



ASX RELEASE | 29 October 2015 | AIM / ASX: BKY

Quarterly Report for the period ending 30 September 2015

Following the gazetting of the approval from the Ministry of Industry, Energy and Tourism the Company has now received all the European Union, National, Regional and Provincial level approvals required for the initial infrastructure development of the Salamanca project.

The final stages of the local approvals are well advanced and expected to be finalised well ahead of the target commencement date of mid-2016.

Berkeley received more than 18,000 applications for the first 200 jobs the Salamanca project will be creating in a rural community which has been hard-hit by inter-generational unemployment.

A Mineral Resource Estimate for the Zona 7 deposit was reported, resulting in a significant increase in resource grade, an increase in resource pounds and with almost ninety percent of the resource upgraded to the Indicated category. The Zona 7 deposit is located within 10 kilometres of the approved location of the proposed processing plant.

The inclusion of the important Zona 7 deposit is expected to fundamentally improve the economics of the Salamanca project, even at current Uranium prices, by significantly increasing the mine life, the production rates and by reducing the operating costs from the levels previously reported.

Metallurgical testwork results confirmed that the Zona 7 ore is amenable to low cost heap leaching.

Work continued on a Pre-Feasibility Study (including the Zona 7 deposit) and will allow the overall economics of the project to be reported for the first time.

Early indications from the study, which is expected to be published in the December quarter, show that the project will have lower capital costs than previously reported, benefitting from favourable movements in exchange rates and due to the high grade, low strip ratio and impressive metallurgy it is expected that operating costs will reduce significantly.

Following the Board's decision to push ahead with the overall development of the project and the recent positive announcements on approvals, drill results and metallurgical test work, the Company has received a number of approaches from potential financiers which are now being advanced.

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Major permits in place for the Salamanca project

On 21 October Berkeley announced that a Ministerial Order was signed by the Secretary of State for Energy and gazetted in relation to the Initial Authorization for the treatment plant as a radioactive facility.

With the Mining Licence and Environmental Licence already obtained, the final approvals comprise the locally issued Urbanism Licence and the Construction Authorisation by the Ministry of Industry, Energy and Tourism.

A co-operation agreement with the relevant municipalities supporting the grant of the Urbanism Licence has been signed and the preparation of the documentation for the Construction Authorisation is well advanced. Both approvals are expected to be granted in advance of the expected commencement of site works in mid-2016.

The Company has now received all the European Union, National, Regional and Provincial level approvals required for the initial infrastructure development of the Salamanca project.

Commencement of recruitment and training

Berkeley received over 18,000 applicants for the first 200 jobs the Salamanca project will be creating in a rural community which has been hard-hit by inter-generational unemployment.

The project is expected to generate over 450 direct jobs and the University of Salamanca has estimated a further 2,300 indirect jobs will be created, making Berkeley one of the largest employers in a community which has suffered badly from the effects of rural desertification.

The Company commenced with a skills training programs for locals, some of whom have previously worked in the local uranium mining operations.

The training program provided the Company with an intimate insight into the benefits that the employment will bring to the local community and has encouraged Berkeley to expand its training programs into other areas.

Resource Upgrade

On 7 October an updated Mineral Resource Estimate, reported in accordance with JORC Code (2012), for the Zona 7 deposit was published and reported grades comparable to the world's highest grade open pit mines in operation, with the bulk of the resource lying within fifty metres of the surface.

Significantly, the Zona 7 deposit is located within 10km of the approved location of the proposed processing plant.

The total Mineral Resource Estimate for Zona 7 now stands at 31.4 million pounds of U_3O_8 (at a cut-off grade of 200 ppm) including an Indicated resource of 17.1 million tonnes at 735 ppm containing 27.8 million pounds of U_3O_8 .

The overall Mineral Resource Estimate for the Salamanca Project now stands at 89.5 million pounds of U_3O_8 .

Managing Director Paul Atherley commented "With high grades, good recoveries and the potential for some of the lowest costs in the industry the Salamanca project is rapidly emerging as one of the best new projects around."

