



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

31 August 2023

Beowulf Mining plc

("Beowulf" or the "Company")

Unaudited Financial Results for the Period Ended 30 June 2023

Beowulf Mining (AIM: BEM; Spotlight: BEO), the mineral exploration and development company, announces its unaudited financial results for the six months ended 30 June 2023 (the "Period").

Activities in the Period

Sweden

- Following the announcement of the Scoping Study for Kallak North 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 a number of work streams in preparation for the commencement of the Pre-Feasibility Study and the environmental permit application.
- A number of public meetings with the communities of Jokkmokk Iron, including residents of the villages closest to the project were held.
- Ongoing work streams include a review of transportation and logistics options for the Kallak North project and further environmental baseline studies.

Finland

- Beowulf, through its wholly owned Finnish subsidiary Grafintec Oy ("Grafintec"), continued to advance the Pre-Feasibility Study for the establishment of a Graphite Anode Materials Plant ("GAMP"). During the three months ended 30 June 2023, Grafintec was granted an extension of the advance reservation for Plot 1, Block 3017 in the GigaVaasa area, the site for the proposed GAMP. The Extension was approved by the municipality of Korsholm and the reservation remains valid until 31 January 2024, with the option to extend further.

Kosovo

- On 12 January 2023, Beowulf invested £250,000 in Vardar. The investment increases the Company's ownership in Vardar from 59.5 per cent to 61.1 per cent approximately. This funding will be used to start preparations for the 2023 exploration programme.
- Vardar Minerals, which is 61.1 per cent owned by Beowulf, undertook further low-cost field work including mapping, soil and grab sampling and reconnaissance work across its tenement package during the three months ended 30 June 2023. The objective of this work was both to enhance the baseline exploration dataset and to build on the understanding of the geological setting at the Mitrovica licence following the drilling completed at the end of 2022, but also to complete preliminary work on the Shala East and Shala West licences.

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). The main purpose of the Capital Raise is to finance the continued development of Kallak North, the start of Pre-feasibility workstreams, and to progress at pace with the preparation of an environmental permit application. Net proceeds from the Capital Raise will also be used to repay bridge loan financing and fund the advancement of Grafintec and Vardar Minerals Ltd ("Vardar").
- On 3 May 2023, Kurt Budge stepped down from the Company being replaced by Johan Röstin who served as Executive Chairman and interim CEO.

Post Period

- On 10 July 2023, Mikael Schauman was appointed as Non-Executive Director.
- On 21 July 2023, the settlement in relation to Kurt Budge's resignation was agreed and subsequently paid on 27 July 2023.
- 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.

Financial

- The underlying administration expenses of £1,097,738 in Q2 2023 exceeded Q2 2022 of £400,212. This has increased primarily due to share-based payment expenses of £158,120 (Q2 2022: £Nil), professional fees of £236,877 (Q2 2022: £72,739), directors and staff costs of £301,576 (Q2 2022: £93,568), and a foreign currency loss of £140,575 (Q2 2022: gain of £3,283). Professional fees increased primarily due to non-recurring advisor fees in relation to the directorship changes within the period. Directors and staff costs increased primarily due to recognition of Mr. Budge's gross settlement amount and additional consultancy incurred.
- The consolidated loss before tax for H1 2023 increased to £1,799,616 (H1 2022: £683,607). This increase is primarily due to share-based payment expenses of £238,843 (H1 2022: £Nil), professional fees of £405,196 (H1 2022: £139,469), directors and staff costs of £424,875 (H1 2022: £168,361), and a foreign currency loss of £199,393 (H1 2022: £28,989), combined with finance costs in relation to the bridging loan of £195,304 (H1 2022: £Nil), which was fully repaid in the period.
- Consolidated basic and diluted loss per share for the quarter ended 30 June 2023 was 0.09 pence (Q2 2022: loss of 0.04 pence).
- The Company raised SEK 80.8 million (approximately £6.4 million) before expenses as part of the Capital Raise, of which, the net proceeds have been used to repay the bridging loan principal and interest of SEK 24.8 million (approximately £2.04 million).
- £2,855,840 in cash was held at 30 June 2023 (30 June 2022: £1,880,584).
- Exploration assets increased to £13,588,729 at 30 June 2023 compared to £11,903,312 at 30 June 2022.
- The cumulative translation losses held in equity increased by £750,896 in the period ended 30 June 2023 to £2,040,311 (31 December 2022: loss of £1,289,415). Much of the Company's exploration costs are in Swedish Krona which has weakened against the GB Pound Sterling since 31 December 2022.
- At 30 June 2023, there were 907,945,973 Swedish Depository Receipts representing 78.46 per cent of the issued share capital of the Company. The remaining issued share capital of the Company is held in the UK.

Ed Bowie, Chief Executive Officer of Beowulf, commented:

"It is a pleasure to join the Company at this exciting time. During my first two weeks in post, I visited the Company's assets and met with key stakeholders in each of the three countries in which we operate."

While there is significant work to be done, it is pleasing to see the significant potential of each project and receive support from local stakeholders.

