

**Media Release and
ASX Announcement**

17 July, 2007

Second Quarter Operations Review (unaudited)

RANGER

	Q2 07	vs Q2 06	vs Q1 07	6 mths 07	vs 6 mths 06
Ore mined (tonnes)	690,862	+191%	-10%	1,460,360	+90%
Ore milled (tonnes)	559,298	+70%	+40%	958,601	+5%
Mill head grade (%)	0.30	+59%	+7%	0.29	+22%
Mill recovery (%)	88.8	+4%	+3%	87.7	+0%
Production - U ₃ O ₈					
- tonnes	1,490	+150%	+48%	2,496	+26%
- 000 lbs	3,285			5,503	

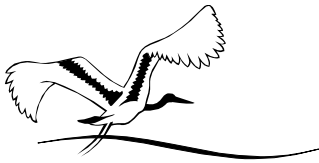
Drummed production of 1,490 tonnes in the second quarter of 2007 was significantly more than the first quarter largely due to the processing of high grade ore that was mined and stockpiled prior to the wet season and the strong milling performance during the second quarter.

Ore mined in the quarter decreased 10 per cent over the first quarter of 2007 due to the elevated water levels in the pit. Ore milled in the quarter increased 40 per cent as the plant was brought back to full production following the weather event in the first quarter of 2007.

The processing of high grade ore stockpiled prior to the wet season contributed heavily to the mill head grade of 0.30 per cent. The acid plant continued to operate albeit at lower levels than the first quarter, however, acid production was supplemented through external purchases. Bulk acid imports will commence in the third quarter after which the acid plant will be decommissioned.

Overall performance in the second quarter of 2007 improved when compared with the same period last year when wet weather associated with cyclone Monica and unusually high rainfall throughout the wet season prevented access to high grade ore.

Notwithstanding the second quarter production, ERA's sales contracts remain subject to force majeure as a result of flooding of the operational Pit 3 arising from heavy rainfall in late February and early March 2007. Production and sales deliveries for the balance of 2007 and 2008 will continue to be affected as a result of water levels in the Pit delaying access to high grade ore.



