



BOWULF MINING PLC

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2025

Company Number 02330496

CONTENTS

COMPANY PROFILE	2
CHAIRMAN'S STATEMENT	4
REVIEW OF OPERATIONS AND ACTIVITIES	5
BOARD OF DIRECTORS AND SENIOR MANAGEMENT	18
STRATEGIC REPORT	20
DIRECTORS' REPORT	28
DIRECTORS' REMUNERATION REPORT	32
CORPORATE GOVERNANCE STATEMENT.....	35
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BEOWULF MINING PLC.....	38
CONSOLIDATED INCOME STATEMENT	47
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME.....	48
CONSOLIDATED STATEMENT OF FINANCIAL POSITION.....	49
COMPANY STATEMENT OF FINANCIAL POSITION	51
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY.....	52
COMPANY STATEMENT OF CHANGES IN EQUITY	53
CONSOLIDATED STATEMENT OF CASH FLOWS.....	54
COMPANY STATEMENT OF CASH FLOWS.....	55
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS	56
COMPANY INFORMATION	98

COMPANY PROFILE

Beowulf Mining plc (“Beowulf” or the “Company”) is listed on London’s Alternative Investment Market (“AIM”) (Ticker: BEM) and Stockholm’s Spotlight Stock Market (Ticker: BEO).

Beowulf is a mineral exploration and development company focused on becoming a European supplier of minerals required for the green transition.

The Company is advancing the Kallak iron ore project (“Kallak”) located approximately 40 kilometres (“km”) west of Jokkmokk in the county of Norrbotten, northern Sweden, 80 km southwest of the major iron ore mining centre of Malmberget, and approximately 120 km to the southwest of LKAB’s Kiruna iron ore mine. Metallurgical test-work has demonstrated that Kallak has the potential to produce a market-leading high-grade iron concentrate that is expected to be highly sought-after to support the decarbonisation of the steel industry in Europe and further afield.

On 22 March 2022, the Company’s wholly owned subsidiary, Jokkmokk Iron Mines AB (“Jokkmokk Iron”), was awarded an Exploitation Concession for the Kallak North deposit (“Kallak North”). This permit provides exclusive mining rights in the defined areas for a period of 25 years. Kallak North has an estimated Mineral Resource of 111 million tonnes (“Mt”) in the Measured and Indicated category, with an average grade of 28 per cent iron content (“% Fe”) and a further 25 Mt in the Inferred category, with an average grade of 28% Fe. In the Kallak area, the Company has additional defined Mineral Resources and exploration targets which could support a longer life mining operation beyond Kallak North. On 24 January 2023, Beowulf released a Scoping Study from Kallak North demonstrating the preliminary technical and economic viability of Kallak. The Scoping Study envisaged an open pit mining operation producing an average of 2.5 Mt per year of concentrate with an average grade of 69% Fe content over an initial 14 year mine life.

A Preliminary Feasibility Study (“PFS”) for Kallak was initiated on 24 October 2023. Significant progress has been made towards the completion of the PFS including updated metallurgical test-work which demonstrated the potential for Kallak to produce 2.7 Mt per year of a concentrate with a grade of over 70% Fe. Engineering and design work for the processing plant along with ancillary site infrastructure was finalised. Transportation and logistics requirements for the project were also significantly advanced, including scoping level studies completed on the use of a buried pipeline to transport Kallak’s concentrate the approximately 40 km from the mine-site to the railhead on the Inlandsbanan railway. Environmental studies were progressed in preparation for the Environmental Impact Assessment (“EIA”) and subsequent Environmental Permit application. Water management and waste management workstreams, including the design of the tailings storage facility and waste rock dumps were substantially completed. The Company continued to focus on building community and local stakeholder engagement, and also to review opportunities to further enhance the project and minimise social and environmental impacts.

Beowulf’s wholly owned subsidiary, Grafintec Oy (“Grafintec”), is focused on developing a graphite anode material processing plant (“GAMP”) in Finland. In March 2025, the Company announced robust economics from a PFS for the GAMP with an after-tax Net Present Value of €924 million and an Internal Rate of Return of 37%. The GAMP PFS considers a three-stage process involving spheronisation, purification and coating with initial production of 25,000 tonnes of Coated Spherical Purified Graphite (“CSPG”) per year with the potential to expand to an annual production of 75,000 tonnes of CSPG delivering further economic upside. The Company secured a site reservation in the Keltakallio industrial area in the City of Kotka for the establishment of the GAMP. The Keltakallio industrial area benefits from exceptional infrastructure, including low-cost renewable energy and water, a strategic location and excellent logistics, with direct access to Finland’s largest container port, the Port of Hamina-Kotka, and a skilled local workforce. The Company continues to receive support from Business Finland, the Finnish governmental organisation for innovation funding and investments and is also well located to benefit from further EU and Finnish initiatives to support the clean energy transition. Grafintec also holds a number of exploration properties, including Aitolampi, which is one of Europe’s largest flake graphite resources, with a Mineral Resource Estimate of 26.7 Mt at 4.8% total graphitic carbon (“TGC”) for 1,275,000 tonnes of contained graphite in Indicated and Inferred categories. Additionally, the Rääpysjärvi exploration permit, which is located 8 km from Aitolampi, is early stage but appears to have a similar potential scale as Aitolampi, and also has significant high-grade potential based on surface sampling. Both projects could represent future feed for the GAMP, thereby creating a fully vertically integrated Finnish graphite business.

COMPANY PROFILE (continued)

Beowulf also holds a number of prospective exploration assets, both in Kosovo, through its wholly owned subsidiary Vardar Minerals Ltd (“Vardar”), as well as in the Nordics. Beowulf announced on 26 November 2025 that it had received a non-binding cash offer of €4 million (£3.49 million) for its 100% interest in Vardar and subsequently confirmed that a Heads of Terms had been signed with the proposed buyer. As a result, the net assets of Vardar were classified as held for sale at 31 December 2025. Further details are included in note 26 of the financial statements.

Company’s Purpose

The Company’s purpose is to generate value for all stakeholders through the sustainable exploration, development and production of raw materials that are critical to support the transition to a greener economy.

The Company’s approach is to work in partnership with local communities and stakeholders.

Dear Shareholders,

I am pleased to introduce the Annual Report for 2025.

The Company has continued to advance and de-risk its two core assets during the year. The focus of activity at Kallak has been on progressing the PFS and preparations for the submission of the Environmental Permit application. Many technical and environmental workstreams have now been fully or substantially completed, and we have a clear plan for concluding those that remain outstanding. Engagement with local stakeholders continues to be a priority, and the Company has held numerous meetings over the year to inform and receive feedback on our future plans.

2025 was a milestone year for Grafintec with the completion of the PFS, which demonstrated the project is both technically robust and has exceptional economics. Securing a site for the future development of GAMP in the Keltakallio industrial area was a further major step forward. The area is an emerging battery hub which boasts excellent infrastructure, and we have enjoyed great support from the municipality of Kotka and Cursor, the local development agency. The next step for GAMP is pilot testing, and plans are in place to fund and deliver this critical stage on the way to becoming a key supplier of critical minerals in the European battery supply chain.

With the development of our two core assets remaining the priority, Beowulf has sought to streamline the broader portfolio and secure strategic support. The non-binding offer for Vardar is evidence of this effort, and we hope to be able to conclude the transaction in the coming months. Further, the proposed strategic investment from Bacchus Capital & Affiliates should be transformational for the Company, providing capital to stabilise the business and advance the core assets through to the end of 2027, adding a strategic cornerstone investor block to the shareholder register, and enhancing the Board and management team. We are focused on achieving the requisite approvals and concluding the financing within the coming weeks.

I would like to thank our shareholders and stakeholders for their continuing support.

J Röstin
Non-Executive Chairman
26 June 2026

BEOWULF MINING PLC
ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2025
REVIEW OF OPERATIONS AND ACTIVITIES

Sweden

Permits and Concessions

Beowulf, via its subsidiary, Jokkmokk Iron held five exploration permits in Sweden, and one Exploitation Concession, at the end of 2025, as set out in the table below:

Exploration Permit Name	Licence no.	Area (hectares)	Valid from	Valid to
Kallak nr 101	2023:165	397	26/10/2023	26/10/2026
Kallak nr 102 ¹	2025:38	285	09/04/2025	09/04/2028
Parkijaure nr 6	2019:81	999	10/10/2019	10/10/2027
Parkijaure nr 7	2021:47	2,212	16/06/2021	16/06/2027
Parkijaure nr 8	2024:30	2,440	27/02/2024	27/02/2027

Exploitation Concession Name	Licence no.	Area (hectares)	Valid from	Valid to
Kallak K nr 1	BK-2022:1	103	22/03/2022	22/03/2047

Notes:

(1) Following the expiry of licence Parkijaure nr 2 on 18/01/2025, an exemption from the moratorium, which follows the end of the full term of a licence, was applied for and granted and new licence Kallak nr 102, covering the same area, was granted on 09/04/2025.

Kallak Introduction

The Kallak iron ore deposit is located approximately 40 km west of Jokkmokk in the County of Norrbotten, northern Sweden, 80 km southwest of the major iron ore mining centre of Malmberget, and approximately 120 km to the southwest of LKAB's Kiruna iron ore mine.

Kallak has the benefit of local infrastructure with all-weather gravel roads passing through the project and forestry tracks allowing for easy access throughout the licence. A major hydroelectric power station, with associated electric powerlines, is located only a few kilometres to the southeast. The nearest railway, the Inlandsbanan, passes approximately 40 km to the east. The Inlandsbanan meets the Malmbanan railway at Gällivare, which provides routes to the Atlantic port at Narvik in Norway or to various ports on the Bothnian Sea in Sweden.

Kallak is well positioned as a potential secure and sustainable supplier of market-leading high-grade iron concentrate to support the decarbonisation of the steel sector.

Kallak Resource

Kallak was discovered by The Swedish Geological Survey ("SGU") in the 1940s. The first exploration licence for the project was awarded by the Mining Inspectorate of Sweden in 2006. Drilling was conducted at Kallak between 2010 and 2014, with a total of 131 holes and 27,895 metres ("m").

On 25 May 2021, the Company published a Mineral Resource Estimate ("MRE") and Exploration Target Upgrade, prepared by independent consultant Baker Geological Services ("BGS"). For Kallak North, a Measured and Indicated Resource of 111 Mt grading 28% Fe was defined, with an additional Inferred Resource of 25 Mt grading 28.3% Fe.

BEOWULF MINING PLC
ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2025
REVIEW OF OPERATIONS AND ACTIVITIES (continued)

For Kallak North and South combined, BGS derived a Measured and Indicated Mineral Resource of 132 Mt grading 27.8% Fe, and an Inferred Mineral Resource of 39 Mt grading 27.1% Fe. In addition to the figures above, exploration targets were reported for Kallak South and the Company's Parkijaure licences.

BGS prepared a Technical Report which serves as an independent report prepared by the Competent Person ("CP") as defined by the Pan-European Reserves and Resources Reporting Committee ("PERC") Standard for Reporting of Exploration Results, Mineral Resources and Mineral Reserves. PERC sets out minimum standards, recommendations and guidelines for Public Reporting of Exploration Results, Mineral Resources and Mineral Reserves in Europe. PERC is a member of the Committee for Mineral Reserves International Reporting Standards ("CRIRSCO"), and the PERC Reporting Standard is fully aligned with the CRIRSCO Reporting Template.

Below is a table showing the Mineral Resource Statement for the Kallak Project at a 0% Fe cut-off grade:

Deposit	Classification	Million Tonnes	Density (g/cm ³)	Fe (%)	FeO (%)	SiO ₂ (%)	Al ₂ O ₃ (%)	P (%)	S (%)
Kallak North	Measured	16	3.5	33.6	10.5	43.4	2.9	0.04	0.002
	Indicated	95	3.3	27.0	7.1	49.8	4.5	0.03	0.002
	Sub-Total	111	3.3	28.0	7.6	48.9	4.3	0.03	0.002
	Inferred	25	3.4	28.3	7.8	48.1	4.2	0.04	0.002
Kallak South North	Measured	-	-	-	-	-	-	-	-
	Indicated	21	3.3	26.9	7.2	49.3	4.9	0.04	0.003
	Sub-Total	21	3.3	26.9	7.2	49.3	4.9	0.04	0.003
	Inferred	6	3.2	23.4	6.5	50.1	6.6	0.05	0.004
Kallak South South	Inferred	8	3.3	26.1	12.0	50.1	5.2	0.05	0.009
Total	Measured	16	3.5	33.6	10.5	43.4	2.9	0.04	0.002
	Indicated	116	3.3	27.0	7.1	49.7	4.6	0.03	0.002
	Sub-Total	132	3.3	27.8	7.5	48.9	4.4	0.03	0.002
	Inferred	39	3.3	27.1	8.5	48.8	4.8	0.04	0.004

Notes:

(1) Mineral Resources, which are not Mineral Reserves, have no demonstrated economic viability.

(2) The effective date of the Mineral Resource is 9 May 2021.

(3) The Open Pit Mineral Resource Estimate was constrained within lithological and grade-based solids and within an optimised pit shell defined by the following assumptions; base case metal price of USD130 / tonne for a 65% Fe concentrate; Fe recovery of 71% at Kallak North, 86% at Kallak South North and 94% at Kallak South South; Fe concentrate grades of 68% Fe at Kallak North, 70% Fe at Kallak South North and 69% Fe at Kallak South South; Processing costs of USD6.8 / t wet; Selling cost of USD21.0 / t wet concentrate; Mining cost of Ore of USD3.3 / t, mining cost of waste of USD3.0 / t and an incremental mining cost per 10 m bench of USD0.05 / t; Wall angles of 30° within the overburden and 47.5° in the fresh rock.

(4) Mineral Resources have been classified according to the PERC Standards 2017, by Howard Baker (FAusIMM(CP)), an independent Competent Person as defined in the PERC Standard 2017.

(5) FeO refers to the iron oxide magnetite (Fe₃O₄ or FeO.Fe₂O₃) and not haematite (Fe₂O₃), SiO₂ refers to silica, the chemically resistant dioxide of silicon, Al₂O₃ refers to alumina, an oxide of aluminium, P refers to phosphorous and S refers to sulphur.

BGS reported an Exploration Target in an untested gap between Kallak South North and Kallak South South of between 25 Mt and 75 Mt, grading between 20% Fe and 30% Fe. In addition, an Exploration Target of between 45 Mt and 135 Mt, grading between 20% Fe and 30% Fe, has been reported at Parkijaure. The potential quantity and grade are conceptual in nature as there has been insufficient exploration to estimate a Mineral Resource. It is uncertain if further exploration will result in the estimation of a Mineral Resource.

2022 Update

On 22 March 2022, the Swedish Government awarded an Exploitation Concession for Kallak North; attached to the decision were 12 conditions for the Company to comply with. The Company's legal advisers reviewed the Government's decision and the conditions attached to it and, with respect to the conditions, were satisfied that these were matters the Company would naturally expect to address during project development and the Environmental Court process.

An application was subsequently filed with the Supreme Administrative Court by two Sami villages, Jåhkågaska tjiellde and Sirges, and Naturskyddsföreningen, associations for the protection of the environment, at municipality, county and country level, for a judicial review of the Government's awarding of the Exploitation Concession. They argued that the Government did not have the right to make the decision in question, with reference to the fact that it would be contrary to legal rules in support of nature conservation and the national interest of reindeer husbandry. They argued that the government's decision had no legal basis and that the Court should therefore declare the decision invalid.

2023 Update

On 24 January 2023, Beowulf announced the positive economic results of the Kallak North Scoping Study, forming part of the larger Kallak project, prepared by independent consulting firm SRK Consulting (UK) Ltd. The Scoping Study presented a 'Base Case' solely focused on the Kallak North deposit, incorporating a MRE with effective date of 9 May 2021 and an economic assessment for a mining operation producing up to 2.7 Mt per annum of high-grade iron concentrate over a production life of 14 years. The scoping study economic base case generated a Net Present Value at a discount rate of 8% (NPV₈) of US\$177 million, Internal Rate of Return of 14.5% and a Payback Period of approximately 4.5 years from commencement of production. This base case assumes two-thirds of Kallak production is sold to the Blast Furnace market and one-third is sold to the higher premium Direct Reduction market, consistent over the 14 years production life.

Prior to the initiation of the PFS for Kallak, a strategic review was completed to properly consider the results of the Scoping Study, identify any shortfalls and ensure the scope of the PFS was appropriate and would deliver a robust study. The PFS was subsequently initiated on 24 October 2023, following the appointment of lead consultant SLR Consulting. Environmental baseline studies, including surface and groundwater monitoring, cultural heritage surveys, aquatic and terrestrial nature values and biodiversity assessment, sound and vibration monitoring, were progressed through the year in preparation for the EIA and subsequent Environmental Permit application.

An oral hearing was held by the Supreme Administrative Court in September 2023, following which the applicant (the lawyer representing the Sami villages) filed a further submission and to which the Court invited the Government to respond. The submission primarily related to environmental impacts, a number of which are subject to the ongoing environmental baseline studies and will form part of the EIA and subsequent Environmental Permit application.

2024 Update

On 18 January 2024, the Swedish Government provided the Supreme Administrative Court with a formal response to the applicant's previous submission. In a comprehensive response, the Government endorsed the original decision to award the Exploitation Concession. The Government further emphasised its support for the project stating that the Kallak Project is of national interest.

On the 25 June 2024, the Supreme Administrative Court delivered its verdict, upholding the Government's awarding of the Exploitation Concession for Kallak, and therefore the concession and all attaching conditions remain in full force.

Over the course of 2024, Jokkmokk Iron continued to make significant progress in the advancement of the Kallak Project under the leadership of Dmytro Sergieiev, who was appointed as Project Director, Jokkmokk Iron, in May 2024. Dmytro is supported across both the technical and environmental workstreams by a team of consultants who are industry-leading experts in their respective disciplines.

Studies undertaken in preparation for the Environmental Permit application include nature values and biodiversity inventories, hydrogeology, waste characterisation, air quality and cultural heritage assessments. The Consultation Process, a key element of the Kallak EIA and Environmental Permit application, was initiated in September 2024. The objective of the Consultation Process is to enable Jokkmokk Iron to capture the views of local stakeholders and Government agencies and authorities to better understand, minimise and mitigate impacts relating to the future development of Kallak.

Various technical workstreams that will feed into the PFS have also been progressed. Metallurgical test-work demonstrated the ability for Kallak to produce a market leading concentrate with >70% Fe content and very low impurities, making it a suitable feedstock for the decarbonisation of the steel industry. Importantly, test-work has indicated that this concentrate can be produced through physical separation with no chemicals used in the upgrading process. Geotechnical investigative studies were completed on the planned open pit and the site for the tailings management facility, the waste rock dump, the beneficiation plant and other critical on-site infrastructure. A trade-off study was initiated on potential transportation solutions from the mine to the planned rail terminal, approximately 40 km away on the Inlandsbanan, with options including trucking, a conveyor and a pipeline. The pipeline was selected as the preferred option due to its minimal social and environmental impact, high reliability and low operating costs that more than off-set the initial capital cost.

2025 Update

During 2025, Jokkmokk Iron continued to progress technical and environmental workstreams in preparation for both the PFS and EIA and subsequent submission of the Environmental Permit application for the Kallak project.

Engineering and design work for the processing plant, along with ancillary site infrastructure, was finalised, building on the metallurgical test-work, which was completed in 2024. Water management and waste management workstreams, required for the PFS, were substantially completed, including the design of the tailings storage facility and waste rock dumps. The Company continued to focus on minimising impacts of the future mine development, and significantly reduced the overall site footprint, moving the waste rock dumps away from more sensitive areas and consolidating the waste management facilities.

Transportation and logistics requirements for Kallak were also significantly advanced, including scoping level studies completed on the use of a buried pipeline to transport Kallak's concentrate the ~40 km from the mine-site to the railhead on the Inlandsbanan railway. Nature inventory work along the pipeline corridor was completed and further studies were initiated, including reindeer and wildlife management plans along the Inlandsbanan railway, design of a railway terminal and configuring railway wagons and train sets to enable efficient operation along Inlandsbanan and Malmbanan, modelling of the future train slot allocations and concentrate handling facilities at the port of Narvik.

The Company continued to review opportunities to further enhance the project and minimise any environmental impacts, including the use of nitrogen-free explosives, and an evaluation of autonomous, fully electric mining trucks. In addition, Jokkmokk Iron continued to focus on building community and local stakeholder engagement and held a number of meetings during the Period.

The Company is seeking to complete the outstanding workstreams required to complete the PFS and Environmental Permit application during 2026 subject to available funding.

Finland

Graphite Anode Material Plant (“GAMP”)

2023 Update

In January 2023, Grafintec awarded a PFS contract to engineering consultant, RB Plant, to assess the technical, economic, statutory, regulatory and commercial options for a natural flake graphite anode material plant in Finland. The study focused on the Coating stage of the anode material processing. The results of the Coating PFS were announced on 20 July 2023, envisaging importing Spherical Purified Graphite (“SPG”) and producing an initial 20,000 tonne per annum of Coated Spherical Graphite (“CSPG”), for sale to anode manufacturers. The economics of the study were extremely positive, with an after-tax NPV₈ of US\$242 million, an Internal Rate of Return of 39% and a Payback Period of 2.4 years. The Company’s development plan for GAMP during 2023 was to initially focus on the Coating phase, then incorporate the full process comprising three stages and production of 20,000 tonnes per year of CSPG with the potential to later expand this to 60,000 tonnes of CSPG per year of product.

The Company signed an agreement with the municipality of Korsholm to secure a new site at the GigaVaasa industrial hub (Plot 1, Block 3017) to establish a GAMP in February 2023, renewing the agreement for a further six months in June 2023 and again in February 2024.

Following the introduction of export controls by China on 1 December 2023, the Company updated its strategy, adopting a fast-track development of the full GAMP. Independent consultant Dorfner Anzaplan GmbH, who were already undertaking test-work on behalf of the Company, were appointed as lead consultant to update and enhance the Coating stage PFS and complete a PFS for the full process route, namely Spheronisation, Purification and Coating.

2024 Update

On 17 January 2024, the Company announced an updated strategy for GAMP to build the three-stage processing plant at the outset, comprising Spheronisation, Purification and Coating. The strategy envisaged graphite concentrate feed initially being sourced from third-party mines and the GAMP then processing this material to produce CSPG.

Test-work in support of the GAMP PFS continued during 2024, initially demonstrating the ability to micronise and spheronise the graphite concentrate to form uniform Spherical Graphite (“SG”). Optimisation work improved the yield of the process from ~50% to 60% and thereby increased the overall planned output of the plant from an initial target of 20,000 tonnes per year to ~25,000 tonnes per year with both medium SG and fine SG fractions. Purification test-work was subsequently completed on the SG to remove impurities and increase the fixed carbon content to >99.95% required for battery applications producing SPG. Optimisation of the caustic baking process demonstrated the potential to achieve battery-grade material at lower temperatures and with less reagents, indicating the potential to significantly reduce operating costs.

Further test-work on the wastewater stream, a secondary process, demonstrated the ability to recover and recycle over 90% of sodium hydroxide, the critical reagent in the process. This not only reduces the need for primary sodium hydroxide, but also the overall environmental footprint of the plant. High quality calcium

carbonate is produced as a by-product of this wastewater treatment and may be used for neutralisation of the acidic wastewater or potentially sold to other industries.

Coating and further electro-chemical test-work was initiated on the SPG and concluded in early 2025.

Grafintec was successful in completing the BATCircle2.0 project, with €530,000 grant funding received from Business Finland, and was subsequently awarded a further €232,000 grant funding from Business Finland as part of the BATCircle3.0 consortium, in support of the development of GAMP. The site reservation in the GigaVaasa industrial hub expired in August 2024 and Grafintec opted not to apply for an extension.

2025 Update

The PFS was completed and the financial results were announced on 10 March 2025, demonstrating extremely positive economics with a Phase 1 post-tax NPV₈ of €924 million and post-tax IRR of 37% over 25 years, with initial capital cost of €225 million (£196 million) and a pay-back period of 3 years from initial production. Further upside is demonstrated with the Phase 2 expansion to 75,000 tonnes per year of CSPG production with a post-tax NPV₈ of €2.2 billion (£1.92 billion) and post-tax IRR of 38% over 25 years. Further potential upside is identified from the vertical integration of Grafintec's graphite projects.

On 1 July 2025, Grafintec secured a site reservation in the Keltakallio industrial area in the City of Kotka for the establishment of the GAMP. The Keltakallio industrial area benefits from exceptional infrastructure, including low-cost renewable energy and water, a strategic location and excellent logistics, with direct access to Finland's largest container port, the Port of Hamina-Kotka, and a skilled local workforce. The Company held its first public meeting in Keltakallio to present GAMP to local residents.

