



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

**Stock Exchange Release 2016-05-06  
08.30 A.M**

**SOTKAMO SILVER AB (PUBL): NOTICE EXTRAORDINARY SHAREHOLDERS' MEETING  
IN SOTKAMO SILVER AB (PUBL)**

**The shareholders of Sotkamo Silver Aktiebolag (publ) are hereby invited to attend the extraordinary shareholders' meeting (EGM) to be held on Tuesday 7 June 2016 at 10.00 a.m. at Blasieholmen Restaurang & Konferens, Blasieholmmsgatan 4C, in Stockholm, Sweden. Registration will open at 9.30 a.m.**

**Attendance**

A shareholder who wishes to attend the EGM must be registered as shareholder in the shareholders register maintained by Euroclear Sweden AB on Tuesday 31 May 2016.

Notice of intention to attend the EGM should be made to the company no later than on Friday 3 June 2016, in writing to Sotkamo Silver Aktiebolag (publ), EGM, Hovslagargatan 5 B, 111 48 Stockholm, Sweden; by phone + 46 708-666 799; or by e-mail to [agnetha.pernerklint@silver.fi](mailto:agnetha.pernerklint@silver.fi). The notification must include name, date of birth or corporate registration number and day-time telephone number.

**Nominee registered shares**

Shareholders whose shares are registered in the name of nominee must, in order to be entitled to attend the EGM, request that their nominee re-register their shares in the shareholders' name so that the shareholder is registered in the shareholders' register maintained by Euroclear Sweden AB on Tuesday 31 May 2016. Shareholders who wish to register their shares in their own name must inform their nominee well in advance of Tuesday 31 May 2016, when such registration at the latest must be executed.

Shareholders whose shares are registered in the name of nominee at Euroclear Finland Ab must, in order to be entitled to attend the EGM, request to be temporarily registered into the temporary shareholders' register held by Euroclear Finland Ab. Shareholders who wish to be temporarily registered into the temporary shareholders' register must inform their nominee of this well in advance of Tuesday 31 May 2016 10.00 a.m. Finnish time, when such registration at the latest must be executed.

**Representatives, etc.**

Shareholders who are represented by proxy must issue a dated proxy in writing for the representative. The proxy is valid no more than one year from the issuing, unless a longer validity period (not exceeding five years) is stated in the proxy. If the proxy is issued by a company or other legal entity, it must be accompanied with a qualifying certificate such as registration certificate or similar document of authorization. The original proxy and any documents of authority should well in advance of the EGM be sent to Sotkamo Silver Aktiebolag, EGM, Hovslagargatan 5 B, 111 48 Stockholm, Sweden. Proxy forms are available on the company website, [www.silver.fi](http://www.silver.fi) and will be sent to shareholders upon request.



### **Proposed Agenda**

1. Opening of the EGM.
2. Election of chairman of the EGM.
3. Preparation and approval of voting list.
4. Approval of the agenda.
5. Election of one or two persons to approve the minutes.
6. Determination whether the EGM has been duly convened.
- 7.a) Resolution regarding adoption of new articles of association.
- 7.b) Resolution regarding reduction of the share capital without redemption of shares.
- 7.c) Resolution regarding adoption of new articles of association.
- 7.d) Approval of the board of directors' resolution to issue units with preferential rights.
- 7.e) Resolution regarding implementation of a bonus issue.
- 7.f) Resolution regarding reduction of the share capital without redemption of shares.
8. Closing of the EGM.

### **Proposals by the board of directors (items 7.a) – 7.f))**

#### **Item 7.a) - Resolution regarding adoption of new articles of association**

In order to enable the proposed reduction of share capital under item 7.b) below, the board of directors proposes that the EGM resolves upon adopting new articles of association pursuant to which the share capital limits set out in § 4 in the articles of association are changed to not less than SEK 40,000,000 and not more than SEK 160,000,000. The decision is conditioned by the EGM's resolution to reduce the share capital as set out in item 7.b) below.

