
Quarterly Activities Report – March 2011

The March Quarter was a period of intense activity, resulting in significant technical and corporate progress for the Company. Highlights include:

- The decision to exploit the Mineral Resources within the Mining Domain (State Reserves) in accordance with the Co-operation Agreement with ENUSA of 29th January, 2009.
- A fully underwritten capital raising of AUD\$55 million at AUD\$1.70 per share following the expiry of Severstal's right to subscribe for shares in Berkeley on the 14th January, 2011.
- Submission of a restricted Feasibility Study limited to the State Reserves Mineral Resources, to ENUSA on 23 February, 2011, as required under the Co-operation Agreement.
- Commencement of an extensive programme of exploration drilling on a new generation of high quality targets within the State Reserves and Berkeley's contiguous licenses, beginning with the Mimbres North and Retortillo South prospects with early encouragement at Mimbres North.
- Completion of diamond drilling programmes at Sageras, Alameda South and Retortillo which have provided samples for additional metallurgical testing, including pilot plant studies.
- Appointment of Brendan James, a metallurgical engineer with extensive financial experience, as Managing Director and Chief Executive Officer, effective 30th May, 2011.
- Appointment of Dr James Ross AM as Chairman on the 14th January, 2011, following the retirement of Dr Robert Hawley CBE from the Board due to ill health.

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SALAMANCA URANIUM PROJECT

The most significant development has been the progress in implementing the Co-operation Agreement with ENUSA relating to that proportion of the Project's resource inventory within the State Reserves (Figure 1). Other important developments include:

- commencement of exploration drilling at a new generation of targets
- the positive results from drilling for metallurgical test work samples
- progress with metallurgical test work
- a review of Project timelines.

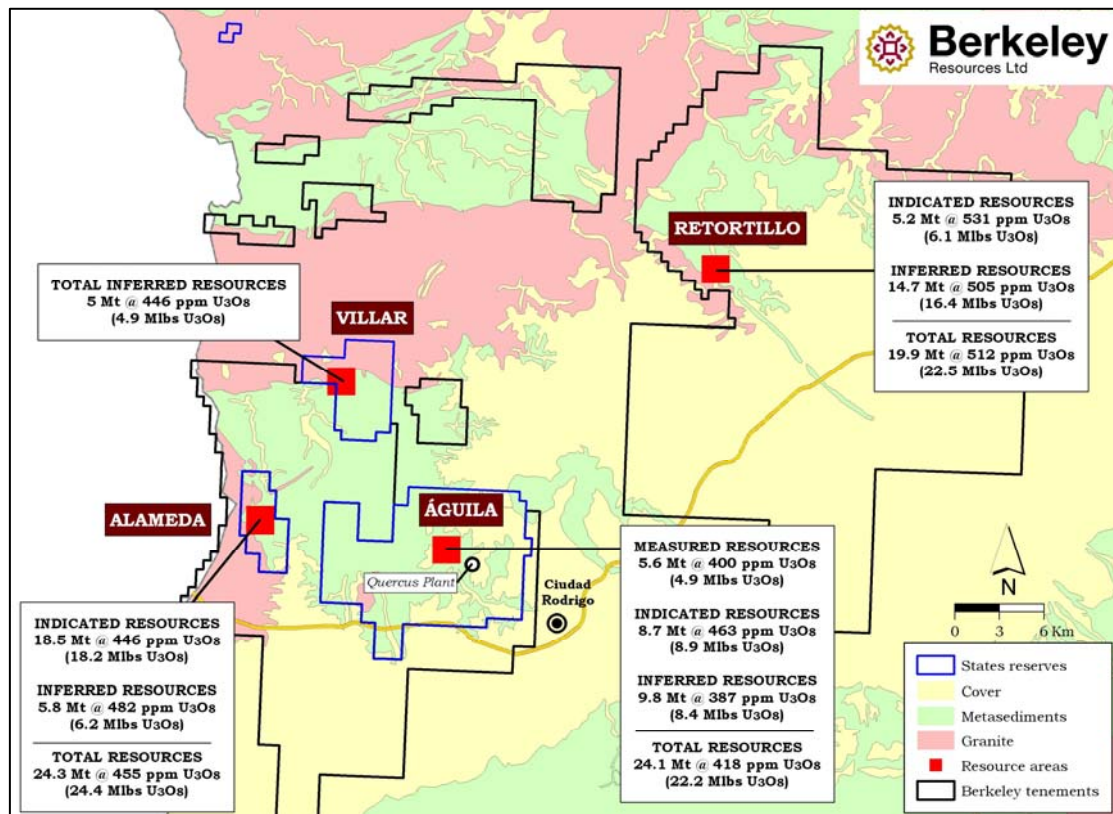


Figure 1 – Salamanca Uranium Project

Co-operation Agreement with ENUSA

Following Cabinet approval of the Co-operation Agreement of 29th January, 2009, and Berkeley's subsequent access to historical data, the Company commenced a programme of confirmatory drilling and metallurgical test work in May 2009. According to the Agreement, Berkeley was required to complete a Feasibility Study, which was restricted to eligible resources within the State Reserves, by November 2010 with provision for an extension of up to 12 months.

