



# Quarterly Activities Report

For the Quarter Ended

31 March 2008

## Key Developments

- A scoping study prepared by AMC Consultants confirmed the potential for mining at Salamanca I, forecasting 12.1m lb of U<sub>3</sub>O<sub>8</sub> production over 10 years at a cash cost of US\$25/lb.
- Interpreted results for the aerial survey completed over the Salamanca I, Salamanca II and Caceres VI areas in the December quarter highlighted the exploration potential of these tenements and generated a significant number of strong anomalies.
- Drilling at the enlarged Zona 7 anomaly within Salamanca I extended the strike of mineralisation to over 1.5km and will result in significant additional resources.
- Wide-spaced drilling at Santidad, confirmed that the mineralised zone extends for another 3.5km to the north-west of the Santidad deposit.
- Results from initial ground work and historic data reviews at the Mina Cristina project indicate strong potential for more extensive uranium mineralisation.
- Initial drilling results at the Gambuta project showed extensive, shallow uranium mineralisation.
- Initial drilling at Barquilla (Salamanca II Project) encounters near surface mineralisation in a number of holes.

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## Scoping Study

A Scoping Study, prepared by AMC Consultants, was completed in February, confirming the potential economic viability of mining at the Salamanca I project.

The Study, which is based only upon the project's previously announced JORC inferred and indicated resources of 16.9m lb of U<sub>3</sub>O<sub>8</sub>, includes the following conclusions:

- Potential production of approximately 12.1m lb U<sub>3</sub>O<sub>8</sub> over 10 years.
- Average cash operating costs of US\$25 per lb of U<sub>3</sub>O<sub>8</sub>
- Initial capital costs totalling US\$109m for a plant rated to process 1.5mtpa. The plant design has been scaled to allow for potential future additional resources
- Legal review confirms no impediments to mining
- Environmental review confirms no foreseeable major impediments to mining
- Good potential to improve financial and operating parameters in a number of areas, including utilising truck or radiometric sorting

The details of further testwork, including radiometric sorting, crushing and comminution studies are being finalised. Completion of this work, and the resultant outcomes, will determine planning for a feasibility study.

See the announcement dated 14 February 2008 for further details.

## EXPLORATION

### Salamanca I

A helicopter-borne survey was flown over the Salamanca I area in December 2007, with results processed and interpreted in January 2008 (see announcement dated 5 February 2008).

The area flown (see Figure 1) includes the Retortillo, Santidad and Zona 7 uranium deposits and also the Mina Caridad and Mina Cristina areas, where previous trial uranium mining by Spanish government entities was undertaken. The survey was limited to target lithologies with potential for hosting economic mineralisation.

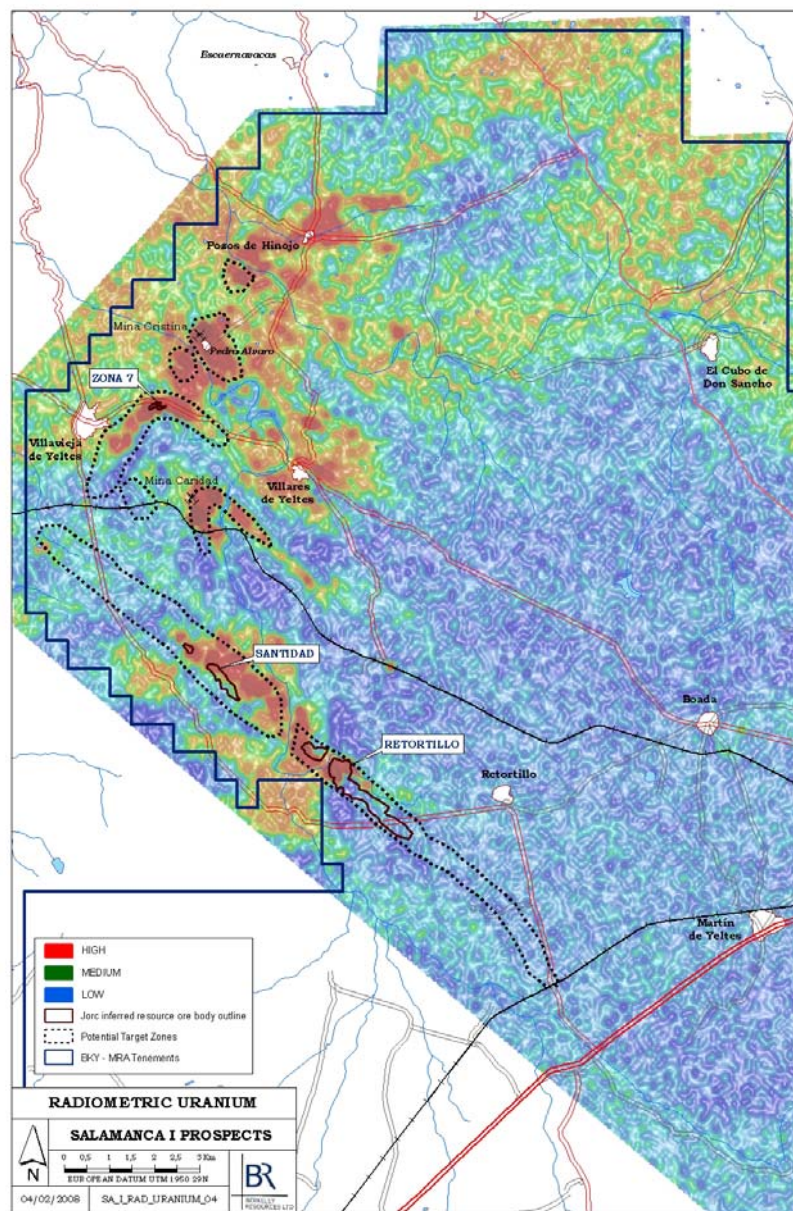


Figure 1 – Salamanca I Aerial Radiometrics

The strong radiometric anomalies associated with the Retortillo, Santidad and Zona 7 uranium deposits, and also the historic Cristina and Caridad mines, extend well beyond previously known mineralisation. A program of initial testing of the extended Zona 7 anomaly and the Cristina and Caridad anomalies was commenced with 30 reverse circulation (“RC”) holes totalling 670m completed at Zona 7 during the quarter.

### Zona 7

The main radiometric anomaly at Zona 7 is approximately 2.5km long and up to 500m wide. Berkeley drilled 7 diamond holes in the area in 2007 to confirm the results of 71 diamond drill holes drilled by government entities (JEN) in the 1960’s. Results from the previous Berkeley holes included:

**Hole Z7-001** 8.5metres @ 0.284% U<sub>3</sub>O<sub>8</sub> from 0.0m

**Hole Z7-007** 8.95metres @ 0.063% U<sub>3</sub>O<sub>8</sub> from 2.0m and

9.5metres @ 0.183% U<sub>3</sub>O<sub>8</sub> from 14.8m

A small (1m 1b) resource was previously calculated around hole Z7-001, based on this hole and historical results (see Figure 2).

