

2010 Full Year Results Presentation to the Financial Community

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28 January 2011



Acknowledge Traditional Owners

The mining operations of Energy Resources of Australia Ltd (ERA) are located on Aboriginal land and are surrounded by, but separate from, Kakadu National Park.

ERA respectfully acknowledges the Mirarr, Traditional Owners of the land on which the Ranger Mine is situated.



Forward-looking statements

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Forward-looking statements

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The information in this presentation relating to exploration results is based on information compiled by Greg Rogers, who is a member of the Australasian Institute of Mining and Metallurgy. Greg Rogers is a full-time employee of the company and he 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’. Greg Rogers consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.



Agenda

- Safety
- People and community
- Operational performance
- Financial performance
- Water management
- Outlook



2010 Summary

▪ Record plant performance

- Ore treated up by 6%

▪ Difficult mining conditions

- Late access to the bottom of the pit
- Geotechnical issues
- Average grade at the bottom of the pit, lower than expected

▪ Financial results impacted by low production

- Purchase of material on the spot market

▪ Infill drilling programme completed in the Ranger pit

- Ranger in-situ reserves reduced by approximately 2,400 tonnes of uranium oxide
- The infill drilling programme has significantly enhanced the resolution of the geological model and will enable more accurate mine scheduling of the remaining ore.

