Energy Resources Of Australia

ANNUAL REPORT 2023

ACKNOWLEDGEMENT OF COUNTRY

We acknowledge the Mirarr people who are the Traditional Owners of country where the Ranger Rehabilitation Project operates, and the Larrakia people who are the Traditional Owners of country where our Darwin head office is located.

We pay our respects to Elders past and present and extend that respect to all Aboriginal and Torres Strait Islander peoples.

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Energy Resources of Australia Ltd Annual Report 2023


ERA

ABOUT ERA

Energy Resources of Australia (ERA) operated the former Ranger mine, Australia's longest continuous uranium mine surrounded by, but separate from, Kakadu National Park in the Northern Territory.

The former Ranger uranium mine lies within the 79 square kilometre Ranger Project Area, which is located eight kilometres east of Jabiru and 260 kilometres east of Darwin.

ERA ceased mining operations in 2012 and continued to process stockpiled ore until 8 January 2021, when the Ranger Authority required processing to cease. The sale of the last drum of uranium oxide was made in May 2022. The Ranger Project Area is now being progressively rehabilitated.

Under the Ranger Authority, ERA must rehabilitate the Ranger Project Area to establish an environment similar to the adjacent areas of Kakadu National Park. If this occurs and it is the opinion of the Minister, with the advice of the Australian Government's Office of the Supervising Scientist (OSS) (previously referred to as the Supervising Scientist Branch), the rehabilitated area could be incorporated into the Kakadu National Park, if this aligns with the Traditional Owners wishes.

ERA's ongoing rehabilitation activities on the Ranger Project Area are undertaken according to an authorisation granted under section 41 of the *Atomic Energy Act 1953* (the Ranger Authority). Under the terms of the current Ranger Authority, ERA's rights to access, occupy and use the Ranger Project Area continue until 8 January 2026.

As this Act was amended in November 2022, ERA is working with the Australian Government, Northern Land Council (NLC) and Gundjeihmi Aboriginal Corporation (GAC) – on behalf of the Mirarr Traditional Owners, to negotiate a new Ranger Authority that allows rehabilitation works to continue past 8 January 2026.

ERA holds the title to the world-class Jabiluka Mineral Lease. In accordance with the Jabiluka Long Term Care and Maintenance Agreement, the Jabiluka deposit will not be developed by ERA without approval of the Mirarr Traditional Owners. The Jabiluka estimated Mineral Resource is 137,100 tonnes of uranium oxide at a cut-off grade of 0.2% U_3O_8. The current lease is due to expire in August 2024. ERA has commenced discussions with stakeholders, including the GAC, concerning any application for renewal of the Lease.

ERA's strategic priority is to rehabilitate the Ranger Project Area and the company's primary focus is to create a positive legacy and achieve world-class, sustainable rehabilitation of former mine assets. The principles that guide ERA's approach are safety, teamwork, respect, integrity, and excellence in every area of the business.

The company's shares are publicly held and traded on the Australian Securities Exchange. Rio Tinto, a diversified resources group, currently holds 86.3% of ERA shares.

CHAIR'S REPORT

As I move into my second year as a member of the ERA Board, I reflect on the pace at which change affects the ERA business and the Ranger Rehabilitation Project, and I am thankful to be a part of this unique project. I look forward to continuing our journey of restoration.

The Board is proud of the progress made throughout the year and the sense of purpose we have heading into 2024.

Ongoing progress in delivering world-class rehabilitation

ERA continued to maintain the high standards for the progressive rehabilitation of the Ranger Project Area (RPA) throughout 2023. The Board has overseen ERA's organisational transformation and culture program which has allowed strong progress in project execution. Several pleasing highlights over the year included completion of wicking and commencement of Brine Injection, giving the ERA Board a high degree of confidence that investments in capability and culture have produced positive results.

ERA released the updated 2023 Ranger Mine Closure Plan (the Plan), outlining the path for mine closure and progressive rehabilitation in line with the cultural closure criteria developed in partnership with the Mirarr Traditional Owners. This release follows annual updates to the plan since its first public release in June 2018.

It is also pleasing to see ERA's commitments in Jabiru being delivered to high levels of quality, receiving positive feedback from stakeholders. ERA remains committed to delivering on its commitments in Jabiru.

The ERA team continue to work collaboratively with Gundjeihmi Aboriginal Corporation (GAC), Northern Land Council (NLC) and relevant Government departments to progress a new section 41 Authority (and associated agreements) to extend its existing Ranger authority beyond the original January 2026 deadline. As agreed by stakeholders, this will allow additional time for ERA to complete the rehabilitation of the Ranger Project Area, including long-term monitoring and maintenance.

Reaching certainty through studies

During 2023, ERA invested significant efforts and resources to complete the 2022 Feasibility Study. The outcomes of the 2022 Feasibility Study challenged core project assumptions, and now require further analysis to verify the key areas that are driving risk and increases to cost and schedule estimates. ERA is undertaking separate studies to verify estimates and investigate alternative solutions.

ERA's current rehabilitation provision has increased to $2.4 billion. A significant portion of this estimate can be attributed to activities after 2027, some of which are subject to further studies. ERA will use the outcomes from the studies to verify and attempt to mitigate estimated cost and schedule impacts.

However, with further studies underway around assumptions beyond 2027, ERA is transitioning to a programme management approach to rehabilitation. This approach supports each stage of the project to reach appropriate levels of certainty through accurate studies and is best supported by an ERA-led execution model.

Commitment to good governance

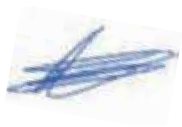
In May 2023, ERA confirmed the successful completion of an Interim Entitlement Offer (IEO). There was strong support for the IEO, and these funds raised will provide ERA with sufficient capital to fund its planned Ranger Project Area rehabilitation works through to Q3 2024.

Further funding is required by ERA this year to fund the next period of planned rehabilitation works and this funding requirement is expected to be addressed in the form of a material equity raise in 2024. Details on funding will be provided in due course and shareholders should consider business risks and opportunities in any future investment decisions.

After late governance changes in 2022, ERA announced the appointment of independent non-executive director, Mr Stuart Glenn. Following on from the earlier appointments of other independent non-executive directors the Hon. Ken Wyatt and myself, the Board resolved to re-establish the Independent Board Committee (IBC) in early 2023, with membership including the Hon. Ken Wyatt, Mr Stuart Glenn and myself.

In December 2023, we said farewell to Jacques van Tonder who has been a Non-Executive Director on the ERA Board for 3 years. On behalf of the Board, we thank Jacques for his contribution. We also welcomed Mr Alfie Grigg as a Non-Executive Director and look forward to his contribution in the year ahead.

The Board and I thank all that have been involved with ERA for their efforts, support, and dedication throughout 2023.



Rick Dennis
Chair

CHIEF EXECUTIVE'S REPORT

Thank you for the opportunity to give an overview of our business performance in 2023. It has been a productive year of achieving several rehabilitation milestones on the Ranger Project Area, alongside our investment into building project capability and pursuing long-term certainty on key project assumptions. I am pleased to report that ERA has made solid progress across all these areas, with clear plans in place for 2024.

Priorities in 2023 were:

1. Progressing rehabilitation while continuing to focus on the outstanding safety and well-being of our people
2. Undertaking the 2022 Feasibility Study and presenting the outcomes, and setting up additional studies to improve clarity needed on factors driving our schedule and cost estimates
3. Embedding project capability within ERA to support transition to a suitable project execution model, the programme management approach
4. Collaborating with stakeholders to progress a new section 41 Authority (and associated agreements) to extend ERA's existing Ranger authority beyond the original January 2026 deadline, to allow ERA sufficient time to carry out rehabilitation
5. Continuing to deliver rehabilitation activities on the Ranger Project Area and commitments in Jabiru.

Throughout 2023, ERA continued to prioritise the safety and wellbeing of all ERA staff and contractors. During the year, ERA celebrated a record of over 1300 days without any Lost Time Injuries (LTI). ERA's safety culture was evident with another year of zero recordable injuries. This year also marks the third consecutive year with an All-Injury Frequency Rate (AIFR) of 0.0.

In support of our strong safety record, we continue to implement the Rio Tinto Safety Maturity Model and recorded a score improvement of 4.3, up from 4.0. This is an excellent result for our team since implementing this model, and I commend all at ERA for their commitment and dedication to safety.

In 2023, we continued to deliver on our purpose to create a *positive legacy and achieve world-class, sustainable rehabilitation of former mine assets.* I am pleased to share that we have achieved several significant milestones:

- Celebrated 2 years of revegetation restoration success on Pit 1. As part of the Ecosystem Establishment Strategy, the progress, growth and resilience shown at Pit 1 gives us confidence in the ecosystem design underway for the remaining areas of the Ranger Project Area.
- Demonstrated progress of works at Pit 3 to prepare for dry capping and safe storage of brine. This included installing 41,000 wicks in Pit 3, dewatering Pit 3 and activities to support drying out tailings on Pit 3. Brine injection wells were commissioned and installed, followed by successful brine injection.

- Progressing improvements to the water treatment capacity at Ranger. This includes completed investments to the Brine Squeezer to allow additional process water treatment from the Ranger Water Dam. The team also progressed improvement initiatives in the Brine Concentrator to improve plant reliability and production consistency.
- Completed refurbishments on the ERA workers camp in Jabiru, as part of our commitment to creating a safer environment for all personnel, in line with the Rio Tinto Everyday Respect recommendations.
- Implemented procurement and process changes which saw an increase in engagement with Indigenous businesses and increased spend with Indigenous suppliers in multiple areas of the business, up 11.9% from last year to 21.07% of contestable spend.
- The Jabiru housing refurbishment program continued to progress through 2023 with ERA progressively working to transfer 103 completed sublease properties to third parties.

These achievements, as well as planning and approvals for future rehabilitation activities, were carried out in collaboration with the Gundjeihmi Aboriginal Corporation (GAC), Northern Land Council (NLC), Office of the Supervising Scientist, Australian and Northern Territory regulators and various statutory committees.

I would like to take the opportunity to particularly thank the Mirarr Traditional Owners for their guidance throughout the year. We are looking forward to collaborating with the Mirarr over the coming years to better understand the rich cultural landscape as part of our rehabilitation activities.

I extend thanks to everyone who supported ERA in 2023. I carry a sense of optimism as I look ahead to 2024 and the opportunities that await us as we continue our work to deliver world-class rehabilitation.

Brad Welsh
Chief Executive & Managing Director

YEAR IN REVIEW

JAN

- Integrated Project Management team formally commenced
- Installation of the new Brine Injection System completed
- Independent Board Committee re-established

FEB

- Independent Non-Executive Director Stuart Glenn appointed

MAR

- Successful initial brine injection commenced

APR

- $369 million renounceable entitlement offer announced
- Wicking project completed and drying out of wicked zone commenced
- 1000+ days free from Lost Time Injuries (LTIs)

MAY

- Fully subscribed Interim Entitlement Offer successfully completed, raising $369 million

JUN

- 2-year milestone in Pit 1 revegetation trial celebrated

JUL AUG SEPT OCT NOV DEC

JUL

- Preliminary findings from the Feasibility Study announced
- Contract for the supply of amphirolling machines to accelerate the drying of tailings awarded

AUG

- Rehabilitation & Ecology Specialist Megan Parry wins Newcrest Exceptional Young Woman in Australian Resources
- Details of additional studies to address uncertainty announced
- Pit 3 dewatering commenced following confirmation of water quality and approval to pump water into the Ranger Water Dam

SEPT

- Programme management approach adopted to better manage areas of uncertainty

OCT

- Transition of Brine Concentrator operations from third-party to ERA management is completed
- Outcomes and data from the 2022 Feasibility Study received

DEC

- Adjustment to the provision for rehabilitation costs based on available information
- Mr Jacques van Tonder resigned as Non-Executive Director of the Company effective 31 December 2023
- Mr Alfie Grigg appointed as a Non-Executive Director of the Company effective 1 January 2024
- Mine Closure Plan for 2023 published

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HIGHLIGHTS OF 2023

$211M

TOTAL SPEND ON REHABILITATION WORK IN 2023

$734M

TOTAL SPEND ON REHABILITATION WORK TO DATE (JANUARY 2019 TO DECEMBER 2023)

21.07%*

OF TOTAL CONTESTABLE SPEND WAS WITH INDIGENOUS OWNED BUSINESSES

*Rolling 6-month average

1900

MEGALITRES OF BC DISTILLATE PRODUCED

OVER 41,000

WICKS INSTALLED IN PIT 3

45%

OF OUR EXECUTIVE COMMITTEE AND MANAGERS ARE WOMEN

63%

OF 3RD PARTY PROPERTIES IN JABIRU WERE TRANSFERRED TO THIRD PARTIES

17%

OF OUR EXECUTIVE COMMITTEE AND MANAGERS ARE INDIGENOUS

Throughout 2023, ERA made solid progress on several business priorities, driven by continued investments in building project capability and the strong team culture needed for world-class rehabilitation. ERA's continued commitment to initiatives to improve safety and well-being, leadership alignment, dignified and safe working environments, and increase cultural awareness, occurred across all levels of the organisation.

ERA's primary focus is the rehabilitation of the Ranger Project Area, and in 2023, ERA continued to deliver against planned rehabilitation activities, reaching several critical project milestones. These milestones are in line with Australian and Northern Territory governments requirements and the wishes of the Mirarr Traditional Owners.

ERA continued to work collaboratively with Gundjeihmi Aboriginal Corporation (GAC), the Northern Land Council (NLC) and relevant government departments to progress a new section 41 Authority (and associated agreements). The amendments passed in 2022 to the *Atomic Energy Act 1953* (Cth) allowed for an extension of the Ranger Authority beyond the original January 2026 deadline. The extension of the deadline will provide sufficient time to complete rehabilitation of the Ranger Project Area and long-term monitoring and maintenance.

Project Execution Approach

Over 2023, ERA embedded project execution, reporting and governance systems through the mobilisation of the Integrated Project Management Team (IPMT) with support from Bechtel.

This was an interim project execution approach to support rehabilitation activities being done alongside the 2022 Feasibility Study. This approach brought the best of Bechtel's project capability alongside ERA's rehabilitation expertise. The transition to the IPMT was completed by March 2023.

During 2023, ERA made investments to further refine the rehabilitation execution scope, costs and schedule through the 2022 Feasibility Study. The outcomes of this process challenged core assumptions of the Ranger Rehabilitation Project, and now require further analysis to verify the key areas that are driving risk and increases to cost and schedule estimates. This will be a major priority for 2024 and will be facilitated by the recently adopted programme management approach. This approach seeks to ensure that project scopes with certainty can proceed, in parallel to studies on remaining project execution scopes without certainty.

As Project Director Bernard Toakley indicates:

"We celebrate the completion of the 2022 Feasibility Study. After 17 months, this process has refined the projects key assumptions and will be critical to inform the work program going forward to close out remaining areas of uncertainty. Whilst we are continuing with a range of uncertainties, the amount of work that went into this process from the study team and everyone involved in the process is worth recognising".

Alongside the study, ERA implemented a series of initiatives to strengthen ERA's in-house project execution capability. The IPMT supported execution activities for 2023 and into 2024. With further studies underway around long-term project assumptions, ERA is now using a programme management approach. This approach supports each stage of the project to reach appropriate levels of certainty through accurate studies and is best supported by an ERA-led execution model.

MEET MEGAN HIGHFOLD, CORPORATE COUNSEL FOR ERA

I am a descendant of the Kokatha People from South Australia. I have worked as a lawyer and strategic advisor for over 12 years in the Northern Territory and Western Australia including for Aboriginal corporations, a state-owned utility and recently the mining industry. I have been the Corporate Counsel with ERA for almost 12 months now.

I am driven by my belief that culture and industry can complement and even enhance each other if we work together. My approach is to collaborate with Traditional Owners to reach mutually beneficial outcomes; reach agreements which support Traditional Owners in achieving their social, cultural and economic aspirations. I'm proud to work for a company who understands the importance of collaboration with the Traditional Owners as essential to achieving its vision.

Rehabilitation

Rehabilitation activities are documented in ERA's Mine Closure Plan (MCP), which was updated in December 2023 and released publicly. The Mine Closure Plan is prepared by ERA to demonstrate how the proposed closure activities will achieve the environmental requirements attached to the section 41 Authority. The 2023 MCP also includes details of the role ERA has in supporting the post-mining social and economic transition of Jabiru. The MCP is submitted for approval to both the Commonwealth Minister for Resources and for Northern Australia, and the Northern Territory Minister for Mining and Industry.

OUR WORK ON PIT 1

2023 marked 2 years since Pit 1 was revegetated. This work is the largest revegetation effort undertaken by ERA to date. Through the implementation of innovative techniques and refining plant cultivation methods, ERA has increased the knowledge base needed to inform successful ecosystem establishment, which will contribute to future closure revegetation efforts.

Specialist in Rehabilitation and Ecology Megan Parry acknowledged this success saying, *"The outcomes of the trials have provided us with valuable insights into revegetation of a former mining pit, particularly regarding the survival and growth of young plants amid harsh rock substrates."*

Megan further commented *"Despite challenges – notably the absence of topsoil – our ecology team were very resourceful. They were able to address these obstacles by incorporating native species adapted to rocky substrates from the surrounding Kakadu National Park into our revegetation species mix. I am very proud of my team and their efforts throughout these 2-year trials".*

There has been strong survival and stable growth rates of the planted flora in the Pit 1 area. Signs of fauna returning to the revegetated area, coupled with the plant species successfully reproducing and establishing on the site, is promising.

The outcomes of these establishment trials inform how we will revegetate Pit 3 and serve as a case study for the resource industry. Megan adds, *"By establishing a standard in revegetation practices, we are showcasing world-class rehabilitation that will inspire and guide future endeavours in the industry."*

Nurturing resilient ecosystems at Pit 1

The successful completion of the 2-year establishment period for Pit 1 in 2023 marked a significant milestone for ERA. This trial was an important case study to inform how ERA can improve ecosystem establishment and revegetation work processes, particularly in relation to the survival of young plants. ERA has continued the monitoring, maintenance, and adaptive management activities on Pit 1 to inform surface water runoff and ecosystem re-establishment.

A critical part of the trial was to incorporate native species adapted to rocky substrates from the surrounding Kakadu National Park into the revegetation species mix. The input of partner Kakadu Native Plants (KNP) was critical to both the planting and propagation success of this project.

The species planted have shown both survival and stable growth, with some plants reaching a height of seven metres. Early signs of fauna returning to the landform have been observed along with new plant species from the surrounding landscape establishing on Pit 1 on their own. Importantly, species are also successfully reproducing and establishing in the challenging waste rock substrate.

This large-scale revegetation initiative allowed ERA to implement innovative irrigation techniques and refine methods for growing plants. This resulted in improvements to the methodology to increase capacity to plant more trees and vegetation for future revegetation work on the RPA.

Strong Progress on Pit 3

Pit 3 is important for the Ranger Rehabilitation Project as it is the deepest repository where ERA can store tailings, brine, demolition waste, contaminated materials, and return the waste rock removed by mining, in an environmentally sound manner. Strong progress at Pit 3 is a critical path activity so that ERA can minimise the long-term environmental impacts by safely storing these materials deep within the pit, in accordance with requirements.

In March 2023, ERA successfully completed its first injection of brines into the Pit 3 underfill, via the completed brine injection upgrade system installed in 2022. Subsequently, ERA has seen mostly uninterrupted availability of this new injection system. This is a positive sign for safely storing salts in an environmentally sound manner.

In April 2023, ERA completed a critical path activity to expedite the consolidation of over 43 million tonnes of tailings that had been transferred from the former Tailings Storage Facility to Pit 3. The consolidation of tailings is an early stage to safely store the tailings and to create a safe working platform for future rehabilitation activities. To achieve this, over 41,000 Prefabricated Vertical Drains (PVDs) or 'wicks' were installed into the tailings to depths of up to 40 metres. Once installed, the wicks provided a flow path for water trapped within the tailings, allowing the water to be expressed and the tailings to rapidly consolidate.

Following the installation of the wicks, the tailings consolidated at a strong rate. To further support the drying process, 2.2 gigalitres of water was successfully transferred from Pit 3 to the Ranger Water Dam for storage. As the tailings continue to dry out, ERA has active management plans in place for the management of dust. During the final Quarter of 2023, through suppliers Kaddum Industries, equipment was mobilised to be used to accelerate the drying of Pit 3 tailings within the completed wicked zone. Additional specialised drying equipment, amphirollers, are expected to be delivered in January 2024 by Indigenous supplier Rusca Brothers.

Works on Pit 3 up until this point have been approved. The subsequent capping stage of Pit 3 remains subject to the Pit 3 backfill approval application. This was resubmitted to regulators for review and approval in September 2023. Final approval is expected in the latter part of Quarter 1, 2024. ERA acknowledges the valuable feedback into this application from the Office of the Supervising Scientist (OSS) and Northern Land Council (NLC) which was addressed in the final application.

Once approved, the Pit 3 application will trigger the next sequence of work, including placement of geotextile and waste rock over the tailings surface, which will create a solid foundation for the placement of demolition waste, contaminated material and waste rock.

Engineering and detailed design for Pit 3 geotextile placement, capping, decant and monitoring infrastructure reached 80% progress in 2023, and will be finalised in early 2024.

PIT 3 MILESTONE

ERA made strong progress getting Pit 3 ready for future capping activities, by removing the last of the water from the Pit. A substantial 2.0 gigalitres of water have been successfully transferred from Pit 3 to the Ranger Water Dam, signalling material progress in preparing Pit 3 for capping.

Superintendent Jaysen Roach said, *"It's great to see the hard work the teams have invested to get to this point become a reality. Pit 3 is starting to look very different for the first time in a number of years which is a sign of progress".*

As more of the tailings become exposed to the elements and dry out, Jaysen goes on to say *"We remain on alert to manage any dust issues arising from tailings that are now exposed. There is a dust management plan in place that has been approved by our stakeholders. This means we are working across multiple fronts to manage this."*

The dewatering process follows the successful completion of the wicking project in April where the team inserted an impressive 41,000 wicks into Pit 3. This novel, innovative process was critical to supporting the fast consolidation of the tailings, which supports secure storage of the tailings and a safe work platform to commence capping activities.

CELEBRATING THE COMPLETION OF WICKING AT PIT 3

In March 2023, the wicking program in Pit 3 was successfully completed. This achievement involved inserting approximately 41,000 wicks into the tailings of Pit 3. With each wick ranging between 25-40 meters, these wicks would cover a distance equivalent to that from Darwin to Alice Springs when laid out flat. Wicking represents a significant milestone for ERA. It enables water to be extracted from the tailings material to support the consolidation of tailings, which enables Pit 3 rehabilitation works to continue.

ERA partnered with Ventia for their experience in environmental remediation and directional drilling capability. The project presented challenges, as acknowledged by Jason Gaul of Ventia, who highlighted "there were a range of safety challenges for the team to consider. These included working around tailings, acidic water, moving plant equipment in tight spaces, and challenging environmental conditions such as rain, lightning, and heat."

Collaboration was key, as emphasised by Ranger Rehabilitation Project Director, Bernard Toakley: *"ERA and our contracting partners worked cohesively to establish excellent teamwork, addressing the challenges encountered during the wicking project. Each challenge was significant, demanding a strategic approach and strong collaboration among the key parties involved in the project's delivery."*

Due to a covering layer of water up to five metres in depth over the tailings, a specialised delivery method was required to achieve success. A novel, unique barge system was designed and constructed to allow the installation of wicks from the water's surface.

The works required an onsite workforce of over 70 personnel and over 101,000 hours worked on site to successfully deliver the project. Despite the complexity and challenges faced, including submerged obstructions, poorly consolidated tailings, weather delays during the wet season, and early logistical challenges, the collaboration between ERA, Ventia, SWAMOJV, Polaris Marine Operation, and ERA's Integrated Project Management Team has facilitated the efficient and safe completion of this critical phase in the Ranger Rehabilitation Project.

Now that the tailings material has consolidated, the covering layer of water has been removed to the Ranger Water Dam, allowing the tailings to dry for the commencement of initial capping, including the installation of geotextile fabric.

The wicking program played a significant role in the rehabilitation project, serving as a critical activity to complete rehabilitation. The performance of the wicks exceeded expectations, leading to a substantial reduction in the tailings surface across Pit 3.

Safe and Efficient Operations

Alongside rehabilitation efforts, ERA continues to invest in safe and efficient operations at the former Ranger mine. A critical activity is the monitoring and management of the water on site that originates from rainfall, groundwater, creek flow, and clean water from the various water treatment plants on the Ranger Project Area. Over the course of 2023, over 3000 samples were taken from the 400 monitoring sites on and around the Ranger Project Area.

In 2023, ERA made investments in improving efficiencies in key activities on site driving cost and schedule. ERA made good progress on the stable and efficient operations of the Brine Concentrator, which treated 1900 mega litres of water. To yield further efficiencies, ERA also successfully transferred Brine Concentrator operations under third-party management back to ERA management in October 2023.

ERA also completed the upgrade to the Brine Squeezer which is now complete. These investments allow the additional treatment of process water from the Ranger Water Dam. This is expected to be commissioned in 2024.

ERA has led major cultural and organisational transformation during 2023, which has underpinned project execution and excellent safety milestones this year. Initiatives have included investments at leadership and management levels to align on ERA's purpose and workplace culture. ERA also completed refurbishments on the ERA workers camp in Jabiru, as part of our commitments to creating a safer environment for all personnel, in line with the Rio Tinto Everyday Respect recommendations. ERA also celebrated 1000 days of no lost time injuries and improvements in the Safety Maturity Score from 4.0 to 4.3.

Safety is one of the driving principles that guide ERA's approach to execution. This year ERA celebrated a key safety milestone – 1000 consecutive days without a Lost Time Injury (LTI), reaffirming ERA's commitment to zero harm. The Warehouse Team at the Ranger site also reached a significant milestone surpassing 2700 days without any LTIs. These achievements reflect ERA's focus on creating a safe work environment. In recognition of this achievement, ERA's Project leadership team extended congratulations through celebration events such as BBQs for the workforce.

MEET ERA'S DAVID STAGGS, SUPERINTENDENT, WATER MANAGEMENT

As Superintendent, Water Management, I lead a diverse team of people who monitor and manage all the water on site that originates from rainfall, groundwater, creek flow, and clean water produced by the various water treatment plants on site.

I'm a hydrogeologist and over the last 5 years at ERA, have focused on groundwater and surface water research, water treatment, and water management for landscape rehabilitation. This project, with its unique regional challenges, has pushed my professional development to the next level.

The best parts of my role are the array of technical challenges I am exposed to, being able to work with some of the leading technical experts in the industry and being able to witness a mine site transition through closure and rehabilitation.

One of my biggest achievements during 2023 was having a study I have been involved with since the beginning of my time at Ranger presented at the International Mine Closure Conference in Reno Nevada. In 20 years', I want to see a rehabilitated landscape thriving where the mine used to be.

LEADING THE WAY IN WATER TREATMENT

In 2023, our water treatment team proudly celebrated a significant milestone with the successful upgrade of the Brine Squeezer. This achievement, followed a highly successful pilot testing campaign, showcasing the team's dedication to innovation and efficiency in water treatment processing.

Nandiya Abeygunawardana, Senior Engineer Process, said that *"the reason behind the pilot testing campaign was that we wanted to see if our existing Brine Squeezer could be used to treat highly concentrated process water. Our Brine Squeezer uses reverse osmosis technology, and that technology has not been applied before to Ranger process water with its complex chemistry. The pilot testing campaign was necessary as this was a novel process without any examples to refer to."*

Nandi commended his team, praising their teamwork and dedication.

"I am beyond proud of what we have achieved during the pilot testing. To prove the technology is going to work for the process water on-site, I think that this will be a useful example for other industries dealing with similar water challenges."

Built in 2019, the Brine Squeezer originally cleaned waste from other water treatment plants on site. Currently, those plants work in the wet season, leaving the Brine Squeezer with extra capacity in the dry season. The upgrade aims to use the plant more in the dry season, working with another system to clean the water on site for storage and safe release.

Our work in Jabiru

Jabiru was originally established to service the workforces working for NT Government and mines in the surrounding area. In June 2021, the Mirarr Traditional Owners were successful on the grant of land and execution of the Section 19A township lease for Jabiru. Since 2021, the Mirarr Traditional Owners – through Gundjeihmi Aboriginal Corporation Jabiru Town – have been implementing the vision for the Future of Jabiru. The Mirarr Traditional Owners' vision for the future of Jabiru is for it to transition to *'A world leading sustainable, economically and socially vibrant community where traditional Aboriginal culture, all people and the natural environment flourishes'.*

As part of ERA's commitments in Jabiru, ERA has continued to deliver good progress on the Jabiru housing rectification program. In 2023, ERA reached the milestone of 117 dwellings rectified since the program began. This is 60% of the third-party dwellings now rectified. ERA transferred 72 rectified dwellings to third parties to enable tenanting.

ERA continues to support a range of organisations in Jabiru through the Community Partnership Fund and various community initiatives.

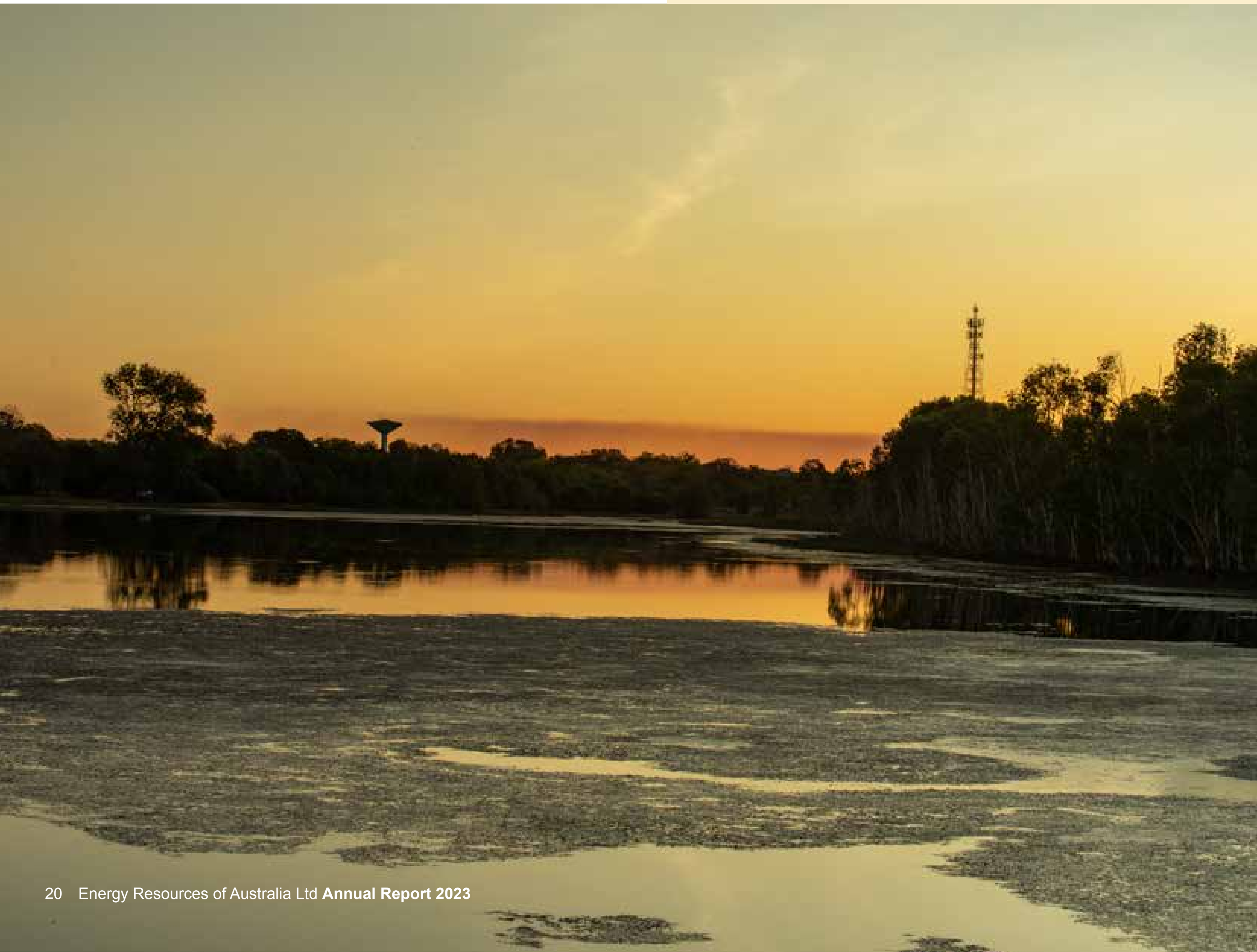
HOUSING RECTIFICATION

As part of ERA's commitments to support the transition of Jabiru township, ERA has been working to rectify houses and transition them back into the Jabiru rental pool. The priority has been the rectification of third-party houses.

