



BERKELEYenergia

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**Infrastructure development well underway at the Salamanca Project
Europe's largest uranium supplier will rejuvenate the local community**

After a decade and US\$60 million of investment Berkeley Energia ("Berkeley" or the "Company") commenced development of the Salamanca project in Western Spain in August 2016.

The US\$100 million project has the potential to be Europe's only major uranium mine and one of the biggest producers in the world once in production supplying over four million pounds of uranium concentrate per annum, equivalent to approximately 10% of the continent's total requirement.

The investment will help rejuvenate a local community severely impacted by unemployment with over 450 new jobs, an estimated 2,700 indirect jobs and will inject new business opportunities into local companies and suppliers, many of whom have been struggling due to long term under investment in the area.

With shipments commencing in 2018 the mine will supply customers in Europe, the US and Asia, many of whom are expanding their nuclear reactor fleets to meet 2030 carbon targets with 65 new reactors currently under construction worldwide.

Demand for uranium is expected to grow significantly from 2018 as US and EU utilities commence re-contracting for uranium supply and will be competing with China which is currently bringing on line seven new reactors a year and has just allocated a further US\$570 billion to construct an additional sixty reactors over the next decade.



Mine contractors constructing the new 5 kilometre road at the Salamanca project in Western Spain



Infrastructure development progressing well

The infrastructure development is progressing well with the 5.2 kilometre road deviation, construction of the raw water dam, development of pedestrian footpaths and secure cattle paths and the installation of a Wifi network for the local villagers as part of the Company's commitment to improve infrastructure for the local community.

The contract for rerouting the main powerline has been awarded to Iberdrola, the owner of the line, Berkeley's study partner for the radiological aspects of the Salamanca project and one of the leading players in the Spanish energy generation and distribution market.

Material procurement has commenced and construction will commence early next year following the completion of some of the road access development. Construction of the road deviation will take approximately three months.

This initial development is taking place on over 100 hectares of land acquired from more than thirty local landowners.

The appointment of MDM Engineering, part of the Amec Foster Wheeler Group, to carry out the Front End Engineering Design ("FEED") marks an important milestone for the Company.

The FEED is the execution phase of the project during which the overall engineering and process design is translated into equipment procurement packages and awards to specialist subcontractors.

Huge demand for jobs and training programmes

To date the Company has received 20,518 applications for the first 200 jobs and has provided training for nearly 100 potential employees.

The University of Salamanca has estimated that there will be over five indirect jobs created for every direct job, creating a potential of over 2,700 new jobs as a result of the investment.

An international expert has recently advised that the experience in other developed economies is that over time the number of indirect jobs created is generally even higher than this.

The policy of preferentially hiring and training local residents has been very well received with the skills training programmes for potential employees continuing to be heavily oversubscribed.

Commenting on the progress of the Salamanca Project, Paul Atherley, Managing Director of Berkeley, stated:

"We are extremely pleased with the continued local support we are receiving which is fantastic and in return we remain absolutely committed to revitalising the local community, bringing much needed jobs, training and new business activity to the area."

"After a decade of investment we are absolutely delighted to start development of the initial infrastructure which paves the way for the main construction early next year."

"As work on the ground progresses we move closer to our goal of being one of the world's lowest cost uranium producers, reliably supplying long term customers from the heart of the European Union."



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Berkeley Energia's Salamanca project

Berkeley's objective is to be one of the world's lowest cost producers reliably supplying the world's leading utilities with fuel for base load clean energy from the heart of the European Union.

An independent study published in July 2016 by MDM Engineering (part of AMEC Foster Wheeler Group) reported that the project has an NPV of over US\$530 million and will produce 4.4 million pounds of uranium per annum at a cash costs of US\$15.39 per pound making it one of the world's lowest cost and a top ten global producer of uranium.

Further information is available on www.berkeleyenergia.com.



Competent Persons Statement

The information in this announcement that relates to the Definitive Feasibility Study, Mineral Resources for Zona 7, Ore Reserve Estimates, Mining, Uranium Preparation, Infrastructure, Production Targets and Cost Estimation is extracted from the announcement entitled 'Study confirms the Salamanca project as one of the world's lowest cost uranium producers' dated 14 July 2016, which is available to view on Berkeley's website at www.berkeleyenergia.com.

Berkeley Energia Limited (Berkeley) confirms that: a) it is not aware of any new information or data that materially affects the information included in the original announcement; b) all material assumptions and technical parameters underpinning the Mineral Resources, Ore Reserve Estimate, Production Target, and related forecast financial information derived from the Production Target included in the original announcement continue to apply and have not materially changed; and c) the form and context in which the relevant Competent Persons' findings are presented in this announcement have not been materially modified from the original announcements.

The information in the original announcement that relates to the Definitive Feasibility Study is based on, and fairly represents, information compiled or reviewed by Mr. Jeffrey Peter Stevens, a Competent Person who is a Member of The Southern African Institute of Mining & Metallurgy, a 'Recognised Professional Organisation' (RPO) included in a list posted on the ASX website from time to time. Mr. Stevens is employed by MDM Engineering (part of the Amec Foster Wheeler Group). Mr. Stevens has sufficient experience that is relevant to the style of mineralization and type of deposit under consideration and to the activity being undertaken 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 information in the original announcement that relates to the Ore Reserve Estimates, Mining, Uranium Preparation, Infrastructure, Production Targets and Cost Estimation is based on, and fairly represents, information compiled or reviewed by Mr. Andrew David Pooley, a Competent Person who is a Member of The Southern African Institute of Mining and Metallurgy', a Recognised Professional Organisation' (RPO) included in a list posted on the ASX website from time to time. Mr. Pooley is employed by Bara Consulting (Pty) Ltd. Mr. Pooley has sufficient experience that is relevant to the style of mineralization and type of deposit under consideration and to the activity being undertaken 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'.

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.