Grafintec applied for a tax credit under the Business Finland managed scheme aimed at promoting large clean-transition investments, and also applied to Business Finland's Research, Development and Piloting loan scheme for a loan of €7 million. The loan scheme, which is focused on supporting the development and commercialisation of innovative products, services and production methods, can fund up to 70% of eligible project costs, for a period of up to 10 years, and carries a low interest rate of 3% below the base interest rate, or at least 1%. To match fund the loan, Grafintec appointed financial adviser Grannenfelt Finance Oy in Finland to assist with raising €5 million in equity through the sale of shares in Grafintec. Following the end of the year, Grafintec was informed that the applications for both the tax credit and the loan had been unsuccessful as the company had failed an eligibility criterion. Business Finland noted the merit of the GAMP project and, subject to the eligibility criterion being addressed, the Company intends to reapply.

REVIEW OF OPERATIONS AND ACTIVITIES (continued)

Exploration Permits

Beowulf, via its wholly owned subsidiary, Grafintec, held four exploration permits in Finland at the end of 2025, as set out in the table below:

Exploration Permit Name	Licence no.	Area (hectares)	Notes
Pitkäjärvi 1	ML2016:0040-03	407	Extension permit granted by TUKES on 27/4/2021, which remained valid until 26/4/2024. A further extension to the licence was applied for on 15/3/2024 and was granted on 26/6/2024. This decision was appealed by Heinävesi Municipality, although the appeal was rejected by the Eastern Finland Administrative Court on 9/4/2025. No further appeals have been received and therefore the permit became legally binding for 3 years effective from 17/5/2025.
Rääpysjärvi 1	ML2017:0104-02	479	Exploration permit granted. The initial permit gained legal force on 21/6/2021 and was valid until 20/6/2025. An extension to the permit was awarded by TUKES on 21/8/2025 and, with no appeals, became legally binding from 30/9/2025 for a further 3 years.
Luopioinen 1	ML2022:0004	218	Exploration permit application submitted on 28/1/2022 and remains subject to review and approval by TUKES. The permit has therefore not gained legal force yet.
Emas 1	VA2022:0077 / ML2023:0076	2,565 / 976	Approved reservation granted by TUKES on 17/1/2023 and valid until 17/1/2024. Application for exploration permit submitted on 28/2/2022, although the area was subsequently reduced from 1,569 Ha to 976 Ha on 8/10/2025, and remains subject to review and approval by TUKES. The permit has therefore not yet gained legal force.

In addition, during the year the following licences were relinquished:

Exploration Permit Name	Licence no.	Area (hectares)	Notes
Karhunmäki 1	ML2019:0113	889	Permit relinquish notification was submitted to TUKES on 12/12/2024 and became effective on 15/1/2025.
Pirttikoski 1	VA2024:0052	1,813	Approved reservation granted by TUKES on 7/11/2024 until 17/10/2025, but the Company took the decision prior to the end of the reservation not to submit an exploration permit application.

Grafintec's exploration programme is targeted at securing long-term sustainably produced primary raw material supply to support a Finnish graphite anode value chain. The Company has a rolling programme of exploration permit and claim reservation applications and exploration permit renewals. TUKES (the permitting authority) processes the Company's applications, which, if deemed satisfactory, are published as a 'Hearing' for one month, during which time appeals can be submitted.

Aitolampi (Pitkäjärvi 1 Exploration Permit) – Graphite

Introduction

The Aitolampi graphite project sits within the Pitkäjärvi 1 licence and is located in eastern Finland, approximately 40 km southwest of the well-established mining town of Outokumpu, and on the eastern extension of known historic graphite workings. Infrastructure in the area is excellent, with good road access and availability of high voltage power.

Discovered in 2016, the licence covers an area of graphitic schists on a fold limb, coincidental with an extensive electromagnetic (“EM”) anomaly. Many of the EM zones are obscured by glacial till, but graphite observations in road cuttings and outcrops are also associated with abundant EM anomalies.

The project contains graphite of almost perfect crystallinity, and a high proportion of fine and medium flake, which is an important prerequisite for high-tech applications, such as anode materials for lithium-ion batteries.

Purification results indicate that concentrates meet the purity specification of at least 99.95% Fixed Carbon Content for lithium-ion batteries.

Mineral Resource Estimate

In 2019, Grafintec delivered an upgraded MRE for Aitolampi, with an 81% increase in contained graphite (compared to the 2018 MRE) for the higher-grade western zone, with an Indicated and Inferred Mineral Resource of 17.2 Mt at 5.2% TGC containing 887,000 tonnes of contained graphite.

An unchanged Indicated and Inferred Mineral Resource of 9.5 Mt at 4.1% TGC for 388,000 tonnes of contained graphite was reported for the eastern lens.

In total, an Indicated and Inferred Mineral Resource of 26.7 Mt at 4.8% TGC for 1,275,000 tonnes of contained graphite was reported. All material is contained within two graphite mineralised zones, the eastern and western lenses, interpreted above a nominal 3% TGC cut-off grade. At a cut-off grade of 5% TGC cut, an Indicated and Inferred Mineral Resource of 11.1 Mt at 5.7% TGC for 630,000 tonnes of contained graphite was defined based on the grade-tonnage curve for the resource.

The Mineral Resource was estimated by CSA Global of Australia in accordance with the JORC Code, 2012 Edition. See table below:

Zone	Classification	Million Tonnes	TGC %	S %	Density (t/m³)	Contained graphite (kt)
Western lens	Indicated	9.2	5.1	5	2.8	468
	Inferred	8	5.2	4.7	2.8	419
	Indicated + Inferred	17.2	5.2	4.8	2.8	887
Eastern lens	Indicated	1.8	4.1	4.4	2.82	74
	Inferred	7.7	4.1	4.5	2.82	314
	Indicated + Inferred	9.5	4.1	4.5	2.82	388
Total	Indicated	11	4.9	4.9	2.8	542
	Inferred	15.7	4.7	4.6	2.8	733
	Indicated + Inferred	26.7	4.8	4.7	2.81	1,275

BEOWULF MINING PLC
ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2025
REVIEW OF OPERATIONS AND ACTIVITIES (continued)

Kosovo

Vardar Minerals Limited (“Vardar”)

Beowulf’s investment in Vardar gives the Company exposure to base metals and precious metals exploration in the highly prospective Tethyan Belt.

Vardar has a rolling programme of exploration permit applications and renewals, see table below:

Licence Number	Term¹	Licence	Valid From	Valid To	Area (km²)
2879	2 nd	Mitrovica	11/03/2022	27/01/2024	27.1
3318 ²	1 st	<i>Mitrovica Pending</i>	2026	2029	27.1
2878	2 nd	Viti N	22/03/2022	27/01/2024	35.5
3319 ²	1 st	<i>Viti N Pending</i>	2026	2029	29.7
2912	2 nd	Viti E	11/03/2022	27/01/2024	44.1
3317 ²	1 st	<i>Viti E Pending</i>	2026	2029	38.8
2935	1 st	Shala	11/03/2022	25/02/2025	87.5
3436 ³	2 nd	<i>Shala Pending</i>	2026	2029	43.7
3122	1 st	Shala East	06/09/2022	17/08/2025	78.8
3481 ³	2 nd	<i>Shala East Pending</i>	2026	2029	39.4
3123	1 st	Shala West	22/10/2022	11/10/2025	36.2
3054	2 nd	Zvecan	27/06/2022	14/05/2024	0.64
3350 ²	1 st	<i>Zvecan Pending</i>	2026	2029	1.3

¹ Refers to whether the licence has been renewed e.g. 2nd means licence has been renewed after its 1st term.

² Refers to licences that are currently under application. See explanation below.

³ Refers to licences that are currently under application for renewals of existing licences. See explanation below.

The original Mitrovica, Viti North and Viti East licences expired on 24 January 2024, Zvecan on 14 May 2024, Shala on 25 February 2025, Shala East on 17 August 2025, and Shala West on 11 October 2025, in accordance with their terms. Following dialogue with the Independent Commission for Mines and Minerals (“ICMM”) in Kosovo, applications for new licences were submitted and formal confirmation of receipt was provided by the ICMM for the initial three on 22 February 2024 and Zvecan on 14 May 2024. Applications for extensions to the Shala and Shala East licences, with relinquishments of portions, were made on 25 February 2025 and 17 August 2025, respectively. Exploration licence applications are reviewed by the ICMM in Kosovo and ultimately granted by the Board of ICMM. The Government disbanded the Board of ICMM in October 2023. The Board was partially reinstated in October 2024, although no new licence applications, other than those from the State-controlled mining companies, have been awarded. With all the licence applications formally lodged with ICMM, no other party may apply for licences over the same area. The Company is confident that the licences will be granted by ICMM in due course. As the applications for Mitrovica, Zvecan, Viti North and Viti East are new licence applications, they will be valid for an initial three-year period from the date of granting, after which they may be extended twice, for two-year periods, with a reduction in the land holding of 50% on each occasion. The Shala and Shala East applications are renewals of existing licences and will be valid for two years from renewal, with a further two-year renewal available. At the end of 2025, all licence applications submitted by Vardar remained pending.

Exploration Overview

Vardar’s exploration permits are located in Kosovo, within the Tethyan Belt, a major orogenic metallogenic province for gold and base metals which extends from the Alps (Carpathians/Balkans) to Turkey, Iran and Indochina, and contains a number of world class discoveries.

The Tethyan Belt of south-east Europe can be regarded as Europe’s chief copper-gold (lead-zinc-silver) province. Kosovo has seen very limited exploration since the 1980s. The Mitrovica, Shala and Viti licences occur within calc-alkaline magmatic arc(s) which developed during the closure of the Neotethys Ocean, and are prospective for epithermal gold, lead-zinc-silver replacement deposits and porphyry related copper-gold mineralisation.

Mitrovica

The Mitrovica licence is located immediately to the west and north west of the world class Stan Terg lead-zinc-silver mine, which dates back to the 1930s; with current reported reserves of 29 Mt of ore at 3.45% lead, 2.30% zinc, and 80 grammes per tonne ("g/t") silver (ITT/UNMIK 2001 report), together with the past production of approximately 34 Mt of ore, the deposit represents an important source of metals in the south eastern part of Europe (Source: Strmić Palinkaš S., Palinkaš L.A et al, 2013. Metallogenic Model of the Trepča Pb-Zn-Ag Skarn Deposit, Kosovo: Evidence from Fluid Inclusions, Rare Earth Elements, and Stable Isotope Data. Economic Geology, 108, 135-162). The licence has potential to host a range of porphyry related mineralisation types.

Shala

During 2022, three Shala exploration licences were approved, extending to the north and northeast of the Mitrovica licence, its polymetallic epithermal system and associated lead-zinc-silver and gold-silver-copper mineralisation. The areas are situated in the Vardar lead-zinc-silver belt along trend from historical mining districts and include prospective carbonate host rocks along with Oligocene magmatic rocks, which provide the heat and metal source in the surrounding lead-zinc ore districts; alteration and gossan outcrops have been noted in early reconnaissance mapping, further demonstrating the potential for lead-zinc-silver mineralisation in each of the licences.

Viti

In 2020, the Company reported results from detailed 3D IP and resistivity surveys undertaken over the Metal Creek prospect, which forms part of the Viti project. High chargeability anomalies associated with an extensive north-northwest trending zone of alteration and anomalous multi-element soil sample and rock grab sample results were delineated. The newly defined high chargeability anomalies sit near gold and copper mineralisation, associated with altered porphyritic trachyte dykes, intersected by previous stratigraphic drilling. These anomalies could represent higher grade mineralised zones.

Zvecan

The Zvecan licence is a small extension licence east of the main Mitrovica project and was created by changes in municipality boundaries.

2024 Update

On 4 March 2024, Beowulf announced that an agreement had been reached with the minority holders of Vardar to acquire their shares and move from 61.1% to 100% ownership in an all-share transaction. The transaction was concluded on 9 April 2024 with the issue of 52,326,761 Beowulf shares to the Vardar minority holders.

The consolidation provided Beowulf with full control and flexibility to drive the development of Vardar, including reviewing acquisition, divestment, joint venture and strategic investment opportunities. In connection with the transaction, Ismet Krasniqi, Vardar's local partner in Kosovo, was appointed to the Board of Vardar and continues to support the company's development.

During 2024, exploration activity focused on the Shala licences, with the Mitrovica, Viti and Zvecan licences subject to renewal. Low-cost mapping and surface sampling to define and refine exploration targets was undertaken during this period.

2025 Update

Exploration activity during 2025 was limited to the Shala licences and focused on low-cost mapping and surface sampling to define and refine exploration targets until expiry of each licence.

Beowulf announced on 26 November 2025 that it had received a non-binding cash offer of €4 million (approximately £3.5 million) for its 100% interest in Vardar, and, subsequently confirmed that a non-binding Heads of Terms had been signed with the proposed buyer with whom discussions remain ongoing. As a result, the net assets of Vardar were classified as held for sale at 31 December 2025. Further details are included in note 26 of the financial statements. Should the sale with the proposed buyer not proceed on these terms, this may result in the fair value less costs to sell of the held for sale assets being lower than their carrying value as at 31 December 2025.

Environmental, Social, and Governance (“ESG”)

The Company’s purpose is to generate value for all stakeholders through the sustainable exploration, development and production of raw materials that are critical to support the transition to a greener economy. The Company’s approach is to work in partnership with local communities and stakeholders, and we seek to embed our core values of Respect, Responsibility and Integrity across the business.

The following UN Sustainable Development Goals have been identified as material to the Company's activities with a focus on specific actions under each goal which the Company will contribute to:

- Goal 7: Affordable and Clean Energy
 - Target 7.2 - By 2030, increase substantially the share of renewable energy in the global energy mix.
 - Through the production of graphite anode material for use in the manufacture of lithium-ion batteries, the Company intends to support the growth in energy storage capacity, a critical element of the transition to renewable energy.

- Goal 8: Decent work and economic growth
 - Target 8.2 - Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labour-intensive sectors.
 - Target 8.4 - Improve progressively, through to 2030, global resource efficiency in consumption and production and endeavour to decouple economic growth from environmental degradation, in accordance with the 10-year framework of programmes on sustainable consumption and production, with developed countries taking the lead.
 - Target 8.5 - By 2030, achieve full and productive employment and decent work for all women and men, including young people and persons with disabilities, and equal pay for work of equal value.
 - Beowulf is focused on developing the GAMP in Finland, an innovative processing facility to produce anode material for the lithium-ion battery sector. The processing facility will utilise technology that has significant environmental advantages over the currently employed methodologies, including using less energy and avoiding the use of extremely toxic reagents.
 - Through extensive test-work undertaken in preparation for the development of the GAMP, the Company has demonstrated that a significant proportion of the reagents used in the process may be recycled, thereby improving the overall efficiency of the operation and reducing the waste material.
 - Phase 1 production is expected to employ a total of 85 personnel, with the majority being in highly-skilled technical roles, including metallurgical and process engineers and plant operators. There will also be management and administrative roles. The Phase 2 expansion from an output of 25,000 tonnes per year to 75,000 tonnes per year will see at least a doubling of the workforce.
 - In addition to the GAMP development, Beowulf is planning to develop the Kallak Project in northern Sweden. As a greenfield operation, the Company is able to consider all new innovation and technology in the development plan for the mine, with the objective of improving efficiency and productivity, whilst also enhancing safety and the environmental impact of the mine. For example, the Company is actively engaging with a number of innovative Nordic vehicle manufacturing companies who are developing autonomous battery-operated mining trucks.

REVIEW OF OPERATIONS AND ACTIVITIES (continued)

- These trucks are generally significantly smaller than conventional mining trucks and have the advantage of being safer and more reliable, reducing the environmental impact of a diesel mining fleet and further requiring smaller mine site infrastructure, including ramps and roadways, thereby making the whole operation more efficient.
- A further innovation that is being considered is the use of nitrate-free explosives. The Company has signed a Memorandum of Understanding with Hypex Bio to further investigate the use of its developed and patented hydrogen-peroxide based explosives.
- The Company intends to establish a diversity and equality employment policy and framework to ensure that it offers a positive working environment and opportunities for all people.

- Goal 9: Industry, innovation and infrastructure
 - Target 9.1 - Develop quality, reliable, sustainable and resilient infrastructure, including regional and transborder infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all.
 - Target 9.4 - By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities.
 - The development of the GAMP will be a major industrial development, employing new innovative technology with significant environmental benefits over the current conventional anode production technologies.
 - At the Kallak Project, a number of innovations are being considered. Amongst these is to use a pipeline to transport the product in slurry form from the mine site to the railway, approximately 40 km away. The conventional approach would be to use a fleet of road trucks, although this comes with significant social and environmental impacts. Kallak is forecast to produce a total of 2.7 Mt of concentrate per year. If trucks were used, this would equate to a 90-tonne truck passing along the road every six minutes in each direction for 20 hours of every day. Electric truck solutions had been considered, but there would be significant impact both on those living along and using the 40 km stretch of road, as well as the indigenous reindeer herders. The pipeline offers an excellent solution, generating neither noise nor dust, posing no road safety issues, and consuming minimal energy, and has the added benefit of being extremely reliable and low cost, although there is a higher initial capital cost.

- Goal 12: Responsible production and consumption
 - Target 12.2 - By 2030, achieve the sustainable management and efficient use of natural resources.
 - Target 12.5 - By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.
 - Target 12.6 - Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle.
 - Optimisation studies undertaken on the GAMP have demonstrated the ability to reduce the temperature of the process and recycle a significant proportion of reagents. This reduces the primary reagent requirement and energy consumption with significant environmental benefits.
 - The use of nitrate-free explosives at Kallak will significantly reduce both greenhouse gas emissions, but also other potential impacts such as nitrates entering watercourses.

- Goal 13: Climate Action
 - Target 13.2 - Integrate climate change measures into national policies, strategies and planning.
 - The GAMP is focused on supporting the lithium-ion battery sector so directly supporting the transition to renewable energy and reducing the reliance on carbon dioxide emitting fossil-fuels. The process demonstrated by the Pre-Feasibility Study has the advantage of having a significantly lower carbon dioxide footprint when compared with synthetic graphite and conventional natural graphite processes.

- As discussed above, a range of solutions are being considered for the development of Kallak, including the use of battery-operated mining trucks. Further, the nitrate-free explosives and pipeline solution further reduce the reliance on fossil fuels and emissions of greenhouse gases.
- Goal 15: Life on Land
 - Target 15.1: Ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services, in particular forests, wetlands, mountains and drylands, in line with obligations under international agreements. Target 15.2: Promote the implementation of sustainable management of all types of forests, halt deforestation, restore degraded forests and substantially increase afforestation and reforestation globally.
 - Target 15.4: By 2030, ensure the conservation of mountain ecosystems, including their biodiversity, in order to enhance their capacity to provide benefits that are essential for sustainable development.
 - Target 15.5: Take urgent and significant action to reduce the degradation of natural habitats, halt the loss of biodiversity and protect and prevent the extinction of threatened species.
 - Target 15.6: Promote fair and equitable sharing of the benefits arising from the utilisation of genetic resources and promote appropriate access to such resources, as internationally agreed.
- Beowulf is committed to responsible stewardship of the natural environment in which it operates. While the GAMP will be developed within an industrial site, the process being employed is more environmentally sustainable than the conventional process, which uses hydrofluoric acid.
- At the Kallak project, managing the natural environment is particularly critical. The project is located in an area with a number of competing interests, including forestry, hunting and berry picking, but it is also used by the Sami for reindeer migration and grazing. Beowulf has completed significant baseline inventory studies and is working closely with local stakeholders to ensure we understand the likely impacts a mining operation will have, and to find solutions to mitigate these impacts if they cannot be avoided. The Company has a collaboration agreement with the Sami village to support a Reindeer Herding Analysis, which aims to identify the specific issues for the Sami. In addition, the Company will complete a World Heritage Impact Assessment to assess the potential direct and indirect impacts the mine development would have on the Lapponia World Heritage Site, which lies to the north of the project.

When it comes to the development of the Company's projects, the above goals and our future compliance with The Equator Principles are being factored into our thinking, design, engineering, and planning of our operations and management systems.

The Company's ESG Policy is available on the website following the link:
<https://beowulfmining.com/aboutus/esg-policy/>

Ed Bowie – Chief Executive Officer (“CEO”)

Mr Bowie was appointed as CEO on 7 August 2023. He has over 25 years' experience in the natural resources sector, having worked in corporate, advisory and fund management roles and across a broad range of commodities and jurisdictions.

Ed began his career as an exploration geologist for SAMAX Gold in Tanzania and was involved in the discovery of the Kukuluma and Matandani orebodies that led to SAMAX's acquisition by Ashanti Goldfields in 1998. On returning to the UK, he worked in equity research and investment banking before launching the London-listed Altus Resource Capital fund in 2009. Ed managed the fund until the end of 2014, outperforming the FTSE Gold Mines and S&P/ TSX Global Gold Mining indices over the period. In 2015, Ed joined AIM-listed Amara Mining plc in a corporate development role, establishing and running the process that led to the company's acquisition by Perseus Mining in 2016. More recently Ed has supported AIM- and TSX- listed Brazilian gold miner, Serabi Gold plc, in a corporate development capacity.

Ed is a Non-Executive Director of AIM-listed Cora Gold Ltd, the Mali focused gold development company, and a member of the investment committee of The Impact Facility, an impact investment vehicle focused on artisanal and small-scale gold mining in East Africa. He holds an MA in Earth Sciences from Oxford University, having been awarded a scholarship and an MSc in Mineral Deposit Evaluation, achieving distinction, and having been awarded a scholarship from Imperial College, London.

Johan Röstin – Non-Executive Chairman

Mr Röstin was appointed to the Beowulf Mining Board on 7 November 2022. On 3 May 2023, Johan assumed the role of Interim CEO and Executive Chairman following the resignation of Kurt Budge, former CEO, until Ed Bowie was appointed on 7 August 2023.

Johan spent three years as CEO of ferry operator ForSea between 2017-2020, and before that was CEO of Copenhagen Malmo Port AB, 2009-2017. He has significant experience in infrastructure, logistics, capital investments and permitting processes, and has held Board, executive and senior management positions during his career.

In his role at ForSea, Mr Röstin led the company to create a new brand, a stronger organisation and set the company on its sustainability journey.

Christopher Davies - Non-Executive Director

Mr Davies joined the board of Beowulf as a Non-Executive Director in April 2016. Chris, who is a Fellow of the Australasian Institute of Mining and Metallurgy (“AusIMM”), is an exploration/economic geologist with more than 30 years' experience in the mining industry. He has substantial knowledge of graphite and base metals, a particular skill set which is complimentary to Beowulf's existing team. He was Manager for the exploration and development of a graphite deposit in Tanzania and has been involved with due diligence studies on graphite deposits in East Africa and Sri Lanka.

Chris has worked as a geologist in many different parts of the world, including Africa, Australia, Yemen, Indonesia, and Eastern Europe. His most recent role was as a Consultant to an Australian Group seeking copper-gold assets in Africa, where he carried out technical due diligence and negotiated commercial terms for joint venture partnerships. Chris was Operations Director of African Eagle Resources until March 2012, and Country Manager for SAMAX Resources in Tanzania, which was acquired by Ashanti Goldfields in 1998 for US\$135 million.

Chris holds a BSc Hons Geology from Aberystwyth University in Wales, and an MSc DIC Mineral Exploration from Imperial College, London.

Mikael Schauman – Non-Executive Director

Mr Schauman joined the board of Beowulf on 7 July 2023. Mikael, a Swedish national, has been involved in base metals for the past 40 years. Mikael is versed in the field of mining, management of mining companies as well as the commercialisation of the products.

Mikael holds a BSc in Finance from Stockholm School of Economics. He started his career at Boliden and subsequently spent 18 years at various commodity trading companies. For the past 16 years, he served in the senior management of Lundin Mining Corporation as VP and SVP Commercial. In this role, he had sole responsibility for the company's commercial organisation and world-wide sales. Mikael, at the same time, actively contributed to increasing growth within Lundin Mining, for example via the acquisitions and mergers made over the years. In the role of senior manager, he has also contributed to developing the groups sustainability work.

Senior management

Rasmus Blomqvist – Managing Director, Grafintec

Mr. Blomqvist, the founder of Grafintec (formerly Fennoscandian Resources), joined the Company in January 2016. Mr. Blomqvist has been working in exploration and mining geology for over 20 years and holds an MSc in Geology and Mineralogy from Åbo Akademi University, Turku Finland, and an Executive MBA from Aalto University Executive Education, Helsinki Finland.

Since 2012, Mr. Blomqvist has been exploring for flake graphite within the Fennoscandian shield and is one of the most experienced graphite geologists in the Nordic region. He has also gained an extensive knowledge of the graphite anode materials value-chain. Prior to Grafintec, Mr. Blomqvist was Chief Geologist for Nussir ASA, managing its exploration team and achieving significant exploration success for the company.

Mr Blomqvist is a member of AusIMM.

Dmytro Siergieiev – Project Director, Jokkmokk Iron Mines AB

Originally from Ukraine, Dmytro has been residing in Northern Sweden since 2007 and is fluent in Swedish. He holds an MSc in Hydrogeology from Kyiv National University, an MSc in Geochemistry, and a PhD in Applied Geology from the Luleå University of Technology.

