Interim Financial Report for the Half Year Ended 31 December 2023

Informe financiero provisional correspondiente al semestre terminado el 31 de diciembre de 2023

BERKELEY ENERGIA LIMITED
ABN 40 052 468 569

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Mr Robert Behets	Acting Managing Director
Mr Francisco Bellón	Executive Director
Mr Adam Parker	Non-Executive Director

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Stock Exchange Listings
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Madrid, Barcelona, Bilboa and Valencia Stock Exchanges (Code: **BKY**)

United Kingdom
London Stock Exchange - Main Board(LSE Code: **BKY**)

Australia
Australian Securities Exchange (ASX Code: **BKY**)

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The Board of Directors of Berkeley Energia Limited present their report on the consolidated entity of Berkeley Energia Limited ("the Company" or "Berkeley") and the entities it controlled during the half year ended 31 December 2023 ("Consolidated Entity" or "Group").

DIRECTORS

The names of the Directors of Berkeley in office during the half year and until the date of this report are:

Mr Ian Middlemas	Chairman
Mr Robert Behets	Non-Executive Director (Acting Managing Director)
Mr Francisco Bellón	Executive Director
Mr Adam Parker	Non-Executive Director

Unless otherwise disclosed, Directors were in office from the beginning of the half year until the date of this report.

OPERATING AND FINANCIAL REVIEW

Summary

Summary for and subsequent to the half year end include:

- **Project Update**

  During the period, Berkeley received formal notifications from the High Court of Justice of Castilla y León ("TSJ") which upheld the appeals submitted by a non-governmental organisation, Plataforma Stop Uranio, and the city council of Villavieja de Yeltes (the appellants) to revoke the first instance judgements related to the Authorization of Exceptional Use of the Land ("AEUL") and the Urbanism Licence ("UL"), and annules both the AEUL and UL.

  The AEUL and the UL were granted to the Company in July 2017 and August 2020 by the Regional Commission of Environment and Urbanism, and the Municipality of Retortillo respectively.

  The appellants subsequently filed administrative appeals against the AEUL and the UL at the first instance courts in Salamanca. The administrative appeals against the AEUL and UL were dismissed in September 2022 and January 2023 respectively.

  One of the appellants subsequently lodged appeals before the TSJ, with the TSJ delivering judgements in December 2023 to revoke the first instance judgements and declare the AEUL and the UL null.

  The Company strongly disagrees with the fundamentals of the TSJ's judgement and has submitted appeals against the TSJ judgements before the Supreme Court under Spanish law to defend its position and take all necessary actions to preserve its rights.

  The Company also previously submitted a contentious-administrative appeal before the Spanish National Court following notification from the Ministry for Ecological Transition and the Demographic Challenge ("MITECO") in relation to the rejection of the administrative appeal filed by the Company against MITECO's rejection of the Authorisation for Construction for the uranium concentrate plant as a radioactive facility ("NSC II") at the Salamanca project.

  Whilst the Company's focus is on resolving the current permitting situation, and ultimately advancing the Salamanca project towards production, the Company will continue to strongly defend its position and take all necessary actions to preserve its rights.

- **Global Nuclear Power and Uranium Market:**

  Spot uranium prices continued to demonstrate extreme upside as the near-term price indicator increased by 27% during the period and ended December at US$91 per pound. In January 2024 the uranium price surpassed US$100 per pound and is currently ~US$100 per pound.

  Price indicators reflecting the longer-term uranium market strengthened over the period as the 3-year forward price increased to US$96 per pound with the 5-year forward price increasing to US$101 per pound by the end of December. The Long-Term Price continued to rise incrementally reaching US$68 per pound at the end of December.

OPERATING AND FINANCIAL REVIEW (Continued)

Summary (Continued)

The outlook for nuclear power and the uranium market continued to strengthen during the period, with a number of important recent developments, including:

- **European Union**
  - The European Parliament adopted its official position on the proposed Net-Zero Industry Act ("NZIA"), which is designed to support Europe's manufacturing output in technologies needed for decarbonisation. The Members of the European Parliament included nuclear fission and fusion amongst the list of 17 technologies addressed by the legislation.
  - The NZIA sets a target for Europe to produce 40% of its annual deployment needs in net zero technologies by 2030 and to capture 25% of the global market value for these technologies.
  - In response to calls from the nuclear industry, research community and nuclear safety regulators, the European Commission will establish an Industrial Alliance dedicated to small modular reactors in early 2024, the European Commissioner for Energy announced.
  - The European Investment Bank's new president has signalled openness to fund new nuclear projects. In an interview with the Financial Times, Nadia Calviño, a former Spanish economy minister who took over the EIB presidency last month, said Europe "needs to be active because [it] cannot be behind the curve" on "modular reactors", which are still in a research and development stage in the bloc.

- **International Energy Agency**
  - The general director of the International Energy Agency ("IEA") has said that nuclear energy works in an "impeccable way" and that countries planning to leave the sector, such as Spain and Germany, should "think twice" since the alternatives increase polluting emissions or dependence on third parties.

- **COP28**
  - During the World Climate Action Summit of the 28th Conference of the Parties to the U.N. Framework Convention ("COP28"), more than 20 countries lead by the United States, France, Japan Republic of Korea, United Arab Emirates and the United Kingdom, launched the Declaration to Triple Nuclear Energy. The Declaration "recognises the key role of nuclear energy in achieving global net-zero greenhouse gas emissions by 2050 and keeping the 1.5-degree goal within reach."

- **Sweden**
  - The Swedish government presented its climate policy action plan to meet net zero by 2045. The climate action plan contains some 70 "concrete proposals" to achieve emission reductions in all sectors and says "expanded nuclear power is the single most important measure" to reduce emissions through electrification, with the government's recently published roadmap for new nuclear "one crucial piece of the puzzle.

    The government also tabled a proposed amendment to the country's nuclear energy regulations (Environmental Code) which would remove the current stipulation that any new nuclear reactor can only be authorized if it replaces a permanently closed reactor and must be built on a site where one of the existing reactors is located. The recently-elected government is also pursuing legislation which would address the potential development of small modular reactors.
  - Sweden's Climate and Environment Minister announced the launch of an investigation to abolish the country's ban on uranium mining. The ministry said the purpose of the investigation is "to remove a ban that is not needed". "Extraction of uranium must be handled in the same way as extraction of other metals, where the environmental assessment determines the conditions under which it can be permitted," it noted. "If the European Union is to become the first climate-neutral continent, access to sustainable metals and minerals must be ensured," the Climate and Environment Minister said. The result of the investigation must be reported by 15 May at the latest, at which point the government can choose to proceed with a legislative proposal to parliament to lift the ban on uranium mining

- **U.S.A**
  - In December 2023, the U.S. House of Representatives passed the "Prohibiting Russian Uranium Imports Act (H.R. 1042). If enacted, the bill would ban Russian uranium imports 90 days after enactment, but would allow individual utilities to request a waiver from the U.S. Department of Energy if there are no other viable fuel sources available to support the operation of a specific nuclear reactor or nuclear company. A companion bill must now be passed by the U.S. Senate before the legislation can be signed into law by President Biden.

- **Balance Sheet**

  The Company is in a strong financial position with A$75 million in cash reserves and no debt.

