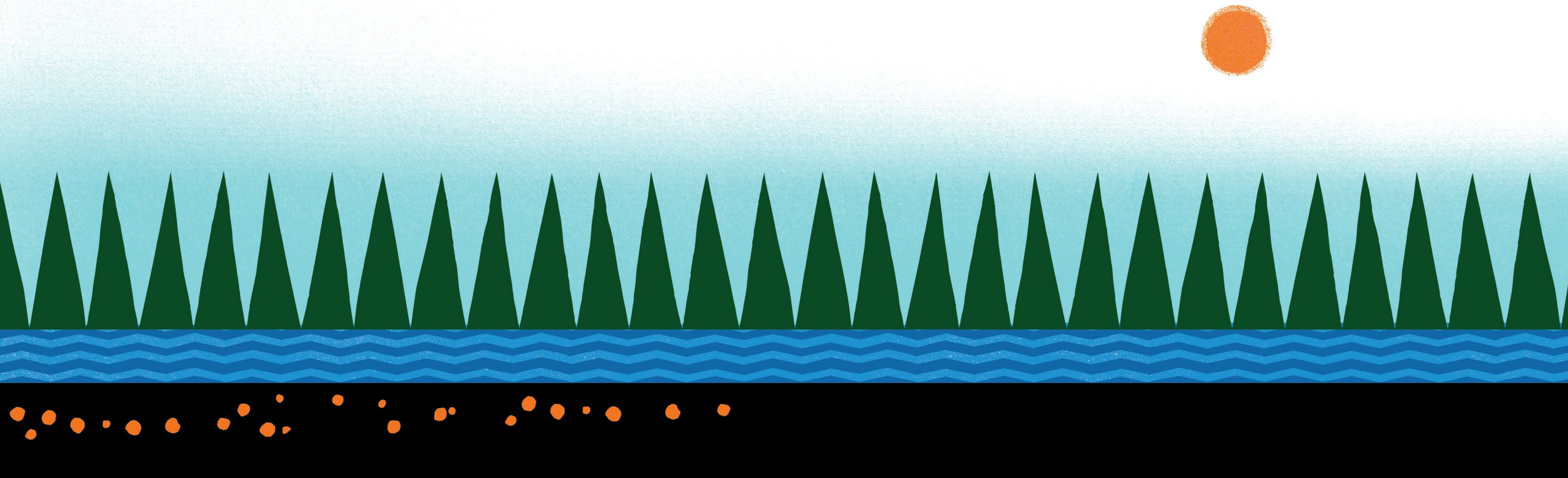
ENDOMINES

Annual Report 2024



Endomines Finland Plc Annual Report 2024

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We are a Finnish pioneer in sustainable mining

Endomines is a Finnish mining company focused on gold production and exploration. Endomines has gold production at an underground mine and an open-pit mine in Pampalo and Hosko in Ilomantsi, as well as exploration activities along the Karelia Gold Line. We also own rights to seven gold deposits in the United States.

We produce gold for the jewelry and electronics industries. Through our operations, we create long-term value by transforming natural resources into wealth that remains a stable investment despite global political instability. Our expertise in the gold production value chain enhances our economic significance in Finland.

Our mission is to raise awareness about the availability of responsibly produced gold. Changes in consumer market values guide our industry towards the core of our strategy – responsibility. We aim to change the awareness of consumers, customers, and stakeholders about the availability of more ecologically produced raw material, thereby increasing demand for the gold we produce.

At the heart of our operations are employee safety and well-being, preserving the environment and nature, and good and ethical governance of our company.

We want to leave a positive footprint wherever we operate. Our future goal is to ensure the traceability of the origin of the gold we produce.

Our operations are focused on the Karelian Gold Line

Our operations are based on utilizing the known gold reserves of the Karelian Gold Line and verifying new gold deposits. We are a growth company transitioning to a new phase, where we focus on bringing new areas into production and significant company growth. Our new strategic focus will also include the utilization of critical minerals such as tungsten and molybdenum alongside gold production. We are seeking the status of a critical minerals producer from the EU in 2025.

We build our growth and competitiveness responsibly. As a pioneer in ethically produced metals and sustainable mining, we take responsibility for the impacts of our business on the environment and people. Our operations are also characterized by strong local engagement, which is reflected in collaboration with local entrepreneurs and the community. Through close cooperation, we can influence the development and local well-being of the Pampalo area.

Our Vision

Our vision is to grow the Karelian Gold Line into one of the world's most significant responsible gold production areas. We want to create a growth story that our employees, partners, and Finns can be proud of.

Our Values

Our values are the foundation of our operations. They characterize the way we work in our daily activities.

- **Health and Safety**
  The safety of our employees is our top priority, and we do not compromise on it. We expect everyone to commit to adhering to our health and safety policies. A safe work culture requires continuous effort to achieve our goal of operating without accidents. We want our employees and business partners to return home safely from their work.

- **Diversity and Equality**
  Our criteria for employment are education, experience, skills, the applicant's potential, and the right attitude – gender, age, or origin do not matter. We are committed to respecting and adhering to labor and human rights in all our operations and expect the same commitment from all our business partners.

- **A Workplace Free from Discrimination, Harassment, and Bullying**
  We are committed to providing a work environment free from harassment, discrimination, and bullying. We respect our colleagues and foster a positive atmosphere through our behavior.

- **Fair Practices**
  We are a flat, agile, and non-bureaucratic organization. We are guided by fair practices, respect and appreciation for colleagues, cooperation, and shared goals. We continuously monitor, maintain, and develop our organizational culture.

CEO's Review

The year 2024 was a time of significant change for us. Our financial performance turned positive, and our revenue grew for the second consecutive year by 46 %, reaching EUR 28.7 million (EUR 19.7 million). The Group's EBITDA was EUR 5.8 million (-EUR 0.7 million), representing 20 % of revenue, and our net result was positive. The EBITDA of the Pampalo production segment was EUR 10.3 million (EUR 3.3 million), or 36 % (17%) of revenue. The unit cost per ounce excluding investments was EUR 1,281/ounce (EUR 1,278/ounce). The change has been immense, and the journey to this point has been eventful. Two years ago, the Endomines Group's EBITDA was -EUR 6.4 million, and our net result was -EUR 17.5 million in the red. I am very pleased with the strong results and the transformation achieved in all areas of our business.

From 2022 to 2024, we focused on laying the foundation for our business. We are now entering a new phase, where our focus is on bringing new areas into production and growing the company to a significantly larger scale. Our long-term goal is to increase our production level from the current annual production of over 14,300 ounces to 70,000–100,000 ounces, estimated in the year 2030. In this new phase, we will focus on the technical and economic planning of a new production facility and the actions required by the permitting processes. At the same time, we will continue to develop our current production and conduct extensive exploration to increase gold resources.

In 2024, our exploration efforts focused on the Southern and Northern Gold Lines. We achieved excellent results both in the Kuittila-Korvilansuo axis in the south and in Kartitsa in the north. In Kuittila, our gold resources increased by 98 % as a result of exploration, and in Korvilansuo by 107 %. The gold resources of the Southern Gold Line have grown by 200,000 ounces in two years; the total resource of the area is now 270,000 ounces.

In addition to gold, high concentrations of tungsten and molybdenum were also found in the Kuittila area. Tungsten is one of the 14 critical raw materials of the European Union, and Endomines intends to apply for the status of a critical minerals producer in 2025. This status could open opportunities for new funding channels and an accelerated permitting process. The utilization of critical minerals alongside gold is a new strategic focus area for us and part of the company's ongoing renewal.

In 2024, we also conducted nature surveys and an environmental impact assessment program in the Southern Gold Line area. We plan to submit the program for review in the spring of 2025. According to our estimate, the environmental permit decision could be realized by 2028.

The Kartitsa area in the northern part of the Karelian Gold Line is a relatively new exploration target for us. We conducted the first extensive exploration drilling in

Kartitsa in the summer and autumn of 2024. We identified a high-grade gold deposit in the area, which appears to be extensive and significant in scale. In 2025, our strategic exploration will focus on Kartitsa and the Southern Gold Line in Kuittila and Korvilansuo. Additionally, we will conduct the first research drillings in the Ukkolanvaara area. In 2024, we collected bedrock samples in the area, which indicate high gold potential in this yet unexplored area.

We still own the rights to seven gold deposits in the United States. The operations in the United States are not part of our strategic focus areas, and a simpler company structure would bring us significant cost savings. We continue to actively negotiate partnerships in the United States and aim to find a solution as quickly as possible. The direct operational impact of the United States on Endomines' EBITDA in 2024 was approximately MEUR -0.7 million (MEUR -1.0).

Sustainability is a core part of Endomines' strategy and firmly at the heart of our operations. We strive to be a partner that acts responsibly, respects biodiversity, keeps its promises, and treats people well. We aim to be a clear leader in setting sustainability goals and implementing actions. In 2024, we published our first sustainability report. Additionally, we conducted a Double Materiality Assessment, which served as the basis for updating our sustainability program. The focus of our new sustainability program includes carbon-free gold, clean water, preserving biodiversity, employee safety and well-being, local community trust, and promoting ethical practices in governance. Our goal is to reflect on our operations with pride for years to come.

We enter 2025 with a positive outlook. We believe in the benefits of growing production and a in the strong gold market. The price of gold is particularly influenced by global geopolitical uncertainty. Unfortunately, we live in a world where the rivalry between superpowers leads to ongoing uncertainty. The future price outlook for gold is very positive, and its price is currently significantly higher than the average price of USD 2402/ounce in 2024.

I want to thank our employees for their excellent work. I also want to thank our shareholders, partners, and all stakeholders for the incredible journey that enabled the company's positive turnaround in 2024. We have achieved a lot. However, the journey is not over – we will continue at the same speed towards 2026.

Espoo, March 26, 2025

Kari Vyhtinen

CEO, Endomines Finland Oyj

Strategy

Our strategy aims to create a clear path for significantly scaling up the company. Our goal is to develop the Karelian Gold Line into a globally significant area for responsible gold production. We are investing heavily in the future and acting as a local partner with our stakeholders in the Ilomantsi region.

Our strategy can be summarized into four focus areas:

1. **Pampalo production forms the basis of the business.**
   Our production and processing plant are located in Pampalo, Ilomantsi, whose central location on the Karelian Gold Line is optimal for our business. Our intention is to increase gold production every year. This will be achieved by both increasing production from existing sites and bringing new areas into production. We will also explore the production of tungsten and other potential critical minerals in the area.

2. **Active exploration on the Karelian Gold Line to determine a deposit containing more than a million ounce gold resources.**
   The Karelian Gold Line is seen as a highly potential area for exploration. The region's geological characteristics are similar to those of the world's largest gold production areas, such as Kalgoorlie in Australia, Abitibi in Canada, and Witwatersrand in South Africa. Through exploration, we aim to secure our mining operations and enable the company's long-term growth. Our strong position in the area is supported by the Pampalo production facility and extensive exploration rights on the Karelian Gold Line.

3. **Partnership model in the US to enhance local operational knowledge and funding.**
   We currently own the rights to seven gold deposits in the United States: five in Idaho and two in Montana. These rights were acquired between 2018 and 2020 for a total of USD 44 million. The production potential of the area is high, with known historical gold reserves in Idaho exceeding 500,000 ounces, and significant exploration potential in the surrounding areas.

   Endomines' strategy focuses on gold production and exploration on the Karelian Gold Line in Finland. Our goal is to find a local partner in the United States who can add value through local expertise and funding. We do not plan significant investments in the United States in the near future.

4. **Responsible choices (ESG) guide our operations**
   Finland is a pioneer in responsible mining, and we want to be involved in advancing the industry to a new level of sustainability and transparency. We aim to be a clear leader in setting sustainability goals and implementing actions. In 2024, we updated our ambitious sustainability program, which focuses on carbon-free gold, clean water, preserving biodiversity, employee safety and well-being, local community trust, and promoting ethical practices in governance.

Board of directors' report 2024

Board of directors' report 2024

Endomines is a Finnish mining company focused on gold production and exploration. Endomines has gold production in an underground mine and an open pit in Pampalo and Hosko, as well as exploration on the Karelian gold line. Endomines' goal is to grow the Karelian gold line into one of the world's most significant and responsible gold production areas.

Significant events in the financial period

Production in Pampalo and Hosko

Pampalo's gold production has seen a significant increase compared to 2023. According to the guidelines given by the company, production was expected to increase by 15-35 % compared to 2023. In November 2024, the company lowered its guidance and estimated production growth to be between 8-15 %. Production for the entire year 2024 increased by 11.8 % compared to 2023.

During January-March, Pampalo's production increased by 5.5 % compared to the same period in 2023. The production was 117.7 kg and 3,783 ounces.

During January-June, Pampalo's production increased by 4 % compared to the same period in 2023. Production was 218.3 kg and 7,019 ounces.

During January-September, production increased by 9.9 % compared to the same period in 2023. Production was 348.7 kg and 11,211 ounces.

During January-December, production increased by 11.8 % compared to the same period in 2023. Production was 444.9 kg and 14,304 ounces.

In February 2024, Endomines started gold production in the Hosko production area. The gold ore from Hosko is enriched at the Pampalo production plant, which still has free capacity for the needs of our growing production. In September 2024, Endomines expanded Hosko's mining operations in addition to an open pit to an underground mine.

Exploration of the Karelian gold line

Our exploration efforts in 2024 focused on the Southern and Northern Gold Lines. We achieved excellent results both in the Kuittila-Korvilansuo axis in the south and in Kartitsa in the north. The gold reserves in Kuittila increased by an impressive 98 % because of the 2024 drilling. High concentrations of tungsten and molybdenum were also found in the Kuittila area. Tungsten is one of the 14 critical

raw materials of the European Union, and Endomines plans to apply for the status of a critical minerals producer in 2025. This status could open opportunities for new financing channels and an accelerated permitting process. In 2024, we also conducted environmental studies and an environmental impact assessment program in the Southern Gold Line area. We plan to submit the program for review in the spring of 2025. According to our estimate, the environmental permit decision could be realized by 2028.

The Kartitsa area is a relatively new exploration target for us. We conducted the first large-scale exploration drilling in Kartitsa in the summer and autumn of 2024. We identified a high-grade gold deposit in the area, which appears to be extensive and significant in scale. In 2025, our strategic exploration efforts will focus specifically on Kartitsa and the Southern Gold Line in Kuittila and Korvilansuo. Additionally, we will conduct the first exploratory drillings in the Ukkolanvaara area. We collected bedrock samples in the area in 2024 which indicate high gold potential in this yet unexplored area.

US operations

We still own the rights to seven gold deposits in the United States. US operations are not among our strategic focus areas, and a simpler company structure would bring us significant cost savings. We are actively continuing partnership negotiations in the United States, and we want to find a solution as quickly as possible. The direct operational impact of the United States on the group's EBITDA was approximately MEUR -0.7 in 2024 (2023: MEUR -1.0).

Operational environment and business risks

The rise in the price of gold and the strong US dollar have had a positive effect on Endomines' operating environment. The gold price for 2024 averaged $2,402/oz, and peaked in October 2024 at $2,690/oz. The July-December average was 2,599 USD/oz. The euro against the US dollar averaged 1.09 at the beginning of 2024 and 1.05 on average in December 2024. The dollar was at its weakest in September 2024 with an average exchange rate of 1.11. The price of gold and the US dollar have a direct impact on Endomines' revenue and cash flow, and their development is closely monitored. In accordance with the principle of prudence, Endomines uses conservative forecasts for the development of the gold price in its internal calculations.

In 2024, Endomines signed a new sales agreement with K.A. Rasmussen AS. The agreement is long-term and covers the entire sale of Endomines' Pampalo gravimetric gold production. During the year 2024, 2.0 kg of gravimetric gold has been produced. Most of Endomines' production is flotation concentrate, and it will continue to be sold to Boliden Commercials AB.

In Finland, inflation is predicted to remain moderate in 2025. During 2024, measures related to production efficiency have been taken to lower unit costs. During autumn and winter, energy costs have not risen to the level of previous years. The war in Ukraine and its effects on the general market situation, as well as other unrest and political changes and their effects on the general market situation, may affect Endomines' operations and finances.

Pampalo production forms the basis of Endomines' business, and measures to raise the production level are constantly being taken. The production plans are based on the cooperation of experts from different fields, the technical and safety committee, the management team and contractors. During 2024, Endomines succeeded in implementing the plans, which can be seen in the increase in production volumes. Endomines' experts are experienced professionals and contractors are the best players in their field. An interruption or delay in operations would directly affect Endomines' revenue and cash flow.

