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**20 August 2019**

## **Beowulf Mining plc**

("Beowulf" or the "Company")

### **Unaudited Interim Financial Results and Management Update for the Period Ended 30 June 2019**

Beowulf (AIM: BEM; Spotlight: BEO), the Nordic focused mineral exploration and development company, announces its unaudited financial results for the six months ended 30 June 2019 and provides a quarterly management update.

#### **Overview of Activities in the Quarter**

- On 1 April 2019, the Company announced a subscription for 13,636,364 new ordinary shares of £0.01 each to raise £750,000 before expenses. Principally, the funds have been used for a follow-on investment in Vardar Minerals Limited ("Vardar").
- On 2 April 2019, Beowulf informed the market that the Company's Chairman, Mr. Göran Färm had written to Mr. Ibrahim Baylan, the Minister of Enterprise and Innovation for The Government of Sweden (the "Government"), regarding the Company's application for an Exploitation Concession (a "Concession") for the Kallak Iron Ore Project ("Kallak").
- The Company provided, on 15 April 2019, a management update on its application for a Concession for Kallak and its investment in Vardar.
- On 16 April 2019, the Company announced a subscription for 8,695,652 new ordinary shares of £0.01 each to raise £500,000 before expenses.
- On 22 May 2019, the CEO attended a Quoted Companies Alliance ("QCA") Corporate Governance Workshop. The Company adopted the QCA Code (the "Code") for Corporate Governance in September 2018, and the Board is actively looking at the application of the Code's 10 principles, addressing areas of delivering growth, maintaining a dynamic management framework and building trust with shareholders.
- On 31 May 2019, the Company announced its results for the year ended 31 December 2018.
- Beowulf announced, on 3 June 2019, that drilling has extended the higher-grade Western Zone of graphite mineralisation at Aitolampi. The results from the 2019 drilling programme will be used to upgrade the maiden Mineral Resource Estimate ("MRE") for Aitolampi.
- The Company provided, on 19 June 2019, a management update on Kallak North, its continuing support for SME development in Jokkmokk, the CEO's attendance at the third OECD Meeting for Mining Regions and Cities held in Sweden, and developments with Vardar Minerals following a visit to Kosovo by the CEO.

## **Post Period**

- On 8 July 2019, the Company announced the CEO's attendance at the Almedalen Political Week ("Almedalen") in Sweden, as well as an outline of Beowulf's immediate plans for Kallak, if the Government awards the Concession.

### **Kurt Budge, Chief Executive Officer of Beowulf, commented:**

*"The Company stated in April 2019 that it was reasonable to expect a decision by the Swedish Government on Kallak before the summer.*

*"This statement was based on the extensive consultation work undertaken by the Government before the Swedish election process got underway in Spring 2018, and allowed time for the new Government, formed in January this year, to 'get up to speed'.*

*"Despite the Government's acknowledgment that the Company has been waiting an excessive period of time for a decision, we are still waiting, and with the holidays in Sweden coming to an end the Company will be contacting the Government to understanding the causes of this further delay. The Board continues to keep in mind all options at its disposal for encouraging a decision.*

*"At Almedalen, I explained how ridiculous a situation is the Kallak application process and how badly it reflects on Sweden as a country 'open for business', readily accepted when I explain the history to Swedes I meet.*

*"However, this year, I also presented the Company's immediate plans in the event the Concession is awarded, the completion of a Scoping Study, the formation of a development taskforce with Jokkmokks Kommun to plan for the resurgence of Jokkmokk, and the provision by the Company of support for Sami entrepreneurs.*

*"It is invigorating to imagine the possibilities around developing Kallak, for building a sustainable mining operation, and in so doing transforming Jokkmokk, if you remove yourself from the politics, albeit temporarily, and believe the Concession is imminent and that we can soon get on with the 'job in hand'.*

*"As we continue to wait for a decision on Kallak, Fennoscandian's exploration team has been active in the field investigating other graphite prospects in the portfolio, and the funds invested in Vardar have been put to good use, with drilling and other exploration activities continuing through the summer.*

*"We have a busy period to the end of the year. If we get a positive decision on the Concession for Kallak, for which we have done everything required, that will kick-start the project and multiple workstreams for the Company. We are prepared and waiting to get going.*

*"I look forward to keeping shareholders updated with developments on Kallak, Fennoscandian and Vardar."*

## **Financials**

- The consolidated loss held largely comparable for H1 2019 £434,626 vs H1 2018 £442,238. The movements largely attributable to a lower share-based payment charge in the period, offset by an increase in director fee costs, lower overall overheads, an increase in the share of loss from associates and a reversal of a professional fee accrual in the prior year.
- The £5,406 loss in the associate represents the share of consolidated loss attributable to the owners of the parent from its 37.55% holding in Vardar Minerals Limited.
- The consolidated loss for the Q2 2019 was lower at £211,529 than the comparative period (Q2 2018: £242,682) largely attributable to an overall lower share-based payment charge and lower overhead costs in the two operating subsidiaries.
- Basic/diluted loss per share for H1 2019 was 0.08 pence (H1 2018: loss of 0.08 pence).

