



Annual Report & Accounts 2009

BEOWULF MINING PLC

CONTENTS	Page
Company Information	1
Chairman's Statement	2
Operating and Financial Review	4
Report of the Directors	10
Report of the Independent Auditors	13
Income Statement	14
Statement of Comprehensive Income	15
Statement of Financial Position	16
Statement of Changes in Equity	17
Statement of Cash Flows	18
Notes to the Statement of Cash Flows	19
Notes to the Financial Statements	20

BOWULF MINING PLC
COMPANY INFORMATION FOR THE YEAR ENDED 31 DECEMBER 2009

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BEOWULF MINING PLC (REGISTERED NUMBER: 02330496)
CHAIRMAN'S STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2009

The Board of Beowulf Mining Plc ("Beowulf" or the "Company") is pleased to present the Company's results for the year ended 31 December 2009. Beowulf currently has eight projects in Northern Sweden primarily prospecting for iron, copper, gold and uranium. The results show that Beowulf incurred a loss after taxation for the year of £591,877 (2008: £398,664).

While the natural resource sector has to a large extent recovered from the doom and gloom of 2008/2009, it has not yet returned to the buoyant conditions of earlier years. For Beowulf, however, the last year has been one of continued progress.

Ruotevare and Kallak projects (iron ore)

The Company's main Ruotevare magnetite iron ore project in Norrbotten County, Northern Sweden has a maiden inferred JORC resource estimate, completed by independent geological consultants Runge Limited in August 2008, of 140 million tonnes grading 39.1% iron (Fe), 5.7% titanium (Ti) and 0.2% vanadium (V) (cut-off grade of 30% Fe).

In April 2009, we announced the results of metallurgical tests conducted by MINPRO AB's ("MINPRO") research laboratory at Stråssa, Central Sweden on material from Ruotevare which confirmed that by applying reduction techniques in a laboratory scale simulation of a mechanical oven, it was possible to produce a final product of high grade sponge iron powder containing 97% iron (Fe) and less than 0.5% titanium (TiO₂), and 0.02% vanadium (V). To complement these encouraging results, in June 2009 the Company commissioned enlarged metallurgical tests, at bench scale, to further validate and optimise the earlier defined reduction technique process.

In November 2009, it was reported that working on crushed and milled ore material tests showed that a final sponge iron powder containing up to 90% iron (Fe) with 1.5% titanium (Ti) is obtainable. The initial grades of Fe 52.1% and TiO₂ 11.4% from the milled ore material studied, compared very favourably with a 1970s study by the Geological Survey of Sweden ("SGU") showing grades of Fe 53% and TiO₂ 12.3%. A further update in December 2009 on tests conducted to optimise the process, showed a 5% increase to 95% in the iron content of the final product versus the November results. It was also reported that new bench tests to assess the possibility of producing a high grade pellet feed from the ore had been successful, resulting in a magnetite pellet feed product containing 67.8% Fe of high commercial quality with low levels of contaminating metals. MINPRO has indicated that the ongoing test programme to apply the reduction/segregation process should further improve the quality of the sponge iron powder obtainable from the Ruotevare deposit.

The MINPRO study commissioned in June 2009 also included ore material from the Company's Kallak iron ore deposit. Results from qualitative metallurgical testing on the Kallak ore material are anticipated to be available in early March 2010.

In addition to the metallurgical test programmes, in July 2009 the Company commissioned international consultants, Raw Materials Group ("RMG") of Sweden, to commence an initial conceptual study on Kallak and update its 2006 scoping study on Ruotevare, using the Company's most recent geological and technical data, with the objective of further defining the commerciality of these two projects. The updated conceptual study on Ruotevare was completed in February 2010 and showed that Ruotevare contains a significant resource of iron ore close to the surface and is very amenable to open-pit mining. On the basis of its conceptual financial analysis, RMG concluded that the project is robust and can potentially generate in excess of US\$3 billion in net cash flow over a 15 year mine life. Such results warrant further drilling and analytical work on the project. The final report will be released in the near future while a separate report on Kallak is anticipated to be received from RMG shortly.

Ballek and Grundtrask projects (copper-gold-uranium)

The second of the Company's projects to attain a JORC standard inferred resource estimate to date is the Lulepotten copper-gold deposit on the Ballek joint venture with an estimated 5.4 million tonnes grading 0.8% copper and 0.3 g/t of gold, representing a total of 43,000 tonnes of contained copper metal and 52,000 ounces of contained gold using a cut-off value of 0.3% for copper. Lulepotten currently forms the largest copper deposit within the Company's Ballek project area covering close to 11,000 hectares.

In line with our strategy of seeking to enhance and commercialise our existing projects, in July 2009 MINPRO were commissioned to conduct initial metallurgy tests. Based on a small laboratory sample, MINPRO were able to obtain a final copper concentrate, from bench scale flotation tests on material from the Lulepotten copper-gold deposit, containing 32.4% copper, 320 grammes per tonne (g/t) of silver, 29 g/t of tellurium and 5.6 g/t of gold, serving to justify further work in the Ballek area.

In September 2009, we were delighted to announce that we had acquired back full control of the Ballek project from our previous partner, Agricola Resources Plc ("Agricola"), and entered into a new joint venture agreement with the Australian resource company, Energy Ventures Limited (ASX: EVE) ("EVE") on more advantageous terms. Under the terms of the new joint venture, EVE has been appointed as manager and operator and can earn-in a 50 per cent. interest in the project if it sole funds and completes 1,600m of diamond drilling on-site by 31 March 2010. As announced in early February 2010, and confirmed during a recent site visit by the Board, EVE remains on track to meet this deadline with the current drilling programme expected to be completed by early March, following which geological and sampling activities will be undertaken with results anticipated by the end of April 2010.

Preliminary discussions are ongoing with EVE and other potential joint venture partners in respect of certain of the Company's other projects.

Other projects

In September 2009, in addition to acquiring back full control of Ballek, the Company also strengthened its Swedish asset base through the purchase of a package of five highly prospective licences from Agricola covering, in aggregate, an area of 148.4km² in Northern Sweden.

The Geddaur number 1, 2 and 3 uranium, gold and silver permits totalling 131.5km² are situated adjacent to our existing Ballek Project and the Manakjaure uranium permit totalling 5.4km² is approximately 120km north of Ballek. We believe that the recent renewed interest in nuclear power by the UK, German and Swedish governments serves to enhance the attractiveness of the uranium potential in such project areas. The Riikalahti nickel permit totalling 11.5km² is located in the Kiruna region.

In November 2009, the Company was also pleased to announce that it had been awarded a new exploration licence by the Swedish Mining Registrar in Bergsstaten, in respect of the Munka area in Northern Sweden, which covers 800 hectares and hosts Sweden's largest, drill confirmed deposit of molybdenum.

The Company continues to look for other assets to complement and extend its project portfolio.

Corporate

In late June 2009, the Company successfully completed a placing of 25,000,000 new ordinary shares at a price of 2p per share with both new and existing investors to raise £500,000 gross to provide additional working capital for the Company's continued exploration expenditure and planned growth and development.

Further to the Company's connection agreement with AktieTorget AB (www.aktietorget.se) in Stockholm, it provides a facility for the Company's ordinary shares to be traded in Sweden in the form of Swedish Depositary Receipts ("SDRs"). Under this arrangement, Beowulf's ordinary shares can be lodged with custodian bank Skandinaviska Enavilda Banken AB, via its London agent, HSBC bank, as security against the issue of SDRs which can then be traded on the Swedish AktieTorget market. As well as affording Swedish investors easier access to ownership of a stake in Beowulf, the Board's intention was to also increase liquidity and demand for the Company's ordinary shares. From an initial tranche of 2,000,000 ordinary shares lodged at inception of the facility in August 2008, there are now currently in excess of 23,000,000 ordinary shares lodged and traded on the AktieTorget via SDRs. As a company operating in Sweden and developing Swedish natural resource assets, this increased level of trading and investor support in Sweden continues to be highly encouraging.

Outlook

Despite another difficult year for the global economy, signs of a gradual recovery and increased confidence are now evident and the Board continues to believe in the commercial prospects for the Company's asset portfolio which has increased in both quantity and quality as well as resource type. Demand for both equities and commodities recovered strongly in the latter half of 2009 and future price trends for copper, gold, iron and uranium bode well for the Company's ongoing development. We will continue to look for new projects while seeking further joint venture partners for our existing projects and promoting the merits of our portfolio within the marketplace and investor community at large.

The Board very much appreciates the assistance and support of the Company's employees, advisers and shareholder base and looks forward to announcing further progress and project developments throughout the remainder of 2010.



Clive Sinclair-Poulton
Executive Chairman
1 March 2010

BOWULF MINING PLC (REGISTERED NUMBER: 02330496)
OPERATING AND FINANCIAL REVIEW FOR THE YEAR ENDED 31 DECEMBER 2009

Sweden is by far the largest iron ore (mostly magnetite) producer in the EU and one of the leading producers of base and precious metals. It provides modern, efficient and well-established infrastructure via roads, rail and water and benefits from excellent power accessibility/

affordability, a highly skilled mining and exploration workforce, extremely low sovereign risk and a very strong mining culture, built up over many decades.

