



Energy Resources of Australia Ltd (ERA)

Chris Salisbury – Chief Executive

Chris Bateman – Chief Financial Officer



Financial Community – September 2007



Acknowledge Traditional Owners

Energy Resources of Australia (Ltd) is located on Aboriginal land and is surrounded by, but separate from, Kakadu National Park.

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



Forward-looking statements

This presentation contains statements which may include predictions as to the future, and which may constitute forward-looking statements within the meaning of Australian or US securities laws. Such statements include, but are not limited to, statements with regard to capacity, future production and grades, projections for sales growth, estimated revenues and reserves, targets for cost savings, the construction cost of new projects, projected capital expenditures, the timing of new projects, future cash flow and debt levels, the outlook for minerals and metals prices, the outlook for economic recovery and trends in the trading environment and may be (but are not necessarily) identified by the use of phrases such as "will", "expect", "anticipate", "believe" and "envisage".

By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future and may be outside ERA's control. Actual results and developments may differ materially from those expressed or implied in such statements because of a number of factors, including levels of demand and market prices, the ability to produce and transport products profitably, the impact of foreign currency exchange rates on market prices and operating costs, operational problems, political uncertainty and economic conditions in relevant areas of the world, the actions of competitors, and activities by governmental authorities such as changes in taxation or regulation.

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Outline

- Background
- Market
- Current operations
- Exploration
- Summary

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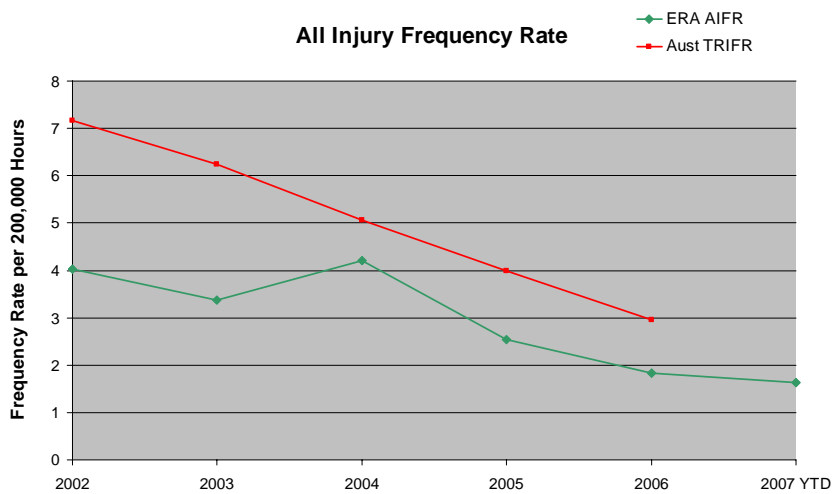
Background

- World's fourth largest uranium producer
- Operations based in the Northern Territory, Australia
- 380 employees
- In 2006 A\$43.6m (2005: \$41.1m) in net profit after tax and A\$74.9m (2005: \$33.4m) in operating cash flow
- Rio Tinto owns 68.4% of ERA

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Safety performance



Source: Minerals Council of Australia, ERA

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Location




Australia





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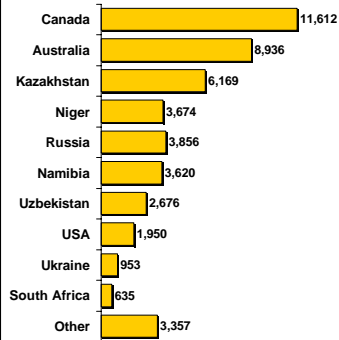
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Concentration of supply

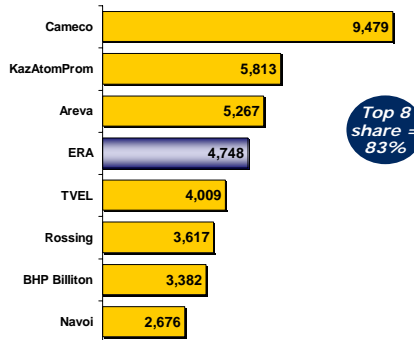
Uranium supply est. 2006 (tonnes U_3O_8)