- £1,177,823 in cash held at the period end (H1 2018: £2,140,369)
- The translation reserve losses attributable to the owners of the parent increased from £520,257 at 31 December 2018 to £835,102 at the H1 period ended June 2019. Much of the Company's exploration costs are in Swedish Krona which has weakened against the pound since 31 December 2018.

## Operational

### Sweden

- On 2 April 2019, Beowulf informed the market that the Company's Chairman, Mr Göran Färm had written to Mr. Ibrahim Baylan, the Minister of Enterprise and Innovation for The Government of Sweden, regarding the Company's application for a Concession for Kallak.

The letter highlighted the fact that the Company first submitted its application in 2013. Since then, the case has been sent back and forth between Swedish authorities and the Government, finding themselves unable to award a Concession for Europe's largest drill defined iron ore deposit, having issued exploration permits and watched the Company invest SEK 77 million, drill circa 28,000 metres, define a significant resource, and develop the Kallak project to where it is today.

All this is against a backdrop of LKAB's warning, in October 2018, that the ore in the Kiruna mine will be depleted earlier than expected. The media spotlight put on the future of LKAB's operations, and with this the attention paid to the importance of iron ore to Sweden, further highlighted the absurdity of the Kallak situation.

- The Company informed the market, on 15 April 2019, that it is actively communicating with the Government with regards to its Kallak North application. It has been confirmed that the Kallak application is being prioritised, and that the Government acknowledges that the Company has been waiting an excessive period for a decision.

On 19 June 2019, the Company announced it is in regular contact with the Government but has received no definitive timescale for a decision to be taken on its application. 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.

Beowulf also announced that the Company is continuing to support SME development in Jokkmokk and, in the event that the Concession for Kallak is awarded, has pledged an additional SEK 300,000 to the Collaboration Agreement (the "Agreement") it has with Jokkmokks Allmänning ("Allmänning"). Beowulf has previously invested SEK 500,000 in the partnership Agreement with Allmänning and is pleased to continue to support SME development in Jokkmokk.

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, which is adding value to locally produced raw materials, could provide opportunities for training local apprentices, and thereafter employment as its business grows.

The CEO attended the third 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. Since early 2018, the Company has also been involved in the OECD's Rural Policy Review 'Linking the Indigenous Sami People with Regional Development in Sweden'.

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.

- On 8 July 2019, the Company provided an update on the CEO's attendance at Almedalen which takes place every year in Visby, Sweden. Almedalen provides a unique arena for Swedish decision-makers in politics, government agencies, business, and NGOs to meet, build relationships, discuss, and debate.

During Almedalen the CEO discussed Jokkmokk's economic situation, the SEK 28 million cuts announced by Jokkmokks Kommun to balance its budget and the local and regional support for Kallak from Jokkmokks Kommun, Jokkmokks Allmänning, local entrepreneurs, the Mayor of Luleå and leaders in Region Norrbotten. The CEO therefore explained the role that Kallak would play in transforming Jokkmokk's economic future, to one that is 'thriving, diversified and sustainable' and lives beyond mining.

Additionally, the CEO received a number of questions regarding what Beowulf's plans would be should the Company be awarded a Concession for Kallak. In response to these queries the CEO shared the Company's immediate plans for Kallak, should the Concession be awarded, and described the Company's ambition to build a modern, sustainable and innovative mining operation.

The Company has an immediate three-step plan for advancing the Kallak project, in the event the Swedish Government awards the Concession:

- 1) Scoping Study (the "Study") - completion within 12 months of the Concession being awarded - and in parallel develop a roadmap for environmental permitting.
- 2) Formation of a 'Development Taskforce' with Jokkmokks Kommun and other key partners, intended to coordinate the activities of interested parties in Kallak, such that project development of Kallak and the development of Jokkmokk can be fully coordinated.
- 3) To advance discussions with the Sami reindeer herding communities, to listen to their concerns, find solutions together to problems that might exist, working towards reaching mutually beneficial agreements that ensure Sami reindeer herding, livelihoods and culture are protected, and that Sami communities benefit from the development of a mine at Kallak.

