



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

**29 February 2024**

## **Beowulf Mining plc**

("Beowulf" or the "Company")

### **Unaudited Preliminary Financial Results for the year ended 31 December 2023**

Beowulf (AIM: BEM; Spotlight: BEO), the mineral exploration and development company, announces its unaudited preliminary financial results for the year ended 31 December 2023 (the "Period").

#### **Activities in the Period**

##### **Sweden**

- Following the announcement of the Scoping Study for Kallak North, part of the Kallak Iron Ore Project ("Kallak"), in January 2023, the Company, through its 100 per cent owned subsidiary Jokkmokk Iron Mines AB ("Jokkmokk Iron"), continued to engage with key stakeholders and advance numerous work streams. A strategic review for the project, focused on optimising the development and ultimate value of the asset, was advanced during the Period.
- Environmental baseline studies progressed in preparation for the completion of the Environmental Impact Assessment ("EIA"). These studies included monitoring and assessment of nature values, sound and vibration, hydrology, and cultural heritage.
- The Pre-feasibility Study ("PFS") for Kallak was initiated with the appointment of SLR Consultant Limited ("SLR") as lead consultant in October 2023. In addition, samples were selected for metallurgical test work and the preliminary roadmap for the next phase of the project's development was defined.
- A formal recruitment process was initiated for a high-calibre individual to lead the further development of the project.
- Various public meetings with local stakeholders, including four meetings with the Sami villages and meetings with residents of the villages closest to the project, were held.
- On the 19 and 20 September 2023, the Supreme Administrative Court held an oral hearing at which the appeal by two Sami villages, Jåhkågasska tjielde and Sirges, and Naturskyddsforeningen, the associations for the protection of the environment, at municipality, county, and country level (together the "Applicant"), against the awarding of the Exploitation Concession by the Government of Sweden (the "Government"), was heard. Following the oral hearing, the Applicant filed a further submission to the Court to which the Court invited the Government to respond in January 2024. The Government responded post Period (highlighted below).

##### **Finland**

- During the year, Beowulf, through its wholly-owned Finnish subsidiary Grafintec Oy ("Grafintec"), completed the PFS for the establishment of the final Coating stage of a Graphite Anode Materials Plant ("GAMP") located in the GigaVaasa area, in the municipality of Korsholm on the west coast of Finland. This initial PFS

demonstrated very positive initial economics with a post-tax net present value (using an 8 per cent discount rate) of US\$242 million and an internal rate of return of 39 per cent.

- The study, prepared by the engineering consultancy RB Plant Construction Ltd ("RB Plant"), is based on an industrial plant importing spherical graphite, coating this to produce a total of 20,000 tonnes per annum of Coated Spherical Graphite ("CSPG") over an initial 10-year period and with initial capital expenditure of US\$117 million.
- The EIA for the GAMP was progressed during the year.
- Following the conclusion of the PFS, bench-scale test work was initiated.

## Kosovo

- On 12 January 2023, Beowulf invested £250,000 in Vardar Minerals. The investment increased the Company's ownership in Vardar from 59.5 per cent to approximately 61.1 per cent. In addition, Beowulf provided loans amounting to €75,000 between October and December 2023 to Vardar Minerals to support ongoing exploration activity.
- Vardar Minerals undertook further low-cost field work including mapping, soil and grab sampling and reconnaissance work across its tenement package during the three months ended 31 December 2023.
- The focus of the activity during the first half of the year was on the Shala Central area where the Company undertook mapping, surface sampling and a drone magnetic survey.
- Reconnaissance work was undertaken in the second half of the year on the Shala East and Shala West licences which was followed up with a systematic mapping and sampling programme.

## Corporate

- On 28 February 2023, Beowulf announced the outcome of the Company's capital raise. In total, Beowulf received approximately SEK 80.8 million (approximately £6.4 million) (gross). Net proceeds from the capital raise were used to repay bridge loan financing.
- On 10 July 2023, Mikael Schauman was appointed as Non-Executive Director.
- On 27 July 2023, the settlement in relation to Kurt Budge's resignation was agreed and paid.
- On 7 August 2023, Ed Bowie joined the Company as Chief Executive Officer and Director.
- On 16 August 2023, Ulla Sandborgh stepped down as Chief Executive Officer of Jokkmokk Iron.
- On 28 December 2023, Alternative Resource Capital was appointed as Joint UK Broker to the Company. Alternative Resource Capital is a trading name of Shard Capital Partners LLP, which is authorised and regulated by the Financial Conduct Authority in the UK.

