



The information contained within this announcement is deemed to constitute inside information as stipulated under the Market Abuse Regulations ("MAR") (EU) No. 596/2014. Upon the publication of this announcement, this inside information is now considered to be in the public domain.

For the purposes of MAR and Article 2 of Commission Implementing Regulation (EU) 2016/1055, this announcement is being made on behalf of Kurt Budge, Chief Executive Officer.

**6 November 2018**

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

**Exploration Investment in Kosovo**

Beowulf, the Nordic focused mineral exploration and development company, has acquired new shares representing an initial 14 per cent interest in Vardar Minerals Limited (“Vardar”), a private exploration company with interests in the Balkans, for the consideration of £250,000 to be satisfied in cash (“Investment”). The Company also has an option to make a further investment and increase its ownership in Vardar. This investment provides the Company with exposure to a number of porphyry related copper, gold and base metal targets in the prospective Tethys Arc. The region is rapidly becoming a focus for major exploration investment following significant discoveries in the last decade.

**Highlights**

- The investment into Vardar gives Beowulf exposure to a portfolio of exploration licences situated in the European Tertiary calc-alkaline Tethys Arc most notable for its lead-zinc-silver mining districts, as well as recent porphyry related copper and gold discoveries.
- The Balkans are currently experiencing an increased focus from explorers following significant recent discoveries and generally improving conditions in the region.
- Vardar has a highly experienced management team, which has adopted a rigorous and methodical approach to selecting areas of interest and acquiring licences.
- Vardar has four wholly owned exploration licences in Kosovo and two more under a purchase agreement whereby Vardar will own 85 per cent of the licences. The combined coverage is a total of 333.2 square kilometres (“km<sup>2</sup>”).
- For ease of reference the licences are split into three projects Mitrovica, Viti, and Drazna.
  - Mitrovica, situated in northern Kosovo adjacent to the significant Stan-Terg lead-zinc-silver mine, exhibits alteration typical of porphyry-epithermal systems. Highlights from this licence include gold and silver anomalies associated with advanced argillic alteration, several iron stockworks, breccias and gossans with associated copper and lead-zinc anomalies. The project is prospective for high-sulphidation gold, porphyry copper-gold and vein/replacement related base metal targets.
  - Viti is situated in south-eastern Kosovo and is made up of three adjacent licences covering 213 km<sup>2</sup>. The main exploration target is an interpreted circular intrusive body identified in magnetic data. There is evidence of intense alteration typically associated with porphyry systems, with several copper occurrences and stream sample anomalies in proximity to, and within, the licence areas. In addition, Viti is prospective for lithium-boron mineralisation, with a geological setting similar to Rio Tinto’s Jadar deposit in Serbia.

- Drazna is situated on Kosovo's western border, in proximity to the Kiseljak copper-gold porphyry and Draznja lead-zinc mine. The licence has several alteration centres typical of porphyry/epithermal systems.
- The net proceeds of the Investment will be used to fund Vardar's exploration programme and general working capital requirements.
- So long as the Company has an interest in 14% or more of the issued share capital of Vardar, it will be entitled to appoint a director to the Board of Vardar. Kurt Budge will be Beowulf's initial appointee.

Vardar is a UK registered exploration company with a focus on the metal endowed Balkan region. Vardar was founded by Luke Bryan and Adam Wooldridge, who together also founded Kalahari Metals Limited, a UK company into which Metal Tiger Plc recently announced a second significant investment. More information on Vardar can be found at <https://vardarminerals.com/>.

#### **Kurt Budge, CEO, commented:**

*"We are very pleased to make this investment in Vardar and we are excited about the opportunities that this could bring to Beowulf."*

*"Stepping into a new geography, like Kosovo, only makes sense if you are collaborating with a competent team, which we have in Vardar's founders, Luke Bryan and Adam Wooldridge, with experienced technical and support personnel in Kosovo."*

*"Chris Davies Non-executive Director and I visited Kosovo and Vardar's projects in early October. As a potential investor, we were welcomed by a representative of the Government, and by staff at the licencing authority, the Independent Commission for Mines and Minerals ("ICMM"), all keen to show Kosovo as an attractive place for companies to invest, explore and develop mining projects."*

*"One of the goals for 2018 was to identify M&A opportunities that would complement Beowulf's portfolio. With our initial investment in Vardar, we have taken a modest step into Kosovo, creating diversification for the Company, in commodity mix and geography, and potential upside with additional exploration."*

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#### **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.