Impressive metallurgical testwork results on Zona 7

Testwork on representative samples across a range of ore types at Zona 7 indicated that recoveries of over 85% can be expected with low acid consumption (12-18 kg/t) and at a coarse crush size. The ore is easy to crush and has a low abrasion index. It also exhibits good geotechnical properties, suitable for high lifts on the heap leach pads.

The high recoveries were achieved very rapidly in less than thirty days of leaching with virtually 100% of the soluble uranium going into solution and therefore readily recoverable in the proposed processing facilities.



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These highly impressive metallurgical testwork results were important as they enhance the economic significance of the Zona 7 deposit and support the Board's decision to rapidly incorporate the deposit into the overall development plans of the Salamanca Project.

Pre-Feasibility Study

Work continued on a Pre-Feasibility Study for the Salamanca project with publication expected during the December quarter.

The study will include the Zona 7 deposit and will allow the overall economics of the project to be reported for the first time.

The inclusion of the important Zona 7 deposit is expected to fundamentally improve the economics of the Salamanca project, even at current Uranium prices, by significantly increasing the mine life, the production rates and by reducing the operating costs from the levels previously reported.

Corporate

Mr Dylan Browne has been appointed Company Secretary and Chief Financial Officer of the Company following the resignation of Mr Clint McGhie as a result of the Company's corporate management base moving to the London office. Mr Browne is a Chartered Accountant and Chartered Secretary who commenced his career at a large international accounting firm and has since worked in the corporate office of a number of listed companies that operate in the resources sector.

The board would like to thank Mr McGhie for his excellent service to the Company from the early stages of exploration of Salamanca through to near term development of the project.

As of 30 September 2015 Berkeley was in a strong financial position with cash reserves of A\$11.1 million and no debt.



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Competent Persons Statement

The information in this report that relates to the 2015 Mineral Resources for Zona 7 is extracted from the report entitled 'Increase in Zona 7 grade' dated 7 October 2015 and is available to view on Berkeley's website at www.berkeleyenergy.com. The information in the original ASX Announcement is based on information compiled by Malcolm Titley, a Competent Person who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Titley is employed by Maja Mining Limited, an independent consulting company. Mr Titley 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 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

The information in this report that relates to the 2015 Metallurgical Testwork Results for Zona 7 is extracted from the report entitled 'Impressive Metallurgical Testwork Results on Zona 7' dated 8 September 2015 and is available to view on Berkeley's website at www.berkeleyenergy.com. The information in the original ASX Announcements is based on information compiled by Mintek under the supervision of Mr David Dodd, who is a Fellow of the Southern African Institute of Mining and Metallurgy. Mr Dodd is independent of Berkeley and is an independent consulting metallurgist affiliated to MDM Engineering Limited an independent engineering company based in South Africa. Mr Dodd has sufficient experience which is relevant to metallurgical processing of 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 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

The information in this report that relates to the Mineral Resources for Retortillo is extracted from the report entitled 'March 2015 Quarterly Report' dated 29 April 2015 and is available to view on Berkeley's website at www.berkeleyenergy.com. The information in the original ASX Announcement that relates to the Mineral Resources for Retortillo was based on information compiled by Malcolm Titley, a Competent Person who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Titley is employed by Maja Mining Limited, an independent consulting company. Mr Titley 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 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

The information in this report that relates to earlier Mineral Resources (other than the Zona 7 and Retortillo deposits) (refer ASX announcements dated 31 July 2012, 31 October 2012, 7 August 2013 and 26 September 2013) is based on information compiled by Craig Gwatkin, who is a Member of The Australasian Institute of Mining and Metallurgy and was an employee of Berkeley Energy Limited at the time of initial disclosure. Mr Gwatkin 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 Gwatkin consents to the inclusion in the report of the matters based on his information in the form and context in which it appears. This information was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

Forward Looking Statement

Statements regarding plans with respect to the Company's mineral properties are forward-looking statements. There can be no assurance that the Company's plans for development of its mineral properties will proceed as currently expected. There can also be no assurance that the Company will be able to confirm the presence of additional mineral deposits, that any mineralisation will prove to be economic or that a mine will successfully be developed on any of the Company's mineral properties.



