



Berkeley

Resources Ltd

ABN 40 052 468 569

CONCISE FINANCIAL REPORT

30 JUNE 2011

The concise financial report is an extract from the full financial report of Berkeley Resources Limited for the year ended 30 June 2011. The financial statements and specific disclosures included in the concise financial report have been derived from the full financial report of Berkeley Resources Limited, and cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the Company as the full financial report.

Further financial information can be obtained from Berkeley Resources Limited's full financial report, a copy of which, including the independent auditor's report, is available to all shareholders on the Company's website at www.berkeleyresources.com.au, and will be sent to shareholders without charge on request

Directors

Dr James Ross – Chairman
Mr Brendan James – Managing Director
Señor Jose Ramon Esteruelas – Non-Executive
Mr Henry Horne – Non-Executive
Mr Laurence Marsland – Non-Executive
Mr John (Ian) Stalker – Non-Executive
Mr Matthew Syme – Non-Executive

Company Secretary

Mr Sam Middlemas

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ASX/AIM Code

BKY - Fully paid ordinary shares
BKYO - \$0.75 Listed options (ASX only)

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The Directors of Berkeley Resources Limited submit their report on the Consolidated Entity consisting of Berkeley Resources Limited ("Company" or "Berkeley" or "Parent") and the entities it controlled at the end of, or during, the year ended 30 June 2011 ("Consolidated Entity" or "Group").

DIRECTORS

The names of Directors in office at any time during the financial year or since the end of the financial year are:

Dr James Ross – Non-Executive Chairman since 14 January 2011 (previously Non-Executive)
Mr Brendan James – Managing Director (appointed 6 June 2011)
Señor Jose Ramon Esteruelas - Non-Executive Director
Mr Henry Horne – Chief Financial Officer appointed Executive Director on 11 October 2010 and Acting Managing Director from 14 January 2011 until 6 June 2011, remains as a Non-Executive Director
Mr Laurence Marsland – appointed Non-Executive Director 25 August 2011
Mr Ian Stalker – Managing Director until 14 January 2011 then Non-Executive Director
Mr Matthew Syme – Non-Executive Director
Dr Robert Hawley – Non-Executive Chairman until resigned 14 January 2011
Mr Sean James – Non-Executive Director until resigned 1 October 2010
Mr Scott Yelland – Chief Operating Officer/Executive Director until resigned 30 June 2011

Unless otherwise disclosed, Directors held their office from 1 July 2010 until the date of this report.

CURRENT DIRECTORS AND OFFICERS

James Ross AM

Non-Executive Chairman

Qualifications – B.Sc. (Hons.), PhD, FAusIMM, FAICD

Dr Ross is a leading international geologist whose technical qualifications include an honours degree in Geology at UWA and a PhD in Economic Geology from UC Berkeley. He first worked with Western Mining Corporation Limited for 25 years, where he held senior positions in exploration, mining and research. Subsequent appointments have been at the level of Executive Director, Managing Director and Chairman in a number of small listed companies in exploration, mining, geophysical technologies, renewable energy and timber. His considerable international experience in exploration and mining includes South America, Africa, South East Asia and the Western Pacific.

Dr Ross is a Director of Kimberley Foundation Australia Inc, and chairs its Science Advisory Council. He also chairs the Boards of a geoscience research centre and two foundations concerned with geoscience education in Western Australia.

He was appointed a Director of Berkeley Resources Limited on 4 February 2005 and appointed Non-Executive Chairman on 14 January 2011. He has not been a Director of another listed company in the three years prior to the end of the financial year.

Brendan James

Managing Director (appointed 6 June 2011)

Qualifications – B. Met. Eng. (Hons)

Mr Brendan 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, redesigning 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. 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 Spain.

Jose Ramon Esteruelas

Non-Executive Director

Qualifications – B Econ., LLB., PDipBus

Señor Esteruelas is an economist with vast experience in the managerial field whose senior executive roles have included Director General of Correos y Telegrafos (the Spanish postal service), Chief Executive Officer of Compania Espanola de Transformadora de Tabaco en Rama S.A. (Cetarsa), (the leading transformer tobacco company in Spain) and Executive Chairman of Minas de Almaden y Arrayanes SA (formerly the world's largest mercury producer).

Señor Esteruelas was appointed a Director of Berkeley Resources Limited on 16 November 2006. Señor Esteruelas has not held any other directorships of listed companies in the last three years.

Henry Horne

Non-Executive Director

Qualifications – BComm. (Financial Accounting and Business Economics)

Mr Horne was appointed Chief Financial Officer of Berkeley on 23 April 2010, before being appointed an Executive Director on 11 October 2010 and Acting Managing Director from 14 January 2011 until 6 June 2011, he remains on the board as a Non-Executive Director. Mr Horne is an international mining executive who holds a degree in Financial Accounting and Business Economics from the University of Stellenbosch (South Africa) and has more than 29 years' experience in the mining industry. This experience includes senior management and executive postings at mines in Namibia, South Africa, Ghana, Bulgaria, Chile and Russia with companies including Gold Fields, Kinross Gold, Navan Mining and Highland Gold. Mr Horne was the former Chief Executive Officer of Highland Gold in Russia and also served on various Boards.

Mr Horne has wide general management experience with strong financial, administrative and people management skills enhanced by confident negotiating abilities. He has extensive experience of African, Eastern European, Russian and North American financial best practices. In addition he also has comprehensive financial and technical knowledge and work experience within the gold and base metal mining industries. In the last three years, Mr Horne was previously on the board of Highland Gold Mining Limited until January 2008.

Laurence Marsland

Non-Executive Director

Qualifications – B. App.Sc. Mech. Eng., M.S.M

Mr Marsland is an engineer with more than thirty years' of diverse experience in the international mining industry, largely in senior management and executive director roles. Since 2000 he has worked extensively in Europe, including Spain.

Mr Marsland has a strong background in project management, and in the acquisition and development of government owned mining assets in Eastern Europe. He worked for Minproc Engineers for more than 15 years in project engineering and engineering management of mining projects in Australia, West African, Latin America and USA. More recently he was Vice President, Project Development for Gabriel Resources, then Executive Vice President and Chief Operating Officer for Dundee Precious Metals Inc. where he was responsible for the development and operation of its mining assets after renegotiating the acquisition of the substantial Chelopech gold-copper mine from the Bulgarian Government. He is currently a partner in PLC Partners S.A., a private company incorporated to pursue resource development opportunities.

Mr Marsland is an Australian citizen, and resides in Sofia, Bulgaria. He has a Bachelor of Applied Science in Mechanical Engineering from Curtin University and an MSc in Management from Stanford University Graduate School of Business. Mr Marsland was appointed a Director of Berkeley Resources Limited on 25 August 2011. He has not held any other directorships of listed companies in the last three years.

Matthew Syme

Non-Executive Director

Qualifications – B.Com, CA

Mr Syme is a Chartered Accountant and has over 20 years experience as a senior executive of a number of companies in the Australian resources and media sectors. He was a Manager in a major international Chartered Accounting firm before spending 3 years as an equities analyst in a large stockbroking firm. He was then Chief

Financial Officer of Pacmin Mining Limited, a successful Australian gold mining company, as well as a number of other resources companies.

Mr Syme was appointed a director of Berkeley Resources Limited on 27 August 2004, and was the Managing Director of the Company until the appointment of Mr Stalker in November 2009. Mr Syme continues on the Board as a Non-Executive Director.

During the three year period to the end of the financial year, the only other listed company board that Mr Syme held was as the Managing Director of Sierra Mining Limited (appointed 1 July 2010 – present).

