28 February 2011

Beowulf Mining Plc

("Beowulf" or the "Company")

Unaudited Preliminary Results for the Year Ended 31 December 2010

Beowulf (AIM: BEM, Aktietorget: BEO), the AIM and Aktietorget traded mineral exploration company which owns several exploration projects in Sweden, announces its unaudited preliminary results for the year ended 31 December 2010.

Highlights:

Ruoutevare/Kallak iron ore projects:

- Raw Materials Group's independent scoping/conceptual study confirms that the Ruoutevare and Kallak projects have considerable promise with a significant resource close to the surface and are amenable to open-pit mining.
- Assay results for a 32 hole drill programme on Kallak North confirm that the deposit extends for more than 800 metres, with drill core cross sections containing between 22.2% and 43% Fe at significant widths to more than 200m below surface. More than 175m tonnes of iron ore estimated to be present at an estimated average grade of approximately 30% Fe.
- Kallak South estimated to contain more than 400 million tonnes of iron ore of a similar type and quality to that encountered on the Kallak North deposit.
- Further drilling planned on both projects early in 2011.

Ballek joint venture project:

- JV partner, Energy Ventures Limited, completes 1,601 metre drilling commitment to earn-in a 50 per cent. interest in a newly established JV holding company, Wayland Copper Limited.
- Beowulf assumes operatorship and is assessing potential further drilling targets and exploration strategies.

Corporate:

- Acquisition of three permits from Tasman Metals Limited adds significant resources to the southern extensions of the Kallak project.
- Successful placings completed in March and October 2010 raising, in aggregate, £1,400,000 gross from both new and existing investors.
- Approximately £232,000 in cash held at the year end.
- £250,000 convertible loan converted in its entirety in September 2010 leaving the Company debt free with a strengthened balance sheet.
- Strong share price performance with substantial increase in the Company's market capitalisation from under £5m to £48m during the period (exceeding £100m in mid February 2011).

Post year end:

- 3,500 metre drilling programme ongoing at the Kallak South deposit following Sweden's coldest December for more than 100 years.

- Appointment of Fred Boman as a Production Consultant and new Swedish incorporated subsidiary established to facilitate the potential future application for a mining licence(s).

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

"*2010 has been another exciting and progressive year for Beowulf with the drilling activity on our flagship iron ore projects serving to demonstrate the significant potential value in our asset portfolio. I am delighted with the Company's strong share price performance and look forward to delivering further progress to shareholders during the remainder of 2011.*"

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Chairman's Statement

The Board of Beowulf Mining Plc ("Beowulf" or the "Company") is pleased to present the Company's unaudited preliminary results for the year ended 31 December 2010. Beowulf currently has ten exploration projects in Northern Sweden primarily prospecting for iron, copper, gold and uranium. The unaudited results show that the group incurred a loss after taxation for the year of £512,388 (2009: £410,188 as restated). Accordingly, no dividend is proposed for the year ended 31 December 2010.

The natural resources sector had a very positive 2010, with commodities prices returning to high levels in response to continued demand from China and the gradual recovery of Western economies. This favourable backdrop led the Company to vary its previous approach of principally seeking joint ventures with third parties to fund exploration drilling campaigns, towards a more proprietary model - with Beowulf successfully raising new equity to fund and manage its own drilling programmes on its flagship iron ore projects, whilst retaining full ownership of these attractive assets.

Ruoutevare and Kallak projects (iron ore)

The Company's main Ruoutevare magnetite iron ore project in Norrbotten County, Northern Sweden has a maiden inferred JORC resource estimate, completed by independent geological consultants Runge Limited in August 2008, of 140 million tonnes grading 39.1% iron (Fe), 5.7% titanium (Ti) and 0.2% vanadium (V) (cut-off grade of 30% Fe). We believe that there is good potential for increasing the current resource estimate at Ruoutevare, and are planning to conduct further drilling there later this year.

An independent conceptual study completed by Sweden's Raw Materials Group ("RMG") and released in February 2010, showed the commercial potential of both the Ruoutevare and Kallak deposits which they described as being some of Scandinavia's largest known remaining iron deposits still awaiting commercial exploitation and very amenable to open pit mining. Based on various assumptions, RMG estimated that the projects could together generate a total net profit, depending on the price of iron ore, ranging from US$2.3 billion to just under US$6 billion over an estimated mine life of 15 years.