"The focus of the Beowulf Board and management over the coming months is to advance each project and begin to realise their underlying value. I would like to thank the Company's shareholders for their ongoing support and look forward to providing updates to the market in due course."

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Cautionary Statement

Statements and assumptions made in this document with respect to the Company's current plans, estimates, strategies and beliefs, and other statements that are not historical facts, are forward-looking statements about the future performance of Beowulf. Forward-looking statements include, but are not limited to, those using words such as "may", "might", "seeks", "expects", "anticipates", "estimates", "believes", "projects", "plans", "strategy", "forecast" and similar expressions. These statements reflect management's expectations and assumptions in light of currently available information. They are subject to a number of risks and uncertainties, including, but not limited to, (i) changes in the economic, regulatory and political environments in the countries where Beowulf operates; (ii) changes relating to the geological information available in respect of the various projects undertaken; (iii) Beowulf's continued ability to secure enough financing to carry on its operations as a going concern; (iv) the success of its potential joint ventures and alliances, if any; (v) metal prices, particularly as regards iron ore. In the light of the many risks and uncertainties surrounding any mineral project at an early stage of its development, the actual results could differ materially from those presented and forecast in this document. Beowulf assumes no unconditional obligation to immediately update any such statements and/or forecast.

About Beowulf Mining plc

Beowulf Mining plc ("Beowulf" or the "Company") is an exploration and development company, listed on the AIM market of the London Stock Exchange and the Spotlight Exchange in Sweden. The Company listed in Sweden in 2008 and, at 30 June 2023, was 78.46 per cent owned by Swedish shareholders.

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

The Company has an attractive portfolio of assets, including commodities such as iron ore, graphite, gold and base 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

testwork has produced a 'market leading' magnetite concentrate of 71.5 per cent iron content. In the Kallak area, the Mineral Resources of the deposits have been classified according to the PERC Standards 2017, as was reported by the Company via RNS on 25 May 2021, based on a revised resource estimation by Baker Geological Services. The total Measured and Indicated resource reports at 132 million tonnes ("Mt") grading 28.3 per cent iron ("Fe"), with an Inferred Mineral Resource of 39 Mt grading 27.1 per cent Fe.

In Finland, Grafintec, a wholly-owned subsidiary, is developing a resource footprint of natural flake graphite and the capability to serve the anode manufacturing industry. 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 CO₂ 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 and Shala licence areas which are showing potential for copper-gold porphyry mineralisation. With Beowulf's support, Vardar is focused on making a discovery.

Kallak is the foundation asset of the Company, 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 SIX MONTHS TO 30 JUNE 2023

| | | (Unaudited) 3 months ended 30 June 2023 | (Unaudited) 3 months ended 30 June 2022 | (Unaudited) 6 months ended 30 June 2023 | (Unaudited) 6 months ended 30 June 2022 | (Audited) 12 months ended 31 December 2022 |
|--|-------|--|--|--|--|---|
| | Notes | £ | £ | £ | £ | £ |
| Continuing operations | | | | | | |
| Administrative expenses | | (1,097,738) | (400,212) | (1,691,473) | (734,946) | (1,806,582) |
| Impairment of exploration assets | | - | - | - | - | (36,988) |
| Operating loss | | (1,097,738) | (400,212) | (1,691,473) | (734,946) | (1,843,570) |
| Gain on disposal of investment | | - | - | - | - | 21,951 |
| Finance costs | 3 | (199) | (52) | (195,735) | (117) | (304,806) |
| Finance income | | 3,179 | 24 | 3,637 | 30 | 176 |
| Grant income | | 59,199 | 34,640 | 83,955 | 51,426 | 84,797 |
| Loss before and after taxation | | (1,035,559) | (365,600) | (1,799,616) | (683,607) | (2,041,452) |
| Loss attributable to: | | | | | | |
| Owners of the parent | | (1,017,310) | (351,718) | (1,760,745) | (644,661) | (1,948,459) |
| Non-controlling interests | | (18,249) | (13,882) | (38,871) | (38,946) | (92,993) |
| | | (1,035,559) | (365,600) | (1,799,616) | (683,607) | (2,041,452) |
| Loss per share attributable to the owners of the parent: Basic and diluted (pence) | 4 | (0.09) | (0.04) | (0.17) | (0.08) | (0.23) |

BEOWULF MINING PLC
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE LOSS
FOR THE SIX MONTHS TO 30 JUNE 2023

| | (Unaudited) 3 months ended 30 June 2023 £ | (Unaudited) 3 months ended 30 June 2022 £ | (Unaudited) 6 months ended 30 June 2023 £ | (Unaudited) 6 months ended 30 June 2022 £ | (Audited) 12 months ended 31 December 2022 £ |
|---|---|---|---|---|--|
| Loss for the period/year | (1,035,559) | (365,600) | (1,799,616) | (683,607) | (2,041,452) |
| Other comprehensive loss | | | | | |
| Items that may be reclassified subsequently to profit or loss: | | | | | |
| Exchange losses arising on translation of foreign operations | (639,760) | (6,943) | (784,607) | (54,908) | (32,945) |
| Total comprehensive loss | <u>(1,675,319)</u> | <u>(372,543)</u> | <u>(2,584,223)</u> | <u>(738,515)</u> | <u>(2,074,397)</u> |
| Total comprehensive loss attributable to: | | | | | |
| Owners of the parent | (1,631,619) | (373,176) | (2,511,641) | (715,926) | (2,020,889) |
| Non-controlling interests | <u>(43,700)</u> | <u>633</u> | <u>(72,582)</u> | <u>(22,589)</u> | <u>(53,508)</u> |
| | <u>(1,675,319)</u> | <u>(372,543)</u> | <u>(2,584,223)</u> | <u>(738,515)</u> | <u>(2,074,397)</u> |

