



ASX Announcement

28 July 2016

Deferral of half-year financial report

Energy Resources of Australia Ltd (**ERA**) will defer the release of its financial report for the half-year ended 30 June 2016. The half-year financial report was scheduled to be released today.

The preparation of the financial report requires an assessment of the carrying value of the Ranger Cash Generating Unit (**CGU**). ERA identified that a decline in the uranium oxide spot price was an initial trigger which required a full impairment assessment. In conducting this assessment, the Company has determined that a number of factors require further consideration in relation to the valuation technique that ERA uses to determine the fair value of the Ranger CGU. These factors include increasing weakness in the uranium oxide spot price, the Australia/US dollar exchange outlook and the impact of the deterioration in global business conditions on the Company.

It is expected that ERA will record a non-cash impairment charge of not less than \$40 million for the half-year ended 30 June 2016. It is possible that this may significantly increase, depending on the outcomes of ERA's further analysis.

The Company will update the market in due course and in any event before 31 August 2016.

Results for announcement to the market

The Company notes that its major shareholder, Rio Tinto, is scheduled to release its financial report for the half-year ended 30 June 2016 on 3 August 2016. As a subsidiary of Rio Tinto, components of ERA's results are incorporated in Rio Tinto's half-year report.¹

A summary of revenues and cash flow from operating activities for the half-year, which is currently subject to review by ERA's external auditor, is set out in the table below.

¹ Noting that ERA and Rio Tinto report their results on a different basis, including presentation currencies.



			June 2016 \$000	June 2015 \$000
Cash flow from operating activities	+39%	to	19,690	14,127
Revenue from sales of uranium oxide	-11%	to	154,450	174,413
Revenue from ordinary activities	-8%	to	170,501	185,799

ERA had total cash at bank of \$383 million at 30 June 2016 compared to \$365 million on 31 December 2015. In addition to cash at bank, ERA had \$70 million of cash held by the Commonwealth Government as part of the Ranger Rehabilitation Trust Fund at 30 June 2016, bringing total cash resources to \$453 million.

At 30 June 2016, the ERA rehabilitation provision was \$507 million.



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 more than three decades. 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.

For further information, please contact:

Media Relations

Candice Sgroi
Office: +61 8 8924 3514
Mobile: +61 476 807 502
Email: candice.sgroi@era.riotinto.com

Investor Relations

Rachel Storrs
Office: +61 (0) 3 9283 3628
Mobile: +61 (0) 417 401 018
Email: rachel.storrs@riotinto.com

Website: www.energyres.com.au
Twitter: Follow @ERARangerMine on Twitter