



The information contained within this announcement is deemed to constitute inside information as stipulated under the Market Abuse Regulation ("MAR") (EU) No. 596/2014, as incorporated into UK law by the European Union (Withdrawal) Act 2018. Upon the publication of this announcement, this inside information is now considered to be in the public domain.

11 January 2022

Beowulf Mining plc

("Beowulf" or the "Company")

MoU Signed for Locating Anode Materials Production in the GigaVaasa Area

Beowulf (AIM: BEM; Spotlight: BEO), the mineral exploration and development company, is pleased to announce that its wholly owned Finnish subsidiary Grafintec Oy ("Grafintec") and Epsilon Advanced Materials Private Limited ("Epsilon Advanced Materials"), have signed a Memorandum of Understanding ("MoU") with the City of Vaasa for the establishment of an anode materials production facility to be located in the GigaVaasa area, Plot 18, situated in proximity to Freyr Battery's proposed battery cell development.

The MoU follows the announcement, on 6 December 2021, of the signing of a Joint Venture ("JV") Heads of Terms by Grafintec and Epsilon Advanced Materials and their intention to build a production facility in two phases, Phase 1 "GVA10" with a production capacity of 10,000 tonnes per annum ("TPA") and Phase 2 which will add 40,000 TPA, taking overall plant capacity to 50,000 TPA of anode material, GVA50. The proposed plant will supply battery/cell manufacturing companies in Europe, complementing Epsilon Advanced Materials' growing anode materials business in India.

The MoU gives the JV partners 6 months exclusivity to Plot 18, with an option to extend by a further 6 months, to develop GVA10, conduct technical and environmental studies, and initiate permitting discussions with Finnish authorities.

GigaVaasa Background

The GigaVaasa industrial area is dedicated to battery value chain manufacturing and offers accessible green energy system options. This industrial zone is well placed logistically, with good rail and road connections and a short distance to the harbour, enabling sustainable transport solutions. Also, the airport is on its doorstep.

More than 160 energy technology companies are located in the Vaasa region, enabling excellent cooperation opportunities. Close collaboration between the EnergyVaasa Energy Technology Cluster and local higher education institutions will ensure enough skilled labour to meet the sector's needs.

Grafintec – Epsilon Advanced Materials Joint Venture

Under the JV, Grafintec (which will own 49% of the JV) and Epsilon Advanced Materials (which will own 51% of the JV) will work together on building GVA10 with the ambition of creating a sustainable value chain in anode materials production, leveraging renewable power, targeting net zero CO₂ across the supply chain, benefiting from the significant support of Business Finland and collaboration within the Finnish Battery Cluster.

Kurt Budge, Chief Executive Officer of Beowulf, commented:

"Following my September visit to India and discussions with Epsilon, it was clear that an anode materials production facility was the missing piece in the jigsaw at GigaVaasa."

"I was enthused by the warm and collaborative welcome I received when visiting the City of Vaasa in mid-October, and I am pleased that we have taken a significant step forward to complete the battery value chain at the GigaVaasa area. I am very excited to start 2022 with this announcement.

"We have some busy months ahead."

Vikram Handa, Managing Director of Epsilon Advance Materials Private Limited, commented:

"The signing of the MoU with the City of Vaasa is a significant step forward in bringing our technology and knowhow of producing high quality anode materials for the Lithium-Ion Battery industry to Europe.

"We believe that a production facility situated in the emerging battery cluster in the GigaVaasa area will enable us to provide our customers in Europe with high quality and sustainable products, enhanced service levels, and give us a competitive cost structure."

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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.

About Beowulf Mining plc

Beowulf Mining plc ("Beowulf" or the "Company") is an exploration and development company, listed on the AIM market of the London Stock Exchange and the Spotlight Exchange in Sweden.

Beowulf's purpose to be a responsible and innovative company that creates value for our shareholders, wider society and the environment, through sustainably producing critical raw materials, which includes iron ore, graphite and base metals, needed for the transition to a Green Economy and to address the Climate Emergency.

The Company's asset portfolio is diversified by commodity, geography and the development stage of its various projects.

The Company's most advanced project is the Kallak iron ore asset in northern Sweden from which testwork has produced a 'market leading' concentrate of 71.5% iron content. Across the Company's exploration licences, 389 million tonnes of iron ore mineralisation has been estimated, which represents a potential source of supply for fossil-free steel production in Norrbotten for decades to come.

Grafintec, a wholly-owned subsidiary, through its partnership with Epsilon Advance Materials Limited ("Epsilon Advanced Materials") is enhancing its position within the Finnish battery ecosystem, collaborating with a strong and innovative technology/processing partner, with plans to build an anode materials production facility within GigaVaasa, Finland, to supply the growing lithium-ion battery sector in Europe.

In Kosovo, the Company owns approximately 49.4% of Vardar Minerals ("Vardar"), which is focused on exploration in the Tethyan Belt, a major orogenic metallogenic province for gold and base metals. Vardar is delivering exciting results for its Mitrovica licence which has several exploration targets, including lead, zinc, copper and gold. It also has the Viti licence which is showing potential for copper-gold porphyry mineralisation. With Beowulf's support, Vardar is focused on making a discovery.

Kallak is the foundation asset of the Company, but with Vardar and Grafintec, the Company has many opportunities to grow, each business area displaying strong prospects.

About Epsilon Advance Materials Private Limited

Epsilon Advanced Materials is a subsidiary of Epsilon Carbon Private Limited ("Epsilon Carbon Group"). Established in 2010, Epsilon Carbon Group is one of India's leading manufacturer of carbon based products and India's only backward-integrated company with a dedicated source of raw materials. Epsilon Carbon supplies a wide range of products and performance solutions to some of the largest customers in industries as diverse as aluminium, carbon black, tires, mechanical rubber goods, graphite, specialty and construction chemicals, dyes and pigments, amongst others. .

Epsilon Advanced Materials was established in 2018 to mark its entry into Lithium-Ion Battery space. Its vision is to develop and manufacture innovative, high performance, high quality and sustainable carbon products for anode components of lithium-ion Batteries. Currently the Company has a commercial capacity of 2,500 tonnes per annum ("TPA") for anode precursor material and a pilot facility for coke powder and graphite anodes. It will expand the natural graphite flake processing capacity to 25,000 TPA by 2027. GVA10 will be an addition to the Company's existing business.

About Vaasa

The Nordic Energy Capital Vaasa is a unique combination of modern internationalism, young enthusiasm, innovative know-how as well as peace and tranquillity of the sea and the unique nature. In Vaasa, energy is a positive force that is not only visible in business, but also in people's everyday lives and the development of the city. Technologies are being developed in the Vaasa region for a cleaner, more sustainable and more energy efficient world. The region's industry produces more than 30 per cent of Finland's energy technology exports, a significant part of which is renewable energy technologies. The largest energy cluster in the Nordics is located in the Vaasa region. Our work is about new energy technologies, and our passion is to save the world.