



ERA

Energy Resources of Australia Ltd

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A member of the Rio Tinto Group

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22 October 2013

Company Announcements Office
Australian Stock Exchange Limited
Level 4, Stock Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam

From Tuesday 22 October 2013 to Thursday 24 October 2013, Andrea Sutton, Chief Executive, and Steeve Thibeault, Chief Financial Officer, will meet with members of the financial community in Asia to provide an update on Energy Resources of Australia Ltd ('ERA').

Attached is a copy of the presentation to be provided during these meetings. The presentation provides an update on the operations of the Ranger uranium mine and ERA's major projects.

Yours faithfully

Robert O'Toole
Company Secretary



ERA Energy Resources of Australia Ltd

ERA update

Andrea Sutton | Chief Executive

Steeve Thibeault | Chief Financial Officer

21-24 October 2013





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 statement

- This presentation has been prepared by Energy Resources of Australia Ltd (“ERA”) and consists of the slides for a presentation concerning ERA. By reviewing/attending this presentation you agree to be bound by the following conditions.

Forward-looking statements

- This presentation includes forward-looking statements. All statements other than statements of historical facts included in this presentation, including, without limitation, those regarding ERA’s financial position, business strategy, plans and objectives of management for future operations (including development plans, rehabilitation estimates and subjectives relating to ERA’s products, production forecasts and reserve and resource positions), are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of ERA, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.
- Such forward-looking statements are based on numerous assumptions regarding ERA’s present and future business strategies and the environment in which ERA will operate in the future. Among the important factors that could cause ERA’s actual results, performance or achievements to differ materially from those in the forward looking statements include, among others, adverse weather conditions, levels of actual production during any period, levels of demand and market prices, the ability to produce and transport products profitably, the impact of foreign currency exchange rates on sales revenues, market prices and operating costs, operational problems, political uncertainty and economic conditions in relevant areas of the world, the actions of competitors, activities by governmental authorities such as changes in taxation or regulation and such other risk factors identified in ERA’s most recent Annual Report. Forward-looking statements should, therefore, be construed in light of such risk factors and undue reliance should not be placed on forward-looking statements. These forward-looking statements speak only as of the date of this presentation.
- Nothing in this presentation should be interpreted to mean that future earnings per share of ERA will necessarily match or exceed its historical published earnings per share.
- All currency mentioned in this presentation is in Australian dollars unless otherwise stated.
- The information in this presentation that relates to exploration results and Ranger Minerals Resources is based on information compiled by Geologists Greg Rogers and Stephen Pevely (full time employees of Energy Resources of Australia Ltd) who are members of the Australasian Institute of Mining & Metallurgy. Greg Rogers and Stephen Pevely have sufficient experience that is relevant to the style of mineralisation and the type of deposit under consideration, and to the activity which they are undertaking to qualify as 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 this presentation of the matters based on their information in the form and context in which it appears.



Agenda

- Overview
- Safety and people
- Brine Concentrator
- Ranger 3 Deeps
- Progressive rehabilitation
- Business Review
- Market
- Summary