Beowulf currently holds 18 exploration permits in Northern Sweden as set out below:

Licence Name	Licence ID	Area (sq. km)	Date Granted	Valid Until
Arjeplog Region:				
Ballek 2	2005:69	38.00	21/04/2005	21/04/2010
Ballek 3	2005:98	37.94	24/05/2005	24/05/2010
Ballek 4	2005:202	22.00	29/09/2005	29/09/2010
Ballek 5	2007:101	12.00	27/03/2007	27/03/2010
Geddaur 1	2007:130	12.00	23/04/2007	23/04/2010
Geddaur 2	2007:155	19.50	02/08/2007	02/08/2010
Geddaur 3	2007:209	100.0	02/08/2007	02/08/2010
Munka	2009:178	8.00	03/11/2009	03/11/2012
Jokkmokk Region:				
Majves 1	2003:067	5.00	23/04/2003	23/04/2010
Majves 2	2003:096	2.50	06/06/2003	06/06/2010
Majves 3	2009:019	7.30	21/01/2009	21/01/2012
Manakjaure	2007:133	5.40	24/04/2007	24/04/2010
Kallak 1	2006:197	5.00	28/06/2006	28/06/2010
Ruoutevare	2006:85	8.50	21/03/2006	21/03/2010
Kiruna Region:				
Riikalahti 1	2008:023	11.50	22/01/2008	22/01/2011
Skellefte Mining District:				
Grundträsk 2	2004:017	15.90	13/02/2004	13/02/2010
Grundträsk 3	2004:018	6.40	13/02/2004	13/02/2010
Grundträsk 4	2008:107	20.60	28/05/2008	28/05/2011
TOTAL:		337.54		

The exploration permits are governed by the Swedish Minerals Act (1991:45), which was subject to amendments in 1993 and 1998. The Act accords that an exploration permit is granted for an initial period of three years, and can be subsequently renewed for a further three years by way of annual extensions. A final extension of the permits can

be granted for an additional three years, after which an application for an exploitation concession must be made. Further information on the permits can be obtained from the Mining Inspector in Luleå (Bergsstaten, Varvsgatan 41, SE 972 32, Luleå, Sweden, www.bergsstaten.se).

Ruotevare

The Ruotevare Magnetite Project consists of one exploration permit covering a total area of 850 hectares located approximately 1,100km north of Stockholm, in Norrbotten County, 13km north-west of the small village of Kvikkjokk. The 2.3 billion tonne Kiruna iron ore mine, the world's second largest underground mine, is located approximately 150km northeast and the Malmberget iron ore mine is located 120km to the east. LKAB own and operate both the Kiruna and Malmberget iron ore mines as well as the Luleå-Malmberget-Kiruna-Narvik railway route used to transport iron concentrates and pellets.

The project area is approximately 180km by road from the nearest potential road-rail loading site, on the Luleå-Malmberget-Kiruna-Narvik railway route. Power accessibility and relative cost are excellent in Sweden, with the Seitevare hydroelectric plant located 75km by road from the project.

In August 2008, Beowulf announced a maiden JORC Code compliant Inferred Mineral Resource estimate for the project. Completed by independent geological consultants Runge Limited, the Inferred Mineral Resource estimate of 140 million tonnes (Mt) grading 39.1% iron (Fe), 5.7% titanium (Ti) and 0.2% vanadium (V) (cut-off grade of 30% Fe) exceeded the initial estimate of between 116-123Mt of mineralisation.

The estimate is based principally on 32 diamond core drill holes totalling 6,223m, drilled by the SGU in the early 1970s. SGU estimated 116Mt at 38.2% Fe, 5.6% Ti and 0.17% V. Detailed ground magnetic and metallurgical test work was made available to Runge Limited, together with geological mapping of the deposit completed in 2006. A comprehensive review of the drill data and geophysical information, together with the findings of the 2006 geological mapping report by Beowulf indicate that mineralisation extends beyond the area drilled by the SGU.

Detailed metallurgical test work of the Ruotevare deposit was first carried out by the Swedish government-owned iron ore mining company LKAB with subsequent work by Finnish steel company Rautaruukki.

The Ruotevare magnetite deposit is an out-cropping, flat-lying to gently dipping magnetite rich layer about 150m thick within an anorthositic gabbro. The magnetite ranges from massive to disseminated and is associated with ilmenite.

The magnetite mineralisation consists of four lenticular pods of mineralisation that are interpreted to be the result of magmatic layering within the intrusive complex. The most significant mineralised body is approximately 1,500m long and 200m to 300m wide.

There appears to be good potential to substantially increase the resource by drilling extensions to the existing resource and by testing other magnetite bearing zones in the vicinity of the deposit.

The resource was estimated in a standard block model using Ordinary Kriging interpolation. The interpolation was constrained by resource outlines based on mineralisation envelopes prepared using a nominal 30% Fe cut-off grade.

During the period under review, a series of metallurgical tests on material from Ruotevare have been conducted by MINPRO at its research laboratory at Stråssa, Central Sweden. Latest results from tests conducted on milled ore material to optimise a reduction technique process have shown that a final sponge iron powder containing up to 95% iron (Fe) with 1.5% titanium (Ti) is obtainable. The initial grades of Fe 52.1% and TiO₂ 11.4% from the milled ore material studied, compared very favourably with a 1970s study by the SGU showing grades of Fe 53% and TiO₂ 12.3%. Bench tests have also been successful in producing a magnetite pellet feed product containing 67.8% Fe of high commercial quality with low levels of contaminating metals. MINPRO has indicated that the ongoing test programme to apply the reduction/segregation process should further improve the quality of the sponge iron powder obtainable from the Ruotevare deposit.

In addition to the metallurgical test programme, in July 2009 the Company commissioned RMG of Sweden to update its 2006 scoping study on Ruotevare, using the Company's most recent geological and technical data, with the objective of further defining the commerciality of the project. The updated independent conceptual study was completed in February 2010 and showed that Ruotevare contains a significant resource of iron ore close to the surface and is very amenable to open-pit mining. On the basis of its conceptual financial analysis, RMG concluded that the project is robust and warrants further drilling and analytical work, being one of the largest known remaining iron ore deposits in Scandinavia still awaiting commercial exploitation.

Kallak

The Kallak iron ore deposit is located about 40km west of the Jokkmokk municipality centre in the Norrbotten County in Northern Sweden. The licence covers an area of 500 hectares of forested, low hilly ground close to the main paved road between Kvikkjokk (Ruotevare) and Jokkmokk. A high standard forest road passes across the deposit and a major hydroelectric powerstation with associated electric powerlines is located only a few kilometres away.

The Kallak iron ore was discovered by the SGU in 1947-48. Between 1968 and 1970, detailed ground geophysical surveys were carried out in the entire area of interest including closely grid spaced magnetic, gravimetric and electromagnetic measurements. Diamond drilling of seven holes was also carried out. It was found that two iron ore deposits were present, separated by only some several hundred metres in distance. Being in the same geological structure, they may well be connected at depth.

The iron ores are outcropping and consist of relatively massive magnetite and minor hematite, interlayered with quartz, feldspar and some hornblende. The dominant host rock is a grey volcanite. The ores occur in a north-south oriented syncline of sediments and felsic volcanic rocks of early Proterozoic age within granitic gneisses.

The iron ores are more than 300 metres wide and confirmed extension for the northern deposit is more than one kilometre.

Geophysical calculations by the SGU have estimated a tonnage for the northern deposit of 92 million tonnes and 29 million tonnes for the southern deposit. The ores have average grades varying between 35-42% of iron and have only low background values of TiO2 (< 0.1%), phosphorous (0.04%) and sulphur (<0.6%).

Results from qualitative metallurgical testing on Kallak ore material commissioned from MINPRO during the reporting period are anticipated to be available in early March 2010. In addition, a conceptual study on Kallak commissioned from RMG is anticipated to be received shortly and the Company is currently seeking a suitable joint venture partner to progress the project.

Ballek

The Ballek Joint Venture project comprises four exploration permits over a total area of 109.9km², located in the Norrbotten region of Northern Sweden. In September 2008 Beowulf reported a maiden Inferred Resource estimate, under the JORC code reporting standard, for the Lulepotten copper-gold deposit on the project. This represented the first stage review of known copper resources in the Ballek area following the diamond drilling programme completed by our former joint venture partner, Agricola, earlier in 2008, which also intersected copper sulphide mineralisation.

The estimate for the Lulepotten deposit outlined a total Inferred Resource of 5.4 million tonnes, grading 0.8% Cu and 0.3g/t Au, representing a total of 43,000 tonnes of contained copper metal and 52,000 ounces of contained gold using a cut-off value of 0.3% for copper.

	Inferred Resource			Contained Metal	
	Grade				
Deposit	Tonnes (Mt)	Cu (%)	Au (g/t)	Copper (t)	Gold (oz)
Lulepotten	5.4	0.8	0.3	43,000	52,000

Diamond drilling by the SGU in the 1960s and 1970s identified fracture-hosted copper-gold sulphide mineralisation at the Lulepotten deposit. Re-evaluation of this historic drilling data by Agricola suggested that the drilling had intersected locally significant thicknesses and grades of copper-gold mineralisation that may have sufficient continuity to be amenable to economic extraction through a bulk mining method.

