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19 June 2019

Beowulf Mining plc

("Beowulf" or the "Company")

Management Update

Beowulf (AIM: BEM; Spotlight: BEO), the Nordic focused mineral exploration and development company, provides a management update.

Kallak North

- The Company is in regular contact with the Swedish Government and has received no definitive timescale for a decision to be taken on its application for an Exploitation Concession.
- The Government has confirmed that the Company will be notified of its decision when markets are closed, such that the Company can prepare an announcement to markets in advance of trading re-commencing.

Supporting Small and Medium Enterprise ("SME") Development in Jokkmokk

- In the event that the Exploitation Concession for Kallak North is awarded, the Company has committed an additional SEK 300,000 to the Collaboration Agreement (the "Agreement") it has with Jokkmokks Allmänning ("Allmänning").
- The main purpose of the existing Agreement is to invest funds and support the development of SMEs in Jokkmokk.
- The funds will match Allmänning's investment in Jokkmokks Log, a sustainable construction company, which uses Allmänning timber production for wooden building construction.
- Jokkmokks Log is adding value to locally produced raw materials, could provide opportunities for training local apprentices, and thereafter employment as its business grows.
- Beowulf has previously invested SEK 500,000 in the partnership Agreement with Allmänning and is pleased to continue to support SME development in Jokkmokk.

3rd OECD Meeting for Mining Regions and Cities, Skellefteå, Sweden, 11-13 June

- The CEO attended the 3rd OECD Meeting for Mining Regions and Cities, organised to enable knowledge sharing, with a focus on developing policy recommendations and standards that can help maximise the benefits that mining can bring to a region or city. The Company has also been involved in the OECD's Rural Policy Review 'Linking the Indigenous Sami People with Regional Development in Sweden', and is firmly committed to working in partnership with communities.
- At the meeting, learnings from past situations and experiences, what works and what doesn't work, and ongoing challenges, such as gaining acceptance by communities when it comes to mining development and the importance of engaging with indigenous communities, were

discussed. In addition, global trends were presented, including the 'Circular Economy' and the adoption of 'Clean Energy', and the impacts that these could have on the future demand for minerals and metals.

- In the context of all these ideas, the Company's Kallak project is an ideal candidate for bringing together the best of thinking into the development of a modern and sustainable mining project, that could transform a community and a region, while leveraging the mining heritage and harnessing the innovation that Norrbotten and Sweden possess.

Vardar Minerals ("Vardar")

- Vardar is currently working on its Mitrovica exploration licence. The licence is prospective for a range of porphyry-related mineralisation types, including the Madjan Peak high-sulphidation epithermal gold target, the Wolf Mountain low-sulphidation lead-zinc-silver target and primary porphyry copper mineralisation in the southern part of the licence area.
- In the northern part of the Wolf Mountain target, Vardar has now completed 651 metres of drilling and a total of 278.5 metres of trenching, carried out over outcropping stockwork and hydrothermal breccia mineralisation.
- In the southern part of the licence, a soil sampling programme is in progress.
- More updates will be provided in due course.

Kurt Budge, Chief Executive Officer of Beowulf, commented:

"Our involvement in OECD reviews and meetings reminds us of the contribution that mining investments can make to regional economies that are endowed with minerals and metals, but also that future mining projects need to be developed in partnership with communities, so the benefits are maximised. Since I joined the Company in September 2014, this is the approach Beowulf has taken to the development of Kallak."

"At the recent OECD meeting, Mikael Staffas, CEO of Boliden spoke about the rapid growth in demand for metals as society moves towards a fossil-free and 'Clean Energy' economy, and the EU's current dependence on imports. Again, he mentioned permitting as a problem. In January 2019, he made similar comments at the Future Mine and Mineral Conference in Stockholm, when he said that if authorities grant exploration permits and an exploration company invests and finds a mining opportunity, then that company needs to be able to develop the opportunity."

"As the EU's largest iron ore producer, LKAB also presented at the OECD meeting, and showed the stark reality that steel production capacity reliant on iron ore, as part of a 'Circular Economy,' is forecast to grow from 1 billion tonnes in 2010 to 1.4 billion tonnes in 2050."

"Despite these demand drivers for future sources of production and the need for 'security of supply' in an ever more uncertain world, progress with Kallak has been derailed by perceived issues, the possible impact of a mine on Sami reindeer herding and the World Heritage Status of Laponia."

"Across Sweden, the mining industry and other sectors reach practical and commercial agreements with Sami communities and work together. While at the local level we have had difficulty engaging with Sami reindeer herding communities, as they wait for a decision from the Government, we are engaging with Sami parliamentarians as we seek to present Kallak and our approach to its development. With regards to Laponia, it has been stated by the Swedish Environmental Protection Authority (Naturvårdsverket) and the Swedish National Heritage Board (Riksantikvarieämbetet) that Kallak would have no direct impact. Of relevance, is that Aitik, Sweden's largest open pit copper mine, is situated in closer proximity to Laponia than Kallak, and Laponia received its World Heritage Status almost 30 years after Aitik was established, and in spite of Aitik."

"We have been granted exploration and other permits by Swedish authorities, we have invested over SEK 77 million and, since October 2015, we have a recommendation from the Mining

Inspectorate that an Exploitation Concession for Kallak North should be awarded. During this period, the County Administrative Board for the County of Norrbotten has failed to follow the prescribed assessment process for an application such as ours and has never been held to account for its inaccurate and misleading statements. These are the facts.

"It is incomprehensible to me that the Swedish Government could ignore the facts and, for whatever reason, find a way not to award the Concession; causing further damage to Sweden's reputation as an attractive destination for mining investors. We have it, that the Government recognises the importance of Kallak to Jokkmokk's economic future, and, if this is truly their mind, then we should have no cause for concern.

"I look forward to keeping the market updated on further developments."

Enquiries:

Beowulf Mining plc

Kurt Budge, Chief Executive Officer Tel: +44 (0) 20 3771 6993

SP Angel

(Nominated Adviser & Broker)

Ewan Leggat / Soltan Tagiev Tel: +44 (0) 20 3470 0470

Blytheweigh

Tim Blythe / Megan Ray Tel: +44 (0) 20 7138 3204

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