

**Company** Berkeley Mineral Resources PLC  
**TIDM** BMR  
**Headline** Kabwe Due Diligence Completed  
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## **BERKELEY MINERAL RESOURCES PLC**

("BMR" or the "Company")

### **KABWE DUE DILIGENCE COMPLETED**

Further to the announcement made on 28 March 2011, Berkeley Mineral Resources Plc, which is primarily engaged in processing mining tailings, announces that due diligence on BMR's proposed purchase of all the remaining stockpiles of tailings not presently owned by it at the Kabwe mine in Zambia has been completed satisfactorily and the vendors have been notified of this.

Accordingly, the parties are now proceeding towards formal Completion of the acquisition agreement which is expected shortly. Following Completion, Enviro Mining Ltd and its two Zambian-registered subsidiaries, Enviro Processing Ltd and Enviro Props Ltd, will become wholly-owned subsidiaries of BMR.

The Company also announces that it has decided not to proceed further with the proposed acquisition referred to in the Company's announcement of 11 May 2011 as the purchase price indicated was substantially higher than the acquisition's value to BMR. However, the agreement between BMR and Novum Securities announced on 11 May 2011 remains in place in accordance with its terms.

#### **Masoud Alikhani, Chairman of the Company, stated:**

*"Completion of the Kabwe acquisition will mark a further significant milestone in the development of BMR into a major producer of zinc and lead. Directly thereafter, we intend to finalise the design and sourcing of the processing plant, which is fully funded, to enable us to rapidly exploit the very substantial resources acquired at Kabwe.*

*"We are also progressing the acquisition of the tailings dumps at Luanshya and reviewing other opportunities to expand the business".*

10<sup>th</sup> 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.

The Roan Antelope deposit at Luanshya 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 which is located some 140km from Kabwe.

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

This information is provided by RNS

The company news service from the London Stock Exchange

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