



**Media Release and
ASX Announcement**

13 April 2010

March 2010 Quarter Operations Review (unaudited)

| | Q1 2010 | vs Q1 2009 | vs Q4 2009 |
|---------------------------------------|--------------------|-----------------------|-----------------------|
| Total material mined (‘000 tonnes) | 1,803 | -60% | -58% |
| Ore mined (‘000 tonnes) | 165 | -59% | -41% |
| Ore milled (‘000 tonnes) | 597 | 21% | -2% |
| Mill head grade (% uranium oxide) | 0.17 | -41% | -15% |
| Mill recovery (%) | 90.7 | 5% | - |
| Production – uranium oxide | | | |
| - tonnes | 888 | -27% | -22% |
| - 000 lbs | 1,958 | | |

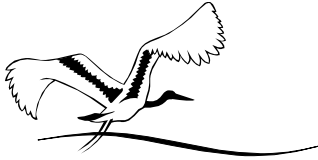
Uranium oxide produced by Energy Resources of Australia Ltd (ERA) for the March 2010 quarter was 27 per cent lower than the corresponding 2009 quarter and 22 per cent lower than the December 2009 quarter. Strong milling rates and improved plant recoveries have continued into 2010. Average ore grade processed during the quarter of 0.17 per cent uranium oxide was 41 per cent lower than in the March 2009 quarter and 15 per cent lower than during the December 2009 quarter, due to mine sequencing as previously communicated.

Material mined for the March 2010 quarter was 60 per cent lower than the March 2009 quarter and 58 per cent lower than the December 2009 quarter mainly due to reduced drilling availability and precautionary work conducted on the localised area of instability on the south wall of the pit.

Ore mined was lower than both the December 2009 quarter and the March 2009 quarter due to the sequencing of waste and ore removal from the pit and the impact of the seasonal weather.

OUTLOOK

In January 2010, ERA advised that 2010 average realised sales prices were expected to remain broadly similar to 2009. Market conditions have since softened during the first quarter of 2010, with the spot price at US\$41.75 per pound at the end of March, down US\$2.75 from December 2009 and the long term price indicator closing at US\$59.00 per pound, down



US\$2.00 from December 2009. These softer market conditions will have a partial influence on ERA's average realised sales price of uranium oxide during the first half of 2010.

As previously indicated, the current mine sequencing will continue to result in lower average head grades in the first half of 2010, with improvements expected through the second half of the year. Consequently, the projected level of production of uranium oxide in the second quarter of 2010 is expected to be in line with the first quarter, and 2010 sales deliveries have been sequenced accordingly.

EXPLORATION AND EVALUATION

Work is progressing on the detailed feasibility study for the heap leach facility at the Ranger mine. It is expected that a major portion of the anticipated \$36 million costs of this study will be expensed during the first half of 2010.

ERA's Environmental Impact Statement (EIS) for the proposed heap leach facility is proceeding. The draft EIS is expected to be submitted in the first half of 2010, as part of the formal environmental assessment process under the Northern Territory *Environmental Assessment Act 1994* and the Commonwealth of Australia *Environment Protection and Biodiversity Conservation Act 1999*.

Studies regarding the Ranger 3 Deeps mineral resource are continuing. These studies are expected to be complete by mid 2010, with a decision on the development of an exploration decline to be taken thereafter.

During the March 2010 quarter, the ERA exploration team focussed on resource drilling and support for the heap leach facility study. There was no exploration drilling expenditure during the first quarter (2009: \$2.2 million). Exploration drilling activities are scheduled to resume during the second quarter.

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>