Drilling in the quarter extended the strike length of the mineralisation to approximately 1.5km. It remains open to the north and south-west.

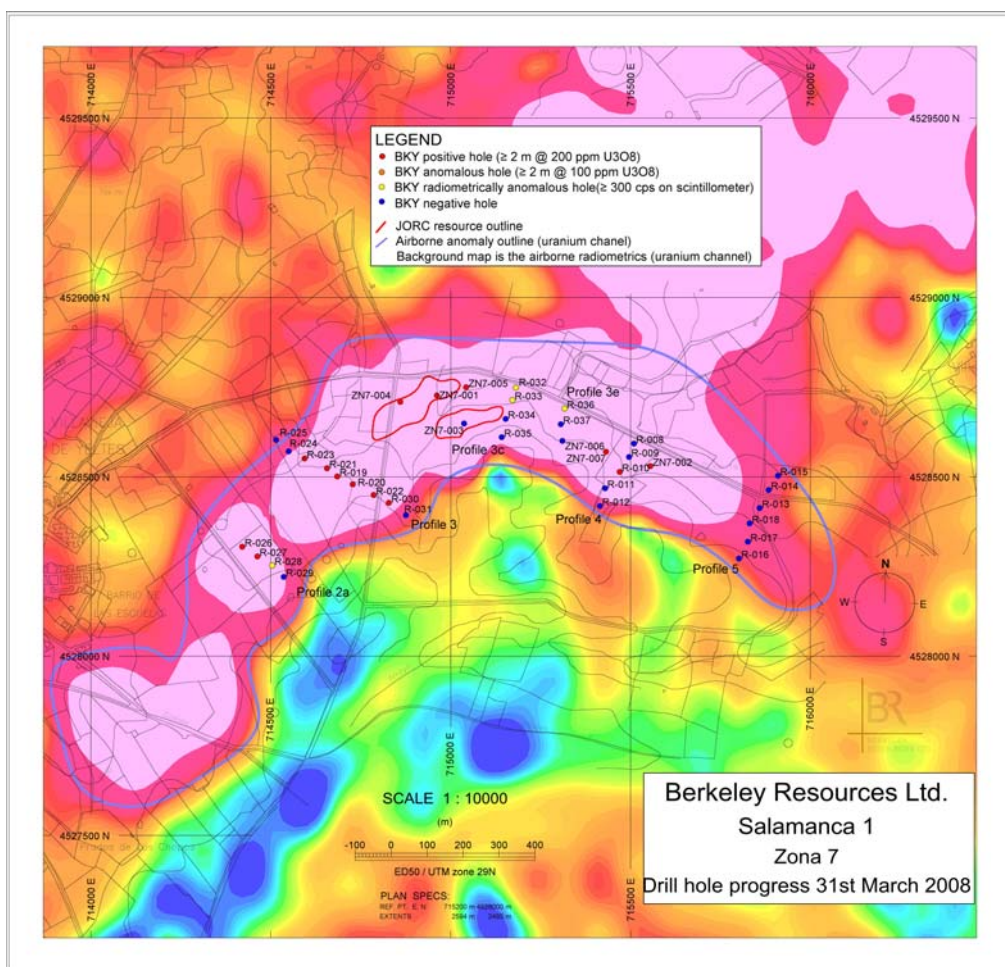


Figure 2 - Drilling at Zona 7

Notable RC intersections (at an assay cut off grade of 200ppm U<sub>3</sub>O<sub>8</sub>) include:

|                      |  |
|----------------------|--|
| <b>Hole ZN7R-010</b> | 3.0 metres @ 0.117% U <sub>3</sub> O <sub>8</sub> from 16.0m   |
| <b>Hole ZN7R-019</b> | 1.0 metre @ 0.080% U <sub>3</sub> O <sub>8</sub> from 6.0m<br>1.0 metre @ 0.034% U <sub>3</sub> O <sub>8</sub> from 12.0m<br>1.0 metre @ 0.079% U <sub>3</sub> O <sub>8</sub> from 25.0m and<br>2.0 metres @ 0.038% U <sub>3</sub> O <sub>8</sub> from 37.0.0m |
| <b>Hole ZN7R-022</b> | 2.0 metres @ 0.063% U <sub>3</sub> O <sub>8</sub> from 14.0m<br>1.0 metre @ 0.046% U <sub>3</sub> O <sub>8</sub> from 24.0m<br>3.0 metres @ 0.071% U <sub>3</sub> O <sub>8</sub> from 25.0m  |
| <b>Hole ZN7R-023</b> | 2.0 metres @ 0.081% U <sub>3</sub> O <sub>8</sub> from 23.0m   |
| <b>Hole ZN7R-026</b> | 3.0 metres @ 0.084% U <sub>3</sub> O <sub>8</sub> from 15.0m<br>11.0 metres @ 0.049% U <sub>3</sub> O <sub>8</sub> from 23.0m<br>11.0 metres @ 0.066% U <sub>3</sub> O <sub>8</sub> from 40.0m   |
| <b>Hole ZN7R-027</b> | 1.0 metres @ 0.041% U <sub>3</sub> O <sub>8</sub> from 39.0m<br>3.0 metres @ 0.030% U <sub>3</sub> O <sub>8</sub> from 49.0m   |
| <b>Hole ZN7R-030</b> | 2.0 metres @ 0.037% U <sub>3</sub> O <sub>8</sub> from 47.0m   |

The mineralised host rock is a thermally altered package of Pre-Cambrian to Cambrian meta-sediments. A group of muddy shales with thick conglomerates / quartz pebble horizons form the southern footwall to the mineralised sequence. Similar stratigraphy has been identified at both Caridad, 2.5km to the southeast, and at Cristina, 2km to the northeast. Work is continuing to determine the stratigraphic relationships between these three areas, particularly in relation to the possible continuity of both stratigraphy and radiometric anomalies between Zona 7 and Cristina.

Geological mapping indicates that the Zona 7 eastern limb is parallel to the main S1 cleavage, whilst the western arm appears to be coincident with a re-orientation of the S1 cleavage in to a more NNE-SSW orientation. The nature of this re-orientation is likely to be due to late Hercynian adjustments, through folding, faulting, or Alpine tectonics.