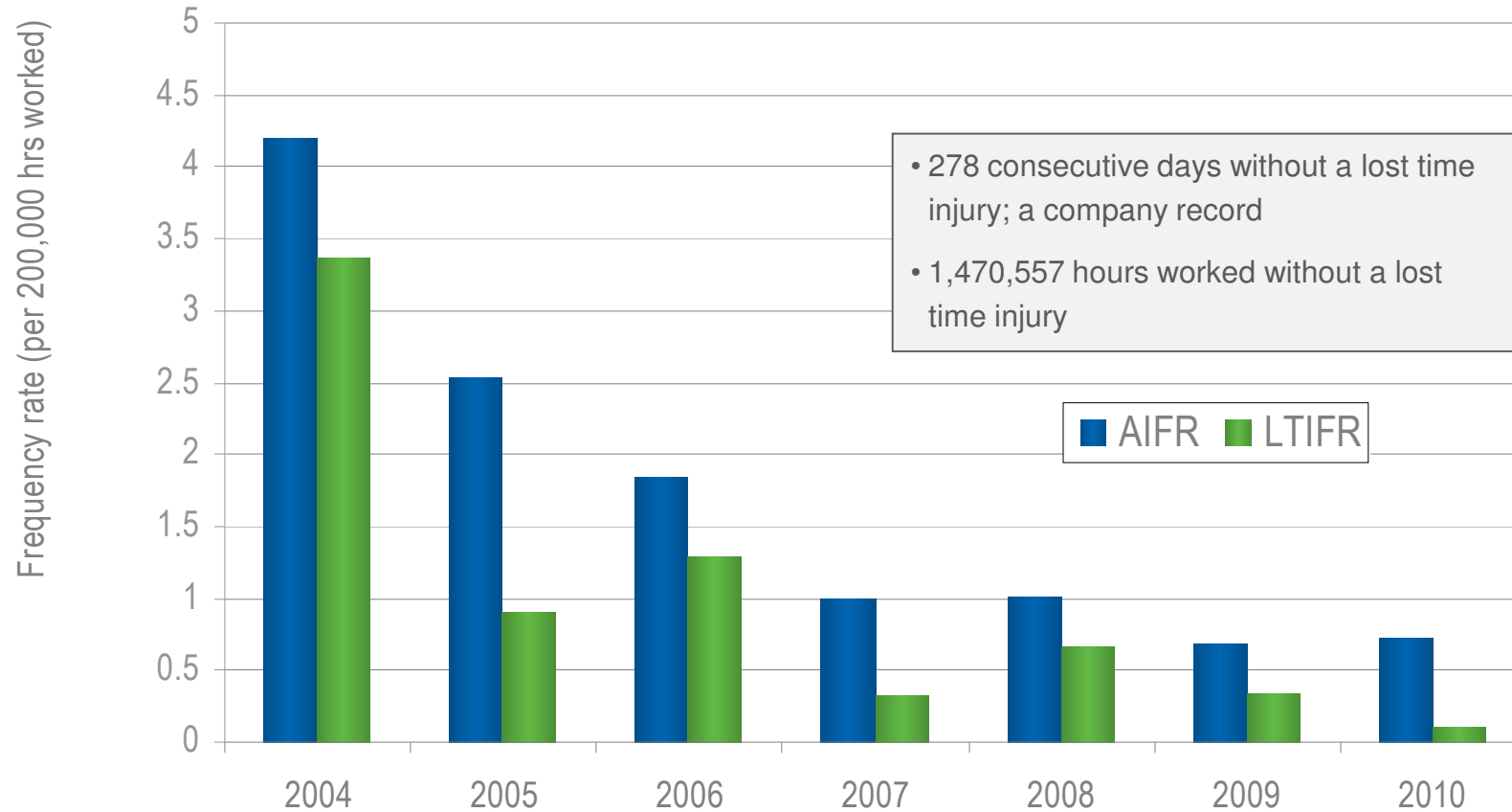
▪ Strategic projects continuing

- Work continued on the feasibility study for the proposed heap leach facility at the Ranger mine.
- Completion of the study for the development of an exploration decline to conduct close spaced underground exploration drilling of the Ranger 3 Deeps resource.



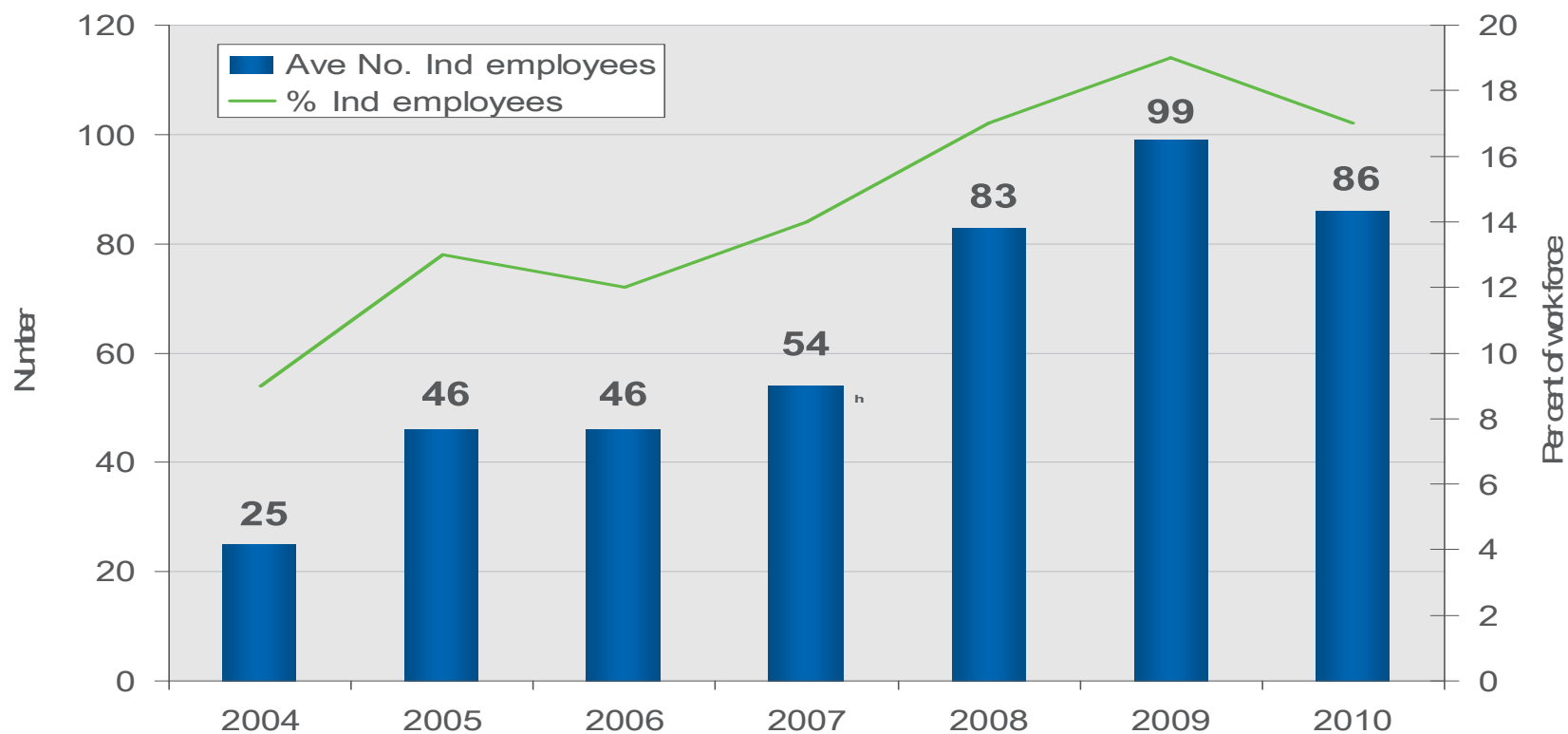
Safety

All injury frequency rate (AIFR) and lost time injury frequency rate (LTIFR)