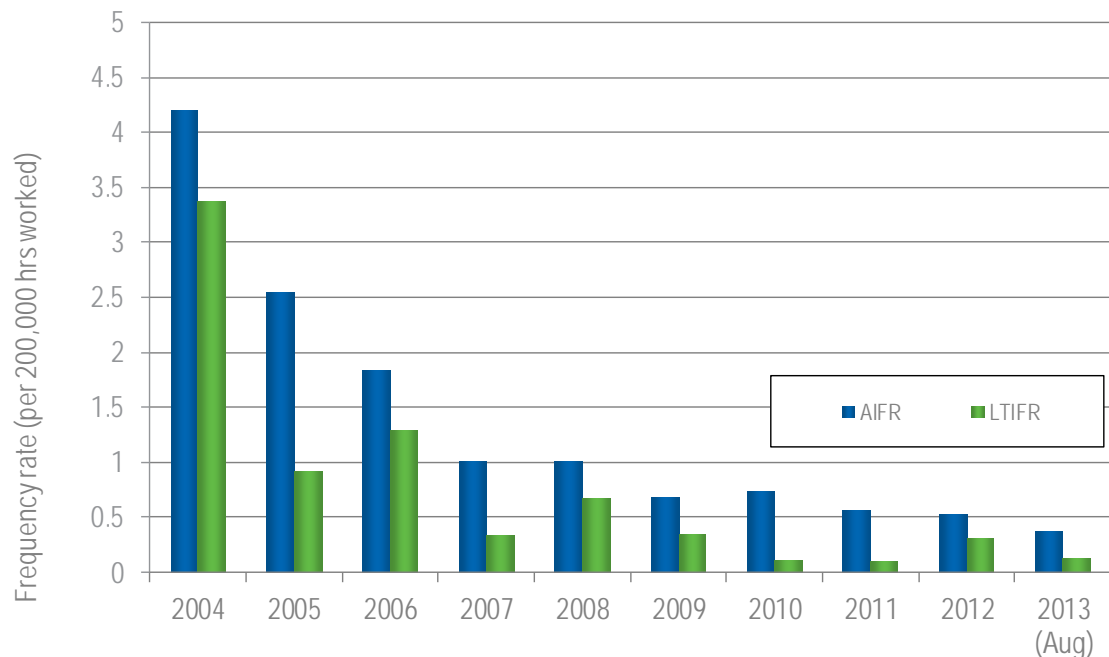


Overview

- Uranium market challenging in the near term, but long term fundamentals remain positive
- In light of this, ERA's strategic areas of focus continue to be:
 - Health, safety and environment
 - Year to date achieved all Injury Frequency Rate of 0.37 (12 month rolling average)
 - Increase resource base on Ranger Project Area
 - Underground exploration drilling of Ranger 3 Deeps resource has commenced
 - Surface exploration programme continues
 - Demonstrate rehabilitation capability
 - Brine Concentrator formally opened on 19 September 2013
 - Significant progress on Pit 3 initial backfill
 - Continue to strengthen relationships with all key stakeholders
 - Continued strong operational performance
 - 2013 forecast U_3O_8 production expected to be between 2,800 tonnes to 3,200 tonnes
 - Significantly reduce cash costs of operations
 - On track to achieve cash savings of \$150 million by end of 2014 as identified in 2011 Business Review
 - Cash profit from the sales and production of uranium oxide in H1 2013 was \$91 million (excluding exploration activities and non cash costs and before tax)



Safety and people



• People and diversity

- ERA is a major employer in the West Arnhem region
- As at end September 2013:
 - 511 employees and contractors
 - 16 per cent indigenous employees
 - 19 per cent female employees
- Education Partnership with the West Arnhem College continues to strengthen

• Safety

- Continued strong focus on safety and has achieved a year to date all Injury Frequency Rate of 0.37 (12 month rolling average)
- Record number of days without recordable injury achieved on 7 August 2013 (188 days)
- ERA selected as finalist for Rio Tinto CEO Safety Award for 2012
- Three recordable injuries have occurred to date in 2013:
 - Finger crush injury in the plant , laceration to left thumb requiring 3 stitches and a laceration to a finger requiring 4 stitches.
 - All three employees have recovered and returned to full duties