### ***Finland***

- On 3 June 2019, the Company announced that recent drilling at Aitolampi has extended the higher-grade Western Zone. Oy Fennoscandian Resources AB ("Fennoscandian"), the Company's graphite business, is pursuing a strategy to develop a 'resource footprint' of natural flake graphite prospects that can provide 'security of supply' and help to enable Finland to achieve its ambition of self-sufficiency in battery manufacturing.

The results from the 2019 drilling programme will be used to upgrade the maiden MRE for Aitolampi, published in August 2018. The drill core will also be sampled and used for ongoing baseline environmental studies, for graphite purification and spheroidization testwork, and the further assessment of Aitolampi graphite for battery applications as part of the Business Finland funded BATCircle Project. The Company is also reviewing its plans for a Scoping Study for Aitolampi, which was postponed last year allowing more baseline environmental data to be collected.

See website [www.beowulfmining.com](http://www.beowulfmining.com) for plans, sections and JORC Code Table 1.

### ***Kosovo***

- On 15 April 2019, the Company announced that it had exercised its option to increase its ownership in Vardar Minerals to approximately 37.55% for consideration of £750,000, satisfied in

cash, fully funding Vardar's 2019 Kosovan exploration programme at the Mitrovica and Viti projects. The Company has an option to invest a further £115,000, which would increase its ownership to 40.1%.

- The Company informed the market, on 19 June 2019, that 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.

### **Corporate**

- On 1 April 2019, the Company announced a subscription for 13,636,364 new ordinary shares of £0.01 each to raise £750,000 before expenses. Principally, the funds have been used for a follow-on investment in Vardar.
- On 16 April 2019, the Company announced a further subscription for 8,695,652 new ordinary shares of £0.01 each to raise £500,000 before expenses.
- On 30 July 2019, there were 372,669,098 Swedish Depository Receipts representing 63.31 per cent of the issued share capital of the Company. The remaining issued share capital of the Company is held in the UK.

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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 forecast.

**BEOWULF MINING PLC**  
**CONDENSED CONSOLIDATED INCOME STATEMENT**  
**FOR THE SIX MONTHS TO 30 JUNE 2019**

		(Unaudited) 3 months ended 30 June 2019	(Unaudited) 3 months ended 30 June 2018	(Unaudited) 6 months ended 30 June 2019	(Unaudited) 6 months ended 30 June 2018	(Audited) Year ended 31 Dec 2018
	Notes	£	£	£	£	£
<b>Continuing operations</b>						
Administrative expenses		(184,165)	(195,994)	(367,815)	(349,027)	(598,391)
Impairment of exploration costs		-	-	-	-	(571,456)
Share based payment expense		(26,565)	(48,981)	(66,588)	(97,423)	(196,460)
Share of loss of associates	6	(3,160)	-	(5,406)	-	(19,880)
<b>Operating Loss</b>		<b>(213,890)</b>	<b>(244,975)</b>	<b>(439,809)</b>	<b>(446,450)</b>	<b>(1,386,187)</b>
Finance income		2,361	2,113	5,183	4,212	11,603
<b>Loss before and after taxation</b>		<b>(211,529)</b>	<b>(242,862)</b>	<b>(434,626)</b>	<b>(442,238)</b>	<b>(1,374,584)</b>
Loss attributable to:						
Owners of the parent		(211,091)	(242,321)	(434,147)	(441,654)	(1,373,936)
Non-controlling interests		(438)	(541)	(479)	(584)	(648)
		<b>(211,529)</b>	<b>(242,862)</b>	<b>(434,626)</b>	<b>(442,238)</b>	<b>(1,374,584)</b>
Loss per share attributable to the owners of the parent:						
Basic and diluted (pence)	3	(0.04)	(0.04)	(0.08)	(0.08)	(0.25)

**BEOWULF MINING PLC**  
**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE SIX MONTHS TO JUNE 2019**

	(Unaudited) 3 months ended June 2019	(Unaudited) 3 months ended June 2018	(Unaudited) 6 months ended 30 June 2019	(Unaudited) 6 months ended 30 June 2018	(Audited) Year ended 31 December 2018
	£	£	£	£	£
<b>Loss for the period</b>	(211,529)	(242,862)	(434,626)	(442,238)	(1,374,584)
<b>Other comprehensive income</b>					
<b>Items that may be reclassified subsequently to profit or loss:</b>					
Exchange gains / (losses) arising on translation of foreign operations	214,878	(29,794)	(314,936)	(458,994)	(123,265)
<b>Total comprehensive profit/(loss)</b>	3,349	(272,656)	(749,562)	(901,232)	(1,497,849)
Profit/(loss) attributable to:					
Owners of the parent	3,757	(272,103)	(748,992)	(900,498)	(1,497,133)
Non-controlling interests	(408)	(553)	(570)	(734)	(716)
	3,349	(272,656)	(749,562)	(901,232)	(1,497,849)

