

Company	Berkeley Mineral Resources PLC
TIDM	BMR
Headline	Kabwe Progress Update
Released	07:00 22-Mar-2010
Number	9047107

RNS Number : 9047I
Berkeley Mineral Resources PLC
22 March 2010

BERKELEY MINERAL RESOURCES PLC
("BMR" or "THE COMPANY")

Kabwe Progress Update

Berkeley Minerals Resources plc, which is primarily engaged in acquiring and processing mining tailings, announces that the negotiations to acquire additional on-surface resources of lead and zinc at the Kabwe mine in Zambia are progressing well and are nearing completion.

At the AGM of BMR on 18 December 2009, the Company announced that it was negotiating to secure rights to process dumps adjacent to the three currently secured at the Kabwe mine-site in Zambia and to expand operations with a pyrometallurgical facility. The three dumps are estimated to contain in excess of 98,000t Zn and 25,000t Pb, valued at over \$200m at LME Spot prices.

The acquisition of the rights to further stockpiles of zinc and lead tailings will strengthen the economics of the project and the Company's ability to commence production in the second half of 2010 as presaged.

At the same time, detailed metallurgical process and financial planning is taking place for the provision of a larger beneficiation plant. BMR is also negotiating to secure further space at Kabwe for the siting of that plant. The Company estimates that these developments should enable it to substantially extend the life of the project beyond the timescale so far envisaged.

Masoud Alikhani, Chairman, Berkeley Mineral Resources plc, commented:

"Since the beginning of 2009, the cash London Metal Exchange prices of both zinc and lead have more than doubled. Looking ahead, from now until the end of 2015, a total of 13 substantial zinc/lead mines across the world are scheduled to become depleted. In a report published in January 2010, Credit Suisse estimated that a 60% increase in new mined production will be necessary to meet expected global zinc demand by 2016.

"This represents a singular market opportunity for us and the Directors are conscious of the desirability of BMR becoming significant suppliers of lead and zinc at this juncture. By

processing more dumps at Kabwe we can generate early cash-flow and reduce entry costs. We have the additional advantages that all the material has already been mined and is above ground and all the necessary infrastructure is in place."

Notes to editors

BMR is a minerals company with a primary strategy of investing in tailings processing. By accessing 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 site into a single entity operating under a single Large Scale Mining Licence.

The waste dumps at Kabwe cover an area of about 1km² and contain approximately 8m tons of various waste residues with an estimated combined metal content of 455,000t zinc and 368,500t lead.

BMR benefits from the existing infrastructure at Kabwe, including processing plant, good roads, water supply, ample power, local labour and direct on-site sidings connection to overseas markets via international railways to South Africa and to Indian Ocean ports.

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

The Directors of Berkeley Mineral Resources plc accept responsibility for this announcement.

22 March 2010

Contacts:

Masoud Alikhani, Chairman, Berkeley Mineral Resources	020 7408 1181
Jonathan Wright, Seymour Pierce	020 7107 8050
Michael Padley / Ron Marshman, Lothbury Financial	020 7011 9411

This information is provided by RNS
The company news service from the London Stock Exchange

END