OPERATING AND FINANCIAL REVIEW (Continued)

Operations

Salamanca Project Summary

The Salamanca project is being developed in a historic uranium mining area in Western Spain about three hours west of Madrid.

The Project hosts a Mineral Resource of 89.3Mlb uranium, with more than two thirds in the Measured and Indicated categories. In 2016, Berkeley published the results of a robust Definitive Feasibility Study ("DFS") for Salamanca confirming that the Project may be one of the world's lowest cost producers, capable of generating strong after-tax cash flows.

In 2021, the Company received formal notification from MITECO that it had rejected the NSC II application at Salamanca. This decision followed the unfavourable NSC II report issued by the NSC in July 2021.

Berkeley strongly refutes the NSC's assessment and, in the Company's opinion, the NSC has adopted an arbitrary decision with the technical issues used as justification to issue the unfavourable report lacking in both technical and legal support.

Berkeley submitted documentation, including an 'Improvement Report' to supplement the Company's initial NSC II application, along with the corresponding arguments that address all the issues raised by the NSC, and a request for its reassessment by the NSC, to MITECO in July 2021.

Further documentation was submitted to MITECO in August 2021, in which the Company, with strongly supported arguments, dismantled all of the technical issues used by the NSC as justification to issue the unfavourable report. The Company again restated that the project is compliant with all requirements for NSC II to be awarded and requested its NSC II Application be reassessed by the NSC.

In addition, the Company requested from MITECO access to the files associated with the Authorisation for Construction and Authorisation for Dismantling and Closure for the radioactive facilities at La Haba (Badajoz) and Saelices El Chico (Salamanca), which are owned by ENUSA Industrias Avandas S.A., in order to verify and contrast the conditions approved by the competent administrative and regulatory bodies for other similar uranium projects in Spain.

Based on a detailed comparison of the different licensing files undertaken by the Company following receipt of these files, it is clear that Berkeley, in its NSC II submission, has been required to provide information that does not correspond to: (i) the regulatory framework, (ii) the scope of the current procedural stage (i.e., at the NSC II stage), and/or (iii) the criteria applied in other licensing processes for similar radioactive facilities. Accordingly, the Company considers that the NSC has acted in a discriminatory and arbitrary manner when assessing the NSC II application for the Salamanca project.

In Berkeley's strong opinion, MITECO has rejected the Company's NSC II Application without following the legally established procedure, as the Improvement Report has not been taken into account and sent to the NSC for its assessment, as requested on multiple occasions by the Company.

In this regard, the Company believes that MITECO have infringed regulations on administrative procedures in Spain but also under protection afforded to Berkeley under the Energy Charter Treaty ("ECT"), which would imply that the decision on the rejection of the Company's NSC II Application is not legal.

In April 2023, the Company's wholly owned Spanish subsidiary, Berkeley Minera España ("BME") submitted a contentious-administrative appeal before the Spanish National Court in an attempt to overturn the MITECO decision denying NSC II.

Whilst the Company's focus is on resolving the current permitting situation, and ultimately advancing the Salamanca project towards production, the Company and BME will continue to strongly defend its position and take all necessary actions to preserve its rights.

Initiation of the contentious-administrative appeal is necessary to preserve BME's rights however, the Company reiterates that it is prepared to collaborate with the relevant authorities and remains hopeful that the permitting situation can be resolved amicably.

in December 2023, the TSJ delivered adverse judgements and declared the AEUL and the UL null. The Company strongly disagrees with the fundamentals of the TSJ's judgements and has submitted cassation appeals against the TSJ judgements before the Supreme Court under Spanish law.

OPERATING AND FINANCIAL REVIEW (Continued)

Operations (Continued)

Project Update

During the period, the Company continued with its commitment to health, safety and the environment as a priority.

Following the annual Internal Audit (IA) of the Environmental and Sustainable Mining Management Systems completed in the September quarter, AENOR, an independent Spanish institution, completed the External Audit ("EA") during November 2023.

The EA successfully verified that the Company's management system complies with the requirements of ISO Standards 14001:2015 "Environmental Management" and UNE 22480/70:2019 "Sustainable Mining Management", and remains implemented in an adequate and effective manner.

The conclusions of the EA highlighted the significant progress made towards achievement of the Company's 2023 Sustainability Goals including involvement in the management system at all levels of the organisation and the integration of Sustainable Development Goals (SDGs) into the Company's strategy.

The certification process to obtain ISO 45001 certification for Health and Safety Management is ongoing, with the internal audit and the integration of the SDGs into the Company's strategy being successfully completed.

Solar Power System Study

As previously reported, Berkeley initiated a study evaluating the design, permitting, construction and operation of a solar power system at the Project. This study has been finalised, a formal application submitted to the relevant authorities in Salamanca, and the permitting process continued during the period.

The Project's location has a natural abundance of sunlight which is conducive to solar power generation, which will become a reliable source of low cost and carbon-free energy for the Project. In addition to making a significant contribution to reduce carbon emissions, the proposed solar power system will potentially contribute to reducing the Project's power related operating costs.

The proposed facility will have an installed power of 20.1MW and will be able to supply up to 75% of the power requirements at the Project. There is flexibility with regard to storage capacity versus capital and operational costs to ensure the optimal outcome for the Project.

The engineering, design, and cost estimation workstreams were completed and the overall project was delivered during the period. The environmental studies are well advanced, and once the scope of the environmental document is confirmed by the Administration, the Environmental Assessment will be formally submitted.

The decision to pursue a solar power system is in line with Berkeley's ongoing commitment to environmental sustainability and to continue to have a positive impact on the people, environment and society surrounding the mine.

OPERATING AND FINANCIAL REVIEW (Continued)

Operations (Continued)

Exploration

During the period, the Company continued with its initial exploration program focusing on battery and critical metals in Spain. The exploration initiative is targeting lithium, cobalt, tin, tungsten, rare earths, and other battery and critical metals, within the Company's existing tenements in western Spain that do not form part of Berkeley's main undertaking being the development of the Salamanca uranium project. Further analysis of the mineral and metal endowment across the entire mineral rich province and other prospective regions in Spain is also being undertaken, with a view to identifying additional targets and regional consolidation opportunities.

Investigation Permit Conchas

The Investigation Permit ("IP") Conchas is located in the very western part of the Salamanca province, close to the Portuguese border (Figure 1). The tenement covers an area of ~31km^2 in the western part of the Ciudad Rodrigo Basin and is largely covered by Cenozoic aged sediments. Only the north-western part of the tenement is uncovered and dominated by the Guarda Batholith intrusion. The tenement hosts a number of sites where small-scale historical tin and tungsten mining was undertaken. In addition, several mineral occurrences (tin, tungsten, titanium, lithium) have been identified during historical mapping and stream sediment sampling programs.

Billiton PLC undertook exploration on the IP Conchas between 1981 and 1983, with a focus on tin and tantalum (lithium was not taken into account). Billiton's work programs comprised regional and detailed geological mapping, geochemistry, trenching and limited drilling.

Soil sampling programs completed by Berkeley in the northern and central portions of the tenement during 2021 (200m by 200m) and 2022 (100m by 100m) defined a tin-lithium anomaly covering approximately 1.1km by 0.7km which correlated with a mapped aplo-pegmatitic leucogranite.