## Financial

- The consolidated loss for 2023 of £2,931,295 was higher than 2022 of £2,041,452. This increase is due to increased administrative expenses of £2,494,650 compared to £1,806,582 for 2022. The increase in administrative expenses was due to the following: share-based payment expenses of £387,668 (2022: £240,537); professional fees of £696,247 (2022: £433,157); foreign currency loss of £150,224 (2022: £36,321); salary costs of £483,221 (2022: £317,717); audit and accountancy fees of £122,174 (2022: £86,240).
- The administration expenses of the company of £2,778,142 in 2023 exceeded 2022 of £1,090,254. This increase is primarily due to the expected credit loss on the intercompany loans of £1,001,537 (2022: £5,336), share-based payment expenses of £321,534 (2022: £173,345), salary costs of £481,903 (2022: £250,406), professional fees of £420,536 (2022: £290,760), P.R. services of £97,515 (2022: £46,493) and legal fees of £83,226 (2022: £24,238). Professional and legal fees increased primarily due to non-recurring advisor fees in relation to the group directorship changes within the Period. The expected credit loss increased due to the impairment of Ågåsjegge and Åtvidaberg in the year and a reassessment of expected recoverability of the loans to the subsidiaries.
- Consolidated basic and diluted loss per share for the quarter ended 31 December 2023 was 0.05 pence (Q4 2022: loss of 0.09 pence).
- £905,555 in cash was held at 31 December 2023 (31 December 2022: £1,776,556).
- Exploration assets increased to £14,797,833 at 31 December 2023 compared to £13,002,465 at 31 December 2022.
- The cumulative foreign exchange translation losses held in equity increased year ended 31 December 2023 to £1,464,486 (31 December 2022: loss of £1,289,415). Much of the Company's exploration costs are in Swedish Krona which has weakened against the pound since 31 December 2022.

- At 31 December 2023, there were 922,337,110 Swedish Depository Receipts in issue representing 79.71 per cent of the issued share capital of the Company. The remaining issued share capital of the Company is held in the UK as AIM securities.

## Post Period Activities

### Corporate

- On 16 February 2024, Beowulf announced its intention to conduct a preferential rights issue of SDRs in Sweden (the “Rights Issue”) and a UK retail offer of ordinary shares and partially secured capital raise (the “Capital Raise”) up to approximately SEK 100 million (approximately £7.5 million). The Rights Issue is underwritten to a maximum value of SEK 50 million, subject to customary adjustments. The main purpose of the Rights Issue will be to finance the continued development of Kallak, including completion of the ongoing PFS and environmental studies in preparation for the EIA and subsequent application for the environmental permit for Kallak, and the completion of the ongoing PFS and EIA for the GAMP.
- In conjunction with the Rights Issue, the Company has entered into a short-term loan agreement with the Underwriters to provide SEK 10 million (approximately £0.75 million) to ensure the Company has sufficient financial resources to continue advancing its projects over the coming weeks. The loan carries an interest charge of 1.5 per cent per month and has a commitment fee of 5.0 per cent. The loan and accrued interest is repayable at any time prior to the maturity date, being 31 May 2024. If the loan and accrued interest is not repaid by the maturity date, at the latest, the creditors have the right to offset a minimum of SEK 1 million at the time of the loan and accrued interest into SDRs at a price per SDR calculated with a 15 per cent discount on the volume weighted average price of the SDR during the preceding 5 trading days to the conversion decision. In case of default, the loan will accrue additional default interest of 2.5 per cent per month.

### Sweden

- On 18 January 2024, the Government formally responded to the submission. In a comprehensive response the Government endorsed the original decision to award the Exploitation Concession. The Government further emphasised their support for the project, stating that the Kallak Project is of national interest (Beowulf announcement dated 22 January 2024).
- On 5 February 2024, the Company announced that a Project Director had been appointed to oversee the ongoing studies and development of Kallak.

### Finland

- On 17 January 2024, the Company announced an updated strategy to fast-track the full GAMP process, capturing more of the anode material production value-chain and providing greater supply-chain security following the export controls imposed by China on graphite materials in December 2023. The full GAMP process consists of Spheronisation, Purification and Coating to produce CSPG for sale to anode manufacturers. The PFS completed on the Coating stage of the process in July 2023 will be enhanced to incorporate the full process and is expected to be completed during 2024.

### Kosovo

- In January and February 2024, the Company provided additional loans to Vardar Minerals amounting to €40,000 to support ongoing exploration activity.
- The original Mitrovica, Viti North and Viti East licences expired on 24 January 2024. Following dialogue with Independent Commission for Mines and Minerals (“ICMM”), applications for new licences were submitted and formal confirmation of receipt was provided by the ICMM in Kosovo on 22 February 2024. 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, thus the licence applications remain pending until the new Board is appointed. As these applications are for new licences rather than extensions to the original licence, 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.

**Ed Bowie, Chief Executive Officer of Beowulf, commented:**

*"The Company is making excellent progress across its three business units.*

*"At Kallak, we have initiated the PFS and are completing metallurgical test-work to confirm that the project will produce a market leading iron ore concentrate. Stakeholder consultations and environmental studies are continuing in preparation for the EIA and Environmental Permit application. The Company remains focused on developing a world-class sustainable mining operation at Kallak and the appointment of the Project Director is a key step in delivering this.*

*"In Finland, we delivered the PFS for the Coating phase of the GAMP demonstrating very robust economics. Following the Chinese export controls introduced in December 2023, the Company has modified its strategy and is now focused on developing the full process route. Test-work is ongoing and the PFS will be completed during 2024. This fast-track development will not only capture more of the value-chain for the production of anode material but also offers greater supply-chain security.*

*"In Kosovo, the detailed mapping and sampling undertaken by Vadar Minerals has highlighted a number of high-priority targets across the Shala licence package. Further analysis and interpretation is ongoing as assay results are beginning to be returned. In addition, assay results from a lithium target on the Viti North licence are pending.*

