



The information contained within this announcement is deemed to constitute inside information as stipulated under the Market Abuse Regulations ("MAR") (EU) No. 596/2014. Upon the publication of this announcement, this inside information is now considered to be in the public domain.

For the purposes of MAR and Article 2 of Commission Implementing Regulation (EU) 2016/1055, this announcement is being made on behalf of Kurt Budge, Chief Executive Officer.

29 May 2018

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

Unaudited Interim Statement and Management Update for the Period Ended 31 March 2018

Beowulf (AIM: BEM; AktieTorget: BEO), the mineral exploration and development company, focused on the Kallak magnetite iron ore project and the Ätvidaberg polymetallic exploration licence in Sweden, and its graphite portfolio in Finland, announces its unaudited preliminary financial results for the three months ended 31 March 2018 (see Appendix 1).

Overview of Activities in the Quarter

- Further to a request from Government, both the Mining Inspectorate and the Company submitted comments, separately, regarding the CAB's statement dated 30 November 2017. Other interested parties submitting comments included Jokkmokks Kommun, Region Norrbotten, and the Sami reindeer herding communities of Jåhkågasska Tjiellde and Sirges Sameby.

Subsequently, the Government circulated all comments, and the Company had another opportunity to make a further submission by the 5 March 2018.

- Findings were shared from the Company's 2017 work programme at Ätvidaberg, and the Company announced its plan to conduct a ground Fixed Loop Electromagnetic ("FLEM") survey, intended to provide additional information to support drill target selection in the Bersbo area, focused on copper and zinc mineralisation.
- For the Aitolampi graphite project, the Company announced metallurgical testwork results, indicating the market potential of the graphite concentrate products that could be produced from Aitolampi, and that a new drilling campaign had started in the middle of February 2018.
- On 19 February 2018, the CEO participated in a meeting in Stockholm to discuss land use and engagement processes between Sami reindeer herding communities and mining companies, as part of the OECD's project 'Linking Indigenous Communities with Regional Development', supported by the Swedish Government.
- On 22 February 2018, the Company announced that it had issued 2.1 million ordinary shares of 1.0 pence each to Rasmus Blomqvist, the Company's Exploration Manager, as the first tranche of deferred consideration pursuant to the acquisition of Oy Fennoscandian Resources AB ("Fennoscandian") as announced via RNS on 11 January 2016 (the "Further Consideration Shares").
- On 6 March 2018, the Company published a letter written by the CEO and sent to the Swedish Government,

providing final comments for this stage of the Kallak application process.

- The Company published results from its latest drilling campaign at Aitolampi on 23 March 2018.

Post Period End

- On 12 April 2018, the Company announced that it had been in communication with the Swedish Government, and that the Government's review of submissions made by interested parties, with regard to the Company's application for an Exploitation Concession for Kallak North, continues. As the Government has yet to complete its review of all documents received, it cannot give a definitive timing for a final decision.
- On 17 April 2018, the Company announced the signing of a Graphite Collaboration Agreement (the "Agreement") with Åbo Akademi University ("Åbo"), located in Turku, Finland. The Agreement formalised the partnership that the Company, and its subsidiary Fennoscandian, has forged with Åbo over several years. The Agreement is focused on knowledge sharing, the identification of graphite prospects, their exploration, and development into production assets.
- On 25 April 2018, the Company announced its involvement in a Cooperation Network of existing and new entrant raw materials suppliers to the emerging battery manufacturing industry in Finland.

The Cooperation Network includes the cities of Vaasa and Kokkola; Freeport Cobalt, the world's largest cobalt refinery and producer of battery chemicals; Nornickel, the producer of world-class nickel metals and nickel chemicals in Harjavalta; Terrafame Group, the parent company of Terrafame, producing nickel, zinc, cobalt and copper in Sotkamo; Keliber, which is preparing to start lithium production in Kaustinen and Kokkola; as well as Beowulf, the 100 per cent owner of the Aitolampi graphite deposit.

The official announcement regarding the Cooperation Network, dated 24 April 2018, and titled "The battery industry has enormous potential to become Finland's new success story. The Vaasa battery factory project has brought together a large nationwide network of cooperation partners" can be viewed at:

<https://www.gigafactory.fi/press-20180424-en>

In addition, Fennoscandian was granted Euros 161,000 by Business Finland for a research project entitled "Green Minerals - Graphite, Exploration to Products". The project runs from 1 January 2018 to 31 December 2019 and has a total budget of Euros 323,750. The Company will contribute the balance of the funding.