Under the terms of the Agreement, Berkeley elected to make the decision to exploit the eligible Mineral Resources within the State Reserves on the 17th January, 2011. This decision triggers the formation of a joint venture company, NEWCO, owned 90% by Berkeley and 10% by ENUSA, which will have the right to exploit uranium Mineral Resources within the State Reserves. The formation of NEWCO does not impede Berkeley from also developing its 100% owned Mineral Resources and treating either mined material or concentrates through the Quercus Plant under a toll treatment arrangement provided for in the Co-operation Agreement.

The parties have agreed the target date of 27th May, 2011 to form NEWCO after ENUSA, as party to the Consortium, verifies and agrees that the content of the Mining Domain Feasibility Study proves the feasibility of the Project over the life of the mine by fulfilling the technical, environmental, legal and economic requirements of the potential processing of uranium, exploited from the Mining Domain, through the Quercus Plant to a standard validly accepted by international experts in mining. This in turn will lead to a payment of 20 million Euros to ENUSA by Berkeley, within 30 days of the formation of NEWCO.

Exploration Drilling

As announced on 28th February, 2011, Berkeley recommenced exploration drilling after a lengthy hiatus whilst the exploration team focused on the confirmation and estimation of the uranium Mineral Resources at Sageras, Alameda and Palacios North, within the State Reserves. Collaborative work with experts from the University of Salamanca in 2010 helped to define a new generation of high quality targets, particularly within the State Reserves and Berkeley's contiguous licenses, and RC drill testing of covered targets at North Mimbre and South Retortillo commenced during the quarter.

At Mimbre North, immediately south of Alameda, boggy ground prevented more than five holes being drilled on a 200x 400m grid to test for an extension of the Alameda mineralisation south along the granite contact beneath Tertiary cover (Figure 2). Significantly, all holes reported intersections with elevated gamma readings beneath 3-18m of Tertiary cover and selected intervals have been sampled and sent to ALS Chemex laboratories in Canada for chemical analysis. A further 16 holes are planned in this campaign.

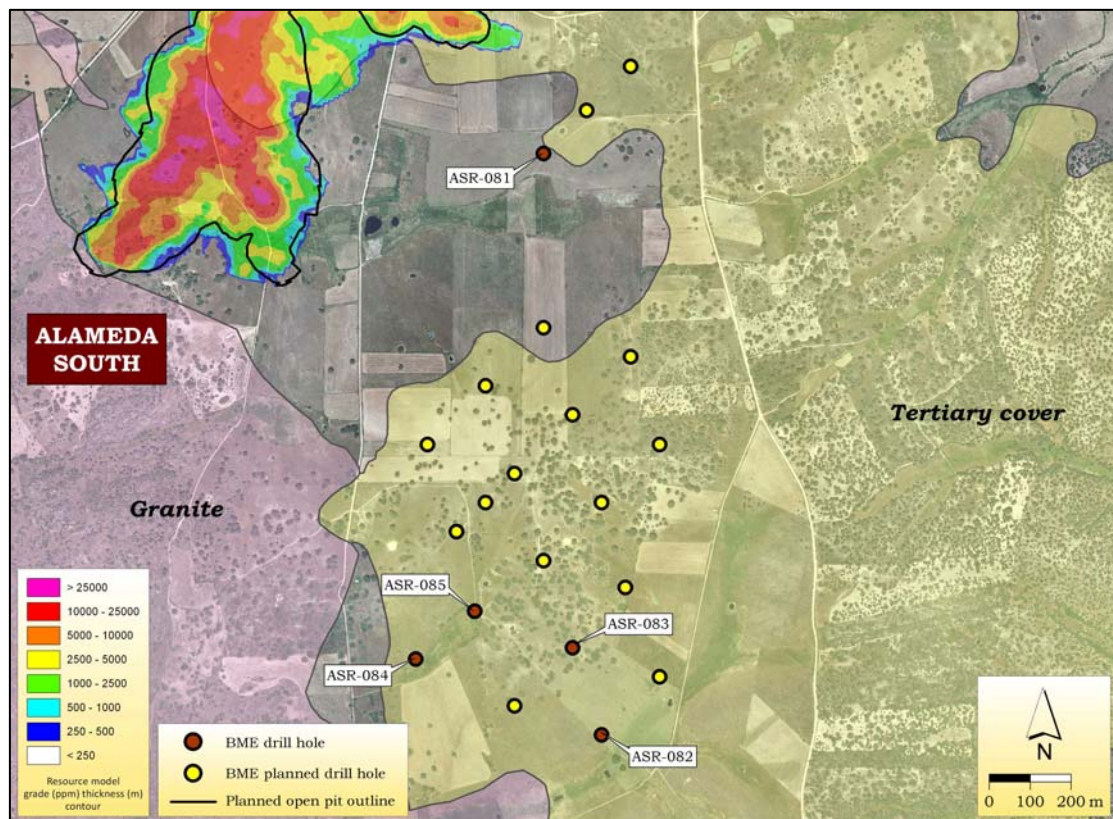


Figure 2 – Mimbre North RC Drilling

Significant exploration potential also exists in untested areas covered by Tertiary sediments in close proximity to the Retortillo deposit (Figure 3). These areas include favourable stratigraphic and structural settings, and anomalous radiometrics in a water borehole drilled by Berkeley in 2008. Only three RC holes were drilled during the quarter, with low gamma readings recorded.

