



**5 February 2016**

**Beowulf Mining plc**  
("Beowulf" or the "Company")

**Open Letter to the Chairmen of Jåhkågasska and Sirges Sami Villages**

Beowulf (AIM: BEM; Aktietorget: BEO), the mineral exploration and development Company focused on the Kallak magnetite iron ore project in northern Sweden and its graphite portfolio in Finland, provides an Open Letter to the Chairmen of Jåhkågasska and Sirges Sami Villages ("Sami Villages"), which are situated in the vicinity of the Kallak project.

The Chairmen of the Sami Villages have asked Beowulf several questions relating to the Company progressing its application for an Exploitation Concession at Kallak; their questions were included in an announcement made on 2 February 2016 by the Svenska Samernas Riksförbund, the Swedish Sami National Association.

Beowulf's CEO Kurt Budge answers their questions below:

**Will the Company continue its plans to develop a mining establishment despite the Sami people's wishes?**

The Company has applied for an Exploitation Concession for Kallak North and is awaiting the decision of the Swedish Government on its application.

The Company intends to continue to invest in the Kallak project. It is an outstanding orebody and the Company has shown it can produce market leading iron concentrates.

The Swedish Geological Society ("SGU") has recognised Kallak as an Area of National Interest and the Company's application now has support from the County Administrative Board ("CAB") for the County of Norrbotten, and the recommendation of the Mining Inspectorate of Sweden.

A mine at Kallak will bring jobs and prosperity to Jokkmokk and the region. Jokkmokk Kommun's own study in 2015 showed that a mine would create jobs, tax revenues and reduce population decline.

Beowulf wants to involve all local stakeholders in the development of new ideas and the planning of a mine at Kallak. The Company wants to cooperate with all concerned. In October 2014, after hearing of the CAB's concerns about a specific transport route, the route was eliminated from the development plan for Kallak.

As Beowulf CEO, I have contacted the Chairmen of the Sami Villages, Jan Erik Länta and Jakob Nygård, with the hope of being able to meet them in person, to hear their concerns and objections and to learn more about their reindeer herding business.

**How does the Company view its moral and ethical responsibility to the indigenous Sami people?**

The Company takes its responsibilities seriously: showing respect for all its stakeholders and listening to their concerns. The Company has a clear ambition to work with local interests in the development of Kallak. We want to become a local partner.

Since my appointment in October 2014, I have made regular trips to Jokkmokk to form a good understanding of what the opportunities and concerns are. I have had meetings with the Municipality of Jokkmokk, as well as other stakeholders who have shown interest in the Kallak project, and as mentioned, I have tried to meet with the Chairmen of the Sami Villages in person.

I have considerable experience in the development, operation, closure, restoration and rehabilitation of mines, and projects that have won awards for high standards of rehabilitation. The only way to do this well, is in close cooperation with the local community: to listen, learn, and take all concerns seriously. Beowulf's stated ambition is to plan, build and operate a modern and sustainable mine at Kallak. A mining operation that has the minimum possible impact on the environment.

Sweden has a long tradition in mining and there is tremendous innovation and research taking place across all aspects of the mining industry. It is a great opportunity for the Company as much of this research is being championed by Luleå Technical University, situated on our own doorstep. This is very exciting and something the Company wants to be a part of.

**Is the Company's management transparent towards its shareholders regarding its relationship with the Sami people?**

Beowulf is transparent with its shareholders and its stakeholders.

The Company looks forward to a continued dialogue with all concerned and hopes that the Chairmen of the Sami Villages have the opportunity to meet with me soon. Mining and reindeer husbandry has historically been able to co-exist in Sweden, and I believe that this is possible with a mine at Kallak.

I would like a meeting with the Chairmen of the Sami Villages to make a proper introduction, and to explain the approach that the Company is taking with regards to the development of Kallak, and share ideas and plans for the future.

**Are the shareholders aware that environmental permitting will probably take several years?**

Both management and shareholders are aware that the development of a mine at Kallak is a long process. The Company believes in Kallak and has a long-term commitment to Jokkmokk and the region. More than 41 percent of shareholders in Beowulf today are from Sweden.

I have stated that we want to have good cooperation with all those concerned in the community. I am convinced that a sustainable mining operation at Kallak, without negative effects on reindeer herding in the area, is both possible and beneficial to all.

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

*"We respect all our stakeholders in the communities in and around Kallak, and it is my desire to work with the reindeer herders and the Sami Villages. That is the way I have worked in my career, in cooperation with the communities living around the mines that I have managed, building strong relationships founded on trust."*

*"Our approach is to develop Kallak in a responsible manner and to become a local partner. Throughout 2015, I listened to and engaged with the community in Jokkmokk, and I hope that a first meeting with the Chairmen of the Sami Villages can be organised in the near future. I would like to find ways in which we can work together."*

*"Beowulf is ready to continue its investment in Kallak. A company willing to invest and offer potential job creation must surely be viewed as good for Jokkmokk."*

**Enquiries:**

**Beowulf Mining plc**

Kurt Budge, Chief Executive Officer

Tel: +44 (0) 20 3771 6993

**Cantor Fitzgerald Europe**

(Nominated Advisor & Joint Broker)

Stewart Dickson / Jeremy Stephenson / Phil Davies  
/ Carrie Drummond

Tel: +44 (0) 20 7894 7000

**Beaufort Securities Limited**

(Joint Broker)

Jon Belliss

Tel: +44 (0) 20 7382 8300

**Blytheweigh**

Tim Blythe / Megan Ray

Tel: +44 (0) 20 7138 3204