



The information contained within this announcement is deemed to constitute inside information as stipulated under the Market Abuse Regulation ("MAR") (EU) No. 596/2014, as incorporated into UK law by the European Union (Withdrawal) Act 2018. Upon the publication of this announcement, this inside information is now considered to be in the public domain.

27 August 2021

Beowulf Mining plc

("Beowulf" or the "Company")

Unaudited Financial Results for the Period Ended 30 June 2021

Beowulf (AIM: BEM; Spotlight: BEO), the mineral exploration and development company, announces its unaudited financial results for the six months ended 30 June 2021.

Overview of Activities in the Quarter

- On 20 April 2021, Beowulf published a letter that the Company's Chairman, Sven Otto Littorin, had sent to Minister Baylan, Sweden's Minister of Enterprise and Innovation, concerning the Company's Kallak Iron Ore Project ("Kallak" or the "Kallak Project") Exploitation Concession application. On 14 June 2021, the Company's CEO, Kurt Budge, sent a further letter regarding this matter.
- On 19 May 2021, the Company co-sponsored, with Eurobattery Minerals AB, a webinar titled 'Hållbar Gruvning' (Sustainable Mining) in Stockholm aimed at educating stakeholders on the rapid increase in smart and green technologies and the demands this creates for new supply of innovation-critical metals and minerals.

The Swedish Government has set-up an inquiry aimed at ensuring a sustainable supply of innovation-critical metals and minerals from primary and secondary sources. It is recognised that sustainable and lasting access to innovation-critical metals and minerals is of great importance to Sweden, but at the same time, no new mine has been established in Sweden in over a decade.

- On 25 May 2021, the Company announced the results of a Mineral Resource Estimate ("MRE") Upgrade for the Kallak Project in Sweden; an additional 19 million tonnes ("Mt") of iron mineralisation, a 12.5 per cent resource increase, giving a Measured and Indicated Resource of 132 Mt grading 27.8 per cent iron ("Fe") and an Inferred Mineral Resource of 39 Mt grading 27.1 per cent Fe.
- On 8 June 2021, via the Swedish Government, the Company received a copy of a letter written by UNESCO, dated 2 June 2021, with its comments on Beowulf's application for an Exploitation Concession for Kallak. On 9 June 2021, the Company updated the market with its preliminary response to UNESCO's findings.
- On 10 June 2021, Beowulf's wholly-owned Finnish Subsidiary Oy Fennoscandian Resources Ab ("Fennoscandian") was granted €791,000 by Business Finland, the equivalent of 50 per cent of a three-year €1.6 million budget for Fennoscandian's 'Spheronisation and Purification of Natural Graphite for the European Lithium-Ion Battery Market' project. Sufficient funding will be made available from Beowulf to enable Fennoscandian to fund the balance of the project budget.

Fennoscandian has with immediate effect changed its name to Grafintec Oy.

- Beowulf announced that further to the UNESCO letter dated 2 June 2021 and the CEO's letter to Minister Baylan dated 14 June 2021, on 18 June 2021 the Ministry of Enterprise (the "Ministry") and Innovation invited the Company to submit any further comments regarding the UNESCO letter to the Ministry by 6 September 2021.

Post Period

- On 5 July 2021, Beowulf announced there were 607,748,200 Swedish Depository Receipts representing 73.4 per cent of the issued share capital of the Company. The remaining issued share capital of the Company is held in the UK.
- Beowulf announced, on 8 July 2021, the issue and allotment of 3,535,412 new ordinary shares of 1 pence each in the Company (the "Shares") to satisfy an exercise of share options held by Kurt Budge, CEO ("Share Options").
- On 14 July 2021, Beowulf announced the award of a Mining Study contract to Carci Mining Consultants Limited ("Carci") for Kallak, to develop an open pit design and mining schedule based on the upgraded MRE.
- Beowulf announced, on 2 August 2021, the Company had invested a further £100,000 in Vardar Minerals Ltd ("Vardar"). The investment increases the Company's ownership in Vardar from 48.4 per cent to approximately 49.4 per cent. Beowulf's investment is funding advance procurement of necessary support equipment for drilling planned for Autumn 2021.

Kurt Budge, Chief Executive Officer of Beowulf, commented:

"Beowulf has a busy back end of the year to look forward to.

"We will be submitting our comments to the Swedish Government regarding the UNESCO letter on Kallak. Given Minister Baylan's words in recent months about a decision once UNESCO had responded, the acceleration of fossil-free steel making in Sweden and the continued need for investment and new jobs in the north of Sweden, we remain optimistic that a decision will be 'forthcoming'.

"On the back of an upgraded resource at Kallak, we have invested again and now await the results of the Mining Study, which will support discussions with The Swedish Transport Agency (Trafikverket), the Inlandsbanan (the Inland Railway) and emerging fossil-free steel producers in Norrbotten, such as H2 Green Steel.

