



**BERKELEY**energia

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## **BERKELEY ENERGIA LIMITED**

**NEWS RELEASE | 4 November 2016 | AIM/ASX: BKY**

### **Results of Placing**

Berkeley Energia Limited ("**Berkeley**" or the "**Company**") is pleased to announce the results of the Placing announced earlier today, with a total of 53,581,953 Placing Shares to be successfully placed with institutional and other investors at a price of 45 pence per placing share raising approximately US\$30.0 million (£24.1 million) before expenses.

The Placing will be completed in two tranches as follows:

- (i) Tranche A Placing Shares (the "**Firm Placing Shares**"): 35,712,381 new ordinary shares to raise approximately US\$20.0 million (£16.1 million) before costs under the Company's capacity under ASX Listing Rules 7.1 and 7.1A (the "**Firm Placing**"); and
- (ii) Tranche B Placing Shares (the "**Conditional Placing Shares**"): 17,869,572 new ordinary shares to raise approximately US\$10.0 million (£8.0 million). The Conditional Placing Shares are to be issued subject to shareholder approval at a general meeting of shareholders (the "**Conditional Placing**") to be held in mid-December 2016 (the "**General Meeting**").

Application will be made to the London Stock Exchange plc for the 35,712,381 Firm Placing Shares to be admitted to trading on AIM ("**First Admission**"). It is expected that First Admission will take place at 8:00am on or around 9 November 2016 and dealings in the Firm Placing Shares will commence on the same day. Application will also be made to ASX for the Firm Placing Shares to be quoted on the ASX. The Firm Placing Shares are expected to be quoted on the ASX within two Business Days following First Admission.

Subject to shareholder approval at the General Meeting, the Company will also apply for admission of the 17,869,572 Conditional Placing Shares to trading on AIM ("**Second Admission**"). It is expected that Second Admission will take place at 8:00am on or around 16 December 2016 (or such later date as the Joint Bookrunners may agree with the Company, not being later than 8:00am on 23 December 2016) and dealings in the Conditional Placing Shares will commence on the same day. Application will also be made to ASX for the Conditional Placing Shares to be quoted on the ASX. The Conditional Placings Shares are expected to be quoted on the ASX within two Business Days following Second Admission.

The Placing Shares will, when issued, rank pari passu in all respects with the existing Ordinary Shares, including the right to receive dividends and other distributions declared following Admission.

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The Placing Shares, both Firm and Conditional, represent approximately 26.7 per cent of the existing Ordinary Shares and approximately 21.1 per cent of the Company's enlarged issued ordinary share capital immediately following completion of both First and Second Admission, as enlarged by the Placing.

Following the issue of the 35,712,381 Firm Placing Shares, the Company will have 236,420,404 ordinary shares in issue ("**Ordinary Shares**"). No Ordinary Shares are held in treasury. The figure of 236,420,404 may be used by the Company's shareholders ("**Shareholders**") as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, the Company under the Financial Conduct Authority's Disclosure Guidance and Transparency Rules.

Defined terms in this announcement shall have the same meaning as in the announcement released by the Company earlier today.

### **General Meeting**

A Notice of General Meeting in respect of the Conditional Placing Shares is expected to be issued on or around 14 November 2016.

### **Commenting on the successful completion of the Placing, Managing Director, Paul Atherley, said:**

*"We are delighted with the strong institutional support for this financing which allows us to accelerate the development of the Salamanca mine."*

*"The placing has been heavily oversubscribed by London based blue chip generalist institutions who will dominate the register once settlement completes."*

*"This successful financing is a positive endorsement of the Salamanca project, a US\$100m project that will be Europe's only major uranium mine and one of the world's biggest producers."*

*"We are extremely encouraged by the ongoing strong local support for the project and in return we continue to be absolutely committed to the rejuvenation of the local community."*

*"The Salamanca project will revitalise a region badly hit by long term unemployment, creating over 450 full time jobs and 2,000 indirect ones once in full production."*

