



1 June 2015

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

First Quarter Unaudited Interim Statement and Management Update

Beowulf (AIM: BEM; Aktietorget: BEO), the mineral exploration and development company focused on the Kallak iron ore project in northern Sweden and its Swedish exploration portfolio, announces its unaudited interim statement for the three months ended 31 March 2015 (see Appendix 1) and provides a management update.

The next interim statement for the six months ending 30 June 2015 will be released on Monday 31 August 2015.

Exploitation Concession

- Since the Company received notification on 13 February 2015 that the Mining Inspectorate of Sweden had referred the decision regarding the Exploitation Concession for Kallak North to the Swedish Government, the Chief Executive Officer ("CEO") has visited Sweden regularly and on each occasion met with officials at the County Administrative Board ("CAB"), the municipality (Jokkmokks Kommun) and other key stakeholders, including the landowners' association in Jokkmokk and the Mining Inspectorate.
- During these meetings the CEO has explained the changes that have taken place within Beowulf and its subsidiary Jokkmokk Iron Mines AB since October 2014, in terms of leadership and approach to stakeholders. He also provided an update on the Company's understanding of the process being followed by the Swedish Government, and provided supporting arguments for the award of the Exploitation Concession, including:
 - Kallak's designation, in February 2013, by the Swedish Geological Society as an Area of National Interest for minerals, affording it protection against competing land use and measures that may hinder future potential mineral extraction.
 - The Chief Mining Inspectorate finding, in February 2015, that the prerequisites for an Exploitation Concession have been fulfilled.
 - The definition of a high quality resource at Kallak, including an Indicated Resource of 118.5 million tonnes ("Mt") at 27.5 per cent iron and an Inferred Resource of 33.8Mt at 26.2 per cent iron (JORC, 2012 edition), plus an exploration target of 90-100Mt at 22-30 per cent iron.
 - Jokkmokk Kommun's independent socio-economic study on Kallak shows that a mining development will create direct and indirect jobs, increase tax revenues and

slow down population decline, demonstrating that mining at Kallak can provide a much needed economic stimulus for the region.

- The Company has demonstrated its commitment to Jokkmokk's economic future as a direct investor in the mining project, with £5.4 million having been spent to date and through its partnership with the landowners' association, Jokkmokks Allmänning, to support the development of small and medium enterprises in the wider community.
- The Company is confident its application for an Exploitation Concession has met the requirements of the Swedish regulations, and despite the CAB raising concerns in October 2014 regarding transport routes, which are typically assessed during environmental permitting, the Company went further and made significant concessions to address the CAB's concerns, with a written submission to the Mining Inspectorate in November 2014 (RNS 28 November 2014 Third Quarter Update).

Financials

- Loss before and after taxation of £154,000 (2014: £264,000) and basic loss per share of 0.044p (2014: 0.093p). The 42 per cent reduction in the loss is down to lower corporate overheads, especially director fees and nil loss on financial derivatives (£78,000 in 2014) due to the accelerated settlement of the Lanstead Capital L.P. ("Lanstead") equity swap agreements.
- £388,000 in cash held at the period end.
- The Company announced on 7 January 2015 that it had mutually agreed to accelerate all settlements under the equity swap agreements with Lanstead, receiving a final settlement of £150,000.
- £350,000 (gross) raised in March 2015 with the issue of 29.2 million shares.

Corporate

- Bevan Metcalf became of Non-Executive Chairman on 8 May 2015.
- Liam O'Donoghue was appointed Company Secretary on 8 May 2015.
- The new Board and Executive team has maintained its reduced size to optimize the use of cash resources. The Board has continued to voluntarily elect to take a third of its salary in equity rather than cash, aligning itself to shareholder interests; shares have not been acquired to-date as the Company remains in a close period.
- The closing number of ordinary shares in circulation as at 31 March 2015 and at the date of this announcement is 374,426,515.
- The Company launched a new, cost effective, website on 31 March 2015 - www.beowulfmining.com.
- The Company changed its Registered Office to 201 Temple Chambers, 3-7 Temple Avenue, London EC4Y 0DT on 8 May 2015.