John (Ian) Stalker

Non-Executive Director

Qualifications – BSc (Chemical Engineering)

Mr Ian Stalker is a chemical engineer, with an outstanding history in developing and managing a number of mining projects around the world over the past 35 years. He has considerable experience in the uranium sector and in mining operations in Europe, Africa and Spain and has successfully managed eight mining projects throughout the world through feasibility study, development and construction phases.

Mr Stalker was the Managing Director of Berkeley from 30 November 2009 until 14 January 2011 when he resigned as Managing Director and remains on the board as a Non-Executive. He was formerly Chief Executive Officer of the London and Toronto Listed UraMin, until its acquisition by Areva in August 2007 for US \$2.5 billion, and was subsequently CEO of Niger Uranium Ltd an AIM listed Company from 2008-2010. Prior to joining UraMin, Mr Stalker was at Gold Fields Ltd, where he was a Vice President and responsible for all of the company's projects in Australia and Europe in 2004.

Mr Stalker is a non-executive director of the AIM listed Vatukoula Gold Mines plc, AIM and TSX listed Polo Resources Ltd, ASX and TSX listed Elemental Minerals Limited and Forum Uranium Corp, and is CEO of TSX listed Brazilian Gold Corp.

Robert Samuel (Sam) Middlemas

Company Secretary

Qualifications – B.Com, PGradDipBus, CA

Mr Middlemas is a Chartered Accountant with more than 15 years' experience in various financial roles with a number of listed public companies operating in the resource sector. He is the principal of a corporate advisory company which provides financial and company secretarial services specialising in capital raisings and initial public offerings. Previously Mr Middlemas worked for an international accountancy firm. His fields of expertise include corporate secretarial practice, financial and management reporting in the mining industry, treasury and cash flow management and corporate governance. Mr Middlemas was appointed Company Secretary on 1 July 2010.

PRINCIPAL ACTIVITIES

The principal activities of the Consolidated Entity during the year consisted of mineral exploration. There was no significant change in the nature of those activities.

EMPLOYEES

	2011	2010
The number of full time equivalent people employed by the Consolidated Entity at balance date	44	37

DIVIDENDS

No dividends have been declared, provided for or paid in respect of the financial year ended 30 June 2011 (2010: nil).

EARNINGS PER SHARE

	2011 Cents	2010 Cents
Basic loss per share	(10.75)	(11.08)
Diluted loss per share	(10.75)	(11.08)

CORPORATE STRUCTURE

Berkeley Resources Limited is a company limited by shares that is incorporated and domiciled in Australia. The Company has prepared a consolidated financial report including the entities it acquired and controlled during the financial year.

CONSOLIDATED RESULTS

	2011 \$000's	2010 \$000's
Loss of the Consolidated Entity before income tax expense	(16,315)	(14,241)
Income tax expense	-	-
Net loss	(16,315)	(14,241)
Net loss attributable to minority interest	-	-
Net loss attributable to members of Berkeley Resources Limited	(16,315)	(14,241)

REVIEW OF OPERATIONS AND ACTIVITIES

The year ending June 2011 has been a turbulent and transformational period for the company, driven by both external and internal events.

A high level of commitment to the Feasibility Study timetable associated with the Co-operation Agreement with ENUSA continued through much of the year and was accompanied by a similar level of corporate activity. For example, a non-binding MOU was signed with the Korea Electric Power Corporation (KEPCO) to finance and develop the SUP was announced on the 10th August. However, on 29th October 2010, a potential takeover bid by OAO Severstal (Severstal) was announced, subject to financial, technical and legal due diligence and the KEPCO financing proposal fell away. By the 29th December 2010, Berkeley and Severstal were unable to agree terms upon which Severstal could make an agreed bid for the Company, and the exclusivity granted to Severstal expired in January.

The Company then proceeded with an equity raising of \$55 million at a price of \$1.70 per share for the issue of 32,360,000 new shares prior to the decision to advance to exploitation of the Salamanca Uranium Project on 17 January. This placement to institutional investors was completed in March 2011, following shareholder approval for the second tranche of the issue

On the 11th March 2011 the global nuclear industry was impacted by the tragic events in Japan and the consequential effects on the Fukushima Nuclear Power Stations. The Company then experienced a more substantial challenge when ENUSA, the Company's consortium partners in the Salamanca State Reserves, failed to form the JV Company 'Newco' by the required date of the 27th May 2011. This followed the submission to ENUSA of a restricted Feasibility Study, limited to the State Reserves Mineral Resources, on 23 February 2011, as required under the Co-operation Agreement. Discussion with ENUSA is ongoing.

Looking forward, our opinion based on industry consensus, is that the events of Fukushima have done little to alter the long term supply-demand drivers of the uranium industry, demonstrated by the continued strength of and term uranium prices. In addition, the Company continues to work with ENUSA towards developing and implementing options that will provide higher levels of confidence, and reduce risks, for both companies, in progressing towards production.

One of the positives of the year ending June 2011 was commencement of a Retortillo scoping study based on heap leach, with the potential to transform Berkeley into a multi-project company. The Retortillo project is expected to remain independent from the proposed project with ENUSA, and will source its production from Berkeley's 100% owned resources, currently totalling 31.7Mlb of uranium. The Company has recently reported that the Retortillo preliminary feasibility study has been initiated, targeting a production rate of between 1.5 to 2.5Mlb per annum. Completion of the preliminary feasibility study is expected mid November 2011, following submissions for licensing and permitting in October 2011.

Sustainable Development – Health, Safety, Environment and Community

Sustainable Development, including environmental responsibility, radiological protection and community awareness, engagement and support are paramount considerations for Berkeley. As a result, Berkeley has established a strong Health Safety Environment & Community (HSEC) team supported by the consultants Golder Associates, Ingemisa SA, Aquaterra, Salamanca University and Paulka Radiation & Environment.

Salamanca Uranium Project

The broader Salamanca Uranium Project (SUP) incorporates the Aguila Area deposits (Sageras, Palacios and Majuelos) and nearby Quercus Processing Plant, the more distant deposits at Alameda and Villar, and the Company's 100% owned resources at Retortillo and prospective licenses contiguous with the State Reserves.

Under the terms of the Co-operation Agreement with ENUSA the feasibility study was to be based solely on resources within the State Reserves (the Mining Domain Feasibility Study 'MDFS'). In accord with the Co-operation Agreement, Berkeley paid ENUSA €1 million in December 2010 to extend the completion of the MDFS by one year to 26th November 2011. The Company then advised ENUSA of its decision to progress to the exploitation phase when the decision to exploit was announced on the 17th January, 2011, and submitted the MDFS on 18th February 2011.

The decision to exploit was to trigger the formation of a joint venture company, Newco, owned 90% by Berkeley and 10% by ENUSA, with the right to exploit Uranium Mineral Resources within the State Reserves. The parties agreed to the target date of 27th May, 2011 to form Newco after ENUSA, as a partner in the Consortium, verified the content of the MDFS. This in turn was to lead to a payment of €20 million to ENUSA by Berkeley, within 30 days of the formation of Newco.

On Monday 23rd May, 2011, ENUSA informed Berkeley of its concerns regarding a number of aspects of the MDFS. The Company responded, supporting the MDFS and requesting formation of Newco by the agreed deadline. However, Newco was not incorporated in time and after receiving further information from ENUSA, Berkeley has taken advice on its legal alternatives under the Co-operation Agreement, from the Madrid office of a leading international legal firm. ENUSA and Berkeley have conducted a number of subsequent meetings with the principal objective of reconciling differing views about the purpose and content of the restricted MDFS and the impact of these differences on the timing of forming Newco. Discussions between the parties are ongoing. Both companies have declared a commitment to this process and believe that there are several constructive options to address the differences. However, Berkeley also recognises the possibility that satisfactory agreement between the parties may not be achieved, and therefore continues to assess its alternatives.