"In Finland, Fennoscandian's success with the grant of €791,000 by Business Finland is a tremendous boost and we look forward to applying these funds to our investment programmes especially the further development of our partnership with Epsilon Advanced Materials and the establishment of a Strategic Processing Hub in Finland. We will provide an update on developments in the next couple of months.

"Finally, we are looking forward to permits being renewed and the start of an intensive drilling campaign in Kosovo this Autumn."

Financials

- The consolidated loss increased from H1 2020 at £394,475 to H1 2021 of £714,871.

- The underlying consolidated administrative costs of £718,293 for H1 2021 increased by £315,139 compared to the administrative cost of £403,154 for H1 2020. The variance is largely attributable to the foreign currency loss of £200,765 (2020: £5,395), this is primarily due to the retranslation of cash balances held in SEK, combined with an increase in directors' remuneration and social security costs (£17,424), consultancy (£69,521), and research costs incurred in Fennoscandian relating to downstream processing of (£19,569).
- Consolidated basic and diluted loss per share for the period ended 30 June 2021 was 0.08 pence (H1 2020: profit of 0.06 pence).
- £4,408,639 in cash held at the period end (H1 2020: £620,940). The higher level of cash is attributable to fundraising activities completed in December 2020 which raised approximately £7.4 million before expenses.
- The cumulative translation losses held in equity attributable to the holders of the parent increased by £481,698 in the period ended 30 June 2021 to £938,970 (31 December 2020: gain of £592,079). Much of the Company's exploration costs are in Swedish Krona and Euro which has weakened against the pound since 31 December 2020.
- At 30 June 2021, there were 607,748,200 Swedish Depository Receipts issued representing 73.4 per cent of the issued share capital of the Company. The remaining issued share capital of the Company is held in the UK as AIM securities.

Operational

Finland

- On 10 June 2021, Fennoscandian, was granted €791,000 by Business Finland, the equivalent of 50 per cent of a three-year €1.6 million budget for Fennoscandian's 'Spheronisation and Purification of Natural Graphite for the European Lithium-Ion Battery Market' project. Sufficient funding will be made available from Beowulf to enable Fennoscandian to fund the balance of the project budget.

This work is part of the BATCircle 2.0 (Finland-based Circular Ecosystem of Battery Metals) consortium which has been granted €10.8 million by Business Finland as part of a total funding budget of €19.3 million.

Finland has high-quality natural flake graphite resources, and the opportunity exists to create a sustainable value chain for anode material markets in Finland and Europe.

The overall objectives of the project are to develop a chemical free technological solution, utilising renewable energy, to spheronise and purify graphite within a Finnish industrial ecosystem, for use in manufacturing lithium-ion battery anodes.

Sweden

- On 25 May 2021, the Company announced the results of a MRE Upgrade for the Kallak Project, which was prepared by Baker Geological Services Ltd.

An additional 19 Mt of iron ore mineralisation, a 12.5 per cent resource increase, was identified, with a Measured and Indicated Resource of 132 Mt grading 27.8 per cent Fe and an Inferred Mineral Resource of 39Mt grading 27.1 per cent Fe.

Three distinct areas of elevated copper and gold mineralisation have also been identified in drilling, running the length of the Kallak Project area, with elevated assay intersections predominantly lying on the boundaries of the iron mineralisation.

Copper grades reach up to 1.6 per cent, although this was the maximum possible value using the assay method employed at the time.

Gold grades reach up to 0.75 grammes per tonne from testwork completed in April 2021 on those pulp samples where the copper assay was more than 0.1 per cent.

In total, 30 samples were sent for gold assay with only five samples being below detection limit.

- On 8 June 2021, via the Swedish Government, the Company received a copy of a letter written by UNESCO, dated 2 June 2021, with its comments on Beowulf's application for an Exploitation Concession for Kallak.

Comments from UNESCO suggested that:

- the Swedish Government seek a revised and extended In-Depth Assessment in assessing the impact of the proposed development [of the Kallak Iron Ore Project] on a World Heritage Property [Laponia] prior to any decision being taken to approve the mining exploitation;
 - that the role of the Sami Parliament is relevant to the assessment of the impact of the proposed development on the World Heritage property; and
 - that the Swedish Government should also consider how the practice of reindeer husbandry outside the property and directly related to reindeer husbandry within the property will be protected.
- On 9 June 2021, the Company's CEO, Kurt Budge, wrote to Minister Baylan regarding the UNESCO letter.

Selected extracts from the letter are provided below:

'On 8 June 2021, Beowulf Mining was notified by the Finansinspektionen, Sweden's financial supervisory authority, whose role is to promote stability and efficiency in Sweden's financial system as well as to ensure sustainability and an effective consumer protection, of UNESCO's letter regarding our Kallak Iron Ore Project ("Kallak") dated 2 June 2021.