Based on the results of the soil sampling programs and information gleaned from a review of the available historical data, a small initial drilling program was implemented to test the tin-lithium anomaly. The drill program comprised five broad spaced reverse circulation (RC) holes for a total of 282m. Anomalous results for lithium (Li), tin (Sn), rubidium (Rb), cesium (Cs), niobium (Nb) and tantalum (Ta) obtained from multi-element analysis of drill samples were reported in the March 2023 quarter.

The occurrence of these six elements is observed to be largely associated with a sub-horizontal muscovitic leucogranite unit that locally outcrops at surface. The muscovitic leucogranite has a mapped extent of approximately 2km (in a NE-SW orientation) by 0.4km (in a NW-SE orientation) (Figure 1) and varies in thickness from 7m to over 70m in the drill holes (Figure 2).

Mineralogical studies have been undertaken on 25 samples from the drilling at ALS Laboratories (Perth, Australia) and the University of Oviedo (Oviedo, Spain), to determine the mineral species present and understand their characteristics and properties.

The results of the mineralogical study carried out by ALS Laboratories on the samples of mineralised muscovitic leucogranite indicate they are composed mainly of plagioclase (average content of 55%) and quartz (average content of 25%), with potassium feldspar, muscovite mica, and Li-mica making up remainder of the rock. The samples have an average Li-mica content of 3%.

Based on the conclusions of the studies carried out at the University of Oviedo, IP Conchas demonstrates exploration potential for several critical and strategic raw materials included in the European Commission's Critical Raw Materials Act[1], particularly Li, Nb and Ta. Results from the mineralogical study report conclude that the Li-bearing minerals in the mineralised leucogranite are mainly Li-rich muscovites.

The Department of Geology at the Universidad del País Vasco (Spain) has also undertaken an optical mineralogy and petrography study on thin sections from six samples collected from surface outcrops of the Conchas mineralisation. Four of the collected samples are representative of the main muscovitic leucogranite and two are the same leucogranite but completely greisenised. The study concludes that among the mineral phases identified within the leucogranite and greisen samples, the micas can be considered as aluminum-rich micas and they are the only minerals to contain Li. The micas also hosting the highest contents of Rb and Cs.

OPERATING AND FINANCIAL REVIEW (Continued)

Operations (Continued)

Exploration (Continued)

The Company is currently advancing plans for a second drilling campaign at IP Conchas focused on improving confidence in the geology, continuity, and grade distribution of the zone of multi-element mineralisation.

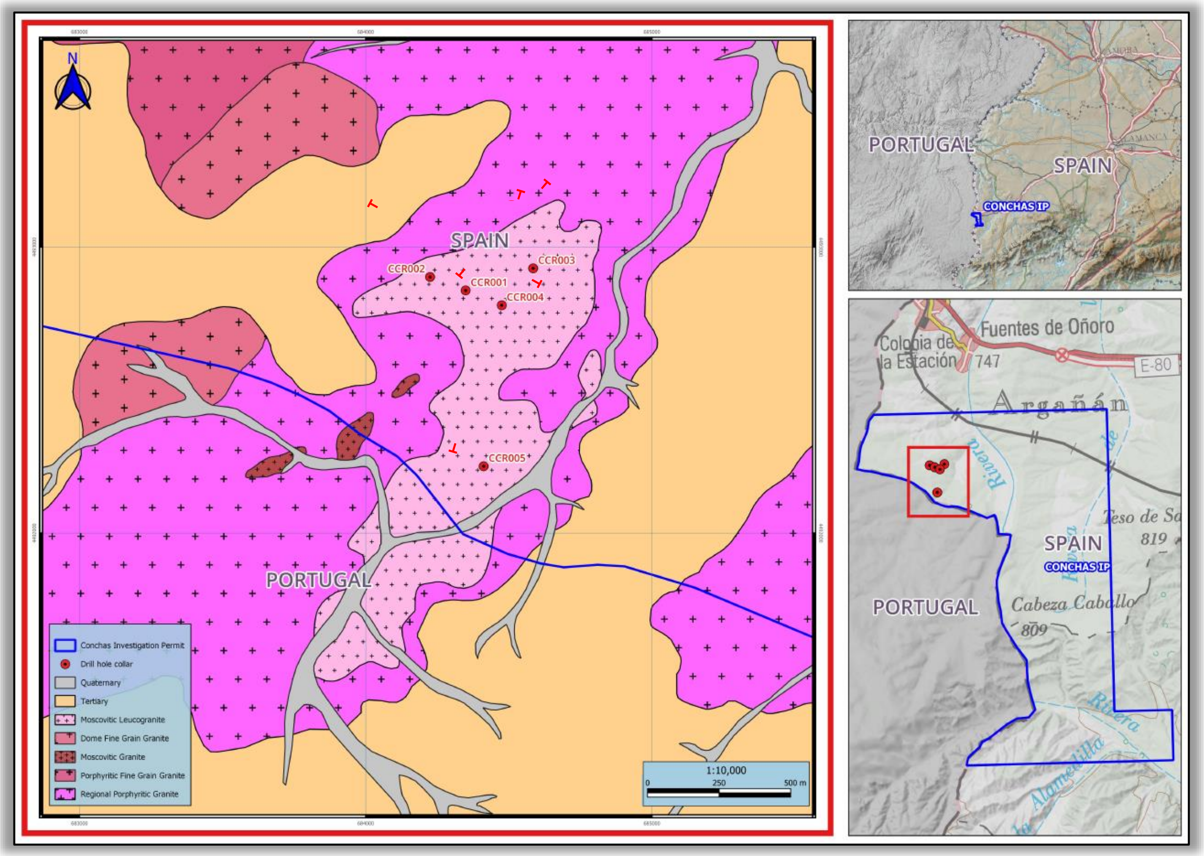

Figure 1: IP Conchas Location Plans and Geology / Drill Hole Location Plan

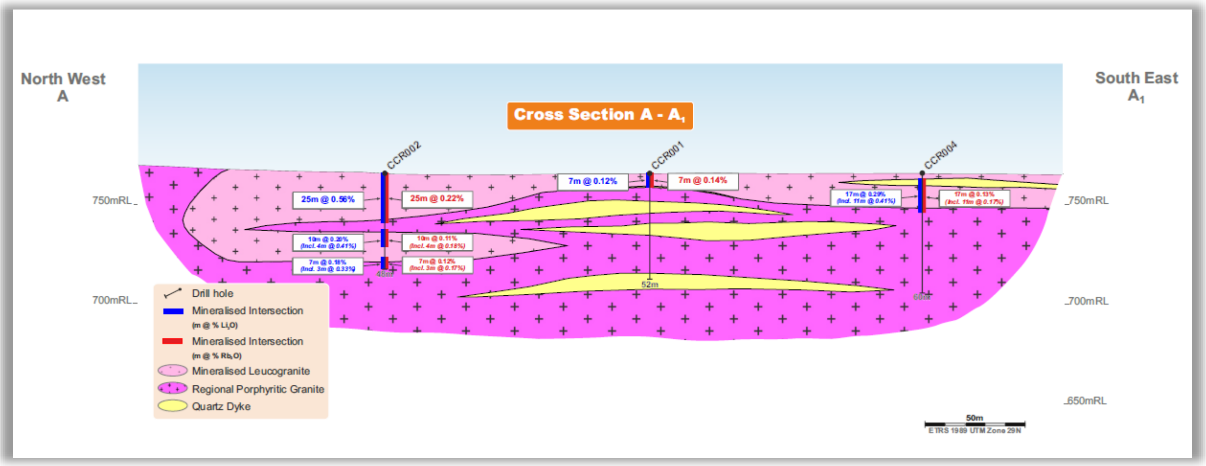

Figure 2: IP Conchas Cross Section A-A_1

OPERATING AND FINANCIAL REVIEW (Continued)

Operations (Continued)

Oliva and La Majada Projects

These projects comprise three tenements within two project areas in Spain which are considered prospective for tungsten, cobalt, antimony, and other metals.

