



**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.**

**28 February 2022**

### **Beowulf Mining plc**

("Beowulf" or the "Company")

Unaudited Preliminary Financial Results for the year ended 31 December 2021

Beowulf (AIM: BEM; Spotlight: BEO), the mineral exploration and development company, announces its unaudited preliminary financial results for the year ended 31 December 2021.

### **Overview of Activities in the Year**

#### **Sweden**

- On 20 April 2021, Beowulf announced that a letter had been sent from its Chairman, Sven Otto Littorin, to Sweden's Minister of Enterprise and Innovation, Ibrahim Baylan, concerning the status of Beowulf's Kallak Iron Ore Project ("Kallak") application. The Company received a brief administrative response from the Government.
- On 19 May 2021, the Company co-sponsored, with Eurobattery Minerals AB, a webinar titled 'Hållbar Gruvnäring' (Sustainable Mining) in Stockholm aimed at educating stakeholders on the rapid increase in smart and green technologies and the demands this creates for a 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 a Mineral Resource Estimate ("MRE") and Exploration Target Upgrade for Kallak. To date, a potential 389 million tonnes of iron mineralisation has been defined in the Kallak area.
- 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.
- Beowulf announced that further to UNESCO's comments and following 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 further comments regarding the UNESCO letter by 6 September 2021.

- On 14 July 2021, Beowulf announced the award of a contract to Carci Mining Consultant's ("Carci"), to develop an open pit design and mining schedule based on the upgraded Mineral Resource Estimate for Kallak North.
- On 31 August 2021, Beowulf submitted comments to the Ministry regarding the UNESCO letter.
- On 13 September 2021, the Company wrote a letter to Minister Baylan concerning the status of its Kallak application.
- The CEO visited Sweden between 3-9 October 2021 travelling to Luleå, Boden, Jokkmokk, and Stockholm. Discussions with politicians in Norrbotten and Stockholm indicated that permitting, sustainable and secure supply chains, the transition to a Green Economy and the need for more mines in Sweden were priorities for several political parties, especially those parties contesting to be in government after the next election in September 2022.
- On 22 October 2021, the Company announced that Carci had completed its mining study on Kallak North, presenting a production case of approximately 2.7 million tonnes per annum of concentrate, based on the Kallak North resource only and modelled over an initial 15-year period. This production rate is one scenario; given the forecast demand for high quality iron ore being created by projects such as HYBRIT and more specifically H2 Green Steel, options for higher production rates will be considered.
- On 2 December 2021, the Company wrote a letter to Minister Thorwaldsson, Sweden's new Minister of Enterprise and Innovation concerning the status of Beowulf's Kallak application.
- On 21 December 2021, Beowulf provided comments to the Ministry regarding a letter dated 10 December 2021, written on behalf of Jåhkågasska and Sirges samebyar ("Sami villages") and addressed to The Mining Inspectorate of Sweden ("Bergsstaten").

#### **Finland**

- On 8 March 2021, the Company announced the signing of a Memorandum of Understanding ("MoU") between its 100 per cent owned graphite subsidiary, Grafintec (previously Fennoscandian Resources), and Epsilon Advanced Materials Private Limited ("EAMPL"), a subsidiary of Epsilon Carbon.
- On 12 March 2021, it was announced that a contract had been awarded to Afry Finland Oy ("AFRY") to conduct a Scoping Study on the Aitolampi Graphite Project.
- On 10 June 2021, Grafintec was granted €791,000 by Business Finland, the equivalent of 50 per cent of a three-year €1.6 million budget for Grafintec's 'Spheronisation and Purification of Natural Graphite for the European Lithium-Ion Battery Market' project. Beowulf will fund the balance of the project budget.
- In September 2021, the CEO visited Epsilon Carbon in India, including its production facilities in Karnataka State. During this visit, joint plans to develop an anode materials plant in Finland were discussed.
- In mid-October, the CEO visited Finland and met with Business Finland and the City of Vaasa to discuss Grafintec's business.
- On 6 December 2021, Grafintec signed Heads of Terms ("HoT") for a Joint Venture ("JV") with EAMPL, for the establishment of an anode materials production facility to be located in Finland.

#### **Kosovo**

- On 8 February 2021, Beowulf announced that the Company had invested £200,000 in Vardar Minerals Ltd ("Vardar") increasing its ownership of the company from 46.1 per cent to 48.4 per cent; funds to be used for preparatory works in advance of drilling across the Mitrovica license in northern Kosovo, lead-zinc targets at Wolf Mountain and gold targets at Majdan Peak.
- On 2 August 2021 the Company announced a further investment of £100,000 in Vardar, increasing the Company's ownership of Vardar from 48.4 per cent to 49.4 per cent, funding advance procurement of necessary support equipment for drilling.

## Corporate

- 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").

## Post Period

- On 11 January 2022, Grafintec and Epsilon Advanced Materials signed a MoU with the City of Vaasa for the establishment of an anode materials production facility in the GigaVaasa area.
- The Company informed shareholders, on 7 February 2022, that it had been given the opportunity to comment on statements received by the Government in respect of the Company's application for an Exploitation Concession for Kallak North.

In addition, the Company summarised key information in response to the significant mainstream media and social media interest regarding the Company's Application; to clarify facts and challenge certain misinformation that has been published, while building a foundation for constructive and inclusive dialogue with our key stakeholders, including those who want the Kallak mine to go ahead and those who do not.

- On 11 February 2022, the Company announced that it had provided a final statement to the Government in respect of the Company's application. The Company directed the Government to previous correspondence and submitted investigation documentation, which demonstrate that the conditions for granting an Exploitation Concession according to Chapter 4 Section 2 of the Minerals Act are fulfilled.