#### **Item 7.b) - Resolution regarding reduction of the share capital without redemption of shares**

The board of directors proposes that the EGM resolves upon reducing the company's share capital with SEK 95,149,145.97 by allocation to a non-restricted reserve to be used in accordance with the shareholders' decision. The reduction of the share capital will be made without redemption of shares by changing the share quota value from approximately SEK 6.86 to SEK 2.25 per share.

The reduction of share capital by changing the quota value is made in order to resolve to approve the issue of units in item 7.d) below. After the reduction, the share capital will amount to SEK 46,447,195.50 allocated on 20,643,198 shares (prior to the issue of units), each share with a quota value of SEK 2.25. The decision to reduce the share capital is conditioned on that the issue of units under item 7.d) and that the bonus issue under item 7.e), entailing an increase of the share capital with at least as much as the reduction amount, are registered at the Swedish Companies Registration Office and that the reduction of the share capital, the issue of units and the bonus issue together do not result in a decrease in the company's share capital.

The decision to reduce the share capital is conditioned by a change of the articles of association as set out in item 7.a) above.

#### **Item 7.c) - Resolution regarding adoption of new articles of association**

- (i) Due to the issue of units under item 7.d) below that the board of directors' proposes that the EGM resolves to approve, the board of directors' proposes that the EGM



resolves upon adopting new articles of association pursuant to which the limits of the number of shares in § 5 in the articles of association are changed to not less than 20,000,000 and not more than 80,000,000.

- (ii) Due to the issue of units under item 7.d) below that the board of directors' proposes that the EGM resolves to approve, the board of directors' proposes that the EGM resolves upon adopting new articles of association pursuant to which the share capital limits set out in § 4 in the articles of association are changed to not less than SEK 100,000,000 and not more than SEK 400,000,000 and that the limits of the number of shares in § 5 in the articles of association are changed to not less than 70,000,000 and not more than 280,000,000.

The board of directors is authorized to submit for registration the articles of association adopted in item 7.c) (i) or (ii), which is the most appropriate with regard to the subscription level in the issue of units that the board of directors proposes that the EGM approves in item 7.d) below.

**Item 7.d) – Approval of the board of directors' resolution to issue units with preferential rights**

The board of directors proposes, conditioned by the EGM's resolutions to change the articles of association as set out in items 7.a) and 7.c) and to reduce the share capital as set out in item 7.b), that the EGM resolves to approve the board of directors resolution to issue units as set out below.

1. The board of directors proposes that the EGM resolves to approve an issue of not more than 20,643,198 units. One unit consists of four shares and one warrant. Each warrant entitles to subscription of one share in the company.
2. Shareholders in the Company registered in the share register kept by Euroclear on the record date 9 June 2016 shall have preferential right to subscribe for the units. The shareholders will for every share they own in the company receive one unit right. One unit right will entitle to subscribe for one unit.
3. The units will be issued at a subscription price of SEK 9 per unit, of which SEK 2.25 refers to the respective share. The warrants are issued without consideration.
4. Subscription for units shall be made during the period from and including 15 June 2016 up to and including 29 June 2016. Subscription for units with unit rights shall be made by simultaneous cash payments. Subscription for units without unit rights shall be made on subscription lists. Payment for units subscribed for without unit rights shall be made at the latest three (3) banking days after notification of the allocation of units has been sent to the subscriber. The board of directors shall have the right to prolong the subscription period and the time for payment.
5. Should not all units be subscribed for with unit rights, the board of directors will decide on allocation of units subscribed for without subscription rights. Allocation will then be made firstly to those who have subscribed with unit rights, regardless whether the subscriber was a shareholder on the record date or not, and, in case of over-subscription, in relation to the number of unit rights used for subscription and, if this is not possible, by drawing of



lots. Secondly, allocation will be made to others who have subscribed for units without unit rights and, if they cannot receive full allocation, in relation to the number of units notified for subscription by each one of them, and, if this is not possible, by drawing of lots. Lastly, any remaining units shall be allocated to the underwriters who have undertaken to subscribe for units. Allocation shall in such case be made in accordance with such underwriting agreements.

