



INSIDE INFORMATION

Berkeley Energia Limited (“Berkeley” or the “Sociedad”), pursuant to article 17 of Regulation (EU) n° 596/2014 on market abuse and article 228 of the consolidated text of the Securities Market Act, approved by Royal Legislative Decree 4/2015 of October 23, hereby informs about the publication of the quarterly report closed on March 31st, 2020.

The complete text of the referred news release is hereby attached.

In Madrid, on April 23rd , 2020.

Ignacio Santamartina Aroca,
authorised representative regarding notifications



BERKELEY ENERGIA LIMITED

NEWS RELEASE | 23 April 2020 | ASX / LSE / Bdm : BKY

Quarterly Report March 2020

Summary:

- **Permitting Update:**

The Company's focus continues to be on progressing the approvals required to commence construction of the Salamanca mine and bring it into production.

The Company continued to engage with the relevant authorities in a collaborative manner in order to facilitate the timely resolution of the pending approvals required to commence construction of the mine.

The Company's Spanish executives have met and had constructive dialogue with officials from the Nuclear Safety Council ("NSC"), the Regional Government of Castilla y Leon, and the Municipality of Retortillo during the quarter.

In late March, the Company formally submitted the updated official documentation in relation to the Authorisation for Construction ("NSC II") to the NSC. The next step in the process is for the NSC technical team to complete its report and submit it to the NSC Board for ratification.

The Ministry of Environment and Development of the Regional Government of Castilla y León informed the Municipality of Retortillo and the Company in March that the previously granted Authorisation of the Exceptional Land Use, a prerequisite for the award of the Urbanism Licence ("UL"), remains fully valid and enforceable. This resolution allows the Municipality of Retortillo to advance the processing of the Company's UL application.

- **Uranium Market:**

The uranium spot price has risen to US\$32.50 per pound on uncertainty surrounding COVID-19 impacts to the nuclear fuel supply chain. This represents a year to date uranium price increase of 30%.

During and subsequent to the quarter, COVID-19 related supply disruptions were announced by a number of major uranium producers, including Kazatomprom and Cameco.

Analysts expect further tightening of market conditions as the current structural supply deficit in the global uranium market is exacerbated by these and possible other COVID-19 supply disruptions.

- **COVID-19:**

In response to the COVID-19 pandemic, the Spanish Government declared a National 'State of Alarm' on 14 March 2020 and the associated measures came into effect on 15 March 2020.

The Spanish Government suspended the term for all administrative and legal proceedings while the 'State of Alarm' is active however, the Spanish Administration is still functioning and Berkeley has maintained ongoing communication with the relevant officials from the NSC, the Regional Government of Castilla y Leon, and the Municipality of Retortillo to ensure the permitting processes continues to advance.

All of Company's team based in Spain are safe and well. Management was well prepared and implemented a 'work from home' policy a week prior to the government declaring the 'State of Alarm'.



For further information please contact:

Robert Behets

Acting Managing Director

+61 8 9322 6322

info@berkeleyenergia.com

Franciso Bellón

Chief Operations Officer

+34 91 555 1380

Project Update:

The Salamanca mine is being developed to the highest international standards and the Company's commitment to health, safety and the environment remains a priority. It holds certificates in Sustainable Mining (UNE 22470-80), Environmental Excellence (ISO 14001), and Health and Safety (OHSAS 18001) which were awarded by AENOR, an independent Spanish government agency.

The annual external audit of the Company's Sustainable Mining and Environmental Management Systems was successfully completed by AENOR during the quarter.

As part of its commitment to Sustainable Mining, the Company has commenced a Life Cycle Analysis of its operational processes, in order to determine the environmental impact of the products associated with these processes from their origin (raw materials) through to the end of their useful life. During the quarter, this initiative has focused on the analysis of the environmental impact of carbon dioxide ("CO₂") emissions generated by exploration drilling activities.

Following completion of the annual external audit of the Company's Health and Safety Management System by AENOR in late 2019, the Company has now commenced the migration from OHSAS 18001 to its replacement standard, ISO 45001, a process which is targeted for completion in the second half of 2020.

The monitoring programs associated with the NSC approved pre-operational Surveillance Plan for Radiological and Environmental Affections and pre-operational Surveillance Plan for the Control of the Underground Water continued during the quarter.

Permitting Update:

The Company continues to engage with the relevant authorities in a collaborative manner in order to facilitate the timely resolution of the pending approvals required to commence construction of the Salamanca mine.

During the quarter, the Company's Spanish executives have again met and had constructive dialogue with relevant officials from the NSC, the Regional Government of Castilla y León, and the Municipality of Retortillo.

The Company has also provided the NSC and the Ministry for Ecological Transition and Demographic Challenge ("MITECO") with additional or updated technical documentation and clarifications requested in relation to the NSC II.