The Company has designed exploration programs for both projects and communicated with the relevant authorities to progress the pending grant of the Investigation Permits for two of tenements.

Permitting

During the period, the Company received formal notifications from the TSJ which upheld the appeals submitted by a non-governmental organisation, Plataforma Stop Uranio, and the city council of Villavieja de Yeltes (the appellants) to revoke the first instance judgements related to the AEUL and the UL, and annules both the AEUL and UL.

The AEUL and the UL were granted to the Company in July 2017 and August 2020 by the Regional Commission of Environment and Urbanism, and the Municipality of Retortillo respectively.

The appellants subsequently filed administrative appeals against the AEUL and the UL at the first instance courts in Salamanca. The administrative appeals against the AEUL and UL were dismissed in September 2022 and January 2023 respectively. One of the appellants subsequently lodged appeals before the TSJ, with the TSJ delivering judgements to revoke the first instance judgements and declare the AEUL and the UL null.

The Company strongly disagrees with the fundamentals of the TSJ's judgement and it has submitted cassation appeals against the TSJ judgements before the Supreme Court under Spanish law to defend its position and take all necessary actions to preserve its rights.

Given the current permitting situation at the Salamanca project, the Company applied for, and has been granted, a temporary suspension of activity work at the C.E Retortillo-Santidad ('Retortillo mining licence') by the regional mining authorities, whilst the NSC II related and abovementioned appeals processes are ongoing. All environmental, health and safety measures will continue to be maintained by the Company.

Spanish Politics

Following a failed vote in Congress for the Partido Popular (PP) leader, Alberto Núñez Feijóo, to become Prime Minister in September 2023, the Spanish Socialist Workers' Party (PSOE) leader, Pedro Sánchez, won parliamentary support during the period to be re-elected as Spain's Prime Minister, after striking a controversial agreement with Catalan separatists.

In exchange for supporting Sanchez's PSOE, nationalists from the Spanish region of Catalonia secured a commitment from the PSOE to pass an amnesty law that would pardon those linked to a failed Catalan bid for independence six years ago. PSOE also struck controversial agreements with other nationalist parties, including from the Basque Country, to secure their support.

Additional Information on the Global Nuclear Power and Uranium Market

The outlook for nuclear power and the uranium market continued to strengthen during the period, with several important recent developments, including:

- The International Atomic Energy Agency ("IAEA") released its latest nuclear power forecast up to 2050. The international nuclear regulatory agency now foresees a high case installed nuclear generating capacity in 2050 of 890GWe (compared with today's 369GWe), an increase over the 2020 forecast of 24%.

  Large-scale reactors remain the dominant form of nuclear power in all scenarios, including advanced reactor designs, but the development of and growing interest in small modular reactors increases the potential for nuclear power.

OPERATING AND FINANCIAL REVIEW (Continued)

Operations (Continued)

- The Swedish government unveiled a roadmap which envisages the construction of new nuclear generating capacity equivalent to at least two large-scale reactors by 2035, with up to ten new large-scale reactors coming online by 2045.

  The parliament subsequently approved a bill that will clear the way for new nuclear power in the country by removing the current limit on the number of nuclear reactors in operation, as well as allowing reactors to be built on new sites. The amendment entered into force on 1 January 2024.

  Sweden and France also signed a declaration of intent to develop long-term cooperation in the field of nuclear energy.

- Norsk Kjernkraft, submitted a proposal to Norway's Ministry of Oil and Energy for an assessment into the construction of a power plant based on multiple small modular reactors in the municipalities of Aure and Heim. The company said it marks the first formal step towards the possible construction of the country's first nuclear power plant. Once approved by the government agency, the environmental impact assessment phase could begin.

- Slovenia's Ministry of the Environment, Climate and Energy presented a draft resolution on the long-term peaceful use of nuclear energy in the country, which envisages long-term use of nuclear energy, a second reactor at the Krško nuclear power plant and a secure electricity supply through a mix of nuclear and renewable energy sources, the Slovenian Press Agency reported.

- The Estonian government's Nuclear Energy Working Group concluded that introducing nuclear energy to the country would help to meet climate goals and increase energy security, with small modular reactors deemed to be the most suitable for the country.

- The Council of Ministers of Bulgaria have approved the construction of two additional reactors. The target date for commercial operation of the first reactor is set at 2033 while the second reactor would follow 2-3 years later. The planned capacity of the two reactors will total 2,300MWe.

- The British government launched a roadmap for reaching its ambition for the UK to have 24GWe of nuclear generating capacity by 2050, representing about 25% of the country's projected electricity demand.

- The EURATOM Supply Agency ("ESA") distributed its Annual Report for 2022 which documents various aspects of the nuclear fuel cycle within the European Union.

  According to the ESA's survey of the 103 reactors operating in 13 Member Countries as of the end of 2022, future uncovered uranium requirements through 2031 range from a minimum of 51.9 million pounds (assuming all current supply agreements are honoured) and a maximum of 87.5 million pounds (assuming Russian-sourced agreements are not completed as scheduled).

  Total uranium inventories held by EU utilities at the end of 2022 approximated 92.8 million pounds, a decrease from the aggregate inventories held at the end of 2021 (95.7 million pounds).

  During 2022, the purchases of Russian-origin uranium declined by 16% to 5.2 million pounds as compared to 2021 buying levels.

- Kazatomprom released its September 2023 quarter Operations and Trading Update, which reported a slight decline in Kazakh uranium production for the first nine months of the year (2023 – 39.8 million pounds. compared to 2022 – 40.2 million pounds), but reconfirming the 2023 guidance at 53.3 – 55.9 million pounds. However, the world's largest producer of uranium cautioned that "issues associated with limited access to certain key materials, such as sulfuric acid, remain persistent, and might potentially have a negative impact on 2024 production."

- Orano took the decision to expand uranium enrichment capacity at the Georges Besse 2 Uranium Enrichment Plant, located at Tricastin, France. The facility entered operation in 2011 reaching its current full production capacity of 7.5 million Separative Work Units (SWU) in 2016, based on centrifuge technology. The Orano Board approved the planned expansion of 2.5 million SWU at a cost of €1.7 billion.

