As a continuation of our phone conversation, in response to your email copied below we would like to mention the following:

1) **Regarding question 1 related to Retortillo.**

   Certainly in page 2 of the questions that we answered on the 27th of October 2014 it is literally mentioned that "The Ministry of Industry of the Central Government has notified Berkeley that they have granted a term for the NSC to issue their report for the Initial Authorization up to the 5th of April 2015. In recent informal conversations with the NSC they have informed Berkeley that they are working towards anticipating that deadline. Thus we are considering that their report for the Initial Authorization could be issued around February or March 2015. The Ministry of Industry has informally communicated Berkeley that they will be acting quickly once received the report from the NSC towards the granting of the Initial Authorization; thus we are considering as target date May 2015."

   The Nuclear Safety Council has not issued yet the report in relation to the Prior Authorization of the plant as radioactive facility, however, they are still working on the report for the Initial Authorization aiming its finalization by April 2015. Thus the Initial Authorization from the Ministry of Industry shall be delayed until May or June 2015.

2) **Regarding question 2 related to Retortillo.**

   Your question is related to what we mentioned in page 3 of the questions we answered on the 27th of October 2014. As an update we would like to mention that the approval of the authorization for the use of the rural land for industrial purposes must be issued by the Salamanca Urbanism Commission that forms part of the Regional Government before the municipality of Retortillo grants its license. The Commission celebrated at the end of 2014 agreed to request us further information, consisting basically in detailed drawings of the installation on regard to the heigh, footprint, etc which are the parameters that must be approved from the town planning regulations, thus we have already supplied the requested drawings to the municipality to be forwarded to the Commission.

   Taking into account that the Commission only celebrates one meeting per month and the incoming Easter holidays, we expect that our file shall be included in the agenda of the Commission to be celebrated at the end of April or beginning of May 2015.
3) **Regarding question 3 related to Retortillo and Alameda.**

According to the Law the substantive authority regarding an exploitation concession (where the Retortillo deposit is located), and as such the responsible authority for authorisation of closure, decommissioning and post-closure measures, is the General Directorship of Mines of the Castilla y León regional government, and regarding a state reserve (where the Alameda deposit is located), the responsible authority for authorisation of closure, decommissioning and post-closure measures, is the General Directorship of Energy and Mines of the Ministry of Industry of the Central Government.

In spite of what is established by Law, traditionally in all issues related to state reserves located in Salamanca the Regional Government has been acting by delegation of the Central Government as substantive authority. Thus in page 11 of the questions we answered on the 27th of October 2014 we mentioned that the substantive authority shall be for both Alameda and Retortillo the said Regional Government.

At the end of 2014 the General Directorship of Mines has resolved to finalize such delegation and thereinafter for all the state reserves located in Salamanca the responsible authority for authorisation of closure, decommissioning and post-closure measures, is the General Directorship of Energy and Mines of the Ministry of Industry of the Central Government.

Please also note that the 3rd of December 2014 we sent you an email attaching a TECHNICAL NOTE CONSIDERATIONS ON LONG-TERM RADIOACTIVE WASTE MANAGEMENT IN THE RETORTILLO PROJECT which explained the Royal Decree 102/2014 on February 21st, on the safe and responsible management of spent nuclear fuel and radioactive waste (a transposition of the Council Directive 2011/70/EURATOM of 19 July 2011 establishing a Community framework for the responsible and safe management of spent fuel and radioactive waste transposition) in which is established that from a radiological protection point of view the decommissioning and closure process will end in a closure statement issued by the Ministry of Industry, after the report of the Nuclear Safety Council. Obviously this note is also applicable to the case of the Alameda deposit.

The entity that would be responsible should any remediation work be necessary after closure shall be the General Directorship of Energy and Mines of the Ministry of Industry.

The closure and post-closure activities must be formally approved by the Nuclear Safety Council before starting. When the closure and post closure projects are approved, the duration and budgets are then fixed and the funding procedures must be set up. The $2.5M is the budget forecasted with the level of detail required at the present stage and shall be generated from the operating activities or company funds, but must be confirmed when the closure project is approved. About responsibilities, the Royal Decree 104/2014 establishes that "the cost of the nuclear waste, as well as radioactive waste management must be supported by the companies which generate the waste", but it states as well that "The State will assume the Title of the nuclear waste and radioactive waste, once these are placed in the definitive embankment or disposal."
The State will also assume the surveillance of the definitive embankments or disposals during the post-closure period.

Please feel free to make any question. I will call you tomorrow to follow up.

Regards,

Internet: www.berkeleyresources.com.au

Inicio del mensaje reenviado:

De: <@ec.europa.eu>
Asunto: RE: Follow up on Re: Berkeley - Communication of Investment projects under article 41 of the Treaty establishing the European Atomic Energy Community
Fecha: 25 de febrero de 2015 11:59:41 GMT+01:00
Para: <@berkeley.es>
Cc:
Subject: Article 41 of the Euratom Treaty - notification of the Retortillo and Alameda projects, Spain

Further to the Commission's evaluation of these projects under Article 41 of the Euratom Treaty and to our earlier correspondence, we would like to get an update on the licensing process, and some further clarifications with respect to the above two projects.

Retortillo

1. Please let us know if the report of the national regulatory authority, Consejo de Seguridad Nuclear, in relation to the authorisation of the process plant as a radioactive facility has been issued to the Department of Energy in the Ministry of Industry of Industry Energy and Tourism, which we understand is due in February –March 2015. We would be grateful to be kept informed when the Ministry issue their initial authorisation.

2. Please let us know the situation regarding the granting of the ancillary permits. In particular, according to your earlier reply, we understood that the municipality licence for use of rural land for industrial purposes was expected to be issued between October –December 2014.

Retortillo and Alameda

3. Can you clarify which entity will be responsible for the post-closure monitoring of the site, and over what period this activity will continue after closure of the mine. How will this this activity be funded beyond the $2.5M mentioned as the post-operational monitoring cost. We understand that the responsible authority for authorisation of closure, decommissioning and post-closure measures is the General Directorship of Mines of the Castilla y León regional government. Please clarify which national and/or regional authorities are responsible for post-closure inspection, and which entity would be responsible should any remediation work be necessary after closure.

In case of any questions from your side, please do not hesitate to contact me.

Best regards,

European Commission
Directorate-General for Energy
Directorate D – Nuclear Safety and Fuel Cycle