Finansinspektionen wrote that UNESCO's letter had been in the hands of members of the Swedish public (including elected Sami officials) for several days, with associated posts on social media.

At the time, Beowulf had not received a copy of UNESCO's letter, but as the information was already in the public domain, with no explanation of its significance the market reacted strongly, left to draw its own conclusions. The Company's share price fell over 10 per cent last week.

During the last six years, there have been several occasions where 'market sensitive' information has been made public before Beowulf has been informed. Each time damage has been caused to the Company's share price, individual's investments, including Swedish shareholders who now own 72 per cent of the Company, and Sweden's reputation as a country in which to do business.

It is the Company's experience that often public agencies do not understand what constitutes 'market sensitive' information or recognise the obligations of a public company to its shareholders and the equity markets. Once again, the Company is left to deal with the aftermath.

It is inaccurate to say that the Kallak case is complex because of competing interests, as an excuse for delaying a decision. National interests are a distraction. The evidence shows that mining and reindeer herding coexist across Sweden, in the very few places you actually find an operating mine, as there are only 12 in the Country.

Beowulf has satisfied the procedural and legal requirements to be granted the Concession and has the right to progress with its investment, project development and environmental permitting. This has been

the case since Bergsstaten recommended to the Government that the Concession be awarded over 5.5 years ago.

We could have been in production now. With benchmark iron ore prices at over \$200/tonne, Jokkmokk should have already been on the road to realising its economic transformation. The opportunity cost to stakeholders in Jokkmokk and Beowulf shareholders is considerable.'

Beowulf also announced that further to the UNESCO letter dated 2 June 2021 and the CEO's letter to Minister Baylan dated 14 June 2021, on 18 June 2021 the Ministry of Enterprise and Innovation (the "Ministry") invited the Company to submit any comments regarding the UNESCO letter to the Ministry by 6 September 2021.

- On 14 July 2021, Beowulf announced the award of a Mining Study contract to Carci Mining Consultants for Kallak, to develop an open pit design and mining schedule based on the upgraded MRE.

The Mining Study will provide better definition for mining equipment selection, and product types, production volumes and specifications, which will support project development, discussions with The Swedish Transport Agency (Trafikverket), the Inlandsbanan (the Inland Railway) and emerging fossil-free steel producers in Norrbotten.

Corporate

- On 5 July 2021, Beowulf announced there were 607,748,200 Swedish Depository Receipts representing 73.4 per cent of the issued share capital of the Company. The remaining issued share capital of the Company is held in the UK.
- Beowulf announced, on 8 July 2021, the issue and allotment of 3,535,412 new ordinary shares of 1 pence each in the Company (the "Shares") to satisfy an exercise of share options held by Kurt Budge, CEO ("Share Options").

Kurt Budge exercised Share Options in respect of 9,000,000 shares, originally granted on 17 July 2015. The Share Options, as originally granted, had an exercise price of 1.66 pence per share and were due to be exercised no later than 17 July 2020 but the Company was in a Close Period associated with last year's Capital Raising. The exercise period was extended, in July 2020, to 17 July 2021 in order to allow Mr Budge the opportunity to exercise the Share Options, which because of the time extension became non-tax advantaged. The Company opted, with Kurt Budge abstaining from this decision, to net settle the share option exercise with Kurt Budge paying the nominal value of the Shares being issued.

ESG

- Beowulf is a strong supporter of the Sustainable Development Goals ("SDGs") and is currently reviewing how the Company can best proactively support their implementation in our areas of influence.
- The Company has adopted the following Disclosure Topics listed by the Sustainability Accounting Standards Board for the Metals and Mining sector (<https://www.sasb.org/standards/>) as material to the Company's stakeholders:
 - Energy Management including Green House Gas Emissions;
 - Water Management;
 - Biodiversity Impacts;
 - Rights of Indigenous Peoples;
 - Community Relations; and
 - Business Ethics and Transparency.

- As at this time Beowulf has no active mining operations, these Disclosure Topics will be integrated into the Company's policies, corporate strategy, project development plans and management systems.
- As the Company moves forward with its ESG agenda, it will be transparent in its communications, the progress it is making, and sustainability results.
- The Company is currently working on a Human Rights Policy.

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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 forecast.

About Beowulf Mining plc

Beowulf Mining plc ("Beowulf" or the "Company") is an exploration and development company, listed on the AIM market of the London Stock Exchange and the Spotlight Exchange in Sweden.

Beowulf's purpose to be a responsible and innovative company that creates value for our shareholders, wider society and the environment, through sustainably producing critical raw materials, which includes iron ore, graphite and base metals, needed for the transition to a Green Economy and to address the Climate Emergency.