The Company successfully raised £1,000,000 (gross) by way of a placing in March 2010 and commenced drilling at Kallak North the following month. The primary objectives of the approximate 3,750 metre drilling campaign were to prove up the quantity and quality of iron ore present, to achieve a maiden JORC classification for Kallak North and to seek to extend the estimated life of any future potential mine.

The 32 hole drill programme was completed on time and within budget in September 2010, with approximately 78% of the drill cores being selected for assaying. Preliminary interpretation of the results suggests the presence of at least 175 million tonnes of iron ore at an average grade of approximately 30% Fe, with the deposit extending for more than 800 metres in a north-south strike direction. High grade mineralisation of up to 43% Fe was encountered at the southern and northern ends of the previously defined extension area, at significant widths, to more than 200 metres below the surface. We believe that there is further potential for significant additional tonnage of iron ore and currently intend to conduct additional drilling in due course to further define the ore body.

We are most positive with regards to Kallak and accordingly, following an approach from Tasman Metals Limited in the summer, swiftly moved to conclude the acquisition of three permits held by them to add more than 700 square kilometres to the southern extensions of our existing Kallak North project. The transaction was structured by Beowulf and involved the acquisition of a newly incorporated UK company, Iron of Sweden Limited, following regulatory approval from the Swedish authorities for the transfer of the permits, for consideration of C$40,000 satisfied in Beowulf shares plus a 1.5% net smelter royalty on any future production. Accordingly, Iron of Sweden Limited is now a wholly owned subsidiary of Beowulf.

In October 2010, the Company raised a further £400,000 (gross) by way of a placing to commence drilling on the new licence area, known as Kallak South, which is potentially a much larger asset than the existing Kallak North deposit. The 32 hole 3,500 metres drilling campaign commenced with the onset of winter, and by the year-end some 951 metres had been drilled. The Company estimates that Kallak South could potentially contain more than 400 million tonnes of high grade iron ore (of a similar type and quality to that encountered on the Kallak North deposit).

Regrettably, the rate of progress with the drilling campaign has been slow due to Sweden suffering its coldest winter for more than 100 years. In a typical year the average temperature in the Kallak area is between -11 and -18 degrees celsius between November and February. However, between November 2010 and January 2011, the average daily temperature encountered was approximately -30 degrees celsius. This has served to delay drilling, as under Swedish law, drill operators must halt operations at temperatures below -25 degrees celsius.

The delay to our work programme caused by the harsh winter conditions is frustrating, but conditions improved at the start of February 2011 and drilling activity is now continuing at more normal levels.

We continue to maintain high expectations for our Kallak project areas and, in November 2010, applied to the Swedish Mining Inspectorate for an additional 2,218 hectares of landholdings surrounding our existing Kallak North and South licences.

The Company has recently appointed Fred Boman as a consultant to advise on the options and process for accelerating our promising exploration projects towards potential future production, the first stage of which involves establishing a new Swedish subsidiary to facilitate the potential future application for a mining licence or exploitation concession. In addition, the Company has retained the services of RMG in order to continue to develop their abovementioned conceptual/scoping study.

Ballek project (copper-gold)

The second of the Company's projects to attain a JORC standard inferred resource estimate to date is the Lulepotten copper-gold deposit on the Ballek joint venture, with an estimated 5.4 million tonnes grading 0.8% copper and 0.3 g/t of gold, representing a total of 43,000 tonnes of contained copper metal and 52,000 ounces of contained gold using a cut-off value of 0.3% for copper. Lulepotten currently forms the largest copper deposit within the Company's Ballek project area, covering close to 11,000 hectares.

By the end of March 2010, our joint venture partner, Energy Ventures Limited ("EVE") had completed their 1,601 metre diamond drilling programme to satisfy their JV commitments as operator and earn-in a 50% interest in the project. The Ballek permits are held in a newly incorporated UK subsidiary, Wayland Copper Limited, in which Beowulf and EVE currently each maintain a 50% shareholding.

Despite the drill programme confirming the presence of widespread anomalous copper-gold mineralisation in the area, it became apparent that EVE was increasingly focussing its management time and resources on its series of uranium projects in North America. Beowulf has therefore recently assumed the role of operator of the Ballek project, and we are currently assessing further drilling targets and exploration strategies for this area of high potential.