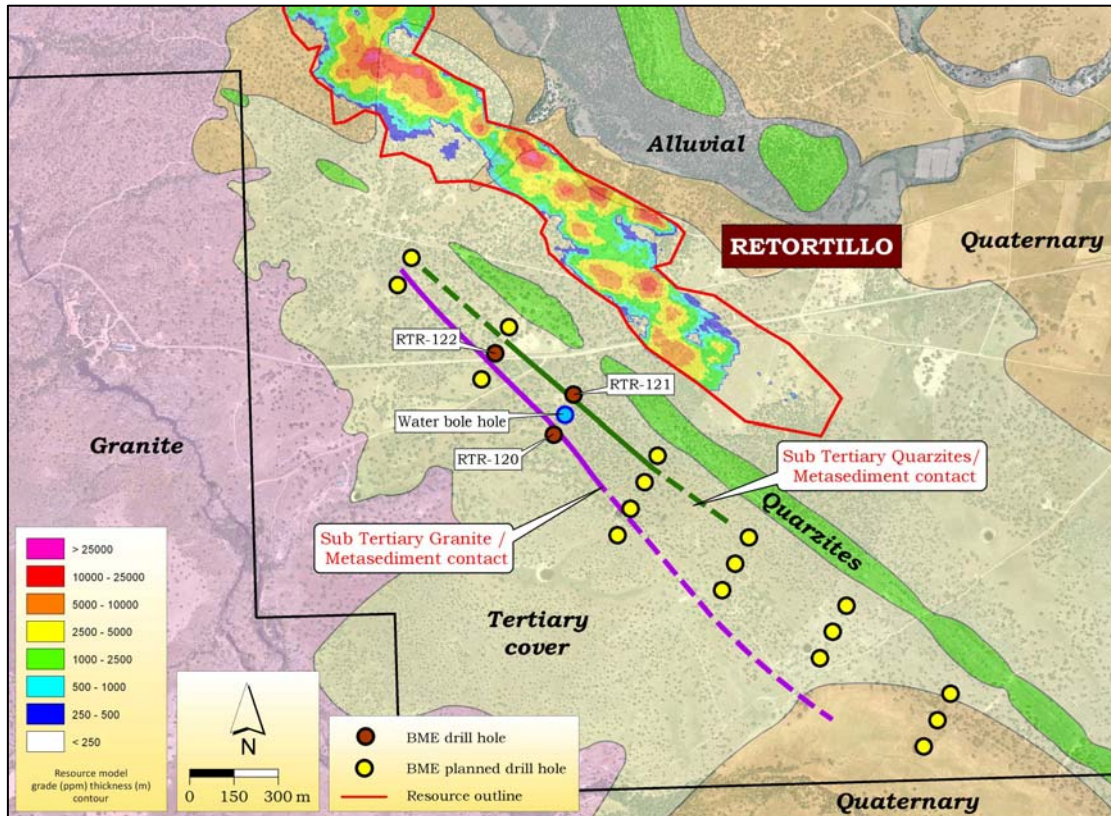


Figure 3 – Retortillo South RC Drilling

Additional targeting studies are proceeding with the University of Salamanca and exploration drilling will continue intermittently throughout the year with the aim of identifying new deposits and possible extensions in proximity to the proposed operations at Águila, Alameda and Retortillo.

Metallurgical Diamond Drilling

Diamond drilling was completed at Sageras, Alameda South and Retortillo, to generate samples for the proposed pilot plant metallurgical test work. A total of 43 holes were completed for 3,496 metres of core (Table 1), with the aim of obtaining five tonnes of material from each deposit, representing the first four years of mining.

Table 1 – March 2011 Quarter Drilling Totals

Deposit	Q1 2011 Met DDH		Total Met DDH	
	Holes	Metres	Holes	Metres
Alameda South	15	1,422	19	1,712
Retortillo	20	1,615	23	1,875
Sageras	8	459	21	1,392
Total	43	3,496	63	4,979

All holes were located within the proposed mine plans and e-grade results are consistent in both thickness and grade with resource models (Figures 4, 5 & 6). The list of notable intersections in Table 2, in the form of eU_3O_8 grades calculated from down-hole radiometrics, includes some excellent intersections such as 24m (true thickness) at 2,495ppm eU_3O_8 in hole ASD-075 at Alameda South. Fourteen of the 15 holes drilled at Alameda recorded excellent grades and true thickness as shown below.