The Company's asset portfolio is diversified by commodity, geography and the development stage of its various projects.

The Company's most advanced project is the Kallak iron ore asset in northern Sweden. A potential 389 million

tonne resource which can produce a 'market leading' concentrate of 71.5% iron content and is a potential source of supply for fossil-free steel production in Sweden for decades to come.

Fennoscandian Resources ("Fennoscandian"), a wholly-owned subsidiary, is pursuing a strategy to develop a resource and production base of graphite that can provide security of supply and contribute to Finland's ambitions of achieving battery manufacturing self-sufficiency, focusing on both natural flake graphite production and a Circular Economy/recycling strategy to produce high-value graphite products. The Company is also developing its knowledge in processing and manufacturing value-added graphite products, including anode material for lithium-ion batteries.

Since Fennoscandian was acquired by Beowulf in January 2016, the Company has invested approximately €2.2 million in graphite exploration, resource development, metallurgical testwork and the assessment of market applications for graphite supplied from its Aitolampi project, including lithium-ion battery applications.

Fennoscandian has recently signed a Memorandum of Understanding ("MoU") with Epsilon Advance Materials Limited ("EAMPL"). The MoU enables Fennoscandian to build its downstream capability, collaborating with a strong and innovative technology/processing partner, and for EAMPL to firmly establish itself in Finland, as a market-entry point for supplying pre-cursor anode material into Europe. The MoU addresses the development of a strategic processing hub for both natural flake and recycled graphite to be located in Finland.

In addition, a Scoping Study contract for the Aitolampi graphite project has been awarded to AFRY Finland Oy. The purpose of the Scoping Study is to verify the robustness of the work completed by Fennoscandian, and to provide a roadmap for the next project development stage, most likely a Pre-feasibility Study. The output of the Scoping Study will enable Fennoscandian to share information on the Aitolampi project and communicate with the local community and other important stakeholders.

In Kosovo, the Company owns approximately 49.4% of Vardar Minerals ("Vardar"), which is focus on exploration in the Tethyan Belt, a major orogenic metallogenic province for gold and base metals. Vardar is delivering exciting results for its Mitrovica licence which has several exploration targets, including lead, zinc, copper and gold. It also has the Viti licence which is showing potential for copper-gold porphyry mineralisation. With Beowulf's support, Vardar is focused on making a discovery.

Kallak is the foundation asset of the Company, but with Vardar and Fennoscandian, the Company has many opportunities to grow, each business area displaying strong prospects.

BEOWULF MINING PLC
CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE SIX MONTHS TO 30 JUNE 2021

		(Unaudited) 3 months ended 30 June 2021	(Unaudited) 3 months ended 30 June 2020	(Unaudited) 6 months ended 30 June 2021	(Unaudited) 6 months ended 30 June 2020	(Audited) 12 months ended 31 December 2020
	Notes	£	£	£	£	£
Continuing operations						
Administrative expenses		(190,460)	(185,503)	(718,293)	(403,154)	(1,005,547)
Impairment of exploration costs		-	-	-	-	(98,799)
Operating (Loss)		(190,460)	(185,503)	(718,293)	(403,154)	(1,104,346)
Finance costs		(70)	(73)	(88)	(161)	(203,576)
Finance income		21	188	47	583	594
Grant Income		2,216	8,257	3,463	8,257	12,637
(Loss) before and after taxation		(188,293)	(177,131)	(714,871)	(394,475)	(1,294,691)
Loss attributable to:						
Owners of the parent		(170,213)	(161,650)	(667,848)	(353,195)	(1,128,512)
Non-controlling interests		(18,080)	(15,481)	(47,023)	(41,280)	(166,179)
		(188,293)	(177,131)	(714,871)	(394,475)	(1,294,691)
Loss per share attributable to the owners of the parent: Basic and diluted (pence)	3	(0.02)	(0.03)	(0.08)	(0.06)	(0.19)

BEOWULF MINING PLC
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE LOSS
FOR THE SIX MONTHS TO 30 JUNE 2021

	(Unaudited) 3 months ended 30 June 2021 £	(Unaudited) 3 months ended 30 June 2020 £	(Unaudited) 6 months ended 30 June 2021 £	(Unaudited) 6 months ended 30 June 2020 £	(Audited) 12 months ended 31 December 2020 £
(Loss) for the period / year	(188,293)	(177,131)	(714,871)	(394,475)	(1,294,691)
Other comprehensive (loss) / income					
Items that may be reclassified subsequently to profit or loss:					
Exchange (losses)/gain arising on translation of foreign operations	142,452	495,684	(503,471)	620,360	854,020
Total comprehensive (loss) / income	<u>(45,841)</u>	<u>318,553</u>	<u>(1,218,342)</u>	<u>225,885</u>	<u>(440,671)</u>
Total comprehensive (loss) / income attributable to:					
Owners of the parent	(26,158)	309,608	(1,149,546)	238,883	(294,716)
Non-controlling interests	(19,683)	8,943	(68,796)	(12,998)	(145,955)
	<u>(45,841)</u>	<u>318,553</u>	<u>(1,218,342)</u>	<u>(225,885)</u>	<u>(440,671)</u>