### **Kurt Budge, Chief Executive Officer of Beowulf, commented:**

*"Following on from the Capital Raising in late 2020, the Beowulf team was keen to maintain momentum through 2021, despite the ongoing impact of COVID-19 restrictions.*

*"We finished the year with strong prospects for 2022 across our three business areas; the future development of an anode materials plant in Vaasa, Finland; the restart of drilling in Kosovo; and a new Minister talking about making a decision on our Kallak application.*

*"Sustainability, short and secure supply chains of primary raw materials, and, in this context, the need for mines to supply regional manufacturers and thereby meet society's needs are critical to achieving the transition to a Green Economy. With Kallak, the Company believes Sweden can lead the global mining sector's efforts and demonstrate how mining can be done in balance with the environment and stakeholder interests for the benefit of wider society.*

*"As Beowulf continues its ESG journey, the Company is focused on the role it plays in society and its contribution and committed to working constructively - and in good faith - with all stakeholders and engaging in meaningful dialogue.*

*"I want to thank our shareholders for their continued support throughout the year, and I look forward to updating the markets on the Company's continuing progress."*

## Financial

- On 8 February 2021, £200,000 was invested in Vardar, which increased Beowulf's ownership to approximately 48.4 per cent. On 2 August 2021, a further £100,000 was invested in Vardar, which increased the Company's ownership to approximately 49.4 per cent.
- The consolidated loss increased in the year from £1,294,691 in 2020 to £1,485,611 in 2021. This increase is primarily due to an overall increase in administration expenses.
- The administration expenses increased in the year from £1,005,547 in 2020 to £1,503,049 in 2021, due mostly to a £103,281 expense in relation to an exercise of share options and a further £23,474 for related

National Insurance and an increase in foreign currency translation losses to £298,442 in 2021 compared to £36,348 in 2020.

- Consolidated basic and diluted loss per share for the 12 months ended 31 December 2021 was 0.16 pence (2020: loss of 0.19 pence).
- £3,336,134 in cash was held at the year end (2020: £4,329,414).
- The translation reserve losses attributable to the owners of the parent increased from £457,272 at 31 December 2020 to £1,216,985 at 31 December 2021. Much of the Company's exploration costs are in Swedish Krona which has weakened against the pound since 31 December 2020.
- At 31 December 2021, there were 621,366,320 Swedish Depository Receipts representing 74.71 per cent of the issued share capital of the Company. The remaining issued share capital of the Company is held in the UK.

## Operational

### Sweden

- On 20 April 2021, Beowulf announced that it had sent a letter from its Chairman, Sven Otto Littorin, to Sweden's Minister of Enterprise and Innovation, Ibrahim Baylan, concerning the status of Beowulf's Kallak application. In the letter the Chairman cited:
  - A statement in September 2019 from the Minister regarding a 'forthcoming decision' on the Kallak application;
  - The need for upstream availability of sustainably mined high-quality iron ore, following announced investments in downstream fossil-free steel manufacturing in Norrbotten;
  - Jokkmokk's need for economic stimulus, the Municipality budget cuts over the last two years regarding public services and infrastructure, and the positive difference Kallak could make; and
  - The lack of any timeline for UNESCO to return comments to the Government.

The Company received a brief administrative response from the Government:

*"Thank you for the message to the Minister of Trade and Industry Ibrahim Baylan. I answer because I am the administrator of the case to which the communication relates.*

*In your message, you wonder when the government will make a decision in the matter. The case is being prepared. The application contains an extensive document that reflects the complex issues that the case includes. In order for the matter to be investigated to the extent required by its nature, UNESCO has been given the opportunity to comment. Documentation has therefore been translated and sent to the organisation on 3 November 2020 and 17 December 2020. We currently have no further information on when UNESCO's response can be expected."*

- On 25 May 2021, the Company published a 'Mineral Resource Estimate and Exploration Target Upgrade'. The statements were classified by Competent Person, Howard Baker (FAusIMM(CP)) of Baker Geological Services ("BGS") in accordance with the PERC Standard 2017. The MRE has an effective date of 9 May 2021.

MRE announcement in full:

[https://polaris.brighterir.com/public/beowulf\\_mining\\_plc/news/rns/story/x8q5k9x](https://polaris.brighterir.com/public/beowulf_mining_plc/news/rns/story/x8q5k9x)

For Kallak North, a Measured and Indicated Resource of 111 million tonnes ("Mt") grading 28 per cent iron ("Fe") content has been defined. With an additional Inferred Resource of 25 Mt grading 28.3 per cent Fe.

For Kallak North and South combined, BGS has derived a Measured and Indicated Mineral Resource of 132 Mt grading 27.8 per cent Fe and an Inferred Mineral Resource of 39 Mt grading 27.1 per cent Fe.

In addition to the figures above, exploration targets were reported for Kallak South and the Company's Parkijaure licences.

- 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 per 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 invited the Company to submit any comments regarding the UNESCO letter by 6 September 2021.
- On 14 July 2021, Beowulf announced the award of a contract to Carci Mining Consultant's ("Carci), to develop an open pit design and mining schedule based on the upgraded Mineral Resource Estimate for Kallak North.

- On 31 August 2021, the Company submitted comments to the Ministry regarding the UNESCO letter as follows:
  - The Company's application is comprehensive for this stage of permitting, and the assessment of it, by relevant authorities, is complete;
  - There are no direct effects of Kallak on the Laponian Area ("Laponia");
  - The potential indirect effects are limited and will be dealt with later in the permitting process, of which ICOMOS (International Council on Monuments and Sites) is seemingly unaware;
  - The fact that operating mines are situated closer to Laponia than Kallak proves that mining does exist without harming Laponia's Outstanding Universal Values;
  - The fact that UNESCO has not, at any time, indicated the requirement for a 'buffer zone' around the boundary of Laponia proves that a 'buffer zone' has not been deemed necessary;
  - The fact that the Company has already committed to take precautionary measures that will minimise the impact on reindeer husbandry and commits to fully compensate Sami villages; and
  - The possibility for the Government to ascertain that this commitment becomes a precondition for the granting of the Exploitation Concession.