In 2023, ERA successfully executed 7 packages of rectification works, covering 32 residences. Currently, 17 residences are in various stages of rectification, all scheduled for completion in 2024.

A noteworthy achievement of 2023 was the sublease transfer of 72 dwellings. This included a mix of housing types, comprising 4 two-bedroom units, 15 single-bedroom units, 45 three-bedroom houses, and 8 four-bedroom houses. Some of these transfers were linked to packages awarded in 2022 that extended into the following year.

Michael Starr, Superintendent, Site Services, states *"I am feeling very positive about the trajectory of the housing rectification project. It is great to receive good feedback from our stakeholders in support of our work. It was a great milestone to handover 72 dwellings in 2023".*



Collaboration in 2023

ERA is committed to investing in the right capability to achieve our purpose of delivering world-class rehabilitation.

ERA is collaborating with an increasing number of Indigenous businesses such as long-time partners Kakadu Native Plants and new supplier Kaddum Industries. These organisations bring valuable expertise that are essential to the rehabilitation project. This is critical to shaping ERA's work and contributes to the successful outcomes ERA has been able to deliver in 2023.

Environmental consultants Umwelt partnered with ERA in early 2022 to assist with the mine closure application for Pit 3. Throughout 2023, Umwelt provided ERA with the additional technical and resource capacity to restructure and revise the Mine Closure Plan in collaboration with stakeholders. Umwelt also provided a range of additional support across works in social impact and engagement strategy.

ERA values the perspectives of subject matter experts, including stakeholders and welcome inputs regarding rehabilitation planning and execution. ERA regularly engages a diverse range of stakeholders on various aspects of rehabilitation and works in Jabiru through regular participation on committees and working groups. Engaging with stakeholders through these mechanisms throughout the year was valuable for ERA and had a positive impact on shaping ERA's approach to rehabilitation.

Closure and rehabilitation activities, processes and criteria for the Ranger Project Area have been developed, scrutinised, and adapted through stakeholder engagement mechanisms, including the Ranger Closure Consultative Forum, Mine Technical Committee, Alligator Rivers Region Advisory Committee, Alligator Rivers Region Technical Committee, and the Relationships Committee. There are also a range of engagement mechanisms for the Future of Jabiru program, in which ERA regularly participates. ERA thanks all of those involved, for their ongoing contributions and engagement.

ERA continues to work with the Australian Government's Office of the Supervising Scientist (OSS) to monitor and protect the environment. ERA thanks the OSS team for their professional and collaborative working relationship, and the commitment to upholding environmental research and developing standards and practices for environmental protection. This ongoing collaboration is essential to achieving world-class rehabilitation.

COLLABORATING WITH LOCAL INDIGENOUS BUSINESS – KADDUM INDUSTRIES

Local Jabiru business, Kaddum Industries, is assisting ERA with the dewatering and dust management activities of Pit 3. Since commencing in September, Kaddum Industries has already earnt recognition through 12 awards for workplace health and safety practices.

Director and owner Mel Patterson says, *"Kaddum Industries was founded in 2017 and was established with the intention of creating job opportunities for the local community. We take pride in being a majority Aboriginal owned and operated business, actively engaging and employing local talent."*

Mel goes on to say, *"As a member of the Jabiru community, during my earlier employment with Ranger ERA operations, I have been witness to the transformation from the days when the Ranger mine was in full operation. Now, as we transition from a mining site to a rehabilitation phase, I am enthusiastic about being a part of this chapter and actively involved in this journey."*

Mel concludes, *"I live here. I grew up here and my kids are here. I am invested in the success of the rehabilitation of the former mine site. I want to do my part – in creating job opportunities, leading the way in Aboriginal business, and showing what life is like on the other side of a mining operation."*

OUR REHABILITATION PROGRESS

Pit 1

1981 – Pit 1 mining commenced

1994 – Pit 1 Mining finished

2021 – Pit 1 tree planting commenced

2023 – Pit 1 landscape thriving

Ranger Water Dam (RWD)

previously Tailings Storage Facility (TSF)

2016 – Tailings transfer project commenced

2020 – Dredging on TSF

2021 – TSF Floor & Wall cleaning

2021 – TSF dredging and cleaning complete. Renamed Ranger Water Dam

Pit 3


1997 – Pit 3 Mining Commenced


2012 – Pit 3 Mining finished


2022 – Pit 3 Wicking commenced


2023 – Pit 3 Capping complete

Trial Landform (TLF)


2009 – 2010 – Tubestock planted on TLF


2014 – Threatened Easter Patridge Pigeons call TLF home


2018 – NLC visit the TLF to see the impressive growth of native species on the site


2023 – TLF Flora and Fauna continue to thrive

BUSINESS STRATEGY

ERA's purpose is to create a positive legacy and achieve world-class, sustainable rehabilitation of former mine assets. The Ranger Rehabilitation Project is unique in that it is rehabilitating land in one of the world's most culturally and environmentally sensitive locations, surrounded by the World Heritage Listed Kakadu National Park on the land of the Mirarr Traditional Owners.

ERA's strategic priority continues to be the rehabilitation of the Ranger Project Area in accordance with ERA's obligations such that it can be incorporated into Kakadu National Park, if the Mirarr Traditional Owners wish.

ERA plans to deliver this purpose by:

- Creating a physical, ecological and cultural landscape that meets the expectations of the Mirarr Traditional Owners
- Setting the standard for mine site rehabilitation in a culturally and environmentally sensitive region
- Achieving this in partnership with Mirarr Traditional Owners, governments and other key stakeholders.

In May 2022, ERA commenced a Feasibility Study to further refine the Ranger Project Area rehabilitation execution scope, risks, cost, and schedule. ERA received outcomes from the 2022 Feasibility Study that require more analysis and separate studies. ERA's current rehabilitation provision on 31 December is $2.4 billion, up from $1.2 billion from the previous period. Of the increase in the provision, approximately 85% is attributable to rehabilitation activities post 2027.

The activities underpinning this increase are the subject of further studies referenced above and are also potentially sensitive to external events such as rainfall.

In the Interim Entitlement Offer completed in May 2023, ERA raised approximately $369 million (before costs), which is expected to provide ERA with sufficient capital to fund planned RPA rehabilitation expenditure through to Quarter 3, 2024. Further funding is expected to be required by ERA in 2024 to fund the next tranche of planned rehabilitation works. This funding requirement is expected to be addressed in the form of a material equity raise in 2024.

ERA's near-term strategic priorities include:

- Execute rehabilitation scope of the Ranger Project Area
- Continuing further studies following the 2022 Feasibility Study outcomes to provide a clear rehabilitation plan
- Secure a suitable funding solution to meet future rehabilitation obligations in the form of a material equity raise
- Moving to a programme management approach including transitioning to an ERA-led execution model
- Progressing negotiations to extend the existing Ranger authority beyond the current January 2026 deadline
- Preserve the company's undeveloped resources.

ERA has commenced discussions with stakeholders, including GAC, concerning any application for renewal of the Jabiluka Mineral Lease. ERA acknowledges its obligations under the Long-Term Care and Maintenance Agreement (LTCMA) and confirms it has complied with the wording and intent of the LTCMA, which has protected the significant cultural heritage of the area. In accordance with the LTCMA, the Jabiluka deposit will not be developed by ERA without the approval of the Mirarr Traditional Owners.

FINANCIAL PERFORMANCE

Energy Resources of Australia Ltd (ERA or the Company) incurred negative cash flow from operating activities of $223 million in 2023 compared to negative $147 million in 2022.

Rehabilitation spend for the calendar year was $211 million compared to $194 million in 2022.

Total cash resources of $726 million at 31 December 2023, comprised of $217 million in cash at bank and $509 million cash held by the Commonwealth Government as part of the Ranger Rehabilitation Trust Fund. ERA has no debt financing in place and $126 million in bank guarantees[1].

ERA recorded a net loss after tax in 2023 of $1388 million (inclusive of $1349 million net rehabilitation adjustment), compared to a net loss after tax of $161 million for the same period in 2022. The 2023 result was mostly driven by an increase in the forecast cost of rehabilitation of the Ranger Project Area, resulting in an increase in the provision for rehabilitation. This increase is primarily the result of changes in estimate made following the receipt of outcomes and data of the 2022 Feasibility Study (received in October 2023).

As of 31 December 2023, revisions to the rehabilitation cost estimate resulted in unfavourable adjustments of $1,362.5 million compared to an unfavourable adjustment of $62.2 million in 2022. The increase in the 2023 rehabilitation provision was partially offset by other non-cash adjustments in the estimates present value due to the increase in the discount rate from 1.5% to 2% on 1 July 2023 of $13.3 million, as well as $211 million of payment of rehabilitation in 2023 ($194 million in 2022).

Further contributing to the 2023 result was that no uranium oxide sales revenue was generated following a cessation of uranium oxide sales from the Ranger Project Area in 31 May 2022 compared to $35 million revenue received in 2022. Revenue from continuing operation mainly includes interest income and some rental receipts.

Interest income for 2023 was $32.2 million, compared to $9.3 million for 2022. The increase was driven by both higher than average cash balances and higher rates of interest in 2023 than the prior period, with the weighted average interest rate received on term deposit for the period being 4.69 per cent (2022: 1.53 per cent).

Operating costs for 2023 were lower than the corresponding period in 2022. This was primarily due to higher employee related cost in 2022 due to redundancies following ERA's transition to an Integrated Project Management Team (IPMT) and higher 2022 consulting and legal charges related to organisational changes and the setup of the IPMT. In addition, the completion of all sales of remaining uranium inventories in May 2022 resulted in no royalty and selling costs in 2023, further positively impacting operating costs. Operating costs are now only of a corporate nature.

Provision for Rehabilitation

At 31 December 2023, the ERA rehabilitation provision was $2420 million[2], a net increase of $1195 million from the previous period.

Of the increase in the provision, approximately 85% of the increase is attributable to rehabilitation activities post 2027. An extension in schedule to achievement of Final Landform (FLF) has been a significant factor in driving additional estimated project costs. This extension is primarily due to a reassessment of the time taken to achieve Pit 3 consolidation, with a secondary driver being the transition to lower technical risk Pit 3 capping methods, removing previously estimated schedule synergies.

In addition to schedule, increased estimates in water volumes requiring treatment have driven higher variable costs of treatment against prior year estimates, with the overall long-term performance of the water treatment plant being below the planned performance in ERA's previously assumed water treatment strategy. ERA will continue to pursue initiatives to improve the performance of the water treatment plants in line with its revised water treatment strategy. Estimated bulk material movement costs have also been forecasted to increase materially, due to higher unit costs than previously estimated with some additional scope relating to catchment conversion activities also driving an increase in cost.

ERA expects to spend approximately $1.2 billion in undiscounted nominal terms on rehabilitation activities, including studies until the end of 2027. Activities post 2027 and estimates of their cost, remain highly uncertain. These activities remain subject to a number of studies and are also potentially sensitive to external events, as such, estimates of expenditure beyond 2027 are subject to further study work detailed below.

1 $125 million related to Ranger Project Area and $1 million related to Jabiluka.

2 31 December 2023 provision discounted at 2% per cent. This equates to an estimated $2961 million in undiscounted nominal terms or $2667 million in undiscounted real terms.

Rehabilitation Activities in 2023

During 2023, ERA incurred expenditure of $211 million on rehabilitation activities. Continued progressive rehabilitation of the Ranger Project Area achieved several key milestones.

The capping of Pit 3 remains a critical path activity, including the Pit 3 backfill approval application. Wicking commenced in November 2022 in the eastern end of Pit 3, and the final wick was installed on 9th April 2023. The Pit 3 backfill approval application was resubmitted to the Northern Territory governing agency during the September 2023 Quarter. Final approval of the backfill application is expected in the later part of Quarter 1, 2024.

Preparation for the dry capping of Pit 3 has continued to progress. Upon the successful dewatering of Pit 3, the next step is to lay geofabric which will protect the tailings during capping activities.

Progress was made during the year to mobilise equipment to be used to accelerate the drying of Pit 3 within the completed wicked zone. Additional specialised drying equipment is expected to be delivered early in 2024.

The Brine Squeezer process water treatment upgrade work progressed, reaching completion during the last Quarter of 2023, including regulatory approval to operate. This upgrade will allow additional treatment of process water from the Ranger Water Dam.

While performance against operational plan volumes improved in 2023, treatment rates of process water through the Brine Concentrator has continued below the planned performance assumed in ERA's previous water management strategy. Progress is being made in identifying and implementing strategies that improve plant reliability and production consistency. Although water quality has been a challenge this year, high quality on specification distillate continues to be produced. Process improvement initiatives continue to be a key focus area.

During 2023, the Jabiru housing refurbishment program continued to progress including the release of further properties. ERA is progressively working on the transfer properties to enable tenanting by third parties.

Overall, factors including a tight labour market and remnant supply chain constraints, continue to impact the project.

Outcomes of the 2022 Feasibility Study

In May 2022, ERA commenced the 2022 Feasibility Study. The 2022 Feasibility Study relates to a lower technical risk rehabilitation methodology (primarily relating to the subaerial (dry) capping of Pit[3]) and to further refine the Ranger Project Area rehabilitation execution scope, risks, cost and schedule.

As previously announced, ERA received outcomes and data from the 2022 Feasibility Study in October 2023, that require more analysis and separate studies, including but not limited to:

- Investigating alternative lower cost solutions for the management of water inventories requiring treatment
- Developing sediment and erosion control solutions to optimise release of water from rehabilitated landforms
- Evolution of the final landform design and construction to optimise the movement of bulk materials and appropriately manage late-stage closure sequencing
- Investigating alternative lower cost options for site simplification and opportunities for cost optimisation of post-closure monitoring and maintenance
- Value engineering and safety in design investigations.

ERA will use the outcomes from the studies to optimise Rehabilitation cost, schedule and risk.

Project Execution Approach

Over 2023, ERA embedded project execution, reporting and governance systems through the mobilisation of the IPMT with support from Bechtel. This was an interim project execution approach to support rehabilitation activities being done alongside the 2022 Feasibility Study. This approach brought the best of Bechtel's project capability alongside ERA's rehabilitation expertise. The transition to the IPMT was completed in March 2023.

As announced on 26 September 2023, ERA has transitioned to a programme management approach. This approach seeks to ensure that project scopes with certainty can proceed in parallel to studies on remaining project execution scopes, without certainty. This approach is best supported by an ERA-led execution model, which ERA will adopt in H1, 2024.

Extension of the Expiry date of ERA's tenure on the Ranger Project Area

ERA continues to work collaboratively with Gundjeihmi Aboriginal Corporation (GAC), the Northern Land Council (NLC), and relevant Government departments to progress a new section 41 Authority (and associated agreements) to extend its existing Ranger authority beyond the original January 2026 deadline. This will allow additional time for ERA to complete the rehabilitation of the Ranger Project Area, including long-term monitoring and maintenance.

3 In essence, the subaerial methodology involves Pit 3 drying and being capped subaerially (i.e. not under water).

BUSINESS RISKS

A number of risks and uncertainties, which are both specific to ERA and of a more general nature, may affect the future operating and financial performance of ERA.

This section describes some, but not all, of the material risks and uncertainties that may impact on ERA's financial performance or outcomes

Rehabilitation

Under applicable Australian and Northern Territory government statutory requirements, ERA ceased mining and processing activities at the Ranger Project Area on 8 January 2021 and has progressed to rehabilitating the site.

As stated in ERA's 2022 annual report, on 24 November 2022, the Australian Parliament passed amendments to the *Atomic Energy Act 1953*, allowing additional time for ERA to complete the rehabilitation of the Ranger Project Area, including long-term monitoring and maintenance. ERA is required to negotiate new authorities and agreements now the Act has been amended. ERA is working with all stakeholders in relation to a revised timeline for its rehabilitation obligations, beyond the 8 January 2026 deadline.

In October 2023, ERA received outcomes and data from the 2022 Feasibility Study. These outcomes have been a key consideration in the increase in estimated rehabilitation costs as reported on 31 December 2023. These reported costs are a substantial increase on estimates made as of 31 December 2022. While ERA expects to spend approximately $1.2 billion in undiscounted nominal terms on rehabilitation and study activities to 2027, costs estimated beyond this period are highly uncertain.

As a consequence, ERA has adopted a programme management approach to the rehabilitation of the Ranger Project Area. This approach seeks to ensure that each stage of the project can reach appropriate levels of certainty through further studies focussed on selected closure scope elements that have a material impact on closure schedule and cost.

Further studies will include but not be limited to:

- Investigating alternative lower cost solutions for the management of water inventories requiring treatment
- Development of sediment and erosion control solutions to optimise release of water from rehabilitated landforms
- Evolution of the final landform design and construction to optimise the movement of bulk materials and appropriately manage late-stage closure sequencing
- Investigating alternative lower cost options for site simplification and opportunities for cost optimisation of post-closure monitoring and maintenance
- Value engineering and safety in design investigations.

The Ranger Rehabilitation Project is complex, with many overlapping and interconnected aspects. The total cost of rehabilitating the Ranger Project Area is uncertain and requires matters involving estimation and judgment. It is possible that, upon completion of the study works outlined above, ERA's rehabilitation costs may be more (or less) than the current rehabilitation provision estimated by the company. Increased costs could result from factors beyond ERA's control, such as legal requirements, technological changes, environmental conditions, labour costs and availability, impact of pandemics including but not limited to COVID-19, weather events and market conditions.

Any increase in rehabilitation costs is likely to have a material adverse effect on ERA's business and its financial position and performance. There is no certainty that the company could secure additional funding in the future if it was required.

Post 2026 Tenure Risk

On 24 November 2022, the Atomic Energy Amendment (Mine Rehabilitation and Closure) Bill 2022 was passed, allowing ERA to apply to extend its existing Ranger authority to enable the rehabilitation of Ranger Mine to continue beyond the 8 January 2026 deadline. For access to the site beyond 8 January 2026, a new section 41 Authority is required and drafting of agreements has commenced with the administrators of the *Atomic Energy Act 1953*, the Australian Government's Department of Industry, Science and Resources (DISR).

There is a risk that a new section 41 Authority may not be agreed upon in the required timeframe or a material change to terms that may adversely affect ERA's business and its financial position and performance.

Water Treatment and Injection of Waste Brines

Overall long-term performance of the water treatment plant has been below the planned performance in ERA's previously assumed water treatment strategy. This has been a contributing factor to an increase in estimated rehabilitation costs reported at 31 December 2023. ERA will continue initiatives to improve performance of the water treatment plants in line with its revised water treatment strategy. Further deficits in this infrastructure against targets established in the revised strategy may produce further delays in completing the Ranger Rehabilitation Project.

To the extent that any of these initiatives cost more than expected or ERA is required to implement further initiatives (such as installing additional water treatment infrastructure), the rehabilitation cost may increase further.

As a result of treating processed water, a waste stream of contaminated salt is generated. The salt is ultimately to be stored below tailings in Pit 3 by injecting the brine through boreholes. This technology has been commissioned but the long-term performance is yet to be fully confirmed. An alternate method of salt disposal would be required if disposing the salt in this way does not prove viable. This would require additional capital expenditure, which has not been allowed for in the rehabilitation estimate or the resulting provision and may not be available to ERA.

Tailings Consolidation

During the capping and backfill of Pit 3, the capped tailings will consolidate and express process water that will need to be collected and treated. The installation of vertical wicks during 2023 has accelerated the rate of tailings consolidation.

The timeframe for completion of tailings consolidation is supported by a detailed tailings consolidation model that is based on in-situ testing of site tailings. The consolidation model's prediction of the rate of tailings consolidation is impacted by many factors, including the characteristics of the tailings, the progression of Pit 3 capping and backfill, and the ability to remove the expressed water from the tailings.

Forecasts for the practical completion of tailings consolidation and the end of process water collection have been extended because of changes in Pit 3 capping method and schedule, changes in the assumed degree to which expressed water needs to be collected to satisfy environmental constraints, and other changes in tailings model assumptions. This extension has been a contributing factor to the increase in estimated rehabilitation costs reported at 31 December 2023.

If tailings consolidation timeframes or the timeframe for the end of process water collection extend further, then it could have additional adverse impacts on the cost and schedule of completing rehabilitation.

Bulk Material movement

Once Pit 3 is capped, large scale bulk material backfill and landform shaping will occur. Bulk material movements are sensitive to the volume of material which is to be moved and the schedule of movement. Changes in estimated bulk material movement unit rates against previous estimates have been a contributing factor to the increase in estimated rehabilitation costs reported at 31 December 2023. There may be further material impact on the rehabilitation cost or schedule if volumes or costs of movement change.

Wet Season and Weather

The Ranger Project Area is subject to extreme and contrasting weather conditions in the Northern Territory. The extent of each wet season can have a significant impact on ERA's rehabilitation activities, including an increase in process water inventories. Wet seasons that significantly exceed long term averages will have a material adverse effect on ERA's ability to implement water management and its ability to complete other rehabilitation activities.

This may impact on schedule and cost, including requiring additional process water treatment capacity and may affect ERA's financial position and performance.

Ranger Rehabilitation Trust Fund

ERA is required to maintain the Trust Fund with the Commonwealth Government. The Trust Fund is intended to provide security against the estimated costs of closing and rehabilitating the Ranger Project Area. ERA is required to prepare and submit an Annual Plan of Rehabilitation (Annual Plan) to the Australian Government. Once accepted, the Annual Plan is independently assessed and costed and the amount to be provided by the company into the Trust Fund is then determined.

As at 31 December 2023, ERA had $509 million in cash held by the Australian Government in the Trust Fund. Bank guarantees procured by ERA totalling $125 million are held by the Government as additional security for ERA's rehabilitation obligations (an additional $1 million is held as an allowance for Jabiluka rehabilitation).

These deposits and bank guarantees were provided to the Australian Government based on its review in February 2020 of the 44th Annual Plan of Rehabilitation submitted by ERA (i.e. prior to the reforecast of the cost of Ranger Project Area rehabilitation), and subsequently reduced for an interim payment of $57 million for rehabilitation works completed from 9 January 2021 to 30 June 2022.

ERA has agreed on amendments to the Ranger Government Agreement with the Australian Government to introduce a clearer framework for managing the amount of security held by the Government and releasing funds from the Trust Fund for completed rehabilitation works. However, drawdown of funds under this framework will first require re-evaluation of the security arrangement. Given the increase in the cost of rehabilitating the Ranger Project Area, ERA may be required to provide additional security or funds in the Trust Fund.

ERA does not consider that it can rely upon drawdown of any further cash from the Trust Fund before the re-evaluation of the security arrangement is complete.

ERA's ability to continue to access financial guarantees can be influenced by many factors, including potential future cash balance, cash flows and shareholder support. Issuers of the bank guarantees have certain pay and walk rights, and the guarantees are subject to periodic reviews. Should the banks execute their pay and walk rights or ERA is unable to access bank guarantees, substantial additional cash would be required to indemnify the banks or be deposited into the Trust Fund. This is likely to have a material adverse effect on ERA's business and its financial position and performance, as well as its ability to meet its rehabilitation obligations.

The Trust Fund is disclosed as Government Security Receivable in the Financial Statements.

Access to Capital Risk

On 29 April 2016, the company entered into a $100 million Loan Agreement with North Limited (a wholly owned subsidiary of Rio Tinto) in support of ERA's rehabilitation obligations, should additional funding ultimately be required.

On 6 October 2022, ERA agreed to enter into an amended $100 million loan agreement with Rio Tinto (Revised Credit Facility), under which loans of a cumulative value of up to $100 million can be made available to provide ERA with additional liquidity to rehabilitate the Ranger Project Area. The Revised Credit Facility contained a maturity date of 31 March 2023 unless additional funds were raised before that, or unless extended by Rio Tinto. In addition, the maturity date was subject to deferral for approximately 3 months if ERA is unable to repay the loan at that time. The Revised Credit Facility provided ERA with additional time to negotiate and implement a future funding solution while providing assurance to stakeholders that rehabilitation of the Ranger Project Area will continue to be funded in the meantime. A summary of the agreement was provided in the announcement to the ASX dated 6 October 2022.

In May 2023, ERA confirmed that it had successfully completed a 5 for 1 non-underwritten pro-rata renounceable interim entitlement offer (Interim Entitlement Offer) raising approximately $369 million (before costs). This represented a 98.5% take up of Entitlement by eligible Shareholders. Inclusive of applications under the Shortfall Facility, the Interim Entitlement Offer was fully subscribed and provided total proceeds of $369 million (before costs). As set out in the offer materials for the Interim Entitlement Offer, part of the proceeds were used to settle the Revised Credit Facility in full.

ERA will require additional funding for rehabilitation of the Ranger Project Area, or otherwise beyond existing cash resources and expected future cash flows. There can be no assurance that additional funding will be available on acceptable terms, or at all. Any inability to obtain additional capital or to monetise assets would have a material adverse effect on ERA's ability to meet its rehabilitation obligations as well as its business and its financial position and performance. If ERA does not have sufficient funding to support its continued operations and rehabilitation of the Ranger Project Area, ERA may be unable to meet its liabilities as and when they fall due and its ability to continue as a going concern may be impacted.

Regulators and Stakeholders

The Mine Closure Plan (the Plan) is subject to ongoing review and refinement, with ERA required to submit an updated plan for regulatory approval each year. In addition, regulatory approvals are required to carry out certain rehabilitation activities. ERA's ability to complete the rehabilitation program in a timely and cost-effective manner will be at risk if these regulatory approvals are not obtained or are obtained with amended conditions.

The Plan builds on more than 20 years of scientific work undertaken on the progressive rehabilitation at Ranger and was developed by reference to the Western Australian Mine Closure Plan Guidelines (in the absence of relevant Northern Territory closure plan guidelines). It includes proposed closure criteria for the Ranger mine which addresses the key themes of the final landform, radiation, water, flora and fauna, soils and cultural heritage.

ERA first released the Plan to the public in June 2018, following an intensive stakeholder engagement process with all key stakeholders that commenced with a draft plan in December 2016. Key stakeholders who provided feedback on the draft and subsequent annual updates included the Gundjeihmi Aboriginal Corporation and Northern Land Council (as representatives of the Mirarr Traditional Owners), and Northern Territory and Australian government agencies.

In December 2023, the latest updated Plan was released and will continue to be updated annually in close consultation with Traditional Owner representatives, regulators, and key stakeholders. ERA has submitted the updated plan to the relevant Northern Territory and Australian ministers for approval in compliance with the authorisation.

Jabiru was transitioned to an Aboriginal township lease under Section 19A of the *Aboriginal Land Rights (Northern Territory) Act 1976* (Cth) in June 2021. ERA has remained a major tenant in the town under an interim agreement with the Gundjeihmi Aboriginal Corporation Jabiru Town (GACJT). ERA's licence to occupy the Jabiru properties has been extended to 31 December 2024. The terms and any associated costs of any future license extension to allow ERA to continue to remain in Jabiru are uncertain and will be subject to the approval of GACJT. The process to undertake extensive rectification of the Jabiru properties, transition the houses to third parties, and find alternative accommodation for ERA personnel may result in higher costs than currently projected by ERA.

General Regulatory Risk

Uranium mining in Australia is extensively regulated by Australian, state and territory governments. The areas of uranium mining that are regulated include exploration, development, production, transport, export, taxes and royalties, labour standards, occupational health, waste disposal, protection and rehabilitation of the environment, mine reclamation, mine safety, toxic and radioactive substances, and native title. The approval processes for uranium mining are more onerous, and therefore more costly, than for the mining of other minerals.

Government actions in Australia, and other countries or jurisdictions in which ERA has interests, could impact ERA, including new or amended legislation, guidelines and regulations about the environment, uranium or nuclear power sectors, competition policy, native title, and cultural heritage.

Operational aspects that may be affected include land access rights, granting licences and other tenements, an extended mine life and development approvals. Future legislation and changes in the regulatory framework could cause additional expense, capital expenditures, restrictions and delays in the development of ERA's assets – the extent of which cannot be predicted. Any government action may require increased capital, rehabilitation or other expenditures and could prevent or delay certain activities by ERA, which could have a material adverse effect on ERA's business and its financial position and performance, as well as its ability to meet its rehabilitation obligations.

Jabiluka Mineral Lease

ERA holds title to the Jabiluka Mineral Lease. The Jabiluka Mineral Lease (being an undeveloped property as noted in ERA's 2023 Annual Report) is currently held subject to the Long-Term Care and Maintenance Agreement with the Mirarr Traditional Owners. The Jabiluka deposit cannot be developed without the approval of the Traditional Owners under this agreement. There is currently no such approval to develop the Jabiluka deposit. It is uncertain that this approval will be forthcoming and, by extension, that the Jabiluka deposit will be developed. Should this approval not eventuate in the future, the Jabiluka Mineral Lease would face full impairment.

The initial term of the Lease is due to expire in August 2024. ERA has commenced discussions with stakeholders, including the GAC, concerning any application for renewal of the Lease which is due in 2024. The Jabiluka Mineral Lease makes provision for a further term not exceeding 10 years provided that ERA has complied with all of its obligations under the Jabiluka Mineral Lease and the *Mining Act 1980* (NT). There is a risk that the renewal will not be granted. If the renewal is granted, a renewal of the Jabiluka Mineral Lease beyond the further term of up to 10 years is uncertain and would require the Minister to exercise his or her discretion.

The valuation of Jabiluka requires a high degree of judgement. The carrying value ($90 million) of the Jabiluka Mineral Lease as set out in ERA's 2023 Annual Report, considers the above uncertainties. It also considers other underlying assumptions concerning the valuation of the Jabiluka Mineral Lease, including the probability of future development, uranium oxide prices such as term contract price premiums in the future, foreign exchange rates, production and capital costs, discount rate, ore and mineral resources, lease tenure renewal (August 2024), and development delays. Any change to ERA's underlying assumptions regarding the Jabiluka Mineral Lease may result in a further impairment that could adversely affect ERA's financial position.

Ranger 3 Deeps

On 8 January 2021, ERA ceased to be authorised to conduct mining operations in the Ranger Project Area, accordingly development of Ranger 3 Deeps is not an authorised activity. ERA does not have the authority to mine Ranger 3 Deeps and is not pursuing such authority.

In addition to requiring an authorisation to mine Ranger 3 Deeps, the project would need to be economically viable for it to be developed. ERA has historically assessed the economics of the Ranger 3 Deeps project to be unviable. Considering further work undertaken to rehabilitate the Ranger Project Area, the project would now be required to support a standalone mill and tailings construction, among other infrastructure, which would add fixed costs to the operation, further materially challenging the Ranger 3 Deeps Project's viability. ERA has also completed backfill works on the Ranger 3 Deeps decline.

Given the above, no work is being conducted on further development options for the Ranger 3 Deeps deposit.

Environmental Risk

A condition of the section 41 Authority granted to ERA is that the company must rehabilitate the Ranger Project Area to establish an environment similar to the adjacent areas of Kakadu National Park, so the rehabilitated area could be incorporated into Kakadu National Park, if that is the opinion of the Minister with the advice of the Supervising Scientist, and if the Traditional Owners wish. While substantially complete and agreed upon, certain closure criteria relating to environmental matters require careful management.

The updated Mine Closure Plan for the Ranger Project Area still requires final approvals and agreement from stakeholders, including the Minesite Technical Committees. There is a risk that the process to agree on the environmental conditions will give rise to additional rehabilitation obligations that may impact costs and/or schedule.

The ability for ERA to meet its Ranger closure and rehabilitation obligations requires careful management of various environmental conditions into the future, including preventing:

- pond and process water being discharged to the environment
- impact of surface water on groundwater under the site and surrounding environment
- impact of salt accumulation in dry watercourses during the dry season
- weeds, feral animals and fire from the Kakadu National Park encroaching on the Ranger Project Area
- release, spillage and impact on the surrounding environment of hazardous materials, such as radioactive material, diesel, and acid.

If these environmental conditions are not satisfactorily managed, ERA's ability to complete the rehabilitation program in a timely and cost-effective manner will be at risk and ERA's business and financial position and performance may be materially impacted.

FUTURE SUPPLY

Evaluation and Exploration

In 2023, no evaluation, exploration expenditure or processing activities were performed by ERA in and around the Ranger Project Area site, including the Ranger 3 Deeps project or on the Jabiluka Mineral Lease area.

