ERA Energy Resources Of Australia
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A member of the Rio Tinto Group

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ASX Interim report – 30 June 2024

Lodged with the ASX under Listing Rule 4.2A
This information should be read in conjunction with the 31 December 2023 financial report

Contents

Results for announcement to the market

A summary of revenues and results for the half-year is set out below:

			June 2024 $000	June 2023 $000
Cash flow from operating activities	22%	to	(88,526)	(112,960)
Revenue from ordinary activities	31%	to	17,493	13,403
Loss from ordinary activities before tax attributable to members	56%	to	(146,445)	(331,269)
Loss from ordinary activities after tax attributable to members	56%	to	(146,445)	(331,269)
Net loss for the period attributable to members	56%	to	(146,445)	(331,269)
Loss per share (cents)	79%	to	(0.7)	(3.3)

These financial results have been prepared in accordance with Australian Accounting Standards. All dollars in this report are Australian dollars, unless otherwise stated.

The Directors of Energy Resources of Australia Ltd (**ERA or the Company**) present their report together with the interim financial report of the Company, for the half-year ended 30 June 2024.

Directors

The Directors of the Company at any time during the half-year or since the end of the financial period were:

Name	***Period of Directorship***
Mr R Dennis (Chair)	*Appointed November 2022 (appointed as Chair January 2023)*
Mr B Welsh	*Appointed Chief Executive and Managing Director February 2022*
Mr J Carey	*Appointed August 2019*
Ms R Fagen	*Appointed February 2022*
Hon. K Wyatt	*Appointed December 2022*
Mr S Glenn	*Appointed February 2023*
Mr A Grigg	*Appointed January 2024*

Review of operations

Energy Resources of Australia Ltd (**ERA** or the **Company**) incurred negative cash flow from operating activities of $89 million for the half-year ended 30 June 2024 compared to negative $113 million for the same period in 2023. Rehabilitation costs incurred for the half-year ended 30 June 2024 were $85 million compared to $114 million for the same period in 2023.

ERA held total cash resources of $650 million at 30 June 2024, comprised of $128 million in cash at bank and $522 million of cash held by the Commonwealth Government as part of the Ranger Rehabilitation Special Account (Trust Fund). The Company's ability to access the funds held in the Trust Fund is subject to the terms of the Ranger Government Agreement. The Company has no debt and $126m in bank guarantees.

ERA recorded a net loss after tax for the half-year ended 30 June 2024 of $146 million compared to a net loss after tax of $331 million for the same period in 2023. The half year ended 2024 result was negatively impacted by the impairment of the Jabiluka undeveloped property and a change in estimate related to the provision for rehabilitation. The June 2023 result was adversely impacted by an increase in the provision for rehabilitation, primarily due to changes in estimate based on preliminary outcomes of the 2022 Feasibility Study.

Revenue from continuing operations mainly comprises of interest income with a small amount of rental receipts. Interest income for the period was $17 million, compared to $13 million for the June 2023 half-year. The increase was driven by both average higher cash balances and higher rates of interest in 2024 than the prior period, with the weighted average interest rate received on term deposit for the period being 5.09 per cent (2023: 4.27 per cent).

Operating costs for the June 2024 half-year were lower than the corresponding period in 2023. This was primarily due to higher employee related cost in 2023 due to redundancies following ERA's transition to an Integrated Project Management Team (IPMT) and higher 2023 consulting charges related to IPMT set up and other consulting services. Operating costs in the Income Statement are now those only of a corporate nature.

As previously announced, ERA has appointed Rio Tinto to manage the Ranger Rehabilitation Project under a new Management Services Agreement. Rio Tinto took responsibility for management of the Ranger site on ERA's behalf and in accordance with plans and budgets approved by the ERA Board from 3 June 2024. ERA continues to directly manage its corporate, financial affairs, governance and the Jabiluka Mineral Lease.

Rehabilitation

At 30 June 2024, the ERA rehabilitation provision is $2,402 million[1], a decrease of $18 million from 31 December 2023 ($2,420 million). During the first half of 2024, ERA incurred expenditure of $85 million on rehabilitation activities.

