



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

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SOTKAMO SILVER HAS SOLD ITS POWER LINE

Sotkamo Silver and Loiste Sähköverkko have reached an agreement to sell Sotkamo Silver's power line inclusive the transformer and other equipment. With this deal Loiste wants to strengthen their own power-line. The sale price is 1,3 M€ cash.

The sale releases resources and the Company will instead focus on what we are good at i.e. start construction of the Silver Mine.

"I am pleased with the reached agreement. The capital that will be released in this transaction can be used for construction of the mine and we can better focus on mining instead of transfer of electricity. It is excellent that we have found a solution that will benefit both parties", says Timo Lindborg, CEO of Sotkamo Silver.

"By this deal, we can cost-effectively take advantage of a completed built high-quality power line to secure power supply in the area south of Kuhmo and Sotkamo. We will also participate to create new jobs in Kainuu and promote local businesses." Says Reino Huusko, President of Loiste Sähköverkko Oy

Stockholm July 1st 2016

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 and exploration-potential targets of zinc, lead, copper and gold in Norway. 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 mineral 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 at NGM and SOSI1 in NASDAQ OMX Helsinki.
ISIN-code for Sotkamo Silver shares are SE0001057910.*

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