People and community

Indigenous employment



Operational performance

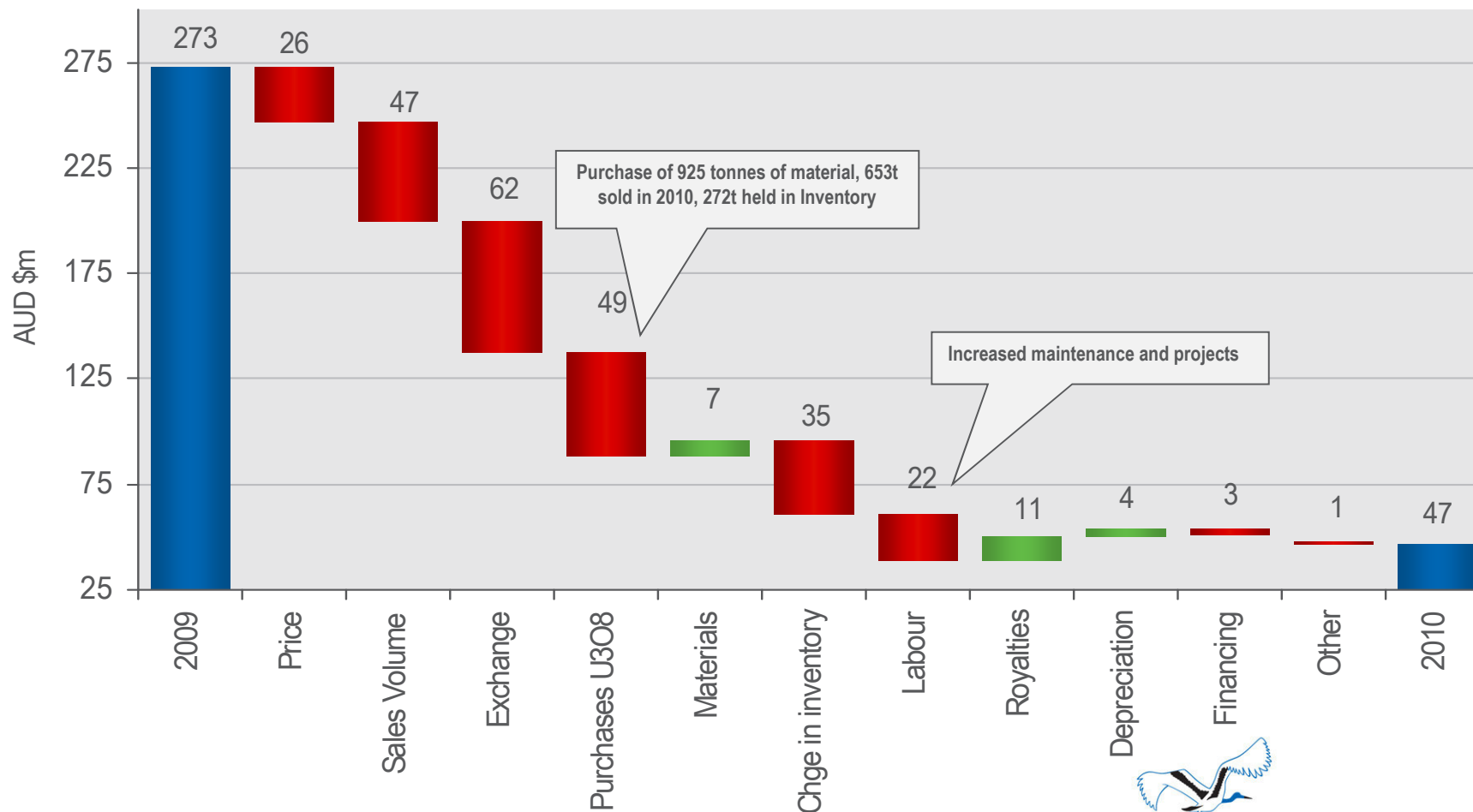
	2010	2009	Change
Material mined (million tonnes)	10.6	19.5	- 46%
Ore mined (million tonnes)	1.4	2.2	- 36%
Ore treated (million tonnes)	2.4	2.3	+ 6%
Average mill head grade (%)	0.19	0.26	- 27%
Mill recovery (%)	87.2	88.3	- 1%
Production drummed- U ₃ O ₈			
- tonnes	3,793	5,240	- 28%
- 000 lbs	8,362	11,553	