**BEOWULF MINING PLC**  
**CONDENSED COMPANY STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE SIX MONTHS TO 30 JUNE 2019**

		(Unaudited) 3 months ended 30 June 2019	(Unaudited) 3 months ended 30 June 2018	(Unaudited) 6 months ended 30 June 2019	(Unaudited) 6 months ended 30 June 2018	(Audited) Year ended 31 Dec 2018
	Notes	£	£	£	£	£
<b>Continuing operations</b>						
Administrative expenses		(203,961)	(188,834)	(383,702)	(267,811)	(424,329)
Share based payment expense		(26,565)	(48,981)	(66,588)	(97,423)	(196,460)
<b>Operating Loss</b>		<b>(230,526)</b>	<b>(237,815)</b>	<b>(450,290)</b>	<b>(365,234)</b>	<b>(620,789)</b>
Finance income		2,361	2,113	5,184	4,212	11,603
<b>Loss before and after taxation and total comprehensive loss</b>		<b>(228,165)</b>	<b>(235,702)</b>	<b>(445,106)</b>	<b>(361,022)</b>	<b>(609,186)</b>
Loss per share attributable to the owners of the parent:						
Basic and diluted (pence)	3	(0.04)	(0.04)	(0.08)	(0.07)	(0.11)

**BEOWULF MINING PLC**  
**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2019**

		(Unaudited) As at 30 June 2019 £	(Unaudited) As at 30 June 2018 £	(Audited) As at 31 December 2018 £
<b>ASSETS</b>	Notes			
<b>Non-current assets</b>				
Intangible assets	5	8,373,971	8,215,593	8,285,547
Property, plant and equipment		27,884	23,260	16,083
Investment in associate	6	974,194	-	230,120
Loans and other financial assets		5,346	5,355	5,462
		<u>9,381,395</u>	<u>8,244,208</u>	<u>8,537,212</u>
<b>Current assets</b>				
Trade and other receivables		92,430	80,999	62,956
Cash and cash equivalents		1,177,823	2,140,369	1,533,232
		<u>1,270,253</u>	<u>2,221,368</u>	<u>1,596,188</u>
<b>TOTAL ASSETS</b>		<u>10,651,648</u>	<u>10,465,576</u>	<u>10,133,400</u>
<b>EQUITY</b>				
<b>Shareholders' equity</b>				
Share capital	4	5,886,392	5,663,072	5,663,072
Share premium		20,230,006	19,266,271	19,266,271
Merger Reserve		137,700	279,450	137,700
Capital contribution reserve		46,451	46,451	46,451
Share option reserve		679,053	513,428	612,465
Translation reserve		(835,102)	(855,904)	(520,257)
Accumulated losses		(15,746,080)	(14,521,401)	(15,311,933)
<b>Total Equity</b>		<u>10,398,420</u>	<u>10,391,367</u>	<u>9,893,769</u>
Non-controlling interests		(161,157)	(160,605)	(160,587)
<b>TOTAL EQUITY</b>		<u>10,237,263</u>	<u>10,230,762</u>	<u>9,733,182</u>
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Trade and other payables		222,180	234,814	208,013
Grant income		192,205	-	192,205
<b>TOTAL LIABILITIES</b>		<u>414,385</u>	<u>234,814</u>	<u>400,218</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>10,651,648</u>	<u>10,465,576</u>	<u>10,133,400</u>

