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1 April 2019

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

Subscription to raise £750,000 and further investment in Kosovan exploration

Beowulf (AIM: BEM; Spotlight: BEO), the Nordic focused mineral exploration and development company, is pleased to announce a subscription for new ordinary shares of £0.01 each to raise £750,000 before expenses (the “Subscription”).

The funds will be used for general working capital purposes and to support the following activities:

- Follow-on investment in Vardar Minerals Limited (“Vardar”), a private exploration company with interests in the Balkans, funding Vardar’s 2019 Kosovan exploration programme, diamond drilling, geophysical surveys and other activities, at the Mitrovica project, targeting lead-zinc-silver, copper and gold mineralisation, and at the Viti project, targeting copper-gold, lithium-boron mineralisation, and exercising the Company’s option to increase Beowulf’s stake in Vardar from 14.1% to 31.3%.
- Drilling for potential higher-grade mineralisation at the Aitolampi graphite project, and exploration activities across the portfolio, including mapping, geophysics, sampling, assaying and metallurgical testwork, as the Company seeks to develop a ‘resource footprint’ to satisfy Finland’s natural flake graphite requirements for battery manufacturing.
- Drilling at Parkijaure, to the south of the Kallak iron ore project (“Kallak”), targeting additional iron ore resource as indicated by geophysical data, aimed at generating another exploration target and demonstrating the potential longevity of iron ore production in the area.

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

Pursuant to the Subscription, the Company will issue 13,636,364 new ordinary shares of £0.01 each (the “Subscription Shares”) to raise approximately £750,000 (before expenses) at a price of 5.5 pence per new ordinary share. The Company held approximately £1.24 million in cash at 28 February 2019.

Application has been made to the London Stock Exchange for the Subscription Shares to be admitted to trading on AIM on or around 4 April 2019 (“Admission”). The Subscription Shares will rank *pari passu* with existing ordinary shares of £0.01 each.

Following Admission, and in accordance with the Financial Conduct Authority's Disclosure ("FCA") and Transparency Rules, the Company hereby announces that it will have 579,943,618 ordinary shares 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 579,943,618 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:

"Given the current adverse market conditions affecting the junior mining sector and the uncertainty surrounding Brexit, I am pleased to have completed the Subscription which helps maintain our strong cash position and enables us to keep investing across our business areas.

"Kallak is a quality asset and its value has enabled us to successfully raise modest amounts of funding over recent years, which we have used to maintain our commitment to Kallak and broaden our exploration activities with graphite in Finland and, more recently, base metals and precious metals in Kosovo. We have the resources and competencies to focus on each area of our business, manage the risks and create shareholder value.

"We now have a company which has: Kallak as its foundation; a graphite exploration portfolio well-positioned to give Finland 'security of supply' in natural flake graphite for battery manufacturing; and an exciting 'blue sky' greenfield exploration programme for 2019 in Kosovo.

"Exploration results from Vardar's 2018 exploration programme for Mitrovica and Viti have been extremely encouraging and have given us the confidence to finance Vardar's 2019 plans. This, along with Kallak, and our graphite exploration and downstream testwork, will mean a very busy year for the Company and we anticipate plenty of newsflow to keep investors interested.

"Last week I was in Sweden and I had the privilege of meeting senior Sami parliamentarians at the seminar launching the report of the OECD's Rural Policy Review 'Linking the Indigenous Sami People with Regional Development in Sweden'. I am extremely proud that Beowulf participated in the review and that we attended the seminar in Luleå. We are studying the report in detail and, as we develop our Kallak project, we will seek to find ways in which we can implement the report's findings in our operations and build cooperative working relationships with Sami reindeer herders.

"I also met representatives of the Government, national and regional politicians, and the Governor of Norrbotten. In discussions, I commented that it makes no sense for real concern to be shown for LKAB's shortfall in reserves at Kiruna, for great importance to be placed on Sweden's mining industry, for iron ore to be talked of as a strategic asset to the nation, for politicians across the political spectrum to be discussing the necessity for regional development across Sweden, and yet for the Swedish authorities to ignore a Company that has invested SEK 77 million in a rural community which holds Europe's largest unexploited iron ore resource. We continue to push for an immediate decision on our Kallak application, benefiting from local and regional support.

"The application has comprehensively fulfilled the requirements for being awarded an Exploitation Concession, in accordance with the prescribed process and Swedish law. We have the recommendation of the Mining Inspectorate from October 2015 that the Concession be awarded, and the County Administrative Board's statement from July 2015 about Kallak's strong economic case. Kallak has the potential to positively transform Jokkmokk's economic future, and benefit Norrbotten and Sweden.

"Our ambition remains to take Kallak forward in partnership with the community in Jokkmokk, and to develop the most modern and sustainable mine. There is no better country than Sweden, with its world class mining sector, to realise such an ambition.

"We look forward to keeping shareholders updated on our progress."

