



## ASX Announcement

10 July 2015

### June 2015 Quarter Operations Review (unaudited)

- Energy Resources of Australia Ltd (**ERA**) produced 390 tonnes of uranium oxide in the June 2015 quarter.
- Progressive rehabilitation activities on the Ranger Project Area continued. Mill tailings continue to be directed to deposition in Pit 3.
- On 11 June 2015 the Company announced that the Ranger 3 Deeps project would not proceed to Final Feasibility Study in the current operating environment.
- Discussions relevant to the Ranger 3 Deeps project with the Traditional Owners and the Northern Territory and Commonwealth Governments are ongoing. ERA will continue to conserve cash until it has greater certainty in relation to an extension of the Ranger Authority.

	Q2 15	vs Q2 14 <sup>1</sup>	vs Q1 15	6 months 15	6 months 14 <sup>1</sup>
Ore milled ('000 tonnes)	524	1,039%	-15%	1,138	46
Mill head grade (% uranium oxide)	0.09	13%	-10%	0.10	0.08
Mill recovery (%)	78.5	-8%	-6%	81.4	85.2
Production – uranium oxide					
- tonnes	390	N/A	-20%	879	-
- 000 lbs	861			1,939	-

<sup>1</sup> The Ranger processing plant remained suspended for the majority of the first half of 2014.

ERA produced 390 tonnes of uranium oxide in the June 2015 quarter, compared to 489 tonnes in the March 2015 quarter. All ore milled was taken from existing stockpiles. Drummed uranium oxide production was impacted by lower mill head grade and recovery. A planned shutdown of the mill to conduct preventative maintenance was undertaken in June and completed on schedule. The planned maintenance of the mill impacted the quantity of ore milled.



Progressive rehabilitation of the Ranger Project Area continued during the June 2015 quarter. The dredging and maintenance vessels designed to transfer tailings from the Tailings Storage Facility to Pit 3 for final deposition have been transported to Ranger mine site with commissioning scheduled for the September 2015 quarter.

On 11 June 2015 ERA announced that the Ranger 3 Deeps project would not to proceed to Final Feasibility Study in the current operating environment. The decision was driven primarily by two key factors. First, the Board's view that the uranium market had not improved as ERA previously expected and there was uncertainty regarding the uranium market's direction in the immediate future. Secondly, having finalised and considered the Prefeasibility Study, the economics of the project required operations beyond the current Ranger Authority, which expires in 2021.

Discussions are continuing with the Northern Territory and Commonwealth Governments and the representatives of the Mirarr Traditional Owners regarding an extension to the Ranger Authority. ERA will continue to conserve cash until it has greater certainty in relation to the Authority extension. This will allow ERA to revisit the project's economics over time.

## **EXPLORATION AND EVALUATION**

Total evaluation expenditure for the June 2015 quarter was \$3 million, compared to \$4 million in the March 2015 quarter. The evaluation expenditure for the June 2015 quarter related to the Ranger 3 Deeps Prefeasibility Study.

The Ranger 3 Deeps Exploration Decline was under care and maintenance in the June 2015 quarter.

There was no exploration expenditure for the June 2015 quarter, in line with the March 2015 quarter.

### ***Competent Person***

The information in this report relating to exploration results is based on information compiled by Greg Rogers, a Competent Person who is a member of the Australasian Institute of Mining and Metallurgy. Greg Rogers is a full-time employee of ERA and has 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 consents to the inclusion in this announcement of the matters based on his 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.

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