Table 2 – Metallurgical Drilling Notable Intersections

Deposit	DDH Hole ID	From (m)	To (m)	Interval (m)	True Thickness (m)	eU_3O_8 (ppm)
Alameda South	ASD-064	33	37	4	3	3,279
Alameda South	ASD-066	24	38	14	11	2,140
Alameda South	ASD-066	41	70	29	23	1,192
Alameda South	ASD-067	32	57	25	14	2,103
Alameda South	ASD-068	30	49	19	16	932
Alameda South	ASD-069	28	70	42	29	1,105
Alameda South	ASD-070	68	73	5	4	2,925
Alameda South	ASD-072	41	77	36	33	464
Alameda South	ASD-075	57	127	70	24	2,495
Alameda South	ASD-078	14	27	13	9	1,177
Alameda South	ASD-079	25	46	21	18	624
Alameda South	ASD-080	4	27	23	19	568

Table 2 – Metallurgical Drilling Notable Intersections

Deposit	DDH Hole ID	From (m)	To (m)	Interval (m)	True Thickness (m)	eU ₃ O ₈ (ppm)
Retortillo	RTD-100	46	69	23	23	445
Retortillo	RTD-105	26	48	22	19	1,380
Retortillo	RTD-106	21	46	25	22	606
Retortillo	RTD-108	30	55	25	22	515
Retortillo	RTD-111	16	32	16	14	770
Retortillo	RTD-114	25	53	28	25	496
Retortillo	RTD-115	46	56	10	10	1,175
Retortillo	RTD-118	32	51	19	19	642
Sageras West	ZMD-077	21	35	14	12	775
Sageras West	ZMD-077	59	65	6	5	1,953
Sageras West	ZMD-079	48	53	5	5	3,723
Sageras West	ZMD-079	62	67	5	5	2,232

A full table of intersections for the quarter is included in the Appendix. They have been calculated using a nominal 200ppm eU₃O₈ lower cut-off and a minimum thickness of at least 1 metre.

