



**22 January 2024**

**Beowulf Mining plc**

("Beowulf" or the "Company")

**Update on the Kallak Iron Ore Project**

Beowulf (AIM: BEM; Spotlight: BEO), and its wholly owned Swedish subsidiary Jokkmokk Iron Mines AB ("Jokkmokk Iron"), are pleased to provide an update to the ongoing Supreme Administrative Court (the "Court") appeal process relating to the Kallak Iron Ore Project ("Kallak") and to acknowledge the statements presented to the Court by the Government endorsing their original decision to award the Exploitation Concession for Kallak. The Court process is an appeal against the Government's decision to award an Exploitation Concession for Kallak and neither Beowulf, nor its wholly owned subsidiary Jokkmokk Iron Mines AB, are parties to this legal action.

**Government Statement**

On 18 January 2024 the Government made a formal and comprehensive statement to the Court, endorsing the original decision to award the Exploitation Concession and further emphasising its support for the project stating that the Kallak Project is of national interest:

*"It has been argued in the case that the Government incorrectly assessed the deposit as being of national interest under Chapter 3 Section 7 of the Environmental Code. In this regard, the Government can state the following. The deposit is classified as Sweden's largest known undeveloped deposit of so-called quartz-banded iron ore. At present there are only a few known deposits of iron ore left in Sweden that can be classified as economically exploitable. Sweden is today a large and important mining nation, and the Swedish mining and mineral industry is of great importance to Sweden nationally, in the regional and local perspective and beyond Sweden's borders. While Sweden produces 93 per cent of all iron ore in the EU, the EU is still 70 per cent dependent on imports of iron and steel. Iron ore and steel are also needed for the green transition. At the same time, recent developments and Russia's full-scale invasion of Ukraine have affected the supply chains for the metal, as both Russia and Ukraine are major producers of iron ore and also of refined products. From a total defence perspective, it is important that Sweden has commercial goods and iron of the kind found in Kallak. Against this background, the Government considers, in accordance with the assessment made in the Government Decision, that the area containing the deposit in Kallak is of national interest."*

**Chronology of Events**

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|------------------|--|
| 25 April 2013    | Application for Exploitation Concession submitted  |
| 24 April 2014    | Updated application for Exploitation Concession submitted  |
| 13 February 2015 | The Mining Inspectorate of Sweden referred the decision regarding the Exploitation Concession for Kallak North to the Swedish Government |
| 2015 to 2022     | Application reviewed by different Government agencies and UNESCO   |
| 22 March 2022    | Exploitation Concession granted  |

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|------------------------|--|
| Spring of 2022         | Applications sent to the Court for a legal review of the Government's decision                               |
| 26 January 2023        | The Court set a date of 19 and 20 September 2023 for an oral hearing   |
| 19 & 20 September 2023 | Oral hearing held in Stockholm   |
| 25 September 2023      | Further submission sent to the Court by the applicants and the Court requests a response from the Government |
| 18 January 2024        | Government provides response endorsing original decision to award the Exploitation Concession                |

## Detail

In April 2013 an initial application for the Exploitation Concession covering the northern portion of the Kallak Project, Kallak North was submitted. Following a request from the County Administrative Board of Norrbotten ("CAB") in November 2013 for further information and clarification on certain aspects of the Environmental Impact Assessment ("EIA") component of the original application, an updated application was submitted in April 2014. In February 2015, the Mining Inspectorate of Sweden referred the decision regarding the Exploitation Concession for Kallak North to the Swedish Government. Between 2015 and 2022, the application was reviewed by different Government agencies and UNESCO but without any final decision being made.

On 22 March 2022, the Exploitation Concession was granted according to the Swedish Minerals Act (1991:45) with Government Decision N2017/04553. The Exploitation Concession provides the Company with exclusive mining rights in the defined areas for a period of 25 years. The Exploitation Concession does not confer the right to operate, and three additional primary permits are required before the approval to operate can be granted:

1. Environmental Permit (Swedish: Miljötillstånd). This will be applied for following completion of a detailed Environmental Impact Assessment ("EIA") and associated stakeholder engagement process.
2. Land Designation Permit (Swedish: Markanvisning) will be required to define the industrial area associated with the mining operation (such as tailings, waste rock, processing plant) and also involves stakeholder engagement.
3. Building Permit (Swedish: Byggnadstillstånd) will be required prior to construction.