Kurt Budge, Chief Executive Officer of Beowulf, commented:

"While respecting the process that the Swedish Government is conducting on the Exploitation Concession for Kallak North, we continue to press for an early and positive decision. There are

indications from the Swedish Government that some form of notification will be given before the summer.

“Iron ore markets remain challenging, but with the funds raised in March we have initiated further testwork on Kallak North samples, which we are confident will further demonstrate the high quality of the Kallak North orebody and the premium priced concentrates it can generate, and we look forward to updating the market further in due course.

The award of an Exploitation Concession and our advanced understanding of Kallak North, and its market attractiveness, are important foundations for bringing in a strategic partner and investor. While shareholders are clearly focused on the Kallak North decision, we continue to work at creating value with our other exploration assets, and to look beyond for other opportunities within Scandinavia.”

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Competent Person Review

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 Chief Operating Officer of the Company and has over 40 years relevant experience within the natural resources sector.

Cautionary Statement

Statements and assumptions made in this document with respect to the Company's current plans, estimates, strategies and beliefs, and other statements that are not historical facts, are forward-looking statements about the future performance of Beowulf. Forward-looking statements include, but are not limited to, those using words such as "may", "might", "seeks", "expects", "anticipates", "estimates", "believes", "projects", "plans", "strategy", "forecast" and similar expressions. These statements reflect management's expectations and assumptions in light of currently available information. They are subject to a number of risks and uncertainties, including, but not limited to, (i) changes in the economic, regulatory and political environments in the countries where Beowulf operates; (ii) changes relating to the geological information available in respect of the various projects undertaken; (iii) Beowulf's continued ability to secure enough financing to carry on its operations as a going concern; (iv) the success of its potential joint ventures and alliances, if any; (v) metal prices, particularly as regards iron ore. In the light of the many risks and uncertainties surrounding any mineral project at an early stage of its development, the actual results could differ materially from those presented and forecast in this

document. Beowulf assumes no unconditional obligation to immediately update any such statements and/or forecasts.

About Us

The Kallak North iron ore deposit is located about 40km west of the Jokkmokk municipality centre in the Norrbotten County in Northern Sweden.

Local infrastructure is excellent with all-weather gravel roads passing through the project area and all parts are easily reached by well used forestry tracks. A major hydroelectric power station with associated electric power-lines is located only a few kilometres to the south east. The nearest railway (the 'Inland Railway Line') passes approximately 40km to the east. This railway line is connected at Gällivare with the 'Ore Railway Line', which is used by LKAB for delivery of their iron ore material to the Atlantic harbour at Narvik (Norway) or to the Botnian Sea harbour at Luleå (Sweden).

The total Kallak project area is approximately 80km², and includes the Parkijaure licence granted in 2010 and the Ågåsjegge nr2 licence granted in 2014.

The Kallak North and Kallak South orebodies are centrally located and cover an area approximately 3,700m in length and 350m in width, as defined by drilling. The mineral resource estimate for Kallak North and South is based on drilling conducted between 2010-2014, a total 27,895m drilled, including 131 drillholes.

The latest resource statement for the Kallak project was finalised on the 28 November 2014, following the guidelines of the JORC Code 2012 edition, summary as follows:

	Category	Tonnage Mt	Fe %	P %	S %
Kallak North	Indicated	105.9	27.9	0.035	0.001
	Inferred	17.0	28.1	0.037	0.001
Kallak South	Indicated	12.5	24.3	0.041	0.003
	Inferred	16.8	24.3	0.044	0.005
Global	Indicated	118.5	27.5	0.036	0.001
	Inferred	33.8	26.2	0.040	0.003

The Ballek Joint Venture project comprises two exploration permits over a total area of approximately 8.7km², located in the Norrbotten County in Northern Sweden. In September 2008 Beowulf reported a maiden JORC Code compliant Inferred Resource estimate for the Lulepotten copper-gold deposit of 5.4Mt, grading 0.8% Cu and 0.3g/t Au.

Other attractive portfolio assets include the Nautijaure licence with potential for IOCG, Grundträsk gold project and the Munka licence which hosts Sweden's largest, drill confirmed deposit of molybdenum.