The initial results from Zona 7 suggest irregular distribution of structurally controlled veins and pods of high grade mineralisation. However, the principal structural controls are not yet understood. Potential northern extensions of the mineralisation will be tested in the next quarter.

The radiometric anomaly at Zona 7 appears to be part of a larger northeast trending regional anomaly which parallels the granite contact to the west. Topographic modelling indicates a strong relationship between the distribution and nature of these anomalies and topography, particularly between Zona 7 and Cristina. This relationship has been previously recognised at Retortillo, and therefore similar geological processes of mineralisation are indicated. A strong radiometric anomaly extends over approximately 4kms from Zona 7 to Cristina and historic data (diamond and percussion drilling, trenching and a small shaft), and outcrop indicate widespread, near surface mineralisation within the Cristina anomaly. Drilling will commence shortly.

### Santidad

Drilling at Santidad comprised 59 reverse circulation holes totalling 3,679.9 m and 7 diamond drill holes totalling 537.6m.

This drilling was designed to test for:

1. potential extensions of the Santidad stratigraphy beneath tertiary cover to the north-west of the Santidad deposit (see aerial survey announcement dated 5 February 2008), and
2. a potential parallel structure to the north of the Santidad deposit, indicated by previous positive drill results and the aeromagnetic and radiometric survey.

Two lines of reverse circulation drillholes, 2.4 km apart (profiles 166E and 262E), were drilled to test the full width of the Santidad stratigraphy.

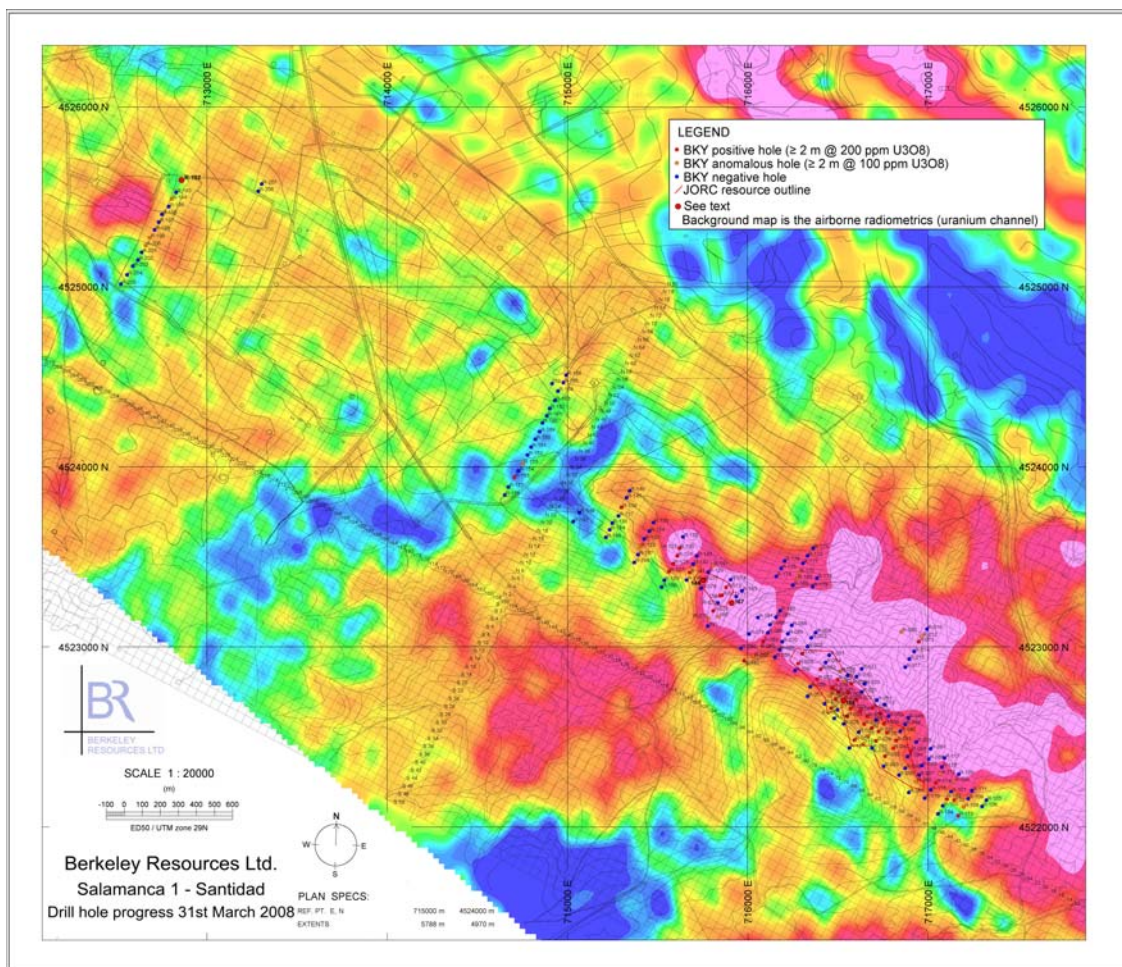


Figure 3 - Drilling at Santidad

Notable intersections (at an assay cut off grade of 200ppm U<sub>3</sub>O<sub>8</sub>) include:

|                      |  |
|----------------------|--|
| <b>Hole SAN-144</b>  | 1.0 metre @ 0.056% U <sub>3</sub> O <sub>8</sub> from 30.0m      |
|                      | 2.0 metres @ 0.051% U <sub>3</sub> O <sub>8</sub> from 34.0m     |
|                      | 1.0 metre @ 0.074% U <sub>3</sub> O <sub>8</sub> from 51.5m and  |
|                      | 5.0 metres @ 0.039% U <sub>3</sub> O <sub>8</sub> from 59.0m     |
| <b>Hole SAN-156</b>  | 10.7 metres @ 0.034% U <sub>3</sub> O <sub>8</sub> from 13m      |
|                      | 3.3 metres @ 0.056% U <sub>3</sub> O <sub>8</sub> from 26.0m and |
|                      | 5.6 metres @ 0.036% U <sub>3</sub> O <sub>8</sub> from 30.5m     |
| <b>Hole SAN-167</b>  | 6.1 metres @ 0.034% U <sub>3</sub> O <sub>8</sub> from 18.9m     |
|                      | 7.8 metre @ 0.062% U <sub>3</sub> O <sub>8</sub> from 59.2m      |
| <b>Hole SANR-192</b> | 2.0 metres @ 0.063% U <sub>3</sub> O <sub>8</sub> from 38.0m     |
|                      | 1.0 metre @ 0.068% U <sub>3</sub> O <sub>8</sub> from 58.0m      |

While results seem to have limited the potential of the northern radiometric target (-262E), mineralisation of similar grade to the Santidad inferred resource (382ppm U<sub>3</sub>O<sub>8</sub> at a cut off grade of 200ppm U<sub>3</sub>O<sub>8</sub>) has been recorded in several holes up to 3.5km from the main Santidad orebody (Hole SANR-192 on Profile 262E), emphasizing the extent of the mineralized system.

