30	0.90	2.24
							27.00	29.00	2.00	1.32
							38.00	39.00	1.00	1.08
P-348	5249.8	10352.5	-51.2	90.0	-42.0	80.00	31.80	33.70	1.90	1.64
							38.30	39.40	1.10	2.17
							52.40	53.40	1.00	1.17
P-349	5390.0	10440.0	-50.2	270.0	-59.0	162.20	132.40	133.40	1.00	1.08
							150.75	153.75	3.00	32.77
P-350	4470.3	10357.0	-47.1	90.0	-45.2	100.50		No signific	antintersection	
P-351	5100.0	10317.5	-68.2	90.0	-56.1	118.80	17.10	21.10	4.00	1.41
							24.10	26.10	2.00	2.12
							38.10	40.10	2.00	2.19
							90.60	91.60	1.00	1.11
P-352	5120.0	10320.7	-67.5	90.0	-42.6	74.50	68.80	69.80	1.00	7.01
P-354	5139.8	10320.2	-67.9	90.0	-42.9	65.00		No signific	antintersection	
P-355	5150.0	10315.7	-68.7	270.0	-42.4	80.00	62.90	63.90	1.00	1.82
P-356	5099.9	10387.7	-51.6	90.0	-43.1	64.80	9.90	12.70	2.80	1.48
							49.30	50.30	1.00	1.64

Table 2 - Diamond core drilling results 2015 from Pampalo East at Karelian Gold Line, Finland

Coordinates are in local Mine Grid

Rämepuro

The Rämepuro satellite mine is situated 10 kilometres south of Pampalo. The mineralisation is located in the contact zone between mica schist in the west and intermediate tuff in the east. The gold mineralisation exists in up to three metres wide quartz-tourmaline veins.

The drilling program targeted the Rämepuro South mineralization approximately 130m south of the Rämepuro open pit and the southern part of the Rämepuro mining lease area. In addition infill drill holes were drilled within the open pit area. Total of 50 drill holes are completed with a total length of 2,907m. The assay results of analysed drill cores can be seen on table 3.

Hole ID	Northing	Easting	Elevation	Azimuth (°)	Dip (°)	Length (m)	From (m)	To (m)	Downhole	Au (g/t)
HA-172	6977340.0	4564578 1	168 7	-50.5	87.6	68 40		No signific:	ant intersection	
HA-173	6977360.0	4564578.0	169.1	-50.0	90.0	60.00	14 65	15.65	1.00	1 40
HA-174	6977380 1	4564578 1	168.6	-50.4	91.6	59.80	27.45	30.50	3.05	2.03
		100101011	10010	00.1	0.110	00.00	40.70	41.95	1 25	2.16
HA-175	6977379.9	4564556.5	169.0	-56.2	89.6	90.00	56.70	57.20	0.50	9.29
							76.20	77.20	1.00	7.01
HA-176	6977400.2	4564590.0	168.5	-45.6	91.2	35.50	22.20	23.20	1.00	4.15
HA-177	6977399.9	4564562.2	169.0	-55.5	90.5	83.20	24.40	25.85	1.45	2.31
							41.20	42.35	1.15	1.30
							49.40	50.40	1.00	1.53
							58.45	59.40	0.95	1.48
HA-178	6977400.1	4564549.0	169.0	-60.7	90.1	108.10	93.30	94.30	1.00	2.93
HA-179	6977419.8	4564545.0	168.8	-53.6	90.9	101.30	60.95	62.50	1.55	2.23
HA-180	6977419.8	4564543.2	168.8	-61.6	91.7	112.90	71.80	72.80	1.00	14.60
							82.90	83.90	1.00	1.33
							90.30	92.80	2.50	3.81
HA-181	6977440.1	4564556.3	168.6	-51.1	91.2	76.80	63.20	65.10	1.90	3.85
HA-182	6977440.0	4564542.1	168.7	-60.5	88.3	113.30	99.00	99.50	0.50	1.07
HA-183	6977440.0	4564519.0	168.3	-60.0	90.0	150.00		No significa	ant intersection	
HA-184	6977440.1	4564580.2	168.6	-51.5	90.7	43.80		No signific	ant intersection	
HA-185	6977480.2	4564559.4	168.4	-49.7	90.4	77.30	41.20	42.20	1.00	3.37
HA-186	6977540.0	4564535.0	167.7	-60.0	90.0	110.00		No signific	ant intersection	
HA-187	6977480.0	4564547.0	168.1	-55.0	90.0	100.00		No signific	ant intersection	
HA-188	6977299.8	4564650.5	169.4	-45.0	90.0	80.10		No signific	ant intersection	
HA-189	6977300.0	4564730.0	169.0	-45.0	90.0	80.00		No signific	ant intersection	
HA-190	6977100.0	4564730.0	171.5	-45.0	90.0	80.60		No signific	ant intersection	
HA-191	6977479.9	4564590.7	167.8	-45.0	90.0	30.25		No signific	ant intersection	
HA-192	6977450.0	4564588.0	169.0	-45.0	90.0	35.20	20.15	21.15	1.00	3.02
HA-193	6977329.9	4564584.5	168.8	-45.0	90.0	60.30	25.65	26.55	0.90	1.50
					-		29.35	30.45	1.10	5.28
HA-196	6977179.9	4564632.9	169.6	-55.0	90.0	56.55		No signific	ant intersection	
HA-197	6977129.6	4564634.2	169.6	-55.0	90.0	47.60		No signific	ant intersection	
HA-198	6977079.8	4564635.9	169.6	-60.0	90.0	85.35		No signific	ant intersection	