The Lulepotten resource has been estimated on the basis of historical diamond drilling information and assay results recovered from the SGU archives in Malå, Sweden. This data has been verified by field checking of drill hole collar locations, visual inspection of the drill core and a full review of geological logging, sampling and assaying procedures. Confidence in the available data is sufficient to establish the geological and grade continuity appropriate for an Inferred Resource classification for the deposit.

The resource model for the Lulepotten deposit was defined by a total of 49 diamond drill holes, drilled perpendicular to strike and completed on a nominal 50 metre by 50 metre grid. The model comprises a series of sub-parallel, tabular bodies that show continuity over approximately 600 metres of strike length and down dip to the limit of drill testing. The resource estimate has been constrained to model wireframe volumes defined by the available geological and geochemical data.

An average specific gravity value of 2.7 has been used for the resource estimate, in the absence of any representative density measurements for the deposit. This value has been chosen on the basis of average accepted values for the rock types observed in the diamond drill core.

The Lulepotten copper-gold mineralisation is localised along the contact between a granitoid and a package of intercalated mafic to felsic volcanic rocks and sedimentary units which have all been metamorphosed and strongly foliated. The mineralisation occurs in a series of sub-parallel structures that follow the local fabric, which strikes southwest-northeast and dips steeply to the northwest. Sulphide mineralisation within the deposit comprises irregular veinlets and disseminations of chalcopyrite plus bornite, with lesser pyrite. Mineralisation is mainly developed within the metavolcanic and metasedimentary sequence but also locally occurs within the adjacent granite.

During the period from 1960 to 1978, 104 diamond drill holes were completed over the deposit area with approximately 22,265 metres of drilling on a nominal 50 metre by 50 metre grid spacing. These drill holes, core from which is currently stored at the SGU core archive, effectively tested the mineralised structure to a depth of about 250-300 metres below the surface, and over a strike length of approximately 1,500 metres. Only a single hole has tested the structure at depth (600 metres below surface) and results indicate that the mineralisation extends down-dip.

The mineralisation is open along strike and at depth and the prospective strike length of the mineralised structure is approximately 5,000 metres. Geological and geophysical targets with similar characteristics to the known mineralisation have been identified to both the north and southwest of the deposit, along the same geological structure that hosts the mineralisation.

Our new joint venture partner, EVE, has recently embarked on a 1,600m diamond drilling programme with results expected in May 2010. Further details of the joint venture are outlined on Beowulf's website (www.beowulfmining.com).

Grundträsk

The Grundträsk Project is focused solely on gold. It covers 45 square kilometres in the Skellefte Mining District of Northern Sweden. There is little outcrop and the land is currently used for forestry. There is good infrastructure in place, with the area being served by a network of forest roads, including the main road from Skellefte to Malå, which passes through the licence area. There are no problems with water and electricity with both being available locally. Grundträsk has the potential for a shallow depth gold resource, with gold bearing sulphide mineralisation starting at shallow depths of less than 12 metres, ensuring that any deposit will likely be amenable to open pit mining.

The results to date indicate the presence of sigmoidal gold bearing structures in the mineralised corridor over a strike length of 800 metres. Drilling has returned gold grades of up to 5.2 metres at 4.28 grams per tonne, 4.62 metres at 2.8 grams per tonne, 5.7 metres at 2.53 grams per tonne and 16.9 metres at 1.86 grams per tonne.

The results to date justify further work by Beowulf alone or by way of a joint venture with another company.

Jokkmokk

The target of the Jokkmokk area is an iron oxide copper gold deposit (IOCG). Beowulf has been exploring the area since 2003 and still retains the Majves 1, 2 and 3 claims.

The area was previously the subject of a joint venture with the copper major, Phelps Dodge. Drilling in 2004 intersected 110 metres of 0.42% copper and 0.52 grammes per tonne of gold. Follow up drilling in 2005 was less successful and Phelps Dodge withdrew from the joint venture.

The exploration logic is that the area is associated with large north-east south-west fracture zones and similar structures are associated with Boliden AB's Aitik copper mine. Beowulf has had discussions with a major copper producer about a joint venture on its Jokkmokk properties, but to date no joint venture has been completed.

Geddaur

The Geddaur licences, acquired from Agricola in September 2009, are located east and south of the city centre of the municipality of Arjeplog in the Norrbotten county of Northern Sweden. The total licence block of 131.5km², comprising Geddaur No. 1, 2 and 3 licences, joins up with our Ballek licence block. It has excellent infrastructure and easy field area access via a number of good forest roads. The licence areas have high potential to hold two separate styles of mineralisation, one type being copper-gold deposits and the other high grade uranium deposits.

i) Copper-Gold targets

Evaluation of the exploration potential along strike from the Lulepotten Cu-Au deposit at Ballek suggests that the Geddaur permits are prospective for repetitions of this style of mineralisation.

Available exploration data indicates that the geological structure which seemingly controls mineralisation at the Lulepotten deposit extends towards SW into the Geddaur 1 exploration permit.

There has been limited prior exploration conducted on the Geddaur permits. However, there are numerous boulder occurrences of copper sulphides in the area and the interpreted structure suggests that the permits have potential for copper-gold mineralisation.

The exploration programme on the Geddaur permits is much less advanced than on the Company's Ballek JV. A preliminary exploration programme for Cu-Au deposits is as follows:

- 1) Assessment of the available mapping, geochemistry and ground geophysics;
- 2) Completion of Induced Polarization (IP)/resistivity surveys as required to augment the historic SGU data (2010 field season); and
- 3) Reconnaissance drill testing of priority targets (2010-II drilling season).

The current drill programme of geophysical targets along the Lulepotten trend within our Ballek JV is likely to provide further geological insights into the distribution and controls of copper mineralisation within the Geddaur permits.

ii) Uranium targets

Uranium targets of high potential are located within the Geddaur 1 and 2 licences. The targets were initially discovered in the 1970s by the SGU as a result of follow up surveys from previous discoveries of several hundred radioactive boulders forming a trail several kilometres long extending in a NW-SE direction (coinciding with glacial flow direction). Ground geophysical gridline studies including magnetic, EM and gravimetric surveys, as well as detailed geochemical drainage sediment surveys, were carried out in the late 1970s. Most of this historic data has since been digitised and reinterpreted by Agricola and was transferred to Beowulf following its acquisition of the permits.

SGU's early work included limited trenching through the glacial overburden of the proximal part at the up ice direction of the boulder trail which revealed uranium bearing bedrock over 55m in length. The mineralised zone coincided well with a notable magnetic anomaly. However, at the time of the surveys water inflow from surrounding bogs restricted proper sampling and further intended trenching. Some incomplete sampling of the bedrock of the trench returned grades varying between 0.05-0.1% of uranium and low background levels of thorium, which were similar to those noted in the boulders. A local boulder in the overburden material of the trench was found to contain 0.4% uranium, 2.6 g/t of gold and 70 g/t of silver.

The uranium phase, although not determined, is probably uraninite, and occurs as disseminations in a foliated, hematized, granitoid host bedrock. Outside the trench, the local bedrock is poorly known as there are only a few outcrops registered in the glacial till and bog covered area. Regional geological maps indicate that the area is occupied by acid, metavolcanic rocks with minor intercalations of mafic rocks. Younger granites intrude the volcanic rocks.

Detailed drainage sediment geochemistry has outlined very strong responses of uranium coinciding with high molybdenum and silver in minor drainages close to the local trench and in the surrounding streams. The magnetic anomaly as noted from the historic ground geophysical survey is seen to extend for some kilometres through the licence area. Although a large drill programme was intended to be conducted in the 1970s by the SGU no drilling has yet been carried out on the prospect.

Beowulf plans to further evaluate these uranium prospects in the near future. It is initially envisaged drilling approximately 10 diamond drill holes for a total of around 1,000m centred on the pronounced magnetic anomaly, which extends for more than three kilometres through the Geddaur 1 licence area. Initial drillholes should be targeted to cut the uranium mineralisation at depth underneath the 55m mineralised stretch of the trench. Such an initial drill programme will best be performed in winter springtime conditions when the bogs are generally frozen and snow cover simplifies drill rig access.

There are a number of further subtle magnetic anomalies in the area which are associated with weak EM anomalies. It is currently intended that these will be further evaluated by a soil radon cup survey to be carried out in early spring (May-June) in order to pinpoint future drill targets. A soil radon grid line survey of 25m spacing should include about 300 sampling stations of radon detector cups.

Manakjaure

The Manakjaure uranium prospect is located approximately 85km northwest of the city centre of the municipality of Jokkmokk in the Norrbotten county of Northern Sweden. It covers a lightly forested area of 5.5km² and access is via a forest road from the east.

In general, the geology of the Manakjaure area is dominated by sedimentary rocks of recrystallised feldspar-rich quartzite belonging to the Precambrian Snavva-Sjöfallet Sediment Group. These rocks occupy most of the licence area. Volcanic rocks of acid lavas, lying stratigraphically above the sediments, are noted to the east. These supracrustal rocks strike in a NE-SW direction and dip approximately 40 degrees towards SE.

