



BERKELEY RESOURCES LIMITED
ABN 40 052 468 569

**Financial Report
for the Half Year Ended
31 December 2008**

CORPORATE DIRECTORY

Directors

Dr Robert Hawley – Chairman
Mr Matthew Syme – Managing Director
Mr Scott Yelland – Chief Operating Officer
Dr James Ross
Senor Jose Ramon Esteruelas
Mr Sean James

Company Secretary

Mr Clint McGhie

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Auditor

Stantons International

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Stock Exchange Listing

Australia

Australian Securities Exchange
Home Branch – Perth
2 The Esplanade
Perth WA 6000

United Kingdom

London Stock Exchange – AIM
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London EC4M 7LS

ASX Code

BKY – Fully paid ordinary shares

AIM TIDM

BKY – Fully paid ordinary shares

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DIRECTORS' REPORT



The Board of Directors of Berkeley Resources Limited present their report on the consolidated entity of Berkeley Resources Limited ("the Company" or "Berkeley Resources") and the entities it controlled during the half year ended 31 December 2008 ("Consolidated Entity").

DIRECTORS

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

Dr Robert Hawley
Mr Matthew Syme
Mr Scott Yelland
Dr James Ross
Senor Jose Ramon Esteruelas
Mr Sean James

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

REVIEW AND RESULTS OF OPERATIONS

Operating Results

Net operating loss after tax attributable to members for the half year ended 31 December 2008 was \$4,728,561 (31 December 2007: \$5,377,393).

This result included the following significant items:

- exploration costs associated with the Company's Spanish uranium projects of \$3,712,310;
- a non-cash expense of \$462,780 in relation to the issue of employee options (Refer Note 8(b) and Note 11), including the reversal of \$38,788 upon the cancellation of unvested options following cessation of eligible employment.

Review of Operations

During the half year ended 31 December 2008 the Company continued to focus on exploration activities in the Salamanca and Caceres provinces with the objective of adding to the existing 16.9mlb of JORC compliant uranium resources at Retortillo, Santidad and Zona 7.

The Company also reached Agreement with ENUSA Industrias Avanzadas SA, the Spanish State uranium Company, to undertake a Feasibility Study on and ultimately, acquire, that Company's uranium mining assets in Salamanca. Further details of that transaction were included in the Notice of General Meeting sent to shareholders on 19 December 2008.

Exploration – Salamanca

Work to date suggests that Zona 7 consists of an irregular distribution of narrow veins and pods of higher grade mineralization, reflecting the interplay between steeply dipping structures and horizontal weathering. A program of 61 additional RC and diamond holes has significantly extended the mineralization over a total strike length of 1.2km and whilst closed off to the east, the deposit is open to the south-west where some of the best intersections have been recorded. It is possible that Zona 7 will link up with the small Las Carbas deposit 1.5km to the south which was discovered by Berkeley Resources beneath Tertiary cover in 2008.

DIRECTORS' REPORT (Continued)



Review of Operations (continued)

Interpretation of magnetics and radiometrics indicated the possible extension of the Zona 7 corridor to the south and, following anomalous radiometric probing of a nearby water bore, RC drilling at 200m line spacings has recorded significant intersections including 10m @ 423ppm U_3O_8 and 7m @ 1055ppm U_3O_8 within a mineralised area of 500m x 50-100m.

Drilling campaigns were completed at the historically mined areas at Cristina and Caridad with encouraging results. At Caridad, 44 RC and 2 diamond holes were drilled and identified continuous mineralization over widths of 50-100m. Although host rocks appear similar to Zona 7, mineralization at Caridad appears more influenced by folding and deformation, than by cross-cutting features, with a supergene overprint.

At Cristina a drilling program of 47 RC holes and one diamond hole were drilled to test three target areas, identified by the 2007 airborne survey. The program defined mineralization in two zones in the northern target and in both southern targets.

At the Charcas prospect (to the south of Retortillo), a water bore drilled through thin Tertiary cover immediately south of the Retortillo deposit encountered favourable carbonaceous shale lithologies and anomalous down-hole radiometrics between the quartzite's which define the southern edge of the Retortillo deposit, and nearby granite. This possible repetition of Retortillo host rocks points to an untested area 4km in strike length and 0.5km wide.

Exploration - Caceres

An initial JORC compliant inferred resource of 9.2Mlb U_3O_8 , at an average grade of 371ppm U_3O_8 (at a 200ppm cut-off), has now been calculated for the Gambuta deposit in Caceres.