Geology and Exploration Review

During the calendar year to June 2011, operations were planned to achieve the following targets:

- 1- Convert most of the Inferred Resources included in the State Reserves into Measured and Indicated (M+I).
- 2- Obtain metallurgical samples from Sageras, Alameda South and Retortillo deposits.
- 3- Increase the "near to mine" resources (State Reserves and Retortillo)

To achieve this target, Berkeley has drilled 220 holes totalling 15,541m on projects within the Salamanca Province. The table below shows the breakdown by drill type and area.

	Number of holes	Total (m)	Number holes DDH	DDH (m)	Number holes RC	RC (m)
Alameda South	62	4,832	20	1,775	42	3,057
Mimbres	14	876		0	14	876
Sageras	99	6,044	21	1,393	78	4,651
Retortillo	35	2,679	23	1,875	12	804
Palacios	10	1,111		0	10	1,111
Total	220	15,542	64	5,042	156	10,499

State Reserves

During the first part of the year, Berkeley was focused on upgrading and improving the Mineral Resource Estimates within the Salamanca State Reserves. In the first quarter 7,207m were drilled, resulting in a 10% increase in Sageras and Alameda South resources, with 93% of these resources falling within the Indicated and Measured Categories. The current Mineral Resource Estimate for all deposits is tabulated below.

Deposit Name	Resource Category	Tonnes (Mt)	U ₃ O ₈ (ppm)	U ₃ O ₈ (t)	U ₃ O ₈ (Mlbs)	Category (%)	Berkeley* (%)	U ₃ O ₈ (Mlbs)
Águila Area	Measured	5.6	400	2,240	4.9	22%	90%	4.4
	Indicated	8.7	463	4,031	8.9	40%	90%	8.0
	Subtotal M+I	14.3	439	6,271	13.8	62%	90%	12.4
	Inferred	9.8	387	3,794	8.4	38%	90%	7.5
	Total	24.1	418	10,065	22.2	100%	90%	20.0
Alameda Area	Indicated	18.5	446	8,251	18.2	75%	90%	16.4
	Inferred	5.8	482	2,798	6.2	25%	90%	5.6
	Total	24.3	455	11,049	24.4	100%	90%	21.9
Villar Area	Inferred	5.0	446	2,239	4.9	100%	90%	4.4
Retortillo Area	Indicated	5.2	531	2,759	6.1	27%	100%	6.1
	Inferred	14.7	505	7,430	16.4	73%	100%	16.4
	Total	19.9	512	10,190	22.5	100%	100%	22.5
Gambuta Area	Inferred	11.3	371	4,192	9.2	100%	100%	9.2
Berkeley	Measured	5.6	400	2,240	4.9	6%		4.4
	Indicated	32.4	464	15,041	33.2	40%		30.4
	Subtotal M+I	38.0	455	17,282	38.1	46%		34.9
	Inferred	46.6	439	20,453	45.1	54%		43.1
	Total	84.6	446	37,735	83.2	100%		78.0

* Berkeley has agreed to acquire 90% of the ENUSA State Reserves and deposits therein by, inter alia, completing a feasibility study and paying €20m. For full details of the Agreement, the Berkeley's announcement dated 10th December 2008.

As a result from this campaign, and apart from the mentioned resources, new mineralized areas were uncovered in North West area of Sageras, with the mineralization still open to that side.

Additional drilling later in the year was focused on upgrading the remaining Inferred Resources at Alameda South, Palacios and Sageras and identifying additional potential.

Metallurgical Diamond Drilling

A further objective of the Company was to provide sufficient material for the ongoing tank leach and column leach metallurgical testwork programs. This required a diamond drill campaign of 5,000m involving up to 6 diamond drill rigs. A total of 5,000 kg of representative ore grade material was acquired for each of the Alameda, Sageras and Retortillo deposits.

Near Mine Exploration Drilling

After completing the metallurgical diamond drilling, RC rigs were focused on drilling exploration targets at the margins of the Sageras and Alameda South Deposits. At both deposits additional new mineralisation has been identified, in previously undrilled areas and in areas with very sparse drilling.

At Sageras, follow up drilling has extended the mineralization over 250 metres to the north-west where it is still open. At Alameda, which is the largest unexploited resource, a short RC program of 12 holes for 714m was completed during March to test for possible extensions in a structural corridor on the eastern side of the deposit. A narrow zone of high grade mineralisation has been discovered with a strike length of >200m and intersections of up to 8m @ 1,819ppm U₃O₈ in hole ASR-094.

Mimbres

A very wide spaced drill campaign was planned at the Mimbres Prospect (200m x 400m grid). This project lies 1km south of the Alameda South Deposit in a concealed and highly prospective corridor. A total of 34 wide spaced (1km x 1km) holes were drilled in the 1990's by ENUSA at Espeja approximately 10km south of the Alameda South deposit in the same corridor. Significantly, 40% of these holes intersected uranium mineralization with grades up to 1,700 ppm U₃O₈, and some intersections in excess of 10m.

Berkeley has completed 14 holes for 876m within that portion of the prospect covered by the Alameda State Reserve and a further 16 holes are planned in the contiguous 100% Berkeley licence to the south. Encouraging results from hole ASR-082 were previously reported (4m @ 472ppm U₃O₈ from 17m).

Retortillo

During the year a 10,000m RC drill program was designed and permitted by the authorities for the Retortillo & Santidad deposits. The objectives of the program are to increase the size of the current resource and upgrade the inferred resources. Drilling commenced in early July, 2011, and is expected to be finishing by November.

Regional

Permission to drill on a number of projects within the Salamanca State Reserves and other Berkeley Licences has been granted by the authorities giving the company significant drill capacity for the coming year. Several projects have been upgraded by field work and provide high quality, drill ready targets. These include strong radiometric anomalies with outcropping mineralisation at Carpio and Villar East, and other targets beneath Tertiary cover at Nil, Cuellar and Los Prados, close to the Aguila site.

Corporate Developments

During the period under review the Company made a number of appointments to strengthen its Management team, as the Company advanced toward its transformation from an exploration based company to a project development and production based organisation.

The decision was made by the Board of Directors to reinstate Mathew Syme as a Non-Executive Director considering the significant increase in corporate activity early in the financial year. On the 11th October 2010, CFO Henry Horne was appointed an Executive Director of the company. On the 30th December 2010 the Managing Director, Ian Stalker, resigned due to personal reasons. Henry Horne was appointed as Acting Managing Director until a permanent appointment was made.

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 had been a Non-Executive Director of Berkeley for the last six years and closely involved with its exploration and development activities. Dr Ross 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, Tanganyika 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.

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 6th June, 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, redesigning 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. 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 is based in Spain.

Mr Scott Yelland, the Company's Chief Operating Officer resigned from the Company for family reasons on June 30th. He also resigned from the Board with immediate effect. His responsibilities were covered by the recent appointment of Mr Francisco Bellón del Rosal as Project Manager for the Salamanca Uranium Project. Mr Bellón del Rosal has subsequently been promoted to General Manager Operations, effective July 1st 2011.

In addition, Mr Henry Horne resigned from his executive position as Chief Financial Officer of the Company, however he will remain as a Non-executive Director of the Company. Mr Sam Middlemas, the Company Secretary, will act as Chief Financial Officer until a permanent replacement is recruited.

Business Strategies and Prospects

The Consolidated Entity currently has the following business strategies and prospects over the medium to long term:

- to conduct studies into the feasibility of exploiting the Salamanca Uranium Project in Spain, with the objective of restarting the mining operations by the end of 2014
- to continue to explore its portfolio of mineral permits in Spain; and
- continue to examine new opportunities in minerals and energy exploration and development.

