VILHELMINA MINERAL

**Press release** **Stockholm, August 29, 2018**

# Vilhelmina Mineral Reports Drilling Results from Joma Project

**Swedish junior resource company Vilhelmina Mineral AB (publ) (the "Company") is reporting new drilling results from the Joma Project in Røyrvik municipality in central Norway. This drilling program tested exploration and brownfield targets in and nearby Joma. The Joma Mine is an historic producer of copper (Cu) and zinc (Zn) from a volcanogenic massive sulfide-type deposit that operated from 1972 to 1998, mining 11.5 Mt at 1.49% Cu and 1.45% Zn. The Joma Project includes the Joma Mine and proximal areas held as exploitation concessions and exploration permits by Joma Gruver AS which is a jointly owned company between Vilhelmina Mineral AB (publ) and Joma Næringspark AS. Results from new drilling program include several intersections with significant length and grade, supporting the Company's plans to embark on studies to evaluate potential economics from residual resources in the mine area.**

This current program is the first drilling activity in the Joma Mine Area since mine closure and is part of the efforts to test exploration and un-mined mineralization in the mine area. The aim of the Company and Joma Gruver is to evaluate and advance the Joma Project towards re-activation of mining activity. A total of 2,465 meters of diamond drilling from 13 drill-holes was completed in April to June 2018. Intersection highlights from the brownfield drill holes testing near-surface un-mined mineralization, include the following intersections (note: complete list of drill hole intersections with estimated true widths (Table 1), drill hole coordinates and orientations (Table 2), and drill hole location map (Figure 1) are shown below):

Drill hole **Mine-19**: 36-60 meters (m) (**24m**) at 2.06% Zinc (Zn), 0.58% Copper (Cu), 27 g/t Silver (Ag)

Includes 39-44m (5m) at 0.66% Zn, **1.25% Cu**, and 35 g/t Ag

Also 55-58m (3m) **6.22% Zn**, 0.21% Cu, and 26 g/t Ag

Drill hole **Mine-20**: 30-54m (**24m**) at 3.23% Zn, 0.22% Cu, and 27 g/t Ag

Includes 31-43m (**12m**) at **4.17% Zn**, 0.15% Cu, and 29 g/t Ag

Drill hole **Mine-21**: 27-61m (**34m**) at 1.74% Zn, 0.37% Cu, and 28 g/t Ag

Includes 40-47m (7m) at **3.20% Zn**, 0.18% Cu, and 32 g/t Ag

"These three drill holes targeted mineralization near a historic open pit" says Peter Hjorth, CEO of Vilhelmina Mineral and adds "the near-surface intersections of significant length and grade are encouraging and support our plans to evaluate potential economics from residual resources in the mine area".

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*Vilhelmina Mineral is a Swedish junior resource company with focus on copper and zinc projects in the Nordic countries. In Sweden the Company owns the Stekenjokk project in which approximately 7 million tons were produced between 1976 and 1988. According to estimates there are remaining indicated mineral resources of 7.4 million tons with grades of 1.17% Cu, 3.01% Zn and 47 g/ton Ag (cut-off 0.9% Cu). In Norway, Vilhelmina Mineral is co-owner in the Joma field in which some 11.5 million tons were previously produced between 1972 and 1998 with average grades of 1.5% Cu and 1.5% Zn. The Joma field (excluding Gjersvik) is estimated to hold approximately 5.7 million tons with grades of 1.55% Cu and 0.82% Zn (cut-off 0.8% Cu).*

A total of five (5) drill holes were completed in the Joma Mine area, two of which ended in mine voids (Mine-15, and Mine-16). Drill hole Mine-16, however, intercepted 1.7 m (from 116.23 m) of 3.20% Cu, 0.77% Zn, and 11 g/t Ag just above the void. Drill hole Mine 19, 20, and 21 listed above did not encounter any mine voids.

Additional eight (8) drill holes tested four (4) geophysical exploration targets periphery to the Joma Mine (Figure 1). These holes did not contain any significant mineralization.

Based on the drill results and other information, the Company is working on an updated and detailed work plan for the next 12 months. This work plan may include additional drilling and other surveys that that could serve as input for a Preliminary Economic Assessment (PEA) of the Joma Project.

**The Joma Mine**

The Joma deposit is the largest Cu-Zn deposit in the Koli nappe complex of the Caledonian orogenic province of Norway-Sweden. The historic mine operator lists geologic pre-mining resources at 22.5 Mt, of which 11.5 Mt of ore was produced at an average grade of 1.49% Cu and 1.45% Zn during the period 1972 to 1998 (Nordsulfid AS Grong Gruber reports as tabulated in Geologic Survey of Finland, 2012, Special Paper. Nr. 53, p. 12. Note, these were historic resources and have not been updated to “NI 43-101” or “JORC” compliance).