6. Subscription can only be done in units and not in shares or warrants, separately. After the issue of units, the shares and the warrants will be separated.
7. Each warrant entitles to subscription of one new share in the company during the period from and including 1 August 2017 up to and including 31 August 2017, to a subscription price of SEK 4 per share.
8. If the issue is fully subscribed, and all of the issued warrants are exercised, the company's share capital will increase with SEK 232,235,977.50, of which SEK 185,788,782 for the shares in the issue and SEK 46,447,195.50 for the warrants.
9. If the issue is fully subscribed, and all of the warrants are exercised, the number of shares in the company will increase by 103,215,990, of which 82,572,792 for the shares in the issue and 20,643,198 for the warrants.
10. The new shares shall entitle to dividends for the first time on the record date for dividends which occurs nearest after registration of the shares in the share register kept by Euroclear.
11. The issue of units requires a change of the company's share capital limit and the limit of the number of shares in the company's articles of association.

The managing director, or the person he may appoint, is hereby authorized to make the minor changes in the resolution which may prove necessary in connection with registration of the resolution at the Swedish Companies Registration Office or Euroclear Sweden AB.

**Item 7.e) - Resolution regarding implementation of a bonus issue**

The board of directors proposes that the EGM resolves to carry out a bonus issue thereby increasing the share capital with SEK 95,149,145.97 by making use of the company's non-restricted equity. The bonus issue is carried out without issuing new shares.

The decision is conditioned by the EGM resolving on the proposals set out in items 7.a) – 7.d) above.

**Item 7.f) - Resolution regarding reduction of the share capital without redemption of shares**

The board of directors proposes that the EGM resolves upon reducing the company's share capital with a maximum amount of SEK 185,788,782. The reduction of the share capital shall correspond to an amount in SEK that is equal to the increase in share capital through the share issue in the units issue and the bonus issue resolved under item 7.d) and 7.e) minus the reduction amount resolved under item 7.b), by allocation to a non-restricted reserve to be used



in accordance with the shareholders' decision. The reduction of the share capital will be made without redemption of shares by changing the share quota value.

The reduction of share capital by changing the quota value is made in order to ensure that the resolution to reduce the share capital in item 7.b), the resolution on a rights issue in item 7.d) and the resolution on a bonus issue in item 7.e) together do not result in a change in the company's share capital.

The decision to reduce the share capital is conditioned by the EGM resolving on the proposals set out in items 7.a) – 7.e) above.

#### *Miscellaneous*

The managing director, or the person he may appoint, will be authorized to make the minor changes in the decisions under items 7.a) – 7.f) on the agenda and which may prove necessary in connection with registration of the decisions with the Swedish Companies Registration Office and Euroclear Sweden AB.

#### **Other**

The total number of shares and votes in the company is on the day of this notice 20,643,198.

The board of directors' complete proposals concerning items 7.a) – 7.f) on the agenda and proxy forms will be held available at the company's head offices at Hovslagargatan 5 B in Stockholm, Sweden, and on its website: [www.silver.fi](http://www.silver.fi) at latest on Tuesday 17 May 2016. Copies of these documents will also be sent to shareholders upon request.

All of the documents referred to above will also be held available at the EGM.

Decisions regarding items 7.a) – 7.f) on the agenda must be supported by shareholders representing at least two thirds of both the cast votes and the shares represented at the EGM.

Shareholders that are present at the EGM are entitled to request information regarding items on the agenda in accordance with Chapter 7, Sections 32 and 57 of the Swedish Companies Act.

Stockholm in May 2016

*The board of directors*

SOTKAMO SILVER AKTIEBOLAG (publ)

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

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



*This is a translation of the Swedish version of the notice. In case of any discrepancies, the Swedish version shall prevail.*

**About Sotkamo Silver AB (publ)**

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

*Read more about Sotkamo Silver on [www.sotkamosilver.com](http://www.sotkamosilver.com) or [www.silver.fi](http://www.silver.fi)*

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