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Table 1: Zona 7 - Mineral Resource Estimate

Zona 7 - Mineral Resource Estimate as at 5 October 2015 Reported at a cut-off grade of 200 ppm U ₃ O ₈			
Resource Category	Tonnage (million tonnes)	Grade (U₃O₈ ppm)	Contained U₃O₈ (million pounds)
Indicated	17.1	735	27.8
Inferred	4.9	333	3.6
Total	22.1	645	31.4

All figures are rounded to reflect appropriate levels of confidence. Apparent differences occur due to rounding.

Table 2: Zona 7 - Grade Tonnage Table

Zona 7 - Mineral Resource Estimate as at 5 October 2015			
Lower Cut-off Grade (U₃O₈ ppm)	Tonnage (million tonnes)	Grade (U₃O₈ ppm)	Contained U₃O₈ (million pounds)
100	35.6	455	35.7
200	22.1	645	31.4
300	15.4	819	27.8
400	11.5	979	24.9
500	9.0	1,132	22.3



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Table 3: Salamanca Project Global Mineral Resource Estimate

Deposit Name	Resource Category	October 2015		
		Tonnes (Mt)	U ₃ O ₈ (ppm)	U ₃ O ₈ (Mlbs)
Retortillo	Measured	4.8	412	4.4
	Indicated	11.7	349	9.0
	Inferred	0.2	373	0.1
	Total	16.6	367	13.5
Zona 7	Indicated	17.1	735	27.8
	Inferred	4.9	333	3.6
	Total	22.1	645	31.4
Las Carbas	Inferred	0.6	443	0.6
Cristina	Inferred	0.8	460	0.8
Caridad	Inferred	0.4	382	0.4
Villares	Inferred	0.7	672	1.1
Villares North	Inferred	0.3	388	0.2
Total Retortillo Satellites	Inferred	2.8	492	3.0
Alameda	Indicated	20.0	455	20.1
	Inferred	0.7	657	1.0
	Total	20.7	462	21.1
Villar	Inferred	5.0	446	4.9
Alameda Nth Zone 2	Inferred	1.2	472	1.3
Alameda Nth Zone 19	Inferred	1.1	492	1.2
Alameda Nth Zone 21	Inferred	1.8	531	2.1
Total Alameda Satellites	Inferred	9.1	472	9.5
Gambuta	Inferred	12.7	394	11.1
Salamanca Project	Measured	4.8	412	4.4
	Indicated	48.8	528	56.8
	Inferred	30.4	422	28.3
	Total	84.1	483	89.5

All figures are rounded to reflect appropriate levels of confidence. Apparent differences occur due to rounding.

Appendix 1: Summary of Mining Tenements

As at 30 September 2015, the Company had an interest in the following tenements:

Location	Tenement Name	Percentage Interest	Status
Spain			
<u>Salamanca</u>	D.S.R Salamanca 28 (Alameda)	100%	Granted
	D.S.R Salamanca 29 (Villar)	100%	Granted
	E.C. Retortillo-Santidad	100%	Granted
	I.P. Abedules	100%	Granted
	I.P. Abetos	100%	Granted
	I.P. Alcornoques	100%	Granted
	I.P. Alisos	100%	Granted
	I.P. Bardal	100%	Granted
	I.P. Barquilla	100%	Granted
	I.P. Berzosa	100%	Granted
	I.P. Campillo	100%	Granted
	I.P. Castaños 2	100%	Granted
	I.P. Ciervo	100%	Granted
	I.P. Dehesa	100%	Granted
	I.P. El Águlia	100%	Granted
	I.P. Espinera	100%	Granted
	I.P. Halcón	100%	Granted
	I.P. Horcajada	100%	Granted
	I.P. Mailleras	100%	Granted
	I.P. Mimbre	100%	Granted
	I.P. Oñoro	100%	Granted
	I.P. Pedreras	100%	Granted
I.P. Alimoche	100%	Pending	
I.P. El Vaqueril	100%	Pending	
<u>Cáceres</u>	I.P. Almendro	100%	Granted
	I.P. Ibor	100%	Granted
	I.P. Olmos	100%	Granted
<u>Badajoz</u>	I.P. Don Benito Este – U	100%	Granted
	I.P. Don Benito Este – C	100%	Granted
	I.P. Don Benito Oeste – U	100%	Granted
	I.P. Don Benito Oeste – C	100%	Granted
<u>Ciudad Real</u>	I.P. Damkina Fraccion 1	100%	Granted
	I.P. Damkina Fraccion 2	100%	Granted
	I.P. Damkina Fraccion 3	100%	Granted