The deposit is a volcanogenic massive sulfide type-deposit hosted in sea-floor mafic volcanics (basaltic lava flows with pillow structures) within a package of volcaniclastic rocks and widely occurring silicic meta-sediments (phyllites). The deposit covers an approximate area of 750 meters north-south and 600 meters east-west and is centered on a late stage open-style fold axis with mineralization extended into the limbs. At depth, the mineralization is shallow dipping and was mined underground. At shallower depths the mineralization dips more steeply and comes to the surface where it was partly mined in a small open pit. Copper and zinc mineralization, generally, are not spatially associated and appears to be either stratigraphically or laterally juxtaposed.

**Drilling Technical and QA/QC**

All drill results in this news release are from surface diamond core drilling of BQ size. Recoveries and rock quality are considered excellent with >95% recovery through mineralized zones. Drill core is sawn in half with samples shipped to ALS Laboratories (ALS) in Pitea, Sweden, for sample preparation followed by shipment of sub-samples to ALS in Loughrea, Ireland for chemical analysis. All samples were analyzed using the ALS ME-ICPORE multielement method following an oxidizing digestion recommended for massive sulfide type mineralization. ALS is ISO 9000:2008 accredited and the ME-ICPORE analytical method is INAB accredited under ISO 17025:2005.

Vilhelmina’s QA-QC program includes regular insertion of blind standards, blanks, and duplicates into the sample sequence representing a total of 9% of the submitted samples. The samples reported in this news release are dominantly 1 meter in length. Intersections are calculated using a minimum of 1% Cu+Zn grade with maximum allowed dilution of 3 consecutive meters.

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**Reporting Standard and Qualified Person**

Vilhelmina Mineral AB (publ) applies reporting regulations of SveMin and FinnMin (Swedish and Finnish Associations of Mines, Minerals and Metal Producers) for public mining and exploration companies. The basic data for this press release has been reported by the independent laboratory ALS in Piteå, Sweden. The scientific and technical content of this news release pertaining to the Joma Project drilling program 2018 has been prepared and approved by Randy Ruff, M.Sc., P.Geol., who is a "qualified person" as defined by Canadian National Instrument 43 101 – Standards for Disclosure for Mineral Projects. Mr Ruff is therby also acknowledged as Qualified Person (QP) by SveMin and FinnMin with the authority to report results about mineral resources. Mr. Ruff is Exploration Manager for Vilhelmina Mineral.

**Forward Looking Statements**

*This news release contains certain statements that may be deemed "forward-looking" statements. Forward looking statements are statements that are not historical facts and are generally, but not always, identified by the words "expects", "plans", "anticipates", "believes", "intends", "estimates", "projects", "potential" and similar expressions, or that events or conditions "will", "would", "may", "could" or "should" occur. Although Vilhelmina Mineral believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results may differ materially from those in forward looking statements. Forward looking statements are based on the beliefs, estimates and opinions of Vilhelmina Mineral management on the date the statements are made. Except as required by law Vilhelmina Mineral undertakes no obligation to update these forward-looking statements in the event that management's beliefs, estimates or opinions, or other factors, should change.*

## For more information:

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**Figure 1.** Geology map of the Joma Project area showing location of drill holes completed April-June 2018 and reported in this news release.

