



Kallak Iron Ore Project's strong resource base earns it designation as an Area of National Interest and Operational Update

Beowulf (AIM: BEM; Aktietorget: BEO), the AIM and Aktietorget traded mineral exploration company focussed on developing its Kallak North and Kallak South iron ore deposits in northern Sweden, announces that such deposits have been designated an Area of National Interest for minerals ("ANI" or the "Designation") by the Swedish Geological Society ("SGU").

The Designation affords protection, to the extent possible, against competing land use and measures that may hinder future potential mineral extraction in the Kallak project area. The Designation was granted because the SGU has deemed that the area contains *"deposits of substances or minerals of national interest"*.

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

"We are delighted with the SGU's decision to designate our Kallak deposits as an Area of National Interest with respect to its valuable mineral content. The Designation should be taken into account by the relevant Swedish authorities when assessing the group's future Kallak permitting applications and be of great assistance as we proceed to prove up the project's significant iron ore potential."

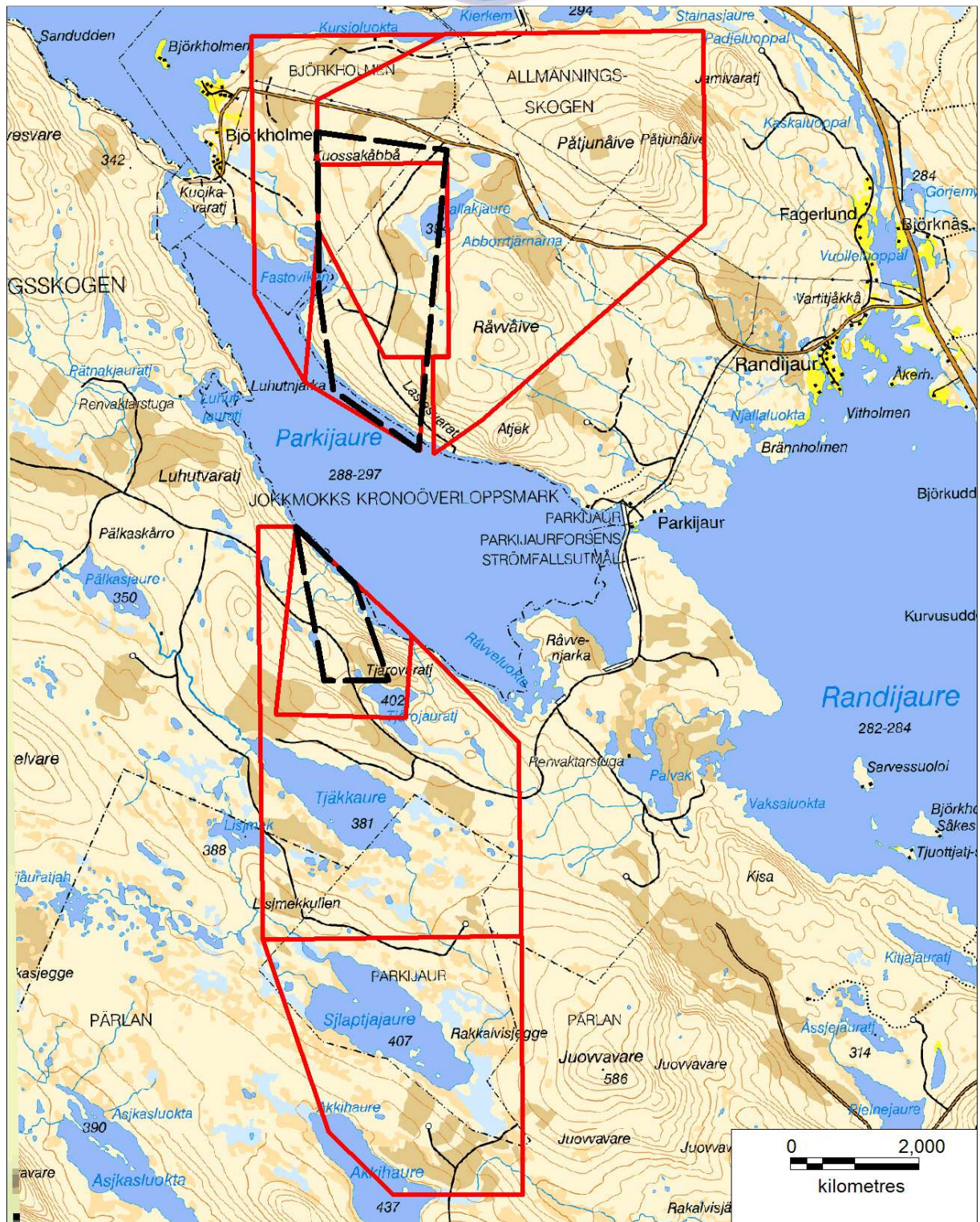
"We believe that this important milestone demonstrates the government's appreciation of the considerable potential benefits that the Kallak iron ore deposits could yield for the Swedish economy and continuing support for the mining industry."