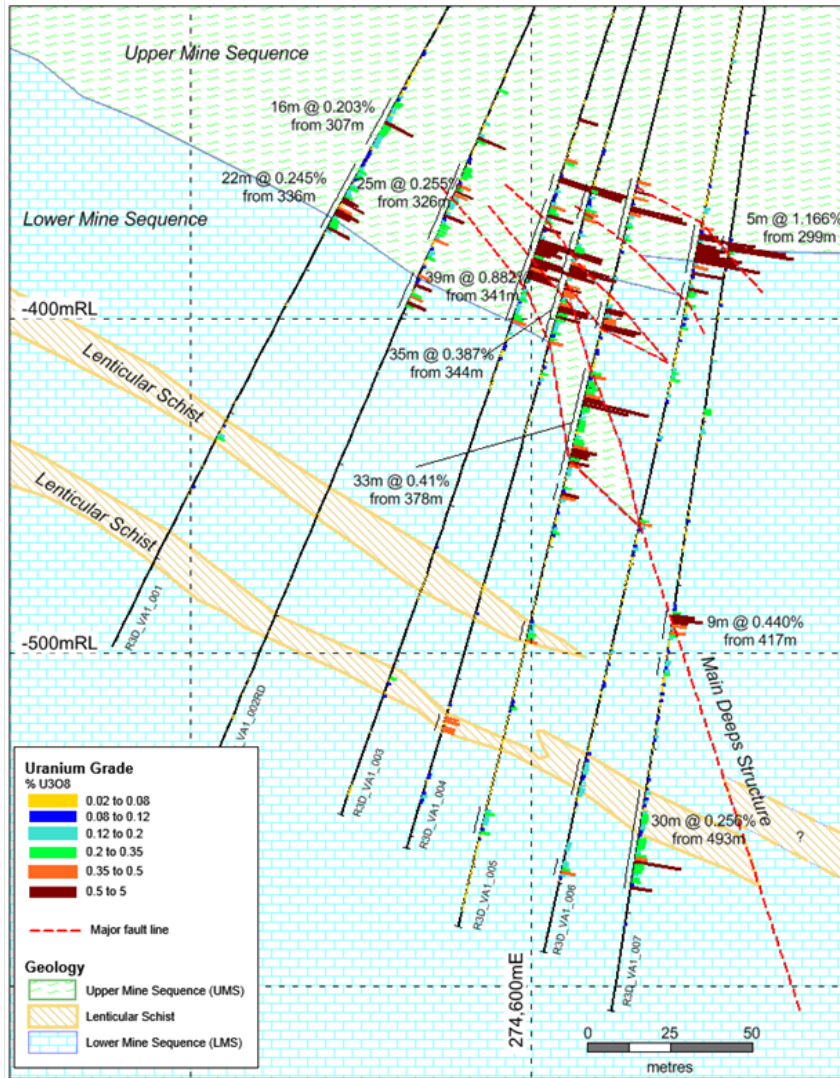


Ranger 3 Deeps exploration decline progress

As at 13 October 2013
face position is 1,475
metres from surface



First cross section of underground close-spaced drilling of the Ranger 3 Deeps mineral resource completed