- At the beginning of May 2018, the Company awarded contracts for a Mineral Resource Estimate ("MRE") and Environmental and Social Impact Assessment ("ESIA") Roadmap for the Aitolampi project.
- The Company announced assay results for its Aitolampi graphite project in Finland on 4 May 2018.
- On 16 May 2018, the Company learnt that the Administrative Court in Luleå had rejected the Jokkmokk Iron Mine's AB ("JIMAB") appeal of the Mining Inspectorate's decision not to extend Kallak nr 2 and Parkijaure nr 3 exploration licences, in a judgement dated 7 May 2018 and sent to JIMAB by regular post. The two licences are not part of the Kallak Exploitation Concession application.

JIMAB will be applying to Administrative Court of Appeal in Sundsvall for its case to be heard, arguing that the court judgement is wrong, and that JIMAB's decision not to invest in further exploration of these two licences, while the Kallak application is being handled, is valid, given the time taken and the performance of the authorities involved. JIMAB has an approved workplan for Parkijaure nr 3, and intends to drill, with one objective being to identify an exploration target for additional iron ore mineralisation.

- On 16 May 2018, Beowulf announced that it had completed a subscription for new ordinary shares to raise £1.5 million before expenses.

Kurt Budge, Chief Executive Officer of Beowulf, commented:

"We have had a busy first five months of the year, culminating in a successful £1.5 million fundraising. A strong

cash position gives the Company the flexibility to execute its plans at Aitolampi, at our other graphite prospects, at Åtvidaberg, and wait on the Government as it completes its review of the Company's Kallak application.

"As well as the recent fundraising, we have received a Euros 161,000 grant from Business Finland for our graphite programme, and under the Horizon 2020 – the Framework Programme for Research and Innovation (2014-2020) could receive a further Euros 275,000 for testing passive seismic technology at Kallak and our Parkijaure licences, with one objective being to identify an exploration target for iron ore mineralisation at Parkijaure.

"We support the Government's thorough review of the Kallak application, its need to take time to understand the facts, acknowledging the Company's SEK77 million investment, and recognise the CAB's misrepresentation of the project, flawed analysis and conclusions, and the damage being caused to Sweden's reputation as a mining country and a place to do business.

"Beowulf shareholders have good reason to be frustrated with no definitive timeline for a decision, but should continue to be patient, as Kallak is an important project for Jokkmokk and Norrbotten and should be treated with the care and attention it deserves.

"The Company maintains a dialogue with the Government, and in early July, the CEO will again be attending Almedalen. Almedalen presents an opportunity to engage with politicians from all parties, who take seriously the economic future of northern Sweden, the interdependencies of major capital projects in the region, mining, rail, port, and power, encouraging investors and job creation, that in turn sustain the financial health of municipalities.

"I look forward to keeping shareholders updated on our progress across all areas of our business."

Financials

- Loss before and after taxation attributable to the owners of the parent of £199,333 (2017: loss of £207,922). The loss in the period was lower comparable to the prior year due to a decrease in director's remuneration attributable to lower director's consultancy cost incurred, combined with a reversal of an accrual for professional fees.
- Basic/diluted loss per share was 0.04 pence (2017: loss of 0.04 pence).
- £1,086,686 in cash held at the period end.
- The translation reserve losses attributable to the owners of the parent increased from £397,060 at 31 December 2017 to £826,122 at 31 March 2018. Much of the Company's exploration costs are in Swedish Krona which has weakened against the pound by approximately six per cent since 31 December 2017.

Operational

Sweden

Kallak

- The Company's application is with the Government. Swedish elections, timed for September 2018, could cause a delay in any final decision.
- The Company is participating in 'EU project 776622 – PACIFIC' which is in the final stages of being grant funded under the Horizon 2020 – the Framework Programme for Research and Innovation (2014-2020). The Company's share of funding amounts to Euros 275,000, which will be used to test passive seismic techniques for environmentally friendly and cost efficient mineral exploration at Kallak and Parkijaure.

Beowulf will first test passive seismic technology using an ambient seismic source at Kallak. With an existing defined resource at Kallak North, the output of the testwork can be validated against this. The Company will also test Kallak South in the same way.

As the Company has the same type of mineralisation forming a southern extension of Kallak and into Parkijaure, Beowulf intends to carry out some drilling at Parkijaure nr 3 and nr 4, for which the Company has a valid workplan, with one objective being to identify an exploration target for iron ore mineralisation. The drilling will give Beowulf a seismic source, and access to drillholes will allow the Company to place sensors to collect important data for the project.