BEOWULF MINING PLC
CONDENSED COMPANY STATEMENT OF COMPREHENSIVE LOSS
FOR THE SIX MONTHS TO 30 JUNE 2023

| | | (Unaudited) 3 months ended 30 June 2023 | (Unaudited) 3 months ended 30 June 2022 | (Unaudited) 6 months ended 30 June 2023 | (Unaudited) 6 months ended 30 June 2022 | (Audited) 12 months ended 31 December 2022 |
|--|-------|--|--|--|--|---|
| | Notes | £ | £ | £ | £ | £ |
| Continuing operations | | | | | | |
| Administrative expenses | | <u>(1,217,899)</u> | <u>(272,790)</u> | <u>(1,623,456)</u> | <u>(498,703)</u> | <u>(1,090,254)</u> |
| Operating loss | | <u>(1,217,899)</u> | <u>(272,790)</u> | <u>(1,623,456)</u> | <u>(498,703)</u> | <u>(1,090,254)</u> |
| Gain on disposal of investment | | - | - | - | - | 21,951 |
| Finance costs | 3 | - | - | (195,304) | - | (304,529) |
| Finance income | | 3,063 | 24 | 3,487 | 30 | 170 |
| Loss before and after taxation and total comprehensive loss | | <u><u>(1,214,836)</u></u> | <u><u>(272,766)</u></u> | <u><u>(1,815,273)</u></u> | <u><u>(498,673)</u></u> | <u><u>(1,372,662)</u></u> |
| Loss per share attributable to the owners of the parent: | | | | | | |
| Basic and diluted (pence) | 4 | (0.10) | (0.03) | (0.18) | (0.06) | (0.17) |

BEOWULF MINING PLC
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2023

| | | (Unaudited) As at 30 June 2023 £ | (Unaudited) As at 30 June 2022 £ | (Audited) As at 31 December 2022 £ |
|-------------------------------------|-------|--|--|--|
| ASSETS | Notes | | | |
| Non-current assets | | | | |
| Intangible assets | 7 | 13,588,729 | 11,903,312 | 13,002,465 |
| Property, plant and equipment | | 110,435 | 115,752 | 129,715 |
| Loans and other financial assets | | 5,020 | 5,206 | 5,181 |
| Right of use asset | | 12,402 | 4,738 | 19,279 |
| | | <u>13,716,586</u> | <u>12,029,008</u> | <u>13,156,640</u> |
| Current assets | | | | |
| Trade and other receivables | | 190,419 | 335,352 | 220,427 |
| Cash and cash equivalents | | 2,855,840 | 1,880,584 | 1,776,556 |
| | | <u>3,046,259</u> | <u>2,215,936</u> | <u>1,996,983</u> |
| TOTAL ASSETS | | <u>16,762,845</u> | <u>14,244,944</u> | <u>15,153,623</u> |
| EQUITY | | | | |
| Shareholders' equity | | | | |
| Share capital | 5 | 11,571,875 | 8,317,106 | 8,317,106 |
| Share premium | | 27,141,444 | 24,689,311 | 24,689,311 |
| Capital contribution reserve | | 46,451 | 46,451 | 46,451 |
| Share-based payment reserve | 6 | 754,941 | 668,482 | 516,098 |
| Merger reserve | | 137,700 | 137,700 | 137,700 |
| Translation reserve | | (2,040,311) | (1,288,250) | (1,289,415) |
| Accumulated losses | | (22,132,300) | (19,412,537) | (20,323,414) |
| Total equity | | <u>15,479,800</u> | <u>13,158,263</u> | <u>12,093,837</u> |
| Non-controlling interests | | 544,291 | 599,651 | 568,732 |
| TOTAL EQUITY | | <u>16,024,091</u> | <u>13,757,914</u> | <u>12,662,569</u> |
| LIABILITIES | | | | |
| Current liabilities | | | | |
| Trade and other payables | | 726,152 | 482,192 | 625,730 |
| Borrowings | 8 | - | - | 1,845,947 |
| Lease liability | | 8,792 | 4,838 | 10,840 |
| | | <u>734,944</u> | <u>487,030</u> | <u>2,482,517</u> |
| Non-current liabilities | | | | |
| Lease liability | | 3,810 | - | 8,537 |
| | | <u>3,810</u> | <u>-</u> | <u>8,537</u> |
| TOTAL LIABILITIES | | <u>738,754</u> | <u>487,030</u> | <u>2,491,054</u> |
| TOTAL EQUITY AND LIABILITIES | | <u>16,762,845</u> | <u>14,244,944</u> | <u>15,153,623</u> |