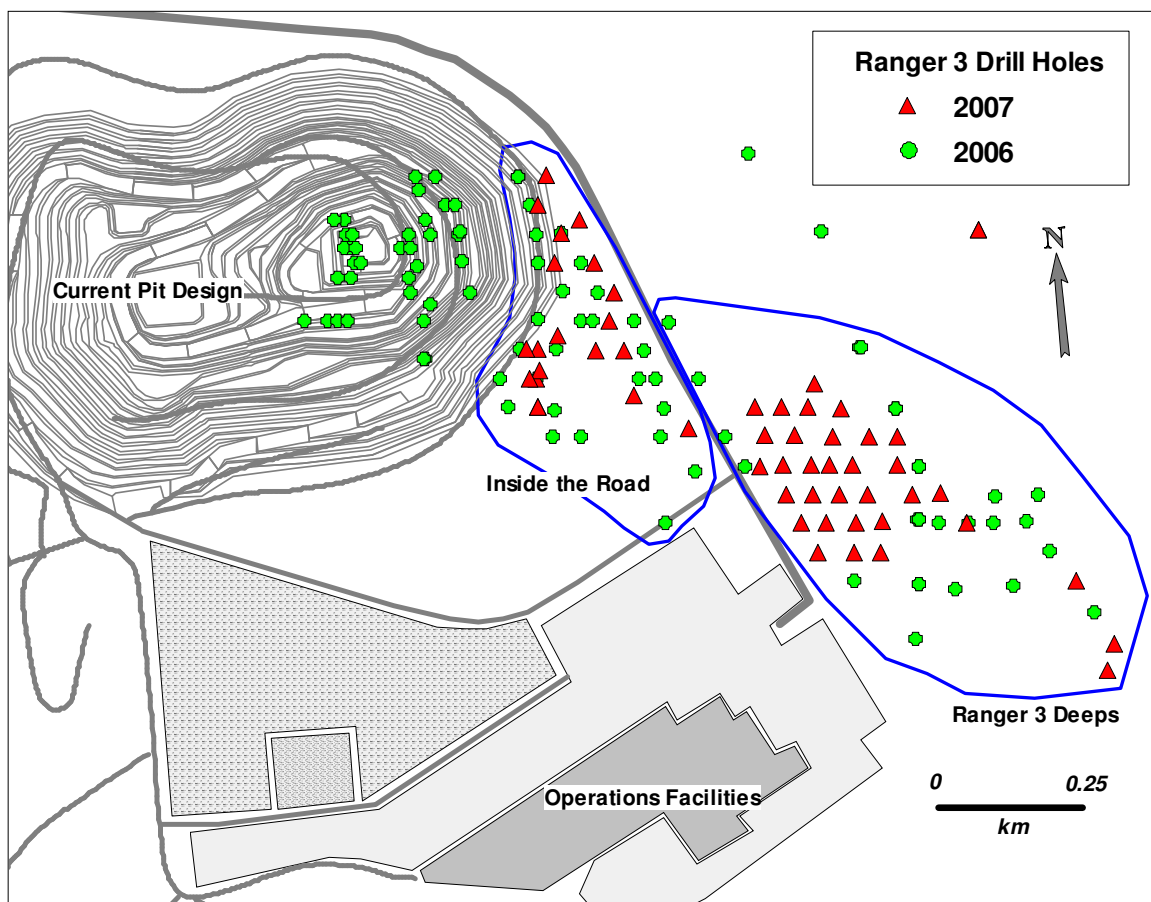
EXPLORATION AND EVALUATION

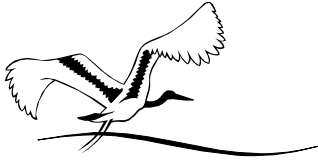
Expenditure on exploration and evaluation on the Ranger Project Area for the second quarter of 2007 was \$3.0 million, with year to date expenditure of \$6.8 million. Exploration during the second quarter continued to focus on defining potential resource extensions to the east of the Ranger Pit 3.

Eastern vicinity of Ranger's current operating pit

Ranger 3 mineralisation extends 'down dip' to the east of the current pit. In the second quarter, the program continued to test the deeper extensions further to the south east in an effort to determine the limit of the mineralisation. Figure 1 shows the location of holes drilled in the first half of 2007.

Figure 1: Ranger 3 drilling locations





The drill holes located between the pit and the access road were drilled as part of the feasibility study into an extension of Ranger Pit 3. The feasibility study is still expected to be completed this year. Six drill holes totalling 1578 metres were completed inside the road during the quarter. Significant intersects were encountered as follows:

Table 1: Significant intersects inside the road

<i>Hole ID</i>	<i>Depth (m)</i>		<i>Interval(m)</i>	<i>%eU3O8</i>
	<i>From</i>	<i>To</i>		
S3P700	332	355	23	0.291
S3P724	126	132	6	0.203
S3P724	194	200	6	0.231

Ranger 3 Deeps

During the quarter, exploration drilling focused on further mineralised extensions at depth and 30 drill holes totalling 13,061 metres were successfully drilled during the quarter.

Significant intersects include:

Table 2: Significant intersects in the Ranger 3 Deeps area

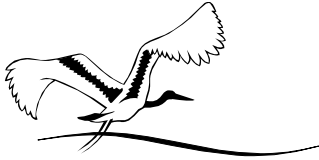
<i>Hole ID</i>	<i>Depth (m)</i>		<i>Interval(m)</i>	<i>%eU3O8</i>
	<i>From</i>	<i>To</i>		
S3PD691	490	496	6	0.238
S3PD691	519	528	9	0.247
S3PD691	588	598	10	0.332
S3PD712	477	513	36	0.236
S3PD716	482	494	12	0.304
S3PD720	453	461	8	0.742
S3PD728	470	488	18	0.328
S3PD728	520	532	12	0.244
S3PD728	536	544	8	0.289
S3PD731	592	598	6	0.258
S3PD731	548	557	9	0.238
S3PD731	588	594	6	0.240
S3PD731	597	608	11	0.223

Subsequent to the end of the quarter, drill hole S3PD738 reported the following intersections:

S3PD738	438	479	41	0.470
S3PD738	482	514	32	0.385

Ranger 18 East

No work was undertaken at Ranger 18 East during the 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>
