

ERA 2010 Notice of Annual General Meeting



ERA

Energy Resources of Australia Ltd ABN 71 008 550 865

Dear Shareholder,

You are invited to attend this year's Annual General Meeting to be held in the Grand Ballroom at the SkyCity Hotel Casino, Gilruth Avenue, Darwin NT on Wednesday, 21 April 2010, commencing at 10am. Refreshments will be served after the meeting.

The items of business for the meeting are set out on the accompanying Notice of Meeting.

The Management of ERA would like to offer the opportunity to Shareholders to tour the Ranger mine on Thursday, 22 April 2010. Bus transport will be provided to and from Ranger. Full details are available on the separate attendance form.

Your continuing interest in the Company is appreciated.

Yours sincerely

Dr D Klingner

Chairman

18 March 2010

Notice is hereby given that the Annual General Meeting of Energy Resources of Australia Ltd will be held at SkyCity Hotel Casino, Gilruth Avenue, Darwin, Northern Territory of Australia, on Wednesday, 21 April 2010, commencing at 10am.

Items of business

1. Chairman and Chief Executive review

2. Discussion of financial statements and reports

To receive and consider the Financial Report, Directors' Report, Directors' Declaration and Auditor's Report for the year ended 31 December 2009 as set out in the Annual Report.

3. Adoption of the remuneration report

To approve the remuneration report for the year ended 31 December 2009 as set out in the Annual Report.

4. Election of Directors

To elect Directors, each of which will be proposed as a separate resolution:

- (i) Mr John Pegler, having been appointed by the Board since the last Annual General Meeting, retires in accordance with Rule 3.4 of the Company's Constitution and, being eligible, offers himself for election.
- (ii) Mr Peter Taylor retires by rotation in accordance with Rule 3.7 of the Company's Constitution and, being eligible, offers himself for re-election.

5. Changes to the Company's Constitution

To consider and, if thought fit, to pass the following resolution which will be proposed as a special resolution:

"THAT the Company's Constitution be amended in the following manner:

Rule 1.2 be amended by replacing the definition of "ASX" with the following:

"ASX" means ASX Limited (ABN 98 008 624 691).

Rule 3.3(c) be deleted.

Rule 3.4 be deleted and replaced with a new Rule 3.4 as follows:

3.4 Appointment by the Board

Subject to this document and the Act, the Board may appoint a person to be a director at any time except during a general meeting, provided that the number of Directors for the time being fixed under rule 3.1 is not exceeded. Subject to rule 7.2, any Director so appointed automatically retires at the next annual general meeting and is eligible for re-election by that general meeting.

Rule 3.7 be deleted and replaced with a new Rule 3.7 as follows:

3.7 Director rotation

At each annual general meeting, any Director who would, if that Director remained in office until the next annual general meeting, have held that office for more than three years must retire from office and is eligible for re-election. If the Chief Executive is a Director, he is exempted from retirement by rotation under Rule 7.2.

Rule 3.8 be deleted.

Rule 7.2 be amended by the deletion from the first sentence the words "and he shall not be taken into account in determining the rotation of retirement of Directors or the number of Directors to retire".

Rule 8.4(a) be deleted.

Rule 10.5 be deleted."

Voting & Proxies

Members who are recorded on the Company's register of members at 7pm on Monday 19 April 2010 (Sydney time) are entitled to vote at the Annual General Meeting.

If you cannot attend the meeting then the opportunity to direct your vote on the items of business is available to you through the proxy form accompanying this Notice of Meeting.

A proxy need not be a member of the Company. If you are entitled to cast two or more votes, you may appoint two proxies, specifying the proportion or number of votes each proxy is appointed to exercise.

Proxy forms should be completed, signed and returned using the reply paid envelope provided or sent to the facsimile number on the proxy form. Alternatively you may cast your proxy vote electronically, and details of the online proxy voting facility can be found on the proxy form. For Intermediary Online subscribers (Custodians) only, proxy forms may be submitted via www.intermediaryonline.com.au.

Members may also appoint an attorney to act on their behalf at the Annual General Meeting. If the appointor is an individual, the power of attorney must be signed in the presence of at least one witness.



Completed proxy forms and powers of attorney must be received no later than 48 hours before the scheduled commencement of the meeting, or 10am (ACST) on Monday, 19 April 2010, at the Company's share registry, Computershare Investor Services Pty Limited.

A member that is a body corporate may appoint an individual to act as its representative at the Annual General Meeting as permitted by the Corporations Act. The appropriate "Certification of Appointment of Corporate Representative" (the form of which may be obtained from the Company's share registry or at www.computershare.com) should be produced prior to admission to the meeting.

Further details in respect of the resolutions to be put to the meeting are set out in the accompanying Explanatory Notes.

By Order of the Board



C Ritchie

Company Secretary

18 March 2010

Explanatory notes

Item 3

Adoption of the remuneration report

During this item there will be an opportunity for shareholders at the meeting to comment on and ask questions about the ERA remuneration report for 2009. The remuneration report is available on page 31 of the Annual Report.

The vote on the remuneration report is advisory only and will not bind the Directors or the Company. However, the Board will take the outcome of the vote into consideration when reviewing the remuneration practices and policies of the Company.

The Directors recommend that shareholders vote in favour of item 3.

Item 4

Election of Directors

4(i) Mr J Pegler (B.Eng Mining).
Appointed as a Director on 30 July 2009.