Top 10 by country (2006)



Top 6 share = 80%

Top 7 by company (2006)



Top 8 share = 83%

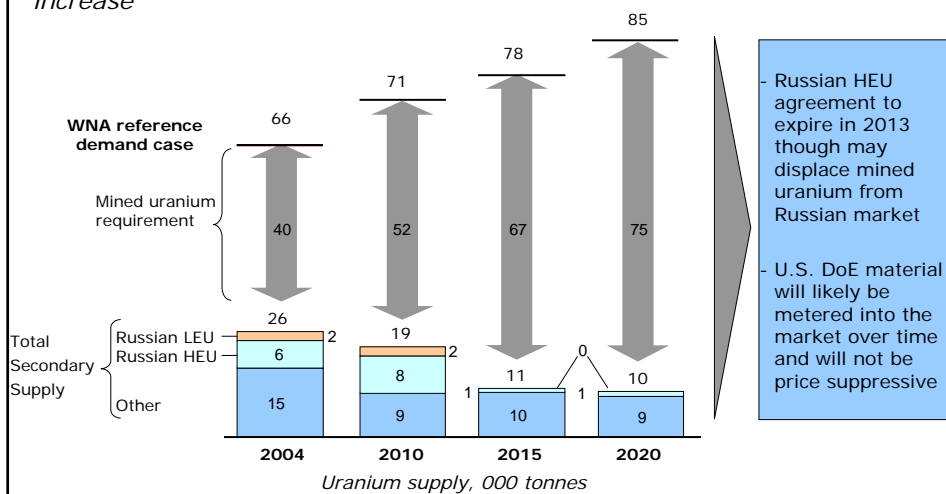
Source: WNA, Rio Tinto Uranium data book

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Primary/secondary supply

Secondary supplies are expected to decline, requiring mined supply to increase

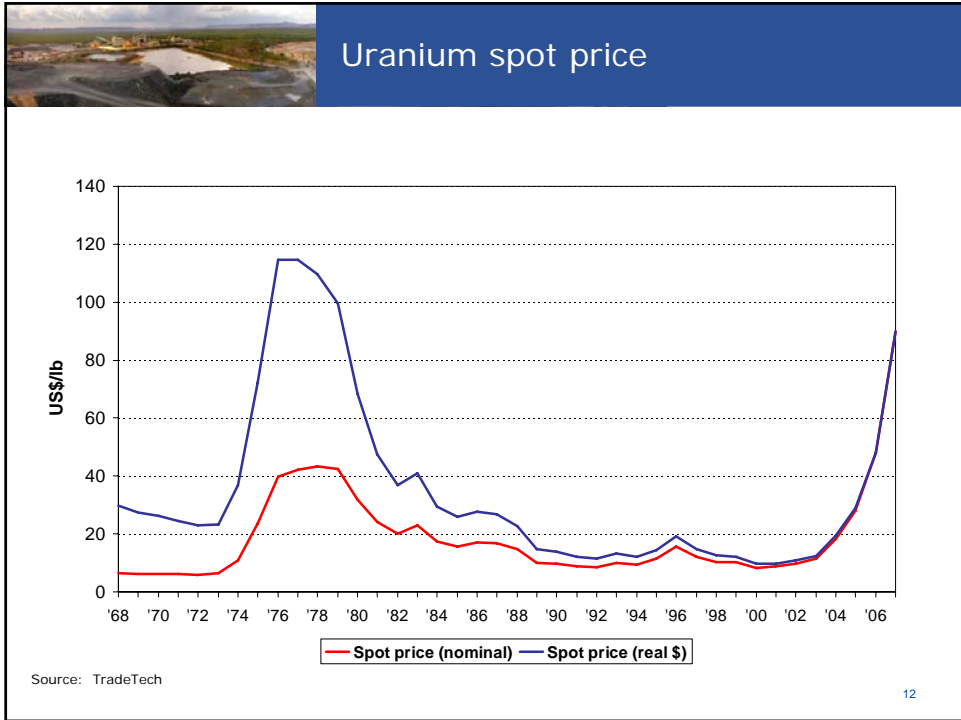


- Russian HEU agreement to expire in 2013 though may displace mined uranium from Russian market