*"We look forward to updating shareholders on progress as we proceed with construction of the crushing circuit and other facilities associated with the main construction early next year."*

For further information please contact:

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**Further background:**

**Berkeley's Salamanca mine**

The Salamanca mine, located in Western Spain, is the only major uranium mine in the world currently in construction. The independent Definitive Feasibility Study published in July 2016 by MDM Engineering (part of AMEC Foster Wheeler) demonstrates that the project, with a NPV of over US\$530 million, will produce 4.4 million lbs per annum during steady state of U<sub>3</sub>O<sub>8</sub> at C1 cash costs of US\$15.39/lb, making it one of the world's lowest cost, and the Company a top ten global producer of uranium, supplying the world's leading utilities with fuel for base load clean energy. First production is anticipated to commence in 2018.

Berkeley has invested over US\$60 million in the Salamanca project to date and has recently commenced infrastructure development.

The investment will be a major boost for the local community generating 450 direct jobs and more than 2,000 indirect jobs in a region badly hit by long term unemployment.

Further information is available at [www.berkeleyenergia.com](http://www.berkeleyenergia.com).

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### Information required under ASX Listing Rule 3.10.5A

- (a) Dilution to existing shareholders as a result of the Firm Placing under Listing Rule 7.1A is 8.6%, dilution to existing shareholders as a result of the Firm Placing under Listing Rule 7.1 is 7.7% and the total dilution to existing shareholders is 15.1%. Details regarding the participation of existing and new security holders is not able to be determined yet and will be provided at settlement;
- (b) Berkeley will issue 18,953,632 Firm Shares under Listing Rule 7.1A as the Placing was considered to be a more efficient mechanism for raising funds. The Placing did not expose the Company to additional costs, a protracted process and market volatility that may have been experienced with a pro-rata issue or other type of issue in which existing ordinary security holders would have been eligible to participate;
- (c) No underwriting arrangements are in place for the Placing under rule 7.1A; and
- (d) A fee of up to 5% may be paid to eligible brokers in connection with the placement under rule 7.1A.

### **Competent Persons Statement**

The information in this announcement that relates to the Definitive Feasibility Study, Mineral Resources for Zona 7, Ore Reserve Estimates, Mining, Uranium Preparation, Infrastructure, Production Targets and Cost Estimation is extracted from the announcement entitled 'Study confirms the Salamanca project as one of the world's lowest cost uranium producers' dated 14 July 2016, which is available to view on Berkeley's website at [www.berkeleyenergia.com](http://www.berkeleyenergia.com).

Berkeley confirms that: a) it is not aware of any new information or data that materially affects the information included in the original announcement; b) all material assumptions and technical parameters underpinning the Mineral Resources, Ore Reserve Estimate, Production Target, and related forecast financial information derived from the Production Target included in the original announcement continue to apply and have not materially changed; and c) the form and context in which the relevant Competent Persons' findings are presented in this announcement have not been materially modified from the original announcements.

The information in the original announcement that relates to the Definitive Feasibility Study is based on, and fairly represents, information compiled or reviewed by Mr. Jeffrey Peter Stevens, a Competent Person who is a Member of The Southern African Institute of Mining & Metallurgy, a 'Recognised Professional Organisation' (RPO) included in a list posted on the ASX website from time to time. Mr. Stevens is employed by MDM Engineering (part of the Amec Foster Wheeler Group). Mr. Stevens has sufficient experience that is relevant to the style of mineralization and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'.

The information in the original announcement that relates to the Ore Reserve Estimates, Mining, Uranium Preparation, Infrastructure, Production Targets and Cost Estimation is based on, and fairly represents, information compiled or reviewed by Mr. Andrew David Pooley, a Competent Person who is a Member of The Southern African Institute of Mining and Metallurgy, a 'Recognised Professional Organisation' (RPO) included in a list posted on the ASX website from time to time. Mr. Pooley is employed by Bara Consulting (Pty) Ltd. Mr. Pooley has sufficient experience that is relevant to the style of mineralization and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the

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2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'.

