

# Energy Resources of Australia Ltd

Analyst forums  
Sydney and Melbourne  
November 2010



# Forward-looking statements

This presentation has been prepared by Energy Resources of Australia Ltd ("ERA") and consisting of the slides for a presentation concerning ERA. By reviewing/attending this presentation you agree to be bound by the following conditions.

## Forward-looking statements

This presentation includes forward-looking statements. All statements other than statements of historical facts included in this presentation, including, without limitation, those regarding ERA's financial position, business strategy, plans and objectives of management for future operations (including development plans and subjectives relating to ERA's products, production forecasts and reserve and resource positions), are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of ERA, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

Such forward-looking statements are based on numerous assumptions regarding ERA's present and future business strategies and the environment in which ERA will operate in the future. Among the important factors that could cause ERA's actual results, performance or achievements to differ materially from those in the forwardlooking statements include, among others, levels of actual production during any period, levels of demand and market prices, the ability to produce and transport products profitably, the impact of foreign currency exchange rates on sales revenues, market prices and operating costs, operational problems, political uncertainty and economic conditions in relevant areas of the world, the actions of competitors, activities by governmental authorities such as changes in taxation or regulation and such other risk factors identified in ERA's most recent Annual Report. Forward-looking statements should, therefore, be construed in light of such risk factors and undue reliance should not be placed on forward-looking statements. These forward-looking statements speak only as of the date of this presentation.

Nothing in this presentation should be interpreted to mean that future earnings per share of ERA will necessarily match or exceed its historical published earnings per share.

The information in this presentation relating to exploration results is based on information compiled by Greg Rogers, who is a member of the Australasian Institute of Mining and Metallurgy. Greg Rogers is a full-time employee of the company and he has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Greg Rogers consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.



# Acknowledge Traditional Owners

The mining operations of Energy Resources of Australia Ltd (ERA) are located on Aboriginal land and are surrounded by, but separate from, Kakadu National Park.

ERA respectfully acknowledges the Mirarr, Traditional Owners of the land on which the Ranger Mine is situated.



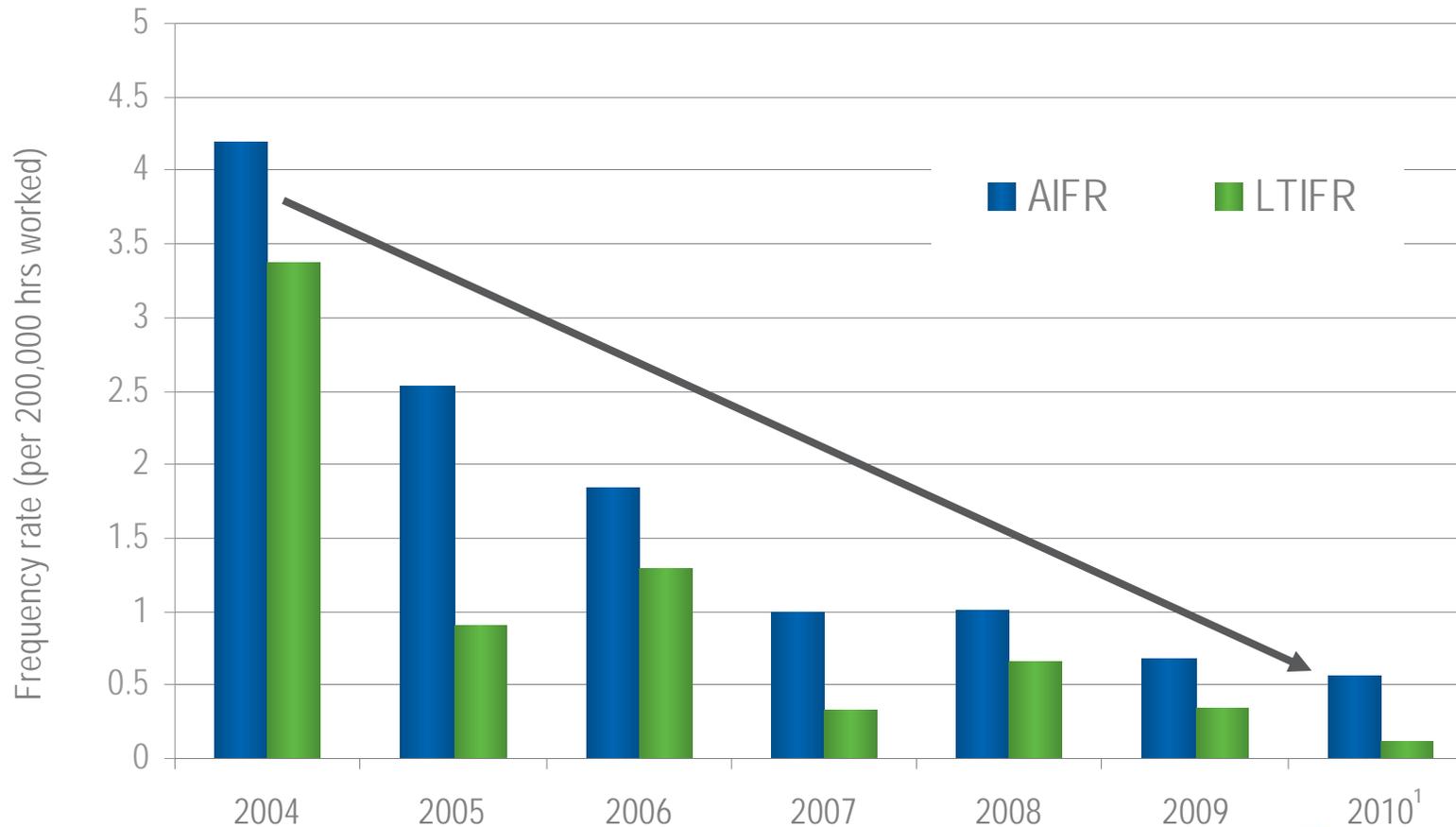
# Key outcomes in YTD September 2010

- Strong safety performance;
- Strong plant performance;
- Successful completion of the removal of the south wall instability;
- Major projects progressing well;
- Disappointing mine performance (primarily lower than planned grade).