Ranger 3 Deeps Reserves and Resources

No work is being conducted to further develop options for the Ranger 3 Deeps deposit, in line with ERA ceasing recognition of the Ranger 3 Deeps Mineral Resource in 2020 and the cessation of processing operations in 2021.

Ranger Reserves and Resources

ERA has no remaining Ranger Reserves and Resources due to the conclusion of processing activities under the Ranger Authority.

Jabiluka Reserves and Resources

The Jabiluka Mineral Resource consists of 137,100 tonnes of uranium oxide at a cut-off grade of 0.2% U_3O_8. It is amongst the largest, high-grade undeveloped uranium deposits in the world.

Jabiluka will not be developed by ERA without the approval of the Mirarr Traditional Owners in accordance with the Jabiluka Long Term Care and Maintenance Agreement.

Governance

ERA's Competent Person (as defined in the following pages) is a consultant of ERA. The ERA Board oversees the governance of Resources and Reserves. This includes the annual review and approval of the publicly reported Ore Reserves and Mineral Resources Statement. Internal approval of Ore Reserves and Mineral Resources for ERA, is the responsibility of the Chief Executive and estimates are carried out by a Competent Person, as defined by the Joint Ore Reserve Committee (JORC) Code 2012. The ERA Competent Person uses judgment in carrying out estimates of Ore Reserves and Mineral Resources for ERA, as defined by the JORC Code 2021, including the use of external experts as required.

ERA 2023 Mineral Resources

	As at 31 December 2023 CUT OFF GRADE 0.20% U_30_8			As at 31 December 2022 CUT OFF GRADE 0.20% U_30_8		
	(MT)	% U_30_8	T U_30_8	(MT)	% U_30_8	T U_30_8
Jabiluka Mineral Resources						
Measured	1.21	0.89	10,800	1.21	0.89	10,800
Indicated	13.88	0.52	72,200	13.88	0.52	72,200
Sub-total Measured and Indicated	15.09	0.55	82,900	15.09	0.55	82,900
Inferred Resources	10.00	0.54	54,000	10.00	0.54	54,000
Total Resources	**25.10**	**0.55**	**137,100**	**25.10**	**0.55**	**137,100**

Assessment of Jabiluka Mineral Resource

The Competent Person has assessed the Jabiluka Mineral Resource reporting as required by the JORC 2012 Code and has considered the following facts and assumptions in this appraisal.

1. The continuing role of nuclear energy as a decarbonised energy source and impact on the long-term uranium market as world economies seek to decarbonise and mitigate the effects of climate change over the next 20 to 50 years.
2. The 2005 Long Term Care and Maintenance Agreement specifically requires approval by the Mirarr Traditional Owners and confirms that Jabiluka will not be developed without the approval of the Traditional Owners, which is consistent with the values of ERA.
3. Should the JORC code be updated, or the industry move to a more prescriptive view on Reasonable Prospects for Eventual Economic Extraction (RPEEE), the continued reporting of the Jabiluka Mineral Resource may change in the future.
4. The Rio Tinto Group (ERA major shareholder) has elected in 2022 to no longer report the Jabiluka mineralisation as a Mineral Resource.

Competent persons

As required by the Australian Securities Exchange, the above tables contain details of other mineralisation that has a reasonable prospect of being economically extracted in the future, but which is not yet classified as Proven or Probable Reserves. This material is defined as Mineral Resources under the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC 2012 code). Estimates of such material are based largely on geological information with only preliminary consideration of mining, economic and other factors and are not precise calculations. While in the judgement of the Competent Person there are realistic expectations that all or part of the Mineral Resources will eventually become Proven or Probable Reserves, there is no guarantee that this will occur as the result depends on further technical and economic studies and prevailing economic conditions in the future.

The information in this announcement that relates to Jabiluka Mineral Resources is based on information compiled by geologist Stephen Pevely who is a part-time consultant of ERA. Stephen Pevely is a member of the Australasian Institute of Mining and Metallurgy and has sufficient experience that is relevant to the style of mineralisation, type of deposit under consideration and activity being undertaken to qualify as a Competent Person as defined in the JORC 2012 code. Stephen Pevely, who is a part time consultant of ERA, consents to the inclusion in this announcement of the matters based on their information in the form and context in which it appears.

HEALTH AND SAFETY

One of ERA's core values is maintaining the safety and wellbeing of our people. By working together, ERA believe that injuries, incidents, and occupational illnesses can be prevented, and everyone shall go home safe and healthy each day.

Health, Safety and Environment (HSE) was a high priority for ERA in 2023, with significant investment made by ERA in planning to ensure our workforce went home safely each day. New project HSE routines and rituals were established to identify and control HSE risks including critical risk schedules, daily leader HSE debriefs and daily information sheets. These new tools added to already established programs including the leadership success program, mental wellness programs, PhysioAssist, leadership in the field and a range of health and safety workshops.

ERA's safety goals, accountabilities and systems can be found in the ERA Health, Safety and Environment Management System. The key performance measure of safety at ERA is the All Injury Frequency Rate (AIFR). AIFR measures how often a recordable injury occurs every 200,000 work hours and considers lost time injuries, restricted work injuries and medical treatment cases.

In 2023, ERA celebrated achieving another year free of recordable injuries, resulting in the third consecutive year with an AIFR of 0.0.

Previous year's results have been:

- AIFR 2023 – 0.00
- AIFR 2022 – 0.00
- AIFR 2021 – 0.00
- AIFR 2020 – 0.53
- AIFR 2019 – 1.07
- AIFR 2018 – 0.56
- AIFR 2017 – 1.17

Mental Health and Well-being

Staff mental health and wellbeing was a high priority for ERA in 2023 as the business embedded project capability. Onsite access to an employee assistance program continued to help support mental health within the workforce, which provided face-to-face counselling.

ERA's Peer Support Program continued to be available to the workforce, with many new peer supporters being trained and appointed into this valued role during 2023.

There is a zero-tolerance approach to bullying and harassment at ERA and proactively guided appropriate workplace behaviours are implemented to prevent behavioural escalations.

ERA provided training to leaders on the topic of psychological safety, including why this is important to creating safe, supportive work environments where everyone thrives, and poor behaviour has difficulty existing. All staff continue to have access to the myVoice program to report occurrences of bullying and harassment. The myVoice program helps ERA to effectively investigate reports to ensure employees are supported and ERA continues to be a safe workplace.

Safety Maturity Model

The Safety Maturity Model (SMM) is a global Rio Tinto initiative that drives behaviours and activity to deliver effective health, safety, and environment performance across the four pillars: leadership and engagement; risk management; work planning and execution; and learning and improvement.

ERA achieved a SMM score of 4.3 in 2023, demonstrating an increase in last year's results and improved HSE culture across the business. To achieve this ERA leveraged the project HSE experience of our Integrated Project Management Team (IPMT), in combination with ERA's knowledge of the safety maturity model spanning a 6-year period. Key SMM initiatives imbedded across 2023 were a daily information sheet (DIS), communicating timely HSE messages to the workforce, daily field leadership debrief meetings, a strong culture of incident reporting and implementing learnings from near-miss events, and wide-spread use of HSE recognition programs.

Process Safety

In 2023, ERA continued a control-based process safety approach with almost 100 controls being verified each month to ensure ERA does not experience a high consequence, low probability incident, protecting our people, people of the Jabiru region and the environment. Verification of process safety controls involved a large cross-section of the business, from operators and maintainers working within the Brine Concentrator, to members of the ERA Executive (ExCo) team completing Critical Control Monitoring Plans.

Emergency Response

ERA's Emergency Response Team are trained to respond and provide support to onsite and offsite incidents, including site evacuations, fires, and vehicle accidents. In 2023, ERA provided support to the local government emergency services for multiple off-site incidents. ERA maintained a well-trained team of Emergency Services Personnel across 2023, ready to support emergency responses for various work fronts, including those within confined spaces, work at heights and work over water.

Radiation Monitoring

ERA monitors radiation at the Ranger Project Area in accordance with the Company's Radiation Policy and Radiation Management Plan. All radiation dose results continue to be reviewed internally by ERA and external regulators. Quarterly occupational radiation dose data for designated workers at the Ranger Project Area are provided to the Australian Government's Australian Radiation Dose Register (ANRDR).

In 2023, preliminary analysis of the available data on radiation doses received by workers at the Ranger Project Area remain well under the national and international dose limits and the natural background radiation levels. In 2023, ERA maintained compliance with all relevant state and Australian regulatory requirements for radiation safety and security.

ERA did not have any designated workers (workers who may be exposed to radiation that exceeds 5 millisieverts (mSv) per year) in 2023, due the nature of the rehabilitation works being undertaken on the project.

The below table provides a summary of maximum and mean annual radiation doses received by workers at the Ranger Project Area over the past 12 months from the third Quarter of 2022. Reported doses have increased slightly from the 2022 annual report due to an increase in standard dose coefficients (updated by the Australian Government regulators in mid-2022 to adopt changes made by international authorities).

	DESIGNATED WORKERS (mSv)		NON-DESIGNATED WORKERS (mSv)	
Timeframe	**Mean**	**Max**	**Mean**	**Max**
2022 Q3	N/A	N/A	0.0	0.18
2022 Q4	N/A	N/A	0.21	0.22
2023 Q1	N/A	N/A	0.06	0.42
2023 Q2	N/A	N/A	0.08	0.135

The full radiation doses received by workers in 2023 will be reported in the Annual Ranger Mine Radiation Protection and Atmospheric Monitoring Report.

REGULATORY FRAMEWORK

Uranium mining activities in Australia are strictly regulated by the Australian and state or territory governments.

The purpose of these regulations is to ensure performance and compliance of all uranium activities in a range of critical areas. These include health and safety, process safety, safely managing toxic and radioactive substances, waste disposal, transport safety, export controls, protecting and rehabilitating the environment, native title, exploration and development, taxes and royalties, labour standards and mine reclamation.

International agreements designed to prevent nuclear proliferation also govern the mining and export of uranium.

Exports are subject to strict safeguards and conditions to ensure Australian uranium is only used for peaceful purposes.

Regulation of ERA's Operations

Australian and Northern Territory legislation provides the regulatory framework for all of ERA's activities, including rehabilitation, monitoring, and closure.

ERA's activities on the Ranger Project Area and Jabiluka Mineral Lease are closely supervised and monitored by key statutory bodies and stakeholder organisations including:

- Northern Territory Department of Industry, Tourism and Trade (DITT), the Australian Government Department of Industry, Science and Resources (DISR), the Office of the Supervising Scientist (OSS), the Gundjeihmi Aboriginal Corporation (GAC) and the Northern Land Council (NLC) representing the Mirarr Traditional Owners
- Alligator Rivers Region Advisory Committee (including non-government organisation representatives)
- Alligator Rivers Region Technical Committee (including non-government organisation representatives).

The Ranger and Jabiluka Minesite Technical Committees – made up of representatives from ERA, DITT, OSS, GAC and NLC (with DISR as observers) and are the key forums for approvals on environmental matters relating to Ranger and Jabiluka.

The Alligator Rivers Region Advisory Committee (ARRAC) provides a formal forum for consultation on matters relating to the effects of uranium mining activities on the environment in the region. Committee members include representatives of the Northern Territory Government, Australian Government, NLC, Aboriginal associations, mining companies (including ERA), West Arnhem Regional Council, Northern Territory Environment Centre and other members who may be appointed by the Australian Government's Minister for the Environment. Further information on ARRAC can be found at: https://www.dcceew.gov.au/science-research/supervising-scientist/communication/committees/arrac

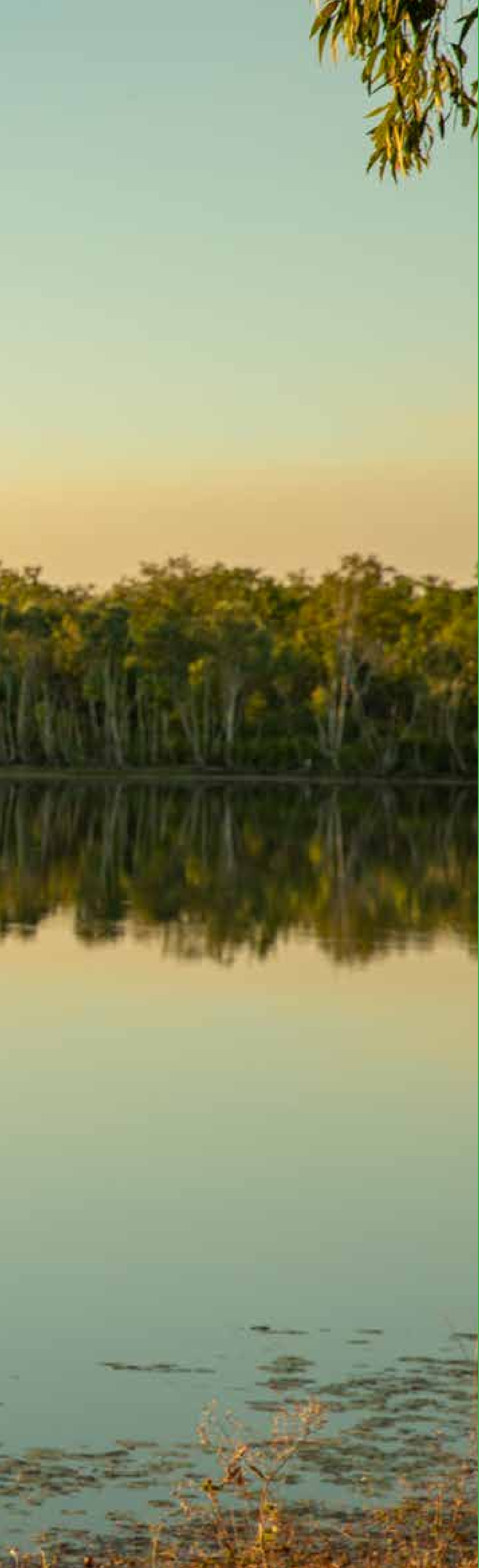
The Alligator Rivers Region Technical Committee (ARRTC) also oversees the nature and extent of research being undertaken to protect and restore the environment from any effects of uranium mining in the Alligator Rivers Region.

The 10 ARRTC members include independent scientists nominated by the Federation of Australian Scientists Branch and Technological Societies with the remaining representatives being drawn from the OSS, Northern Territory Government, Uranium Equities Ltd, NLC, Parks Australia and an environmental non-government organisation. Further information on ARRTC can be found at: https://www.dcceew.gov.au/science-research/supervising-scientist/communication/committees/arrtc

International and Australian Certification

ERA maintains international certification (ISO 14001) of its Health, Safety and Environment Management System, which includes the Company's Water Management System.

ERA also maintains Australian certification (AS4801) of its Health, Safety and Environment Management System including the Ranger Radiation Management System.



FINANCIAL REPORT

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DIRECTORS' REPORT

Directors

RICK DENNIS

INDEPENDENT NON-EXECUTIVE DIRECTOR AND CHAIR

BCom, LLB, CA

Mr Dennis was appointed as an independent Non-Executive Director in November 2022 and Independent Chair on 31 January 2023.

Mr Dennis is Chair of the Audit and Risk Committee and Independent Board Committee and a member of the Remuneration Committee and Disclosure Committee.

Mr Dennis had 35 years with global professional services firm Ernst & Young and was Queensland Managing Partner from 2001-2007. He held several executive and board roles at EY, including Chief Operating Officer in Oceania, and Deputy Chief Operating Officer and Chief Financial Officer for the Asia-Pacific practice from 2010-2014 where he was responsible for overseeing the financial and operational integration of the Australian and Asian member firms.

Mr Dennis is currently non-executive Chair of ASX listed AF Legal Group Limited and Motorcycle Holdings Limited, and a non-executive director of Cettire Limited, Apiam Animal Health Limited and Step One Clothing Limited.

Mr Dennis is dual qualified in law and commerce.

BRAD WELSH

CHIEF EXECUTIVE AND MANAGING DIRECTOR

LLB, MMINENG

Mr Welsh was appointed as Acting Chief Executive of ERA in October 2021 and appointed as Chief Executive and Managing Director in February 2022.

Mr Welsh is a member of the Rehabilitation Committee, Sustainability Committee and Disclosure Committee.

Mr Welsh is from the Muruwari tribe in north-western New South Wales, and grew up in the Aboriginal community of Redfern, Sydney. Prior to joining ERA, Mr Welsh was the Chief Advisor Closure Strategy Non-Managed Assets with Rio Tinto.

Mr Welsh's previous roles include Chief Advisor Indigenous Affairs with Rio Tinto and Acting General Manager of the Weipa bauxite operation in Northern Queensland which made Mr Welsh the first Indigenous general manager operations in Rio Tinto's history. Mr Welsh is currently a non-executive director of ASX listed NIB Holdings Ltd, and a director of NIB Health Funds Limited.

HON. KEN WYATT

INDEPENDENT NON-EXECUTIVE DIRECTOR

AM, JP, BED, DIPED, DIPT

Hon Ken Wyatt AM JP was appointed as an independent Non-Executive Director in December 2022.

Mr Wyatt is Chair of the Remuneration Committee and a member of the Independent Board Committee and Sustainability Committee.

As a proud Noongar, Yamatji and Wongi man, Mr Wyatt brings extensive experience and a unique perspective to the Board of ERA. Mr Wyatt served as the Member for Hasluck in the Federal Parliament from 2010 to 2022. He was the first Indigenous Australian appointed to the Commonwealth Ministry and first Aboriginal Australian to serve in Cabinet when he was appointed Minister for Indigenous Australians (2019-2022).

Mr Wyatt served as Australia's first Indigenous Minister for Indigenous Australians, where he was able to secure the historic National Agreement on Closing the Gap and established the Indigenous Voice. He also pioneered the National Roadmap on Indigenous Skills, Jobs and Wealth Creation and was instrumental in the Commonwealth Government securing the copyright to the Aboriginal Flag.

Not only has Mr Wyatt had an extensive career in health, education, Aboriginal Affairs and Aboriginal Land issues before entering politics, he has also made an enormous contribution to the wider community. This was recognised in 1996 when he was awarded the Order of Australia in the Queen's Birthday Honours list and in 2000 the Centenary of Federation Medal for 'his efforts and contribution to improving the quality of life for Aboriginal and Torres Strait Islander people and mainstream Australian society in education and health.'

STUART GLENN

INDEPENDENT NON-EXECUTIVE DIRECTOR

BSC, CSEP, MAICD

Mr Glenn was appointed as an independent Non-Executive Director in February 2023.

Mr Glenn is Chair of the Rehabilitation Committee and a member of the Independent Board Committee and Audit and Risk Committee.

Mr Glenn has served as a professional Company Director for over 10 years where he is focused on asset management, project delivery and business improvements through better project management, increased data analytics and the introduction of accurate and timely reporting and controls. Prior to this, he had a successful executive management career, both in Australia and overseas in the Transport Infrastructure and Energy Sectors and held senior executive roles at Parson's Brinckerhoff International (now known as WSP) who provides professional engineering, project management and program management services to global infrastructure projects.

Mr Glenn has held Chair and non-executive director roles in the Infrastructure, Oil & Gas, Planning and Energy sectors. He is currently the Chairman of Nukon Pty Ltd (a subsidiary of Sage Group Ltd) and a non-executive director of Sage Group Holdings Pty Ltd.

Mr Glenn is a graduate of Columbia University and Murdoch University and is a member of the Australian Institute of Company Directors.

JUSTIN CAREY

NON-EXECUTIVE DIRECTOR

BCom

Mr Carey was appointed as a Non-Executive Director in August 2019. Mr Carey was Interim Chair from October 2022 to 31 January 2023.

Mr Carey is a member of the Rehabilitation Committee, Disclosure Committee and Audit and Risk Committee.

Mr Carey brings extensive financial, technical and corporate experience, with over 25 years' experience in a variety of commercial finance roles, with 20 of those years' experience within the mining industry. In that time, Mr Carey spent two and a half years as CFO for Oyu Tolgoi LLC based in Mongolia.

Since leaving Mongolia, Mr Carey has held various roles within the Rio Tinto corporate finance team, including as finance officer for the Group's corporate entities and leading the Group's planning and forecasting processes as the General Manager Financial Planning & Analysis.

Mr Carey has served on several Rio Tinto entity boards and brings extensive experience in corporate governance and control processes.

ROSEMARY FAGEN

NON-EXECUTIVE DIRECTOR

MSc Biochemistry, MBA/GDM, AGSM GAICD

Ms Fagen was appointed as a Non- Executive Director in February 2022.

Ms Fagen is Chair of the Sustainability Committee and a member of the Remuneration Committee.

Ms Fagen was the Head of Operational Excellence, People; Office of the Chief Operating Officer of Rio Tinto until January 2024. As part of the Chief Operating Officer's core team, Rosemary drove transformational change to the business with the introduction of the Rio Tinto Safe Production System. She provided the strategic approach to change management, ensuring the business is resourced, ready, empowered and engaged to bring together proven tools, rituals and leading practices into the one framework.

Ms Fagen holds post-graduate degrees in biochemistry and business administration. Ms Fagen has a wide variety of experience including overseeing Copper & Diamonds' human resources strategies, processes and functions as Vice President, People & Organisation. Prior to this, Ms Fagen was Vice President, Human Resources Rio Tinto's Energy group from 2010 to 2014. Before joining Rio Tinto, Ms Fagen held positions in the aviation sector including Executive Vice President, Human Resources for Qatar Airways and held senior human resources leadership positions with Qantas Group and AWA Limited.

ALFIE GRIGG

NON-EXECUTIVE DIRECTOR

LLB(HONS), BBUS

Mr Grigg joined the ERA Board as a Non-Executive Director in January 2024.

Mr Grigg is currently Chief Counsel – Minerals at Rio Tinto, supporting Rio Tinto's strategic growth activities in the battery minerals sector. Mr Grigg joined Rio Tinto in 2007 and has held a range of senior legal, regulatory and commercial roles across corporate and operational areas of Rio Tinto.

Prior to joining the ERA Board, Mr Grigg was a non-executive director on the board of the NYSE and TSE listed Turquoise Hill Resources (TRQ) (through which Rio Tinto holds its interest in the Oyu Tolgoi mine in Mongolia) from 2020 until Rio Tinto's 100% acquisition of the minority interests of TRQ in December 2022 and it's subsequent delisting, as well as being director and chair of a number of incorporated and unincorporated joint venture boards.

Mr Grigg holds a Bachelor of Laws (Hons), and a Bachelor of Business (Management) from Monash University. He is a member of the Australian Institute of Company Directors.

JACQUES VAN TONDER

NON-EXECUTIVE DIRECTOR

MBAProjMgt, MMaint&AssMgt, GAICD

Mr van Tonder joined the ERA Board as a Non-Executive Director in May 2020 and resigned on 31 December 2023.

Mr van Tonder is a member of the Rehabilitation Committee.

Mr van Tonder joined Rio Tinto more than 20 years ago and has held senior operational management roles at Palabora, Robe Valley, Cape Lambert Operations, Hope Downs 4 and Argyle. Mr van Tonder has been a senior leader in the Rio Tinto Group Technical functional team since 2017 and has been instrumental in leading the Asset Management global transformation programme as head of the Asset Management Centre of Excellence.

Executive Committee

RICHARD PREST

CHIEF FINANCIAL OFFICER AND JOINT COMPANY SECRETARY

BE Chemical, MBA, AAICD

Mr Prest was appointed as Chief Financial Officer in March 2021 and appointed as joint Company Secretary in December 2021.

Mr Prest brings substantial financial leadership, business development and transformation skills to ERA. Mr Prest has spent more than 30 years in the resources sector and brings previous experience as a CFO, General Manager of Finance and Director for Rio Tinto including Gove Operations in the Northern Territory.

Mr Prest has a degree in Chemical Engineering and a Master of Business Administration.

BERNARD TOAKLEY

PROJECT DIRECTOR

Mr Toakley joined Energy Resources of Australia in October 2022 as Project Director.

Prior to joining ERA, Mr Toakley held senior project leadership positions with major energy companies and contractors both nationally and internationally.

STEPHANIE SO

JOINT COMPANY SECRETARY

BCom, LLB, Grad Dip CA, Grad Dip Applied Corp. Gov.

Ms So was appointed as Joint Company Secretary in April 2023.

Ms So has over a decade of governance experience working with private, public and listed companies across a number of industries, and has extensive experience in company secretarial, board and corporate governance matters. Ms So was previously a principal listings adviser at the ASX where she had extensive involvement in the oversight of listed entities and specialised in ASX Listing Rule compliance including policy and development, initial public offerings, capital raisings and other corporate activities.

Ms So is dual qualified in law and commerce and is a Fellow of the Governance Institute of Australia.

DIRECTORS' REPORT

Directors

The persons who served as directors of ERA throughout 2023 and until the date of this Directors' Report are:

- Richard (Rick) Dennis was appointed as Independent Non-Executive Chair on 31 January 2023
- Brad Welsh, having been initially appointed as Acting Chief Executive on 4 October 2021, was subsequently appointed as Chief Executive and Managing Director on 18 February 2022
- Jacques van Tonder was appointed as Non-Executive Director on 29 May 2020 and resigned as Non-Executive Director on 31 December 2023
- Rosemary Fagen was appointed as Non-Executive Director on 1 February 2022
- Justin Carey was appointed Interim Chair on 6 October 2022 and reverted to Non-Executive Director on 31 January 2023
- Hon. Ken Wyatt was appointed as Independent Non-Executive Director on 19 December 2022
- Stuart Glenn was appointed as Independent Non-Executive Director on 3 February 2023
- Alfred (Alfie) Grigg was appointed as Non-Executive Director on 1 January 2024.

Details of the qualifications, experience and special responsibilities of the current Directors of ERA are set out on pages 40 to 43 of this report.

Meetings of Directors

The number of Directors and committee meetings held, and the number of meetings attended by each of the Directors of the Company during the financial year are shown below.

	Committee appointments	DIRECTORS[6]	AUDIT AND RISK COMMITTEE[6]	REMUNERATION COMMITTEE[6]	SUSTAINABILITY COMMITTEE[6]	REHABILITATION COMMITTEE[6]	OTHER[6,7]
R Dennis[1]	© Audit & Risk Committee, Remuneration Committee	12/12	4/4	2/2	-	-	10/10
B Welsh	Rehabilitation Committee, Sustainability Committee	12/12	-	-	2/2	8/8	-
K Wyatt	Sustainability Committee, © Remuneration Committee	10/12	-	2/2	2/2	-	7/10
S Glenn[2]	© Rehabilitation Committee, Audit & Risk Committee	11/12	4/4	-	-	8/8	8/10
J Carey[3]	Rehabilitation Committee, Audit & Risk Committee	11/12	4/4	-	-	5/6	-
R Fagen	© Sustainability Committee, Remuneration Committee	10/12	-	2/2	2/2		-
J van Tonder[4]	Rehabilitation Committee	6/12	-	-	-	4/5	-
A Grigg[5]		-	-	-	-	-	-

Note 1 Appointed as a Director 23 November 2022. Appointed as Chair effective 31 January 2023.
Note 2 Appointed as a Director 3 February 2023.
Note 3 Mr Carey attended meetings in his role as Interim Chair effective 6 October 2022 – 31 January 2023.
Note 4 Mr van Tonder resigned as a Non-Executive Director, effective 31 December 2023.
Note 5 Mr Grigg was appointed as a Director on 1 January 2024.
Note 6 Number of meetings attended / maximum the Director was eligible to attend.
Note 7 Other meetings include meetings of the Independent Board Committee and Disclosure Committee.

Board committee membership key

© Committee Chair
Audit & Risk Committee
Rehabilitation Committee
Remuneration Committee
Sustainability Committee

Following the resignation of Independent Non-Executive Directors Peter Mansell, Shane Charles and Paul Dowd, all Board Committees were suspended on 13 October 2022. The Rehabilitation Committee was re-established on 16 December 2023. The Independent Board Committee (IBC) was re-established on 31 January 2023 and remaining Committees were re-established on 16 February 2023.

DIRECTORS' REPORT

Interests of Directors

The interests of each Director in the share capital of the Company and its related body corporates as at 12 March 2024 are shown below:

DIRECTORS	ENERGY RESOURCES OF AUSTRALIA LTD ORDINARY SHARES	RIO TINTO LIMITED ORDINARY SHARES	RIO TINTO LIMITED CONDITIONAL INTERESTS IN ORDINARY SHARES
B Welsh	-	6,763	2,347
S Glenn	-	149	-
J Carey	-	8,044	2,009
R Fagen	-	40,266	8,539
J van Tonder[1]	-	-	6,562
A Grigg	-	14,491	2,665

NB Mr Dennis and Mr Wyatt do not hold shares or conditional interests in shares in Rio Tinto Limited.
Note 1 Mr van Tonder resigned as a Non-Executive Director, effective 31 December 2023

DIRECTORS' REPORT

Remuneration report

The Remuneration Report is set out under the following main headings:

A. Board oversight of remuneration

B. Principles used to determine non-executive Directors' remuneration

C. Principles used to determine executive remuneration

D. Details of remuneration

E. Executive service agreements

F. Share based compensation

G. Additional information

The information provided in the Remuneration Report has been audited by the Company's independent auditor as required by section 308(3C) of the *Corporations Act 2001*.

A Board oversight of remuneration

The Remuneration Committee is responsible for reviewing and where appropriate making recommendations to the Board in respect of the following matters:

- Remuneration framework and policies (including key performance indicators) for the Company's senior executives
- Remuneration and performance of the Company's senior executives
- Remuneration of the Company's non-executive Directors
- Remuneration disclosures to be made by the Company
- Other relevant matters identified as requested by the Board.

The Remuneration Committee Charter is available at the Corporate Governance section of ERA's website.

B Principles used to determine non-executive Directors' remuneration

Fees and payments to non-executive Directors reflect the demands which are made on, and the responsibilities of, the non-executive Directors. The Remuneration Committee reviews and makes recommendations to the Board regarding non-executive Directors' remuneration.

These fees are comprised of a base fee and any fees payable to non-executive Directors for their membership on established committees of the Board. ERA does not pay retirement or post-employment benefits to non-executive Directors, however statutory superannuation contributions are paid to non-executive Directors.

In addition, from time to time, the Board may approve that non-executive Directors receive additional fees for services provided outside the established committee processes.

The following principles are applied in determining the remuneration of non-executive Directors:

- The responsibilities of, and time spent by, the non-executive Directors on the affairs of ERA, including preparation time
- Acknowledgement of the personal risk borne as a Director
- Comparison with professional market rates of remuneration to remain competitive with the market having regard to companies of similar size and complexity
- The desire to attract Directors of a high calibre with appropriate levels of expertise and experience.

At the 2023 Annual General Meeting, a resolution to increase the limit of aggregate remuneration for non-executive Directors of ERA to $1,100,000 was approved with 99.97% of shares voting in favour.

At the 2023 Annual General Meeting, the 2022 Remuneration Report was approved with 99.99% of shares voted in favour. The aggregate amount of non-executive Directors' remuneration paid in 2023 was approximately $1,022,000 inclusive of statutory superannuation.

DIRECTORS' REPORT

The non-executive Directors' fees were last reviewed by the Board in November 2023. The annual fees for non-executive Directors for 2023 (excluding superannuation) were as follows:

	2023	2022
Chair	**$203,593**	$194,826
Non-Executive Director	**$113,107**	$108,237
Audit and Risk Committee Chair[1]	**$27,146**	$25,977
Audit and Risk Committee Member[1]	**$14,998**	$14,352
Sustainability Committee Chair[1]	**$23,074**	$22,080
Sustainability Committee Member[1]	**$14,998**	$14,352
Remuneration Committee Chair[1]	**$23,074**	$22,080
Rehabilitation Committee Chair[1]	**$23,074**	-
Rehabilitation Committee Member[1]	**$14,998**	-
Independent Board Committee Chair[1]	**$23,074**	-
Independent Board Committee Member[1]	**$14,998**	$14,352

Note 1 Fees are payable in addition to Chair and non-executive Director fees.

The Board also confirmed that all non-executive Director and Committee fees should increase by a percentage equal to the average increase awarded to employees across the Company until the next detailed review is conducted.

C Principles used to determine executive remuneration

The Remuneration Committee is responsible for reviewing executive remuneration and where appropriate making recommendations to the Board.

The *Corporations Act 2001* and relevant Accounting Standards require disclosures in respect of "key management personnel" being those persons having authority and responsibility for planning, directing and controlling the activities of the Company.