Having confirmed continuity of the Santidad stratigraphy and mineralisation to almost the western granite contact, further drilling is required to test the 2.4km gap between profiles -166E and -262E.

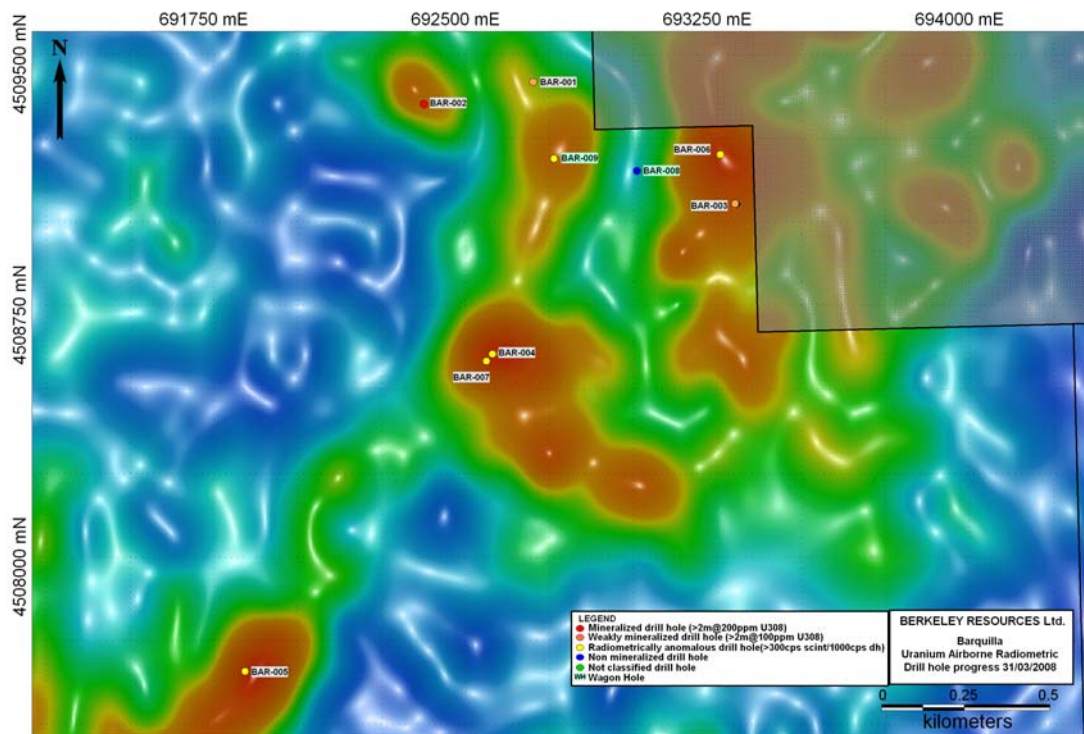
## **Salamanca II**

Berkeley also completed interpretation of a 1,122 line kilometre helicopter survey over the main areas of the Company's Salamanca II project. This area lies between and around a number of uranium State Reserves (not the property of the Company) which include the Fe Mine area, and the Alameda and Esperanza deposits.

Seven diamond drill holes totalling 331.2m were drilled in the Barquilla license to test a number of radiometric anomalies.

Notable intersections (at an assay cut off grade of 200ppm U<sub>3</sub>O<sub>8</sub>) include:

|                     |   |
|---------------------|---|
| <b>Hole BAR 002</b> | 5.3 metres @ 0.095% U <sub>3</sub> O <sub>8</sub> from 2.5m |
| <b>Hole BAR 003</b> | 2.0 metres @ 0.023%U <sub>3</sub> O <sub>8</sub> from 1.0m  |
| <b>Hole BAR 005</b> | 4.0 metres @ 0.038%U <sub>3</sub> O <sub>8</sub> from 0.0m  |



**Figure 4 - Drilling at Barquilla**

Mineralisation comprises surface accumulations above the redox zone within a thin zone of clay and weathered rock derived from the insitu weathering of the underlying basement. Uranium concentrations have a strong association with iron oxides developed in fractures in the oxide zone and the potential for a significant resource from this style of mineralisation is considered low. Further mapping and the use of other geophysical technologies is now required to assist in defining new exploration targets for larger areas of structurally controlled mineralisation, similar to that at the Mine Fe mine, to the southeast.