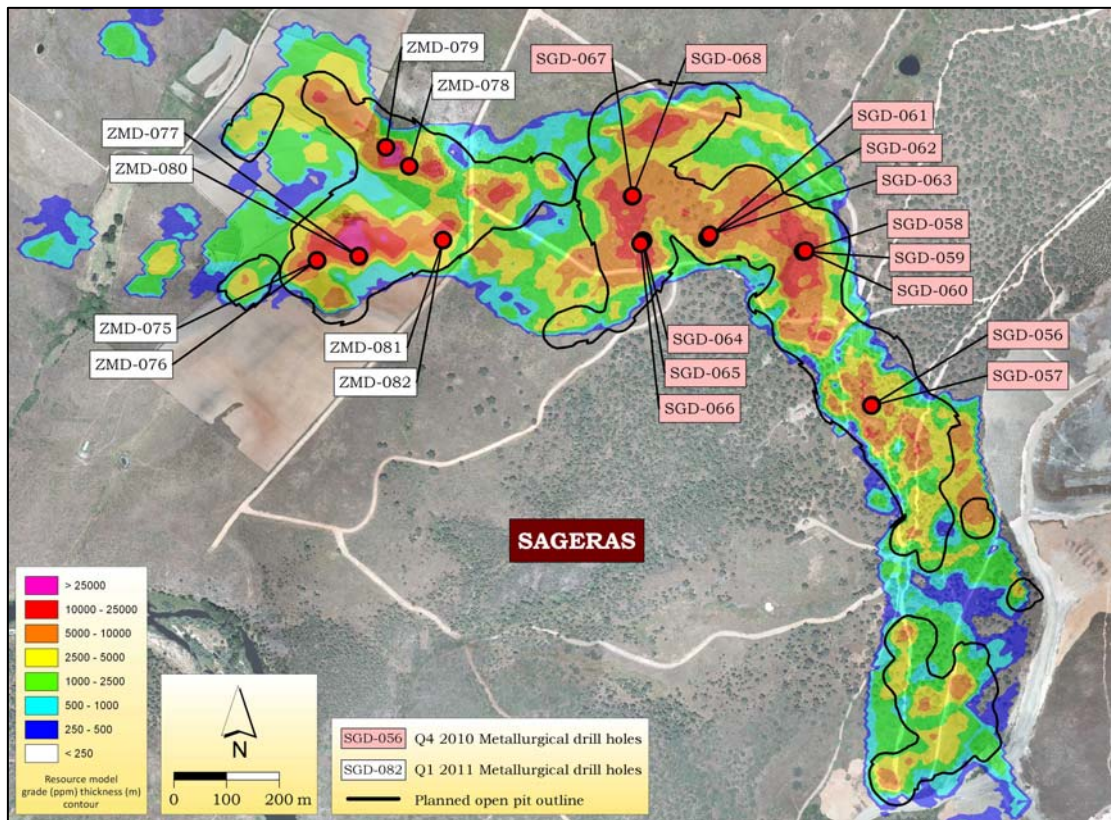


Figure 4 – Sageras Metallurgical Diamond Drilling

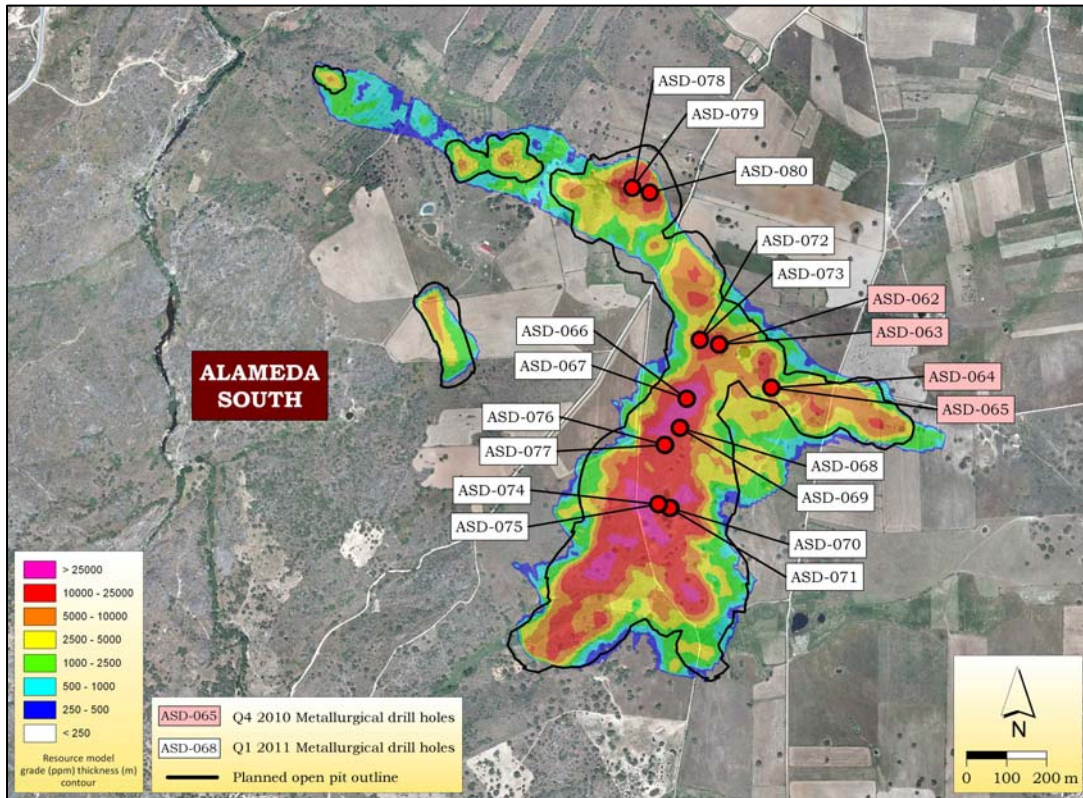


Figure 5 – Alameda South Metallurgical Diamond Drilling

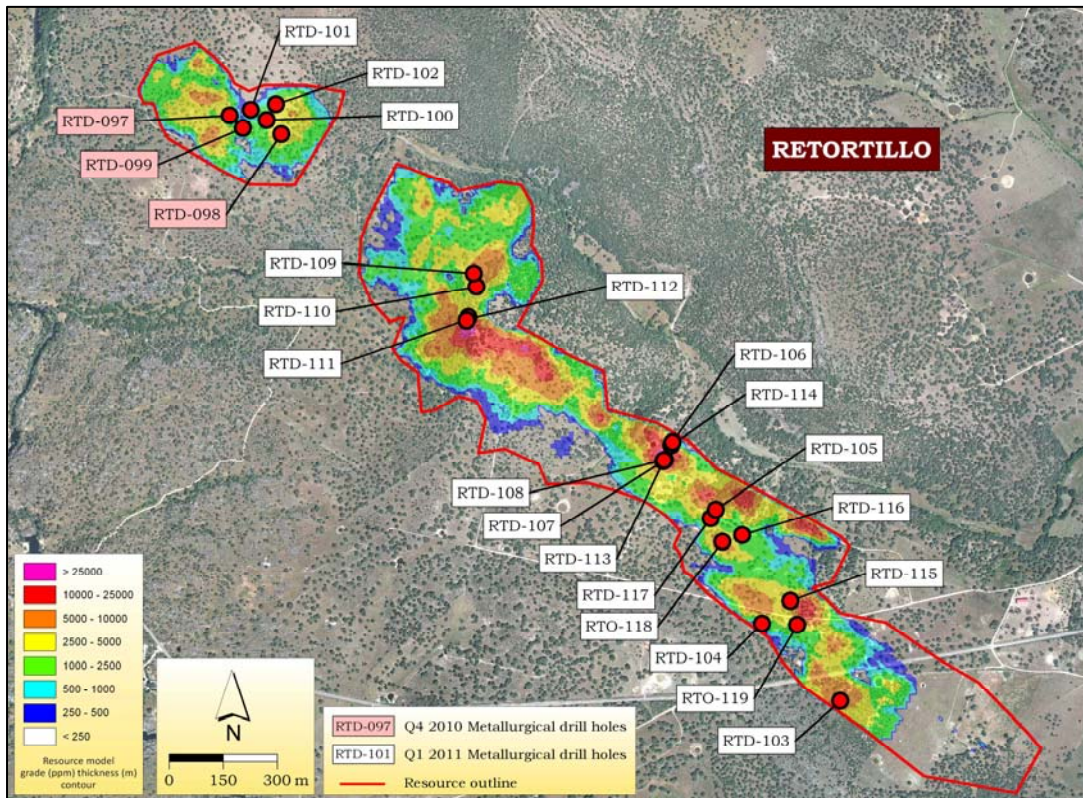


Figure 6 – Retortillo Metallurgical Diamond Drilling

Metallurgical Test Work

Metallurgical test work continued during the quarter at the SGS laboratories in Perth, Western Australia. Following completion of the first phase of tank leach test work reported in the December 2010 Quarterly, the main focus was on variability testing to determine the impact of spatial location, lithology and depth on recoveries in tank leach employing standard conditions.

Other test work included some diagnostic mineralogy at Alameda South where the small proportion of oxidised mineralisation gives lower recoveries as the weathering process appears to have made the uranium more refractory in the leach. In contrast, reduced mineralisation is imminently soluble with exceptionally low resistates. These observations are consistent with the stated Alameda recovery in leach of 93-94%.

Variability test work will continue in the June Quarter with emphasis on Sageras and outcomes will guide parameters for the proposed pilot plant test work.

Project Outlook

Formation of NEWCO enables permit applications to be lodged with the Spanish Government and sets in train a permitting process currently estimated at 18 months. In parallel with these developments, the Company is well advanced towards appointing an external engineering design team and an internal Project Manager. Importantly, sample material is now available to complete the remaining metallurgical test work and pilot plant studies for the overall Salamanca Project, including Retortillo.

Although the fundamental attraction of uranium as a low carbon source of energy is unchanged by the Fukushima incident, the resulting forecasts of some reduction in uranium demand, and a lesser reduction in uranium supply, have necessitated a review of Berkeley's current development, timetable and expenditure. This review has also taken account of the need for column leach test work at Retortillo, the input of the new CEO, and the delays resulting from the need to form NEWCO prior to any permitting applications.

As a result it is now anticipated that the Feasibility Study for the entire Salamanca Uranium Project, including Retortillo, will be completed by mid 2012.

CORPORATE DEVELOPMENTS

Placement of Shares to Raise AUD\$55 Million