BEOWULF MINING PLC
CONDENSED COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2023

| | | (Unaudited) As at 30 June 2023 £ | (Unaudited) As at 30 June 2022 £ | (Audited) As at 31 December 2022 £ |
|-------------------------------------|-------|--|--|--|
| ASSETS | Notes | | | |
| Non-current assets | | | | |
| Investments | | 3,967,150 | 3,577,989 | 3,645,181 |
| Loans and other financial assets | | 12,232,430 | 10,268,446 | 11,084,289 |
| Property, plant and equipment | | 730 | 972 | 834 |
| | | <u>16,200,310</u> | <u>13,847,407</u> | <u>14,730,304</u> |
| Current assets | | | | |
| Trade and other receivables | | 42,845 | 139,009 | 53,284 |
| Cash and cash equivalents | | 2,608,373 | 1,231,810 | 1,667,840 |
| | | <u>2,651,218</u> | <u>1,370,819</u> | <u>1,721,124</u> |
| TOTAL ASSETS | | <u>18,851,528</u> | <u>15,218,226</u> | <u>16,451,428</u> |
| EQUITY | | | | |
| Shareholders' equity | | | | |
| Share capital | 5 | 11,571,875 | 8,317,106 | 8,317,106 |
| Share premium | | 27,141,444 | 24,689,311 | 24,689,311 |
| Capital contribution reserve | | 46,451 | 46,451 | 46,451 |
| Share-based payment reserve | 6 | 754,941 | 668,482 | 516,098 |
| Merger reserve | | 137,700 | 137,700 | 137,700 |
| Accumulated losses | | (21,132,728) | (18,836,387) | (19,317,455) |
| TOTAL EQUITY | | <u>18,519,683</u> | <u>15,022,663</u> | <u>14,389,211</u> |
| LIABILITIES | | | | |
| Current liabilities | | | | |
| Trade and other payables | | 331,845 | 195,563 | 216,270 |
| Borrowings | 8 | - | - | 1,845,947 |
| TOTAL LIABILITIES | | <u>331,845</u> | <u>195,563</u> | <u>2,062,217</u> |
| TOTAL EQUITY AND LIABILITIES | | <u>18,851,528</u> | <u>15,218,226</u> | <u>16,451,428</u> |

BEOWULF MINING PLC
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS TO 30 JUNE 2023

| | Share capital | Share premium | Capital contribution reserve | Share-based payment reserve | Merger reserve | Translation reserve | Accumulated losses | Total | Non-controlling interest | Total equity |
|---|-------------------|-------------------|------------------------------|-----------------------------|----------------|---------------------|---------------------|-------------------|--------------------------|-------------------|
| | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ |
| At 1 January 2022 | 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 period | - | - | - | - | - | - | (644,661) | (644,661) | (38,946) | (683,607) |
| Foreign exchange translation | - | - | - | - | - | (71,265) | - | (71,265) | 16,357 | (54,908) |
| Total comprehensive loss | - | - | - | - | - | (71,265) | (644,661) | (715,926) | (22,589) | (738,515) |
| <i>Transactions with owners</i> | | | | | | | | | | |
| Step acquisition of Subsidiary restated (note 9) | - | - | - | - | - | - | (297,201) | (297,201) | 297,201 | - |
| At 30 June 2022 (Unaudited & restated) | 8,317,106 | 24,689,311 | 46,451 | 668,482 | 137,700 | (1,288,250) | (19,412,537) | 13,158,263 | 599,651 | 13,757,914 |
| Loss for the period | - | - | - | - | - | - | (1,303,798) | (1,303,798) | (54,047) | (1,357,845) |
| Foreign exchange translation | - | - | - | - | - | (1,165) | - | (1,165) | 23,128 | 21,963 |
| Total comprehensive loss | - | - | - | - | - | (1,165) | (1,303,798) | (1,304,963) | (30,919) | (1,335,882) |
| <i>Transactions with owners</i> | | | | | | | | | | |
| Equity-settled share-based payment transactions | - | - | - | 240,537 | - | - | - | 240,537 | - | 240,537 |
| Transfer reserve on lapse of option | - | - | - | (392,921) | - | - | 392,921 | - | - | - |
| At 31 December 2022 (Audited) | 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 period | - | - | - | - | - | - | (1,760,745) | (1,760,745) | (38,871) | (1,799,616) |
| Foreign exchange translation | - | - | - | - | - | (750,896) | - | (750,896) | (33,711) | (784,607) |
| Total comprehensive loss | - | - | - | - | - | (750,896) | (1,760,745) | (2,511,641) | (72,582) | (2,584,223) |
| <i>Transactions with owners</i> | | | | | | | | | | |
| Issue of share capital | 3,254,769 | 3,654,829 | - | - | - | - | - | 6,909,598 | - | 6,909,598 |
| Issue costs | - | (1,202,696) | - | - | - | - | - | (1,202,696) | - | (1,202,696) |
| Equity-settled share-based payment transactions | - | - | - | 238,843 | - | - | - | 238,843 | - | 238,843 |
| Step acquisition of Subsidiary | - | - | - | - | - | - | (48,141) | (48,141) | 48,141 | - |
| At 30 June 2023 (Unaudited) | 11,571,875 | 27,141,444 | 46,451 | 754,941 | 137,700 | (2,040,311) | (22,132,300) | 15,479,800 | 544,291 | 16,024,091 |