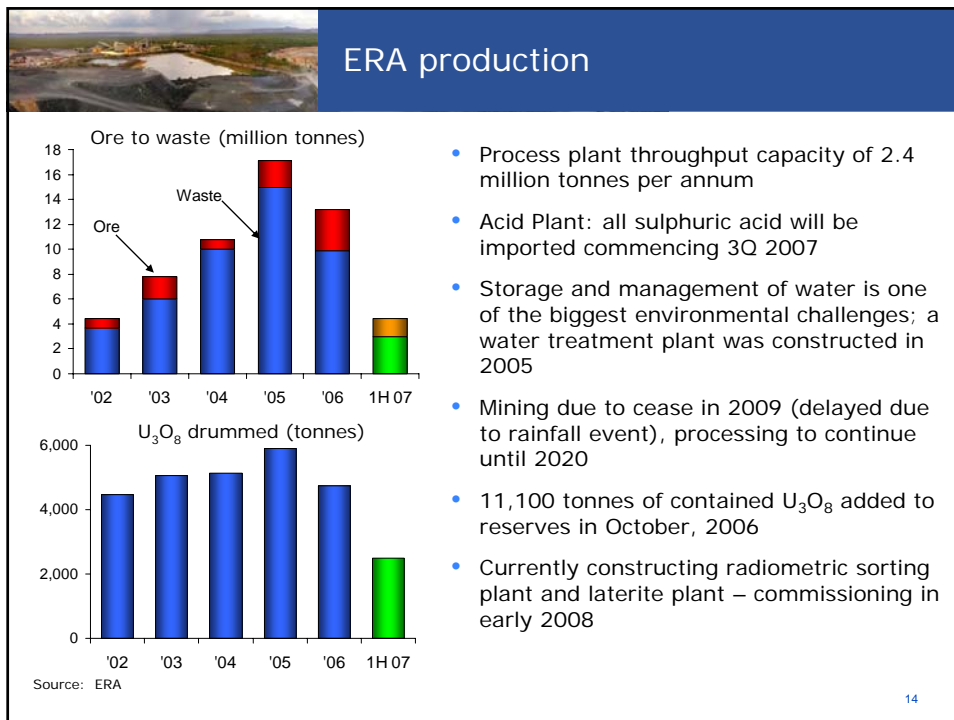
- U.S. DoE material will likely be metered into the market over time and will not be price suppressive