On the 19th January, 2011, the Company announced a fully underwritten placement of 32,360,000 ordinary shares at AUD\$1.70 per share to institutional investors, at a discount of 7.1% to the closing share price on the 18th January, 2011. The placement was jointly underwritten by RBC Capital Markets ("RBC"), BMO Capital Markets ("BMO") and Dundee Securities Corporation. The placement was conducted in two tranches, with the second tranche approved by shareholders at a General Meeting on the 2nd March, 2011. The Company now has 174,295,838 shares on issue.

These funds will be utilised to meet the cost of the €20 million payment to ENUSA, to fund pilot plant test work to be carried out in a reputable laboratory located in Australia, and to enable exploration drilling of high quality targets within the State Reserves and adjacent Berkeley fully owned tenements.

Appointment of New Managing Director and CEO

On the 11th March, 2011, the Company announced the appointment of Mr Brendan James to become Managing Director and Chief Executive Officer of the Company, effective 30th May, 2011. Mr James is a metallurgical engineer, with an exceptional background in developing, commissioning and optimising a number of large uranium, copper and gold operations. His technical background includes outstanding senior management experience in uranium mining and processing, project management, re-designing and commissioning previously decommissioned operations, biological heap leaching and hydrometallurgy. This background is complemented by five years experience in financial markets, on both the buy and sell sides, and he is currently a Partner at Perennial Growth Management, one of Melbourne's leading fund managers.

Mr James is highly qualified to lead Berkeley through the optimisation, financing, development and commissioning of the Salamanca Uranium Project, and to advance Berkeley's strong organic growth opportunities. He will be based in Salamanca, Spain.

Appointment of New Chairman

On the 14th January, 2011, the Company announced the appointment of Dr James Ross AM as Chairman of the Company with immediate effect, following the retirement of Dr Robert Hawley CBE from the Board due to health reasons.

Dr Ross has been a Non-Executive Director of Berkeley for the last six years and closely involved with its exploration and development activities. He is a leading international geologist with more than forty five years experience in exploration, development and mining, including twenty five years with Western Mining Corporation Limited. Subsequent appointments have been at the level of Executive Director, Managing Director and Chairman with a number of ASX listed companies including Aerodata, World Geoscience, Odin Mining and Investments, Tanganyka Gold and Renewable Energy.

Dr Ross is a Director of Kimberley Foundation Australia Inc, a member of the Technology and Industry Council which advises the Western Australian Government on Science and Innovation, and Chairs organisations devoted to education and research.