The key management personnel are the senior executives of the Company reporting directly to the Chief Executive in addition to the Directors. Throughout this Remuneration Report the key management personnel who are not Directors are collectively referred to as "senior executives".

As the Company is a member company of the Rio Tinto Group, it generally implements the remuneration policies and procedures determined by the Rio Tinto Remuneration Committee and applied to senior management personnel across the wider Rio Tinto Group to determine the remuneration of the Chief Executive and senior executives. As a member of the Rio Tinto Group, ERA's Chief Executive and Chief Financial Officer are seconded from Rio Tinto and are hence drawn from the talent pool of executives in the wider Rio Tinto Group. It is the view of the Remuneration Committee (which has been endorsed by the Board) that a company of ERA's size, scope and remote location would have significant difficulty in attracting executives of the calibre necessary to ensure superior performance or in retaining them for significant periods if this arrangement was not in place. Under these circumstances, the Board believes that the general application of the Rio Tinto remuneration framework to ERA's senior executives, with appropriate review by the Company's Remuneration Committee, is of benefit to ERA.

For the purposes of assessing the appropriate level of remuneration, the Australian resources sector is considered the most relevant comparator group. Additional references are also made to other relevant supplementary comparator groups. Typically, base salaries are positioned at the median of these comparator groups, while incentive plans are designed with the potential to deliver total remuneration outcomes across the full market range according to business and individual performance. The related costs of these programs are recognised in the Company's financial statements.

Executive remuneration, including base salary and short and long term incentive plan awards and other terms of employment are reviewed annually having regard to the evaluation of individual and business performance against goals set at the start of the year, global economic conditions and relevant comparative information. As well as base salary, remuneration packages may include fringe benefits such as medical insurance, car, rent and other allowances, superannuation, retirement entitlements and short and long term incentives.

The annual performance evaluation and management process for 2023 included formal consultation between the Chair (based on the Remuneration Committee's review and recommendations) and the Rio Tinto Chief Executive Australia, regarding the Chief Executive of the Company, and between the Remuneration Committee and the Chief Executive of the Company regarding the senior executives.

An annual performance evaluation of the Chief Executive and senior executives was undertaken in 2023.

The executive pay and reward framework is designed to provide a total remuneration package which is competitive in the market, aligns total remuneration with delivered individual and short and long term business performance, strikes an appropriate balance between fixed and variable components, links variable components to the achievement of challenging individual and business performance targets, and ensures the attraction, motivation and retention of the high calibre senior executives required to lead the Company.

DIRECTORS' REPORT

The executive pay and reward framework has four components:

- Base salary and benefits
- Short term incentive plans
- Long term incentive plans through participation in the Rio Tinto Equity Incentive Plan (EIP), share-based remuneration, including management share awards (MSA), performance share awards (PSA) and bonus deferral awards (BDA) where applicable
- Other remuneration such as superannuation.

Performance and non-performance related remuneration

Total remuneration is a combination of the fixed, performance and service related elements described in this report. The short and long term incentives are the variable components of the total remuneration package and are therefore "at risk". They are tied to achievement of specific business measures, individual performance and service. Other components are referred to as "fixed" as they are not at risk.

The long term incentive plans are designed to provide a target expected value of 30% of base salary for the senior executives and the Chief Executive, delivered in any one year through Rio Tinto Management Share Awards (MSAs) and Performance Share Awards (PSAs). In 2023 only MSAs were awarded to the ERA Chief Executive and senior executives.

Excluding post-employment and non-monetary benefits, the proportion of total direct remuneration, assuming maximum award levels and maximum levels of performance, provided by way of variable at risk components as at 31 December 2023 for the Chief Executive and senior executives was 51%. The actual proportion of total direct remuneration provided by way of variable performance related components will differ from these percentages depending on measured Company, Rio Tinto and individual performance and the current blend of share plans.

Base salary

Base salary is set at a level consistent with market expectations within the wider Rio Tinto remuneration framework and may be delivered as a mix of cash and prescribed non-financial benefits. It is targeted broadly at the median of companies of similar size, global reach and complexity, including other large natural resource companies. Base salary is reviewed annually and adjusted taking into account the individual and Company performance, global economic conditions, role responsibilities, an assessment against comparator groups, internal relativities and base salary budgets applying to the broader employee population.

Short term incentive plan

The short term incentive plan provides a bonus opportunity and is designed to support the overall remuneration policy by focusing management personnel on calendar year performance against challenging individual and business targets.

Short term incentive performance conditions

Individual performance is reviewed against relevant targets and objectives annually. The Chief Executive and senior executives (excluding the Project Director) of the Company have 40% of their performance-based bonus based on business measures, with the remainder based on individual measures.

The bonus payments shown as remuneration relate to performance in 2023.

The Company's business performance measures for 2023 used in the determination of short-term incentive plan payments were:

- Safety - All Injury Frequency Rate, and measures relating to Safety Maturity & Major Safety Incidents
- Rio Tinto Group Financials - underlying earnings and cashflow
- Business – Brine concentrator performance and improvement, timely completion of the 2022 Feasibility Study, cultural and stakeholder metrics and the 2023 Funding Strategy.

Incentive plans

As previously outlined, the Remuneration Committee believes that the general application of the Rio Tinto remuneration framework (including the EIP to ERA's Chief Executive and senior executives, with appropriate review by the Remuneration Committee) is of benefit to the Company. During 2023, the Remuneration Committee reviewed the position for future years.

Awards under the EIP can take the form of:

- Conditional Awards - under which the participant receives shares for free automatically to the extent the award vests (which may be subject to the achievement of performance conditions)
- Forfeitable Shares - under which the participant receives free shares on grant, which must be given back to the extent the award lapses
- Other forms of awards are permitted under the EIP and may be used in the event the Rio Tinto Groups remuneration approach changes.

Inclusion of other award types is to provide for sufficient flexibility in the future should the Group's remuneration approach change during the life of the Plan. Awards may also be granted or settled on vesting as cash awards.

An award may be granted on the basis that it will normally only vest to the extent that a performance condition, set by the Rio Tinto People &

DIRECTORS' REPORT

Remuneration Committee at the time of grant, is satisfied by Rio Tinto. However, awards representing deferred bonuses will not be subject to performance conditions. The vesting of awards granted to executive directors (other than bonus deferred awards) will always be subject to a performance condition, except as otherwise permitted by Rio Tinto's Remuneration Policy. During the reporting period these incentive plans were not part of ERA's executive pay and reward framework.

Conditional awards will be granted on the basis that the participant will receive dividend equivalents for the vesting period (in additional shares or cash) when and to the extent that, the award vests or is exercised. The dividend equivalent will be calculated based on the aggregate value of dividends paid during the vesting period unless the Rio Tinto People & Remuneration Committee decides to use a different approach.

When applicable, awards will normally vest, to the extent that any performance condition is met, at the end of a period set when the award is granted or the end of the period over which any performance condition is tested. Shares will be issued or transferred to the participant on vesting. Vesting may be delayed where a participant is subject to any external investigation or similar circumstances.

If Rio Tinto was subject to a change of control, awards will vest subject to the extent to which any performance condition has been satisfied. Alternatively, participants may be allowed or required to exchange their awards for equivalent awards over shares in the acquiring company. If awards vest, the awards will be pro-rated unless the Rio Tinto People & Remuneration Committee decides otherwise. However, no pro rating will apply to deferred bonus awards or on performance share awards where the participant leaves more than three years after the grant.

Awards

The current intention remains that awards will be made under the EIP in the form of Conditional Awards in line with the Rio Tinto Group's Remuneration Policy.

Performance Share Awards

Performance Share Awards (**PSA**), provide a conditional right to Rio Tinto shares to eligible senior management personnel within the Rio Tinto Group. Award levels under the EIP are at the discretion of Rio Tinto and the ERA Remuneration Committee.

The conditional awards only vest if the performance condition set by the Rio Tinto People & Remuneration Committee is satisfied by Rio Tinto, although the Rio Tinto People & Remuneration Committee retains discretion to satisfy itself that satisfaction of the performance condition is a genuine reflection of the underlying performance of the business. Prior to the vesting of conditional awards, Rio Tinto's Total Shareholder Return (**TSR**) performance against the performance condition is calculated independently by Deloitte.

Subject to the Rio Tinto People and Remuneration Committee approval, awards vest based on the Rio Tinto Group's TSR performance over a five-year performance period. The vesting of the PSA granted in 2019 was subject equally to relative TSR against the S&P Global Mining Index (transitioned from the EMIX Global Mining Index following its decommissioning on 31 July 2023), and the MSCI World Index.

Management Share Awards

Management Share Awards **(MSA)** are conditional grants of Rio Tinto shares to eligible employees of the company which will vest, wholly or partly, upon expiry of a three-year vesting period. Award levels under the EIP are at the discretion of Rio Tinto.

Other share plans

All employees of the company may participate in Rio Tinto share purchase plans applicable at particular locations. Under the plan (known as and referred to later in this report as myShare), employees may acquire shares up to the value of US$5,250 (or local currency equivalent) per year, capped at 15% of their base salary. Each share purchased will be matched by Rio Tinto and paid by ERA (currently at a ratio of one for one) providing the participant holds the shares and remains employed at the end of the three-year vesting period. Further details are at Note 30 to the Financial Statements.

Share dealing policy

The participation of the Chief Executive and senior executives in the Rio Tinto share plans involving the awarding of Rio Tinto securities at a future date, and any grants of shares and options under these plans, is subject to and conditional upon compliance with the terms of the 'Rio Tinto Securities Dealing Policy' (**Dealing Rules**). The Dealing Rules for dealing expressly prohibit the limiting of exposure to economic risk in relation to such securities, and are available on the Rio Tinto website at www.riotinto.com.

DIRECTORS' REPORT

D Details of remuneration

Details of the remuneration of each non-executive and executive Director and each of the senior executives in respect of their services to the Company are set out in the following section.

Non-executive Directors of Energy Resources of Australia Ltd

		SHORT TERM BENEFITS		POST EMPLOYMENT BENEFITS		
		DIRECTORS FEES ($000)	CASH BONUS ($000)	NON-CASH BENEFITS ($000)	SUPER-ANNUATION ($000)	TOTAL ($000)
R Dennis[1]	2023	251	-	-	27	278
	2022	11	-	-	1	12
K Wyatt	2023	161	-	-	17	178
	2022	5	-	-	-	5
J Carey	2023	127	-	-	-	127
	2022	107	-	-	-	107
R Fagen	2023	134	-	-	-	134
	2022	98	-	-	-	98
S Glenn[2]	2023	161	-	-	17	178
J van Tonder[3]	2023	127	-	-	-	127
	2022	118	-	-	-	118
P Mansell[4]	2022	185	-	-	19	204
S Charles[4]	2022	123	-	-	13	136
P Dowd[4]	2022	120	-	-	12	132
Total 2023		961	-	-	61	1,022
Total 2022		767	-	-	45	812

Note 1 Appointed as a Director 23 November 2022. Appointed as Chair effective 31 January 2023.
Note 2 Appointed as a Director 3 February 2023.
Note 3 Resigned as a Director 31 December 2023.
Note 4 Resigned as a Director 6 October 2022.

Executive Director and senior executives

Set out below is an overview of the remuneration paid to the Executive Director and senior executives in 2023. This includes details of the key elements of remuneration and a summary of total remuneration for 2023.

Brad Welsh

Base salary

Mr Welsh's base salary was reviewed annually with reference to the underlying performance of ERA and the Rio Tinto Group, global economic conditions, role responsibility, individual performance, an assessment against relevant comparator groups, internal relativities and base salary budgets applying to the broader employee population.

On 31 December 2023, Mr Welsh's base salary was $416,551 (31 December 2022 $400,530).

Short term incentive plan objectives

The following individual objectives were set for Mr Welsh for 2023:

- Prevent high consequence safety and environmental events. Demonstrate health, safety and environment leadership and lead sustained improvement in health and safety and performance
- Embed project capability within ERA to support transition to a suitable project execution model
- Deliver key Ranger Rehabilitation milestones including wicking completion and Feasibility Study, and identify strategies for enhanced water management and in sourcing of Brine Concentrator operations
- Provide high quality support to the Independent Board committee in respect a funding solution to meet future rehabilitation obligations
- Progress negotiations on the Atomic Energy Act 1953 amendments to allow ERA sufficient time to carry out rehabilitation
- Deliver an enhanced safety and project culture including implementation of Everyday Respect outcomes and improved employee engagement.

Short term incentive plan outcomes

Mr Welsh's achievement against his 2023 individual objectives was assessed against individual and business criteria.

Mr Welsh's 2023 short term incentive plan appraisal relates to his performance in the role of ERA Chief Executive and was assessed at 96.8% out of 200%. The individual performance component representing 60% and business performance representing 40%, with an appraised score of 80% and 122% respectively.

Detailed outcomes are below:

- All Injury Frequency Rate to 0.00 (2022; 0.00)
- Enhanced project capability embedded and program management model adopted
- Key Rehabilitation milestones met
- Funding solution successfully completed in May 2023
- Atomic Energy Act 1953 Amendment negotiations were constructively progressed throughout 2023
- Everyday Respect initiatives including camp liveability enhancements completed, improved employee engagement demonstrated through internal survey outcomes.

Long term incentive plan awards granted

Award levels are set to incentivise executives to provide sufficient retention for the executive team and to contribute to the competitiveness of the overall remuneration package. The value of the MSAs granted to Mr Welsh in 2023, based on the expected value calculations performed by independent advisors, was 30% of base salary. The award is not subject to any performance conditions.

Total remuneration

The table below provides a summary of Mr Welsh's total remuneration disclosed for ERA for 2023. The purpose of this table is to enable shareholders to better understand the actual remuneration received and to provide an overview of the actual outcomes of the Company's remuneration arrangements.

(STATED IN $'000)	2023	2022
Base salary paid[1]	390	379
STIP cash bonus	121	118
LTIP share based payments	116	92
Superannuation	87	92
Other benefits[2]	88	226
Total remuneration	802	907
% change from previous year	(12%)	-
% of maximum STIP cash bonus awarded	48%	49%
% of maximum STIP cash bonus forfeited	52%	51%

Note 1 Base salary reported exclusive of all superannuation contributions. Base salary disclosed above is net of $24,300 which is Superannuation Guarantee Charge (SGC) but appears as Reportable employer super contributions (RESC). Salaries are reviewed with effect from 1 March, with the next review due March 2024.

Note 2 Other benefits include accommodation, relocation, vehicle and other allowances and Company paid superannuation above statutory requirements that is taken as cash. Other benefits in 2022 included various relocation and accommodation payments which were not applicable during 2023.

DIRECTORS' REPORT

Senior executives

Base salary (excluding superannuation)

Base salaries are reviewed annually, with reference to the underlying performance of ERA, the Rio Tinto Group and the individual, global economic conditions, role responsibility, an assessment against relevant comparator groups and base salary budgets applying to the broader employee population.

At the end of 2022 and 2023, the base salaries of the Company's senior executives were:

BASE SALARY $000	2023	2022	CHANGE
Richard Prest[1]	387	372	4%
Bernard Toakley[2]	657	560	15%
Forrest Egerton[3]	-	308	-
Alan Tietzel[4]	-	401	-

Note 1 Appointed as Chief Financial Officer in March 2021.
Note 2 Appointed as Project Director in October 2022 on a services contract with a daily rate of $2,800. In addition, a bonus of 15% of consultancy services paid is payable upon successful completion of the project. Actual paid salary excluding bonus payment reported above in 2023 and annualised salary equivalent excluding bonus payment in 2022.
Note 3 Retrenched as General Manager Closure in November 2022.
Note 4 Retrenched as General Manager External Relations in July 2022.
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Short term incentive plan objectives and outcomes

The individual objectives set out below relate to the 2023 financial year (with the corresponding short term incentive plan Award paid in 2024).

SUMMARY OF INDIVIDUAL OBJECTIVES

Richard Prest

- Prevent high consequence safety and environmental events
- Demonstrate health, safety and environment leadership and contribute to sustained improvement in health and safety performance
- Provide leadership in embedding enhanced project execution capability
- Provide high-quality support to the Independent Board committee for an interim equity raise
- Deliver efficient and effective commercial support services to ERA, including IT, and site support services
- Effective leadership and stakeholder engagement around key activities to support a successful Jabiru town transition
- Deliver excellence in accounting, performance reporting and financial forecasting
- Demonstrate behaviours that align with the values of safety, teamwork, respect, integrity and excellence

DIRECTORS' REPORT

A summary of the individual targets and performance for each of the Company's senior executives (other than the Chief Executive) for the 2023 financial year (with the corresponding short term incentive plan Award paid in 2024) is set out in the table below.

MEASURES	WEIGHT (%)	RESULT (OUT OF 200%)	WEIGHTED RESULT (%)
Richard Prest			
Site/Business Measure	15.0	113.4	17.0
Financial	10.0	89.6	9.0
Health and Safety	15.0	152.0	22.8
Individual	60.0	100.0	60.0
Total	**100.0**	**-**	**108.8**

Note 1 B Toakley appointed as Project Director in October 2022 as a contractor. No STIP to be paid under the consulting services contract.

DIRECTORS' REPORT

A summary of the individual targets and performance for each of the Company's senior executives (other than the Chief Executive) for the 2022 financial year (with corresponding short term incentive plan Award paid in 2023) is set out in the table below.

MEASURES	WEIGHT (%)	RESULT (OUT OF 200%)	WEIGHTED RESULT (%)
Richard Prest			
Business and financial performance	25.0	44.8	11.2
Health and Safety	15.0	180.0	27.0
Individual	60.0	120.0	72.0
Total	**100.0**	**-**	**110.2**
Forrest Egerton[2]			
Business and financial performance	25.0	-	-
Health and Safety	15.0	-	-
Individual	60.0	-	-
Total	**100.0**	**-**	**-**
Alan Tietzel[3]			
Business and financial performance	25.0	-	-
Health and Safety	15.0	-	-
Individual	60.0	-	-
Total	**100.0**	**-**	**-**

Note 1 B Toakley appointed as Project Director in October 2022 as a contractor. No STIP to be paid under the consulting services contract.
Note 2 Retrenched as General Manager Closure in November 2022
Note 3 Retrenched as General Manager External Relations in July 2022

Long term incentive plan awards

Award levels are set to incentivise executives to provide sufficient retention for the executive team and to contribute to the competitiveness of the overall remuneration package. The value of the awards granted to the Company's senior executives (other than the Chief Executive) in 2023, based on the fair value calculations performed by independent advisors, was 30% of base salary.

Bernard Toakley, Project Director is on a services contract and not eligible to participate in the short term incentive plan or long term incentive plan but is eligible for a project completion bonus equivalent to 15% of his consultancy fees.

DIRECTORS' REPORT

Executive Director and senior executives total remuneration

		SHORT TERM BENEFITS				POST EMPLOYMENT BENEFITS			
		CASH SALARY ($000)	CASH BONUS[6] ($000)	OTHER[7] ($000)	RETENTION PAYMENTS[8] ($000)	TERMINATION PAYMENTS[4,5] ($000)	SUPER-ANNUATION PENSION ($000)	LONG TERM INCENTIVES ($000)	TOTAL ($000)
Executive Director									
B Welsh[1]	2023	390	121	88	-	-	87	116	802
	2022	379	118	226	-	-	92	92	907
Senior executives									
R Prest[2]	2023	363	126	60	-	-	79	122	750
	2022	366	122	59	-	-	79	112	738
B Toakley[3]	2023	728	32	-	-	-	-	109	869
	2022	148	-	-	-	-	-	22	170
F Egerton[4]	**2022**	262	-	160	242	946	56	71	1,737
A Tietzel[5]	**2022**	228	-	54	-	963	50	85	1,380
Total 2023		**1,481**	**279**	**148**	**-**	**-**	**166**	**347**	**2,421**
Total 2022		**1,383**	**240**	**499**	**242**	**1,909**	**277**	**382**	**4,932**

Note 1 Performance related cash bonus: 48% awarded in 2023, 52% forfeited. 49% awarded in 2022, 51% forfeited.
Note 2 Performance related cash bonus: 54% awarded in 2023, 46% forfeited. 55% awarded in 2022, 45% forfeited.
Note 3 Mr Toakley' cash salary amount is representative of consultancy fees paid on his services contract commencing 24 October 2022. Consultancy fees represent the actual number of days worked times contracted daily rate of $2,800 inclusive of superannuation of 10.5% for the first half of the 2023 and 11% for the second half. Completion bonus (long term incentives) is accrued but not payable until successful completion of the project, it represents 15% of his consultancy services paid.
Note 4 As a result of a restructure of the company's executive committee, Mr Egerton' role with the company was made redundant in November 2022. The termination payment described above comprised unused leave, a payment of six months' salary in lieu of notice pursuant to the terms of his employment contract, and payments made in accordance with the company's redundancy policy which included a service payment, an ex gratia payment, pro rata payment for short term incentive plan bonus and pro rata vesting of long term incentive plan. No performance related cash bonus was granted for services to ERA in 2023 and 2022.
Note 5 As a result of a restructure of the company's executive committee, Mr Tietzel' role with the company was made redundant in July 2022. The termination payment described above comprised unused leave, a payment of six months' salary in lieu of notice pursuant to the terms of his employment contract, and payments made in accordance with the company's redundancy policy which included a service payment, an ex gratia payment, pro rata payment for short term incentive plan bonus and pro rata vesting of long term incentive plan. No performance related cash bonus was granted for services to ERA in 2023 and 2022.
Note 6 Performance and related bonuses disclosed in 2023 relate to services in 2023 (equally bonuses disclosed in 2022 relate to services in 2022).
Note 7 Other benefits include relocation, accommodation, travel, vehicle, other allowances, Company paid superannuation above statutory requirement that is taken as cash excluding cash paid site allowances which are treated as cash salary.
Note 8 Retention Payments were a conditional discretionary cash bonus aimed at retaining employees considered critical to ERA delivering on its commitments in relation to stockpile processing and rehabilitation of the Ranger Project Area until 31 December 2020.

The value of share based awards has been determined in accordance with the recognition and measurement requirements of AASB 2 'Share-based Payment'. The fair value of awards granted under the Rio Tinto 2018 Equity Incentive Plan and myShare has been calculated at their dates of grant using valuation models provided by external consultants Lane Clark and Peacock LLP.

DIRECTORS' REPORT

E Executive service agreements

For reasons explained on page 48, as a member of the Rio Tinto Group, ERA's Chief Executive and Chief Financial Officer are seconded from Rio Tinto under agreements between ERA and Rio Tinto.

The secondment agreements provide for the Chief Executive and Chief Financial Officer to work under the direction of and be responsible to the ERA Board. They include acknowledgements from Rio Tinto to the effect that the relevant executive's duties as an officer of ERA will require him or her to, among other things, act in good faith in the best interests of ERA as a whole and that, in doing so, the executive will be taken to be performing his or her duties to the relevant Rio Tinto employing company.

As part of the process of appointment of a senior executive under this secondment arrangement, the relevant executive is provided with a written statement relating to their responsibilities and duties as an officer of the Company, which they are required to sign for their appointment.

Under the secondment agreements, during the secondment period ERA must pay amounts in respect of the relevant executive's base salary and other entitlements in accordance with their employment agreements with Rio Tinto. The employment agreements provide for participation of the relevant executives in the Rio Tinto short and long term incentive plans upon achieving performance and service goals. The employment agreements may also provide for other benefits, including medical insurance, vehicle and accommodation allowances, relocation allowances and expenses and travel allowances.

In setting the executives' remuneration and any rewards based on performance, the Rio Tinto employing company is required to have regard to the recommendations of the ERA Board, and to consult with the ERA Chair regarding any material changes to remuneration and benefits. Changes to the terms of an employment agreement must be consistent with those made generally for all employees of the Rio Tinto employer, and ERA's Chair must be promptly informed of any material changes.

Each of the secondment agreements with Rio Tinto provide that ERA can end the secondment by giving Rio Tinto three months' notice at any time. Likewise, Rio Tinto can end the executive's secondment by giving three months' notice to ERA.

Key provisions of the employment agreements of the Chief Executive and senior executives relating to remuneration are as set out below.

B Welsh – Chief Executive and Managing Director

Term of agreement – Open, commenced as Acting Chief Executive, 4 October 2021
Commenced as Chief Executive and Managing Director, 18 February 2022

Base salary (excluding superannuation, allowances and other benefits) as at 31 December 2023 of $416,551 per annum. Maximum short term incentive bonus upon meeting performance criteria is 60% of base salary. Base salary and short term incentive targets are to be reviewed annually. Termination by the employee is three months' notice in writing or by the employer giving six months' notice or equivalent payment in lieu of notice.

R Prest – Chief Financial Officer

Term of agreement – Open, commenced 8 March 2021

Base salary (excluding superannuation, allowances and other benefits) as at 31 December 2023 of $386,804 per annum. Maximum short term incentive bonus upon meeting performance criteria is 60% of base salary. Base salary and short term incentive targets to be reviewed annually. Termination by the employee is three months' notice in writing or by the employer giving six months' notice or equivalent payment in lieu of notice.

B Toakley – Project Director

Term of agreement – 3 years with options of a further 1 year plus 1 year extension at the discretion of the Company, commenced 24 October 2022

Base salary equivalent of $657,334 (excluding superannuation, allowances and other benefits), representing consultancy fees paid on an agreed services contract commencing 24 October 2022. Base salary represents the actual number of days worked times contracted daily rate of $2,800 less superannuation 10.5% for the first half of the 2023 and 11% for the second half. A completion bonus of $420 per day (excluding GST) is payable where the Company determines in its sole and absolute discretion that the Consultant has satisfactorily completed all Services in accordance with the Contract. Termination of the contract by the Company giving the Consultant not less than 30 days' notice of its intention to do so.

DIRECTORS' REPORT

The Chief Executive and senior executives who are permanent employees are also entitled under their employment agreements with Rio Tinto to a range of pre-existing redundancy entitlements, depending on the business and region from where they were originally employed within the Rio Tinto Group. These include:

- Notice may be worked or fully or partly paid in lieu, at ERA's discretion
- Additional capped service related payments may apply
- Pro rata short term incentive plan payments may be paid based on the proportion of the performance period worked
- Conditional share awards granted and held for less than three years at the date of termination are reduced pro-rata.

There is no contractual entitlement to payments in the event of a change of control.

F Share based compensation

Rio Tinto Performance Share Awards

Rio Tinto Performance Share Awards (PSA) are granted at the discretion of the Rio Tinto Remuneration Committee in line with Rio Tinto guidelines. 100% potentially vest after five years. PSAs have been granted under the EIP. The terms and conditions of each right to Rio Tinto Limited or Rio Tinto plc shares affecting remuneration in this or future reporting periods are as follows:

AWARD DATE	MARKET PRICE AT AWARD	PERFORMANCE PERIOD ENDS[1]	MARKET PRICE AT 31 DECEMBER 2023
Rio Tinto Limited			
16 March 2020	$77.65	31 December 2024	$135.66
18 March 2021	$110.80	31 December 2025	$135.66

Note 1 Vesting dependent upon continued employment with a Rio Tinto Group company and achievement of relevant performance conditions as detailed in the Remuneration Report on page 50.

During the reporting period these incentive plans were not part of ERA's executive pay and reward framework. No PSA was awarded during 2023.

DIRECTORS' REPORT

Rio Tinto Management Share Awards

Rio Tinto Management Share Awards (MSA) are granted at the discretion of the Rio Tinto Remuneration Committee in line with Rio Tinto guidelines. MSAs have been granted under the EIP. The terms and conditions of each right to Rio Tinto Limited or Rio Tinto plc shares affecting remuneration in this or future reporting periods are as follows:

AWARD DATE	MARKET PRICE AT AWARD	VESTING DATE[1]	PRICE AT 31 DECEMBER 2023
Rio Tinto Limited			
18 March 2021	$110.80	22 February 2024	$135.66
23 March 2022	$113.68	17 February 2025	$135.66
22 March 2023	$115.45	16 February 2026	$135.66

Note 1 Vesting dependent upon continued employment with a Rio Tinto Group company.

Rio Tinto employee myShare

Under Rio Tinto myShare, employees may acquire shares up to the value of US$5,250 (or local currency equivalent) per year, capped at 15% of their base salary. Each share purchased will be matched by Rio Tinto and paid by ERA (currently at a ratio of one for one) providing the participant holds the shares and remains employed at the end of the three year vesting period.

The key management personnel and Directors of the Company who elected to participate in the Rio Tinto myShare share purchase plan as at 31 December 2023 are set out below:

B Welsh	Rio Tinto myShare
J Carey	Rio Tinto myShare
R Fagen	Rio Tinto myShare
R Prest	Rio Tinto myShare

Conditional awards provided as remuneration

Rio Tinto Equity Incentive Plan

No conditional awards of ordinary shares of either ERA or of Rio Tinto Limited or Rio Tinto plc were provided during the year as remuneration for services provided to ERA to any of the non-executive Directors. Details of conditional awards of ordinary shares in Rio Tinto Limited and Rio Tinto plc held during the year and provided as remuneration to the Chief Executive and senior executives of ERA in respect of their duties as officers of ERA are set out below. On vesting, each award converts into one ordinary share of Rio Tinto Limited or Rio Tinto plc.

		BALANCE AT START OF THE YEAR OR ON JOINING[1]	GRANTED AS REMUNERATION	VESTED	LAPSED	AWARDS CANCELLED	OTHER CHANGES[2]	BALANCE AT END OF YEAR[3]
Rio Tinto Limited								
Executive Director								
B Welsh	**2023**	2,473	1,233	(418)	-	-	-	3,288
	2022	2,414	1,236	(1,177)	-	-	-	2,473
Senior executives								
R Prest	**2023**	3,169	1,321	(1,339)	-	-	-	3,151
	2022	3,528	1,196	(1,555)	-	-	-	3,169
F Egerton	**2022**	1,691	809	(1,489)	-	(798)	-	213
A Tietzel	**2022**	3,805	1,336	(3,603)	-	(1,538)	-	-
Non-executive Directors[4]								
J Carey	**2023**	3,040	-	(1,074)	-	-	1,049	3,015
	2022	3,352	-	(1,230)	-	-	918	3,040
R Fagen	**2023**	24,064	-	(7,059)	-	-	5,067	22,072
	2022	28,194	-	(7,405)	-	(2,070)	5,345	24,064
J van Tonder	**2023**	6,620	-	(4,333)	-	-	4,275	6,562
	2022	3,638	-	(1,211)	-	-	4,193	6,620

Note 1 *Where key management personnel joined during the year, balance at start of the year reflects holdings at time of commencement with ERA.*
Note 2 *Other changes and end of year balance include changes made in relation to awards for service within the wider Rio Tinto group, including before joining or after ceasing with ERA.*
Note 3 *When key management personnel left prior to the end of the year, the balance reflects holdings at the date of resignation.*
Note 4 *Changes to balances for non-executive Directors do not relate to remuneration for services provided to ERA.*

DIRECTORS' REPORT

Shareholdings

No Directors hold shares in ERA. Mr R Dennis and Mr K Wyatt do not hold shares in Rio Tinto Limited. The number of shares held in Rio Tinto Limited during the financial year by each Director of ERA are set out below.

		BALANCE AT START OF THE YEAR[1]	INCREASED DURING THE YEAR	OTHER CHANGES DURING THE YEAR	BALANCE AT END OF THE YEAR[2]
Rio Tinto Limited					
B Welsh	2023	4,791	828	-	5,619
	2022	3,151	1,640	-	4,791
J Carey	2023	5,984	1,342	(494)	6,832
	2022	4,151	4,759	(2,926)	5,984
R Fagen	2023	24,564	9,157	(2,992)	30,729
	2022	19,340	9,413	(4,189)	24,564
J van Tonder	2023	-	3,067	(3,067)	-
	2022	-	1,428	(1,428)	-
S Glenn	2023	149	-	-	149
P Mansell	2022	-	-	-	-
P Dowd	2022	750	-	(375)	375

Note 1 Where a Director was appointed during the year, balance reflects holdings at the time of commencement with the Company.
Note 2 Where a Director resigned during the year, balance reflects holdings at time of resignation as a Director of the Company.
Note 3 Mr R Dennis and Mr K Wyatt do not hold shares in Rio Tinto Limited.

G Additional information

Loans and other transactions with Directors and other key management personnel

There are no loans with Directors and other key management personnel. Other transactions with Director related entities are disclosed in Note 24 – Related parties.

DIRECTORS' REPORT

Principal activities

The principal activities of the Company during the course of the year consisted of site rehabilitation.

Dividends

No dividends have been paid by ERA to members in respect of the 2023 financial year (2022: nil).

