

16 November 2011

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

**Fundraising of approximately £6.7 million**

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 it has completed a placing and subscription with new UK and Swedish institutional and other investors in respect of a total of 44,638,890 new ordinary shares of 1p each in the capital of the Company (the "Placing Shares") at an issue price of 15 pence per share (together, the "Placing") to raise approximately £6.7 million before expenses. The Company intends to use the net proceeds from the Placing to finance its planned additional drilling, analysis, economic/conceptual and environmental impact studies on its wholly owned Kallak iron ore projects (Kallak North and Kallak South), its planned drilling on its Ballek copper/gold joint venture project and for general working capital purposes.

The Company has been assisted with the Swedish aspect of the fundraising by Stockholm Corporate Finance AB, an independent and privately owned financial adviser based in Stockholm, which is regulated by Finansinspektionen (the Swedish Financial Supervisory Authority). Further information on Stockholm Corporate Finance AB can be found at [www.stockholmcorp.se](http://www.stockholmcorp.se).

The Placing Shares will represent approximately 21.21 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 capital of 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 23 November 2011. The total number of ordinary shares in issue following completion of the Placing, and the total number of voting rights, will be 210,427,365. 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 210,427,365 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.

***Letter of Intent***

In addition, Beowulf announces that it has entered into a non-binding letter of intent with a third party which has expressed an interest in conducting a comprehensive six month due diligence exercise and analysis of Beowulf's iron ore projects at Kallak and Ruotevare with a view to potentially tabling a proposal to acquire a majority interest in, or the whole of, the Company's iron ore assets subject, *inter alia*, to requisite shareholder and board approvals at such time. Shareholders should note that there can be no certainty that any proposal, on terms acceptable to the Board or otherwise, will ultimately be received and a further announcement will be made if and when appropriate.

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

*“The Board is delighted with the interest and support received from these new investors in Beowulf including a number of investors from Sweden, our country of operation. The net proceeds from this largest fundraise to date, will enable us to further progress the exploration and development of our very promising iron ore and copper/gold projects in Northern Sweden.*

*With continued strong prices coupled with the increasing demand for iron ore as a raw material in Europe and further afield, we believe that further investment in drilling and analysis will demonstrate the quality and strength of our asset base.”*

**Enquiries:**

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