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**1 December 2020**

## **Beowulf Mining plc**

("Beowulf" or the "Company")

### **Geophysical Anomaly Identified at Wolf Mountain East Provides More Drill Targets**

Beowulf (AIM: BEM; Spotlight: BEO), the mineral exploration and development company, is pleased to announce results from additional Induced Polarisation ("IP") and resistivity surveys ("DC") undertaken by Vardar Minerals ("Vardar") over the Wolf Mountain lead-zinc prospect, which forms part of the Mitrovica Project, situated in northern Kosovo.

#### **Highlights**

- An exceptional high chargeability anomaly identified to the east of the main Wolf Mountain prospect, correlating with anomalous soil samples (up to 1.0 per cent zinc ("Zn") and 0.5 per cent lead ("Pb")) and rock samples from gossans (including 3.5 per cent Zn, 1.8 per cent Pb, 93 grammes per tonne ("g/t") silver ("Ag"));
- The chargeable source follows a prominent northwest trending structure which connects to the Zijaca deposit (non-JORC compliant 5.2 million tonnes ("Mt") containing 2.83 per cent Zn, 2.83 per cent Pb and 16 g/t Ag) located just two kilometres ("km") to the southeast and it remains open ended to the northwest;
- Results to date suggest that the Wolf Mountain prospect consists of several structurally controlled targets, often occurring along geological contacts in the basement rocks and covering a larger area than previously considered; and
- As of 27 November 2020, IP-DC completed at the East and South blocks, further IP-DC to infill between the main prospect, and data are being analysed to generate a contiguous picture for Wolf Mountain.

Plan showing IP depth sections at 150 metres on lithostructural interpretation from drone magnetics with soil and rock sample anomalies can be found at the following link:

<https://beowulfmining.com/wp-content/uploads/2020/11/Wolf-Mt-East-and-South1.pdf>

3D oblique view, looking northwest with high chargeability isoshells (grey = 30 mV/V, magenta = 55 mV/V), structural interpretation, mapped gossan and completed drill holes, survey outlines on terrain illustrated in purple can be found at the following link:

<https://beowulfmining.com/wp-content/uploads/2020/11/Wolf-Mt-East-and-South2.pdf>

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

*“In addition to the central Wolf Mountain target, RNS dated 23 October 2020, Vardar has now delineated an exceptional chargeability anomaly and further targets for drilling to the east.*

*“At the end of last week, Vardar completed infill IP-DC surveys between the main target, East and South blocks, generating more data which are being analysed to generate a contiguous picture for Wolf Mountain.*

*“With each new set of results from Kosovo, the drill programme for 2021 is being refined; plans will be finalised after the Capital Raising is complete.*

*“I look forward to providing further updates on Vardar’s progress in Kosovo.”*

**Background**

IP and resistivity data were collected in two blocks located east and south of the main Wolf Mountain prospect using a combination of offset pole-dipole lines combined with Iris instrument Fullwavers which were distributed along adjacent lines.

All receiver electrodes were measured for each current injection point in order to create true 3D chargeability and resistivity volumes. Results have been interpreted in combination with available soil and rock sample results, mapping and recently completed high-resolution drone magnetic data.

The Wolf Mountain prospect is located in the central portion of the Mitrovica licence, centred on a small hill which consists of Oligo-Miocene volcanoclastic rocks overlying Jurassic ultramafic basement.

Drill-tested lead-zinc-silver mineralisation is associated with relatively flat-lying hydrothermal breccias which have developed over an extensive area under the volcanoclastic-basement contact.

Several mineralised gossans and soil sampling anomalies have been mapped to the east of the main prospect. A long structurally controlled mineralised gossan extends for more than 3km to the south.

Earlier 3D IP-DC surveys over the main prospect identified prominent chargeability anomalies possibly related to high-grade feeder structures. These results highlighted the potential for further structurally controlled mineralisation in the basement rocks to the east and south of the main prospect.

**Wolf Mountain East Survey**

- The area to the east of the main prospect is notable for anomalous rock-sample and soil sampling results (Zn, Pb and copper (“Cu”)) along with several NW trending gossans which have been delineated during previous mapping campaigns.
- The recently completed 3D IP-DC survey has identified a prominent 700 metre long, NW-SE trending, SE-plunging, exceptional high chargeability anomaly which remains open-ended.
- The anomaly is clearly associated with a prominent NW trending structure which provides a tectonic contact between metabasite and mixed ophiolite basement units extending SE to the Zijaca deposit which is located 2km along structure.

- Soil sampling completed in 2019 identified significant Zn (up to 1.0 per cent) and Pb (up to 0.5 per cent) anomalies along with elevated Cu located directly above the chargeable source.
- Rock sampling of gossans above the chargeable source have returned consistently anomalous results, including 3.5 per cent Zn, 1.8 per cent Pb and 93 g/t Ag.

### **Wolf Mountain South Survey**

- The area south of the main prospect is notable for the extensive (3km) NNE trending mineralised gossans which broadly follow basement structure.
- A small 3D IP-DC survey was undertaken over an area previously drilled in 2019 to further understand the distribution of mineralisation below gossans which returned marginal results.
- Results identified offset weak to moderate, structurally controlled chargeability sources.
- Notably no IP anomalies were associated with the drill tested areas.