BOWULF MINING PLC
CONDENSED COMPANY STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS TO 30 JUNE 2021

		(Unaudited) 3 months ended 30 June 2021 £	(Unaudited) 3 months ended 30 June 2020 £	(Unaudited) 6 months ended 30 June 2021 £	(Unaudited) 6 months ended 30 June 2020 £	(Audited) 12 months ended 31 December 2020 £
	Notes					
Continuing operations						
Administrative expenses		(203,114)	(146,276)	(686,862)	(303,612)	(869,853)
Operating Loss		(203,114)	(146,276)	(686,862)	(303,612)	(869,853)
Finance income		21	188	47	583	594
Loss before and after taxation and total comprehensive loss		(203,093)	(146,088)	(686,815)	(303,029)	(869,259)
Loss per share attributable to the owners of the parent:						
Basic and diluted (pence)	3	(0.02)	(0.02)	(0.08)	(0.05)	(0.14)

BEOWULF MINING PLC
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2021

		(Unaudited) As at 30 June 2021 £	(Unaudited) As at 30 June 2020 £	(Audited) As at 31 December 2020 £
ASSETS	Notes			
Non-current assets				
Intangible assets	5	11,189,370	10,868,864	11,371,916
Property, plant and equipment		120,125	132,921	145,094
Loans and other financial assets		5,334	5,394	5,468
Right of use asset		10,395	4,915	1,937
		<u>11,325,224</u>	<u>11,012,094</u>	<u>11,524,415</u>
Current assets				
Trade and other receivables		128,834	92,619	1,566,848
Cash and cash equivalents		4,408,639	620,940	4,329,414
		<u>4,537,473</u>	<u>713,559</u>	<u>5,896,262</u>
TOTAL ASSETS		<u>15,862,697</u>	<u>11,725,653</u>	<u>17,420,677</u>
EQUITY				
Shareholders' equity				
Share capital	4	8,281,751	6,022,446	8,281,751
Share premium		24,665,977	20,824,009	24,684,737
Merger Reserve		137,700	137,700	137,700
Capital contribution reserve		46,451	46,451	46,451
Share-based payment reserve		732,185	732,185	732,185
Translation reserve		(938,970)	(698,989)	(457,272)
Accumulated losses		(17,818,139)	(16,155,211)	(17,083,185)
Total Equity		<u>15,106,955</u>	<u>10,908,591</u>	<u>16,342,367</u>
Non-controlling interests		<u>392,422</u>	<u>374,411</u>	<u>394,113</u>
TOTAL EQUITY		<u>15,499,377</u>	<u>11,283,002</u>	<u>16,736,480</u>
LIABILITIES				
Current liabilities				
Trade and other payables		218,397	284,489	538,772
Grant income		134,497	153,086	143,399
Lease Liability		10,426	5,076	2,026
TOTAL LIABILITIES		<u>363,320</u>	<u>442,651</u>	<u>684,197</u>
TOTAL EQUITY AND LIABILITIES		<u>15,862,697</u>	<u>11,725,653</u>	<u>17,420,677</u>

BOWWOLF MINING PLC
CONDENSED COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2021

	(Unaudited) As at 30 June 2021 £	(Unaudited) As at 30 June 2020 £	(Audited) As at 31 December 2020 £
ASSETS			
Non-current assets			
Investments	2,277,988	1,777,988	2,077,988
Loans and other financial assets	9,969,134	9,157,028	9,341,315
Property, plant and equipment	1,297	-	1,483
	<u>12,248,419</u>	<u>10,935,016</u>	<u>11,420,786</u>
Current assets			
Trade and other receivables	40,507	23,455	1,476,755
Cash and cash equivalents	3,918,655	452,184	4,241,426
	<u>3,959,162</u>	<u>475,639</u>	<u>5,718,181</u>
TOTAL ASSETS	<u>16,207,581</u>	<u>11,410,655</u>	<u>17,138,967</u>
EQUITY			
Shareholders' equity			
Share capital	8,281,751	6,022,446	8,281,751
Share premium	24,665,977	20,824,009	24,684,737
Merger Reserve	137,700	137,700	137,700
Capital contribution reserve	46,451	46,451	46,451
Share-based payment reserve	732,185	732,185	732,185
Accumulated losses	(17,854,933)	(16,601,88)	(17,168,118)
TOTAL EQUITY	<u>16,009,131</u>	<u>11,160,903</u>	<u>16,714,706</u>
LIABILITIES			
Current liabilities			
Trade and other payables	63,953	96,666	280,862
Grant income	134,497	153,086	143,399
TOTAL LIABILITIES	<u>198,450</u>	<u>249,752</u>	<u>424,261</u>
TOTAL EQUITY AND LIABILITIES	<u>16,207,581</u>	<u>11,410,655</u>	<u>17,138,967</u>