Risk Management

The Board is responsible for the oversight of the Consolidated Entity's risk management and control framework. Responsibility for control and risk management is delegated to the appropriate level of management with the Managing Director having ultimate responsibility to the Board for the risk management and control framework.

Arrangements put in place by the Board to monitor risk management include monthly reporting to the Board in respect of operations and the financial position of the Group.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

Other than as disclosed below, there were no significant changes in the state of affairs of the Consolidated Entity during the year.

- On 29 October 2010 a potential takeover bid by OAO Severstal was announced subject to financial, technical and legal due diligence. The Company granted Severstal a right to subscribe for shares in Berkeley and an exclusivity period which was extended to 29 December 2010. The Company was unable to agree final bid terms, and Severstal's rights lapsed on 14 January 2011;
- On 26 November 2010, 3.5 million shares were issued to Resource Capital Fund at \$1.45 per share for net proceeds of \$4.8m;

- On 30 December 2010 the Managing Director Ian Stalker resigned from his position. Mr Henry Horne was appointed acting Managing Director until a replacement was found. Mr Stalker remained on the board as a Non-Executive Director;
- On 14 January 2011 Dr James Ross AM was appointed Chairman following the retirement of Dr Robert Hawley CBE from the board due to health reasons;
- In March 2011, the Company completed an equity raising of \$55 million at a price of \$1.70 per share for the issue of 32,360,000 new shares, via a placement to institutional investors, following shareholder approval for the second tranche of the issue;
- The Company appointed Mr Brendan James as Managing Director on 6 June 2011;
- On 30 June 2011 Mr Scott Yelland resigned from his position as Chief Operating Officer and Mr Henry Horne resigned as Chief Financial Officer. Mr Horne continues on the board as a Non Executive Director.

SIGNIFICANT POST BALANCE DATE EVENTS

Since the end of the financial year, the following events have significantly affected, or may significantly affect, the operations of the Consolidated Entity, the results of those operations, or the state of affairs of the Consolidated Entity in future financial years:

Following shareholder approval on 20 September 2011, the Company has issued 2,000,000 Incentive Options to Mr Brendan James each with an exercise price of 41 cents, with an expiry date of 1 May 2016. All the Options will vest on 30 May 2014, or on the date a Change of Control event occurs.

In addition to the above, a further 1,000,000 options have been issued to employees under the Berkeley Employee Option Scheme each with an expiry date of 21 September 2015, vesting in three equal tranches on 21 September 2012, 21 September 2013 and 21 September 2014 at an exercise price of 41 cents.

On 25 August 2011 Laurence Marsland was appointed Non Executive Director of the company.

Other than the above there are no matters or circumstances, which have arisen since 30 June 2011 that have significantly affected or may significantly affect:

- the operations, in financial years subsequent to 30 June 2011, of the Consolidated Entity;
- the results of those operations, in financial years subsequent to 30 June 2011, of the Consolidated Entity;
or
- the state of affairs, in financial years subsequent to 30 June 2011, of the Consolidated Entity.

ENVIRONMENTAL REGULATION AND PERFORMANCE

The Consolidated Entity's operations are subject to various environmental laws and regulations under the relevant government's legislation. Full compliance with these laws and regulations is regarded as a minimum standard for all operations to achieve.

Instances of environmental non-compliance by an operation are identified either by external compliance audits or inspections by relevant government authorities.

There have been no significant known breaches by the Consolidated Entity during the financial year.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

It is the Board's current intention that the Consolidated Entity will continue with development of its Spanish uranium projects. The Company will also continue to examine new opportunities in mineral exploration, including uranium.

All of these activities are inherently risky and the Board is unable to provide certainty that any or all of these activities will be able to be achieved. In the opinion of the Directors, any further disclosure of information regarding likely developments in the operations of the Consolidated Entity and the expected results of these operations in subsequent financial years may prejudice the interests of the Company and accordingly no further information has been disclosed.

INFORMATION ON DIRECTORS' INTERESTS IN SECURITIES OF BERKELEY

	Interest in Securities at the Date of this Report			
	Ordinary Shares ⁽ⁱ⁾	\$0.75 Listed Options ⁽ⁱⁱ⁾	\$1.35 Incentive Options ⁽ⁱⁱⁱ⁾	\$1.25 Incentive Options ^(iv)
James Ross	315,000	257,500	-	-
Brendan James	-	-	-	-
Jose Ramon Esteruelas	-	500,000	-	-
Henry Horne	-	-	416,666	-
Laurence Marsland	-	-	-	-
Matthew Syme	2,168,105	1,069,002	-	-
Ian Stalker	-	900,000	-	1,000,000

Notes

- (i) "Ordinary Shares" means fully paid ordinary shares in the capital of the Company.
- (ii) "\$0.75 Listed Options" means an option to subscribe for 1 Ordinary Share in the capital of the Company at an exercise price of \$0.75 each on or before 15 May 2013.
- (iii) "\$1.35 Incentive Options" means an option to subscribe for 1 Ordinary Share in the capital of the Company at an exercise price of \$1.35 each on or before 19 June 2013.
- (iv) "\$1.25 Incentive Options" means an option to subscribe for 1 Ordinary Share in the capital of the Company at an exercise price of \$1.25 each on or before 1 December 2013.

SHARE OPTIONS

At the date of this report the following options have been issued over unissued capital:

Listed Options

- 11,989,428 listed options at an exercise price of \$0.75 each that expire on 15 May 2013.

Unlisted Options

- 1,960,000 unlisted options at an exercise price of \$1.86 each that expire on 5 August 2011 (all options lapsed on 5 August 2011).
- 495,834 unlisted options at an exercise price of \$1.00 each that expire on 19 June 2012.
- 1,000,000 unlisted options at an exercise price of \$1.25 each that expire on 1 December 2013.
- 2,311,666 unlisted options at an exercise price of \$1.35 each that expire on 18 June 2014.

These options do not entitle the holders to participate in any share issue of the Company or any other body corporate. During the financial year, there were 1,666,666 new shares issued as a result of the exercise of unlisted options, and a further 681,288 new shares issued as a result of exercise of the listed options. There were 3,298,334 unlisted options that lapsed during the year. Since 30 June 2011, there have been no new shares issued as a result of the exercise of any listed or unlisted options on issue.

MEETINGS OF DIRECTORS

The following table sets out the number of meetings of the Company's Directors and the Audit Committee and Remuneration Committee held during the year ended 30 June 2011, and the number of meetings attended by each director.

	Board Meetings Number Eligible to Attend	Board Meetings Number Attended	Audit Committee Meetings Number Eligible to Attend	Audit Committee Meetings Number Attended	Remuneration Committee Meetings Number Eligible to Attend	Remuneration Committee Meetings Number Attended
Current Directors						
James Ross	21	21	1	1	2	2
Brendan James	2	2				
Jose Ramon Esteruelas	21	21	2	2		
Henry Horne	18	18				
Laurence Marsland	-	-				
Ian Stalker	21	19			2	1
Matthew Syme	21	20	1	1	2	2
Former Directors						
Robert Hawley	14	11	1	1		
Scott Yelland	21	21				
Sean James	2	1	1	1		

REMUNERATION REPORT (AUDITED) (30 JUNE 2011 YEAR END)

This report details the amount and nature of remuneration of each director and executive officer of the Company.