*"The Company's portfolio is well-placed in tier-one jurisdictions, with strategic commodities that support the Green Transition and will benefit from the increasing emphasis on resource and supply chain security. We continue to review opportunities to optimise each project, enhancing the value and de-risking the future development, whilst reviewing funding opportunities and strategic partnerships both at the project and corporate level."*

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**Cautionary Statement**

Statements and assumptions made in this document with respect to the Company's current plans, estimates, strategies and beliefs, and other statements that are not historical facts, are forward-looking statements about the future performance of Beowulf. Forward-looking statements include, but are not limited to, those using words such as "may", "might", "seeks", "expects", "anticipates", "estimates", "believes", "projects", "plans", "strategy", "forecast" and similar expressions. These statements reflect management's expectations and assumptions in light of currently available information. They are subject to a number of risks and uncertainties, including, but not limited to, (i) changes in the economic, regulatory and political environments in the countries where Beowulf operates; (ii) changes relating to the geological information available in respect of the various projects

undertaken; (iii) Beowulf's continued ability to secure enough financing to carry on its operations as a going concern; (iv) the success of its potential joint ventures and alliances, if any; (v) metal prices, particularly as regards iron ore. In the light of the many risks and uncertainties surrounding any mineral project at an early stage of its development, the actual results could differ materially from those presented and forecast in this document. Beowulf assumes no unconditional obligation to immediately update any such statements and/or forecasts.

## **About Beowulf Mining plc**

Beowulf Mining plc ("Beowulf" or the "Company") is an exploration and development company, listed on the AIM market of the London Stock Exchange and the Spotlight Exchange in Sweden. The Company listed in Sweden in 2008 and, as at 31 December 2023, was 79.71 per cent owned by Swedish shareholders.

Beowulf's purpose is to be a responsible and innovative company that creates value for its shareholders, wider society and the environment, through sustainably producing critical raw materials needed for the transition to a Green Economy.

The Company has an attractive portfolio of assets, including commodities such as iron ore, graphite, base and precious metals, with activities in exploration, the development of mines and downstream production in Sweden, Finland and Kosovo.

The Company's most advanced project is the Kallak iron ore asset in northern Sweden from which test work has produced a 'market leading' magnetite concentrate of 71.5 per cent iron content. In the Kallak area, 389 million tonnes of iron mineralisation has been estimated, a potential source of high quality iron ore for fossil-free steel making in the Nordic region for decades to come.

In Finland, Grafintec, a wholly-owned subsidiary, is developing a resource footprint of natural flake graphite and the capability to serve the anode manufacturing. Grafintec is working towards creating a sustainable value chain in Finland from high quality natural flake graphite resources to anode material production, leveraging renewable power, targeting Net Zero CO<sub>2</sub> emissions across the supply chain.

In Kosovo, the Company owns approximately 61.1 per cent of Vardar Minerals ("Vardar"), which is focused on exploration in the Tethyan Belt, a major orogenic metallogenic province for gold and base metals. Vardar is delivering exciting results for its Mitrovica licence which has several exploration targets, including lead, zinc, copper and gold. It also has the Viti licence which is showing potential for copper-gold porphyry mineralisation.

Kallak is the foundation asset of the Company, and, with Grafintec and Vardar, each business area displays strong prospects, presents opportunities to grow, with near-term and longer-term value-inflection points.

Beowulf wants to be recognised for living its values of Respect, Partnership and Responsibility. The Company's ESG Policy is available on the website following the link below:

<https://beowulfmining.com/about-us/esg-policy/>

**BEOWULF MINING PLC**  
**CONDENSED CONSOLIDATED INCOME STATEMENT**  
**FOR THE TWELVE MONTHS TO 31 DECEMBER 2023 AND THE THREE MONTHS TO 31 DECEMBER**  
**2023**

		(Unaudited) 3 months ended 31 December 2023	(Unaudited) 3 months ended 31 December 2022	(Unaudited) 12 months ended 31 December 2023	(Audited) 12 months ended 31 December 2022
	Notes	£	£	£	£
<b>Continuing operations</b>					
Administrative expenses		(222,974)	(605,777)	(2,494,650)	(1,806,582)
Impairment of exploration assets	7	(341,926)	(36,988)	(350,158)	(36,988)
		<b>Operating loss</b>	<b>(564,900)</b>	<b>(642,765)</b>	<b>(2,844,808)</b>
		<b>(1,843,570)</b>			
Gain on disposal of investment		-	21,951	-	21,951
Finance costs	3	(1,823)	(158,559)	(197,724)	(304,806)
Finance income		1,813	127	7,924	176
Grant income		12,795	14,579	96,750	84,797
Fair value gain on investment		6,563	-	6,563	-
<b>Loss before and after taxation</b>		<b>(545,552)</b>	<b>(764,667)</b>	<b>(2,931,295)</b>	<b>(2,041,452)</b>
Loss attributable to:					
Owners of the parent		(528,676)	(723,801)	(2,857,345)	(1,948,459)
Non-controlling interests		(16,876)	(40,866)	(73,950)	(92,993)
		<b>(545,552)</b>	<b>(764,667)</b>	<b>(2,931,295)</b>	<b>(2,041,452)</b>
Loss per share attributable to the owners of the parent:					
Basic and diluted (pence)	4	(0.05)	(0.09)	(0.26)	(0.23)