# Safety

## All injury frequency rate (AIFR) and lost time injury frequency rate (LTIFR)

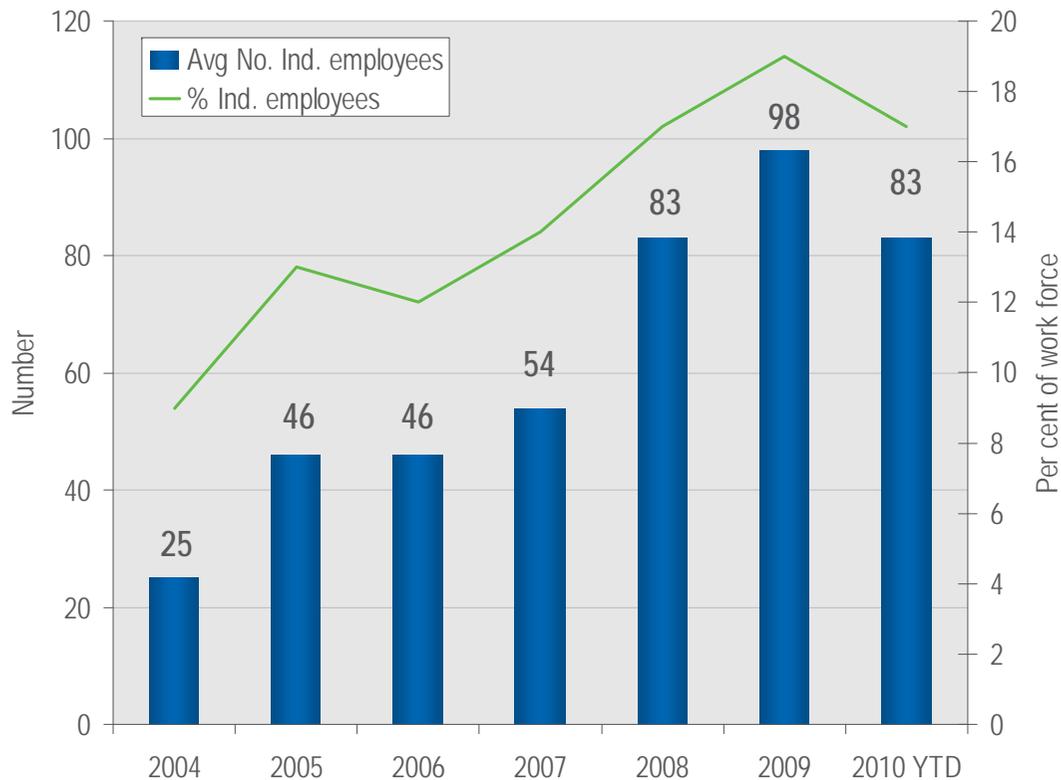


Note: <sup>1</sup> 2010 - 12 month rolling ratio



# People and community

## Indigenous employment



### Several reasons for the reduction

- Resignation (Family pressure, other job opportunities)
- Transfers to other Rio Tinto locations
- Attendance issues.

### What we are doing to increase numbers

- Increase resources assigned to Indigenous employment (3 new positions including a Superintendent and two Indigenous Liaison Officers)
- Maintain local employment register
- Offer development and training i.e. Cert IV and Numeracy and Literacy training on site.
- Supporting NT Minerals Council's pre-employment programme.
- Close relationship with schools in Jabiru and Gunbalanya.

Source: ERA Human Resources  
Updated September 2010



# Production

## Comparison 2009<sup>1</sup> vs 2010<sup>1</sup>

PRODUCTION		2009 <sup>1</sup>	2010 <sup>1</sup>	Change from 2009 <sup>1</sup>
		Actual	Actual	
U308 Total	T	4,100	2,628	-36%
U308 Laterite Plant	T	71	221	210%
U308 Primary Plant	T	4,029	2,407	-40%
Mill Feed Tonnage	T	1,660,000	1,845,000 <sup>2</sup>	11%
Primary Plant Utilisation	%	84.3	87.4	4%
Recovery	%	87.8	88.1	-
Mill Feed Grade	%	0.29	0.16	-45%

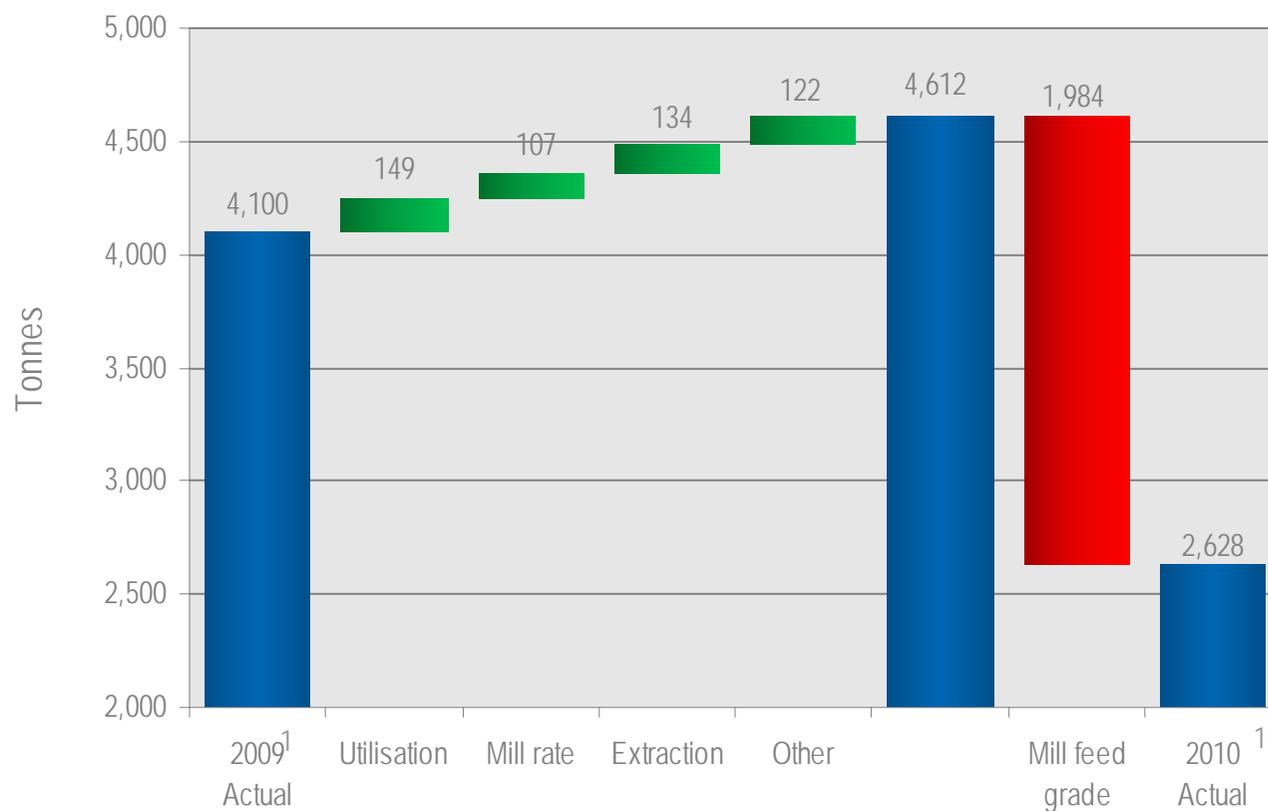
Notes: <sup>1</sup> Year to date September

<sup>2</sup> Includes calciner shutdown in August (eight days)