Source: WNA

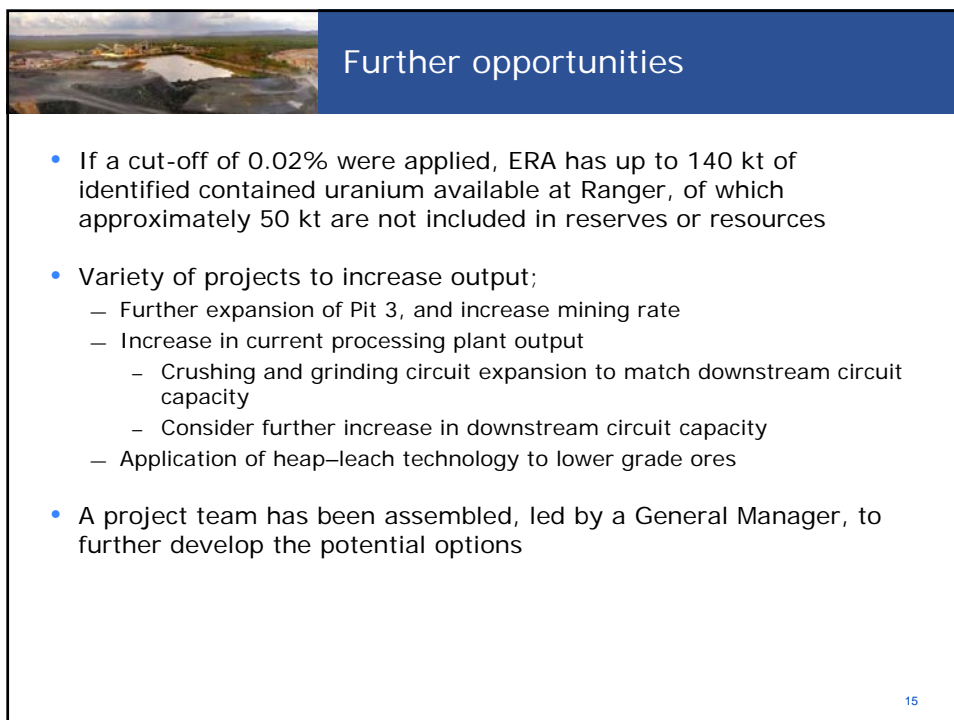
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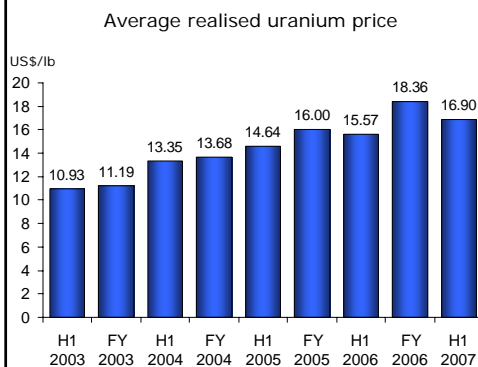
Production outlook

- ERA declared Force Majeure on its sales contracts as a result of heavy rains at end of February and early March 2007
- The rainfall led to elevated water levels in Pit 3
- ERA has been successful in obtaining approval for, and implementing, a series of measures to increase the treatment rate of water
- Production is now expected to exceed 5,200t in 2007 and sales are expected to be in-line with production
- 2008 production is now expected to be in excess of 5,000t
- In discussion with insurers over business interruption claim

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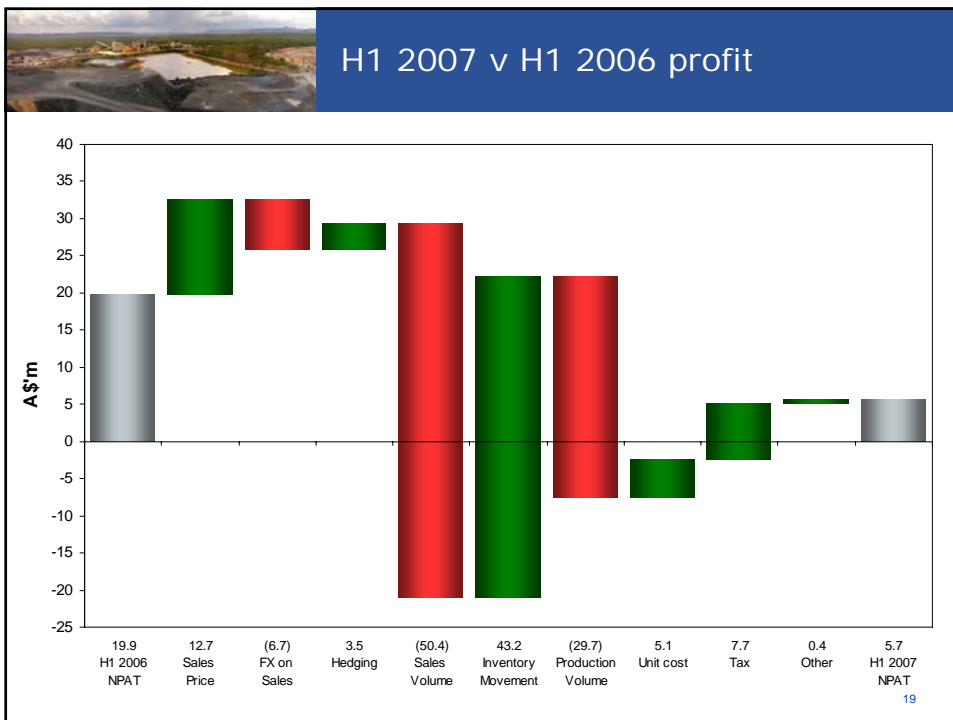
ERA's sales contract position



