



Operational Update re Ballek Copper-Gold JV Project and Ågåsjegge nr2 permit application

Beowulf (AIM: BEM; Aktietorget: BEO), the mineral exploration company principally focused on developing the group's Kallak North and Kallak South iron ore deposits in northern Sweden, announces an operational update in respect of the group's Ballek copper-gold joint venture project and details of a new permit application, Ågåsjegge nr2, which is registered over acreage adjacent to the existing Kallak project area within the municipality of Jokkmokk in the Norrbotten County. The Ballek project held by its joint venture subsidiary company, Wayland Copper Limited ("Wayland Copper"), is located in the municipality of Arjeplog in the Norrbotten County and is owned jointly and equally by Beowulf and its joint venture partner, Energy Ventures Limited.

Highlights:

- Approximately 300m drilled to date on the ongoing Ballek campaign on the first drillhole. Drill programme of up to 3,000m over eight holes commenced as planned on 17 December 2013 and is primarily seeking to test previously indicated copper targets at increased depths, as defined by historical deep sensing geophysical ground surveys.
- Drilling to continue on the first hole to extend the length to approximately 350m, with visible copper sulphides discovered. Preparatory work completed on the second hole, located approximately 175m to the east with drilling to commence shortly.
- Application registered with the Swedish Mining Inspectorate by the Company's wholly owned subsidiary, Jokkmokk Iron Mines AB ("JIMAB") for a new exploration permit, Ågåsjegge nr2, covering an area of 6,836 hectares adjacent to the group's existing Kallak project area.

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

"I am delighted that our new drill programme on Ballek is progressing as planned despite the fieldstaff experiencing extreme weather conditions necessitating work on the pumps to ensure that water can flow correctly without freezing."

"I look forward to providing a further update on our ongoing Ballek campaign and the group's recently registered application for a new exploration permit, Ågåsjegge nr2, covering a sizeable area of known iron mineralisation adjacent to our existing Kallak project, in due course."



Ballek Copper-Gold JV Project drill campaign

Further to the Company's announcement of 11 December 2013, a new 3,000m drill programme at Ballek commenced as planned on 17 December 2013 following completion of the requisite preparatory work. The contractor, Dala Prospektering AB, is currently utilising a single rig and has completed approximately 300m to date on the first hole of the planned eight hole programme.

The primary objective of the current campaign is to test previously indicated copper targets at increased depths, as defined by historical deep sensing geophysical ground surveys, carried out by GeoVista AB. In particular, it will be targeting some pronounced deep lying Induced Polarisation (IP) targets located close to the previously identified copper-gold targets of Kvarnbäcken and Sågberget in the central parts of the project area. The group's existing work plan for Ballek remains valid until 30 April 2014 and contains no suspension entitlement for the local Sami community.

Drilling will continue on the first hole to extend its length to approximately 350m, with visible copper sulphides discovered. Preparatory work has been completed on the second hole, located approximately 175m to the east with drilling to commence shortly. Drill cores from the campaign are being transported to the ALS laboratory and logging facility at Malå where geological logging, sectioning and technical logging will be completed.

Ågåsjegge nr2 exploration permit

In December 2013, JIMAB submitted an application to the Swedish Mining Inspectorate for a new exploration permit, Ågåsjegge nr2. The application covers an area of 6,836 hectares including a known iron mineralisation historically estimated by the Geological Survey of Sweden ("SGU") to hold 74-75 million tonnes of magnetite iron ore. To date, no JORC compliant or equivalent international standard of resource estimate has been established.

The western border of the envisaged permit area is adjacent to the group's existing Kallak project area and, based on the available historic geological information and geophysical results, JIMAB currently believes that there is a strong likelihood that the geological structures hosting the iron mineralisation at its Kallak deposits are repeated in the Ågåsjegge area.

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 40 years relevant experience within the natural resources sector.

Notes to Editors:



The Ballek nr2 permit area contains the Lulepotten deposit on which a maiden JORC Code compliant Inferred Resource estimate was compiled and reported in September 2008 of 5.4Mt, grading at 0.8% Cu and 0.3g/t Au, representing a total of 43,000 tonnes of contained copper metal and 52,000 ounces of contained gold at a cut-off value of 0.3% for copper. The Lulepotten deposit consists of disseminated chalcopyrite with abundant bornite, pyrite, chalcocite and iron oxides hosted in potassically altered volcanic rocks adjacent to granitic intrusions. A number of further registered minor copper deposits are also known within the area.

Additional information on the Ågåsjegge nr2 permit area

Historic work on the Ågåsjegge nr2 permit area undertaken by SGU comprises two diamond drill holes drilled in the 1970s. The holes were 700m apart within the same pronounced ground magnetic and gravimetric anomalous zone, which covers a 2,500m long by 500m wide area. Each hole was drilled with 60 degrees dip and extended over 200m in length with the cores stored at SGU's National Drill Core Repository in Malå.

The iron mineralisation encountered in the historic drillholes consists of quartz banded magnetite type hosted in a gneissic bedrock, occasionally cut by pegmatite and granite veining. There are several untested geophysical anomalies within the currently envisaged permit area.

Further to preliminary transport studies in connection with the possible future development of the Kallak project, the location of the Ågåsjegge deposit is also of significant interest to JIMAB as it lies midway along the route of a possible new rail link between the envisaged mine site and the Inlandsbanan railway, Gällivare-Jokkmokk.

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