In accordance with Endomines' strategy, significant investments are made annually in exploration to increase gold reserves. Endomines' experienced experts, together with the exploration steering group and management team, plan annual exploration-related measures to achieve the goals. Exploration is by its nature uncertain and involves financial risk-taking. During 2024, Endomines carried out exploration according to plans and achieved significant results. Production activities and exploration are dependent on permits and rights. The operation is subject to environmental risks and environmental requirements, which are duly taken into account. Endomines has an up-to-date environmental restoration plan.

Five year outlook

Key figures	2024	2023	2022	2021	2020
Production					
Ore (tonnes)	225,703	212,892	132,806	4,950	6,658
Gold grade (g/t)	2.3	2.2	2.4	2.9	3.5
Gold recovery (%)	85.2	83.0	83.0	84.0	71.5
Utilization (%)	70.0	68.0	43.0	55.5	35.7
Gold production (kg)	444.9	397.8	267.5	14.3	16.7
Gold production (oz)	14,304	12,790	8,601	460.3	538.1
Group financials					
Change in revenue-%	46 %	46 %	100 %	-100 %	126 %
EBITDA-%	20 %	-3 %	-47 %	- %	-596 %
Operating result-%	9 %	-15 %	-109 %	- %	-1410 %
Net result-%	1 %	-27 %	-130 %	- %	-1504 %
Equity ratio-%	54 %	55 %	66 %	55 %	57 %
Gearing-%	32 %	46 %	19 %	55 %	59 %
Return on equity-%	1 %	-15 %	-53 %	-82 %	-59 %
Average number of employees	54	45	42	53	46

Significant events after the end of the reporting period

- On January 8, 2025, Endomines announced that it had received a notification regarding the conversion of the convertible bond into shares. Eyemaker's Finland Oy exchanged a total of 109,835.62 euros for new Endomines Finland Plc shares.
- On January 13, 2025, Endomines announced that it would start preparing a financing package of around 10 million euros to speed up the development of the Karelia gold line. About EUR 2.1–2.5 million of the financing package is to be implemented with convertible bonds with the company's largest owners. The larger portion, approximately 8 million euros, will be realized during the spring of 2025. The financing package may include equity and debt financing.
- On January 22, 2025, Endomines announced that it had agreed on convertible bonds of EUR 2.3 million in connection with the financing package announced on January 13, 2025.
- On February 21,2025, Endomines announced that it had received a notification regarding the conversion of convertible bonds into shares. Based on the notification, a total of EUR 700,000 was converted into new Endomines Finland Oyj shares.

Comments on financials

Group's result

Key figures	Unit	1.7.-31.12.2024	1.7.-31.12.2023	1.1.-31.12.2024	1.1.-31.12.2023
Revenue	MEUR	15.6	9.0	28.7	19.7
Pampalo production revenue	MEUR	15.6	9.0	28.7	19.7
% of revenue	%	100 %	100 %	100 %	100 %
Operating expenses	MEUR	-11.7	-10.0	-22.9	-20.3
EBITDA	MEUR	3.9	-1.0	5.8	-0.7
Pampalo production EBITDA	MEUR	6.3	0.9	10.3	3.3
% of revenue	%	40 %	10 %	36 %	17 %
Depreciation and impairment losses	MEUR	-1.4	-1.2	-3.2	-2.3
Operating result	MEUR	2.5	-2.2	2.6	-3.0
Net result	MEUR	1.3	-3.5	0.3	-5.3
Net gearing ratio	%	32 %	46 %	32 %	46 %
Equity ratio	%	54 %	55 %	54 %	55 %
Earnings per share	EUR	0.1	-0.4	0.0	-0.6
Cash Cost in Pampalo, excl. investments	EUR/oz	1,252.0	1,399.0	1,281.0	1,278.0

The consolidated revenue for the company increased by 46 % and was MEUR 28.7 (MEUR 19.7). 100 % of the consolidated revenue is generated from the Pampalo production segment's revenue. The increase in revenue is a result of the increase in production volumes, the high market price of gold and the strong US dollar. The group's EBITDA was MEUR 5.8 (MEUR -0.7) and the Pampalo production segment's EBITDA was MEUR 10.3 (MEUR 3.3), or 36 % of revenue (17 %).

During the fiscal year 2024, planning and evaluation work related to the optimization of the processes of the underground mine, open pit, plant and laboratory has been carried out. Research and development costs have not been separated from other costs. The costs of research and development activities are recorded in the income statement as expenses during the accounting period.

The financial position of the group
At the end of December, the group's cash and bank receivables were MEUR 2.1 (MEUR 1.2). Interest-bearing net debt at the end of December was MEUR 13.2 (MEUR 14.9), the net gearing ratio was 32 % (46%) and the equity ratio was 54 % (55 %).

Convertible bonds
On March 13, 2024, Endomines agreed on a MEUR 3.8 convertible bond with the company's largest owners. The maturity of the convertible bonds is 48 months and the annual interest rate is 10 %. In accordance with the agreement, the convertible bonds can be fully or partially exchanged for company shares no earlier than 12 months after the loan withdrawal date. The exchange price consists of the daily average price calculated at the share's closing price during the 10 trading days preceding the day of the exchange request, minus 18 percent.

Of the convertible bonds agreed in 2023, MEUR 0.8 were paid in 2024.

On December 12, 2024, Endomines received exchange notices related to convertible bonds, based on which a total of EUR 7,356,603.47 was exchanged for new Endomines Finland Plc shares. As a result of the exchanges, 1,034,690 new Endomines Finland Plc shares were registered and issued. On 20 December 2024, the total number of shares and votes in Endomines increased from 9,795,339 shares and votes to 10,830,029 shares and votes. The new shares correspond to approximately 9.55 percent of the company's total number of shares and votes. The company has had no other events related to the registration and issuance of new shares during 2024.

Warrants of LDA

In connection with the 2021 financing arrangement, the company issued 14,000,000 options, each of which entitles its holder to subscribe for one share in the company before the 40:1 reverse split share merger implemented in 2022. The number of shares subject to the warrants changed accordingly after the reverse split. The share options were issued to LDA Capital Limited, deviating from the shareholders' pre-emptive rights, and without consideration. The subscription price of the new shares subscribed with options corresponds to 135 % of the average price weighted by the turnover of the company's share for the 10 trading days preceding the date of the 2021 annual general meeting. After the Reverse Split, there are 350,000 options (1,400,000/40). According to the agreement, the subscription price of one share is EUR 0.36/share, i.e. EUR 14.4/share (0.36*40). The right to subscribe for shares ended on June 10, 2024.

Proposal for the use of the result shown on the balance sheet and the distribution of dividend

The Board of Directors proposes that the result of the financial period ending on 31 December 2024 EUR -2,022,283.77 shall be transferred to the retained earnings/loss account. No dividend shall be paid.

Sustainability

Endomines conducts its business taking into account the principles of its ESG program. The company has determined priority areas of responsibility, which are reported annually. The focus of responsible business is the development of a sustainable gold production process taking into account environmental and safety aspects, personnel, stakeholders and the company's good governance. We measure our performance in the essential priority areas, we develop our operating models, and we constantly take measures that help us achieve the responsibility goals we have set.

Our goals are:

- Zero occupational accidents.
- Reduce our CO_2 emissions (Scope 1 and Scope 2) annually by 5 % per ounce of gold produced.
- Maintain the production's closed water cycle.
- Maintain up-to-date mine life cycle management plans for all mine areas owned by the company.
- Maintain and improve occupational well-being to engage current employees and attract new employees.
- Maintain up-to-date information and support and develop local cooperation.
- To take into account the stakeholders in the development of the responsibility program.
- Maintain good governance.

Our carbon dioxide emissions per ounce produced decreased by 5 percent compared to the previous year. We achieved the process water recycling goal and all our process water (100 %) was recycled water. We developed occupational well-being and occupational safety in many different ways.

Annual General Meeting 2024

The Annual General Meeting of Endomines Finland Plc was held as a hybrid meeting on 7 May 2024 in Helsinki, Finland.

The AGM approved the financial statements for the financial period 1.1.2023-31.12.2023, granted discharge to the members of the Board of Directors and the CEO for the financial period and for the preparation of the financial statements and approved the remuneration report of the company's bodies.

The AGM decided, as proposed by the Board of Directors, that the profit for the financial period 1.1.2023-31.12.2023 will be added to retained earnings and that no dividend will be paid.

According to the proposal of the shareholders' nomination committee, the AGM decided the number of board members shall be five. The members of the board are: Jukka-Pekka Joensuu, Chairman of the board; Markus Ekberg, Member of the Board; Eeva Ruokonen, Member of the Board; Jukka Jokela, Member of the Board and Jeremy Read, Member of the Board. The term of office of the Board of Directors runs until the end of the Annual General Meeting in 2025. The AGM approved the board's proposals regarding remuneration and the authorization to decide on the acquisition of the company's own shares.

KPMG Oy Ab was elected as the auditing firm, which has announced that it will appoint Antti Kääriäinen as the principal responsible auditor. It was decided to pay the auditor a fee based on a reasonable invoice approved by the company.

Further information about the annual general meeting is on the Endomines website at endomines.com.

Personnel

Endomines employed 54 (2023: 45) employees at the end of December 2024, of which 42 (2023: 30) were white-collar workers and 13 (2023: 15) employees. Salaries, pension costs and other personnel costs totaled 4.6 MEUR (2023: 3.9 MEUR, 2022: 3.8 MEUR). The average employee salary calculated without the board, CEO and management team was 68,253 euros per year (2023: 70,633 euros).

Well-being at work, equal pay and diversity are important staff-related metrics for Endomines. At the beginning of 2024, a personnel survey was carried out, which investigated personnel commitment, management experience and performance.
The results of the study were discussed extensively with the entire staff and company management with the aim of finding the areas where it was felt that there was the most room for improvement. After that, we thought about, prioritized and took measures to promote things. In 2024, we implemented an extensive occupational safety development cooperation project with the dss+ company, in which we developed our daily management system, our safety management and key safety instructions and processes.

On January 21, 2025, Endomines Finland Plc's board of directors decided to extend the share-based incentive system for its key employees for the years 2025–2027.

Management Team

At the end of the review period, the management team of Endomines Finland Plc consisted of the following persons in addition to CEO Kari Vyhtinen: Minni Lempinen, Chief Financial Officer; Ilkka Räty, Chief Operations Officer; Sampo Hirvonen, Chief Development Officer and Jani Rautio, Chief Geologist. More detailed information, e.g. management's shareholdings are presented in a separate management report.

Endomines Group

In addition to the parent company Endomines Finland Plc, the Endomines group consists of the subsidiaries Endomines Ltd, Endomines Idaho LLC and Kalvinit Ltd.

Company	Business	Domicile	Shares owned %
Endomines Ltd	Mining	Finland	100 %
Endomines Idaho LLC	Mining	USA	100 %
Kalvinit Ltd	Mining	Finland	100 %

Share capital

Endomines Finland Plc's shares are listed on the main list of the Helsinki Stock Exchange under the code PAMPALO. On 31 December 2024, the total number of Endomines shares was 10,830,029 and the share capital was EUR 53.3 million. At the end of December, Endomines held 5,430 of its own shares, which corresponds to approximately 0.05 percent of the number of shares and the total number of votes. Endomines has one share class. During the financial year 2024, the number of shares calculated with a weighted average, was 9,851,879.

Share price development in Nasdaq Helsinki

EUR	1.1.-31.12.2024
Opening price	6.20
Closing price	8.26
Highest price	8.56
Lowest price	5.40
Weighted average price	7.24

10 largest shareholders on 31.12.2024

Name	Shares	% of shares and votes
Joensuun Kauppa Ja Kone Oy	2,247,329	20.75
Wipunen Varainhallinta Oy	1,459,095	13.47
Mariatorp Oy	1,456,095	13.45
K22 Finance Oy	389,987	3.60
Taloustieto Incrementum Oy	310,349	2.87
Kakkonen Kari Heikki Ilmari	305,704	2.82
Vakuutusosakeyhtiö Henki-Fennia	249,907	2.31
Eyemaker's Finland Oy	177,560	1.64
Hietamoor Oy	172,110	1.59
Ehrnrooth Helene Margareta	150,000	1.39

Guidance for the financial year 2025

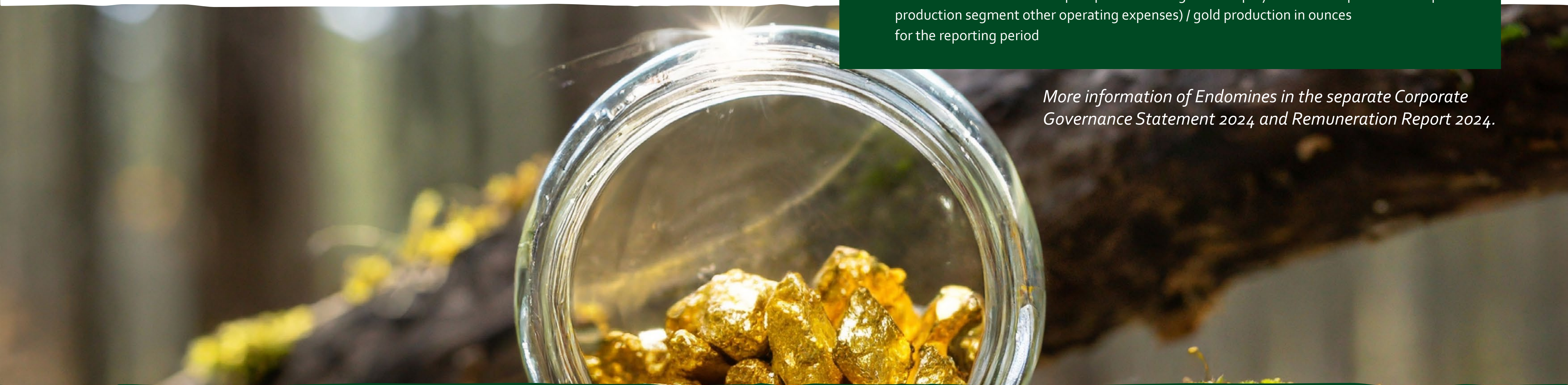
We estimate gold production to be between 16,000 and 22,000 ounces (497.7 kg and 684.3 kg). In 2024, Endomines produced 14,304 ounces (444.9 kg) of gold.

Production growth is estimated to be greater during H2-2025.

In addition to IFRS measures, Endomines presents alternative performance measures as referred to in the European Securities and Markets Authority's guidance. Alternative performance measures provide important information about Endomines' financial position, cash flows or financial performance to the company's internal and external stakeholders. Endomines' management believes that alternative performance measures that describe the performance of the business provide meaningful additional information about the development of the business to users of the financial statements. In addition, alternative performance measures are presented because they are statutory requirements under the laws governing the Board of Directors' report.

Calculation formulas for key figures

- Interest-bearing net liabilities = interest-bearing liabilities - liquid cash assets
- EBITDA = operating result + depreciation and impairment losses
- EBITDA % = 100 * EBITDA / revenue
- Operating result = revenue + other operating income + change in the inventory of finished goods and work in progress - materials, supplies, and external services - expenses arising from employee benefits - other operating expenses - depreciation and impairment losses
- Operating result % = 100 * operating result / revenue
- Net gearing ratio-% = 100 * (interest-bearing liabilities - liquid cash assets) / equity
- Equity ratio-% = 100 * equity / (adjusted balance sheet total - advance payments based on work performed)
- Pampalo cash cost without investments = (Pampalo production segment materials, goods and external services + Pampalo production segment employee benefit expenses + Pampalo production segment other operating expenses) / gold production in ounces for the reporting period



More information of Endomines in the separate Corporate Governance Statement 2024 and Remuneration Report 2024.

