

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

Name of entity

Energy Resources of Australia Ltd (ERA)

ABN

71 008 550 865

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- 1 +Class of +securities issued or to be issued Fully paid ordinary shares in ERA (Shares).
- 2 Number of +securities issued or to be issued (if known) or maximum number which may be issued Up to approximately 326,979,315 Shares (subject to rounding and reconciliation of securityholder entitlements) under the accelerated renounceable entitlement offer announced by ERA on 12 October 2011 (Entitlement Offer).
- 3 Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) Fully paid ordinary shares in ERA.

4 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?

Yes.

If the additional securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

5 Issue price or consideration \$1.53 per Share.

6 Purpose of the issue
(If issued as consideration for the acquisition of assets, clearly identify those assets)

The net proceeds of the Entitlement Offer will be used to fund the construction of a brine concentrator and other water management initiatives, the construction of the Ranger 3 Deeps exploration decline and associated exploration drilling, the completion of evaluation studies into the development of the Ranger 3 Deeps mine and an expanded exploration program targeting highly prospective areas on the Ranger Project Area during the period 2012 to 2014.

7 Dates of entering +securities into uncertificated holdings or despatch of certificates

25 October 2011 for Shares issued under the institutional component of the Entitlement Offer (**Institutional Component**).

21 November 2011 for Shares issued under the retail component of the Entitlement Offer (**Retail Component**).

8 Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable)	Number	+Class
	517,717,249 (subject to rounding and reconciliation of securityholder entitlements).	Fully paid ordinary shares.
9 Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)	Number	+Class

+ See chapter 19 for defined terms.

10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)

Shares issued under the Entitlement Offer will rank equally with existing ordinary shares.

Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	No.
12	Is the issue renounceable or non-renounceable?	Renounceable.
13	Ratio in which the ⁺ securities will be offered	12 new Shares for every 7 existing Shares held as at the record date.
14	⁺ Class of ⁺ securities to which the offer relates	Fully paid ordinary shares.
15	⁺ Record date to determine entitlements	7.00pm (AEDT) on 17 October 2011.
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	No.
17	Policy for deciding entitlements in relation to fractions	Where fractions arise in the calculation of entitlements, they will be rounded up to the next whole number of new Shares.
18	Names of countries in which the entity has ⁺ security holders who will not be sent new issue documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	All countries except Australia and New Zealand and any other jurisdictions in which ERA decides to make offers.
19	Closing date for receipt of acceptances or renunciations	Institutional Component – 13 October 2011. Retail Component – 9 November 2011.
20	Names of any underwriters	J.P. Morgan Australia Limited
21	Amount of any underwriting fee or commission	<ul style="list-style-type: none"> • Capital advisory and project management fee of 1.25% of the proceeds of the Entitlement Offer. • Underwriting fee of 2.25% of the proceeds of the Entitlement Offer (excluding proceeds from Peko-Wallsend Pty Ltd and North Limited entitlements).
22	Names of any brokers to the issue	Not applicable.
23	Fee or commission payable to the broker to the issue	Not applicable.

⁺ See chapter 19 for defined terms.

24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of ⁺ security holders	Not applicable.
25	If the issue is contingent on ⁺ security holders' approval, the date of the meeting	Not applicable.
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	No prospectus is being prepared. A retail offer booklet and an entitlement and acceptance form will be sent to eligible retail shareholders on 19 October 2011.
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	Not applicable.
28	Date rights trading will begin (if applicable)	Not applicable.
29	Date rights trading will end (if applicable)	Not applicable.
30	How do ⁺ security holders sell their entitlements <i>in full</i> through a broker?	Not applicable.
31	How do ⁺ security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	Not applicable.
32	How do ⁺ security holders dispose of their entitlements (except by sale through a broker)?	Not applicable.
33	⁺ Despatch date	25 October 2011 for the Institutional Component. 21 November 2011 for the Retail Component.

⁺ See chapter 19 for defined terms.

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(tick one)

(a) Securities described in Part 1

(b) All other securities
Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

38 Number of securities for which
+quotation is sought

39 Class of +securities for which
quotation is sought

40 Do the +securities rank equally in all
respects from the date of allotment
with an existing +class of quoted
+securities?

If the additional securities do not
rank equally, please state:

- the date from which they do
- the extent to which they
participate for the next dividend,
(in the case of a trust,
distribution) or interest payment
- the extent to which they do not
rank equally, other than in
relation to the next dividend,
distribution or interest payment

41 Reason for request for quotation
now
Example: In the case of restricted securities, end of
restriction period

(if issued upon conversion of
another security, clearly identify
that other security)

	Number	+Class
42 Number and +class of all +securities quoted on ASX (<i>including</i> the securities in clause 38)		

+ See chapter 19 for defined terms.

Quotation agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

- 2 We warrant the following to ASX.
 - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those +securities should not be granted +quotation.
 - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.
Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
 - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here: 

Date: 12 October 2011

Print name: Robert O'Toole