The information in the original announcement that relates to the Mineral Resources for Zona 7 is based on, and fairly represents, information compiled or reviewed by Mr Malcolm Titley, a Competent Person who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Titley is employed by Maja Mining Limited, an independent consulting company. Mr Titley has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'.

### **Forward Looking Statements**

This announcement contains "forward-looking statements" and "forward-looking information", including statements and forecasts which include without limitation, expectations regarding future performance, costs, production levels or rates, mineral reserves and resources, the financial position of Berkeley, industry growth and other trend projections. Often, but not always, forward-looking information can be identified by the use of words such as "plans", "expects", "is expected", "is expecting", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes", or variations (including negative variations) of such words and phrases, or state that certain actions, events or results "may", "could", "would", "might", or "will" be taken, occur or be achieved. Such information is based on assumptions and judgements of management regarding future events and results. The purpose of forward-looking information is to provide the audience with information about management's expectations and plans. Readers are cautioned that forward-looking information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Berkeley and/or its subsidiaries to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information. Such factors include, among others, changes in market conditions, future prices of uranium and development and/or exploration activities. Refer to the 'Risks' section of the presentation for a summary of certain risk factors that may affect Berkeley, which is available to view on Berkeley's website at [www.berkeleyenergia.com](http://www.berkeleyenergia.com).

Forward-looking information and statements are based on the reasonable assumptions, estimates, analysis and opinions of management made in light of its experience and its perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date such statements are made, but which may prove to be incorrect. Berkeley believes that the assumptions and expectations reflected in such forward-looking statements and information are reasonable. Readers are cautioned that the foregoing list is not exhaustive of all factors and assumptions which may have been used. Save as required by the AIM Rules for Companies, Berkeley does not undertake to update any forward-looking information or statements, except in accordance with applicable securities laws.

### **Important Information**

Peel Hunt, which is authorised and regulated in the United Kingdom by the FCA, is acting for the Company and for no one else in connection with the Placing and will not be responsible to anyone other than the Company for providing the protections afforded to clients of Peel Hunt or for providing advice in relation to the Placing, or any other matters referred to herein.

Tamesis, is an appointed representative of Arlington Group Asset Management Limited which is authorised and regulated in the United Kingdom by the FCA, is acting for the Company and for no one else in connection with the Placing and will

not be responsible to anyone other than the Company for providing the protections afforded to clients of Tamesis or for providing advice in relation to the Placing, or any other matters referred to herein.

In this announcement, references to “pounds sterling”, “£”, “pence” and “p” are to the lawful currency of the United Kingdom, references to “US dollars”, “\$” and “cents” are to the lawful currency of United States of America and references to “Australian dollars”, “A\$” and “A cents” are to the lawful currency of Australia. Unless otherwise stated, the basis of translation of pounds sterling into US dollars for the purposes of inclusion in this announcement is £1.00/US\$1.1.2442 and the basis of translation of pounds sterling into Australian dollars is £1.00/A\$1.6205.

This document and the information contained herein is not for release, directly or indirectly, in or into the United States, South Africa, Canada or Japan. This announcement (and the information contained herein) does not contain or constitute an offer of securities for sale, or solicitation of an offer to purchase securities, in the United States, South Africa, Canada or Japan or any other jurisdiction where such an offer or solicitation would be unlawful (each a “**Restricted Jurisdiction**”). The Placing Shares have not been and will not be registered under the US Securities Act of 1933, as amended (“**Securities Act**”), and may not be offered or sold in the United States except pursuant to an exemption from, or in transaction not subject to, the registration requirements of the Securities Act. There will be no public offering of the Placing Shares in the United States.

The Placing Shares are being offered and sold outside the United States in “offshore transactions”, as defined in, and in compliance with, Regulation S under the Securities Act. Persons receiving this announcement (including custodians, nominees and trustees) must not forward, distribute, mail or otherwise transmit it in or into the United States or use the United States mails, directly or indirectly, in connection with the Placing.