**BEOWULF MINING PLC**  
**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE LOSS**  
**FOR THE TWELVE MONTHS TO 31 DECEMBER 2023 AND THE THREE MONTHS TO 31 DECEMBER**  
**2023**

	(Unaudited) 3 months ended 31 December 2023	(Unaudited) 3 months ended 31 December 2022	(Unaudited) 12 months ended 31 December 2023	(Audited) 12 months ended 31 December 2022
	£	£	£	£
<b>Loss for the period / year</b>	(545,552)	(764,667)	(2,931,295)	(2,041,452)
<b>Other comprehensive income Items that may be reclassified subsequently to profit or loss:</b>				
Exchange gain / (loss) arising on translation of foreign operations	338,376	(96,142)	(203,564)	(32,945)
<b>Total comprehensive loss</b>	<u>(207,176)</u>	<u>(860,809)</u>	<u>(3,134,859)</u>	<u>(2,074,397)</u>
Total comprehensive loss attributable to:				
Owners of the parent	(190,554)	(827,485)	(3,032,415)	(2,020,889)
Non-controlling interests	(16,622)	(33,324)	(102,444)	(53,508)
	<u>(207,176)</u>	<u>(860,809)</u>	<u>(3,134,859)</u>	<u>(2,074,397)</u>

**BEOWULF MINING PLC**  
**CONDENSED COMPANY STATEMENT OF COMPREHENSIVE LOSS**  
**FOR THE TWELVE MONTHS TO 31 DECEMBER 2023 AND THE THREE MONTHS TO 31 DECEMBER**  
**2023**

		(Unaudited) 3 months ended 31 December 2023	(Unaudited) 3 months ended 31 December 2022	(Unaudited) 12 months ended 31 December 2023	(Audited) 12 months ended 31 December 2022
	Notes	£	£	£	£
<b>Continuing operations</b>					
Administrative expenses		(570,383)	(253,825)	(2,778,142)	(1,090,254)
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<b>Operating loss</b>		(570,383)	(253,825)	(2,778,142)	(1,090,254)
Gain on disposal of investments		-	21,951	-	21,951
Finance costs	3	-	(158,449)	(195,304)	(304,529)
Finance income		1,806	122	7,655	170
Fair value gain on investment		6,563	-	6,563	-
<hr/>					
<b>Loss before and after taxation and total comprehensive loss</b>		(562,014)	(390,201)	(2,959,228)	(1,372,662)
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Loss per share attributable to the owners of the parent:					
Basic and diluted (pence)	4	(0.05)	(0.05)	(0.27)	(0.17)



**BEOWULF MINING PLC**  
**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2023**

		(Unaudited) As at 31 December 2023 £	(Audited) As at 31 December 2022 £
<b>ASSETS</b>			
	Notes		
<b>Non-current assets</b>			
Intangible assets	7	14,873,326	13,002,465
Property, plant and equipment		87,755	129,715
Investments		6,563	-
Loans and other financial assets		5,209	5,181
Right of use asset		63,158	19,279
		<u>15,036,011</u>	<u>13,156,640</u>
<b>Current assets</b>			
Trade and other receivables		152,004	220,427
Cash and cash equivalents		905,555	1,776,556
		<u>1,057,559</u>	<u>1,996,983</u>
<b>TOTAL ASSETS</b>		<u>16,093,570</u>	<u>15,153,623</u>
<b>EQUITY</b>			
<b>Shareholders' equity</b>			
Share capital	5	11,571,875	8,317,106
Share premium		27,141,444	24,689,311
Capital contribution reserve		46,451	46,451
Share based payment reserve		903,766	516,098
Merger reserve		137,700	137,700
Translation reserve		(1,464,486)	(1,289,415)
Accumulated losses		(23,228,900)	(20,323,414)
<b>Total equity</b>		<u>15,107,850</u>	<u>12,093,837</u>
Non-controlling interests		514,430	568,732
<b>TOTAL EQUITY</b>		<u>15,622,280</u>	<u>12,662,569</u>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables		433,662	625,730
Lease liability		22,575	10,840
Borrowings	8	-	1,845,947
		<u>456,237</u>	<u>2,482,517</u>
<b>Non-Current liabilities</b>			
Lease Liability		15,053	8,537
<b>TOTAL LIABILITIES</b>		<u>471,290</u>	<u>2,491,054</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>16,093,570</u>	<u>15,153,623</u>

**BEOWULF MINING PLC**  
**CONDENSED COMPANY STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2023**

		(Unaudited) As at 31 December 2023 £	(Audited) As at 31 December 2022 £
<b>ASSETS</b>			
<b>Non-current assets</b>			
Investments		3,967,878	3,645,181
Loans and other financial assets		12,839,865	11,084,289
Property, plant and equipment		964	834
		<u>16,808,707</u>	<u>14,730,304</u>
<b>Current assets</b>			
Trade and other receivables		49,155	53,284
Cash and cash equivalents		794,909	1,667,840
		<u>844,064</u>	<u>1,721,124</u>
<b>TOTAL ASSETS</b>		<u>17,652,771</u>	<u>16,451,428</u>
<b>EQUITY</b>			
<b>Shareholders' equity</b>			
Share capital	5	11,571,875	8,317,106
Share premium		27,141,444	24,689,311
Capital contribution reserve		46,451	46,451
Share Based Payment Reserve		903,766	516,098
Merger reserve		137,700	137,700
Accumulated losses		<u>(22,276,683)</u>	<u>(19,317,455)</u>
<b>TOTAL EQUITY</b>		<u>17,524,553</u>	<u>14,389,211</u>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables		128,218	216,270
Borrowings	8	-	1,845,947
<b>TOTAL LIABILITIES</b>		<u>128,218</u>	<u>2,062,217</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>17,652,771</u>	<u>16,451,428</u>