Since 2015, Dmytro has been working at Sweco, the leading architecture and engineering consultancy, focusing solely on mine environment projects in Scandinavia and internationally. During this time, he has served as assignment leader, business development manager, and most recently team leader for Sweco's mine environment unit. Within this role, Dmytro has overseen a broad range of assignments, focused on mine development, operation and permitting.

Dmytro is an accomplished project manager with a strong technical background and excellent interpersonal skills. His immediate tasks are to oversee and propel the ongoing Pre-Feasibility Study and environmental work in preparation for the environmental permitting process as well as local stakeholder engagement.

Company secretary

One Advisory

One Advisory Limited is an AIM specialist advisory and administration firm, responsible for ensuring that Board procedures are followed and that the Company applies with all applicable rules, regulations and obligations governing its operation, as well as helping the Chair to maintain excellent standards of corporate governance.

The Directors present their strategic report for the year ended 31 December 2025.

Principal activity

The principal activities of the Group are the exploration, development and processing of iron ore, graphite, base and precious metals in the Nordic Region and Kosovo. A detailed review of the mining activities can be found under Review of Operations and Activities on pages 6 to 18. The Group is registered in and controlled from the United Kingdom.

Review of the business

The results of the Group for the year are set out in the consolidated income statement and show a loss after taxation attributable to the owners of the parent for the year of £1,747,578 (2024: loss of £1,771,325). A comprehensive review of the business is given under the Chairman’s Statement on page 5 and Review of Operations and Activities on pages 6 to 18.

Principal risks and uncertainties

The principal risks and uncertainties facing the Group are detailed below:

Description	Risk	Risk rating pre-mitigation	Mitigating action	Risk rating post-mitigation
Political Risk	The Company could be exposed to macro-political risk or sovereign risk.	MEDIUM	The Company actively monitors developments on the geopolitical stage, and where appropriate engages advisers and the British Embassy to support its in-country operations. It is not foreseeable that events in Ukraine or the Middle East will negatively impact the Company’s business. China has a dominant position in many commodity markets and can, as evidenced by the export controls imposed on graphite in December 2023, impact trade and pricing of certain commodities. While this may cause market uncertainty, the Company’s portfolio of assets, focusing on supplying the European market with raw materials, is aligned with the EU’s Critical Raw Materials Act and should ultimately be a beneficiary of the desire to improve supply chain security for domestic markets. The Nordics are seen to be low-risk countries by investors. As Kosovo is seeking EU accession its institutions are well supported by the EU and the UK.	LOW

STRATEGIC REPORT (continued)

Principal risks and uncertainties (continued)

Climate Emergency	The Company's activities could be negatively impacted by adverse climate events.	MEDIUM	The Company operates in relatively hospitable environments, and its activities are unlikely to be directly impacted by adverse climate events. Further, the Company, particularly on the more advanced Kallak and GAMP projects, monitors weather and climate conditions and will therefore be able to react and adapt its activities.	LOW
European Climate Law	EU countries must cut greenhouse gas emissions by at least 55 per cent by 2030, compared to 1990 levels, and to become climate-neutral by 2050. There is a risk that electrical vehicles and machines are not available.	LOW	Mining operations will target Net Zero Emissions by using electrical vehicles and fossil free electricity. Further, Kallak and GAMP are aligned with decarbonisation of the economy. The Company continuously monitors global technology developments and maintains close collaboration with relevant OEMs to proactively position its projects regarding technology selection, maturity, and implementation risk.	LOW
Unable to raise sufficient funds	Unable to raise sufficient funds to invest in project portfolio and cover corporate costs	HIGH	Raise capital in a timely manner, as evidenced by current management's track record. Ensure forecasting is accurate, and expenditure controls are in place to optimise cash resources. The £2.2 million capital raise completed in May 2025 and £0.5 million convertible loan note in December 2025 increased the Company's cash resources. The proposed strategic investment and financing raising a total of £4.3 million announced in June 2026, will provide sufficient funds until the end of 2027.	MEDIUM
Long term adverse changes in commodity prices	Prices for iron ore, graphite, and other commodities may affect the viability of the Company's projects	MEDIUM	The Company identifies and invests in high quality projects that are attractive to the market. The Company will manage capital and operating expenditures to maximise shareholder returns. When it comes to iron ore and graphite, these commodities will be needed for the Green Transition.	MEDIUM
Not discovering an economic mineral deposit	Very few projects go through to be developed into mines	HIGH	Early studies and testwork give confidence that the Company is allocating capital appropriately. With Kallak and Grafintec, we have quality assets, supported by excellent infrastructure, including access to renewable power, and positioned in proximity to European markets in need of primary raw material supply to achieve a Green Transition.	MEDIUM TO LOW

Principal risks and uncertainties (continued)

<p>Revocation of, and failure to renew licences</p>	<p>Licence awards can be appealed and subject to conditions which, if not satisfied, may lead to the revocation of the licence.</p> <p>With respect to the Kallak North Exploitation Concession, the Government's decision to grant the Exploitation Concession was initially appealed, but the original decision was ultimately upheld by the Supreme Administrative Court in June 2024.</p> <p>In Finland, the extension of the Pitkäjärvi permit granted by TUKES in June 2024 was appealed but on 9 April 2025, but the Eastern Finland Administrative Court rejected the appeal.</p> <p>In Kosovo, a number of licence applications and renewals have been submitted but remain subject to approval by ICMM. Further, on a number of these licences, the minimum expenditure requirements had not been met over recent years, although the aggregate expenditure across the licence portfolio has exceeded aggregate requirements. Whilst there has been no prior experience of penalties incurred as a result of not meeting minimum expenditure requirements, there is no certainty that penalties won't be introduced going forward.</p>	<p>MEDIUM</p>	<p>In all cases, the Company diligently manages its licences to ensure full compliance. A monthly status report is generated for monitoring purposes and action.</p> <p>In both Sweden and Finland, opposition to mining development has generated appeal/court induced delays in permitting processes. In Kosovo, slow administrative processes have caused delays in the receipt of licence renewals. Close dialogue is maintained with authorities and the minimum expenditure requirements are being closely monitored.</p> <p>In all cases, the Company aims to satisfy application requirements and, although there may be delays, the expectation remains that all permits and renewals will ultimately be received.</p>	<p>LOW</p>
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Performance measurement

The ongoing performance of the Company is managed and monitored using a number of key financial and non-financial indicators (“KPIs”) on a monthly basis:

Financial:

i. Administration expenses

Overheads are managed versus budget and forecast on a monthly basis. The Company has a history of tightly managing its expenses. The underlying group overhead expenses were in line with the previous year at £1,563,475 (2024: £1,541,996 restated). The Company recognised an expected credit loss on intercompany loans of £326,919 (2024: £467,651), which was lower than the previous year due to a reasonable change of the probabilities in the prior year.

ii. Cash position

The Company analyses the expenditure of each subsidiary on a monthly basis. It also manages monthly cash flow for the Group versus budget and forecast. The financial strategy is to ensure that the Company at a minimum has sufficient funds to undertake its committed expenditure and meet its financial obligations.

With the ongoing PFS and environmental work streams at Kallak and ongoing activity at GAMP, the key objective of the Company was to ensure capital was available to fund this activity and maintain the tight timelines. The Company completed a capital raise of £2.2 million in May 2025 by way of a Placing, Swedish Depository Receipt (“SDR”) Rights Issue and UK Retail Offer. Subsequently, in December 2025, the Company issued a Convertible Loan Note (“CLN”) raising £0.5 million to provide further short-term funding for project development activities and general working capital. The year-end cash position was £0.33 million (2024: £0.88 million). After the year end in June 2026, the Company announced a proposed strategic investment to raise a total of £3.7 million as part of a £4.3 million financing, sufficient to advance the Company’s assets and provide working capital to the end of 2027.

iii. Exploration expenditure by project

The Company controls its exploration and development spend by project versus budget and in relation to its available cash resources. If the results of exploration do not meet expectations, then budgeted activities are re-evaluated or even cancelled. Evaluation of early-stage projects is approached in a cost-effective way. The Group determines whether there are any indicators of impairment of its exploration assets on an annual basis. This approach is best evidenced through the oversight at a board level. The Company has identified that the project held at Pirttikoski does not justify continued investment, and as such has recorded an impairment charge for its carrying value of £12,397 in the year. In the prior year, an impairment charge of £72,563 was recognised for projects at Karhunmäki.

Non-financial:

iv. ***Licence renewal compliance***

It is important from a risk management perspective that the Company monitors the expiry dates of its exploration permits. This is managed internally, although the Company does use external service providers to assist with renewal applications and specific permitting issues in Sweden and Finland. In Kosovo, licences are awarded with minimum expenditure requirements. Vardar has not always met these requirements, and in theory, ICMM could impose fines for failure to meet minimum expenditure requirements, although this has never been done previously. At the date of signing of this report, the overall status for licences in Sweden and Finland is good.

Section 172 Companies Act Statement

This section serves as our s172 Statement and should be read in conjunction with the Strategic Report and the Company's Corporate Governance Statement contained within this Annual Report.

The Board of Directors confirms that, during the year under review, it has acted to promote the long-term success of the Group for the benefit of shareholders, whilst having due regard to the matters set out in Section 172(1)(a) to (f) of the Companies Act 2006, being:

- (a) the likely consequences of any decision in the long term;
- (b) the interests of employees;
- (c) the need to foster the business relationships with suppliers, customers and others;
- (d) the impact of the Group's operations on the community and the environment;
- (e) the desirability of maintaining a reputation for high standards of business conduct; and
- (f) the need to act fairly between all shareholders.

This statement describes how the Directors have regard for s172 Matters.

The Company Secretary sets out the s172 Matters in all Board meeting packs to ensure these are front of mind, and the Directors are reminded of their duty under s172(1) at the start of each Board meeting. Consideration of the broader s172 matters forms an integral part of Board discussion; the Directors as a matter of course have regard to the need to maintain a reputation for high standards of business conduct, the need to act fairly between shareholders, and the long-term consequences of their decisions. Stakeholder considerations will be brought to the Board's attention through reports and presentations given during the Board meetings. These considerations are referenced in meeting papers as relevant, and discussions recorded in the meeting minutes.

Engagement with our shareholders and wider stakeholder groups plays an essential role throughout our business. We recognise the importance of open and transparent communication with each of our stakeholder groups, so that we can understand their specific interests, and foster effective and mutually beneficial relationships. We understand that each stakeholder group requires a tailored engagement approach to foster effective and mutually beneficial relationships. We seek to maximise the benefits to host communities in which we operate, while minimising negative impacts to effectively manage issues of concern.

The Board makes a conscious effort to understand the principal issues that matter to each stakeholder group and any conflicting interests. Our understanding of stakeholders is then factored into boardroom discussions, regarding the potential long-term impacts of our strategic decisions on each group, and how we might best address their needs and concerns.

The Board regularly reviews our principal stakeholders and how we engage with them. The stakeholder voice is brought into the boardroom by the Director's direct engagement with senior operations management on matters in need of attention.

Section 172 Companies Act Statement (continued)

The relevance of each stakeholder group may increase or decrease depending on the matter or issue in question, so the Board seeks to consider the needs and priorities of each stakeholder group during its discussions and as part of its decision making. The Company remains committed to working constructively - and in good faith - with all stakeholders and engaging in meaningful dialogue.

Shareholders have the opportunity to discuss issues with the Board and provide feedback at any time. Further information is available on the Company's website at <https://beowulfmining.com/>.

The table below acts as our s172(1) statement by setting out the key stakeholder groups, their interests and how Beowulf has engaged with them over the reporting period. However, given the importance of stakeholder focus, long-term strategy and reputation, these themes are also discussed throughout this Annual Report.

Stakeholder	Why is this stakeholder group important for the Company's long-term success, and what are their interests?	How we engage
Investors	<p>Our shareholders expect us to operate efficiently and cost effectively to maximise long-term value creation. Ultimately, the Company operates for the long-term benefit of its shareholders.</p> <p>Their Interests include:</p> <ul style="list-style-type: none"> • Sustainability • ESG performance • Ethical behaviour • Company reputation • Comprehensive review of financial performance of the business over the long-term • Awareness of long-term strategy and direction 	<ul style="list-style-type: none"> • Transparency in all communications • Regular updates from Executive and non-executive directors, as well as from advisers and investment banks who have the relationships with certain of the underlying shareholders and meetings with investors. • The AGM, investor roadshows and other conferences represent further opportunities for direct shareholder engagement with the Board. • Keeping shareholders up to date with the Company's activities through our Annual Report, Company's website, stock exchange announcements, press releases and regular reports and analyses for investors and shareholders.
Employees and contractors	<p>Our employees play a central role in delivering the Group's long-term strategy and in delivering the standards of service our customers expect.</p> <p>Their interests include:</p> <ul style="list-style-type: none"> • Terms and conditions of contract • Health and safety • Human rights and modern slavery 	<ul style="list-style-type: none"> • The Board constantly seeks opportunities to engage with the wider workforce directly, either through site visits to the various projects or employee attendance at Board meetings. • The Company provides ongoing training and development opportunities to employees and have taken appropriate steps for having policies relating to Modern Slavery and whistleblowing to discourage unethical business conduct, thus ensuring its employees are protected.

Section 172 Companies Act Statement (continued)

<p>Government and regulatory bodies</p>	<p>Compliance with all applicable legal and regulatory obligations is key to our long-term success.</p> <p>Their Interests include:</p> <ul style="list-style-type: none"> • Compliance with regulations • Employee pay, conditions and welfare • Health and Safety • Company reputation • Environmental impact • Insurance 	<ul style="list-style-type: none"> • We ensure our demonstrable compliance with established national and international environmental social governance and ethical standards. • Establish and maintain good relations with responsible authorities and always seek dialogue with them to fulfil our obligations. • Ongoing communication with the Swedish Government • Engagement with the Mining Inspectorate of Sweden • Kallak Consultation Process • Monthly KPIs on licence conditions compliance
<p>Environmental agencies and interest groups</p>	<p>We have an important role to play as a custodian of exploration and mining land ensuring that our long-term growth is sustainable and minimises our environmental footprint.</p> <p>Their Interests:</p> <ul style="list-style-type: none"> • Sustainability • Biodiversity, energy, water and waste management • Climate change 	<ul style="list-style-type: none"> • The Board takes its ESG responsibilities seriously, as set out in the review of operations on page 16 of this report. • The board receives periodic reports on our broader ESG activities. We appreciate that societal expectations on corporates to tackle climate change continue to change, and we will continue to look at new and innovative ways of reducing our carbon footprint. • We have developed Sustainability Strategies for Jokkmokk Iron Mines and Grafintec that forms the ESG framework under which we operate, from initial studies, through operation, to progressive closure and restoration. • We require our supply chain to meet our ESG standards as part of our sustainable and responsible procurement and codes of conduct.

Section 172 Companies Act Statement (continued)

<p>Community</p>	<p>We have an important role to play in supporting the communities in which we operate.</p> <p>Critical focus is applied to:</p> <ul style="list-style-type: none"> • Sustainability • Community engagement • Human Rights 	<ul style="list-style-type: none"> • The Company is completing Environmental Impact Assessments at Kallak and GAMP, both of which include measuring baseline environmental data so that future impacts of the Company’s activity can be measured and mitigated. As part of this process, we consult with local communities to ensure we are transparent with our development plans and to build a collaborative approach to growing our businesses. • As part of this ongoing consultation process, we arrange meetings with the Sami villages in the Kallak area on at least a quarterly basis to appraise them of our activity and future plans.
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On behalf of the board:

E Bowie
 Chief Executive Officer
 26 June 2026

The Directors present their report, together with the audited financial statements of the Group and Company, for the year ended 31 December 2025.

Directors

Since 1 January 2025, the following Directors have held office:

Mr E Bowie
Mr C Davies
Mr J Röstin
Mr M Schauman

Dividends

No dividends will be distributed for the year ended 31 December 2025 (2024: Nil).

Going concern

As at 31 December 2025, the Group had a cash balance of £0.33 million (2024: £0.88 million) and the Company had a cash balance of £0.24 million (2024: £0.71 million).

As disclosed in Note 22, on 21 March 2025, in conjunction with the Company's right issue, the Company entered into a short-term bridging loan of SEK 10 million (approx. £0.74 million) with the underwriters of the rights issue to ensure that the Company had sufficient financial resources to continue advancing its projects ahead of the right issue being finalised (see Note 22). The bridging loan accrued interest of 1.5% per 30-day period and was repaid using part of the proceeds from the capital raise, noted below.

On 8 May 2025, the Company announced the completion of the capital raise with a total of £2.2 million (SEK 28.1 million) gross raised to fund the continued development of the Company's assets. The net funds raised after the loan repayment and share issue transaction costs are £1.25 million (see Note 17).

The Company announced in November 2025 that it received a non-binding offer for the purchase of Vardar and was seeking to secure a Business Finland loan and raise equity at the Grafintec level. The Company secured the £500,000 convertible loan note on 22 December 2025 to provide short-term working capital to provide time for the sale of Vardar to proceed. Under the convertible loan note agreement, any outstanding balance is repayable in December 2026. However, at the date of this report, the sale has not been concluded and remains non-binding. Grafintec has been informed that its initial application for the Research, Development and Piloting Loan had been unsuccessful due primarily to the Company failing an eligibility criterion. The Business Finland project team commended the loan application and recommended that, following resolution of the eligibility criteria, Grafintec reapply for the Research, Development and Piloting loan scheme, which is the Board's intention.

Following the year end, the Company announced on 12 June 2026, that it had entered into a binding agreement to raise a total of £3.7 million by way of a strategic investment from a consortium led by Bacchus Capital as part of a total capital raise of £4.3 million. The funding remains subject to a number of conditions and approvals including the Takeover Panel granting a waiver of the mandatory offer provisions set out in Rule 9 of the Takeover Code that would otherwise arise under Rule 9 of the Takeover Code for the Bacchus Capital and its Affiliates to make a mandatory offer for the entire issued and to be issued share capital of the Company as a result of the issue of the shares pursuant to the proposed strategic investment, subject to the approval of independent shareholders ("Rule 9 Waiver"); independent shareholder approval of the Rule 9 Waiver; the passing of resolutions necessary to enable the issue of the new shares, to effect a capital reorganisation and the settlement with the Convertible Loan Noteholder, conduct a share split to reduce the nominal value of the Ordinary Shares ("Capital Reorganisation"); and regulatory approvals including Foreign Direct Investment ("FDI") approvals in Sweden. The Company expects these approvals, which are primarily administrative in nature, to be granted and allow for completion of the strategic investment and financing around the end of July 2026.

BEOWULF MINING PLC
ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2025
DIRECTORS' REPORT (continued)

In addition to this long-term funding, the Company secured Bacchus Capital will provide interim financing for the period in which approvals are sought. Bacchus Capital and a third-party investor have acquired in total: a 2.25% royalty over the Company's Finnish assets for US\$200,000 (approx. £149.231), pursuant to two royalty agreements dated 5 June 2026. The Company has an option to repurchase 50% of the Finnish royalties for a total of US\$3.0 million (approx. £2.2 million).

In addition; and Bacchus Capital has acquired a 2.25% royalty over the Company's Swedish assets for US\$100,000, pursuant to a royalty agreement dated 5 June 2026. The Company has the option to repurchase and cancel the Swedish royalty for i) a payment of US\$115,000 cash for a period of 30 days after the completion of the proposed strategic investment or, ii) after the 30 day period for a payment US\$3.0 million (approx. £2.2 million). .

The strategic investment remains subject to various approvals which indicate the existence of a material uncertainty, which may cast significant doubt over the Group's and the Company's ability to continue as going concerns and therefore, the Group and the Company may be unable to realise their assets and discharge their liabilities in the normal course of business. The Directors have a reasonable expectation that the funding will be forthcoming based on the advanced discussions and their past experience, and therefore believe that the going concern basis of preparation is deemed appropriate and as such the financial statements have been prepared on a going concern basis. The financial statements do not include any adjustments that would result if the Group and the Company were unable to continue as going concern.

Directors' and officers' indemnity insurance

The Group has made qualifying third-party indemnity provisions for the benefit of its Directors and Officers. These were made during the period and remain in force at the date of this report. Further details of these agreements can be found in the remuneration report on page 33.

Significant shareholdings

The Directors are aware of the following interests, directly or indirectly, in three per cent or more of the Group's ordinary shares as at 31 December 2025:

Shareholders	Shares	%
Brian Wolfgang Jensen	2,519,408	6.6

Authority to issue shares

Each year at the Company's Annual General Meeting (AGM), the Directors seek authority to allot ordinary shares.

The authority, when granted, lasts until the conclusion of the next AGM (unless renewed, varied or revoked by the Company prior to, or on, such date). At the AGM held on 24 June 2025, the Directors were granted authority to allot ordinary shares generally up to an aggregate nominal value of £3,814,346, and authority to allot ordinary shares for cash on a non-pre-emptive basis up to an aggregate nominal value of £3,814,346 (2024: £388,448).

Significant agreements

The Companies Act 2006 requires the Company to disclose any significant agreements which take effect, alter or terminate upon a change of control of the Company. Under their Service Agreements between the Company and Directors, in the event of a change of control, in the event of the Directors leaving their positions, they would be eligible to receive up to two years annual salary. The Directors have agreed to waive this condition within their Service Agreements for the change of control resulting from the proposed strategic investment.

Other than the above, the Company is not aware of, or party to, any such agreement.

Events after the reporting period

Information relating to events since the end of the year is given in Note 31 to the financial statements.

Financial risk management objectives and policies

Financial risk management policies and objectives for capital management are provided within Note 25 to the financial statements.

Future developments within the business

Since the award of the Exploitation Concession for Kallak North, the Company is focused on project development, environmental permitting, de-risking the project and increasing value, while delivering on environmental and social goals and balancing cost and benefit. The Company's overall objective is to have Kallak in production, developing the mine alone or in partnership.

Grafintec's strategy remains to build an anode value chain in Finland. The Company completed the PFS for the GAMP in March 2025 and secured a site reservation in the municipality of Kotka in July 2025. Pilot test work is planned to be initiated in 2026 and is estimated to take approximately two years to complete, during which time the DFS and environmental permitting can be completed ahead of construction and commissioning of the full commercial plant. Grafintec's exploration programme is targeted at securing long-term sustainably produced primary raw material supply to feed downstream processing.

Vardar provides exposure to the highly prospective Tethyan Belt. The consolidation of 100% Vardar during 2024 provided the Company with full control and increased optionality, and during 2025 the Company secured a non-binding offer to sell 100% of Vardar which remains the intention of the Company to complete the divestiture.

Website publication

The Directors are responsible for ensuring the annual report and financial statements are made available on a website. Financial statements are published on the Company's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Company's website is the responsibility of the Directors. The Directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Directors' responsibilities statement

The Directors are responsible for preparing the strategic report, directors' report, annual report and the financial statements in accordance with applicable laws and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law, the Directors have elected to prepare the Group and Company financial statements in accordance with UK adopted International Accounting Standards ("UK-IAS"). Under company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company and of the profit or loss of the Group for that year.

The Directors are also required to prepare financial statements in accordance with the rules of the London Stock Exchange for companies trading securities on AIM and the rules of the Spotlight Stock Market in Sweden.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with UK-adopted International Accounting Standards, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

DIRECTORS' REPORT (continued)

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose, with reasonable accuracy, at any time the financial position of the Company and enable them to ensure that the financial statements comply with the requirements of the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement as to disclosure of information to auditors

So far as the Directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the Group's auditors are unaware, and each Director has taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Group's auditors are aware of that information.

Auditor

PKF Littlejohn LLP were appointed as auditor during the year and a resolution to re-appoint them will be proposed at the Group's forthcoming Annual General Meeting.

Annual general meeting

The Notice of Meeting including details of the proposed resolutions will be posted to shareholders in due course and will appear on the Company's website.

On behalf of the board:

E Bowie
Chief Executive Officer
26 June 2026

BEOWULF MINING PLC
ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2025
DIRECTORS' REMUNERATION REPORT

The Directors have chosen to voluntarily present an unaudited remuneration report although is not required by the Companies Act 2006. Details of the Remuneration Committee's composition and responsibilities are set out in the Corporate Governance Report, and its terms of reference can be found on the Group's website: <https://beowulfmining.com>.

Executive Directors' terms of engagement

Mr Bowie held the role of Chief Executive Officer for the year ended 31 December 2025. His annual salary was £210,000 (2024: £210,000).

Non-Executive Directors' terms of engagement

The Non-Executive Directors have specific terms of engagement under a letter of appointment. Their remuneration is determined by the Board. In the event that a Non-Executive Director undertakes additional assignments or work for the Company, this is covered under a separate consultancy agreement.

