

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

Stock Exchange Release 2015-28-09 Stockholm 9.15 A.M

TESTS CONFIRM THE EFFECTIVENESS OF THE ORE SORTING IN THE SILVER MINE

The trial processing of ore from the Silver Mine with Outotec-Tomra's XRT ore sorter increased grade- and metalcontents in plant feed remarkably. Silver content from low-grade ore samples increased about 1.9 times and of average silver-ore 1.43 times.

The silver recovery from low-grade ore-samples was 88 % and for average ore-grade samples 89 % (see table below). The tests were performed with coarse ore material (30-70 mm) which forms ca 70% of the crushed ore. The fine fraction (< 30 mm) is included in the test results and will be a part of the plant feed.

Tabel:

Test with Low-Grade Silver Ore; total mass of feed 1070 kg			
	Mass (%)	Ag g/ton	Ag distribution (%)
Feed	100	60	100
Product (incl.fines)	41.1	116	88
Waste	58.9	14	12
Test with Average Silver	Ore; total mass of t	eed 1146 kg.	
	Mass (%)	Ag g/ton	Ag distribution (%)
Feed	100	139	100
Product (incl.fines)	64	195	89
Waste	36	43	11

About 60% rock was removed with sorter from low-grade ore as gangue: silver-grade increased from 60 g/ton up to 116 g/ton. About 43 % of rock was removed from average ore as gangue and silver-grade increased from 139 g/ton up to 195 g/ton. Gold, zinc and lead behaved in similar way.

After success of the tests the ore-sorter is applied especially into low-grade and marginal-ores in the mine-plan to increase silver- and metal-grades. The mining plan will be up-dated and oresorters added into the process. The bankable feasibility study will be updated later 2015 according to these encouraging results and changes caused by them.

Results indicate the potential to have a significant positive effect on the profitability and cashcost of the project. The lower grade-ores, which earlier have been uneconomic, can be upgraded into ore grade. This will be tested at the Company's TEKES-project in full-scale.

Ore sorting is a process for upgrading mineral bearing rock at particle sizes above 10 mm. Altogether 2 200 kg samples were taken from the Silver Mine's underground ore zone and low-grade footwall mineralisation. Tests were performed in 30-70 mm fractions which is a suitable size for the Outotec-Tomra sorter.

Sorting tests have been planned and carried out in co-operation between Sotkamo Silver and Outotec personnel. Tests were performed at Tomra's sorting test center in Germany in July 2015.



The ore-sorter use a broad-band electrical x-ray source to identify ore-quality on a moving belt; this XRT separation is almost independent of surface dust or moisture of the material. This technology shows the clear potential to dramatically reduce the amount of non-ore material feeding into a mill and simultaneously increase the silver-grade in the feed. The ore sorting is an excellent first step in the metallurgical flow-sheet.

"This is an excellent possibility to improve the silver-content of the plant feed from the existing low grade-ores and mineral resources, and it is very encouraging. This will increase the Company's financial result from the low-grade ore and increase the reserves. My estimate is that the average metal-content in the mill feed will increase with about 20-30 % during the life of mine. I am expecting that the possible cost reductions in cash-cost will be important for future financial results", says CEO Timo Lindborg

Stockholm, 28th September 2015

Sotkamo Silver AB

Timo Lindborg, CEO

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.

The Company's press releases and financial reports are distributed via NGM and are available on www.silver.fi. For further information please contact Timo Lindborg, CEO on +46-8-304920.

www.silver.fi

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 Silver Mine project in the municipality of Sotkamo.

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

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