**BEOWULF MINING PLC**  
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE TWELVE MONTHS TO 31 DECEMBER 2023**

	Share capital	Share premium	Capital contribution reserve	Share-based payment reserve	Merger reserve	Translation reserve	Accumulated losses	Total	Non-controlling interest	Total equity
	£	£	£	£	£	£	£	£	£	£
<b>At 1 January 2022</b>	8,317,106	24,689,311	46,451	668,482	137,700	(1,216,985)	(18,470,675)	14,171,390	325,039	14,496,429
Loss for the year	-	-	-	-	-	-	(1,948,459)	(1,948,459)	(92,993)	(2,041,452)
Foreign exchange translation	-	-	-	-	-	(72,430)	-	(72,430)	39,485	(32,945)
Total comprehensive loss	-	-	-	-	-	(72,430)	(1,948,459)	(2,020,889)	(53,508)	(2,074,397)
<i>Transactions with owners</i>										
Equity-settled share-based payment transactions	-	-	-	240,537	-	-	-	240,537	-	240,537
Step up interest in subsidiary	-	-	-	-	-	-	(297,201)	(297,201)	297,201	-
Transfer on lapse of options	-	-	-	(392,921)	-	-	392,921	-	-	-
<b>At 31 December 2022 (Audited)</b>	8,317,106	24,689,311	46,451	516,098	137,700	(1,289,415)	(20,323,414)	12,093,837	568,732	12,662,569
Loss for the year	-	-	-	-	-	-	(2,857,345)	(2,857,345)	(73,950)	(2,931,295)
Foreign exchange translation	-	-	-	-	-	(175,071)	-	(175,071)	(28,493)	(203,564)
Total comprehensive loss	-	-	-	-	-	(175,071)	(2,857,345)	(3,032,416)	(102,443)	(3,134,859)
<i>Transactions with owners</i>										
Issue of share capital	3,254,769	3,654,829	-	-	-	-	-	6,909,598	-	6,909,598
Cost of Issue	-	(1,202,696)	-	-	-	-	-	(1,202,696)	-	(1,202,696)
Equity-settled share-based payment transactions	-	-	-	387,668	-	-	-	387,668	-	387,668
Step acquisition of subsidiary	-	-	-	-	-	-	(48,141)	(48,141)	48,141	-
<b>At 31 December 2023 (Unaudited)</b>	11,571,875	27,141,444	46,451	903,766	137,700	(1,464,486)	(23,228,900)	15,107,850	514,430	15,622,280

**BEOWULF MINING PLC**  
**CONDENSED COMPANY STATEMENT OF CHANGES IN EQUITY**  
**FOR THE TWELVE MONTHS TO 31 DECEMBER 2023**

	Share capital	Share premium	Merger reserve	Capital contribution reserve	Share-based payment reserve	Accumulated losses	Total
	£	£	£	£	£	£	£
<b>At 1 January 2022</b>	8,317,106	24,689,311	137,700	46,451	668,482	(18,337,714)	15,521,336
Loss for the year	-	-	-	-	-	(1,372,662)	(1,372,662)
Total comprehensive loss	-	-	-	-	-	(1,372,662)	(1,372,662)
<i>Transactions with owners</i>							
Equity-settled share-based payment transactions	-	-	-	-	240,537	-	240,537
Transfer on lapse of options	-	-	-	-	(392,921)	392,921	-
<b>At 31 December 2022 (Audited)</b>	8,317,106	24,689,311	137,700	46,451	516,098	(19,317,455)	14,389,211
Loss for the year	-	-	-	-	-	(2,959,228)	(2,959,228)
Total comprehensive loss	-	-	-	-	-	(2,959,228)	(2,959,228)
<i>Transactions with owners</i>							
Issue of share capital	3,254,769	3,654,829	-	-	-	-	6,909,598
Cost of issue	-	(1,202,696)	-	-	-	-	(1,202,696)
Equity-settled share-based payment transactions	-	-	-	-	387,668	-	387,668
<b>At 31 December 2023 (Unaudited)</b>	11,571,875	27,141,444	137,700	46,451	903,766	(22,276,683)	17,524,553