Financial overview

	2010	2009	Change
Net profit after tax - \$ million	47.0	272.6	- 83%
Underlying earnings - \$ million	52.8	272.6	- 81%
Income - \$ million	586.0	780.6	- 25%
Revenue from sales of uranium oxide - \$ million	572.0	767.8	- 26%
Net cash flow - \$ million	(66.0)	146.8	- 145%
Capital expenditure - \$ million	45.0	37.1	+ 22%
Sales volume (tonnes uranium oxide)	5,026	5,497	- 9%
Average realised price – US\$/lb	48.16	50.84	- 5%
Total dividends for the year (cents per share)	8	39	-79%

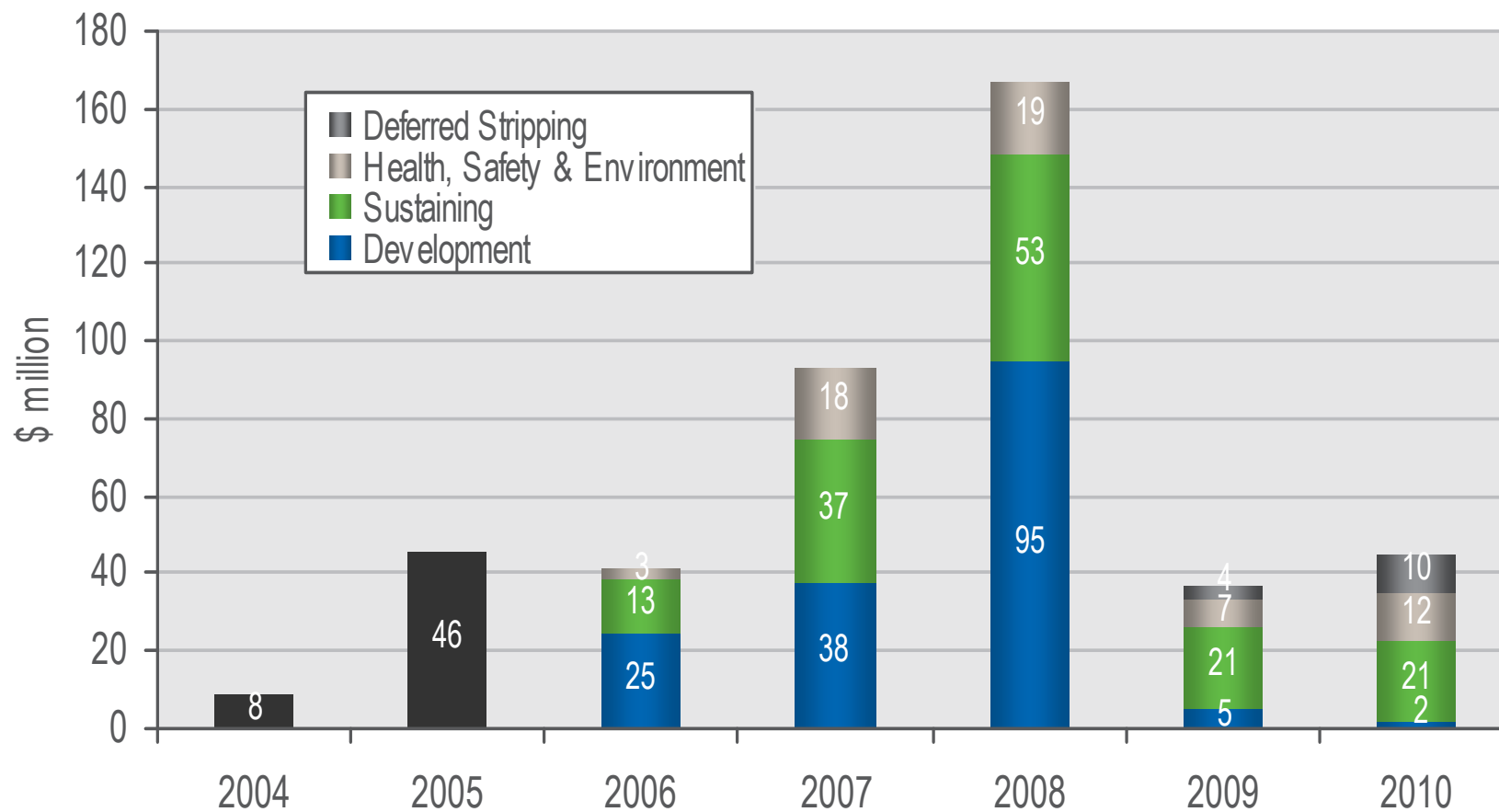
Net profit after tax



Note: Figures expressed in AUD, net of tax



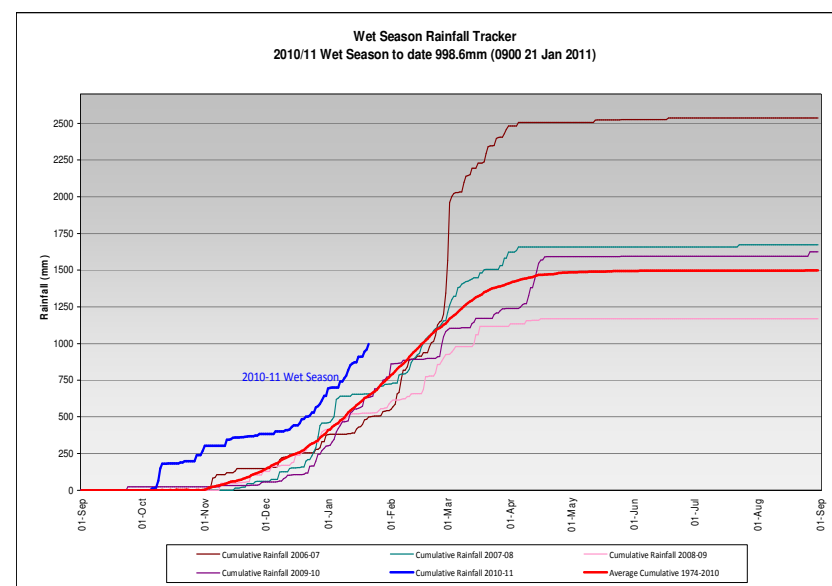
Capital expenditure



Temporary suspension of milling operations

On 28 January 2011 ERA will commence an orderly suspension of plant processing operations, for a period of 12 weeks as a precautionary measure to ensure that levels in the Tailings Storage Facility (TSF) remain below the authorised operating limit

- The La Niña weather pattern, which has brought extensive flooding to the eastern states of Australia, has also brought significantly higher than average rainfall to the Ranger Mine since October 2010.
 - Water levels in the TSF are currently higher than predicted for this time of the year.
 - Higher than average rainfalls are forecast for remainder of the 2011 wet season
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- Reduced inflows into the TSF, due to the suspension of plant processing, will allow extra capacity to manage unexpected extreme rain events in the coming months
 - Opportunity to bring forward important planned maintenance and improvement initiatives
 - All sales commitments to ERA customers will be met. The shortage of supply will be managed by inventory management, swaps and loans
 - ERA has advised regulatory authorities and key stakeholders of this precautionary measure