# Plant performance - production uranium oxide

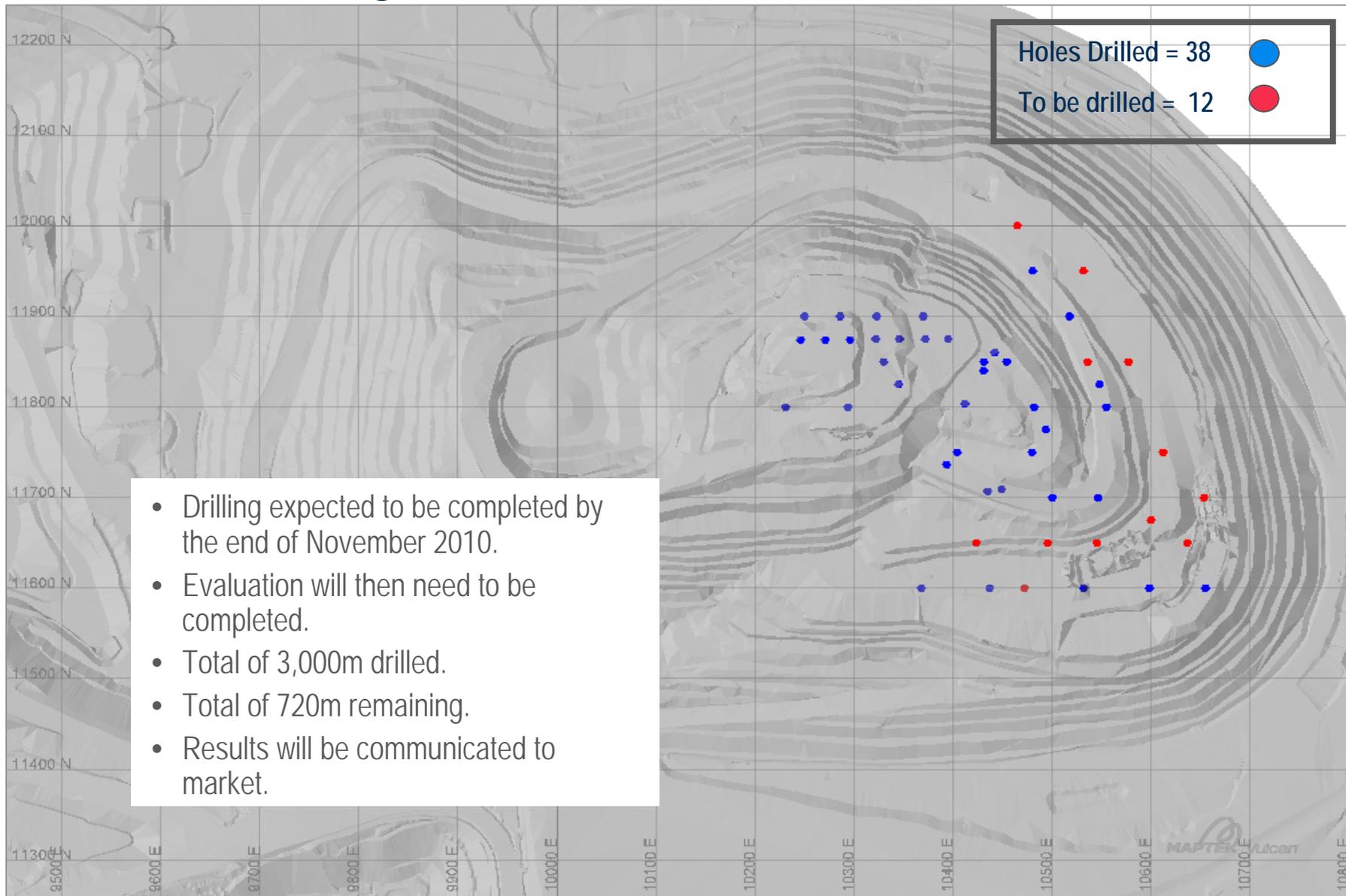
Comparison 2009<sup>1</sup> vs 2010<sup>1</sup>



Note: <sup>1</sup> Year to date as of September



# In-Pit Drilling

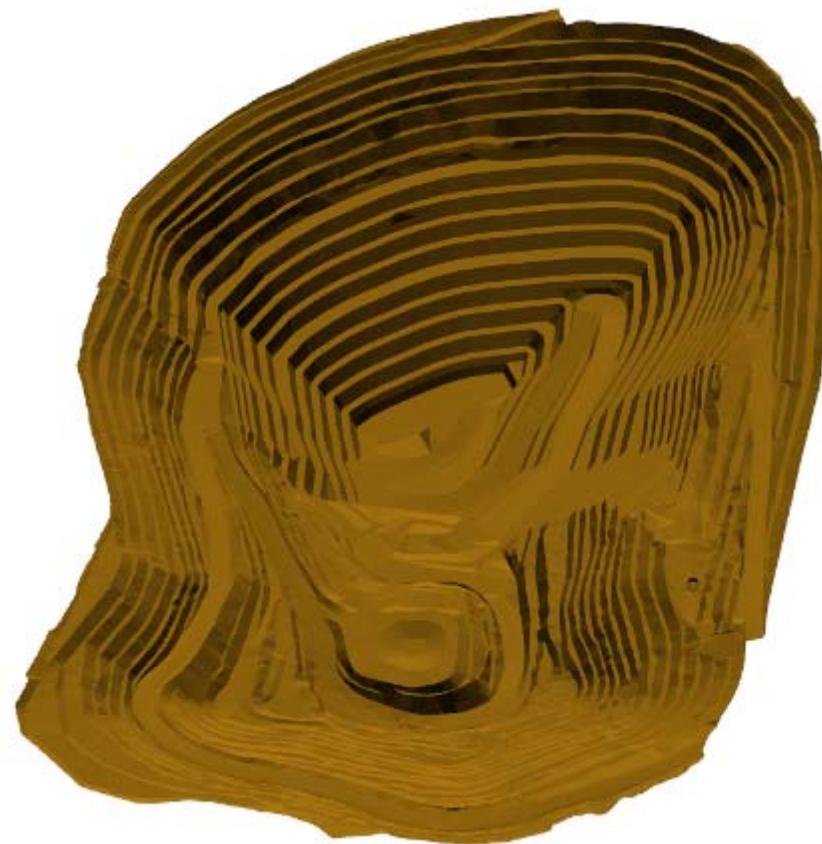


# Pit 3 final design

Current (as of September 2010)