Mr Röstin's annual fee is 500,000 SEK per annum (approx. £38,810) (2024: £37,000). Mr Röstin has a consultancy agreement with the Company for the provision of advice over and above his Non-Executive duties. In 2025, he was paid £7,767 (2024: £42,451) under this agreement. Mr Röstin has a one-month notice period under his letter of appointment.

Mr Davies' annual fee is £36,000 per annum (2024: £36,000). Mr Davies has a consultancy agreement with the Company for the provision of exploration advice over and above his Non-Executive duties. In 2025, he was paid £Nil (2024: £6,000) under this agreement. Mr Davies has a one-month notice period under his letter of appointment.

Mr Schauman's annual fee is £33,000 per annum (2023: £33,000). Mr Schauman has a notice period of one month under his letter of appointment.

Indemnity Agreements

Pursuant to the Companies Act 2006 and the Company's articles of association, the Board may exercise the powers of the Company to indemnify its Directors against certain liabilities, and to provide its Directors with funds to meet expenditure incurred, or to be incurred, in defending certain legal proceedings or in connection with certain applications to the court. In exercise of that power, and by resolution of the Board on 26 July 2016, the Company has agreed to enter into this Deed of Indemnity with each Director.

Remuneration Policy

In 2025, the Committee approved the below Remuneration Policy, which the Committee deem to be consistent with the size and stage of development of the Company. Following review in early 2026, the Committee remains of the belief that this policy is appropriate. The Company will not be submitting the Policy to a shareholder vote at its AGM as it does not consider this to be appropriate given stage of development of the Company.

Purpose of this Policy

The Board has established a Remuneration Policy that aims to ensure that remuneration practices across the Company are fair, competitive, reasonable, transparent and easily understood, enabling the Company to attract and retain high calibre talent.

Key Messages

The Company's approach to executive and senior management remuneration ensures that remuneration is competitive, performance focused, clearly links appropriate reward with desired business performance, efficient to administer, and easy to understand by executives and shareholders. Remuneration should be aligned to the Company's performance, strategic and business objectives and the creation of short- and long-term shareholder value.

BEOWULF MINING PLC
ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2025

DIRECTORS' REMUNERATION REPORT (continued)

Non-executive Director remuneration is focused on attracting individuals who can discharge the roles and responsibilities required in terms of strong oversight, independence, good governance and objectivity.

In line with the remuneration policy, remuneration levels are reviewed annually to ensure alignment to the market and the Company's stated objectives.

Aggregate Directors' Remuneration

The remuneration paid to the Directors in accordance with their agreements are outlined per the years below:

31 December 2025

Name	Position	Salary & Fees ¹	Pension ²²	Share-based payments ³	2025 Total
		£	£	£	£
Mr E Bowie	Chief Executive Officer	210,000	10,500	109,452	329,952
Mr C Davies	Non-Executive Director	36,000	-	23,367	59,367
Mr J Rostin	Non-Executive Director	46,576	-	39,404	85,980
Mr M Schauman	Non-Executive Director	33,000	-	19,701	52,701
Total		325,576	10,500	191,924	528,000

31 December 2024

Name	Position	Salary & Fees ¹	Pension ²²	Share-based payments ³	2024 Total
		£	£	£	£
Mr E Bowie	Chief Executive Officer	210,000	10,500	110,242	330,742
Mr C Davies	Non-Executive Director	42,000	-	32,839	74,839
Mr J Rostin	Non-Executive Director	79,350	-	39,687	119,037
Mr M Schauman	Non-Executive Director	33,000	-	19,843	52,843
Total		364,350	10,500	202,611	577,461

Notes:

(1) Does not include expenses reimbursed to the Directors.

(2) Employer contributions to personal pension.

(3) Share-based payment amounts are the charges recognised in the statement of profit or loss.

Each Director is also paid all reasonable expenses incurred wholly, necessarily, and exclusively in the proper performance of his duties.

The beneficial and other interests of the Directors holding office on 31 December 2025 in the issued share capital of the Company were as follows:

Ordinary shares	31 December 2025	31 December 2024
Mr E Bowie	943,708	261,890
Mr C Davies	163,032	26,668
Mr J Rostin	456,547	206,547
Mr M Schauman	241,071	62,500

BOWULF MINING PLC
ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2025
DIRECTORS' REMUNERATION REPORT (continued)

As at 31 December 2025, the following options were held by Directors, of which 613,333 options have vested.

Ordinary shares under option	Number	Exercise price	Expiry date
Mr E Bowie	800,000	12 pence	17 April 2034
Mr J Rostin	288,000	12 pence	17 April 2034
Mr C Davies	144,000	12 pence	17 April 2034
Mr M Schauman	144,000	12 pence	17 April 2034
Mr E Bowie	1,000,000	37.5 pence	17 April 2034
Mr J Rostin	360,000	37.5 pence	17 April 2034
Mr C Davies	180,000	37.5 pence	17 April 2034
Mr M Schauman	180,000	37.5 pence	17 April 2034
Mr C Davies	40,000	262.5 pence	27 September 2032

As at 31 December 2024, the following options were held by Directors, of which, 26,667 options have vested.

Mr E Bowie	1,000,000	37.5 pence	17 April 2034
Mr J Rostin	360,000	37.5 pence	17 April 2034
Mr C Davies	180,000	37.5 pence	17 April 2034
Mr M Schauman	180,000	37.5 pence	17 April 2034
Mr C Davies	40,000	262.5 pence	27 September 2032

On behalf of the remuneration committee

C Davies
 Non-Executive Director
 26 June 2026

It is the responsibility of the Chairman of the Board of Directors of the Company to ensure that the Group has both sound corporate governance and an effective Board. The Chairman's principal responsibilities are to ensure that the Group and the Board are acting in the best interests of shareholders, and by making sure that the Board discharges its responsibilities appropriately. This includes creating the right Board dynamic and ensuring that all important matters and strategic decisions receive adequate time and attention at Board meetings.

The Company formally adopted the Quoted Companies Alliance Corporate Governance Code ("QCA Code") in September 2018. This report follows the updated QCA Code guidelines released in 2023 and explains how we have applied the guidance. The Board considers that the Group complies with the QCA Code so far as it is practicable having regard to the size, nature and current stage of development of the Company. The Board recognises that the Company does not fully comply with the 10 principles and general provisions of the QCA Code but does use it as a benchmark in assessing its corporate governance standards. Areas of non-compliance are disclosed in the text below. Further details of the Company's compliance with the QCA code can be found in the Corporate Governance section of the Company's website: <https://beowulfmining.com/investors/corporate-governance/>.

The Board believes that application of the QCA Code supports the Company's medium to long-term development whilst managing risks, as well as providing an underlying framework of commitment and transparent communications with stakeholders. It also seeks to develop the knowledge shared between the Company and its stakeholders.

Following the updates to the Remuneration Committee and Remuneration Policy as disclosed in the previous annual report, the Company did not implement significant changes to its governance arrangements in 2025. However, in early 2026, the Company and its advisors reviewed and updated the Company's purpose statement to ensure that it continued to support the Company's goals and long-term strategy.

The Company's governance arrangements align with the Company's purpose by focussing the Company's resources on progressing its assets. This focus drives value for both shareholders and wider societal stakeholders. The governance structures in place are designed to support and oversee management in the development of the Company's assets.

Strategy, Risk Management and Responsibility

A description of the Company's business model and strategy can be found on pages 3-4, and the key challenges in their execution can be found on pages 21-23.

The Board is responsible for the monitoring of financial performance against budget and forecast and the formulation of the Group's risk appetite, including the identification, assessment and monitoring of the Company's principal risks. The Company pursues a balanced approach to risk appetite, considering the nature, size, and development stage of the business.

The Audit Committee has delegated responsibility for the oversight of the Company's risk management and internal controls and procedures and for determining the adequacy and efficiency of internal control and risk management systems. The Board monitors its internal control procedures and risk management mechanisms and conducts an annual review, when it assesses both for effectiveness. This process enables the Board to determine if the risk exposure has changed during the year, and these disclosures are included on pages 21-23.

In setting and implementing the Company's strategies, the Board, having identified the risks, seeks to limit the extent of the Company's exposure to them having regard to both its risk tolerance and risk appetite.

The Company has used the UN Sustainable Development Goals as a basis for assessing its climate related risks as set out within the ESG disclosures above. The Company also considers the impact of the climate emergency and applicable climate law within its risk disclosures, as included on pages 21-23.

Directors

The Board comprises the Independent Non-Executive Chairman, Johan Röstin, Chief Executive Officer, Ed Bowie, and Independent Non-Executive Directors, Chris Davies and Mikael Schauman. In 2025, Chris Davies exceeded nine years' service as an independent non-executive director. The Board considers that Chris remains independent despite this and will continue to review this assessment annually.

All Directors are encouraged to challenge and to bring independent judgement to bear on all matters, both strategic and operational. Biographical details of the Directors can be found on the Group's website www.beowulfmining.com, as well as on pages 19-20 of this report, and set out the relevant experience, skills and capabilities that each Director has brought to the Board during the year. The Board believe that the current skills and capabilities are sufficient to adequately inform and oversee the execution of the company's strategy for the benefit of the shareholders over the medium to long-term.

During the reporting period, the Independent Chairman and Non-Executive Directors dedicated approximately between two to four days per month to the Group's business. The Board is satisfied that each of the Directors are able to allocate sufficient time to the Group to discharge their responsibilities effectively. The Board met formally on nine scheduled occasions and twenty-two unscheduled occasions during the year. All meetings, with the exception of three of the unscheduled occasions, were attended by all Directors. Of the Board's sub-committees, the Audit Committee met twice during the year. The Remuneration Committee also met twice, though the second meeting of this committee was postponed and took place in early 2026.

The Directors believe that the Board, as a whole, has a broad range of commercial and professional skills, enabling it to discharge its duties and responsibilities effectively, and that the Non-Executive Directors have a sufficient range of experience and skills to enable them to provide the necessary guidance, oversight and advice for the Board to operate effectively. There is a formal process in place to review new roles taken on by Directors and whether this would either conflict with their duties to the Company or impact their ability to commit appropriate time.

The Board annually reviews the appropriateness and opportunity for continuing professional development, whether formal or informal. The Directors also endeavour to ensure that their knowledge of best practices and regulatory developments is continually up to date by attending relevant seminars and conferences as well as, where relevant, retaining memberships of professional bodies.

The Directors consider that the Company and Board are not yet of a sufficient size for a full Board evaluation to make commercial and practical sense. Therefore, the Board accepts that the Company does not comply with this aspect of the QCA Code, although in frequent Board meetings/calls, the Directors can discuss any areas where they feel a change would be beneficial for the Company, and the Company Secretary remains on hand to provide impartial advice. As the Company grows, it intends to expand the Board and, with expansion, re-consider the need for a formal Board evaluation.

Advisers

One Advisory Limited has been contracted by the Company to act as Company Secretary and supports the Board with Corporate Governance, and key compliance activities, including assistance with Board and shareholder meetings and Market Abuse Regulations ("MAR") compliance.

The Company's Nomad is consulted on all relevant matters, and all Directors have access to independent professional advice, if required.

Neither the Board nor its Committees have sought external advice on a significant matter during the year under review. No Board sub-committees have been established for the execution of a particular subject matter.

Culture

The Directors consider that at present the Company has an open culture facilitating comprehensive dialogue and feedback and enabling positive and constructive challenge.

The Board recognises that its decisions regarding strategy and risk will impact the corporate culture of the Company as a whole, and that this will in turn affect the performance of the Company. The Directors are also aware that the tone and culture set by the Board will greatly affect all aspects of the Company. The Board has therefore implemented the following policies to help ensure appropriate values and behaviours:

- an Anti-Bribery and Corruption Policy;
- a Whistleblowing Policy;
- a Social Media Policy;
- a Securities Dealing Policy; and
- an Inside Information and Delayed Disclosure Policy.

In line with its stated purpose and strategy, the Company culture is focussed around delivering value for stakeholders. A large part of the Company's activities are therefore centred upon an open and respectful dialogue with shareholders, contractors, regulators and other stakeholders.

The Company has close ongoing relationships with a broad range of its stakeholders, such as local indigenous communities and adjacent landowners, and through constructive dialogue provides them with the opportunity to raise issues and provide feedback to the Company. The Company works closely with the communities in which it operates, sharing its plans and ideas for the projects being developed, and listening to any concerns and addressing any issues raised. Beowulf remains firmly committed to the responsible development of a modern, sustainable and innovative mining operation in partnership with the local community.

The Company is open to receiving feedback from key stakeholders and will take action where appropriate. The key contact for shareholder liaison at the time of writing is Ed Bowie. Information on the Investor Relations section of the Group's website (<https://beowulfmining.com/investors/>) is kept updated and contains details of relevant developments, presentations and other key information.

Audit Committee

The Audit Committee is formed of Johan Rostin and Mikael Schauman, who chairs the Committee. The Committee is responsible for ensuring that the financial performance, position and prospects of the Group are properly monitored and reported on, and for meeting the auditor and reviewing audit reports relating to the accounts. The Audit Committee meet as and when required at appropriate times in the reporting and audit cycle. The Audit Committee is required to report formally to the Board on its proceedings after each meeting on all matters for which it has responsibility. The Committee's Terms of Reference are available to view on the Company's website at <https://beowulfmining.com/>.

The Board notes that additional information supplied by the Audit Committee has been disseminated across the whole of this Annual Report, rather than included as a separate Committee Report.

Remuneration Committee

The Remuneration Committee comprises Johan Röstin and Chris Davies, who chairs the Committee. The Committee is responsible for the review and recommendation of the scale and structure of remuneration for senior management, including any bonus arrangements or the award of share options with due regard to the interests of shareholders and the performance of the Company.

A Remuneration Committee Report is included on pages 33-35. The Committee's Terms of Reference are available to view on the Company's website at www.beowulfmining.com. As reported last year, the Committee approved a new, 2023 QCA Code Compliant, set of Terms of Reference in 2024. These were reviewed and re-approved at the Committee's meeting in early 2026. The committee has decided not to submit the Company remuneration policy to a vote, owing to the size, nature and stage of development of the Company.

Opinion

We have audited the financial statements of Beowulf Mining Plc (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2025 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated and Company Statements of Financial Position, the Consolidated and Company Statements of Changes in Equity, the Consolidated and Company Statements of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK-adopted international accounting standards and as regards the Parent Company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 December 2025 and of the Group's loss for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK-adopted international accounting standards;
- the Parent Company financial statements have been properly prepared in accordance with UK-adopted international accounting standards and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group and Parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to note 1 in the financial statements, which sets out that the Group and Parent Company will require additional funding within the 12 months following the date of approval of the financial statements in order to continue in operation and meet liabilities as they fall due. As disclosed in note 1, subsequent to the year end, the Company has entered into a binding agreement to raise £3.7 million through a strategic investment. This funding is subject to a number of conditions and approvals. Pending completion of this longer-term funding, the Company has secured interim financing through royalty arrangements over its Finnish and Swedish assets. As the strategic investment remains subject to various conditions and approvals, the completion of which is not guaranteed, these conditions indicate that a material uncertainty exists that may cast significant doubt on the Group's and Parent Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

In auditing the financial statements, we have concluded that the directors’ use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors’ assessment of the Group’s and Parent Company’s ability to continue to adopt the going concern basis of accounting included:

- critically reviewing the cashflow forecasts and budgets prepared by management for the period to 31 December 2027, corroborating and providing challenge to key assumptions and inputs used, including reviewing license agreements to confirm that committed expenditure is appropriately included in forecasts;
- comparing forecast expenditures to current year actual results and corroborating any significant variances;
- obtaining an understanding of cash preservation measures available to the group, and corroborating to supporting documentation where applicable;
- comparing historic forecasts to the actual results in the year to assess the historic accuracy of the forecasting process;
- reviewing post year-end bank statements and management information to ascertain the Group’s and the Parent Company’s latest financial position and post year-end performance, and comparing this to the forecasts; and
- reviewing and understanding the terms of any post-year end financing arrangements and considering the impact of post-year end events, including confirming receipt of royalty payments.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Emphasis of Matter

We draw attention to the disclosures made in the “Review of Operations and Activities” section of the Annual Report in relation to the 2025 update on Vardar Minerals Limited. Beowulf announced on 26 November 2025 that it had received a non-binding cash offer of €4 million (£3.5m) for its 100% interest in Vardar and subsequently confirmed that a non-binding Heads of Terms had been signed with the proposed buyer with whom discussions remain ongoing. Should the sale with the proposed buyer not proceed on these terms, this may result in the fair value less costs to sell of the held for sale assets (Note 26) being lower than their carrying value as at 31 December 2025.

Our opinion is not modified in this respect.

Our application of materiality

The scope of our audit was influenced by our application of materiality. The quantitative and qualitative thresholds for materiality determine the scope of our audit and the nature, timing and extent of our audit procedures.

We determined materiality for the Group and Parent Company financial statements to be:

	Group		Parent Company	
	£	Basis	£	Basis
Overall materiality	370,000 <i>(2024: 258,000)</i>	2% of net assets <i>(2024: 1.5% of gross assets)</i>	246,000 <i>(2024: 250,000)</i>	2% of net assets, capped below group performance materiality <i>(2024: 1.25% of gross assets)</i>
Performance materiality	259,000 <i>(2024: 154,000)</i>	70% of materiality <i>(2024: 60% of materiality)</i>	172,500 <i>(2024: 150,000)</i>	70% of materiality <i>(2024: 60% of materiality)</i>

Triviality	<p>18,500 <i>(2024: 5% of materiality 12,000) (2024: 5% of materiality)</i></p>	<p>12,300 <i>(2024: 5% of materiality 12,000) (2024: Group triviality)</i></p>
Rationale for the benchmark applied	<p>The Group does not yet have commercial sales, and its key projects had not commenced full-scale operations as at 31 December 2025. During the year, the Group issued convertible loan notes. We consider net assets to be the most appropriate benchmark for determining materiality, incorporating the key assets from which the Group expects to generate future revenue, as well as its ability to manage operating costs and working capital effectively.</p>	<p>The Parent Company does not generate revenue, and its primary balance comprises investments in subsidiaries. During the year, the Parent Company issued convertible loan notes. We consider net assets to be the most appropriate benchmark for determining materiality, incorporating the underlying value of the Parent Company’s investments and its overall financial position, which are the key areas of focus for shareholders.</p>

The percentage applied to this benchmark has been selected to bring into scope all significant classes of transactions, account balances and disclosures relevant for the shareholders, and also to ensure that matters that would have a significant impact on the financial statements were appropriately considered.

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we apply performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures.

We set performance materiality at 70% of overall materiality for both the Group and the Parent Company (2024: 60%). The increase in the percentage applied appropriately reflects the inherent risk profile and the accumulation of additional knowledge following first-year audit procedures performed in the prior year, through which we obtained a more comprehensive understanding of the Group and Parent Company, including their systems, controls, and financial reporting processes. This enhanced knowledge, together with no significant issues identified in the prior year, supports a higher performance materiality while still maintaining an appropriately low level of audit risk.

In determining performance materiality, we considered the following factors:

- Our cumulative knowledge of the Group and Parent Company and its environment, including industry specific trends;
- Significant transactions during the year; and
- The level of judgement required in respect of the key accounting estimates.

We agreed with the audit committee that we would report all individual audit differences identified for the Group during the course of our audit in excess of £18,500 (2024: £12,000) (Parent Company: £12,300 (2024: £12,000) together with any other audit misstatements below that threshold that we believe warranted reporting on qualitative grounds.

Whilst performance materiality for the Group was set at £259,000 (2024: £154,000), we also assessed performance materiality for in-scope entities. We assessed there to be four material entities in the group (2024: four), including the UK Parent Company, and operating entities in Sweden, Finland and Kosovo. Full scope audits were performed on the UK Parent Company by us as group auditor, and on the Swedish and Finnish entities by component auditors in each jurisdiction. Audit procedures on certain account balances and classes of transaction were performed on the Kosovan entity by us as group auditor.

Aside from the Parent Company, materiality for which is detailed above, these three entities were audited to a performance materiality ranging from £77,000 to £171,500 (2024: £77,000 to £115,500), representing an appropriate percentage of the Group’s performance materiality according to their relative net asset contribution and our assessment of inherent risk. Therefore, we conclude that this approach provides sufficient coverage of both significant and residual risks. The concept of materiality was applied throughout the audit, from planning to execution, as well as in evaluating the impact of misstatements.

Our approach to the audit

In designing our audit approach, we determined materiality and assessed the risk of material misstatement in the financial statements. In particular, we assessed the areas requiring the board and management to make subjective judgements, for example in respect of significant accounting estimates including the carrying value of intangible assets and management override of controls.

An audit was performed on the financial information of the Group’s four in-scope components as detailed in the previous section. Two of the four components, Sweden and Finland, were audited by component auditors.

The Group audit team provided instructions to component auditors regarding significant areas to be covered, including the relevant risks described below, and the required reporting information. The Group team visited the two component locations in Sweden and Finland to assess audit risk and strategy, conducting component file reviews accordingly. Discussions were held at all stages of the process with component auditors across all locations, and appropriate reporting appendices were received and reviewed in accordance with our instructions.

The audit of the Kosovan component, the Parent Company and the consolidation were performed in the United Kingdom by the Group audit team. Additionally, the Group audit team performed top-up work the Key Audit Matter relating to impairment of intangible assets, supplementing the work conducted by the Swedish and Finnish component auditors.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the Material uncertainty related to going concern section of our report, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How our scope addressed this matter
Carrying value and assessment of impairment of intangible exploration evaluation assets (Note 9)	
<p>The intangible exploration and evaluation asset represents capitalised exploration costs in respect of the Group’s key projects in Finland and Sweden, and is the most significant asset on the Group’s statement of financial position at the year end. There is a risk that the carrying value of intangible assets is not recoverable and an impairment charge is required.</p>	<p>Our work in this area included:</p> <ul style="list-style-type: none"> • Obtaining confirmation that the Group has good title to the applicable exploration licences, including any new licences or renewals obtained during the year; • Testing a sample of additions to ensure costs have been capitalised in accordance with IFRS 6;

INDEPENDENT AUDITOR’S REPORT TO THE MEMBERS OF BEOWULF MINING PLC (continued)

<p>Given the early stage of development of the projects, management is required to exercise significant judgement in assessing the recoverability of these assets. As a result of the level of judgement required, we have determined this to be a key audit matter.</p>	<ul style="list-style-type: none"> • Holding discussions with management, reviewing publicly available information, relevant technical reports, and Board minutes to ascertain the status of the projects, developments in the year and future plans, and to identify any potential impairment indicators; • Reviewing management's assessment of impairment and considering whether there are any indicators of impairment as per IFRS 6. Providing challenge to, and corroborating, key assumptions made in the assessment; • Where an impairment has been recorded during the year in respect of one or more licences, reviewing the circumstances leading to the impairment and ensuring this has been recorded at an appropriate amount; and • Reviewing disclosures in the financial statements to ensure that they are complete and in accordance with IFRS 6. <p><u>Key observations</u></p> <p>Based on the audit work performed, we do not consider the carrying value of intangible assets at the year end to be materially misstated.</p> <p>However, we draw attention to the disclosures made in the “Review of Operations and Activities” section of the Annual Report in relation to the status of licences in Sweden and Finland, a number of which are due for renewal within the 12 months following the date of this report, or currently awaiting approval. Should the renewals be unsuccessful for any reason, this may result in impairment to the related intangible assets.</p>
<p>Capitalisation and impairment of development expenditure (Note 9)</p>	
<p>The Group holds a significant intangible development asset relating to the Graphite Anode Materials Project (“GAMP”) in Finland. This asset represents capitalised expenditure incurred in progressing the Group’s graphite anode materials strategy, including feasibility studies, technical development, permitting processes, and associated project work.</p> <p>Given the early stage of development of the project, management is required to exercise significant judgement in assessing the recoverability of this asset and also the capitalisation of expenditure to contribute to this balance in line with IAS 38. As a result of the level of judgement required, we have determined this to be a key audit matter.</p>	<p>Our work in this area included:</p> <ul style="list-style-type: none"> • Testing a sample of additions to supporting documentation to ensure costs have been capitalised in accordance with IAS 38, including obtaining an understanding of the nature of the costs capitalised; • Obtaining any relevant technical reports prepared in relation to the project, including the GAMP Pre-Feasibility Study completed in 2025, and considering the conclusions made;