BEOWULF MINING PLC
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS TO 30 JUNE 2021

	Share capital	Share premium	Merger reserve	Capital contribution reserve	Share-based payment reserve	Translation reserve	Accumulated losses	Total	Non-controlling interest	Total equity
	£	£	£	£	£	£	£	£	£	£
At 1 January 2020	6,022,446	20,824,009	137,700	46,451	732,185	(1,291,068)	(15,781,161)	10,690,562	326,555	11,017,117
Loss for the period	-	-	-	-	-	-	(353,195)	(353,195)	(41,280)	(394,475)
Foreign exchange translation	-	-	-	-	-	592,079	-	592,079	28,281	620,360
Total comprehensive loss	-	-	-	-	-	592,079	(353,195)	238,884	(12,999)	225,885
<i>Transactions with owners</i>										
Step acquisition of Subsidiary	-	-	-	-	-	-	(20,855)	(20,855)	60,855	40,000
At 30 June 2020 (Unaudited)	6,022,446	20,824,009	137,700	46,451	732,185	(698,989)	(16,155,211)	10,908,591	374,411	11,283,002
Loss for the period	-	-	-	-	-	-	(775,317)	(775,317)	(124,899)	(900,216)
Foreign exchange translation	-	-	-	-	-	241,171	-	241,171	(8,057)	233,660
Total comprehensive loss	-	-	-	-	-	241,171	(755,317)	(533,600)	(132,956)	(666,556)
<i>Transactions with owners</i>										
Issue of share capital	2,259,305	5,165,060	-	-	-	-	-	7,424,365	-	7,424,365
Issue costs	-	(1,304,332)	-	-	-	-	-	(1,304,332)	-	(1,304,332)
Issue of shares	-	-	-	-	-	-	-	-	-	-
Step acquisition of Subsidiary	-	-	-	-	-	-	(152,657)	(152,657)	152,658	1
At 31 December 2020 (Audited)	8,281,751	24,684,737	137,700	46,451	732,185	(457,272)	(17,083,185)	16,342,367	394,113	16,736,480
Loss for the period	-	-	-	-	-	-	(667,848)	(667,848)	(47,023)	(714,871)
Foreign exchange translation	-	-	-	-	-	(481,698)	-	(481,698)	(21,774)	(503,472)
Total comprehensive loss	-	-	-	-	-	(481,698)	(667,848)	(1,149,546)	(68,797)	(1,218,343)
<i>Transactions with owners</i>										
Issue costs	-	(18,760)	-	-	-	-	-	(18,760)	-	(18,760)
Issue of shares	-	-	-	-	-	-	-	-	-	-
Step acquisition of Subsidiary	-	-	-	-	-	-	(67,106)	(67,106)	67,106	-
At 30 June 2021 (Unaudited)	8,281,751	24,665,977	137,700	46,451	732,185	(938,970)	(17,818,139)	15,106,955	392,422	15,499,377

BEOWULF MINING PLC
CONDENSED COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS TO 30 JUNE 2021

	Share capital	Share premium	Merger reserve	Capital contribution reserve	Share-based payment reserve	Accumulated losses	Total
	£	£	£	£	£	£	£
At 1 January 2020	6,022,446	20,824,009	137,700	46,451	732,185	(16,298,859)	11,463,932
Loss for the period	-	-	-	-	-	(303,029)	(303,029)
Total comprehensive loss	-	-	-	-	-	(303,029)	(303,029)
At 30 June 2020 (Unaudited)	6,022,446	20,824,009	137,700	46,451	732,185	(16,601,888)	11,160,903
Loss for the period	-	-	-	-	-	(566,230)	(566,320)
Total comprehensive loss	-	-	-	-	-	(566,320)	(566,320)
<i>Transactions with owners</i>							
Issue of share capital	2,259,305	5,165,060	-	-	-	-	7,424,365
Issue costs	-	(1,304,332)	-	-	-	-	(1,304,332)
At 31 December 2020 (Audited)	8,281,751	24,684,737	137,700	46,451	732,185	(17,168,118)	16,714,706
Loss for the period	-	-	-	-	-	(686,815)	(686,815)
Total comprehensive loss	-	-	-	-	-	(686,815)	(686,815)
<i>Transactions with owners</i>							
Issue costs	-	(18,760)	-	-	-	-	(18,760)
At 30 June 2021 (Unaudited)	8,281,751	24,665,977	137,700	46,451	732,185	(17,854,933)	16,009,131