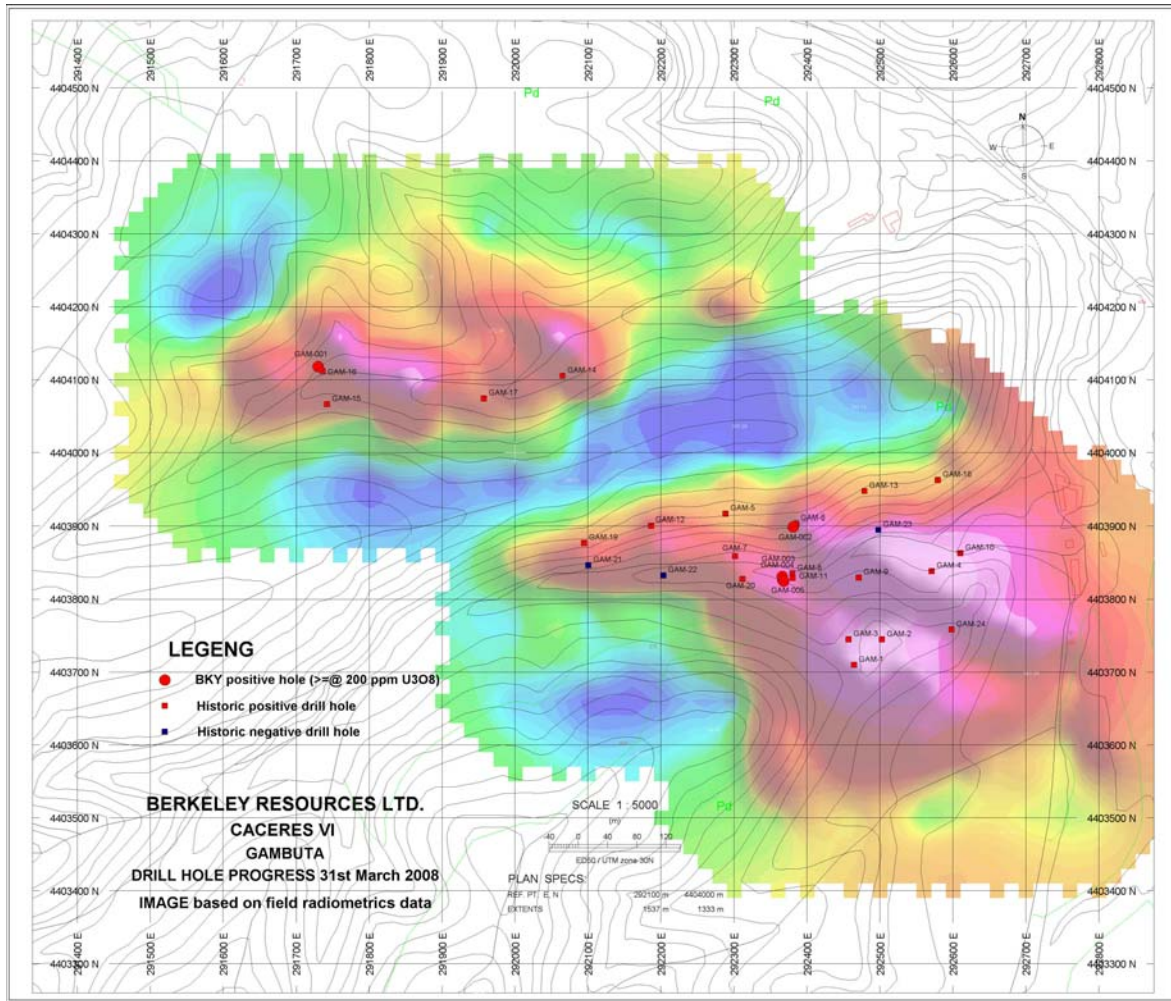
### **Caceres VI Project**

Diamond and Reverse Circulation drill testing of historic prospects and new radiometric anomalies at the Gambuta and Ojaranzo projects commenced and will continue until the end of May 2008, when fire restrictions will preclude access.

### **Gambuta**

Four diamond drill holes totalling 314.3m were completed within a north east trending area of Precambrian phyllites measuring 900m by 400m, to clarify results from roto-percussion drilling undertaken by CISA (a joint venture between COGEMA (now Areva) and ENUSA) in the 1990's.





**Figure 5 - Drilling at Gambuta**

All four holes intersected significant near surface uranium mineralisation, and notable intersections (at an assay cut off grade of 200ppm  $U_3O_8$ ) include:

|                     |  |
|---------------------|--|
| <b>Hole GAM 001</b> | 8.0 metres @ 0.059% $U_3O_8$ from surface  |
| <b>Hole GAM 002</b> | 12.5 metres @ 0.074% $U_3O_8$ from surface, and<br>4.0 metres @ 0.100% $U_3O_8$ from 28.0m   |
| <b>Hole GAM 003</b> | 3.0 metres @ 0.028% $U_3O_8$ from 8.0m<br>4.0 metres @ 0.036% $U_3O_8$ from 12.0m<br>3.2 metres @ 0.054% $U_3O_8$ from 25.0m, and<br>6.5 metres @ 0.056% $U_3O_8$ from 29.5m |
| <b>Hole GAM 004</b> | 17.7metres @ 0.029% $U_3O_8$ from 11.5m, including<br>7.0 metres @ 0.043% $U_3O_8$ from 14.5m  |

These very encouraging results confirm the presence of extensive near surface uranium mineralisation, at potentially economic grades, and validate the down hole radiometric information available for the 21 positive holes drilled by CISA (out of a total of 24 holes drilled) in the early 1990's.

Within the target area, previously untested zones contain a high potential for the discovery of "blind" mineralisation beneath Tertiary cover, both within the drilled area and along strike to the northwest where the deposit remains open.

Three styles of mineralisation have been recognised:

1. High level secondary mineralisation located in the oxide zone, often in fractures.
2. Quartz sulphide mineralisation below the redox zone, within structures and possible shear zones.
3. As "disseminations" within the phyllite package.

A reverse circulation drilling program to test for mineralisation beneath the Tertiary cover and to better define the extent and tenor of the known mineralisation commenced in April, 2008.

### **Ojaranzo Prospect**

A short program of diamond drilling to confirm positive historical results for the Ojaranzo prospect commenced in April. Ground radiometrics and geological mapping have confirmed the radiometric anomalies generated by the aerial survey and located secondary uranium minerals within the Precambrian phyllites.

*The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Peter Ellis, who is a Member of The Australian Institute of Geoscientists and an employee of Berkeley Resources Limited. Mr Ellis has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Ellis consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*

