

ASX Announcement

24 January 2024

December 2023 Quarter Operations Review and Business Update (unaudited)

- Progressive rehabilitation of the Ranger Project Area continued during the quarter.
- As previously announced, ERA's rehabilitation provision at 31 December 2023 is approximately \$2.3 billion, up from \$1.5 billion at 30 June 2023. This is an unaudited number pending completion of the audit of ERA's FY23 results. Of the increase in the provision, approximately 85% is attributable to rehabilitation activities post 2027.
- ERA expects to spend approximately \$1.2 billion in nominal terms, on rehabilitation activities up until the end of 2027. Expenditure beyond that date remains highly uncertain and is subject to further study work.
- Further funding is expected to be required by ERA in 2024 for the next tranche of the estimated Ranger Project Area rehabilitation in accordance with the revised programme management approach addressed in the 2022 Feasibility Study.
- Following the adoption of the programme management approach, ERA is moving to a self-perform project execution model which is expected to be finalised by 30 June 2024.
- ERA released an update to the Ranger Mine Closure Plan (the Plan), replacing the 2022 update.
- ERA is working collaboratively with Gundjeihmi Aboriginal Corporation, the Northern Land Council (NLC), and relevant Government departments to progress a new section 41 Authority (and associated agreements) to extend its existing Ranger authority beyond the current January 2026 deadline, to facilitate completion of all rehabilitation activities in the Ranger Project Area.

RANGER REHABILITATION UPDATES

Progressive rehabilitation of the Ranger Project Area continued during the quarter. No mining, production and development expenditure was incurred for the December 2023 quarter. Material expenditure during the quarter comprised approximately \$47 million in rehabilitation expenditure for the Ranger Project Area.

All injury frequency rate remains at 0.00 for the quarter (rolling 0.00) and year to date.

The capping of Pit 3 remains a critical path activity, including the Pit 3 backfill approval application which was resubmitted to the Northern Territory Government governing agency during the September 2023 quarter. Final approval of the backfill application is expected in the latter part of quarter 1, 2024.

Preparation for the dry capping of Pit 3 continued to progress. Upon the successful dewatering of Pit 3, the next step will be to lay geofabric which will protect the tailings during capping activities followed by initial capping activities.

Progress was made during the quarter to mobilise equipment to be used to accelerate the drying of Pit 3 tailings within the completed wicked zone. Additional specialised drying equipment is expected to be delivered in January 2024.

The Brine Squeezer process water treatment upgrade work progressed reaching 100% completion during the quarter. The approval from regulators has been received to operate the Brine squeezer. This upgrade can allow additional treatment of process water from the Ranger Water Dam.

Treatment rates of process water through the Brine Concentrator for the quarter were below target primarily due to a shut down in October which had a delayed restart of the plant due to unplanned outages and equipment issues. Progress has been made in identifying and implementing strategies that improve plant reliability and production consistency.

Work to expand the Jabiru camp-based accommodation has progressed with the planned award of the supply contract in 2024.

The Jabiru housing refurbishment program continued to progress. ERA continues to progressively transfer completed properties to enable tenanting by third parties.

In the December quarter, ERA released an update to the Ranger Mine Closure Plan (the Plan), replacing the 2022 update. The updated Plan follows the first public release of the Plan in June 2018, and subsequent updates. The Plan is updated in accordance with regulatory requirements and in consultation with Traditional Owner representatives, regulators, and key stakeholders.

Factors including the tight labour market, supply chain constraints and inflationary pressures being experienced across the broader industry continue to impact the project.

2022 FEASIBILITY STUDY

In May 2022, ERA commenced a feasibility reforecast study to refine the Ranger Project Area rehabilitation execution scope, risks, cost and schedule (2022 Feasibility Study).

As previously announced ERA received outcomes and data from the 2022 Feasibility Study in October 2023 that require more analysis and separate studies to investigate alternative solutions for:

- minimising the inflows of water to the process water storage;
- lower cost alternatives for the treatment of mildly contaminated process water;
- improving the water treatment capacity and reducing the operating costs of the water treatment systems;
- optimising the movement of bulk materials into Pit 3; and
- a value engineering study.

The scope and timing of these additional study activities is currently being determined and will be advised in a further announcement when details are confirmed. The Company will use the outcomes from the studies to verify and attempt to mitigate estimated costs identified in those studies.