**BEOWULF MINING PLC**  
**CONDENSED COMPANY STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2019**

	(Unaudited) As at 30 June 2019 £	(Unaudited) As at 30 June 2018 £	(Audited) As at 31 December 2018 £
<b>ASSETS</b>			
<b>Non-current assets</b>			
Investments	1,482,988	482,988	732,988
Loans and other financial assets	<u>8,641,405</u>	<u>9,509,372</u>	<u>8,222,217</u>
	<u>10,124,393</u>	<u>9,992,360</u>	<u>8,955,205</u>
<b>Current assets</b>			
Trade and other receivables	32,873	48,151	24,401
Cash and cash equivalents	<u>1,110,884</u>	<u>2,060,890</u>	<u>1,470,087</u>
	<u>1,143,757</u>	<u>2,109,041</u>	<u>1,494,488</u>
<b>TOTAL ASSETS</b>	<u><u>11,268,150</u></u>	<u><u>12,101,401</u></u>	<u><u>10,449,693</u></u>
<b>EQUITY</b>			
<b>Shareholders' equity</b>			
Share capital	5,886,392	5,663,072	5,663,072
Share premium	20,230,006	19,266,271	19,266,271
Merger Reserve	137,700	279,450	137,700
Capital contribution reserve	46,451	46,451	46,451
Share option reserve	679,053	513,428	612,465
Accumulated losses	<u>(15,980,535)</u>	<u>(13,745,516)</u>	<u>(15,535,429)</u>
<b>TOTAL EQUITY</b>	<u>10,999,067</u>	<u>12,023,156</u>	<u>10,190,530</u>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	76,878	78,245	66,958
Grant income	<u>192,205</u>	<u>-</u>	<u>192,205</u>
<b>TOTAL LIABILITIES</b>	<u>269,083</u>	<u>78,245</u>	<u>259,163</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>11,268,150</u></u>	<u><u>12,101,401</u></u>	<u><u>10,449,693</u></u>

**BEOWULF MINING PLC**  
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**For the 6 months ended 30 June 2019**

	Share capital	Share premium	Capital contribution reserve	Share-based payment reserve	Translation reserve	Merger reserve	Accumulated losses	Total	Non-controlling interest	Total equity
	£	£	£	£	£	£	£	£	£	£
<b>At 1 January 2018</b>	5,342,072	18,141,271	46,451	575,078	(397,060)	137,700	(14,079,747)	9,765,765	(159,871)	9,605,894
Loss for the period	-	-	-	-	-	-	(441,654)	(441,654)	(584)	(442,238)
Foreign exchange translation	-	-	-	-	(458,844)	-	-	(458,844)	(150)	(458,994)
Total comprehensive income	-	-	-	-	(458,844)	-	(441,654)	(900,498)	(734)	(901,232)
Transactions with owners										
Issue of share capital	300,000	1,200,000	-	-	-	-	-	1,500,000	-	1,500,000
Costs associated with the issue of new shares	-	(75,000)	-	-	-	-	-	(75,000)	-	(75,000)
Equity-settled share-based payment transactions	-	-	-	97,423	-	-	-	97,423	-	97,423
Acquisition of subsidiary	21,000	-	-	(159,073)	-	-	141,750	3,677	-	3,677
<b>At 30 June 2018 (unaudited)</b>	<b>5,663,072</b>	<b>19,266,271</b>	<b>46,451</b>	<b>513,428</b>	<b>(855,904)</b>	<b>137,700</b>	<b>(14,370,651)</b>	<b>10,391,367</b>	<b>(160,605)</b>	<b>10,230,762</b>
Loss for the period	-	-	-	-	-	-	(932,282)	(932,282)	(64)	(932,346)
Foreign exchange translation	-	-	-	-	335,647	-	-	335,647	82	335,729
Total comprehensive income	-	-	-	-	335,647	-	(932,282)	(596,635)	18	(596,617)
Transaction with owners										
Equity-settled share-based payment transactions	-	-	-	99,037	-	-	-	99,037	-	99,037
<b>At 31 December 2018 (audited)</b>	<b>5,663,072</b>	<b>19,266,271</b>	<b>46,451</b>	<b>612,465</b>	<b>(520,257)</b>	<b>137,700</b>	<b>(15,311,933)</b>	<b>9,893,769</b>	<b>(160,587)</b>	<b>9,733,182</b>
Loss for the period	-	-	-	-	-	-	(434,147)	(434,147)	(479)	(434,626)
Foreign exchange translation	-	-	-	-	(314,845)	-	-	(314,845)	(91)	(314,936)
Total comprehensive income	-	-	-	-	(314,845)	-	(434,147)	(748,992)	(570)	(749,562)
Transactions with owners										
Issue of share capital	223,320	1,026,680	-	-	-	-	-	1,250,000	-	1,250,000
Costs associated with the issue of new shares	-	(62,945)	-	-	-	-	-	(62,945)	-	(62,945)
Equity-settled share-based payment transactions	-	-	-	66,588	-	-	-	66,588	-	66,588
<b>At 30 June 2019 (unaudited)</b>	<b>5,886,392</b>	<b>20,230,006</b>	<b>46,451</b>	<b>679,053</b>	<b>(835,102)</b>	<b>137,700</b>	<b>(15,746,080)</b>	<b>10,398,420</b>	<b>(161,157)</b>	<b>10,237,263</b>