Details of Key Management Personnel

The Key Management Personnel of the Group during or since the end of the financial year were as follows:

Directors

James Ross	Non-Executive Chairman since 14 January 2011 (previously Non-Executive)
Brendan James	Managing Director (appointed 6 June 2011)
Henry Horne	Chief Financial Officer, appointed Executive Director 11 October 2010 and Acting Managing Director until 6 June 2011 then Non-Executive Director
Ian Stalker	Managing Director until 14 January 2011 then Non-Executive Director
Jose Ramon Esteruelas	Non-Executive Director
Laurence Marsland	Non-Executive Director (appointed 25 August 2011)
Matthew Syme	Non-Executive Director
Robert Hawley	Non-Executive Chairman until resignation 14 January 2011
Scott Yelland	Chief Operating Officer / Executive Director (resigned 30 June 2011)
Sean James	Non-Executive Director (resigned 1 October 2010)

Executives

Sam Middlemas	Company Secretary (Appointed 1 July 2010)
Francisco Bellon del Rosal	General Manager Operations (Appointed 9 May 2011)

There were no other key management personnel of the Company or the Group. Unless otherwise disclosed, the Key Management Personnel held their position from 1 July 2010 until the date of this report.

REMUNERATION REPORT (AUDITED) (30 JUNE 2011 YEAR END) (Continued)**Remuneration Policy**

The remuneration policy for the Group's Key Management Personnel (including the Managing Director) has been developed by the Board taking into account:

- the size of the Group;
- the size of the management team for the Group;
- the nature and stage of development of the Group's current operations; and
- market conditions and comparable salary levels for companies of a similar size and operating in similar sectors.

In addition to considering the above general factors, the Board has also placed emphasis on the following specific issues in determining the remuneration policy for key management personnel:

- the Group is currently focused on undertaking exploration activities with a view to expanding and developing its resources. In line with the Group's accounting policy, all exploration expenditure prior to a feasibility study is expensed. The Group continues to examine new business opportunities in the energy and resources sector;
- risks associated with resource companies whilst exploring and developing projects; and
- other than profit which may be generated from asset sales (if any), the Group does not expect to be undertaking profitable operations until sometime after the successful commercialisation, production and sales of commodities from one or more of its current projects, or the acquisition of a profitable mining operation.

Remuneration Policy for Executives

The Group's remuneration policy is to provide a fixed remuneration component and a performance based component (options and a cash bonus, see below). The Board believes that this remuneration policy is appropriate given the considerations discussed in the section above and is appropriate in aligning Key Management Personnel objectives with shareholder and business objectives.

Performance Based Remuneration – Incentive Options

The Board has chosen to issue incentive options to Key Management Personnel as a key component of the incentive portion of their remuneration, in order to attract and retain the services of the Key Management Personnel and to provide an incentive linked to the performance of the Company. The Board considers that each Key Management Personnel's experience in the resources industry will greatly assist the Company in progressing its projects to the next stage of development and the identification of new projects. As such, the Board believes that the number of incentive options granted to Key Management Personnel is commensurate to their value to the Company.

The Board has a policy of granting options to Key Management Personnel with exercise prices at and/or above market share price (at time of agreement). As such, incentive options granted to Key Management Personnel will generally only be of benefit if the Key Management Personnel perform to the level whereby the value of the Company increases sufficiently to warrant exercising the incentive options granted.

Other than service-based vesting conditions, there are no additional performance criteria on the incentive options granted to Key Management Personnel, as given the speculative nature of the Group's activities and the small management team responsible for its running, it is considered the performance of the Key Management Personnel and the performance and value of the Company are closely related.

Performance Based Remuneration – Cash Bonus

In addition, some Key Management Personnel are entitled to an annual cash bonus upon achieving various key performance indicators, to be determined by the Board. On an annual basis, after consideration of performance against key performance indicators, the Board determines the amount, if any, of the annual cash bonus to be paid to each Key Management Personnel.

Impact of Shareholder Wealth on Key Management Personnel Remuneration

The Board does not directly base remuneration levels on the Company's share price or movement in the share price over the financial year. However, as noted above, a number of Key Management Personnel have received

options which generally will only be of value should the value of the Company's shares increase sufficiently to warrant exercising the incentive options granted.

REMUNERATION REPORT (AUDITED) (30 JUNE 2011 YEAR END) (Continued)

As a result of the Group's exploration and new business activities, the Board anticipates that it will retain future earnings (if any) and other cash resources for the operation and development of its business. Accordingly the Company does not currently have a policy with respect to the payment of dividends, and as a result the remuneration policy does not take into account the level of dividends or other distributions to shareholders (eg return of capital).

Impact of Earnings on Key Management Personnel Remuneration

As discussed above, the Group is currently undertaking exploration activities, and does not expect to be undertaking profitable operations until sometime after the successful commercialisation, production and sales of commodities from one or more of its current projects. Accordingly the Board does not consider current or prior year earnings when assessing remuneration of Key Management Personnel.

Remuneration Policy for Non-Executive Directors

The Board policy is to remunerate Non-Executive Directors at market rates for comparable companies for time, commitment and responsibilities. Given the current size, nature and risks of the Company, incentive options have been used to attract and retain Non-Executive Directors. The Board determines payments to the Non-Executive Directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required.

The maximum aggregate amount of fees that can be paid to Non-Executive Directors is subject to approval by shareholders at a General Meeting. Fees for Non-Executive Directors are not linked to the performance of the economic entity. However, to align Directors' interests with shareholder interests, the Directors are encouraged to hold shares in the Company and Non-Executive Directors have received incentive options in order to secure their services and as a key component of their remuneration.

General

Where required, Key Management Personnel receive superannuation contributions (or foreign equivalent), currently equal to 9% of their salary, and do not receive any other retirement benefit. From time to time, some individuals have chosen to sacrifice part of their salary to increase payments towards superannuation.

All remuneration paid to Key Management Personnel is valued at cost to the company and expensed. Incentive options are valued using the Binomial option valuation methodology. The value of these incentive options is expensed over the vesting period.

REMUNERATION REPORT (AUDITED) (30 JUNE 2011 YEAR END) (Continued)

Key Management Personnel Remuneration

Details of the nature and amount of each element of the remuneration of each Director and executive of the Company or Group for the financial year are as follows:

2011	Salary & Fees \$	Post Employment Benefits \$	Share-Based Payments \$	Other Non-Cash Benefits ⁽⁹⁾ \$	Total \$	Percentage of Total Remuneration that Consists of Options %	Percentage Performance Related %
Directors							
James Ross	138,025	2,100	-	-	140,125	-	-
Brendan James ⁽¹⁾	25,000	1,500	-	-	26,500	-	-
Henry Horne ⁽²⁾	349,649	9,025	415,982	40,682	815,338	51%	-
Scott Yelland	286,891	13,127	15,442	33,505	348,965	4%	-
Ian Stalker ⁽³⁾	278,043	-	724,886	-	1,002,929	72%	-
Jose Ramon Esteruelas	69,488	-	-	-	69,488	-	-
Matthew Syme	35,000	-	-	-	35,000	-	-
Robert Hawley ⁽⁴⁾	73,677	-	-	-	73,677	-	-
Sean James ⁽⁵⁾	7,334	-	-	-	7,334	-	-
Executives							
Sam Middlemas ⁽⁶⁾	170,011	-	-	-	170,011	-	-
Francisco Bellon del Rosal ⁽⁷⁾	23,996	2,394	-	-	26,390	-	-
2010							
Directors							
Robert Hawley	101,923	-	-	-	103,923	-	-
Ian Stalker	174,655	17,465	1,051,182	11,900	1,255,202	83.7	-
Matthew Syme	237,018	13,125	-	9,302	259,445	-	-
Scott Yelland	239,426	38,440	-	-	277,866	-	-
Sean James	43,581	-	-	-	43,581	-	-
James Ross	101,100	2,700	-	-	103,800	-	-
Jose Ramon Esteruelas	79,063	-	-	-	79,063	-	-
Stephen Dattels ⁽⁸⁾	-	-	-	-	-	-	-
Executives							
Henry Horne	53,537	-	13,908	7,132	74,577	18.6	-
Clint McGhie	-	-	-	-	-	-	-