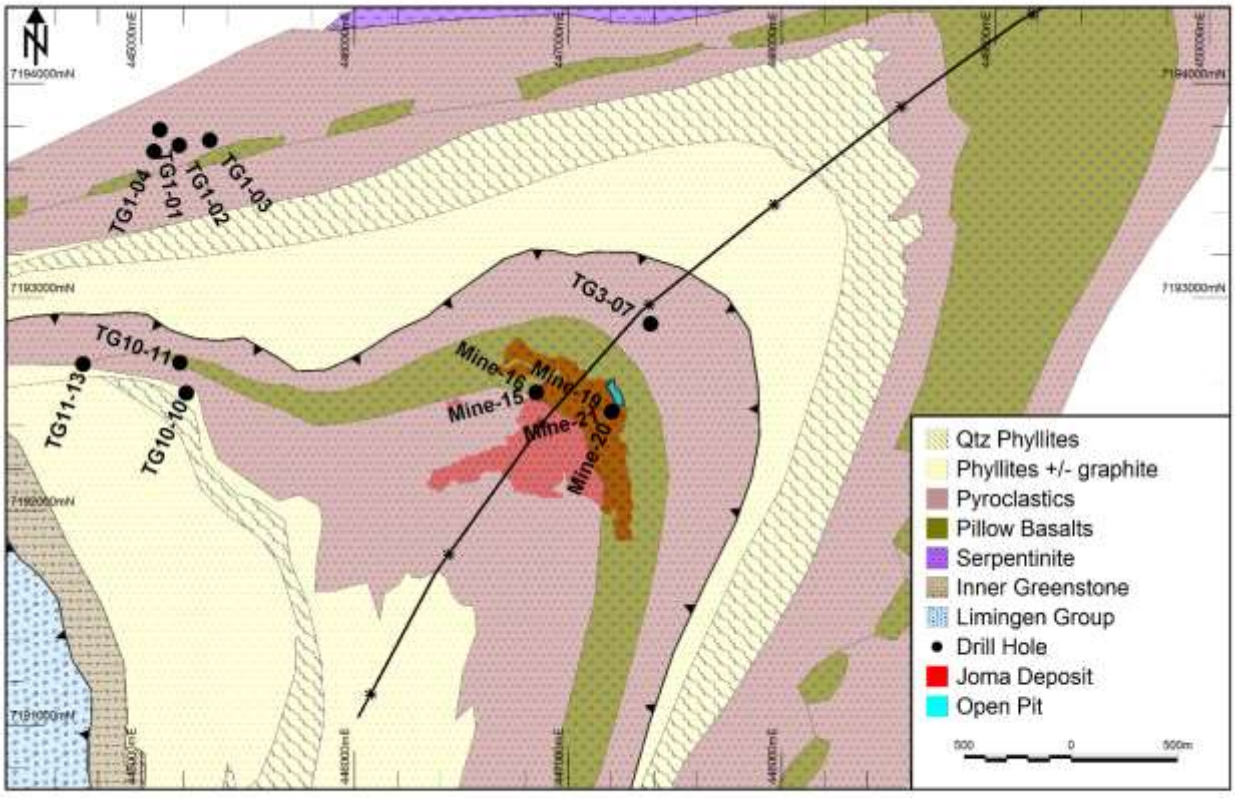


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**Table 1.** Table of drill hole assay intersections with estimated true widths based on historical mine data. NSA = No significant assay intercept.

| DH_ID | From (m) | To (m) | width (m) | Estimated. True Width (m) | Zn% | Cu% | Ag g/t |
|---|---|---|---|---|---|---|---|
| Mine-15 | NSA | | | | | | |
| Mine-16 | 116.23 | 117.53 | 1.70 | 1.7 | 0.77 | 3.20 | 11 |
| Mine-19 | 36.0 | 60.0 | 24.0 | 20.6 | 2.06 | 0.58 | 27 |
| Includes | 39.0 | 44.0 | 5.0 | 4.3 | 0.66 | 1.25 | 35 |
| Also | 55.0 | 58.0 | 3.0 | 2.6 | 6.22 | 0.21 | 26 |
| Mine-20 | 30.0 | 54.0 | 24.0 | 23.0 | 3.23 | 0.22 | 27 |
| Includes | 31.0 | 43.0 | 12.0 | 11.5 | 4.17 | 0.15 | 29 |
| Mine-21 | 27.0 | 61.0 | 34.0 | 32.0 | 1.74 | 0.37 | 28 |
| Includes | 40.0 | 47.0 | 7.0 | 6.6 | 3.20 | 0.18 | 32 |
| TG1-01 | NSA | | | | | | |
| TG1-02 | NSA | | | | | | |
| TG1-03 | NSA | | | | | | |
| TG1-04 | NSA | | | | | | |
| TG3-07 | NSA | | | | | | |
| TG10-10 | NSA | | | | | | |
| TG10-11 | NSA | | | | | | |
| TG11-13 | NSA | | | | | | |

**Table 2.** Table of drill hole locations, orientations, and total depths for the Joma JV drill program April-June 2018.

| DH_ID | EASTING* | NORTHING* | RL (m) | AZIMUTH (°) | DIP (°) | TOTAL DEPTH (m) |
|---|---|---|---|---|---|---|
| Mine-15 | 446851 | 7192555 | 595 | 60 | -90 | 101.00 |
| Mine-16 | 446851 | 7192555 | 595 | 60 | -70 | 121.20 |
| Mine-19 | 447204 | 7192466 | 580 | 0 | -90 | 71.00 |
| Mine-20 | 447204 | 7192466 | 580 | 75 | -45 | 74.00 |
| Mine-21 | 447204 | 7192466 | 580 | 35 | -50 | 101.30 |
| TG1-01 | 445089 | 7193783 | 519 | 340 | -60 | 116.30 |
| TG1-02 | 445178 | 7193710 | 517 | 340 | -72 | 255.00 |
| TG1-03 | 445323 | 7193734 | 510 | 340 | -60 | 323.60 |
| TG1-04 | 445062 | 7193681 | 528 | 340 | -60 | 293.00 |
| TG3-07 | 447385 | 7192875 | 580 | 45 | -55 | 350.30 |
| TG10-10 | 445212 | 7192552 | 720 | 25 | -60 | 444.00 |
| TG10-11 | 445182 | 7192695 | 720 | 110 | -50 | 98.50 |
| TG11-13 | 444729 | 7192688 | 720 | 20 | -60 | 117.00 |

* Coordinates are in UTM, WGS 84, Zone 33N, RL is elevation, m = meters, ° = degrees.

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