The Exploitation Concession was granted with twelve special conditions. In summary, these conditions are:

1. In addition to what is stated in this decision, the company shall, in terms of precautions, protective measures and compensatory measures, use the land in accordance with what has been stated in the application with appendices and supplements and what the company has otherwise undertaken in this matter.
2. Construction works resulting from the use of the concession shall take place during periods when the least possible negative impact occurs on the ongoing reindeer herding in the surrounding areas.
3. The concession area shall use as little land as possible. As far as possible, impacts on reindeer migration routes shall be avoided. When using the concession, the company must also ensure that the least possible negative impact occurs when the migration routes and grazing areas adjacent to the concession area are used.
4. When using the concession, Jåhkågasska tjiellde Sami village's additional costs due to the impact on reindeer migration routes and reindeer grazing shall be compensated. The determination of compensation and the adjudication of any disputes regarding compensation comply with the provisions of the Minerals Act.
5. If Jåhkågasska tjiellde Sami village, despite measures to enable the prevailing reindeer migration, needs truck transport of its reindeer past the concession area, the company shall pay for such transport
6. The company shall establish protective fences, protective embankments or other facilities to minimize the risk of accidents with reindeer within the concession area. The facilities shall be designed to allow safe crossings for reindeer through or past the concession area.

7. The company shall annually monitor the consequences for reindeer husbandry of the use of the concession and report it to the mining master, the Sami Parliament and the County Administrative Board of Norrbotten County.
8. The company shall continuously consult with Jåhkågasska tjiellde, Sirges and Tuorpon Sami communities in order to clarify the need for measures and resources to meet conditions 1-7 and otherwise to counteract disturbances to reindeer husbandry. The consultation shall be carried out with the aim of reaching consensus with the Sami communities and documented. The company shall annually report completed consultations to the Sámi Parliament, the County Administrative Board of Norrbotten and the mining master. After the consultation, the mining master shall decide whether there is a need for changes to the conditions in accordance with Chapter 6. Section 4 of the Minerals Act.
9. When using the concession, the company shall conduct a dialogue with the Swedish National Heritage Board and the Swedish Environmental Protection Agency in order to ensure that the necessary consideration is given to Laponia's status as a World Heritage Site.
10. The company shall, after completion of operations, ensure that the concession area is restored so that the land can again be used for reindeer husbandry. A plan for remediation must be drawn up in consultation with the affected Sami communities at an early stage of mining operations and updated continuously.
11. The company shall provide the mining master with a financial security of SEK 1,000,000. The security must be provided no later than when notification of commencement of mining operations in accordance with Section 57 of the Minerals Ordinance (1992:285) takes place.
12. In the event that the applicant intends to use the concession to apply for a permit under the Environmental Code for mining activities within the concession area, such application shall include an In-Depth Impact Assessment conducted in accordance with the principles of the IUCN World Heritage Advice Note on Environmental Assessment, which has previously been submitted to the World Heritage Centre of the United Nations Educational, Scientific Organization and culture.

Since the granting of the Exploitation Concession, the Company has complied with these conditions.

An application was subsequently filed with the Supreme Administrative Court by two Sami villages, Jåhkågasska tjiellde and Sirges, and Naturskyddsföreningen, the associations for the protection of the environment, at municipality, county and country level, for a judicial review of the Government's awarding of the Exploitation Concession. They argued that the Government did not have the right to make the decision in question, with reference to the fact that it would be contrary to legal rules in support of nature conservation and the national interest of reindeer husbandry. They argued that the government's decision has no legal basis and that the Court should therefore declare the decision invalid. On the 26 January 2023, the Court set a date of 19 and 20 September 2023 for an oral hearing.

Following the oral hearing the applicant filed a further submission to the Court to which the Court invited the Government to respond. The submission primarily related to environmental impacts, a number of which are subject to the ongoing environmental baseline studies and will form part of the Environmental Impact Assessment and subsequent Environmental Permit application.

On 18 January 2024 the Government formally responded to the submission. In a comprehensive response the Government endorsed the original decision to award the Exploitation Concession. The Government further emphasised their support for the project stating that the Kallak Project is of national interest.

The Company understands that the Court will consider the Government's submission alongside that of the applicant and is expected to reach a decision during the first half of 2024. Further updates will be provided as appropriate.

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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.