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27 May 2020

Beowulf Mining plc

("Beowulf" or the "Company")

Kallak Drilling Contract Awarded

Beowulf (AIM: BEM; Spotlight: BEO), the mineral exploration and development company, announces the award of a drilling contract for Kallak to Kati Oy.

The work programme, scheduled for Autumn 2020, will determine if a 3D seismic model can be constructed, using the established seismic characteristics of the Kallak deposit, and whether the 3D model can be used to identify additional iron ore mineralisation for the Exploration Target of 90-100 Mt at 22-30 per cent iron ("Fe") at Kallak.

The first Exploration Licence for Kallak was awarded by Bergsstaten (the "Mining Inspectorate") in 2006. A Mineral Resource Estimate ("MRE") for Kallak North and South was finalised on 28 November 2014. Following the guidelines of the JORC Code, 2012 edition, an Indicated Resource of 118.5 Mt at 27.5 per cent Fe and Inferred Resource of 33.8 Mt at 26.2 per cent Fe was defined.

Kallak was first discovered by the Geological Survey of Sweden ("SGU") in the 1940s and was designated an Area of National Interest ("ANI") by the SGU in 2013. The SGU's latest research on Kallak was published in May 2020, with the headline 'New light on the iron ore at Kallak'.

Highlights:

- Beowulf has awarded a drilling contract to Kati Oy for up to 1,650 metres diamond drilling, targeting additional potential iron ore mineralisation at Kallak South.
- The work programme will determine if a 3D seismic model can be constructed, using the established seismic characteristics of the Kallak deposit, and whether the 3D model can be used to identify additional iron ore mineralisation for the Exploration Target.
- The work is being undertaken as part of the European Union ("EU") funded PACIFIC Project ("PACIFIC"). The aim of PACIFIC is to develop a new low-cost and environmentally friendly tool for exploring for sub-surface mineral deposits. The programme will test a multi-array method in parallel with drilling at Kallak South, with noise from drilling providing a passive seismic source.
- The magnetic signature of mineralisation at Kallak, extends southwards from Kallak North to Kallak South, and then beyond to Parkijaure. Interpretation of geophysical data suggests the potential for additional iron ore mineralisation, which could add to the Kallak North and Kallak South resource.

- If successful, the set-up could then be applied to the Parkijaure nr 6 Exploration Licence, awarded by the Mining Inspectorate in October 2019, which covers approximately 1,000 hectares and lies immediately to the south of the Kallak deposits.

Kurt Budge, Chief Executive Officer of Beowulf, commented:

“The SGU’s latest study, published under the headline ‘New light on the iron ore at Kallak’, is a timely reminder of Kallak’s importance to Sweden’s iron ore resource inventory. Its publication preceded, by a matter of days, an earthquake at LKAB’s underground mine at Kiruna, which thankfully spared lives, but disrupted production.

“The SGU, as a Government Office, acts as the central authority for geology and mineral issues in Sweden, one of its most important tasks is to meet society’s demand for geological information.

“Despite Kallak being discovered by the SGU in the 1940s, when it comes to modern exploration, the Mining Inspectorate, a separate decision-making body within SGU, awarded the first Exploration Licence to the Company in 2006.

“This permitted the Company to invest, and, from 2010-2014, drill 27,895 metres, 131 drillholes. The Company applied for an Exploitation Concession in April 2013 and announced a Mineral Resource Estimate in November 2014. In October 2015, the Mining Inspectorate recommended to the Government that an Exploitation Concession be granted.

“Beowulf believes in the greater iron ore potential at Kallak South and Parkijaure and it is exciting to be looking forwards to an Autumn drill programme, the results of which we hope will optimize further drilling campaigns thereafter.

“I look forward to providing further updates.”

About Kallak

The Kallak iron ore deposit is located approximately 40 kilometres (“km”) west of Jokkmokk in the County of Norrbotten, Northern Sweden, 80 km southwest of the major iron ore mining centre of Malmberget, and approximately 120 km to the southwest of LKAB’s Kiruna iron ore mine.