## Positive Results from Zona 7 Drilling (31.03.08)

| HOLE ID  | UTM East | UTM North | RL  | Inclination | End of Hole | Minimum Intersections > 200ppm U <sub>3</sub> O <sub>8</sub> |         |        |        |
|----------|----------|-----------|-----|-------------|-------------|--|---------|--------|--------|
|          | metres   | metres    |     |             |             | metres   | Degrees | metres | From   |
| Z7-001   | 714962   | 4528727   | 728 | -90         | 100.20      | 0.00   | 8.50    | 8.50   | 0.2841 |
| Z7-002   | 715555   | 4528530   | 718 | -90         | 84.65       | 31.10  | 32.10   | 1.00   | 0.0242 |
| Z7-004   | 714860   | 4528709   | 733 | -90         | 49.15       | 7.20   | 8.60    | 1.40   | 0.0421 |
|          |          |           |     |             |             | 10.65  | 11.90   | 1.25   | 0.0284 |
| Z7-005   | 715043   | 4528750   | 725 | -90         | 60.10       | 4.11   | 5.65    | 1.54   | 0.0338 |
|          |          |           |     |             |             | 10.60  | 12.00   | 1.40   | 0.0285 |
| Z7-007   | 715432   | 4528570   | 724 | -90         | 61.10       | 2.00   | 10.95   | 8.95   | 0.0630 |
|          |          |           |     |             |             | 14.85  | 24.40   | 9.45   | 0.1830 |
| ZN7R-010 | 715470   | 4528514   | 719 | -90         | 70.0        | 16.00  | 19.00   | 3.00   | 0.1174 |
| ZN7R-019 | 714698   | 4528500   | 718 | -90         | 56.0        | 6.00   | 7.00    | 1.00   | 0.0801 |
|          |          |           |     |             |             | 12.00  | 13.00   | 1.00   | 0.0345 |
|          |          |           |     |             |             | 25.00  | 26.00   | 1.00   | 0.0790 |
|          |          |           |     |             |             | 37.00  | 39.00   | 2.00   | 0.0386 |
| ZN7R-020 | 714745   | 4528477   | 722 | -90         | 50.0        | 17.00  | 20.00   | 3.00   | 0.0268 |
|          |          |           |     |             |             | 21.00  | 23.00   | 2.00   | 0.0395 |
| ZN7R-021 | 714656   | 4528524   | 716 | -90         | 50.0        | 35.00  | 36.00   | 1.00   | 0.0309 |
|          |          |           |     |             |             | 42.00  | 43.00   | 1.00   | 0.0360 |
| ZN7R-022 | 714786   | 4528450   | 726 | -90         | 50.0        | 14.00  | 16.00   | 2.00   | 0.0636 |
|          |          |           |     |             |             | 23.00  | 24.00   | 1.00   | 0.0465 |
|          |          |           |     |             |             | 25.00  | 28.00   | 3.00   | 0.0709 |
| ZN7R-023 | 714614   | 4528545   | 715 | -90         | 50.0        | 23.00  | 25.00   | 2.00   | 0.0814 |
| ZN7R-026 | 714431   | 4528303   | 723 | -90         | 70.0        | 5.00   | 7.00    | 2.00   | 0.0270 |
|          |          |           |     |             |             | 12.00  | 13.00   | 1.00   | 0.0217 |
|          |          |           |     |             |             | 15.00  | 18.00   | 3.00   | 0.0836 |
|          |          |           |     |             |             | 21.00  | 22.00   | 1.00   | 0.0213 |
|          |          |           |     |             |             | 23.00  | 34.00   | 11.00  | 0.0485 |
|          |          |           |     |             |             | 23.00  | 30.00   | 7.00   | 0.0679 |
|          |          |           |     |             |             | 40.00  | 51.00   | 11.00  | 0.0664 |
| ZN7R-027 | 714476   | 4528277   | 723 | -90         | 65.0        | 26.00  | 27.00   | 1.00   | 0.0200 |
|          |          |           |     |             |             | 39.00  | 40.00   | 1.00   | 0.0414 |
|          |          |           |     |             |             | 43.00  | 44.00   | 1.00   | 0.0309 |
|          |          |           |     |             |             | 49.00  | 52.00   | 3.00   | 0.0300 |
| ZN7R-028 | 714517   | 4528251   | 725 | -90         | 60.0        | Radiometrically Anomalous - Awaiting Assays                  |         |        |        |
| ZN7R-030 | 714828   | 4528428   | 724 | -90         | 65.0        | 3.00   | 4.00    | 1.00   | 0.0242 |
|          |          |           |     |             |             | 9.00   | 10.00   | 1.00   | 0.0200 |
|          |          |           |     |             |             | 47.00  | 49.00   | 2.00   | 0.0374 |
| ZN7R-032 | 715181   | 4528749   | 701 | -90         | 70.0        | Radiometrically Anomalous - Awaiting Assays                  |         |        |        |
| ZN7R-033 | 715172   | 4528714   | 704 | -90         | 50.0        | Radiometrically Anomalous - Awaiting Assays                  |         |        |        |
| ZN7R-034 | 715153   | 4528661   | 711 | -90         | 50.0        | Radiometrically Anomalous - Awaiting Assays                  |         |        |        |
| ZN7R-036 | 715317   | 4528690   | 697 | -90         | 60.0        | Radiometrically Anomalous - Awaiting Assays                  |         |        |        |

NOTE: All assays are by Delayed Neutron Count by Actlabs and only results for positive holes are shown

| Positive Results from Santidad Drilling (31.03.08) |          |           |        |             |             |                            |       |         |
|--|----------|-----------|--------|-------------|-------------|----------------------------|-------|---------|
| HOLE ID  | UTM East | UTM North | RL     | Inclination | End of Hole | Minimum Intersections > 20 |       |         |
|  | metres   | metres    | metres | Degrees     | metres      | From                       | To    | Int (m) |
| SAN-144  | 715757   | 4523364   | 752    | -90         | 95.35       | 17.00                      | 22.00 | 5.00    |
|  |          |           |        |             |             | 24.00                      | 27.00 | 3.00    |
|  |          |           |        |             |             | 28.00                      | 29.00 | 1.00    |
|  |          |           |        |             |             | 30.00                      | 31.00 | 1.00    |
|  |          |           |        |             |             | 34.00                      | 36.00 | 2.00    |
|  |          |           |        |             |             | 51.50                      | 52.50 | 1.00    |
|  |          |           |        |             |             | 59.00                      | 64.00 | 5.00    |
| SANR-153   | 714753   | 4524019   | 800    | -90         | 60.00       | 56.00                      | 57.00 | 1.00    |
| SANR-155   | 714706   | 4523942   | 805    | -90         | 85.00       | 57.00                      | 60.00 | 3.00    |
| SAN-156  | 716530   | 4522702   | 762    | -90         | 61.15       | 13.00                      | 23.65 | 10.65   |
|  |          |           |        |             |             | 26.00                      | 29.35 | 3.35    |
|  |          |           |        |             |             | 30.45                      | 36.00 | 5.55    |
| SAN-167  | 715910   | 4523244   | 729    | -90         | 102.45      | 18.89                      | 24.98 | 6.09    |
|  |          |           |        |             |             | 59.20                      | 67.00 | 7.80    |
| SANR-169   | 716273   | 4523379   | 732    | -90         | 51.00       | 29.00                      | 30.00 | 1.00    |
| SANR-170   | 716284   | 4523412   | 737    | -90         | 60.00       | 4.00                       | 5.00  | 1.00    |
| SANR-182   | 715980   | 4522923   | 762    | -90         | 50.00       | 29.00                      | 32.00 | 3.00    |
| SAN-185  | 715837   | 4523169   | 732    | -90         | 100.20      | 54.90                      | 56.10 | 1.20    |
| SANR-192   | 712859   | 4525593   | 781    | -90         | 85.00       | 38.00                      | 40.00 | 2.00    |
|  |          |           |        |             |             | 58.00                      | 59.00 | 1.00    |
|  |          |           |        |             |             | 69.00                      | 71.00 | 2.00    |
|  |          |           |        |             |             | 75.00                      | 76.00 | 1.00    |
| SANR-194   | 712805   | 4525487   | 785    | -90         | 80.00       | 40.00                      | 41.00 | 1.00    |
| SANR-199   | 712682   | 4525272   | 797    | -90         | 70.00       | 60.00                      | 61.00 | 1.00    |
| SANR-200   | 712660   | 4525230   | 800    | -90         | 70.00       | 46.00                      | 47.00 | 1.00    |