- On 13 September 2021, the Company wrote a letter to Minister Baylan, Sweden's Minister of Enterprise and Innovation at the time, concerning the status of Beowulf's Kallak application. The letter is provided below:

*"Previously, you have said that a decision on Kallak will be made once UNESCO comments are received, and now that is the case, it appears you have everything you need to decide.*

*With your announced retirement last week, you can surely appreciate that the prospect of engaging with a third Minister over 6 years is of great concern to me.*

*In September 2017, your predecessor Mikael Damberg said that Swedish law is enough for testing the Kallak application and that the permitting process should be "by the book".*

*With the Concluding Statement, submitted to the Government by the Company's lawyers in November 2019, we robustly demonstrated that under judicial review the Company's application would satisfy all requirements for being granted a Concession. Only for that Statement to be met by silence and inaction on the part of the Government.*

*It is almost 2 years since you wrote to me, in September 2019, explaining that my request for a meeting at that time "concerns a forthcoming Government decision - a dossier that is currently under preparation" and for those reasons the Government was unable to meet or comment with regard to its "ongoing review".*

*It is nearly 10 months since The Constitutional Committee ("KU"), in its review of the Government's handling of the Company's application for an Exploitation Concession for Kallak, made the following statement (translation):*

*"KU has examined the application for a processing concession for Kallak. In the Government case, no visible administrative measures were implemented for almost three years. This means a delay that is not acceptable, according to KU.*

*It also appears that the applicant has on several occasions asked the Ministry of Trade and Industry for a meeting. The Ministry has then stated that this is not possible because the issue concerns a forthcoming Government decision and is a matter under consideration.*

*KU notes that the Ministry management's statement does not seem to be in line with what the Prime Minister has stated. The Government Offices thus seem to lack a common approach to the possibility for parties in administrative matters to have a meeting with the responsible ministry."*

*It is 18 months since we both attended the Mining Nordic Day in Toronto in early March 2020, at which event you saved your biggest welcome for investors. I reminded you that Beowulf has been invested in Sweden and working on Kallak since 2006. You also said that I was welcome to do business in Sweden.*

*It continues to be the case, that Beowulf is unable to do business in Sweden, because we cannot get a decision on Kallak and play our part in the Country's sustainable mining future.*

*Fossil-free steel making in Sweden is in the ascendency. Yet when it comes to permitting, there is no visible understanding exhibited by authorities or the Government that steel plants need sustainably produced high quality iron ore, like Kallak's market-leading 71.5 per cent magnetite iron concentrate.*

*Jokkmokk desperately needs investment and jobs. Kallak will bring billions of SEK in investment and hundreds of jobs to the municipality that will keep people employed and support families for decades.*

*The application you have on your desk is for Kallak North. Yet the Company has continued to invest, explore and assess the potential in the Kallak area, and, in May 2021, with our licences Kallak South and Parkijaure, we upgraded the global Mineral Resource Estimate showing the potential for up to 389 million tonnes of iron ore mineralisation that could support mining for 30-40 years. More than doubling the current estimated life of Kallak North.*

*As with Kiruna or Aitik, the full potential of any mining development is not presented with the first application. Mines last longer than first envisaged, workers hold jobs for longer, taxes get paid for longer, municipalities like Jokkmokk recover and thrive, and minerals and metals get produced under the right conditions.*

*Investors in capital projects across sectors need to see transparency and predictability in permitting processes, which you have spoken of and which define competitive jurisdictions. Yet it appears you will leave office before the reviews you initiated have concluded, or any action taken to resolve the issues that have impeded business during the last 3 years.*

*In the case of Kallak, you now have the chance, before leaving office, to make a final decision that will make it possible for the Company to take the project forward in partnership with the community in Jokkmokk. "Previously, you have said that a decision on Kallak will be made once UNESCO comments are received, and now that is the case, it appears you have everything you need to decide."*

- On 22 October 2021, the Company announced that Carci had completed its mining study on Kallak North, presenting a production case of approximately 2.7 million tonnes per annum of concentrate, based on the Kallak North resource only and modelled over an initial 15-year period. This production rate is one scenario; given the forecast demand for high quality iron ore being created by projects such as HYBRIT and more specifically H2 Green Steel, options for higher production rates will be considered.
- On 2 December 2021, the Company wrote a letter to Minister Thorwaldsson, Sweden's new Minister of Enterprise and Innovation concerning the status of Beowulf's Kallak application. Extracts from the letter are shown below:

*"Your predecessor Mr Baylan often spoke of the complexity of the Kallak case. It is the handling of the case that has exacerbated perceived complexity, in no small part the inconsistent role played by Länsstyrelsen Norrbotten. All the evidence in Sweden is that industrial activity and reindeer herding coexist. This includes the mining sector, where despite differences, agreements are made and all stakeholders benefit.*

*Since I joined Beowulf in late 2014, the Company has addressed all outstanding issues and been as proactive as we can be in demonstrating that our application is good and that we have done all required to get the Concession. Otherwise, what is the point of Bergsstaten, part of SGU a Government Office, in October 2015, recommending to the Government that the Concession be awarded for Kallak and continuing to issue the Company with exploration licences.*

*If now, after 15 years of investment, defining a significant iron ore resource, from which a market-leading iron concentrate can be produced, which can ensure the integrity of a developing fossil-free supply chain for steelmaking in Norrbotten, and creating a business opportunity that can positively transform a rural community, that approval is not given, then this would be a damning message to send to investors.*

*Mr Baylan presented in March 2020 at the Mining Nordic Day in Toronto; at which event he saved his biggest welcome for investors. I reminded him that Beowulf has been invested in Sweden and working on Kallak since 2006. He said that I was welcome to do business in Sweden.*