**BOWULF MINING PLC**  
**CONDENSED COMPANY STATEMENT OF CHANGES IN EQUITY**  
**For the 6 months ended 30 June 2019**

	Share capital	Share premium	Capital contribution reserve	Share-based payment reserve	Merger reserve	Accumulated losses	Total
	£	£	£	£	£	£	£
<b>At 1 January 2018</b>	5,342,072	18,141,271	46,451	575,078	137,700	(14,906,137)	9,336,435
Loss for the period	-	-	-	-	-	(361,022)	(361,022)
Total comprehensive income	-	-	-	-	-	(361,022)	(361,022)
Transactions with owners							
Issue of share capital	300,000	1,200,000	-	-	-	-	1,500,000
Costs associated with the issue of new shares	-	(75,000)	-	-	-	141,750	66,750
Equity-settled share-based payment transactions	-	-	-	97,423	-	-	97,423
Acquisition of subsidiary	21,000	-	-	(159,073)	-	-	(138,073)
<b>At 30 June 2018 (unaudited)</b>	<b>5,663,072</b>	<b>19,266,271</b>	<b>46,451</b>	<b>513,428</b>	<b>137,700</b>	<b>(15,125,409)</b>	<b>10,501,513</b>
Loss for the period	-	-	-	-	-	(410,020)	(410,020)
Total comprehensive income	-	-	-	-	-	(410,020)	(410,020)
Transaction with owners							
Issue of share capital	-	-	-	-	-	-	-
Equity-settled share-based payment transactions	-	-	-	99,037	-	-	99,037
<b>At 31 December 2018 (audited)</b>	<b>5,663,072</b>	<b>19,266,271</b>	<b>46,451</b>	<b>612,465</b>	<b>137,700</b>	<b>(15,535,429)</b>	<b>10,190,530</b>
Loss for the period	-	-	-	-	-	(445,106)	(445,106)
Total comprehensive income	-	-	-	-	-	(445,106)	(445,106)
Transactions with owners							
Issue of share capital	223,320	1,026,680	-	-	-	-	1,250,000
Costs associated with the issue of new shares	-	(62,945)	-	-	-	-	(62,945)
Equity-settled share-based payment transactions	-	-	-	66,588	-	-	66,588
<b>At 30 June 2019 (unaudited)</b>	<b>5,886,392</b>	<b>20,230,006</b>	<b>46,451</b>	<b>679,053</b>	<b>137,700</b>	<b>(15,980,535)</b>	<b>10,999,067</b>

**BEOWULF MINING PLC**  
**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
For the 6 months ended 30 June 2019

	(Unaudited) 6 months to 30 June 2019	(Unaudited) 6 months to 30 June 2018	(Audited) Year ended 31 Dec 2018
Note	£	£	£
<b>Cash flows from operating activities</b>			
Loss before income tax	(434,626)	(442,238)	(1,374,584)
Depreciation charges	3,703	7,446	14,696
Equity-settled share-based transactions	66,588	97,423	196,460
Impairment of exploration costs	-	-	571,456
Finance income	(5,183)	(4,212)	(11,603)
Share of loss in associate	6 5,926	-	19,880
	<u>(363,592)</u>	<u>(341,581)</u>	<u>(583,695)</u>
(Increase)/decrease in trade and other receivables	(29,590)	(16,509)	2,603
Increase/(decrease) in trade and other payables	<u>15,694</u>	<u>(37,911)</u>	<u>(72,740)</u>
<b>Net cash used in operating activities</b>	<u>(377,488)</u>	<u>(396,001)</u>	<u>(653,832)</u>
<b>Cash flows from investing activities</b>			
Purchase of intangible fixed assets	5 (402,829)	(477,160)	(778,495)
Purchase of property, plant and equipment	(15,318)	(2,779)	(2,515)
Disposal of fixed asset investments	2	3	13
Acquisition of further interest in associate	(750,000)	-	(250,000)
Grant receipt	-	-	192,205
Interest received	<u>5,183</u>	<u>4,212</u>	<u>11,603</u>
<b>Net cash used in investing activities</b>	<u>(1,162,962)</u>	<u>(475,724)</u>	<u>(827,189)</u>
<b>Cash flows from financing activities</b>			
Proceeds from issue of shares	1,250,000	1,500,000	1,500,000
Payment of share issue costs	<u>(62,945)</u>	<u>(75,000)</u>	<u>(75,000)</u>
<b>Net cash from financing activities</b>	<u>1,187,055</u>	<u>1,425,000</u>	<u>1,425,000</u>
<b>(Decrease)/increase in cash and cash equivalents</b>	(353,395)	553,275	(56,021)
Cash and cash equivalents at beginning of period/year	1,533,232	1,589,897	1,589,897
Effect of foreign exchange rate changes	<u>(2,014)</u>	<u>(2,803)</u>	<u>(644)</u>
<b>Cash and cash equivalents at end of period/year</b>	<u>1,177,823</u>	<u>2,140,369</u>	<u>1,533,232</u>