Other projects

As the Company has been concentrating its resources on its key iron ore and copper assets, its remaining portfolio awaits further development. Our other attractive portfolio assets include the Grundträsk gold project, the Geddaur uranium, gold and silver permits, the Manakjaure uranium permit and the Munka licence area in Northern Sweden, which covers some 800 hectares and hosts Sweden's largest, drill confirmed deposit of molybdenum.

Unlike many other junior exploration companies, Beowulf is not focused on a single commodity, but rather has a broader portfolio. This diversity of assets reduces our risk exposure to any single commodity, but we therefore need to adopt a disciplined approach and allocate management's time to those projects where we believe that we can deliver the best returns for our shareholders.

We nevertheless plan to develop more of our portfolio in the future, and continue to look for additional assets to complement and extend our existing attractive portfolio.

Corporate

As referred to above, the Company has successfully completed two placings during the year under review, raising some £1,400,000 (gross) to provide greater flexibility in respect of the development of our assets whilst retaining 100% ownership. The net proceeds have been applied to fund our exploration activities including drilling, assaying, the scoping/conceptual study and metallurgical analysis.

In September 2010, an outstanding £250,000 2012 4% convertible loan was converted in its entirety by Starvest plc into 6,250,000 new ordinary shares, which was a highly encouraging development and left the Company totally free of debt with a strengthened balance sheet.

Reflecting the upward trend in iron ore prices, the focus on our three flagship projects has to date been a great success with the Company's market capitalisation increasing from approximately £3.5 million in March 2010 to approximately £48 million in December 2010, and has continued to rise into 2011 (exceeding £100 million in mid February).

The Company was also the best performing share on the AktieTorget market in 2010 and has continued to enjoy strong support from Swedish investors.

We place great importance on our investor relations strategy and have spent considerable time and effort to ensure that Beowulf's potential is communicated to existing and potential new investors in both the UK and Sweden. Investor presentations have taken place in both countries in 2010 with further presentations planned for 2011.

Outlook

There is some talk of a "*super cycle*" in natural resources where demand will exceed supply for many years. Every indication is that there will be continued high levels of demand for both iron and copper and that gold and uranium will also maintain high pricing levels.

Growth in China's economy also continues at a rate of circa 9% per annum with India not too far behind. Relatively few commentators mention India's requirements for raw materials, but it is estimated that their demand for metals will double over the course of the next five years and that the Indian government plans to spend US$1 trillion in the period up to 2017 on infrastructure projects. This backdrop, combined with India's restrictions on their exports of iron ore, bodes well for global iron ore prices.

While Asian economies generally continue to expand aggressively, both Europe and the USA are still recovering, the latter quite strongly and the former strong in some parts and weak in others. Overall, the global macroeconomic outlook is generally continuing to improve which should serve to support demand for natural resources.

Beowulf is fortunate to operate in one of the most stable countries in the world, but which remains accessible to those markets that need our potential future products. We shall continue to look at ways to extend our portfolio and to demonstrate the depth and breadth of our existing assets.

Our key objective is to prove up our portfolio and deliver long term shareholder value. We believe that our assets have considerable potential and shall continue to endeavour to realise such potential. The Board remains most appreciative of the continued assistance and support provided by the Company's employees, consultants and professional advisers. It also values the regular contact and loyalty of the Company's shareholder base and wider investor community.

Clive Sinclair-Poulton
Executive Chairman

28 February 2011

CONSOLIDATED INCOME STATEMENT
For the year ended 31 December 2010

	2010 (Unaudited) £	2009 As restated (Unaudited) £	2009 (Audited) £
Continuing operations			
Revenue	-	-	-
Other operating income	-	75	75
Administrative expenses	(506,311)	(404,147)	(585,836)
Operating loss	(506,311)	(404,072)	(585,761)
Finance costs	(6,585)	(6,394)	(6,394)
Finance income	508	278	278
Loss before income tax	(512,388)	(410,188)	(591,877)
Tax	-	-	-
Loss for the year	(512,388)	(410,188)	(591,877)
Earnings per share expressed in pence per share:			
- Basic	-0.36	-0.45	-0.64
- Diluted	-0.35	-0.43	-0.62

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the year ended 31 December 2010

	2010 (Unaudited) £	2009 As restated (Unaudited) £	2009 (Audited) £
Loss for the year	(512,388)	(410,188)	(591,877)
Other comprehensive income			
Revaluation of listed investments	(3,760)	70,685	70,685
Equity-settled share-based payments	23,520	-	-
Other comprehensive income for the year net of income tax	19,760	70,685	70,685