*It continues to be the case, that Beowulf is unable to do business in Sweden, because we cannot get a decision on Kallak and play our part in the Country's sustainable mining future.*

*Your predecessors have made many false promises. Mr Baylan said that a decision on Kallak would be made once UNESCO comments are received, and now that is the case, he has left you to decide.*

*In September 2017, Mr Damberg said that Swedish law is enough for testing the Kallak application and that the permitting process should be "by the book".*

*With the Concluding Statement, submitted to the Government by the Company's lawyers in November 2019, we robustly demonstrated that under judicial review the Company's application would satisfy all requirements for being granted a Concession. Only for that Statement to be met by silence and inaction on the part of the Government.*

*It is more than 2 years since Mr Baylan wrote to me, in September 2019, explaining that my request for a meeting at that time "concerns a forthcoming Government decision - a dossier that is currently under preparation" and for those reasons the Government was unable to meet or comment with regard to its "ongoing review".*

*It is over a year since The Constitutional Committee ("KU"), in its review of the Government's handling of the Company's application for an Exploitation Concession for Kallak, made the following statement (translation):*

*"KU has examined the application for a processing concession for Kallak. In the Government case, no visible administrative measures were implemented for almost three years. This means a delay that is not acceptable, according to KU.*

*It also appears that the applicant has on several occasions asked the Ministry of Trade and Industry for a meeting. The Ministry has then stated that this is not possible because the issue concerns a forthcoming Government decision and is a matter under consideration.*

*KU notes that the Ministry management's statement does not seem to be in line with what the Prime Minister has stated. The Government Offices thus seem to lack a common approach to the possibility for parties in administrative matters to have a meeting with the responsible ministry."*

*Fossil-free steel making in Sweden is in the ascendancy. Yet when it comes to permitting, there is no visible understanding exhibited by authorities or the Government that steel plants need sustainably produced high quality iron ore, like Kallak's market-leading 71.5 per cent magnetite iron concentrate, and that competitive sources of supply, alternatives to the state iron ore company LKAB, are positive dynamics for developers and investors.*

*Jokkmokk desperately needs investment and jobs. Kallak will bring billions of SEK in investment and hundreds of jobs to the municipality that will keep people employed and support families for decades.*

*The application you have on your desk is for Kallak North. Yet the Company has continued to invest, explore and assess the potential in the Kallak area, and our licences indicate iron mineralisation that could support mining for 30-40 years. More than doubling the current estimated life of Kallak North.*

*As with Kiruna or Aitik, the full potential of any mining development is not presented with the first application. Mines last longer than first envisaged, workers hold jobs for longer, taxes get paid for longer, municipalities like Jokkmokk recover and thrive, and minerals and metals get produced under the right conditions.*

*Investors in capital projects across sectors need to see transparency and predictability in permitting processes, which the Government has spoken of, and which define competitive jurisdictions, yet no action has been taken to effect any change."*

No acknowledgement or response was received to this letter.

- On 21 December 2021, Beowulf provided comments to the Ministry regarding a letter, dated 10 December 2021, written on behalf of Jåhkågasska and Sirges samebyar ("Sami villages") and addressed to Bergsstaten. Highlights as follows:

*"The conditions for granting processing concessions have not changed from April 2013 when the application was submitted. The ore proofing requirement under Chapter 4 Section 2 of the Minerals Act has been fulfilled.*

*In a letter, the Sami National Association points to an analysis commissioned by JIMAB. This analysis shows one scenario for how mining operations can be conducted. Other initial studies conducted by the*



*Company also indicate that there are approximately 389 million tonnes of iron mineralisation in the area, which shows that there are also good future conditions for mining in addition to the current application.*

*The iron ore in the current deposit is a purity that, compared to other iron ore, provides the best conditions for low environmental impact and low climate footprint throughout the production chain until finished steel. SGU has stated in the decision on the designation of national interest that the deposit is important from a material supply point of view and important for the mining industry from a national perspective.”*

## **Finland**

- The Company announced the signing of a MoU with EAMPL on 8 March 2021. The MoU enables Grafintec to build its downstream capability, collaborating with a strong and innovative technology/processing partner. The purpose of the MoU is to:
  - Develop the concept of a strategic processing hub for both natural flake and recycled graphite to be located in Finland;
  - Target the market for pre-cursor anode material for the lithium-ion batteries in the Nordics and Europe; and
  - Establish a Joint Venture between Grafintec and EAMPL.
- On 12 March 2021, the Company announced that a contract had been awarded to AFRY to conduct a Scoping Study on the Aitolampi Graphite Project.

The purpose of the Scoping Study is to verify the robustness of the work completed, 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 Grafintec to better explain the Aitolampi project to the local community and other important stakeholders.

- On 10 June 2021, Grafintec, was granted €791,000 by Business Finland, the equivalent of 50 per cent of a three-year €1.6 million budget for Grafintec's 'Spheronisation and Purification of Natural Graphite for the European Lithium-Ion Battery Market' project. The grant will be released on submission of costs and Beowulf will 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.

- In September 2021, the CEO visited Epsilon in India, including its production facilities in Karnataka State. During this visit, joint plans to develop an anode materials plant in Finland were discussed.
- In mid-October, the CEO visited Finland and met with Business Finland and the City of Vaasa to discuss Grafintec's business.
- On 6 December 2021, Grafintec signed Heads of Terms (“HoT”) for a Joint Venture (“JV”) with EAMPL, for the establishment of an anode materials production facility located in Finland. Grafintec will own 49 per cent of the JV, with Epsilon owning 51 per cent.

The proposed plant will supply battery/cell manufacturing companies in Europe. The plant will be built in two phases: Phase 1 “GVA10” with a production of capacity of 10,000 tonnes per annum and Phase 2 “GVA50” adding a further 40,000 tonnes per annum. The funding from Business Finland will be used by Grafintec to develop a Bankable Feasibility Study for the plant, including strategic marketing and a commercialisation plan based on a comparable plant being developed in India.