Operating and financial review

Details of ERA's review and results of operations are included in the Chair's Report on page 6, the Chief Executive's Report on page 8 and the Financial Performance section on page 26.

Significant changes to the state of affairs

In the opinion of the Directors, other than matters reported in the Directors' Report, the Chair's Report and the Chief Executive's Report, there were no significant changes in the state of affairs of the Company during the year ended 31 December 2023.

Matters subsequent to the end of the financial year

In the interval between the end of the year and the date of this report there has not arisen any item, transaction or event of a material nature, other than matters reported in the Chair's Report and the Chief Executive's Report on pages 6 and 8 respectively, that has significantly affected or may significantly affect:

- The operations of the Company
- The results of those operations
- The state of affairs of the Company subsequent to the Financial year ended 31 December 2023.

Likely developments

In the opinion of the Directors, any likely developments in the operations of the Company known at the date of this report have been covered within the Annual Report and Notes to the financial statements.

A general review of developments for ERA is presented in the Financial Performance section on page 26.

Annual General Meeting

The 2024 Annual General Meeting will be held in Darwin, in the Northern Territory of Australia. Notice of the 2024 Annual General Meeting will be given to the shareholders of the Company in accordance with the Corporations Act. It is anticipated the meeting will be an in person meeting, noting that the Company will have the required facilities on standby should a virtual or hybrid option become required.

Indemnification

Clause 11 of the Company's Constitution provides that every Director, manager, officer or employee of the Company shall be indemnified out of the funds of the Company against all liability incurred by them in defending any proceedings in which they are successful.

The *Corporations Act 2001* prohibits a company from indemnifying Directors, secretaries, executive officers and auditors from liability except for liability to a party, other than the Company or a related body corporate, where the liability does not arise out of conduct involving a lack of good faith and except for liability for costs and expenses incurred in defending proceedings in which the officer or auditor is successful. An indemnity for officers or employees who are not Directors, secretaries or executive officers, is not expressly prohibited by the *Corporations Act 2001*.

The Directors and Company Secretaries of the Company, and all former Directors and Company Secretaries, have the benefit of the indemnity in Clause 11 of the Company's Constitution.

The indemnity also applies to executive officers of the Company (being the senior executives and managers who are concerned with or take part in the management of the Company) as well as other employees.

Insurance

Since the end of the previous financial year, the Company has paid insurance premiums in respect of a Directors' and officers' liability policy of insurance.

The policy indemnifies all Directors and officers of ERA (including the Directors, Company Secretaries, and executive officers referred to above) against certain liabilities.

In accordance with common commercial practice, the insurance policy prohibits disclosure of the nature of the liability insured against and the amount of the premium.

Environmental regulation and policy

ERA strives to be at the forefront of environmental management in the uranium industry. It operates in accordance with relevant Commonwealth and Northern Territory environmental legislation as well as site specific environmental licences, permits and statutory authorisations. ERA's environmental management system is ISO14001 compliant.

ERA is required to report any incident that is a divergence from strict compliance with statutory requirements, even if the incident has no detrimental environmental impact, and reports are made to the Department of Industry, Tourism and Trade (Northern Territory); the Supervising Scientist Branch of the Commonwealth Department of Climate Change, Energy, Environment and Water; the Northern Land Council; the Commonwealth Department of Industry,

DIRECTORS' REPORT

Science and Resources and the Gundjeihmi Aboriginal Corporation (representatives of the Mirarr Traditional Owners).

ERA's commitment to protect the environment in 2023 was overseen by the Supervising Scientist Branch, which conducts extensive monitoring and research programs on the Ranger Project Area and Jabiluka Mineral Lease.

There were no prosecutions commenced or fines incurred in respect of ERA's environmental performance during 2023. The environment remained protected throughout the period.

Corporate governance

The Board of ERA considers high standards of corporate governance to be critical to business integrity and performance. The corporate governance structures and practices in place at ERA are substantially in compliance with the 4th Edition of the Corporate Governance Principles and Recommendations developed by the ASX Corporate Governance Council (Council).

Areas where the corporate governance practices of ERA do not follow the Council's recommendations arise due to Rio Tinto's 86.3% ownership of the Company and the management, direction, services and support this provides. The extent to which the Company does not comply is detailed in the Corporate Governance Statement on pages 65 to 71.

Company secretaries

Richard Prest and Stephanie So are company secretaries of ERA. Richard was appointed to the role on 10 December 2021, and Stephanie's appointment commenced on 27 April 2023. Their qualifications and experience are set out on page 44.

Rounding of amounts

The Company is of a kind referred to in ASIC Class Order 2016/191 and in accordance with that Class Order amounts in the financial statements and Directors' Report have been rounded to the nearest thousand dollars, unless otherwise indicated.

Auditor

KPMG is the auditor of the Company. No person who was an officer of the Company during the year was a former partner or director of the auditor. Each of the Directors at the time this report was approved has confirmed that so far as he or she is aware,

There is no relevant audit information (i.e. information needed by the auditor in connection with preparing its report) of which the auditor is unaware and;

He or she has taken all steps that they ought to have taken as a Director in order to make himself or herself aware of any relevant audit information and to establish that the auditor is aware of that information.

Non audit services

The Company may decide to employ the auditor on assignments additional to its statutory audit duties where the auditor's expertise and experience with the Company are important.

Details of the amounts paid or payable to the auditor for audit services are set out below.

No non audit services were performed by KPMG during the year.

When performed all non-audit services are reviewed by the Audit and Risk Committee to ensure they do not impact on the impartiality and objectivity of the auditor and do not undermine the general principles relating to auditor's independence as set out in Professional Statement F1, including reviewing or auditing the auditor's own work, acting in a management or decision making capacity for the Company, acting as advocate for the Company or jointly sharing economic risks and rewards.

During the year, the following fees were paid or payable for services provided by the auditor of the Company, its related practices and non-audit related firms.

	2023 $000	2022 $000
KPMG Australia		
Audit and review of financial reports	374	295
Audit and review of financial reports (additional prior year fees)	-	24
Total remuneration for audit services	374	319
Other non-audit related services	-	-
Total remuneration	374	319

Information on Auditor

KPMG continues in office in accordance with Section 327 of the *Corporations Act 2001*.

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 64.

Signed at Brisbane this 12 March 2024 in accordance with a resolution of the Directors.

R Dennis
Director
Brisbane
12 March 2024

AUDITOR'S INDEPENDENCE DECLARATION

KPMG

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Energy Resources of Australia Ltd

I declare that, to the best of my knowledge and belief, in relation to the audit of Energy Resources of Australia Ltd for the financial year ended 31 December 2023 there have been:

i. No contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

ii. No contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

KPMG

Derek Meates
Partner
Perth
12 March 2024

CORPORATE GOVERNANCE STATEMENT

The Board of ERA considers the highest standards of corporate governance to be critical to business integrity and performance and the ability to maximise the overall long term return to shareholders. The Board seeks to ensure that ERA meets the objectives of its shareholders, whilst paying proper regard to the interests of employees and external stakeholders.

The corporate governance structures and practices in place at ERA are substantially in compliance with the 4th Edition of the Corporate Governance Principles and Recommendations (Principles) developed by the ASX Corporate Governance Council (Council), with the exception of any departures articulated in this Corporate Governance Statement.

This Corporate Governance Statement is current as at 12 March 2024 and has been approved by the Board of ERA.

Board responsibilities and charter

In carrying out its responsibilities and powers, the Board at all times recognises its overriding responsibility to act honestly, fairly, diligently and in accordance with the law in serving the interests of ERA's shareholders, employees and the community.

The Board Charter underpins the strategic guidance and effective management oversight provided by the Board and defines the division of responsibility between Board and management by formal delegation and a system of Board reserved powers.

Other than as specifically reserved to the Board in the Board Charter, responsibility for the management of ERA's business is delegated to the Chief Executive who is accountable to the Board.

The Board approves strategy and business plans and monitors the performance of ERA against these plans. The Board also monitors compliance with policies prescribed by the Board in areas such as health and safety, environment, business ethics, internal controls and risk management. These policies are designed to ensure that ERA meets or exceeds the regulatory requirements governing its operations.

In addition to the matters expressly required by law to be approved by the Board, the powers specifically reserved for the Board are as follows:

- Confirming the appointment and removal of a Chief Executive and the terms and conditions of the Chief Executive's employment
- Appointment and removal of a Company Secretary
- Appointment of the Chair of the Board and members of Board Committees
- Any matters set out in the Schedule of Matters Reserved for Decision or Consideration by the Board
- Approval, subject to the Constitution, the Corporations Act 2001 and the ASX Listing Rules, of each of the following:
  - (i) The issue of new shares or other securities in the Company
  - (ii) Incurring of debt (other than trade creditors incurred in the normal course of business)
  - (iii) Capital expenditure in excess of $5,000,000
  - (iv) The acquisition, divestment or establishment of any significant business assets
  - (v) Changes to the discretions delegated from the Board
  - (vi) The annual operating budget
  - (vii) Changes to the capital and operating approval limits of senior management
  - (viii) The annual report and interim and preliminary final reports.

The Board receives copies of all material market announcements promptly after they have been made.

The Board Charter is available at the Corporate Governance section of ERA's website.

Composition

The Board of ERA currently consists of seven Directors, six of whom are non-executive and three of whom are independent:

- Richard (Rick) Dennis, Independent Non-Executive Chair
- Brad Welsh, Chief Executive and Managing Director
- Hon. Kenneth (Ken) Wyatt, Independent Non-Executive Director
- Stuart Glenn, Independent Non-Executive Director
- Justin Carey, Non-Executive Director
- Rosemary Fagen, Non-Executive Director
- Alfred (Alfie) Grigg, Non-Executive Director (appointed on 1 January 2024).

Skills, experience and diversity

The Board strives to achieve a diversity of skills, experience and perspective among its Directors. Details of the Directors, their experience, qualifications and other appointments are set out on pages 40 to 43. Details of the independent status of each Director are outlined in the Independence section below.

Qualification for Board membership is driven by the principle that the Board's composition should reflect the right balance of skills, knowledge and diversity that the Board considers will best serve the interests of ERA and all of its shareholders.

The Board reviews its structure, size and composition regularly. While the Board has not established a Nominations Committee, the Board considers that its existing practices in reviewing Director competencies, Board succession planning, Board performance evaluation and Director selection and nomination carried out in accordance with the Board Charter, are

CORPORATE GOVERNANCE STATEMENT

satisfactory and appropriate given the size of the Board and ERA's current ownership structure. The process to identify and nominate new independent Directors from time to time is led by the incumbent independent Directors. Decisions relating to the appointment of Directors are made by the full Board. Directors appointed by the Board (with the exception of the Managing Director) are required by ERA's Constitution to submit themselves for re-election by shareholders at the Annual General Meeting following their appointment. There is no share ownership qualification for appointment as a Director.

The ERA Board undertakes appropriate background checks and screening prior to appointing a Director or putting a candidate to security holders for election as a Director. ERA provides security holders with all material information in its possession concerning each Director standing for election or re-election in the explanatory notes accompanying the applicable notice of meeting.

Non-executive Directors are required to retire at least every three years in accordance with ERA's Constitution but may offer themselves for re-election.

The key attributes that the Board currently seeks to achieve in its membership are set out below.

Mining	Senior executive experience in the resources industry, including mining, development, marketing and exploration
Health, safety and environment	Familiarity with issues associated with workplace health and safety, environment and social responsibility
Financial	Proficiency in financial accounting and reporting, corporate finance, internal financial controls, corporate funding and associated risks
Technical	A strong understanding in technical areas of the resource industry, including engineering, mining and processing
Strategy	Proven ability in developing and implementing successful business strategies, including the capacity to probe and challenge management on the delivery of strategic objectives
Environment/ social and governance (ESG)	Commitment to the highest standards of governance, including Board experience with other ASX listed companies that demonstrate rigorous governance standards
Executive leadership	Sustainable success in business at a very senior executive level
Government relations	Interaction with government and regulators and involvement in public policy initiatives and decisions
Community and Indigenous engagement	Experience in engaging with a cross-section of community and Indigenous stakeholders
Risk management	Experience in developing and establishing risk management frameworks, setting risk appetite and overseeing organisational risk culture
Capital markets	Practical knowledge and hands-on involvement in investing and trading in the financial sector.
Project management	Familiarity and skill in planning, executing, and supervising projects, typically gained through prior involvement in managing a variety of projects.
Rehabilitation	Knowledge and practical expertise in restoring and revitalising a mined area, often acquired through hands-on work in mine reclamation and environmental restoration projects.
Sustainability reporting	Proficiency in assessing, documenting, and communicating the environmental and social impacts of rehabilitation operations, within the mining industry.
Stakeholder engagement	Effectively involve and communicate with various parties, such as local communities, traditional owners, regulators, and environmental organisations, to facilitate collaborative efforts and address concerns during the mine rehabilitation process.
People and culture	Knowledge and skills in managing the human aspects, including workforce engagement, community relations, and fostering a positive organisational culture throughout the rehabilitation process.

Appointment, induction training and professional development

All new non-executive Directors sign a letter of appointment which sets out the key terms and conditions of their appointment including duties, rights and responsibilities, the time commitment envisaged and the Board's expectations regarding their involvement with committee work. There is also a separate written agreement between ERA and each of its Chief Executive and senior executives relating to their respective responsibilities and duties as an officer of the Company (see pages 57 to 58).

Induction training is provided to all new Directors. It includes comprehensive induction materials, discussions with the Chief Executive and senior executives and the option to visit the Company's operations at the Ranger Project Area, either by appointment or with the Board during its next site tour.

The induction materials and discussions include information on the Company's strategy, culture and values, key corporate and Board policies, the Company's financial, operational and risk management position, the rights and responsibilities of Directors, the role of the Board and its committees and meeting arrangements.

All Directors are expected to maintain the skills required to discharge their obligations to the Company. ERA provides the opportunity for Directors to participate in professional development activities to develop and maintain the skills and knowledge needed to perform their role as Directors effectively.

Independence

For the purposes of determining Director independence, the Board considers any material

CORPORATE GOVERNANCE STATEMENT

business relationship which could interfere, or be perceived to interfere, with the Director's independence of judgement, ability to provide a strong, valuable contribution to the Board's deliberations and the Director's ability to act in the best interests of ERA and shareholders as a whole. Where contracts in the ordinary course of business exist between ERA and a company in which a Director has declared an interest, these are reviewed for materiality to both ERA and the other party to the contract.

In addition to the examples set out in the Principles, the following may be taken into account in considering such material business relationships:

- Whether, within the last three years, the Director or a close family member has been a member of executive management of ERA, employed in a senior position with a member of the Rio Tinto Group or has received additional remuneration from the Company or a member of the Rio Tinto Group
- Whether the Director or a close family member is, or is associated with, a substantial shareholder (more than five% of the voting shares) in the Company or in a member of the Rio Tinto Group
- The Director's cross directorships of, or significant links with, or involvement in, other companies
- The Director's length of service on the Board and whether this may have compromised independence
- Whether, within the last three years, the Director or a close family member has had, either directly or indirectly and whether as principal, employee or consultant, a material business relationship with ERA or with a member of the Rio Tinto Group, whether as an auditor, professional adviser, supplier, or customer ("material" being more than five per cent of ERA's or the counterparty's consolidated gross revenue per annum).

Mr Dennis, the Hon. Mr Wyatt and Mr Glenn are each considered by the Board to be independent Directors.

For the whole reporting period, the Board of Directors did not consist of a majority of independent Directors, with four of the seven Directors nominees of the Company's largest shareholder, Rio Tinto. This does not follow Recommendation 2.4 of the Council's Principles. However, the Board considered this was appropriate given the ownership structure of the Company, notably Rio Tinto's 86.3% shareholding.

The Board has policies and protocols in place to safeguard the integrity of the Board's decision making process and all Directors are required to, and do, bring an independent judgement to bear on Board decisions and act in accordance with their statutory duties of good faith and for a proper purpose, and in the interests of shareholders as a whole.

All related party transactions, including those with Rio Tinto, have been determined by the independent Directors to be on arm's length terms and in the interests of ERA.

Chair and Chief Executive

On 31 January 2023, Mr Carey stepped down as Interim Chair and Mr Dennis was appointed as Independent Non-Executive Chair.

Mr Brad Welsh was appointed as Acting Chief Executive on 4 October 2021 and Managing Director and Chief Executive on 18 February 2022.

Company Secretary

The Company Secretary is responsible for ensuring that Board procedures are complied with and that governance matters are addressed. All Directors have direct access to the Company Secretary who is accountable directly to the Board, through the Chair, on all matters to do with the proper functioning of the Board. Details of the Company Secretary's experience and qualifications are set out on page 44.

Board meetings

The number of Directors and Committee meetings held and the number of meetings attended by each of the Directors of the Company or members of the Committees respectively during the financial year are set out on page 45.

Board performance

The Board has a process for periodically evaluating its performance, as well as the performance of its committees and individual Directors. The evaluation generally takes the form of an internal self-assessment process facilitated by the Chair. After consulting each Director and the Company Secretary, the Chair reports a summary of the findings to all Directors for discussion at the next Board meeting where relevant actions are agreed. Periodically the Board may utilise the services of an external consultant to facilitate the process.

The external process takes the form of a questionnaire completed by each of the Directors and the Company Secretary. Following collation by the consultant, the results, adequacy and appropriateness of the self-assessment process are compiled. A report outlining the results is circulated to all Directors and discussed at the following Board meeting where actions arising are agreed.

In 2023 an internally managed performance evaluation of the Board was conducted with the findings distributed to all Directors and formally presented during the subsequent Board meeting.

CORPORATE GOVERNANCE STATEMENT

Independent professional advice

The Board has adopted a procedure for Directors wishing to seek independent professional advice, at the Company's expense, in the furtherance of their duties. The Board recognises that there may be circumstances in which individual Directors are entitled to independent professional advice at the Company's expense in the furtherance of their duties, and any Director may do so by arrangement with the Company Secretary.

Remuneration Committee

On 16 February 2023, following the appointment of Independent Non-Executive Directors Mr Dennis (Chair), the Hon. Mr Wyatt and Mr Glenn, the Board resolved to re-establish the Remuneration Committee, with membership comprising the Hon. Mr Wyatt (Committee Chair), Ms Fagen and Mr Dennis.

The Chief Executive may be invited to attend Remuneration Committee meetings. Other executives may also be invited to discuss or report on particular agenda items. The Remuneration Committee held two meetings during 2023. Attendance details of the 2023 meetings of the Remuneration Committee are set out in the Directors' Report on page 45.

The Remuneration Committee Charter sets out the role and objectives of the Remuneration Committee. A summary of the objectives of the Remuneration Committee and the policies and practices of the Company regarding the remuneration of non-executive Directors, the Chief Executive and senior executives is set out on pages 47 to 50 of the Remuneration Report. The complete Remuneration Committee Charter is available at the Corporate Governance section of ERA's website at www.energyres.com.au.

An annual performance evaluation of the Chief Executive and senior executives was undertaken in 2023. Details of how the performance evaluation process is undertaken by the Board in respect of the Chief Executive and senior executives are set out on pages 51 to 55 of the Remuneration Report.

Audit and Risk Committee

The Audit and Risk Committee was re-established on 16 February 2023, with membership comprising Mr Dennis (Committee Chair), Mr Carey and Mr Glenn.

The Company's Chief Financial Officer, Chief Executive, General Counsel and Company Secretary, the external auditor and the internal auditor are invited to attend all meetings.

The Audit and Risk Committee Charter sets out the role and terms of reference of the Audit and Risk Committee and is reviewed regularly. The Audit and Risk Committee Charter is available at the Corporate Governance section of ERA's website.

The Committee provides a formal structure for reviewing ERA's financial statements, accounting policies, control systems, risk management practices and taxation issues and for liaison with the external and internal auditors. The Committee also reviews the adequacy of internal and external audit arrangements.

The Audit and Risk Committee advises the Board of any matters that might have a significant impact on the financial condition of ERA and has the authority to investigate any matters within its terms of reference, having full access to the information and resources of ERA to fulfil its function.

The Audit and Risk Committee held four meetings during 2023. Attendance details of the 2023 meetings of the Audit and Risk Committee, and the qualifications and experience of the members, are set out in the Directors' Report on pages 45 and 40 to 42 respectively.

Each year the external auditor submits a schedule of audit services and fee estimate to the Audit and Risk Committee for consideration and approval. KPMG is appointed as ERA's external auditor for 2023. Each year, the Audit and Risk Committee reviews the effectiveness of the external audit process and the independence of the auditor. Based on its 2023 review, the Audit and Risk Committee was satisfied with the external audit process and that the external auditor remained independent. Any work to be conducted by the external auditor other than the audit is approved by the Audit and Risk Committee.

Details of the fees paid to KPMG during 2023 are outlined on page 63.

Sustainability Committee

The Sustainability Committee was re-established on 16 February 2023 with membership comprising Ms Fagen (Committee Chair), the Hon. Mr Wyatt and Mr Welsh.

The Sustainability Committee Charter sets out the role and objectives of the Sustainability Committee and is reviewed regularly. It is available at the Corporate Governance section of ERA's website.

The Committee provides a formal structure to further support governance and initiatives for improvement in the sustainability of ERA operations, including health, safety and environmental management.

The Sustainability Committee held two scheduled meetings during 2023. Attendance details of the 2023 meetings of the Sustainability Committee, and the qualifications and experience of the members, are set out in the Directors' Report on pages 45 and 40 to 42 respectively.

CORPORATE GOVERNANCE STATEMENT

Rehabilitation Committee

Due to the significant focus on rehabilitation of the Ranger Project Area, on 16 December 2022, the Board resolved to re-establish the Rehabilitation Committee, with membership comprising Mr van Tonder (Committee Chair) and Mr Welsh. Following the appointment of Independent Non-Executive Directors Mr Dennis (Chair), the Hon. Mr Wyatt and Mr Glenn, on 16 February 2023, the Board resolved to vary the membership of the Rehabilitation Committee to comprise Mr Glenn (Committee Chair) and Mr van Tonder. The Board resolved to appointment Mr Carey as an additional Rehabilitation Committee Member in May 2023 due to an unexpected leave of absence by Mr van Tonder.

The Committee is mandated to receive and share information on, and review and evaluate, key aspects of risk, performance and activities of the Ranger Rehabilitation Project and to provide feedback and recommendations to the Board.

The Rehabilitation Committee held eight scheduled meetings during 2023. Attendance details of the 2023 meetings of the Rehabilitation Committee, and the qualifications and experience of the members, are set out in the Directors' Report on pages 45 and 40 to 42 respectively.

Independent Board Committee

In May 2020, the Board adopted a Conflicts of Interests and Related Party Transactions Policy. The purpose of the Policy is to outline a process for identification, review, approval and disclosure of Related Party Proposals, with a view to ensuring that all decisions of the Board are made in the best interests of the Company as well as ensuring compliance with the law. The Board re-established the Independent Board Committee (IBC) on 31 January 2023, with membership comprising the Directors who were considered to be independent of Rio Tinto, being Mr Dennis (Chair), the Hon. Mr Wyatt and Mr Glenn.

The IBC has been delegated all powers, authorities and discretions of the Board with respect to any transaction or proposal:

- In which, in the opinion of the Chair of the IBC, a Related Party has or may have interests other than its interest as shareholder in common with other shareholders; or
- Where, in the opinion of the Chair of the IBC, the interests of ERA and a Related Party conflict or may appear to conflict, excluding any transaction or proposal in which a member of the IBC is a conflicted Director.

For so long as Rio Tinto has a controlling interest in the Company, Rio Tinto will be taken to be a Related Party for this purpose. A copy of the Policy (including IBC's Charter) are available on the Company's website at https://www.energyres.com.au/uploads/Policies/INF157_Conflicts_of_Interest_and_Related_party_Transactions_Policy.pdf.

Diversity

ERA acknowledges the benefits that flow from advancing Board and employee diversity, in particular gender and Indigenous diversity. These benefits include identification and rectification of gaps in the skills and experience of Directors and employees, enhanced employee retention, greater innovation and maximisation of available talent to achieve corporate goals and increased financial performance.

Diversity, in the context of the Company, primarily refers to groups which are underrepresented in its workforce. ERA has a particular focus on the representation of women and Indigenous people in its workforce. ERA's policy on diversity can be found on the Company's website at www.energyres.com.au. In accordance with the Company's diversity policy, ERA has set measurable objectives to achieve diversity.

The objectives and the Company's progress in achieving each objective are set out below:

OBJECTIVE	OUTCOME
Women to represent 20% of the senior executives (being manager level and above) and the Board by end of 2023	As at 31 December 2023 female participation at manager, Executive Committee and Board level is 33%. Women comprise 14% of Directors. Total female participation is 23%.
Target Indigenous employment of 15% by the end of 2023.	ERA ended 2023 with an Indigenous employment rate of 13%. 32% of Indigenous employees were female and 10 employees held leadership roles. Indigenous employment at Executive Committee and manager level is 25%.

As at 31 December 2023, the proportion of women employed by ERA was as follows:

Board of Directors	14%
Executive Committee and managers	42%
Company	23%

Code of business conduct

ERA has clear standards around bribery and corruption, conflicts of interest, antitrust, benefits, sponsorships and donations, data privacy, fraud and third party due diligence. ERA has a Code of Business Conduct to be met by all employees and Directors. All employees are required to maintain high standards of ethical behaviour in the execution of their duties and comply with all applicable laws and regulations in Australia and in every other country in which the Company engages in business.

The Code of Business Conduct is reviewed regularly to ensure it adequately addresses the issues facing the Company and is available for inspection on the Corporate Governance section of the Company's website at www.energyres.com.au.

CORPORATE GOVERNANCE STATEMENT

In addition to the Company's Code of Business Conduct, the Company's employees are required to comply with Rio Tinto's statement of business practice The Way We Work, available at Rio Tinto's website at www.riotinto.com. This includes ERA's values and provides a clear framework for how we should conduct our business.

The Company uses Rio Tinto's confidential whistleblower program known as 'myVoice'. It offers an avenue through which our employees, contractors, suppliers and customers can report concerns anonymously, subject to local law. Employees are encouraged to report any suspicion of unethical or illegal practices. Further details regarding the program are available in the Corporate Governance section of the Company's website at www.energyres.com.au.

The Board is informed of any material breaches and incidents reported under its Code of Business Conduct, whistleblower policy or anti bribery and corruption policy.

Purchase and sale of Company securities

ERA has in place a formal policy that reinforces to all Directors, officers and employees the prohibitions against insider trading. The Share Trading Policy is available for inspection at the Corporate Governance section of the Company's website at www.energyres.com.au.

In addition, the "Rules for dealing in securities of Rio Tinto" (Dealing Rules) apply to the participation of ERA executives in the Rio Tinto long term incentive plans involving the awarding of Rio Tinto securities at a future date. Any such grants of shares and options under the Rio Tinto plans are subject to, and conditional upon, compliance with the terms of the Dealing Rules, including an express prohibition on hedging or limiting of exposure to economic risk in relation to such securities.

Under the ERA Share Trading Policy:

- Directors, senior executives and senior managers must advise the Chair in writing and receive approval in writing from the Chair, if they intend to purchase or sell ERA securities
- In regard to his own dealings, the Chair is required to notify the Chair of the Audit and Risk Committee
- No dealings in ERA securities may take place for the period from the end of any relevant financial period to the trading day following announcement of ERA's annual results or half year results.

Particulars of the interests held by Directors are outlined on page 46 of the Director's Report.

Risk identification and management

ERA has in place a range of policies and procedures to manage the risks associated with its operating activities. These policies and procedures have been adopted by the Board, with primary oversight by the Audit and Risk Committee, to ensure that potential business risks are identified, and appropriate action taken.

The Company has an annual internal audit program that is determined by the Audit and Risk Committee. The annual internal audit program is executed by an outsourced provider which reports back to the Audit and Risk Committee on its assessment of the Company's control environment. In addition, the Company Secretary provides support for internal audit planning activities and the monitoring of actions implemented by the Company in response to findings raised by the internal auditor.

ERA benefits from the Rio Tinto Group's knowledge, policies and practices on risk management and corporate assurance, developed to manage Rio Tinto's diverse business activities covering a variety of commodities and operational locations. Together, these make up a comprehensive framework and approach to risk analysis and risk management.

The Board has in place a number of systems to identify and manage business risks. These include:

- The identification and review of all of the business risks known to be facing the Company
- The provision of reports and information by management to the Board, on a periodic basis, confirming the status and effectiveness of the plans, controls, policies and procedures implemented to manage business risks
- Guidelines for ensuring that capital expenditure and revenue commitments exceeding certain approved limits are placed before the Board for approval
- Limits and controls for all financial exposures, including the use of derivatives
- A regulatory compliance program
- Safety, health and environmental policies which are supported by a set of standards and management systems which recognise the Company's commitment to achieving high standards of performance in all its activities in these areas.

The Audit and Risk Committee reviews ERA's risk management framework at least annually, and did so in 2023, to satisfy itself that it continues to be sound.

The Audit and Risk Committee and the Board has assessed the strategic risks to the Company's business and the mitigation strategies to be implemented by management. The strategic risks identified through this assessment were future operating cash flow and financial resources, stakeholder support of the Company's strategic initiatives, rehabilitation of the Ranger Project Area, internal constraints relating to the Company's licence to operate, external events relating to the Company's licence to operate and retention and recruitment of key personnel.

These strategic risks are in addition to risks inherent to the mining industry generally which include economic conditions (fluctuations in commodity pricing and exchange rates), international regulation of greenhouse gas emissions and impact of climatic conditions. More information on ERA's business risks, including any material exposure to economic, environmental and social sustainability risks, is set out on pages 28 to 31 of the Annual Report.

Each reporting period, the Chief Executive and the Chief Financial Officer give statements to the Board that, in their opinion, the financial records of the Company have been properly maintained and that the financial statements comply with the Australian Accounting Standards and give a true and fair view of the Company's financial position and performance. The statements also provide that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively in all material respects.

Risk identification and management – environmental and social risk

Business risks which encapsulate material execution, environmental and social risks are reported in the Business Risks section of the Annual Report. In addition, ERA has developed a sustainability reporting framework that reports against key areas of interest in environmental, social and governance domains. This report will be released by Q2 2024.

Public statements and disclosure matters

ERA makes full and immediate disclosures to its shareholders and the market as required by, and in accordance with, its legal and regulatory obligations. Established systems are in place to ensure compliance and matters that may have a material impact on the price or value of ERA's securities are reported to the market in accordance with the ASX Listing Rules and the *Corporations Act 2001*. ERA's Continuous Disclosure Policy is available at the Corporation Governance section of ERA's website at www.energyres.com.au.

Management is responsible for establishing and maintaining adequate internal controls over financial reporting. These controls, supervised by the Chief Executive and Chief Financial Officer, provide reasonable assurance regarding the reliability of the Group's financial reporting and the preparation and presentation of financial statements for external reporting purposes, in accordance with International Financial Reporting Standards (IFRS). The Company's internal controls over financial reporting include policies and procedures designed to ensure the maintenance of records that: (i) accurately and fairly reflect transactions and dispositions of assets; (ii) provide reasonable assurances that transactions are recorded as necessary, enabling the preparation of financial statements in accordance with IFRS, and (iii) receipts and expenditures are made with the authorisation of management and directors of each of the companies.

Modern Slavery Statement

ERA is a reporting entity under the Australian Modern Slavery Act 2018 (Cth) and will be included in Rio Tinto's joint 2023 Modern Slavery Statement which will be published on behalf of the reporting entities in the Rio Tinto Group.

Shareholder communication

ERA recognises the importance of effective communication with shareholders and the general investment community. Apart from ERA's compliance with its mandatory continuous disclosure obligations, ERA takes steps to ensure that its shareholders and other stakeholders are kept informed. Full advantage is taken of the Annual General Meeting to inform shareholders of current developments and to give shareholders the opportunity to ask questions. KPMG, ERA's external auditor attends the Annual General Meeting and is available to answer shareholder questions about the conduct of the audit and the preparation and content of the auditor's report.

ERA shareholders are also able to submit written questions regarding the conduct of the audit and the statutory audit report to the auditor via the Company.

Any questions received and answers provided will be made available to members at the Annual General Meeting. Shareholders who are unable to attend meetings are encouraged to appoint a proxy to vote either as they direct or at their discretion.

ERA believes that investor seminars, presentations and briefings on financial and operational issues, including social and environmental performance, are valuable ways of communicating with relevant professionals, employees and other interested persons when required. The Chief Executive and Chief Financial Officer are available for regular meetings with the Company's major investors.

