

9 May 2011

Beowulf Mining Plc
("Beowulf" or the "Company")

Placing to raise £1,090,000

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 Friday 6 May 2011 it agreed to place a total of 2,422,221 new ordinary shares of 1p each in the Company (the "Placing Shares") at a placing price of 45p per share (the "Placing") to raise £1,090,000 before expenses. The net proceeds from the Placing will be used to further finance the planned drilling, analysis, economic/conceptual and environmental impact studies on the Company's three major iron ore projects (Ruotevare, Kallak North and Kallak South) and for general working capital purposes.

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

The Placing Shares will represent approximately 1.49 per cent. of Beowulf's enlarged issued share capital. 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 will be made to the London Stock Exchange 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 Friday 13 May 2011. The total number of ordinary shares in issue following completion of the Placing, and the total number of voting rights, will be 162,218,910. Beowulf does not hold any ordinary shares in treasury and accordingly there are no voting rights in respect of any treasury shares.

The aforementioned figure of 162,218,910 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 continued interest and support of investors in Beowulf as demonstrated by this latest fundraising at only a small discount to the Company's prevailing market share price. These placing proceeds will enable us to further progress the exploration and development of our very promising iron ore projects in Northern Sweden.

With continued strong prices coupled with the increasing need for iron ore as a raw material in Europe and further afield, we believe that investing in drilling and development will show the quality and strength of our asset base."

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