



NEWS RELEASE | 10 May 2016 | AIM/ASX: BKY

Major shareholder backs Berkeley Energia with financing at a premium

Major shareholder Resource Capital Funds (RCF) has demonstrated its strong support for the Company with a royalty financing and by increasing its stake in the Company with an equity financing issued at a premium to the current share price.

The US\$10 million financing allows the Company to progress major infrastructure work and exploration programmes ahead of the main development financing which is expected to be undertaken during the second half of 2016.

The financing comprises the issue of US\$5 million worth of ordinary shares in the Company at a price of 32 pence per share which represents a premium of approximately 9% to the 10-day VWAP and 15% to the 30-day VWAP, highlighting the strength of the project and its robust economics even at the current low uranium prices.

RCF has also agreed to provide an additional US\$5 million through the sale of a 0.375% fully secured net smelter royalty over the project, subject to final documentation. The royalty is consistent with the Company's focus on minimising dilution in order to protect the equity value of its shareholders.

Managing Director Paul Atherley commented:

"The funding allows us to undertake the initial infrastructure development ahead of the commencement of main construction and financing later in the year. In addition it will allow us to target a number of the high value exploration targets looking for additional Zona 7 style deposits over the next few months.

The results of the optimization studies being undertaken as part of the definitive feasibility study to be published in the next couple of months are expected to demonstrate the Salamanca project's robust economics even at the current low uranium prices."

The financing has been completed following several months of extensive due diligence by RCF and its advisors across all technical, economic, social, environmental and permitting aspects of the project and the investment at a premium is testament to the quality of the Salamanca project.

RCF is one of the Company's largest shareholders holding around 7.2% of the issued capital. Since inception, RCF has supported 148 mining companies, with projects located in 47 countries and across 29 commodities. Further information about RCF can be found on its website (www.resourcecapitalfunds.com).



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About RCF

RCF has a strong team of investment professionals, with wide ranging industry and technical expertise and a demonstrated history of investments in mining globally. RCF's track record is based on its ability to pick technically and commercially compelling assets and support management to achieve desired outcomes whilst remaining throughout a source of patient capital. RCF aims to partner with companies to build strong, successful and sustainable businesses and in doing so strives to earn superior returns for all shareholders.

Forward Looking Statement

Statements regarding plans with respect to Berkeley's mineral properties are forward-looking statements. There can be no assurance that Berkeley's plans for development of its mineral properties will proceed as currently expected. There can also be no assurance that Berkeley 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 Berkeley's mineral properties.