At the request of the NSC, Berkeley has consolidated the Company's responses to all of the NSC's technical queries into the official documentation, and expanded the description of some sections e.g. waste management, analysis of potential accidents, environmental radiological impact assessment, hydrological modeling. These tasks have now been completed and the updated official documentation was formally submitted to the NSC in late March.

The next step in the process is for the NSC technical team to complete their report and submit it to the NSC Board for approval. Once approved by the NSC Board, the NSC report and recommendation which is 'compulsory and binding on radiological matters' is provided to MITECO, who is the substantive authority responsible for the granting NSC II.



With regard to the award of the UL, the Municipality of Retortillo and the Company were informed by the Ministry of Environment and Development of the Regional Government of Castilla y León in March that the previously granted Authorisation of the Exceptional Land Use (a prerequisite for the award of the UL) remains fully valid and enforceable. This resolution by the Minister of Environment and Development allows the Municipality of Retortillo to advance the processing of the Company's UL application.

In response to the COVID-19 pandemic, the Spanish Government declared a National 'State of Alarm' on 14 March 2020 and the associated measures came into effect on 15 March 2020.

The Spanish Government suspended the term for all administrative and legal proceedings while the 'State of Alarm' is active. However, the Spanish Administration is still functioning and Berkeley has maintained ongoing remote communication with the relevant officials from the Regional Government of Castilla y León, and the Municipality of Retortillo and the NSC, to ensure the permitting process continues to progress.

The Company will continue to maintain a consistent approach, ensuring that the project complies with all applicable laws and regulations, as it progresses the approvals required to commence construction of the Salamanca mine and bring it into production.

Uranium market:

Uranium spot prices continue to rise on uncertainty surrounding COVID-19 impacts to the nuclear fuel supply chain.

During and subsequent to the quarter, COVID-19 related supply disruptions were announced by Kazatomprom (Kazakhstan operations), Cameco (Cigar Lake mine), CNNC (Rössing mine) and Swakop Uranium (Husab mine). As a result, the uranium spot price has increased to US\$32.50 per pound (17 April), representing a year to date increase of 30%.

Analysts expect further tightening of market conditions as the current structural supply deficit in the global uranium market is exacerbated by these and possible other COVID-19 supply disruptions.

Continued upward movement in the spot price may also be a trigger for increased term market activity. Nuclear fuel buyers for utilities typically look to secure contracts a minimum of two years ahead of use. With a number of contracts dropping off from 2021, buyers may step into the market, providing another possible prop to uranium prices.

The market also continues to await the report from the United States Nuclear Fuel Working Group ("NFWG") established following the Section 232 trade investigation.

The Section 232 investigation into uranium imports into the United States concluded in July 2019, with the decision that trade barriers on uranium imports were not warranted as a matter of national security under Section 232 of the Trade Expansion Act. The US Administration, however, established the NFWG to examine the entire nuclear fuel supply chain and conduct a fuller analysis of national security issues therein.

The NFWG was required to submit a report setting forth its findings and making recommendations to further enable domestic nuclear fuel production if needed. News reports last quarter indicated that the NFWG report had been submitted to the US Administration, after an extension to the original mandate period. The report was expected to be released during March however, the emergence of the COVID-19 pandemic has further delayed the report's availability.

Release of the NFWG's findings and recommendations is expected reduce the market uncertainty associated with this policy review process and contribute to improved market conditions moving forward, as US nuclear utilities, in particular, re-enter the market and term contracting in order to address future uncovered uranium requirements.



The Company has 2.00 million pounds of U₃O₈ under contract for the first five years of production, with a further 1.30 million pounds of optional volume during this period and a two-year extension, at an average price above US\$42 per pound. Subsequent to the end of the quarter, a small offtake contract for 0.75 million pounds of U₃O₈ was terminated.

The Company will continue to progressively build its offtake book and has granted the Oman sovereign wealth fund the right to match any future long-term offtake transactions.

COVID-19:

In response to the COVID-19 pandemic, the Spanish Government declared a National 'State of Alarm' on 14 March 2020 and the associated measures came into effect on 15 March 2020.

Specifically, with regard to Berkeley, all of its Spanish team are safe and well. Management was well prepared and implemented a 'work from home' policy a week prior to the government declaring the 'State of Alarm'.

Whilst face to face meetings have not been possible, regular communication is being maintained between the company and the NSC, the regional government and local municipality, to ensure the key permitting processes continue to advance (as noted above).

Balance Sheet:

The Company is in a strong financial position with A\$104 million in cash.