Planned final pit design

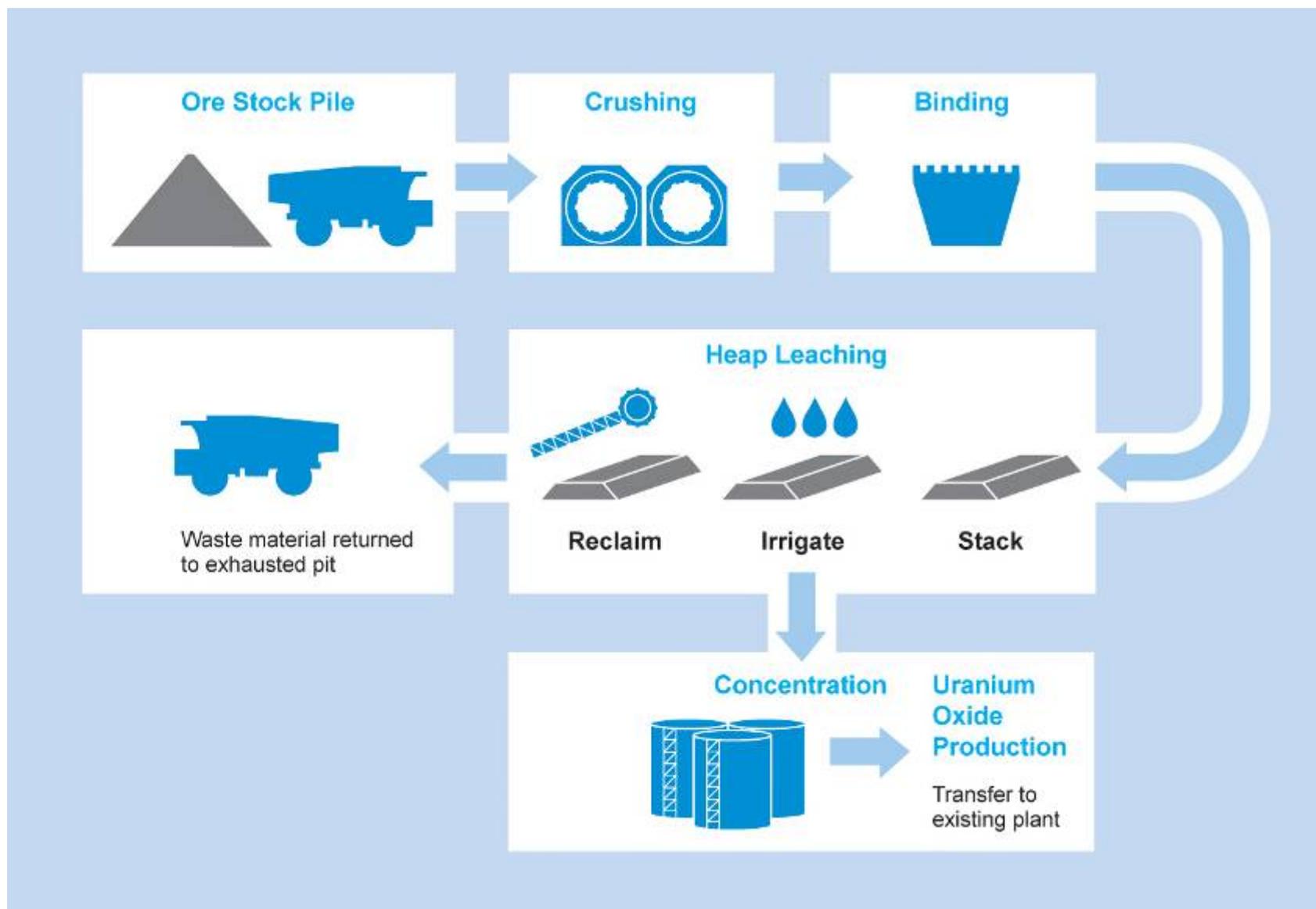


# Major projects

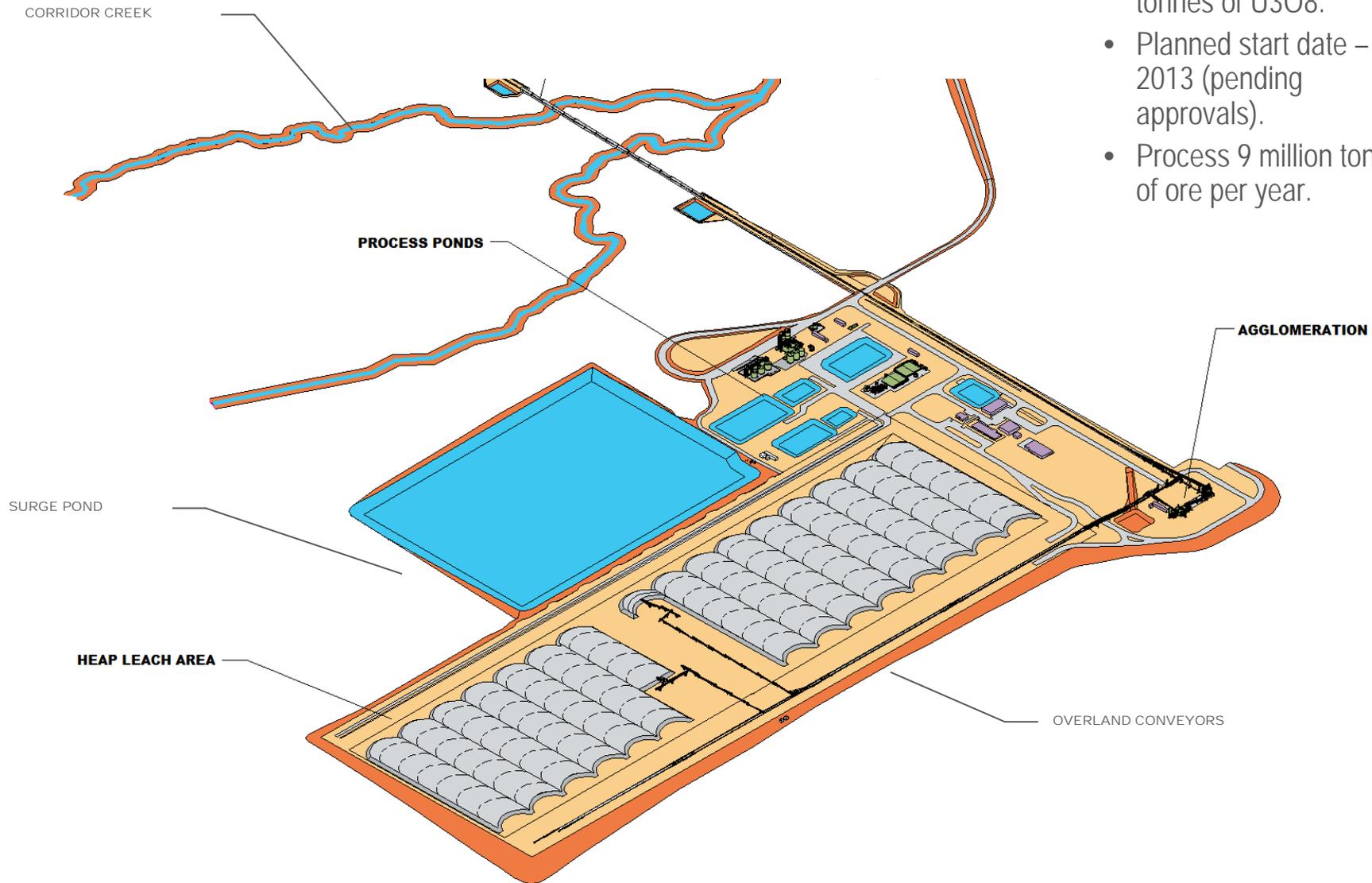
## Heap leach facility and Ranger 3 Deeps