BEOWULF MINING PLC
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS TO 30 JUNE 2021

	(Unaudited) 6 months to 30 June 2021 £	(Unaudited) 6 months to 30 June 2020 £	(Audited) Year ended 31 Dec 2020 £
Cash flows from operating activities			
Loss before income tax	(714,871)	(394,475)	(1,294,691)
Depreciation charges	18,842	13,108	35,608
Impairment of exploration costs	-	-	98,799
Finance income	(47)	(583)	(594)
Finance cost	88	161	203,576
Grant income	(3,463)	(8,257)	(12,637)
Gain on sale of fixed assets	(17,518)	-	-
Shares in Lieu	-	-	2,806
Amortisation of right-of-use asset	2,819	2,840	5,777
Unrealised foreign exchange	194,916	-	(12,590)
Decrease / (increase) in trade and other receivables	43,397	78,377	(2,203)
(Decrease) / increase in trade and other payables	(314,929)	31,771	97,623
Net cash used in operating activities	<u>(790,766)</u>	<u>(277,058)</u>	<u>(878,526)</u>
Cash flows from investing activities			
Purchase of intangible fixed assets	(311,296)	(245,440)	(622,501)
Purchase of property, plant and equipment	(1,638)	(58,446)	(89,436)
Additional investment in Vardar	-	40,000	40,000
Grant receipt	-	34,925	25,796
Proceeds from sale of fixed assets	22,397	-	-
Interest received	47	583	594
Net cash used in investing activities	<u>(290,490)</u>	<u>(228,378)</u>	<u>(645,547)</u>
Cash flows from financing activities			
Proceeds from issue of shares	1,392,081	-	4,941,065
Payment of share issue costs	(18,760)	-	(1,113,348)
Lease principal and interest paid	(2,869)	(2,827)	(5,840)
Lease interest paid	(88)	(161)	(255)
Proceeds from borrowings	-	-	932,309
Interest paid	-	-	(93,935)
Net cash from / (used in) financing activities	<u>1,370,364</u>	<u>(2,988)</u>	<u>4,659,996</u>
Increase / (Decrease) in cash and cash equivalents	289,108	(508,424)	3,135,923
Cash and cash equivalents at beginning of period/year	4,329,414	1,124,062	1,124,062
Effect of foreign exchange rate changes	(209,833)	5,302	69,429
Cash and cash equivalents at end of period/year	<u>4,408,639</u>	<u>620,940</u>	<u>4,329,414</u>

BEOWULF MINING PLC
CONDENSED COMPANY STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS TO 30 JUNE 2021

	(Unaudited) 6 months to 30 June 2021 £	(Unaudited) 6 months to 30 June 2020 £	(Audited) Year ended 31 Dec 2020 £
Cash flows from operating activities			
Loss before income tax	(686,815)	(303,029)	(869,259)
Expected credit losses	145,498	30,803	72,069
Depreciation	185	-	-
Shares in Lieu	-	-	2,806
Finance income	(47)	(583)	(594)
Finance costs	-	-	203,321
Unrealised foreign exchange	195,788	-	16,865
	<u>(345,391)</u>	<u>(272,809)</u>	<u>(574,792)</u>
Decrease / (increase) in trade and other receivables	43,418	(196)	(61,415)
(Decrease) / increase in trade and other payables	<u>(216,159)</u>	<u>6,264</u>	<u>(524)</u>
Net cash used in operating activities	<u>(518,132)</u>	<u>(266,741)</u>	<u>(636,731)</u>
Cash flows from investing activities			
Loans to subsidiaries	(776,544)	(215,097)	(448,151)
Grant receipt	-	34,925	25,796
Acquisition of subsidiary	(200,000)	(80,000)	(380,000)
Interest received	47	583	594
Purchase of fixed assets	<u>-</u>	<u>-</u>	<u>(1,483)</u>
Net cash used in investing activities	<u>(976,497)</u>	<u>(259,589)</u>	<u>(803,244)</u>
Cash flows from financing activities			
Proceeds from issue of shares	1,392,081	-	4,941,065
Payment of share issue costs	(18,760)	-	(1,113,348)
Proceeds from borrowing	-	-	932,309
Interest paid	<u>-</u>	<u>-</u>	<u>(93,935)</u>
Net cash from financing activities	<u>1,373,321</u>	<u>-</u>	<u>4,666,091</u>
(Decrease) / increase in cash and cash equivalents	(121,308)	(526,330)	3,226,116
Cash and cash equivalents at beginning of period/year	4,241,426	978,514	978,514
Effect of foreign exchange rate changes	(201,463)	-	70,526
Cash and cash equivalents at end of period/year	<u>3,918,655</u>	<u>452,184</u>	<u>4,275,156</u>

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FOR THE SIX MONTHS TO 30 JUNE 2020

1. Nature of Operations

Beowulf Mining plc (the “Company”) is domiciled in England and Wales. The Company's registered office is 201 Temple Chambers, 3-7 Temple Avenue, London, EC4Y 0DT. This consolidated financial information comprises that of 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 in accordance with the provisions of the Companies Act 2006. 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 2020.