OPERATING AND FINANCIAL REVIEW (Continued)

Results of Operations

The net loss of the Consolidated Entity for the half year ended 31 December 2023 was $3,451,000 (31 December 2022: $849,000). Significant items contributing to the current half year loss and the substantial differences from the previous half year include the following:

(i) Interest income of $1,668,000 (31 December 2022: $268,000), this is largely attributable to the increase in interest rates from 0.0% to 4.6% on the US$49 million held in cash by the Company;

(ii) Exploration and evaluation expenses of $1,897,000 (31 December 2022: $1,494,000), which are attributable to the Group's accounting policy of expensing exploration and evaluation expenditure incurred subsequent to the acquisition of the rights to explore and up to and until a decision to develop or mine is made;

(iii) Non-cash share-based payment expense of $437,000 (31 December 2022: $374,000) was recognised in respect of incentive securities granted to directors, employees and key consultants of the Group as part of the long-term incentive plan to reward directors, employees and key consultants for the long-term incentive of the Group. The Company's policy is to expense the incentive securities over the vesting period. During the period the Company issued 1,900,000 (31 December 2022: nil) incentive options ("Incentive Options") which relates to the current period expense;

(iv) Fair value movement gain of $251,000 (31 December 2022: gain of $633,000) on unlisted options that expired during the period. These financial liabilities increase or decrease in size as the share price of the Company fluctuates. During the period, 25,221,562 (31 December 2022: 10,088,625) unlisted options expired; and

(v) Foreign exchange loss of $2,304,000 (31 December 2022: gain of $1,220,000) largely attributable on the US$49 million held in cash by the Group following the strengthening of the AUD against the USD by some 3% during the half year period.

Financial Position

At 31 December 2023, the Group is in a strong financial position with cash reserves of $75,134,000 (30 June 2023: $78,776,000). The Company had cash outflows during the year totalling $1,350,000, plus a foreign exchange loss of $2,292,000 following the movement of the AUD against the USD by some 3% during the period.

The Group had net assets of $84,121,000 at 31 December 2023 (30 June 2023: $87,316,000), a decrease of 3.8% compared with 30 June 2023. The decrease is consistent with the decrease in cash which has been offset by the decrease in total liabilities.

Business Strategies and Prospects for Future Financial Years

Berkeley's strategic objective is to create long-term shareholder value with the Company's primary focus continuing to be on progressing the approvals required to commence construction of the Salamanca mine and bring it into production.

To achieve its strategic objective, the Company currently has the following business strategies and prospects:

- Continue in the defence of the Company's rights with respect to the Salamanca project;
- Continue to assess other business development and investment opportunities at the Salamanca project; and
- Continue to assess other business and development opportunities in the resources sector.

All of these activities are inherently risky and the Board is unable to provide certainty that any or all of these activities will be able to be achieved. The material business risks faced by the Company that are likely to have an effect on the Company's future prospects, and how the Company manages these risks, include but are not limited to the following:

- *Litigation risk* – All industries, including the mining industry, are subject to legal and arbitration claims. Specifically, in November 2022, the Company submitted a written notification of an investment dispute to the Prime Minister of Spain and the MITECO informing the Kingdom of Spain of the nature of a dispute and the ECT breaches relating to the Company's rejection of NSCII, and that it proposes to seek prompt negotiations for an amicable solution pursuant to article 26.1 of the ECT. The Company remains open to resolving the dispute with the Spanish government amicably, however, as of the date of this report, the Spanish government has declined to participate in any discussions related to the dispute and as a result Berkeley will continue to strongly defend its position and take relevant actions to pursue its legal rights regarding the Salamanca project. However, there is no certainty that any claim, should it be made in the future, will be successful.

OPERATING AND FINANCIAL REVIEW (Continued)

Business Strategies and Prospects for Future Financial Years (Continued)

- *Mining licences and government approvals required* – In 2021, received formal notification from MITECO that it had rejected the NSC II application at the Salamanca project. This decision followed the unfavourable NSC II report issued by the NSC in July 2021.

  Berkeley strongly refutes the NSC's assessment and, in the Company's opinion, the NSC has adopted an arbitrary decision with the technical issues used as justification to issue the unfavourable report lacking in both technical and legal support.

  Berkeley submitted documentation, including an 'Improvement Report' to supplement the Company's initial NSC II application, along with the corresponding arguments that address all the issues raised by the NSC, and a request for its reassessment by the NSC, to MITECO in July 2021.

  Further documentation was submitted to MITECO in August 2021, in which the Company, with strongly supported arguments, dismantled all of the technical issues used by the NSC as justification to issue the unfavourable report. The Company again restated that the project is compliant with all requirements for NSC II to be awarded and requested its NSC II Application be reassessed by the NSC.

  In addition, the Company requested from MITECO access to the files associated with the Authorisation for Construction and Authorisation for Dismantling and Closure for the radioactive facilities at La Haba (Badajoz) and Saelices El Chico (Salamanca), which are owned by ENUSA Industrias Avandas S.A., in order to verify and contrast the conditions approved by the competent administrative and regulatory bodies for other similar uranium projects in Spain.

  Based on a detailed comparison of the different licensing files undertaken by the Company following receipt of these files, it is clear that Berkeley, in its NSC II submission, has been required to provide information that does not correspond to: (i) the regulatory framework, (ii) the scope of the current procedural stage (i.e., at the NSC II stage), and/or (iii) the criteria applied in other licensing processes for similar radioactive facilities. Accordingly, the Company considers that the NSC has acted in a discriminatory and arbitrary manner when assessing the NSC II application for the Salamanca project.

  In Berkeley's strong opinion, MITECO has rejected the Company's NSC II Application without following the legally established procedure, as the Improvement Report has not been taken into account and sent to the NSC for its assessment, as requested on multiple occasions by the Company.

  In this regard, the Company believes that MITECO have infringed regulations on administrative procedures in Spain but also under protection afforded to Berkeley under the ECT, which would imply that the decision on the rejection of the Company's NSC II Application is not legal.

  In April 2023, the Company's wholly owned Spanish subsidiary, BME submitted a contentious-administrative appeal before the Spanish National Court in an attempt to overturn the MITECO decision denying NSC II.

  Whilst the Company's focus is on resolving the current permitting situation, and ultimately advancing the Salamanca project towards production, the Company and BME will continue to strongly defend its position and take all necessary actions to preserve its rights.

  Initiation of the contentious-administrative appeal was necessary to preserve BME's rights however, the Company reiterates that it is prepared to collaborate with the relevant authorities and remains hopeful that the permitting situation can be resolved amicably.

  Further, Berkeley received formal notifications from the TSJ in December 2023 which upheld the appeals submitted by a non-governmental organisation, Plataforma Stop Uranio, and the city council of Villavieja de Yeltes (the appellants) to revoke the first instance judgements related to the Authorization of AEUL and the UL, and annules both the AEUL and UL.

  The AEUL and the UL were granted to the Company in July 2017 and August 2020 by the Regional Commission of Environment and Urbanism, and the Municipality of Retortillo respectively.

  The appellants subsequently filed administrative appeals against the AEUL and the UL at the first instance courts in Salamanca. The administrative appeals against the AEUL and UL were dismissed in September 2022 and January 2023 respectively.

  One of the appellants subsequently lodged appeals before the TSJ, with the TSJ delivering judgements in December 2023 to revoke the first instance judgements and declare the AEUL and the UL null.

  The Company strongly disagrees with the fundamentals of the TSJ's judgement and has submitted cassation against the TSJ judgements before the Supreme Court under Spanish law to defend its position and take all necessary actions to preserve its rights. However, there is no guarantee that the cassation appeals will be admitted by the Supreme Court or be successful.