The project will work towards creating a sustainable value chain in Finland from high-quality natural flake graphite resources to anode material production, leveraging renewable power, targeting net zero CO<sub>2</sub> across the supply chain.

### **Kosovo**

- On the 8 February 2021, Beowulf announced that the Company had invested £200,000 in Vardar, increasing the Company's ownership from 46.1 per cent to approximately 48.4 per cent; funds to be used for preparatory works in advance of drilling across the Mitrovica license in northern Kosovo, lead-zinc targets at Wolf Mountain and gold targets at Majdan Peak.
- On 2 August 2021, the Company announced a further investment of £100,000 in Vardar, increasing the Company's ownership from 48.4 per cent to approximately 49.4 per cent, funding advance procurement of necessary support equipment for drilling.
- During the year, Vardar submitted a new exploration licence application for an area covering 87 square kilometres, extending to the north and northeast of the Mitrovica Project, and including several areas with significant alteration associated with Oligo-Miocene magmatics along with associated gossans and evidence of historical artisanal workings. The new area encompasses the extension of a distinct northwest trending zone of lead-zinc-silver ("Pb-Zn-Ag") mineralisation from the Stan Terg deposit through the Wolf Mountain target.
- Vardar was unable to drill in 2021, as it awaited final approval of its licence renewal applications. The Independent Commission on Mines and Minerals ("ICMM") Board, the body that administers mineral licence permitting in Kosovo, renews licences and issues new licences, reached the end of its members' elected terms approximately in Summer 2020. The selection of a new board was delayed, firstly by COVID related disruptions and secondly by Kosovo's parliamentary elections which took place in February 2021. The selection process started in the middle of the year and the new ICMM Board was formed in December 2021.

### **Corporate**

- 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.
- At 31 December 2021, there were 621,366,320 Swedish Depository Receipts representing 74.71 per cent of the issued share capital of the Company. The remaining issued share capital of the Company is held in the UK.

### **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 its 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 and Sustainability Statement.

### **Enquiries:**

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(Nominated Adviser & Broker)

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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. The Company listed in Sweden in 2008 and, at 31 December 2021, was 74.71 per cent owned by Swedish shareholders.

Beowulf's purpose is 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 from which testwork has produced a 'market leading' magnetite concentrate of 71.5 per cent iron content. In the Kallak area, 389 million tonnes of iron mineralisation has been estimated, a potential source of high quality iron ore for fossil-free steel making in Norrbotten for decades to come.

Grafintec (previously Fennoscandian Resources), a wholly-owned subsidiary, through its Memorandum of Understanding ("MoU") with Epsilon Advance Materials Limited ("EAMPL") is enhancing its position within the Finnish battery ecosystem, collaborating with a strong and innovative technology/processing partner, with plans to develop an anode materials plant in Vaasa, Finland to supply the growing lithium-ion battery sector in Europe.

In Kosovo, the Company owns approximately 49.4 per cent of Vardar Minerals ("Vardar"), which is focused 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 Grafintec, the Company has many opportunities to grow, each business area displaying strong prospects.

**BEOWULF MINING PLC**  
**CONDENSED CONSOLIDATED INCOME STATEMENT**  
**FOR THE TWELVE MONTHS TO 31 DECEMBER 2021 AND THE THREE MONTHS TO 31 DECEMBER**  
**2021**

		(Unaudited) 3 months ended 31 December 2021	(Unaudited) 3 months ended 31 December 2020	(Unaudited) 12 months ended 31 December 2021	(Audited) 12 months ended 31 December 2020
	Notes	£	£	£	£
<b>Continuing operations</b>					
Administrative expenses		(384,099)	(349,873)	(1,503,049)	(1,005,547)
Impairment of exploration costs		-	(80,149)	-	(98,799)
Impairment of property, plant and equipment		-	-	(48,966)	-
<b>Operating loss</b>		<b>(384,099)</b>	<b>(430,022)</b>	<b>(1,552,015)</b>	<b>(1,104,346)</b>
Finance costs		(77)	(163,236)	(256)	(203,576)
Finance income		12	3	71	594
Grant income		52,385	4,938	66,589	12,637
<b>Loss before and after taxation</b>		<b>(331,779)</b>	<b>(588,317)</b>	<b>(1,485,611)</b>	<b>(1,294,691)</b>
Loss attributable to:					
Owners of the parent		(296,703)	(505,448)	(1,351,188)	(1,128,512)
Non-controlling interests		(35,076)	(82,869)	(134,423)	(166,179)
		<b>(331,779)</b>	<b>(588,317)</b>	<b>(1,485,611)</b>	<b>(1,294,691)</b>
Loss per share attributable to the owners of the parent:					
Basic and diluted (pence)	3	(0.04)	(0.08)	(0.16)	(0.19)

**BEOWULF MINING PLC**  
**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE LOSS**  
**FOR THE TWELVE MONTHS TO 31 DECEMBER 2021 AND THE THREE MONTHS TO 31 DECEMBER**  
**2021**

	(Unaudited) 3 months ended 31 December 2021	(Unaudited) 3 months ended 31 December 2020	(Unaudited) 12 months ended 31 December 2021	(Audited) 12 months ended 31 December 2020
	£	£	£	£
<b>Loss for the year</b>	(331,779)	(588,317)	(1,485,611)	(1,294,691)
<b>Other comprehensive income</b>				
<b>Items that may be reclassified</b> <b>subsequently to profit or loss:</b>				
Exchange (losses)/gains arising on translation of foreign operations	(319,765)	233,660	(794,368)	854,020
<b>Total comprehensive loss</b>	<u>(651,544)</u>	<u>(354,657)</u>	<u>(2,279,979)</u>	<u>(440,671)</u>
Total comprehensive income loss attributable to:				
Owners of the parent	(601,942)	(222,242)	(2,110,901)	(294,716)
Non-controlling interests	(49,602)	(132,415)	(169,078)	(145,955)
	<u>(651,544)</u>	<u>(354,657)</u>	<u>(2,279,979)</u>	<u>(440,671)</u>

