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17 May 2017

Beowulf Mining plc
(“Beowulf” or the “Company”)

Subscription to raise £1.5 million

Beowulf (AIM: BEM; Aktietorget: BEO), the mineral exploration and development company focused on the Kallak magnetite iron ore project and the Åtvidaberg polymetallic exploration licence in Sweden, and its graphite portfolio in Finland, is pleased to announce a subscription for new ordinary shares to raise £1.5 million before expenses (the “Subscription”).

Background to the Subscription and Use of Proceeds

The funds will be used for general working capital purposes and to support activities across our three main business areas, which are Kallak, graphite exploration, and our Åtvidaberg exploration licence, and more specifically:

- a scoping study on the Kallak project, to be conducted after the award of the Exploitation Concession;
- exploration and development activities across the graphite portfolio: Haapamäki, Pitkäjärvi and Aitolampi, Kolari, and Viistola, including geophysics sampling, assays, and metallurgical testwork; and
- the 2017 exploration programme at Åtvidaberg, comprising re-interpretation of historical data, ground geophysics, and geological mapping.

Details of the Subscription, Issue of Equity, and Total Voting Rights

Pursuant to the Subscription, the Company will issue 23,076,923 new ordinary shares (the “Subscription Shares”) to raise approximately £1.5 million (before expenses) at a price of 6.5 pence per new ordinary share.

Application has been made to the London Stock Exchange for the Subscription Shares to be admitted to trading on AIM on or around 18 May 2017 (“Admission”). The Subscription Shares will rank *pari passu* with existing ordinary shares.

Following Admission, and in accordance with the Financial Conduct Authority's Disclosure (“FCA”) and Transparency Rules, the Company hereby announces that it will have 525,707,254 ordinary shares of £0.01 each in issue, each share carrying the right to one vote. The Company does not hold any ordinary shares in treasury.

Following Admission, the above figure of 525,707,254 ordinary shares may be used by shareholders in the Company as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, the share capital of the Company under the FCA and Transparency Rules.

Kurt Budge, Chief Executive Officer of Beowulf, commented:

“We are pleased to have completed this fundraising, which strengthens our cash position, and supports investment plans across our three main business areas.

“I have been back in Jokkmokk this week, continuing to share our vision for Kallak, and what we believe a modern and sustainable mining operation could positively do for Jokkmokk’s future. We are waiting for the County Administrative Board’s response to the Mining Inspectorate, due 16 June 2017.

“We continue to make progress on our graphite exploration, having completed drilling at Aitolampi, with further newsflow to be released shortly, metallurgical testwork to get underway soon, and work programmes planned for Kolari and Viistola this year.

“At the end of April, we recently completed a 3-day workshop at Åtvidaberg, with the Board, Company’s exploration team and external experts in attendance. The output of the workshop was an exciting exploration programme for this year, with work planned on targets at Bersbo, Mormor, and Könserum.

“We look forward to keeping shareholders updated on our progress across all areas of our business.”

Enquiries:

Beowulf Mining plc

Kurt Budge, Chief Executive Officer

Tel: +44 (0) 20 3771 6993

Cantor Fitzgerald Europe

(Nominated Advisor & Broker)

David Porter / Craig Francis

Tel: +44 (0) 20 7894 7000

Blytheweigh

Tim Blythe / Megan Ray

Tel: +44 (0) 20 7138 3204

Cautionary Statement

Statements and assumptions made in this document with respect to the Company’s current plans, estimates, strategies and beliefs, and other statements that are not historical facts, are forward-looking statements about the future performance of Beowulf. Forward-looking statements include, but are not limited to, those using words such as "may", "might", "seeks", "expects", "anticipates", "estimates", "believes", "projects", "plans", "strategy", "forecast" and similar expressions. These statements reflect management's expectations and assumptions in light of currently available information. They are subject to a number of risks and uncertainties, including, but not limited to, (i) changes in the economic, regulatory and political environments in the countries where Beowulf operates; (ii) changes relating to the geological information available in respect of the various projects undertaken; (iii) Beowulf’s continued ability to secure enough financing to carry on its operations as a going concern; (iv) the success of its potential joint ventures and alliances, if any; (v) metal prices, particularly as regards iron ore. In the light of the many risks and uncertainties surrounding any mineral project at an early stage of its development, the actual results could differ materially from those presented and forecast in this

document. Beowulf assumes no unconditional obligation to immediately update any such statements and/or forecasts.