OPERATING AND FINANCIAL REVIEW (Continued)

Business Strategies and Prospects for Future Financial Years (Continued)

Further, various appeals and adverse judgements have also been made against other permits and approvals (such as the waste water discharge permit) the Company had previously received for the Salamanca project, as allowed for under Spanish law. The Company expects that further appeals will be made against these and any future permits and approvals.

However, the successful development of the Salamanca mine will be dependent on the granting, or re-granting of all permits and licences necessary for the construction and production phases, in particular the grant of NSC II, UL and AEUL which will allow for the construction of the plant as a radioactive facility.

However, with any development project, there is no guarantee that the Company will be successful in applying for and maintaining all required permits and licences to complete construction and subsequently enter into production. If the required permits and licences are not granted, or are granted, appealed against and withdrawn (as in the case of the UL, AEUL and surface water capture and waste water discharge permits), then this could have a material adverse effect on the Group's financial performance, which has led to a reduction in the carrying value of assets which may materially jeopardise the viability of the Salamanca project and the price of its ordinary shares.

- *The Company may not successfully acquire new projects* – In conjunction with seeking to overturn the negative MITECO and TSJ decisions, the Company is also searching for and assessing other new business opportunities at the Salamanca project, as well as new business opportunities in the resources sector which could have the potential to build shareholder value. These new business opportunities may take the form of direct project acquisitions, joint ventures, farm-ins, acquisition of tenements/permits, or direct equity participation.

  The Company's success in its acquisition activities depends on its ability to identify suitable projects, acquire them on acceptable terms, and integrate the projects successfully, which the Company's Board is experienced in doing. However, there can be no guarantee that any proposed acquisition will be completed or be successful and the Directors are not able to assess the likelihood or timing of a successful acquisition. If a proposed acquisition is completed the usual risks associated with a new project and/or business activities will remain. Further, any new acquisition may require the establishment of a new business. The Company's ability to generate revenue from a new business will depend on the Company being successful in exploring, identifying mineral resources and establishing mining operations in relation to a new project. Whilst the Directors have extensive industry experience, there is no guarantee that the Company will be successful in exploring and developing a new project;

- *The Company's activities are subject to Government regulations and approvals* – The Company's exploration and any future mining activities are dependent upon the maintenance and renewal from time to time of the appropriate title interests, licences, concessions, leases, claims, permits, environmental decisions, planning consents and other regulatory consents which may be withdrawn or made subject to new limitations. The maintaining or obtaining of renewals or attainment and grant of title interests often depends on the Company being successful in obtaining and maintaining required statutory approvals for its proposed activities. The mining licence for the Salamanca Project was granted in April 2014 and is valid until April 2044 (and renewable for two further periods of 30 years each). Given the current permitting situation at the Salamanca project, the Company applied for, and has been granted a temporary suspension of activity work at the Retortillo mining licence by the regional mining authorities, whilst the NSC II related and abovementioned appeals processes are ongoing.

  The Company closely monitors the status of its mining and exploration permits and licences and works closely with the relevant government departments in Spain (as discussed above) to ensure the various licences are maintained and renewed when required. However, there is no assurance that such title interests, licenses, concessions, leases, claims, permits, decisions or consents will not be revoked, significantly altered or not renewed to the detriment of the Company or that the renewals and new applications will be successful.

  If such title interests, licences, concessions, leases, claims, permits, environmental decisions, planning consents and other regulatory consents are not maintained or renewed then this could have a material adverse effect on the Company's financial performance and the price of its Ordinary Shares.

  There can also be no assurances that the Company's interests in its properties and licences are free from defects. The Company has investigated its rights and believes that these rights are in good standing. There is no assurance, however, that such rights and title interests will not be revoked or significantly altered to the detriment of the Company.

  In April 2021, the parliament in Spain (the "Spanish Parliament") approved an amendment to the draft climate change and energy transition bill relating to the investigation and exploitation of radioactive minerals (e.g. uranium). The Spanish Parliament reviewed and approved the amendment to Article 10 under which: (i) new applications for exploration, investigation and direct exploitation concessions for radioactive materials, and their extensions, would not be accepted following the entry into force of this law; and (ii) existing concessions, and open proceedings and applications related to these, would continue as per normal based on the previous legislation. The new law was published in the Official Spanish State Gazette and came into effect in May 2021.

OPERATING AND FINANCIAL REVIEW (Continued)

Business Strategies and Prospects for Future Financial Years (Continued)

The Company currently holds legal, valid and consolidated rights for the investigation and exploitation of its mining projects, including the 30-year mining licence (renewable for two further periods of 30 years) for the Salamanca project, however any new proceedings opened by the Company is now not allowed under the aforementioned new law. This could create uncertainty and pose a risk on future applications, renewals or proceedings the Company may have to make in the future at the Salamanca project or elsewhere, which if unfavourable could have a detrimental effect on the viability of the Salamanca project or the Company's pursuit of other development opportunities.

Therefore, there can be no assurances that the Company's rights and title interests will not be challenged or impugned by third parties or governments in the future. To the extent that any such rights or title interests are revoked or significantly altered to the detriment of the Company, then this could have a material adverse effect on the Group's financial performance and the price of its ordinary shares;

- *The Company may be adversely affected by fluctuations in commodity prices* – The price of uranium has fluctuated widely since the Fukushima nuclear power plant disaster in March 2011 and is affected by further numerous factors beyond the control of the Company. Future production, if any, from the Salamanca project will be dependent upon the price of uranium being adequate to make these properties economic. The Company currently does not engage in any hedging or derivative transactions to manage commodity price risk, but as the Company's Salamanca Project advances, this policy will be reviewed periodically;
- *The Group's projects are not yet in production* – As a result of the substantial expenditures involved in mine development projects, mine developments are prone to material cost overruns versus budget. The capital expenditures and time required to develop new mines are considerable and changes in cost or construction schedules can significantly increase both the time and capital required to build the mine; and
- *Global financial conditions may adversely affect the Company's growth and profitability* – Many industries, including the mineral resource industry, are impacted by these market conditions. Some of the key impacts of the current financial market turmoil include contraction in credit markets resulting in a widening of credit risk, devaluations and high volatility in global equity, commodity, foreign exchange and energy markets, and a lack of market liquidity. A slowdown in the financial markets or other economic conditions may adversely affect the Company's growth and ability to finance its activities.

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

There were no significant events occurring after balance date requiring disclosure.

ROUNDING

The amounts contained in the half year financial report have been rounded to the nearest $1,000 (where rounding is applicable) where noted ($000) under the option available to the Company under ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191. The Company is an entity to which this legislative instrument applies.

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AUDITOR'S INDEPENDENCE DECLARATION

Section 307C of the *Corporations Act 2001* requires our auditors, Ernst & Young, to provide the Directors of Berkeley Energia Limited with an Independence Declaration in relation to the review of the half year financial report. This Independence Declaration is on page 24 and forms part of this Directors' Report.

Signed in accordance with a resolution of Directors.

Robert Behets
Acting Managing Director

13 March 2024

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 report.

Competent Persons Statement

The information in this report that relates to Exploration Results is extracted from the March 2023 Quarterly Report which is available to view on Berkeley's website at 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 Exploration Results 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 announcement.