**BEOWULF MINING PLC**  
**CONDENSED COMPANY STATEMENT OF CASH FLOWS**  
For the 6 months ended 30 June 2019

	(Unaudited) 6 months to 30 June 2019 £	(Unaudited) 6 months to 30 June 2018 £	(Audited) Year ended 31 Dec 2018 £
<b>Cash flows from operating activities</b>			
Loss before income tax	(445,106)	(361,022)	(609,186)
Equity-settled share-based transactions	66,588	97,423	196,460
Finance income	(5,184)	(4,212)	(11,603)
	<u>(383,702)</u>	<u>(267,811)</u>	<u>(424,329)</u>
(Increase)/decrease in trade and other receivables	(8,472)	(8,050)	15,700
Increase/(decrease) in trade and other payables	9,921	(45,035)	(56,322)
	<u>(382,253)</u>	<u>(320,896)</u>	<u>(464,951)</u>
<b>Net cash used in operating activities</b>			
<b>Cash flows from investing activities</b>			
Loans to subsidiaries	(419,188)	(555,747)	(952,091)
Acquisition of further interest in associate	(750,000)	-	(250,000)
Grant receipt	-	-	192,205
Interest received	5,183	4,212	11,603
	<u>(1,164,005)</u>	<u>(551,535)</u>	<u>(998,283)</u>
<b>Net cash used in investing activities</b>			
<b>Cash flows from financing activities</b>			
Proceeds from issue of shares	1,250,000	1,500,000	1,500,000
Payment of share issue costs	(62,945)	(75,000)	(75,000)
	<u>1,187,055</u>	<u>1,425,000</u>	<u>1,425,000</u>
<b>Net cash from financing activities</b>			
<b>(Decrease)/increase in cash and cash equivalents</b>	(359,203)	552,569	(38,234)
Cash and cash equivalents at beginning of period/year	<u>1,470,087</u>	<u>1,508,321</u>	<u>1,508,321</u>
<b>Cash and cash equivalents at end of period/year</b>	<u>1,110,884</u>	<u>2,060,890</u>	<u>1,470,087</u>

**NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM  
FINANCIAL INFORMATION  
For the 6 months ended 30 June 2019**

**1. Nature of Operations**

Beowulf Mining plc (the "Company") is domiciled in England and Wales. The Company's registered office is 201 Temple Chambers, 3-7 Temple Avenue, London, EC4Y 0DT. This consolidated financial information comprises the Company and its subsidiaries (collectively the 'Group' and individually 'Group companies'). The Group is engaged in the acquisition, exploration and evaluation of natural resources assets and has not yet generated revenues.

**2. Basis of preparation**

The condensed consolidated financial information has been prepared on the basis of the recognition and measurement requirements of International Financial Reporting Standards (IFRS) as adopted by the European Union (EU) and implemented in the UK. The accounting policies, methods of computation and presentation used in the preparation of the interim financial information are the same as those used in the Group's audited financial statements for the year ended 31 December 2018.

The impact of IFRS 16, adopted 1 January 2019, has no material effect on the Group at this stage of the Group's operations.

The financial information in this statement does not constitute full statutory accounts within the meaning of Section 434 of the UK Companies Act 2006. The financial information for the quarter ended and six months ended 30 June 2019 is unaudited and has not been reviewed by the auditors. The financial information for the year ended 31 December 2018 has been derived from the Group's audited financial statements for the year. The auditor's report on the statutory financial statements for the year ended 31 December 2018 was unqualified and did not contain any statement under sections 498 (2) or (3) of the Companies Act 2006. The audit report did contain a material uncertainty with respect of going concern, however following additional audit procedures and noting it as key audit matter, it was concluded the going concern basis was appropriate.

The financial statements are presented in GB Pounds Sterling. They are prepared on the historical cost basis or the fair value basis where the fair valuing of relevant assets and liabilities has been applied.