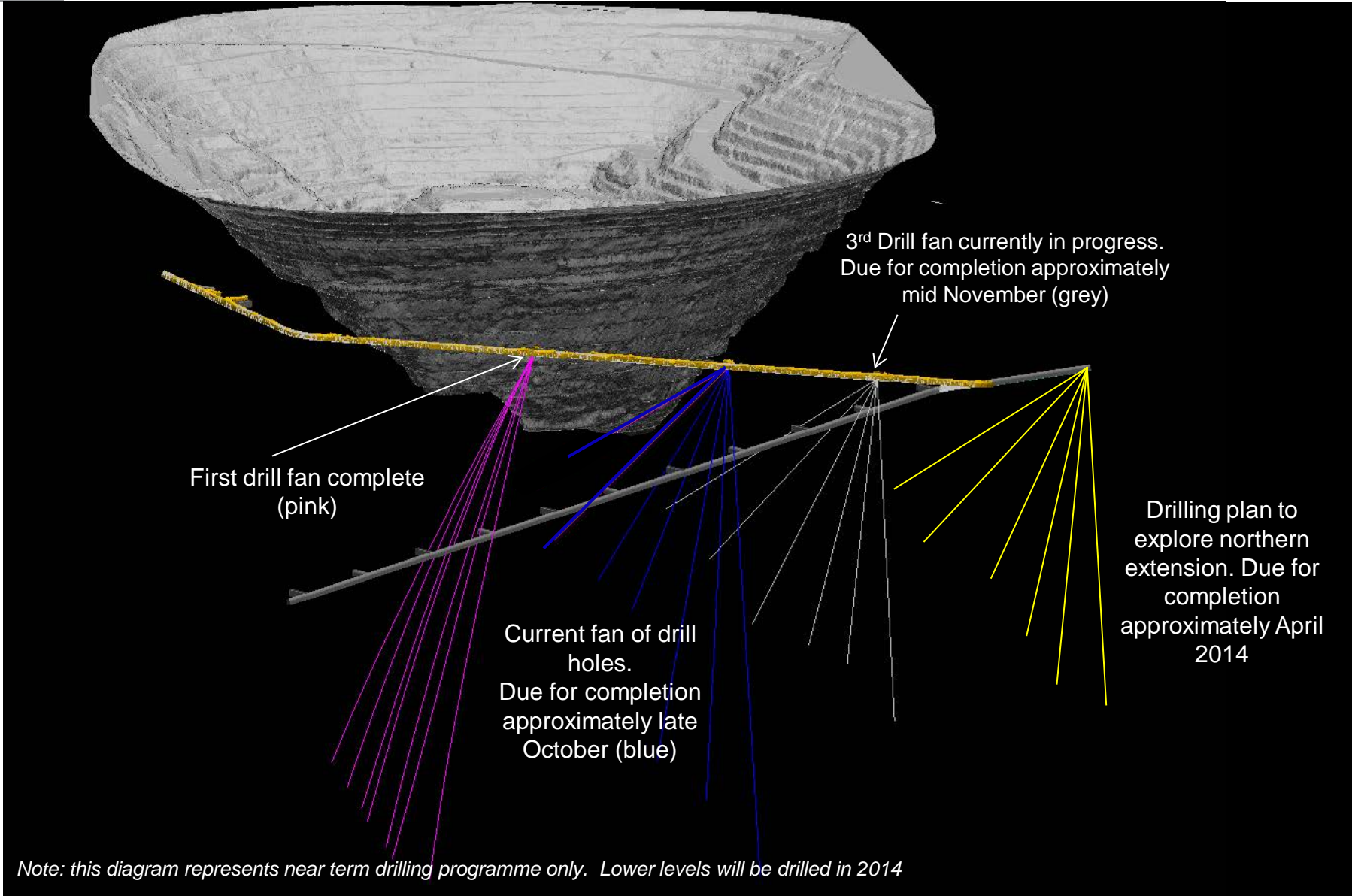


- Ranger 3 Deeps Exploration Decline**
 - Project on schedule and budget
 - 12 per cent of total drilling programme completed to date
 - Macmahon Underground Pty Ltd constructing decline
 - As at 13 October 2013, the face position of the decline is 1,475 metres from the surface
 - Development year to date is averaging approximately 5 metres per day
 - The initial underground drilling results show significant high grade intersections consistent with the expected continuity of mineralisation within this zone of the mineral resource
- Significant intercepts in the first cross section include:**
 - Hole 3 39m @ 0.882% eU₃O₈ from 302m*
 - Hole 4 35m @ 0.387% eU₃O₈ from 309m*
 - Hole 5 33m @ 0.410% eU₃O₈ from 345m*
- Initial results support geological model and structural interpretations***
- Next cross section of exploration drilling results expected to be released in November 2013**