Notes

- (1) Mr James joined the Company as Managing Director on 6 June 2011.
- (2) Mr Horne joined the Company as Chief Financial Officer on 8 February 2010, was appointed as a Non-Executive Director on 11 October 2010 and Acting Managing Director from 14 January 2011 to 30 June 2011 and continues on the Board as a Non-Executive director (833,334 options were cancelled at this time leading to a P&L reversal of \$196,873 for options that had not yet vested – not included in the table above – the Black Scholes value at the date of cancellation was \$81,666).
- (3) Mr Stalker was appointed Managing Director on 30 November 2009 until 14 January 2011 when he moved to the role of Non-Executive Director (2,000,000 options were cancelled at this time leading to a P&L reversal of \$1,321,240 not included in the table above – the Black Scholes value at the date of cancellation was \$2,476,700).
- (4) Mr Hawley resigned from the Board on 14 January 2011.
- (5) Mr James resigned from the Board on 1 October 2010.
- (6) Mr Middlemas was appointed Company Secretary on 1 July 2010 replacing Mr McGhie.
- (7) Mr Bellon del Rosal was appointed Project Manager on 9 May 2011 and promoted to General Manager Operations on 30 June 2011.
- (8) Mr Dattels was appointed as a non-executive Director of the Company on 15 May 2009.
- (9) Other Non-Cash Benefits includes payments made for car-parking and insurance premiums on behalf of the Directors, including Directors & Officers insurance, and in some instances, working directors insurance.

REMUNERATION REPORT (AUDITED) (30 JUNE 2011 YEAR END) (Continued)

Options Granted to Key Management Personnel

There were no options granted to any of the Key Management Personnel of the Company or Group during the financial year. Options granted during the prior year are as follows:

2010	Issuing Entity	Grant Date	Expiry Date	Exercise Price \$	Grant Date Fair Value \$	No. Granted	Total Value of Options Granted \$	No. Vested
Ian Stalker	Berkeley Resources Ltd	1/4/2010	1/12/2013	1.25	0.8626	1,000,000	862,600	1,000,000
	Berkeley Resources Ltd	1/4/2010	1/12/2014	1.25	0.9437	1,000,000	943,700	-
	Berkeley Resources Ltd	1/4/2010	1/12/2015	1.25	1.0068	1,000,000	1,006,800	-
Henry Horne	Berkeley Resources Ltd	18/6/2010	18/6/2014	1.35	0.5538	416,666	230,750	416,666
	Berkeley Resources Ltd	18/6/2010	18/6/2014	1.35	0.5538	416,667	230,750	-
	Berkeley Resources Ltd	18/6/2010	18/6/2014	1.35	0.5538	416,667	230,750	-

Notes

- (i) For details on the valuation of the options, including models and assumptions used, please refer to Note 19 to the financial statements. In the case of the options issued to Mr Stalker and to Mr Horne during 2010, the unvested options for each lapsed at 30 June 2011.
- (ii) In addition to the above, at 30 June 2010, 333,333 \$1.86 Incentive Options issued to Mr Yelland on 6 August 2007 had vested.
- (iii) Apart from those noted above, during the financial year there were no options exercised or lapsed.

Employment Contracts with Directors and Executive Officers

Mr Brendan James, Managing Director, has a contract of employment with Berkeley Resources Limited dated 10 March 2011. The contract specifies the duties and obligations to be fulfilled by the Managing Director. The contract has a rolling term and may be terminated by the Company by giving three months notice. No amount is payable in the event of termination for neglect of duty or gross misconduct. Mr James receives a fixed remuneration component of \$300,000 per annum plus 9% superannuation and the provision of accommodation in Spain and a motor vehicle.

Following shareholder approval on 20 September 2011, Mr James was granted 2,000,000 unlisted incentive options exercisable at \$0.41 each on or before 1 May 2016 (36 months vesting period).

Mr Ian Stalker, terminated his employment contract as Managing Director on 30 December 2010, and entered into a new letter agreement as a Non-Executive Director. The letter specifies the duties and obligations to be fulfilled as a Non-Executive Director, and the remuneration is fixed at \$50,000 per annum. The letter also includes a consultancy arrangement which provides for a consultancy fee at the rate of \$1,200 per day, on an as required basis. The consultancy arrangement has a rolling term and may be terminated by the Company by giving 1 months notice.

Mr Henry Horne, terminated his employment contract as Chief Financial Officer and Acting Managing Director on 30 June 2011, and entered into a new letter agreement as a Non-Executive Director. The letter specifies the duties and obligations to be fulfilled as a Non-Executive Director, and the remuneration is fixed at \$50,000 per annum. The letter also includes a consultancy arrangement which provides for a consultancy fee at the rate of \$1,200 per day, on an as required basis. The consultancy arrangement has a rolling term and may be terminated by the Company by giving 1 months notice.

The Board granted Mr Horne 1,250,000 unlisted options exercisable at \$1.35 each on or before 18 June 2014 on his appointment. The unvested 833,334 options lapsed on 30 June 2011.

REMUNERATION REPORT (AUDITED) (30 JUNE 2011 YEAR END) (Continued)**Employment Contracts with Directors and Executive Officers (Continued)**

Dr James Ross AM, Non-Executive Chairman, has a letter of engagement with Berkeley Resources Limited that was updated on 15 January 2011. The letter specifies the duties and obligations to be fulfilled by the Chairman. Dr Ross receives a fixed remuneration component of \$100,000 per annum inclusive of superannuation. The letter also includes a consultancy arrangement which provides for a consultancy fee at the rate of \$1,200 per day for technical geological work done. The consultancy arrangement has a rolling term and may be terminated by the Company by giving 1 months notice.

Señor Jose Ramon Esteruelas, Non-Executive Director, was appointed a Director of the Company on 1 November 2006. Señor Esteruelas has a letter of employment with Berkeley Resources Limited dated 16 November 2006. Señor Esteruelas receives a fixed remuneration component of €48,000 per annum. The letter also includes a consultancy agreement which provides for a consultancy fee of €1,000 per day. The consultancy agreement has a rolling term and may be terminated by Señor Esteruelas or by the Company by giving 1 months notice.

Mr Laurence Marsland was appointed a Non-Executive Director on 25 August 2011. He has a letter engagement specifying the duties and obligations to be fulfilled as a Non-Executive Director, and the remuneration is fixed at \$50,000 per annum. The letter also includes a consultancy arrangement which provides for a consultancy fee at the rate of \$1,200 per day, on an as required basis. The consultancy arrangement has a rolling term and may be terminated by the Company by giving 1 months notice.

Mr Matthew Syme has a letter engagement dated 1 February 2010 relating to his appointment as a Non-Executive Director. The letter specifies the duties and obligations to be fulfilled as a Non-Executive Director, and the remuneration is fixed at \$50,000 per annum. The letter also includes a consultancy arrangement which provides for a consultancy fee at the rate of \$1,200 per day, on an as required basis. The consultancy arrangement has a rolling term and may be terminated by the Company by giving 1 months notice.

Mr Sam Middlemas has a letter agreement dated 31 May 2010 and revised 26 October 2010 relating to his services as Company Secretary. The letter specifies the duties and obligations to be fulfilled as Company Secretary, and the monthly remuneration is fixed at \$9,600 for 8 days work per month. The letter also includes a consultancy arrangement which provides for additional work to be charged at the rate of \$1,200 per day, on an as required basis. The consultancy arrangement has a rolling term and may be terminated by the Company by giving 3 months notice and termination payment.