**BEOWULF MINING PLC**  
**CONDENSED CONSOLIDATED CASH FLOW STATEMENT**  
**AS AT 31 DECEMBER 2023**

	(Unaudited) 31 December 2023 £	(Audited) 31 December 2022 £
<b>Cash flows from operating activities</b>		
Loss before income tax	(2,931,295)	(2,041,452)
Depreciation charges	43,276	45,133
Amortisation of right-of-use asset	29,478	6,384
Loss on disposal of PPE	643	-
Equity-settled share-based payment	387,668	240,537
Impairment of exploration costs	350,158	36,988
Finance income	(7,924)	(176)
Finance cost	197,724	304,806
Grant income	(96,750)	(84,797)
Gain on sale of investment	-	(21,951)
Unrealised foreign exchange	86,637	55,337
Fair value gain on investment	(6,563)	-
	<u>(1,946,948)</u>	<u>(1,459,191)</u>
Decrease/(increase) in trade and other receivables	61,395	(36,535)
Decrease in trade and other payables	<u>(277,400)</u>	<u>(43,827)</u>
Net cash used in operating activities	<u>(2,162,953)</u>	<u>(1,539,553)</u>
<b>Cash flows from investing activities</b>		
Purchase of intangible assets	(2,308,473)	(1,536,674)
Purchase of property, plant and equipment	(4,851)	(34,397)
Payments for improvements of right-of-use assets	(33,121)	-
Proceeds from disposal of investments	-	21,951
Interest received	7,923	176
Grant receipt	96,750	84,797
Grant repaid	-	(39,849)
Net cash used in investing activities	<u>(2,241,772)</u>	<u>(1,503,996)</u>
<b>Cash flows from financing activities</b>		
Proceeds from issue of shares	4,373,056	-
Payment of share issue costs	(704,587)	-
Lease principal paid	(23,201)	(6,347)
Lease interest paid	(2,420)	(264)
Proceeds from borrowings	-	1,554,381
Interest paid	-	(10)
Net cash generated from financing activities	<u>3,642,848</u>	<u>1,547,760</u>
<b>Decrease in cash and cash equivalents</b>	(761,877)	(1,495,789)
Cash and cash equivalents at beginning of year	1,776,556	3,336,134
Effect of foreign exchange rate changes	(109,124)	(63,789)
<b>Cash and cash equivalents at end of year</b>	<u><u>905,555</u></u>	<u><u>1,776,556</u></u>

**BEOWULF MINING PLC**  
**CONDENSED COMPANY CASH FLOW STATEMENT**  
**AS AT 31 DECEMBER 2023**

	(Unaudited) 31 December 2023 £	(Audited) 31 December 2022 £
<b>Cash flows from operating activities</b>		
Loss before income tax	(2,959,228)	(1,372,662)
Expected credit losses	1,001,537	5,336
Equity-settled share-based payments	321,534	173,344
Depreciation	233	278
Loss on disposal of PPE	643	-
Finance income	(7,655)	(170)
Finance cost	195,304	304,529
Gain on disposal of investment	-	(21,951)
Unrealised foreign exchange	86,636	55,337
Fair value gain on investment	(6,563)	-
	<u>(1,367,559)</u>	<u>(855,959)</u>
Decrease/(increase) in trade and other receivables	4,129	(12,099)
(Decrease)/increase in trade and other payables	(88,052)	101,779
Net cash used in operating activities	<u>(1,451,482)</u>	<u>(766,279)</u>
<b>Cash flows from investing activities</b>		
Loans to subsidiaries	(2,757,112)	(909,975)
Financing of subsidiary	(250,000)	(1,200,000)
Interest received	7,655	170
Grant repaid	-	(39,849)
Purchase of fixed assets	(1,006)	-
Proceeds from disposal of investments	-	21,951
Net cash used in investing activities	<u>(3,000,463)</u>	<u>(2,127,703)</u>
<b>Cash flows from financing activities</b>		
Proceeds from issue of shares	4,373,056	-
Payment of share issue costs	(704,587)	-
Proceeds from borrowings	-	1,554,381
Net cash generated from financing activities	<u>3,668,469</u>	<u>1,554,381</u>
<b>Decrease in cash and cash equivalents</b>	(783,476)	(1,339,601)
Cash and cash equivalents at beginning of year	1,667,840	3,075,741
Effect of foreign exchange rate changes	(89,455)	(68,300)
<b>Cash and cash equivalents at end of year</b>	<u><u>794,909</u></u>	<u><u>1,667,840</u></u>

## **NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FOR THE TWELVE MONTHS TO 31 DECEMBER 2023**

### **1. Nature of operations**

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

### **2. Basis of preparation**

The condensed consolidated financial information has been prepared on the basis of the recognition and measurement requirements of UK-adopted International Accounting Standards (IFRS). The accounting policies, methods of computation and presentation used in the preparation of the financial information are the same as those used in the Group's audited financial statements for the year ended 31 December 2022.

The financial information in this statement does not constitute full statutory accounts within the meaning of Section 434 of the UK Companies Act 2006. The financial information for the twelve months ended 31 December 2022 is audited. The audit of the financial information for the year ended 31 December 2023 is currently being completed. The auditor's report on the statutory financial statements for the year ended 31 December 2022 was unqualified but it did include a material uncertainty relating to going concern.

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

Management have prepared cash flow forecasts which indicate that the Group will need to raise further funds within the next 12 months for corporate overheads and to advance its key projects and investments.

The Directors are confident they are taking all necessary steps to ensure that the required finance will be available, and they have successfully raised equity finance in the past. They have therefore concluded that it is appropriate to prepare the financial statements on a going concern basis.

These conditions indicate the existence of a material uncertainty which may cast significant doubt over the Group's and the Company's ability to continue as a going concern and that it may be unable to realise its assets and discharge its liabilities in the normal course of business. The financial statements do not include any adjustments that would result if the Company was unable to continue as a going concern.

