



ASX Announcement

9 October 2014

September 2014 Quarter Operations Review (unaudited)

- Energy Resources of Australia Ltd (ERA) produced 566 tonnes of uranium oxide for the September 2014 quarter
- Ranger 3 Deeps Prefeasibility Study on schedule to be completed by the end of 2014
- Draft Environmental Impact Statement for the proposed Ranger 3 Deeps underground mine was lodged with the Northern Territory Environmental Protection Authority and the Commonwealth Department of the Environment
- Progressive rehabilitation activities continued, with the initial backfill of Pit 3 now complete

	Q3 14	vs Q3 13
Ore milled ('000 tonnes)	646	2%
Mill head grade (% uranium oxide)	0.11	0%
Plant recovery (%)	81.9	-2%
Production – uranium oxide		
- tonnes	566	-7%
- 000 lbs	1,248	

ERA's production activities during the September 2014 quarter followed the progressive restart of processing operations in June 2014. During the June 2014 quarter 46,000 tonnes of ore were milled, however no uranium oxide was drummed and packed for shipment.

ERA produced 566 tonnes of uranium oxide for the September 2014 quarter, compared to 610 tonnes in the corresponding quarter of 2013. Progression to full mill throughput was achieved in the quarter, following the recommencement of processing operations in June 2014.



Milling rates were higher in the September 2014 quarter compared to the corresponding quarter of 2013. However, higher milling rates were offset by lower plant recovery resulting in lower production of uranium oxide compared to the corresponding quarter of 2013. Plant recovery was lower due to restrictions on the availability of leach tanks in the period.

Progressive rehabilitation of the Ranger Project Area continued during the September 2014 quarter. The initial backfill of Pit 3 is now complete. The infrastructure required to enable the conversion of Pit 3 to a tailings repository is on schedule to be installed by the end of 2014.

EXPLORATION AND EVALUATION

Total evaluation expenditure for the September 2014 quarter was \$19 million compared to \$12 million for the previous quarter and \$3 million for the corresponding quarter in 2013. During the September 2014 quarter, the evaluation expenditure related to the Prefeasibility Study for the Ranger 3 Deeps underground mine. The Prefeasibility Study is on schedule to be completed by the end of the fourth quarter of 2014 and considered by the ERA Board in the first quarter of 2015.

Total exploration expenditure for the September 2014 quarter was \$3 million, compared to \$7 million in the previous quarter and \$17 million in the corresponding quarter in 2013.

During the September 2014 quarter, work continued on the Ranger 3 Deeps Exploration Decline with the face position reaching 2,593 metres from the surface as at 30 September 2014. The Exploration Decline is expected to be completed in the December 2014 quarter.

Underground exploration drilling of the Ranger 3 Deeps resource was completed during the quarter with an additional 53 holes completed for a total of 9,164 metres. The total program consisted of 221 holes for 46,623 metres of drilling.

An update to the Ranger 3 Deeps resource model was reported to ASX on 17 September 2014 following completion of approximately 95 per cent of the underground drilling programme. The updated resource estimate is 12.2 million tonnes at 0.285 %U₃O₈ equating to 34,761 tonnes of uranium oxide. The update included an upgrade of the Upper Mine Sequence to 24,940 tonnes of contained uranium oxide, compared to the previously reported estimate of 22,148 tonnes of contained uranium oxide. The results of the underground drilling program have so far been consistent with the expected geological understanding and continuity of mineralisation of the mineral resource. A further update to the resource model will be made following the receipt of all geochemical analyses.

Surface exploration drilling of the Ranger Project Area commenced during the September 2014 quarter. Drilling to date has centred on five exploration targets with 12 holes completed for 5,470 metres of drilling.



The Draft Environmental Impact Statement for the proposed Ranger 3 Deeps underground mine was lodged with the Northern Territory Environmental Protection Authority and the Commonwealth Department of the Environment on 3 October 2014.

The Draft Environmental Impact Statement assesses the environmental and social impacts of the Ranger 3 Deeps underground mine and outlines the proposed safeguards and mitigation measures to manage potential impacts from underground development. Relevant Commonwealth and Northern Territory government ministers, key stakeholders and members of the public are invited to comment on the proposed Project during a public notification period which closes on 13 December 2014.

Competent Person

The information in this announcement relating to exploration results and mineral resources 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 ERA 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 this announcement of the matters based on their information in the form and context in which it appears.

About Energy Resources of Australia Ltd

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 110,000 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.

ERA is a major employer in the Northern Territory and the Alligator Rivers Region.

Located on the 79 square kilometre Ranger Project Area, Ranger mine is surrounded by, but separate from, the World Heritage listed Kakadu National Park.

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