Table 3 - Diamond core drilling results 2015 from Rämepuro at Karelian Gold Line, Finland

Coordinates are in KKJ4 Grid

Hosko

The Hosko deposit is the northernmost identified gold mineralisation along the Karelian Gold Line. The deposit lies approximately 10 kilometres north of the Pampalo mine. The Hosko Formation that hosts the deposit consists of seritised feldspathic greywacke's with garnet porphyroblasts, metapelitic units, and thin metabasaltic and ultramafic horizons that northwards become more abundant. These rocks are strongly deformed and hydrothermally altered, but primary layering and textures have been preserved in areas where deformation has been weaker. The area is entirely covered by 5-7 m thick till and there are no outcrops in the area. The gold mineralization at Hosko is hosted by metagreywacke in zones of intensely deformed quartz-tourmaline (-feldspar) veins forming sub-vertical lodes.

Drilling program at Hosko targetted to planned production area. Total of 19 drill holes are completed with a total length of 1,727 meters and the assay results can be seen on table 4.

Hole ID	Northing	Easting	Elevation	Azimuth (°)	Dip (°)	Length (m)	From (m)	To (m)	Downhole lenght (m)	Au (g/t)
HOS-68	7000520.1	710923.2	203.9	89.7	-44.9	65.40	40.15	41.15	1.00	1.64
HOS-69	7000460.3	710942.8	209.8	88.0	-46.0	74.00	39.40	40.40	1.00	4.00
							45.60	46.60	1.00	9.31
							55.20	56.20	1.00	1.55
HOS-70	7000459.9	710915.0	205.0	90.5	-45.3	98.30	78.90	79.90	1.00	2.52
HOS-71	7000460.1	710889.4	203.2	91.8	-43.8	116.80	58.10	59.10	1.00	1.83
							79.25	80.25	1.00	1.06
							89.70	90.70	1.00	1.06
							92.70	93.70	1.00	2.32
							100.30	101.30	1.00	1.04
HOS-72	7000460.0	710865.5	203.7	93.4	-50.1	149.60	133.60	134.60	1.00	2.69
HOS-73	7000430.3	710923.2	205.8	90.4	-46.1	80.70	58.70	59.70	1.00	1.02
HOS-74	7000429.7	710958.6	206.1	91.7	-45.8	50.40	23.00	24.10	1.10	11.25
							38.90	39.90	1.00	2.04
HOS-75	7000509.9	710924.7	203.6	91.2	-45.4	70.90	43.50	44.50	1.00	1.72
							47.50	49.50	2.00	2.25
HOS-76	7000499.8	710926.6	203.8	90.4	-45.5	62.30	32.85	36.85	4.00	2.72
HOS-77	7000500.2	710910.3	204.0	90.9	-45.4	76.80	49.50	53.50	4.00	1.54
							67.20	68.20	1.00	2.21
HOS-78	7000390.3	710916.5	208.8	91.7	-51.3	110.20		No signific	ant intersection	
HOS-79	7000489.8	710921.1	203.8	91.2	-44.2	68.20	50.10	51.20	1.10	1.38
HOS-80	7000489.7	710898.4	203.8	90.9	-45.6	95.00	66.50	67.50	1.00	1.20
							81.50	82.50	1.00	1.01
HOS-81	7000480.4	710927.5	204.0	91.3	-46.0	62.10	45.50	46.70	1.20	25.10
HOS-82	7000430.0	710897.5	206.4	92.4	-50.8	122.30	38.80	39.80	1.00	1.35
							91.30	92.30	1.00	3.89
HOS-83	7000480.2	710878.0	203.9	91.9	-45.4	125.60	91.80	92.80	1.00	1.25
							105.30	106.30	1.00	16.21
							110.30	111.30	1.00	4.01
HOS-84	7000469.8	710909.8	206.2	90.7	-60.9	86.30	65.55	66.55	1.00	1.00
							69.55	70.55	1.00	2.70
HOS-85	7000400.6	710909.8	208.0	92.4	-60.9	131.50		No signific	ant intersection	
HOS-86	7000370.1	710925.8	210.6	91.6	-51.5	80.20	24.70	25.70	1.00	2.81
							61.60	63.60	2.00	3.38