When conducted, ERA gives equal access to information disclosed in investor seminars, presentations and briefings. If any such event is used to disclose new material, it will, in advance or simultaneously, be disclosed to the ASX and available on ERA's website.

ERA provides shareholders with the option to receive communications from, and send communications to, the Company and the share registrar electronically. The contact details are available on the Company's website.

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2023

	NOTES	2023 $'000	2022 $'000
Revenue from continuing operations	3	34,182	55,309
Cost of sales	4	-	(22,524)
Materials and consumables used		(1,100)	(235)
Employee benefits and contractor expenses		(11,974)	(15,918)
Government and other royalties	4	-	(1,936)
Commission and shipping expenses		-	(56)
Depreciation and amortisation expenses		(292)	(312)
Changes in estimate of rehabilitation provision	17	(1,349,272)	(62,157)
Financing costs	4	(57,273)	(106,467)
Statutory and corporate expenses		(2,270)	(6,009)
Other expenses	4	(95)	(248)
Loss before income tax		(1,388,094)	(160,553)
Income tax (expense)/benefit	5	-	-
Loss for the year		(1,388,094)	(160,553)
Other comprehensive loss		-	-
Total comprehensive loss for the year		(1,388,094)	(160,553)
Loss is attributable to:			
Owners of Energy Resources of Australia Ltd		(1,388,094)	(160,553)
Total comprehensive loss for the year is attributable to:			
Owners of Energy Resources of Australia Ltd		(1,388,094)	(160,553)
Earnings per share for loss attributable to the ordinary equity holders of the Company:			
Basic earnings/(loss) per share (cents)	27	(8.6)	(4.3)
Diluted earnings/(loss) per share (cents)	27	(8.6)	(4.3)

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

BALANCE SHEET

AS AT 31 DECEMBER 2023

	NOTES	2023 $'000	2022 $'000
ASSETS			
Current assets			
Cash and cash equivalents	7	216,951	87,116
Trade and other receivables	8	4,229	4,678
Inventories	9	7,315	8,059
Other	10	785	2,924
Total current assets		229,280	102,777
Non-current assets			
Undeveloped properties	11	89,856	89,856
Property, plant and equipment	12	659	951
Government security receivable	13	509,005	486,187
Total non-current assets		599,520	576,994
Total assets		828,800	679,771
LIABILITIES			
Current Liabilities			
Temporary bank overdraft	14	-	12,253
Trade and other payables	15	25,899	33,699
Lease liabilities		295	284
Provisions	16	309,099	279,783
Total current liabilities		335,293	326,019
Non-current liabilities			
Lease liabilities		385	681
Provisions	17	2,120,422	956,728
Total non-current liabilities		2,120,807	957,409
Total liabilities		2,456,100	1,283,428
Net deficit		(1,627,300)	(603,657)
EQUITY			
Contributed equity	19	1,542,350	1,177,656
Reserves	20	387,669	387,912
Accumulated losses	20	(3,557,319)	(2,169,225)
Total deficit		(1,627,300)	**(603,657)**

The above balance sheet should be read in conjunction with the accompanying notes.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2023

	NOTES	CONTRIBUTED EQUITY $'000	RESERVES $'000	ACCUMULATED LOSSES $'000	TOTAL $'000
Balance at 1 January 2022		1,177,656	388,594	(2,008,672)	(442,422)
Loss for the year		-	-	(160,553)	(160,553)
Other comprehensive loss		-	-	-	-
Total comprehensive loss for the year	**20**	-	-	(160,553)	(160,553)
Transactions with owners in their capacity as owners:					
Contributions of equity – net of transaction cost		-	-	-	-
Employee share options – value of employee services	**20**	-	(682)	-	(682)
		-	(682)	-	(682)
Balance at 31 December 2022		1,177,656	387,912	(2,169,225)	(603,657)
Loss for the year		-	-	(1,388,094)	(1,388,094)
Other comprehensive loss		-	-	-	-
Total comprehensive loss for the year	**20**	-	-	(1,388,094)	(1,388,094)
Transactions with owners in their capacity as owners:					
Contributions of equity – net of transaction cost	**19**	364,694	-	-	364,694
Employee share options – value of employee services	**20**	-	(243)	-	(243)
		364,694	(243)	-	364,451
Balance at 31 December 2023		1,542,350	387,669	(3,557,319)	(1,627,300)

The above statement of changes in equity should be read in conjunction with the accompanying notes.

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2023

	NOTES	2023 $'000	2022 $'000
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from customers		1,036	75,488
Payments to suppliers and employees		(22,456)	(28,750)
		(21,420)	46,738
Payments for rehabilitation	16	(210,615)	(194,190)
Interest received		9,429	1,133
Financing costs paid		(640)	(644)
Net cash (outflow)/inflow from operating activities	26	(223,246)	(146,963)
CASH FLOW FROM INVESTING ACTIVITIES			
Payments for property, plant and equipment		(79)	(227)
Proceeds from sale of property, plant and equipment		1,347	2,725
Payment for Investments in term deposits		(100,000)	-
Proceeds from Investments in term deposits		100,000	-
Proceeds from government security receivable	13	-	56,778
Net cash (outflow)/inflow from investing activities		1,268	59,276
CASH FLOW FROM FINANCING ACTIVITIES			
Temporary bank overdraft	14	-	12,253
Repayment of temporary bank overdraft	14	(12,253)	-
Proceeds from borrowings		100,000	-
Repayment of borrowings		(100,000)	-
Proceeds from issues of shares		369,138	-
Share issue transaction cost		(4,444)	-
Payment of lease liabilities		(284)	(300)
Employee share option payments		(346)	(1,009)
Net cash (outflow)/inflow from financing activities		351,811	10,944
Net increase/(decrease) in cash and cash equivalents		129,833	(76,743)
Cash and cash equivalents at the beginning of the financial year		87,116	163,872
Effects of exchange rate changes on cash and cash equivalents		2	(13)
Cash and cash equivalents at end of year	7	216,951	87,116

The above cash flow statement should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS

1 Summary of material accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are for Energy Resources of Australia Ltd (ERA).

(a) Basis of preparation

This general purpose financial report has been prepared in accordance with Australian Accounting Standards and interpretations issued by the Australian Accounting Standards Board, and the *Corporations Act 2001*. The financial report has been prepared under the assumption that the Company is a going concern.

(i) Going Concern

As at 31 December 2023, ERA has a deficiency of capital and reserves of $1,627 million, is in a current liability position of $106 million and has experienced operating losses, driven by significant increase in the rehabilitation estimate, as well as net cash outflows during the year, also driven by rehabilitation. In light of this position the Company has closely considered its near term outlook in relation to its position as a going concern, particularly the following developments during 2023:

- ERA has completed a non-underwritten pro rata renounceable entitlement offer of new fully paid ERA ordinary shares as an interim funding measure to fund its planned Ranger Project Area Rehabilitation expenditure through to quarter 3, 2024. Approximately $369 million was raised (before costs) with the entitlement offer being fully subscribed (inclusive of the applications under the Shortfall Facility)
- The Company has announced a move to a programme management approach for executing the remaining rehabilitation activities. The programme management approach is intended to provide greater certainty and value for shareholders and stakeholders as it will support optimisation, risk and uncertainty to be addressed before funding is requested for activities likely to occur post 2027 whilst enabling critical path activities to be progressed
- The Company considers it appropriate to proceed with the 1st tranche of the programme management scope to 2027 which includes a range of well defined activities
- ERA expects to spend approximately $1.2 billion in undiscounted nominal terms on rehabilitation activities including studies up until the end of 2027
- Activities post 2027 and estimates of their cost remain highly uncertain. As such estimates of expenditure beyond 2027 are subject to the further study work.

As at 31 December 2023, the Company had no debt financing in place, $726 million of cash including total cash resources at bank of $217 million and $509 million in cash which is currently held by the Australian Government as part of the Ranger Rehabilitation Trust Fund ("Trust Fund"). The Australian Government is also holding $125 million in bank guarantees over the 44th Annual Plan of Rehabilitation which was finalised in February 2020 (an additional $1 million is held as an allowance for Jabiluka rehabilitation). Issuers of the bank guarantees have certain pay and walk rights and the guarantees are subject to periodic reviews. Should the banks execute their pay and walk rights or should ERA be unable to access bank guarantees, substantial additional cash would be required to indemnify the banks or be deposited into the Trust Fund. ERA continues to maintain regular dialogue with its major relationship banks.

The Company will require additional funding to complete the rehabilitation of the Ranger Project Area in accordance with its obligations and commitments. ERA will engage with Rio Tinto and other shareholders in relation to a material equity raise in 2024 and the Company has appointed Highbury Partnership as financial advisor and Herbert Smith Freehills as legal adviser to the Independent Board Committee. Ashurst will act as legal adviser to the Company in relation to the potential equity raise or other funding options.

The Company notes Rio Tinto's public statements to the effect that it is committed to working with ERA to ensure the rehabilitation of the Ranger Project Area is successfully achieved to a standard that will establish an environment similar to the adjacent Kakadu National Park. Given Rio Tinto subscribed to its full share of its entitlements in the previous Interim Entitlement Offer in 2023, the Board considers that Rio Tinto remains committed to the successful rehabilitation of the Ranger Project Area.

The Company is required to prepare and submit an Annual Plan of Rehabilitation (Annual Plan) to the Australian Government. Once accepted by the Australian Government, the Annual Plan is then independently assessed and costed and the amount to be provided by the Company into the Ranger Rehabilitation Trust Fund (Trust Fund) is then determined. The Trust Fund includes both cash and financial guarantees. ERA has agreed on amendments to the Ranger Government Agreement with the Australian Government to introduce a clearer framework for managing the amount of security held by the Government and releasing funds from the Trust Fund for completed rehabilitation works. However, further transaction of funds between parties under this framework will first require re-evaluation of the security arrangement. Given the increase in the cost of rehabilitating the Ranger Project Area, ERA may be required to provide additional security or funds in the Trust Fund.

ERA does not consider that it can rely upon drawdown of any further cash from the Trust Fund before the re-evaluation of the security arrangement is complete.

NOTES TO THE FINANCIAL STATEMENTS

As a result of these matters, there is a material uncertainty that may cast significant doubt on ERA's ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business. Should additional funding support from its shareholders not occur ERA would likely have insufficient cash on hand to continue its current activities within the foreseeable future. However, the directors believe that ERA will be successful in obtaining additional funding support from its shareholders, and that the Annual Plan security requirements will continue to be covered by a mix of cash on deposit, bank guarantees and the funding from its shareholders. Accordingly, the financial report has been prepared on a going concern basis.

(ii) Compliance with IFRS

The financial statements of the Company also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

(iii) Historical cost convention

These financial statements have been prepared under the historical cost convention, except for where specifically outlined that an alternative basis has been used within Note 1.

(iv) Critical accounting estimates

The presentation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the accounting policies of the Company. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 2.

(b) Principles of consolidation

(i) Subsidiaries

ERA has no subsidiaries and is referred to in the financial report as the Company or ERA.

Subsidiaries are all those entities (including special purpose entities) over which the Company has the power to govern the financial and operating policies, generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Company controls another entity.

(c) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates and amounts collected on behalf of third parties.

The Company recognises revenue when the amount of revenue can be reliably measured. It is probable that future economic benefits will flow to the entity and the criteria pertaining to the transfer of control of goods or rendering of services has been met as described in the sections below.

(i) Sale of goods

ERA places all sales through a marketing agreement with Rio Tinto Marketing PTE Limited (Rio Tinto Uranium) based in Singapore (Marketing Agreement).

Sales revenue is recognised on individual sales when control transfers to the customer. This occurs when the uranium transfers from the Company's account at converter locations to its customers account. It is at this stage under the respective arrangement that the company no longer can control or direct goods.

There is only one performance obligation, being for provision of product at the point where control passes.

Sales revenue excludes any applicable sales taxes. Mining royalties payable are presented as an operating cost.

Receipts from sales revenue are generally received 30 days from the date of sale.

(ii) Rendering of services

Revenue from the rendering of services is recognised when the service is provided.

(iii) Other revenue/income

Other revenue/income recognised by the Company includes:

- Interest income, which is recognised on a time proportion basis using the effective interest rate method
- Rental income, which is recognised on a straight line basis
- Net gains on disposal of assets, which is recognised at the date control of the asset passes to the acquirer
- Contract compensation, which is recognised upon cancellation of a sales contract
- Foreign exchange gains
- Insurance recoveries, which is recognised on confirmation from the insurer that the claim payment has been approved.

(d) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The financial statements are presented in Australian dollars, which is the Company's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income; except when they are deferred in equity as qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

(e) Financing costs

Financing costs (including interest) are included in the statement of comprehensive income in the period during which they are incurred.

(f) Income tax

Income tax expense for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and of unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the country where the Company generates taxable income (Australia).

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

(i) New standards and amendments applicable for the current period Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12 'Income Taxes' (IAS 12), mandatory in 2023 and endorsed by the UK)

At 1 January 2023, ERA adopted narrow-scope amendments to AASB 112 Income Taxes i.e. AASB 2021-5 *Amendments to Australian Accounting Standards – Deferred Tax related to Assets and Liabilities arising from a Single Transaction* and have restated comparative periods in accordance with the transition arrangements. These amendments introduce an exclusion to the initial recognition exemption application for transactions giving rise to equal and offsetting taxable and deductible temporary differences.

Under the amendments, separate deferred tax assets and liabilities are calculated and recognised, prior to application of any required recovery testing and permitted offsetting, and subsequent movements in those deferred tax assets and liabilities are recognised in the income statement.

The most significant impact of implementing these amendments was from temporary differences related provisions for close down and restoration, and lease obligations and corresponding capitalised closure costs and right-of-use assets, where applicable to the Company.

Adjustments to deferred tax assets and liabilities related to these balances have not been recognised as at 1 January 2022, being the beginning of the earliest comparative period to be presented in the financial statements for the year ended 31 December 2023, in line with the recognition criteria established above.

(g) Trade and other receivables

Trade receivables are recognised at fair value. The company applies the forward looking expected credit loss model required by AASB 9, using the simplified approach for its trade receivables portfolio review and the general approach for all other financial assets as required by the standard.

Trade receivables are normally settled within 45 days and are carried at amounts due. The collectability of trade receivables is reviewed on an ongoing basis and specific provisions are made for any doubtful amounts. Receivables which are known to be uncollectible are written off.

Other receivables relate to transactions outside the usual operating activities of the Company and are predominantly concerned with rental receipts from employees and businesses located within the Jabiru township. These ongoing activities are expected to be settled during the 12 months subsequent to balance date but are assessed regularly and impaired accordingly.

(h) Financial instruments

Financial assets and financial liabilities are recognised in ERA's balance sheet when ERA becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at

NOTES TO THE FINANCIAL STATEMENTS

fair value through profit or loss are recognised immediately in profit or loss.

Management uses valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible, but this is not always available. In that case management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

(i) Fair value measurement

When measuring the fair value of its assets and liabilities, the Company uses observable market data. All assets and liabilities measured at fair value, including hedging instruments, use Level 1 valuation techniques: quoted prices (adjusted) in active markets for identical assets or liabilities.

(i) Inventories

Inventories are carried at the lower of cost and net realisable value. Net realisable value for uranium is determined based on estimated future sales prices, exchange rates and capital and production costs, including transport. Net realisable value for stores is determined based on management's estimate of the extent to which the inventory is usable.

Inventory is valued using the weighted average cost method and includes both fixed and variable production costs, as well as cash and non-cash charges. For stores, the costing includes solely material purchase prices.

Stores are valued at the lower of cost or net realisable value and are impaired accordingly to take into account obsolescence. The Company discloses obsolescence changes in Note 9.

(j) Impairment of assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value, less cost to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction.

The value in use is determined using the present value of the future cashflow expected to be derived from an asset or cash generating unit.

(k) Property, plant and equipment

(i) Acquisition

Items of property, plant and equipment are recorded at historical cost and, except for land, are depreciated over their useful life. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount, or recognised as a separate asset – as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance are charged to the statement of comprehensive income during the period in which they are incurred.

(ii) Depreciation and amortisation

All ERA's property, plant and equipment (excluding right of use assets) is currently fully impaired. Property, plant and equipment expenditure incurred is recorded directly in other expenses.

(l) Leases

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

The right-of-use asset is shown as a non-current asset and depreciated over the shorter of its useful life and the lease terms on a straight line basis. As right-of-use assets represent an economic benefit they are not impaired, as is the case for other Ranger Cash Generating Unit (CGU) assets.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable
- Variable lease payment that are based on an index or a rate
- Amounts expected to be payable by the lessee under residual value guarantees
- The exercise price of a purchase option if the lessee is reasonably certain to exercise that option
- Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option
- The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the incremental borrowing rate is used.

Right-of-use assets are measured at cost comprising the following:

- The amount of the initial measurement of lease liability

- Any lease payments made at or before the commencement date less any lease incentives received
- Any initial direct costs
- Restoration costs.

Payments associated with short-term leases and leases of low value assets are recognised as an expense in the statement of comprehensive income. Short term leases are leases with a lease term of twelve months or less.

Treatment of lease agreements recognised in the rehabilitation provision

Lease payments have been contemplated in the rehabilitation provision. However, once a lease for equipment to be used in rehabilitation activities is entered into a separate lease liability and a right-of-use asset is recognised. The rehabilitation obligation is not extinguished by entering into a lease, instead, the rehabilitation obligation is extinguished over time as the leased asset is put to use in executing the rehabilitation program.

Lease payments are allocated to the lease liability, with the interest component allocated to financing cost in the statement of comprehensive income.

Where the right-of-use asset resulting from the lease arrangement is to be used exclusively for rehabilitation, it represents an economic resource which will have a future use in the completion of rehabilitation activity. As such the right-of-use asset is not impaired as is the case for other non-lease Ranger Cash Generating Unit (CGU) assets.

When the right-of-use asset is depreciated, the depreciation charge is allocated to the rehabilitation provision to reduce the outstanding amount provided for in the rehabilitation provision.

(m) Exploration and evaluation expenditure

Exploration and evaluation expenditure comprises costs which are directly attributable to:

- Researching and analysing existing exploration data
- Conducting geological studies, exploratory drilling and sampling
- Construction of underground tunnels, where necessary for exploration drilling
- Examining and testing extraction and treatment methods
- Compiling prefeasibility and feasibility studies.

Exploration and evaluation expenditure also includes the costs incurred in acquiring mineral rights, the entry premiums paid to gain access to areas of interest and amounts payable to third parties to acquire interests in existing projects.

Capitalisation of exploration expenditure commences when there is a high degree of confidence in the projects viability and hence it is probable that future economic benefits will flow to the Company. Capitalised exploration expenditure is reviewed for impairment indicators at each balance sheet date.

Exploration and evaluation assets are tested for impairment when any of the following facts and circumstances exist:

- The term of exploration licence in the specific area of interest has expired during the reporting period or will expire in the near future, and is not expected to be renewed;
- Substantive expenditure on further exploration and evaluation of mineral resources in the specific area are not budgeted or planned;
- Exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resource and the decision was made to discontinue such activities in the specific area; or
- Sufficient data exists to indicate that, although development in the specific area of interest is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

Subsequent recovery of the resulting carrying value depends on successful development of the area of interest or sale of the project. If a project does not prove viable, all unrecoverable costs associated with the project and the related impairment provisions are written off. Any impairment provisions raised in previous years are reassessed if there is a change in circumstances, which indicates that they should be reviewed; for example, if it is decided to proceed with development. If the project proceeds to development the amounts included within intangible assets are transferred to property, plant and equipment.

(i) Undeveloped properties

Undeveloped properties are mineral concessions where the intention is to develop and go into production in due course. The carrying values of these assets are reviewed annually by management and the results of these reviews are reported to the Board and Audit and Risk Committee. For accounting purposes, the company reviews for evidence of impairment indicators at each reporting date and, where identified, the recoverable amount is estimated.

(n) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset, or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the balance sheet.

NOTES TO THE FINANCIAL STATEMENTS

(o) Trade and other payables

Liabilities are recognised for amounts to be paid in the future for goods and services received prior to the end of the financial year, whether or not billed to the Company. Trade accounts payable are normally settled within 60 days. These are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest rate method.

(p) Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure, adjusted for risk, required to settle the present obligation at the balance sheet date. The discount rate used to determine the present value reflects current market assessments of the time value of money. The increase in the provision due to the passage of time is recognised as financing costs.

(i) Rehabilitation

The Company is required to rehabilitate the Ranger Project Area upon cessation of mining operations, which occurred on 8 January 2021. The process undertaken to estimate these costs is detailed further in note 2(a) below.

The amortisation or unwinding of the discount applied in establishing the net present value of provisions is charged to the statement of comprehensive income in each accounting period. The amortisation of the discount is shown as a financing cost. Other movements in the provision for closure and restoration costs, including those resulting from new disturbance, updated cost estimates, changes to lives of operations and revisions to discount rates are allocated directly to the statement of comprehensive income.

Costs are allowed for in the closure provision when they are directly related to rehabilitation of the Ranger Project Area. Costs incurred to operate and manage the site whilst uranium oxide production was occurring were allocated to operating costs. The operation of the Brine Concentrator, pond water management and power station are costs that were allocated to operating costs up until production of uranium oxide ceased (8 January 2021). Following cessation of uranium oxide production these costs are allocated to the closure provision. Costs associated with non-rehabilitation corporate activities remain in operating costs and so are not provided for.

Separately, the Company is required to maintain the Ranger Rehabilitation Special Account (Trust Fund) with the Australian Government. The Trust Fund is intended to provide security against the estimated costs of closing and rehabilitating the Ranger Project Area immediately. The Company is required to prepare and submit to the Australian Government an Annual Plan of Rehabilitation (Annual Plan). Once accepted by the Australian Government, the Annual Plan is then independently assessed and costed and the amount to be provided by the Company into the Trust Fund is then determined.

The Trust Fund includes both cash and financial guarantees. The cash portion is shown as a government security receivable on the balance sheet (Note 13), and interest received by the Trust Fund is shown as interest income. The balance of bank guarantee is shown at Note 13.

Government security receivable balances are split between current and non-current assets based on management's estimate as to when cash will be received from the Australian Government.

The Company is required to rehabilitate the Jabiluka Mineral Lease upon cessation of operations to a standard specified by the Authorisation to operate issued by the Northern Territory Government. The estimated cost of rehabilitation is currently secured by a bank guarantee of $1 million. The Jabiluka Mineral Lease remains under a Long Term Care and Maintenance Agreement and will not be developed without the approval of Mirarr Traditional Owners.

(q) Employee entitlements

(i) Wages and salaries, annual leave and sick leave

The liability for employee entitlements to wages and salaries represents the amount which the Company has a present obligation to pay, resulting from employees' services provided up to the reporting date. A provision exists for annual leave and accumulating sick leave as it is earned by employees and is measured at the amount expected to be paid when it is settled and includes all related on-costs. Liabilities for non-accumulating sick leave are recognised when the leave is taken and measured at the rates paid or payable.

(ii) Long service leave

The liability for long service leave expected to be settled within 12 months of the reporting date is recognised in the provision of employee benefits and is measured in accordance with (i) above. The liability for long service leave expected to be settled more than 12 months from the reporting date is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to the expected future wage and salary levels, experience of employee departures and periods of service.

Expected future payments are discounted using the rates attaching to Australian Government securities at the reporting date, which most closely match the terms of maturity of the related liabilities.

(iii) Superannuation plan

Employees of the Company are entitled to benefits on retirement, disability or death from their membership of the Rio Tinto Staff Superannuation Fund ("The Fund"). The Fund has both a defined benefit and a defined contribution section. Contributions to the defined contribution superannuation plans are expensed in the income statement when incurred.

The Company has no staff who are members of the defined benefits section.

(iv) Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Company recognises termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or to providing termination benefits as a result of an offer made to encourage voluntary redundancy.

(r) Segment reporting

Management has determined the operating segments based on the reports reviewed by the Chief Executive, used to make strategic decisions. The Chief Executive considers the business from a product perspective.

(s) Cash and cash equivalents

For the purposes of the statement of cash flows, cash includes cash on hand and deposits held at call.

Cash instruments that qualify as cash equivalents have an original maturity date no greater than three months.

(t) Contributed equity

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options for the acquisition of a business are not included in the cost of the acquisition as part of the purchase consideration.

(u) Earnings per share

(i) Basic earnings per share

Basic earnings per share is determined by dividing net profit after income tax attributable to members of the Company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

(v) Rounding of amounts

The Company is of a kind referred to in Class Order 2016/191, issued by the Australian Securities and Investments Commission, relating to the ‘rounding off’ of amounts in the financial report. Amounts in the financial report have been ‘rounded off’ in accordance with that Class Order to the nearest thousand dollars, or in certain cases, to the nearest dollar.

(w) Share based payments

The fair value of cash settled share plans is recognised as a liability over the vesting period of the awards. Movements in that liability between accounting dates are recognised as an expense. The grant date fair value of the awards is taken to be the market value of the shares at the date of award. Fair values are subsequently re-measured at each accounting date to reflect the number of awards expected to vest based on the current and anticipated TSR performance. If any awards are ultimately settled in shares, the liability is transferred direct to equity as the consideration for the equity instruments issued.

Equity settled share plans are settled either by the issue of shares by the relevant parent Company, by the purchase of shares on market or by the use of shares previously acquired as part of a share buyback. The fair value of the share plans is recognised as an expense over the expected vesting period with a corresponding entry to other reserves.

If the cost of shares acquired to satisfy the plans exceeds the expense charged, the excess is taken to the appropriate reserve. The fair value of the share plans is determined at the date of grant, taking into account any market based vesting conditions attached to the award (e.g. TSR). The Company uses fair values provided by independent actuaries calculated using a lattice based option valuation model. Non-market based vesting conditions (e.g. earnings per share targets) are taken into account in estimating the number of awards likely to vest.

The estimate of the number of awards likely to vest is reviewed at each balance sheet date up to the vesting date, at which point the estimate is adjusted to reflect the actual awards issued. No adjustment is made after the vesting date even if the awards are forfeited or not exercised.

Further information about the treatment of individual share based payment plans is provided in Note 30.

(x) Standards issued but not yet effective

A number of new standards are effective for annual periods beginning after 1 January 2023 and earlier application is permitted. However, the Company has not adopted the new or amended standards in preparing these financial statements. Management has also concluded that when those new standards become applicable and are adopted there will be no anticipated material impact to the balances and transactions of the Company.

NOTES TO THE FINANCIAL STATEMENTS

2 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(a) Rehabilitation provision

The calculation of the rehabilitation provision relies on estimates of costs and their timing to rehabilitate and restore disturbed land to establish an environment similar to the adjacent Kakadu National Park in line with the Company's statutory obligations.

The costs are estimated on the basis of a closure plan, taking into account considerations of the technical closure options available to meet ERA's obligations. The provision for rehabilitation represents the net present cost at 31 December 2023 of the preferred plan and represents management's best estimate of costs.

At 31 December 2023, the ERA rehabilitation provision was $2,420 million, being a net increase of $1,195 million from the previous period.

Of the increase in the provision, approximately 85% of the increase is attributable to rehabilitation activities post 2027. An extension in schedule to achievement of final landform (FLF) has been a significant factor in driving additional estimated project costs. This extension is primarily due to a reassessment of the time taken to achieve Pit 3 consolidation, with a secondary driver being the transition to lower technical risk Pit 3 capping methods removing previously estimated schedule synergies. In addition to schedule increased estimates in water volumes requiring treatment have driven higher variable costs of treatment against prior year estimates with the overall long-term performance of the water treatment plant being below the planned performance in ERA's previously assumed water treatment strategy. ERA will continue to pursue initiatives to improve the performance of the water treatment plants in line with its revised water treatment strategy. Estimated bulk material movement costs have also been forecasted to increase materially due to higher unit costs than previously estimated with some additional scope relating to catchment conversion activities also driving an increase in cost.

ERA expects to spend approximately $1.2 billion in undiscounted nominal terms on rehabilitation activities including studies up until the end of 2027. Activities post 2027 and estimates of their costs remain highly uncertain. These activities remain subject to a number of studies and are also potentially sensitive to external events. As such estimates of expenditure beyond 2027 are subject to the further study work detailed below.

During 2023, ERA incurred expenditure of $211 million on rehabilitation activities with progressive rehabilitation of the Ranger Project Area continuing with several key milestones achieved.

The capping of Pit 3 remains a critical path activity, including the Pit 3 backfill approval application. Wicking commenced in November 2022 in the eastern end of Pit 3 and the final wick was installed on 9 April 2023. Pit 3 backfill approval application was resubmitted to the Northern Territory governing agency during the September 2023 quarter. Final approval of the backfill application is expected in the later part of quarter 1, 2024.

Preparation for the dry capping of Pit 3 has continued to progress. Upon the successful dewatering of Pit 3, the next step will be to lay geofabric which will protect the tailings during capping activities followed by further initial capping activities.

Progress was made during the year to mobilise equipment to be used to accelerate the drying of Pit 3 within the completed wicked zone. Additional specialised drying equipment is expected to be delivered early in 2024.

The Brine Squeezer process water treatment upgrade work progressed reaching completion during the last quarter of 2023 including regulatory approval to operate. This upgrade will allow additional treatment of process water from the Ranger Water Dam.

While performance against operational plan volumes has improved in 2023, treatment rates of process water through the Brine Concentrator has continued below the planned performance assumed in ERA's previous water management strategy. Progress is being made in identifying and implementing strategies that improve plant reliability and production consistency. Although water quality has been challenging this year, high quality on specification distillate continues to be produced. Process improvement initiatives continue to be a key focus area.

During 2023, the Jabiru housing refurbishment program continued to progress including the release of further properties. ERA is progressively working on the transfer of properties to enable tenanting by third parties.

Overall, factors including a tight labour market and remnant supply chain constraints continue to impact the project.

The ultimate cost of rehabilitation is uncertain and can vary in response to many factors including legal requirements, technological change, weather events and market conditions. As previously announced ERA received outcomes and data from the 2022 Feasibility Study in October 2023 that require more analysis and separate studies, including but not limited to:

- Investigating alternative lower cost solutions for the management of water inventories requiring treatment

- Development of sediment and erosion control solutions to optimise release of water from rehabilitated landforms
- Evolution of the final landform design and construction to optimise the movement of bulk materials and appropriately manage late-stage closure sequencing
- Investigating alternative lower cost options for site simplification and opportunities for cost optimisation of post-closure monitoring and maintenance
- Value engineering and safety in design investigations.

The Company will use the outcomes from the studies to attempt to optimise rehabilitation cost, schedule and risk. Activities post 2027 and estimates of their cost remain highly uncertain and are also potentially sensitive to external events. As such it is reasonably possible that outcomes from within the next financial year may be different from the current cost estimate and could require material adjustment to the rehabilitation provision for the Ranger Project Area.

Selected risks for the Ranger rehabilitation provision are detailed below.

Tailings consolidation

During the capping and backfill of Pit 3, the capped tailings will consolidate, and express process water will need to be collected and treated. The installation of vertical wicks during 2023 has accelerated the rate of tailings consolidation.

The timeframe for completing tailings consolidation is supported by a detailed tailings consolidation model that is based on in-situ testing of site tailings. The consolidation model's prediction of the rate of tailings consolidation is impacted by many factors, including the tailings characteristics, progressing Pit 3 capping and backfill, and the ability to remove the expressed water from the tailings.

Forecasts for the practical completion of tailings consolidation and the end of process water collection have been extended because of changes in Pit 3 capping method and schedule, changes in the assumed degree to which expressed water needs to be collected to satisfy environmental constraints and other changes in tailings model assumptions. This extension has been a contributing factor to the increase in estimated rehabilitation costs reported at 31 December 2023.

The cost and schedule of completing rehabilitation could be adversely impacted If tailings consolidation timeframes or the timeframe for the end of process water collection extend further.

Water treatment and injection of waste brines

Overall long-term performance of the water treatment plant has been below the planned performance in ERA's previously assumed water treatment strategy. This has been a contributing factor to an increase in estimated rehabilitation costs reported at 31 December 2023. ERA will continue initiatives to improve the performance of the water treatment plants in line with its revised water treatment strategy. Further deficits in performance of this infrastructure against targets established in the revised strategy may produce further delays in completing the Ranger Rehabilitation Project.

To the extent that any of these initiatives cost more than expected or ERA is required to implement further initiatives (such as installing additional water treatment infrastructure), the rehabilitation cost may increase further.