A net change in estimate, which increased the provision by $20 million, was recorded in the half year. This adjustment was driven by higher near term water volumes than forecast due to wet season rainfall. This was partly offset by an increase in the discount rate from 2% to 2.5%.

A significant increase to the rehabilitation provision was made in December 2023 based on outcomes and data from the 2022 Feasibility Study. 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. Additional studies are ongoing with no further study outcomes received during the first half of 2024.

Progressive rehabilitation of the Ranger Project Area has continued during the first half of 2024 with several key milestones achieved. Preparation for the dry capping of Pit 3 continued to progress. Amphirollers used to accelerate the drying of Pit 3 tailings were mobilised and started operations in early June 2024. Following these activities, geofabric, which will protect the tailings during capping activities, will be laid. A number of bids have been received for the placement of geofabric and initial capping activities and these are currently

[1] 30 June 2024 provision discounted at 2.5% per cent. This equates to an estimated $3,026 million in undiscounted nominal terms or $2,717 million in undiscounted real terms.

being evaluated. Approval was received for Pit 3 capping from the Commonwealth and NT Government in August 2024.

Process and pond water treatment activities continued throughout the half year, with water being processed in both the existing brine concentrator and reverse osmosis plants. The new Brine Squeezer commissioning has been paused to allow for the process water pH to be raised prior to processing.

Additionally a further 19 properties have had refurbishments completed bringing the total properties refurbished to 127.

The all injury frequency rate remains at 0.00 for the Half Year with the site having achieved 1,500 consecutive days without a lost time injury.

Liquidity position

Without additional funding or changes to its rehabilitation plans, ERA is projected to fall below its minimum cash reserve in the final quarter of 2024 and exhaust its available cash balance by the end of 2024 or early 2025. To address funding requirements ERA plans to undertake a material equity raise in the near term.

Jabiluka Mineral Lease

On 26 July 2024, ERA announced that the Northern Territory government, based on advice from the Commonwealth government, had decided not to renew the Jabiluka Mineral Lease (MLN1). Subsequently, on 6 August 2024, ERA initiated proceedings in the Federal Court of Australia against the Minister for Resources and Minister for Northern Australia (Commonwealth), the Commonwealth of Australia, the Minister for Mining and Minister for Agribusiness and Fisheries (Northern Territory), the Northern Territory, and the Jabiluka Aboriginal Land Trust. ERA seeks judicial review of the Renewal Decision, including of the Commonwealth government’s advice to refuse the renewal of the Jabiluka Mineral Lease, citing procedural fairness, natural justice, and other defects in the decision-making process, and on 8 August 2024 the Court made an interim order to stay the decision to refuse to extend the lease, the effect of that decision and its enforcement or execution, pending further order of the Court.

For accounting purposes the Jabiluka Mineral Lease has been fully impaired at 30 June 2024. This accounting treatment does not preclude or influence the company's legal rights or actions regarding the lease. Even if ERA is successful in securing a renewal of the Jabiluka Mineral Lease, whether following the Court proceedings referred to above or otherwise, in accordance with the Long-Term Care and Maintenance Agreement signed by ERA in 2005, the Jabiluka deposit will not be developed by ERA without the approval of the Mirarr Traditional Owners, and this and other factors may materially affect its value as referred to in earlier ERA financial statements.

The Company notes that the non-renewal decision may impact the information previously disclosed in the 2023 Annual Report regarding the reporting of Jabiluka as a Mineral Resource, as well as the form and context in which the Competent Person’s findings were initially presented.

Exploration

There was no exploration expenditure for the half-year ended 30 June 2024.

Dividends

ERA has decided not to declare an interim dividend in respect of the 2024 half-year. No final dividend was paid in respect to the 2023 financial year.

Outlook

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.

The strategic priority of ERA continues to be the comprehensive rehabilitation of the Ranger Project Area to a standard where it can be reincorporated into the surrounding Kakadu National Park if Traditional Owners wish.

Consequently, ERA's near-term strategic priorities include:

- Execute rehabilitation scope of the Ranger Project Area;
- Progress studies to increase technical certainty in other project Tranches;
- Secure a suitable funding option to meet future rehabilitation obligations;
- Progress negotiations to extend the existing Ranger authority beyond January 2026 deadline; and
- Preserve the company's undeveloped resources.