Source: ERA

- Contracts are generally:
 - 3 to 5 years in duration
 - First delivery 2 to 4 yrs after agreement
- Contracts contain a mixture of pricing mechanisms:
 - Fixed price/base escalated
 - Linked to market indicators
 - Negotiated prices
- Legacy contracts, containing large volume flexibilities and low ceiling prices, are being steadily replaced by higher-performing contracts
- Year on year realised pricing continues to rise, however, customers still have great flexibility in the timing of deliveries

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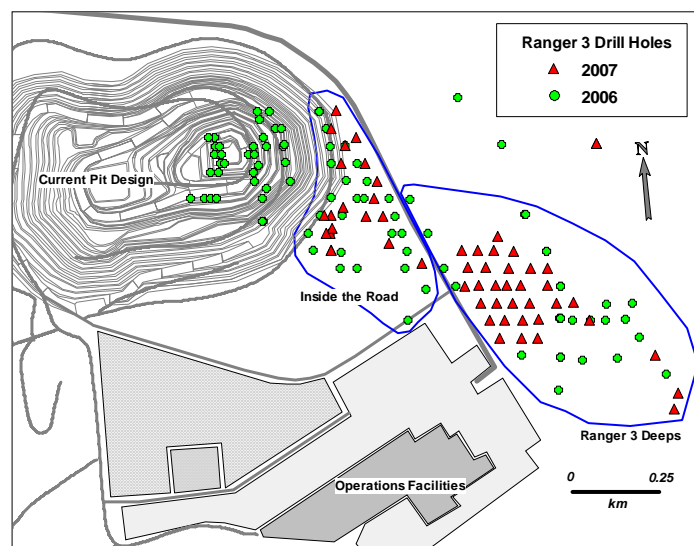
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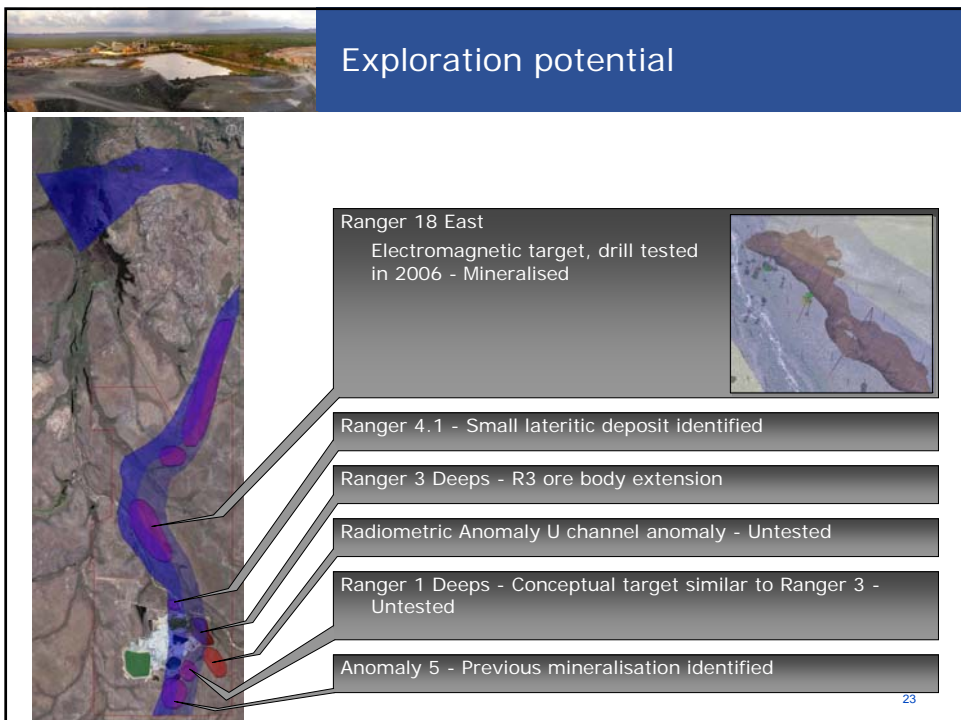
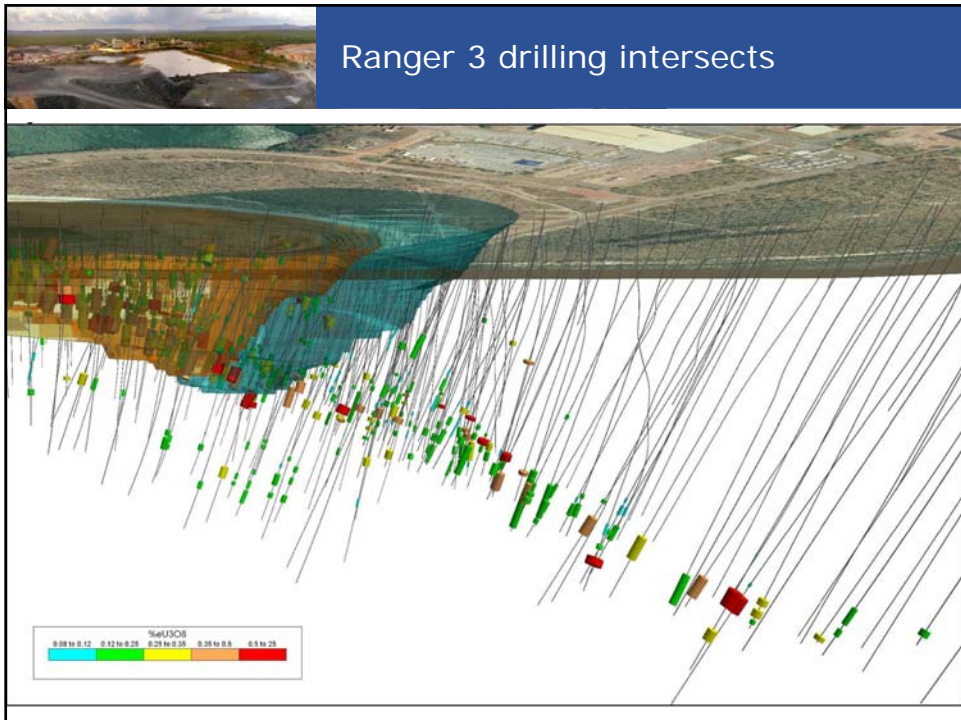
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Exploration