The Company has not been approved by the Swiss Financial Market Supervisory Authority (FINMA) as a foreign collective investment scheme pursuant to Article 120 of the Swiss Collective Investment Schemes Act of June 23, 2006 (“**CISA**”). The securities proposed to be sold will be distributed in, into or from Switzerland (i) exclusively to regulated qualified investors as defined in Article 10(3)(a) and (b) of the CISA (“**Regulated Qualified Investors**”), and/or otherwise in a manner which does not constitute distribution within the meaning of the CISA, its implementing ordinance and guidelines and (iii) not in a manner which constitutes a public offering within the meaning of Article 652a or 1156 of the Swiss Code of Obligations (“**CO**”). The securities proposed to be sold will not be listed on the SIX Swiss Exchange (“**SIX**”) or on any other stock exchange or regulated trading facility in Switzerland.

This Announcement has been prepared without regard to the disclosure standards for prospectuses under the CISA, Article 552a or 1158 CO or the listing rules of SIX or any other exchange or regulated trading facility in Switzerland. This Announcement may be distributed or made available in, into or from Switzerland (i) only to Regulated Qualified Investors and/or otherwise in a manner which does not constitute distribution within the meaning of the CISA, its implementing ordinance and guidelines, and (ii) not in a manner which constitutes a public offering within the meaning of Article 652A or 1156 CO or the listing rules of SIX or any other exchange or regulated trading facility in Switzerland. This Announcement may be distributed or made available in, into or from Switzerland (i) only to Regulated Qualified Investors and/or otherwise in a manner which does not constitute distribution within the meaning of the CISA, its implementation, ordinance and guidelines, and (ii) not in a manner which constitutes a public offering within the meaning of Article 652A or 1156 CO.

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This announcement does not constitute or form part of an offer to sell or issue or a solicitation of an offer to buy or subscribe for or otherwise acquire any securities in any jurisdiction including, without limitation, the Restricted Jurisdictions or any other jurisdiction in which such offer or solicitation is or may be unlawful. This announcement and the information contained in it is not for publication or distribution, directly or indirectly, to persons in a Restricted Jurisdiction unless permitted pursuant to an exemption under the relevant local law or regulation in any such jurisdiction.

No action has been taken by the Company, the Managers, or any of their respective directors, officers, members, partners, agents, employees or affiliates that would permit an offer of the Placing Shares or possession or distribution of this announcement or any other publicity material relating to such Placing Shares in any jurisdiction where action for that purpose is required. Persons receiving this announcement are required to inform themselves about and to observe any restrictions contained in this announcement.

Persons (including, without limitation, nominees and trustees) who have a contractual or other legal obligation to forward a copy of this announcement should seek appropriate advice before taking any action.

This announcement has been prepared and issued by Berkeley and is and will be Berkeley's sole responsibility. No representation or warranty, express or implied, is or will be made as to, or in relation to, and no responsibility and liability is or will be accepted by the Joint Bookrunners or any of their respective affiliates, branches or advisers or any other person as to or in relation to, the accuracy or completeness of this announcement or any other written or oral information made available to or publicly available to any Placee (as defined below), any person acting on such Placee's behalf or any of their respective advisers, and any liability therefor is expressly disclaimed.

Any indication in this announcement of the price at which the Company's shares have been bought or sold in the past cannot be relied upon as a guide to future performance. Persons needing advice should consult an independent financial adviser. No statement in this announcement is intended to be a profit forecast and no statement in this announcement should be interpreted to mean that earnings per share of the Company for the current or future financial years would necessarily match or exceed the historical published earnings per share of the Company.

All offers of the Placing Shares will be made pursuant to an exemption under the Prospectus Directive from the requirement to produce a prospectus. In the UK, this announcement is being directed solely at persons in circumstances in which section 21(1) of FSMA does not apply.