Rounding of Amounts

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

Auditors' independence declaration

A copy of the auditors' independence declaration as required under section 307C of the *Corporations Act 2001* (Cth) is set out on page 6.

Signed at Brisbane this 20th day of August 2024 in accordance with a resolution of the Directors.

Mr R Dennis
Chair

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 review of Energy Resources of Australia Ltd for the half-year ended 30 June 2024 there have been:

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

ii. no contraventions of any applicable code of professional conduct in relation to the review.

KPMG

KPMG

Derek Meates
Partner

Perth

20 August 2024

	Notes	Half-year ended **30 June 2024 $'000**	 30 June 2023 $'000
Revenue from continuing operations		17,493	13,403
Changes in inventories	4	-	-
Materials and consumables used		(349)	(853)
Employee benefits and contractor expenses		(4,525)	(7,418)
Financing costs	5	(47,979)	(33,932)
Changes in estimate of rehabilitation provision	5	(19,874)	(301,605)
Non-cash impairment charge	10	(89,856)	-
Depreciation and amortisation expenses		(146)	(146)
Statutory and corporate expenses		(1,102)	(698)
Other expenses		(107)	(20)
Loss before income tax		(146,445)	(331,269)
Income tax (expense)/benefit		-	-
Loss for the half-year		(146,445)	(331,269)
Total comprehensive loss for the half-year		(146,445)	(331,269)
Loss is attributable to:			
Owners of Energy Resources of Australia Ltd		(146,445)	(331,269)
		(146,445)	(331,269)
Total comprehensive loss for the half-year is attributable to:			
Owners of Energy Resources of Australia Ltd		(146,445)	(331,269)
		(146,445)	(331,269)
		Cents	Cents
Loss per share for loss attributable to the ordinary equity holders of the Company:			
Basic loss per share	8	(0.7)	(3.3)
Diluted loss per share	8	(0.7)	(3.3)

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

	Notes	**Half-year ended** **30 June 2024 $'000**	31 Dec 2023 $'000
ASSETS			
Current assets			
Cash and cash equivalents		127,830	216,951
Trade and other receivables		2,749	4,229
Inventories	4	7,941	7,315
Other		1,174	785
Total current assets		139,694	229,280
Non-current assets			
Undeveloped properties	2, 10	-	89,856
Property, plant and equipment		513	659
Government security receivable	9	521,979	509,005
Total non-current assets		522,492	599,520
Total assets		662,186	828,800
LIABILITIES			
Current Liabilities			
Trade and other payables		23,671	25,899
Provisions	5	310,548	309,099
Lease liabilities		301	295
Total current liabilities		334,520	335,293
Non-current liabilities			
Provisions	5	2,101,167	2,120,422
Lease liabilities		233	385
Total non-current liabilities		2,101,400	2,120,807
Total liabilities		2,435,920	2,456,100
Net deficit		(1,773,734)	(1,627,300)
EQUITY			
Contributed equity	6	1,542,350	1,542,350
Reserves		387,680	387,669
Accumulated losses		(3,703,764)	(3,557,319)
Total deficit		(1,773,734)	(1,627,300)

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

	Notes	Contributed equity $'000	Reserves $'000	Accumulated losses $'000	Total $'000
Balance at 1 January 2024		**1,542,350**	**387,669**	**(3,557,319)**	**(1,627,300)**
Loss for the half-year		-	-	(146,445)	(146,445)
Other comprehensive loss		-	-	-	-
Total comprehensive loss for the half-year		**-**	**-**	**(146,445)**	**(146,445)**
Transactions with owners in their capacity as owners:					
Employee share options - value of employee services		-	11	-	11
Dividends provided for or paid		-	-	-	-
		-	-	-	**11**
Balance at 30 June 2024		**1,542,350**	**387,680**	**(3,703,764)**	**(1,773,734)**