Consolidated Financial Statements and Notes IFRS

Consolidated Income Statement – IFRS

MEUR	Note	2024	2023
Revenue	3	**28.7**	**19.7**
Other operating income	4	0.0	0.0
Change in the inventory of finished goods and work in progress	5	-0.1	-0.0
Materials, supplies, and external services	6	-15.1	-14.3
Expenses arising from employee benefits	7,8	-4.6	-3.9
Other operating expenses	9	-3.1	-2.1
EBITDA		**5.8**	**-0.7**
Depreciation and impairment losses	10	-3.2	-2.3
Operating result		**2.6**	**-3.0**
Financial income	12	1.4	0.9
Financial expenses	12	-3.7	-3.2
Earnings before taxes		**0.4**	**-5.3**
Taxes	13	-0.0	-0.0
Profit for the period		**0.3**	**-5.3**
Profit for the period attributable to			
Shareholders of the parent company		0.3	-5.3
Earnings per share, EUR	14	0.0	-0.6
Diluted earnings per share	14	0.0	-0.6
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME			
Profit for the period		**0.3**	**-5.3**
Items that may be reclassified to profit or loss in the future:			
Conversion differences related to the foreign unit		1.2	-0.8
Other comprehensive income for the period, after taxes		**1.2**	**-0.8**
Total comprehensive income for the period		**1.6**	**-6.1**
Total comprehensive income attributable to			
Shareholders of the parent company		1.6	-6.1

Consolidated Balance Sheet – IFRS

MEUR	Note	2024	2023
ASSETS			
Non-current assets			
Intangible assets	16		
Mineral resource exploration and evaluation expenses		38.6	33.7
Other intangible assets		1.6	1.3
Property, plant, and equipment	15-17		
Pampalo mine		13.6	9.1
Hosko mine		1.8	0.7
Land and water areas		0.5	0.5
Buildings and structures		6.4	4.0
Machinery and equipment		6.6	5.0
Other tangible assets		0.1	0.1
Other non-current assets		0.9	0.8
Total non-current assets		**70.1**	**55.3**
Current assets			
Inventories	20	0.4	0.4
Accounts receivable	18,21	3.1	1.7
Other receivables	18,21	0.0	0.0
Accrued receivables	21	0.1	0.3
Cash in hand and at banks	22	2.1	1.2
Total current assets		**5.7**	**3.6**
Total assets		**75.8**	**58.9**

MEUR		2024	2023
EQUITY AND LIABILITIES			
Equity attributable to shareholders of the parent company			
Share capital		53.3	53.3
Other invested capital		121.6	114.3
Translation differences		3.1	1.8
Retained earnings		-137.1	-131.8
Profit for the period		0.3	-5.3
Total equity attributable to shareholders of the parent company		**41.2**	**32.3**
Total equity	23	**41.2**	**32.3**
Non-current liabilities			
Deferred tax liabilities		0.1	0.0
Financial liabilities		8.4	14.0
Provisions		7.5	2.9
Total non-current liabilities		**16.0**	**16.9**
Current liabilities			
Financial liabilities	18	6.9	2.1
Accounts payable	25	6.9	5.0
Provisions	24	0.0	0.0
Other liabilities	25	1.1	0.4
Accrued liabilities	25	3.6	2.2
Total current liabilities		**18.6**	**9.8**
Total liabilities		**34.6**	**26.6**
Total equity and liabilities		**75.8**	**58.9**

Consolidated Statement of Changes in Equity – IFRS

MEUR	Share capital	Other invested capital	Treasury shares	Translation differences	Retained earnings	Total equity
Equity 1.1.2024	**53.3**	**114.3**	**-0.1**	**1.8**	**-137.1**	**32.3**
Adjustment of retained earnings					-	-
Total adjusted equity	**53.3**	**114.3**	**-0.1**	**1.8**	**-137.1**	**32.3**
Comprehensive income for the period						
Profit for the period					0.3	0.3
Other comprehensive income for the period				1.2		1.2
Total comprehensive income for the period				**1.2**	**0.3**	**1.6**
Transactions with shareholders						
Convertible loans conversion into shares		7.4				7.4
Disposal of treasury shares			0.0		0.0	0.0
Total transactions with shareholders		**7.4**	**0.0**	**0.0**	**0.0**	**7.4**
Equity 31.12.2024	**53.3**	**121.6**	**0.0**	**3.1**	**-136.8**	**41.2**

MEUR	Share capital	Other invested capital	Treasury shares	Translation differences	Retained earnings	Total equity
Equity 1 January 2023	**53.3**	**112.2**	**-0.1**	**2.6**	**-131.9**	**36.2**
Adjustment of retained earnings					0.2	0.2
Total adjusted equity	**53.3**	**112.2**	**-0.1**	**2.6**	**-131.8**	**36.4**
Comprehensive income for the period						
Profit for the period					-5.3	-5.3
Other comprehensive income for the period				-0.8		-0.8
Total comprehensive income for the period				**-0.8**	**-5.3**	**-6.1**
Transactions with shareholders						
Convertible loans conversion into shares		2.0				2.0
Total transactions with shareholders		**2.0**				**2.0**
Equity on 31 December 2023	**53.3**	**114.3**	**-0.1**	**1.8**	**-137.1**	**32.3**

EUR 0.2 million adjustment of retained earnings accumulated during the financial year 2023 arises from the difference between the acquisition cost and fair value of the convertible bond's financial instrument and debt component, which is reported in equity. On the comparative date of December 31, 2023, the value of the equity component of the convertible bonds included in retained earnings was EUR 0.4 million, and at the balance sheet date of December 31, 2024, it was EUR 0.2 million.

Consolidated Cash Flow Statement – IFRS

MEUR	Note	2024	2023
Cash flow from operating activities			
Result for the period		0.3	-5.3
Adjustments to profit for the period			
Financial income and expenses	12	1.5	2.0
Depreciation and impairment losses	10	3.2	2.3
Unrealised exchange rate differences on intra-group items		0.5	0.4
Other adjustments		0.1	0.1
Cash flow from operating activities before the change in working capital		**5.5**	**-0,6**
Change in current non-interest-bearing receivables	21	-1.4	-0.6
Change in inventories	20	0.1	-0.0
Change in current non-interest-bearing receivables	18	2.1	-1.6
Change in working capital		**0.7**	**-2.2**
Cash flow from operating activities before financials items		**6.2**	**-2.8**
Interest income	12	0.0	0.0
Interest expenses	12	-0.1	-0.2
Financial items		-0.1	-0.2
Income tax refunds		0.0	0.0
NET CASH FLOW FROM OPERATING ACTIVITIES		**6.2**	**-3.0**
Financial assets used for investments			
Investments in intangible assets	16	-3.8	-2.5
Investments in property, plant, and equipment	15	-6.5	-4.6
Transfers of tangible and intangible assets	15,16	0.1	0.1
NET CASH FLOW FROM INVESTING ACTIVITIES		**-10.2**	**-7.0**
Cash flow before cash flows from financing activities		**-4.0**	**-10.0**
Financial assets used for financing			
Loan drawdowns	18	5.0	7.9
Loan repayments	18	-0.1	-0.4
Repayment of lease liabilities	17	-0.0	-0.0
NET CASH FLOW FROM FINANCING ACTIVITIES		**4.9**	**7.5**
Translation differences in financial assets		-0.0	-0.0
CHANGE IN FINANCIAL ASSETS		**0.9**	**-2.5**
Financial assets at the beginning of the period		1.2	3.7
Financial assets at the end of the period	**22**	**2.1**	**1.2**

Notes to the Consolidated Financial Statements

1. Accounting principles for the financial statements

Information about the company
The parent company Endomines Finland PLC (3215519–7) is a limited liability company incorporated under the laws of Finland. Company is domiciled in Finland and its head office is registered to the address Ahventie 4 A, 02170 Espoo, Finland. The shares in Endomines Finland Plc have been listed on the Nasdaq Helsinki stock exchange since 20th December 2022. Endomines Finland Plc and its subsidiaries form the Endomines Group ("Endomines" or "Group").

The consolidated financial statements of Endomines Finland Plc were approved for publication at the Board of Directors' meeting on March 26th, 2025. Under the Finnish Limited Liability Companies Act, shareholders have the opportunity to approve or reject the financial statements at the General Meeting held after their publication. The General Meeting also has the right to decide to amend the financial statements. The Annual General Meeting of Endomines Finland Plc will be held on May 13th 2025. Copies of the consolidated financial statements are available at www.endomines.com or at the company's head office at Ahventie 4 A, 02170 Espoo, Finland.

Accounting principles
The consolidated financial statements have been prepared in accordance with the IFRS Accounting Standards, based on the standards and interpretations that were valid on 31 December 2024. The IFRS Accounting Standards refer to the standards and interpretations adopted to be applied in the Finnish Accounting Act and the regulations issued based on the Accounting Act in accordance with the procedure laid down in Regulation (EC) No 1606/2002. The notes to the consolidated financial statements also comply with the requirements of the Finnish accounting legislation and corporate legislation supplementing the IFRS.

The consolidated financial statements are presented in millions of euros (MEUR), rounded to the nearest hundred thousand euros, unless otherwise stated. Rounding differences may occur. The financial statements are based on the historical cost, except for financial assets and liabilities, which are measured at fair value. The financial statements are presented using the nature of expense method.

Endomines publishes the Board of Directors' report and the financial statements as an XHTML file complying with the European Single Electronic Format (ESEF) reporting requirements. In accordance with the ESEF requirements, the main calculations in the consolidated financial statements and the notes are marked with XBLR.

Adoption of new and revised standards
Starting from January 1, 2024, Endomines applies the amendments to IAS 1 Presentation of Financial Statements related to the classification of liabilities as current or non-current. The amendments clarify the classification of convertible bonds as current or non-current when the option to convert the bond into an equity instrument does not constitute an equity component under IAS 32. When a convertible bond can be settled, i.e., converted into equity instruments within 12 months after the end of the reporting period, the convertible bond is classified as a current liability, even if its actual maturity date is more than 12 months after the end of the reporting period. Endomines applies the amendments to IAS 1 retrospectively in accordance with the transition provisions. The classification changes for the figures from January 1 to December 31, 2023, are presented in the tables below. The amendments have no impact on the consolidated income statement, changes in equity, or cash flow statement.

Consolidated Balance Sheet, IFRS

31.12.2023 MEUR	Before the change	Change	After the change
ASSETS			
Non-current assets			
Intangible assets			
Mineral resource exploration and evaluation expenses	33.7	-	33.7
Other intangible assets	1.3	-	1.3
Property, plant, and equipment			
Pampalo mine	9.1	-	9.1
Hosko mine	0.7	-	0.7
Land and water areas	0.5	-	0.5
Buildings and structures	4.0	-	4.0
Machinery and equipment	5.0	-	5.0
Other tangible assets	0.1	-	0.1
Other non-current assets	0.8	-	0.8
Total non-current assets	**55.3**	**-**	**55.3**
Current assets			
Inventories	0.4	-	0.4
Accounts receivable	1.7	-	1.7
Other receivables	0.0	-	0.0
Accrued receivables	0.3	-	0.3
Cash in hand and at banks	1.2	-	1.2
Total current assets	**3.6**	**-**	**3.6**
Total assets	**58.9**	**-**	**58.9**

MEUR	Before the change	Change	After the change
EQUITY AND LIABILITIES			
Equity attributable to shareholders of the parent company			
Share capital			
Other invested capital	53.3	-	53.3
Translation differences	114.3	-	114.3
Retained earnings	1.8	-	1.8
Profit for the period	-131.8	-	-131.8
Total equity attributable to shareholders of the parent company	-5.3	-	-5.3
Total equity	**32.3**	**-**	**32.3**
Non-current liabilities			
Deferred tax liabilities	0.0	-	0.0
Financial liabilities	16.1	-2.1	14.0
Other non-current liabilities	0.0	-	0.0
Provisions	2.9	-	2.9
Total non-current liabilities	**19.0**	**-2.1**	**16.9**
Current liabilities			
Financial liabilities	0.0	2.1	2.1
Accounts payable	5.0	-	5.0
Provisions	0.0	-	0.0
Other liabilities	0.4	-	0.4
Accrued liabilities	2.2	-	2.2
Total current liabilities	**7.7**	**2.1**	**9.8**
Total liabilities	**26.6**	**-**	**26.6**
Total equity and liabilities	**58.9**	**-**	**58.9**

The amendments and annual improvements to IFRS standards effective from January 1, 2024, which have no impact on Endomines' consolidated financial statements.

- Amendments to IFRS 16 Leases - Lease Liability in a Sale and Leaseback.
- Supplier Finance Arrangements – Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures – Supplier Finance Arrangements

The above changes have no impact on Endomines' consolidated financial statements, as the company does not have any existing arrangements subject to the changes.

Notes to the Consolidated Financial Statements

New and Amended Standards Applicable in Future Financial Years

Endomines has not applied the following new and amended IFRS standards at the balance sheet date, which have been issued but are not yet effective:

- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability (effective for financial years beginning on or after 1 January 2025)
- Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures - Classification and Measurement of Financial Instruments* (effective for financial years beginning on or after 1 January 2026)
- Annual Improvements to IFRS Accounting Standards—Volume 11* (effective for financial years beginning on or after 1 January 2026) The annual improvements process provides a mechanism for minor and non-urgent amendments to IFRS Accounting Standards to be grouped together and issued in one package annually. The amendments effective from January 1 2026, clarify the following standards:
    - IFRS 1 First-time Adoption of International Financial Reporting Standards – Hedge Accounting by a First-time Adopter
    - IFRS 7 Financial Instruments: Disclosures – Gain or loss on derecognition; Disclosure of differences between the fair value and the transaction price; Disclosures on credit risk
    - IFRS 9 Financial Instruments – Derecognition of lease liabilities; Transaction price
    - IFRS 10 Consolidated Financial Statements – Determination of a 'de facto agent'
    - IAS 7 Statement of Cash Flows – Cost Method
- IFRS 18 Presentation and Disclosure in Financial Statements* (effective for financial years beginning on or after 1 January 2027)
- IFRS 19 Subsidiaries without Public Accountability: Disclosures* (effective for financial years beginning on or after 1 January 2027)
- Amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures* – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (available for optional adoption, effective date deferred indefinitely)

The adoption of the standards listed above is not expected to materially affect the Group's consolidated financial statements in future financial years.

* = not yet endorsed for use by the European Union as of 31 December 2024.

Accounting principles for Consolidated Financial Statements

The consolidated financial statements include the parent company Endomines Finland Oyj and its subsidiaries. Subsidiaries are entities controlled by the Group. Control exists when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is obtained by the Group and are deconsolidated from the date that control ceases. The consolidated financial statements as of December 31, 2024, include the parent company and the subsidiaries Endomines Oy, Endomines Idaho LLC, and Kalvinit Oy.

Intra-group shareholdings are eliminated using the acquisition method. All intra-group transactions, receivables, liabilities, and unrealized profits, as well as internal profit distribution, are eliminated in the preparation of the consolidated financial statements. Unrealized losses are not eliminated if the loss is due to impairment.

Going Concern

Endomines' consolidated financial statements have been prepared on a going concern basis. In preparing the financial statements, management has assessed the company's ability to continue as a going concern and has not identified any material uncertainties that may cast significant doubt on the company's ability to continue its operations. Management's assessment is based on the evaluation of the profitability and financing needs of the business. Endomines has two long-term sales agreements in place that will generate future revenue. Management regularly assesses the company's financing needs. The anticipated financing needs for the financial year 2025 will be covered by committed and planned financing as well as cash flow from operations. Further details on the assessment of the company's financing needs are provided in Note 19 Financial Risk Management, and details on the existing sales agreements are provided in Note 3 Revenue from Customer Contracts.

Key Accounting Estimates and Judgments

The preparation of financial statements in accordance with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Areas of the consolidated financial statements that require significant judgment, that are complex, or that involve assumptions and estimates that are significant to the consolidated financial statements are described below.

Determination of Functional Currency
Management has exercised judgment in determining the functional currencies of the parent company and the Finnish subsidiary. The Finnish subsidiary's sales are conducted in US dollars because the price of gold is quoted in US dollars. However, the price of gold is influenced by global regulations. The parent company has euro-denominated financing and subsidiary investments. All expenses of the parent company and the Finnish subsidiaries are also denominated in euros.

Indicators point to different currencies, but currently, the euro is more relevant for the companies. The Group's management has determined that the functional currency of the parent company and the Finnish subsidiaries is the euro.