On 16 February 2024, the Company announced its intention to conduct a preferential rights issue of SDRs in Sweden and a UK retail offer of ordinary shares and partially secured capital raise up to approximately SEK 100 million (approximately £7.5million). The rights issue is underwritten to maximum value of SEK 50 million, subject to customary adjustments.

Therefore, at the date of this report, the Directors were confident that the Group would be able to raise sufficient capital to fund the Group's key projects and investments.

### 3. Finance cost

	(Unaudited) 3 months ended 31 December 2023	(Unaudited) 3 months ended 31 December 2022	(Unaudited) 12 months ended 31 December 2023	(Audited) 12 months ended 31 December 2022
<b>Group</b>				
Bridging loan amortised interest	-	158,499	195,304	304,529
Lease liability interest	1,823	60	2,420	267
Other interest paid	-	-	-	10
	<u>1,823</u>	<u>158,559</u>	<u>197,724</u>	<u>304,806</u>
	(Unaudited) 3 months ended 31 December 2023	(Unaudited) 3 months ended 31 December 2022	(Unaudited) 12 months ended 31 December 2023	(Audited) 12 months Ended 31 December 2022
<b>Parent</b>				
Bridging loan amortised interest	-	158,499	195,304	304,529
	<u>-</u>	<u>158,499</u>	<u>195,304</u>	<u>304,529</u>

### 4. Loss per share

#### Basic and diluted loss per share

The calculation of basic and diluted loss per share is based on the loss attributable to equity holders divided by the weighted average number of shares in issue during the period.

The loss incurred by the Group and the Parent means that the effect of any outstanding warrants and options would be considered anti-dilutive and is ignored for the purposes of the loss per share calculation.

	(Unaudited) 3 months ended 31 December 2023	(Unaudited) 3 months ended 31 December 2022	(Unaudited) 12 months ended 31 December 2023	(Audited) 12 months ended 31 December 2022
<b>Group</b>				
Loss for the Period/year attributable to shareholders of the Company (£'s)	(528,676)	(723,801)	(2,857,345)	(1,948,459)
Weighted average number of ordinary shares	<u>1,157,187,463</u>	<u>831,710,636</u>	<u>1,084,958,359</u>	<u>831,710,636</u>
Loss per share (p)	<u>(0.05)</u>	<u>(0.09)</u>	<u>(0.26)</u>	<u>(0.23)</u>
	(Unaudited) 3 months ended 31 December 2023	(Unaudited) 3 months ended 31 December 2022	(Unaudited) 12 months ended 31 December 2023	(Audited) 12 months ended 31 December 2022
<b>Parent</b>				
Loss for the Period/year attributable to shareholders of the Company (£'s)	(562,014)	(390,201)	(2,959,228)	(1,372,662)
Weighted average number of ordinary shares	<u>1,157,187,463</u>	<u>831,710,636</u>	<u>1,084,958,359</u>	<u>831,710,636</u>
Loss per share (p)	<u>(0.05)</u>	<u>(0.05)</u>	<u>(0.27)</u>	<u>(0.17)</u>



## 5. Share capital

	(Unaudited) 31 December 2023 £	(Audited) 31 December 2022 £
<b>Allotted, issued and fully paid</b>		
Ordinary shares of 1p each	<u>11,571,875</u>	<u>8,317,106</u>

The number of shares in issue was as follows:

	Number of shares
<b>Balance at 1 January 2022</b>	831,710,636
Issued during the year	-
<b>Balance at 31 December 2022</b>	<u>831,710,636</u>
Issued during the year	<u>325,476,827</u>
<b>Balance at 31 December 2023</b>	<u><u>1,157,187,463</u></u>

During the year, the Company raised £6,909,598 (approx. SEK 80 million) before expenses. Net proceeds were used to repay bridge loan financing of £2,038,433. Shares were issued in lieu of cash for issue costs totalling £498,109. Therefore, the Company received net proceeds of £4,373,056.

## 6. Share based payments

During the year ended 31 December 2023, 12,250,000 options were granted (2022: 23,250,000). The options outstanding as at 31 December 2023 have an exercise price in the range of 1.00 pence to 7.35 pence (2022: 1.00 pence to 5.25 pence) and a weighted average remaining contractual life of five years, 294 days (2022: 7 years, 98 days).

The share-based payments expense for the options for the year ended 31 December 2023 was £387,668 (2022: £240,537).

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

	2023	2022	2022	2019
Number of options	12,250,000	20,750,000	2,500,000	9,250,000
Fair value at grant date	0.52p	3.12p	3.59p	1.15p
Share price	1.68p	4.00p	4.00p	5.65p
Exercise price	2.06p	5.25p	1.00p	7.35p
Expected volatility	55.2%	100%	100%	51.89%
Expected option life	2.5 years	6 years	6 years	2 years
Risk free interest rate	4.800%	4.480%	4.520%	0.718%

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.

