

3 December 2012

Beowulf Mining Plc
(“Beowulf” or the “Company”)

Update re Kallak Iron Ore Project

Assay results received for the remaining four drill holes at Kallak North with further significant iron grades encountered

Metallurgical studies including Davis Tube Recovery tests confirm the possibility of a high grade commercial product from Kallak North material

Beowulf (AIM: BEM; Aktietorget: BEO), the AIM and Aktietorget traded mineral exploration company focussed on developing its Kallak North and Kallak South iron ore deposits in northern Sweden, announces the remaining assay results and findings of metallurgical studies in relation to the Kallak North deposit on its wholly owned Kallak iron ore project located within the municipality of Jokkmokk.

Highlights:

- The 2012 drill programme completed on the Kallak North deposit comprised 23 holes for a total of 5,549m of drilling from which more than 4,000m of cores were selected for analysis.
- Further significant assay results received for the four remaining holes which are all located on the southern part of the Kallak North deposit. Results include a long intercept of more than 125m at approximately 42 per cent iron and the highest ever recorded iron content for a drill core section from Kallak North to date of 61.2 per cent.
- Metallurgical studies, including Davis Tube Recovery (“DTR”) tests, on large samples from across the Kallak North deposit have confirmed that concentrates of a marketable pellet feed composition can be produced using a relatively straightforward wet, low intensity magnetic separation (“WLIMS”) technique.
- In addition to magnetite, the southernmost part of the Kallak North mineralisation contains significant amounts of hematite, which suggests that processing should be made by WLIMS complemented by other conventional techniques, specifically suited to the recovery of hematite, such as gravity and wet, high gradient magnetic separation (HGMS).

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

“The remaining assay results from our completed Kallak North drill programme further underpin the great promise of the project and again include the highest average grade of iron mineralisation ever recorded for a section of drill core from this deposit to date.

“The latest metallurgical studies also serve to demonstrate the project’s potential to ultimately produce a high grade commercial product and we look forward to the results from our impending extensive drill campaign on the Kallak South deposit in due course.”

The 2012 drill programme on the Kallak North deposit comprised 23 holes for a total of 5,549m of drilling. More than 4,000m of the drill core was selected for analysis with the results for the first 19 holes announced previously by the Company in late April and mid October 2012.

Assay results

Details of the outstanding assay results received for the four remaining holes from the 2012 Kallak North drill campaign 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 12 017	270	181.70	2.80	129.80	127.00	42.2
KAL 12 022	270	176.90	55.60	176.90	121.30	No significant results
KAL 12 023 [^]	270	156.45	3.90	123.70	119.80	41.7
<i>includes</i>			80.70	89.90	9.20	57.7
<i>includes</i>			83.40	84.40	1.00	61.2
KAL 12 024	90	110.00	1.55	23.40	21.85	28.6

Note:

[^] - inclined by 60 degrees. Remaining holes inclined by 45 degrees.

The four inclined holes are located on the southernmost part of the Kallak North deposit and the results confirm the presence of wide, high grade iron sections, similar to those reported previously for holes located 50m and 100m to the north. High grade intercepts of approximately 42 per cent Fe are noted over lengths of approximately 120m in two of the holes (KAL 12 017 on profile 7413850N and KAL 12 023 on profile 7413800N). Results for hole KAL 12 023 include a 9.2m interval with an average grade of 57.7 per cent Fe which contains a one metre section at an average grade of 61.2 per cent Fe, the highest grade of iron encountered to date in drill core extracted from the Kallak North deposit.

Hole KAL 12 022, drilled in barren country rock, is located on profile 7413750N and is currently the most southerly hole drilled on the deposit. The outcome of this hole is interpreted to demarcate the eastern limit of the mineralisation on this profile. In order to determine whether this also represents the southern limit of the Kallak North deposit, additional holes need to be drilled in due course approximately 100m and 150m to the west on the same profile.

The latest results serve to further confirm that iron mineralisation at Kallak North extends for more than 1,100m in length with a significant width of up to 300m at surface level and reaching confirmed depths of 300m or more. All available analytical data in respect of the Kallak North deposit is currently being compiled into a database for use in the forthcoming preparation of an updated JORC compliant resource estimate by the independent consultants GeoVista AB at Luleå, northern Sweden, assisted by specialist technical consultants from Micon International Co Limited ("Micon").

As observed previously 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.

Kallak South drill programme

Further to the Mining Inspectorate (Bergsstaten's) recent approval of the work plan filed and notified by the Company's wholly owned subsidiary, Jokkmokk Iron Mines AB ("JIMAB"), in respect of its planned, fully funded, approximate 19,000m 2012/13 drilling campaign, JIMAB has now issued formal notice to the local Saami community that it intends to commence snow clearing of roads, prepare access to drill sites and drilling operations in the Parkijaure nr2 and Kallak nr1 permit areas in early December 2012. It is currently intended that drilling operations will commence in the northern part of the Kallak South deposit, where frozen ground conditions are required in order to minimise the environmental impact from deployment of the drill rigs on to the selected drill sites.

The planned extensive drilling campaign is principally targeting a maiden JORC compliant resource estimate for the Kallak South deposit as well as seeking to determine whether the Kallak South and Kallak North deposits are geologically connected.

Metallurgical test work

JIMAB commissioned MINPRO AB of Stråssa, central Sweden to perform DTR tests, as well as bench scale grinding and magnetic separation test work, on composite samples extracted from six separate sections across the Kallak North deposit guided by advice from Micon. Each section selected, spaced approximately 200m apart, is approximately 50m in length running in an east-west direction across the deposit. The distance between the most northerly and southerly selected intersections is close to 800m. Accordingly, a significant part of the presently known length of the Kallak North deposit has now been tested. Each of the six samples weighed close to 125kg. The main scope of the test work was to establish a variability pattern in the mineral processing versus standardised test work with the results obtained to be used in planning for future test mining at the Kallak North deposit and subsequent mineral processing tests in the laboratory and at a pilot scale.

The DTR results were encouraging, producing concentrate with grades of between 68.9 - 70.3 per cent iron content after grinding to liberation, which confirms that concentrates of a marketable pellet feed composition can be produced using wet, low intensity magnetic separation techniques. Both the DTR tests and the bench scale tests showed that with respect to the sample taken from the southernmost part of the Kallak North deposit, WLIMS will need to be complemented by further separation methods, such as gravity and wet, high gradient magnetic separation techniques, in order to recover its hematite content. Planning for further mineral processing studies at a bench scale and pilot scale is currently underway.

Similar bench scale metallurgical studies and DTR tests on ore grade material from the Kallak South deposit are currently expected to be completed next year following the results of the forthcoming extensive 2012/13 drilling campaign.

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.

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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 Örebro, 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 H₂SO₄/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.