Åtvidaberg

- In the coming weeks, the Company is bringing together its exploration team and external experts, to review the findings to date of the work programmes on the Åtvidaberg licence, with a view to defining drill targets there.

Finland

- On 30 January 2018, the Company announced metallurgical testwork results for graphite samples from Aitolampi. Highlights were as follows:
 - Alkaline purification produced 99.86 per cent Total Carbon ("C(t)") for +100-mesh concentrate and 99.82 per cent C(t) for -100-mesh concentrate.
 - Results from acid purification were also promising and reached 99.6 per cent C(t) for the +100-mesh and 99.41 per cent for the -100-mesh concentrate.
 - The alkaline and acid purification results indicate that, with some process optimisation, Aitolampi concentrates may meet the purity specification of 99.95 per cent C(t) required for the lithium ion battery market.
 - Aitolampi graphite shows high crystallinity, with the degree of graphitisation measuring approximately 98 per cent, which is almost perfect crystallinity, an important prerequisite for high tech applications, such as lithium ion batteries.
 - Volatiles are low, which is an attractive product attribute in many applications, including refractories, lubricants, crucibles, and foundries.
 - Specific Surface Area ("SSA") is comparable to that of high quality flake graphite from China.
 - Oxidation behaviour is comparable with Chinese graphite of the same flake size, used for refractories, and other high temperature applications.
- On 27 March 2017, the Company announced the completion of drilling at Aitolampi, eight holes, approximately 1,197 metres ("m") in total, with the first four drill holes, AITDD17001-004, extending 350m along strike for the main conductive zone.

Drill holes AITDD17005-008 tested the extent of mineralisation down-dip of the main conductive zone.

There were substantial graphite mineralisation intersections in all holes, including up to 113.5m down-hole width for the longest drill hole AITDD17006, which correspond with identified electromagnetic ("EM") conductors. It should be noted that the mineralisation intercept is the down-hole width and may not be the true width.

Drill holes AITDD17005-006 tested two parallel conductors to the main conductive zone and intersected graphite mineralisation for both conductors.

The Company's geologists completed core logging for all holes and sent samples to ALS Minerals in Finland for assay.

- On 24 May 2017, the Company presented assays for the intersected mineralisation. Highlights as follows:
 - Drilling confirmed that EM anomalies identified at Aitolampi are associated with wide zones of graphite mineralisation, with a mineralised strike length of at least 350m along the main conductive zone drill-

tested, dipping between 40 and 50 degrees to the southwest. The main EM zone extends for 700m.

- Drill hole AITDD17006 intercepted 202.98m at 3.09 per cent Total Graphite Carbon ("TGC") from 19.2m depth (this includes some barren zones with no assays and calculated as zero per cent TGC), and higher-grade zones of 18.95m at 6.33 per cent TGC, and 14m at 6.26 per cent TGC.
- Drill hole AITDD17001 intercepted 141.86m at 3.72 per cent TGC from 19.67m depth, including a higher-grade zone of 39.48m at 5.02 per cent TGC.
- Drill hole AITDD17008 intercepted 60.29m at 4.01 per cent TGC from 8.71m depth, including 12m at 5.79 per cent TGC.
- Drill hole AITDD17005 intercepted 41.1m at 4.39 per cent TGC from start of hole, including 28.4m at 5.1 per cent TGC and 4m at 7.71 per cent TGC.

It should be noted that the mineralisation intercepts are the down-hole widths and are not the true width of mineralisation. All samples were prepared and analysed by ALS Finland Oy's laboratory in Outokumpu.

- The Company has awarded contracts for its Aitolampi project, including a MRE in accordance with the guidelines of the JORC Code (2012 edition) to be undertaken by CSA Global Pty Ltd ("CSA Global") and an ESIA Roadmap, a detailed plan of requirements for completing an ESIA study, to be undertaken by Pöyry Finland Oy ("Pöyry").

Corporate

- On 22 February 2018, the Company announced that it had issued 2.1 million ordinary shares of 1.0 pence each to Rasmus Blomqvist, the Company's Exploration Manager, as the first tranche of deferred consideration pursuant to the acquisition of Fennoscandian as announced via RNS on 11 January 2016 (the "Further Consideration Shares"). The second, and final, tranche of 2.1 million deferred consideration shares will be issued subject to completion of a bankable feasibility study on one of the graphite projects in the Fennoscandian portfolio.
- At 30 April 2018, approximately 58.4 per cent of the Company was owned by Swedish shareholders.
- On 16 May 2018, the Company announced that it had completed a subscription for new ordinary shares to raise £1.5 million before expenses, with the funds being used for general working capital purposes and to support activities across Beowulf's three main business areas, which are graphite exploration, the Ätvidaberg exploration licence, and Kallak. More specifically:
 - a Scoping Study on the Aitolampi project;
 - exploration and development activities across the graphite portfolio;
 - drilling at Ätvidaberg, following drill target identification; and
 - exploration and development work at Kallak, and the surrounding exploration licences, including application of passive seismic technology to define mineralisation at the Parkijaure licence and drilling, and landscape analysis of potential strategic partners/investors for the Kallak project.