The Constitution of the Company (Rule 3.4) requires that any Director appointed since the last Annual General Meeting automatically retires at the next annual general meeting and is eligible for re-election. Mr Pegler was appointed by the Board on 30 July 2009 and therefore he retires automatically at the 2010 Annual General Meeting and offers himself for election.

Mr Pegler is presently Chairman and a Director of the Australian Coal Association Ltd, and also a Director of ACALET Ltd and Tarong Energy Corporation. He is Past President and a Life Member of the Queensland Resources Council. Mr Pegler was most recently Chief Executive Officer of Ensham Resources Pty Limited and has previously held operational roles within BP Australia Limited and the Rio Tinto Group including President Director of PT Kelian Equatorial Mining and Managing Director Group Procurement Eastern Hemisphere.

4(ii) Mr P Taylor (BA, BSc, LLB, LLM).
Appointed as a Director on 14 February 2007.

The Constitution of the Company (Rule 3.7) requires at each Annual General Meeting the retirement of Directors by rotation as well as the retirement of any Directors who would hold office for more than three years if they held office to the next Annual General Meeting. Mr Taylor was elected at the 2007 Annual General Meeting, will retire at the 2010 Annual General Meeting and offers himself for re-election.

A lawyer in private practice before joining Rio Tinto, Mr Taylor has held a number of executive and management positions in the exploration, project development, commercial and legal operations of the Rio Tinto Group. Mr. Taylor has served as Managing Director and Chairman of Bougainville Copper Limited since 21 October 2003, having been a Director since April 1997. Mr Taylor is also a director of a number of unlisted Rio Tinto Group companies.

The Directors recommend that shareholders vote in favour of the election of Mr Pegler and Mr Taylor as Directors of the Company.

Item 5

Changes to the Company's Constitution

Directors propose, for consideration and approval as a special resolution (75% of shareholders eligible to vote), a number of incidental changes to the Company's Constitution. The changes are recommended to streamline the Board's administrative processes and to harmonise the Constitution with the Corporations Act 2001 ("the Act") and the Listing Rules of the Australian Securities Exchange ("ASX").

The proposed changes are:

Definitions

Rule 1.2 of the Constitution includes a definition of "ASX" that refers to the former name of the ASX. It is therefore recommended to amend the definitions to reflect the current registered name, ASX Limited.

Directors' eligibility

Rule 3.3(c) of the Constitution requires that there be not more than one director ordinarily resident outside Australia. In contrast, Section 201A(2) of the Act provides only that at least two directors must be ordinarily resident in Australia. There appears to be no purpose to retaining the additional residence requirements contained in the Constitution. Incidentally, all of the Company's current directors are resident in Australia.

It is therefore recommended to delete Rule 3.3(c).

Director rotation

Rule 3.7(a) of the Constitution requires that at each Annual General Meeting one third of Directors, and any Directors who would hold office for more than three years if they held office to the next Annual General Meeting, must retire. Rule 3.7(a) has had the practical effect of more frequent retirement and reappointment than every three years, depending on the number of Directors holding office at any one time. In contrast, Rule 14.4 of the ASX Listing Rules requires that a director must not hold office past the third annual general meeting following the Director's appointment or three years, whichever is the longer.

It is therefore recommended to delete the existing Rule 3.7 and replace it with a new Rule 3.7 in similar terms requiring Directors to retire every three years, consistent with Listing Rule 14.4, but omitting the requirement of Rule 3.7(a) for retirement of one third of Directors at every annual general meeting. The removal of Rule 3.7(a) will require consequential amendments to Rules 3.4, 3.8, and 7.2 of the Constitution.

Proceedings of committees

Rule 8.4(a) of the Constitution provides that each Director (and any Alternate Director) be entitled to receive notice and attend any meeting of a committee of the Board. This entitlement appears to be a legacy from a time when the Company's Constitution reflected the particular rights and interests of the holders of the unlisted "B" and "C" class shares, prior to the changes to the Company's capital structure in 2005. Rule 8.4(a) appears to serve no useful purpose, and at times may detract from the efficient management of the affairs of the Board and its duly appointed committees.

It is therefore recommended that Rule 8.4(a) be removed.

Directors' retirement benefits

Rule 10.5 of the Constitution currently permits the Company, subject to the Act and the Listing Rules, to provide for Directors' retirement benefits over and above the superannuation entitlements required by Australian law. On 18 October 1994, shareholders approved the entering into of contracts with Directors for the provision of a retirement allowance. In 2004, the Board resolved to remove this retirement allowance for Directors appointed after this date, separately Sections 200A – 200J of the Act prevent the provision of such allowances, and Rule 10.5 appears to no longer serve any useful purpose.

It is therefore recommended that Rule 10.5 be removed.

The above description of proposed changes to the Company's constitution is a summary only. Any shareholder who wishes to be further informed as to the rule changes should read the proposed new constitution in full. Copies of the Company's existing constitution and the proposed new constitution (with the differences between the Company's existing constitution and the proposed constitution highlighted) may be viewed on the Company's website at www.energyres.com.au and are available for inspection prior to the Annual General Meeting during normal office hours at Level 10, 24 Mitchell Street, Darwin. Alternatively, a copy will be sent to any shareholder who requests it by calling Justine Higgins on +61 (0) 08 8924 3520.

The Directors recommend that shareholders vote in favour of item 5.