Determination of Depreciation Methods for Mines
Depreciation plans for mines are based on management's estimates of the economic life of the mines. Endomines prepares long-term production plans based on estimates of ore reserves and measured, indicated, and inferred mineral resources. Ore reserves refer to tonnes of gold ore for which a mining and extraction plan has been made. Ore reserves and mineral resources, as well as long-term production plans, are updated annually. Endomines' board approved an updated long-term production plan in August 2024. According to the updated estimates, the economic life of the Pampalo mine is expected to extend until 2032 instead of the previous end of 2030. Management's estimate of the economic life of the Hosko mine has been extended from the end of 2026 to the end of 2028. Endomines updated the depreciation plans for the Pampalo and Hosko mines from January 1, 2024, non-retroactively in accordance with IAS 8. The updated depreciation plan is based on Endomines' long-term production plan. The updates to the lengths of the depreciation plans affected the amount of depreciation recorded for the period January 1 - December 31, 2024, reducing it by 0.3 MEUR.

Sources of Uncertainty in Estimates

Environmental Restoration (Provisions)
Endomines recognizes a provision in the balance sheet when the Group has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated. The environmental restoration provision represents management's best estimate of the costs required to restore sites where mining activities, such as excavation or extraction, have taken place and where the company has a statutory obligation to restore the site after the cessation of operations. Estimates related to the restoration provision involve the economic life of the operations, surface areas, and costs. The amount recognized as a provision is the present value of the expenses expected to be required to settle the obligation at the end of the reporting period.

Exploration and Evaluation Expenses for Mineral Resources
No depreciation is recorded for exploration and evaluation expenditures for mineral resources capitalized in the balance sheet; instead, they are tested annually for impairment. Exploration and evaluation expenditures for minerals are measured at their original acquisition cost less any impairment. The Group conducts an annual impairment test for exploration and evaluation expenditures for mineral resources. Impairment is assessed by comparing the carrying amount to the recoverable amount, which is based on management's estimate of the recoverable amount of the asset. The impairment testing of exploration and evaluation expenditures for mineral resources involves judgment based on management's estimates.

Deferred Taxes

The Group and its subsidiaries have incurred losses in several previous financial years. Management has made assumptions and estimates regarding the future taxable income of the business, based on which the utilization of unused tax losses in the near future remains uncertain. Endomines follow the principle of prudence and, therefore, the conditions for recognizing deferred tax assets have not been considered to be met for tax-deductible losses.

Endomines has recognized a deferred tax asset from temporary differences up to the amount of deferred tax liabilities arising from future events. According to management's assessment, Endomines has available tax losses and tax planning strategies to offset the deferred tax liabilities arising from temporary differences.

Climate-Related Issues in the Consolidated Financial Statements
Endomines' management assesses that climate-related issues are not yet material to the consolidated financial statements. Endomines evaluates the significance of climate-related impacts on the economic lives of tangible and intangible assets, potential additional investments, and impairment tests in future financial years. Endomines has begun preparations for reporting sustainability information in accordance with the EU Corporate Sustainability Reporting Directive (CSRD) and will assess the significance of climate-related issues on the items in the consolidated financial statements more closely in the coming years as sustainability work progresses. Mining and exploration activities are subject to environmental risks and requirements, which Endomines duly takes into account. Endomines has an up-to-date environmental restoration

plan and complies with the environmental permits granted for its operations. The requirements of the environmental permits are taken into account in Endomines' operational planning and financial forecasts.

Conversion of items denominated in foreign currency

The figures concerning the results and financial position of the Group's entities are determined in the currency of the primary economic environment in which each entity operates. The consolidated financial statements are presented in euros, which is the functional and presentation currency of the Group's parent company. The functional currency of the Finnish subsidiaries is the euro (EUR) and the functional currency of the US subsidiary is the US dollar (USD).

Foreign currency transactions are recorded in the functional currency using the exchange rate prevailing at the date of the transaction. Monetary items denominated in foreign currencies are translated into the functional currency using the exchange rates at the reporting period end date. Non-monetary items denominated in foreign currencies are measured at the exchange rate on the date of the transaction. Gains and losses arising from foreign currency transactions and the translation of monetary items are recognized in profit or loss. Exchange gains and losses on operating activities and on foreign currency receivables and liabilities are included in finance income and expenses.

The intra-group foreign currency loan between Endomines Finland Oyj and Endomines Idaho LLC is considered a net investment in a foreign operation, and thus, exchange gains and losses arising from the translation of the item are recognized in the translation differences through other comprehensive income. The accumulated exchange differences are presented as a separate item in equity until the foreign operation is fully or partially disposed of.

Property, Plant, and Equipment

Property, plant, and equipment are measured at cost less accumulated depreciation and any impairment losses. The cost includes expenses directly attributable to the acquisition of the tangible asset. If an asset consists of multiple parts with different useful lives, each part is treated as a separate asset. In such cases, the costs associated with replacing a part are capitalized, and the remaining carrying amount of the replaced part is derecognized. Otherwise, subsequent expenditures are included in the carrying amount of the tangible asset only if it is probable that future economic benefits associated with the asset will flow to the group and the cost of the asset can be reliably measured. Other repair and maintenance costs are expensed as incurred.

The values of the Pampalo and Hosko mines consist of the construction of mining infrastructure and the development costs of the mines. The value of the Friday underground mine consists of land and water areas as well as machinery and equipment. The balance sheet values of the Pampalo, Hosko, and Friday mines also include costs recorded for environmental restoration measures, renewal costs, and legal requirements, which have been recorded as a restoration provision. The capitalized amount was initially recorded at the present value of the estimated amount required to fulfill the obligation. The costs capitalized in the balance sheet are depreciated on a straight-line basis over their economic useful life until the restoration measures are expected to begin. The cost estimates underlying the restoration provision are updated annually, and the resulting increase in the restoration provision is recorded as an addition to the asset.

Assets are depreciated on a straight-line basis over their estimated useful lives. Land and water areas are not depreciated.

The estimated useful lives are as follows:
Buildings and structures: 5–10 years
Machinery and equipment: 3–10 years

The residual value and useful life of an asset are reviewed at the end of each financial year. If expectations differ from previous estimates, the change is accounted for as a change in an accounting estimate.

The value of the Friday underground mine is tested using a benchmark analysis. The U.S. operations were reorganized in the spring of 2022 in accordance with the updated strategy. In the U.S., potential partners and various partnership models are being explored, making the benchmark analysis an appropriate testing method.

Gains and losses arising from the derecognition and disposal of property, plant, and equipment are recognized in profit or loss and presented under other income and expenses from operations. The gain on sale is determined as the difference between the sales price and the remaining carrying amount.

Intangible assets

Exploration and Evaluation Expenses for Mineral Resources

Expenditures incurred for the exploration and evaluation of mineral resources are capitalizable expenses. Capitalized expenditures are measured at cost. Capitalizable expenses include costs related to the acquisition of exploration rights, geological studies, test drilling, trenching, sampling and analysis, as well as costs related to activities that assess the technical feasibility and commercial viability of separating the mineral resource. No depreciation is recognized on assets arising from the exploration and evaluation of mineral resources.

The company assesses each reporting period whether there are any indications of impairment for exploration and evaluation expenditures capitalized as other intangible assets, based on the provisions of IFRS 6. Impairment is assessed at each reporting period. If facts and circumstances suggest that the carrying amount exceeds the recoverable amount, the resulting impairment loss is determined and recognized, and related disclosures are provided.

The recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal or its value in use. Fair value is the price that would be received to sell an asset in an orderly transaction between market participants. Value in use is the estimated future net cash flows expected to be derived from the asset or cash-generating unit, discounted to their present value. The discount rate used is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the asset.

The fair value is compared to the carrying amount of the asset in the impairment test. An asset is considered impaired when its carrying amount exceeds its fair value. The impairment loss is recognized in profit or loss.

When the technical feasibility and commercial viability of extracting a mineral resource can be demonstrated, the capitalized exploration and evaluation expenditures are transferred to other intangible assets as part of the development costs of the future production area.

Inventories

The Group's inventories consist of gold concentrate, ore stockpiles, and materials and supplies. Inventories are measured at the lower cost or net realizable value. The Group's materials and supplies consist of production materials and are valued at the average cost of the supplies in stock. The cost of ore stockpiles and gold concentrate inventories is determined based on purchase, production, and other costs incurred in bringing the inventories to their present location and condition.

Lease agreements

The company applies IFRS 16 in the treatment of leases. Leases that involve an asset being used by the company for a specified period in exchange for consideration are classified as leases. Endomines has decided to expense payments related to short-term (up to 12 months) or low-value leases over the lease term. Endomines determines the lease term as the enforceable period of the contract. Contracts where the lease term is not binding, and Endomines has the right to terminate the contract without the other party's consent and without significant penalty are classified as short-term.

At the end of the 2024 financial year, Endomines' lease liabilities capitalized in the balance sheet under IFRS 16 include office leases and a leased car. The right-of-use asset is recognized in the balance sheet at the commencement date of the lease, which is the date when the lessor makes the underlying asset available for use by Endomines. The right-of-use asset is measured at the present value of future lease payments, using the incremental borrowing rate as the discount rate, and is depreciated over the lease term or the useful life, whichever is shorter. The incremental borrowing rate is used to calculate the present value of future lease payments. Value-added tax is not included in the amount of the lease liability.

The lease liability is remeasured when changes in the index or rate used result in changes to future lease payments, or when the group changes its assessment of whether it will exercise a purchase, extension, or termination option. The value of the right-of-use asset is adjusted accordingly in conjunction with the remeasurement of the lease liability and depreciation.

Employee Benefits

Pension Obligations

The Group has only defined contribution pension plans. The Group pays a fixed contribution to a separate service provider for the pension arrangements. The Group makes pension contributions to publicly or privately administered pension insurance schemes on a mandatory, contractual, or voluntary basis. The Group has no legal or constructive obligation to make additional payments. Contributions are recognized as employee expenses when paid. Prepaid contributions are reported as assets if a cash refund or reduction in future payments is beneficial to the Group.

Share based payments

Endomines has incentive plans where the benefits granted are settled in equity instruments. The fair value of the benefits granted is determined at the grant date and is recognized as an expense in the income statement over the vesting period, with a corresponding entry to equity. Generally accepted valuation models, such as the Black-Scholes model or Monte Carlo simulation, are used to determine the fair value. The company assesses the appropriate valuation model on a case-by-case basis; currently, Endomines has applied the Monte Carlo model for valuing its incentive plans.

Provisions and Contingent liabilities

A provision is recognized in the balance sheet when the group has a legal or constructive obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. The amount recognized as a provision represents the best estimate of the expenses required to settle the present obligation at the end of the reporting period. Provisions for environmental restoration, restructuring costs, and legal claims are recognized when the group has a legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated. No provisions are recognized for future operating losses.

Provisions are measured at the present value of the expenses expected to be required to settle the obligation, considering the cost level at the time of settlement and the effect of market risk. The estimated cost is then discounted to its present value using a risk-free interest rate based on the yield of long-term government bonds. The unwinding of the discount effect during the period is recognized in profit or loss as a finance cost. Other changes in the provision are recognized as additions to or deductions from the related asset.

Estimated environmental restoration costs arising from the exploration and evaluation of mineral resources are reported as provisions. Endomines has developed an operational plan for environmental restoration. Provisions are assessed separately for each financial year.

Income Taxes

The tax expense comprises the total amount of current tax based on taxable income for the period and deferred tax. Taxes are recognized in the income statement, except when they relate to items recognized in other comprehensive income or directly in equity, in which case the tax is also recognized in those items.

Income tax is calculated at the balance sheet date based on the tax laws of the country in which the parent company and its subsidiaries operate and generate taxable income, i.e., in accordance with Finnish and U.S. regulations. Management regularly evaluates the claims made in tax returns in situations where the applicable tax rules need to be interpreted. Provisions are made for taxes that are likely to be paid, if necessary.

Deferred tax is recognized in the consolidated financial statements using the balance sheet method for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. However, deferred tax is not recognized if it arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting profit nor taxable profit. However, the exception does not apply to the initial recognition of lease liabilities or decommissioning obligations. Endomines recognizes deferred taxes on the assets and liabilities related to leases and environmental restoration provisions. Deferred tax is recognized in the balance sheet at the tax rates and laws that are enacted or substantively enacted by the balance sheet date and are expected to apply when the deferred tax asset is realized, or the deferred tax liability is settled.

Deferred tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. The conditions for recognizing deferred tax assets are assessed at each reporting period's end. Deferred tax is recognized on temporary differences arising from investments in subsidiaries, except when the group is able to control the timing of the reversal of the temporary difference or it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities that intend to settle current tax assets and liabilities on a net basis.

Revenue Recognition Principles

Revenue from customer contracts is recognized at fair value, adjusted for indirect taxes and discounts. The group recognizes sales revenue on an accrual basis at a point in time when control of the goods is transferred to the customer.

Income from activities outside the normal business is recognized in other operating income.

Financial Assets and Financial Liabilities

Classification, Accounting, and Valuation

The Group's financial assets are recognized at amortized cost if they meet the following conditions:

- The financial asset is part of a business model whose objective is to hold financial assets to collect contractual cash flows.
- The contractual terms give rise to cash flows at specified times that are solely payments of principal and interest on the principal amount outstanding.

Trade Receivables and Other Receivables
Trade and other receivables are financial assets that are non-derivative, have fixed or determinable payments, and are not quoted in active markets. All trade and other receivables are included in current financial assets if their maturity is less than 12 months after the reporting period. The Group's assets in this category consist solely of cash and cash

equivalents, trade receivables, and other receivables. Trade and other receivables are recognized at amortized cost after initial recognition using the effective interest method.

Convertible Bonds
The fair value of the debt component of a convertible bond is calculated using a discount rate that consists of the market interest rate for similar debt without the conversion option. The amount is reported as a liability at amortized cost until the debt is either converted or matures. The conversion option is calculated as the difference between the fair value of the combined financial instrument and the fair value of the debt component. This is reported in equity.

Treatment of Financial Arrangements Containing Derivatives
Derivatives are recognized on the balance sheet on the trade date and are measured at fair value both initially and at subsequent revaluations at the end of each financial year. Derivative contracts are presented in other financial assets when the fair value is positive and in other financial liabilities when the fair value is negative.

Impairment of Financial Assets

Assets Recognized at Amortized Cost
The Group applies a simplified approach to calculating expected credit losses. This method calculates expected losses over the entire receivable period and uses these as a basis for trade receivables and contract-based assets. Trade receivables and contract-based assets are written off if repayment cannot reasonably be expected. Indicators that repayment cannot reasonably be expected include, among others, the debtor's inability to comply with the repayment plan or payments being overdue by more than 120 days.

Credit losses on trade receivables and contract-based assets are reported as net credit losses in operating profit. Amounts previously written off and subsequently recovered are reported on the same line in the income statement.

No impairments of financial assets have been recorded since the establishment of the Group.

Cash and Cash Equivalents
Cash and cash equivalents include cash on hand, bank deposits, and other short-term investments with maturities of three months or less from the date of acquisition.

Share Capital
Ordinary shares are recorded in equity. Transaction costs that can be directly attributed to the issuance of new shares or options are reported net of equity, after deducting share issuance costs from the proceeds of the issuance.

Loans
Loans are initially recognized at fair value net of transaction costs. Subsequently, loans are measured at amortized cost, and any differences between the amount received (net of transaction costs) and the repayment amount are reported in the income statement over the loan period using the effective interest method. Loans are classified as current liabilities if the Group does not have an unconditional right to defer payment of the debt for at least 12 months from the balance sheet date.

Trade Payables
Trade payables are obligations to pay for goods or services acquired from suppliers in the ordinary course of business. Trade payables are classified as current liabilities if they are due within one year or earlier (or within the normal operating cycle if this is longer). Otherwise, they are classified as non-current liabilities. All trade payables in this annual report are current. Trade payables are recognized at amortized cost.

Fair Value Calculation
The nominal value of trade receivables and trade payables, after deducting expected customer losses, approximates their fair value. The fair value of financial liabilities is consistent with their carrying amount.

Equity
Expenses related to the issuance or acquisition of the company's own equity instruments are presented as a deduction from equity. Instruments that meet the equity criteria under IFRS are recorded in equity, as described above in the section "Financial Liabilities."

2. Operating Segments

The Endomines Group is operationally divided into three business segments: Pampalo Production, Karelian Gold Line, and USA Operations. The segment division is based on Endomines' current business strategy and geographical areas.