BEOWULF MINING PLC
COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS TO 30 JUNE 2023

| | Share capital | Share premium | Capital contribution reserve | Share-based payment reserve | Merger reserve | Accumulated losses | Total |
|---|-------------------|-------------------|------------------------------|-----------------------------|----------------|---------------------|-------------------|
| | £ | £ | £ | £ | £ | £ | £ |
| At 1 January 2022 | 8,317,106 | 24,689,311 | 46,451 | 668,482 | 137,700 | (18,337,714) | 15,521,336 |
| Loss for the period | - | - | - | - | - | (498,673) | (498,673) |
| Total comprehensive loss | - | - | - | - | - | (498,673) | (498,673) |
| At 30 June 2022 (Unaudited) | 8,317,106 | 24,689,311 | 46,451 | 668,482 | 137,700 | (18,836,387) | 15,022,663 |
| Loss for the period | - | - | - | - | - | (873,989) | (873,989) |
| Total comprehensive loss | - | - | - | - | - | (873,989) | (873,989) |
| <i>Transactions with owners</i> | | | | | | | |
| Equity-settled share-based payment transactions | - | - | - | 240,537 | - | - | 240,537 |
| Transfer reserve on lapse of option | - | - | - | (392,921) | - | 392,921 | - |
| At 31 December 2022 (Audited) | 8,317,106 | 24,689,311 | 46,451 | 516,098 | 137,700 | (19,317,455) | 14,389,211 |
| Loss for the period | - | - | - | - | - | (1,815,273) | (1,815,273) |
| Total comprehensive loss | - | - | - | - | - | (1,815,273) | (1,815,273) |
| <i>Transactions with owners</i> | | | | | | | |
| Issue of share capital | 3,254,769 | 3,654,829 | - | - | - | - | 6,909,598 |
| Issue costs | - | (1,202,696) | - | - | - | - | (1,202,696) |
| Equity-settled share-based payment transactions | - | - | - | 238,843 | - | - | 238,843 |
| At 30 June 2023 (Unaudited) | 11,571,875 | 27,141,444 | 46,451 | 754,941 | 137,700 | (21,132,728) | 18,519,683 |

BEOWULF MINING PLC
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS TO 30 JUNE 2023

| | (Unaudited) 6 months to 30 June 2023 £ | (Unaudited) 6 months to 30 June 2022 £ | (Audited) Year ended 31 December 2022 £ |
|---|--|--|---|
| Cash flows from operating activities | | | |
| Loss before income tax | (1,799,615) | (683,607) | (2,041,452) |
| Depreciation charges | 21,812 | 19,886 | 45,133 |
| Amortisation of right-of-use asset | 4,473 | 2,796 | 6,384 |
| Equity-settled share-based transactions | 238,843 | - | 240,537 |
| Impairment of exploration costs | - | - | 36,988 |
| Finance income | (3,636) | (30) | (176) |
| Finance cost | 195,735 | 117 | 304,806 |
| Grant income | (83,955) | - | (84,797) |
| Gain on sale of investment | - | - | (21,951) |
| Unrealised foreign exchange | 136,635 | 47,734 | 55,337 |
| | <u>(1,289,708)</u> | <u>(613,104)</u> | <u>(1,459,191)</u> |
| Decrease/(increase) in trade and other receivables | 26,630 | (153,778) | (36,535) |
| Increase/(decrease) in trade and other payables | 120,049 | 124,359 | (43,827) |
| Net cash used in operating activities | <u>(1,143,029)</u> | <u>(642,523)</u> | <u>(1,539,553)</u> |
| Cash flows from investing activities | | | |
| Purchase of intangible fixed assets | (1,325,909) | (721,019) | (1,536,674) |
| Purchase of property, plant and equipment | (6,277) | (6,814) | (34,397) |
| Proceeds from disposal of investments | - | - | 21,951 |
| Interest received | 3,636 | 30 | 176 |
| Grant receipt | 83,955 | - | 84,797 |
| Grant repaid | - | (41,304) | (39,849) |
| Net cash used in investing activities | <u>(1,244,595)</u> | <u>(769,107)</u> | <u>(1,503,996)</u> |
| Cash flows from financing activities | | | |
| Proceeds from issue of shares | 4,373,056 | - | - |
| Payment of share issue costs | (704,587) | - | - |
| Lease principal paid | (6,296) | (2,753) | (6,347) |
| Lease interest paid | (431) | (64) | (264) |
| Proceeds from borrowings | - | - | 1,554,381 |
| Interest paid | - | - | (10) |
| Net cash from/(used in) financing activities | <u>3,661,742</u> | <u>(2,817)</u> | <u>1,547,760</u> |
| Increase/(decrease) in cash and cash equivalents | <u>1,274,118</u> | <u>(1,414,447)</u> | <u>(1,495,789)</u> |
| Cash and cash equivalents at beginning of period/year | 1,776,556 | 3,336,134 | 3,336,134 |
| Effect of foreign exchange rate changes | (194,834) | (41,103) | (63,789) |
| Cash and cash equivalents at end of period/year | <u>2,855,840</u> | <u>1,880,584</u> | <u>1,776,556</u> |