Competent Person Review

The information in this announcement has been reviewed by Mr. Rasmus Blomqvist, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy. Mr. Rasmus Blomqvist has sufficient experience, that is relevant to the style of mineralisation and type of deposit taken into consideration, and to the activity being undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code of Reporting of Exploration Results, Mineral Resources and Ore Reserves".

Mr. Rasmus Blomqvist is a full-time employee of Oy Fennoscandian Resources AB, a 100 per cent owned subsidiary of Beowulf.

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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.

BEOWULF MINING PLC
CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE THREE MONTHS TO MARCH 2018

	(Unaudited) 3 months ended 31 March 2018	(Unaudited) 3 months ended 31 March 2017	Audited Year ended 31 December 2017
	£	£	£
Continuing operations			
Administrative expenses	(153,033)	(163,508)	(658,610)
Impairment of exploration costs	-	-	(183,131)
Share based payment expense	(48,442)	(45,013)	(203,059)
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Operating loss	(201,475)	(208,521)	(1,044,800)
Finance income	2,099	599	5,234
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Loss before and after taxation	<u>(199,376)</u>	<u>(207,922)</u>	<u>(1,039,566)</u>
Loss attributable to:			
Owners of the parent	(199,333)	(207,747)	(1,038,248)
Non-controlling interests	(43)	(175)	(1,318)
	<hr/>	<hr/>	<hr/>
	<u>(199,376)</u>	<u>(207,922)</u>	<u>(1,039,566)</u>
Loss per share attributable to the ordinary equity holder of the parent:			
Basic and diluted (pence)	(0.04)	(0.04)	(0.20)

BOWULF MINING PLC
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE THREE MONTHS TO MARCH 2018

	(Unaudited) 3 months ended 31 March 2018 £	(Unaudited) 3 months ended 31 March 2017 £	Audited Year ended 31 December 2017 £
Loss for the year	(199,376)	(207,922)	(1,039,566)
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss:			
Exchange (losses) / gains arising on translation of foreign operations	(429,200)	(65,097)	67,862
Total comprehensive loss	<u>(628,576)</u>	<u>(273,019)</u>	<u>(971,704)</u>
Loss attributable to:			
Owners of the parent	(628,395)	(272,835)	(970,426)
Non-controlling interests	(181)	(184)	(1,278)
	<u>(628,576)</u>	<u>(273,019)</u>	<u>(971,704)</u>

BEOWULF MINING PLC
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2018

	(Unaudited) As at 31 March 2018 £	(Unaudited) As at 31 March 2017 £	Audited As at 31 December 2017 £
ASSETS			
Non-current assets			
Intangible assets	8,023,508	7,455,603	8,191,232
Property, plant and equipment	24,200	40,542	28,580
Loans and other financial assets	5,379	5,496	5,530
	<u>8,053,087</u>	<u>7,501,641</u>	<u>8,225,342</u>
Current assets			
Trade and other receivables	163,813	71,975	65,032
Cash and cash equivalents	1,086,686	1,249,594	1,589,897
	<u>1,250,499</u>	<u>1,321,569</u>	<u>1,654,929</u>
TOTAL ASSETS	<u><u>9,303,586</u></u>	<u><u>8,823,210</u></u>	<u><u>9,880,271</u></u>
EQUITY			
Shareholders' equity			
Share capital	5,363,072	5,026,302	5,342,072
Share premium	18,141,271	16,879,241	18,141,271
Revaluation reserve	-	25,664	-
Merger Reserve	279,450	137,700	137,700
Capital contribution reserve	46,451	46,451	46,451
Share option reserve	464,447	315,911	575,078
Translation reserve	(826,122)	(529,970)	(397,060)
Retained earnings	(14,279,080)	(13,274,909)	(14,079,747)
Total Equity	<u>9,189,489</u>	<u>8,626,390</u>	<u>9,765,765</u>
Non-controlling interests	(160,052)	(158,777)	(159,871)
TOTAL EQUITY	<u>9,029,437</u>	<u>8,467,613</u>	<u>9,605,894</u>
LIABILITIES			
Current liabilities			
Trade and other payables	274,149	355,597	274,377
TOTAL LIABILITIES	<u>274,149</u>	<u>355,597</u>	<u>274,377</u>
TOTAL EQUITY AND LIABILITIES	<u><u>9,303,586</u></u>	<u><u>8,823,210</u></u>	<u><u>9,880,271</u></u>