The Pampalo Production segment includes the operations of underground mines and open-pit mines, the production of gold concentrate, and the sale of gold concentrate. The Karelian Gold Line segment covers exploration activities in Finland. The USA Operations segment consists of the operations of Endomines Idaho LLC, which include the rights acquired during the financial years 2018–2022 to seven gold deposits in United States. The Group has not combined operating segments to form reportable segments.

All other operations of the Group are allocated to unallocated items. Unallocated items consist of Group administration and costs managed at the Group level, taxes, provisions, and other items that cannot be directly allocated to segments. The accounting principles applied in segment reporting are consistent with the Group's financial statement principles.

The results of the business segments are reported regularly to the Group's chief operating decision maker, who allocates resources to the segments based on their operational results. The chief operating decision maker of Endomines Group is the Board of Directors of Endomines Finland Plc. The performance of the segments is evaluated based on EBITDA, operating profit, and additions to long-term assets. Performance is measured consistently and in a timely manner with the consolidated financial statements and internal reporting provided to the Board of Directors.

Information about key customers

During the financial year 1.1.-31.12.2024, the most significant customer of Endomines Group is Boliden Commercial AB. 99 % of the revenue is generated from the sale of gold concentrate to Boliden Commercial AB.

Pampalo production

Gold production	1.1.-31.12.2024	1.1.-31.12.2023
Gold production, kg	444.9	397.8
Gold production, oz	14,304	12,790

Group total

Gold production	1.1.-31.12.2024	1.1.-31.12.2023
Gold production, kg	444.9	397.8
Gold production, oz	14,304	12,790

1.1.-31.12.2024, MEUR	Pampalo production	Karelian gold line	USA operations	Unallocated items	Group total
Sales outside the group	28.7	0.0	0.0	0.0	28.7
Sales to other segments	0.0	0.0	0.0	0.0	0.0
Total revenue	**28.7**	**0.0**	**0.0**	**0.0**	**28.7**
Change in the inventory of finished goods and work in progress	-0.1	0.0	0.0	0.0	-0.1
Materials, supplies, and external services	-14.9	-0.1	-0.1	0.0	-15.1
Expenses of employee benefits	-2.4	-0.7	-0.4	-1.2	-4.6
Other operating expenses	-1.0	-0.1	-0.3	-1.6	-3.0
EBITDA	**10.3**	**-0.9**	**-0.7**	**-2.8**	**5.8**
EBITDA %	**36 %**	**-**	**-**	**-**	**20 %**
Depreciation	-1.8	0.0	-0.8	-0.6	-3.2
Operating result	**8.5**	**-0.9**	**-1.6**	**-3.4**	**2.6**
Operating result %	**30 %**	**-**	**-**	**-**	**9 %**

1.1.-31.12.2023, MEUR	Pampalo production	Karelian gold line	USA operations	Unallocated items	Group total
Sales outside the group	19.7	0.0	0.0	0.0	19.7
Sales to other segments	0.0	0.0	0.0	0.0	0.0
Total revenue	**19.7**	**0.0**	**0.0**	**0.0**	**19.7**
Change in the inventory of finished goods and work in progress	0.0	0.0	0.0	0.0	0.0
Materials, supplies, and external services	-14.1	-0.1	-0.1	0.0	-14.3
Expenses of employee benefits	-1.6	-0.7	-0.5	-1.1	-3.9
Other operating expenses	-0.7	-0.1	-0.4	-0.9	-2.1
EBITDA	**3.3**	**-0.9**	**-1.0**	**-2.1**	**-0.7**
EBITDA %	**17 %**	**-**	**-**	**-**	**-3 %**
Depreciation	-1.0	0.0	-0.8	-0.5	-2.3
Operating result	**2.3**	**-0.9**	**-1.8**	**-2.6**	**-3.0**
Operating result %	**12 %**	**-**	**-**	**-**	**-15 %**

Geographical distribution of long-term assets

31.12.2024, MEUR	Finland	USA	Total
Intangible Assets			
Mineral resource exploration and evaluation expenses	10.9	27.6	38.6
Other intangible assets	1.6	-	1.6
Tangible Assets	-	-	-
Pampalo Mine	13.6	-	13.6
Hosko Mine	1.8	-	1.8
Land and water areas	0.2	0.3	0.5
Buildings and structures	2.7	3.7	6.4
Machinery and equipment	3.7	2.9	6.6
Other tangible assets	0.1	-	0.1
Total	**34.6**	**34.6**	**69.2**

31.12.2023, MEUR	Finland	USA	Total
Intangible Assets			
Mineral resource exploration and evaluation expenses	7.7	26.0	33.7
Other intangible assets	1.3	-	1.3
Tangible Assets			-
Pampalo Mine	9.1	-	9.1
Hosko Mine	0.7	-	0.7
Land and water areas	0.2	0.3	0.5
Buildings and structures	0.8	3.3	4.0
Machinery and equipment	1.5	3.5	5.0
Other tangible assets	0.1	-	0.1
Total	**21.4**	**33.1**	**54.5**

Allocation of additions to long-term assets by segments

31.12.2024, MEUR	Pampalo Production	Karelian gold line	USA operations	Unallocated expenses	Total
Intangible Assets					
Mineral resource exploration and evaluation expenses	-	3.2	-	-	3.2
Other intangible assets	0.5	-	-	-	0.5
Tangible Assets	-	-	-	-	
Pampalo Mine	5.8	-	-	-	5.8
Hosko Mine	1.4	-	-	-	1.4
Land and water areas	-	-	0.0	-	0.0
Buildings and structures	0.0	-	0.0	2.3	2.3
Machinery and equipment	0.5	-	0.0	2.1	2.7
Other tangible assets	0.0	-	-	-	0.0
Total	**8.3**	**3.2**	**0.0**	**4.4**	**15.9**

31.12.2023, MEUR	Pampalo Production	Karelian gold line	USA operations	Unallocated expenses	Total
Intangible Assets					
Mineral resource exploration and evaluation expenses	-	2.5	-	-	2.5
Other intangible assets	-	-	-	-	-
Tangible Assets	-	-	-	-	
Pampalo Mine	4.6	-	-	-	4.6
Hosko Mine	0.7	-	-	-	0.7
Land and water areas	-	-	-	-	-
Buildings and structures	-	-	-	0.7	0.7
Machinery and equipment	0.5	-	-	0.7	1.2
Other tangible assets	-	-	-	0.1	0.1
Total	**5.8**	**2.5**	**-**	**1.5**	**9.8**

3. Revenue from Customer Contracts

Endomines' sales revenue is generated from the sale of gold concentrate delivered to the customer. The majority of the gold concentrate produced by Endomines is flotation concentrate. In Finland, the sale of flotation concentrate is based on a sales agreement with Boliden Commercial AB that lasts over a year. Boliden Commercial AB purchases all the flotation concentrate produced by Endomines Oy.

In the financial year 2024, in addition to flotation concentrate, Endomines produced gravimetric gold. Endomines signed a new long-term sales agreement with K.A. Rasmussen AS in 2024. The agreement covers the sale of all gravimetric gold production from Endomines' Pampalo mine. In the financial year 2024, 2.0 kg of Endomines' total annual production was gravimetric gold, while the total gold production for the year was 444.9 kg

Sales revenues from flotation concentrate are based on a provisional invoice, which is calculated based on the quantity of concentrate delivered, the gold content of the concentrate, the moisture content of the concentrate, and the market price of gold. Sales revenues are reduced by processing costs and costs related to impurities. The information is based on preliminary samples obtained from Endomines' own laboratory and the average gold price for the last full week of the delivery month. Endomines treats the concentrates delivered in one month as a single performance obligation, as one preliminary invoice is always prepared for the deliveries of one month. The performance obligation is fulfilled when the risks and rights associated with the concentrate load are transferred from the seller to the buyer. The risks and rights to handle the concentrate are transferred from the seller to the buyer when the sampling and weighing procedures of the concentrate are completed at the delivery location. The delivery is invoiced in the month following the delivery month. Ownership of the concentrate load is transferred to the buyer upon payment of the invoice.

The customer pays the preliminary invoice on the twentieth calendar day of the month following the delivery month. All invoices and payments are in US dollars.

Final invoicing takes place when the final results of the samples from both Endomines' and the customer's laboratories are completed and all parameters for the agreed pricing period are confirmed. If the gold content of the samples from Endomines' and the customer's laboratories differ by more than specified in the current sales terms, the laboratory samples are sent to an external and independent laboratory for analysis. The final gold price is determined based on the average gold price for the month following the delivery month. The difference between the preliminary invoice and the final invoice is not expected to be material, and once the final invoice is confirmed, Endomines adjusts the sales revenue by the difference between the preliminary and final invoices in the month when the final results are completed.

Sales revenues from gravimetric gold concentrate are based on a preliminary invoice, which is calculated based on the gold content of the delivered concentrate and the market price of gold. Sales revenues are reduced by processing costs. The preliminary invoice information is based on samples from both Endomines' and the customer's laboratories, and the gold price is determined according to the market price of gold on the date the results are exchanged. If the gold content of the samples from Endomines' and the customer's laboratories differ by more than specified in the current sales terms, the laboratory samples are sent to an external and independent laboratory for analysis. The difference between the preliminary invoice and the final invoice is not expected to be material, and once the final invoice is confirmed, Endomines adjusts the sales revenue by the difference between the preliminary and final invoices in the month when the results are completed.

Revenue from Customer Contracts

The Group's revenue by market area, MEUR	2024	2023
Finland	28.7	19.7
United States	0.0	0.0
Total	**28.7**	**19.7**

Accounts receivable and assets and liabilities based on customer agreements, MEUR	2024	2023
Accounts receivable	3.1	1.7
Short-term accrued receivables	0.0	0.1
Short-term financial liabilities	0.3	0.0

At the end of the financial year, the Group has sold EUR 0.3 million of its trade receivables to a factoring company in exchange for cash. Endomines is fully responsible for the credit risk associated with the trade receivables, including the transferred receivables.

4. Other operating income

Other operating income	MEUR	2024	2023
Metal scrap and waste		0.0	0.0
Sales income from tangible assets		0.0	0.0
Other income items		0.0	0.0
Total		**0.0**	**0.0**

5. Change in inventories of finished goods and work in progress

Change in the inventory of finished goods and work in progress	MEUR	2024	2023
Increase (-) or decrease (+) in stocks		-0,1	0,0
Total		**-0,1**	**0,0**

6. Materials, supplies and external services

Materials, supplies and external services	MEUR	2024	2023
Purchases of materials, supplies and goods		1.7	2.1
Increase (-) or decrease (+) in stocks		-0.0	-0.0
External services		13.5	12.2
Total		**15.1**	**14.3**

7. Expenses arising from employee benefits

Expenses arising from employee benefits	MEUR	2024	2023
Salaries		3.8	3.2
Pension expenses		0.6	0.5
Other employee expenses		0.2	0.3
Total		**4.6**	**3.9**

The Group's average number of personnel by group during the financial year	2024	2023
White-collar employees	42	30
Blue-collar employees	13	15
Total	**55**	**45**

8. Share-based payments

In November 2023, Endomines' Board of Directors approved the initiation of a performance-based share incentive program for key personnel for the years 2024–2026. The performance-based share incentive program consists of a one-year earning period and a two-year retention period. The reward is granted in Endomines' shares, including taxes and tax-like charges. The performance criteria for the share incentive are employment condition and total shareholder return. The starting share price is EUR 8.00 and the maximum price is EUR 16.00. The fair value of the share incentive program has been determined using a Monte Carlo simulation model. The earning period ended on December 31, 2024. At the end of the earning period, the predefined performance targets were not achieved, and no reward was accrued from the program. At the time of granting, the program included 23 individuals, and at the balance sheet date, it included 21 individuals. The impact of share-based payments on the financial result for 2024 was EUR 0.0 million.

Performance-based share incentive plan	
Grant date	1.1.2024
Maximum reward shares (pcs)	9,200
Fair value of the share at the grant date (EUR)	8.64
Performance criteria	Total shareholder return, employment condition
Number of personnel as of 31.12.2024	21

9. Other operating expenses

Other operating expenses	MEUR	2024	2023
Production operation and maintenance costs		0.2	0.2
Voluntary employee expenses		0.2	0.2
Facility expenses		0.3	0.2
Vehicle expenses		0.2	0.1
Travel expenses		0.2	0.1
Loss from the sales of tangible assets		0.0	0.0
Other fixed costs		2.0	1.2
Total		**3.1**	**2.0**

Auditor's fees	MEUR	2024	2023
Auditing		0.1	0.1
Auditor's other assignments and statements		0.0	0.0
Total		**0.1**	**0.2**

10. Depreciation and impairment

Depreciation and impairment	MEUR	2024	2023
Depreciation by asset group			
Property, plant and equipment			
Pampalo mine		1.3	1.0
Hosko mine		0.3	0.0
Land and water areas		0.0	0.0
Buildings and structures		0.2	0.1
Machinery and equipment		1.2	1.3
Other tangible assets		0.0	0.0
Intangible assets			
Mineral resource exploration and evaluation expenses		-	-
Other intangible assets		0.2	0.0
Total		**3.2**	**2.3**

11. Impairment testing

The Group performed impairment tests as per the accounting principles on December 31, 2024, for the balance sheet value of exploration and evaluation expenditures for mineral resources. The recoverable amount exceeds the carrying amount in all tests.

Mineral resource exploration and evaluation expenses, MEUR	2024	2023
Finland	10.9	7.7
USA	27.6	26.0
Total	**38.6**	**33.7**

Impairment testing for exploration and evaluation expenditures for mineral resources in Finland and the United States has been performed by comparing the carrying amount of the asset to its fair value less costs to sell.

Key variables in impairment testing for exploration and evaluation expenditures for mineral resources:

- Estimate of ore tonnes and gold grade
- Estimate of the in-ground gold price

Estimates of ore tonnes and gold grade are prepared based on management's best judgment and are derived from values verified through studies of gold ore reserves and mineral resources. The in-ground gold price is based on comparative analysis and the market values of gold deposits.

Sensitivity analysis

The group has assessed the sensitivity of the impairment testing to key variables. The table below shows the required change in a single assumption for the recoverable amount to fall below the carrying amount.

Variable	2024	2023
Ore tonnage, United States	-49 %	-58 %
Concentration, United States	-49 %	-58 %
Price of gold in the ground, United States	-49 %	-58 %
Ore tonnage, Finland	-38 %	-54 %
Concentration, Finland	-38 %	-54 %
Price of gold in the ground, Finland	-38 %	-54 %

When assessing the recoverable amount of cash-generating units, considering the above, management's estimate is that no reasonably possible change in any key variable would result in the recoverable amounts of the cash-generating units falling below their carrying amounts.

12. Finance Income and Costs

Finance income and expenses	2024	2023
Exchange rate gains	1.4	0.8
Proceeds from a warrant recognised at fair value through profit or loss	0.0	0.1
Other financial income	0.0	0.0
Total financial income	**1.4**	**0.9**
Exchange rate losses	-1.0	-1.3
Interest expenses on interest-bearing liabilities	-2.1	-1.4
Interest expenses on leases	0.0	0.0
Interest expenses on restoration costs	-0.5	-0.1
Other financial expenses	-0.1	-0.4
Total financial expenses	**-3.7**	**-3.2**
Net financial expenses	**-2.2**	**-2.3**

Exchange rate differences of EUR 0.8 million (-0.4 million) on the intra-group loan of the Endomines Idaho LLC, treated as a net investment in a foreign unit, have been recorded in other comprehensive income. The amount of the intra-group loan treated as a net investment in a foreign unit as of 31 December 2024 is EUR 13.5 million, and as of 31 December 2023, it is EUR 11.8 million.

