

Company [Berkeley Mineral Res](#)
TIDM BMR
Headline Zambian Mining & Processing Rights
Released 07:00 08-Jul-08

RNS Number : 5170Y
Berkeley Mineral Resources PLC
08 July 2008

BERKELEY MINERAL RESOURCES PLC

ZAMBIAN MINING AND PROCESSING RIGHTS

Berkeley Mineral Resources Plc ("BMR" or the "Company"), is pleased to announce that it has entered into an agreement with Zincorous Investments Limited ("ZIL"), a company registered in Zambia, and Dorset Solutions Limited, a company registered in Switzerland, which grants to BMR the mining rights to process zinc and lead from certain tailings dumps at the Kabwe Mine in Zambia. Completion is conditional upon the Company being satisfied with a metallurgical review of the tailings dumps and is expected within a month.

Pursuant to the agreement, BMR has agreed to pay to ZIL £205,000 in cash over the next 10 months and issue 30 million new ordinary shares of nominal value 1 pence each of BMR, representing 11.7% of the enlarged issued capital to Zincorous in consideration for the grant of the mining rights.

The new ordinary shares will rank *pari passu* with the existing ordinary shares and application will be made on completion to the London Stock Exchange for these shares to be admitted to AIM. ZIL has undertaken not to dispose of any interest in the new ordinary shares for a period of six months from completion and not to dispose of any more than 50 per cent. of the new ordinary shares in the following six months.

The tailing dumps at Kabwe, which the Company estimates amount to 1.96 million tons of processable material, will be processed by BMR for zinc and lead. At current world prices for zinc and lead, the Directors believe the tailings can be processed profitably.

The Company's strategy for the recovery of the metal content of the dumps is as follows:

- A comprehensive matrix survey of metal values will be conducted, following which the dumps will be mined.