### **Wolf Mountain - RNS dated 23 October 2020 – Geophysics Results Define High Priority Drill Targets**

[https://polaris.brighterir.com/public/beowulf\\_mining\\_plc/news/rns/story/xo3949x](https://polaris.brighterir.com/public/beowulf_mining_plc/news/rns/story/xo3949x)

#### **Highlights**

- Highly anomalous IP chargeability zones, considered high priority targets for drill testing, have been defined beneath areas of laterally extensive Pb-Zn gossans and hydrothermal alteration.
- The IP anomalies are located below, often straddling, the contact between younger Oligo-Miocene ("O-M") volcanoclastic rocks and ultramafic ("UM") basement, in agreement with mapped and drill tested mineralisation, adding further support for a source of the observed mineralisation.
- Importantly, anomalies follow established regional structural trends suggesting they may be representative of high-grade Pb-Zn-Ag feeder structures, often a characteristic of the deposit type.
- Resistivity results correlate very well with geological mapping, drilling and trenching, delineating the lateral and vertical extent of the low resistivity volcanoclastic units over the higher resistivity UM basement.

Wolf Mountain IP-DC Summary Slide:

<https://beowulfmining.com/wp-content/uploads/2020/10/Wolf-Mountain-IPDC-summary.pdf>

### **References:**

Stan Terg - Strmić Palinkaš S, Palinkaš LA, Renac C, Spangenberg JE, Lüders V, Molnar F, Maliqi G (2013) Metallogenic model of the Trepča Pb-Zn-Ag skarn deposit, Kosovo: evidence from fluid inclusions, rare earth elements, and stable isotope data. *Economic Geology* 108:135-162... "With current reserves of 29 Mt of ore at 3.45 per cent Pb, 2.30 per cent Zn, and 80 g/t Ag (ITT/UNMIK 2001 report), together with the past production of approximately 34 Mt of ore, the deposit represents an important source of metals in the southeastern part of Europe."

Crnac - Resource estimate from the Mineral Deposits of Serbia - Ore deposit database... "In 1981, the Crnac mine produced 60,000 tonnes at 7 per cent Pb and 2 per cent Zn, by sub-level open stoping. Output should reach 150,000 tonnes/year by 1983. ITT/UNMIK Mission (12/2000): Past production (1967-2000): 2,060,000 tonnes at 4.3 per cent Pb, 2.2 per cent Zn and 53 g/t Ag. Resources: 1,415,000t at 8.1 per cent Pb, 3.2 per cent Zn and 120 g/t Ag."

Zijaca (or Zijaçe or Zijača) - 1999 PhD thesis in Albanian translated as "Geological and Structural Setting in the Trepča Region".

## **Glossary:**

**Gossan** - Gossan is intensely oxidised, weathered or decomposed rock, usually the upper and exposed part of an ore deposit or mineral vein.

**Hydrothermal Alteration** - also referred to as wallrock alteration, is a general term that encompasses many processes by which rock-forming minerals are altered due to reactions accompanying the flow of heated aqueous fluids along fractures and grain boundaries.

**Induced Polarisation (IP)** - Variations in chargeability can be diagnostic, for example, when aiming to characterise a mineral deposit, where the chargeability of the mineralised zone is often higher than the host rock. Often an Induced Polarisation (IP) experiment is performed with the Direct Current Resistivity (DCR) hence they are often called IP-DC survey. Both conductivity and chargeability distribution can be recovered from an IP-DC survey.

## **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.

## **About Beowulf Mining plc**

Beowulf's strategy is to build a sustainable and innovative mining company, which creates shareholder value by developing mining assets, delivering production and generating cash flow, and in so doing meets society's ongoing need for metals.

Beowulf is developing a high-quality asset base, which is diversified by geography and commodity, enabling it to simultaneously advance several projects up the mining value curve and create shareholder value.

Additionally, the Board of Directors continues to look beyond the Company for value creation opportunities.

The Company's first priority remains the award of the Exploitation Concession for Kallak North, and thereafter completing the Scoping Study. The introduction of a strategic partner/investor who understands the value of Kallak as a high-quality asset, which could be in production within four to five years, is an ongoing consideration, but does not preclude the Company from continuing to add value to Kallak in the meantime.

Fennoscandian Resources ("Fennoscandian"), the Company's graphite business, is pursuing a strategy to develop a resource/production base of natural flake graphite that can provide 'security of supply' and enable Finland to achieve its ambition of self-sufficiency in battery manufacturing. The Company is a recipient of Business Finland funding, which is supporting Fennoscandian to move downstream, and develop its knowledge in processing and manufacturing value-added graphite products.

The Company owns 46.1 per cent of Vardar, a UK registered exploration company with a focus on the metal endowed Balkan region. Vardar holds exploration licences for the Mitrovica and Viti projects in Kosovo. 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.

## **Enquiries:**

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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.