As at Retortillo, the Gambuta mineralization occurs in continuous, sub-horizontal sheets. It has been defined over an area of about 1,500m by 300m with a central, higher grade (+0.1% U_3O_8) zone, about 100m wide, evident in the north-western half of the deposit. The main horizon (Zone 1) averages 9.4m in thickness but reaches a maximum vertical thickness of 40m. Zone 1 occurs at an average depth of about 18m beneath Tertiary cover and shales, suggesting a low strip ratio during mining.

At the end of the year Berkeley Resources had estimated total JORC compliant uranium resources in Spain of 26.1Mlbs U_3O_8 .

Following a review of the Retortillo geological model by Berkeley Resources and GRD Minproc (Perth), a diamond drilling program was completed, providing representative samples of the Retortillo mineralisation for metallurgical and radiometric testwork. An 800kg sample was shipped to Australia and testwork started early in January 2009.

In view of the ongoing turmoil in global capital markets and its effect on funding for junior resource companies, a review of activities and cost structures was undertaken in late 2008. As a consequence, the Company will undertake a reduced level of drilling activity until completion of the ENUSA transaction, when the Feasibility Study will become the focus of most of the Company's resources.

A review of Berkeley Resources' extensive ground holding position, supported by ground reconnaissance assessment of both conceptual and known target areas, was largely completed with the aim of prioritising future exploration and rationalising holding costs. The results of the study reduced the number of tenements from 71 to 46, and the associated land holding from 456,902ha to 283,575ha.

With the reduced level of exploration activity, the Company also took steps to reduce the workforce in Spain, to a level optimised for the ENUSA Feasibility Study.

DIRECTORS' REPORT

(Continued)



Review of Operations (continued)

Miriam-Bouchers Joint Venture

The Company was informed during the period that Sipa Resources Limited ("Sipa") was withdrawing from its Joint Venture with Berkeley Resources whereby Sipa may have earned up to a 70% interest in the Miriam-Bouchers Project in Coolgardie, Western Australia. Following the withdrawal by Sipa, Berkeley Resources maintains its 100% interest in the project and is currently reviewing this portfolio of tenements.

CORPORATE

The following material corporate events occurred during or since the end of the half year ended 31 December 2008:

- On 16 July 2008, the Company advised that it has been chosen by ENUSA Industrias Avanzadas S.A., the Spanish State uranium Company, as that company's partner to conduct a feasibility study upon and ultimately develop ENUSA's uranium mining assets in Salamanca Province, Spain;
- On 18 July 2008, the Company issued 287,500 Unlisted Options to employees in accordance with the Company's Employee Option Scheme. The options are exercisable for \$1.00 each on or before 19 June 2012. Vesting conditions apply. In addition, the Company advised that the Board had agreed to issue 250,000 Unlisted Options on the same terms and conditions to Mr Scott Yelland, Chief Operating Officer and a Director of the Company. These Incentive Options were subject to Shareholder approval at the Annual General Meeting of Shareholders and were issued on 19 December 2008;
- On 9 December 2008, the Company advised that it had reached agreement with ENUSA, to undertake a Feasibility Study on and ultimately, acquire, that Company's uranium mining assets in Salamanca. The terms of the agreement are available in detail in the announcement to the ASX and the Notice of General Meeting of Shareholders held on 19 January 2009; and
- On 19 January 2009, Shareholders approved the acquisition of the ENUSA assets as initially announced on 9 December 2008.

DIRECTORS' REPORT

(Continued)



AUDITOR'S INDEPENDENCE DECLARATION

Section 307C of the *Corporations Act 2001* requires our auditors, Stantons International, to provide the Directors of Berkeley Resources Limited with an Independence Declaration in relation to the audit of the half year financial report. This Independence Declaration is on page 17 and forms part of this Directors' Report.

Signed in accordance with a resolution of Directors.

A handwritten signature in black ink, appearing to read 'M. Syme', written over a horizontal line.

MATTHEW SYME
Managing Director

Perth, 16 March 2009

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Dr James Ross, who is a Fellow of The Australian Institute of Mining and Metallurgy and a consultant to Berkeley Resources Limited. Dr Ross 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 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Dr Ross consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

DIRECTORS' DECLARATION



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

In the opinion of the Directors:

- (a) the financial statements and notes of the consolidated entity are in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the financial position as at 31 December 2008 and the performance for the half year ended on that date of the consolidated entity; and
 - (ii) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*; and
- (b) 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

A handwritten signature in black ink, appearing to read 'M. Syme', written over a horizontal line.