	<ul style="list-style-type: none"> • Holding discussions with management, reviewing publicly available information and Board minutes to ascertain the status of the project, developments in the year and future plans, and to identify any potential impairment indicators; • Obtaining management’s impairment position paper in accordance with the requirements of IAS 36. Providing challenge to, and corroborating, key assumptions made in the assessment; and • Reviewing disclosures and ensuring these are in accordance with IAS 38.
<p>Valuation of investments and intercompany receivables (Note 11 and 12)</p>	
<p>The parent company holds £817k of investments in subsidiaries and £16,184k of intercompany loans relating to its interest in Jokkmokk Iron Mines AB and Grafintec Oy. These are the most significant assets on the parent company’s statement of financial position.</p> <p>There is a risk of material misstatement surrounding the recoverability of investments in subsidiaries and intercompany receivables. The carrying value of these investments and receivables is ultimately dependent on the value of the underlying assets. The key underlying assets are exploration projects and development assets for which it is difficult to definitively determine their value at the current stage of development. Valuations for these assets are therefore based on judgments and estimates made by the Directors, which leads to a risk of misstatement.</p> <p>As a result of the level of judgement required, we have determined this to be a key audit matter.</p>	<p>Our work in this area included:</p> <ul style="list-style-type: none"> • Obtaining evidence of ownership for investments in subsidiaries; • Reviewing management’s position paper in respect of the recoverability of investment balances and providing appropriate challenge, corroborating any key assumptions used; • Reviewing investment balances for indicators of impairment in accordance with IAS 36; • Reviewing the value of investment balances against the value of the underlying assets, including reference to work performed in respect of the carrying value of exploration expenditure in accordance with IFRS 6 and intangible development assets in accordance with IAS 36; • Considering the appropriateness of the methodology applied by management in the assessment of the recoverable amount of intercompany loans, and the calculation of expected credit loss provisions against these balances, in accordance with the requirements of IFRS 9; and • Ensuring disclosures made in the financial statements in relation to critical accounting judgements are adequate.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor’s report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the Group and Parent Company financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the Parent Company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement, the directors are responsible for the preparation of the Group and Parent Company financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the Group and Parent Company financial statements, the directors are responsible for assessing the Group and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the Group and Parent Company and the sector in which they operate to identify laws and regulations that could reasonably be expected to have a direct effect on the financial statements. We obtained our understanding in this regard through detailed discussions with management about and potential instances of non-compliance with laws and regulations both in the UK and in overseas subsidiaries. We also selected a specific audit team based on experience with auditing entities within this industry of a similar size.
- We determined the principal laws and regulations relevant to the Group and Parent Company in this regard to be those arising from:
 - Companies Act 2006;
 - AIM Rules;
 - Quoted Companies Alliance (QCA) Corporate Governance code;
 - UK tax and employment law;
 - Anti-bribery and money laundering regulations; and
 - Local mining laws and regulations in Sweden, Finland and Kosovo.
- We designed our audit procedures to ensure the audit team considered whether there were any indications of non-compliance by the Group and Parent Company with those laws and regulations. These procedures included, but were not limited to:
 - Making enquiries of management;
 - Reviewing legal and professional fees to understand the nature of the costs and the existence of any non-compliance with laws and regulations; and
 - Reviewing minutes of meetings of those charged with governance and Regulatory News Service announcements.
- We also identified the risks of material misstatement of the financial statements due to fraud. We considered, in addition to the non-rebuttable presumption of a risk of fraud arising from management override of controls, that the potential for management bias was identified in relation to the carrying value and assessment of impairment of intangible exploration assets, capitalisation and impairment of development expenditure and the valuation of investments and intercompany receivables. We addressed this by challenging the assumptions and judgements made by management in relation to this balance. The work performed on this area is disclosed above.
- As in all of our audits, we addressed the risk of fraud arising from management override of controls by performing audit procedures which included, but were not limited to: the testing of journals; reviewing accounting estimates for evidence of bias; evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business; and reviewing significant transactions in the banks statements to identify potentially large or unusual transactions that do not appear to be in line with our understanding of business operations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Parent Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone, other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Imogen Massey (Senior Statutory Auditor)
For and on behalf of PKF Littlejohn LLP
Statutory Auditor
26 June 2026

30 Churchill Place
Canary Wharf
London E14 5RE

BEOWULF MINING PLC
ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2025
CONSOLIDATED INCOME STATEMENT

		2025	(Restated) ¹ 2024
	Note	£	£
Continuing operations			
Administrative expenses		(1,563,475)	(1,541,996)
Impairment of exploration assets	5	(12,397)	(72,563)
Operating loss from continuing operations		<u>(1,575,872)</u>	<u>(1,614,559)</u>
Finance costs	3	(60,766)	(61,104)
Finance income	3	2,224	3,404
Grant income	7	177	3,561
Fair value loss on listed investment	5	(1,500)	(3,313)
Loss on disposal of right of use asset		(3,715)	-
Other income	4	16,793	-
Loss before tax		<u>(1,622,659)</u>	<u>(1,672,011)</u>
Tax expense	6	-	-
Loss for the year from continuing operations		<u>(1,622,659)</u>	<u>(1,672,011)</u>
Loss from discontinued operations	26	(124,919)	(116,997)
Loss for the year		<u>(1,747,578)</u>	<u>(1,789,008)</u>
Loss attributable to:			
Owners of the parent		(1,747,578)	(1,771,325)
Non-controlling interests	16	-	(17,683)
		<u>(1,747,578)</u>	<u>(1,789,008)</u>
Loss per share attributable to the ordinary equity holder of the parent:			
Continuing operations			
Basic and diluted (pence)	8	(3.10)	(4.79)
Discontinued operations			
Basic and diluted (pence)	8	(0.24)	(0.34)

¹The prior year figures have been restated for the discontinued operations, refer to Note 26 for further details.

The notes on pages 56 to 97 form part of these financial statements

BEOWULF MINING PLC
ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2025
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

		2025	(Restated) ¹ 2024
	Note	£	£
Loss for the year		(1,747,578)	(1,789,008)
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Exchange gains/(losses) arising on translation of foreign operations		1,481,363	(958,163)
		<u>1,481,363</u>	<u>(958,163)</u>
Total comprehensive loss		<u>(266,215)</u>	<u>(2,747,171)</u>
Total comprehensive loss attributable to:			
Owners of the parent		(266,215)	(2,709,387)
Non-controlling interests	16	-	(37,784)
		<u>(266,215)</u>	<u>(2,747,171)</u>

¹The prior year figures have been restated for the discontinued operations, refer to Note 26 for further details.

The notes on pages 56 to 97 form part of these financial statements

BEOWULF MINING PLC
ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2025
CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Company Number 02330496	Note	2025 £	2024 £
ASSETS			
NON-CURRENT ASSETS			
Intangible assets	9	15,373,303	16,023,022
Property, plant and equipment	10	824	56,685
Right-of-use assets	13	21,245	48,333
Investments held at fair value through profit or loss	11	1,750	3,250
Loans and other financial assets	12	2,784	5,138
		<u>15,399,906</u>	<u>16,136,428</u>
CURRENT ASSETS			
Trade and other receivables	14	88,519	192,512
Cash and cash equivalents	15	329,647	881,349
		<u>418,166</u>	<u>1,073,861</u>
Assets classified as held for sale	26	3,600,177	-
		<u>4,018,343</u>	<u>1,073,861</u>
TOTAL ASSETS		<u><u>19,418,249</u></u>	<u><u>17,210,289</u></u>
EQUITY			
SHAREHOLDERS' EQUITY			
Share capital	17	13,397,580	12,356,927
Share premium	19	30,627,454	29,878,404
Capital contribution reserve	19	46,451	46,451
Share based payment reserve	19	1,413,206	1,124,131
Warrant reserve	19	68,640	-
Merger reserve	19	425,497	425,497
Translation reserve	19	(914,571)	(2,395,934)
Accumulated losses	19	(26,511,632)	(24,764,054)
		<u>18,552,625</u>	<u>16,671,422</u>
TOTAL EQUITY		<u><u>18,552,625</u></u>	<u><u>16,671,422</u></u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	20	318,189	508,124
Lease liabilities	21	8,049	20,727
Borrowings	22	333,958	-
Derivative financial liabilities	23	88,996	-
		<u>749,192</u>	<u>528,851</u>
Liabilities directly associated with assets held for sale	26	107,149	-
		<u>856,341</u>	<u>528,851</u>
NON-CURRENT LIABILITIES			
Lease liabilities	21	9,283	10,016
		<u>9,283</u>	<u>10,016</u>
TOTAL LIABILITIES		<u><u>865,624</u></u>	<u><u>538,867</u></u>
TOTAL EQUITY AND LIABILITIES		<u><u>19,418,249</u></u>	<u><u>17,210,289</u></u>

BOWULF MINING PLC
ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2025
CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

The financial statements were approved and authorised for issue by the Board of Directors on 26 June 2026 and were signed on its behalf by:

E Bowie – Director

The notes on pages 56 to 97 form part of these financial statements

BEOWULF MINING PLC
ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2025

COMPANY STATEMENT OF FINANCIAL POSITION

Company Number 02330496	Note	2025 £	2024 £
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	10	542	723
Investments in subsidiaries	11	817,025	4,093,692
Investments held at fair value through profit or loss	11	1,750	3,250
Loans and other financial assets	12	16,187,149	14,995,747
		<u>17,006,466</u>	<u>19,093,412</u>
CURRENT ASSETS			
Trade and other receivables	14	28,451	20,150
Cash and cash equivalents	15	235,652	714,339
		<u>264,103</u>	<u>734,489</u>
Assets classified as held for sale	26	3,493,028	-
		<u>3,757,131</u>	<u>734,489</u>
TOTAL ASSETS		<u><u>20,763,597</u></u>	<u><u>19,827,901</u></u>
EQUITY			
SHAREHOLDERS' EQUITY			
Share capital	17	13,397,580	12,356,927
Share premium	19	30,627,454	29,878,404
Capital contribution reserve	19	46,451	46,451
Share based payment reserve	19	1,413,206	1,124,131
Warrant reserve	19	68,640	-
Merger reserve	19	425,497	425,497
Accumulated losses	19	(25,813,182)	(24,127,038)
TOTAL EQUITY		<u><u>20,165,646</u></u>	<u><u>19,704,372</u></u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	20	174,997	123,529
Borrowings	22	333,958	-
Derivative financial liabilities	23	88,996	-
TOTAL LIABILITIES		<u><u>597,951</u></u>	<u><u>123,529</u></u>
TOTAL EQUITY AND LIABILITIES		<u><u>20,763,597</u></u>	<u><u>19,827,901</u></u>

As permitted by Section 408 of the Companies Act 2006, the income statement of the parent Company is not presented as part of these financial statements. The parent Company's loss for the financial year was £1,686,144 (2024: loss of £1,956,618).

These financial statements were approved and authorised for issue by the Board of Directors on 26 June 2026 and were signed on its behalf by:

E Bowie – Director

The notes on pages 56 to 97 form part of these financial statements

BEOWULF MINING PLC
ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2025
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Note	Share capital £	Share premium £	Capital contribution reserve £	Share based payment reserve £	Merger reserve £	Warrant reserve £	Translation reserve £	Accumulated losses £	Totals £	Non – controlling interests £	Total equity £
At 1 January 2024		11,571,875	27,141,444	46,451	903,766	137,700	-	(1,457,872)	(23,235,514)	15,107,850	514,430	15,622,280
Loss for the year		-	-	-	-	-	-	-	(1,771,325)	(1,771,325)	(17,683)	(1,789,008)
Foreign exchange translation		-	-	-	-	-	-	(938,062)	-	(938,062)	(20,101)	(958,163)
Total comprehensive income		-	-	-	-	-	-	(938,062)	(1,771,325)	(2,709,387)	(37,784)	(2,747,171)
Transactions with owners												
Issue of share capital		732,725	3,657,859	-	-	-	-	-	-	4,390,584	-	4,390,584
Cost of issue		-	(920,899)	-	-	-	-	-	-	(920,899)	-	(920,899)
Issue of share capital for acquisition of NCI		52,327	-	-	-	287,797	-	-	-	340,124	-	340,124
Equity-settled share-based payment transactions	18	-	-	-	326,628	-	-	-	-	326,628	-	326,628
Step up interest in subsidiary	10	-	-	-	-	-	-	-	136,522	136,522	(476,646)	(340,124)
Transfer on lapse of options		-	-	-	(106,263)	-	-	-	106,263	-	-	-
Total transactions with owners		785,052	2,736,960	-	220,365	287,797	-	-	242,785	4,272,959	(476,646)	3,796,313
At 31 December 2024		12,356,927	29,878,404	46,451	1,124,131	425,497	-	(2,395,934)	(24,764,054)	16,671,422	-	16,671,422
Loss for the year		-	-	-	-	-	-	-	(1,747,578)	(1,747,578)	-	(1,747,578)
Foreign exchange translation		-	-	-	-	-	-	1,481,363	-	1,481,363	-	1,481,363
Total comprehensive income		-	-	-	-	-	-	1,481,363	(1,747,578)	(266,215)	-	(266,215)
Transactions with owners												
Issue of share capital		1,040,653	1,123,738	-	-	-	-	-	-	2,164,391	-	2,164,391
Cost of issue		-	(374,688)	-	-	-	-	-	-	(374,688)	-	(374,688)
Equity-settled share-based payment transactions		-	-	-	289,075	-	-	-	-	289,075	-	289,075
Issue of warrants arising from convertible loan note issue	23	-	-	-	-	-	68,640	-	-	68,640	-	68,640
Total transactions with owners		1,040,653	749,050	-	289,075	-	68,640	-	-	2,147,418	-	2,147,418
At 31 December 2025		13,397,580	30,627,454	46,451	1,413,206	425,497	68,640	(914,571)	(26,511,632)	18,552,625	-	18,552,625

The nature and purpose of the reserves are detailed in Note 19.

The notes on pages 56 to 97 form part of these financial statements

BOWULF MINING PLC
ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2025
COMPANY STATEMENT OF CHANGES IN EQUITY

	Note	Share capital £	Share premium £	Capital contribution reserve £	Share based payment reserve £	Merger reserve £	Warrant reserve £	Accumulated losses £	Total £
At 1 January 2024		<u>11,571,875</u>	<u>27,141,444</u>	<u>46,451</u>	<u>903,766</u>	<u>137,700</u>	<u>-</u>	<u>(22,276,683)</u>	<u>17,524,553</u>
Loss for the year		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,956,618)</u>	<u>(1,956,618)</u>
Total comprehensive income		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,956,618)</u>	<u>(1,956,618)</u>
Transactions with owners									
Issue of share capital		732,725	3,657,859	-	-	-	-	-	4,390,584
Cost of issue		-	(920,899)	-	-	-	-	-	(920,899)
Issue of share capital for acquisition of NCI		52,327	-	-	-	287,797	-	-	340,124
Equity-settled share-based payment transactions	18	-	-	-	326,628	-	-	-	326,628
Transfer on lapse of options		-	-	-	(106,263)	-	-	106,263	-
Total transactions with owners		<u>785,052</u>	<u>2,736,960</u>	<u>-</u>	<u>220,365</u>	<u>287,797</u>	<u>-</u>	<u>106,263</u>	<u>4,136,437</u>
At 31 December 2024		<u>12,356,927</u>	<u>29,878,404</u>	<u>46,451</u>	<u>1,124,131</u>	<u>425,497</u>	<u>-</u>	<u>(24,127,038)</u>	<u>19,704,372</u>
Loss for the year		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,686,144)</u>	<u>(1,686,144)</u>
Total comprehensive income		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,686,144)</u>	<u>(1,686,144)</u>
Transactions with owners									
Issue of share capital		1,040,653	1,123,738	-	-	-	-	-	2,164,391
Cost of issue		-	(374,688)	-	-	-	-	-	(374,688)
Equity-settled share-based payment transactions		-	-	-	289,075	-	-	-	289,075
Issue of warrants arising from convertible loan note issue	23	-	-	-	-	-	68,640	-	68,640
Total transactions with owners		<u>1,040,653</u>	<u>749,050</u>	<u>-</u>	<u>289,075</u>	<u>-</u>	<u>68,640</u>	<u>-</u>	<u>2,147,418</u>
At 31 December 2025		<u>13,397,580</u>	<u>30,627,454</u>	<u>46,451</u>	<u>1,413,206</u>	<u>425,497</u>	<u>68,640</u>	<u>(25,813,182)</u>	<u>20,165,646</u>

The nature and purpose of the reserves are detailed in Note 19.

The notes on pages 56 to 97 form part of these financial statements

BEOWULF MINING PLC
ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2025

CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	2025 £	2024 £
Cash flows from operating activities			
Loss before income tax	8	(1,747,578)	(1,789,008)
Depreciation of property, plant and equipment	10	24,681	26,127
Amortisation of right-of-use assets	13	44,112	37,205
Equity-settled share-based transactions	18	286,364	326,628
Impairment of exploration costs	9	12,397	72,563
Loss on disposal of property, plant and equipment	10	-	778
Gain on disposal of right of use assets	13	3,826	-
Impairment of disposal groups held for sale	26	32,423	-
Finance income	27	(2,224)	(3,404)
Finance cost	27	61,625	61,334
Fair value loss on listed investment	11	1,500	3,313
Impairment of fixed financial assets	12	2,523	-
Unrealised foreign exchange (losses)/gains		(10,202)	102,813
		<u>(1,290,553)</u>	<u>(1,161,651)</u>
Increase in trade and other receivables	14	95,144	(39,177)
(Decrease)/increase in trade and other payables	20	(110,175)	8,545
		<u>(1,305,584)</u>	<u>(1,192,283)</u>
Net cash used in operating activities			
Cash flows from investing activities			
Purchase of intangible assets	9	(1,484,938)	(2,265,113)
Initial payments for right of use assets	13	(3,792)	(6,108)
Grant receipt	9	12,750	152,941
Interest received	3	2,224	3,404
		<u>(1,473,756)</u>	<u>(2,114,876)</u>
Net cash used in investing activities			
Cash flows from financing activities			
Proceeds from issue of shares	17	1,999,142	4,246,105
Payment of share issue costs	17	(209,437)	(776,421)
Lease principal	21	(28,799)	(24,945)
Lease interest paid	21	(2,774)	(2,187)
Proceeds from borrowings, net of issue costs	22	742,795	723,881
Repayment of loan principal	22	(711,725)	(699,172)
Interest paid	21	(52,251)	(59,147)
Proceeds from issue of convertible loan notes, net of issue costs	23	484,994	-
		<u>2,221,945</u>	<u>3,408,114</u>
Net cash generated from financing activities			
(Decrease)/increase in cash and cash equivalents		(557,395)	100,955
Cash and cash equivalents at beginning of year		881,349	905,555
Effect of foreign exchange rate changes		5,693	(125,162)
Cash and cash equivalents at end of year		<u>329,647</u>	<u>881,349</u>

Major non-cash transactions

The issue of shares and related costs included non-cash transactions, further details are included in note 17.

There were no other major non-cash transactions during the year.

The notes on pages 56 to 97 form part of these financial statements

BEOWULF MINING PLC
ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2025
COMPANY STATEMENT OF CASH FLOWS

		2025	2024
	Note	£	£
Cash flows from operating activities			
Loss before income tax		(1,686,144)	(1,956,618)
Expected credit losses	12	326,919	467,651
Equity-settled share-based transactions	18	191,924	202,611
Depreciation of property, plant and equipment	10	181	241
Impairment of investments in subsidiaries	11	-	331,764
Impairment of assets held for sale	26	245,231	-
Finance income	3	(2,128)	(3,207)
Finance cost	3	58,686	59,147
Fair value loss on listed investment	11	1,500	3,313
Unrealised foreign exchange (gains)/losses		(22,432)	102,813
		<u>(886,263)</u>	<u>(792,285)</u>
(Increase)/decrease in trade and other receivables		(8,303)	29,007
Increase/(decrease) in trade and other payables		51,469	(4,689)
		<u>(843,097)</u>	<u>(767,967)</u>
Cash flows from investing activities			
Loans to subsidiaries	12	(1,882,762)	(2,633,108)
Interest received		2,128	3,207
Net cash used in investing activities		<u>(1,880,634)</u>	<u>(2,629,901)</u>
Cash flows from financing activities			
Proceeds from issue of shares	17	1,999,142	4,246,105
Payment of share issue costs	17	(209,437)	(776,421)
Proceeds from borrowings, net of issue costs	22	742,795	723,881
Repayment of loan principal	21	(711,725)	(699,172)
Interest paid	21	(52,086)	(59,147)
Proceeds from issue of convertible loan notes, net of issue costs	23	484,994	-
Net cash generated from financing activities		<u>2,253,683</u>	<u>3,435,246</u>
(Decrease)/increase in cash and cash equivalents		(470,048)	37,378
Cash and cash equivalents at beginning of year		714,339	794,909
Effect of foreign exchange rate changes		(8,639)	(117,948)
Cash and cash equivalents at end of year		<u>235,652</u>	<u>714,339</u>

Major non-cash transactions

There were no major non-cash transactions other than those disclosed in the consolidated statement of cash flows.

The notes on pages 56 to 97 form part of these financial statements

1. Material accounting policy information

Nature of operations

Beowulf Mining plc (the “Company”) is domiciled in England. The Company's registered office is 201 Temple Chambers, 3-7 Temple Avenue, London, EC4Y 0DT. These consolidated financial statements comprise 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.

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below:

Going concern

As at 31 December 2025, the Group had a cash balance of £0.33 million (2024: £0.88 million) and the Company had a cash balance of £0.24 million (2024: 0.71 million).

On 21 March 2025, in conjunction with the Company's right issue, the Company entered into a short-term bridging loan of SEK 10 million (approx. £0.74 million) with the underwriters of the rights issue to ensure that the Company had sufficient financial resources to continue advancing its projects ahead of the right issue being finalised (see Note 22). The bridging loan accrued interest of 1.5% per 30-day period and was repaid using part of the proceeds from the capital raise, noted below.

On 8 May 2025, the Company announced the completion of the capital raise with a total of £2.2 million (SEK 28.1 million) gross raised to fund the continued development of the Company's assets. The net funds raised after the loan repayment and share issue transaction costs are £1.25 million (see Note 17).

The Company announced in November 2025 that it received a non-binding offer for the purchase of Vardar and was seeking to secure a Business Finland loan and raise equity at the Grafintec level. The Company secured the £500,000 convertible loan note on 22 December 2025 to provide short-term working capital to provide time for the sale of Vardar to proceed. Under the convertible loan note agreement, any outstanding balance is repayable in December 2026. However, at the date of this report, the sale had not been concluded and remains non-binding. Grafintec has been informed that its initial application for the Research, Development and Piloting Loan had been unsuccessful due primarily to the Company failing an eligibility criterion. The Business Finland project team commended the loan application and recommended that, following resolution of the eligibility criterion, Grafintec reapply for the Research, Development and Piloting loan scheme, which is the Board's intention.

Following the year end, the Company announced on 12 June 2026, that it had entered into a binding agreement to raise a total of £3.7 million by way of a strategic investment from a consortium led by Bacchus Capital as part of total capital raise £4.3 million. The funding remains subject to a number of conditions and approvals including the Takeover Panel granting a waiver of the mandatory offer provisions set out in Rule 9 of the Takeover Code that would otherwise arise under Rule 9 of the Takeover Code for the Bacchus Capital and its Affiliates to make a mandatory offer for the entire issued and to be issued share capital of the Company as a result of the issue of the shares pursuant to the proposed strategic investment, subject to the approval of independent shareholders (“Rule 9 Waiver”); independent shareholder approval of the Rule 9 Waiver; the passing of resolutions necessary to enable the issue of the new shares, to effect a capital reorganisation and the settlement with the Convertible Loan Noteholder, conduct a share split to reduce the nominal value of the Ordinary Shares (“Capital Reorganisation”); and regulatory approvals including Foreign Direct Investment (“FDI”) approvals in Sweden. The Company expects these approvals, which are primarily administrative in nature, to be granted and allow for completion of the strategic investment and financing around the end of July 2026.

In addition to this long-term funding, the Company secured interim financing for the period in which approvals are sought. Bacchus Capital and a third-party investor have acquired in total: a 2.25% royalty over the Company's Finnish assets for US\$200,000 (approx. £149,231) pursuant to two royalty agreements dated 5 June 2026. The Company has an option to repurchase 50% of the Finnish royalties for a total of US\$3.0 million (approx. £2.2 million).

1. Material accounting policy information (continued)

In addition, Bacchus Capital has acquired a 2.25% royalty over the Company's Swedish assets for US\$100,000 (approx. £74,615), pursuant to a royalty agreement dated 5 June 2026. The Company has the option to repurchase and cancel the Swedish royalty for i) a payment of US\$115,000 (approx. £85,767) cash for a period of 30 days after the completion of the proposed strategic investment or, ii) after the 30 day period for a payment US\$3.0 million (approx. £2.2 million).

The strategic investment remains subject to various approvals which indicate the existence of a material uncertainty, which may cast significant doubt over the Group's and the Company's ability to continue as going concerns and therefore, the Group and the Company may be unable to realise their assets and discharge their liabilities in the normal course of business. The Directors have a reasonable expectation that the funding will be forthcoming based on the advanced discussions and their past experience, and therefore believe that the going concern basis of preparation is deemed appropriate and as such the financial statements have been prepared on a going concern basis. The financial statements do not include any adjustments that would result if the Group and the Company were unable to continue as going concern.

Basis of preparation

The consolidated and individual Company financial statements have been prepared in accordance with UK adopted international accounting standards. The policies have been consistently applied to both the parent Company and Group. 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.