A pronounced feature, noted from historic magnetic surveys, is the presence of a major concordant-subconcordant basic dike (diabase) that extends through the complete licence area in a NE-SW direction. Several irregular lenses of pegmatite, carrying impregnation of uraninite are noted close to the diabase and the contact zone with the sediments.

The prospect was discovered by the SGU after several high grade radiometric boulders, forming large fields and trails, were located in the area with grades reaching 0.1% of uranium. In the early 1970s gridline magnetic surveys were carried out over parts of the area and in the mid 1970s an initial drill programme was carried out at two locations at the proximal parts of two identified boulder trails. The drilled targets, about 1.5km apart, were also lying on a major magnetic anomaly associated with the diabase. The magnetic anomaly, however, is of substantial length and as such only a very limited section was drill tested.

The historic drilling confirmed the presence of uranium in the generally biotite rich pegmatite, at both locations, lying closely associated with the diabase. Numerous zones of fracturing and shearing were also noted. In the southern target area, four holes penetrated the uranium bearing pegmatite. Average grades in these mineralised drill cores were about 800 ppm of uranium. A 0.5 metre section in one drill hole contained 0.35% uranium.

The historic drilling was confined to some narrow sections of the diabase where fields of radiometric boulders had been located at the glacial till surface. However, there are a number of extremely high-grade radioactive boulders in the area identified through groundwork performed by Agricola, indicating further different sources of uranium mineralisations than the zones drilled by the SGU.

To date, the full extension of the diabase, as identified by groundmagnetic survey, and its surrounding contact zones with quartzite/pegmatites is believed to form a viable economic target for uranium. The numerous zones of fracturing and shearing along the diabase structure may also locally form high grade pockets of uranium. There are also indications of parallel uranium bearing structures present within the licence area.

Based on the available positive historic results, further drilling of this prospect is planned in due course. Although potential further drill sites have been selected, mainly based on available studies of the ground magnetic survey data, Beowulf is currently planning for an initial soil radon cup grid survey to be carried out all along the anomalous magnetic zones. High soil radon areas will better define future drill sites.

Riikalahti

The Riikalahti 1 licence area covers 1,150 hectares and is targeted on nickel and copper sulphide prospects. It is located about 40km north of the town centre of Kiruna in the Norrbotten County of Northern Sweden. The area is relatively lightly forested. Access by field vehicles and drill rigs is best in the winter months as there are no local forestry roads within the licence area.

The prospect area is occupied by a large, layered mafic-ultramafic intrusive approximately 4 by 3 kilometres in size and was discovered and surveyed by the Swedish state-owned company LKAB Exploration AB in the 1970-80s. Some geophysical targets were tested by limited diamond drilling comprising 7 holes totalling 968 metres. Mineralised boulders with grades of up to 0.8% of copper and 0.3% of nickel were found in the area. Scout drilling revealed the best grades in a drill hole in gabbroic rock of 0.35% cobalt, 0.18% nickel and 0.21% copper over a narrow sulphide rich section. This hole also contained 0.43 g/t platinum plus palladium over a 1m section. The historic geochemical surveys indicate extremely high contents of nickel and copper present in large areas mainly in the central part of the licence area.

Based on the available historic exploration data and the large size of the layered intrusive, Beowulf considers that the Riikalahti area is of interest to host potential deposits of nickel and copper-bearing sulphides with platinum group metal credits. Future work will include ground geophysical surveys (magnetics and electro-magnetics (EM)) and potentially follow-up diamond drilling.

Munka

The Munka deposit, confirmed by historic drilling, extends over 800m in length with parallel mineralised lenses of varying width in excess of 20m. Between 1973 and 1977, a total of 67 holes were drilled for approximately 10,000 metres. Based on these historic drilling results, the SGU estimated resources up to 100m depth to be 1.7 million tonnes at 0.156% molybdenum (Mo). This historic estimate does not comply with current JORC or 43-101 international standards. At the estimated tonnage, the Munka deposit is the largest molybdenum deposit in Sweden with the available data indicating that the deposit may be significantly larger.

Beowulf has reviewed all of the available data on the Munka deposit registered at the SGU's offices at Malå, parts of which have not previously been reviewed. All drill cores presently stored at the SGU's offices are being rechecked with the analysis subject to Beowulf's control. With additional control studies in the field and some further limited drilling, Beowulf anticipates being able to rapidly achieve a JORC compliant resource estimate.

BOWULF MINING PLC (REGISTERED NUMBER: 02330496)
REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2009

The directors present their report together with the audited financial statements of the Company for the year ended 31 December 2009.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of exploration for world-class iron, copper, gold and uranium deposits.

REVIEW OF BUSINESS

A full review of the Company's activities during the year, recent events and expected future developments is contained in the Chairman's Statement and Operating and Financial Review on pages 2 to 9.

The results of the Company for the year are set out on page 14 and show a loss after taxation for the year of £591,877 (2008: £398,664).

DIVIDENDS

No dividends will be distributed for the year ended 31 December 2009.

EVENTS SINCE THE END OF THE YEAR

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

DIRECTORS

The directors during the year under review were:

Dr R D Young - resigned 5/3/2009
 Mr E Taylor
 Mr A C R Scutt
 Dr Jan-Ola Larsson
 Mr C Sinclair-Poulton

The beneficial interests of the directors holding office on 31 December 2009 in the issued share capital of the company were as follows:

	31.12.09	1.1.09
Ordinary Ip shares		
Mr E Taylor	250,000	250,000
Mr A C R Scutt	475,000	475,000
Dr Jan-Ola Larsson	50,000	50,000
Mr C Sinclair-Poulton	250,000	250,000

Ordinary shares under option

	Number	Exercise price	Expiry date
Mr C Sinclair-Poulton	2,500,000	5p	3 June 2012
Mr E Taylor	250,000	6p	3 June 2012
Mr A C R Scutt	250,000	6p	3 June 2012
Dr Jan-Ola Larsson	250,000	6p	3 June 2012

COMPANY'S POLICY ON PAYMENT OF CREDITORS

It is the Company's policy to pay suppliers within their respective credit terms. At the balance sheet date there were no trade payables

outstanding (2008 - trade payables outstanding represented 9 creditor days). Further details of the payment policy can be obtained by writing to the registered office of the Company.

FINANCIAL INSTRUMENTS

The Company's financial instruments comprise cash and cash equivalents, investments and financial assets and various items such as trade receivables, trade payables, accruals and prepayments that arise directly from its operations.

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

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's policy throughout the year has been to ensure that it has adequate liquidity to meet its liabilities when due by careful management of its working capital.

Credit Risk

The Company's principal financial assets are the cash and cash equivalents and taxation receivable as recognised in the balance sheet, and which represent the Company's maximum exposure to credit risk in relation to financial assets.

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 Company's income or the value of its holdings in financial instruments.

Capital Management

The Company's capital consists wholly of ordinary shares. 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.

Commodity Price Risk

The principal activity of the Company is the exploration for iron, copper, gold and uranium in Sweden, and the principal market risk facing the Company is an adverse movement in the price of such commodities. Any long term adverse movement in commodity prices would affect the commercial viability of the Company's various projects.

PRINCIPAL RISKS AND UNCERTAINTIES FACING THE COMPANY

The principal risks faced by the Company are as follows:

- The ability to raise sufficient funds to continue with the exploration of its exploration licences/permits.
- Long term adverse changes in commodity prices could affect the viability of exploration and extraction projects.
- The operations of the Company are in foreign jurisdictions where there may be a number of associated risks over which it will have no control. These may include economic, social or political instability or change, taxation, rates of exchange, exchange controls and exploration licensing.
- The exploration licences may be subject to conditions which, if not satisfied, may lead to the revocation of the licences.
- The exploration for and development of mineral deposits involves significant risks which even a combination of careful evaluation, experience and knowledge may not eliminate. Few properties which undergo exploration are ultimately developed into producing mines. There can be no guarantee that the estimates of quantities of minerals disclosed will be available to extract. With all mining operations there is uncertainty and hence risk, associated with operating parameters and costs resulting from the scaling up of extraction methods tested in pilot conditions.

BOWULF MINING PLC (REGISTERED NUMBER: 02330496)
REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2009

SUBSTANTIAL SHAREHOLDINGS

The directors are aware of the following who were interested, directly or indirectly, in 3% or more of the Company's ordinary shares on 31 December 2009:

Sunvest Corporation Limited - 11,250,000 shares (10.62%)
Mrs C C Rowan - 10,189,485 shares (9.62%)
Dr R D Young - 6,289,485 shares (5.94%)

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law 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 financial statements in accordance with International Financial Reporting Standards as adopted for use in the European Union. 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 company and of the profit or loss of the company for that period. 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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 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 company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

Price Bailey LLP has expressed its willingness to continue in office and a resolution to re-appoint them will be proposed at the Company's forthcoming Annual General Meeting.

ANNUAL GENERAL MEETING

The Company's next Annual General Meeting will be held at 10.30 a.m. on 7 June 2010 and full details of the proposed resolutions at that meeting can be found in the separate Notice accompanying the annual report and financial statements.