MATTHEW SYME
Managing Director

Perth, 16 March 2009

CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE HALF YEAR ENDED 31 DECEMBER 2008



	Note	Half Year Ended 31 December 2008 \$	Half Year Ended 31 December 2007 \$
Revenue from continuing operations	5	515,644	743,813
Administration costs		(673,522)	(921,924)
Business development costs		(260,044)	(119,005)
Exploration costs		(3,712,310)	(4,458,221)
Provision for capitalised exploration expenditure		(137,000)	-
Share based payments expense		(462,780)	(674,581)
Loss before income tax		(4,730,012)	(5,429,918)
Income tax expense		-	-
Loss for the half year		(4,730,012)	(5,429,918)
Loss attributable to minority interest		(1,451)	(52,525)
Loss attributable to members of Berkeley Resources Limited		(4,728,561)	(5,377,393)
Loss for the half year		(4,730,012)	(5,429,918)
Basic earnings per share (cents per share)		(4.56)	(5.24)
Diluted earnings per share (cents per share)		(4.56)	(5.24)

The above Consolidated Income Statement should be read in conjunction with the accompanying notes.

CONDENSED CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2008



	Note	31 December 2008 \$	30 June 2008 \$
ASSETS			
Current Assets			
Cash and cash equivalents		14,264,437	18,171,171
Other financial assets		216,505	-
Trade and other receivables		890,498	1,289,281
Total Current Assets		15,371,440	19,460,452
Non-current Assets			
Exploration expenditure		5,943,013	5,938,391
Property, plant and equipment		553,899	509,497
Other financial assets		32,572	119,228
Total Non-current Assets		6,529,484	6,567,116
TOTAL ASSETS		21,900,924	26,027,568
LIABILITIES			
Current Liabilities			
Trade and other payables		670,362	978,010
Provisions		43,178	44,295
Total Current Liabilities		713,540	1,022,305
TOTAL LIABILITIES		713,540	1,022,305
NET ASSETS		21,187,384	25,005,263
EQUITY			
Issued capital	7	41,444,842	41,444,842
Reserves	8	2,963,882	4,449,269
Accumulated losses		(23,221,340)	(20,890,335)
Parent Interest		21,187,384	25,003,776
Minority Interest	6	-	1,487
TOTAL EQUITY		21,187,384	25,005,263

The above Consolidated Balance Sheet should be read in conjunction with the accompanying notes.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE HALF YEAR ENDED 31 DECEMBER 2008

	Attributable to Equity Holder of the Parent					Total	Minority Interest	Total Equity
	Issued Capital	Option Premium Reserve	Foreign Currency Translation Reserve	Net Unrealised Gains Reserve	Accumulated Losses			
	\$	\$	\$	\$	\$	\$	\$	\$
As at 1 July 2007	40,560,013	3,482,581	(21,962)	1,144,000	(13,885,879)	31,278,753	77,436	31,356,189
Net loss for the period	-	-	-	-	(5,377,393)	(5,377,393)	(52,525)	(5,429,918)
Issue of shares (net of expenses)	447,044	-	-	-	-	447,044	-	447,044
Exchange differences arising on translation of foreign operations	-	-	36,452	-	-	36,452	(24,911)	11,541
Net unrealised gain on held for sale financial assets	-	-	-	1,326,000	-	1,326,000	-	1,326,000
Exercise of options (net of expenses)	437,000	(437,000)	-	-	-	-	-	-
Transfer from reserve	785	(785)	-	-	-	-	-	-
Cost of share based payments	-	674,581	-	-	-	674,581	-	674,581
As at 31 December 2007	41,444,842	3,719,377	14,490	2,470,000	(19,263,272)	28,385,437	-	28,385,437
As at 1 July 2008	41,444,842	4,472,973	(23,704)	-	(20,890,335)	25,003,776	1,487	25,005,263
Net loss for the period	-	-	-	-	(4,728,561)	(4,728,561)	(1,451)	(4,730,012)
Exchange differences arising on translation of foreign operations	-	-	449,390	-	-	449,390	(36)	449,354
Expiry of Incentive Options	-	(2,357,250)	-	-	2,357,250	-	-	-
Cancellation of Incentive Options – Vested	-	(40,306)	-	-	40,306	-	-	-
Cancellation of Incentive Options – Unvested	-	(38,788)	-	-	-	(38,788)	-	(38,788)
Cost of share based payments	-	501,567	-	-	-	501,567	-	501,567
As at 31 December 2008	41,444,842	2,538,196	425,686	-	(23,221,340)	21,187,384	-	21,187,384

