



ASX Announcement

9 January 2020

December 2019 Quarter Operations Review (unaudited)

- Energy Resources of Australia Ltd (**ERA**) produced 1,751 tonnes of uranium oxide in 2019, in line with guidance.
- Production in the December 2019 quarter was 426 tonnes of uranium oxide.
- Progressive rehabilitation activities on the Ranger Project Area continued.
- As announced on 15 November 2019, ERA is undertaking a fully underwritten pro rata renounceable entitlement offer of new fully paid ERA ordinary shares to raise approximately \$476 million. The proceeds from the offer will fund ERA's statutory rehabilitation obligations for the Ranger Project Area and enable ERA to continue as a going concern.

| | Q4 19 | vs Q4 18 | vs Q3 19 | 12 mths 19 | Vs 12 mths 18 |
|--------------------------------------|-------|----------|----------|------------|---------------|
| Ore milled ('000 tonnes) | 686 | 2% | 4% | 2,484 | 0% |
| Mill head grade (% uranium oxide) | 0.08 | -20% | 14% | 0.08 | -11% |
| Mill recovery (%) | 86.9% | -2% | 4% | 86.8% | 0% |
| Production – uranium oxide | | | | | |
| - tonnes | 426 | -31% | 10% | 1,751 | -12% |
| - 000 lbs | 939 | | | 3,860 | |

ERA produced 426 tonnes of uranium oxide in the December 2019 quarter compared to 388 tonnes in the September 2019 quarter. Production in the December 2019 quarter was higher than the previous quarter due to higher mill throughput, higher head grade and increased mill recoveries.

ERA's total production for 2019 was 1,751 tonnes of uranium oxide compared to 1,999 tonnes produced in 2018. This result was towards the upper end of ERA's 2019 production guidance of 1,400 to 1,800 tonnes.



In accordance with the Company's mine plan, continued uranium production is based on the processing of primary ore stockpiles.

During the December 2019 quarter, the progressive rehabilitation of the Ranger Project Area, as described in the Company's Mine Closure Plan, continued. A key area of focus in the quarter remained the transfer of tailings from the Tailings Storage Facility to Pit 3 following the commissioning of additional dredging capacity in the preceding quarter.

FUNDING

As announced on 15 November 2019, ERA is undertaking a fully underwritten pro rata renounceable entitlement offer of new fully paid ERA ordinary shares to raise approximately \$476 million to fund its statutory rehabilitation obligations for the Ranger Project Area.

On 11 December 2019, the Takeovers Panel (**Panel**) made a Declaration of Unacceptable Circumstances in relation to the entitlement offer following an application by a shareholder dated 18 November 2019. The revised timetable for the entitlement offer, and further disclosures in line with the Panel's orders, were set out in a Supplementary Statement dispatched to eligible ERA shareholders on 23 December 2019.

The Panel's decision is currently the subject of a review application lodged on 13 December 2019. ERA will keep shareholders updated in relation to material developments with respect to the review application.

EXPLORATION AND EVALUATION

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



About Energy Resources of Australia Ltd

Energy Resources of Australia Ltd (**ERA**) operates the Ranger mine, 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 130,000 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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