ON BEHALF OF THE BOARD:



Mr C Sinclair-Poulton - Director

4th May 2010

We have audited the financial statements of Beowulf Mining plc for the year ended 31 December 2009 which comprise the Income Statement, the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted for use in the European Union and as issued by the International Accounting Standards Board (IASB).

This report is made solely to the company's members, as a body, in accordance with Sections 495 and 496 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors 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.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page twelve, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2009 and of its loss for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted for use in the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.

Martin Clapson FCA (Senior Statutory Auditor)
for and on behalf of Price Bailey LLP
Chartered Accountants & Statutory Auditors
Richmond House
Ely
Cambridgeshire
CB7 4AH

7th May 2010

BOWULF MINING PLC (REGISTERED NUMBER: 02330496)
 INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2009

	Notes	2009 £	2008 £
CONTINUING OPERATIONS			
Revenue	2	-	-
Other operating income		75	-
Administrative expenses		(585,836)	(407,180)
OPERATING LOSS		(585,761)	(407,180)
Finance costs	4	(6,394)	(10,192)
Finance income	4	278	18,708
LOSS BEFORE INCOME TAX	5	(591,877)	(398,664)
Income tax	6	-	-
LOSS FOR THE YEAR		(591,877)	(398,664)
Earnings per share expressed in pence per share:	7		
Basic		-0.64	-0.50
Diluted		-0.62	-0.47

BEOWULF MINING PLC (REGISTERED NUMBER: 02330496)

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2009

	2009	2008
	£	£
LOSS FOR THE YEAR	(591,877)	(398,664)
OTHER COMPREHENSIVE INCOME		
Revaluation of investments	70,685	(221,385)
Equity-settled shared-based payments	-	5,351
Income tax relating to components of other comprehensive income	-	-
	<hr/>	<hr/>
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX	<hr/> 70,685	<hr/> (216,034)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<hr/> <hr/> (521,192)	<hr/> <hr/> (614,698)

BEOWULF MINING PLC (REGISTERED NUMBER: 02330496)

STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31 DECEMBER 2009

	Notes	2009 £	2008 £
ASSETS			
NON-CURRENT ASSETS			
Intangible assets	8	204,016	230,904
Property, plant and equipment	9	1,079	1,439
Investments	10	155,024	74,339
		<u>360,119</u>	<u>306,682</u>
CURRENT ASSETS			
Trade and other receivables	11	22,595	33,954
Cash and cash equivalents	12	190,332	354,291
		<u>212,927</u>	<u>388,245</u>
TOTAL ASSETS		<u>573,046</u>	<u>694,927</u>
EQUITY			
SHAREHOLDERS' EQUITY			
Called up share capital	13	1,058,982	808,982
Share premium	14	2,847,719	2,597,191
Revaluation reserve	14	40,024	(30,661)
Capital contribution reserve	14	46,451	46,451
Share scheme reserve	14	5,351	5,879
Retained earnings	14	(3,597,083)	(3,005,206)
TOTAL EQUITY		<u>401,444</u>	<u>422,636</u>
LIABILITIES			
NON-CURRENT LIABILITIES			
Financial liabilities - borrowings			
Interest bearing loans and borrowings	16	150,000	250,000
CURRENT LIABILITIES			
Trade and other payables	15	21,602	22,291
TOTAL LIABILITIES		<u>171,602</u>	<u>272,291</u>
TOTAL EQUITY AND LIABILITIES		<u>573,046</u>	<u>694,927</u>

These financial statements were approved and authorised for issue by the Board of Directors on 4th May 2010 and were signed on its behalf by:



Mr C Sinclair-Poulton - Director

BOWULF MINING PLC (REGISTERED NUMBER: 02330496)

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2009

	Called up share capital £	Profit and loss account £	Share premium £
Balance at 1 January 2008	745,482	(2,606,542)	2,597,719
Changes in equity			
Issue of share capital	63,500	-	(528)
Total comprehensive income	-	(398,664)	-
Balance at 31 December 2008	<u>808,982</u>	<u>(3,005,206)</u>	<u>2,597,191</u>
Changes in equity			
Issue of share capital	250,000	-	250,528
Total comprehensive income	-	(591,877)	-
Balance at 31 December 2009	<u>1,058,982</u>	<u>(3,597,083)</u>	<u>2,847,719</u>

	Revaluation reserve £	Capital contribution reserve £	Share scheme reserve £	Total equity £
Balance at 1 January 2008	190,724	46,451	-	973,834
Changes in equity				
Issue of share capital	-	-	-	62,972
Total comprehensive income	(221,385)	-	5,879	(614,170)
Balance at 31 December 2008	<u>(30,661)</u>	<u>46,451</u>	<u>5,879</u>	<u>422,636</u>
Changes in equity				
Issue of share capital	-	-	-	500,528
Total comprehensive income	70,685	-	(528)	(521,720)
Balance at 31 December 2009	<u>40,024</u>	<u>46,451</u>	<u>5,351</u>	<u>401,444</u>

BEOWULF MINING PLC (REGISTERED NUMBER: 02330496)
 STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2009

		2009	2008
		£	£
Cash flows from operating activities			
Cash generated from operations	1	(383,522)	(324,270)
Interest paid		(8,061)	(10,192)
		<u> </u>	<u> </u>
Net cash from operating activities		(391,583)	(334,462)
		<u> </u>	<u> </u>
Cash flows from investing activities			
Purchase of intangible fixed assets		(162,654)	(64,686)
Purchase of fixed asset investments		(10,000)	-
Interest received		278	18,708
		<u> </u>	<u> </u>
Net cash from investing activities		(172,376)	(45,978)
		<u> </u>	<u> </u>
Cash flows from financing activities			
Loan repayments in year		(100,000)	-
Share issue		500,000	63,500
		<u> </u>	<u> </u>
Net cash from financing activities		400,000	63,500
		<u> </u>	<u> </u>
Decrease in cash and cash equivalents		(163,959)	(316,940)
Cash and cash equivalents at beginning of year	2	<u>354,291</u>	<u>671,231</u>
Cash and cash equivalents at end of year	2	<u>190,332</u>	<u>354,291</u>

1 RECONCILIATION OF LOSS BEFORE INCOME TAX TO CASH GENERATED FROM OPERATIONS

	2009	2008
	£	£
Loss before income tax	(591,877)	(398,664)
Depreciation charges	189,902	75,206
Equity-settled share-based transactions	-	5,351
Finance costs	6,394	10,192
Finance income	(278)	(18,708)
	<u>(395,859)</u>	<u>(326,623)</u>
Decrease in trade and other receivables	11,359	472
Increase in trade and other payables	978	1,881
	<u>978</u>	<u>1,881</u>
Cash generated from operations	<u><u>(383,522)</u></u>	<u><u>(324,270)</u></u>

2 CASH AND CASH EQUIVALENTS

The amounts disclosed on the cash flow statement in respect of cash and cash equivalents are in respect of these balance sheet amounts:

Year ended 31 December 2009

	31/12/09	1/1/09
	£	£
Cash and cash equivalents	<u>190,332</u>	<u>354,291</u>

Year ended 31 December 2008

	31/12/08	1/1/08
	£	£
Cash and cash equivalents	<u>354,291</u>	<u>671,231</u>

1 ACCOUNTING POLICIES

Reporting entity

Beowulf Mining plc is a company domiciled in the United Kingdom. The address of the Company's registered office is Richmond House, Broad Street, Ely, Cambridgeshire, CB7 4AH. The Company primarily is involved in the exploration for world-class iron, copper, gold and uranium deposits.

Going concern

The directors have considered the cashflow requirements of the Company over the next 18 months. If the Company is to continue its exploration activities it may be necessary to raise additional funds. Whilst it is difficult in the current economic downturn to generate the extra funds required, the directors expect to meet the funding requirements and therefore believe that the going concern basis is appropriate for the preparation of the financial statements.

Compliance with accounting standards

These financial statements have been prepared in accordance with International Financial Reporting Standards and IFRIC interpretations and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS.

The financial statements have been prepared under the historical cost convention.

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 revenues 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 key sources of estimation uncertainty that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are the measurement of any impairment on intangible assets and the estimation of share-based payment costs. The Company determines whether there is any impairment of intangible assets on an annual basis. The estimation of share-based payment costs requires the selection of an appropriate model, consideration as to the inputs necessary for the valuation model chosen and the estimation of the number of awards that will ultimately vest.

Intangible fixed assets - exploration costs

Expenditure on the acquisition costs, exploration and evaluation of interests in licences including related overheads are capitalised. Such costs are carried forward in the balance sheet under intangible assets and amortised over the minimum period of licences in respect of each area of interest where:

- a) such costs are expected to be recouped through successful development and exploration of the area of interest or alternatively by its sale;
- b) exploration activities have not yet reached a stage that permits a reasonable assessment of the existence or otherwise of economically recoverable reserves and active operations in relation to the areas are continuing.

An annual impairment review is carried out by the directors to consider whether any exploration or development costs have suffered impairment in value and whether necessary provisions are made accordingly.

Accumulated costs in respect of areas of interest that have been abandoned are written off to the profit and loss account in the year in which the area is abandoned.

Exploration costs are carried at cost less provisions for impairment.