	Notes	Contributed equity $'000	Reserves $'000	Accumulated losses $'000	Total $'000
Balance at 1 January 2023		**1,177,656**	**387,912**	**(2,169,225)**	**(603,657)**
Loss for the half-year		-	-	(331,269)	(331,269)
Other comprehensive loss		-	-	-	-
Total comprehensive loss for the half-year		**-**	**-**	**(331,269)**	**(331,269)**
Transactions with owners in their capacity as owners:					
Contributed equity received net of transaction cost	6	364,694	-	-	364,694
Dividends provided for or paid		-	-	-	-
		364,694	-	-	**364,694**
Balance at 30 June 2023		**1,542,350**	**387,912**	**(2,500,494)**	**(570,232)**

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

	Half-year ended	
	30 June 2024 $'000	30 June 2023 $'000
Cash flow from operating activities		
Receipts from customers	180	1,741
Payments to suppliers and employees	(8,146)	(3,112)
Payments for rehabilitation	(85,120)	(114,067)
	(93,086)	(115,438)
Interest received	4,916	2,831
Financing costs paid	(356)	(353)
Net cash (outflow)/inflow from operating activities	(88,526)	(112,960)
Cash flow from investing activities		
Payments for property, plant and equipment	(76)	(10)
Proceeds from sale of property, plant and equipment	69	92
Payments for investments in term deposits	-	(100,000)
Net cash (outflow)/inflow from investing activities	(7)	(99,918)
Cash flow from financing activities		
Proceeds from borrowings	-	100,000
Proceeds from share issues	-	369,138
Share issue transaction costs	-	(4,444)
Repayment of temporary bank overdraft	-	(12,253)
Payment of borrowings	-	(100,000)
Employee share option payments	(446)	-
Payment of lease liabilities	(146)	(140)
Net cash (outflow)/inflow from financing activities	(592)	352,301
Net increase/(decrease) in cash and cash equivalents	(89,125)	139,423
Cash and cash equivalents at the beginning of the half-year	216,951	87,116
Effects of exchange rate changes on cash and cash equivalents	4	(2)
Cash and cash equivalents at end of the half-year	127,830	226,537

1 Summary of significant accounting policies

(a) Basis of preparation

This general purpose financial report for the interim half-year reporting period ended 30 June 2024 has been prepared in accordance with AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001* (Cth).

They do not include all the information required for a complete set of annual financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the company's financial position and performance since the last annual consolidated financial statements as at and for the year ended 31 December 2023.

The interim financial statements have been prepared on the basis of accounting policies, consistent with those applied in the financial statements for the year ended 31 December 2023.

The Company has adopted all accounting standards and pronouncements that were mandatory for periods beginning on or after 1 January 2024 in this interim financial report. There was no impact on the measurement or disclosure of any balances or transactions presented.

The Company has not early adopted any amendments, standards or interpretations that have been issued but are not yet effective.

(b) Going Concern

As at 30 June 2024, ERA has a deficiency of capital and reserves of $1,774 million (2023: $1,627 million), is in a net current liability position of $195 million and continues to experience operating losses due to ongoing rehabilitation work. In light of this position the Company has closely considered its near term outlook in relation to its position as a going concern.

At 30 June 2024, the Company had no debt financing in place, $650 million of cash including total cash resources at bank of $128 million and $522 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 in the near term to complete the rehabilitation of the Ranger Project Area in accordance with its obligations and commitments. The Independent Board Committee (IBC) continues to work together with its advisers on behalf of the company on options to secure additional funds to support rehabilitation. ERA will engage with Rio Tinto and other shareholders in relation to a material equity raise in the near term.

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. 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 Trust Fund is then determined. A review of the Government Agreement is anticipated to commence alongside the new section 41 Authority (and other associated agreements) which is expected to occur after ERA's internal cost review has been completed and funding arrangements have been finalised. 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.

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 rehabilitation and other 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.

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 30 June 2024 of the preferred plan and represents managements best estimate of cost.

The ERA rehabilitation provision amounts to $1.1 billion in undiscounted nominal terms for 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 sensitive to external events.

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 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.

Study driven scope variation – Significant study work is ongoing, this may identify different rehabilitation solutions that may trigger a decrease or increase in rehabilitation costs.

Water Treatment and injection of waste brines – Components of the estimate are contingent on future weather events not within the control of the business. Should water treatment inventories be materially under or overstated in current estimates a corresponding and material impact would be encountered to overall project schedule and resulting cost.