Table 4 - Diamond core drilling results 2015 from Hosko at Karelian Gold Line, Finland

Coordinates are in ETRS-TM35FIN Grid

Korvilansuo

The lithologies at Korvilansuo prospect include mainly bedded turbiditic sediments that vary from feldpathic greywacke to polymictic conglomerates, serisitic schist's, thin mafic volcano clastic intercalations and feldspar porphyry dike. Gold is concentrated in quartz-tourmaline veins hosted by hydrothermally altered metagreywacke and sericite schist. Structurally, these veins are concentrated in the hinge of a fold whose axis plunges steeply to the north. Narrow gold-bearing veins are also found in discrete shear zones in the tonalite dike. Within the veins gold is associated with pyrrhotite, arsenopyrite and tellurides.

Drilling program at Korvilansuo targetted to NE continuation and South continuation of the mineralization. A program of six holes totalling 680 meters was planned, but two of the planned holes had to be cancelled due to weather conditions. Drill holes were located on a wet bog area and drilling started during frozen spring period. The bog melted before availability of the drill rig and two of the holes had to be cancelled.

Four drill holes (KVS-52, -53, -58 and -59) are completed with a total length of 485 meters and the assay results can be seen on table 5.

Hole ID	Northing	Easting	Elevation	Azimuth (°)	Dip (°)	Length (m)	From (m)	To (m)	Downhole lenght (m)	Au (g/t)
KVS-52	6970244.2	712631.3	178.5	135.5	-42.6	131.10	41.25	42.25	1.00	1.85
							63.25	63.90	0.65	1.17
KVS-53	6970210.6	712667.0	179.0	136.1	-40.6	124.85	13.70	14.25	0.55	1.16
							16.40	17.35	0.95	1.01
							42.50	43.50	1.00	1.71
							82.90	84.70	1.80	2.46
							93.50	94.00	0.50	7.75
							101.95	102.60	0.65	3.41
KVS-58	6970059.1	712589.1	179.7	89.9	-41.0	100.70	10.50	11.50	1.00	2.45
							53.20	55.20	2.00	3.31
							82.20	83.20	1.00	4.08
KVS-59	6970028.7	712580.0	179.4	89.7	-41.3	128.10	100.15	101.00	0.85	1.05
							115.70	117.70	2.00	1.31

Table 5 - Diamond core drilling results 2015 from Korvilansuo at Karelian Gold Line, Finland

Coordinates are in ETRS-TM35FIN Grid



Base-of-till sampling

Base-of-till sampling program started on March 23rd, 2015 at the NE corner of Kuittila tonalite. By June 30th about a 930 samples have been collected from the area between Muurinsuo East and Korvilansuo, Pampalo East – Pampalo NW and Hosko North. The sampling target for 2015 is 2,000 samples. Assay results are pending.

Other

Mining permits

The Company has been granted with two new mining permits: Kuivisto and Pampalo NW, which is a NW extension of the existing Pampalo mining concession. Mining concession appropriation process of Kuittila is in progress.