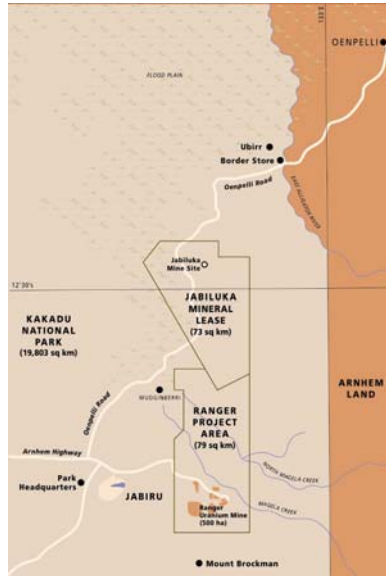


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Jabiluka deposit



- One of the largest undeveloped uranium ore-bodies in the world
- Accessed by a shallow underground mine
- Long term care and maintenance agreement signed in early 2005
- Will only be developed with consent of Traditional Owners

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Summary

- 26 years of uranium mining experience in the Northern Territory
- World's second largest uranium mine
- Ownership of one of the world's largest undeveloped uranium resources
- Additional on-site exploration activity currently underway - encouraging results to date
- Various expansion opportunities at Ranger
- Highly regulated operating environment
- Water management (exposed to high intensity rainfall events)
- Remote location – workforce retention, logistics
- Culturally sensitive region

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Appendix 1

Operational performance

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

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Appendix 2

H1 2007 v H1 2006 total costs

