

**ERA****Energy Resources of Australia Ltd**

ABN 71 008 550 865

Stock Exchange Announcement

29 November 2006

ERA APPROVES LATERITE PROCESSING PLANT

Energy Resources of Australia Ltd will spend \$27.6 million in 2007 to construct a plant at the Ranger mine in the Northern Territory to process lateritic ore, a material containing a high proportion of clay minerals.

The laterite processing plant will contribute approximately 400 tonnes per annum of uranium oxide to ERA's production over seven years from 2008 through to 2014. This production is already included in ERA's current processing plan, and the lateritic ore forms part of current stated reserves.

Approximately 1.6 million tonnes of lateritic ore have been stockpiled since the mine began operating to allow for the optimum processing method to be developed. Because of the clay-like nature of this material, it has to be introduced into the main processing plant through a dedicated handling facility.

Construction of the plant will commence in April 2007 with the first lateritic ore scheduled for processing in the first quarter of 2008.

Contacts:

Investor relations: Susie Creswell - 03 9283 3639 / Dave Skinner - 03 9283 3628

Media relations: Amanda Buckley - 0419 801 349

For further information on the Company's activities please access ERA's website at
<http://www.energyres.com.au>