



## **Update re Kallak Iron Ore Project August 2012**

### ***Assay results received for first nine holes at Kallak North with significant iron grades encountered***

#### **Highlights:**

- **4,314m drilled to date covering 16 holes in the 2012 Kallak North drill programme**
- **Promising assays received for the first nine holes with results pending for a further seven holes**
- **Significant high grades of iron mineralisation, of up to 54.6% iron, encountered at depth and at the southern extension of the Kallak North deposit**

Beowulf (AIM: BEM; Aktietorget: BEO), the AIM and Aktietorget traded mineral exploration company which owns several exploration projects in Sweden, is pleased to provide an update and initial assay results for the ongoing fully funded drilling programme on the Kallak North deposit of its wholly owned Kallak iron ore project located within the municipality of Jokkmokk in northern Sweden.

#### **Clive Sinclair-Poulton, Executive Chairman of Beowulf, commented:**

*"The initial assay results from our ongoing drill programme at Kallak North are most encouraging and include the highest average grade of iron mineralisation ever recorded for a section of analysed drill core from the Kallak North deposit to date.*

*We continue to make swift progress on site, utilising two rigs, and look forward to announcing the next set of results in due course."*

The planned ongoing 2012 drill programme at Kallak North comprises, in aggregate, approximately 7,000m of drilling to be completed in two parts. Drilling is being conducted on site by the contractor, Dala Prospektering AB, utilising the "Big Bertha" and "Agnetha" rigs. The drilling programme is primarily aimed at determining the length and depth of the central and southern extension of the Kallak North deposit, as well as seeking to define more precisely the deposit's eastern and western limits. Part 1 of the programme, completed in July 2012, comprised approximately 1,572m drilled as extensions to deepen the Company's pre-existing inclined holes.

Following approval from the County Administrative Board of Norrbotten, Jokkmokk Iron Mines AB, the Company's wholly owned Swedish subsidiary, commenced part 2 of the drill programme in July



and continues to make good progress. Part 2 of the programme is currently intended to comprise approximately 5,400m of drilling using the same two aforementioned rigs.

To date, 8 holes have been completed on part 2 of the programme comprising 2,742m of drilling and, in aggregate, 16 holes have been completed comprising 4,314m of drilling for the programme as a whole.

### **Assay results**

Assay results have now been received for all eight holes completed on part 1 of the programme and for the first hole (KAL 12 016) completed on part 2 of the programme. Assays are pending for a further seven holes with results currently expected to be received in late September.

Details of the assay results received to date are set out in the table below:

Hole No.	Total hole length (m)	Additional drilling in 2012	Section analysed (m)			Assays results Fe %
			from	to	Total	
<b>KAL 10 001C*</b>	<b>454.65</b>	137.35	<b>317.20</b>	<b>399.40</b>	<b>82.20</b>	<b>40.0</b>
<i>includes</i>			<i>360.60</i>	<i>364.40</i>	<i>3.80</i>	<i>54.6</i>
<i>total hole</i>			<i>86.25</i>	<i>399.40</i>	<i>313.15</i>	<i>31.3</i>
<b>KAL 10 010C*</b>	<b>445.95</b>	133.15	<b>312.80</b>	<b>366.20</b>	<b>53.40</b>	<b>30.0</b>
<i>total hole</i>			<i>86.35</i>	<i>366.20</i>	<i>279.85</i>	<i>28.7</i>
<b>KAL 10 011**</b>	<b>433.50</b>	433.50	<b>134.40</b>	<b>274.70</b>	<b>140.30</b>	<b>28.6</b>
<i>includes</i>			<i>256.40</i>	<i>269.30</i>	<i>12.90</i>	<i>38.0</i>
<b>KAL 10 016B*</b>	<b>235.80</b>	48.60	<b>8.90</b>	<b>139.80</b>	<b>130.90</b>	<b>33.7</b>
<i>includes</i>			<i>46.00</i>	<i>118.00</i>	<i>72.00</i>	<i>37.9</i>
<b>KAL 10 019B*</b>	<b>374.50</b>	307.30	<b>83.70</b>	<b>314.60</b>	<b>230.90</b>	<b>28.1</b>
<i>includes</i>			<i>90.20</i>	<i>103.85</i>	<i>13.65</i>	<i>40.7</i>
<i>includes</i>			<i>289.50</i>	<i>314.60</i>	<i>25.10</i>	<i>39.0</i>
<b>KAL 10 024B*</b>	<b>199.20</b>	82.15	<b>117.15</b>	<b>134.70</b>	<b>17.55</b>	<b>37.0</b>
<i>total hole</i>			<i>0.60</i>	<i>134.70</i>	<i>134.10</i>	<i>28.6</i>
<b>KAL 10 026B*</b>	<b>389.70</b>	314.55	<b>87.20</b>	<b>297.60</b>	<b>210.40</b>	<b>26.8</b>
<i>includes</i>			<i>113.20</i>	<i>126.40</i>	<i>13.20</i>	<i>37.0</i>
<i>includes</i>			<i>275.50</i>	<i>296.70</i>	<i>21.20</i>	<i>37.8</i>
<b>KAL 11 002B*</b>	<b>211.80</b>	115.40	<b>101.00</b>	<b>142.00</b>	<b>41.00</b>	<b>40.2</b>
<i>includes</i>			<i>109.70</i>	<i>123.50</i>	<i>13.80</i>	<i>50.0</i>



