

Company [Berkeley Mineral Resources PLC](#)
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Berkeley Mineral Resources PLC
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BERKELEY MINERAL RESOURCES PLC
("BMR" or "The Company")

Luanshya Memorandum of Understanding

Berkeley Mineral Resources Plc, which is primarily engaged in processing mining tailings, announces the signing of a Memorandum of Understanding with a Zambian-registered mining and investment company, Ng'wena Mining Resources Ltd ("NMR"), pursuant to which it is proposed that BMR will subscribe for new shares in Pine Works Ltd ("Pine Works"), a wholly owned subsidiary of NMR, such that BMR will become a 76% shareholder in Pine Works.

Pine Works is itself in the process of acquiring three copper tailings dumps, Old Dam, Chonga Dam and Akatiti Dam, which contain tailings from the formerly operating Roan Antelope copper mine at Luanshya in Zambia, some 145km (90 miles) north of Kabwe where BMR's current interests in the country are sited. At closing, Pine Works will hold title to the Dams including the leasehold rights to the relevant land and all valid Mineral Processing Licences.

The MOU grants BMR an exclusivity period running until 30 June 2011 for the payment of a non-returnable commitment fee of US\$75,000. Subject to the due diligence being to BMR's satisfaction, NMR, BMR and Pine Works will conclude a Shareholders' Agreement no later than 30 June 2011. For its majority shareholding, BMR will pay a total of US\$6 million, payable US\$1.75m on 1 July 2011 and the balance of US\$4.25m on 31 March 2012. BMR will thereafter be obliged to fund the operating costs of Pine Works via shareholder loans.

A competent persons report on the tailings by RSG Global for Londoloza Resources Corp completed after drilling in 2008 concluded that the three tailings Dams contained SAMREC- and JORC- Indicated resources of 162Mt of tailings material at a copper grade of 0.24% in total containing 380,700 tons of copper metal. The material is predominately oxide with some sulphides and it includes minor amounts of cobalt, nickel and zinc. Metallurgical testwork carried out showed the tailings were conducive to processing by leaching of the oxides followed by flotation of the sulphide minerals.

Masoud Alikhani, Chairman of BMR, commented

"Having secured the substantial zinc and lead tailings dumps at Kabwe, which we expect to close shortly, we are delighted to be able to sign an MOU which should lead to BMR securing a major resource of copper in the same region of Zambia. We look forward to working with Ng'wena Mining to create a valuable income stream from the Roan Antelopetailings. This will help us build BMR into a major supplier of base metals at a time when demand for them is strong".

The Directors of BMR accept responsibility for this announcement.

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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 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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