APPENDIX 1

BEOWULF MINING PLC UNAUDITED CONSOLIDATED INCOME STATEMENT FOR THE THREE MONTHS ENDED 31 MARCH 2015

	Unaudited 3 months ended 31 March 2015 £000's	Unaudited 3 months ended 31 March 2014 as restated £000's
Continuing operations		
Administrative expenses	<u>(154)</u>	<u>(193)</u>
Operating loss	(154)	(193)
Fair value loss on derivative financial assets	-	(78)
Share of post-tax losses of equity accounted joint venture	-	(1)
Finance income	-	8
Loss before and after taxation	<u>(154)</u>	<u>(264)</u>
Loss attributable to:		
Owners of the parent	(154)	(264)
Non-controlling interests	-	-
	<u>(154)</u>	<u>(264)</u>
Loss per share attributable to the ordinary equity holder of the parent (pence):		
Basic and diluted	(0.044)	(0.093)

BEOWULF MINING PLC
UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2015

	Unaudited As at 31 March 2015 £000's	Unaudited As at 31 March 2014 as restated £000's
ASSETS		
Non-current assets		
Intangible assets	6,282	5,111
Property, plant and equipment	38	49
Investment in equity accounted joint ventures	-	205
Investments	19	17
Derivative financial assets	-	1,004
Loans and other financial assets	51	480
	<hr/> 6,390	<hr/> 6,866
Current assets		
Trade and other receivables	48	223
Derivative financial assets	-	381
Cash and cash equivalents	388	1,372
	<hr/> 436	<hr/> 1,976
TOTAL ASSETS	<hr/> 6,826	<hr/> 8,842
EQUITY		
Shareholders' equity		
Share capital	3,744	2,828
Share premium	15,049	14,079
Revaluation reserve	(11)	(134)
Capital contribution reserve	46	46
Share option reserve	71	68
Translation reserve	(1,224)	(253)
Retained earnings	(11,179)	(8,122)
	<hr/> 6,496	<hr/> 8,512
Non-controlling interests	125	-
TOTAL EQUITY	<hr/> 6,621	<hr/> 8,512
LIABILITIES		
Current liabilities		
Trade and other payables	205	330
TOTAL LIABILITIES	<hr/> 205	<hr/> 330
TOTAL EQUITY AND LIABILITIES	<hr/> 6,826	<hr/> 8,842

NOTES

1. PRIOR YEAR ADJUSTMENT – CHANGE IN ACCOUNTING POLICY

During the year ended 31 December 2014, the Group adopted IFRS 11 'Joint Arrangements' which was effective for periods beginning on 1 January 2014. The Directors have considered the factors specified within IFRS 11 and classified the interest in the jointly controlled entity, Wayland Copper Limited as a joint venture. Under the requirements of IFRS 11, joint ventures are accounted for using the equity accounting method. Joint ventures are initially recognised at cost and subsequently adjusted for the Group's share of the profit and losses and other comprehensive income in the joint venture.

The accounting policy adopted prior to the implementation of IFRS 11 followed the requirements of IAS 31 'Financial reporting of Interests in Joint Ventures' under which the Group had accounted for the interest in the jointly controlled entity using the proportional consolidation method.

The Group has retrospectively restated the 2014 figures to reflect this change in accounting policy.

2. LOSS PER SHARE

Basic loss per share

The calculation of basic loss per share at 31 March 2015 is based on the loss attributable to ordinary shareholders of £153,558 (2014: £263,507 loss) and a weighted average number of Ordinary Shares outstanding during the period ended 31 March 2015 of 349,472,812 (2014: 282,827,365) calculated as follows:

Loss attributable to ordinary shareholders

	31 March 2015 £	31 March 2014 £
Loss attributable to ordinary shareholders	(153,558)	(263,507)

Weighted average number of ordinary shares

	31 March 2015 Number	31 March 2014 Number
Number of shares in issue at beginning of year	345,259,849	282,827,365
Effect of shares issued during period	4,212,963	-
Weighted average number of ordinary shares in issue during the period	349,472,812	282,827,365

There is no difference between the basic and diluted loss per share.

** Ends **