Investment in Vardar Minerals

Background

On 6 November 2018, Beowulf announced that it had acquired a 14.1% interest in Vardar for the consideration of £250,000, satisfied in cash. The Company's investment enabled Vardar to complete its 2018 exploration programme. Follow the link below for the announcement:

https://polaris.brighterir.com/public/beowulf_mining_plc/news/rns/story/xe5472x

In 2018, Vardar concentrated its efforts on geological mapping, specifically hydrothermal alteration, the presence of which is an indicator of possible porphyry-related metal deposition. In addition, reconnaissance rock chip and geochemical soil sampling was also carried out. Based on exploration results from 2018 and Vardar's plans for 2019, Beowulf intends to exercise its option to increase its ownership in Vardar Minerals to 31.3% for the consideration of £500,000, satisfied in cash, funding Vardar's 2019 Kosovan exploration programme at the Mitrovica and Viti projects, which includes diamond drilling, geophysical surveys and other activities.

Overview

Vardar is a UK registered exploration company with a focus on the metal endowed Balkan region and one of the first companies to be awarded exploration licences in Kosovo.

Based on the geological setting and analysis of historical archive data, Vardar has previously identified the Mitrovica and Viti projects as attractive. Both projects are located within the Tethyan Belt, a major orogenic metallogenic province for gold and base metals which extends from the Alps (Carpathians/Balkans) to Turkey, Iran and Indochina, and contains several world class discoveries.

The Tethyan Belt of south-east Europe can be regarded as Europe's chief copper-gold (lead-zinc-silver) province. Mitrovica and Viti occur within calc-alkaline magmatic arc(s) which developed during the closure of the Neotethys Ocean, primarily targeting epithermal gold, lead-zinc-silver replacement deposits and porphyry related copper-gold mineralisation.

The lack of modern-day exploration in the Balkans presents a real opportunity for new discoveries, such as the Kiseljak porphyry copper deposit in the Lece magmatic complex in neighbouring Serbia, 459 million tonnes at 0.22% copper, 0.2 grammes per tonne ("g/t") gold, acquired by Dundee Precious Metals in February 2016.

Mitrovica

The Mitrovica project is situated in northern Kosovo, covers 55 square kilometres ("km²"), and lies immediately to the west and northwest of the Stan Terg lead-zinc-silver mine which dates back to the 1930's (34 million tonnes ("Mt") at 3.45% lead, 2.30% zinc and 80g/t silver).

The licence area exhibits lead, zinc, silver and copper anomalies associated with iron stockworks and gossans, anomalous gold and silver associated with advanced argillic alteration zones, and alteration typical of epithermal gold systems. The project is prospective for both high sulphidation gold mineralisation and vein/replacement related base metal targets.

On a regional scale, the area is located within the late Alpine Tethyan Orogenic Belt and more specifically within the External Vardar Sub-zone of the Vardar Zone. The basement is comprised of ophiolites and a metasedimentary mélange affected by a polymetamorphic overprint (not exceeding greenschist facies conditions). A series of felsic to intermediate sub-volcanic and pyroclastic rocks of Oligocene to Early Miocene age represents the cover sequence.

In early 2018, mapping identified an extensive lead-zinc mineralised gossan, Wolf Mountain target, in the central part of the Mitrovica, with associated hydrothermal breccias and silicification on the central-eastern margin of the licence area, along with copper mineralisation associated with trachyte dykes intruding into basement rocks.

In November 2018, fieldwork continued with trenching/channel sampling, geological mapping and ground magnetic geophysical surveys over Wolf Mountain. In addition, detailed geological mapping and sampling were carried out in the Mitrovica South and Majdan Peak areas in the southern part of the licence area, targeting potential porphyry copper and epithermal gold mineralisation

Highlights

- The Wolf Mountain lead-zinc target (Vllahi Zone) forms a prominent outcropping gossan, with strike length of more than 4 kilometres (“km”) and width ranging from approximately 20 metres (“m”) to greater than 300m. The target is located approximately 4km from the Stan Terg mine, highlighting the potential for significant lead-zinc mineralisation.
 - All assays from the exposed gossan zone have returned anomalous metal contents averaging 0.71% zinc and 0.73% lead.
 - Channel samples show continuity of mineralisation and zones of intense silicification and hydrothermal breccias.
 - Highest combined lead-zinc assays from channel sampling returned 2.8% over 26m. Other samples returned lead-zinc assays of 2.34% over 27m, 1.4% over 11m and 0.6% over 22m.
 - Elevated silver averages 6 g/t across the mineralised zone, with individual samples returning up to 93 g/t.
 - Elevated nickel averages 0.15% across the mineralised zone.
- Discovery of potential porphyry-epithermal related mineralisation in the southern part of the Mitrovica licence including:
 - A large hydrothermal breccia associated with trachyte sills with significant metal anomalies, including consistent zinc values in excess of 1%, along with elevated gold of 1.25 g/t and silver of 57 g/t;
 - Copper mineralisation, up to 3500 ppm, associated with altered trachyte dykes; and
 - Significant gold recoveries from advanced argillic samples (up to 7 g/t) on Majdan peak in the south-eastern portion of the licence area.

