



ASX Announcement

10 October 2013

September 2013 Quarter Operations Review (unaudited)

	Q3 13	vs Q2 13	vs Q3 12	9 mths 13	vs 9 mths 12
Ore milled ('000 tonnes)	632	-1%	-5%	1,824	-6%
Mill head grade (% uranium oxide)	0.11	-35%	-52%	0.15%	-
Mill recovery (%)	83.6%	-1%	-3%	84.8%	-2%
Production – uranium oxide					
- tonnes	610	-36%	-51%	2,457	-1%
- 000 lbs	1,345			5,417	

Note: With mining of Pit 3 completed in the last quarter of 2012, there has been no material mined during 2013 to date.

Uranium oxide produced by Energy Resources of Australia Ltd (**ERA**) for the September 2013 Quarter was 610 tonnes, 36 per cent lower than the previous quarter and 51 per cent lower than the corresponding quarter in 2012.

As previously advised, the majority of high grade ore mined prior to completion of mining in Pit 3 was processed during the first half of 2013. As the mill was primarily fed with lower grade stockpiled material, uranium oxide production in the September 2013 Quarter was adversely impacted by lower mill head grade. The mill will continue to be fed with lower grade stockpiled material until the commencement of production from the Ranger 3 Deeps mine (which remains subject to obtaining all necessary approvals).

Ore milled for the year to date was six per cent lower than 2012 due to lower milling rates resulting from milling areas of stockpiled ore with different characteristics.

As previously communicated, production of uranium oxide for 2013 is expected to be in the range of 2,800 tonnes to 3,200 tonnes.

Progressive rehabilitation of the Ranger Project Area continued during the September 2013 Quarter. The initial backfill of Pit 3 continues to progress ahead of schedule with 4.6 million tonnes of waste material moved into the pit in the September 2013 Quarter. As at the end of September 2013, a total of 18.5 million tonnes of waste material has been moved into Pit 3 out of a planned total of 30 million tonnes of material.

On 19 September 2013, ERA officially unveiled a new \$220 million Brine Concentrator facility. The Brine Concentrator uses internationally proven technology to treat industrial process waters to extremely high standards through a process of heating and evaporative cooling. It has the capacity to produce 1.83 billion litres of clean distilled water each year. The Brine Concentrator will be used to manage and reduce ERA's process water inventories, and will play an integral part in progressive rehabilitation activities at Ranger.

EXPLORATION AND EVALUATION

Evaluation expenditure for the September 2013 Quarter totalled \$3 million compared to \$1 million for the previous quarter and \$1 million for the corresponding quarter in 2012. During the September 2013 Quarter, the evaluation expenditure related to the Ranger 3 Deeps underground mine Prefeasibility Study. This study continues to progress on schedule and on budget.

The total evaluation expenditure for the year to 30 September 2013 was \$5 million.

Total exploration expenditure for the September 2013 Quarter was \$17 million, compared to \$10 million in the previous quarter and \$13 million in the corresponding quarter in 2012. Total exploration expenditure for the year to 30 September 2013 was \$36 million, comprised of \$32 million for the Ranger 3 Deeps exploration decline and \$4 million on the Ranger surface exploration programme.

During the September 2013 Quarter, work continued on the Ranger 3 Deeps exploration decline with the face position reaching 1,435 metres from the surface on 30 September 2013.

Underground exploration drilling of the Ranger 3 Deeps resource continued with 11 holes completed in the quarter totalling 4,471 metres. ERA released the results from the first cross section of underground close-spaced drilling of the Ranger 3 Deeps resource on 30 August 2013. Drilling of the second and third cross sections is underway with the results of these cross sections to be provided in due course.

The Ranger 3 Deeps Exploration Decline project remains on schedule and on budget.

Surface exploration drilling of previously identified targets in the north of the Ranger Project Area commenced during the September 2013 Quarter. Total surface exploration expenditure for the quarter was \$4 million, which was in line with the expenditure in the corresponding quarter in 2012. At this early stage, no significant intercepts have been encountered.

Competent Person

The information in this report relating to exploration results is based on information compiled by Greg Rogers and Stephen Pevely, Competent Persons who are members of the Australasian Institute of Mining and Metallurgy. Greg Rogers and Stephen Pevely are full-time employees of the company and have sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Greg Rogers and Stephen Pevely consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.

About Energy Resources of Australia Ltd

ERA is one of the nation's largest uranium producers and Australia's longest continually operating uranium mine.

ERA has an excellent track record of reliably supplying customers. Uranium has been mined at Ranger for three decades. Ranger mine is one of only three mines in the world to produce in excess of 100,000 tonnes of uranium oxide.

ERA's Ranger mine is located eight kilometres east of Jabiru and 260 kilometres east of Darwin, located in Australia's Northern Territory.

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