BEOWULF MINING PLC
CONDENSED COMPANY STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS TO 30 JUNE 2023

| | (Unaudited) 6 months to 30 June 2023 £ | (Unaudited) 6 months to 30 June 2022 £ | (Audited) Year ended 31 December 2022 £ |
|---|--|--|---|
| Cash flows from operating activities | | | |
| Loss before income tax | (1,815,273) | (498,673) | (1,372,662) |
| Expected credit losses | 414,831 | 5,336 | 5,336 |
| Equity-settled share-based transactions | 166,873 | - | 173,344 |
| Depreciation | 104 | 140 | 278 |
| Finance income | (3,487) | (30) | (170) |
| Finance cost | 195,304 | - | 304,529 |
| Gain on disposal of investment | - | - | (21,951) |
| Unrealised foreign exchange | 136,635 | 46,279 | 55,337 |
| | <u>(905,013)</u> | <u>(446,948)</u> | <u>(855,959)</u> |
| Decrease/(increase) in trade and other receivables | 10,439 | (97,825) | (12,099) |
| (Decrease)/increase in trade and other payables | 115,576 | 81,071 | 101,779 |
| Net cash used in operating activities | <u>(778,998)</u> | <u>(463,702)</u> | <u>(766,279)</u> |
| Cash flows from investing activities | | | |
| Loans to subsidiaries | (1,562,972) | (94,132) | (909,975) |
| Acquisition of subsidiary | (250,000) | (1,200,000) | (1,200,000) |
| Interest received | 3,487 | 30 | 170 |
| Grant repaid | - | (39,849) | (39,849) |
| Proceeds from disposal of investments | - | - | 21,951 |
| Net cash used in investing activities | <u>(1,809,485)</u> | <u>(1,333,951)</u> | <u>(2,127,703)</u> |
| Cash flows from financing activities | | | |
| Proceeds from issue of shares | 4,373,056 | - | - |
| Payment of share issue costs | (704,587) | - | - |
| Proceeds from borrowings | - | - | 1,554,381 |
| Net cash from financing activities | <u>3,668,468</u> | <u>-</u> | <u>1,554,381</u> |
| Increase/(decrease) in cash and cash equivalents | <u>1,079,986</u> | <u>(1,797,653)</u> | <u>(1,339,601)</u> |
| Cash and cash equivalents at beginning of period/year | 1,667,840 | 3,075,741 | 3,075,741 |
| Effect of foreign exchange rate changes | (139,453) | (46,278) | (68,300) |
| Cash and cash equivalents at end of period/year | <u>2,608,373</u> | <u>1,231,810</u> | <u>1,667,840</u> |

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FOR THE SIX MONTHS TO 30 JUNE 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 interim financial information are the same as those used in the Group's audited financial statements for the year ended 31 December 2022 except as noted below.

The financial information in this statement does not constitute full statutory accounts within the meaning of Section 434 of the UK Companies Act 2006. The financial information for the period ended 30 June 2023 is unaudited and has not been reviewed by the auditors. The financial information for the twelve months ended 31 December 2022 is an extract from the audited financial statements of the Group and Company. The auditor's report on the statutory financial statements for the year ended 31 December 2022 was unqualified but did contain a material uncertainty with respect of going concern, however following additional audit procedures and noting it as key audit matter, it was concluded the going concern basis was appropriate.

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.

In the six-month period ended 30 June 2023, the Group have completed the Rights Issue raising SEK 62.8 million (approximately £5 million) before expenses and the PrimaryBid Offer and Placing raising an aggregate of £1.4 million before expenses. As a result, the underwriting commitments were not activated.

During the period, 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 £2.04m was repaid via a deduction to the gross proceeds from the Rights Issue.

The net funds raised after the loan repayment and share issue transaction costs were £3.67 million.

Management prepared cash flow forecasts which indicate that although there is no immediate funding requirement, the Group would need to raise further funds in the next 12 months 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. However, while they are confident of being able to raise the new funds as they are required, there are currently no agreements in place, and there can be no certainty that they will be successful in raising the required funds within the appropriate timeframe.

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.