NOTE: All assays are by Delayed Neutron Count by Actlabs and only results for positive holes are shown

| <b>Positive Results from Barquilla Drilling (31.03.08)</b> |          |           |         |             |          |             |  |      |         |                                   |
|--|----------|-----------|---------|-------------|----------|-------------|--|------|---------|-----------------------------------|
| HOLE ID  | UTM East | UTM North | RL      | Inclination | Recovery | End of Hole | Minimum Intersections > 200ppm U <sub>3</sub> O <sub>8</sub> |      |         |                                   |
|  | metres   | metres    | metres  | Degrees     | %        | metres      | From   | To   | Int (m) | U <sub>3</sub> O <sub>8</sub> (%) |
| <b>BAR-002</b>   | 692,373  | 4,509,353 | 697.394 | -90         | 90.8     | 50.2        | 2.50   | 7.80 | 5.30    | 0.0954                            |
| <b>BAR-003</b>   | 693,307  | 4,509,052 | 715.246 | -90         | 93.71    | 60.3        | 1.00   | 3.00 | 2.00    | 0.0233                            |
| <b>BAR-005</b>   | 691,844  | 4,507,657 | 713.818 | -90         | 95.76    | 54.0        | 0.00   | 4.00 | 4.00    | 0.0380                            |
| <b>BAR-006</b>   | 693,259  | 4,509,198 | 711.774 | -90         | 97.64    | 51.3        | 2.50   | 3.00 | 0.50    | 0.0288                            |
| <b>BAR-007</b>   | 692,578  | 4,508,591 | 701.885 | -90         | 92.48    | 25.3        | Radiometrically Anomalous - Awaiting Assays                  |      |         |                                   |

**NOTE: All assays are by Delayed Neutron Count by Actlabs and only results for positive holes are shown**

| Positive Results from Gambuta Drilling (31.03.08) |          |           |        |             |          |             |  |       |         |                                   |
|---|----------|-----------|--------|-------------|----------|-------------|--|-------|---------|-----------------------------------|
| HOLE ID   | UTM East | UTM North | RL     | Inclination | Recovery | End of Hole | Minimum Intersections > 200ppm U <sub>3</sub> O <sub>8</sub> |       |         |                                   |
|   | metres   | metres    | metres | Degrees     | %        | metres      | From   | To    | Int (m) | U <sub>3</sub> O <sub>8</sub> (%) |
| GAM-001   | 291,730  | 4,404,118 | 387    | -60 to 000  | 97.09    | 103.00      | 0.00   | 8.00  | 8.00    | 0.0586                            |
|   |          |           |        |             |          |             | 10.00  | 11.00 | 1.00    | 0.0218                            |
|   |          |           |        |             |          |             | 19.00  | 20.00 | 1.00    | 0.0512                            |
|   |          |           |        |             |          |             | 34.00  | 35.50 | 1.50    | 0.0301                            |
|   |          |           |        |             |          |             | 37.50  | 38.50 | 1.00    | 0.0389                            |
|   |          |           |        |             |          |             | 45.00  | 46.00 | 1.00    | 0.0768                            |
|   |          |           |        |             |          |             | 55.00  | 56.00 | 1.00    | 0.0543                            |
| GAM-002   | 292,381  | 4,403,899 | 369    | -60 to 000  | 96.36%   | 85.00       | 0.00   | 12.50 | 12.50   | 0.0741                            |
|   |          |           |        |             |          |             | 21.50  | 22.50 | 1.00    | 0.0312                            |
|   |          |           |        |             |          |             | 24.00  | 25.00 | 1.00    | 0.0394                            |
|   |          |           |        |             |          |             | 28.00  | 32.00 | 4.00    | 0.0997                            |
| GAM-003   | 292,368  | 4,403,827 | 353    | -80 to 000  | 85.28%   | 64.60       | 8.00   | 11.00 | 3.00    | 0.0281                            |
|   |          |           |        |             |          |             | 12.00  | 16.00 | 4.00    | 0.0359                            |
|   |          |           |        |             |          |             | 20.50  | 22.50 | 2.00    | 0.0340                            |
|   |          |           |        |             |          |             | 23.30  | 24.20 | 1.00    | 0.0707                            |
|   |          |           |        |             |          |             | 25.00  | 28.20 | 3.20    | 0.0540                            |
|   |          |           |        |             |          |             | 29.50  | 36.00 | 6.50    | 0.0561                            |
| GAM-004   | 292,368  | 4,403,828 | 353    | -70 to 180  | 97.41%   | 61.70       | 11.50  | 12.30 | 0.80    | 0.0218                            |
|   |          |           |        |             |          |             | 14.50  | 21.50 | 7.00    | 0.0431                            |
|   |          |           |        |             |          |             | 22.50  | 23.50 | 1.00    | 0.0397                            |
|   |          |           |        |             |          |             | 24.50  | 25.50 | 1.00    | 0.0531                            |
|   |          |           |        |             |          |             | 27.00  | 29.20 | 2.20    | 0.0256                            |
| GAM-005   | 292,368  | 4,403,827 | 353    | -80 to 000  | 98.06%   | 36.00       | 34.00  | 35.00 | 1.00    | 0.0285                            |
|   |          |           |        |             |          |             | 7.50   | 36.00 | 28.50   | 0.0451                            |
|   |          |           |        |             |          |             | 7.50   | 10.50 | 3.00    | 0.0218                            |
|   |          |           |        |             |          |             | 13.80  | 36.00 | 22.20   | 0.0541                            |

NOTE: All assays are by Delayed Neutron Count by Actlabs and only results for positive holes are shown

# Appendix 5B

## Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

**BERKELEY RESOURCES LIMITED**

ABN

40 052 468 569

Quarter ended ("current quarter")