The information in this report that relates to the Mineral Resource Estimate is extracted from the announcement dated 30 August 2023 entitled 'Annual Report 2023', which is available to view on Berkeley's website at www.berkeleyenergia.com and is based on, and fairly represents information compiled by Mr Enrique Martínez, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy. 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 Resource Estimate 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 announcement.

Mineral Resource at the Salamanca project

Deposit Name	Resource Category	Tonnes (Mt)	U_3O_8 (ppm)	U_3O_8 (Mlbs)
Retortillo	Measured	4.1	498	4.5
	Indicated	11.3	395	9.8
	Inferred	0.2	368	0.2
	Total	***15.6***	***422***	***14.5***
Zona 7	Measured	5.2	674	7.8
	Indicated	10.5	761	17.6
	Inferred	6.0	364	4.8
	Total	**21.7**	**631**	**30.2**
Alameda	Indicated	20.0	455	20.1
	Inferred	0.7	657	1.0
	Total	***20.7***	***462***	***21.1***
Las Carbas	Inferred	0.6	443	0.6
Cristina	Inferred	0.8	460	0.8
Caridad	Inferred	0.4	382	0.4
Villares	Inferred	0.7	672	1.1
Villares North	Inferred	0.3	388	0.2
Total Retortillo Satellites	***Total***	***2.8***	***492***	***3.0***
Villar	Inferred	5.0	446	4.9
Alameda Nth Zone 2	Inferred	1.2	472	1.3
Alameda Nth Zone 19	Inferred	1.1	492	1.2
Alameda Nth Zone 21	Inferred	1.8	531	2.1
Total Alameda Satellites	***Total***	***9.1***	***472***	***9.5***
Gambuta	***Inferred***	***12.7***	***394***	***11.1***
Salamanca Project Total	***Measured***	***9.3***	***597***	***12.3***
	Indicated	***41.8***	***516***	***47.5***
	Inferred	***31.5***	***395***	***29.6***
	Total (*)	***82.6***	***514***	***89.3***

**rounding errors may occur*

DIRECTORS' DECLARATION

In accordance with a resolution of the Directors of Berkeley Energia Limited, I state that:

In the opinion of the Directors:

(a) the financial statements and notes are in accordance with the Corporations Act 2001, including:

   (i) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the Corporations Regulations 2001; and

   (ii) giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2023 and of its performance for the half year ended on that date.

(b) the Directors Report, which includes the Operating and Financial Review, provides a fair review of:

   (i) important events during the first six months of the current financial year and their impact on the half year financial statements, and a description of the principal risks and uncertainties for the remaining six months of the year; and

   (ii) related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the Group during that period, and any changes in the related party transactions described in the last annual report that could have such a material effect; and

(c) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

On behalf of the Board

Robert Behets
Acting Managing Director

13 March 2024

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED 31 DECEMBER 2023

BERKELEY*energia*

	Note	Half Year Ended 31 December 2023 $000	Half Year Ended 31 December 2022 $000
Interest income		**1,668**	268
Exploration and evaluation costs		**(1,897)**	(1,494)
Corporate and administration costs		**(602)**	(582)
Prospectus preparation costs		**-**	(393)
Business development expenses		**(129)**	(127)
Share based payments expenses	9(a)	**(437)**	(374)
Fair value movements on financial liabilities	5	**251**	633
Foreign exchange movements		**(2,305)**	1,220
Loss before income tax		**(3,451)**	(849)
Income tax expense		**-**	-
Loss after income tax		**(3,451)**	(849)
Other comprehensive income, net of income tax:			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences arising on translation of foreign operations		**(181)**	387
Other comprehensive income, net of income tax		**(181)**	387
Total comprehensive loss for the half year attributable to Members of Berkeley Energia Limited		**(3,632)**	(462)
Basic and diluted loss per share (cents per share)		**(0.77)**	(0.19)

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2023

BERKELEY energia

	Note	31 December 2023 $000	30 June 2023 $000
ASSETS			
Current Assets			
Cash and cash equivalents		**75,134**	78,776
Other receivables		**824**	880
Total Current Assets		**75,958**	79,656
Non-current Assets			
Property, plant and equipment	6	**9,420**	9,594
Other financial assets		**106**	107
Total Non-Current Assets		**9,526**	9,701
TOTAL ASSETS		**85,484**	89,357
LIABILITIES			
Current Liabilities			
Trade and other payables		**799**	1,221
Financial liabilities	7	**-**	248
Other liabilities		**564**	572
Total Current Liabilities		**1,363**	2,041
TOTAL LIABILITIES		**1,363**	2,041
NET ASSETS		**84,121**	87,316
EQUITY			
Issued capital	8	**206,404**	206,404
Reserves	9	**(1,216)**	(1,268)
Accumulated losses		**(121,067)**	(117,820)
TOTAL EQUITY		**84,121**	87,316

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31 DECEMBER 2023

BERKELEY energia

	Issued Capital $000	Share Based Payments Reserve $000	Foreign Currency Translation Reserve $000	Accumulated Losses $000	Total $000
As at 1 July 2023	**206,404**	**613**	**(1,881)**	**(117,820)**	**87,316**
Total comprehensive income for the period:					
Net loss for the period	**-**	**-**	**-**	**(3,451)**	**(3,451)**
Other comprehensive income/(loss):					
Exchange differences arising on translation of foreign operations	**-**	**-**	**(181)**	**-**	**(181)**
Total comprehensive loss	**-**	**-**	**(181)**	**(3,451)**	**(3,632)**
Expiry of Incentive Options	**-**	**(204)**	**-**	**204**	**-**
Recognition of share-based payment expense	**-**	**437**	**-**	**-**	**437**
As at 31 December 2023	**206,404**	**846**	**(2,062)**	**(121,067)**	**84,121**
As at 1 July 2022	206,404	341	(2,528)	(116,584)	87,633
Total comprehensive income for the period:					
Net loss for the period	-	-	-	(849)	(849)
Other comprehensive income/(loss):					
Exchange differences arising on translation of foreign operations	-	-	387	-	387
Total comprehensive income/(loss)	-	-	387	(849)	(462)
Expiry of Incentive Options	-	(137)	-	137	-
Recognition of share-based payment expense	-	374	-	-	374
As at 31 December 2022	206,404	578	(2,141)	(117,296)	87,545

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED 31 DECEMBER 2023

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	Half Year Ended 31 December 2023 $000	Half Year Ended 31 December 2022 $000
Cash flows from operating activities		
Payments to suppliers and employees	**(3,018)**	(2,666)
Interest received	**1,668**	268
Net cash outflow from operating activities	**(1,350)**	(2,398)
Net decrease in cash and cash equivalents held	**(1,350)**	(2,398)
Cash and cash equivalents at the beginning of the period	**78,776**	79,943
Effects of exchange rate changes on cash and cash equivalents	**(2,292)**	1,315
Cash and cash equivalents at the end of the period	**75,134**	78,860

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

1. REPORTING ENTITY

Berkeley Energia Limited is a company domiciled in Australia. The interim financial report of the Company is as at and for the six months ended 31 December 2023.

The annual financial report of the Company as at and for the year ended 30 June 2023 is available upon request from the Company's registered office or is available to download from the Company's website at www.berkeleyenergia.com.