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL

INFORMATION

For the 3 months ended 31 March 2018

1. Nature of Operations

Beowulf Mining plc (the "Company") is domiciled in England. The Company's registered office is 201 Temple Chambers, 3-7 Temple Avenue, London, EC4Y 0DT. This consolidated financial information comprises the Company and its subsidiaries (collectively the 'Group' and individually 'Group companies'). The Group is engaged in the acquisition, exploration and evaluation of natural resources assets and has not yet generated revenues.

2. Basis of preparation

The condensed consolidated financial information has been prepared on the basis of the recognition and measurement requirements of International Financial Reporting Standards (IFRS) as adopted by the European Union (EU) and implemented in the UK. The accounting policies, methods of computation and presentation used in the preparation of the interim financial information are the same as those used in the Group's audited financial statements for the year ended 31 December 2017.

The financial information in this statement does not constitute full statutory accounts within the meaning of Section 434 of the UK Companies Act 2006. The financial information for the three months ended 31 March 2018 is unaudited, and has not been reviewed by the auditors. The financial information for the year ended 31 December 2017 has been derived from the Group's audited financial statements for the period. The auditor's report on the statutory financial statements for the year ended 31 December 2017 was unqualified and did not contain any statement under sections 498 (2) or (3) of the Companies Act 2006.

The financial statements are presented in GB Pounds Sterling. They are prepared on the historical cost basis or the fair value basis where the fair valuing of relevant assets and liabilities has been applied.

3. Loss per share

Basic loss per share is calculated by dividing the loss attributable to ordinary owners of the parent by the weighted average number of ordinary shares of 535,070,587 (31 March 2017: 502,630,331 and 31 December 2017: 518,728,856) outstanding during the period. There is no difference between the basic and diluted loss per share.

4. Called up share capital

	(Unaudited) 31 March 2018 £	(Unaudited) 31 March 2017 £	Audited 31 Dec 2017 £
Allotted, issued and fully paid			
Ordinary shares of 1p each	5,363,072	5,026,302	5,342,072

The number of shares in issue was as follows:

	Number of shares
Balance at 1 January 2017	502,630,331
Issued during the period	<u>-</u>
Balance at 31 March 2017	502,630,331
Issued during the period	<u>31,576,923</u>
Balance 31 December 2017	534,207,254
Issued during the period	<u>2,100,000</u>
Balance at 31 March 2018	<u>536,307,254</u>

5. Intangible Assets: Group

Exploration costs	As at 31 March 2018 (Unaudited) £	As at 31 December 2017 Audited £
Cost		
At 1 January	8,191,232	7,186,576
Additions for the year	236,405	1,077,815
Impairments recognised	-	(183,131)
Foreign exchange movements	(404,129)	109,972
	<u>8,023,508</u>	<u>8,191,232</u>
At 31 December	<u>8,023,508</u>	<u>8,191,232</u>

The net book value of exploration costs is comprised of expenditure on the following projects:

	As at 31 March 2018 (Unaudited) £	As at 31 December 2017 Audited £
Kallak	6,648,704	6,979,844
Ätvidaberg	263,247	253,778
Ägåsjegge	13,001	7,365
Sala	2,816	2,634
Haapamäki	234,485	231,132
Kolari 1	155,397	151,706
Viistola	152,610	147,784
Pitkäjärvi	545,589	414,372
Joutsijärvi	7,659	2,617
	<u>8,203,508</u>	<u>8,191,232</u>

6. Events after the Reporting Date

On the 16 May 2018, the Company announced a subscription to issue 30,000,000 new ordinary shares to raise approximately £1.5 million (before expenses) at a price of 5.0 pence per new ordinary share.

7. Availability of Annual Report and Financial Statements

Copies of the Company's Annual Report and Financial Statements are expected to be posted to shareholders in due course and, once posted, will also be made available to download from the Company's website at www.beowulfmining.com.

The Annual Report and Financial Statements will also be made available for inspection at the Company's registered office during normal business hours on any weekday. Beowulf Mining plc is registered in England and Wales with registered number 02330496.

**** Ends ****