# Heap leach facility flow diagram

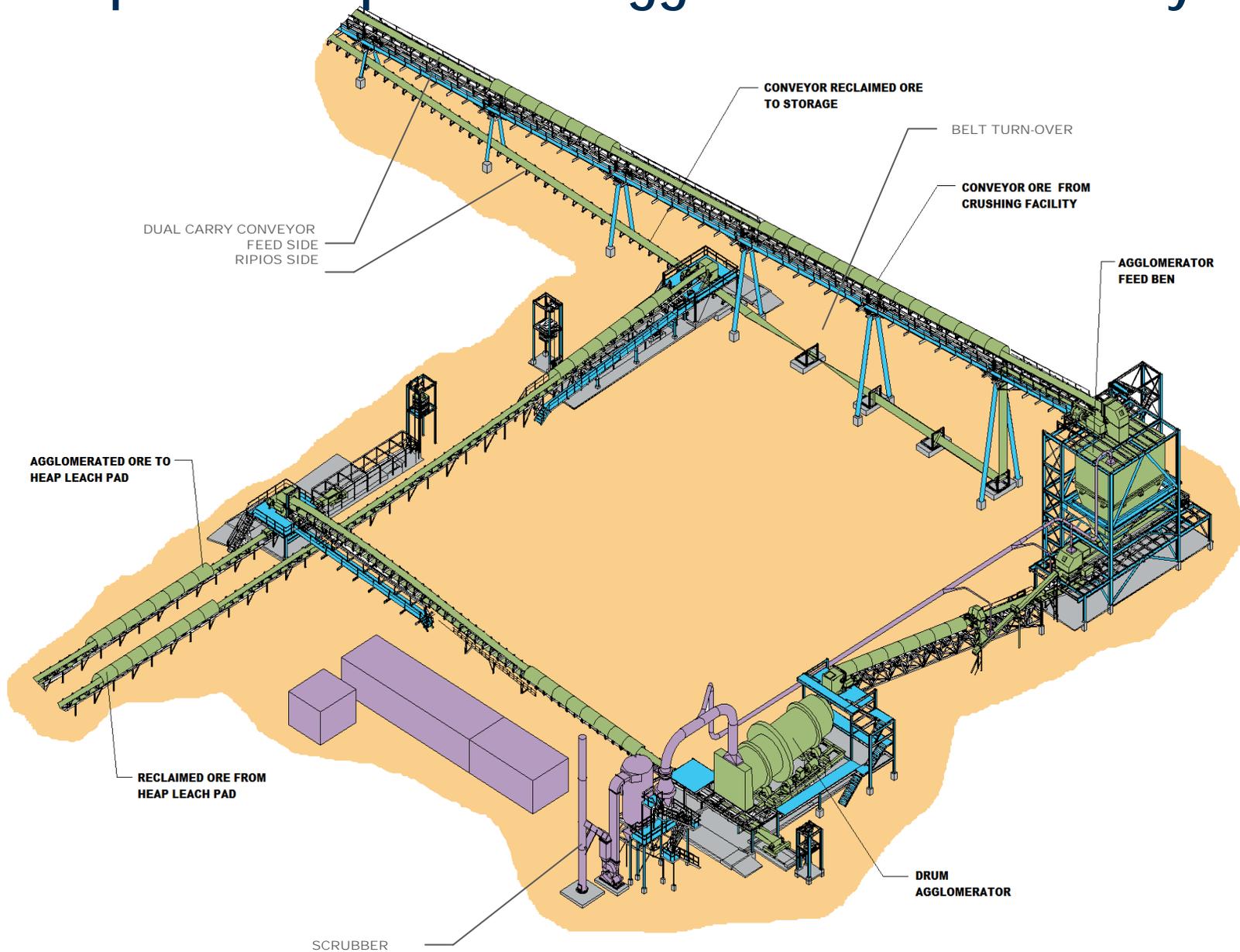


# Proposed heap leach – plant layout

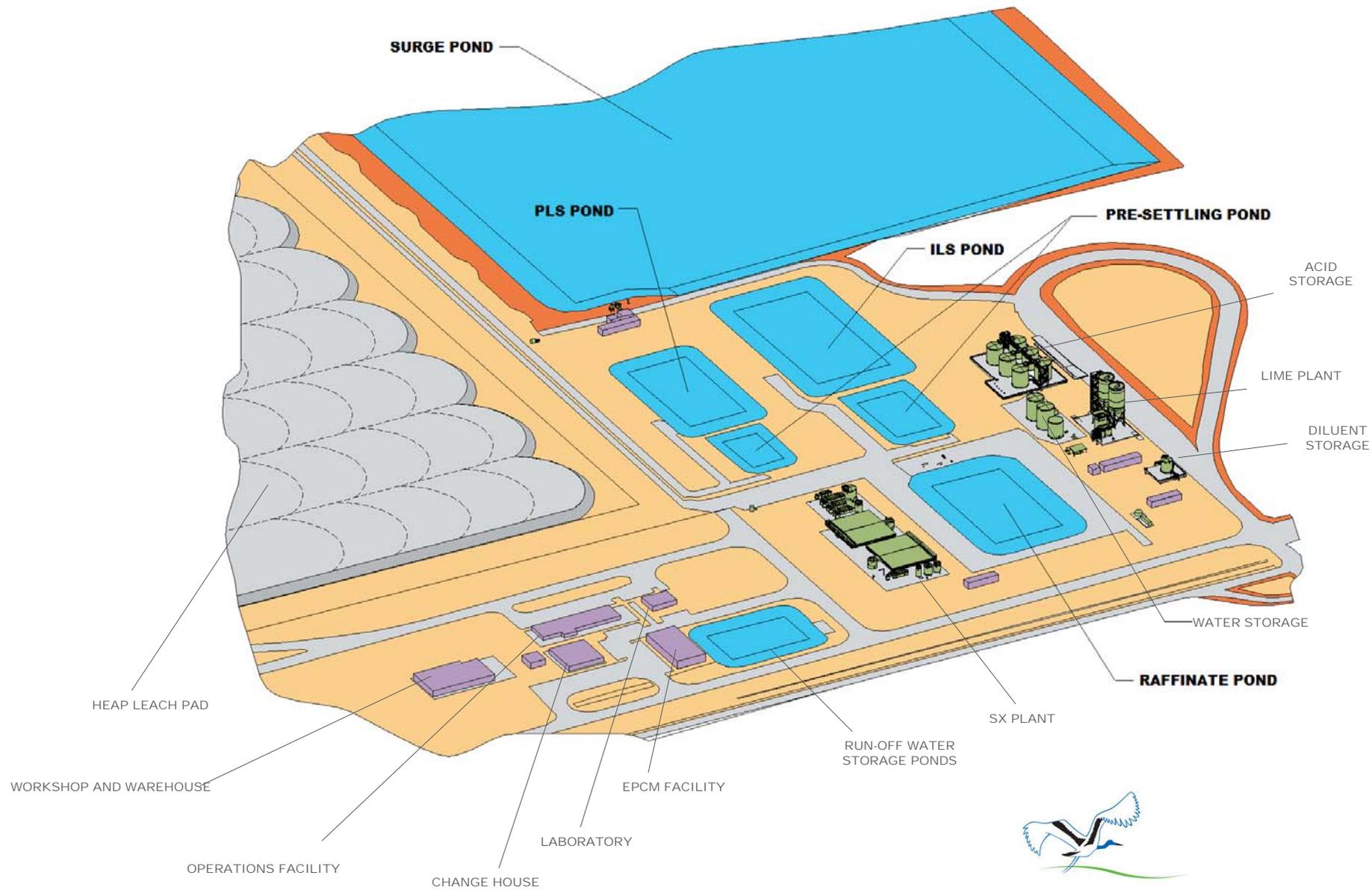


- Target 15,000 – 20,000 tonnes of U3O8.
- Planned start date – 2013 (pending approvals).
- Process 9 million tonnes of ore per year.

# Proposed heap leach – Agglomeration & Conveyors



# Proposed heap leach – Process Ponds



# Proposed heap leach

- ERA Board approval given for Feasibility Study (FS) in October 2009 (\$36 million)
- Work continues on the Environmental Impact Statement (EIS) and it is expected to be submitted to the Northern Territory and Commonwealth Governments in Q1 2011.