Wolf Mountain

The Wolf Mountain target forms a prominent outcropping feature, with strike length of more than 4km and width ranging from almost 20m to greater than 300m. It represents a hydrothermal breccia zone with stockworks, which outcrop as a gossan, with iron-manganese oxides and hydroxides. The peripheral parts of the zone are characterised by intense silicification corresponding to fold structures which control the development of the hydrothermal breccia.

The mineralisation is structurally controlled, and for most of the target mineralisation is developed in the basement, broadly following a tectonic contact between ultramafic rocks and phyllite, with

the bulk of mineralisation developed within the ultramafic units. Mineralisation is likely vein/replacement-type related to Oligocene magmatic activity responsible for the hydrothermal systems mapped in the southern portion of the licence area.

202 samples have been analysed over the extent of the area, including 118 composite channel samples, and rock grab samples that were cut along traverses perpendicular to the strike of the outcropping gossan. All samples were analysed using 48 element ICP-MS with gold fire assay ICP-AES at ALS Global ("ALS") in Serbia and Ireland.

Mitrovica South

Detailed alteration mapping and sampling have been carried out across the southern half of the licence area. Of interest is a sub-volcanic sill like body of trachytic composition associated with a hydrothermal breccia zone and with abundant iron oxides. Several samples collected from the breccia zone returned significant metal anomalies including consistent zinc values in excess of 1.0%, along with gold (1.25 g/t) and silver (57 g/t) anomalies.

One kilometre south of the above target, interpretation of magnetic airborne geophysical data has led to the identification of a prominent circular magnetic anomaly with magnetised and demagnetised concentric rings, displaying a typical signature of porphyry targets. Geological mapping in this area has identified hydrothermal breccias which have returned significant copper assays in grab samples (0.21% and 0.35%). The presence of the magnetic anomaly and associated copper mineralisation is of interest as it may suggest the potential for porphyry style mineralisation at a deeper structural level in basement rocks.

Higher up in the system, at Madjan Hill, also in the southern part of the licence area, several historic gold workings/pits have been discovered, thought to be of Saxon or Roman age. Rock chip sampling on the slopes of the hill, in an area of advanced argillic alteration, has returned significant gold anomalies of up to 7 g/t, suggesting potential for epithermal gold mineralisation.

Mitrovica - 2019 work programme

- 2,200m diamond drilling at Wolf Mountain - the objective being 'proof of concept'. Drilling should determine the possible down-dip extension to mineralisation and intersect fresh sulphide ore for analysis.
- At Mitrovica South, ground geophysical and soil sampling programmes will be undertaken over the priority target areas.

Given the potential for disseminated porphyry-related sulphide mineralisation, IP/DC (Induced Polarisation/Direct Current Resistivity) will be used to define targets for potential drilling.

Viti

The Viti project is situated in south-eastern Kosovo and is made up of three adjacent licences covering 213 km². The licences cover an interpreted circular intrusive from regional airborne 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 project area. In addition, Viti is prospective for lithium-boron mineralisation, with a geological setting like Rio Tinto's Jadar deposit in Serbia.

In the south-east of the project area, reconnaissance mapping identified several zones of intense argillic alteration, hydrothermal breccias and iron oxide stockworks. The interpretation of regional magnetic data suggests that alteration is located on the margin of a large caldera structure, which supports the case for porphyry mineralisation. Recent geological mapping has identified prominent silicified gossans, breccias and iron oxide stockworks with intense argillic alteration, often associated with trachyte dykes.

The target area includes a gossanous zone, approximately 300m by 200m, surrounded by a zone of intense argillic alteration, approximately 1.5km in diameter. Sampling over the gossan has returned encouraging results, with anomalous copper (0.99%) and gold (0.16 g/t), along with elevated molybdenum and zinc, potentially related to the deeper part of an uplifted porphyry system with associated phyllitic alteration.

Viti 2019 work programme

- 600m diamond drilling to test the porphyry target in the south-east of the project area, together with IP/DC surveys. A single stratigraphic hole will be drilled to test for evidence of lithium-boron mineralisation and evaporitic units in the Miocene sedimentary rocks.

Competent Person Review

The information in this announcement has been reviewed by Mr. Chris Davies, a Competent Person ("CP"), who is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr. Davies has conducted a desktop review of source documents and data which underpin the technical statements disclosed herein and approves the disclosure of technical information in the form and context in which it appears in this announcement, in his capacity as a CP as required under the AIM rules. Mr. Davies has visited Vardar's Mitrovica and Viti projects in Kosovo.

Mr. Davies has sufficient experience, that is relevant to the content of this announcement, to qualify as a CP as defined in the 2012 Edition of the "Australasian Code of Reporting of Exploration Results, Mineral Resources and Ore Reserves".

Mr. Davies BSc (Hons) Geology, MSc DIC Mineral Exploration FAusIMM is a Non-executive Director of Beowulf and is an exploration/economic geologist with more than 35 years' experience in the mining sector.

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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.

Glossary:

ICP-MS - Inductively coupled plasma mass spectrometry

ICP-AES - Inductively coupled plasma atomic emission spectrometry

IP/DC - Induced Polarisation/Direct Current Resistivity