



ASX Announcement

10 April 2019

March 2019 Quarter Operations Review (unaudited)

- Energy Resources of Australia Ltd (**ERA**) produced 526 tonnes of uranium oxide in the March 2019 quarter.
- As announced on 8 February 2019, the finalisation of the closure Feasibility Study for the rehabilitation of the Ranger Project Area resulted in an increase in the rehabilitation provision to \$830 million at 31 December 2018.¹
- Progressive rehabilitation activities on the Ranger Project Area continued.
- ERA is continuing to review funding options to address the increase in rehabilitation provision.

	Q1 19	vs Q1 18	vs Q4 18
Ore milled (‘000 tonnes)	608	6%	-9%
Mill head grade (% uranium oxide)	0.10	11%	-%
Mill recovery (%)	88.7	4%	-%
Production – uranium oxide			
- tonnes	526	19%	-14%
- 000 lbs	1,160		

ERA produced 526 tonnes of uranium oxide in the March 2019 quarter compared to 613 tonnes in the December 2018 quarter.

Production was impacted by lower ore milled during the quarter. This was driven by lower plant utilisation in the current quarter as a result of wet season conditions and additional maintenance activities. 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.

¹ 31 December 2018 provision discounted at 2 per cent and presented in real terms (\$896 undiscounted in real terms).



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

During the March 2019 quarter, progressive rehabilitation of the Ranger Project Area continued. Along with the continued procurement and construction of additional dredging and tailings capacity, the commissioning of additional water treatment capacity to supplement the existing brine concentrator has commenced. Activities also included the continued operation of water treatment and the transfer of tailings from the Tailings Storage Facility to Pit 3.

RANGER PROJECT AREA CLOSURE FEASIBILITY STUDY

On 8 February 2019, ERA announced the finalisation of the closure Feasibility Study for the rehabilitation of the Ranger Project Area.

The approval and implementation of the Feasibility Study resulted in an increase in the rehabilitation provision from \$526 million at 31 December 2017 to \$830 million¹ at 31 December 2018. This was recorded in the 2018 full year financial statements.

The findings of the Feasibility Study further increase confidence to stakeholders that ERA's planned rehabilitation strategy will satisfy regulatory obligations, including the January 2026 milestone.

As a result of the rehabilitation provision increase, ERA is continuing to review all funding options. Rio Tinto has advised ERA it will work with ERA and its other shareholders and stakeholders with the objective of ensuring that ERA is in a position to meet in full the rehabilitation requirements of the Ranger Project Area. ERA and Rio Tinto are continuing to engage in active discussions regarding a funding solution.

EXPLORATION AND EVALUATION

No evaluation or exploration expenditure was incurred for the March 2019 quarter, in line with the December 2018 quarter.

The Ranger 3 Deeps Exploration Decline remains under care and maintenance.

¹ 31 December 2018 provision discounted at 2 per cent and presented in real terms (\$896 undiscounted in real terms).



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 provides clean energy to the world and, as a trusted partner, 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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