<i>total hole</i>			<i>4.40</i>	<i>142.00</i>	<i>137.60</i>	<i>37.2</i>
<b>KAL 12 016</b>	<b>296.30</b>	296.30	<b>3.70</b>	<b>119.40</b>	<b>115.70</b>	<b>37.1</b>
<b>KAL 12 009</b>	419.70	419.70	59.00	399.90	340.90	<i>Analysis pending</i>
<b>KAL 12 010</b>	449.20	449.20	74.00	399.10	325.10	<i>Analysis pending</i>
<b>KAL 12 011</b>	396.30	396.30	51.9	373.00	321.10	<i>Analysis pending</i>
<b>KAL 12 012</b>	305.40	305.40	1.35	286.00	284.65	<i>Analysis pending</i>
<b>KAL 12 013</b>	277.65	277.65	1.80	198.20	196.40	<i>Analysis pending</i>
<b>KAL 12 014</b>	321.65	321.65	44.50	260.60	216.10	<i>Analysis pending</i>
<b>KAL 12 015</b>	275.55	275.55	2.45	189.45	187.00	<i>Analysis pending</i>
<b>Total:</b>		<b>4,313.75</b>				

#### **Notes:**

\* - the letter suffix/label is for internal management reporting purposes only. Pre-existing drill hole numbers remain unchanged.

\*\* - this hole was re-drilled in its entirety in 2012 due to the previous casing having been mislaid.

The majority of the extended drillholes have encountered strong iron mineralisation at substantial depths (five of the reported holes reaching lengths in excess of 370m), with indications of similar mineralised characteristics to those encountered in the earlier shallower zones of the Kallak North deposit during historic drilling campaigns which were the basis of the maiden JORC Code compliant resource estimate reported in 2011.

The initial results received are better than anticipated, with high grade sections of iron mineralisation of significant widths being encountered at substantial depths. Drill hole numbered KAL 10 001 (inclined 60 degrees towards the west and the most easterly located on the drill section previously defined as 7414 200N (RAK coordinate system)) has reached a total length of 454.65m, cutting through the entire width of the Kallak North deposit. Allowing for the inclination, this corresponds to approximately 400m vertical depth from ground surface. A section analysed from this hole, from 86.25m to 399.40m for a total length of 313.15m, returned an average grade of 31.3% Fe. The interval 317.20m to 399.40m, a remarkable section of more than 82 metres, returned an average grade of 40% Fe, including a 3.8m section of 54.6% Fe, and a one metre section of 57.7% Fe which represents the highest recorded grade so far for the Kallak North deposit. Also of note for this particular drillhole, is that the westerly contact zone at this depth between high grade quartz banded iron mineralisation and gneissic volcanic wasterock is almost knife sharp.



High grades of iron mineralisation were also encountered in hole KAL 11 002 in the southern section (7413 900 N) of the Kallak North deposit. This inclined hole is mineralised from the surface outcrop down to a length of 142m returning an average grade of 37.2% Fe. The interval 101m to 142m returned an average grade of 40.2% Fe including an impressive 13.8m section with an average grade of 50% Fe. The high grades returned across these wide sections indicate that the Kallak North deposit has a significantly larger extension towards the south than previously envisaged. The southerly extension will be more comprehensively tested during part 2 of the ongoing drill programme. A further five holes have been completed in this particular drill section and an additional six holes are currently planned to be drilled. The five completed holes where assays are pending, have been logged and are showing a similar type of iron mineralisation to that of hole KAL 11 002 but over wider intervals. A notable feature in the holes at the southern extension of the Kallak North deposit is that a significant part of the iron is hosted in the hematite mineral relative to the magnetite mineral.

Dr Jan Ola Larsson (Fil. Kand, PhD, DIC), has reviewed and approved the technical information contained within this announcement in his capacity as a qualified person, as required under the AIM rules. Dr Larsson is Technical Director of the Company and has over 30 years relevant experience within the natural resources sector.

#### **Notes to Editors:**

All drill cores are being scanned in the field at the drill site by a highly sensitive hand held magnetic susceptibility meter, with automatic average registrations over the separate core lengths, before being transported to the ALS laboratory at Öjebyn, Sweden, for logging and analytical preparation. Iron content is being determined at the ALS laboratory in Perth through the use of XRF techniques (total iron) and Ferrous iron by H<sub>2</sub>SO<sub>4</sub>/HF acid digestion and titrimetric finish.

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