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

CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE HALF YEAR ENDED 31 DECEMBER 2008



	Half Year Ended 31 December 2008 \$	Half Year Ended 31 December 2007 \$
Cash flows from operating activities		
Payments to suppliers and employees	(4,575,424)	(5,477,387)
Interest received	618,784	743,813
Net cash outflows from operating activities	(3,956,640)	(4,733,574)
Cash flows from investing activities		
Payments for capitalised exploration expenditure	(67,592)	(31,871)
Payments for plant and equipment	(15,087)	(230,164)
Security deposit	-	(97,417)
Other financial assets	(90,868)	(8,256)
Net cash outflow from investing activities	(173,547)	(367,708)
Cash flows from financing activities		
Proceeds from issue of shares	-	450,000
Share issue expenses	-	(2,956)
Net cash inflow from financing activities	-	447,044
Net decrease in cash and cash equivalents	(4,130,187)	(4,654,238)
Foreign exchange gain on opening cash	223,453	82,645
Cash and cash equivalents at the beginning of the half year	18,171,171	25,535,846
Cash and cash equivalents at the end of the half year	14,264,437	20,964,253

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2008



1. REPORTING ENTITY

Berkeley Resources Limited (the "Company") is a company domiciled in Australia. The interim financial report of the Company is as at and for the six months ended 31 December 2008.

The annual financial report of the Company as at and for the year ended 30 June 2008 is available upon request from the Company's registered office.

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 Resources Limited for the year ended 30 June 2008 and any public announcements made by Berkeley Resources Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The financial report has been prepared on a historical basis.

For the purpose of preparing the half year financial report, the half year has been treated as a discreet reporting period.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies applied by the Company in this interim financial report are the same as those applied by the Company in its financial report as at and for the year ended 30 June 2008.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2008
(Continued)



4. SEGMENT INFORMATION

The Consolidated Entity operates in the mineral exploration industry in the following geographical segments:

Geographical Segment	Australia		Spain		Consolidated Entity	
	Half Year Ended 31 Dec 2008 \$	Half Year Ended 31 Dec 2007 \$	Half Year Ended 31 Dec 2008 \$	Half Year Ended 31 Dec 2007 \$	Half Year Ended 31 Dec 2008 \$	Half Year Ended 31 Dec 2007 \$
Revenue						
Other revenues	515,644	743,656	-	157	515,644	743,813
Unallocated revenue					-	-
Total revenue					515,644	743,813
Results						
Segment result	(757,658)	(1,462,919)	(3,972,354)	(3,847,544)	(4,730,012)	(5,310,463)
Unallocated expenses					-	(119,455)
Loss from ordinary activities before income tax expense					(4,730,012)	(5,429,918)
Income tax expense					-	-
Loss attributable to outside equity interests					1,451	52,525
Net loss					(4,728,561)	(5,377,393)

5. REVENUE FROM CONTINUING OPERATIONS

	Consolidated 31 December 2008 \$	Consolidated 31 December 2007 \$
Interest revenue	515,644	743,813
	515,644	743,813

NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2008
(Continued)



6. MINORITY INTEREST

	Consolidated 31 December 2008 \$	Consolidated 30 June 2008 \$
Interest in		
Capital	13,586	13,586
Reserves	(121)	(85)
Accumulated Losses	(13,465)	(12,014)
	-	1,487

The minorities do not fund any exploration costs and their interests dilute as the funds advanced by Berkeley Resources Ltd are converted into shares. At 31 December 2008 the minorities share of losses exceed their share of issued capital and reserves. Minority losses in excess of their share of equity are allocated to Berkeley Resources Ltd.