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

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.

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.

Bulk material movements (BMM) – A substantial portion of the remaining estimate encompasses the backfill of Pit 3 and the deconstruction of the Ranger Water Dam. Any material under or overstatement of BMM volumes or unit costs in current estimates may result in substantial impacts, affecting both the project schedule and overall project costs. Notably, the pricing aspect of BMM is subject to market forces that are not fully within the control of the business.

Other factors - In addition to the factors identified above there are many additional items that could impact the estimate, including: 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 30 June 2024, the real discount rate was 2.5 per cent, this was increased from 2.0 per cent at 31 December 2023 as a result of changes in macro-economic conditions.

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) 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. Refer to note 10 for further details.

At 30 June 2024 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 half-year ended 30 June 2024, $0.8 million in capital expenditure was expensed.

(c) Undeveloped Properties Judgements

Undeveloped properties are considered assets not yet ready for use. 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 has been fully impaired. Refer to note 10 for further details.

(d) Taxation

As at 30 June 2024, ERA had approximately $343 million of tax losses (at 30 per cent) 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.

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.

3 Segment information

Management has determined the operating segment based on the reports reviewed by the Chief Executive that are used to make strategic decisions.

The Chief Executive considers the business from a product perspective and has identified only one reportable segment in the half-year ended 30 June 2024, being site rehabilitation. There are no other unallocated operations.

4 Inventories

(a) Inventories – current

	30 June 2024 $'000	31 Dec 2023 $'000
Stores & spares	7,941	7,315
Total current inventory	7,941	7,315

Inventories are carried at the lower of cost or net realisable value in accordance with AASB 102 *Inventories*.

5 Provisions

(a) Provisions – current

	30 June 2024 $'000	31 Dec 2023 $'000
Employee benefits	8,725	8,799
Rehabilitation	301,823	300,300
Total current provisions	310,548	309,099
Movement in current rehabilitation provisions		
Carrying amount at the start of the year	300,300	268,585
Payments	(85,120)	(210,615)
Transfer from non-current provision	86,643	242,330
Carrying amount at the end of the period	301,823	300,300

(b) Provisions – non-current

	30 June 2024 $'000	31 Dec 2023 $'000
Employee benefits	664	772
Rehabilitation	2,100,503	2,119,650
Total non-current provisions	2,101,167	2,120,422
Movement in non-current rehabilitation provisions		
Carrying amount at the start of the year	2,119,650	956,075
Change in estimate	70,832	1,362,540
Change in discount rate	(50,958)	(13,268)
Unwinding of discount	47,622	56,633
Transfer to current provision	(86,643)	(242,330)
Carrying amount at the end of the period	2,100,503	2,119,650

Employee Benefits

During the half year ended 30 June 2024, a provision for benefits payable on termination of employment continued to be recognised. A total of $0.4M was recognised as payable in 2024 and has been recognised as a current liability (2023: $1.1M). The remaining 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.

6 Share capital

	30 June 2024 '000	31 Dec 2023 '000
A Class shares fully paid (#)		
Shares on issue at the start of the year	22,148,299	3,691,383
Shares issued during the period (at $0.02 per share)	-	18,456,916
Total shares on issue at the end of the period	22,148,299	22,148,299
Total contributed equity ($)		
Contributed equity at the start of the year	1,542,350	1,177,656
Additional contributions of equity ($0.02 per share for 18,456,915,990 shares)	-	369,138
Share issuance costs	-	(4,444)
Contributed equity at the end of the period	1,542,350	1,542,350

7 Contingencies

Legal actions against ERA
Unresolved legal action commenced (in 1999) by the Mirarr Traditional Owners in the Federal Court against the former Federal Minister for Resources and ERA, claiming that due process was not followed in granting approvals for the Jabiluka Mill Alternative, is dormant. No material losses are anticipated in respect of this legal dispute.

8 Loss per share

	Half-year ended	
	30 June 2024 Cents	30 June 2023 Cents
Basic loss per share	(0.7)	(3.3)
Diluted loss per share	(0.7)	(3.3)

Weighted average number of ordinary shares on issue used in the calculation basic earnings per share 2024: 22,148,299,188 (2023: 22,148,299,188).

