



ERA Energy Resources of Australia Ltd

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ABN 71 008 550 865
A member of the Rio Tinto Group

www.energyres.com.au

2020 NOTICE OF ANNUAL GENERAL MEETING

Energy Resources of Australia Ltd (ERA)
ABN 71 008 550 865

Dear Shareholder,

The COVID-19 pandemic continues to evolve rapidly. ERA is progressing a series of additional controls and protocols to fully comply with all Government requirements in order to protect our people and local communities as our first priority. While at the time of writing we continue to operate, we have reconfigured a number of operating activities to minimise physical contact and have implemented travel restrictions, strict social distancing protocols and enhanced hygiene and cleaning practices, with many employees working from home where practicable.

Critically, we will only undertake activities in a way that does not compromise efforts to contain the spread of COVID-19 and is in strict accordance with Government requirements.

Earlier this year, we announced that the Annual General Meeting would be held in Darwin on 6 May 2020. However, the ongoing pandemic, and the resulting travel restrictions and social distancing requirements, necessitates that ERA make alternative arrangements for the holding of the 2020 Annual General Meeting. The meeting will now be held as a "hybrid" meeting and is scheduled to be held on **Friday 29 May 2020 at 9.30am (AWST)** at the Perth Convention & Exhibition Centre, 21 Mounts Bay Road, Perth, Western Australia. **However, consistent with Government requirements, WE STRONGLY ENCOURAGE SHAREHOLDERS NOT TO ATTEND THIS YEAR'S ANNUAL GENERAL MEETING IN PERSON.** You should note that ERA will strictly comply with the applicable limitations on gatherings in force at the time of the meeting. If you seek to attend the meeting in person, ERA or the venue may be required by law to deny you entry.

Rather than attend in person, shareholders will be able to participate online. To view the meeting, go to <https://web.lumiagm.com> and enter the meeting ID: 379-823-786. In addition to the items of business for the meeting, further details of the virtual meeting format are described in this Notice of Meeting. This includes details as to how to vote, ask questions, and otherwise participate in the meeting. We will also make available copies of both the Chairman and Chief Executive speeches on both the ASX website at www.asx.com.au and our own website www.energyres.com.au. If you are unable to join the meeting virtually, shareholders are encouraged to appoint the chair of the meeting as their proxy (details on how to vote by proxy are set out in the notice and the accompanying proxy form).

The format of the meeting also allows shareholders to submit questions in advance. If you have received this form electronically, you can submit your question online at www.investorvote.com.au.

On behalf of the Board, I would like to express my thanks to Andrea Sutton who is retiring at the Annual General Meeting. Ms Sutton was appointed as a non-executive director in 2018, having also served as Chief Executive and Managing Director of ERA from 2013 to 2017. Ms Sutton has provided an outstanding contribution to ERA in both roles and will be missed by all who have had the opportunity to work alongside her.

Your continuing interest in ERA is appreciated.

Yours sincerely

Peter Mansell
Chairman
29 April 2020

For personal use only



2020 Notice of Annual General Meeting

Energy Resources of Australia Ltd (ERA)
ABN 71 008 550 865

Notice is hereby given that the Annual General Meeting of Energy Resources of Australia Ltd (ERA or the Company) will be held on Friday 29 May 2020 commencing at 9.30am (AWST).

This year, ERA's 2020 Annual General Meeting will be held as a "hybrid" meeting as a result of the COVID-19 pandemic. It is scheduled to be held at the Perth Convention & Exhibition Centre, 21 Mounts Bay Road, Perth, Western Australia. However, consistent with Government requirements, **WE STRONGLY ENCOURAGE SHAREHOLDERS NOT TO ATTEND THIS YEAR'S ANNUAL GENERAL MEETING IN PERSON.**

There are various alternatives available to shareholders to participate in this meeting, including the ability to ask questions online. Details are provided below.

Participation at the AGM

Shareholders are invited to participate in ERA's AGM by:



Watch and participate live online

Shareholders can watch and participate in the AGM virtually via the online platform by using:

Computer, enter the following URL in your browser:
<https://web.lumiagm.com>

or

Mobile device, use the Lumi
AGM app

Please refer to the user guide on our website at www.energyres.com.au Meeting ID: 379-823-786 Your username is your SRN/HIN Your password is your postcode registered on your holding if you are an Australian shareholder.

Overseas shareholders should refer to the user guide. Participating at the meeting online, enables shareholders to view the AGM live, ask questions and cast direct votes at the appropriate times during the meeting.



Voting options

- Appointing a proxy
- Direct voting prior to the AGM
- Direct voting online during the AGM



Questions

Shareholders may ask questions online once they have been verified. It may not be possible to respond to all questions. It is encouraged to lodge questions prior to the meeting by completing and returning the enclosed shareholder questions form by 27 May 2020. If you have received this form electronically, you can submit your question online at www.investorvote.com.au.