7. CONTRIBUTED EQUITY

(a) Issued and Paid Up Capital

	Consolidated 31 December 2008 \$	Consolidated 30 June 2008 \$
103,591,695 (30 June 2008: 103,591,695) fully paid ordinary shares	41,444,842	41,444,842

(b) Movements in Ordinary Share Capital During the Past Six Months Were as Follows:

There were no movements in Ordinary Share Capital during the six months to 31 December 2008.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2008
(Continued)



8. RESERVES

(a)

	Consolidated 31 December 2008 \$	Consolidated 30 June 2008 \$
Option Reserve		
10,600,000 (30 June 2008: 10,600,000) \$0.70 unlisted options	687,546	687,546
Nil (30 June 2008: 2,250,000) \$1.00 incentive options	-	2,357,250
2,160,000 (30 June 2008: 2,280,000) \$1.86 employee incentive options	1,751,323	1,405,017
787,500 (30 June 2008: 450,000) \$1.00 employee incentive options	99,327	23,160
	2,538,196	4,472,973
Foreign currency translation reserve	425,686	(23,704)
	2,963,882	4,449,269

(b) **Movements in Options During the Past Six Months Were as Follows:**

Date	Details	Number of \$0.70 Unlisted Options	Number of \$1.00 Director Incentive Options	Number of \$1.86 Incentive Options	Number of \$1.00 Incentive Options	Deemed Grant Value \$	\$
1 Jul 08	Opening Balance	10,600,000	2,250,000	2,280,000	450,000	-	4,472,973
	Expiry of Options	-	(2,250,000)	-	-	-	(2,357,250)
	Grant to Employees ⁽ⁱ⁾	-	-	-	287,500	0.566	-
	Grant to Director ⁽ⁱⁱ⁾	-	-	-	250,000	0.097	-
	Share based payments expense ⁽ⁱ⁾⁽ⁱⁱ⁾	-	-	-	-	-	501,567
	Ceasing to be eligible employees ⁽ⁱⁱⁱ⁾			(120,000)	(200,000)	-	(79,094)
31 Dec 08	Closing Balance	10,600,000	-	2,160,000	787,500	-	2,538,196

- (i) Incentive options granted to employees and consultants of the Company following shareholder approval in accordance with Employee Share Scheme. The fair value is recognised over the period during which the option holders become unconditionally entitled to the options (ie the date of vesting of the options), the latest date for which is 19 June 2011.
- (ii) Incentive options granted to a Director of the Company following shareholder approval. The fair value is recognised over the period during which the option holder becomes unconditionally entitled to the options (ie the date of vesting of the options), the latest date for which is 19 June 2011.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2008
(Continued)



8. RESERVES (continued)

(b) Movements in Options During the Past Six Months Were as Follows: (continued)

- (iii) The value of employee options recognised on grant is reversed/transferred where employees cease to be eligible employees of the Company.

(c) Foreign Currency Translation Reserve

	Consolidated 31 December 2008 \$	Consolidated 30 June 2008 \$
Opening Balance	(23,704)	(21,962)
Translation of foreign operations	449,390	(1,742)
Closing Balance	425,686	(23,704)

(d) Net Unrealised Gains Reserve

	Consolidated 31 December 2008 \$	Consolidated 30 June 2008 \$
Opening Balance	-	1,144,000
Unrealised gain on available for sale financial assets	-	(1,144,000)
Closing Balance	-	-

9. CONTINGENT LIABILITIES

Since the last annual reporting date, there has been no material change in contingent liabilities.

10. DIVIDENDS PAID OR PROVIDED FOR

No dividend has been paid or provided for during the half year.

11. SHARE BASED PAYMENTS

On 18 July 2008, 287,500 incentive options were granted to employees of the Company pursuant to the Employee Option Scheme which has received shareholder approval. The exercise price of the incentive options is \$1.00 each and, subject to vesting conditions, the options are exercisable on or before 19 June 2012. The incentive options have been independently valued using the Binomial option valuation model, taking into account the terms and conditions upon which the incentive options were granted. The following table lists the inputs to the model used in determining the value:

NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2008
(Continued)



11. SHARE BASED PAYMENTS (continued)

Share Price at Grant Date	\$0.90
Dividend yield	-
Volatility	85%
Risk-free interest rate	6.38%
Expected life of option	3.923 years

The estimated fair value of each incentive option is \$0.566.