A waste stream of contaminated salt is generated as a result of treating processed water. The salt is ultimately to be stored below tailings in Pit 3 by injecting the brine through boreholes. These technologies have been commissioned but the long term performance is yet to be fully confirmed. An alternate method of salt disposal would be required if disposing the salt in this way does not prove viable. This would require additional capital expenditure, which has not been allowed for in the rehabilitation estimate or the resulting provision.

Bulk material movement

Large scale bulk material backfill and landform shaping will occur once Pit 3 is capped. Bulk material movements are sensitive to the volume of material which is to be moved and the schedule of movement. Changes in estimated bulk material movement unit rates against previous estimates have been a contributing factor to the increase in estimated rehabilitation costs reported at 31 December 2023. There may be further material impact on the rehabilitation cost or schedule if volumes or costs of movement change.

Other factors

In addition to the factors identified above there are many additional items that could impact the estimate. These include increase in water treatment volumes from rainfall or other sources, rehabilitation time frames, evaporation rates, stakeholder requirements, higher costs of relinquishing Jabiru township housing, engineering studies, other site contaminants, plant mortality and project support costs.

In estimating the rehabilitation provision, a risk-free discount rate is applied to the underlying cash flows. At 31 December 2023, the real discount rate was 2%, this was increased from 1.5% at 31 December 2022 as a result of changes in macro-economic conditions.

Cash flow timing

The company estimates the presentation of its rehabilitation provision between current and non-current liabilities, based on anticipated timing of expenditure from updated cash flow forecasts.

(b) Taxation

ERA has approximately $321 million tax losses (at 30%) that are not recognised as deferred tax assets due to uncertainty regarding ERA's ability to generate adequate levels of future taxable profits. This treatment is reviewed at each reporting date. Should future taxable profits eventuate this treatment will not impact ERA's ability to utilise available tax losses in future periods.

NOTES TO THE FINANCIAL STATEMENTS

Comparative information has been restated to reflect the adoption of narrow scope amendments to IAS12 'Income Taxes', refer to note 5 for details.

Judgement is required in regard to the application of income tax legislation. There is an inherent risk and uncertainty in applying these judgements and a possibility that changes in legislation will impact the carrying amount of deferred tax assets and deferred tax liabilities recognised on the balance sheet.

(c) Asset carrying values

ERA has two cash generating units (CGUs); the Ranger Project Area and the Jabiluka Mineral Lease. The Ranger CGU includes all assets and liabilities related to activities on the Ranger Project Area, including the rehabilitation provision. The Jabiluka Undeveloped Property relates to the Jabiluka Mineral Lease, which is currently under a Long-Term Care and Maintenance Agreement with Traditional Owners.

At 31 December 2023 the property, plant and equipment in the Ranger CGU continues to be fully impaired. When capital expenditure is incurred, it is immediately expensed to the Statement of Comprehensive Income. For the year ended 31 December 2023, $0.08 million in capital expenditure was expensed.

ERA assesses whether there are any indications that ERA's CGUs may be impaired, or circumstances have changed to indicate reversal of prior impairments at the end of each reporting period. This requires judgement in analysing possible impacts caused by factors such as the price of uranium oxide, foreign exchange movements, Mineral Lease extension, operating and capital estimates, discount rate, project progression and Traditional Owner relationships.

(d) Undeveloped properties judgements

Undeveloped properties are considered assets not yet ready for use under AASB 6 *Exploration for and Evaluation of Mineral Resources*. In reporting periods where impairment testing is required, the recoverable amount of the undeveloped properties was determined using the fair value less costs of disposal method. Undeveloped properties consist of the Jabiluka Mineral Lease.

The Jabiluka Mineral Lease is currently subject to a Long Term Care and Maintenance Agreement with Traditional Owners. This agreement ensures the Jabiluka deposit will not be developed without the approval of the Mirarr Traditional Owners. It is uncertain that this approval will be forthcoming and, by extension, that the Jabiluka deposit will be developed. Should this approval not eventuate in the future, the Jabiluka Undeveloped Property would face full impairment. An impairment of $90 million was recorded in 2018.

The valuation of the Jabiluka Mineral Lease requires a high degree of judgment. To determine the fair value, ERA has historically used a probability weighted discounted cash flow model, based on post-tax cash flows expressed in real terms, estimated until the end of the life of mine plan and discounted using an asset specific post-tax real discount rate. These results have historically been cross checked against market valuations of other undeveloped mining projects in the uranium industry and the broader mining sector, including market valuations of mining assets subject to long term approval constraints as well as general commodity price outlooks and macro-economic data.

ERA regularly reviews and updates these assumptions and assesses potential impairment indicators and impairment reversal indicators. In December 2023, the review did not identify any indicators that the carrying amount of the Jabiluka Undeveloped Property may not be recovered in full from successful development or sale. This review primarily considered the following key factors:

- The successful interim entitlement offer and market capitalisation exceeding net assets
- The ongoing strength of the uranium spot price
- Valuation technique and resource multiples
- Long term consensus forecast Australian/US dollar exchange rates
- Applicable discount rate.

The review of these factors did not identify any material changes that would warrant a full impairment or impairment reversal review to be conducted. As a result, the carrying value of the Jabiluka Undeveloped Property remains at $90 million.

Further, ERA hold the view that the critical determinants of the value of Jabiluka include:

- The Long Term Care and Maintenance Agreement, signed with the Northern Land Council and Traditional Owners
- A better understanding of the cultural landscape of MLN1
- The outcome of an application for renewal of the MLN1 lease, due in August 2024.

Management considered that until this work is completed no further impairment or reversal of prior impairment was warranted.

Key assumptions to which the Jabiluka model is sensitive include: the probability of future development (which includes an assessment of obtaining any required approval and/or support of various stakeholders, including Traditional Owners, regulatory bodies and shareholders), long term uranium oxide prices (including term contract price premiums in the future), foreign exchange rates, production and capital costs, discount rate, ore reserves and mineral resources, lease tenure renewal (August 2024) and development delays.

ERA's view remains that Jabiluka is a large, high quality uranium ore body of global significance.

(e) Employee benefits judgements

The employee benefits relate to annual leave and long service leave. Following the final severance payment in November, the provision of benefits payable on termination was $ Nil as at 31 December 2023 (2022: $1.0M). The provision was reviewed at year end to ensure the provision reflects management's best estimate of the benefits payable, and management determined that the recognition

NOTES TO THE FINANCIAL STATEMENTS

requirements of the accounting standard had not been met as at 31 December 2023.

Management continues to monitor the triggers for recognition of employee severance costs in conjunction with updates to the Ranger Rehabilitation Project execution required scopes of work and business operational requirements.

NOTES TO THE FINANCIAL STATEMENTS

3 Revenue

	2023 $'000	2022 $'000
REVENUE FROM CONTINUING OPERATIONS		
Sale of goods	-	35,555
Total sales revenue	-	35,555
Other revenue		
Interest received/receivable, other parties	32,246	9,257
Rent received	516	824
Asset sales and recoveries	1,420	2,879
Net gain on non-hedge forward contracts	-	6,794
Total other revenue	34,182	19,754
Total revenue from continuing operations	34,182	55,309

4 Expenses

	NOTES	2023 $'000	2022 $'000
PROFIT BEFORE INCOME TAX INCLUDES THE FOLLOWING SPECIFIC EXPENSES:			
Cost of sales			
Produced product (uranium oxide)		-	22,524
Total cost of sales		-	22,524
Government and other royalties			
Royalty payments	22	-	440
Payments to Indigenous interests	22	-	1,496
Total government and other royalties		-	1,936
Financing costs			
Other parties		640	643
Unwinding of discount (rehabilitation provision)	17	56,633	105,824
Total financing costs		57,273	106,467
Other expenses			
Property, plant and equipment expensed	12	79	227
Office and other expenses		16	21
Total other expenses		95	248
Other individually significant expenses			
Short term and low value leases		32	11
Interest expense related to leases		8	8
Sustainability payment to Indigenous interests		-	2,172
Defined contribution superannuation expense		315	419

NOTES TO THE FINANCIAL STATEMENTS

5 Income tax expense/(benefit)

	2023 $'000	2022 $'000
INCOME TAX EXPENSE/(BENEFIT)		
Current tax	-	-
Deferred tax	-	-
Income tax expense/(benefit)	-	-
Deferred income tax (revenue)/expense included in income tax expense comprises:		
Decrease/(increase) in deferred tax assets (Note 18B)	258	16,591
(Decrease)/increase in deferred tax liabilities (Note 18A)	(258)	(16,591)
Deferred tax	-	-
RECONCILIATION OF INCOME TAX EXPENSE TO PRIMA FACIE TAX PAYABLE		
Operating loss before income tax	(1,388,094)	(160,553)
Tax at the Australian tax rate of 30% (2022: 30%)	(416,428)	(48,166)
Tax effect of amounts which are not deductible/(taxable) in calculating taxable income:		
Current year movement in DTA not recognised	416,424	48,161
Rehabilitation expenditure	-	-
Other items	4	4
Income tax expense/(benefit)	-	-

No deferred tax asset is recognised due to uncertainty over ERA's ability to generate future taxable profits.

Comparative information has been restated to reflect the adoption of narrow scope amendments to IAS12 'Income Taxes', refer to note 2b for details.

Future tax developments

The Organisation for Economic Co-operation and Development's (OECD) Pillar Two has not been substantively enacted in Australia as at 31 December 2023. As the Pillar Two legislation was not operative at the reporting date, the Company has no related current tax exposure.

The Company has applied the temporary mandatory exception from deferred tax accounting for Pillar Two available under AASB 2023-2 Amendments to Australian Accounting Standards – International Tax Reform – Pillar Two Model Rules released in June 2023.

6 Dividends

Dividends paid or declared

No dividends have been paid or declared for the year ended 31 December 2023 (2022: nil).

Dividends franking account

	2023 $'000	2022 $'000
Franking credits available for subsequent financial years based on a tax rate of 30% (2022: 30%)	234,095	234,095

The above amounts represent the balance of the franking account as at the end of the financial year, adjusted for franking credits that will arise from the payment of the amount of the provision for income tax as applicable.

The ability to utilise the franking account credits is dependent upon there being sufficient available profits to declare dividends.

7 Cash and cash equivalents

NOTES TO THE FINANCIAL STATEMENTS

	2023 $'000	2022 $'000
CURRENT		
Cash at bank and in hand	30,517	87,116
Deposits at call	186,434	-
Total cash and cash equivalents	216,951	87,116

Cash at bank/Deposits at call

Cash assets and deposits bear floating interest rates between 0% and 5.43% (2022: 0% and 4.10%).

Interest rate risk exposure

The Company's exposure to interest rate risk is discussed in Note 28.

8 Trade and other receivables

	2023 $'000	2022 $'000
CURRENT		
Trade debtors	2,728	2,536
Amounts due from related parties	20	2
Other debtors	1,481	2,140
Total trade and other receivables	4,229	4,678

Impairment of receivables

No trade receivables are past due. There is no impairment of trade receivables.

Other debtors relate to transactions outside the usual operating activities of the Company and are predominately concerned with receipts from employees and businesses operating within the Jabiru township. These ongoing activities are expected to be settled during the 12 months subsequent to balance date.

Foreign exchange and interest rate risk

The Company deals with international vendors and is primarily exposed to foreign exchange risk arising from currency exposures with respect to the US dollar.

A summarised analysis of the sensitivity of trade and other receivables to foreign exchange and interest rate risk can be found in Note 28.

Fair value and credit risk

Due to the short term nature of trade and other receivables their carrying amount approximates their fair value.

The maximum exposure to credit risk at the reporting date is the carrying amount of each class of receivables mentioned above.

The Company does not hold any collateral as security. Refer to Note 28 for more information on the financial risk management policy of the Company.

9 Inventories – current

	2023 $'000	2022 $'000
Stores and spares	7,315	8,059
Total current inventory	7,315	8,059

Inventory expense

Obsolescence of inventory (stores and spares) provided for and recognised as an expense during the year ended 31 December 2023 amounted to $758,939 (2022: $nil). This amount has been included in Materials and Consumables used within the statement of comprehensive income.

10 Other assets

	2023 $'000	2022 $'000
Prepayments	785	2,924

NOTES TO THE FINANCIAL STATEMENTS

11 Undeveloped properties

	2023 $'000	2022 $'000
Jabiluka: Long Term Care and Maintenance Development Project		
Balance brought forward	89,856	89,856
Total undeveloped properties	89,856	89,856

Undeveloped properties are considered an asset not yet ready for use. In reporting periods where impairment testing was required, the recoverable amount of undeveloped properties was determined using the fair value, less costs of disposal method.

To determine the fair value, ERA has historically used a probability weighted discounted cash flow model, based on post-tax cash flows expressed in real terms, estimated until the end of the life of mine plan and discounted using an asset specific post-tax real discount rate. These results have historically been cross checked against market valuations of other undeveloped mining projects in the uranium industry and the broader mining sector, including market valuations of mining assets subject to long term approval constraints.

ERA regularly reviews and updates assumptions and assesses potential impairment indicators and impairment reversal indicators. In 2023 no impairment test was required as an assessment did not identify any indicators that the carrying amount of the Jabiluka Undeveloped Property may not be recoverable in full from successful development or sale or that a reversal of previous impairments was required. Key assumptions the fair value is most sensitive to include:

- Probability of future development (which includes an assessment of obtaining any required approval and/or support of various stakeholders, including Traditional Owners, regulatory bodies and shareholders)
- Uranium oxide prices (including term contract price premiums in the future)
- Foreign exchange rates
- Production and capital costs
- Discount rate
- Ore reserves and mineral resources
- Lease tenure renewal (August 2024)
- Development delays.

The recoverable amount is dependent on the development and life of the ore body together with the term and continuity of the mining lease. Furthermore, the Jabiluka Mineral Lease is due for renewal in August 2024. ERA has commenced discussions with stakeholders, including the GAC, concerning any application for renewal of the Lease. The Jabiluka Mineral Lease makes provision for a further term not exceeding 10 years provided that ERA has complied with all of its obligations under the Jabiluka Mineral Lease and the *Mining Act 1980* (NT). There is a risk that a renewal will not be granted. Even if the renewal is granted, a renewal of the Jabiluka Mineral Lease beyond the further term of up to 10 years is not guaranteed, as any further renewals will require the Minister to exercise his or her discretion. Whether such discretion would be exercised in favour of a further renewal of the Jabiluka Mineral Lease is uncertain. If this further renewal was not to occur it is likely the Jabiluka Undeveloped Property would face full impairment.

Further details can be found in Note 2(d).

The Jabiluka Mineral Lease is currently subject to a Long Term Care and Maintenance Agreement with Traditional Owners. This agreement ensures the Jabiluka deposit will not be developed without the approval of the Mirarr Traditional Owners. It is uncertain that this approval will be forthcoming and, by extension, that the Jabiluka deposit will be developed. Should this approval not eventuate in the future, the Jabiluka Undeveloped Property would face full impairment. An impairment of $90 million was recorded in 2018.

NOTES TO THE FINANCIAL STATEMENTS

12 Property, plant and equipment

	MINE LAND AND BUILDINGS $'000	PLANT AND EQUIPMENT $'000	MINE PROPERTIES $'000	REHAB-ILITATION $'000	RIGHT OF USE ASSETS $'000	TOTAL $'000
YEAR ENDED 31 DECEMBER 2023						
Opening net book amount	-	-	-	-	951	951
Additions	-	79	-	-	-	79
Disposals	-	-	-	-	-	-
Depreciation/Amortisation charge/write-offs	-	-	-	-	(292)	(292)
Additions immediately impaired	-	(79)	-	-	-	(79)
Closing net book amount	-	-	-	-	659	659
Cost	110,845	1,179,889	421,700	342,327	1,171	2,055,932
Accumulated depreciation/ Amortisation/impairment/ write-offs	(110,845)	(1,179,889)	(421,700)	(342,327)	(512)	(2,055,273)
Net book amount	-	-	-	-	659	659
YEAR ENDED 31 DECEMBER 2022						
Opening net book amount	-	-	-	-	92	92
Additions	-	227	-	-	1,171	1,398
Disposals	-	-	-	-	-	-
Depreciation/Amortisation charge/write-offs	-	-	-	-	(312)	(312)
Additions immediately impaired	-	(227)	-	-	-	(227)
Closing net book amount	-	-	-	-	951	951
Cost	110,845	1,179,810	421,700	342,327	1,171	2,055,853
Accumulated depreciation/ Amortisation/impairment/ write-offs	(110,845)	(1,179,810)	(421,700)	(342,327)	(220)	(2,054,902)
Net book amount	-	-	-	-	951	951

Right of use assets

Right of use assets include building costs of $1,171,000.

Assets under construction

There were no property, plant and equipment assets used in the course of construction.

NOTES TO THE FINANCIAL STATEMENTS

13 Government security receivable

	2023 $'000	2022 $'000
NON-CURRENT		
Government security receivable	509,005	486,187

ERA is required to maintain the Trust Fund with the Australian Government. The Trust Fund is intended to provide security against the estimated costs of closing and rehabilitating the Ranger Project Area immediately. The Company is required to prepare and submit an Annual Plan of Rehabilitation (Annual Plan) to the Australian Government. Once accepted, the Annual Plan is independently assessed and costed and the amount to be provided by the Company into the Trust Fund is then determined.

As at 31 December 2023, ERA had $509 million in cash currently held by the Australian Government in the Trust Fund. Bank guarantees procured by ERA totalling $125 million are held by the government as additional security for ERA's Ranger rehabilitation obligations (an additional $1 million is held as an allowance for Jabiluka rehabilitation). These deposits and bank guarantees were provided to the government based on its review in February 2020 of the 44th Annual Plan of Rehabilitation submitted by ERA (i.e. prior to the reforecast of the cost of Ranger Project Area rehabilitation), and subsequently reduced for an interim payment of $57 million for rehabilitation works completed from 9 January 2021 to 30 June 2022.

ERA has agreed on amendments to the Ranger Government Agreement with the Australian Government to introduce a clearer framework for managing the amount of security held by the government and releasing funds from the Trust Fund for completed rehabilitation works. However, drawdown of funds under this framework will first require re-evaluation of the security arrangement. Given the increase in the cost of rehabilitating the Ranger Project Area, ERA may be required to provide additional security or funds in the Trust Fund.

ERA does not consider that it can rely upon drawdown of any further cash from the Trust Fund before the re-evaluation of the security arrangement is complete.

Cash flows to/from the fund are considered to be advances to/from a third party and therefore disclosed under Investing activities when they occur.

The applicable weighted average interest rate for the Trust Fund for the year ended 31 December 2023 was 4.67% (31 December 2022: 1.53%).

14 Temporary bank overdraft

	2023 $'000	2022 $'000
CURRENT		
Rio Tinto Finance Ltd	-	12,253
Total temporary bank overdraft	-	12,253

Rio Tinto Finance Ltd bank account

Rio Tinto Finance Ltd (a related party) holds cash on behalf of the Company (RTF Account) to transact payments. In the ordinary course of business during December 2022, funds were transferred from the RTF Account to ERA's operating bank account which brought the account into an overdrawn position. As soon as the Company became aware of the situation in early January 2023, arrangements were made to ensure sufficient funds were transferred from the Company's bank account into the RTF Account returning the balance to a positive position. Additional funding for rehabilitation is not available to ERA through this account facility.

NOTES TO THE FINANCIAL STATEMENTS

15 Trade and other payables

	2023 $'000	2022 $'000
CURRENT		
Trade payables	24,637	30,814
Amounts due to related parties	838	2,492
Other payables	424	393
Total trade and other payables	25,899	33,699

16 Provisions – current

	2023 $'000	2022 $'000
CURRENT		
Employee benefits	8,799	11,198
Rehabilitation	300,300	268,585
Total current provisions	309,099	279,783

Employee benefits provision

The employee benefits relate to annual leave and long service leave. Entitlements currently payable are classified as current provisions and entitlements due in greater than 12 months are classified as non-current provisions.

The provision of benefits payable on termination was nil as at 31 December 2023 (2022: $1.0M). The provision was reviewed at year end to ensure the provision reflects management's best estimate of the benefits payable. Management determined that the recognition requirements of the accounting standard had not been met as at 31 December 2023. Further details are in Note 2(e).

Movements in rehabilitation provision

Movements in the rehabilitation provision during the financial year are set out below:

	REHABILITATION $'000
2023	
Carrying amount at the start of the year	268,585
Payments	(210,615)
Transfer from non-current provision	242,330
Carrying amount at the end of the year	300,300

	REHABILITATION $'000
2022	
Carrying amount at the start of the year	222,898
Payments	(194,190)
Transfer from non-current provision	239,877
Carrying amount at the end of the year	268,585

NOTES TO THE FINANCIAL STATEMENTS

17 Provisions – non-current

	2023 $'000	2022 $'000
NON-CURRENT		
Employee benefits (Note 16)	772	653
Rehabilitation	2,119,650	956,075
Carrying amount at the end of the year	2,120,422	956,728

Movements in rehabilitation provision

As the Ranger Cash Generating Unit was fully impaired in 2016 and uranium production ceased in January 2021, changes in rehabilitation estimates are allocated directly to the statement of comprehensive income. Movements in the rehabilitation provision during the financial year are set out below:

	REHABILITATION $'000
2023	
Carrying amount at the start of the year	956,075
Change in estimate	1,362,540
Change in discount rate	(13,268)
Unwinding of discount	56,633
Transfer to current provision	(242,330)
Carrying amount at the end of the year	2,119,650

	REHABILITATION $'000
2022	
Carrying amount at the start of the year	1,027,971
Change in estimate	62,157
Unwinding of discount	105,824
Transfer to current provision	(239,877)
Carrying amount at the end of the year	956,075

NOTES TO THE FINANCIAL STATEMENTS

18 Deferred tax liability

	2023 $'000	2022 $'000
(A) DEFERRED TAX LIABILITY		
The balance comprises temporary differences attributable to:		
Amounts recognised in profit and loss		
Government security receivable	5,988	5,988
Inventories	2,092	2,315
Receivables	295	330
Total deferred tax liabilities	8,375	8,633
Set-off of deferred tax asset pursuant to set-off provisions (Note 18B)	(8,375)	(8,633)
Net deferred tax liabilities	-	-
Movements		
Opening balance at 1 January	8,633	25,224
(Credited)/debited to the income statement (Note 5)	(258)	(16,591)
Closing balance at 31 December	8,375	8,633

	2023 $'000	2022 $'000
(B) DEFERRED TAX ASSETS		
The balance comprises temporary differences attributable to:		
Amounts recognised in profit and loss		
Rehabilitation provision	4,018	4,471
Employee provisions	3,117	3,558
Other	1,240	604
Total deferred tax assets	8,375	8,633
Set-off of deferred tax liabilities pursuant to set-off provisions (Note 18A)	(8,375)	(8,633)
Net deferred tax assets	-	-
Movements		
Opening balance at 1 January	8,633	25,224
Credited/(debited) to the income statement (Note 5)	(258)	(16,591)
Closing balance at 31 December	8,375	8,633

NOTES TO THE FINANCIAL STATEMENTS

19 Share capital

	2023 SHARES	2022 SHARES	2023 $'000	2022 $'000
SHARE CAPITAL				
A Class shares fully paid	22,148,299,188	3,691,383,198	1,542,350	1,177,656
Total contributed equity			1,542,350	1,177,656

	2023 '000	2022 '000
Movements		
A Class shares fully paid		
Share capital at the start of the year	3,691,383	3,691,383
Shares issued during the year (at $0.02 per share)	18,456,916	-
Share capital at the end of the financial year	22,148,299	3,691,383
Total contributed equity		
Contributed equity at the start of the year	1,177,656	1,177,656
Additional contributions of equity ($0.02 per share of 18,456,915,990 shares)	369,138	-
Share issuance costs	(4,444)	-
Contributed equity at the end of the year	1,542,350	1,177,656

As previously announced in May 2023, ERA's 5-for-1 non-underwritten pro rata renounceable entitlement offer of new fully paid ERA ordinary shares (Interim Entitlement Offer) closed successfully on 10 May 2023.

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held.

On a show of hands every holder of ordinary shares present at a shareholders' meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

Capital risk management

Details of the Company's exposure to risks when managing capital are set out in Note 28.

NOTES TO THE FINANCIAL STATEMENTS

20 Reserves and retained profits

	2023 $'000	2022 $'000
RESERVES		
Share-based payments reserve	(1,831)	(1,588)
Capital reconstruction	389,500	389,500
Cashflow hedge reserve	-	-
Total reserves	387,669	387,912
Movements		
Share-based payments reserve		
Balance 1 January	(1,588)	(906)
Share-based payments expense / (reversal)	(243)	(682)
Balance 31 December	(1,831)	(1,588)
Capital reconstruction		
Balance 1 January	389,500	389,500
Movements	-	-
Balance 31 December	389,500	389,500
ACCUMULATED LOSSES		
Movements in accumulated losses were as follows:		
Opening accumulated losses – 1 January	(2,169,225)	(2,008,672)
Net loss for the year	(1,388,094)	(160,553)
Closing accumulated losses – 31 December	(3,557,319)	(2,169,225)

Nature and purpose of reserves

Share based payments reserve

Share based payments reserve is used to recognise the fair value of equity instruments issued to employees but not exercised.

Capital reconstruction reserve

In June 1995, the Company reduced its share capital by cancelling $0.95 of the capital paid up on each issued share and reducing the par value of each issued share from $1.00 to $0.05. The cancelled capital (comprising $389,500,000 in total) was credited to a capital reconstruction reserve. The Company can distribute capital to shareholders from this reserve.

NOTES TO THE FINANCIAL STATEMENTS

21 Contingencies

Contingent liabilities

Potentially material legal actions against the Company:

The remaining argument in the Company's Federal Court action against the former Commonwealth Minister for Resources, claiming that due process was not followed in granting approvals for the Jabiluka Mill Alternative is dormant. If the Company proceeds with the Jabiluka Mill Alternative, notice will be given to the applicant who may or may not wish to pursue the argument further.

No material losses are anticipated for the contingent liability disclosed above.

22 Commitments

Capital commitments

The company has no capital commitments.

Lease commitments recognised in the balance sheet

Lease liabilities recognised in the balance sheet are classified as a current liability when payable within one year and a non-current liability when payable in greater than one year. No leases have payments due in greater than three years.

Mineral tenement leases

Future mineral tenement lease payments not provided for in the financial statements and payable:

	2023 $'000	2022 $'000
Within one year	1,322	1,314
Later than one year but not later than five years	1,378	2,688
Later than five years	-	-
Total mineral tenement leases	2,700	4,002

To maintain current rights of tenure to mining tenements, the Company will be required to outlay an amount of $1.3 million in the year ending 31 December 2024 for tenement lease rentals. This includes payments for the Ranger Project Area and Jabiluka Lease.

The Company is liable to make payments to the Commonwealth as listed below:

(i) An annual amount equal to the sum payable by the Commonwealth to the Northern Land Council pursuant to the Section 44 Agreement for rent for the duration of the agreement. This amounted to $1,215,157 for 2024 and is indexed for future years.

(ii) Amounts equal to the sums payable by the Commonwealth to the Aboriginal Benefits Reserve pursuant to a determination under the Aboriginal Land Rights (Northern Territory) Act 1976 (section 63(5) (b)). The Company was required to pay 2.5% of Ranger net sales revenue to the Commonwealth and 1.75% of Ranger net sales revenue to the Northern Land Council, or an entity representing the Mirarr Traditional Owners as directed by the Northern Land Council (amounts paid during 2023: nil; 2022: $1,496,207). All Ranger sales were completed in 2022 and as such no future Ranger Royalties are payable.

(iii) Amounts equal to sums payable by the Commonwealth to the Northern Territory pursuant to an understanding for financial arrangements between the Commonwealth and the Northern Territory Government. These amounts are also calculated as royalties and the relevant rate is 1.25% of Ranger net sales revenue (amounts paid during 2023: nil; 2022: $440,061). All Ranger sales were completed in 2022 and as such no future Ranger Royalties are payable.

NOTES TO THE FINANCIAL STATEMENTS

The Company is liable to make payments to the Northern Land Council pursuant to the Section 43 Agreement between Pancontinental Mining Limited and Getty Oil Development Company Limited and the Northern Land Council dated 21 July 1982, which was assigned to the Company with the consent of the Northern Land Council, as listed below:

(i) Up-front payment of $3,400,000 on the commencement of production at Jabiluka.

(ii) Annual royalty payments calculated at 4.5% of net sales revenue, less $500,000 less any amounts paid to the Aboriginal Benefits Reserve by the Commonwealth under the conditions specified in the Jabiluka Mineral Lease for the first 10 years and thereafter at 5% of net sales revenue, less any amounts paid to the Aboriginal Benefits Reserve by the Commonwealth under the conditions specified in the mineral lease (refer commitment below).

The Company is liable to make payments to the Commonwealth for the Jabiluka project pursuant to the conditions attached to the mineral lease. The amount payable was, until 30 June 1990, calculated at the rate of 5.25% of net sales revenue from the Jabiluka project. The Jabiluka project is now under long term care and maintenance and will not be developed without the approval of the Mirarr Traditional Owners.

23 Auditor's remuneration

During the year the auditor of the Company earned the following remuneration:

	2023 $'000	2022 $'000
KPMG Australian firm		
Audit and review of financial reports	374	295
Audit and review of financial reports (additional prior year fees)	-	24
Other non-audit related services	-	-
Total auditor's remuneration paid	374	319

24 Related parties

Directors

The names of persons who were Directors of the Company at any time during the financial year are as follows:

Richard (Rick) Dennis, Brad Welsh, Hon. Ken Wyatt AM, Justin Carey, Rosemary Fagen, and Jacques van Tonder.

Information relating to Directors' compensation, shareholdings and retirement benefits is set out in the Remuneration Report in the Directors' Report.

Key management personnel

Key management personnel and Directors' compensation

	2023 $'000	2022 $'000
Short term employee benefits	2,868	3,131
Termination payments	-	1,909
Post employment benefits	226	322
Share-based payments / other long-term incentives	347	382
	3,442	5,744

In compliance with *Corporations Regulations 2001* 2M.3.03 the Company has provided detailed remuneration disclosures in the Directors' Report. The relevant information can be found in the Remuneration Report on pages 47 to 61.

NOTES TO THE FINANCIAL STATEMENTS

Loans with Directors and key management personnel

There were no loans with Directors or key management personnel during 2023 (2022: nil).

Transactions with Directors and Director-related entities

There were no transactions with Directors or Director-related entities other than Rio Tinto Limited during 2023 (2022: nil). Details of transactions with Rio Tinto Group Companies are outlined below.

Ultimate parent entity

The ultimate parent entity is Rio Tinto Limited. This interest is held through North Limited (incorporated in Victoria, Australia) which has beneficial ownership of 86.3% of the issued ordinary shares of the Company. North Limited owns 52.0% directly and the remaining 34.3% through its subsidiary, Peko-Wallsend Pty Ltd.

Interest income

Interest income is received from Rio Tinto Finance Ltd. which holds cash on behalf of the Company.

Transactions with related parties

The following transactions occurred with related parties.

	2023 $'000	2022 $'000
Management services fees paid to ultimate parent entity:		
Rio Tinto Group Companies	-	-
Consulting fees paid to:		
Rio Tinto Group Companies	(720)	(1,292)
Other reimbursements paid for commercial services received:		
Rio Tinto Group Companies	(4,008)	(5,074)
Amounts paid to related parties:		
Rio Tinto Finance Ltd – loan repayment (revised credit facility)	(100,000)	-
Rio Tinto Finance Ltd – interest bearing deposit	(100,000)	-
Amounts received from related parties:		
Rio Tinto Group Companies – sales	-	35,555
Rio Tinto Group Companies – interest	35	666
Rio Tinto Group Companies – employee transfers and minor receipts	609	1,190
Rio Tinto Finance Ltd – loan proceeds (revised credit facility)	100,000	-
Dividends paid to:		
Related parties – North Ltd	-	-
Related parties – Peko-Wallsend Pty Ltd	-	-

Amounts paid to related parties included repayment of $100 million to Rio Tinto Finance Ltd (RTF) in relation to the Revised Credit Facility. The $100 million was received by ERA in March 2023 from RTF under the Revised Credit Facility. The second $100 million payment relates to the principal loan amount borrowed by RTF in accordance with the Group Corporate Treasury Loan Agreement between RTF and ERA executed in 2021.

Amounts received from related parties included sales of uranium oxide at market price in 2022. The Company was party to a marketing agreement with Rio Tinto Uranium as it represented superior value to the Company compared with alternative marketing agreements considered. Under the marketing agreement, uranium oxide produced by the Company was sold to Rio Tinto Uranium, a related party of Rio Tinto plc. All Ranger sales were completed in 2022.