Alternative arrangements

We will continue to closely monitor the COVID-19 pandemic. If it becomes necessary to make further changes to the arrangements for the holding of the meeting, we will provide shareholders with as much notice as possible. We will provide further information on our website www.energyres.com.au.

Items of business

1. Chairman and Chief Executive review

2. Discussion of financial statements and reports To receive and consider the Financial Report, Directors' Report, Directors' Declaration and Auditor's Report for the year ended 31 December 2019 as set out in the Annual Report.

3. Adoption of the Remuneration Report To adopt the Remuneration Report for the year ended 31 December 2019 as set out in the Annual Report.

4. Approval of potential termination benefits To approve for all purposes (including for the purposes of sections 200B and 200E of the Corporations Act 2001 (Cth) (**Corporations Act**)) the giving of benefits as described in the explanatory notes accompanying this notice to persons (**Relevant Executives**) who, from time to time, are key management personnel (**KMP**) of the Company or who, from time to time, hold a managerial or executive office (as defined in the Corporations Act) in the Company or a related body corporate, in connection with the person ceasing to hold an office, or position of employment, in the Company or a related body corporate for a period of three years from the date the resolution is passed.

5. Increase in Non Executive Directors' Fee Pool To increase by \$150,000, from \$800,000 to \$950,000, the maximum aggregate amount of Remuneration (within the meaning of the Company's Constitution) that Non-Executive Directors are entitled to be paid in any year under rule 10.2(a) of the Constitution.

6. Election of Directors To elect the following Directors, each of which will be proposed as a separate resolution:

- (i) Mr Justin Carey who, having been appointed by the Board since the last Annual General Meeting, retires in accordance with Rule 3.4 of the Company's Constitution and, being eligible, offers himself for

election.

- (ii) Mr Peter Mansell who, having been most recently elected by shareholders at the 2017 Annual General Meeting, retires and being eligible, offers himself for re-election.

- (iii) Ms Marcia Hanrahan who being eligible, offers herself for election.

- (iv) Mr Jacques van Tonder, who being eligible, offers himself for election.

7. Appointment of auditors To appoint KPMG, having been duly nominated by a shareholder of the Company and having consented in writing to act, as the auditor of the Company.

Voting and proxies

Members who are recorded on the Company's register of members at 7.00pm (AEST) on Wednesday, 27 May 2020 are entitled to vote at the Annual General Meeting. A member may appoint a proxy to attend and vote for the member. A proxy need not be a member of the Company.

The appointment may specify the proportion or number of votes the proxy may exercise. If the member is entitled to cast two or more votes, the member may appoint up to two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member does not specify the proportion or number of votes each proxy may exercise, each proxy may exercise half of those votes.

Proxy forms should be completed, signed and returned to the following address:

**Computershare Investor Services
Pty Limited
GPO Box 242
Melbourne Victoria 3001
Australia**

A member may submit a proxy vote electronically, and details of the online proxy voting facility can be found on the proxy form. For Intermediary Online subscribers (Custodians) only, proxy forms may be submitted via www.intermediaryonline.com.au.

Alternatively, proxy forms may also be sent by fax to facsimile number: (within Australia) 1800 783 447 (outside Australia) +61 3 9473 2555

Members may also appoint an attorney to act on their behalf at the Annual General Meeting. If the appointor is an individual, the power of attorney must be signed in the presence of at least one witness.

For an appointment of a proxy or attorney to be effective for the meeting, the completed proxy form (and any proxy appointment authority or a certified copy) or the powers of attorney (or a certified copy) must be received no later than 48 hours before the scheduled

commencement of the meeting, being 9.30am (AWST) on Wednesday, 27 May 2020.

A member that is a body corporate may appoint an individual to act as its representative at the Annual General Meeting as permitted by the Corporations Act 2001. The appropriate "Appointment of Corporate Representative" (the form of which may be obtained from the Company's share registry or at www.computershare.com) should be produced, including any authority under which it is signed, prior to admission to the meeting, unless it has previously been given to the Company.

If you appoint the Chairman of the meeting as your proxy (or the Chairman becomes your proxy by default) using the accompanying proxy form, then by completing and submitting the proxy form accompanying this Notice of Meeting you are expressly authorising the Chairman to exercise the proxy on Items 3, 4 and 5 even though Items 3, 4 and 5 are connected with the remuneration of the KMP.

If you appoint a Director (other than the Chairman of the meeting) or another member of the KMP (or a closely related party of a member of the KMP) as your proxy, you should direct that person how to vote on Items 3, 4 and 5. If you do not do so, that person will not be able to cast your votes as your proxy and any votes cast by them as your proxy on Items 3, 4 and 5 would be disregarded.

The Chairman intends to vote undirected proxies (where permissible) in favour of each resolution proposed in this Notice of Meeting. If you do not wish the Chairman of the meeting to vote as your proxy in accordance with this intention, you should complete the voting directions in the proxy form.