On 19 December 2008, 250,000 incentive options were issued to Mr Scott Yelland, a Director of the Company, following Shareholder approval. The exercise price of the incentive options is \$1.00 each and, subject to vesting conditions, the options are exercisable on or before 19 June 2012. The incentive options have been independently valued using the Binomial option valuation model, taking into account the terms and conditions upon which the incentive options were granted. The following table lists the inputs to the model used in determining the value:

Share Price at Grant Date	\$0.255
Dividend yield	-
Volatility	95%
Risk-free interest rate	3.54%
Expected life of option	3.5 years

The estimated fair value of each incentive option is \$0.097.

Following the cessation of eligible employment with the Company, incentive options previously issued to employees and consultants have been cancelled. Where these options have yet to vest, the fair value of these options recognised in previous periods has been removed from the Option Premium Reserve and reversed in the current period to the income statement. Where options have vested, the fair value of these options recognised in previous periods has been removed from the Option Premium Reserve and reversed in retained losses.

During the six months ended 31 December 2008, 120,000 \$1.86 Incentive Options and 200,000 \$1.00 Incentive Options were cancelled following cessation of eligible employment. An amount of \$38,788 was reversed through the current period for options cancelled which were yet to vest and for which an expense had been recognised in previous periods. An amount of \$40,306 was transferred to retained losses for options cancelled which had previously vested and for which an expense had been recognised in previous periods.

12. SUBSEQUENT EVENTS AFTER BALANCE DATE

Other than the events below, there were no significant events occurring after balance date requiring disclosure:

- On 19 January 2009, Shareholders approved the acquisition of the ENUSA assets as initially announced on 9 December 2008. Key terms of the agreement are as follows:
 - Berkeley Resources will pay ENUSA an initial deposit of €5m to acquire ENUSA's database relating to the assets following approval of the transaction by the Spanish Council of Ministers.
 - Berkeley Resources will undertake a Feasibility Study on mining the ENUSA State Reserves for processing through the Quercus plant, probably in conjunction with Berkeley's own resources in Salamanca Province (Salamanca I Project). The Study will commence upon approval of the transaction by the Spanish Council of Ministers and is expected to take 18 months to complete.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2008
(Continued)



12. SUBSEQUENT EVENTS AFTER BALANCE DATE (continued)

- Berkeley Resources may then pay ENUSA a further €20m to acquire a 90% interest in a joint venture company owning the ENUSA assets. Up to the time of commencement of the Feasibility Study ENUSA may choose to retain a 10% free carry in the joint venture, or it may opt to retain up to 49% contributing equity, in which case the consideration is reduced accordingly and ENUSA will fully fund its share of the joint venture.
- ENUSA will retain a 2.5% royalty on production from the State Reserves. ENUSA will also receive a lease fee for the Quercus plant, representing 2.5% of the value of uranium produced through the Quercus plant, regardless of source.
- Berkeley Resources will pay 50% of the maintenance costs of the plant over the Feasibility Study period, up to €250,000pa.
- The Joint Venture company will assume environmental and rehabilitation liabilities for any new mining areas and plant additions, as well as its proportionate share of the overall costs of the existing Quercus plant, based on its future use of the plant, relative to ENUSA's past utilisation.

16 March 2009

Board of Directors
Berkeley Resources Limited
9th Floor BGC Centre
28 The Esplanade
PERTH WA 6000

Dear Sirs

RE: BERKELEY RESOURCES LIMITED

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Berkeley Resources Limited.

As Audit Director for the review of the financial statements of Berkeley Resources Limited for the period ended 31 December 2008, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

Yours faithfully

STANTONS INTERNATIONAL
(Authorised Audit Company)



K Lingard
Director

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF BERKELEY RESOURCES LIMITED

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Berkeley Resources Limited, which comprises the consolidated condensed balance sheet as at 31 December 2008, and the consolidated condensed income statement, condensed statement of changes in equity and condensed cash flow statement for the half-year ended on that date, a statement of accounting policies, other selected explanatory notes and the directors' declaration.

Directors' Responsibility for the Half-Year Financial Report

The directors of the Company are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of an Interim and Other Financial Reports Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2008 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*. As the auditor of Berkeley Resources Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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 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.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, has been provided to the directors of Berkeley Resources Limited on 16 March 2009.

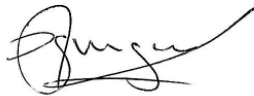
Conclusion

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 Berkeley Resources Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2008 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 Interim Financial Reporting and Corporations Regulations 2001.

STANTONS INTERNATIONAL **(An authorised audit company)**

Stantons International



K Lingard
Director

West Perth, Western Australia
16 March 2009