2. STATEMENT OF COMPLIANCE

The interim financial report is a general purpose financial report which has been prepared in accordance with Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Act 2001*.

This interim financial report does not include all the information of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report of Berkeley Energia Limited for the year ended 30 June 2023 and any public announcements made by Berkeley Energia Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

(a) Basis of Preparation of Half Year Financial Report

The amounts contained in the half year financial report have been rounded to the nearest $1,000 (where rounding is applicable) under the option available to the Company under ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191.

The financial statements have been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business.

(b) Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified where applicable by the revaluation of certain financial assets and liabilities at fair value through profit or loss.

3. MATERIAL ACCOUNTING POLICIES

Accounting policies applied by the Consolidated Entity in this consolidated interim financial report are the same as those applied by the Consolidated Entity in its consolidated financial report for the year ended 30 June 2023.

In the current period, the Group has adopted all of the new and revised Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for annual reporting periods beginning on or after 1 July 2023.

New and revised Standards and amendments thereof and Interpretations effective for the current half year that are relevant to the Group include:

- AASB 2020-6 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current – Deferral of Effective Date
- AASB 2021-2 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates
- AASB 2021-5 Amendments to Australian Accounting Standards – Deferred Tax related to Assets and Liabilities arising from a Single Transaction
- AASB 2023-2 Amendments to AASs – International Tax Reform Pillar Two Model Rules 29

The adoption of the aforementioned standards has resulted in no impact on interim financial statements of the Group as at 31 December 2023.

(a) Issued standards and interpretations not early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective have not been adopted by the Group for the reporting period ended 31 December 2023. Those which may be relevant to the Group are set out in the table below, but these are not expected to have any significant impact on the Group's financial statements:

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(a) Issued standards and interpretations not early adopted (Continued)

Standard/Interpretation	Application Date of Standard	Application Date for Company
AASB 2020-1 *Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current*	1 January 2024	1 July 2024
AASB 2021-7(a-c) *Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections*	1 January 2025	1 July 2025

4. SEGMENT INFORMATION

AASB 8 requires operating segments to be identified on the basis of internal reports about components of the Consolidated Entity that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance.

The Consolidated Entity operates in one operating segment, being exploration for mineral resources within Spain. This is the basis on which internal reports are provided to the Directors for assessing performance and determining the allocation of resources within the Consolidated Entity. All material non-current assets excluding financial instruments are located in Spain.

5. FAIR VALUE MOVEMENTS

	Consolidated 31 December 2023 $000	Consolidated 31 December 2022 $000
Fair value movement on financial liabilities through profit and loss	**251**	**633**

Please refer to note 7 for further disclosure.

6. NON-CURRENT ASSETS - PROPERTY, PLANT AND EQUIPMENT

	Land $000
Carrying amount at 1 July 2023	**9,594**
Foreign exchange differences	(174)
Carrying amount at 31 December 2023	**9,420**
- at cost	9,420
- accumulated depreciation, amortisation and impairment	-

7. FINANCIAL LIABILITIES

	Consolidated 31 December 2023 $000	Consolidated 30 June 2023 $000
(a) Financial liabilities at fair value through profit and loss:		
Unlisted Options	-	248
	-	248

	Consolidated 30 June 2023 Opening Balance $000	Fair Value Change $000	Foreign Exchange Loss $000	Consolidated 31 December 2023 Total $000
(b) Reconciliation:				
Unlisted Options	248	(251)	3	-
Total fair value	**248**	**(251)**	**3**	**-**

(c) Fair Value Estimation

The fair value of the unlisted options was determined using a binomial option pricing model. The fair value movement of the unlisted options has been recognised in the Statement of Profit and Loss. Fair value measurements are a Level 2 valuation in the fair value hierarchy. Given all unlisted options expired prior to the end of 31 December 2023, no fair value estimations were required.

8. CONTRIBUTED EQUITY

(a) Issued and Paid Up Capital

	Consolidated 31 December 2023 $000	Consolidated 30 June 2023 $000
445,797,000 (30 June 2023: 445,797,000) fully paid ordinary shares	**206,404**	206,404

(b) Movements in Ordinary Share Capital during the Six Month Period ended 31 December 2023:

There were no movements in fully paid ordinary shares during the past six months.

9. RESERVES

	Consolidated 31 December 2023 $000	Consolidated 30 June 2023 $000
Share based payments reserve (Note 9(a))	**846**	613
Foreign currency translation reserve	**(2,062)**	(1,881)
	(1,216)	(1,268)

(a) Movements in Options during the Six Month Period ended 31 December 2023:

Date	Details	Number of Options '000	$000
1 Jul 23	**Opening Balance**	**11,400**	**613**
24 Jul 23	Issue of Incentive Options	1,900	-
31 Dec 23	Expiry of Incentive Options	(3,700)	(204)
Jul 23 to Dec 23	Share based payment expense	-	437
31 Dec 23	**Closing Balance**	**9,600**	**846**

10. DIVIDENDS PAID OR PROVIDED FOR

No dividend has been paid or provided for during the half year (2022: nil).

11. FAIR VALUE OF FINANCIAL INSTRUMENTS

The majority of the Group's financial instruments consist of those which are measured at amortised cost including trade and other receivables, security bonds, trade and other payables and other financial liabilities. The carrying amount of these financial assets and liabilities approximate their fair value. Please refer to notes 5 and 7 for details on the fair value of non-cash settled financial liabilities classified as fair value through profit and loss.

12. CONTINGENT LIABILITIES

There have been no changes to contingent liabilities since the date of the last annual report.

13. RELATED PARTY DISCLOSURE

Balances and transactions between the Company and its subsidiaries, which are related parties to the Company, have been eliminated on consolidation. There have been no other transactions with related parties during the half-year ended 31 December 2023, other than remuneration with Key Management Personnel.

14. SUBSEQUENT EVENTS AFTER BALANCE DATE

There were no significant events occurring after balance date requiring disclosure.

AUDITOR'S INDEPENDENCE DECLARATION

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Auditor's independence declaration to the directors of Berkeley Energia Limited

As lead auditor for the review of the half-year financial report of Berkeley Energia Limited for the half-year ended 31 December 2023, I declare to the best of my knowledge and belief, there have been:

a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review;

b. No contraventions of any applicable code of professional conduct in relation to the review; and

c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the review.

This declaration is in respect of Berkeley Energia Limited and the entities it controlled during the financial period.

Ernst & Young

Ernst & Young

Jared Jaworski
Partner
13 March 2024

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Independent auditor's review report to the members of Berkeley Energia Limited

Conclusion

We have reviewed the accompanying half-year financial report of Berkeley Energia Limited (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 31 December 2023, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes comprising a statement of accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the Group does not comply with the *Corporations Act 2001*, including:

a. Giving a true and fair view of the consolidated financial position of the Group as at 31 December 2023 and of its consolidated financial performance for the half-year ended on that date; and

b. Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410) and ISRE 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* (ISRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Directors' responsibilities for the half-year financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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Auditor's responsibilities for the review of the half-year financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 and ISRE 2410 require us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2023 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards or International Standards on Auditing issued by the International Auditing and Assurance Standards Board and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Ernst & Young

Ernst & Young

Jared Jaworski
Partner
Perth
13 March 2024