Property, plant and equipment

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

Plant and machinery- 25% on reducing balance

Investments

Fixed asset investments are stated at open market value. The revaluation adjustment is taken to the revaluation reserve and any impairments are shown in the income statement for the year.

Financial instruments

Financial assets and liabilities are recognised on the balance sheet when the Company becomes a party to the contractual provisions of the instrument.

- Cash and cash equivalents comprise cash held at bank and short term deposits
- Trade payables are not interest bearing and are stated at their nominal value
- Equity instruments issued by the Company are recorded at the proceeds received except where those proceeds appear to be less than the fair value of the equity instruments issued, in which case the equity instruments are recorded at fair value. The difference between the proceeds received and the fair value is reflected in the share based payments reserve.

Taxation

Current taxes are based on the results shown in the financial statements and are calculated according to local tax rules, using tax rates enacted or substantially enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating result.

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 terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to the income statement over the remaining vesting period.

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.

Cash and cash equivalents

Cash and cash equivalents for the purpose of the cash flow statement comprise cash and bank balances.

New Standards and Interpretations applied

The following new and revised Standards and Interpretations have been adopted in the current period and have affected the amounts reported in these financial statements:

- IAS 1 Presentation of Financial Statements (revised 2007) has introduced terminology changes which include revised titles for the financial statements and changes in the format and content of the financial statements

New Standards and Interpretations adopted with no effect on the financial statements

The following new and revised Standards and Interpretations have also been adopted in these financial statements.

Their adoption has not had any significant impact on the amounts reported in these financial statements but may affect the accounting for future transactions or arrangements:

- IAS 1 Presentation of Financial Statements (revised 2008) - amendments relating to disclosure of puttable instruments and obligations arising on liquidation
- IAS 16 Property, Plant and Equipment (amended 2008) - annual review of IFRSs
- IAS 19 Employee Benefits (amended 2008) - annual review of IFRSs
- IAS 20 Government Grants and Disclosure of Government Assistance (2008) - amendments to the treatment of a government loan received at an interest rate below the market rate
- IAS 23 Borrowing Costs (amended 2008) - requiring companies to capitalise borrowing costs incurred on qualifying assets
- IAS 27 Consolidated and Separate Financial Statements (amended 2008) - accounting for transactions or events that result in a change in a groups interest in its subsidiaries
- IAS 28 Investment in Associates (amended 2008) - annual review of IFRSs
- IAS 29 Financial Reporting in Hyperinflationary Economies (amended 2008) - annual review of IFRSs
- IAS 31 Interests in Joint Ventures (amended 2008) - annual review of IFRSs
- IAS 32 Financial Instruments: Presentation (amended 2008) - amendments to the criteria for debt/equity classification for puttable financial instruments
- IAS 36 Impairment of Assets (amended 2008) - annual review of IFRSs
- IAS 38 Intangible Assets (amended 2008) - annual review of IFRSs
- IAS 39 Financial Instruments (amended 2008) - annual review of IFRSs
- IAS 40 Investment Property (amended 2008) - annual review of IFRSs
- IAS 41 Agriculture (amended 2008) - annual review of IFRSs
- IFRS 2 Share-based Payments (amended 2008) - amendments relating to vesting conditions and cancellations
- IFRS 7 Improving Disclosures about Financial Instruments (amended 2009)
- IFRS 8 Operating Segments
- IFRIC 15 Agreements for the Construction of Real Estates
- IFRIC 16 Hedges of a Net Investment in a Foreign Operation

New standards and interpretations not yet adopted

A number of new standards, amendments to standards and interpretations are not yet effective for the year commencing 1 January 2009 and have not been applied in preparing these financial statements:

- IAS 7 Statement of Cash Flows (amended 2009)
- IAS 17 Leases (amended 2009)
- IAS 24 Related Party Disclosures (amended 2009)
- IAS 28 Investment in Associates (amended 2008)
- IAS 31 Interests in Joint Ventures (amended 2008)
- IAS 32 Financial Instruments (amended 2008)
- IAS 36 Impairment of Assets (amended 2009)
- IAS 38 Intangible Assets (amended 2009)
- IAS 39 Financial Instruments: Recognition and Measurement (revised 2008 and 2009)
- IFRS 2 Share-based Payments(amended 2009)

- IFRS 3 Business Combinations (amended 2008)
- IFRS 5 Non-current Assets Held for Sale and Discontinued Operation (amended 2008 and 2009)
- IFRS 8 Operating Segments (amended 2009)
- IFRS 9 Financial Instruments
- IFRIC 14 Prepayments of a Minimum Funding Requirement (amended 2009)
- IFRIC 17 Distributions of Non-Cash Assets to Owners
- IFRIC 18 Transfer of Assets from Customers
- IFRIC 19 Extinguishing Financial Liabilities with Equity Instruments

The directors do not consider that the implementation of any of these new standards will have a material impact upon reported income or reported net assets.

2 SEGMENTAL REPORTING

The principal activity of the Company is the exploration for minerals in Sweden. All expenses are in respect of this one activity and there are no business segments requiring separate disclosure.

3 EMPLOYEES AND DIRECTORS

	2009	2008
	£	£
Wages and salaries	39,333	63,000
Social security costs	3,783	6,673
Equity-settled share-based payment transactions	-	5,351
	<u>43,116</u>	<u>75,024</u>

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

Directors	<u>4</u>	<u>5</u>
-----------	----------	----------

	2009	2008
	£	£
Directors' remuneration	39,333	63,000
Compensation to director for loss of office	25,000	-
	<u>64,333</u>	<u>63,000</u>

No directors exercised share options during the year (2008 - one directors).

4 NET FINANCE COSTS

	2009	2008
	£	£
Finance income:		
Deposit account interest	<u>278</u>	<u>18,708</u>
Finance costs:		
Loan interest	<u>6,394</u>	<u>10,192</u>
Net finance costs	<u>6,116</u>	<u>(8,516)</u>

5. LOSS BEFORE INCOME TAX

The loss before income tax is stated after charging:

	2009	2008
	£	£
Depreciation - owned assets	360	481
Exploration costs amortisation	189,542	74,725
Auditors' remuneration	9,400	6,375
Foreign exchange differences	6,403	1,912
	<u> </u>	<u> </u>

6. INCOME TAX

Analysis of the tax charge

No liability to UK corporation tax arose on ordinary activities for the year ended 31 December 2009 nor for the year ended 31 December 2008.

Factors affecting the tax charge

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

	2009	2008
	£	£
Loss on ordinary activities before tax	(591,877)	(398,664)
	<u> </u>	<u> </u>
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 28% (2008 - 28.5%)	(165,726)	(113,619)
Effects of: Potential deferred taxation on loss for the year	165,726	113,619
	<u> </u>	<u> </u>
Total income tax	-	-
	<u> </u>	<u> </u>

Tax effects relating to effects of other comprehensive income

	Gross	2009	Net
		Tax	
Revaluation of investments	70,685	-	70,685
Equity-settled shared-based payments	<u> </u>	<u> </u>	<u> </u>
	70,685	-	70,685
	<u> </u>	<u> </u>	<u> </u>
	Gross	2008	Net
		Tax	
Revaluation of investments	(221,385)	-	(221,385)
Equity-settled share-based payments	5,351	-	5,351
	<u> </u>	<u> </u>	<u> </u>
	(216,034)	-	(216,034)
	<u> </u>	<u> </u>	<u> </u>

The Company has estimated losses of £2,188,749 (2008 - £1,596,942) available to carry forward against future trading profits.

7. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the earnings attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share is calculated using the weighted average number of shares adjusted to assume the conversion of all dilutive potential ordinary shares.

Reconciliations are set out below.

	Earnings	2009	Per-share
	£	Weighted	amount
		average	pence
		number	
		of	
		shares	
Basic EPS			
Earnings attributable to ordinary shareholders	(591,877)	92,131,124	-0.64
Effect of dilutive securities			
Options	-	3,516,301	-
	<hr/>	<hr/>	<hr/>
Diluted EPS			
Adjusted earnings	(591,877)	95,647,425	-0.62
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
	Earnings	2008	Per-share
	£	Weighted	amount
		average	pence
		number	
		of	
		shares	
Basic EPS			
Earnings attributable to ordinary shareholders	(398,664)	79,197,974	-0.50
Effect of dilutive securities			
Options	-	5,624,864	-
	<hr/>	<hr/>	<hr/>
Diluted EPS			
Adjusted earnings	(398,664)	84,822,838	-0.47
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

8. INTANGIBLE ASSETS

	Exploration costs £
COST	
At 1 January 2009	509,086
Additions	162,654
Disposals	(7,852)
	<hr/>
At 31 December 2009	663,888
AMORTISATION	
At 1 January 2009	278,182
Amortisation for year	189,542
Eliminated on disposal	(7,852)
	<hr/>
At 31 December 2009	459,872
NET BOOK VALUE	
At 31 December 2009	<hr/> <hr/> 204,016
	Exploration costs £
COST	
At 1 January 2008	444,400
Additions	64,686
	<hr/>
At 31 December 2008	509,086
AMORTISATION	
At 1 January 2008	203,457
Amortisation for year	74,725
	<hr/>
At 31 December 2008	278,182
NET BOOK VALUE	
At 31 December 2008	<hr/> <hr/> 230,904

The amortisation of exploration costs is charged to administration and included within the income statement as an expense.