9 Government security receivable

ERA is required to maintain the Ranger Rehabilitation Special Account (Trust Fund) with the Commonwealth Government. The Trust Fund is intended to provide security against the estimated costs of closing and rehabilitating the Ranger mine immediately. Each year, the Company is required to prepare and submit to the Commonwealth Government an Annual Plan of Rehabilitation (Annual Plan). Once accepted by the Commonwealth 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.

As at 30 June 2024, ERA had $522 million in cash currently held by the Commonwealth Government as part of the Ranger Rehabilitation Special Account (Trust Fund). In addition, bank guarantees procured by ERA totalling $125 million are held by the Commonwealth 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 Commonwealth Government based on its review in February 2020 of the 44th Annual Plan of Rehabilitation submitted by ERA.

The company is working with the Commonwealth to review the Agreement to ensure that it is contemporary and fit for purpose. The Commonwealth has agreed to defer the revaluation of security while the agreement is reviewed. ERA does not believe it can rely on accessing trust funds while this review is ongoing.

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. Should this occur it is likely to have a material adverse effect on ERA's financial position.

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.

10 Events occurring after the reporting period

On 26 July 2024, ERA announced that the Northern Territory government, based on advice from the Commonwealth government, had decided not to renew the Jabiluka Mineral Lease. Subsequently, on 6 August 2024, ERA initiated proceedings in the Federal Court of Australia against the Minister for Resources and Minister for Northern Australia (Commonwealth), the Commonwealth of Australia, the Minister for Mining and Minister for Agribusiness and Fisheries (Northern Territory), the Northern Territory, and the Jabiluka Aboriginal Land Trust. ERA seeks judicial review of the Renewal Decision, citing procedural fairness, natural justice, and other defects in the decision-making process, and on 8 August 2024 the Court made an interim order to stay the decision to refuse to extend the lease, the effect of that decision and its enforcement or execution, pending further order of the Court.

This event has been treated as an adjusting subsequent event in accordance with AASB 110 *Events after the Reporting Period*. Given the non-renewal decision the lease has been fully impaired.

In the Directors' opinion:

(a) The interim financial statements and notes set out on pages 7 to 16 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 including Australian Accounting Standard AASB 134 Interim Financial Reporting; and
   (ii) giving a true and fair view of the Company's financial position as at 30 June 2024 and of its performance for the half-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.

This declaration is made in accordance with a resolution of the Directors.

Mr R Dennis
Chair
Brisbane
20 August 2024

KPMG

Independent Auditor's Review Report

To the shareholders of Energy Resources of Australia Ltd

Conclusion

We have reviewed the accompanying ***Interim Financial Report*** of Energy Resources of Australia Ltd.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the Interim Financial Report of Energy Resources of Australia Ltd does not comply with the *Corporations Act 2001*, including:

- giving a true and fair view of the Company's financial position as at 30 June 2024 and of its performance for the Half-year ended on that date; and
- complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

The ***Interim Financial Report*** comprises:

- Balance sheet as at 30 June 2024.
- Statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date.
- Notes 1 to 10 comprising a summary of significant accounting policies and other explanatory information.
- The Directors' Declaration.

The ***Interim Period*** is the 6 months ended on 30 June 2024.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report.

We are independent of the Company in accordance with the auditor independence requirements of 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 annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with these requirements.

Material uncertainty related to going concern

We draw attention to Note 1b), "Going concern" in the Interim Financial Report. The events or conditions disclosed in Note 1b, 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 Interim Financial Report. Our conclusion is not modified in respect of this matter.

Responsibilities of the Directors for the Interim Financial Report

The Directors of the Company are responsible for:

- the preparation of the Interim Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*
- such internal control as the Directors determine is necessary to enable the preparation of the Interim Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Review of the Interim Financial Report

Our responsibility is to express a conclusion on the Interim Financial Report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the Interim Financial Report does not comply with the *Corporations Act 2001* including giving a true and fair view of the Company's financial position as at 30 June 2024 and its performance for the half year ended on that date, and complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of an Interim Period Financial Report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with *Australian Auditing Standards* and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

KPMG

KPMG

Derek Meates
Partner

Perth

20 August 2024