APPENDIX

Sageras DDH Intersections (e-grades)

Hole ID	Easting (m)	Northing (m)	Elevation (m)	Depth (m)	Azimuth (°)	Dip (°)	From (m)	To (m)	True Thickness (m)	eU ₃ O ₈ (ppm)
ZMD-075	699432	4502830	652.9	60.10	0	-90	1	21	20	307
							26	27	1	389
ZMD-076	699431	4502831	652.9	5.00	0	-90	Not drilled			
ZMD-077	699511	4502839	659.4	75.00	0	-60	3	13	9	212
							21	35	12	775
							40	41	1	389
							44	46	2	520
							50	56	5	945
							59	65	5	1,953
							70	71	1	390
ZMD-078	699606	4503008	675.2	82.50	0	-90	21	33	12	509
							44	49	5	459
							56	57	1	225
							61	74	13	289
ZMD-079	699562	4503045	672.7	82.10	0	-90	43	45	2	998
							48	53	5	3,723
							62	67	5	2,232
ZMD-080	699511	4502838	659.4	72.20	0	-90	21	23	2	479
							25	26	1	334
							28	30	2	754
							40	57	17	501
							60	63	3	1,830
ZMD-081	699670	4502869	677.0	79.70	0	-90	28	29	1	292
							41	46	5	350
							62	64	2	618
							68	69	1	1,005
ZMD-082	699670	4502869	677.0	2.00	0	-60	Not drilled			

Alameda South DDH Intersections (e-grades)

Hole ID	Easting (m)	Northing (m)	Elevation (m)	Depth (m)	Azimuth (°)	Dip (°)	From (m)	To (m)	True Thickness (m)	eU ₃ O ₈ (ppm)
ASD-064	689424	4501239	757.5	67.50	103	-60	33	37	3	3,279
							40	41	1	266
ASD-065	689423	4501239	757.5	67.80	0	-90	28	30	2	433
							36	44	7	1,236
							48	51	3	339
							57	58	1	349
ASD-066	689213	4501212	753.2	99.00	103	-60	24	38	11	2,140
							41	70	23	1,192
							78	79	1	261
							81	86	4	230
ASD-067	689212	4501212	753.1	77.60	0	-90	18	23	5	1,305
							26	30	4	1,282
							32	57	14	2,103
							63	65	2	246
ASD-068	689196	4501139	753.8	65.70	103	-60	22	24	2	414
							30	49	16	932
ASD-069	689193	4501139	753.0	108.00	0	-60	28	70	29	1,105
							76	79	3	1,809
							81	82	1	239
							86	87	1	228
ASD-070	689172	4500939	748.7	116.40	103	-60	24	25	1	762
							37	48	10	322
							52	53	1	241
							56	65	8	666
							68	73	4	2,925
							78	79	1	485
							88	92	3	545
							98	104	5	320
ASD-071	689170	4500940	748.8	86.15	0	-90	37	40	3	339
							43	48	5	289
							64	77	10	656
ASD-072	689245	4501359	748.3	90.00	103	-65	41	77	33	464
ASD-073	689245	4501359	748.2	117.60	103	-80	54	55	1	236
							92	93	1	236
							95	96	1	211
							99	108	9	667

Alameda South DDH Intersections (e-grades)

Hole ID	Easting (m)	Northing (m)	Elevation (m)	Depth (m)	Azimuth (°)	Dip (°)	From (m)	To (m)	True Thickness (m)	eU ₃ O ₈ (ppm)
ASD-074	689142	4500948	748.4	94.05	0	-90	28	38	8	480
							55	60	5	642
							69	71	2	1,030
							78	80	2	693
ASD-075	689141	4500949	748.3	166.00	283	-65	19	20	1	250
							27	29	2	576
							35	36	1	312
							57	127	24	2,495
							137	143	5	534
							147	154	6	732
							158	160	2	785
ASD-076	689158	4501096	752.3	105.40	103	-60	21	30	8	673
							57	63	5	364
							74	75	1	234
							84	85	1	274
ASD-077	689157	4501097	752.4	131.55	0	-90	18	21	3	412
							32	44	8	526
							53	55	2	218
							61	73	8	932
							79	80	1	340
							104	105	1	267
							113	114	1	270
ASD-078	689077	4501738	730.0	56.50	0	-90	1	4	3	317
							9	11	2	457
							14	27	9	1,177
							33	44	7	837
							52	53	1	225
ASD-079	689077	4501738	730.0	56.00	103	-60	1	13	10	244
							16	21	4	585
							25	46	18	624
ASD-080	689120	4501726	732.0	52.25	0	-90	4	27	19	568
							39	41	2	2,468

Retortillo DDH Intersections (e-grades)

