17 October 2012

Beowulf Mining Plc

("Beowulf" or the "Company")

Update re Kallak Iron Ore Project

2012 drill programme at Kallak North completed with assay results received for a further ten holes

Test mining application for Kallak North approved by County Administrative Board

Beowulf (AIM:BEM; Aktietorget:BEO), theAIM and Aktietorget traded mineral exploration company which owns several exploration projects in Sweden, is pleased to announce an operational update on progress at its wholly owned Kallak iron ore project located in the municipality of Jokkmokk in the Norrbotten County in northern Sweden.

Highlights:

- Completion of 2012 drill programme at the Kallak North deposit completed, comprising 23 holes for a total of 5,549 metres of drilling
- Encouraging assay results received for a further 10 holes at Kallak North, showing a significant extension of the deposit towards the south and a significant mineralised width, with results pending for a further 4 holes
- Approval received from the County Administrative Board of Norrbotten, Sweden for test mining at Kallak North

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

"The latest assay results from our completed drill programme at Kallak North are most encouraging and include indications of further high grade iron mineralisation on the southerly extension of the deposit.

“We are delighted to have received official approval from the County Administrative Board of Norrbotten for our test mining application in respect of Kallak North and look forward to commencing such activities next summer."

The 2012 drill programme at Kallak North comprised two parts and has been successfully completed in accordance with the requisite work plan approved by the Mining Inspector at Bergsstaten. The drill programme was primarily aimed at determining the strike length and depth ofthe extension to both the central and southern sections of the Kallak Northdeposit, as well as seeking to more precisely define the deposit's eastern andwestern limits.

As previously reported, Part 1 of the programme was completed in July 2012 and comprised approximately 1,572 metres of drilling predominantly as extensions to 8 of the Company's pre-existing inclined holes. Following approval from the County Administrative Board of Norrbotten, JokkmokkIron MinesAB ("JIMAB"), the Company's wholly owned Swedish subsidiary, then proceeded with Part 2 of the drill programme with 15 holes being completed comprising approximately 3,977 metres of drilling. Accordingly, 23 holes have been completed, in aggregate, comprising 5,549 metres of drilling for the programme as a whole.

JIMAB had previously planned to complete, in aggregate, 7,000 metres of drilling on Kallak North, however, following more detailed evaluation and interpretation of the results to date by the company and its appointed consultants, the locations for the planned remaining holes (KAL 12 020 and KAL 12 021) have been amended and will therefore require a new work plan to be filed. The revised sites are partly situated in wet and lightly forested terrain which necessitates work taking place in frozen field conditions to minimise the environmental impact from drill rig deployment. Accordingly, these holes will now form part of a future additional drilling campaign.

In summary, the 2012 drill campaign has been successful in defining a significant extension of the Kallak North deposit towards the south. Wide and high grade hematite rich sections have also been confirmed in the most southerly extension of the deposit from the new detailed geological evidence obtained. JIMAB currently intends to explore this part of the deposit further in the future as the southern limit of the deposit remains open and has still not been completely defined.

Since the northern extension of the Kallak South deposit is also open, future work is planned to attempt to define a possible geological connection between the two deposits.

Assay results

Assay results have now been received for a further ten drill holes (KAL 12 008 - KAL 12 015, KAL 12 018 and KAL 12 019) on Part 2 of the Kallak North drill programme. Assays are pending for the remaining four holes with results expected to be received later this quarter.

Details of the latest assay results received are set out in the table below:

Hole No.	Azimuth (degrees)	Total hole length (m)	Section analysed (m)			Assays results Fe (%)
			from	to	Total	
KAL 12 008^	**270**	**253.50**	**97.80**	**253.50**	**155.70**	**22.2**
includes			*125.70*	*140.60*	*14.90*	*35.4*
KAL 12 009^	**270**	**419.70**	**59.00**	**388.50**	**329.50**	**25.7**
includes			*205.00*	*220.30*	*15.30*	*38.4*
KAL 12 010^	**270**	**449.20**	**89.90**	**389.90**	**300.00**	**25.4**
includes			*89.90*	*109.60*	*19.70*	*36.9*
includes			*351.60*	*386.75*	*35.15*	*36.9*
KAL 12 011^	**270**	**396.30**	**51.40**	**373.00**	**321.60**	**27.8**
includes			*53.30*	*65.70*	*12.40*	*38.9*
includes			*361.00*	*373.00*	*12.00*	*37.0*
KAL 12 012	**270**	**305.40**	**1.35**	**259.50**	**258.15**	**26.0**
includes			*19.10*	*41.90*	*22.80*	*35.3*
includes			*233.00*	*259.50*	*26.50*	*31.0*
KAL 12 013	**270**	**277.65**	**1.80**	**198.20**	**196.40**	**28.9**
includes			*161.30*	*195.80*	*34.50*	*34.7*
KAL 12 014	**270**	**321.65**	**44.50**	**239.00**	**194.50**	**37.9**
includes			*87.15*	*98.00*	*10.85*	*42.6*
includes			*108.00*	*121.55*	*13.55*	*43.0*
includes			*191.20*	*196.40*	*5.20*	*53.7*
includes			*216.30*	*229.10*	*12.80*	*40.0*
KAL 12 015	**270**	**275.55**	**2.45**	**188.50**	**186.05**	**36.40**
includes			*49.00*	*55.50*	*6.50*	*42.00*
includes			*79.60*	*85.50*	*5.90*	*42.40*
includes			*143.40*	*165.30*	*21.90*	*41.30*
KAL 12 016	**90**	**293.30**	***			
KAL 12 017	**270**	**181.70**	**2.80**	**129.80**	**127.00**	Analysis pending
KAL 12 018	**270**	**199.40**	**2.20**	**39.55**	**37.35**	No significant results
KAL 12 019	**270**	**160.80**	**2.45**	**114.20**	**111.75**	**35.90**
includes			*5.35*	*32.05*	*26.70*	*37.20*
includes			*72.00*	*86.50*	*14.50*	*38.20*
includes			*104.15*	*114.20*	*10.05*	*45.10*
KAL 12 020	***					

KAL 12 021	***					
KAL 12 022	**270**	**176.90**	**55.60**	**176.90**	**121.30**	Analysis pending
KAL 12 023^	**270**	**156.45**	**3.90**	**125.00**	**121.10**	Analysis pending
KAL 12 024	**90**	**110.00**	**1.55**	**23.40**	**21.85**	Analysis pending
Total:		**3,977.50***				

Notes:

* - all drilling performed in 2012.
** - results reported previously.
*** - drilling of these holes has been postponed pending frozen winter field conditions and a new future work plan.
^ - inclined by 60 degrees. Remaining holes inclined by 45 degrees.

Inclined drillholes KAL 12 008, KAL 12 009, KAL 12 010 and KAL 12 011 were drilled with the objective of better defining the eastern extension of the Kallak North deposit as well as confirming further extension at depth. These drillholes are all sited along and outside the eastern limit of the deposit along the East-West profiles 7414460N, 7414300N, 7414250N and 7414100N respectively. These drillholes initially entered mostly light grey, biotite rich, barren volcanic rock with some narrow pegmatite and granite intrusions. All the drillholes then encountered a typical quartz banded predominantly magnetite rich iron mineralisation at vertical depths of 80m, 48m, 76m and 43m respectively below surface. The mineralised sections noted in these holes cut across the entire width of the deposit with drillhole KAL 12 009 showing an interval of 329.5m with an average grade of 25.7% Fe. The drillhole penetrated the entire mineralisation from the eastern limit to the western limit for a total interval length of 329.5m (59m - 388.5m) corresponding to 317m vertical depth from surface. Significantly higher grade sections of substantial width were also obtained close to the western margin of the deposit.

The results obtained correlate well with those achieved previously from historic shallower drilling campaigns on the same profiles which were the basis of the maiden JORC Code compliant resource estimate reported in 2011. Results from the recently completed 2012 drill programme provide evidence of significantly more iron mineralisation at depth. Depths of iron mineralisation of up to 300-350m, with significant widths of more than 200m, can now be applied in the preparation of our next independent resource estimate on the deposit compared to previously defined depths of up to 200-250m and broadly similar widths.