No tenements were acquired or disposed of during the quarter ended 30 September 2015. There were no changes to beneficial interest in any mining tenements due to Farm-in or Farm-out agreements. No beneficial interest in Farm-in or Farm-out agreements were acquired or disposed during the quarter.

Appendix 5B

Mining exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10

Name of entity

BERKELEY ENERGY LIMITED

ABN

40 052 468 569

Quarter ended ("current quarter")

30 SEPTEMBER 2015

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (3 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration & evaluation	(1,931)	(1,931)
(b) development	-	-
(c) production	-	-
(d) administration	(382)	(382)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	105	105
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other:	-	-
Net Operating Cash Flows	(2,208)	(2,208)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	(6)	(6)
1.9 Proceeds from sale of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
Net investing cash flows	(6)	(6)
1.13 Total operating and investing cash flows (carried forward)	(2,214)	(2,214)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(2,214)	(6,880)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
	Net financing cash flows	-	-
	Net increase (decrease) in cash held	(2,214)	(2,214)
1.20	Cash at beginning of quarter/year to date	13,395	13,395
1.21	Exchange rate adjustments to item 1.20	1	1
1.22	Cash at end of quarter	11,182	11,182

Payments to directors of the entity and associates of the directors

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

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	140
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Payments include directors' fees, superannuation and consulting fees.

Non-cash financing and investing activities

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

Not Applicable

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

Not Applicable

Financing facilities available

Add notes as necessary for an understanding of the position.

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

+ See chapter 19 for defined terms.

Estimated cash outflows for next quarter

		\$A'000
4.1	Exploration and evaluation	1,900
4.2	Development	-
4.3	Production	-
4.4	Administration	200
Total		2,100

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	1,681	1,895
5.2 Deposits at call	9,500	11,500
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	11,182	13,395

Changes in interests in mining tenements

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

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

Issued and quoted securities at end of current quarter

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

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference +securities <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	180,361,323	180,361,323	Not Applicable	Not Applicable
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5 +Convertible debt securities <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options				
	<u>Options:</u>		<i>Exercise price</i>	<i>Expiry date</i>
-Incentive Options	1,750,000	-	\$0.475	22 December 2015
-Unlisted Options	5,500,000	-	\$0.45	30 June 2016
-Incentive Options	3,600,000	-	£0.15	30 June 2018
-Incentive Options	3,600,000	-	£0.20	30 June 2019
	<u>Rights:</u>			
-Perf. Share Rights	830,000	-	-	30 June 2016
-Perf. Share Rights	1,480,000	-	-	30 June 2017
-Perf. Share Rights	2,340,000	-	-	31 December 2018
-Perf. Share Rights	2,930,000	-	-	31 December 2019

+ See chapter 19 for defined terms.

7.8	Issued during quarter				
		<u>Rights:</u>		<i>Exercise price</i>	<i>Expiry date</i>
	-Perf. Share Rights	830,000	-	-	30 June 2016
	-Perf. Share Rights	1,480,000	-	-	30 June 2017
	-Perf. Share Rights	1,012,000	-	-	31 December 2018
	-Perf. Share Rights	1,482,000	-	-	31 December 2019
7.9	Exercised during quarter				
7.10	Expired during quarter			<i>Exercise price</i>	<i>Expiry date</i>
	-Incentive Options	1,000,000	-	-	21 September 2015
7.11	Debentures <i>(totals only)</i>				
7.12	Unsecured notes <i>(totals only)</i>				

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does ~~not~~* (*delete one*) give a true and fair view of the matters disclosed.

Sign here: Date: 29 October 2015
(~~Director~~/Company secretary)

Print name: Dylan Browne

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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+ See chapter 19 for defined terms.