



**Media Release and
ASX Announcement**

13 January 2010

December 2009 Quarter Operations Review (unaudited)

	Q4 2009	vs Q4 2008	vs Q3 2009	12 months 2009	vs 12 months 2008	12 months 2008
Total material mined (‘000 tonnes)	4,248	-22%	-20%	19,539	-3%	20,200
Ore mined (‘000 tonnes)	279	-63%	-71%	2,234	-37%	3,540
Ore milled (‘000 tonnes)	608	+22%	+7%	2,268	+14%	1,987
Mill head grade (% uranium oxide)	0.20	-46%	-31%	0.26	-13%	0.30
Mill recovery (%)	90.8	+2%	+2%	88.3	+0%	88.3
Production – uranium oxide						
- tonnes	1,140	-30%	-19%	5,240	-2%	5,339
- 000 lbs	2,514			11,553		11,771

Uranium oxide production by Energy Resources of Australia Ltd (ERA) in 2009 was 5,240 tonnes. This result was achieved due to consistently strong performance in the processing plant through the year. Available head grades were lower due to the effects of mine sequencing.

Uranium oxide production of 1,140 tonnes in the December 2009 quarter (19 per cent lower than the September 2009 quarter and 30 per cent lower than the December 2008 quarter) was achieved on strong milling rates and improved plant recoveries, despite lower average head grades due to mine sequencing. Average ore grade processed during the quarter was 0.20 per cent uranium oxide, compared with 0.29 per cent in the September 2009 quarter and 0.37 per cent in the corresponding period in 2008. Mine sequencing will continue to result in lower average head grades in the first half of 2010, with improved average head grades expected through the second half of the year.

Total material mined for the December 2009 quarter was 20 per cent lower than the September 2009 quarter and 22 per cent lower than the December 2008 quarter. This was due to the precautionary work being conducted on a localised area of instability on the south wall of the pit and to longer haul distances. Ore mined was 71 per cent lower than the September 2009 quarter and 63 per cent lower than the December 2008 quarter, primarily due to the effect of mine sequencing around the removal of waste and ore.



Total 2009 sales of uranium oxide at 5,497 tonnes (2008: 5,272 tonnes) were the third highest on record for ERA. Total sales of uranium oxide from the Ranger mine now exceed 100,000 tonnes.

The average realised sales price of uranium oxide for the year was US\$50.84 per pound, representing an increase of 56 per cent over 2008 (2008: US\$32.53 per pound). ERA's average realised sales price is only partially influenced by current market prices due to its diversified portfolio of contracts containing a range of pricing mechanisms. At the end of December 2009, the average spot market price was US\$44.50 per pound and the average of the long term price indicators was US\$61.00 per pound.

EXPLORATION AND EVALUATION

Work has continued on the feasibility study for the proposed heap leach facility at the Ranger mine. This project is targeting the extraction of 15,000 to 20,000 tonnes of uranium oxide contained in low grade mineralised material within the current pit and on existing stockpiles.

ERA's draft Environmental Impact Statement for the proposed heap leach facility is expected to be submitted in 2010, as part of the formal environmental assessment process under the Northern Territory *Environmental Assessment Act* and the Commonwealth of Australia *Environment Protection and Biodiversity Conservation Act*.

Separate studies are advancing regarding the Ranger 3 Deeps mineral resource, including the development of an exploration decline to conduct close spaced underground exploration drilling to further evaluate the extent and continuity of the resource. The Ranger 3 Deeps studies are expected to be complete around the middle of 2010, with a decision on the development of the exploration decline to be taken thereafter.

Total evaluation expenditure during the December 2009 quarter was \$7 million, compared with \$8 million in the September 2009 quarter (\$25 million for the full year, compared with \$14 million for 2008), which has been expensed.

During the December 2009 quarter, the exploration team focussed on resource drilling and support for the Ranger 3 Deeps and heap leach facility studies. Total expenditure on exploration for 2009 was \$5 million (2008: \$16 million). There was no exploration drilling expenditure during the quarter (2008: \$3 million). All 2009 exploration drilling expenditure was expensed.

Competent Person The information in this report relating to exploration results is based on information compiled by Greg Rogers, who is a member of the Australasian Institute of Mining and Metallurgy. Greg Rogers is a full-time employee of the company and he has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Greg Rogers consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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For further information on the company's activities please access ERA's website at <http://www.energyres.com.au>