Total comprehensive income for the year	(492,628)	(339,503)	(521,192)
Prior year adjustment	459,873		
Total comprehensive income since last annual report	32,755		

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 December 2010

	2010	**2009**	**2009**
		As restated	
	(Unaudited)	**(Unaudited)**	**(Audited)**
	£	**£**	**£**
Assets			
Non-current assets			
Intangible assets	1,287,232	663,888	204,016
Property, plant and equipment	810	1,079	1,079
Investments	161,264	155,024	155,024
Loans and other financial assets	-	-	-
	1,449,306	819,991	360,119
Current assets			
Trade and other receivables	362,177	22,595	22,595
Cash and cash equivalents	232,589	190,332	190,332
	594,766	212,927	212,927
Total assets	2,044,072	1,032,918	573,046
Equity			
Shareholders' equity			
Called up share capital	1,597,966	1,058,982	1,058,982
Share premium	3,904,399	2,847,719	2,847,719
Revaluation reserve	36,264	40,024	40,024
Capital contribution reserve	46,451	46,451	46,451
Share scheme reserve	28,871	5,351	5,351
Retained earnings	(3,649,599)	(3,137,211)	(3,597,083)
Total equity	1,964,352	861,316	401,444
Liabilities			
Non-current liabilities			
Financial liabilities - borrowings			
Interest bearing loans and borrowings	-	150,000	150,000
Current liabilities			
Trade and other payables	79,720	21,602	21,602

Total liabilities	79,720	171,602	171,602
Total equity and liabilities	2,044,072	1,032,918	573,046

CONSOLIDATED STATEMENT OF CASH FLOWS
For the year ended 31 December 2010

	2010 (Unaudited) £	2009 As restated (Unaudited) £	2009 (Audited) £
Cash flows from operating activities			
Cash generated from operations	(590,118)	(383,522)	(383,522)
Interest paid	(9,085)	(8,061)	(8,061)
Net cash from operating activities	(599,203)	(391,583)	(391,583)
Cash flows from investing activities			
Purchase of intangible fixed assets	(623,824)	(162,654)	(162,654)
Purchase of fixed asset investments	(10,000)	(10,000)	(10,000)
Loans to related parties	(170,888)	-	-
Interest received	508	278	278
Net cash from investing activities	(804,204)	(172,376)	(172,376)
Cash flows from financing activities			
New loans in year	100,000	-	-
Loan repayments in year	(250,000)	(100,000)	(100,000)
Share issue	1,595,664	500,000	500,000
Net cash from financing activities	1,445,664	400,000	400,000
Increase/(Decrease) in cash and cash equivalents	42,257	(163,959)	(163,959)
Cash and cash equivalents at beginning of year	190,332	354,291	354,291
Cash and cash equivalents at end of year	232,589	190,332	190,332

NOTES TO THE FINANCIAL INFORMATION
For the year ended 31 December 2010

1. Basis of preparation and accounting policies

The financial information contained in this preliminary results announcement does not constitute the Company's statutory financial statements for the years ended 31 December

2010 or 31 December 2009. The financial information for the year ended 31 December 2009 is derived from the statutory financial statements for that year which have been approved by the board of directors and delivered to the Registrar of Companies. The auditors' report on those accounts was unqualified.

The financial information for the year ended 31 December 2010 is unaudited and has been prepared using the historical cost convention, on a going concern basis and in accordance with International Financial Reporting Standards ("IFRS") including IFRS 6 'Exploration for and Evaluation of Mineral Resources', as adopted by the European Union ("EU"). Statutory audited financial statements for that year will be finalised on the basis of the financial information presented by the directors in this preliminary results announcement and will be delivered to the Registrar of Companies and filed at Companies House following the Company's forthcoming annual general meeting.

The principal accounting policies used in preparing the preliminary results announcement are those that the Company will apply in its financial statements for the year ended 31 December 2010 and are unchanged from those disclosed in the Company's Annual Report and Financial Statements for the year ended 31 December 2009 except for:

"The Group has changed its accounting policy in respect of the accounting treatment of 'exploration for and evaluation of mineral resources' as covered by International Reporting Standard 6 (IFRS6). Previously, the Group had amortised exploration costs over the minimum period of each licence and carried out an annual impairment review to determine whether any further provision was required for decreases in value.