3. Finance costs

| | (Unaudited) 3 months ended 30 June 2023 £ | (Unaudited) 3 months ended 30 June 2022 £ | (Unaudited) 6 months ended 30 June 2023 £ | (Unaudited) 6 months ended 30 June 2022 £ | (Audited) 12 months ended 31 December 2022 £ |
|----------------------------------|---|---|---|---|--|
| Group | | | | | |
| Bridging loan amortised interest | | - | 195,304 | - | 304,529 |
| Lease liability interest | 199 | 52 | 431 | 117 | 267 |
| Other interest paid | | - | - | - | 10 |
| | <u>199</u> | <u>52</u> | <u>195,735</u> | <u>117</u> | <u>304,806</u> |
| | (Unaudited) 3 months ended 30 June 2023 £ | (Unaudited) 3 months ended 30 June 2022 £ | (Unaudited) 6 months ended 30 June 2023 £ | (Unaudited) 6 months ended 30 June 2022 £ | (Audited) 12 months ended 31 December 2022 £ |
| Parent | | | | | |
| Bridging loan amortised interest | - | - | 195,304 | - | 304,529 |
| | <u>-</u> | <u>-</u> | <u>195,304</u> | <u>-</u> | <u>304,529</u> |

4. Loss per share

| | (Unaudited) 3 months ended 30 June 2023 | (Unaudited) 3 months ended 30 June 2022 | (Unaudited) 6 months ended 30 June 2023 | (Unaudited) 6 months ended 30 June 2022 | (Audited) 12 months ended 31 December 2022 |
|--|--|--|--|--|---|
| Group | | | | | |
| Loss for the period/year attributable to shareholders of the Company (£'s) | (1,017,310) | (351,718) | (1,760,745) | (644,661) | (1,948,459) |
| Weighted average number of ordinary shares | 1,157,187,463 | 831,710,636 | 1,012,531,095 | 831,710,636 | 831,710,636 |
| Loss per share (p) | <u>(0.09)</u> | <u>(0.04)</u> | <u>(0.17)</u> | <u>(0.08)</u> | <u>(0.23)</u> |
| Parent | | | | | |
| Loss for the period/year attributable to shareholders of the Company (£'s) | (1,214,836) | (272,766) | (1,815,273) | (498,673) | (1,372,662) |
| Weighted average number of ordinary shares | 1,157,187,463 | 831,438,681 | 1,012,531,095 | 831,710,636 | 831,710,636 |
| Loss per share (p) | <u>(0.10)</u> | <u>(0.03)</u> | <u>(0.18)</u> | <u>(0.06)</u> | <u>(0.17)</u> |

5. Share Capital

| | (Unaudited) 30 June 2023 £ | (Unaudited) 30 June 2022 £ | (Unaudited) 31 December 2022 £ |
|--|-------------------------------------|-------------------------------------|---|
| Allotted, issued and fully paid | | | |
| Ordinary shares of 1p each | <u>11,571,875</u> | <u>8,317,106</u> | <u>8,317,106</u> |

The number of shares in issue was as follows:

| | Number of shares |
|------------------------------------|-----------------------------|
| Balance at 1 January 2022 | 831,710,636 |
| Issued during the period | - |
| Balance at 30 June 2022 | <u>831,710,636</u> |
| Issued during the period | - |
| Balance at 31 December 2022 | <u>831,710,636</u> |
| Issued during the period | <u>325,476,827</u> |
| Balance at 30 June 2023 | <u>1,157,187,463</u> |

On 28 February 2023, the Company announced the completion of the Rights Issue, Placing and Primary Bid Offer to issue a combined 325,476,827 ordinary shares of £0.01. The Primary Bid Offer raised approximately £0.8 million before expenses. In addition to the Primary Bid Offer, the Placing raised approximately £0.4 million. Members of the Board and executive management also subscribed to an agreed amount of £181,000.

6. Share based payments

During the period, Nil options were granted (year ended 31 December 2022: 23,250,000). The options outstanding as at 30 June 2023 have an exercise price in the range of 1.00 pence to 7.35 pence (31 December 2022: 1.00 pence to 7.35 pence) and a weighted average remaining contractual life of 7 years, 8 days (31 December 2022: 7 years, 98 days).

The share-based payment expense for the options for the period ended 30 June 2023 was £238,843 (year ended 31 December 2022: £240,537). The share-based payment expenses for the period includes an accelerated charge of £77,397 in relation to revised vesting expectations for options held by Mr. Budge prior to his resignation.

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

| | 2022 | | 2019 |
|--------------------------|------------|-----------|-----------|
| Number of options | 20,750,000 | 2,500,000 | 9,250,000 |
| Fair value at grant date | 3.12p | 3.59p | 1.15p |
| Share price | 4.00p | 4.00p | 5.65p |
| Exercise price | 5.25p | 1.00p | 7.35p |
| Expected volatility | 100% | 100% | 51.89% |
| Option life | 10 years | 10 years | 5 years |
| Risk free interest rate | 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.

| Reconciliation of options in issue | Number | Weighted average exercise price (£'s) |
|---|--------|--|
| | | |

| | | |
|--|-------------------|--------------|
| Outstanding at 1 January 2022 and 30 June 2022 | 13,750,000 | 0.089 |
| Granted during the period | 23,250,000 | 0.048 |
| Lapsed during the period | (4,500,000) | 0.120 |
| Outstanding at 31 December 2022 and 30 June 2023 | <u>32,500,000</u> | <u>0.055</u> |
| Exercisable at 31 December 2022 and 30 June 2023 | <u>11,750,000</u> | <u>0.060</u> |

No warrants were granted during the period (2022: Nil).