Exercise of Options Granted as Remuneration

During the financial year ended 30 June 2011, there were no new options granted as remuneration. There were no options that were exercised during the financial year by Key Management Personnel (2010: Nil).

AUDITOR'S AND OFFICERS' INDEMNITIES AND INSURANCE

Under the Constitution the Company is obliged, to the extent permitted by law, to indemnify an officer (including Directors) of the Company against liabilities incurred by the officer in that capacity, against costs and expenses incurred by the officer in successfully defending civil or criminal proceedings, and against any liability which arises out of conduct not involving a lack of good faith.

During the financial year, the Company has paid an insurance premium to insure Directors and officers of the Company against certain liabilities arising out of their conduct while acting as a Director or Officer of the Company. The net premium paid was \$25,874. Under the terms and conditions of the insurance contract, the nature of liabilities insured against cannot be disclosed.

The Company has not, during or since the end of the financial year, indemnified or agreed to indemnify an auditor of the Company or of any related body corporate against any liability incurred.

NON-AUDIT SERVICES

There were no non-audit services provided by the auditor (or by another person or firm on the auditor's behalf) during the financial year.

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration is on page 58 of the Annual Financial Report.

ROUNDING OFF

The Group is of a kind referred to in ASIC Class Order 98/100 dated 10 July 1998 and in accordance with that Class Order, amounts in the consolidated financial statements and directors' report have been rounded off to the nearest thousand dollars, unless otherwise stated.

This report is made in accordance with a resolution of the Directors made pursuant to section 298(2) of the Corporations Act 2001.

For and on behalf of the Directors



BRENDAN JAMES
Managing Director

27 September 2011

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

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2011



	Consolidated	
	2011 \$000's	2010 \$000's
Revenue from continuing operations	1,291	713
Administration costs	(2,015)	(1,468)
Exploration costs	(15,272)	(10,732)
Business development costs	-	(344)
Other share based payments expense	(319)	(1,489)
Cancellation of royalty	-	(921)
Loss before income tax expense	(16,315)	(14,241)
Income tax expense	-	-
Loss after income tax expense	(16,315)	(14,241)
Other Comprehensive Income		
Exchange differences arising on translation of foreign operations	(795)	(1,743)
Income tax on other comprehensive income	-	-
Total Comprehensive Loss	(17,110)	(15,984)
Loss attributable to:		
Non controlling interest	-	1
Members of Berkeley Resources Limited	(16,315)	(14,242)
Loss after income tax expense	(16,315)	(14,241)
Total comprehensive loss attributable to:		
Non controlling interest	-	1
Members of Berkeley Resources Limited	(17,110)	(15,985)
Total Comprehensive Loss	(17,110)	(15,984)
Basic loss per share (cents per share)	(10.75)	(11.08)
Diluted loss per share (cents per share)	(10.75)	(11.08)

The above Statement of Comprehensive Income should be read in conjunction with the accompanying Notes

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2011



	Consolidated	
	2011 \$000's	2010 \$000's
ASSETS		
Current Assets		
Cash and cash equivalents	50,600	10,244
Trade and other receivables	700	193
Total Current Assets	51,300	10,437
Non-current Assets		
Exploration expenditure	13,647	12,843
Property, plant and equipment	438	482
Other financial assets	115	215
Total Non-current Assets	14,200	13,540
TOTAL ASSETS	65,500	23,977
LIABILITIES		
Current Liabilities		
Trade and other payables	1,188	1,694
Provisions	-	22
Other financial liabilities	109	273
Total Current Liabilities	1,297	1,989
TOTAL LIABILITIES	1,297	1,989
NET ASSETS	64,203	21,988
EQUITY		
Equity attributable to equity holders of the Company		
Issued capital	117,624	58,618
Reserves	3,472	4,834
Accumulated losses	(56,893)	(41,464)
TOTAL EQUITY	64,203	21,988

The above Statement of Financial Position should be read in conjunction with the accompanying Notes

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2011



	Consolidated	
	2011 \$000's	2010 \$000's
Cash flows from operating activities		
Payments to suppliers and employees	(18,099)	(10,037)
Interest received	1,266	334
Grant received	-	359
Net cash inflow/(outflow) from operating activities	(16,833)	(9,344)
Cash flows from investing activities		
Payments for exploration	(1,698)	(91)
Security bond deposit	-	172
Proceeds from sale of exploration assets	60	-
Payments for property, plant and equipment	(147)	(271)
Net cash inflow/(outflow) from investing activities	(1,785)	(190)
Cash flows from financing activities		
Proceeds from issue of shares	61,974	8,369
Transaction costs from issue of shares and options	(2,968)	(28)
Net cash inflow from financing activities	59,006	8,341
Net increase/(decrease) in cash and cash equivalents held	40,388	(1,193)
Cash and cash equivalents at the beginning of the financial year	10,244	11,480
Effects of exchange rate changes on cash and cash equivalents	(32)	(43)
Cash and cash equivalents at the end of the financial year	50,600	10,244

The above Statement of Cash Flows should be read in conjunction with the accompanying Notes

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2011



	Issued Capital	Option Premium Reserve	Foreign Currency Translation Reserve	Accumulated Losses	Non Controlling Interest	Total Equity
Consolidated	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
As at 1 July 2009	49,391	6,552	(185)	(28,502)	1	27,257
Net loss for the period	-	-	-	(14,240)	(1)	(14,241)
Other Comprehensive Income: Exchange differences arising on translation of foreign operations	-	-	(1,743)	-	-	(1,743)
<i>Total comprehensive loss</i>	-	-	(1,743)	(14,240)	(1)	(15,984)
Transactions with owners, recorded directly in equity						
Issue of shares	9,255	-	-	-	-	9,255
Share issue costs	(28)	-	-	-	-	(28)
Share based payments exercised	-	(1,278)	-	1,278	-	-
Cost of share based payments	-	1,488	-	-	-	1,488
As at 30 June 2010	58,618	6,762	(1,928)	(41,464)	-	21,988
As at 1 July 2010	58,618	6,762	(1,928)	(41,464)	-	21,988
Net loss for the period	-	-	-	(16,315)	-	(16,315)
Other Comprehensive Income: Exchange differences arising on translation of foreign operations	-	-	(795)	-	-	(795)
<i>Total comprehensive loss</i>	-	-	(795)	(16,315)	-	(17,110)
Transactions with owners, recorded directly in equity						
Issue of shares	62,264	-	-	-	-	62,264
Share issue costs	(3,258)	-	-	-	-	(3,258)
Share based payments exercised	-	(886)	-	886	-	-
Cancellation of incentive options:						
Unvested Options	-	(1,568)	-	-	-	(1,568)
Cost of share based payments	-	1,887	-	-	-	1,887
As at 30 June 2011	117,624	6,195	(2,723)	(56,893)	-	64,203

The above Statement of Changes in Equity should be read in conjunction with the accompanying Notes

**NOTES TO AND FORMING PART OF THE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**



1. BASIS OF PREPARATION

The concise financial statements have been prepared in accordance with the *Corporations Act 2001* and Accounting Standard AASB1039 "Concise Financial Reports". The concise financial statements are an extract from the full financial statements. The concise financial statements and specific disclosures included in the concise financial statements have been derived from the full financial statements of Berkeley Resources Limited.

All amounts are presented in Australian dollars.

2. ADOPTION OF NEW AND REVISED ACCOUNTING STANDARDS

The financial report complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS). The financial report also complies with International Financial Reporting Standards (IFRS).