Karelian Gold Rush

Endomines Exploration Challenge was launched on March 2^{nd} at PDAC2015 conference in Toronto, Canada. Endomines will publish all relevant geological data from the Karelian Gold Line to the competition. One can participate in the competition by analysing the exploration data and by proposing new exploration targets. Registration opens on September 1^{st} and the data will be published on November 4^{th} at FEM2015. Competition will be closed on January 15^{th} , 2016 and the winners will be announced in March 2016 at PDAC2016 conference. Winning exploration target proposal will receive a prize of 40,000 \in .

The aim of the competition is to challenge the mining community to innovative and out-of-box thinking in order to come up with new ideas for exploration targets and models.

To Endomines' knowledge a similar competition has been organized only once, 15 years ago in Canada. That competition resulted in worldwide interest and good proposals for exploration targets. 50% of the proposed drilling targets were previously unknown and 80% of the new targets yielded significant gold reserves. Karelian Gold Line is an underexplored greenstone belt with two operating mines and several known gold mineralisations. With Karelian Gold Rush Endomines is looking forward to out-of-box thinking and new innovative ideas for exploration targets at the Karelian Gold Line.



Gold competition

Endomines launched a local layman sample competition on May 22^{nd} 2015. Competition area is the municipality of Ilomantsi and the competing time is from May 22^{nd} to October 31^{st} , 2015. All the received samples will be studied and mineralized samples will be assayed. A letter of the results will be sent to the participant. Best samples are rewarded with cash prizes: 1^{st} place with $1,500 \notin$; 2^{nd} place with $1,000 \notin$ and 3^{rd} place with $500 \notin$.

The aim of the competition is to get new observations of gold bearing rocks from boulder and bedrock samples. Additionally the Company's wish is to encourage young people to get outdoors and observe the surroundings. The competition is organized in co-operation with the Geological Survey of Finland (GTK).



Karelian Gold Line, Known Gold showings.

Drilling technical

All underground drilling has been carried out by Northdrill Oy and Arctic Drilling Company Oy, using NQ2, WL-66 or BQTK tubes, resulting in cores of 50.7mm, 50.5mm or 40.7mm in diameter. All surface drilling has been carried out by MK-Drilling Oy or Polardrill Oy, using WL-76 or NQ2 tubes, resulting in cores of 57.5mm or 50.7mm in diameter. The locations, start azimuths and –dips of the drill holes have been surveyed by using GNSS-GPS equipment. Downhole survey of bearing and dip deviations have been done by using DeviflexTM survey tool or Reflex Gyro survey system. All core have been oriented with Reflex ACT or Ezy-Mark equipment.

Assays and QA/QC procedures

The drill cores have been logged by Endomines own personnel. The preparation and assaying of the underground drillings core samples have been carried out at the Endomines laboratory in Pampalo, Finland or at the CRS Minlab Oy in Kempele, Finland. The sample procedure used at the laboratory was MPC's PAL1000 PULVERISE AND LEACH machine with AAS finishing. The used sample size was 500 g of crushed core.

The drill cores from surface drillings have been cut half by Endomines before preparation for assaying, which has been carried out at the Endomines laboratory in Pampalo, Finland or at the CRS Minlab Oy in Kempele, Finland. The sample procedure used at the laboratory was MPC's PAL1000 PULVERISE AND LEACH machine with AAS finishing. The used sample size was 500 g of crushed core. For Korvilansuo the preparation of half cores at CRS Minlab Oy in Kemple, Finland was done by (code RX1) crushing of sample to 90% under 2mm. Splitting of 600g sample using rotary sample divider attached to the crusher. Grinding of 600g sample to 95% under 106 μ m. The sample procedure used at the Actlab laboratories in Canada was (code 1A2 – 50) Fire Assay of 50g subsample and determination of gold using AA method. Any assay with gold grades exceeding 5 g/t was re-assayed using a 50g Fire Assay method with gravimetric finish (code 1A3 – 50).

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.

Competent Person: This statement has been controlled by Eurogeologist, MSc (Geol) Markus Ekberg acting as a Qualified Person in compliance with Fennoscandian Review Board -standards. Markus Ekberg is employed by Endomines as Chief Executive Officer and owns 180 000 shares in Endomines.