

ASX ANNOUNCEMENT

20 August 2024

ERA ANNOUNCES JUNE 2024 HALF YEAR RESULTS

- Net loss after tax of \$146 million, which reflects an increase to the rehabilitation provision due to change in estimate and the impairment of the Jabiluka undeveloped property.
- Cash outflow of \$89 million from operating activities and spent \$85 million on rehabilitation activities during the half-year ended 30 June 2024. Progressive rehabilitation of the Ranger Project Area continued, including the mobilisation of two amphirollers to accelerate Pit 3 drying and purchase of geofabric.
- ERA received approval for Pit 3 capping from the Commonwealth and NT Government in August 2024.
- Rehabilitation provision of \$2,402 million at 30 June 2024. This amounts to \$1.1 billion in undiscounted nominal terms for rehabilitation activities until the end of 2027.
- Rio Tinto assumed management of Ranger Rehabilitation Project on behalf of ERA under a new Management Services Agreement.
- On 26 July 2024, ERA announced that the Northern Territory government, based on advice from the Commonwealth government, had decided not to renew the Jabiluka Mineral Lease. Subsequently, on 6 August 2024, ERA initiated proceedings in the Federal Court of Australia against various persons in connection with the decision. On 8 August 2024 the Court made an interim order to stay the decision to refuse to extend the lease, the effect of that decision and its enforcement or execution, pending further order of the Court.
- Without additional funding or changes to its rehabilitation plans, ERA is projected to fall below its minimum cash reserve in the final quarter of 2024 and exhaust its available cash balance by the end of 2024 or early 2025. To address funding requirements ERA plans to undertake a material equity raise in the near term.
- ERA is working 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.

			June 2024 \$000	June 2023 \$000
Cash flow from operating activities	22%	to	(88,526)	(112,960)
Revenue from ordinary activities	31%	to	17,493	13,403
Net Loss for the period attributable to members	56%	to	(146,445))	(331,269)
Loss per share (cents)	79%	to	(0.7)	(3.3)

Review of operations

Energy Resources of Australia Ltd (ERA or the Company) incurred negative cash flow from operating activities of \$89 million for the half-year ended 30 June 2024 compared to negative \$113 million for the same period in 2023. Rehabilitation costs incurred for the half-year ended 30 June 2024 were \$85 million compared to \$114 million for the same period in 2023.

ERA held total cash resources of \$650 million at 30 June 2024, comprised of \$128 million in cash at bank and \$522 million of cash held by the Commonwealth Government as part of the Ranger Rehabilitation Special Account (Trust Fund). The Company's ability to access the funds held in the Trust Fund is subject to the terms of the Ranger Government Agreement. The Company has no debt and \$126m in bank guarantees.

ERA recorded a net loss after tax for the half-year ended 30 June 2024 of \$146 million compared to a net loss after tax of \$331 million for the same period in 2023. The half year ended 2024 result was negatively impacted by the impairment of the Jabiluka undeveloped property and a change in estimate related to the provision for rehabilitation. The June 2023 result was adversely impacted by an increase in the provision for rehabilitation, primarily due to changes in estimate based on preliminary outcomes of the 2022 Feasibility Study.

Revenue from continuing operations mainly comprises of interest income with a small amount of rental receipts. Interest income for the period was \$17 million, compared to \$13 million for the June 2023 half-year. The increase was driven by both average higher cash balances and higher rates of interest in 2024 than the prior period, with the weighted average interest rate received on term deposit for the period being 5.09 per cent (2023: 4.27 per cent).

Operating costs for the June 2024 half-year were lower than the corresponding period in 2023. This was primarily due to higher employee related cost in 2023 due to redundancies following ERA's transition to an Integrated Project Management Team (IPMT) and higher 2023 consulting charges related to IPMT set up and other consulting services. Operating costs in the Income Statement are now those only of a corporate nature.

As previously announced, ERA has appointed Rio Tinto to manage the Ranger Rehabilitation Project under a new Management Services Agreement. Rio Tinto took responsibility for management of the Ranger site on ERA's behalf and in accordance with plans and budgets approved by the ERA Board from 3 June 2024. ERA continues to directly manage its corporate, financial affairs, governance and the Jabiluka Mineral Lease.

Rehabilitation

At 30 June 2024, the ERA rehabilitation provision is \$2,402 million, a decrease of \$18 million from 31 December 2023 (\$2,420 million). During the first half of 2024, ERA incurred expenditure of \$85 million on rehabilitation activities.