Forward Looking Statements

Statements regarding plans with respect to Berkeley's mineral properties are forward-looking statements. There can be no assurance that Berkeley's plans for development of its mineral properties will proceed as currently expected. There can also be no assurance that Berkeley will be able to confirm the presence of additional mineral deposits, that any mineralisation will prove to be economic or that a mine will successfully be developed on any of Berkeley mineral properties. These forward-looking statements are based on Berkeley's expectations and beliefs concerning future events. Forward looking statements are necessarily subject to risks, uncertainties and other factors, many of which are outside the control of Berkeley, which could cause actual results to differ materially from such statements. Berkeley makes no undertaking to subsequently update or revise the forward-looking statements made in this announcement, to reflect the circumstances or events after the date of that announcement.

This announcement has been authorised for release by Mr Robert Behets, Director.

Appendix 1: Summary of Mining Tenements

As at 31 March 2020, the Company had an interest in the following tenements:

Location	Tenement Name	Percentage Interest	Status
Spain			
<u>Salamanca</u>	D.S.R Salamanca 28 (Alameda)	100%	Granted
	D.S.R Salamanca 29 (Villar)	100%	Granted
	E.C. Retortillo-Santidad	100%	Granted
	E.C. Lucero	100%	Pending
	I.P. Abedules	100%	Granted
	I.P. Abetos	100%	Granted
	I.P. Alcornoques	100%	Granted
	I.P. Alisos	100%	Granted
	I.P. Bardal	100%	Granted



	I.P. Barquilla	100%	Granted
	I.P. Berzosa	100%	Granted
	I.P. Campillo	100%	Granted
	I.P. Castaños 2	100%	Granted
	I.P. Ciervo	100%	Granted
	I.P. Dehesa	100%	Granted
	I.P. El Águila	100%	Granted
	I.P. El Vaqueril	100%	Granted
	I.P. Espinera	100%	Granted
	I.P. Horcajada	100%	Granted
	I.P. Lis	100%	Granted
	I.P. Mailleras	100%	Granted
	I.P. Mimbre	100%	Granted
	I.P. Oñoro	100%	Granted
	I.P. Pedreras	100%	Granted
	E.P. Herradura	100%	Granted
	I.P. Conchas	Application	Pending
<u>Cáceres</u>	I.P. Almendro	100%	Granted
	I.P. Ibor	100%	Granted
	I.P. Olmos	100%	Granted
<u>Badajoz</u>	I.P. Don Benito Este	100%	Granted
	I.P. Don Benito Oeste	100%	Granted

An Investigation Permit for El Vaqueril was awarded while an application for an Investigation Permit for Lazarillo was not granted to the Company during the quarter ended 31 March 2020. There were no other changes to beneficial interest in any mining tenements due to farm-in or farm-out agreements. No beneficial interest in farm-in or farm-out agreements were acquired or disposed during the quarter.

Appendix 2: Related Party Payments

During the quarter ended 31 March 2020, the Company made payments of \$79,497 to related parties and their associates. These payments relate to existing remuneration arrangements (director and consulting fees plus statutory superannuation).

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Berkeley Energia Limited

ABN

40 052 468 569

Quarter ended ("current quarter")

31 March 2020



Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation (if expensed)	(1,605)	(4,449)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(363)	(2,059)
	(e) administration and corporate costs	(136)	(859)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	539	1,286
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material) - Business Development	(14)	(104)
1.9	Net cash from / (used in) operating activities	(1,579)	(6,185)
2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	(50)
	(d) exploration & evaluation (if capitalised)	-	-
	(e) investments	-	-
	(f) other non-current assets	-	-
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	-	(50)



Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(2)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	(2)
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	92,507	96,584
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,579)	(6,185)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	(50)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	(2)
4.5	Effect of movement in exchange rates on cash held	12,759	13,340
4.6	Cash and cash equivalents at end of period	103,687	103,687



5. Reconciliation of cash and cash equivalents	Current quarter \$A'000	Previous quarter \$A'000
at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts		
5.1 Bank balances	8,398	2,689
5.2 Call deposits	95,289	89,818
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	103,687	92,507

1.

6. Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1 Aggregate amount of payments to related parties and their associates included in item 1	(79)
6.2 Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-

7.5 Unused financing facilities available at quarter end	-
---	---

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

Not applicable



8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (Item 1.9)	(1,580)
8.2	Capitalised exploration & evaluation (Item 2.1(d))	-
8.3	Total relevant outgoings (Item 8.1 + Item 8.2)	(1,580)
8.4	Cash and cash equivalents at quarter end (Item 4.6)	103,687
8.5	Unused finance facilities available at quarter end (Item 7.5)	-
8.6	Total available funding (Item 8.4 + Item 8.5)	103,687
8.7	Estimated quarters of funding available (Item 8.6 divided by Item 8.3)	66

8.8 If Item 8.7 is less than 2 quarters, please provide answers to the following questions:

1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: Not applicable

2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: Not applicable

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Not applicable

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 23 April 2020

Authorised by: Company Secretary
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting



standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