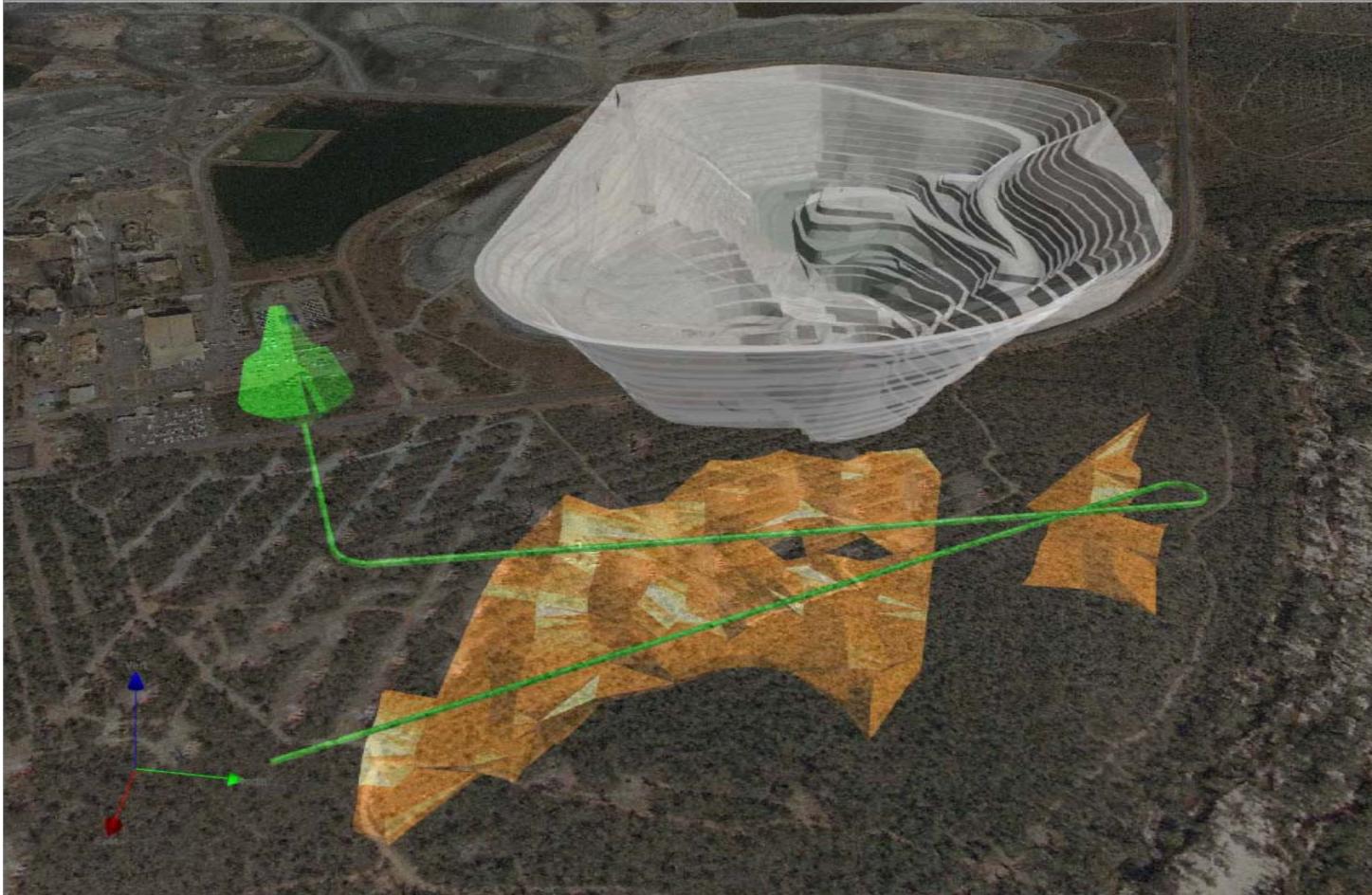
- **Key dates:**

- |  |                                     |
|--|-------------------------------------|
| - Completion of the feasibility study  | Q4 2010                             |
| - Government approvals                 | 2011                                |
| - ERA Board approval                   | Pending FS and government approvals |
| - Project implementation               | 18-24 months                        |
| - Project completion and first product | 2013 depending on approvals         |

- Expected to deliver some 15,000 to 20,000 tonnes of uranium oxide from lower grade resources
- Expecting employment levels to peak at over ~ 500 construction workers



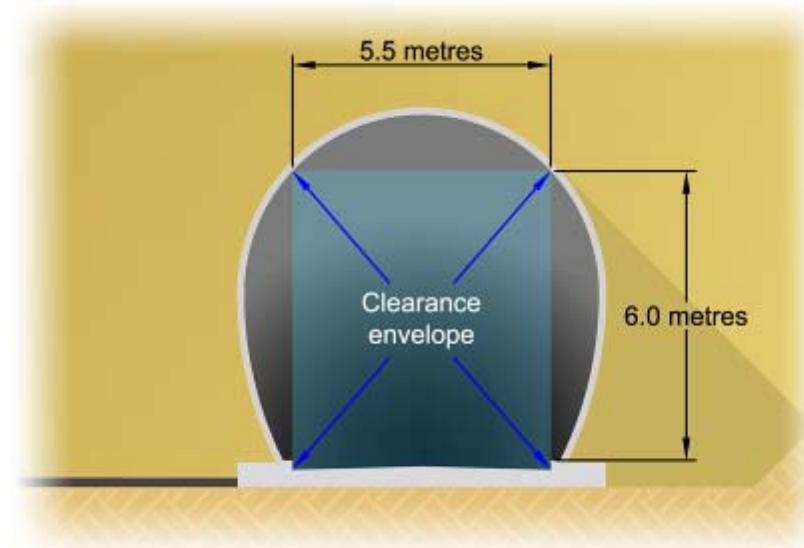
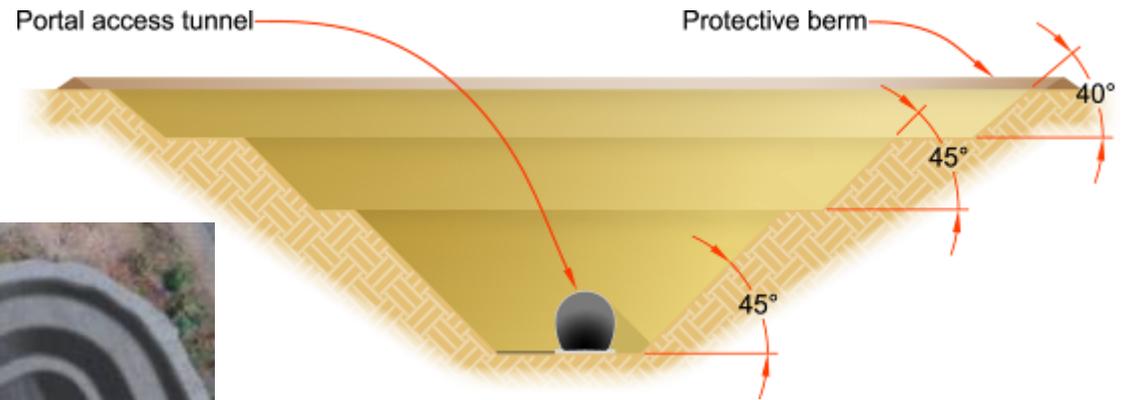
# Ranger 3 Deeps



- Study on the exploration decline has been completed with the development proposal in the final stages of ERA's approval process.
- 10 million tonnes of mineralised material at an average grade of 0.34% uranium oxide.