**BOWULF MINING PLC**  
**CONDENSED COMPANY STATEMENT OF COMPREHENSIVE LOSS**  
**FOR THE TWELVE MONTHS TO 31 DECEMBER 2021 AND THE THREE MONTHS TO 31 DECEMBER**  
**2021**

		(Unaudited) 3 months ended 31 December 2021	(Unaudited) 3 months ended 31 December 2020	(Unaudited) 12 months ended 31 December 2021	(Audited) 12 months ended 31 December 2020
	Notes	£	£	£	£
<b>Continuing operations</b>					
Administrative expenses		(210,276)	(355,053)	(1,233,369)	(869,853)
<b>Operating loss</b>		(210,276)	(355,053)	(1,233,369)	(869,853)
Finance income		12	3	71	594
<b>Loss before and after taxation and total comprehensive loss</b>		(210,264)	(355,050)	(1,233,298)	(869,259)
Loss per share attributable to the owners of the parent: Basic and diluted (pence)	3	(0.03)	(0.06)	(0.15)	(0.14)

**BEOWULF MINING PLC**  
**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2021**

		(Unaudited) As at 31 December 2021 £	(Audited) As at 31 December 2020 £
<b>ASSETS</b>	Notes		
<b>Non-current assets</b>			
Intangible assets	5	11,235,656	11,371,916
Property, plant and equipment		133,428	145,094
Loans and other financial assets		5,247	5,468
Right of use asset		7,401	1,937
		<u>11,381,732</u>	<u>11,524,415</u>
<b>Current assets</b>			
Trade and other receivables		183,641	1,566,848
Cash and cash equivalents		3,336,134	4,329,414
		<u>3,519,775</u>	<u>5,896,262</u>
<b>TOTAL ASSETS</b>		<u>14,901,507</u>	<u>17,420,677</u>
<b>EQUITY</b>			
<b>Shareholders' equity</b>			
Share capital	4	8,317,105	8,281,751
Share premium		24,689,311	24,684,737
Capital contribution reserve		46,451	46,451
Share based payment reserve		732,185	732,185
Merger reserve		137,700	137,700
Translation reserve		(1,216,985)	(457,272)
Accumulated losses		(18,534,386)	(17,083,185)
<b>Total Equity</b>		<u>14,171,381</u>	<u>16,342,367</u>
Non-controlling interests		325,048	394,113
<b>TOTAL EQUITY</b>		<u>14,496,429</u>	<u>16,736,480</u>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables		357,738	538,772
Grant income		39,849	143,399
Lease liability		7,491	2,026
<b>TOTAL LIABILITIES</b>		<u>405,078</u>	<u>684,197</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>14,901,507</u>	<u>17,420,677</u>



**BEOWULF MINING PLC**  
**CONDENSED COMPANY STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2021**

	Notes	(Unaudited) As at 31 December 2021 £	(Audited) As at 31 December 2020 £
<b>ASSETS</b>			
<b>Non-current assets</b>			
Investments		2,377,988	2,077,988
Loans and other financial assets		10,179,650	9,341,315
Property, plant and equipment		<u>1,112</u>	<u>1,483</u>
		<u>12,558,750</u>	<u>11,420,786</u>
<b>Current assets</b>			
Trade and other receivables		40,434	1,476,755
Cash and cash equivalents		<u>3,075,741</u>	<u>4,241,426</u>
		<u>3,116,175</u>	<u>5,718,181</u>
<b>TOTAL ASSETS</b>		<u>15,674,925</u>	<u>17,138,967</u>
<b>EQUITY</b>			
<b>Shareholders' equity</b>			
Share capital	4	8,317,105	8,281,751
Share premium		24,689,311	24,684,737
Capital contribution reserve		46,451	46,451
Share option reserve		732,185	732,185
Merger reserve		137,700	137,700
Accumulated losses		<u>(18,401,416)</u>	<u>(17,168,118)</u>
<b>TOTAL EQUITY</b>		<u>15,521,336</u>	<u>16,714,706</u>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables		113,740	280,862
Grant income		<u>39,849</u>	<u>143,399</u>
<b>TOTAL LIABILITIES</b>		<u>153,589</u>	<u>424,261</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>15,674,925</u>	<u>17,138,967</u>

**BEOWULF MINING PLC**  
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE TWELVE MONTHS TO 31 DECEMBER 2021**

	Share capital	Share premium	Capital contribution reserve	Share-based payment reserve	Merger reserve	Translation reserve	Accumulated losses	Total	Non-controlling interest	Total equity
	£	£	£	£	£	£	£	£	£	£
<b>At 1 January 2020</b>	6,022,446	20,824,009	46,451	732,185	137,700	(1,291,068)	(15,781,161)	10,690,562	326,555	11,017,117
Loss for the year	-	-	-	-	-	-	(1,128,512)	(1,128,512)	(166,179)	(1,294,691)
Foreign exchange translation	-	-	-	-	-	833,796	-	833,796	20,224	854,020
Total comprehensive loss	-	-	-	-	-	833,796	(1,128,512)	(294,716)	(145,955)	(440,671)
<i>Transactions with owners</i>										
Issue of share capital	2,259,305	5,165,060	-	-	-	-	-	7,424,365	-	7,424,365
Costs associated with the issue of new shares	-	(1,304,332)	-	-	-	-	-	(1,304,332)	-	(1,304,332)
Step up interest in subsidiary	-	-	-	-	-	-	(173,512)	(173,512)	213,513	40,001
<b>At 31 December 2020 (Audited)</b>	8,281,751	24,684,737	46,451	732,185	137,700	(457,272)	(17,083,185)	16,342,367	394,113	16,736,480
Loss for the year	-	-	-	-	-	-	(1,351,188)	(1,351,188)	(134,423)	(1,485,611)
Foreign exchange translation	-	-	-	-	-	(759,713)	-	(759,713)	(34,655)	(794,368)
Total comprehensive loss	-	-	-	-	-	(759,713)	(1,351,188)	(2,110,901)	(169,078)	(2,279,979)
<i>Transactions with owners</i>										
Issue of share capital	35,354	23,334	-	-	-	-	-	56,688	-	56,688
Costs associated with the issue of new shares	-	(18,760)	-	-	-	-	-	(18,760)	-	(18,760)
Step up interest in subsidiary	-	-	-	-	-	-	(100,013)	(100,013)	100,013	-
<b>At 31 December 2021 (Unaudited)</b>	8,317,105	24,689,311	46,451	732,185	137,700	(1,216,985)	(18,534,386)	14,171,381	325,048	14,496,429

