



ASX Announcement

Anticipated impairment

17 January 2017

Energy Resources of Australia Ltd (**ERA**) is reviewing the carrying value of its assets in preparation of the financial statements for full year period to 31 December 2016.

Impairment testing of the Ranger Cash Generating Unit (**CGU**) is being performed in accordance with Australian Accounting Standards. ERA expects to record an impairment charge of approximately \$70 million in the second half of 2016. This is in addition to the \$161 million impairment of the Ranger CGU recorded at 30 June 2016.

The impairment is a result of a further decline in the uranium oxide spot price in the second half of 2016 and consequent downgrading of near term uranium oxide price forecasts.

As the impairment is a non-cash item, it does not have any impact on cash flow or ERA's existing operations.

The impairment remains subject to review by ERA's auditor and approval by the Board. Further details will be provided in the Company's full year financial statements for the period to 31 December 2016 which are expected to be released on 31 January 2017.



ERA

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 oxide has been produced at Ranger for more than 35 years. During that time, Ranger has produced in excess of 120,000 tonnes of uranium oxide.

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

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

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