

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

ABN 71 008 550 865

**Media Release and
ASX announcement**

05-Jun-1998

Ranger plant operating below capacity

Energy Resources of Australia Ltd (ERA) today advised of a continuing process problem causing reduced production at the Ranger mill.

On 3 March, 19 March and 22 April 1998, ERA reported process problems experienced in the solvent extraction and counter current decantation circuits.

The continuation of this problem has caused a restriction of plant capacity to 30 percent since 4 May 1998.

Production for the 1997/98 year will fall to approximately 4,000 tonnes U_3O_8 compared with the previous advice of around 5,000 tonnes U_3O_8 for this year. Prior to the occurrence of the chemical problem, Ranger's production was ahead of schedule.

Sales levels of around 5,000 tonnes U_3O_8 will still be met, supplemented by Ranger stocks.

ERA has been undertaking extensive research to investigate and isolate suspected causes and expects to gradually increase to full production in the near future.

For further information:

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