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 period ended 30 June 2020 is unaudited and has not been reviewed by the auditors. The financial information for the twelve months ended 31 December 2020 is an extract from the audited financial statements of the Group and Company. The auditor’s report on the statutory financial statements for the year ended 31 December 2020 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.

Management have prepared cash flow forecasts confident that they are taking all necessary steps to ensure that the Group has the required cash to pursue its strategic objectives, an assertion supported by the significant cash available at the period end. They have therefore concluded that it is appropriate to prepare the financial statements on a going concern basis.

3. Share Capital

	(Unaudited) 30 June 2021 £	(Unaudited) 30 June 2020 £	(Unaudited) 31 Dec 2020 £
Allotted, issued and fully paid			
Ordinary shares of 1p each	<u>8,281,751</u>	<u>6,022,446</u>	<u>8,281,751</u>

The number of shares in issue was as follows:

	Number of shares
Balance at 1 January 2020	602,244,672
Issued during the period	-
Balance at 30 June 2020	<u>602,244,672</u>
Issued during the period	225,930,552
Balance at 31 December 2020	<u>828,175,224</u>
Issued during the period	-
Balance at 30 June 2021	<u>828,175,224</u>

4. Intangible Assets: Group

Exploration costs	As at 30 June 2021 (Unaudited) £	As at 31 December 2020 (Audited) £
Cost		
At 1 January	11,371,148	10,011,494
Additions for the year	311,296	612,062
Foreign exchange movements	(493,074)	847,159
Impairment	-	(98,799)
	11,189,370	11,371,916
	11,189,370	11,371,916

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

Project	Country	As at 30 June 2021 (Unaudited) £	As at 31 December 2020 (Audited) £
Kallak	Sweden	7,293,021	7,533,388
Ågåsjegge	Sweden	479	-
Åtvidaberg	Sweden	376,551	393,303
Pitkäjärvi	Finland	1,410,645	1,333,114
Rääpysjärvi	Finland	47,667	47,053
Karhunmäki	Finland	43,628	41,017
Merivaara	Finland	36,746	36,965
Mitrovica	Kosovo	1,343,738	1,387,030
Viti	Kosovo	636,895	600,046
		11,189,370	11,371,916
		11,189,370	11,371,916

Total Group exploration costs of £11,189,370 are currently carried at cost in the financial statements. No impairment has been recognised during the period, (2020: Ågåsjegge, Joutsijärvi, Polvela and Tammijärvi £98,799).

Accounting estimates and judgements are continually evaluated and are based on a number of factors, including expectations of future events that are believed to be reasonable under the circumstances. Management are required to consider whether there are events or changes in circumstances that indicate that the carrying value of this asset may not be recoverable.

The most significant risk currently facing the Group is that it does not receive an Exploitation Concession for Kallak. The Company originally applied for the Exploitation Concession in April 2013 and throughout 2017, and since the year-end, management have actively sought to progress the application, engaging with the various government bodies and other stakeholders. These activities are summarised above.

Kallak is included in the condensed financial statements as at 30 June 2021 as an intangible exploration licence with a carrying value of £7,293,021. Management have considered the status of the application for the Exploitation Concession and in their judgement, they believe it is appropriate to be optimistic about the chances of being awarded the Exploitation Concession and thus have not impaired the project.

5. Post balance sheet events

Beowulf announced, on 8 July 2021, the issue and allotment of 3,535,412 new ordinary shares of 1 pence each in the Company to satisfy an exercise of share options held by Kurt Budge, CEO.

Beowulf announced, on 2 August 2021, the Company had invested a further £100,000 in Vardar Minerals Ltd. The investment increases the Company's ownership in Vardar from 48.4 per cent to approximately 49.4 per cent. Beowulf's investment is funding advance procurement of necessary support equipment for drilling planned for Autumn 2021.

6. Availability of interim report

A copy of these results will be made available for inspection at the Company's registered office during normal business hours on any weekday. The Company's registered office is at 207 Temple Chambers, 3-7 Temple Avenue, London, EC4Y 0DT. A copy can also be downloaded from the Company's website at www.beowulfmining.com. Beowulf Mining plc is registered in England and Wales with registered number 02330496.

**** Ends ****