NOTES TO THE FINANCIAL STATEMENTS

Outstanding balances arising from sales/purchases of goods and services

The following balances are outstanding at the reporting date in relation to transactions with related parties:

	2023 $'000	2022 $'000
Aggregate amounts received from and payable to each class of other related parties at balance date were as follows:		
Current assets – cash assets		
Related parties – Rio Tinto Finance Ltd	101,433	-
Current assets – receivables		
Related parties – Rio Tinto Group Companies	20	2
Related parties – Rio Tinto Finance Ltd	727	-
Current liabilities – temporary bank overdraft		
Related parties – Rio Tinto Finance Ltd	-	12,253
Current liabilities – creditors		
Related parties – Rio Tinto Group Companies	838	2,492

All related party transactions were conducted on arm's length terms and conditions and at market rates.

25 Segment information

Description of segments

Management determined the operating segment based on the reports reviewed by the Chief Executive required for strategic decisions.

The Chief Executive considers the business from a product perspective and has identified only one reportable segment in the year ended 31 December 2023, the selling of uranium and site rehabilitation. There are no other unallocated operations.

Primary reporting – business segments

The segment information provided to the Chief Executive for the reportable segment is as follows:

	URANIUM	
	2023 $'000	2022 $'000
Revenue from external customers	-	35,555
Other revenue	34,182	19,754
Total segment revenue	34,182	55,309
Segment result	(1,388,094)	(160,553)
Income tax benefit	-	-
Loss for the year	(1,388,094)	(160,553)
Segment assets	828,800	679,771
Total assets	828,800	679,771
Segment liabilities	2,456,100	1,283,428
Total liabilities	2,456,100	1,283,428
Acquisitions of non-current assets	79	1,398
Depreciation and amortisation expenses	292	312

NOTES TO THE FINANCIAL STATEMENTS

Other segment information

Segment revenue

The revenue from external parties reported to the Chief Executive is measured in a manner consistent with that in the statement of comprehensive income.

Revenues from external customers were derived from the sale of uranium. A breakdown of revenue and results is provided in the tables below. Segment revenue reconciles to total revenue from continuing operations as disclosed in Note 3.

The Company is domiciled in Australia. The result of its revenue from external customers in other countries is outlined in the table below:

	SEGMENT REVENUES FROM SALES TO EXTERNAL CUSTOMERS	
	2023 $'000	2022 $'000
Asia	-	35,555
Total revenue	-	35,555

Segment revenues are allocated based on the country where the customer is located. During 2017 the Company entered into a revised marketing agreement with Rio Tinto Uranium based in Asia. All uranium sales were to this customer. Details are disclosed in Note 24. All Ranger sales were completed in 2022.

Segment assets

The amounts provided to the Chief Executive with respect to total assets are measured in a manner consistent with that of the financial statements. These assets are allocated based on the operations of the segment and the physical location of the asset. Segment assets include all assets used by a segment and consist primarily of operating cash, receivables, inventories, property, plant and equipment and other assets, net of provisions.

All assets of the Company as at 31 December 2023 are in Australia. As at 31 December 2022, all assets were in Australia. All acquisitions of property, plant and equipment and other non-current assets occurred in Australia.

Segment liabilities

The amounts provided to the Chief Executive with respect to total liabilities are measured in a manner consistent with that of the financial statements. These liabilities are allocated based on the operations of the segment. Segment liabilities consist primarily of temporary bank overdraft, trade and other creditors, employee entitlements and provisions. The Company does not have any borrowings as at 31 December 2023.

NOTES TO THE FINANCIAL STATEMENTS

26 Reconciliation of loss after income tax to net cash (outflow)/inflow from operating activities

	2023 $'000	2022 $'000
Loss for the year	(1,388,094)	(160,553)
Add/(less) items classified as investing/financing activities:		
Net (gain)/loss on sale or write-off of non-current assets	(1,268)	(2,498)
Net (gain)/loss on non-hedge financial assets	-	3,451
Add/(less) non-cash items:		
Depreciation and amortisation	292	312
Rehabilitation provision: unwinding of discount	56,633	105,824
Change in closure estimate	1,349,272	62,157
Employee benefits: share based payments	103	327
Interest on government security receivable	(22,819)	(8,123)
Recovery of deferred tax assets on hedge	-	-
Net exchange differences	(2)	13
Change in operating assets and liabilities		
(Increase)/decrease in trade and other receivables	449	28,697
(Increase)/decrease in inventories	744	21,554
(Increase)/decrease in other assets	2,139	(2,095)
(Decrease)/increase in payables	(7,800)	(3,104)
(Decrease)/increase in other provisions	(2,280)	1,265
Payments for rehabilitation	(210,615)	(194,190)
Net cash (outflow)/inflow provided from operating activities	(223,246)	(146,963)

27 Earnings per share

	2023 CENTS	2022 CENTS
Basic loss per share	(8.6)	(4.3)
Diluted loss per share	(8.6)	(4.3)

Loss used in the calculation of basic and diluted earnings per share: 2023: $1,388,093,919 (2022: $160,553,033).

Weighted average number of ordinary shares on issue used in calculation of basic earnings per share: 2023: 22,148,299,188 shares (2022: 3,691,383,198).

28 Financial risk management

The Company carries out risk management under policies approved by the Board of Directors. The Board provides principles for overall risk management, as well as written policies covering specific areas such as mitigating interest rate and other risks, and use of derivative and non-derivative financial instruments.

The Company operates entirely in Australia and is exposed primarily to Australian dollar denominated costs. Sales are primarily denominated in US dollars.

Market risk

The Company markets its products internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with the US Dollar. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities that are denominated in a currency that is not the entity's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting.

NOTES TO THE FINANCIAL STATEMENTS

The Company's exposure to foreign currency risk at the reporting date was as follows:

	2023 USD $'000	2022 USD $'000
Trade receivables	-	-
Trade payables	(493)	(549)

Group sensitivity

At 31 December 2023 ERA had no trade receivables sensitive to foreign currency movements, therefore there would be nil impact on the pre-tax profit for the year had the Australian Dollar weakened/strengthened by 10% against the US Dollar with all other variables held constant (2022: $nil higher/lower).

At 31 December 2023, had the Australian Dollar weakened/strengthened by 10% against the US Dollar with all other variables held constant, the change in trade payables would have affected pre-tax profit for the year by $74,221 higher/lower (2022: $79,043 higher/lower).

Interest rate risk

The Company's main interest rate risk arises from cash on deposit. When cash is surplus to operational and investing requirements it is invested in lump sum deposits to maximise interest received. In addition, the Company is exposed to interest rate risk on cash in the government security receivable. The applicable weighted average interest rate for the government security receivable for the year ended 31 December 2023 was 4.67% (31 December 2022: 1.53%).

Credit risk

The Company has policies in place to ensure that sales of products are made to customers with an appropriate credit history. Where customers are rated by an independent credit rating agency, these ratings are used to set credit limits. If no independent rating exists, the credit quality of the customer is subject to extensive assessment. Letters of credit and other forms of credit insurance are also used as required. Cash transactions and cash invested through the government security receivable are limited to high credit quality financial institutions. The Company has policies that limit the amount of credit exposure to any one financial institution.

	2023 $'000	2022 $'000
TRADE RECEIVABLES		
AA	-	-
A	20	2
BBB	-	-
Other	-	-

Liquidity and capital risk

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern, to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The future liquidity and capital requirements of ERA will depend on many factors. Primarily due to a number of rehabilitation provision increases since 2021, ERA currently has insufficient funds to fully fund rehabilitation. As previously announced in May 2023, ERA completed a 5-for-1 non-underwritten pro rata renounceable entitlement offer of new fully paid ERA ordinary shares (Interim Entitlement Offer). The Interim Entitlement Offer, which was fully subscribed (inclusive of the applications under the Shortfall Facility), has provided approximately $369 million (before costs). The new shares issued rank equally with the existing ERA shares on issue, and Rio Tinto's voting power and relevant interest remained unchanged at 86.33%.

A portion of the proceeds from the Interim Entitlement Offer were used to repay the Rio Tinto Revised Credit Facility of $100 million and fund costs of the Interim Entitlement Offer of approximately $4.4 million. The remaining proceeds are expected to provide ERA with sufficient capital to fund its planned Ranger Project Area rehabilitation expenditure through to quarter 3, 2024.

ERA will use existing cash at bank and net interest received to fund its planned Ranger Project Area rehabilitation expenditure through to quarter 3, 2024, fund corporate costs, working capital, funding costs, and other costs including the possible renewal of the Jabiluka Mineral Lease and activities to uphold obligations under the Jabiluka Long Term Care and Maintenance Agreement.

The Interim Entitlement Offer was an interim funding solution for the Company, with further interim funding requirements expected in the second half of 2024 for the first tranche of the estimated Ranger Project Area rehabilitation expenditure. This is expected to incorporate the rehabilitation requirements addressed in the 2022 Feasibility Study (revised programme management approach). ERA will engage with Rio Tinto and other shareholders about a material equity raise in 2024. An inability to obtain sufficient funding would have a material impact on ERA's business, financial performance and assessment as a going concern. Rio Tinto has reiterated its commitment to ensuring the rehabilitation of the Ranger Project Area is successfully achieved to a standard that will establish an environment similar to the adjacent Kakadu National Park.

As at 31 December 2023, ERA had no debt financing in place and $726 million in total cash resources (comprising $217 million in cash at bank or cash equivalents and $509 million invested as part of the government security receivable).

29 Events occurring after the reporting period

No other matters or circumstances have arisen since the end of the financial year that have significantly affected or may significantly affect the operations or state of affairs of the Company in subsequent financial years.

30 Share-based payments

ERA participates in share-based payment plans administered by Rio Tinto Limited, which are described in detail in the Remuneration Report. These plans have been accounted for in accordance with the fair value recognition provisions of AASB 2, 'Share-based Payment'.

Rio Tinto Performance Share Awards

The Rio Tinto Performance Share Award (PSA) details are described in the Remuneration Report. Performance Share Awards (PSA) provide a conditional right to Rio Tinto shares to eligible senior management personnel within the Rio Tinto Group, including the Chief Executive and senior executives of ERA. Award levels under the EIP are at the discretion of Rio Tinto and the ERA Remuneration Committee. The awards are accounted for in accordance with the requirements applying to equity-settled share-based payments transactions. The fair value of each award on the day of grant is set equal to the share price on the day of grant. No forfeitures are assumed. A summary of the status of shares granted under the share plan at 31 December 2023, and changes during the year, is presented below:

	BALANCE AT START OF THE YEAR	GRANTED DURING THE YEAR	TRANS-FERS IN/(OUT)	EXERCISED DURING THE YEAR	FORFEITED DURING THE YEAR	BALANCE AT END OF THE YEAR
2023						
Rio Tinto Limited	213	-	-	-	-	213
Weighted average fair value at grant date	$93.17	-	-	-	-	$93.17
2022						
Rio Tinto Limited	213	-	-	-	-	213
Weighted average fair value at grant date	$93.17	-	-	-	-	$93.17

The weighted average share price at the date of exercise of conditional grants of shares exercised during the year ended 31 December 2023 was nil (2022: nil).

The weighted average remaining contractual life of conditional grants of shares outstanding at the end of the period was one year (2022: two years).

Where shares are issued to employees of subsidiaries within the Rio Tinto Group, the subsidiaries compensate the parent for the amount recognised as an expense in relation to these shares.

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myShare savings plan

The myShare plan was introduced to all eligible staff members in 2013 and is described in the Remuneration Report. Awards under this plan are settled in equity and accounted for accordingly. The fair value of each award on the day of grant is set equal to the share price on the day of grant.

A summary of the status of conditional shares granted under the plan at 31 December 2023, and changes during the year, is presented below:

	BALANCE AT START OF THE YEAR	GRANTED DURING THE YEAR	TRANSFERS IN/(OUT)	VESTED DURING THE YEAR	FORFEITED DURING THE YEAR	BALANCE AT END OF THE YEAR
2023						
Rio Tinto Limited	6,439	3,389	298	(3,365)	(77)	6,684
Weighted average exercise price	$105.91	$103.63	$116.48	$103.00	$116.48	$112.50
2022						
Rio Tinto Limited	6,536	3,787	(610)	(2,559)	(715)	6,439
Weighted average exercise price	$103.34	$102.67	$101.99	$95.16	$107.07	$105.91

The weighted average share price at the date of exercise of conditional grants of shares exercised regularly during the year ended 31 December 2023 was $112.50 (2022: $105.96).

The weighted average remaining contractual life of share options outstanding at the end of the period was two years (2022: two years).

Where shares are issued to employees of subsidiaries within the Rio Tinto Group, the subsidiaries compensate the parent for the amount recognised as an expense in relation to these shares.

Rio Tinto Management Share Awards

The Rio Tinto Management Share Award (MSA) details are described in the Remuneration Report. Management Share Awards (MSA) are conditional grants of Rio Tinto shares to eligible employees of the company which will vest, wholly or partly, upon expiry of a three-year vesting period. Award levels under the EIP are at the discretion of Rio Tinto. The awards will be settled in equity, including the dividends accumulated from date of award to vesting. The awards are accounted for in accordance with the requirements applying to equity-settled share-based payment transactions. The fair value of each award on the day of grant is set equal to the share price on the day of grant. No forfeitures are assumed. A summary of the status of shares granted under the MSA plan at 31 December 2023, and changes during the year, is presented below:

	BALANCE AT START OF THE YEAR	GRANTED DURING THE YEAR	TRANSFERS IN/(OUT)	EXERCISED DURING THE YEAR	FORFEITED DURING THE YEAR	BALANCE AT END OF THE YEAR
2023						
Rio Tinto Limited	5,507	2,574	-	(1,777)	-	6,304
Weighted average fair value at grant date	$105.19	$111.04	-	$77.65	-	$113.39
2022						
Rio Tinto Limited	11,088	4,550	-	(7,795)	(2,336)	5,507
Weighted average fair value at grant date	$94.97	$112.42	-	$92.98	$111.50	$105.19

The weighted average share price at the date of exercise of conditional grants of shares exercised regularly during the year ended 31 December 2023 was $120.52 (2022: $113.04).

The weighted average remaining contractual life of conditional grants of shares outstanding at the end of the period was two years (2022: two years).

Where shares are issued to employees of subsidiaries within the Rio Tinto Group, the subsidiaries compensate the parent for the amount recognised as an expense in relation to these shares.

NOTES TO THE FINANCIAL STATEMENTS

Expenses arising from share-based payment transactions

Total expenses arising from share-based payment transactions recognised during the period as part of employee benefit expense were as follows:

	2023 $'000	2022 $'000
Share based payment expense	103	327

DIRECTORS' DECLARATION

In the Directors' opinion:

a. The financial statements and notes set out on pages 72 to 109 are in accordance with the *Corporations Act 2001* (Cth), including:

   i. Complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and

   ii. Giving a true and fair view of the Company's financial position as at 31 December 2023 and of its performance for the financial year ended on that date; and

b. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

c. The Directors draw attention to Note 1 to the financial statements, which includes a statement of compliance with International Financial Reporting Standards.

The Directors have been given the declarations by the Chief Executive and the Chief Financial Officer required by section 295A of the *Corporations Act 2001* (Cth). This declaration is made in accordance with a resolution of the Directors.

R Dennis
Brisbane

12 March 2024

INDEPENDENT AUDITOR'S REPORT

Independent Auditor's Report

To the shareholders of Energy Resources of Australia Ltd

Report on the audit of the Financial Report

Opinion

We have audited the ***Financial Report*** of Energy Resources of Australia Ltd (the Company).

In our opinion, the accompanying Financial Report of the Company is in accordance with the *Corporations Act 2001*, including:

- Giving a true and fair view of the ***Company's*** financial position as at 31 December 2023 and of its financial performance for the year ended on that date; and
- Complying with *Australian Accounting Standards* and the *Corporations Regulations 2001*.

The ***Financial Report*** comprises:

- Balance Sheet as at 31 December 2023;
- Statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended;
- Notes, including material accounting policies;
- Directors' Declaration.

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report.

We are independent of the Company in accordance with the *Corporations Act 2001* and the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the Financial Report in Australia. We have fulfilled our other ethical responsibilities in accordance with these requirements.

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INDEPENDENT AUDITOR'S REPORT

KPMG

Material uncertainty related to going concern

We draw attention to Note 1(a)(i), "Going Concern" in the financial report. The conditions disclosed in Note 1(a)(i) indicate a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern and, therefore, whether it will realise its assets and discharge its liabilities in the normal course of business, and at the amounts stated in the financial report. Our opinion is not modified in respect of this matter.

In concluding there is a material uncertainty related to going concern we evaluated the extent of uncertainty regarding events or conditions casting significant doubt in the Company's assessment of going concern. Our approach to this involved:

- Evaluating the feasibility, quantum and timing of the Company's plans to obtain additional funding from its major shareholder to address going concern;
- Assessing the Company's cash flow forecasts for incorporation of the Company's operations and plans to address going concern, in particular forecast rehabilitation expenditure; and
- Determining the completeness of the Company's going concern disclosures for the principle matters casting significant doubt on the Company's ability to continue as a going concern, the Company's plans to address these matters, and the material uncertainty.

Key Audit Matters

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Report of the current period.

These matters were addressed in the context of our audit of the Financial Report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matter described below to be the Key Audit Matter.

Rehabilitation provision ($2,419.9 million)

Refer to Note 16 and 17 of the Financial Report

The key audit matter	How the matter was addressed in our audit
The rehabilitation provision is a key audit matter due to: • The size of the provision; • Inherent complexity in the Company estimating future environmental restoration and rehabilitation costs; and • The significant judgement applied by the Company to determine the provision.	Our procedures included: • Assessing the appropriateness of the Company's accounting policy for the recognition and measurement of the rehabilitation provision with the requirements of the accounting standards; • Working with our sustainability closure specialists to: – Understand and identify new significant risks related to rehabilitation activities;

INDEPENDENT AUDITOR'S REPORT

KPMG

We focused on the significant and judgmental assumptions the Company applied in their rehabilitation provision including: • Nature and extent of rehabilitation activities required. This impacts the completeness of the rehabilitation provision estimate; • Forecasted closure costs and timing for key rehabilitation activities; and • Economic assumptions, such as the discount rate The Company utilises both internal and external experts to assist in the determination of the rehabilitation provision. As a result of the above significant and judgmental assumptions, this area required significant audit effort. We involved sustainability closure specialists and valuation specialists to supplement our senior audit team members in assessing this key audit matter.	– Evaluate the updates in methodology applied by the Company and Company's external expert in determining the nature and extent of rehabilitation activities by comparison to industry practice; and – Assess certain assumptions regarding the forecast closure costs of closure activities based on their experience and familiarity with applicable legislative requirements and industry practice and the Company's closure commitments. • Assessing the competence, scope and objectivity of the Company's internal and external experts used in the determination of the rehabilitation provision; • Inspecting the most recent closure studies and other technical material prepared by the Company relating to changes in the closure provision to assess the nature and scope of work planned to be undertaken. This included assumptions relating to the nature and timing of closure and rehabilitation activities; • Testing key controls in relation to the rehabilitation provision; • On a sample basis, testing the basis of forecasted closure cost by obtaining an understanding of the nature of the estimate and inspecting underlying documentation for forecast rehabilitation activities; • Obtaining the Company's latest external expert report as well as internal and external underlying documentation to compare to the nature and quantum of costs contained in the Company's rehabilitation provision; • Testing the accuracy of the historical rehabilitation provision by comparing to actual expenditure incurred. We used this to challenge the Company's current cost estimations; • Working with our valuation specialists to compare the discount rate used by the Company to external data such as yields on long-term government bonds; • Testing mathematical accuracy of the Company's rehabilitation provision calculation; and • Assessing the rehabilitation provision disclosures in the financial report including disclosure of risks and uncertainties using our understanding obtained from our testing against the requirements of the accounting standard. This included checking the current and non-current rehabilitation provision disclosure for consistency to the planned timing of the rehabilitation expenditure.

INDEPENDENT AUDITOR'S REPORT

KPMG

Other Information

Other Information is financial and non-financial information in Energy Resources of Australia Ltd's annual reporting which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- Preparing the Financial Report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001
- Implementing necessary internal control to enable the preparation of a Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error
- Assessing the Company's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- To obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and
- To issue an Auditor's Report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Financial Report.

A further description of our responsibilities for the audit of the Financial Report is located at the Auditing and Assurance Standards Board website at: https://www.auasb.gov.au/admin/file/content102/c3/ar2_2020.pdf. This description forms part of our Auditor's Report.

INDEPENDENT AUDITOR'S REPORT

KPMG

Report on the Remuneration Report

Opinion

In our opinion, the Remuneration Report of Energy Resources of Australia Ltd for the year ended 31 December 2023 complies with *Section 300A* of the *Corporations Act 2001*.

Directors' responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with *Section 300A* of the *Corporations Act 2001*.

Our responsibilities

We have audited the Remuneration Report included in pages 47 to 61of the Directors' report for the year ended 31 December 2023.

Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with *Australian Auditing Standards*.

KPMG

KPMG

Derek Meates

Partner

Perth

12 March 2024

SHAREHOLDER INFORMATION (unaudited)

Energy Resources of Australia Ltd is a for-profit company limited by shares, incorporated and domiciled in Australia.

The financial statements were authorised by Directors on 12 March 2024. The Directors have the power to amend and reissue the financial statements.

The shareholder information set out below was applicable as at 28 February 2024.

Distribution of equity securities

Analysis of numbers of registered equity security holders by size of holding:

	ORDINARY SHARES			
	NUMBER OF SHARE-HOLDERS	% OF SHARE-HOLDERS	NUMBER OF SHARES	% OF ISSUED SHARES
1 - 1,000	4,726	50.56%	1,350,207	0.01%
1,001 - 5,000	2,088	22.34%	5,406,630	0.02%
5,001 – 10,000	759	8.12%	5,830,709	0.03%
10,001 – 100,000	1,378	14.74%	45,620,862	0.21%
100,001 and over	397	4.24%	22,090,090,780	99.73%
	9,348	100.00%	22,148,299,188	100.00%

There were 7,590 holders of less than a marketable parcel of ordinary shares.

Substantial shareholders

Substantial shareholders as disclosed in substantial shareholder notices provided to the Company:

	NUMBER OF SHARES	% OF ISSUED SHARES
North Limited[1]	11,525,117,784	52.04%
Peko-Wallsend Ltd[1]	7,594,978,020	34.29%
Packer & Co Limited ATF Packer & Co Investigator Trust[2]	2,063,128,284	9.32%

Note 1 As lodged 27 February 2020; Shareholding increased following participation in Entitlement Offer on 12 May 2023, however % of issued shares remain unchanged.
Note 2 As lodged 16 May 2023.

SHAREHOLDER INFORMATION (unaudited)

Equity security holders

The names of the 20 largest registered holders of quoted equity securities are listed below:

	NUMBER OF SHARES	% OF ISSUED SHARES
North Limited	11,525,117,784	52.04%
Peko Wallsend Ltd	7,594,978,020	34.29%
BNP Paribas Noms Pty Ltd	2,276,561,899	10.28%
HSBC Custody Nominees (Australia) Limited	462,015,313	2.09%
Citicorp Nominees Pty Limited	11,022,655	0.05%
Creative Living (Qld) Pty Ltd	9,000,000	0.04%
BNP Paribas Nominees Pty Ltd ACF Clearstream	8,117,959	0.04%
Curious Commodities Pty Ltd <Curious Commodities Trad A/C>	7,423,341	0.03%
BNP Paribas Nominees Pty Ltd <IB AU Noms Retailclient>	6,808,644	0.03%
Mr Li Wan	6,505,590	0.03%
Mr Samuel Lin <Lin S/F A/C>	5,400,000	0.02%
Vigor Door Corporation Pty Ltd <Samuel Lin Disc A/C>	4,708,855	0.02%
Airport Finance Pty Ltd	4,013,074	0.02%
Mrs Faye Lesley Duffield	3,898,306	0.02%
Mr John Hristoforidis and Mrs Adriana Hristoforidis <J & A Hristoforidis S/F A/C>	3,600,000	0.02%
Hotspur Super Pty Ltd <Ronsmere Super Fund A/C>	3,550,000	0.02%
Mr Sui-Ming Wang and Mrs Cui Ping Zeng	3,540,000	0.02%
BNP Paribas Noms Pty Ltd <Global Markets>	3,305,857	0.01%
Mrs Tew Hua Cameron	2,802,000	0.01%
Mr William Ewart Granter	2,600,000	0.01%

SHAREHOLDER INFORMATION (unaudited)

Entitlements to vote

Subject to any rights or restrictions for the time being attached to any shares on a show of hands, every member present in person or by proxy or by attorney or by representative and entitled to vote at a shareholders' meeting shall have one vote.

On a poll, every member present in person or by proxy or by attorney or by representative shall have one vote for each share held by him/her.

All substantive resolutions at a meeting of security holders are decided by a poll.

Annual General Meeting

The 2024 Annual General Meeting will be held in Darwin, in the Northern Territory of Australia. Notices of the 2024 Annual General Meeting will be given to the shareholders of the Company in accordance with the Corporations Act. It is anticipated the meeting will be an in person meeting, noting that the Company will have the required facilities on standby should a virtual or hybrid option become required.

Tax file numbers

Tax file numbers or exemption details are recorded from shareholders who wish to provide the information. Dividend advice statements, when issued to shareholders, indicate whether or not a shareholder's tax file number has been recorded. ERA normally pays fully franked dividends. In the event of an unfranked dividend being paid, ERA will be required to deduct tax at the top marginal rate from the dividend paid to shareholders resident in Australia who have not supplied a tax file number or exemption form.

Information on shareholding

Shareholders who require information about their shareholding or dividend payment should contact ERA's principal registry.

Shareholders who have changed their address should advise the change in writing to:

ERA Share Registry

Computershare Investor Services Pty Limited

Level 1, 200 Mary Street
Brisbane QLD 4000

Telephone:

1300 552 270 (within Australia)
+61 3 9415 4000 (outside Australia)

Online:

www.investorcentre.com/contact

Sponsored shareholders should note, however, that they should contact their sponsored broker to notify of a change of address.

2023 ASX ANNOUNCEMENTS (unaudited)

22 December 2023	Appointment of Non-Executive Director
19 December 2023	Resignation of Non-Executive Director
12 December 2023	Rehabilitation Accounting Standards Update
26 October 2023	Quarterly Cashflow Report - Appendix 4C
26 October 2023	Quarterly Activities Report
26 September 2023	Rangers Project Area Rehabilitation Update
31 August 2023	June 2023 Half Year Results
31 August 2023	Appendix 4D and Half Year Report
28 July 2023	Quarterly Cashflow Report - Appendix 4C
28 July 2023	Quarterly Activities Report
16 May 2023	Change in substantial holding
12 May 2023	Application for quotation of securities - ERA
10 May 2023	Completion of Shortfall Bookbuild
9 May 2023	Completion of Interim Entitlement Offer
28 April 2023	Appointment of Company Secretary
27 April 2023	Constitution
27 April 2023	2023 AGM Results
27 April 2023	2023 AGM Chief Executive's Address
27 April 2023	2023 AGM Chairman's Address
26 April 2023	Quarterly Cashflow Report - Appendix 4C
26 April 2023	Quarterly Activities Report
13 April 2023	Dispatch of notices to shareholders
4 April 2023	Proposed issue of securities - ERA
4 April 2023	Cleansing Statement
4 April 2023	Interim Entitlement Offer Information Booklet
4 April 2023	Investor Presentation
27 March 2023	ERA announces $369 million renounceable entitlement offer
27 March 2023	Drawdown of $100m Revised Credit Facility
22 March 2023	Notice of Annual General Meeting/Proxy Form
22 March 2023	Historical Termination Benefits
13 March 2023	Appendix 4G
13 March 2023	2022 Annual Report
24 February 2023	Annual General Meeting Information
22 February 2023	ERA 2022 Full Year Results
22 February 2023	Preliminary Final Report
9 February 2023	Independent Board Committee resumes funding discussions
3 February 2023	Initial Director's Interest Notice
3 February 2023	Appointment of Independent Non-Executive Director
1 February 2023	Appointment of Independent Non-Executive Chair
25 January 2023	Quarterly Cashflow Report - Appendix 4C
25 January 2023	Quarterly Activities Report

Details of these announcements are available at https://www.energyres.com.au/investors/asx-announcements/

TEN YEAR PERFORMANCE (unaudited)

YEAR ENDED 31 DECEMBER

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Sales Revenue ($000)	-	35,555	190,347	242,457	209,677	201,273	211,181	267,765	332,777	379,166
Earnings Before Interest and Tax ($000)	(1,420,040)	(169,490)	(648,967)	3,413	(1,103)	(466,616)	(52,925)	(279,781)	(88,292)	(284,274)
Profit/(Loss) Before Tax ($000)	(1,388,094)	(160,553)	(647,395)	8,643	6,252	(456,323)	(43,532)	(271,077)	(79,798)	(273,602)
Income Tax Expense/ (Benefit) ($000)	-	-	2,817	(2,817)	-	(21,049)	-	-	195,695	(85,802)
Profit/(Loss) After Tax ($000)	(1,388,094)	(160,553)	(650,212)	11,460	6,252	(435,274)	(43,532)	(271,077)	(275,493)	(187,800)
Total Assets ($000)	828,800	679,771	855,930	1,000,153	566,577	635,766	797,312	819,432	1,100,815	1,341,724
Shareholders' Equity ($000)	(1,627,300)	(603,657)	(442,422)	214,579	(274,687)	(280,790)	154,887	198,559	469,947	745,607
Long Term Debt ($000)	-	-	-	-	-	-	-	-	-	-
Current Ratio	0.7	0.3	1.1	2.1	2.0	2.5	3.2	4.0	4.0	4.1
Liquid Ratio	0.7	0.3	0.7	0.9	1.2	1.9	2.5	3.1	3.0	2.7
Return on Shareholders' Equity (%)	85.3	26.6	147.0	5.3	2.3	155.0	(28.1)	(136.5)	(58.6)	(25.2)
Earnings Per Share (cents)	(8.6)	(4.3)	(17.6)	0.4	1.2	(84.1)	(8.4)	(52.4)	(53.2)	(36.3)
Share Price ($) closing	0.04	0.22	0.34	0.33	0.17	0.25	0.91	0.44	0.36	1.30
Price-Earning Ratio	(0.43)	(5.05)	(1.93)	82.50	13.75	(0.29)	(10.83)	(0.83)	(0.68)	(3.58)
Net Tangible Assets per Share ($)	(0.07)	(0.16)	(0.12)	0.06	(0.54)	(0.54)	0.30	0.38	0.91	1.44
No. of Employees	190	198	204	317	352	355	358	356	374	389
Profit After Tax per Employee ($000)	(7,305.8)	(810.9)	(3,187.3)	36.15	17.61	(1,226.1)	(121.6)	(761.5)	(736.6)	(482.8)
Ore Mined (million tonnes)	-	-	-	-	-	-	-	-	-	-
Ore Milled (million tonnes)	-	-	0.02	2.5	2.5	2.5	2.6	2.7	2.5	1.3
Mill Head Grade (% U_3O_8)	-	-	0.07	0.07	0.08	0.09	0.10	0.10	0.10	0.11
Mill Recovery (%)	-	-	86.1	84.9	86.8	86.6	84.7	84.9	82.0	81.5
Production (tonnes U_3O_8) Drummed	-	-	34	1,574	1,751	1,999	2,294	2,351	2,005	1,165
Sales – Ranger Concentrates (tonnes U_3O_8)	-	242	1,302	1,711	1,577	1,467	2,089	2,130	2,183	2,164
Sales – Other Concentrates (tonnes U_3O_8)	-	-	-	10	20	-	-	9	-	984
Sales – Total (tonnes U_3O_8)	-	242	1,302	1,721	1,597	1,467	2,089	2,139	2,183	3,148

Definition of statistical ratios

Current Ratio	=	*current assets / current liabilities*
Liquid Ratio	=	*(current assets – inventory – prepayments – foreign exchange hedge asset on borrowings) / (current liabilities – bank overdraft – foreign exchange hedge liability)*
Gearing Ratio	=	*(long term debt + term creditors) / (shareholders' equity + long term debt + term creditors)*
Interest Cover	=	*earnings before interest and tax / interest expense*
Return on Shareholders' Equity	=	*profit after tax / average shareholders' equity*
Earnings per Share	=	*profit after tax / weighted average number of shares issued*

NOTES

Energy Resource Australia

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