13. Income Taxes

Income Taxes on the Income Statement	2024	2023
Tax based on the taxable income for the financial year	-	-
Adjustments for previous financial years	0.0	-
Deferred taxes	-0.1	-
Total	**-0.1**	**-**

Income Taxes	2024	2023
Reconciliation of the Group's Tax Rate to the Finnish Tax Rate		
Profit before tax	0.4	-5.3
Taxes calculated at the parent company's tax rate	-0.1	1.1
Differing tax rates of foreign subsidiaries	0.0	0.0
Tax-exempt income	0.0	0.0
Non-deductible expenses for tax purposes	-0.4	0.0
Use of unrecognized tax losses from previous financial periods	1.0	0.0
Permanent differences and tax losses that have been lost	-0.1	0.1
Tax losses for which deferred tax assets have not been recognised	-0.6	-1.1
Taxes from previous years	0.0	0.0
Changes in deferred tax liabilities	0.0	0.0
Taxes on the income statement	**-0.1**	**0.0**

Changes in the deferred tax assets

Changes in the deferred tax assets 2024	1.1.2024	booked to the income statement	31.12.2024
Environmental restoration provisions	0.3	0.8	1.1
Lease agreements	0.0	0.0	0.0
Other temporary differences	0.1	-0.0	0.0
Deferred tax assets on the balance sheet	**0.4**	**0.7**	**1.1**

Changes in the deferred tax assets 2023	1.1.2023	booked to the income statement	31.12.2023
Environmental restoration provisions	0.0	0.3	0.3
Lease agreements	0.0	0.0	0.0
Other temporary differences	0.0	0.1	0.1
Deferred tax assets on the balance sheet	**0.0**	**0.4**	**0.4**

Deferred taxes have been recorded in the balance sheet on a net basis by offsetting deferred tax assets against deferred tax liabilities to the extent that there is likely to be taxable income available against which the deductible temporary difference can be utilized.

Changes in the deferred tax liabilities

Changes in the deferred tax liabilities 2024	1.1.2024	booked to the income statement	31.12.2024
Environmental restoration provisions	0.3	0.8	1.1
Lease agreements	0.0	0.0	0.0
Other temporary differences	0.1	-0.0	0.0
Deferred tax liabilities on the balance sheet	**0.4**	**0.8**	**1.2**

Changes in the deferred tax assets 2023	1.1.2023	booked to the income statement	31.12.2023
Environmental restoration provisions	0.0	0.3	0.3
Lease agreements	0.0	0.0	0.0
Other temporary differences	0.0	0.1	0.1
Deferred tax liabilities on the balance sheet	**0.0**	**0.4**	**0.4**

Tax losses for which deferred tax assets have not been recognised		31.12.2024			31.12.2023	
MEUR	**Expiration year**	**Gross amount**	**Tax effect**	**Expiration year**	**Gross amount**	**Tax effect**
Tax losses	2025–2034	34.1	6.8	2024–2033	39.2	7.8
Environmental restoration	doesn't expire	2.2	0.5	doesn't expire	1.3	0.3
Lease agreements	doesn't expire	0.0	0.0	doesn't expire	0.0	0.0
Other temporary differences	doesn't expire	2.4	0.5	doesn't expire	2.2	0.4
Total		**38.7**	**7.8**		**42.7**	**8.5**

At the end of the financial year, the group has confirmed losses in Finland totaling EUR 34.1 million. The confirmed loss in Finland will be deducted from taxable income over the next 10 tax years as income is generated.

The merger of the parent company with its subsidiary in 2022 did not result in a change of ownership in the subsidiary of the merging parent company as referred to in Section 122, Subsection 1 of the Income Tax Act. Therefore, the confirmed losses in Finland are also deductible for tax purposes for the comparison period and previous periods. The impact of the merger in 2022 on the deductibility of confirmed losses in the United States and Sweden has not been clarified.

14. Earnings per share

Earnings per share	2024	2023
Profit for the financial year attributable to the owners of the parent company, 1,000,000 euros	**0.4**	**-5.3**
Weighted average number of shares	9,851,879	9,587,596
Undiluted earnings per share (euro / share)	0.0	-0.6
Diluted adjusted number of shares 31.12.	**10,707,841**	**10,768,188**
Diluted adjusted earnings per share (euro / share)*	0.0	-0.6

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the parent by the weighted average number of shares outstanding during the period, adjusted for share issues. When calculating diluted earnings per share, the weighted average number of shares is adjusted for the dilutive effect of all potential dilutive shares. The diluted earnings per share must not increase the earnings per share for the period presented, in accordance with IAS 33 Earnings per Share.

15. Property, plant and equipment

		Pampalo mine	Hosko mine	Land and water areas	Buildings and structures	Machinery and equipment	Other tangible assets
At the beginning of the period	**1.1.2023**	**27.9**	**0.0**	**4.2**	**9.6**	**25.8**	**0.0**
Increase		4.6	0.7	0.0	0.0	0.5	0.1
Environmental Restoration provision, additions		0.0	0.0	0.0	0.7	0.7	0.0
Decrease		0.0	0.0	0.0	0.0	-0.1	0.0
Other changes		0.0	0.0	-3.5	3.5	0.0	0.0
Exchange rate differences		0.0	0.0	-0.1	0.0	-0.4	0.0
At the end of the period	**31.12.2023**	**32.5**	**0.7**	**0.5**	**13.8**	**26.5**	**0.1**
Accumulated depreciation and impairment losses:							
At the beginning of the period	**1.1.2023**	**-22.4**	**0.0**	**-0.2**	**-9.5**	**-20.6**	**0.0**
Depreciation for the period		-1.0	0.0	0.0	-0.1	-1.3	0.0
Other changes		0.0	0.0	0.2	-0.2	0.0	0.0
Impairment losses		0.0	0.0	0.0	0.0	0.0	0.0
Exchange rate differences		0.0	0.0	0.0	0.0	0.3	0.0
At the end of the period	**31.12.2023**	**-23.4**	**0.0**	**0.0**	**-9.8**	**-21.5**	**0.0**
Carrying value	**31.12.2023**	**9.1**	**0.7**	**0.5**	**4.0**	**5.0**	**0.1**

		Pampalo mine	Hosko mine	Land and water areas	Buildings and structures	Machinery and equipment	Other tangible assets
At the beginning of the period	**1.1.2024**	**32.6**	**0.7**	**0.5**	**13.9**	**26.5**	**0.1**
Increase		5.8	1.4	0.0	0.0	0.6	0.0
Environmental Restoration provision, additions		0.0	0.0	2.3	2.0	0.0	0,0
Decrease		0.0	0.0	0.0	0.0	-0.1	0.0
Other changes		0.0	0.0	0.0	0.0	0.0	0.0
Exchange rate differences		0.0	0.0	0.0	0.2	0.9	0.0
At the end of the period	**31.12.2024**	**38.2**	**2.1**	**0.5**	**16.4**	**30.0**	**0.1**
Accumulated depreciation and impairment losses:							
At the beginning of the period	**1.1.2024**	**-23.4**	**0.0**	**0.0**	**-9.8**	**-21.5**	**0.0**
Depreciation for the period		-1.3	-0.3	0.0	-0.2	-1.2	0.0
Other changes		0.0	0.0	0.0	0.0	0.0	0.0
Impairment losses		0.0	0.0	0.0	0.0	0.0	0.0
Exchange rate differences		0.0	0.0	0.0	0.0	-0.7	0.0
At the end of the period	**31.12.2024**	**-24.7**	**-0.3**	**0.0**	**-10.0**	**-23.4**	**0.0**
Carrying value	**31.12.2024**	**13.6**	**1.8**	**0.5**	**6.4**	**6.6**	**0.1**

16. Intangible assets

Acquisition cost:		Mineral resource exploration and evaluation expenses	Other intangible assets
At the beginning of the period	**1.1.2023**	**51.6**	**-**
Increase		2.5	-
Decrease		0.0	-
Transfers to production		-1.3	1.3
Other changes			-
Exchange rate differences		-1.4	-
At the end of the period	**31.12.2023**	**51.3**	**1.3**
Accumulated depreciation and impairment losses:			
At the beginning of the period	**1.1.2023**	**-18.1**	**-**
Depreciation for the period		-	-
Other changes		0.0	-
Impairment losses		0.0	-
Exchange rate differences		0.5	-
At the end of the period	**31.12.2023**	**-17.6**	**-**
Carrying value	**31.12.2023**	**33.7**	**1.3**

Acquisition cost:		Mineral resource exploration and evaluation	Other intangible assets
At the beginning of the period	**1.1.2024**	**51.3**	**1.3**
Increase		3.2	0.5
Decrease		0.0	0.0
Transfers to production		0.0	0.0
Other changes		2.5	0.0
Exchange rate differences	**31.12.2024**	**57.0**	**1.8**
At the end of the period			
Accumulated depreciation and impairment losses:			
At the beginning of the period	**1.1.2024**	-17.6	-
Depreciation for the period		0.0	-0.2
Other changes		0.0	0.0
Impairment losses		0.0	0.0
Exchange rate differences		-0.9	0.0
At the end of the period	**31.12.2024**	**-18.5**	**-0.2**
Carrying value	**31.12.2024**	**38.6**	**1.6**

Assets and liabilities related to the exploration and evaluation of mineral resources, which are not included in the items mentioned above.	2024	2023
Accounts payable to subcontractors	1.1	0.0

Income and expenses arising from the exploration and evaluation of minerals	2024	2023
Materials, supplies and external services	-0.1	-0.1
Expenses arising from employee benefits	-0.7	-0.7
Other fixed costs	-0.1	-0.1

Items with a cash flow effect arising from the exploration and evaluation of mineral resources	2024	2023
Cash flow from investments	-3.2	-2.5
Cash flow from operating activities	-0.9	-0.9

17. Lease agreements

Lease agreements, KEUR	2024			2023		
	Buildings and structures	Machinery and equipment	Total	Buildings and structures	Machinery and equipment	Total
Fixed assets						
Opening balance sheet 1.1.	35.2	0.0	35.2	48.6	0.0	48.6
Translation differences	0.0	0.0	0.0	0.0	0.0	0.0
Increase	0.0	34.7	34.7	42.2	0.0	42.2
Changes in contracts	0.0	0.0	0.0	-29.4	0.0	-29.4
Depreciation	-21.1	-9.6	-30.8	-26.3	0.0	-26.3
Closing balance sheet 31.12.	14.1	25.0	39.1	35.2	0.0	35.2

Lease liabilities, KEUR	2024	2023
Less than a year	26.5	20.8
1–5 years	14.1	15.0
More than 5 years	0.0	0.0
Total	**40.6**	**35.7**

18. Financial assets and liabilities

Financial assets and liabilities	MEUR	2024	2023
		Carrying value and fair value	Carrying value and fair value
Financial assets			
Current financial assets			
Accounts receivable and other receivables		3.2	2.0
Cash in hand and at banks		2.1	1.2
Total financial assets recognized at amortized cost		**5.3**	**3.2**
Total financial assets		**5.3**	**3.2**
Financial liabilities			
Non-current financial liabilities			
Convertible loans		8.3	14.0
Lease liabilities		0.0	0.0
Other loans		0.0	0.0
Total non-current financial liabilities recognized at amortized cost		**8.4**	**14.0**
Current financial liabilities			
Convertible loans		6.6	2.1
Other financial liabilities		0.3	0.0
Lease liabilities		0.0	0.0
Accounts payable and other liabilities		6.9	5.0
Total current financial liabilities recognized at amortized cost		**13.9**	**7.1**
Total financial liabilities		**22.2**	**21.1**

The balance sheet value of financial assets measured at amortized cost corresponds substantially to their fair value, as the effect of discounting is not significant considering the maturity of the receivables.

At the end of the 2024 financial year, the group sold EUR 0.3 million of its trade receivables to a factoring company in exchange for cash. The financial assets transferred to the factoring company are included in the consolidated balance sheet, and Endomines is fully responsible for the credit risks associated with the financial assets. Cash received from the factoring agreement is recorded under short-term financial liabilities, less the financial fee resulting from the transfer. Liabilities related to the factoring agreement are included in other short-term financial liabilities, considering their maturity.

Breakdown of financial liabilities into changes with cash flow effects and changes without cash flow effects

	Long-term interest-bearing liabilities	Long-term lease agreements	Short-term interest-bearing liabilities	Short-term lease agreements
Financial liabilities 1.1.2024	**13.9**	**0.0**	**2.1**	**0.0**
Loan withdrawals	4.7	-	2.3	-
Additions	-	0.0	–	-
Repayments	0.0	0.0	-0.3	-
Transfers	-0.1	-	-	-
Exchange rate adjustments	-	-	-	-
Transfer to current liabilities	-4.6	0.0	4.6	0.0
Conversion of convertible bonds into shares	-5.8	-	-1.9	-
Other changes that do not involve payment	0.2	-	0.0	-
Financial liabilities 31.12.2024	**8.4**	**0.0**	**6.9**	**0.0**

	Long-term interest-bearing liabilities	Long-term lease agreements	Short-term interest-bearing liabilities	Short-term lease agreements
Financial liabilities 1.1.2023	**10.5**	**0.0**	**0.1**	**0.0**
Loan withdrawals	5.9	-	2.0	-
Additions	-	0.0	-	0.0
Repayments	-	-	-0.4	0.0
Transfers	-	0.0	-	0.0
Exchange rate adjustments	-	-	-	-
Transfer to current liabilities	-2.1	0.0	2.1	0.0
Conversion of convertible bonds into shares	-0.3	-	-1.8	-
Other changes that do not involve payment	-0.1	-	0.0	-
Financial liabilities 31.12.2023	**14.0**	**0.0**	**2.1**	**0.0**

Convertible bonds

On March 13, 2024, Endomines agreed on a MEUR 3.8 convertible bond with the company's largest owners. The maturity of the convertible bonds is 48 months and the annual interest rate is 10 %. In accordance with the agreement, the convertible bonds can be fully or partially exchanged for company shares no earlier than 12 months after the loan withdrawal date. The exchange price consists of the daily average price calculated at the share's closing price during the 10 trading days preceding the day of the exchange request, minus 18 percent.

Of the convertible loans agreed upon in 2023, EUR 0.8 million was paid in 2024.

On December 12, 2024, Endomines received exchange notices related to convertible bonds, based on which a total of EUR 7,356,603.47 was exchanged for new Endomines Finland Plc shares. As a result of the exchanges, 1,034,690 new Endomines Finland Plc shares were registered and issued. The company has had no other events related to the registration and issuance of new shares during 2024.

Warrants of LDA

In connection with the 2021 financing arrangement, the company issued 14,000,000 options, each of which entitles its holder to subscribe for one share in the company before the 40:1 reverse split share merger implemented in 2022. The number of shares subject to the warrants changed accordingly after the reverse split. The share options were issued to LDA Capital Limited, deviating from the shareholders' pre-emptive rights, and without consideration. The subscription price of the new shares subscribed with options corresponds to 135 % of the average price weighted by the turnover of the company's share for the 10 trading days preceding the date of the 2021 annual general meeting. After the Reverse Split, there are 350,000 options (14,000,000/40). According to the agreement, the subscription price of one share is EUR 0.36/share, i.e. EUR 14.4/share (0.36*40). The right to subscribe for shares ended on June 10, 2024.

19. Financial risk management

The group is exposed to various financial risks through its operations, including market risk (comprising currency risk and price risk), credit and counterparty risk, liquidity risk, and cash flow risk. As of the end of the reporting period, Endomines has only entered into fixed-rate financing agreements, and therefore, there is no risk to cash flows from changes in loan interest rates.

The notes present a sensitivity analysis of the most significant risks related to financial assets and liabilities. The sensitivity analysis is based on the financial instruments available at the balance sheet date. The basic principle of the sensitivity analysis is to report the potential individual impacts of changes in exchange rates, interest rates, or prices on post-tax profit, post-tax other comprehensive income, or equity, assuming all other variables remain constant.

Market Risk
The demand for produced gold in international markets affects the Group's profitability.

Currency Risk
The group operates internationally and is exposed to currency risks related to the EUR/USD exchange rate. All invoicing for gold concentrate is in USD, while production costs and internal financing are in both EUR and USD. Currency risk arises from transaction risk related to contractual items and translation risk from converting the financial statements of a foreign subsidiary into euros. At the balance sheet date, there are no currency hedging agreements in place. The intra-group foreign currency loan between Endomines Finland Oyj and Endomines Idaho LLC is considered a net investment in a foreign entity.

Interest Rate Risk
Interest rate risk describes the uncertainty in profit, balance sheet, and cash flow due to changes in interest rates. At the balance sheet date, Endomines has only entered into fixed-rate financing agreements.

Price Risk
The group is exposed to price risk mainly through fluctuations in the price of gold. The price of gold is determined daily by the LBMA (London Bullion Market Association). The company's exposure to price fluctuations can be somewhat limited by entering into gold price hedging agreements. At the balance sheet date, there are no hedging agreements in place. The selection of counterparties for financial instruments is based on management's assessment of their reliability.

