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13 February 2020

Beowulf Mining plc

("Beowulf" or the "Company")

Management Update on Kallak

Beowulf (AIM: BEM; Spotlight: BEO), the mineral exploration and development company, provides a management update on its Kallak Iron Ore Project ("Kallak").

The Board met in Stockholm on 12 February 2020 and was updated by the Company's legal advisers. At this time, no decision on legal action against The Government of Sweden (the "Government") has been taken. Media reporting in Sweden last week, following the Company's announcement on 3 February 2020, was incorrect and premature. All options to take legal action remain under active consideration. The Board is satisfied that the Company's application for an Exploitation Concession (the "Concession") for Kallak fully meets the requirements of Swedish mining and environmental legislation.

Kurt Budge, Chief Executive Officer of Beowulf, commented:

"Beowulf is in the business of exploring for and developing mining projects. We are not in the business of fighting legal battles, but if forced to do so, to get just resolution, then we will act accordingly.

"Sweden's reputation as a low risk mining jurisdiction is being damaged. Investor confidence can only be restored if the Government honours the investments and work done by companies applying for licences and concessions, in accordance with the laws of the Country.

"If there is one thing that the coalition partners in Government appear to agree on when it comes to mining applications, it is that Swedish law should determine whether an application is successful or not. The Government needs to decide on Kallak. Politics and emotion have no place in such a decision, if Sweden's laws are to be 'worth the paper they are written on'.

"A response to the letter I sent on 19 December 2019 to Minister Ibrahim Baylan arrived several hours after the Company's announcement last week. The State Secretary wrote that the "decision regarding the application is currently in preparation and I am afraid that we are not able to comment on when a decision is expected to be taken".

"How can any mining company consider Sweden a low risk jurisdiction for investment, when looking at the Kallak process? Beowulf has been allowed to invest SEK 80 million over almost thirteen years and the Government sits on the application since July 2017, offering nothing in terms of transparency and predictability of process and timeline to a decision.

"On Tuesday morning in Stockholm, I participated in a meeting discussing the 'Mining industry and indigenous peoples: regulations, best practice and social innovation', a research project under the strategic innovation programme SIP STRIM (Strategic innovation programme for the Swedish mining and metal producing industry).

"On this subject, the inclusion of Sami in regional development in Sweden, permitting, sustainable mining, supply chain transparency, the Green Economy and the Fossil Free Economy, Beowulf is an active participant and contributor to the debate. We are in Sweden for the long-run, to work in partnership with the communities in which we operate and to make a positive difference in society.

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

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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.