Drillholes KAL 12 014, KAL 12 015, KAL 12 017, KAL 12 018, KAL 12 019, KAL 12 022, KAL 12 023 and KAL 12 024 are all sited at the southern extension of the Kallak North deposit. Together with the earlier reported drillholes KAL 11 002 and KAL 12 016, drillholes KAL 12 014 and KAL 12 015 form a more than 150m long East-West drillhole profile at 7413900N. These drillholes have encountered high grade iron mineralisation over significant widths returning average grades to date of approximately 37% Fe. The mineralised sections extend for more than 100m in length and up to 194.50m for drillhole KAL 12 014. These results confirm the presence of significant width and depth of iron mineralisation for the profile 7413900N. Further substantial extension towards the south is confirmed by the results from drillholes KAL 12 017 on profile 7413850N and KAL 12 019 on profile 7413800N, which both displayed significant iron mineralisation over long sections. The assays received for hole KAL 12 019 have confirmed an average grade of 35.9% Fe over 111.75m. Assay

results for hole KAL 12 017 are pending, however geological logging of the hole showed the presence of iron mineralisation of identical magnitude to that of hole KAL 12 019.

From geological logging of the cores, it appears that the southern extension of the Kallak North deposit is more hematite rich whereas the central and northern part of the deposit is more magnetite rich.

The results of the 2012 drilling programme have confirmed a total length for the Kallak North deposit of more than 1,100m.

Kallak South work plan

As announced in the Company's interim results, JIMAB duly filed and notified the requisite work plan in respect of the southern part (Parkijaure nr2 licence area) of the Kallak project to enable drilling to commence there this quarter. Whilst all of the relevant landowners consented to this new plan, objections were raised by the local Saami community seeking to delay drilling operations on the grounds, *inter alia*, that such operations could affect seasonal reindeer herding. Accordingly, JIMAB is currently consulting with the local Saami community to attempt to resolve the objections raised. JIMAB currently intends to request a decision from the Mining Inspector on the work plan in the event that a satisfactory resolution is not achieved with the local Saami community in the near future.

Kallak North test mining application

Further to the announcement of 12 October 2012, JIMAB has now received official notice of the decision by the County Administrative Board of Norrbotten approving its application for test mining within a defined area on the Kallak North deposit. Subject to no appeals being lodged within the requisite three week notice period, the decision will become legally effective and JIMAB will then have a period of three years in which to commence operations, with the permit remaining valid for two years from the date of works commencing. In the event of an appeal, the matter will be referred to the appropriate Swedish regional Land and Environmental Court.

The decision is conditional, *inter alia*, on JIMAB consulting with the local Saami village with respect to its planned operations and the transport of mined ore. In particular, any works in the period from 1 November to 30 April require the prior consent and approval of the local Saami village and the Jokkmokk municipality in its capacity as the supervisory agency. JIMAB is also required to remediate the area for inspection by the supervisory agency prior to the permit expiring, and must deposit a surety of SEK200,000 (approximately £19,000) with the County Administration in respect of such remediation work prior to operations commencing.

JIMAB currently intends to commence test mining operations in summer 2013, which will include sampling the Kallak North mineralisation of up to 2,000m^3 of mineralised material from up to six trenches for metallurgical test work off site, allowing design parameters for mineral processing to be developed, as well as generating final product samples for metallurgical testing by potential future customers. Detailed work plans will be prepared and disseminated to the relevant land owners and users in the affected area prior to any field work commencing.

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.

Enquiries:

Beowulf Mining Plc
Clive Sinclair-Poulton, Chairman Tel: +353 (0)85 739 2674

Strand Hanson Limited
Matthew Chandler / Simon Raggett Tel: +44 (0)20 7409 3494

Seymour Pierce Limited
Stewart Dickson /Julian Erleigh / Katie Ratner Tel: +44 (0)20 7107 8000

Blythe Weigh Communications
Tim Blythe / Natalie Raper / Robert Kellner Tel: +44 (0)20 7138 3204

or visit http://www.beowulfmining.com

Notes to Editors:

All drill cores were scanned in the field at the drill site by a highly sensitive hand held magnetic susceptibility meter, with automatic average registrations along individual core lengths, before being transported to the ALS laboratory at Öjebyn, Sweden, for geological logging and analytical preparation. Total iron plus a further 23 chemical elements including sulphur, phosphorous and manganese were determined at the ALS laboratory in Perth by XRF techniques. All samples were analysed for ferrous iron by H_2SO_4/HF acid digestion and titrimetric finish.

Kallak North currently has an independent JORC Code compliant Inferred Resource estimate of 131.6Mt grading at 28% iron (Fe) completed by GeoVista AB.