Credit Risk
Credit and counterparty risk refers to the risk that a counterparty to a transaction is unable to fulfill its obligations, thereby causing a loss to Endomines. In Endomines' case, credit and counterparty risk is primarily influenced by cash assets and credit exposures related to customers, including outstanding receivables and contractual transactions. To mitigate this risk, Endomines only engages with counterparties that have a high credit rating. The Group's counterparties for cash assets are Nordea bank in Finland and a PlainsCapital Bank in the United States.

Over the past two years, the group has had only two customers: Boliden Commercial AB for flotation concentrate and K.A. Rasmussen AS for gravimetric concentrate. Management has no reason to expect credit losses due to counterparty insolvency. Based on management's judgment, Endomines has not recognized any expected credit losses.

The payment terms for trade receivables are as follows: the provisional invoice is due on the 20th calendar day of the month following the delivery month, and the final invoice is due five business days after the invoice is issued.

Liquidity risk
The company regularly assesses and monitors the adequacy of its liquidity. The evaluation of financing needs is based on an annual budget, a monthly updated financial forecast, a production forecast, and up-to-date cash flow planning.

In January 2025 Endomines entered into a financing arrangement with its current owners for a total amount of up to 2.3 million euros to cover preparatory work related to its strategy and other business needs. Endomines plans to secure a larger financing package, approximately eight million euros, in the spring of 2025. The purpose of the planned financing is to enable growth-oriented activities during the period from 2025 to 2026. According to management's best estimate, the anticipated financing needs for the fiscal year 2025 will be covered by committed and pending financing, as well as internal cash flows from production.

Capital management
The group's capital management objective is to ensure the normal operating conditions for the business, maintain an optimal capital structure, and minimize the cost of capital. The capital structure is primarily influenced by directing investments and the amount of working capital tied up in the business. The group's capital structure is monitored, among other things, through the net debt-to-equity ratio, which is calculated by dividing net interest-bearing debt by equity.

Environment and permits
The company's operations are dependent on exploration, mining, and environmental permits, as well as other licenses and rights. The operations are subject to environmental risks and regulatory requirements.

Sensitivity analysis	eur	2024		2023	
		Profit after tax	Equity	Profit after tax	Equity
Impact of exchange rate differences on intra-Group loans:					
+1 % change in exchange rate EUR–USD		135,003	135,003	118,225	118,225
-1 % change in exchange rate EUR–USD		-135,003	-135,003	-118,225	-118,225

Maturity profile based on	MEUR	2025	2026	2027-
Non-current liabilities				
Loans from financial institutions			0.0	
Liabilities from lease agreements			0.0	
Convertible loans				6.5
Current liabilities				
Loans from financial institutions		0.3		
Convertible loans			2.1	4.6
Liabilities from lease agreements		0.0		
Accounts payable and other liabilities		6.9		
Interest rates based on agreements			0.8	1.5

All of the Group's financial liabilities as at 31 12.2024 mature during the 2028 financial year at the latest.

20. Inventory

Inventory	MEUR	2024	2023
Materials and supplies		0.1	0.1
Gold concentrate		0.1	0.3
Ore		0.1	0.0
Total		**0.4**	**0.4**

21. Accounts receivable and other receivables

Accounts receivable and other receivables	MEUR	2024	2023
Accounts receivable		3.1	1.7
Other receivables		0.0	0.0
Accrual receivables		0.1	0.3
Total		**3.2**	**2.0**

Trade receivables are non-interest-bearing and have a payment term of 5 business days from the delivery of the final invoice. The group has not recorded any impairment losses on trade receivables during the financial year. It is not part of the group's practices to obtain collateral for trade and other receivables. At the end of the 2024 financial year, the group sold EUR 0.3 million of its trade receivables to a factoring company in exchange for cash.

The age distribution of accounts receivable is as follows:	2024	2023
Not fallen due	3.1	1.7
Total	**3.1**	**1.7**

22. Liquid assets

Liquid assets	MEUR	2024	2023
Cash in hand and at bank		2.1	1.2

Cash and cash equivalents in the balance sheet include cash on hand and short-term bank deposits with a maturity of less than three months. Foreign currency items have been converted into euros at the exchange rate on the balance sheet date.

23. Notes on Equity

The share capital of the parent company registered in the Trade Register as of December 31, 2024, was EUR 53.3 million, divided into 10,830,029 shares of equal value. Endomines Finland Oyj has one share class, and each share entitles the shareholder to one vote at the General Meeting. The nominal value of the current share has not been defined.

Share capital, number of shares	2024	2023
Number of outstanding shares at the beginning of the period	9,787,339	9,279,959
Conversion of convertible loans	1,034,690	507,380
Disposal of Treasury Shares	2,570	-
Number of outstanding shares at the end of the period	10,824,599	9,787,339
Shares held by the parent company, at the beginning of the period	8,000	8,000
Disposal of Treasury Shares	-2,570	-
Shares held by the parent company, at the end of the period	5,430	8,000
Total number of shares at the end of the period	10,830,029	9,795,339
Share capital (MEUR)	53.3	53.3

Treasury shares
Due to the merger completed on December 16, 2022, the company held 8,000 treasury shares at the beginning of the financial year, of which 2,570 shares were disposed of during the 2024 financial year as part of the board's remuneration. As of December 31, 2024, the company holds 5,430 treasury shares.

Other Invested Equity
The reserve for invested unrestricted equity and the share premium reserve includes other equity-like investments and the subscription price of shares to the extent that it is not recorded in the share capital by a separate decision. Translation differences include the translation differences arising from the conversion of the subsidiary's equity in the consolidated financial statements, exchange differences on loans treated as net investments in foreign subsidiaries, and exchange differences arising from the translation of the income statement of foreign subsidiaries at the average exchange rate and the balance sheet at the exchange rate on the balance sheet date.

24.Provisions

Provisions consist of environmental restoration costs for the Pampalo and Friday mine areas. Endomines has prepared an action plan for environmental restoration. An external engineering firm has conducted an assessment of the environmental restoration costs for the mine areas. The restoration costs are based on the best estimates related to the mine's lifespan, the areas to be restored, and other costs associated with environmental restoration.

According to the long-term production plan, the economic life of the Pampalo mine is at least until the end of 2032 and the Hosko mine area until the end of 2028. The restoration of the Pampalo mine area is estimated to begin no earlier than 2033 and Hosko in 2029. For the Friday mine area, restoration is estimated to begin no earlier than 2032. The estimated future cash flows are discounted to their present value. The amount to be recorded as a provision is based on management's best estimate.

Provisions	Restoration costs	Total
Closing balance sheet on 31 Dec 2022 and opening balance sheet on 1 Jan 2023	1.4	1.4
Additions	1.5	1.5
Discounting effect	0.1	0.1
Translation differences	-0.1	-0.1
Closing balance sheet on 31 Dec 2023	2.9	2.9
Closing balance sheet on 31 Dec 2023 and opening balance sheet on 1 Jan 2024	2.9	2.9
Additions	4.3	4.3
Discounting effect	0.3	0.3
Translation differences	0.0	0.0
Closing balance sheet on 31 Dec 2024	7.5	7.5

During the reassessment of restoration measures at the end of the 2024 financial year, it was found that the amount of restoration measures for the Pampalo and Friday mine areas has increased from the previously recorded provision. Therefore, Endomines has recorded an increase in the environmental restoration provision for 2024. The increase in the provision is recorded in the balance sheet provisions, and the corresponding amount is recorded as a tangible asset in property, plant, and equipment.

The restoration cost provision refers to the estimated costs of restoring the environment at the Pampalo, Rämepuro, Hosko and Friday mines. Discounting is reported as interest expenses.

25. Accounts payable and other liabilities

Accounts payable and other liabilities	MEUR	2024	2023
Accounts payable		6.9	5.0
Other liabilities		1.1	0.4
Accrued liabilities		3.6	2.2
Total		**11.7**	**7.6**

Accounts payable are non-interest-bearing and are usually paid within 14–31 days.
The carrying value corresponds to the fair value because the impact of discounting is not material, considering the maturity of the liabilities. Group's credit risk is described in Note 19.

26. Contingent liabilities

Endomines has two active royalty agreements related to claims in Ilomantsi area. Endomines entered into a royalty agreement in 1996, which becomes effective once mining operations start. The royalty agreement, signed in 1996, concerns the claims located in the municipality of Ilomantsi and covers Hosko production area. The maximum royalty liability under the agreement is MEUR 2,5. During the year 2024, the realized royalty payment amounted to 0,0 million euros, and the remaining maximum royalty liability is MEUR 2,5.

As a result of a business acquisition, Endomines entered into a royalty agreement tied to production volumes in 2006. This agreement covers claims located in the Ilomantsi area, as well as Pampalo production area. The royalty liability begins to materialize once the production threshold specified in the agreement is exceeded. The production threshold has not been exceeded during the fiscal year 2024. The maximum royalty liability under the agreement is MEUR 1.5.

27. Related party events

The Group's related parties include the members of the Board and the members of the Management Team, including the CEO, and their close family members and the companies controlled by them. Transactions with related parties that are not eliminated in the consolidated financial statements are presented as related party transactions. In terms of shareholders, related parties include entities and persons who exercise control, joint control, or significant influence on the parent company.

Subsidiaries

Name of the company	Principal operations	Country	Holding, %
Endomines Ltd	Mining operations	Finland	100 %
Endomines Idaho LLC	Mining operations	United States	100 %
Kalvinit Ltd	Mining operations	Finland	100 %

Related Party Transactions:

Financial expenses	2024	2023
CEO	0.0	0.0

Long-term financial liabilities	2024	2023
CEO	0.1	0.1

Short-term Accruals	2024	2023
CEO	0.0	0.0

Long-term financial liabilities consist of convertible loans agreed with the CEO, which were realized during the 2023 financial year. The convertible loan with the CEO was executed under the same terms as the convertible loans agreed with other parties. The financial expenses for the CEO are the accrued interest on the convertible loan for the 2024 financial year; no interest has become payable. The interest expenses are accrued in the balance sheet under accruals and will mature no earlier than 2026.

Employee Benefits for the CEO and Executive Management (EUR)

CEO Compensation, EUR	2024	2023
Salaries and Fees	361,863	334,595
Pension Expenses	64,016	52,840
Total	**425,879**	**387,436**

Executive Management Compensation, EUR	2024	2023
Salaries and Fees	495,675	473,797
Pension Expenses	90,064	73,420
Total	**585,739**	**547,217**

Salaries and fees are presented on an accrual basis, except for pension expenses, which are presented on a cash basis. Management salaries and fees consist of short-term employee benefits and do not include share-based payments. Management compensation does not include post-employment or other long-term benefits. Pension benefits for key management personnel consist of pensions granted under the statutory pension scheme in Finland. The group does not have any voluntary supplementary pension arrangements.

Salaries and fees paid to the Board, EUR	2024	2023
Jeremy Read	27,155	31,466
Markus Ekberg	28,650	36,393
Eeva Ruokonen	28,355	35,494
Jukka-Pekka Joensuu	43,395	57,033
Jukka Jokela	25,250	33,912
Total	**152,806**	**194,298**

In both financial years, 2023 and 2024, a total of EUR 34,500 in board fees was paid in shares.

28. Events After the Reporting Period

- On January 8, 2025, Endomines announced that it had received a notification regarding the conversion of a convertible loan into shares. Eyemaker's Finland Oy converted a total of EUR 109,835.62 into new shares of Endomines Finland Oyj.
- On January 13, 2025, Endomines announced that it was starting the preparation of a financing package of approximately EUR 10 million to accelerate the development of the Karelian Gold Line. Approximately EUR 2.1–2.5 million of the financing package is intended to be implemented through convertible loans with the company's largest shareholders. The broader portion of approximately EUR 8 million is expected to be implemented during the spring of 2025. The financing package may include both equity and debt financing.
- On January 22, 2025, Endomines announced that it had agreed on EUR 2.3 million in convertible loans related to the financing package announced on January 13, 2025.
- On February 21,2025, Endomines announced that it had received a notification regarding the conversion of convertible bonds into shares. Based on the notification, a total of EUR 700,000 was converted into new Endomines Finland Oyj shares.

Parent company's Financial Statements (FAS)

Parent Company's income statement

	Note	2024	2023
Revenue	**2**	**1,707,516**	**1,755,980**
Other operating income	3	3,450	-
Employee expenses	4	-1,138,799	-1,141,243
Depreciation and impairment losses	5	-2,409	-
Other operating expenses	6	-1,186,712	-927,940
Operating result		**-616,953**	**-313,204**
Financial income	7	4,619,167	3,032,318
Impairment of fixed assets investments	7	-2,408,000	-8,623,000
Financial expenses	7	-3,617,141	-3,984,827
Total financial income and expenses		**-1,405,974**	**-9,575,508**
Profit before appropriations and taxes		**-2,022,927**	**-9,888,712**
Income taxes		644	-
Profit for the period		**-2,022,284**	**-9,888,712**

Balance sheet of the Parent Company

	Note	2024	2023
ASSETS			
Non-current assets			
Tangible assets			
Machinery and equipment	8	45,768	-
Investments			
Holdings in Group companies	9	12,263,774	14,671,774
Receivables from Group companies	10	24,026,389	21,026,820
Total non-current assets		**36,335,931**	**35,698,594**
Current assets			
Accounts receivable			
Receivables from Group companies	11	19,639,865	15,227,107
Other receivables	11	-	62,190
Accrued receivables	11	81,179	90,424
Cash in hand and at banks	12	106,653	152,720
Total current assets		**19,827,696**	**15,532,441**
TOTAL ASSETS		**56,163,627**	**51,231,036**

EQUITY AND LIABILITIES	Note	2024	2023
Equity	13		
Shares, holdings or similar capital		80,000	80,000
Other reserves			
Invested unrestricted equity reserve		22,489,831	15,133,228
Retained earnings (losses)		16,591,468	26,458,732
Profit (loss) for the period		- 2,022,284	- 9,888,712
Total unrestricted equity		**37,059,016**	**31,703,248**
Total equity		**37,139,016**	**31,783,248**
Liabilities			
Non-current liabilities	14		
Loans from financial institutes		35,223	-
Liabilities to Group companies		664,000	664,000
Convertible loans		15,100,000	16,393,793
Total non-current liabilities		**15,799,223**	**17,057,793**
Current liabilities	15		
Loans from financial institutes		11,160	-
Liabilities to Group companies		96,157	90,245
Accounts payable		264,125	291,395
Other liabilities		258,243	89,877
Accrued expenses		2,595,703	1,918,478
Total current liabilities		**3,225,388**	**2,389,994**
Total liabilities		**19,024,611**	**19,447,788**
TOTAL EQUITY AND LIABILITIES		**56,163,627**	**51,231,036**

Parent Company's Cash Flow Statement

	31.12.2024	31.12.2023
Cash flow from operating activities		
Profit before tax	-2,022,284	-9,888,712
Adjusted for the following:		
Depreciation and impairment	2,410,409	8,623,000
Unrealized exchange rate differences from intragroup items	-1,426,811	777,187
Financial income and expenses	408,601	175,321
Other adjustments	21,448	-
Cash flow before the change in working capital	-608,637	-313,204
Change in working capital		-4,547,389
Increase (-) / decrease (+) in accounts payable and other receivables	-2,006,651	-2,091,557
Increase (+) / decrease (.) in accounts payable and other liabilities	181,013	-2,455,832
Cash flow from operating activities before financial items and taxes	-2,434,274	-4,860,593
Interest paid	-	-135,641
Interest received	-	102
Net cash flow from operating activities	**-2,434,274**	**-4,996,131**
Cash flow from investing activities		
Investments in machinery and equipment	**-48,177**	**-**
Loans granted to Group companies	-2,210,000	-4,624,017
Net cash flow from investing activities	**-2,258,177**	**-4,624,017**
Cash flow before financial items	**-4,692,451**	**-9,620,149**
Cash flow from financing activities		
Loan drawdowns	4,648,536	7,937,500
Repayments of loans	-2,152	-350,000
Net cash flow from financing activities	**4,646,384**	**7,587,500**
CHANGE IN FINANCIAL ASSETS	**-46,067**	**-2,032,649**
Financial assets at the beginning of the period	152,720	2,185,368
Exchange rate difference in financial assets	-	-
Financial assets at the end of the period	**106,653**	**152,720**

Notes to the Parent Company's Financial Statements

1.Accounting principles

General
The financial statements of Endomines Finland Oyj have been prepared in compliance with the accounting principles and regulations regarding the preparation of financial statements according to the Finnish Accounting Act and the Accounting Regulation.

