



BERKELEYenergía

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Update on Spanish Regulatory Regime

Berkeley Energia Limited ("Berkeley" or the "Company") notes that the parliamentary groups of two political parties in the Spanish Government (Unidas Podemos and PSOE) submitted on 14 October 2020 (Spanish time), a series of proposed amendments to the draft climate change and energy transition bill which was originally presented to the Spanish Parliament in May 2020 and, from a resource sector perspective, focusses on fossil fuels, hydrocarbons and fracking with no reference to radioactive materials (e.g. uranium).

Under one of the proposed amendments, investigation and exploitation of radioactive minerals would be prohibited in the Spanish territory and any open proceedings related to the authorisation of radioactive facilities of the nuclear fuel cycle for the processing of such minerals would be closed.

It is important to note that this is currently only a proposed amendment to the draft climate change and energy transition bill that must now be reviewed and approved or rejected by the Commission of Ecological Transition of the Parliament, and subsequently follow the same process in the Senate. The processes in both the Parliament and the Senate must be completed and consistent, and the proposed amendment supported by a majority of votes in both Commissions for it to be approved. Accordingly, the specific proposed amendment relating to the investigation and exploitation of radioactive minerals may or may not be included in the final draft of the climate change and energy transition bill.

Berkeley's position on the content of this proposed amendment is clear: prohibition of economic activities in Spain with no justified reasons is contrary to the Spanish Constitution and to the legal rights recognised by other international instruments. In particular, it must be taken into account that the Company currently holds legal, valid and consolidated rights for the investigation and exploitation of its mining projects, including a valid 30 year mining licence (renewable for two further periods of 30 years) for the Salamanca mine. The approval of an amendment of such nature would imply a retroactive measure which expropriates the legal rights of Berkeley with no justification.

Following the recent grant of the Urbanism License by the Municipality of Retortillo, and more than 120 previously granted permits and favourable reports by the relevant authorities at the local, regional, federal and European Union levels, the Authorisation for Construction for the uranium concentrate plant as a radioactive facility ("NSC II") is now the only pending approval required to commence full construction of the Salamanca mine.

The Company is continuing to engage with the relevant authorities in a collaborative manner in progressing the approval process for the Salamanca mine and will keep the market fully informed of any developments.

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