

<b>Company</b>	<a href="#">Berkeley Mineral Resources PLC</a>
<b>TIDM</b>	BMR
<b>Headline</b>	Acquisition of Kabwe Tailings Completed
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Berkeley Mineral Resources PLC  
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## **BERKELEY MINERAL RESOURCES PLC**

("BMR" or "The Company")

### **ACQUISITION OF KABWE TAILINGS DUMPS COMPLETED**

Further to the announcements made on 28 March 2011 and 10 June 2011, Berkeley Mineral Resources Plc, which is primarily engaged in processing mining tailings, announces that the Company has completed the purchase of the remaining stockpiles of tailings not presently owned by it at the Kabwe mine in Zambia.

Accordingly, Enviro Mining Ltd and its two Zambian-registered subsidiaries, Enviro Processing Ltd and Enviro Props Ltd, become wholly-owned subsidiaries of BMR. These companies own the leasehold rights and title to Stand 5187 containing the stockpiles at Kabwe until 30 June 2075; the contents of all the tailings dumps included in Stand 5187 and Dump 57; the Small-Scale Mining Licence relating to lead, zinc, copper and cobalt minerals for a period of 10 years from 20 October 2010, renewable thereafter; and Access Rights to enable BMR to develop Dump 57.

BMR is paying US\$2.5 million in cash on completion. In addition, the vendor has the right to receive further consideration of either £4.8 million in cash or 80 million new shares in BMR or a combination of both. BMR has agreed that the vendor must make its election regarding the nature of the consideration within the next 14 days.

BMR now intends to prepare the acquired assets for processing and sale on world markets. The Mineral Corporation, which obtained all the data necessary to prepare a JORC Indicated Resource Statement for the main leachplant stockpiles upon completion of drilling in August 2010, has been instructed to complete that statement. BMR expects the statement to be published prior to 31 July 2011 and at that stage all of the stockpiles it owns at Kabwe will be the subject of a combined JORC Indicated Resource.

BMR has engaged Mintek to complete a Mineralogical Metallurgical testwork report and Metanza is preparing a Conceptual Feasibility Study which will include optimised processing routes and capital and operating cost estimates.

BMR has also obtained an exclusive option, valid until 15 July 2011, for it to acquire certain further Stands at Kabwe upon which are located an existing partially constructed crushing, screening and flotation plant, an office block and associated infrastructure. This area is scheduled to be used as the site for the beneficiation plant for the tailings.

A further exclusive option has been procured, valid until the same date, to acquire an existing licence to all the residual partly mined or unmined underground ore bodies remaining at the former Kabwe mine, together with shafts and other infrastructure; in all, these ore bodies are historically estimated to contain in excess of 22 million tons comprising some 1.2 million tons of zinc, lead, silver, cadmium and other valuable minerals.

Pursuant to the terms of the Underwriting Agreement announced on 11<sup>th</sup> May 2011, the Placing Shares have now been subscribed for in full. As a result the Company will issue 145,000,000 new ordinary shares at a price of 4p per share. In addition to the Placing Shares, the Company will issue one warrant for every two Placing Shares subscribed, exercisable at 6p per warrant at any time up to three years from issue. Through this placing the Company has raised a total of £5.8 million before expenses. The monies will provide additional working capital.

Application has been made for the Placing Shares to be admitted to trading on AIM ("Admission"). Admission is expected to occur on 28 June 2011, when the enlarged issued share capital of the Company will total 1,007,709,792 Ordinary Shares (the "Enlarged Share Capital"). The new shares will rank pari passu with all existing Ordinary Shares in the capital of the Company.

Following the Placing, the above figure of 1,007,709,792 Ordinary Shares may be used by shareholders of the Company as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, Berkeley Mineral Resources under the Financial Service Authority's Disclosure and Transparency Rules.

**Masoud Alikhani, Chairman, commented:**

*"BMR first obtained mining rights in Zambia in July 2008, recognising it as an excellent mining jurisdiction. As evidenced by the current proposed acquisition of Metorex Plc, the former owners of the Kabwe dumps, by Brazilian multinational Vale, Zambia is rapidly becoming a favoured international mining destination. We are pleased to have now completed our latest and most important acquisition in the country and look forward to BMR achieving a swift transformation into a substantial minerals producing company".*

22 June 2011

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**Notes for Editors**

BMR is a minerals company with a primary strategy of investing in tailings processing. By accessing above-ground dump deposits with known grades and metallurgy, it avoids exploration or mining costs, has a secure licence and fixed environmental criteria, and can produce concentrates according to viability at current market prices.

The Kabwe deposits, located approximately 110km north of the Zambian capital Lusaka, were discovered in 1902. From 1906, Kabwe was a significant mine. By the time it closed in 1994, due to depletion of the massive sulphide mineralisation and lowered metal prices, it had produced about 1.8m tonnes of zinc, 800,000t of lead, 7,800t of vanadium pentoxide and lesser quantities of cadmium, silver and copper.

After closure, most of the mine complex was sold off on a piecemeal basis. Berkeley's project is part of an overall plan to re-assemble the Kabwe dumps site into a single entity operating under a single Small Scale Mining Licence.

BMR has signed a MOU with Ng'wena Mining Resources under which it could acquire 76% of the copper tailings from the former Roan Antelope mine at Luanshya, 145 km north of Kabwe. The Roan Antelope deposit was discovered in 1902 by prospector William Collier who shot a buck which fell onto an outcrop of almost pure copper. It has mined copper since 1911 and the extensive tailings are all within 4km of the original mine.

For further information please see the Company's website at <http://www.bmrplc.com>

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