A net change in estimate, which increased the provision by \$20 million, was recorded in the half year. This adjustment was driven by higher near term water volumes than forecast due to wet season rainfall. This was partly offset by an increase in the discount rate from 2% to 2.5%.

A significant increase to the rehabilitation provision was made in December 2023 based on outcomes and data from the 2022 Feasibility Study. Activities post 2027 and estimates of their costs remain highly uncertain. These activities remain subject to a number of studies and are also potentially sensitive to external events. Additional studies are ongoing with no further study outcomes received during the first half of 2024.

Progressive rehabilitation of the Ranger Project Area has continued during the first half of 2024 with several key milestones achieved. Preparation for the dry capping of Pit 3 continued to progress. Amphirollers used to accelerate the drying of Pit 3 tailings were mobilised and started operations in early June 2024. Following these activities, geofabric, which will protect the tailings during capping activities, will be laid. A number of bids have been received for the placement of geofabric and initial capping activities and these are currently

being evaluated. Approval was received for Pit 3 capping from the Commonwealth and NT Government in August 2024.

Process and pond water treatment activities continued throughout the half year, with water being processed in both the existing brine concentrator and reverse osmosis plants. The new Brine Squeezer commissioning has been paused to allow for the process water pH to be raised prior to processing.

Additionally a further 19 properties have had refurbishments completed bringing the total properties refurbished to 127.

The all injury frequency rate remains at 0.00 for the Half Year with the site having achieved 1,500 consecutive days without a lost time injury.

Liquidity position

Without additional funding or changes to its rehabilitation plans, ERA is projected to fall below its minimum cash reserve in the final quarter of 2024 and exhaust its available cash balance by the end of 2024 or early 2025. To address funding requirements ERA plans to undertake a material equity raise in the near term.

Jabiluka Mineral Lease

On 26 July 2024, ERA announced that the Northern Territory government, based on advice from the Commonwealth government, had decided not to renew the Jabiluka Mineral Lease (MLN1). Subsequently, on 6 August 2024, ERA initiated proceedings in the Federal Court of Australia against the Minister for Resources and Minister for Northern Australia (Commonwealth), the Commonwealth of Australia, the Minister for Mining and Minister for Agribusiness and Fisheries (Northern Territory), the Northern Territory, and the Jabiluka Aboriginal Land Trust. ERA seeks judicial review of the Renewal Decision, including of the Commonwealth government's advice to refuse the renewal of the Jabiluka Mineral Lease, citing procedural fairness, natural justice, and other defects in the decision-making process, and on 8 August 2024 the Court made an interim order to stay the decision to refuse to extend the lease, the effect of that decision and its enforcement or execution, pending further order of the Court.

For accounting purposes the Jabiluka Mineral Lease has been fully impaired at 30 June 2024. This accounting treatment does not preclude or influence the company's legal rights or actions regarding the lease. Even if ERA is successful in securing a renewal of the Jabiluka Mineral Lease, whether following the Court proceedings referred to above or otherwise, 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, and this and other factors may materially affect its value as referred to in earlier ERA financial statements.

The Company notes that the non-renewal decision may impact the information previously disclosed in the 2023 Annual Report regarding the reporting of Jabiluka as a Mineral Resource, as well as the form and context in which the Competent Person's findings were initially presented.

Exploration

There was no exploration expenditure for the half-year ended 30 June 2024.

Dividends

ERA has decided not to declare an interim dividend in respect of the 2024 half-year. No final dividend was paid in respect to the 2023 financial year.

Outlook

ERA's purpose is to create a positive legacy and achieve world-class, sustainable rehabilitation of former mine assets.

The Ranger Rehabilitation Project is unique in that it is rehabilitating land in one of the world's most culturally and environmentally sensitive locations, surrounded by the World Heritage listed Kakadu National Park on the land of the Mirarr Traditional Owners.

The strategic priority of ERA continues to be the comprehensive rehabilitation of the Ranger Project Area to a standard where it can be reincorporated into the surrounding Kakadu National Park if Traditional Owners wish.

Consequently, ERA's near-term strategic priorities include:

- Execute rehabilitation scope of the Ranger Project Area;
- Progress studies to increase technical certainty in other project Tranches;
- Secure a suitable funding option to meet future rehabilitation obligations;
- Progress negotiations to extend the existing Ranger authority beyond January 2026 deadline; and
- Preserve the company's undeveloped resources.

This announcement is 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.

For further information, please contact:

Media

Ben Mitchell
Stinton Advisory
Mobile: +61 419 850 212
Email: ben@stintonadvisory.com.au

Investor Relations

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