

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

ABN 71 008 550 865

Media Release and ASX Announcement

8 June 2007

ERA EARNINGS OUTLOOK

Energy Resources of Australia Ltd (ERA) today announced that it expects to report a first half loss of between A\$5 million and A\$10 million due to the disrupted timing of production and sales deliveries associated with the exceptionally heavy rainfall at its Ranger operation in late February/early March 2007. The company declared *force majeure* on its contracts on March 7 following the weather event that resulted in 750 millimetres of rain in one 72-hour period alone.

The expected result compares with 2006 first half earnings of A\$19.9 million and 2006 second half earnings of A\$23.7 million.

The anticipated pattern of sales deliveries for the remainder of 2007 should not affect ERA's earlier production and sales guidance, already announced to the market. ERA still expects 2007 production to be similar to 2006, while production in 2008 is likely to be 25 per cent to 35 per cent lower than 2006. While sales in 2007 and 2008 are expected to be generally in line with production, the timing of sales in 2007 will be heavily weighted in the second half of 2007.

ERA will release its 2007 half year results on 26 July 2007.

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For further information on the Company's activities please access ERA's website at
<http://www.energyres.com.au>