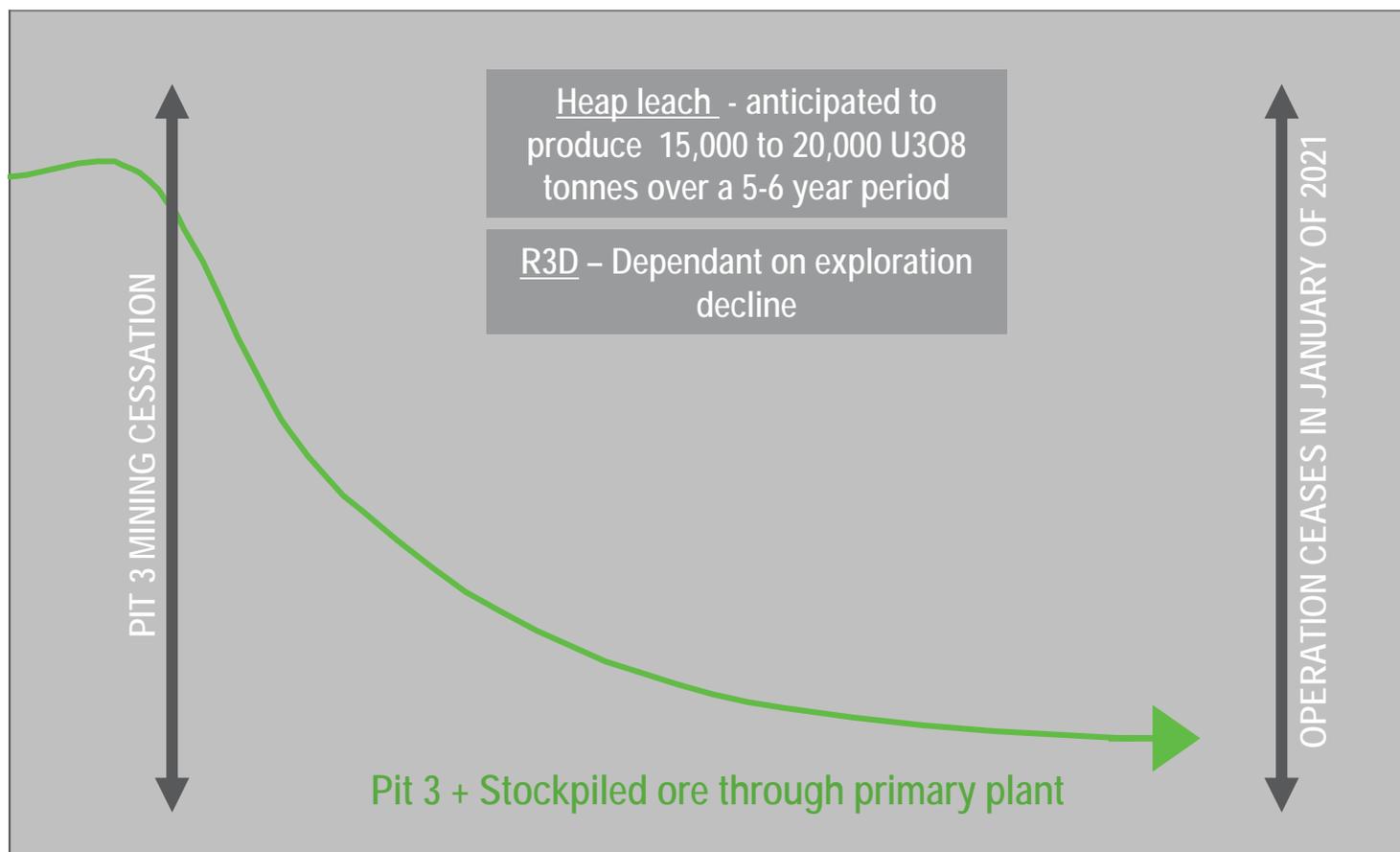


# Ranger 3 Deeps portal location and infrastructure



# Indicative production profile post mining

Current operations (Pit 3 and stockpiles), excluding major projects

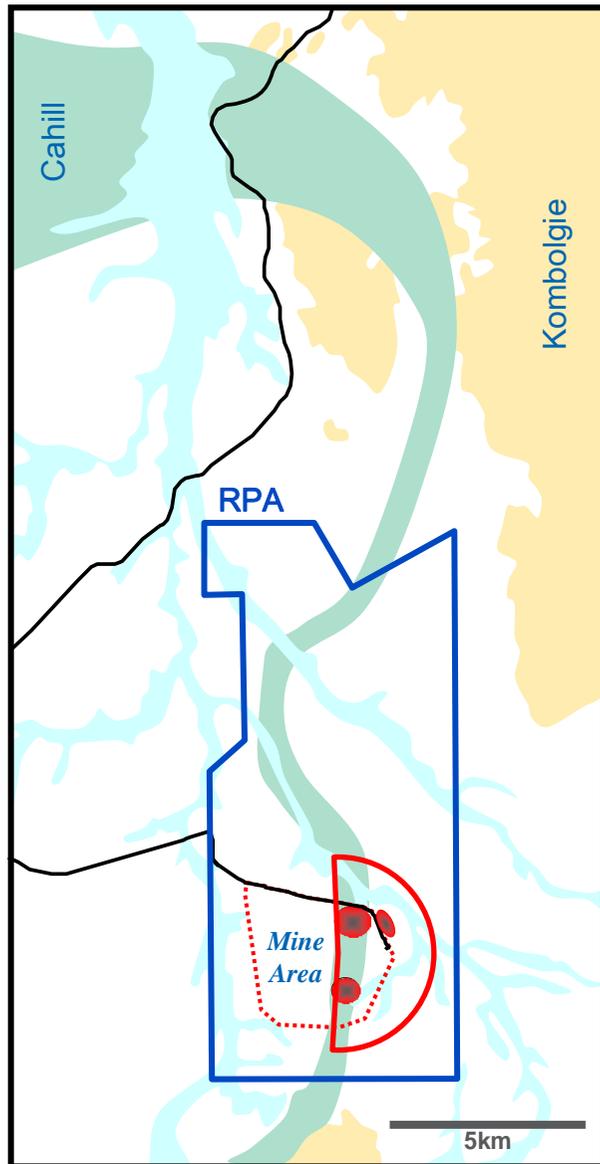


# Focus on water management

- Construction of Retention Pond 1 seepage interception trench;
- Upgrade of Retention Pond 1 weir structure;
- Construction of Pit 3 rim drain;
- Construction of Pit 1 catchment reduction infrastructure;
- Process Water Treatment Plant commissioned October 2009, and operating well;
- Expansion to the Magela Creek real-time continuous monitoring program;
- New and upgraded water management sumps and collection basins;
- Progressed Pit 1 closure planning, target completion date for backfill in 2013.



