

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

ABN 71 008 550 865

10 October 2005

**Media Release and Stock
Exchange Announcement**

ERA Announces Capital Restructure

Energy Resources of Australia Ltd (ERA) announced today that the holders of all unlisted "B" and "C" class shares (Cameco, COGEMA and JAURD – see below) have agreed to convert their shares to "A" class shares. ERA's "A" class shares are quoted on ASX. Upon conversion of the "B" and "C" class shares, ERA will seek quotation of the new "A" class shares on ASX. In accordance with ERA's Constitution, each "B" and "C" class share will convert to one "A" class share and will rank equally with all other "A" class shares.

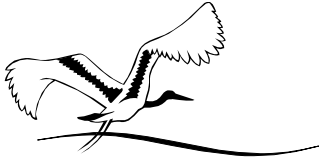
If quotation is approved, the number of ERA's shares quoted on ASX will increase to 190,737,934 which will comprise all of ERA's issued capital.

On conversion of the "B" and "C" class shares to "A" class shares, the directors appointed by the "B" and "C" class shareholders will automatically cease to be directors of ERA under ERA's constitution.

Rio Tinto Limited, through its wholly-owned subsidiaries Peko-Wallsend Pty Ltd and North Limited, holds 130,450,104 "A" class shares (representing 68.39% of ERA's issued capital). The balance of the "A" class shares (being 12,415,341 shares, representing 6.51% of the company) are held by public shareholders.

Details of the holders of the "B" and "C" class shares are:

- the Canadian group Cameco Corporation through Cameco Resources Australia Pty Ltd (holding 12,769,348 "B" class shares, representing 6.69% of ERA's issued capital),
- the French group COGEMA through Interuranium Australia Pty Ltd (holding 14,804,120 "B" class shares, representing 7.76% of ERA's issued capital), and
- Japan Australia Uranium Resource Development Company Limited (JAURD) of Japan (holding 20,299,020 "C" class shares, representing 10.64% of ERA's issued capital).



ERA has been informed by Cameco, COGEMA and JAURD that they currently intend to sell their "A" class shares once they are quoted on ASX. The intention is for the sale to be undertaken through a single offer to professional investors to be made by the end of November this year.

The "B" and "C" class shareholders, the Rio Tinto shareholders and ERA have agreed, with immediate effect, to terminate their existing Shareholders' Agreement in relation to ERA.

ERA, the Rio Tinto shareholders and JAURD have also entered into a Co-operation Agreement pursuant to which ERA and the Rio Tinto shareholders have agreed to grant certain rights to JAURD with effect from the termination of the Shareholders' Agreement, including the following:

- while the Rio Tinto shareholders hold more than 50% and JAURD holds at least 7.5% of the shares in ERA, the Rio Tinto shareholders have agreed to support the appointment of one JAURD nominee to the ERA Board and the continuation of ERA's current dividend policy; and
- while JAURD holds at least 10% of the shares in ERA, in the event that ERA proposes to issue additional securities to investors, ERA has agreed to offer such number of additional securities to JAURD on the same terms so that, if JAURD accepts the offer, JAURD's shareholding will not fall below 10%.

For further information contact:

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