7. Intangible Assets: Group

| Exploration costs | As at 30 June 2023 (Unaudited) £ | As at 31 December 2022 (Audited) £ |
|----------------------------|--|--|
| Cost | | |
| At 1 January | 13,002,465 | 11,235,656 |
| Additions for the year | 1,406,778 | 1,850,946 |
| Foreign exchange movements | (820,514) | (47,149) |
| Impairment | - | (36,988) |
| | <u>13,588,729</u> | <u>13,002,465</u> |

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

| Project | Country | As at 30 June 2023 (Unaudited) £ | As at 31 December 2022 (Audited) £ |
|----------------|----------------|--|--|
| Kallak | Sweden | 8,206,464 | 7,666,563 |
| Ågåsjegegge | Sweden | 330,961 | 358,694 |
| Åtvidaberg | Sweden | 7,116 | 7,718 |
| Pitkäjärvi | Finland | 1,636,375 | 1,641,836 |
| Karhunmäki | Finland | 55,056 | 56,089 |
| Rääpysjärvi | Finland | 150,506 | 148,430 |
| Luopioinen | Finland | 4,486 | 4,257 |
| Emas | Finland | 17,703 | 1,663 |
| Mitrovica | Kosovo | 2,502,970 | 2,430,150 |
| Viti | Kosovo | 677,092 | 687,065 |
| | | <u>13,588,729</u> | <u>13,002,465</u> |

Total Group exploration costs of £13,588,729 are currently carried at cost in the financial statements. No impairment has been recognised during the period, (2022: £36,988).

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 originally applied for the Exploitation Concession in April 2013 and management actively sought to progress the application, engaging with the various government bodies and other stakeholders. The Exploitation Concession was finally awarded in March 2022.

Kallak is included in the condensed financial statements as at 30 June 2023 as an intangible exploration licence with a carrying value of £8.21m. 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.

8. Borrowings

| | (Unaudited) As at 30 June 2023 £ | (Unaudited) As at 31 December 2022 £ |
|-----------------|--|--|
| Opening balance | 1,845,947 | - |
| Funds advanced | - | 1,554,381 |
| Finance costs | 195,304 | 304,529 |
| Effect of FX | (2,818) | (12,963) |
| Funds repaid | (2,038,433) | - |
| | <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 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 £2.04m was repaid via a deduction to the gross proceeds from the Capital Raise during the Period.

9. Prior period correction

The correction of £59,209 between non-controlling interest and accumulated losses is required to remedy an error in the step acquisition movement from 49.4 per cent to 51.4 per cent. There is no impact to the statement of comprehensive income or any other statement as a result of this correction.

Consolidated statement of Financial Position

| | (Unaudited) As at 30 June 2022 £ | Correction of prior period error £ | (Unaudited and Restated) As at 30 June 2022 £ |
|---|--|---|--|
| TOTAL ASSETS | <u>14,244,944</u> | <u>-</u> | <u>14,244,944</u> |
| EQUITY | | | |
| Shareholders' equity | | | |
| Share capital | 5 8,317,106 | - | 8,317,106 |
| Share premium | 24,689,311 | - | 24,689,311 |
| Capital contribution reserve | 46,451 | - | 46,451 |
| Share-based payment reserve | 6 668,482 | - | 668,482 |
| Merger reserve | 137,700 | - | 137,700 |
| Translation reserve | (1,288,250) | - | (1,288,250) |
| Accumulated losses | (19,471,746) | 59,209 | (19,412,537) |
| Total equity | <u>13,099,054</u> | <u>59,209</u> | <u>13,158,263</u> |
| Non-controlling interests | <u>658,860</u> | <u>(59,209)</u> | <u>599,651</u> |
| TOTAL EQUITY | <u>13,757,914</u> | <u>-</u> | <u>13,757,914</u> |
| TOTAL LIABILITIES | <u>487,030</u> | <u>-</u> | <u>487,030</u> |
| TOTAL EQUITY AND LIABILITIES | <u>14,244,944</u> | <u>-</u> | <u>14,244,944</u> |

10. Post balance sheet events

On 10 July 2023, Mikael Schauman was appointed as Non-Executive Director.

On 21 July 2023, the settlement amount in relation to Kurt Budge's resignation was agreed and subsequently paid on 27 July 2023. As the Company has a contractual obligation to pay this at the period end, a provision for the gross amount of £192,510 has been included as at 30 June 2023. This represents the remainder of the notice period due to Mr. Budge as he was continued to be paid up until the date that the agreement was reached.

On the same date, Mr. Budge was awarded a further 12,250,000 share options with an exercise price of £0.021 per share, no provision has been included for these in the period to 30 June 2023 as these could not be reliably estimated at this point.

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.

11. Availability of interim report

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

**** Ends ****