



ASX Announcement

9 October 2019

September 2019 Quarter Operations Review (unaudited)

- Energy Resources of Australia Ltd (**ERA**) produced 388 tonnes of uranium oxide in the September 2019 quarter.
- Progressive rehabilitation activities on the Ranger Project Area continued, with additional dredging capacity now commissioned.
- ERA is continuing its assessment of available funding options, including the size, structure and terms of any potential renounceable entitlement offer.

| | Q3 19 | vs Q3 18 | vs Q2 19 | 9 mths 19 | Vs 9 mths 18 |
|-----------------------------------|-------|----------|----------|-----------|--------------|
| Ore milled ('000 tonnes) | 662 | -3% | 25% | 1,798 | -1% |
| Mill head grade (% uranium oxide) | 0.07 | -22% | -22% | 0.09 | 0% |
| Mill recovery (%) | 83.9% | -2% | -4% | 86.8% | 2% |
| Production – uranium oxide | | | | | |
| - tonnes | 388 | -29% | -6% | 1,325 | -4% |
| - 000 lbs | 855 | | | 2,921 | |

ERA produced 388 tonnes of uranium oxide in the September 2019 quarter compared to 411 tonnes in the June 2019 quarter.

Production was primarily impacted by reduced mill head grade during the quarter. In accordance with the Company's mine plan, continued uranium production is based on the processing of primary ore stockpiles, applying a declining grade strategy. As expected, reduced grade impacted production following the depletion of higher grade areas of the stockpiles.

Production guidance for 2019 of between 1,400 to 1,800 tonnes of uranium oxide remains unchanged.



During the September 2019 quarter, progressive rehabilitation of the Ranger Project Area continued to focus on the dredge transferring tailings from the Tailings Storage Facility to Pit 3. Additional dredging capacity has now been commissioned. This additional capacity is necessary to complete rehabilitation activities within the regulatory timeframe.

FUNDING

As announced on 25 July 2019, following extensive discussions regarding a number of potential funding options, Rio Tinto has advised ERA that it is only willing to provide additional financial support to ERA via a renounceable entitlement offer undertaken by ERA. In that event, subject to the offer's terms, Rio Tinto has indicated it would subscribe for its 68.4% entitlement of new shares. Rio Tinto has also offered to underwrite the balance of a renounceable entitlement offer (on terms to be agreed) if an alternative underwriting solution is not available to ERA. ERA continues to consider the size, structure and terms of any potential renounceable entitlement offer.

In parallel, ERA continues to investigate whether there are other potential funding sources. ERA will provide a further update in due course.

EXPLORATION AND EVALUATION

No evaluation or exploration expenditure was incurred for the September 2019 quarter, in line with the June 2019 quarter.



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.

Together, ERA provides clean energy to the world and cares for people and country.

ERA has an excellent track record of reliably supplying customers. Uranium has been mined at Ranger for more than 35 years. During that time, Ranger has produced in excess of 128,000 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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