Hole ID	Easting (m)	Northing (m)	Elevation (m)	Depth (m)	Azimuth (°)	Dip (°)	From (m)	To (m)	True Thickness (m)	eU ₃ O ₈ (ppm)
RTD-098	718788	4521081	746.4	89.85	28	-60	43	44	1	220
							62	74	10	328
							77	78	1	208
RTD-099	718682	4521098	752.7	84.20	0	-90	49	50	1	210
RTD-100	718748	4521120	751.7	79.55	0	-90	46	69	23	445
RTD-101	718703	4521149	754.2	81.00	0	-90	26	27	1	213
							54	57	3	985
							65	68	3	368
RTD-102	718773	4521164	751.7	68.60	0	-90	Not mineralized			
RTD-103	720336	4519512	759.0	151.70	28	-60	98	107	8	389
							115	116	1	234
							122	124	2	430
RTD-104	720105	4519725	750.0	130.75	28	-60	50	67	15	590
							77	79	2	379
							96	98	2	290
RTD-105	719987	4520036	740.0	76.55	28	-60	26	48	19	1,380
							60	61	1	238
RTD-106	719866	4520236	742.0	73.65	208	-60	21	46	22	606
							50	51	1	330
							60	61	1	576
							66	67	1	481
RTD-107	719846	4520177	744.1	67.4	0	-90	35	41	6	441
							44	45	1	222
							46	47	1	264
RTD-108	719851	4520181	744.1	66.5	28	-60	30	55	22	515
RTD-109	719321	4520696	734.3	59.55	28	-60	Not mineralized			
RTD-110	719329	4520658	740.2	61.45	28	-60	Not mineralized			
RTD-111	719306	4520574	744.2	105.4	208	-60	16	32	14	770
							37	38	1	274
							41	51	9	309
							57	58	1	283
							66	67	1	219
							69	74	4	725
							79	90	10	358
							93	94	1	211

Retortillo DDH Intersections (e-grades)

Hole ID	Easting (m)	Northing (m)	Elevation (m)	Depth (m)	Azimuth (°)	Dip (°)	From (m)	To (m)	True Thickness (m)	eU ₃ O ₈ (ppm)
RTD-112	719301	4520565	743.0	100.9	208	-60	15	23	7	818
							33	42	8	234
							55	56	1	218
							60	77	15	498
							83	86	3	461
RTD-113	719848	4520180	744.1	71	207	-60	31	37	5	1,090
							40	44	4	286
							48	49	1	288
RTD-114	719869	4520222	743.2	74.10	208	-60	25	53	25	496
							59	61	2	299
RTD-115	720198	4519789	744.6	76.15	0	-90	36	43	7	829
							46	56	10	1,175
RTD-116	720065	4519972	739.5	58.7	0	-90	41	43	2	243
RTD-117	719978	4520019	743.0	65.2	0	-90	47	50	3	676
RTD-118	720010	4519953	743.5	66.05	0	-90	32	51	19	642
RTD-119	720218	4519723	747.7	81.05	27	-60	55	60	4	338
							68	71	3	721

Mimbre North RC Drill Holes

Hole ID	Easting (m)	Northing (m)	Elevation (m)	Depth (m)	Azimuth (°)	Dip (°)	From (m)	To (m)	Interval (m)	U ₃ O ₈ (ppm)
ASR-081	689909	4500829	743	82	0	-90	Results pending			
ASR-082	690051	4499415	733	88	0	-90	Results pending			
ASR-083	689980	4499415	733	58	0	-90	Results pending			
ASR-084	689598	4499600	737	82	0	-90	Results pending			
ASR-085	689742	4499716	742	94	0	-90	Results pending			

Retortillo South RC Drill Holes

Hole ID	Easting (m)	Northing (m)	Elevation (m)	Depth (m)	Azimuth (°)	Dip (°)	From (m)	To (m)	Interval (m)	U ₃ O ₈ (ppm)
RTR-120	719920	4519260	742	55	0	-90	Not mineralized			
RTR-121	719987	4519393	751	75	0	-90	Not mineralized			
RTR-122	719722	4519533	751	75	0	-90	Results pending			

SUPPLEMENTARY INFORMATION

The uranium grades reported in this release that are annotated with a sub-prefix “e” have been reported as uranium equivalent grades derived from down-hole gamma ray logging results and so they should be regarded as approximations only.

The Berkeley drill holes were logged with a GeoVista total count gamma tool. The gamma tool is calibrated each year in Adelaide at the Department of Water, Land and Biodiversity Conservation in calibration pits constructed under the supervision of CSIRO. The various calibration factors were calculated by David Wilson BSc MSc MAusIMM from 3D Exploration Ltd based in Perth, Western Australia.

Drill intersections are calculated using a 200 ppm eU₃O₈ lower cut-off with a minimum one metre intersection. The intersection widths are all reported as true thickness intervals.

The Mineral Resources are presented in accordance with the 2004 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resource and Ore Reserves” (JORC Code).

The information in this report that relates to the metallurgical test work results is based on information compiled by Mr Grenvil Dunn, who is a Chemical Engineer and a Member of the South African Institute of Mining and Metallurgy. Mr Dunn is a Technical Consultant with Orway Mineral Consultants who are consultants of Berkeley Resources. Mr Dunn 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 (The JORC Code).

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr. Ross Corben, who is a Member of The Australian Institute of Mining and Metallurgy and an employee of Berkeley Resources Limited. Mr. Corben 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. Corben consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.