Jokkmokk Iron Mines AB ("JIMAB"), the Company's wholly owned Swedish subsidiary, was formally notified of the Designation by the SGU, in accordance with Section 7 of Chapter 3 of the Swedish Environmental Code, following its consultation process with the requisite local government authorities.

The Kallak project currently covers a total area of approximately 161.67km², comprising seven separate licences (Kallak nr1, Kallak nr2, Kallak nr3, Parkijaure nr2, Parkijaure nr3, Parkijaure nr4 and Nautijaur nr1). An application for a further licence area, Parkijaure nr5, was registered by JIMAB in December 2012 and remains pending. The Designation applies to a significant proportion of the Kallak nr1 ("Kallak North"), Parkijaure nr2 ("Kallak South") and Parkijaure nr3 licence areas as demarcated on the map.

Beowulf Mining PLC

Map of land covered by Area of National Interest designation and JIMAB Exploration Licences



The black lines represent the area covered by the ANI. The red lines represent area covered by JIMAB's exploration licences, both currently approved and awaiting approval.



In assessing and defining mineral deposits as being of national interest, the SGU considers the importance of a deposit on the basis of, inter alia, its strategic value, the quality of its documentation, whether it represents a unique natural asset with special properties and socio-economic importance from a long term perspective.

In its decision on the Kallak deposits, the SGU observed, inter alia, that *“Sweden is currently the largest producer of iron ore in the EU. During 2012, over 26 million tonnes of iron ore was produced in Sweden from four mines. The demand for iron ore and iron ore products is great and iron ore extraction creates over 3,300 jobs directly and more than 10,000 indirectly. Currently however, there are only a few iron ore deposits in Sweden that can be classed as economically viable for mining while the general need is expected to continue to be great. The medium sized deposits which are currently being extracted (except for Kiruna) have a lifespan of 15 to 20 years which is why SGU considers it important to ensure long term availability of ore.”*

It further highlights that the, *“SGU considers the Kallak deposits to be well documented and that they contain good levels of iron. The area is important from a material supply perspective and of importance to the mining industry on a national basis.”*

Operational Update

Further to the announcement of 1 February 2013, the Company confirms that JIMAB recommenced its Kallak South drill programme, in accordance with the approved work plan, on 4 February 2013. Drill site access preparation works took slightly longer than expected due to road cleaning and compacting of access tracks to the drill sites necessitated by heavy snow cover and freezing temperatures in the Jokkmokk area. However, two drill rigs are now fully operational on site with approximately 512m drilled on the first two holes as at 23 February 2013.

The planned extensive drilling campaign of up to approximately 19,000m is principally targeting a maiden JORC compliant resource estimate for the Kallak South deposit as well as seeking to determine whether the Kallak South and Kallak North deposits are geologically connected.

A further update on the drill campaign will be provided in due course.

Notes to Editors:

In accordance with Chapter 3 of the Swedish Environmental Code, land and water areas should be used for the purposes for which the areas are best suited in view of their nature and situation and existing needs. Priority should be given to the use that promotes good management from the point of view of public interest. Section 7 of Chapter 3 states that land and water areas that contain valuable substances or minerals should, to the extent possible, be protected against measures that may be prejudicial to their extraction.



The Kallak iron ore project is located in the Jokkmokk municipality north of the Arctic Circle approximately 40km west of Jokkmokk city centre and approximately 80km southwest of the major iron ore mining centre of Malmberget in the Norrbotten County in Northern Sweden. The project area comprises forested, low hilly ground close to a main paved road with excellent local infrastructure. The current principal land use is forestry.

Kallak North currently has an independent JORC Code compliant Inferred Resource estimate of 131.6Mt grading at 28% iron (Fe) completed by GeoVista AB in November 2011.

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