**3. Group and Company loss per share**

Basic loss per share is calculated by dividing the loss attributable to ordinary owners of the parent by the weighted average number of ordinary shares of 576,748,624 (30 June 2018: 542,819,409 and 31 December 2018: 554,716,045) outstanding during the period. There is no difference between the basic and diluted loss per share.

**4. Called up share capital**

	(Unaudited) 30 June 2019 £	(Unaudited) 30 June 2018 £	(Audited) 31 Dec 2018 £
<b>Allotted, issued and fully paid</b>			
Ordinary shares of 1p each	<u>5,886,393</u>	<u>5,663,072</u>	<u>5,663,072</u>

The number of shares in issue was as follows:

	Number of shares
<b>Balance at 1 January 2018</b>	534,207,254
Issued during the period	<u>32,100,000</u>
<b>Balance at 30 June 2018</b>	534,307,254
Issued during the period	<u>-</u>
<b>Balance at 31 December 2018</b>	566,307,254
Issued during the period	<u>22,332,016</u>
<b>Balance at 30 June 2019</b>	<u>588,639,270</u>

## 5. Intangible Assets: Group

Exploration costs	As at 30 June 2019 (Unaudited) £	As at 30 June 2018 (Unaudited) £	As at 31 Dec 2018 (Audited) £
<b>Cost</b>			
At 1 January	8,285,547	8,191,232	8,191,232
Additions for the period	402,829	480,837	782,437
Foreign exchange movements	(314,405)	(456,476)	(116,666)
Impairment	-	-	(571,456)
	<u>8,373,971</u>	<u>8,215,593</u>	<u>8,285,547</u>

The net book value of exploration costs is comprised of expenditure on the following projects:

Project	Country	As at 30 June 2019 (Unaudited) £	As at 30 June 2018 (Unaudited) £	As at 31 Dec 2018 (Audited) £
Kallak	Sweden	6,860,782	6,679,440	7,079,806
Åtvidaberg	Sweden	360,674	275,251	303,565
Ågåsziejegge	Sweden	16,389	12,985	17,121
Sala	Sweden	9,044	2,791	8,444
Haapamäki	Finland	-	236,785	-
Kolari1	Finland	-	156,518	-
Viistola	Finland	-	162,051	-
Pitkäjärvi	Finland	1,027,739	671,430	817,986
Joutsijärvi	Finland	19,981	17,804	25,002
Rääpysjärvi	Finland	32,522	538	19,938
Karhunmäki	Finland	16,557	-	13,685
Merivaara	Finland	4,871	-	-
Polvela	Finland	16,025	-	-
Tammijärvi	Finland	9,387	-	-
		<u>8,373,971</u>	<u>8,215,593</u>	<u>8,285,547</u>

Total Group exploration costs of £8,373,971 are currently carried at cost in the financial statements. During the period, no impairment provision was recognised (30 June 2018: £Nil).

Accounting estimates and judgements are continually evaluated and are based on a number of factors, including expectations of future events that are believed to be reasonable under the circumstances. Management are required to consider whether there are events or changes in circumstances that indicate that the carrying value of this asset may not be recoverable.

The most significant risk currently facing the Group is that it does not receive an Exploitation Concession for Kallak. The Company originally applied for the Exploitation Concession in April 2013 and throughout 2017, and since the year-end, management have actively sought to progress the application, engaging with the various government bodies and other stakeholders. These activities are summarised above.

Kallak is included in the condensed financial statements as at 30 June 2019 as an intangible exploration licence with a carrying value of £6,860,782. Management have considered the status of the application for the Exploitation Concession and in their judgement, they believe it is appropriate to be optimistic about the chances of being awarded the Exploitation Concession and thus have not impaired the project.

## 6. Investment in associate

	<b>Carrying value of Associate</b>
	<b>£</b>
<b>Vardar Minerals Limited</b>	
Balance 1 January 18	-
Initial investment	250,000
Share of loss in associate	<u>(19,880)</u>
<b>Balance 31 December 18</b>	<u>230,120</u>
Share of loss in associate	(5,406)
Share of other comprehensive income	(520)
Additional investment	<u>750,000</u>
<b>Balance 30 June 2019</b>	<u>974,194</u>

## 7. Availability of interim report

A copy of these results will be made available for inspection at the Company's registered office during normal business hours on any weekday. The Company's registered office is at 201 Temple Chambers, 3-7 Temple Avenue, London, EC4Y 0DT. A copy can also be downloaded from the Company's website at [www.beowulfmining.com](http://www.beowulfmining.com). Beowulf Mining plc is registered in England and Wales with registered number 02330496.

\*\* Ends \*\*