In the current year, the Group has adopted all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for the current annual reporting period. There is no material impact of the adoption of these new accounting standards on the financial statements at 30 June 2011.

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective have not been adopted by the Group for the annual reporting period ended 30 June 2011 are as follows:

- AASB 9 Financial Instruments, AASB 2009-11 Amendments to Australian Accounting Standards arising from AASB 9 and AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) (effective from 1 January 2013).
- Revised AASB 124 Related Party Disclosures and AASB 2009-12 Amendments to Australian Accounting Standards (effective from 1 January 2011).
- AASB 1053 Application of Tiers of Australian Accounting Standards and AASB 2010-2 Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements (effective from 1 July 2013).
- AASB 2009-12: Amendments to Australian Accounting Standards [AASBs 5, 8, 108, 110, 112, 119, 133, 137, 139, 1023 & 1031 and Interpretations 2, 4, 16, 1039 & 1052] (applicable for annual reporting periods commencing on or after 1 January 2011).
- AASB 2009-14: Amendments to Australian Interpretation - Prepayments of a Minimum Funding Requirement [AASB interpretation 14] (applicable for annual reporting periods commencing on or after 1 January 2011).
- AASB 2010-4: Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 1, 7, 101 & 134 and Interpretation 13] (applicable to annual reporting periods beginning on or after 1 January 2011).
- Amendments to Australian Accounting Standards [AASB 1, 3, 4, 5, 101, 107, 112, 118, 119, 121, 132, 133, 134, 137, 139, 140, 1023 & 1038 and Interpretations 112, 115, 127, 132 & 1042] (applicable to annual reporting periods beginning on or after 1 January 2011).
- Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Interpretations 2, 5, 10, 12, 19 & 127] (applies to annual reporting periods beginning on or after 1 January 2013).

	Consolidated	
	2011 \$000's	2010 \$000's
3. REVENUE AND OTHER INCOME FROM CONTINUING OPERATIONS		
Revenue – Interest Income	1,231	354
Other Income	60	76
Grant Income received	-	283
	1,291	713

**NOTES TO AND FORMING PART OF THE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**



4. SEGMENT INFORMATION

The Consolidated Entity operates in one operating segment and one geographical segment, being uranium exploration in Spain. This is the basis on which internal reports are provided to the Directors for assessing performance and determining the allocation of resources within the Consolidated Entity.

The Consolidated Entity's corporate headquarters in Australia have previously been reported in the Australian geographical segment, however, the corporate and administrative functions based in Australia are considered incidental to Consolidated Entity's uranium exploration activities in Spain. As a result, following the adoption of AASB 8, the Consolidated Entity is not required to report the geographical segments reported in previous periods.

5. SUBSEQUENT EVENTS

Since the end of the financial year, the following events have significantly affected, or may significantly affect, the operations of the Consolidated Entity, the results of those operations, or the state of affairs of the Consolidated Entity in future financial years:

Following shareholder approval on 20 September 2011, the Company has issued 2,000,000 Incentive Options to Mr Brendan James each with an exercise price of 41 cents, with an expiry date of 1 May 2016. All the Options will vest on 30 May 2014, or on the date a Change of Control event occurs.

In addition to the above, a further 1,000,000 options have been issued to employees under the Berkeley Employee Option Scheme each with an expiry date of 21 September 2015, vesting in three equal tranches on 21 September 2012, 21 September 2013 and 21 September 2014 at an exercise price of 41 cents.

Other than the above there are no matters or circumstances, which have arisen since 30 June 2011 that have significantly affected or may significantly affect:

- the operations, in financial years subsequent to 30 June 2011, of the Consolidated Entity;
- the results of those operations, in financial years subsequent to 30 June 2011, of the Consolidated Entity;
or
- the state of affairs, in financial years subsequent to 30 June 2011, of the Consolidated Entity.

**DIRECTORS DECLARATION
FOR THE YEAR ENDED 30 JUNE 2011**



DIRECTORS' DECLARATION

The Directors declare that:

- (a) in the directors opinion, the attached financial statements and notes thereto comply with Australian Accounting Standard AASB 1039 "Concise Financial Reports"; and
- (b) the attached financial statements and notes thereto have been derived from the full financial report of the company.

Signed in accordance with a resolution of the directors.

On behalf of the Board.

A handwritten signature in blue ink, appearing to read "B. James", written over a faint horizontal line.

BRENDAN JAMES
Managing Director

27 September 2011

AUDITOR'S INDEPENDENCE DECLARATION



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Stantons International Audit and Consulting Pty Ltd
(ABN 84 144 581 519) trading as

Stantons International
Chartered Accountants and Consultants

27 September 2011

Board of Directors
Berkeley Resources Limited
Level 2, 91 Havelock Street
West Perth WA 6005
Australia

Dear Directors

RE: BERKELEY RESOURCES LIMITED

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Berkeley Resources Limited.

As the Audit Director for the audit of the financial statements of Berkeley Resources Limited for the year ended 30 June 2011, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

Yours faithfully

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(Trading as Stantons International)
(Authorised Audit Company)

A handwritten signature in black ink, appearing to read "John Van Dieren".

John Van Dieren
Director

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Professional Standards Legislation

Member of Russell Bedford International



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**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF BERKELEY RESOURCES LIMITED
Report on the Concise Financial Report**

We have audited the accompanying concise consolidated financial report of Berkeley Resources Limited, which comprises the statement of financial position as at 30 June 2011, the statement of comprehensive income, statement of changes in equity and statement of cash flow for the year then ended and related notes, derived from the audited consolidated financial report of Berkeley Resources Limited for the year ended 30 June 2011. The concise consolidated financial report does not contain all the disclosures required by Australian Accounting Standards.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation and presentation of the concise consolidated financial report in accordance with Australian Accounting Standard AASB 1039: Concise Financial Reports, and the Corporations Act 2001, and for such internal control as the directors determine is necessary to enable the preparation of the concise consolidated financial report.

Auditor's Responsibility

Our responsibility is to express an opinion on the concise consolidated financial report based on our audit procedures which were conducted in accordance with Auditing Standard ASA 810: Engagement to Report on Summary Financial Statements. We conducted an independent audit in accordance with Australian Auditing Standards, of the financial report of Berkeley Resources Limited for the year ended 30 June 2011. We expressed an unmodified audit opinion on that financial report in our report dated 27 September 2011. The Australian Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the concise consolidated financial report. The procedures selected depend on the auditor's judgement, including the assessment of risks of material misstatement of the concise consolidated financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the concise consolidated financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on effectiveness of the entity's internal control. Our procedures included testing that the information in the concise consolidated financial report is derived from, and is consistent with, the financial report for the year, and examination, on a test basis, of audit evidence supporting the amounts, discussions and analysis, and other disclosures which were not directly derived from the financial report for the year. These procedures have been undertaken to form an opinion whether, in all material respects, the concise consolidated financial report complies with Accounting Standards AASB 1039: Concise Financial Reports.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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Member of Russell Bedford International 

Stantons International

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.

Auditor's Opinion

In our opinion, the concise consolidated financial report of Berkeley Resources Limited for the year ended 30 June 2011 complies with Australian Accounting Standard AASB 1039: Concise Financial Reports.

REPORT ON THE REMUNERATION REPORT

We have audited the remuneration report included on pages 13 to 18 of the directors' report for the year ended 30 June 2011.

The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001.

Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's Opinion

In our opinion the Remuneration Report of Berkeley Resources Limited for the year ended 30 June 2011, complies with section 300A of the Corporations Act 2001.

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(Trading as Stantons International)
(An Authorised Audit Company)

Stantons International Audit and Consulting Pty Ltd


J P Van Dieren
Director

West Perth, Western Australia
27 September 2011