Source: ERA ASX Announcement 30 August 2013



Ranger 3 Deeps exploration decline drilling sequence



Ranger 3 Deeps potential underground mine

- **Ranger 3 Deeps Mine Prefeasibility Study**
 - \$57 million underground mine Prefeasibility study progressing in parallel to the decline construction
 - The Prefeasibility Study is on schedule, fully funded and on budget
 - The study includes -
 - further drilling for resource definition
 - construction of a one kilometre extension of the exploration decline
 - installation of a low profile ventilation shaft
 - Work is well underway on the technical analysis of the ore body and surrounding geology to assist mine design
 - The existing radiometric plant is being recommissioned and will be utilised to sort ore from the potential underground mine
 - Preparation of the draft Environment Impact Statement and Social Impact Assessment is well underway
 - ERA targeting late 2015 for commencement of production if mine is viable and all necessary approvals granted



Ranger 3 Deeps Target milestones to production	Target	Status
Regulatory approval for exploration decline granted	August 2011	✓
Box cut excavation completed	October 2012	✓
Decline tunnel construction commences	November 2012	✓
Ranger 3 Deeps mine referral submitted to government	Jan 2013	✓
Exploration drilling starts	June 2013	✓
Exploration and resource drilling completed	September 2014	
Regulatory and stakeholder approval	Late 2014	
Underground mine production	Late 2015	

Brine Concentrator formally opened on 19 September 2013

- The Brine Concentrator is critical to water management and the rehabilitation programme at Ranger mine
- The Brine Concentrator was formally opened by NT Chief Minister Adam Giles on 19 September 2013
- Project has been delivered on schedule and within budget (total budget of \$220 million)
- The Brine Concentrator has been manufactured and supplied by HPD (member of the Veolia Group) and Hatch Pty Ltd was the EPCM contractor. Downer EDI Limited has undertaken the construction phase of the project
- Veolia Water has been engaged initially to operate and maintain the Brine Concentrator
- Operating costs of the Brine Concentrator at planned 1.8 billion litre per annum rate expected to be approximately \$20 million per annum



NT Minister for Mines and Energy Willem westra van Holthe, Chief Minister Adam Giles, former ERA Chief Executive Rob Atkinson and incoming ERA Chief Executive Andrea Sutton at the official opening of the Brine Concentrator

Progressive rehabilitation making good progress



Pit 3 on completion of mining in November 2012



Pit 3 initial backfill as at September 2013

- Material moved into Pit 3 since December 2012 to date is approximately 19 million tonnes out of a total of 30 million tonnes
- Pit 1 dewatering completed and initial capping has commenced
- Jabiluka interim water management pond decommissioning and final landform construction completed. Revegetation planting to start in November 2013



Pit 1 initial capping as at October 2013

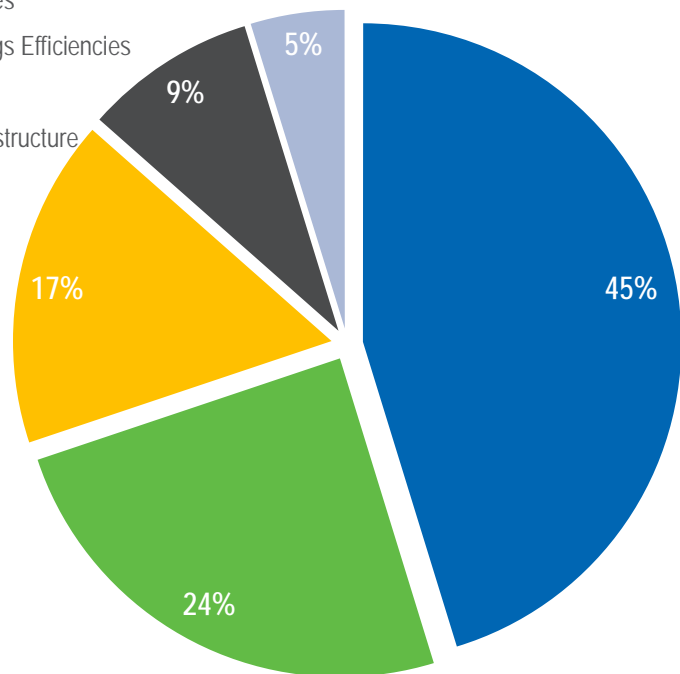


On track to meet 2011 cost savings target of \$150 million by 2014

At 30 June 2013, ERA has achieved total cumulative savings of \$102 million through implementation of initiatives identified during the 2011 Business Review