Merger relief under s612 of the Companies Act 2006 removes the requirement to credit the share premium account and where the conditions are met, the relief must be applied. However, it allows the investment to be accounted for at the nominal value of the shares issued or the fair value of the consideration. Where the investment is to be recorded at fair value, then the credit will be to the merger relief reserve.

The conditions to qualify for merger relief are:

- the consideration for shares in another company includes issued shares;
- on completion of the transaction, the company issuing the shares will have secured at least a 90% equity holding in the other company.

Merger relief was applied in acquisition of Grafintec and Vardar, in which the Company obtained 100% of the share capital of Grafintec and Vardar for shares issued by the Company. Further details of these acquisitions are outlined in Note 11.

New standards, amendments and interpretations

Standards and interpretations adopted during the year

There were no new standards, amendments and interpretations that are effective for the first time for periods beginning on 1 January 2025 that had a material effect on the Group and Company annual report and accounts.

Standards, amendments and interpretations that are not yet effective

There are a number of standards, amendments to standards, and interpretations which have been issued by the IASB that are effective in future accounting periods that the Group has decided not to adopt early.

The following amendments are effective for the period beginning 1 January 2026:

- Amendments to IFRS 9 Financial Instruments (Amendments to the Classification and Measurement of Financial Instruments)
- Annual Improvement to IFRS Accounting Standards – Volume 11

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

1. Material accounting policy information (continued)

The following amendments are effective for the period beginning 1 January 2027:

- IFRS 18 Presentation and Disclosure in Financial Statements

Beowulf Mining Plc is currently assessing the impact of these new accounting standards and amendments.

Significant accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for income and expenses during the year and the amounts reported for assets and liabilities at the balance sheet date. However, the nature of estimation means that the actual outcomes could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the revision is made.

Sources of estimation and uncertainty

Exploration assets

The Pitkäjärvi licence was renewed in 2021 and expired on 26 April 2024, with a further extension granted on 26 June 2024. However, this was appealed, but on 9 April 2025, the Eastern Finland Administrative Court rejected the appeal. No further appeals have been received and therefore the permit became legally binding for 3 years effective from 17 May 2025.

The Board has considered the impairment indicators as outlined in the Group's accounting policies, and having done so, is of the opinion that no impairment provisions are required for Group's main assets, Kallak and Aitolampi.

The Pirttikoski exploration reservation expired during 2025. Grafintec made the decision not to apply for an exploration license within the Pirttikoski reservation area, and as such, all exploration costs of £12,397 were fully written off (see Note 9).

Development costs

Expenditure incurred on internal development projects is capitalised as an intangible asset in accordance with IAS 38 to the extent that the technical, commercial and financial feasibility can be demonstrated by the Group. The Group have assessed that the GAMP project reached the development phase following the completion of the Coating PFS in July 2023, and therefore all costs have been capitalised from this date. Management consider the carrying amount to be less than recoverable amount of the asset and therefore no impairment is considered necessary.

Valuation of share-based payments

Accounting for all equity-settled share-based payment awards required the use of valuation models to estimate the future share price performance of the Company. These models require the Directors to make assumptions regarding the share price volatility, risk free rate and expected life of awards in order to determine the fair values of the awards at grant date (see Note 18).

Convertible loan notes

The measurement of the embedded derivative in the convertible loan issued during the year requires the use of valuation models that require a number of subjective assumptions and estimates that may have a material impact on the financial statements (see accounting policy below and Note 23).

1. Material accounting policy information (continued)

Expected credit losses

The Company, in applying the ECL model under IFRS 9, must make assumptions when implementing the forward-looking ECL model. This model is required to be used to assess the intercompany loans receivable from subsidiaries for impairment.

Estimations were made regarding the credit risk of the counterparty and the underlying probability of default in each of the credit loss scenarios. The scenarios identified by management included Production, Divestment, Fire-sale and Failure. These scenarios considered technical data, necessary licences to be awarded, the Company's ability to raise finance, and ability to sell the project. A reasonable change in the probability weightings of both the downside scenarios of failure and fire-sale of 3% would result in further impairment of £691,489 (2024: £923,585).

Basis of consolidation

(i) Subsidiaries and acquisitions

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (and its subsidiaries) made up to 31 December each year. Control is recognised where an investor is exposed, or has rights, to variable returns from its investment with the investee, and has the ability to affect these returns through its power over the investee.

The results of subsidiaries acquired or disposed of during the year are included in the statement of comprehensive income from the effective date of acquisition, or up to the effective date of disposal, as appropriate.

Non-controlling interests in subsidiaries are presented separately from the equity attributable to equity owners of the parent Company. When changes in ownership in a subsidiary do not result in a loss of control, the non-controlling shareholders' interests are initially measured at the non-controlling interests' proportionate share of the subsidiaries net assets. Subsequent to this, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. When the subsidiary is fully consolidated, the difference of the carrying amount of the non-controlling interest and the consideration paid is recognised directly in equity, attributable to the parent (Refer to Note 16). Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

(ii) Transactions eliminated on consolidation

Intra-Group balances and any unrealised gains and losses or income and expenses arising from intra-Group transactions are eliminated in preparing the consolidated financial statements.

Intangible assets – exploration costs

All costs incurred prior to the application for the legal right to undertake exploration and evaluation activities on a project are expensed as incurred. Each asset is evaluated annually at 31 December, to determine whether there are any indications that impairment exists.

Exploration and evaluation costs arising following the application and granting of the legal right, are capitalised on a project-by-project basis, pending determination of the technical feasibility and commercial viability of the project. Costs incurred include appropriate employee costs and costs pertaining to technical and administrative overheads.

Exploration and evaluation activities include:

- researching and analysing historical exploration data;
- gathering exploration data through topographical, geochemical and geophysical studies;
- exploratory drilling, trenching and sampling;
- determining and examining the volume and grade of the resource;

1. Material accounting policy information (continued)

Intangible assets – deferred exploration costs (continued)

- surveying transportation and infrastructure requirements; and
- conducting market and finance studies.

Administration costs that are not directly attributable to a specific exploration area are expensed as incurred.

Exploration costs are carried at historical cost less any impairment losses recognised. When a project is deemed to no longer have commercially viable prospects to the Group, exploration costs in respect of that project are deemed to be impaired and written off to the statement of comprehensive income. Once the decision for investment is taken, the assets will be assessed for impairment and to the extent that these are not impaired, will be classified as development assets. From the point that production commences these assets will be depreciated.

Intangible assets – capitalised development costs

Development costs that are directly attributable to the GAMP project are recognised as intangible assets where the following criteria are met:

- it is technically feasible to complete the intangible asset so that it will be available for use;
- management intends to complete the intangible asset and use or sell it;
- there is an ability to use or sell the intangible asset;
- it can be demonstrated how the intangible asset will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the intangible asset are available; and
- the expenditure attributable to the intangible asset during its development can be reliably measured.

Directly attributable costs that are capitalised as part of intangible assets include employee costs and an appropriate portion of relevant overheads.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use.

Impairment

Exploration assets

Whenever events or changes in circumstance indicate that the carrying amount of an asset may not be recoverable an asset is reviewed for impairment. An asset's carrying value is written down to its estimated recoverable amount (being the higher of the fair value less costs to sell and value in use) if that is less than the asset's carrying amount.

Impairment reviews for exploration costs are carried out on a project-by-project basis, with each project representing a potential single cash generating unit. An impairment review is undertaken when indicators of impairment arise such as:

- (i) unexpected geological occurrences that render the resource uneconomic;
- (ii) title to the asset is compromised;
- (iii) variations in mineral prices that render the project uneconomic;
- (iv) substantive expenditure on further exploration and evaluation of mineral resources is neither budgeted nor planned;
- (v) a material uncertainty regarding the availability of funding, to continue planned exploration and evaluation activities; and
- (vi) the period for which the Group has the right to explore has expired and is not expected to be renewed.

1. Material accounting policy information (continued)

Development costs

Capitalised development costs are reviewed for impairment where there is an indication that the asset may be impaired. Impairment indicators include internal and external sources of information.

Property, plant and equipment

Items of property, plant and equipment are stated at historical cost less accumulated depreciation.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Office equipment	-	25 per cent on reducing balance
Computer equipment	-	25 per cent on reducing balance
Motor vehicles	-	20 per cent on reducing balance
Machinery and equipment	-	20 to 25 per cent on reducing balance

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

Leased assets

When entering into a contract, the Group assesses whether or not a lease exists. A lease exists if a contract conveys a right to control the use of an identified asset under a period of time in exchange for consideration. Leases of low value items and short-term leases (leases of less than 12 months at the commencement date) are charged to the profit or loss on a straight-line basis over the lease term in administrative expenses.

The Group recognises right-of-use assets at cost and lease liabilities at the lease commencement date based on the present value of future lease payments. The right-of-use assets are amortised on a straight-line basis over the length of the lease term. The lease liabilities are recognised at amortised cost using the effective interest rate method. Discount rates used reflect the incremental borrowing rate specific to the lease.

Investments in subsidiaries

Investments in subsidiary undertakings are stated at cost less provision for any impairment in value.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, and other short term highly liquid investments with original maturities of three months or less.

Financial assets

The Group classifies its financial assets at amortised cost and at fair value through profit or loss. Management determines the classification of its financial assets at initial recognition.

Amortised cost

The Group's financial assets held at amortised cost comprise trade and other receivables, cash and cash equivalents and loans and other financial assets in the consolidated statement of financial position.

These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through financial assets where the objective is to hold their assets in order to collect contractual cash flows and the contractual cash flows are solely payments of the principal and interest. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

1. Material accounting policy information (continued)

Expected credit loss provisions for other receivables are recognised based on a forward-looking expected credit loss model. The methodology used to determine the amount of the provision is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. For those where the credit risk has not increased significantly since initial recognition of the financial asset, twelve month expected credit losses along with gross interest income are recognised. For those for which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

Fair value through profit or loss

The Group's financial assets held at fair value through profit or loss comprise equity investments held. These are carried in the statement of financial position at fair value. Subsequent to initial recognition, changes in fair value are recognised in the statement of comprehensive income.

Financial liabilities

The Group's financial liabilities include trade and other payables and borrowings. All financial liabilities are recognised initially at fair value, net of transaction costs incurred, and are subsequently stated at amortised cost, using the effective interest method.

Borrowings include convertible debt with settlement terms that fail the fixed for fixed criterion and are treated as containing an embedded derivative liability, where this is recognised the loan value is allocated between the derivative value and the loan residual which is carried at amortised cost. Borrowings are derecognised when the obligation is extinguished.

Unless otherwise indicated, the carrying values of the Group's financial liabilities measured at amortised cost represents a reasonable approximation of their fair values.

Convertible loans

The Group's convertible loan notes are accounted for as a compound financial instrument. The convertible loan notes have attaching warrants, which are granted on the conversion of the convertible loan note. The conversion of the warrants meets the fixed-for-fixed criteria and is accounted for in equity.

The conversion feature is an embedded derivative liability and accounted for separately from the host instrument. The fair value of the embedded derivative liability is calculated first, then the present value of the debt host, and the residual value is assigned to equity.

On initial recognition, convertible loan notes were recorded at fair value net of issue costs. The initial fair value of the debt host was determined using the market interest rate applied by a market participant for an equivalent non-convertible debt instrument. Subsequent to initial recognition, the debt host is recorded at amortised cost using the effective interest method until extinguished on conversion or maturity of the notes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

1. Material accounting policy information (continued)

The amortisation of the debt host and the interest payable in each accounting period is expensed as a finance cost. Equity derivatives embedded in the convertible instruments which are required to be recorded as financial liabilities are initially recognised at fair value. At each reporting date, the fair value of the derivative is reassessed by management.

On conversion of the convertible loans, the Group recognises the difference between (i) the carrying value of the debt host contract plus the carrying value amount (fair value) of the embedded derivative and (ii) the fair value of the shares issued at the conversion date in profit or loss.

Assets held for sale and discontinued operations

Disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell. An impairment loss is recognised for any initial or subsequent write-down of the disposal group to fair value less costs to sell. Following their classification as held for sale, non-current assets (including those in a disposal group) are not depreciated.

The assets of a disposal group classified as held for sale are presented separately from the other assets in the statement of financial position. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the statement of financial position.

A discontinued operation is a component of the group that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of comprehensive income.

Share capital

Financial instruments issued by the Group are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset.

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs. Where equity instruments are issued as part of an acquisition they are recorded at their fair value on the date of acquisition.

The Group's ordinary shares are classified as equity instruments.

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised, using the liability method, in respect of temporary differences between the carrying amount of the Group's assets and liabilities and their tax base.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority. Any remaining deferred tax asset is recognised only when, on the basis of all available evidence, it can be regarded as probable that there will be suitable taxable profits, within the same jurisdiction, in the foreseeable future against which the deductible temporary difference can be utilised.

1. Material accounting policy information (continued)

Deferred tax is determined using tax rates that are expected to apply in the periods in which the asset is realised or liability settled, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Current and deferred tax is recognised in the profit or loss, except when the tax relates to items charged or credited directly in equity, in which case the tax is also recognised directly in equity.

Foreign currencies

The individual financial statements of each Group entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). For the purpose of the consolidated financial statements, the results and financial position of each entity are expressed in GB Pounds Sterling which is the presentation currency for the Group and Company financial statements. The functional currency of the Company is the GB Pounds Sterling.

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the balance sheet date.

Exchange differences arising on the settlement of monetary items and on the retranslation of monetary items are included in the statement of comprehensive income for the period.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are expressed in GB Pounds Sterling using exchange rates prevailing at the balance sheet date. Income and expense items are translated at the average exchange rates for the period. Exchange differences arising, if any, are classified as other comprehensive income and are transferred to the Group's translation reserve.

Foreign currency movements arising from the Group's net investment, which comprises equity and long-term debt, in subsidiary companies whose functional currency is not the GB Pounds Sterling are recognised in the translation reserve, included within equity until such time as the relevant subsidiary company is sold, whereupon the net cumulative foreign exchange difference relating to the disposal is transferred to profit and loss.

Share-based payment transactions

Where equity settled share options are awarded to employees, the fair value of the options at the date of grant is charged to the income statement over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each balance sheet date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of all options granted. As long as all other vesting conditions are satisfied, a charge is made irrespective of whether market vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

Where equity instruments are granted to persons other than employees, the income statement or share premium account, if appropriate, are charged with the fair value of goods and services received. Where the equity instrument is cancelled or lapsed as a result of non-market vesting conditions not being satisfied, the Group shall account for the cancellation as an acceleration of vesting and shall therefore recognise immediately the amount that otherwise would have been recognised for services received over the remainder of the vesting period. Where equity instruments that have fully vested are cancelled or lapse, the amount recognised in the share-based payment reserve is transferred to accumulated losses.

BEOWULF MINING PLC
ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2025
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

2. Employees and directors

	Group		Company	
	2025	2024	2025	2024
	£	£	£	£
Wages and salaries	696,594	737,809	325,577	364,350
Social security costs	188,232	135,158	45,101	42,989
Other benefits	23,490	14,947	10,500	10,500
Share-based payments	273,983	299,706	191,924	202,610
	<u>1,182,299</u>	<u>1,187,620</u>	<u>573,102</u>	<u>620,449</u>

Directors' remuneration is as follows:

	2025	2024
	£	£
Directors' emoluments, including salary and fees	336,076	374,850
Share-based payments	191,924	202,611
	<u>528,000</u>	<u>577,461</u>

Further details pertaining to Directors' remuneration can be found in the Directors' remuneration report on page 33.

The remuneration of the highest paid Director who served during the year was Ed Bowie, which consisted of base salary of £210,000 (2024: £210,000).

The average monthly number of employees and Directors during the year was as follows:

	Group 2025 Number	Group 2024 Number	Company 2025 Number	Company 2024 Number
Directors	4	4	4	4
Employees	<u>10</u>	<u>12</u>	<u>-</u>	<u>-</u>

3. Finance income and costs

	Group (Restated) ¹		Company	
	2025	2024	2025	2024
	£	£	£	£
Finance income:				
Deposit account interest	2,224	3,404	2,128	3,207
	<u>2,224</u>	<u>3,404</u>	<u>2,128</u>	<u>3,207</u>
Finance costs:				
Interest on lease liabilities	1,915	1,957	-	-
Interest on loans and borrowings	52,251	59,147	52,086	59,147
Convertible loan - interest	6,600	-	6,600	-
	<u>60,766</u>	<u>61,104</u>	<u>58,686</u>	<u>59,147</u>

¹The prior year figures have been restated for the discontinued operations, refer to Note 26 for further details.

BEOWULF MINING PLC
ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2025
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

4. Other income

	2025	2024
	£	£
Other income	16,793	-
	<u>16,793</u>	<u>-</u>

Represents a €20,000 sale of exploration data relating to Åtvidaberg, a project previously held by the Company but that was fully impaired in the year ending 31 December 2023.

5. Loss before tax and auditor's remuneration

a. The loss before tax is stated after charging:

	2025	(Restated) 2024
	£	£
Depreciation of property, plant and equipment (Note 10)	181	241
Amortisation of right-of-use asset (Note 13)	34,691	36,975
Share-based payment expense (Note 18)	286,364	308,881
Foreign exchange differences	(345)	2,036
Loss on disposal of property, plant and equipment (Note 10)	3,715	-
Fair value loss on listed investment (Note 11)	1,500	3,313
Impairment of exploration costs (Note 9)	12,397	72,563

b. Auditor's remuneration

	2025	2024
	£	£
Fees payable to the Group's auditor for the audit of the consolidated financial statements	79,297	74,260
Fees payable to the Group auditor for other services:		
- review of quarterly financial statements	4,173	3,730
	<u>83,470</u>	<u>77,990</u>

6. Income tax

Analysis of tax expense

No liability to UK corporation tax arose on ordinary activities for the year ended 31 December 2025 or for the year ended 31 December 2024.

Factors affecting the tax expense

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2025 £	2024 £
Loss on ordinary activities before income tax	<u>(1,747,578)</u>	<u>(1,789,008)</u>
Profit Subject to UK Corporation tax at 25% (2024: 25%)	(436,895)	(447,252)
Effects of:		
Non-allowable expenditure	48,026	50,713
Potential deferred tax on UK loss	239,697	247,705
Difference in overseas tax rates	<u>141,066</u>	<u>148,834</u>
	<u>-</u>	<u>-</u>

The main rate of UK corporation tax for the year ended 31 December 2025 was 25%. The Group has estimated UK losses of £18,605,886 (2024: £17,647,092) and foreign losses of £8,464,217 (2024: £7,213,879) available to carry forward against future trading profits. The value of unrecognised deferred tax assets in respect of the UK losses amounts to £4,651,471 (2024: £4,411,773) and foreign losses of £1,459,564 (2024: £1,219,080). The Directors believe that due to the uncertainty over when the tax losses will be utilised it is appropriate not to recognise a deferred tax asset at this time.

7. Grant income

	2025 £	2024 £
Business Finland	-	3,395
Other	<u>177</u>	<u>166</u>
	<u>177</u>	<u>3,561</u>

Grafintec was participating in a project titled “BATCircle – the development of a Finland-based Circular Ecosystem of Battery Metals”. BATCircle is part of the European Union (“EU”) Strategic Energy Technology Programme, and the grants were provided by Business Finland. The project concluded in the year. All of the grant income was capitalised to the related exploration costs in the current year (see Note 9).

BEOWULF MINING PLC
ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2025
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

8. Basic and diluted loss per share

The calculation of basic and diluted loss per share at 31 December 2025 was based on the loss attributable to ordinary shareholders and a weighted average number of Ordinary Shares outstanding during the year ended 31 December 2025 calculated as follows:

	2025	(Restated) ¹ 2024
	£	£
Loss attributable to ordinary shareholders		
From continuing operations	(1,622,659)	(1,654,328)
From discontinued operations	(124,919)	(116,997)
Total loss attributable to ordinary shareholders	<u>(1,747,578)</u>	<u>(1,771,325)</u>

¹The prior year figures have been restated for the discontinued operations, refer to Note 26 for further details.

Weighted average number of ordinary shares

	2025	2024
	Number	Number
Number of shares in issue at the beginning of the year	34,550,117	21,699,167
Effect of shares issued during year	17,846,044	12,850,950
Weighted average number of ordinary shares in issue for the year	<u>52,396,161</u>	<u>34,550,117</u>

The diluted earnings per share is identical to the basic loss per share as the exercise of warrants and options would be anti-dilutive.

9. Intangible assets – Group

	Exploration costs £	Other intangible assets £	Total £
COST			
At 1 January 2024	14,797,833	75,493	14,873,326
Additions for the year – cash	1,644,552	620,561	2,265,113
Additions for the year – non-cash	107,402	-	107,402
Grant income received	-	(180,644)	(180,644)
Foreign exchange movements	(955,907)	(13,705)	(969,612)
Impairment	(72,563)	-	(72,563)
At 31 December 2024	<u>15,521,317</u>	<u>501,705</u>	<u>16,023,022</u>
At 1 January 2025	15,521,317	501,705	16,023,022
Additions for the year – cash	1,259,320	225,618	1,484,938
Additions for the year – non-cash	832	-	832
Grant income received	-	(12,750)	(12,750)
Foreign exchange movements	1,448,902	31,457	1,480,359
Impairment	(12,397)	-	(12,397)
Transfer to assets held for sale (note 26)	(3,590,701)	-	(3,590,701)
At 31 December 2025	<u>14,627,273</u>	<u>746,030</u>	<u>15,373,303</u>
NET BOOK VALUE			
At 31 December 2025	<u>14,627,273</u>	<u>746,030</u>	<u>15,373,303</u>
At 31 December 2024	<u>15,521,317</u>	<u>501,705</u>	<u>16,023,022</u>

9. Intangible assets – Group (continued)

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

	2025	2024
	£	£
Kallak	12,590,320	10,271,536
Pitkäjärvi	1,749,466	1,627,258
Rääpysjärvi	224,097	188,016
Luopioinen	10,431	7,157
Emas	52,960	48,898
Pirttikoski	-	7,347
Mitrovica	-	2,425,900
Viti	-	663,106
Shala	-	282,099
	<u>14,627,273</u>	<u>15,521,317</u>

Total Group exploration costs of £14,627,273 (2024: £15,521,317) are currently carried at cost in the financial statements. The Group will need to raise funds and/or bring in joint venture partners to further advance exploration and development work. An amount of £206,044 was recorded against the projects for services provided by the Directors during the year (2024: £236,112). During the year, Vardar was classified as held for sale, and therefore exploration costs in relation to Mitrovica, Viti and Shala are £Nil at 31 December 2025.

In Sweden, during 2024, the Supreme Administrative Court delivered the verdict to uphold the Government's awarding of the Exploitation Concession for Kallak. Management have considered that there is no current risk associated with Kallak and thus have not impaired the project.

In Finland, the development of downstream capabilities is a key part of Grafintec's strategy. During the year, the GAMP PFS was completed demonstrating extremely positive economics. The Company's most advanced natural flake graphite project, Aitolampi, has an Indicated and Inferred Mineral Resource of 26.7 Mt at 4.8% TGC for 1,275,000 tonnes of contained graphite. The Company maintained the licenses in good standing through the payment of landowner fees, completion of environmental monitoring, and limited exploration and metallurgical work. Management have considered that there is no current risk associated with Grafintec and thus have not impaired the project.

In Kosovo, Vardar has three exploration licence areas, Mitrovica, Viti and Shala. Progress during 2025 was limited due to all exploration licences being or becoming subject to renewal, although during early 2025, low-cost mapping and surface sampling on the Shala licences was undertaken to define and refine exploration targets. At the year ended 31 December 2025, the exploration costs for Vardar have been transferred to assets held for sale, as the Company had received a non-binding cash offer for its 100% interest in Vardar (see note 26 for further details).

In the year, an impairment provision of £12,397 was recognised for project costs capitalised for projects at Pirttikoski (2024: £72,563 in projects at Karhunmäki) as the exploration reservation expired during the year and no exploration licence was applied for. In respect of the other licence areas, no impairment indicators have been identified. The impairment is charged as an expense and included within the consolidated income statement.

Other intangible assets capitalised are development costs, including salaries and external services incurred following the feasibility of GAMP project. This development has attained a stage that it satisfies the requirements of IAS 38 to be recognised as intangible asset in that it has the potential to completed and used, provide future economic benefits, its costs can be measured reliably and there is the intention and ability to complete. The development costs will be held at cost less impairment until the completion of the GAMP project at which stage they will be transferred to the value of the Plant and depreciated.

