

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 Update

Berkeley Mineral Resources Plc, which is primarily engaged in processing mining tailings, announces that, having carried out due diligence, it intends to enter into a Shareholders' Agreement with Ng'wena Mining Resources Ltd to acquire a majority holding in the Luanshya copper tailings, as per the Memorandum of Understanding announced on 4th May 2011.

The parties now intend to conclude the Shareholders' Agreement as soon as BMR is satisfied with due diligence still to be supplied by the vendors. The Shareholders' Agreement will also be conditional, inter alia, upon the grant of the appropriate mineral processing rights.

Total consideration for the 76% interest to be acquired is US\$6 million, of which US\$1.75m is payable on completion with the balance of US\$4.25m payable in 2012.

A report completed in 2008 by RSG Global 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. Metallurgical testwork carried out showed the tailings were amenable to processing by leaching of the oxides followed by flotation of the sulphide minerals.

Masoud Alikhani, Chairman, commented:

"Having completed the purchase of the lead and zinc tailings at Kabwe, where preparatory site work and JORC analysis has commenced, we are excited by the prospect of acquiring another valuable asset.

"Our interest in securing further substantial tailings resources has been confirmed by the due diligence we have carried out to date. We expect to be able to resolve the remaining points in the near future which will allow us to expand what is already a significant asset base."

1 July 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. BMR'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 signed a MOU with Ng'wena Mining Resources in May 2011 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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