**BEOWULF MINING PLC**  
**CONDENSED COMPANY STATEMENT OF CHANGES IN EQUITY**  
**FOR THE TWELVE MONTHS TO 31 DECEMBER 2021**

	Share capital	Share premium	Merger reserve	Capital contribution reserve	Share-based payment reserve	Accumulated losses	Total
	£	£	£	£	£	£	£
<b>At 1 January 2020</b>	6,022,446	20,824,009	137,700	46,451	732,185	(16,298,859)	11,463,932
Loss for the year	-	-	-	-	-	(869,259)	(869,259)
Total comprehensive loss	-	-	-	-	-	(869,259)	(869,259)
<i>Transactions with owners</i>							
Issue of share capital	2,259,305	5,165,060	-	-	-	-	7,424,365
Costs associated with the issue of new shares	-	(1,304,331)	-	-	-	-	(1,304,332)
<b>At 31 December 2020 (Audited)</b>	8,281,751	24,684,737	137,700	46,451	732,185	(17,168,118)	16,714,706
Loss for the year	-	-	-	-	-	(1,233,298)	(1,233,298)
Total comprehensive loss	-	-	-	-	-	(1,233,298)	(1,233,298)
<i>Transactions with owners</i>							
Issue of share capital	35,354	23,334	-	-	-	-	58,688
Costs associated with the issue of new shares	-	(18,760)	-	-	-	-	(18,760)
<b>At 31 December 2021 (Unaudited)</b>	8,317,105	24,689,311	137,700	46,451	732,185	(18,401,416)	15,521,336

**BEOWULF MINING PLC**  
**CONDENSED CONSOLIDATED CASH FLOW STATEMENT**  
**AS AT 31 DECEMBER 2021**

	(Unaudited) 31 December 2021 £	(Audited) 31 December 2020 £
<b>Cash flows from operating activities</b>		
Loss before income tax	(1,485,611)	(1,294,691)
Depreciation charges	36,790	35,608
Equity-settled share-based transactions	23,334	-
Impairment of exploration costs	48,966	98,799
Finance income	(71)	(594)
Finance expense	256	203,576
Grant income	(66,589)	(12,637)
Gain on sale of fixed asset	(17,414)	-
Shares in lieu	-	2,806
Amortisation	5,630	5,777
Unrealised foreign exchange losses/(gains)	292,452	(12,590)
	<u>(1,162,257)</u>	<u>(973,946)</u>
Increase in trade and other receivables	(14,050)	(2,203)
(Decrease)/increase in trade and other payables	(173,479)	97,623
	<u>(1,349,786)</u>	<u>(878,526)</u>
<b>Cash flows from investing activities</b>		
Purchase of intangible assets	(735,847)	(622,501)
Purchase of property, plant and equipment	(86,219)	(89,436)
Investment in minority interest	-	40,000
Proceeds from sale of fixed assets	24,806	-
Interest received	71	594
Grant receipt	24,031	25,796
	<u>(773,158)</u>	<u>(645,547)</u>
<b>Cash flows from financing activities</b>		
Proceeds from issue of shares in prior year	1,392,081	-
Proceeds from issue of shares	35,354	4,941,065
Payment of share issue costs	(18,760)	(1,113,348)
Lease principal paid	(5,594)	(5,840)
Lease interest paid	(256)	(255)
Interest paid	-	(93,935)
Proceeds from borrowings	-	932,309
	<u>1,402,825</u>	<u>4,659,996</u>
<b>(Decrease)/increase in cash and cash equivalents</b>	(720,119)	3,135,923
Cash and cash equivalents at beginning of year	4,329,414	1,124,062
Effect of foreign exchange rate changes	(273,162)	69,429
	<u>3,336,134</u>	<u>4,329,414</u>
<b>Cash and cash equivalents at end of year</b>		