Approximate cash savings to date by category

- Labour & Contractors
- Pit 3 Efficiencies
- Water & Tailings Efficiencies
- Consumables
- Camps & Infrastructure



- Reduced the number of employees by 20 per cent from 2011 to September 2013
- Reduced indirect employees costs
- Reduced contractor costs
- Improve operational performance
- Reduced fuel consumption and consolidated power generation
- Reduced pond water treatment costs (passive treatment)
- Consolidated Darwin Head Office and Technical Office
- Sales of non-core property and equipment
- Review procurement contracts and vendor consolidation
- Rigorous capital allocation and cost control (sustaining and major projects)
- Miscellaneous initiatives (communication costs, travel) and strong cost culture



Relationship with the Gundjeihmi Aboriginal Corporation

- The relationship with the Gundjeihmi Aboriginal Corporation, who represent the Mirarr Traditional Owners continues to develop
- In the first half of 2013, the focus has been on
 - Implementation of the Mining Agreement
 - Establishment of the Kakadu West Arnhem Social Trust
 - Jointly releasing the Independent Surface Water Study
 - Collaborating on progressive rehabilitation
 - Ongoing liaison about the Ranger 3 Deep exploration decline progress; and
 - Progressing tripartite discussions about the future of Jabiru township



The market remains challenged in the near term

- **The after effects of Fukushima continue to weigh on the market**
 - No units operating in Japan, as the Nuclear Regulation Authority evaluates required upgrades and seismic safety
 - Units expected to be re-started in mid-2014, but progress may be slow
- **Competition from cheap natural gas is hurting nuclear plants in the US**
 - Five US units out of 104 have been closed this year due to expensive repairs or competition from record low natural gas prices
 - Several more units could be at risk in the current environment
 - Nevertheless, four new units are under construction in regulated southern US markets
- **Uranium production continues to expand**
 - Continued production growth from Kazakhstan and elsewhere, despite 50 per cent drop in spot prices from the level immediately prior to Fukushima



However, longer-term market fundamentals strong

- **Global long-term nuclear growth projections remain strong**
 - China has 28 units under construction and another 53 planned by 2025
 - Reactor growth still occurring in the US, Korea, UAE, India, and elsewhere
- **The growth drivers are largely unchanged**
 - Economic growth in developing economies, such as China, can only be sustained through increases in power generation, most of which continues to come from coal
 - The global mandate to significantly reduce CO2 emissions remains
 - Long-term security and affordability of energy supply is a concern for many countries
- **Uranium production is sufficient to meet current demand, however in the longer term substantial new production will be required**
 - Current prices provide little incentive to invest in new production
- **Diversity of supply is important to nuclear power companies**
- **ERA is well positioned to re-enter a stronger market post-2015 if the Ranger 3 Deeps underground mine is viable, approved and developed**



Summary

- Continued strong safety and environmental performance
- 2013 production of uranium oxide is expected to be between 2,800 and 3,200 tonnes
- Ranger 3 Deeps Exploration Decline and Ranger 3 Deeps Mine Prefeasibility Study, progressing on budget and on schedule
- Key rehabilitation projects continue to progress well and are on budget and ahead of schedule
- Brine Concentrator formally opened by NT Chief Minister Adam Giles on 19 September 2013
- The relationship with Gundjehmi Aboriginal Corporation and Mirarr Traditional Owners continues to further develop
- Uranium market remains very challenging in short term – longer term outlook continues to remain encouraging for existing producers
- ERA continues to have a very strong focus on cash management, including production efficiencies and cost reductions