9. PROPERTY, PLANT AND EQUIPMENT

	Plant and machinery £
COST	
At 1 January 2009 and 31 December 2009	3,217
DEPRECIATION	
At 1 January 2009	1,778
Charge for year	360
At 31 December 2009	2,138
NET BOOK VALUE	
At 31 December 2009	1,079

	Plant and machinery £
COST	
At 1 January 2008 and 31 December 2008	3,217
DEPRECIATION	
At 1 January 2008	1,297
Charge for year	481
At 31 December 2008	1,778
NET BOOK VALUE	
At 31 December 2008	1,439

10. INVESTMENTS

	Listed investments £
COST OR VALUATION	
At 1 January 2009	74,339
Additions	10,000
Revaluations	70,685
At 31 December 2009	155,024
NET BOOK VALUE	
At 31 December 2009	155,024

10. INVESTMENTS - continued

	Listed investments £
COST OR VALUATION	
At 1 January 2008	295,724
Revaluations	(221,385)
	<hr/>
At 31 December 2008	74,339
	<hr/>
NET BOOK VALUE	
At 31 December 2008	74,339
	<hr/> <hr/>

During the year the Company received warrants to acquire 7,601,100 1p ordinary shares of Agricola Resources plc at any time up to 14 September 2011 for an exercise price of 1p per share.

11. TRADE AND OTHER RECEIVABLES

	2009 £	2008 £
Current:		
VAT	14,153	16,584
Prepayments and accrued income	8,442	17,370
	<hr/>	<hr/>
	22,595	33,954
	<hr/> <hr/>	<hr/> <hr/>

12. CASH AND CASH EQUIVALENTS

	2009 £	2008 £
Bank deposit account	184,846	348,568
Bank accounts	5,486	5,723
	<hr/>	<hr/>
	190,332	354,291
	<hr/> <hr/>	<hr/> <hr/>

13. CALLED UP SHARE CAPITAL

	2009	2008
	£	£
Authorised		
200,000,000 Ordinary shares of 1p each	<u>2,000,000</u>	<u>2,000,000</u>
Allotted, issued and fully paid		
105,898,247 (2008 - 80,898,247) Ordinary shares of 1p each	<u>1,058,982</u>	<u>808,982</u>
25,000,000 Ordinary shares of 1p each were allotted as fully paid at a premium of 1p per share during the year.		

The number of shares in issue are as follows:

	2009	2008
	No.	No.
At 1 January 2009	80,898,247	74,548,247
Issued during the year	<u>25,000,000</u>	<u>6,350,000</u>
At 31 December 2009	<u>105,898,247</u>	<u>80,898,247</u>

14. RESERVES

	Retained earnings	Share premium	Revaluation reserve
	£	£	£
At 1 January 2009	(3,005,206)	2,597,191	(30,661)
Deficit for the year	(591,877)	-	-
Cash share issue	-	250,000	-
Revaluation in year	-	-	70,685
Equity-settled share-based payment transactions	-	528	-
At 31 December 2009	<u>(3,597,083)</u>	<u>2,847,719</u>	<u>40,024</u>
	Capital contribution reserve	Share scheme reserve	Totals
	£	£	£
At 1 January 2009	46,451	5,879	(386,346)
Deficit for the year	-	-	(591,877)
Cash share issue	-	-	250,000
Revaluation in year	-	-	70,685
Equity-settled share-based payment transactions	-	(528)	-
At 31 December 2009	<u>46,451</u>	<u>5,351</u>	<u>(657,538)</u>

15. TRADE AND OTHER PAYABLES

	2009	2008
	£	£
Current:		
Trade payables	-	8,916
Social security and other taxes	1,778	2,227
Accruals and deferred income	19,824	11,148
	<u>21,602</u>	<u>22,291</u>

16. FINANCIAL LIABILITIES - BORROWINGS

	2009	2008
	£	£
Non-current:		
Other loans - 1-2 years	150,000	250,000
	<u>150,000</u>	<u>250,000</u>

Terms and debt repayment schedule

	2-5 years
	£
Other loans	<u>150,000</u>

The loan of £150,000 from Starvest plc bears interest at 4% per annum and is convertible into new ordinary shares at 4p per share at any time until 31 July 2012.

On 29 January 2010, Beowulf Mining plc received a further £100,000 loan from Starvest plc to bring the total loan to the agreed level of £250,000.

17. FINANCIAL INSTRUMENTS

The Company's financial instruments comprise cash and cash equivalents, investments and financial assets and various items such as trade receivables, trade payables, accruals and prepayments that arise directly from its operations.

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

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's policy throughout the year has been to ensure that it has adequate liquidity to meet its liabilities when due by careful management of its working capital.

The following tables illustrate the contractual maturity profiles of its financial liabilities as at 31 December:

	2009	2008
	£	£
Falling due within one year:		
Trade and other payables	-	8,916
Tax liabilities	1,778	2,227
Accruals and deferred income	19,824	11,148
	<u>21,602</u>	<u>22,291</u>
Falling due within 2 to 5 years:		
Other loans	150,000	250,000
	<u>171,602</u>	<u>272,291</u>

Credit Risk

The Company's principal financial assets are the cash and cash equivalents and taxation receivable as recognised in the balance sheet, and which represent the Company's maximum exposure to credit risk in relation to financial assets.

Capital Management

The Company's capital consists wholly of ordinary shares. 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.

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 Company's income or the value of its holdings in financial instruments.

Commodity Price Risk

The principal activity of the Company is the exploration for iron, copper, gold and uranium in Sweden, and the principal market risk facing the Company is an adverse movement in the price of such commodities. Any long term adverse movement in commodity prices would affect the commercial viability of the Company's various projects.

18. TRANSACTIONS WITH DIRECTORS

During the year the Company paid Tearne Foulsham Limited (formerly Ed Taylor Consulting Limited) fees amounting to £20,400 (2008 - £17,850). Mr E Taylor is a director and shareholder of this company. No amounts were outstanding at the year end (2008 - Nil).

During the year the Company paid exploration fees of £56,511 (2008 - £63,827) to Geoexperten, a business owned by Dr Jan-Ola Larsson. Further fees paid to Dr Jan-Ola Larsson during the year amounted to £45,000 (2008 - £45,000). No amounts were outstanding at the year end (2008 - Nil).

During year paid consultancy Fees of Nil (2008-£4,238) to Clive Sinclair - Poulton and £26,375 (2008-£5,554) to Merchant Adventurers Company Ltd. Mr Clive Sinclair-Poulton is a director and shareholder of this company.

All of the above transactions were undertaken on a commercial basis.

19. RELATED PARTY DISCLOSURES

At the balance sheet date, the Company had a loan of £150,000 (2008 - £250,000) from Starvest plc, an AIM listed company which is a major shareholder of Beowulf Mining plc and of which Mr A C R Scutt is also a director. The loan bears interest at 4% per annum and is convertible into new ordinary shares of Beowulf Mining plc at any time up to 31 July 2012. The interest charge for the year is £6,394 (2008 - £10,192), of which £2,500 (2008 - £4,197) is outstanding and is included in trade and other payables at the year end. The loan agreement entitles the Company to borrow a further £100,000 from Starvest plc after giving 45 days' notice.

The Ballek project was subject to a Joint Venture with Agricola Resources plc, a company in which Dr R D Young and Mr A C R Scutt are directors. During the year the Joint Venture arrangement was terminated and Beowulf acquired five exploration licences in Sweden from Agricola Resources plc, paying consideration of £76,011 and receiving warrants entitling the Company to acquire 7,601,100 1p ordinary shares in Agricola any time up to 14 September 2011 at an exercise price of 1p per share.

20. POST BALANCE SHEET EVENTS

At the balance sheet date the Company held 8,500,000 ordinary shares in the PLUS listed company Agricola Resources plc. The Company has included this investment in its balance sheet at the year end market value of 1.38p per share, but the share price has subsequently fallen and is currently quoted at 0.55p per share.

Further to a share placement on 12 March 2010, the Company raised £1 million (gross of expenses) from the placement of 40,000,000 new ordinary shares at a placing price of 2.5 pence per share. Share capital of £400,000 (40,000,000 shares of 1p nominal value each) was subsequently admitted to trading on AIM on 18 March 2010 and total share premium of £600,000 was recorded.

On 13 April 2010 it was announced that the Company's JV Partner, Energy Ventures Limited had completed a 1,601 metre diamond drilling programme at the Ballek copper-gold-uranium JV project and accordingly had earned a 50% interest in the project. Drilling results are expected in May 2010.

21. ULTIMATE CONTROLLING PARTY

There is no ultimate controlling party of the Company.