# Exploration – 2010 Priorities

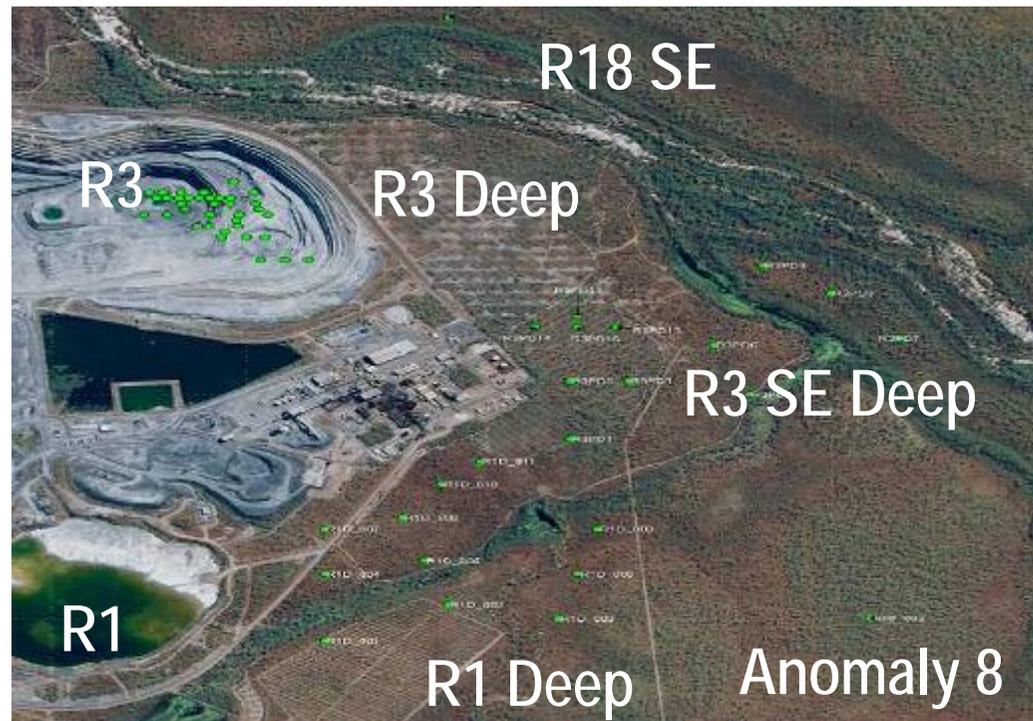


## Ranger Orbit

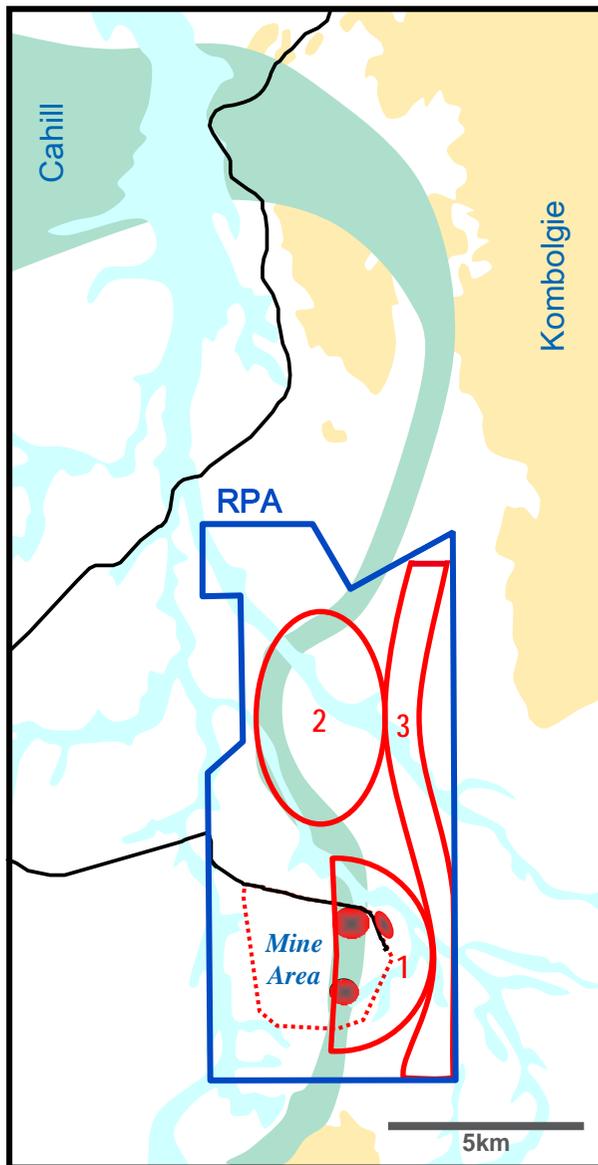
Incorporates prospects: Ranger SE Deeps, Ranger 1 Deeps, Anomaly 8 & Ranger 18SE.

Prospective depth is 200m to 700m

Resource Infill drilling in Ranger Pit 3.



# Exploration – 2011 Priorities



1 Ranger Orbit

2 North RPA

Prospective depth is 100m to 600m

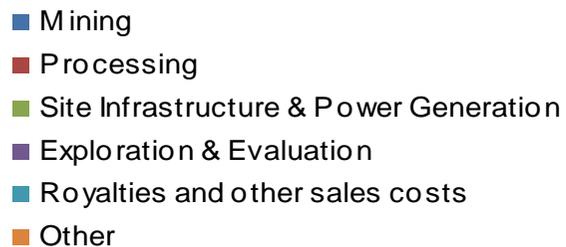
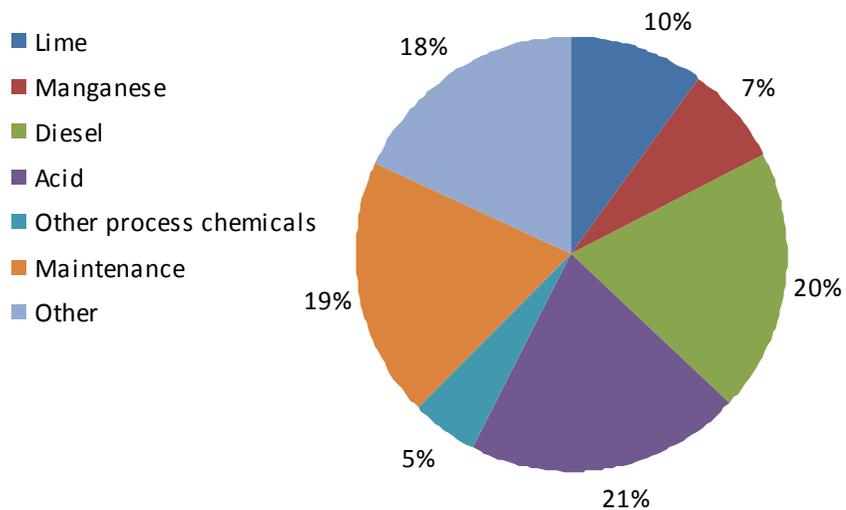
3 East RPA

Prospective depth is 50m to 600m

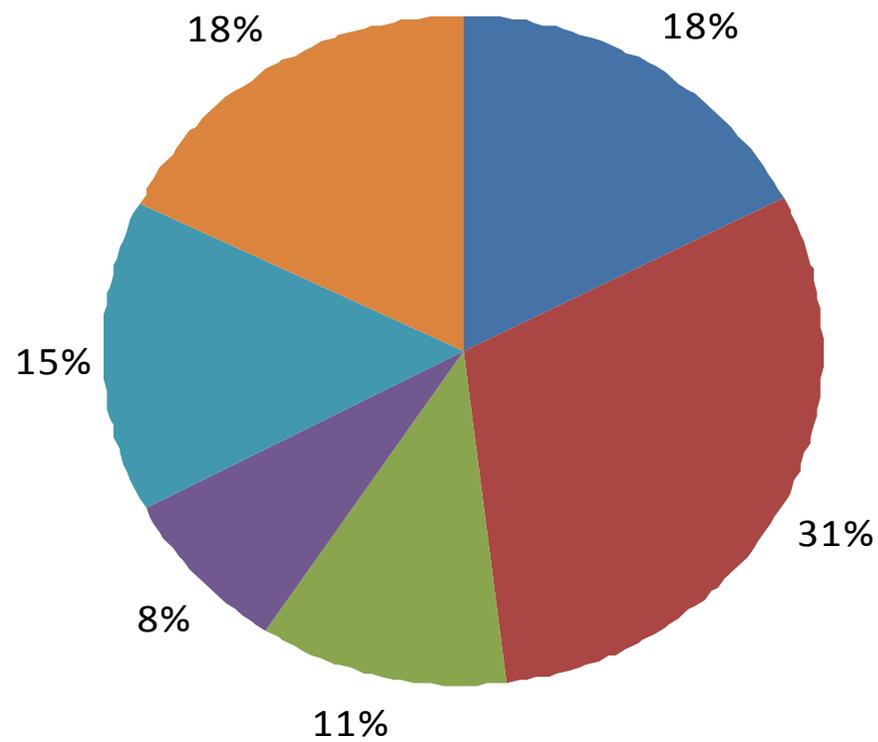


# Cash costs 2009

## Consumables



## Cost by process



# Challenges and risks facing ERA

- F/x Australian/US exposure (1¢ movement = \$5 million<sup>1</sup> net profit);
- Significant weather event;
- Results and evaluation of Pit 3 infill drilling programme;
- Heap Leach – Environmental Impact Statement approval;
- Water management.

Note: <sup>1</sup> average over a 12 month period



# Summary

- Strong safety performance;
- Strong plant performance;
- Continued focus on Indigenous employment;
- Strong focus on environment and water;
- Major project studies progressing well;
- Infill drilling expected to be complete by end of year;
- Water, geotechnical issue and grade have impacted significantly on 2010 performance.

