

6 October 2010

Beowulf Mining Plc

("Beowulf" or the "Company")

Placing to raise £400,000

Beowulf (AIM: BEM; Aktietorget: BEO), the AIM and Aktietorget traded mineral exploration company which owns several exploration projects in Sweden, is pleased to announce that on Tuesday 5 October 2010 it agreed to place 6,956,521 new ordinary shares of 1p each in the Company ("Placing Shares") at a placing price of 5.75p per ordinary share (the "Placing") to raise £400,000 before expenses. The net proceeds from the Placing will be used to further finance the planned drilling campaign at the Company's two major iron ore projects (Ruotevare and Kallak), the assessment of potential opportunities for commercial expansion and general working capital purposes.

The Placing Shares were placed by the Company's broker, Alexander David Securities Limited, with both new and existing investors. The Placing is conditional on admission of the Placing Shares to trading on AIM.

The Placing Shares will represent approximately 4.35 per cent. of the enlarged issued share capital of the Company. The Placing Shares will be fully paid and will rank *pari passu* in all respects with the existing ordinary shares of 1p each in the Company. Application has been made for the Placing Shares to be admitted to trading on AIM ("Admission"). It is expected that Admission will become effective and that dealings in the Placing Shares will commence at 8.00 a.m. on 11 October 2010. The total number of ordinary shares in issue following completion of the Placing, and the total number of voting rights, will be 159,796,689.

The above figure of 159,796,689 ordinary shares may be used by shareholders in the Company as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, Beowulf under the FSA's Disclosure and Transparency Rules.

Clive Sinclair-Poulton, Executive Chairman of Beowulf commented:

"We are delighted with the interest in this placing, as it allows us to further progress the exploration and development of our very promising iron ore projects in Northern Sweden, Ruotevare and Kallak, while retaining 100% ownership. With continued

strong prices and need for iron ore we believe that investing in drilling will show the quality and strength of our asset base."

Enquiries:

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