As previously announced, ERA's current rehabilitation provision at 31 December is approximately \$2.3 billion, up from \$1.5 billion from HY23. This is an unaudited number pending completion of the audit of ERA's FY23 results, with full year results expected to be announced in February 2024. Of the increase in the provision, approximately 85% is attributable to rehabilitation activities post 2027. The activities underpinning this increase are the subject of further studies referenced above and are also potentially sensitive to external events such as rainfall.

ERA expects to spend approximately \$1.2 billion in nominal terms, on rehabilitation activities including studies up until the end of 2027. Expenditure beyond that date remains highly uncertain and is subject to the further study work detailed above.

EXTENSION OF SECTION 41 AUTHORITY BEYOND JANUARY 2026

ERA continues to work collaboratively with Gundjeihmi Aboriginal Corporation (**GAC**), the Northern Land Council (**NLC**), and relevant Government departments to progress a new section 41 Authority (and associated agreements) to extend its existing Ranger authority beyond the original January 2026 deadline. This will allow additional time for ERA to complete the rehabilitation of the Ranger Project Area, including long-term monitoring and maintenance.

INTERIM FUNDING UPDATE

The remaining proceeds from the completed Interim Entitlement Offer in May 2023 are expected to provide ERA with sufficient capital to fund its planned Ranger Project Area rehabilitation expenditure through to quarter 3, 2024.

Further funding is expected to be required by ERA in 2024 in relation to the next tranche of the estimated Ranger Project Area rehabilitation expenditure in accordance with the programme management approach. Following the adoption of the programme management approach, ERA is moving to a self-perform project execution model which is expected to be finalised by 30 June 2024.

ERA will use existing cash at bank and relevant net interest received to fund its planned Ranger Project Area rehabilitation expenditure through to quarter 3, 2024, fund corporate costs, working capital, funding costs, and other costs including the intended renewal of the Jabiluka Mineral Lease and activities to uphold obligations under the Jabiluka Long Term Care and Maintenance Agreement.

CORPORATE

Payments to related parties and their associates in the December 2023 quarter totalled \$1.56 million (refer item 6.1 of Appendix 4C). This included Directors' compensation (\$0.30 million), consulting fees paid to Rio Tinto group companies (\$0.17 million) and other reimbursements paid for commercial services received from Rio Tinto group companies (\$1.09 million). All related party transactions that were conducted with Rio Tinto group companies were on arm's length terms and conditions and at market rates.

As previously announced, ERA holds the Jabiluka Mineral Lease – a large, high-quality uranium ore body of global significance. In accordance with the Long-Term Care and Maintenance Agreement signed by ERA in 2005, the Jabiluka deposit will not be developed by ERA without the approval of the Mirarr Traditional Owners. The current lease is due to expire in August 2024 and ERA intends to apply for a renewal as provided for in the lease.

EXPLORATION AND EVALUATION

No evaluation or exploration expenditure was incurred for the December 2023 quarter, in line with the September 2023 quarter.

This announcement has been authorised by the Board.

About Energy Resources of Australia Ltd

Energy Resources of Australia Ltd (ERA) has been one of the nation's largest uranium producers and operated Australia's longest continually producing uranium mine.

After the closure of the Ranger Mine in 2021, ERA is now committed to creating a positive legacy and achieving world-class, sustainable rehabilitation of former mine assets.

The Ranger Rehabilitation Project is located on Aboriginal land and is surrounded by, but separate from, Kakadu National Park. ERA respectfully acknowledges the Mirarr people, Traditional Custodians of the land on which the Ranger Project Area is situated.

ERA's Ranger Project Area (100%) is located eight kilometres east of Jabiru and 260 kilometres east of Darwin, in Australia's Northern Territory. ERA also holds title to the Jabiluka Mineral Lease (100%) and is a signatory to the Long Term Care and Maintenance Agreement over the Jabiluka Mineral Lease.

For further information, please contact:

Media

Jessica Silvester
ERA
Mobile: +61 419 864 865
Email: jessica.silvester@riotinto.com

Investor Relations

Craig Sainsbury
Automic Markets
Mobile: +61 428 550 499
Email: craig.sainsbury@automicgroup.com.au

Website: www.energyres.com.au
Twitter: Follow @ERARangerMine on Twitter