Conversion of foreign currency items
Foreign currency transactions are recognized in the functional currency at the exchange rate applicable on the transaction date. Items in a foreign currency have been converted into the functional currency at the exchange rates applicable at the end of the reporting period.

Tangible assets
The balance sheet value of tangible assets consists of acquisition cost less accumulated planned depreciation and impairments. Planned depreciation is made on tangible assets based on the estimated useful life of the asset.

Depreciation plans for tangible assets:	
Machinery and equipment	5 years

Valuation of non-current assets

Subsidiary shares
Investments in non-current assets are valued at their acquisition cost less impairment losses. The balance sheet value of subsidiary shares is reviewed annually (or every six months) by comparing the subsidiary's local accounting equity with the balance sheet value of the shares. The company records an impairment loss if the equity value falls below the balance sheet value of the shares.

Valuation of receivables and liabilities
Receivables are valued at their nominal value or lower probable value. Liabilities are valued at their nominal value or a higher reference value. At the end of the financial year, the parent company has EUR 13.5 million in long-term and EUR 13.6 million in short-term receivables from Endomines Idaho LLC. The valuation of the receivables has been reviewed as part of the group's impairment testing, which is based on the market value of the gold reserves managed by Endomines Idaho LLC and the Friday mine under maintenance.

Sales revenue recognition
The revenues of the parent company consist of services provided by the parent company to subsidiaries. Revenue is recognized when the services are performed.

Income Taxes
The income taxes recognized in the income statement include taxes calculated on the basis of Finnish tax regulations for the profit of the period and any adjustments to previous periods' taxes. The Finnish income tax rate is 20 %. Deferred taxes have not been recognized.

Pension arrangements
Employees' pension security has been arranged with an external pension insurance company. Pension expenses are recognized as an expense in the income statement.

2. Sales income	2024	2023
Business services to group companies	1,707,516	1,755,980
Total	**1,707,516**	**1,755,980**

3. Other operating income	2024	2023
Rental income from machinery and equipment, group	3,450	-
Total	**3,450**	**-**

4. Employee expenses	2024	2023
Salaries and fees	-963,251	-980,397
Pension expenses	-140,738	-146,276
Other employee expenses	-34,810	-14,570
Total	**-1,138,799**	**-1,141,243**

Salaries and fees paid to the management	2024	2023
CEO	361,863	334,595
Board of Directors	152,806	194,298
Average number of personnel	6	7

5. Depreciation	2024	2023
Planned depreciation of machinery and equipment	-2,409	-

6. Other operating expenses	2024	2023
Rent paid for facilities	-35,092	-29,469
Legal and consulting services	-462,457	-201,196
Auditing	-48,081	-124,965
Other assignments of the auditor	-9,563	-17,407
Others	-631,519	-554,902
Total	**-1,186,712**	**-927,940**

7. Financial income and expenses	2024	2023
Financial income		
Interest income from group companies	1,697,429	1,362,882
Exchange rate gains	2,921,714	1,546,950
Others	25	122,486
Total	**4,619,167**	**3,032,318**
Impairments		
Impairment of fixed assets investments, group	-2,408,000	-8,623,000
Impairments, total	**-2,408,000**	**-8,623,000**
Financial expenses		
Interest expenses to group companies	-5,912	-37,888
Interest expenses on convertible loans	-2,025,118	-1,222,356
Exchange rate losses	-1,502,387	-2,331,068
Others	-83,724	-393,515
Total	**-3,617,141**	**-3,984,827**
Financial income and expenses total	**-1,405,974**	**-9,575,508**

8. Tangible assets	2024	2023
Acquisition cost 1.1.	-	-
Additions	48,177	-
Acquisition cost 31.12.	48,177	-
Accumulated depreciation and impairment losses 1.1.	0	-
Planned depreciation	-2,409	-
Accumulated depreciation and impairment losses 31.12.	-2,409	-
Carrying value 31.12.	45,768	-

9. Investments	2024	2023
Shares in group companies		
Acquisition costs	14,671,774	23,294,774
Additions	-	-
Impairment	-2,408,000	-8,623,000.00
Acquisition cost 31 Dec	12,263,774	14,671,774
Capital loans granted to subsidiaries		
Acquisition cost 1 Jan	252,282	252,282
Increase	-	-
Acquisition cost 31 Dec	252,282	252,282
Investments total	**12,516,056**	**14,924,056**

Impairments on non-current assets in the 2023 financial year include impairments on Endomines Oy shares of EUR 5.9 million and on Endomines Idaho LLC shares of EUR 2.7 million. Impairments on non-current assets in the 2024 financial year include impairments on Endomines Idaho LLC shares of EUR 2.4 million.

10. Non-current loan receivables	2024	2023
From group companies	24,026,389	21,026,820
Total	**24,026,389**	**21,026,820**

11. Current receivables, MEUR	2024	2023
From group companies	19,639,865	15,227,107
Other receivables	81,179	152,614
Total	**19,721,043**	**15,379,721**

12. Cash in hand and at banks	2024	2023
Assets held in the parent company's bank accounts and bank deposits of less than three months	106,653	152,720
Total	106,653	152,720
Yhteensä	**19 721 043**	**15 379 721**

13. Equity	2024	2023
Share capital 1.1.	80,000	80,000
Additions	0.0	
Share capital 31.12.	**80,000.00**	**80,000**
Invested unrestricted equity reserve 1.1.	15,133,228.00	13,095,728
Additions	7,356,603.47	2,037,500
Invested unrestricted equity reserve 31.12.	**22,489,831.47**	**15,133,228**
Retained earnings (losses) 1.1.	16,570,019.86	26,458,732
Transfer of treasury shares	21,448.45	-
Retained earnings (losses) 31.12	**16,591,468.31**	**26,458,732**
Profit (loss) for the period	**-2,022,283.77**	**-9,888,712**
Total	**37,139,016.01**	**31,783,248**

Distributable funds 31.12.		
Invested unrestricted equity reserve	22,489,831.47	15,133,228
Retained earnings (losses)	16,591,468.31	26,458,732
Profit (loss) for the period	-2,022,283.77	-9,888,712
Funds available for distribution from equity	**37,059,016**	**31,703,248**

14. Non-current liabilities	2024	2023
Liabilities to Group companies	664,000	664,000
Convertible loans	15,100,000	16,393,793
Loans from financial institutes	35,223	-
Total	**15,799,223**	**17,057,793**

15. Current liabilities	2024	2023
Accounts payable	264,125	291,395
Liabilities to Group companies	96,157	90,245
Loans from financial institutes	11,160	-
Other liabilities	258,243	89,877
Accrued expenses	2,595,703	1,918,478
Total	**3,225,388**	**2,389,994**

16. Related party events	2024	2023
Long-term loans granted to subsidiaries		
Endomines Ltd	10,273,817	8,952,063
Endomines Idaho LLC, loan 1	2,094,897	1,099,341
Endomines Idaho LLC, loan 2	11,405,393	10,723,134
Capital loans granted to subsidiaries		
Kalvinit Ltd	252,282	252,282
Interest receivables related to long-term loans		
Endomines Ltd	1,325,927	696,142
Endomines Idaho LLC, loan 1	7,833,163	7,240,165
Endomines Idaho LLC, loan 2	4,376,780	3,210,111
Kalvinit Ltd	35,943	21,150
Loans granted by subsidiaries to the parent company		
Kalvinit Ltd	664,000	664,000
Interest liabilities related to loans	94,945	89,033

Endomines Finland Oyj has granted loans totaling 24 million euros to its subsidiaries for their business needs. The parties to the loans will agree on the repayment schedule separately, and no repayment period has been defined as the balance sheet date. The interest rates on loans to Finnish subsidiaries are tied to the six-month Euribor rate, plus 2 %. The interest rate is reviewed semi-annually, on January 1st and July 1st. As of the balance sheet date, December 31, 2024, the interest rate is 5.678 %. The same loan terms apply to the loan granted by Kalvinit Oy to the parent company.

The interest rate on loans granted to Endomines Idaho LLC is 8.3 %. For loan number 1 granted to Endomines Idaho LLC, most of the loan principal was converted into Endomines Idaho LLC's equity during the 2022 financial year. In the parent company's financial statements, the converted loan principal has been recorded as part of the acquisition cost of the subsidiary shares.

No collateral has been granted for intra-group loans.

Confirmation of the Board of Directors and the CEO

We confirm that

- the consolidated financial statements prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union and the financial statements of the parent company prepared in accordance with the laws and regulations governing the preparation of financial statements in Finland give a true and fair view of the assets, liabilities, financial position and profit or loss of the company and the undertakings included in the consolidation taken as a whole;
- the management report includes a fair review of the development and performance of the business and the position of the company, and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

Signatures on the Board of Directors' Report and Financial Statements

Espoo 26.3.2025

Kari Vyhtinen, CEO

Jukka-Pekka Joensuu, Chair of the Board

Eeva Ruokonen, Member of the Board

Jukka Jokela, Member of the Board

Jeremy Read, Member of the Board

Markus Ekberg, Member of the Board

The Auditor's Note

A report on the audit carried out has been issued today.

Oulu, Finland, 26 March 2025
KPMG OY AB

Antti Kääriäinen
Authorised Public Accountant, KHT

Auditor's Report

To the Annual General Meeting of Endomines Finland Oyj

Report on the Audit of the Financial Statements
Opinion
We have audited the financial statements of Endomines Finland Oyj (business identity code 3215519-7) for the year ended 31 December 2024. The financial statements comprise the consolidated balance sheet, statement of comprehensive income, statement of changes in equity, statement of cash flows and notes, including material accounting policy information, as well as the parent company's balance sheet, income statement, statement of cash flows and notes.
In our opinion

- the consolidated financial statements give a true and fair view of the group's financial position, financial performance and cash flows in accordance with IFRS Accounting Standards as adopted by the EU
- the financial statements give a true and fair view of the parent company's financial performance and financial position in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements.
-

Our opinion is consistent with the additional report submitted to the Audit Committee.

Basis for Opinion
We conducted our audit in accordance with good auditing practice in Finland. Our responsibilities under good auditing practice are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We are independent of the parent company and of the group companies in accordance with the ethical requirements that are applicable in Finland and are relevant to our audit, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

In our best knowledge and understanding, the non-audit services that we have provided to the parent company and group companies are in compliance with laws and regulations applicable in Finland regarding these services, and we have not provided any prohibited non-audit services referred to in Article 5(1) of regulation (EU) 537/2014. The non-audit services that we have provided have been disclosed in note 9 to the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Materiality
The scope of our audit was influenced by our application of materiality. The materiality is determined based on our professional judgement and is used to determine the nature, timing and extent of our audit procedures and to evaluate the effect of identified misstatements on the financial statements as a whole. The level of materiality we set is based on our assessment of the magnitude of misstatements that, individually or in aggregate, could reasonably be expected to have influence on the economic decisions of the users of the financial statements. We have also taken into account misstatements and/or possible misstatements that in our opinion are material for qualitative reasons for the users of the financial statements.

Key Audit Matters
Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. The significant risks of material misstatement referred to in the EU Regulation No 537/2014 point (c) of Article 10(2) are included in the description of key audit matters below.

We have also addressed the risk of management override of internal controls. This includes consideration of whether there was evidence of management bias that represented a risk of material misstatement due to fraud.

The key audit matter	How the matter was addressed in the audit
Valuation of capitalized mineral resource exploration and evaluation expenditure (Basis of Preparation for the consolidated financial statements Notes 11 and 16 to the consolidated financial statements)	
• The immaterial assets stated for the Group are predominantly comprised of capitalized mineral exploration and evaluation expenditure related to the gold deposits located in Finland and the United States, the book value of whose on 31 December 2024 is EUR 38.6 million. • No depreciation is recorded on the assets comprised of capitalized mineral exploration and evaluation expenditure, but the assets are tested for potential impairment during each financial period. • The valuation of mineral exploration and evaluation expenditure is perceived as a key audit matter based on elements of uncertainty present in the estimation and materiality of the balance of the book value.	• Our audit procedures included, among others: • We assessed the appropriateness of the method used in the valuation. • We tested the mathematical integrity of the valuation model and validated the material underlying input parameters used in the calculations. • We compared the assumptions used in valuation with developments in gold market price and other variables' marketplaces. • We assessed the appropriateness of notes to the accounts concerning mineral exploration and evaluation expenditure.
Sufficiency of financing resources (Notes 18 and 19 to the consolidated financial statements)	
• The business operations of the Group are capital intensive, and the availability of financing is essential for the conduct of mining operations and mineral exploration. The group´s financing needs are assessed based on annual budget, a monthly updated financial forecast and production forecast, as well as up-to date cash flow planning. • The liquid financial assets of the Group on 31 December 2024 amounted to EUR 2.1 million. In January 2025, Endomines agreed with its current owners on a financing arrangement of up to EUR 2.3 million for preparatory work related to the strategy and other business needs. Endomines plans to implement broader financing of approximately EUR 8 million during the spring of 2025. According to management's assessment, the anticipated financing need for the financial year 2025 will be covered by committed and planned financing as well as cash flow from the Pampalo operations. • Sufficiency of financing resources is perceived as a key audit matter based on the inherent elements of judgement in projections involved.	• We reviewed the management's cash flow projections and assessed the material assumptions underlying the future cash flow projections. • We analyzed the development of business operations and the effect of the projected events and financing arrangements on the company's net cash flow. • We assessed the appropriateness of notes to the accounts concerning sufficiency of financing resources.
The valuation of shareholdings in Endomines Idaho LLC and receivables from the company in the parent company financial statements (Basis of Preparation for the parent company financial statements and Notes 9–11, 16)	
• Investments in and receivables from the subsidiary Endomines Idaho LLC, total EUR 34.2 million, comprise a significant proportion of the stated assets in the parent company financial statements and potential impairment would consequently be reflected on the total balance of distributable funds. • The book value of parent company shareholdings in Endomines Idaho LLC has been impaired by EUR 2.4 million during the financial year. At the end of the financial year, the book value of the shareholdings is stated at EUR 7.1 million. At the end of the financial year, the parent company is also stating a balance of long-term receivables in the amount of EUR 13.5 million and short-term receivables in the amount of EUR 13.6 million from Endomines Idaho LLC. • Owing to inherent element of estimation uncertainty present in the valuation and significance of the book value of the assets, the valuation of shareholdings in Endomines Idaho LLC and receivables from the subsidiary is perceived as a key audit matter.	• The valuation of parent company shareholdings in Endomines Idaho LLC and receivables from the subsidiary have been assessed as part of impairment testing for the Group, which is based on the market value of gold reserves administered by Endomines Idaho LLC and the valuation of the Friday mine currently placed on care and maintenance. Additionally, we have reviewed the calculations prepared by the company comparing the equity and reserves stated by Endomines Idaho LLC in accordance with the local accounting standards with the book value of the shares. • We assessed the appropriateness of notes to the accounts concerning subsidiary shareholdings and receivables.

Responsibilities of the Board of Directors and the Managing Director for the Financial Statements
The Board of Directors and the Managing Director are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU, and of financial statements that give a true and fair view in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
I
n preparing the financial statements, the Board of Directors and the Managing Director are responsible for assessing the parent company's and the group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting. The financial statements are prepared using the going concern basis of accounting unless there is an intention to liquidate the parent company or the group or cease operations, or there is no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with good auditing practice will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with good auditing practice, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the parent company's or the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the parent company's or the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the parent company or the group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events so that the financial statements give a true and fair view.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Reporting Requirements

Information on our audit engagement
We were first appointed as auditors by the Annual General Meeting on 25 May 2023, and our appointment represents a total period of uninterrupted engagement of 2 years.

Other Information

The Board of Directors and the Managing Director are responsible for the other information. The other information comprises the report of the Board of Directors and the information included in the Annual Report but does not include the financial statements or our auditor's report thereon.

Our opinion on the financial statements does not cover the other information.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. With respect to the report of the Board of Directors, our responsibility also includes considering whether the report of the Board of Directors has been prepared in compliance with the applicable provisions.

In our opinion, the information in the report of the Board of Directors is consistent with the information in the financial statements and the report of the Board of Directors has been prepared in compliance with the applicable provisions.

If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact. We have nothing to report in this regard.

Oulu, Finland, 26 March 2025

KPMG OY AB

ANTTI KÄÄRIÄINEN
Authorised Public Accountant, KHT

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