Beowulf Subsidiary Receives Additional Funding

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Beowulf Mining plc

("Beowulf" or the "Company")

Fennoscandian Resources receives additional funding from Business Finland

Beowulf (AIM: BEM; Spotlight: BEO), the Nordic focused mineral exploration and development company, is pleased to announce that Beowulf's wholly-owned subsidiary Oy Fennoscandian Resources AB ("Fennoscandian") will receive additional funding from Business Finland, 50% contribution to a budget of Euros 224,900, for graphite purification and spheroidization testwork, and the further assessment of Fennoscandian's graphite for battery applications. Business Finland has been granted EUR 10 million funding for a project titled BATCircle - the development of a Finland-based Circular Ecosystem of Battery Metals.

Background

BATCircle is part of the European Union ("EU") Strategic Energy Technology Program ("SET Plan"), where Finland, under the leadership of Aalto University and Outotec, will coordinate research into battery recycling. The national BATCircle consortium includes a total of 22 companies, four universities, two research institutes and two cities.

The EU has listed graphite as one of 27 critical raw-materials. The future supply of natural graphite is of significant concern, as the EU currently uses 14% of the global supply of graphite, but produces <1% of the world's natural graphite.

The Lithium Ion Battery industry is the fastest growing market for natural flake graphite as graphite is the most common anode-material. At least seven new gigawatt-size battery factories are planned to start production in Europe by 2020. According to some forecasts, Europe could capture a battery market of up to Euros 250 billion per annum by 2025:

https:/ec.europa.eu/growth/industry/policy/european-battery-alliance_en

China produces about 70% of the natural graphite used in Lithium Ion Batteries. As the need for electrified vehicles increases and European car industry grows, the demand of natural graphite suitable for anode-material is expected to increase faster than supply. The EU cannot rely on future supply of natural flake graphite and anode-material mainly from China and Asia. It needs to ensure that future demand is met by securing its own production of natural flake graphite and value-added graphite products.

Both the EU and the Finnish Government have taken on the strategic importance of battery metals and their value chains, and the enormous economic potential. However, it is recognised that the battery industry is currently dominated by Asian companies, and Europe is in danger of losing new business opportunities, and at the same time becoming increasingly dependent on imports for both raw materials and end products.

Please follow link below to Aalto University's announcement (in Finnish):

https://www.aalto.fi/fi/uutiset/lisaa-kierratysta-ja-miljardiluokan-bisnesta-akkualalle

Fennoscandian's role in BATCircle:

- Develop Finnish knowledge of the value chain from the production of natural graphite to anode-material;
- Demonstrate that graphite powder with optimized particle-size distribution and shape can be produced from Finnish natural graphite;
- Develop a cost-effective graphite optimization process with as low environmental impact as possible to be able to compete with Chinese purified spherical graphite and supply the rapidly growing European battery market.
- Produce graphite electrodes from Finnish natural graphite for use in battery manufacturing and test their performance; and
- Attract investment.

Kurt Budge, Chief Executive Officer of Beowulf, commented:

"It is great news that Fennoscandian is the recipient of more funding from Business Finland, as Finland is moving quickly to play a major role in the European battery sector, and Beowulf is seeking to capture the value from moving downstream from natural graphite to battery feed products for anode production.

"In 2018, Fennoscandian delivered a JORC compliant mineral resource estimate ("MRE") for the Aitolampi graphite project, and in 2019, we are focused on further developing a 'resource footprint' of graphite in Finland, that can provide 'security of raw material supply' and enable the country to achieve its ambition of self-sufficiency in battery manufacturing.

"Playing a committed role in projects such as BATCircle, Fennoscandian is well-positioned to become a future supplier to the European Lithium Ion Battery market."

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