22. SHARE-BASED PAYMENT TRANSACTIONS

The Company has a share option programme that entitles the holders to purchase shares in the Company with the options exercisable at the price determined at the date of granting the option. The terms and conditions of the grants are as follows; there are no vesting conditions to be met and all options are to be settled by the issue of shares:

Grant date	Number of instruments	Contractual life of options
5 June 2008	3,250,000	4 years
Options outstanding at 31 December	<u>3,250,000</u>	

The number and weighted average exercise prices of share options is as follows:

	Weighted average exercise price 2009	Number of options 2009	Weighted average exercise price 2008	Number of options 2008
Outstanding at 1 January	5.3151p	3,650,000	3.0152p	13,950,000
Expired during the year	6.0000p	(400,000)	1.0000p	(7,200,000)
Exercised during the year	-	-	1.0000p	(6,350,000)
Granted during the year	-	-	5.2308p	<u>3,250,000</u>
Outstanding and exercisable at 31 December	5.2308p	<u>3,250,000</u>	5.3151p	<u>3,650,000</u>

No share options were exercised during the year (2008 - 6,350,000 with a weighted average exercise price of 1p). During the year 400,000 (2008 - 7,200,000) options expired unexercised with a weighted average exercise price of 6p (2008 - 1p). The options outstanding at 31 December 2009 have an exercise price in the range of 5p to 6p (2008 - 5p to 6p) and a weighted average remaining contractual life of 2.425 years (2008 - 3.122 years).

The fair value of services received and commission payable in return for share options granted is based on the fair value of share options granted, measured using a binomial lattice model, with the following inputs:

	Services 2008	Services 2008	Commission 2007
Fair value at grant date	0.557p	0.903p	0.660p
Share price	4.500p	4.500p	4.375p
Exercise price	6.000p	5.000p	6.000p
Expected volatility	20%	20%	20%
Option life	4 years	4 years	2 years
Risk-free interest rate	5%	5%	5%

The expected volatility was determined by reviewing the actual volatility of the Company's share price since its listing on AIM to the date of granting the option. In calculating the fair value, consideration was given to the market trends at the grant date of the option.

There is an expense of £nil (2008 - £5,321) for the year in respect of goods and services received, and reversal of commission of £528 (2008 - charge of £528) to the share premium account, in respect of equity-settled share-based payment transactions.

BOWULF MINING PLC (REGISTERED NUMBER: 02330496)
NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting (the “**Meeting**”) of Beowulf Mining plc (the “**Company**”) will be held at the offices of Alexander David Securities Limited, 1st Floor, 10 Finsbury Square, London EC2 1AD on 7 June 2010 at 10:30 a.m. to transact the following business:

As Ordinary Business

- 1 To receive and consider the Company’s audited accounts for the year ended 31 December 2009 and the directors’ and auditors’ reports thereon.
- 2 To re-elect Edward Taylor, who is retiring by rotation, as a director of the Company.
- 3 To re-appoint Price Bailey LLP as auditor and authorise the directors to fix the auditor’s remuneration.

As Special Business

To consider and if thought fit to pass the following Resolutions which will be proposed as Ordinary Resolutions:

Ordinary Resolutions

- 4 That the statement of the Company’s authorised share capital (formerly contained in paragraph 6 of the Company’s Memorandum of Association and, following the implementation of certain provisions of the Companies Act 2006 on 1 October 2009, now deemed to form part of the Company’s Articles of Association) be revoked in accordance with article 42 of Schedule 2 to The Companies Act 2006 (Commencement No.8, Transitional Provisions and Savings Order) 2008.
- 5 That the Directors be generally and unconditionally authorised to allot equity securities (as defined in section 560 of the Companies Act 2006):

5.1 in the case of ordinary shares in the Company, having a nominal amount; and

5.2 in the case of other equity securities, giving the right to subscribe for or convert into ordinary shares in the Company having a nominal amount,

not exceeding, in aggregate, £437,695 provided that this authority shall, unless renewed, varied or revoked by the Company, expire on the date falling five years after the passing of this resolution save that the Company may, before such expiry, make offers or agreements which would or might require equity securities to be allotted and the Directors may allot equity securities in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired.

This resolution revokes and replaces all unexercised authorities previously granted to the Directors to allot equity securities but without prejudice to any allotment of shares or grant of rights already made, offered or agreed to be made pursuant to such authorities.

To consider and if thought fit to pass the following Resolutions which will be proposed as Special Resolutions:

Special Resolutions

- 6 That Article 3 of the Company’s Articles of Association (which states the authorised share capital of the Company at the date of adoption of the Articles of Association) be deleted and that all subsequent articles be renumbered accordingly.

BOWULF MINING PLC (REGISTERED NUMBER: 02330496)
NOTICE OF ANNUAL GENERAL MEETING

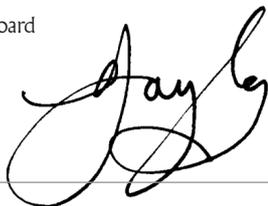
7 That, subject to the passing of resolution 5, the Directors be given the general power to allot equity securities (as defined by section 560 of the Companies Act 2006) for cash, either pursuant to the authority conferred by resolution 5 or by way of a sale of treasury shares, as if section 561(1) of the Companies Act 2006 did not apply to any such allotment, provided that this power shall be limited to the allotment of equity securities having:

7.1 in the case of ordinary shares in the Company, having a nominal amount; and

7.2 in the case of other equity securities, giving the right to subscribe for or convert into ordinary shares in the Company having a nominal amount,

not exceeding, in aggregate, £437,695 provided that the power granted by this resolution shall expire on the conclusion of the Company's next annual general meeting (unless renewed, varied or revoked by the Company prior to or on such date) save that the Company may, before such expiry make offers or agreements which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of any such offer or agreement notwithstanding that the power conferred by this resolution has expired.

By order of the Board



Edward Taylor
Company secretary

Beowulf Mining plc
Richmond House
Broad Street
Ely
Cambridgeshire
CB7 4AH

7th May 2010

Notes to the Notice of Annual General Meeting:

Appointment of proxies

- 1 As a member of the Company you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the Meeting and you should have received a proxy form with this notice of meeting. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form.
- 2 To be valid, the form of proxy and the power of attorney or other authority (if any) under which it is signed (or a copy of it notorally certified in some other way approved by the directors) must be sent or delivered to Capita Registrars at PXS, 34 Beckenham Road, Beckenham, Kent BR3 4TU, so as to arrive not less than 48 hours before the time of the Meeting. Completion of the proxy form does not preclude a member from subsequently attending and voting at the meeting in person.

Communication

- 3 Except as provided above, members who have general queries about the Meeting should telephone Edward Taylor on 01366 500 722 (no other methods of communication will be accepted):
- 4 You may not use any electronic address provided either:
 - in this notice of annual general meeting; or
 - in any related documents (including the chairman's letter and proxy form),to communicate with the Company for any purposes other than those expressly stated.

DIRECTORS

• CLIVE SINCLAIR-POULTON – EXECUTIVE CHAIRMAN

Aged 54, he studied law at Cambridge University graduating in 1978, before starting a twenty year career in investment banking in London with Citibank and Security Pacific (now Bank of America) as well as stockbrokers Hoare Govett. After founding and then selling a stockbroking firm he became a founding shareholder and the Executive Chairman of AIMtraded themutual.net (AIM:TMN). He has been involved in natural resources for fifteen years. Most recently, Clive was a founding member of Tanzania Gold Ltd which, following a reverse take-over, was first renamed Tanzania Gold plc before becoming Bezant Resources plc. He was CEO of AIM listed Bezant Resources plc (AIM:BZT), with copper and gold assets in Tanzania and the Philippines, until he stepped down in February 2008. He resides in Ireland.

• JAN-OLA LARSSON PHD – TECHNICAL DIRECTOR

Aged 68, he holds a geology degree from Uppsala University and a PhD in geochemistry from Imperial College of Science and Technology, London University. He has over 30 years of varied experience in Canada, Brazil and Sweden. Previously held positions were Head of Geochemistry and Geological Survey of Sweden, LKAB Exploration Company and Barringer Research Ltd. Exploration Manager for Tetron Mineracao S/A and North Star Diamonds AB.

• ANTHONY SCUTT ACIS – NON-EXECUTIVE DIRECTOR

Aged 70, he is a Chartered Secretary and a Certified Internal Auditor with the U.S. Institute of Internal Auditors. He has 34 years of financial management experience with Shell International Petroleum, working in many parts of the World, including the Malagasy Republic, East and Central Africa, Gabon, Vietnam, Cambodia, the Philippines, and latterly as the Chief Internal Auditor of Shell U.K. He then went on to become an investment analyst, writer and investor, and was one of the very first investors and supporters of Beowulf. He is also a non-executive director of Starvest plc, Agricola Resources plc and Oracle Coalfields plc.

• EDWARD TAYLOR – NON-EXECUTIVE DIRECTOR AND COMPANY SECRETARY

Aged 62, he has worked in various accounting, human resources, administration and Company Secretary positions in the natural resources sector. He has worked for Hardy Oil & Gas (now British Borneo Oil and Gas plc), Enterprise Oil plc and LASMO (now AGIP [UK] plc). He is a Director of All Star Minerals and Non executive Director of the following companies: U308 Holdings Plc, Valiant Investments Plc, Valiant Financial Media Ltd and Southern Star Mineral Resources Plc. He is also Company secretary for Oracle Coalfields Plc.



BEOWULF MINING PLC

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