**BEOWULF MINING PLC**  
**CONDENSED COMPANY CASH FLOW STATEMENT**  
**AS AT 31 DECEMBER 2021**

	(Unaudited) 31 December 2021 £	(Audited) 31 December 2020 £
<b>Cash flows from operating activities</b>		
Loss before income tax	(1,233,298)	(869,259)
Expected credit loss	187,340	72,069
Equity-settled share-based transactions	23,334	-
Depreciation	371	-
Shares in lieu	-	2,806
Finance income	(71)	(594)
Finance costs	-	203,321
Unrealised foreign exchange losses/(gains)	293,304	(16,865)
	<u>(729,020)</u>	<u>(608,522)</u>
Decrease/(increase) in trade and other receivables	43,490	(61,415)
Decrease in trade and other payables	(166,371)	(524)
Net cash used in operating activities	<u>(851,901)</u>	<u>(670,461)</u>
<b>Cash flows from investing activities</b>		
Loans to subsidiaries	(1,122,845)	(448,151)
Interest received	71	594
Financing of subsidiary	(300,000)	(380,000)
Grant receipt	-	25,796
Purchase of property, plant and equipment	-	(1,483)
Net cash used in investing activities	<u>(1,422,774)</u>	<u>(803,244)</u>
<b>Cash flows from financing activities</b>		
Proceeds from issue of shares in prior year	1,392,081	-
Proceeds from issue of shares	35,354	4,941,065
Payment of share issue costs	(18,760)	(1,113,348)
Proceeds from borrowings	-	932,309
Interest paid	-	(93,935)
Net cash from financing activities	<u>1,408,675</u>	<u>4,666,091</u>
<b>(Decrease)/increase in cash and cash equivalents</b>	(866,000)	3,192,386
Cash and cash equivalents at beginning of year	4,421,426	978,514
Effect of foreign exchange rate changes	(299,685)	70,526
<b>Cash and cash equivalents at end of year</b>	<u>3,075,741</u>	<u>4,241,426</u>

## **NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FOR THE TWELVE MONTHS TO 31 DECEMBER 2021**

### **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 accounting standards in conformity with the requirements 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 except as noted below.

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 twelve months ended 31 December 2020 is audited. The audit of the financial information for the year ended 31 December 2020 has been completed. 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. Group and Company loss per share

	(Unaudited) 3 months ended 31 December 2021	(Unaudited) 3 months ended 31 December 2020	(Unaudited) 12 months ended 31 December 2021	(Audited) 12 months ended 31 December 2020
<b>Group</b>				
Loss for the period/year attributable to shareholders of the Company (£'s)	(296,703)	(505,448)	(1,351,188)	(1,128,512)
Weighted average number of ordinary shares	831,710,636	624,589,452	829,879,971	607,815,562
Diluted weighted average number of ordinary shares	831,710,636	624,589,452	829,879,971	607,815,562
Loss per share (p)	<u>(0.04)</u>	<u>(0.08)</u>	<u>(0.16)</u>	<u>(0.19)</u>
<b>Parent</b>				
Loss for the period/year attributable to shareholders of the Company (£'s)	(210,264)	(355,050)	(1,233,298)	(869,259)
Weighted average number of ordinary shares	831,438,681	602,244,672	829,879,971	607,815,562
Diluted weighted average number of ordinary shares	831,438,681	602,244,672	829,879,971	607,815,562
Loss per share (p)	<u>(0.03)</u>	<u>(0.06)</u>	<u>(0.15)</u>	<u>(0.14)</u>

### 4. Share Capital

	(Unaudited) 31 December 2021 £	(Audited) 31 December 2020 £
<b>Allotted, issued and fully paid</b>		
Ordinary shares of 1p each	<u>8,317,105</u>	<u>8,281,751</u>

The number of shares in issue was as follows:

	Number of shares
<b>Balance at 1 January 2020</b>	602,244,672
Issued during the year	225,930,552
<b>Balance at 31 December 2020</b>	<u>828,175,224</u>
Issued during the year	3,535,412
<b>Balance at 31 December 2021</b>	<u>831,710,636</u>

## 5. Intangible Assets: Group

<b>Exploration costs</b>	As at 31 December 2021 (Unaudited) £	As at 31 December 2020 (Audited) £
<b>Cost</b>		
At 1 January	11,371,148	10,011,256
Additions for the year	682,367	612,062
Foreign exchange movements	(817,859)	847,397
Impairment	-	(98,799)
	11,235,656	11,371,916
	11,235,656	11,371,916

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

<b>Project</b>	<b>Country</b>	As at 31 December 2021 (Unaudited) £	As at 31 December 2020 (Audited) £
Kallak	Sweden	7,210,382	7,533,388
Åtvidaberg	Sweden	363,131	393,303
Ågåsjegge	Sweden	6,482	-
Pitkäjärvi	Finland	1,457,824	1,333,114
Rääpysjärvi	Finland	73,859	47,053
Karhunmäki	Finland	51,622	41,017
Merivaara	Finland	36,096	36,965
Mitrovica	Kosovo	1,376,598	1,387,030
Viti	Kosovo	659,662	600,046
		11,235,656	11,371,916
		11,235,656	11,371,916

Total Group exploration costs of £11,235,656 are currently carried at cost in the financial statements. The impairment charge arising from the impairment of the projects was £Nil (31 December 2020: Sala £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 management continue to engage with the various government bodies and other stakeholders. These activities are summarised above.

Kallak is included in the condensed financial statements as at 31 December 2021 as an intangible exploration licence with a carrying value of £7,210,382. 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.



## **6. Post balance sheet events**

- On 11 January 2022, Grafintec and Epsilon Advanced Materials signed a MoU with the City of Vaasa for the establishment of an anode materials production facility.
- On 31 January 2022 there were 629,453,706 Swedish Depository Receipts representing 75.68 per cent of the issued share capital of the Company. The remaining issued share capital of the Company is held in the UK.
- The Company informed shareholders, on 7 February 2022, that it had been given the opportunity to comment on statements received by the Government in respect of the Company's application for an Exploitation Concession for the Kallak North. In addition, the Company summarised key information in response to the significant mainstream media and social media interest regarding the Company's Application; to clarify facts and challenge certain misinformation that has been published, while building a foundation for constructive and inclusive dialogue with our key stakeholders, including those who want the Kallak mine to go ahead and those who do not.
- On 11 February 2022, the Company announced that it had provided a final statement to the Government in respect of the Company's application. The Company directed the Government to previous correspondence and submitted investigation documentation, which demonstrate that the conditions for granting a Concession according to Chapter 4 Section 2 of the Minerals Act are fulfilled.

## **7. 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](http://www.beowulfmining.com). Beowulf Mining plc is registered in England and Wales with registered number 02330496.

**\*\* Ends \*\***