Following a review of the policy, the directors have decided that to prepare the financial statements which are consistent with the rest of the business sector, it should adopt the option under IFRS6 to carry forward all exploration costs for each area of interest until the exploration and evaluation phase is complete. The costs will then be amortised over the expected period of extraction of minerals from each area of interest.

The costs will be subject to an annual impairment review to make provision and write off the costs to the income statement when an area of interest is abandoned or is considered to have a value lower than cost.

Prior year adjustments have been made to remove the amortisation of £181,691 charged in the 2009 financial statements, and to re-state the opening reserves at 1 January 2009 in respect of £278,182 of amortisation charged in earlier years".

2. Loss per share

The basic and diluted loss per share have been calculated using the loss for the 12 months ended 31 December 2010 of £512,388 (2009: £410,188). The basic loss per share was calculated using a weighted average number of shares in issue of 141,019,677 (2009: 92,131,124).

The diluted loss per share has been calculated using an additional weighted average number of shares in issue and to be issued of 144,497,896 (2009: 95,781,124).

3. Called up share capital

	2010	**2009**
	£	**£**
Allotted, issued and fully paid		
159,796,689 (2009: 105,898,247) ordinary shares of 1p each	1,597,966	1,058,982

40,000,000 ordinary shares of 1p each were allotted as fully paid at a premium of 1.5p per share during the year.

691,921 ordinary shares of 1p each were allotted as fully paid at a premium of 2.71p per share during the year in a share for share exchange to acquire 100% of the share capital of Iron of Sweden Limited.

6,250,000 ordinary shares of 1p were allotted as fully paid at a premium of 3p per share during the year in respect of the conversion of a convertible loan to equity.

6,956,521 ordinary shares of 1p each were allotted as fully paid at a premium of 4.75p per share during the year.

The number of shares in issue is reconciled as follows:

	2010 No.	**2009 No.**
At 1 January 2010	105,898,247	80,898,247
Issued during the year	53,898,442	25,000,000
At 31 December 2010	159,796,689	105,898,247

4. Statement of movement on reserves

	Retained earnings £	**Share premium £**	**Revaluation reserve £**
At 1 January 2010	(3,597,084)	2,847,719	40,024
Prior year adjustment	459,873		
	(3,137,211)		
Deficit for the year	(512,388)	-	-
Cash share issue	-	1,056,680	-
Revaluation in year	-	-	(3,760)
At 31 December 2010	(3,649,599)	3,904,399	36,264

	Capital contribution reserve £	**Share scheme reserve £**	**Totals £**
At 1 January 2010	46,451	5,351	(657,539)
Prior year adjustment			459,873
			(197,666)
Deficit for the year	-	-	(512,388)
Cash share issue	-	-	1,056,680
Revaluation in year	-	-	(3,760)
Equity-settled share-based payment transactions	-	23,520	23,520

At 31 December 2010	46,451	28,871	366,386

5. Reconciliation of movements in shareholders' funds

	2010 (Unaudited) £	2009 As restated (Unaudited) £
Loss for the financial year	(512,388)	(410,188)
Proceeds of share issue	1,595,664	500,000
Equity-settled share-based transactions	23,520	-
Revaluation of listed investments	(3,760)	70,685
Net addition to shareholders' funds	1,103,036	160,497
Opening shareholders' funds (originally £401,433 before prior year adjustment of £459,873)	861,316	700,819
Closing shareholders' funds	1,964,352	861,316

6. Reconciliation of loss before income tax to cash generated from operations

	2010 (Unaudited) £	2009 As restated (Unaudited) £
Loss before income tax	(512,388)	(410,188)
Depreciation charges	269	360
Equity-settled share-based transactions	23,520	-
Impairment of exploration costs	9,051	7,852
Finance costs	6,585	6,394
Finance income	(508)	(278)
	(473,471)	(395,860)
(Increase)/Decrease in trade and other receivables	(168,694)	11,359
Increase in trade and other payables	52,047	979
Cash generated from operations	(590,118)	(383,522)

7. Availability of Annual Report and Financial Statements

Copies of the Company's full Annual Report and Financial Statements are expected to be posted to shareholders in due course and, once posted, will also be made available to download from the Company's website at www.beowulfmining.net.

The Annual Report and Financial Statements will also be made available for inspection at the Company's registered office during normal business hours on any weekday. Beowulf

Mining Plc is registered in England and Wales with registered number 02330496. The registered office is at Richmond House, Broad Street, Ely, Cambridgeshire CB7 4AH.