The first Exploration Licence for Kallak was awarded by the Mining Inspectorate of Sweden in 2006. A Mineral Resource Estimate for Kallak North and South, based on 27,895 m of drilling conducted between 2010-2014, 131 drillholes, was finalised on 28 November 2014. Following the guidelines of the JORC Code, 2012 edition, an Indicated Resource of 118.5 Mt at 27.5 per cent iron content (“Fe”) and Inferred Resource of 33.8 Mt at 26.2 per cent Fe was defined. In addition, there is an exploration target of 90-100 Mt at 22-30 per cent Fe.

Testwork on Kallak ore has shown that a ‘super’ high grade magnetite concentrate can be produced, yielding over 71 per cent iron content, with low levels of deleterious elements, including phosphorous and sulphur, lending itself to pelletisation and consumption in Direct Reduction Iron (“DRI”) facilities in Europe and the Middle East, and attracting a potential price premium.

In April 2013, the Company applied for an Exploitation Concession for Kallak North (the “Concession”) and in October 2015, the Mining Inspectorate recommended to the Swedish Government that the Concession be awarded. The Company is still waiting on the Swedish Government to take a decision.

About PACIFIC

Beowulf is a partner in the European Union (“EU”) funded PACIFIC Project (“PACIFIC”), launched in June 2018. The project has received €3.2 million from the EU's Horizon 2020 research and

innovation programme and has a 36-month programme of activities being coordinated by Université Grenoble Alpes.

The aim of PACIFIC is to develop a new low-cost and environmentally friendly tool for exploring for sub-surface mineral deposits. The PACIFIC consortium is conducting fundamental and applied research to develop two radically new and complementary mineral exploration techniques, both based on passive seismic imagery.

Kallak, including Kallak North, Kallak South and the Parkijaure licence, has been chosen as one of two PACIFIC test sites.

In September 2019, Phase 1 work was carried out at Kallak, which included testing the multi-array method, using an array of receivers at surface, over the known magnetite ore at Kallak South to provide background data, the seismic properties for the iron ore and to correlate findings with the geological model for Kallak.

In Autumn 2020, Phase 2 work will commence testing the multi-array method in parallel with drilling at Kallak South, with noise from drilling providing a passive seismic source. Testwork will determine if a 3D seismic model can be constructed, using the established seismic characteristics of the Kallak deposit, and whether the 3D model can be used to identify previously undiscovered magnetite mineralisation for the Kallak South Exploration Target areas and for Parkijaure. The Company would then consider further drilling.

About Kati Oy

KATI Oy is a contracting company specialising in ore prospecting and rock construction, with our main field of operation being diamond core drillings and related drill hole measurements. The company has conducted diamond drilling and surveys for over 30 years, from Greenland all the way to the Sahara. The primary focus of Kati's operations is in the Nordic nations and Europe. KATI was founded in Kalajoki, Finland, where its headquarters are still located.

Today KATI Oy employs over a hundred people and drills in excess of 100,000 metres of rock core samples per annum. The company's clientele comprises mining industry organisations in addition to rock construction companies. The company states that "the same principles internalised at the outset are still nurtured today: we want to be highly effective, improve our ways of working, develop our drill rigs, and perform tasks with respect for nature. And of course to gain customer trust again and again, at every site we work on."

In 2004 the company had its environmental system certified according to the ISO 14001 standard, the first company in the industry to be awarded such in the Nordic region.

Competent Person Review

The information in this announcement has been reviewed by Mr. Rasmus Blomqvist, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy. Mr. Rasmus Blomqvist has sufficient experience, that is relevant to the style of mineralisation and type of deposit taken into consideration, and to the activity being undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code of Reporting of Exploration Results, Mineral Resources and Ore Reserves".

Mr. Rasmus Blomqvist is a full-time employee of Oy Fennoscandian Resources AB, a 100 per cent owned subsidiary of Beowulf.

Mr Blomqvist consents to the inclusion in the announcement of the information presented in the form and context in which it appears.

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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.