BEOWULF MINING PLC
ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2025
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

10. Property, plant and equipment

Group

	Office equipment £	Motor vehicles £	Machinery & equipment £	Computer equipment £	Total £
Cost					
At 1 January 2024	4,633	135,215	140,161	1,006	281,015
Disposals	(3,179)	-	(1,950)	-	(5,129)
Foreign exchange movements	(146)	(7,664)	(8,318)	-	(16,128)
At 31 December 2024	<u>1,308</u>	<u>127,551</u>	<u>129,893</u>	<u>1,006</u>	<u>259,758</u>

Depreciation

At 1 January 2024	3,468	95,419	94,331	42	193,260
Charge for year	390	12,069	13,427	241	26,127
Disposals	(2,401)	-	(1,950)	-	(4,351)
Foreign exchange movements	(149)	(5,416)	(6,398)	-	(11,963)
At 31 December 2024	<u>1,308</u>	<u>102,072</u>	<u>99,410</u>	<u>283</u>	<u>203,073</u>

Group

	Office equipment £	Motor vehicles £	Machinery & equipment £	Computer equipment £	Total £
Cost					
At 1 January 2025	1,308	127,551	129,893	1,006	259,758
Transfer to assets held for sale (note 26)	(1,442)	(111,221)	(114,610)	-	(227,273)
Foreign exchange movements	134	7,936	8,521	-	16,591
At 31 December 2025	<u>-</u>	<u>24,266</u>	<u>23,804</u>	<u>1,006</u>	<u>49,076</u>

Depreciation

At 1 January 2025	1,308	102,072	99,410	283	203,073
Charge for year	-	11,460	13,040	181	24,681
Transfer to assets held for sale (note 26)	(1,442)	(95,772)	(96,276)	-	(193,490)
Foreign exchange movements	134	6,418	7,436	-	13,988
At 31 December 2025	<u>-</u>	<u>24,178</u>	<u>23,609</u>	<u>464</u>	<u>48,252</u>

Net book value

At 31 December 2025	<u>-</u>	<u>88</u>	<u>194</u>	<u>542</u>	<u>824</u>
At 31 December 2024	<u>-</u>	<u>25,479</u>	<u>30,483</u>	<u>723</u>	<u>56,685</u>

Depreciation in the reconciliation includes amounts relating to discontinued operations of £24,500 (2024: £25,886). Depreciation recognised within continuing operations in the income statement is £181 (2024: £241)

10. Property, plant and equipment (continued)

Company

	Computer equipment £	Total £
Cost		
At 1 January 2024	1,006	1,006
At 31 December 2024	<u>1,006</u>	<u>1,006</u>
Depreciation		
At 1 January 2024	42	42
Charge for year	241	241
At 31 December 2024	<u>283</u>	<u>283</u>

Company

	Computer equipment £	Total £
Cost		
At 1 January 2025	1,006	1,006
At 31 December 2025	<u>1,006</u>	<u>1,006</u>
Depreciation		
At 1 January 2025	283	283
Charge for year	181	181
At 31 December 2025	<u>464</u>	<u>464</u>
Net book value		
At 31 December 2025	<u>542</u>	<u>542</u>
At 31 December 2024	<u>723</u>	<u>723</u>

11. Investments

	Group and Company listed investments £	Company shares in subsidiaries £
Cost		
At 1 January 2024	6,563	3,961,315
Acquisitions	-	464,141
Impairment	-	(331,764)
Fair value losses	(3,313)	-
At 31 December 2024	<u>3,250</u>	<u>4,093,692</u>
At 1 January 2025	3,250	4,093,692
Acquisitions	-	97,151
Fair value losses	(1,500)	-
Transfer to assets held for sale (note 26)	-	(3,373,818)
At 31 December 2025	<u><u>1,750</u></u>	<u><u>817,025</u></u>

Listed investments

The listed investment includes equity investment of 50,000 shares in Marula Mining Plc, listed on the Aquis exchange, which is held at fair value.

Shares in subsidiaries

Additions to the investments in the share capital of subsidiaries in 2024 include the acquisition of Vardar to increase the Company's shareholding in Vardar from 61.1% to 100%, which was £340,124 in 2024.

The additional investment during the year includes a share-based payment expense of £97,151 in relation to share options granted to employees of the Company's subsidiaries Grafintec, Jokkmokk Iron and Vardar (2024: £124,017).

Included within the brought forward investment is 100 per cent of the share capital of Grafintec, that was acquired during the year ended 31 December 2016 and holds a portfolio of four early-stage graphite exploration projects. At the time of acquisition, Beowulf paid for 100 per cent of the share capital of Grafintec by issuing 2.55 million ordinary shares in the Company, with two further tranches of 2.1 million ordinary shares to be issued on achievement of certain performance milestones.

The first tranche of 2.1 million ordinary shares was issued on the anniversary of 24 months from the date of the acquisition, in accordance with Mr Blomqvist having worked for the Company as a full-time employee during that period. The second tranche of shares, being 42,000 ordinary shares following the 50 to one share consolidation completed in June 2024, will be issued on completion of a bankable feasibility study on one of the graphite projects in the portfolio. At the year end, there was £Nil recognised for the second tranche (2024: £Nil).

BEOWULF MINING PLC
ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2025
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

11. Investments (continued)

The remaining investment in subsidiaries includes the share capital of the Company's directly owned subsidiaries, listed below.

The Group consists of the following subsidiary undertakings:

Name	Incorporated	Activity	2025 % holding	2024 % holding
Grafintec Oy	Finland	Mineral exploration	100%	100%
Jokkmokk Iron Mines AB	Sweden	Mineral exploration	100%	100%
Beowulf Mining Sweden AB	Sweden	Mineral exploration	100%	100%
Wayland Copper Limited	UK	Holding company	100%	100%
Wayland Sweden AB	Sweden	Mineral exploration	⁽¹⁾ 100%	⁽¹⁾ 100%
Vardar Minerals Ltd	UK	Mineral exploration	100%	100%
Vardar Geoscience BVI Ltd	British Virgin Islands	Holding company	⁽¹⁾ 100%	⁽¹⁾ 100%
Vardar Geoscience Kosovo L.L.C	Kosovo	Mineral exploration	⁽¹⁾ 100%	⁽¹⁾ 100%
Vardar Exploration Kosovo L.L.C	Kosovo	Mineral exploration	⁽¹⁾ 100%	⁽¹⁾ 100%
UAV Geophysics (UK) Limited ⁽²⁾	UK	Dormant	-	⁽¹⁾ 100%

(1) Indirectly held

(2) UAV Geophysics (UK) Limited was dissolved on 1 July 2025.

The registered offices of the subsidiary undertakings as are follows:

Name	Registered office
Grafintec Oy	c/o Cursor Oy Invest in, Kyminlinnantie 6, 48600 Kotka, Finland, Finland
Jokkmokk Iron Mines AB	Berggatan 14, 962 32, Jokkmokk, Sweden
Beowulf Mining Sweden AB	Berggatan 14, 962 32, Jokkmokk, Sweden
Wayland Copper Limited	201 Temple Chambers, 3-7 Temple Avenue, London
Wayland Sweden AB	Berggatan 14, 962 32, Jokkmokk, Sweden
Vardar Minerals Limited	201 Temple Chambers, 3-7 Temple Avenue, London
Vardar Geoscience BVI Ltd	Trident Chambers, P.O. Box 146, Wickhams Cay 1 Road Town, British Virgin Islands
Vardar Geoscience Kosovo L.L.C	Rifat Berisha 23/10, Pristina, Republic of Kosovo
Vardar Exploration Kosovo L.L.C	Rifat Berisha 23/10, Pristina, Republic of Kosovo

BEOWULF MINING PLC
ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2025
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

12. Loans and other financial assets

Group

	Financial fixed assets £
At 1 January 2024	5,209
Foreign exchange movements	(71)
At 31 December 2024	<u>5,138</u>
At 1 January 2025	5,138
Impairment	(2,523)
Foreign exchange movements	169
At 31 December 2025	<u>2,784</u>

Company

	Loans to group undertakings £	Financial assets £	Total £
At 1 January 2024	12,837,081	2,784	12,839,865
Advances made in the year	2,633,108	-	2,633,108
ECLs in year	(477,226)	-	(477,226)
At 31 December 2024	<u>14,992,963</u>	<u>2,784</u>	<u>14,995,747</u>
At 1 January 2025	14,992,963	2,784	14,995,747
Advances made in the year	1,882,762	-	1,882,762
ECLs in year	(326,919)	-	(326,919)
Transfer to assets held for sale	(364,441)	-	(364,441)
At 31 December 2025	<u>16,184,365</u>	<u>2,784</u>	<u>16,187,149</u>

Reconciliation of provisions against receivables arising from lifetime ECLs

	31 December 2024 £	Current year movement £	31 December 2025 £
ECLs	<u>3,575,437</u>	<u>326,919</u>	<u>3,902,356</u>
Total provision arising from ECLs	<u>3,575,437</u>	<u>326,919</u>	<u>3,902,356</u>

The Directors have also assessed the cash flow scenarios of the above considerations. Estimations were made regarding the credit risk of the counterparty and the underlying probability of default in each of the credit loss scenarios. The scenarios identified by management included Production, Divestment, Fire-sale and Failure. These scenarios considered technical data, necessary licences to be awarded, the Company's ability to raise finance, and ability to sell the project. The expected credit loss is calculated based on the Fire-Sale and Failure outcomes, being the outcomes with an expected value of less than the carrying value of loans. A reasonable change in the probability weightings of 3% to failure and fire-sale would result in further impairment of £691,489 (2024: £923,585).

Further details of the transactions in the year are shown within related parties disclosure Note 28.

BEOWULF MINING PLC
ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2025
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

13. Right of use assets

Group	Motor vehicles £	Buildings £	Total £
Cost			
At 1 January 2024	-	93,900	93,900
Additions	28,572	-	28,572
Disposals	-	(16,868)	(16,868)
Foreign exchange movements	(2,673)	(6,396)	(9,069)
At 31 December 2024	<u>25,899</u>	<u>70,636</u>	<u>96,535</u>
Amortisation			
At 1 January 2024	-	30,742	30,742
Charge	5,165	32,040	37,205
Disposals	-	(16,868)	(16,868)
Foreign exchange movements	(129)	(2,748)	(2,877)
At 31 December 2024	<u>5,036</u>	<u>43,166</u>	<u>48,202</u>
Cost			
At 1 January 2025	25,899	70,636	96,535
Additions	21,959	16,798	38,757
Disposals	(28,850)	-	(28,850)
Transfer to assets held for sale (note 26)	-	(17,707)	(17,707)
Foreign exchange movements	5,289	8,957	14,246
At 31 December 2025	<u>24,297</u>	<u>78,684</u>	<u>102,981</u>
Amortisation			
At 1 January 2025	5,036	43,166	48,202
Charge	7,143	36,969	44,112
Disposals	(8,014)	-	(8,014)
Transfer to assets held for sale (note 26)	-	(8,892)	(8,892)
Foreign exchange movements	3,259	3,069	6,328
At 31 December 2025	<u>7,424</u>	<u>74,312</u>	<u>81,736</u>
Net book value			
At 31 December 2025	<u>16,873</u>	<u>4,372</u>	<u>21,245</u>
At 31 December 2024	<u>20,863</u>	<u>27,470</u>	<u>48,333</u>

14. Trade and other receivables

	Group		Company	
	2025 £	2024 £	2025 £	2024 £
Other receivables	40,420	126,981	-	-
VAT	32,392	55,249	12,743	10,832
Prepayments and accrued income	15,707	10,282	15,708	9,318
	<u>88,519</u>	<u>192,512</u>	<u>28,451</u>	<u>20,150</u>

Included in other receivables is a deposit of £20,056 held by Finnish regulatory authorities (2024: £19,026).

BEOWULF MINING PLC
ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2025
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

15. Cash and cash equivalents

	Group		Company	
	2025	2024	2025	2024
	£	£	£	£
Bank accounts	329,647	881,349	235,652	714,339
	<u>329,647</u>	<u>881,349</u>	<u>235,652</u>	<u>714,339</u>

16. Non-controlling interests

The Group had material non-controlling interests arising from its subsidiaries Wayland Copper Limited and Vardar Minerals Limited, which were both consolidated from 12 November 2024 and 9 April 2024, respectively. These non-controlling interests can be summarised as follows:

	2025	2024
	£	£
Balance at 1 January	-	514,430
Total comprehensive loss allocated to NCI	-	(37,784)
Effect of step acquisitions	-	(476,646)
Total	<u>-</u>	<u>-</u>

Wayland Copper Limited is a 100% owned subsidiary of the Company that had a material non-controlling interest ("NCI") prior to the acquisition of the remaining NCI in 2024. Prior to the acquisition the Company owned 65.25% of Wayland Copper Limited.

Summarised financial information reflecting 100% of Wayland's relevant figures is set out below:

	2024
	£
Administrative expenses	(2,039)
Loss after tax	<u>(2,039)</u>
Loss allocated to NCI	(709)
Other comprehensive loss allocated to NCI	<u>(247)</u>
Total comprehensive loss allocated to NCI	(956)
Current assets	10,159
Current liabilities	<u>(486,498)</u>
Net liabilities	<u>(476,339)</u>
Net cash outflow	<u>-</u>
Non-controlling interest	<u>-</u>

Summarised financial information is not shown for the current year as the remaining NCI was acquired in the prior year.

BEOWULF MINING PLC
ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2025
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

16. Non-controlling interests (continued)

Vardar Minerals Limited is a 100% owned subsidiary of the Company that had a material non-controlling interest (“NCI”) prior to the acquisition on 9 April 2024. Prior to the acquisition the Company owned 61.1% of Vardar Minerals Limited.

Summarised financial information reflecting 100% of the Vardar Minerals relevant figures is set out below:

	2024 £
Administrative expenses	(117,311)
Loss after tax	<u>(117,311)</u>
Loss allocated to NCI	(16,974)
Other comprehensive income allocated to NCI	<u>(19,852)</u>
Total comprehensive loss allocated to NCI	(36,826)
Current assets	14,436
Non-current assets	2,349,391
Current liabilities	<u>(425,333)</u>
Net assets	<u>1,938,494</u>
Net cash inflow/(outflow)	<u>1,636</u>
Non-controlling interest	<u>-</u>

Summarised financial information is not shown for the current year as the remaining NCI was acquired in the prior year.

BEOWULF MINING PLC
ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2025
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

17. Share capital

	31 December 2025 £	31 December 2024 £
Allotted, issued and fully paid		
Ordinary shares of 5p each	2,982,893	1,942,240
Deferred A shares of 0.9p each	10,414,687	10,414,687
	<u>13,397,580</u>	<u>12,356,927</u>

The number of shares in issue was as follows:

	Number of Ordinary shares
Balance at 1 January 2024	23,143,749
Issued during the year	<u>15,701,041</u>
Balance at 31 December 2024	38,844,790
Issued during the year	<u>20,813,076</u>
Balance at 31 December 2025	<u>59,657,866</u>
	Number of Deferred A shares
Balance at 1 January 2024	-
Issued during the year	<u>1,157,187,463</u>
Balance at 31 December 2024	1,157,187,463
Issued during the year	-
Balance at 31 December 2025	<u>1,157,187,463</u>

On 8 May 2025, the Company announced the completion of a capital raise which comprised a conditional placing to issue 8,980,877 ordinary shares of £0.05 which raised a total of £1.0 million (approximately SEK 12.8 million) before expenses; a Rights Issue which raised SEK 14.9 million (approximately £1.2 million) before expenses with the issue of 10,714,286 new SDRs; and a WRAP Retail Offer which raised £0.12 million (approximately SEK 1.6 million) before expenses with the issue of a total of 1,134,436 ordinary shares of £0.05.

BEOWULF MINING PLC
ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2025
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

17. Share capital (continued)

	Share capital £	Share premium £	Total £
At 1 January 2025	12,356,927	29,878,404	42,235,331
Issue of new shares – cash	933,273	1,065,869	1,999,142
Issue of new shares – non-cash	107,380	57,869	165,249
Cost of issue	-	(374,688) ¹	(374,688)
At 31 December 2025	<u>13,397,580</u>	<u>30,627,454</u>	<u>44,025,034</u>

	Share capital £	Share premium £	Total £
At 1 January 2024	11,571,875	27,141,444	38,713,319
Issue of new shares – cash	732,725	3,657,860	4,390,585
Issue of new shares – acquisition	52,327	-	52,327
Cost of issue	-	(920,900) ²	(920,900)
At 31 December 2024	<u>12,356,927</u>	<u>29,878,404</u>	<u>42,235,331</u>

All issues are for cash unless otherwise stated.

¹Issue costs include £209,437 paid in cash and £165,251 in ordinary shares of the company.

² Issue costs include £776,421 paid in cash and £144,479 in ordinary shares of the Company.

The Company has removed the limit on the number of shares that it is authorised to issue in accordance with the Companies Act 2006.

There were 20,813,076 shares issued in 2025. There were 15,701,041 shares issued in 2024.

BEOWULF MINING PLC
ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2025
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

18. Share-based payments

During the year ended 31 December 2025, 2,272,000 options were granted (year ended 31 December 2024: 2,560,000). The options outstanding as at 31 December 2025 have an exercise price in the range of 5.0 pence to 262.5 pence (31 December 2024: 37.5 pence to 262.5 pence) and a weighted average remaining contractual life of 8 years, 167 days (2024: 8 years, 284 days).

The share-based payments expense for the options for the year ended 31 December 2025 was £286,364 (2024: £326,628).

The fair value of share options granted and outstanding were measured using the Black-Scholes model, with the following inputs:

	2025	2024	2024	2024	2023	2022	2022
Fair value at grant date	9p	24p	26p	15p	26p	180p	156p
Share price	10p	35p	37p	35p	84p	200p	200p
Exercise price	12p	38p	38p	38p	103p	5p	263p
Expected volatility	129.6%	77.5%	79.9%	77.5%	55.2%	100.0%	100.0%
Expected option life	6 years	6 years	6 years	2 years	2.5 years	5 years	6 years
Contractual option life	10 years	10 years	10 years	10 years	10 years	10 years	10 years
				years			
Risk free interest rate	4.130%	4.080%	4.100%	4.480%	4.800%	4.520%	4.480%

The options issued will be settled in the equity of the Company when exercised and have a vesting period of one year from date of grant.

Reconciliation of options in issue	Number	Weighted average exercise price (£'s)
Outstanding at 1 January 2024	895,000	2.30
Granted during the period	2,560,000	0.38
Lapsed during the period	(285,000)	3.31
Outstanding at 31 December 2024	<u>3,170,000</u>	<u>0.65</u>
Exercisable at 31 December 2024	<u>688,333</u>	<u>1.51</u>

Reconciliation of options in issue	Number	Weighted average exercise price (£'s)
Outstanding at 1 January 2025	3,170,000	0.65
Granted during the period	<u>2,272,000</u>	<u>0.12</u>
Outstanding at 31 December 2025	<u>5,442,000</u>	<u>0.43</u>
Exercisable at 31 December 2025	<u>1,543,336</u>	<u>0.93</u>

4,329,004 warrants were granted during the year (2024: Nil) with an exercise price of £0.12 per warrant. As the grant of the warrants was attached to the issue of the CLN, they have been treated as a component of the CLN and measured in accordance with IAS 32 (see Note 23). 4,329,004 warrants were outstanding and exercisable at 31 December 2025 (2024: Nil).

19. Reserves

The following is a description of each of the reserve accounts that comprise equity shareholders' funds:

Share capital	The share capital comprises the issued ordinary shares of the Company at par.
Share premium	The share premium comprises the excess value recognised from the issue of ordinary shares above par value.
Capital contribution reserve	The capital contribution reserve represents historic non-cash contributions to the Company from equity holders.
Share-based payment reserve	Cumulative fair value of options charged to the consolidated income statement net of transfers to the profit or loss reserve on exercised and cancelled/lapsed options.
Warrant reserve	Represents the fair value of warrants attached to convertible loan note.
Translation reserve	Cumulative gains and losses on translating the net assets of overseas operations to the presentation currency.
Merger reserve	The balance on the merger reserve represents the fair value of the consideration given in excess of the nominal value of the ordinary shares issued in an acquisition made by the issue of shares where the transaction qualifies for merger relief under Section 612 of the Companies Act 2006.
Accumulated losses	Accumulated losses comprise the Group's cumulative accounting profits and losses since inception.

20. Trade and other payables

	Group		Company	
	2025	2024	2025	2024
	£	£	£	£
Current:				
Trade payables	174,743	378,868	59,610	20,873
Other payables	14,250	11,036	10,422	2,601
Social security and other taxes	19,659	22,264	10,987	10,685
Accruals	109,537	95,956	93,978	89,370
	<u>318,189</u>	<u>508,124</u>	<u>174,997</u>	<u>123,529</u>

BEOWULF MINING PLC
ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2025
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

21. Lease liabilities

Nature of leasing activities

Vardar Geoscience leases buildings located in Str. Highway Prishtina Mitrovice Village Shupkove No.2, Kosovo. The lease in Vardar is included in the disposal group held for sale at 31 December 2025.

Jokkmokk Mining leases office premises located in 962 31 Jokkmokk, Sweden and motor vehicles for use by employees.

	2025	2024
	No.	No.
Number of active leases	<u>3</u>	<u>2</u>

Lease liabilities at year end

Group	2025	2024
	£	£
Current		
Lease liabilities	<u>8,049</u>	<u>20,727</u>
Non-current		
Lease liabilities	<u>9,283</u>	<u>10,016</u>
Total lease liabilities	<u>17,332</u>	<u>30,743</u>

Analysis of lease liabilities

Group	Motor vehicles £	Buildings £	Total £
At 1 January 2024	-	37,628	37,628
Additions	22,001	-	22,001
Interest expense	648	1,539	2,187
Lease payments	(3,879)	(23,253)	(27,132)
Foreign exchange movements	(1,978)	(1,963)	(3,941)
At 31 December 2024	<u>16,792</u>	<u>13,951</u>	<u>30,743</u>
Additions	21,959	17,433	39,392
Interest expense	1,368	1,406	2,774
Lease payments	(9,675)	(21,898)	(31,573)
Transfer to assets held for sale (note 26)	-	(16,137)	(16,137)
Foreign exchange movements	3,028	5,245	8,273
Disposals	(16,140)	-	(16,140)
At 31 December 2025	<u>17,332</u>	<u>-</u>	<u>17,332</u>

21. Lease liabilities (continued)

Analysis of gross value of lease liabilities

Maturity of the lease liabilities is analysed as follows:

	2025 £
Within 1 year	8,874
Later than 1 year and less than 5 years	9,613
Total principal cash flows	<u>18,487</u>
Less interest cash flows	<u>(1,155)</u>
At 31 December 2025	<u>17,332</u>

The total cash outflow for leases in 2025 was £31,573 (2024: £27,133).

22. Borrowings

Group and Company	2025 £	2024 £
Current		
Bridging loan	-	-
Convertible loan notes – debt	333,958	-
Total borrowings	<u>333,958</u>	<u>-</u>

On 21 March 2025, the Company secured a Bridging loan from Nordic investors of SEK 10 million (approximately £0.74 million). The Loan had a fixed interest rate of 1.5% per stated 30-day period during the duration.

Accrued interest was compounding. The Loan had a commitment fee of 5.0% and a Maturity Date of 30 June 2025. The bridging loan principal and interest totalling £0.95 million was repaid early in May 2025 using part of the proceeds from the capital raise.

A reconciliation of the loan movements is included in Note 24.

Information on the convertible loan notes is detailed in Note 23.

23. Convertible loan notes

On 19 December 2025, the Company issued £500,000 unsecured convertible loan notes (“CLN”). At the same time, the Company granted 4,329,004 warrants to the investor at a price of £0.1155 per warrant. The CLN accrues interest at a rate of 10% per annum and has a term of one year.

From an accounting perspective, the CLN consists of three components:

- Component 1 is the obligation to not repay the CLN in cash and is recognised as a non-derivative financial liability and measured at amortised cost.
- Component 2 is recognised as the option to convert the CLN into Conversion Shares. This is a derivative, as the number of conversion shares varies based on the share price. The fixed-for-fixed criteria is not met and therefore the conversion option does not meet the definition of equity. The conversion option is therefore a derivative liability accounted for at fair value through profit or loss.
- Component 3 is the option to convert the warrants into a fixed number of ordinary shares at a fixed price. This component is therefore classified as equity.

	Convertible loan debt	Convertible loan derivative	Convertible loan equity	Total
	£	£	£	£
Principal	337,487	91,750	70,763	500,000
Cost of issue	(10,129)	(2,754)	(2,123)	(15,006)
Interest	6,600	-	-	6,600
Carrying value	<u>333,958</u>	<u>88,996</u>	<u>68,640</u>	<u>491,594</u>

The equity component of the CLN has been recognised in the warrant reserve in the statement of financial position.

Interest on the CLN is recognised using the effective interest method in accordance with IFRS 9.

The value of the CLN Conversion Option is a function of the Company’s future share price. The value of the CLN Conversion Option depends on whether the lowest trading price in the 20 days before Conversion is higher or lower than the nominal value of the shares of the Company, being £0.05. Thus, a computational model is required which creates numerous iterations of possible daily share price evolution paths over the term of the CLN. The fair value of the Conversion Option can then be calculated for each iteration with the average of these values being the final fair value. This is known as the Monte Carlo method.

A valuation has been performed at the Issue Date. Due to the short time period between the Issue Date and 31 December 2025 and given there were no movements in the share price in this period, the impact of any fair value movement has been deemed to be immaterial.