31 March 2008

### Consolidated statement of cash flows

|   | Current quarter<br>\$A'000 | Year to date<br>(9 months)<br>\$A'000 |
|---|----------------------------|---------------------------------------|
| <b>Cash flows related to operating activities</b>               |                            |                                       |
| 1.1 Receipts from product sales and related debtors             | -                          | -                                     |
| 1.2 Payments for (a) exploration and evaluation                 | (2,384)                    | (7,047)                               |
| (b) development   | -                          | -                                     |
| (c) production  | -                          | -                                     |
| (d) administration  | (362)                      | (1,192)                               |
| 1.3 Dividends received  | -                          | -                                     |
| 1.4 Interest and other items of a similar nature received       | 372                        | 1,115                                 |
| 1.5 Interest and other costs of finance paid                    | -                          | -                                     |
| 1.6 Income taxes paid   | -                          | -                                     |
| 1.7 Other   |                            |                                       |
| - Business development  | (49)                       | (132)                                 |
| <b>Net Operating Cash Flows</b>                                 | <b>(2,423)</b>             | <b>(7,256)</b>                        |
| <b>Cash flows related to investing activities</b>               |                            |                                       |
| 1.8 Payment for purchases of:                                   |                            |                                       |
| (a)prospects  | -                          | -                                     |
| (b)equity investments   | -                          | -                                     |
| (c) other fixed assets  | (116)                      | (272)                                 |
| 1.9 Proceeds from sale of:                                      |                            |                                       |
| (a)prospects  | -                          | -                                     |
| (b)equity investments   | 2,585                      | 2,585                                 |
| (c)other fixed assets   | -                          | -                                     |
| 1.10 Loans to other entities                                    | -                          | -                                     |
| 1.11 Loans repaid by other entities                             | -                          | -                                     |
| 1.12 Other  | -                          | -                                     |
| <b>Net investing cash flows</b>                                 | <b>2,469</b>               | <b>2,313</b>                          |
| 1.13 Total operating and investing cash flows (carried forward) | 46                         | (4,943)                               |

+ See chapter 19 for defined terms.

|      |  |        |         |
|------|--|--------|---------|
| 1.13 | Total operating and investing cash flows (brought forward) | 46     | (4,943) |
|      | <b>Cash flows related to financing activities</b>          |        |         |
| 1.14 | Proceeds from issues of shares, options, etc.              | -      | 450     |
| 1.15 | Proceeds from sale of forfeited shares                     | -      | -       |
| 1.16 | Proceeds from borrowings                                   | -      | -       |
| 1.17 | Repayment of borrowings                                    | -      | -       |
| 1.18 | Dividends paid   | -      | -       |
| 1.19 | Other  |        |         |
|      | – capital raising expenses                                 | -      | (34)    |
|      | <b>Net financing cash flows</b>                            | -      | 416     |
|      | <b>Net increase (decrease) in cash held</b>                | 46     | (4,527) |
| 1.20 | Cash at beginning of quarter/year to date                  | 20,963 | 25,536  |
| 1.21 | Exchange rate adjustments to item 1.20                     | -      | -       |
| 1.22 | <b>Cash at end of quarter</b>                              | 21,009 | 21,009  |

**Payments to directors of the entity and associates of the directors**

**Payments to related entities of the entity and associates of the related entities**

|      |  | Current quarter<br>\$A'000 |
|------|--|----------------------------|
| 1.23 | Aggregate amount of payments to the parties included in item 1.2 | 261                        |
| 1.24 | Aggregate amount of loans to the parties included in item 1.10   | -                          |

1.25 Explanation necessary for an understanding of the transactions

Payments include executive remuneration, superannuation, directors' fees and consulting fees.

**Non-cash financing and investing activities**

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Not applicable

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Not applicable

+ See chapter 19 for defined terms.



### Financing facilities available

Add notes as necessary for an understanding of the position.

|                                 | Amount available<br>\$A'000 | Amount used<br>\$A'000 |
|---------------------------------|-----------------------------|------------------------|
| 3.1 Loan facilities             | -                           | -                      |
| 3.2 Credit standby arrangements | -                           | -                      |

### Estimated cash outflows for next quarter

|                                | \$A'000      |
|--------------------------------|--------------|
| 4.1 Exploration and evaluation | 2,700        |
| 4.2 Development                | -            |
| <b>Total</b>                   | <b>2,700</b> |

### Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

|  | Current quarter<br>\$A'000 | Previous quarter<br>\$A'000 |
|--|----------------------------|-----------------------------|
| 5.1 Cash on hand and at bank                     | 2,460                      | 2,759                       |
| 5.2 Deposits at call                             | 18,549                     | 18,204                      |
| 5.3 Bank overdraft                               | -                          | -                           |
| 5.4 Other (provide details)                      | -                          | -                           |
| <b>Total: cash at end of quarter</b> (item 1.22) | <b>21,009</b>              | <b>20,963</b>               |

### Changes in interests in mining tenements

|     | Tenement<br>reference   | Nature of interest<br>(note (2)) | Interest at<br>beginning<br>of quarter | Interest at<br>end of<br>quarter |
|-----|---|----------------------------------|--|----------------------------------|
| 6.1 | Interests in mining tenements relinquished, reduced or lapsed |                                  |  |                                  |
| 6.2 | Interests in mining tenements acquired or increased           |                                  |  |                                  |

+ See chapter 19 for defined terms.

**Issued and quoted securities at end of current quarter**

*Description includes rate of interest and any redemption or conversion rights together with prices and dates.*

|  | Total number | Number quoted | Issue price per security (see note 3) (cents) | Amount paid up per security (see note 3) (cents) |
|--|--------------|---------------|---|--|
| 7.1 <b>Preference securities</b><br><i>(description)</i>   |              |               |   |  |
| 7.2 Changes during quarter<br>(a) Increases through issues<br>(b) Decreases through returns of capital, buy-backs, redemptions |              |               |   |  |
| 7.3 <b>+Ordinary securities</b>  | 103,591,695  | 103,591,695   | Not Applicable                                | Not Applicable                                   |
| 7.4 Changes during quarter<br>(a) Increases through issues<br>(b) Decreases through returns of capital, buy-backs              |              |               |   |  |
| 7.5 <b>+Convertible debt securities</b>  |              |               |   |  |
| 7.6 Changes during quarter<br>(a) Increases through issues<br>(b) Decreases through securities matured, converted              |              |               |   |  |
| 7.7 <b>Options</b>   |              |               | <i>Exercise price</i>                         | <i>Expiry date</i>                               |
| -Unlisted Options  | 10,600,000   | -             | \$0.70  | 30 April 2010                                    |
| -Incentive Options   | 2,250,000    | -             | \$1.00  | 30 November 2008                                 |
| -Employee Options  | 2,450,000    | -             | \$1.86  | 5 August 2011                                    |
| 7.8 Issued during quarter  |              |               |   |  |
| 7.9 Exercised during quarter   |              |               |   |  |
| 7.10 Expired during quarter<br>-Employee Options (ceasing eligible employment)   | (520,000)    | -             | \$1.86  | 5 August 2011                                    |
| 7.11 <b>Debentures</b><br><i>(totals only)</i>   |              |               |   |  |
| 7.12 <b>Unsecured notes</b><br><i>(totals only)</i>  |              |               |   |  |

+ See chapter 19 for defined terms.

## Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does ~~/does not~~\* (*delete one*) give a true and fair view of the matters disclosed.

Sign here: ..... Date: 30 April 2008  
(~~Director~~/Company secretary)

Print name: **CLINT MCGHIE**

## Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** - The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** - ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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+ See chapter 19 for defined terms.