 - Subject to weather conditions, mining operations continue as planned



Development projects and exploration

Heap Leach

- 15,000 to 20,000 tonnes of Uranium Oxide contained in low grade material stockpiles
- Heap Leach facility feasibility continuing
- Environmental Impact Statement submission in the first half of 2011

Ranger 3 Deeps

- Ranger 3 Deeps resource of 34,000 tonnes of Uranium Oxide indicated
- First stage of potential development sequence is construction of exploration decline to conduct close spaced underground exploration drilling
- Final decision expected in the second quarter of 2011
- Subject to approvals decline construction commencement targeted for May 2011

Further exploration

- Program to commence exploration of prospective targets on the Ranger lease



Outlook

2011

- 2011 production of uranium oxide expected to be at a similar level to 2010
- Sales commitments are around 4,500 tonnes
- The supply shortfall due to the suspension of processing will be covered by way of inventory management, swaps and loans.
- Approximately 450 tonnes of sales supplied from purchases (currently contracted)
- Average realised price favourably impacted by the completion in 2010 of a large volume and lower priced legacy contract

The outlook of the uranium industry remains robust

- Sustained government and public interest, given the carbon constrained economy
- Significant nuclear power build programs underway globally, particularly China
- New supplies of uranium slow to come to market
- Spot and term prices recovering strongly from the lows of early 2010



2010 a challenging year

- Record plant performance
- Difficult mining conditions
- Financial results impacted by low production, due primarily to grade
- Strategic projects continuing (Heap Leach, R3D)
- The environment has remained protected