<b>Reconciliation of options in issue</b>	Number 2023	Weighted average exercise price(£'s) 2023	Number 2022	Weighted average exercise price(£'s) 2022
Outstanding at 1 January	32,500,000	0.055	13,750,000	0.089
Granted during the year	12,250,000	0.021	23,250,000	0.048
Lapsed during the year	-	-	(4,500,000)	0.120
Outstanding at 31 December	<u>44,750,000</u>	<u>0.046</u>	<u>32,500,000</u>	<u>0.055</u>
Exercisable at 31 December	<u>37,250,000</u>	<u>0.042</u>	<u>11,750,000</u>	<u>0.060</u>

## 7. Intangible assets: Group

	Exploration assets	Other intangible assets	Total
<b>Net book value</b>	£	£	£
As at 31 December 2022 (Audited)	13,002,465	-	13,002,465
As at 31 December 2023 (Unaudited)	<u>14,797,833</u>	<u>75,493</u>	<u>14,873,326</u>

<b>Exploration costs</b>	(Unaudited) As at 31 December 2023 £	(Audited) As at 31 December 2022 £
<b>Cost</b>		
At 1 January	13,002,465	11,235,656
Additions for the year – cash	2,232,694	1,536,674
Additions for the year – non-cash	98,208	314,272
Foreign exchange movements	(185,376)	(47,149)
Impairment	<u>(350,158)</u>	<u>(36,988)</u>
Total	<u>14,797,833</u>	<u>13,002,465</u>

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

<b>Project</b>	<b>Country</b>	(Unaudited) As at 31 December 2023 £	(Audited) As at 31 December 2022 £
Kallak	Sweden	9,481,130	7,666,563
Ågåsziejge	Sweden	-	7,718
Åtvidaberg	Sweden	-	358,694
Pitkäjärvi	Finland	1,667,854	1,641,836
Rääpysjärvi	Finland	174,060	148,430
Karhunmäki	Finland	55,935	56,089
Luopioinen	Finland	4,812	4,257
Emas	Finland	41,693	1,663
Shala	Kosovo	164,779	-
Mitrovica	Kosovo	2,527,239	2,430,150
Viti	Kosovo	<u>680,331</u>	<u>687,065</u>
		<u>14,797,833</u>	<u>13,002,465</u>

Total Group exploration costs of £14,797,833 are currently carried at cost in the financial statements. Impairment of £350,158 has been recognised during the Period for the projects relating to Ågåsziejge Åtvidaberg (2022: £36,988 in project Merivaara).

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

The most significant exploration asset within the Group is Kallak. The Company applied for an Exploitation Concession for Kallak North in April 2013 and this was finally awarded in March 2022.

Kallak is included in the condensed financial statements as at 31 December 2023 as an intangible exploration licence with a carrying value of £9,481,130. Given the Exploitation Concession was awarded, Management have considered that there is no current risk associated with Kallak and thus have not impaired the project.

<b>Other intangible assets</b>	(Unaudited) As at 31 December 2023 £	(Audited) As at 31 December 2022 £
<b>Cost</b>		
At 1 January	-	-
Additions in the year	75,779	-
Foreign exchange movements	(286)	-
Total	<u>75,493</u>	<u>-</u>

Other intangible assets capitalised are development costs 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.

## 8. Borrowings

	(Unaudited) As at 31 December 2023 £	(Audited) As at 31 December 2022 £
Opening balance	1,845,947	-
Funds advanced	-	1,554,381
Finance costs	195,304	304,529
Effect of foreign exchange	(2,818)	(12,963)
Funds repaid	<u>(2,038,433)</u>	<u>-</u>
	<u>-</u>	<u>1,845,947</u>

On 3 July 2022, the Company secured a Bridging loan from Nordic investors of SEK 22 million (approximately £1.76 million) (the "Loan"). The Loan had a fixed interest rate of 1.5 percent per stated 30-day period during the duration. Accrued interest was compounding. The Loan had a commitment fee of 5 per cent and a Maturity Date of 28 February 2023.

The Loan was accounted for using an amortised cost using an effective rate of interest.

It became apparent that due to the timing of the receipt of the funds from the Rights Issue the Company was not in a position to pay back the bridging loan facility at its maturity. The outcome of this was that the holder of the loan enforced the penalty interest for entering another 30-day period, which was circa 1 million SEK (approx. £82k). The loan principal and interest totalling £2.04 million was repaid via a deduction to the gross proceeds from the Capital Raise in March 2023.

## **9. Post balance sheet events**

On 16 February 2024, in conjunction with the Rights Issue, the Company has entered into a short-term loan agreement with the Underwriters to provide SEK 10 million to ensure the Company has sufficient financial resources to continue advancing its projects over the coming weeks. The loan carries an interest charge of 1.5 per cent per month and has a commitment fee of 5 per cent. If the loan and accrued interest is not repaid by maturity date, at the latest, the creditors have the right to offset a minimum of SEK 1 million at a time of the loan and accrued interest into SDRs at a price per SDR calculated with a 15 per cent discount on the volume weighted average price of the SDR during the preceding 5 trading days to the conversion decision. In case of default, the loan will accrue additional default interest of 2.5 per cent per month.

## **10. Availability of announcement**

A copy of these results will be made available for inspection at the Company's registered office during normal business hours on any weekday. The Company's registered office is at 201 Temple Chambers, 3-7 Temple Avenue, London, EC4Y 0DT. A copy can also be downloaded from the Company's website at [www.beowulfmining.com](http://www.beowulfmining.com). Beowulf Mining plc is registered in England and Wales with registered number 02330496.

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