BEOWULF MINING PLC
ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2025
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

24. Changes in liabilities from financing activities

Group	Leases £	Borrowings £	Derivative financial liabilities £	Total £
Opening balance 1 January 2025	30,743	-	-	30,743
Cash movements				
Borrowings advancements	-	736,194	-	736,194
Issue of convertible loans	-	337,487	88,996	426,483
Lease payments	(31,573)	-	-	(31,573)
Funds repaid	-	(705,125)	-	(705,125)
Total	(830)	368,556	88,996	456,722
Non-cash movements				
Finance cost	2,774	58,686	-	61,460
Effect of FX	8,840	(89,755)	-	(80,915)
Lease additions	6,548	-	-	6,548
Closing balance 31 December 2025	17,332	337,487	88,996	443,815
Group				
		Leases £	Borrowings £	Total £
Opening balance 1 January 2024		37,628	-	37,628
Cash movements				
Borrowings advancements		-	723,881	723,881
Lease payments		(27,132)	-	(27,132)
Funds repaid		-	(758,319)	(758,319)
Total		10,496	(34,438)	(23,942)
Non-cash movements				
Lease additions		22,001	-	22,001
Finance cost		2,187	59,147	61,334
Effect of FX		(3,941)	(24,709)	(28,650)
Closing balance 31 December 2024		30,743	-	30,743

BEOWULF MINING PLC
ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2025
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

24. Changes in liabilities from financing activities (continued)

Company	Borrowings £	Derivative financial liabilities £	Total £
Opening balance 1 January 2025	-	-	-
Cash movements			
Borrowings advancements	736,194	-	736,194
Issue of convertible loans	337,487	88,996	426,483
Funds repaid	(705,125)	-	(705,125)
	<u>368,556</u>	<u>88,996</u>	<u>457,552</u>
Non-cash movements			
Finance cost	58,686	-	58,686
Effect of FX	(89,755)	-	(89,755)
Closing balance 31 December 2025	<u>337,487</u>	<u>88,996</u>	<u>426,483</u>
Company		Borrowings £	Total £
Opening balance 1 January 2024		-	-
Cash movements			
Borrowings advancements		723,881	723,881
Funds repaid		(758,319)	(758,319)
Total		<u>(34,438)</u>	<u>(34,438)</u>
Non-cash movements			
Finance cost		59,147	59,147
Effect of FX		(24,709)	(24,709)
Closing balance 31 December 2024		<u>-</u>	<u>-</u>

BEOWULF MINING PLC
ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2025
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

25. Financial instruments

The Group and Company's financial instruments comprise cash and cash equivalents, loans and other financial assets, trade and other receivables, trade and other payables, borrowings and lease liabilities that arise directly from its operations.

The Group and Company hold the following financial instruments:

Group

At 31 December 2025	Held at amortised cost £	Fair value through profit and loss £	Total £
Current financial assets			
Cash and cash equivalents	329,647	-	329,647
Trade and other receivables	40,421	-	40,421
	<u>370,067</u>	<u>-</u>	<u>370,067</u>
Non-current financial assets			
Other financial assets	2,784	1,750	4,534
	<u>2,784</u>	<u>1,750</u>	<u>4,534</u>
Current financial liabilities			
Trade and other payables	298,532	-	298,532
Lease liabilities	8,049	-	8,049
Convertible loan - debt	333,958	-	333,958
Convertible loan - derivative	-	88,996	88,996
	<u>605,114</u>	<u>88,996</u>	<u>694,110</u>
Non-current financial liabilities			
Lease liabilities	9,283	-	-
	<u>9,283</u>	<u>-</u>	<u>-</u>

Company

At 31 December 2025	Held at amortised cost £	Fair value through profit and loss £	Total £
Current financial assets			
Cash and cash equivalents	235,652	-	235,652
	<u>235,652</u>	<u>-</u>	<u>235,652</u>
Non-current financial assets			
Loans to group undertakings	16,184,365	-	16,184,365
Other financial assets	2,784	1,750	4,534
	<u>16,187,149</u>	<u>1,750</u>	<u>16,188,899</u>
Current financial liabilities			
Trade and other payables	164,008	-	164,008
Convertible loan – debt	333,958	-	333,958
Convertible loan - derivative	-	88,996	88,996
	<u>497,966</u>	<u>88,996</u>	<u>586,962</u>

BEOWULF MINING PLC
ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2025
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

25. Financial instruments (continued)

Group

At 31 December 2024	Held at amortised cost	Fair value through profit and loss	Total
	£	£	£
Current financial assets			
Cash and cash equivalents	881,349	-	881,349
Trade and other receivables	126,982	-	126,982
	1,008,331	-	1,008,331
Non-current financial assets			
Other financial assets	5,138	3,250	8,388
	<u>5,138</u>	<u>3,250</u>	<u>8,388</u>
Current financial liabilities			
Trade and other payables	485,865	-	485,865
Lease liabilities	20,727	-	20,727
	<u>506,592</u>	<u>-</u>	<u>506,592</u>
Non-current financial liabilities			
Lease liabilities	10,016	-	10,016
	<u>10,016</u>	<u>-</u>	<u>10,016</u>

Company

At 31 December 2024	Held at amortised cost	Fair value through profit and loss	Total
	£	£	£
Current financial assets			
Cash and cash equivalents	714,339	-	714,339
	<u>714,339</u>	<u>-</u>	<u>714,339</u>
Non-current financial assets			
Loans to group undertakings	14,992,963	-	14,992,963
Other financial assets	2,784	3,250	6,034
	<u>14,995,747</u>	<u>3,250</u>	<u>14,998,997</u>
Current financial liabilities			
Trade and other payables	112,844	-	112,844
	<u>112,844</u>	<u>-</u>	<u>112,844</u>

The carrying values of the Group's financial liabilities measured at amortised cost represents a reasonable approximation of their fair values.

25. Financial instruments (continued)

The main purpose of these financial instruments is to finance the Group's and Company's operations. The Board regularly reviews and agrees policies for managing the level of risk arising from the Group's financial instruments as summarised below.

a) Market risk

Market risk is the risk that changes in market prices, such as commodity prices, foreign exchange rates, interest rates and equity prices will affect the Group's and Company's income or the value of its holdings in financial instruments.

i) Foreign exchange risk

The Group operates internationally and is exposed to currency risk arising on cash and cash equivalents, receivables and payables denominated in a currency other than the respective functional currencies of the Group entities, which are primarily Swedish Krona, Euro and Sterling. The Group manages foreign currency risk by paying for foreign denominated invoices in the currency in which they are denominated. The Group's and Company's net exposure to foreign currency risk at the reporting date is as follows:

	Group		Company	
	2025	2024	2025	2024
	£	£	£	£
Net foreign currency financial assets:				
Swedish Krona	186,992	581,691	225,802	596,681
Euro	(55,098)	37,386	(7,777)	56,391
Total net exposure	<u>131,894</u>	<u>619,077</u>	<u>218,025</u>	<u>653,072</u>

Sensitivity analysis

A 10 per cent strengthening of sterling against the Group's primary currencies at 31 December 2025 would have decreased equity and profit or loss by the amounts shown below:

Group

	Profit or loss		Equity	
	2025	2024	2025	2024
	£	£	£	£
Swedish Krona	(18,699)	(58,169)	(18,699)	(58,169)
Euro	5,510	(3,739)	5,510	(3,739)
Total	<u>(13,189)</u>	<u>(61,908)</u>	<u>(13,189)</u>	<u>(61,908)</u>

Company

	Profit or loss		Equity	
	2025	2024	2025	2024
	£	£	£	£
Swedish Krona	(22,580)	(59,668)	(22,580)	(59,668)
Euro	777	(5,639)	777	(5,639)
Total	<u>(21,803)</u>	<u>(65,307)</u>	<u>(21,803)</u>	<u>(65,307)</u>

A 10 per cent weakening of sterling against the Group's primary currencies at 31 December 2025 would have an equal but opposite effect on the amounts shown above.

25. Financial instruments (continued)

ii) Interest rate risk

The Group's and Company's policy is to retain its surplus funds on the most advantageous term of deposit available up to a 12-month maximum duration. Given that the Directors do not consider that interest income is significant in respect of the Group's and Company's operations no sensitivity analysis has been provided in respect of any potential fluctuations in interest rates.

Interest rate risk is the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Interest rate risk arises from interest bearing financial assets and liabilities that the Group uses. The Group's interest-bearing financial liability in the year is the bridging loan finance entered into in the prior year and repaid in the current year; this was at a fixed rate of interest. The interest-bearing financial liability in the prior year was the bridging loan finance, which was at a fixed rate of interest.

b) Credit risk

The Group's principal financial assets are the cash and cash equivalents and loans and receivables, as recognised in the statement of financial position, and which represent the Group's maximum exposure to credit risk in relation to financial assets. The Group and Company policy for managing its exposure to credit risk with cash and cash equivalents is to only deposit surplus cash with financial institutions that hold a Standard & Poor's, BBB-rating as a minimum.

The Company has made unsecured interest-free loans to its subsidiaries. Although they are repayable on demand, they are not expected to be repaid until the projects are successful and the subsidiaries start to generate revenues. An assessment of the expected credit loss arising on intercompany loans is detailed in Note 12.

The amounts used by the subsidiaries are as follows:

	2025 £	2024 £
Jokkmokk Iron Mines AB	12,505,893	11,511,283
Vardar Minerals Limited	-	240,568
Grafintec Oy	3,678,471	3,241,111
Total	<u>16,184,364</u>	<u>14,992,962</u>

The loan to Vardar of £364,411 has been classified as held for sale during the year (see note 26).

25. Financial instruments (continued)

Reconciliation of provisions against receivables arising from lifetime ECLs

	1 January 2025 £	Movement in the year £	31 December 2025 £
ECLs	3,575,437	326,919	3,902,356
Total provision arising from ECLs	<u>3,575,437</u>	<u>326,919</u>	<u>3,902,356</u>

	1 January 2024 £	Movement in the year £	31 December 2024 £
ECLs	3,107,786	467,651	3,575,437
Total provision arising from ECLs	<u>3,107,786</u>	<u>467,651</u>	<u>3,575,437</u>

i) Commodity price risk

The principal activity of the Group is the exploration for iron ore in Sweden, graphite in Finland and other prospective minerals in Kosovo, and the principal market risk facing the Group is an adverse movement in the price of such commodities/industrial minerals. Any long-term adverse movement in market prices would affect the commercial viability of the Group's various projects. The Board looks to mitigate this risk through the diversification of different prospective minerals.

c) Liquidity risk

To date the Group and Company have relied on shareholder funding and loan funding to finance operations. As the Group and Company have finite cash resources and no material income, the liquidity risk is significant and is managed by controls over expenditure and cash resources. The Group and Company have minimal exposure to liquidity risk as trade and other payables all have a maturity of less than one year, the only exception being the lease liability per Note 21. The rationale for the preparation of the accounts on a going concern basis is detailed in the Report of the Directors.

The undiscounted contractual maturities of the Group's financial liabilities are set out below:

31 December 2025

	Less than 3 months £	Between 3 and 12 months £	Between 1 and 2 years £
Trade and other payables	318,189	-	-
Lease liabilities	2,218	6,655	9,613
Convertible loan	-	550,000	-
	<u>320,407</u>	<u>556,655</u>	<u>9,613</u>

25. Financial instruments (continued)

31 December 2024

	Less than 3 months £	Between 3 and 12 months £	Between 1 and 2 years £
Trade and other payables	508,124	-	-
Lease liabilities	5,505	15,222	10,016
	<u>513,629</u>	<u>15,222</u>	<u>10,016</u>

d) Capital management

The Groups capital structure consists of issued capital and reserves and accumulated losses. The Board's policy is to preserve a strong capital base in order to maintain investor, creditor and market confidence and to safeguard the future development of the business, whilst balancing these objectives with the efficient use of capital. The Group does not have any externally imposed capital requirements.

Group

Net working capital	2025 £	2024 £
Cash and cash equivalents	329,647	881,349
Trade and other payables	(318,189)	(508,124)
Lease liabilities	(17,332)	(30,733)
Borrowings	(333,958)	-
Net (debt)/cash	<u>(339,832)</u>	<u>342,492</u>
Total equity	<u>18,552,625</u>	<u>16,671,432</u>
Net (debt)/cash to equity ratio	(1.83)%	2.05%

Company

Net working capital	2025 £	2024 £
Cash and cash equivalents	235,652	714,339
Trade and other payables	(174,997)	(123,529)
Borrowings	(333,958)	-
Net (debt)/cash	<u>(273,303)</u>	<u>590,810</u>
Total equity	<u>20,165,646</u>	<u>20,036,136</u>
Net (debt)/cash to equity ratio	(1.36)%	2.95%

BEOWULF MINING PLC
ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2025
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

26. Discontinued operations

On 26 November 2025, the Company received a non-binding cash offer for its 100% interest in Vardar, and on 22 December 2025, the Company agreed Heads of Terms. Completion of the offer is contingent upon the satisfactory outcome of the due diligence process. Based on the information available at the reporting date, the Directors were not aware of any issues that would prevent a satisfactory conclusion and therefore concluded Vardar should be classified as held for sale from 22 December 2025, being the date the sale was considered highly probable.

In accordance with IFRS 5, the results of Vardar are presented within discontinued operations in the Consolidated Statement of Profit or Loss (for which the comparative statements and related notes have been restated). The net assets of Vardar have been reclassified as assets and liabilities held for sale. At 31 December 2025, the net book value of Vardar's assets and liabilities of £3,525,450 (€4,042,916) is higher than the non-binding cash offer of £3,493,028 (€4,000,000) and therefore an impairment of £32,423 has been recognised within loss from discontinued operations in the statement of profit or loss.

Financial information relating to the discontinued operations is set out below.

	2025 £	2024 £
Expenses	124,919	116,997
Loss before tax	124,919	116,997
Income tax credit	-	-
Loss from discontinued operations	124,919	116,997

	2025 £	2024 £
Net cash outflow from operating activities	(54,274)	(86,940)
Net cash outflow from investing activities	(98,519)	(128,973)
Net cash inflow from financing activities	149,138	217,549
Net (decrease)/increase in cash generated by discontinued operations	(3,655)	1,636

Group	2025 £
Assets classified as held for sale	
Intangible assets	3,590,701
Property, plant and equipment	33,783
Right-of-use assets	8,116
Impairment of disposal group to fair value less cost to sell	(33,423)
Total assets of disposal group held for sale	<u>3,600,177</u>
Liabilities directly associated with assets classified as held for sale	
Trade and other payables	(98,770)
Lease liabilities	(8,379)
Total liabilities of disposal group held for sale	<u>(107,149)</u>
Net disposal group held for sale	<u><u>3,493,028</u></u>

Total impairment of £32,423 has been included within discontinued operations in the consolidated statement of profit or loss.

The investment in Vardar of £3,373,818 and the intercompany loan receivable of £364,441 have been classified as held for sale in the Company's statement of financial position, at fair value less cost to sell of £3,493,028. Impairment of £245,231 has been recognised in the parent company profit or loss.

BEOWULF MINING PLC
ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2025
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

27. Segment reporting

The Group has only one primary business activity being the exploration for, and the development of, iron ore, graphite and other mineral deposits. The Group also reports by geographical reportable segment in the countries in which it operates. The Group's exploration and development activities are focused on three countries - Sweden, Finland and Kosovo - with support provided from the UK headquarters. In presenting information on the basis of geographical reportable segments, the loss for the year, key statement of financial position data, property, plant and equipment additions and deferred exploration additions is based on the geographical location of the assets. The Group has adopted IFRS 8 'Operating Segments'. IFRS 8 requires operating segments to be identified on the basis of internal reports that are regularly reviewed by the chief operating decision maker to allocate resources and assets.

2025	Sweden £	Finland £	UK £	Unallocated ² £	Total £
Intangible assets	12,590,316	2,782,987	-	-	15,373,303
Other non-current assets	21,527	-	5,076	-	26,603
Current assets	72,964	77,825	267,377	3,600,177	4,018,343
Liabilities	(129,006)	(17,909)	(611,560)	(107,149)	(865,624)
Finance income	(96)	-	(2,128)	-	(2,224)
Finance costs	2,080	-	58,686	-	60,766
Grant income	(177)	-	-	-	(177)
Intangible asset additions	1,097,437	279,713	-	108,620	1,485,770
Impairment	-	12,397	32,423	-	44,820
Expenses ¹	165,676	341,328	1,134,849	-	1,641,853
Loss for the year	148,610	341,328	1,132,721	124,919	1,747,578
Total comprehensive loss	<u>(1,075,547)</u>	<u>206,273</u>	<u>1,132,721</u>	<u>2,768</u>	<u>266,215</u>

2024	Sweden £	Finland £	Kosovo £	UK £	Total £
Intangible assets	10,271,531	2,380,385	3,371,106	-	16,023,022
Other non-current assets	50,940	-	55,708	6,758	113,406
Current assets	204,306	128,771	12,146	728,638	1,073,861
Liabilities	(249,938)	(60,723)	(99,209)	(128,997)	(538,867)
Finance income	(197)	-	-	(3,207)	(3,404)
Finance costs	1,957	-	230	59,147	61,334
Grant income	(166)	(3,395)	-	-	(3,561)
Intangible asset additions	1,527,012	537,307	127,552	-	2,191,871
Impairment	-	72,563	-	-	72,563
Expenses ¹	127,033	370,779	79,811	1,218,350	1,795,973
Loss for the year	126,670	367,384	79,811	1,215,143	1,789,008
Total comprehensive loss	<u>850,690</u>	<u>473,230</u>	<u>208,107</u>	<u>1,215,144</u>	<u>2,747,171</u>

¹Expenses include administrative expenses, impairment and finance costs.

²Unallocated includes amounts relating to discontinued operations (see note 26).

28. Related party disclosures

Transactions with subsidiaries

During the year, cash advances of £1,159,862 (2024: £1,633,485) were made to Jokkmokk Iron Mines AB and net settled costs of £39,211 (2024: net settled costs £59,861). The advances are held on an interest free intragroup loan which has no terms for repayment. At the year end the intragroup loan amounted to £15,071,734 (2024: £13,872,661).

Beowulf Mining Sweden AB received cash advances of £Nil (2024: £Nil) and net settled costs of £Nil (2024: net settled costs of £Nil). The advances are held on an interest free intragroup loan which has no terms for repayment. At the year end, the intragroup loan amounted to £4,476,138 (2024: £790,632).

Grafintec Oy received cash advances of £527,286 (2024: £650,683) and net settled costs of £Nil (2024: net settled costs of £53,525) with the Company. The advances are held on an interest free intragroup loan which has no terms for repayment. At the year end, the intragroup loan amounted to £4,433,928 (2024: £3,906,643).

Vardar received cash advances of £58,773 (2024: £169,010) and net settled costs of £78,214 (2024: £53,324) with the Company. The advances are held on an interest free intragroup loan which has no terms for repayment. At the year end, the intragroup loan amounted to £482,536 (2024: £326,133) before impairment of £118,095 (2024: £85,565). The loan is included in assets held for sale at 31 December 2025 (Note 26).

In accordance with its service agreement, Grafintec charges Beowulf Mining plc for time incurred by its staff on exploration projects held by other entities in the Group. In turn, Beowulf Mining plc recharges the other entities involved.

In addition, Beowulf Mining plc charges entities in the Group for time and expenses spent by Directors on providing services. An arm's length margin has been included at entity level, but this is subsequently eliminated on consolidation.

The Company has made unsecured interest-free loans to its subsidiaries. Although they are repayable on demand, they are not expected to be repaid until the projects becomes successful and the subsidiaries start to generate revenues. An assessment of the expected credit loss arising on intercompany loans is detailed in Note 12.

28. Related party disclosures (continued)

Transactions with other related parties

Key management personnel include all Directors and those who have authority and responsibility for planning, directing and controlling the activities of the entity, the aggregate compensation paid to key management personnel of the Company is set below.

	2025	2024
	£	£
Short-term employee benefits (including employers' national insurance contributions)	638,771	587,392
Post-retirement benefits	48,744	54,721
Share-based payments	273,983	299,706
	<u>961,498</u>	<u>941,819</u>

Short-term benefits include £7,767 (2024: £42,451) paid to Holistic Push AB, a Company controlled by Johan Röstin. The amount owed at year end was £Nil (2024: £Nil).

29. Capital commitments

As an exploration and development company, the Company has a portfolio of exploration projects held through subsidiary companies relevant to the local operations of the business. All of the Company's business interests carry financial commitments to remain in good standing, which are funded directly by the Company.

All the subsidiary companies require timely submission of regulatory filings, financial accounts and tax submissions. All exploration projects are held under exploration licences and permits, against which during the year renewals are expected to be processed with associated renewal fees attaching.

30. Contingent liabilities

At 31 December 2025, the Company has a possible obligation to pay up to two years' annual salary to the Board for a total of approximately £651,154 (2024: £420,000), in the event of them leaving their roles following a change in control. The Directors have waived this provision within their Service Agreements in relation to the change of control resulting from the proposed strategic investment.

31. Events after the reporting date

On 14 January 2026, the Company received notice from the investor to convert £25,000 of the outstanding balance of unsecured convertible loan notes into ordinary shares of 5 pence each in the Company. Accordingly, the Company will issue 395,131 new Ordinary Shares to the Investor in accordance with the investment terms.

On 22 January 2026, the Company received notice from the investor to convert £50,000 of the outstanding balance of unsecured convertible loan notes into ordinary shares of 5 pence each in the Company. Accordingly, the Company will issue 790,263 new Ordinary Shares to the Investor in accordance with the investment terms.

On 6 February 2026, the Company received notice from the investor to convert £25,000 of the outstanding balance of unsecured convertible loan notes into ordinary shares of 5 pence each in the Company. Accordingly, the Company will issue 347,222 new Ordinary Shares to the Investor in accordance with the investment terms.

On 24 February 2026, the Company received notice from the investor to convert £50,000 of the outstanding balance of unsecured convertible loan notes into ordinary shares of 5 pence each in the Company. Accordingly, the Company will issue 793,650 new Ordinary Shares to the Investor in accordance with the investment terms.

31. Events after the reporting date (continued)

On 9 March 2026, the Company received notice from the investor to convert £50,000 of the outstanding balance of unsecured convertible loan notes into ordinary shares of 5 pence each in the Company. Accordingly, the Company will issue 793,650 new Ordinary Shares to the Investor in accordance with the investment terms.

On 25 March 2026, the Company received notice from the investor to convert £50,000 of the outstanding balance of unsecured convertible loan notes into ordinary shares of 5 pence each in the Company. Accordingly, the Company will issue 925,925 new Ordinary Shares to the Investor in accordance with the investment terms.

On 23 April 2026, the Company received notice from the investor to convert £50,000 of the outstanding balance of unsecured convertible loan notes into ordinary shares of 5 pence each in the Company. Accordingly, the Company will issue 1,000,000 new Ordinary Shares to the Investor in accordance with the investment terms.

On 5 June 2026, the Company announced that it had signed a Heads of Terms for a strategic investment of £3.7 million from a consortium led by Bacchus Capital as part of a total capital raise of £4.3 million. The Investment Agreement was subsequently signed on 12 June 2026. The funding remains subject to a number of conditions and approvals including the Takeover Panel granting a waiver of the mandatory offer provisions set out in Rule 9 of the Takeover Code that would otherwise arise under Rule 9 of the Takeover Code for the Bacchus Capital and its Affiliates to make a mandatory offer for the entire issued and to be issued share capital of the Company as a result of the issue of the shares pursuant to the proposed strategic investment, subject to the approval of independent shareholders ("Rule 9 Waiver"); independent shareholder approval of the Rule 9 Waiver; the passing of resolutions necessary to enable the issue of the new shares, to effect a capital reorganisation and the settlement with the Convertible Loan Noteholder, conduct a share split to reduce the nominal value of the Ordinary Shares ("Capital Reorganisation"); and regulatory approvals including Foreign Direct Investment ("FDI") approvals in Sweden.

In addition to this long-term funding, the Company secured interim financing for the period in which approvals are sought. Bacchus Capital and a third-party investor have acquired in total a 2.25% royalty over the Company's Finnish assets for US\$200,000 (approx. £149,231), pursuant to two royalty agreements dated 5 June 2026. The Company has an option to repurchase 50% of the Finnish royalties for a total of US\$3.0 million (approx. £2.2 million).

In addition; and Bacchus Capital has acquired a 2.25% royalty over the Company's Swedish assets for US\$100,000 (approx. £74,615), pursuant to a royalty agreement dated 5 June 2026. The Company has the option to repurchase and cancel the Swedish royalty for i) a payment of US\$115,000 (approx. £85,767) cash for a period of 30 days after the completion of the proposed strategic investment or, ii) after the 30 day period for a payment US\$3.0 million (approx. £2.2 million).

COMPANY INFORMATION

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Mr C Davies
Mr J Röstin
Mr M Schauman

Secretary

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