Voting exclusion statements

Item 3

(Adoption of the Remuneration Report)

As required by the Corporations Act, the Company will disregard any votes cast on Item 3:

- by or on behalf of a person who is a member of KMP named in the Remuneration Report for the year ended 31 December 2019 or their closely related parties (in any capacity); or
- as proxy by a person who is a member of KMP on the date of the AGM or their closely related parties.

However, a vote will not be disregarded if it is cast on behalf of a person entitled to vote:

- in accordance with directions that specify the way the proxy is to vote on Item 3; or
- by the Chairman of the meeting as proxy where the proxy appointment expressly authorises the Chairman to exercise the proxy even though Item 3 is connected directly or indirectly with the remuneration of a member of KMP.

Item 4

(Approval of potential termination benefits)

As required by the Corporations Act, the Company will disregard any vote cast as proxy by a person who is a member of KMP (including any director) on the date of the AGM, or their closely related parties, if the appointment does not specify the way the proxy is to vote on item 4. This does not apply to the person who is the chair of the meeting for Item 4, where the appointment expressly authorises the Chairman to exercise the proxy as the proxy sees fit even though Item 4 is connected directly or indirectly with the remuneration of a member of KMP.

Any Relevant Executive (past, current or potential), or any associate, who wishes to preserve the benefit of Item 4 for the Relevant Executive must not vote on the resolution. However, they may cast a vote if the vote is cast as a proxy validly appointed by writing that specifies how the proxy is to vote on the resolution and it is not cast on behalf of a Relevant Executive or an associate. Further, a vote on Item 4 should not be cast (in any capacity) by or on behalf of a member of KMP or their closely related party, unless the vote is cast as proxy for a person entitled to vote in accordance with a direction on the proxy form. The voting exclusions on KMP in Item 4 do not apply to the Chairman of the meeting acting as proxy if the proxy appointment expressly authorises the Chairman to exercise the proxy even though Item 4 is connected directly or indirectly with the remuneration of a member of KMP.

Important note:

If any member is:

- an employee, Director, potential employee or potential Director of the Company or a related body corporate and wishes to preserve the benefit of the resolution for themselves; or
- an associate of an employee or Director of the Company or a related body corporate and wishes to preserve the benefit of the resolution for that person,

then they should not vote on the resolution or the benefit of it will be lost for the relevant person as an effect of the Corporations Act.

Item 5

(Increase in Non Executive Directors' Fee Pool)

In accordance with the ASX Listing Rules, the Company will disregard any votes cast in favour of item 5 by or on behalf of any director of the Company or an associate of a director. However, this does not apply to a vote cast in favour of a resolution by:

- a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

In addition, as required by the Corporations Act, the Company will disregard any vote cast as proxy by a person who is a member of KMP (including any director) on the date of the AGM, or their closely related parties, if the appointment does not specify the way the proxy is to vote on item 5. This does not apply to the person who is the chair of the meeting for Item 5, where the appointment expressly authorises the Chairman to exercise the proxy as the proxy sees fit even though Item 5 is connected directly or indirectly with the remuneration of a member of KMP.

The Chairman of the meeting is deemed to be appointed proxy where a signed proxy form is returned which does not contain a named proxy representative or where a named proxy does not attend and vote at the Meeting.

The Chairman of the meeting intends to vote undirected proxies (where the Chairman has been appropriately authorised or where the Chairman is deemed to be appointed proxy) in favour of Items 3, 4 and 5.

If you do not wish to appoint the Chairman of the meeting to vote on Items 3, 4 and 5 in the manner indicated above, the Company encourages you to complete the voting directions in respect of Items 3, 4 and 5 in the proxy form.

Explanatory notes

Further details in respect of the resolutions to be put to the meeting are set out in the accompanying explanatory notes. The attached explanatory notes form part of this Notice of Meeting and should be read in conjunction with the resolutions contained in this Notice of Meeting.

By Order of the Board



J O'Connell
Company Secretary
29 April 2020

Explanatory notes

ITEM 2 – DISCUSSION OF FINANCIAL STATEMENTS AND REPORTS

The financial statements for the year ended 31 December 2019 are set out in the Company's 2019 Annual Report. A copy of the 2019 Annual Report, including the Financial Report and the Reports of the Directors and the Auditor for the year ended 31 December 2019, is available at www.energyres.com.au.

ITEM 3 – ADOPTION OF THE REMUNERATION REPORT

The Remuneration Report is set out in the Directors' Report contained in the Annual Report.

There will be an opportunity for shareholders at the meeting to comment on and ask questions about the Company's Remuneration Report for 2019. The vote on the Remuneration Report is advisory only and will not bind the Directors or the Company.

A voting exclusion applies to Item 3 as set out in the Notice of Meeting under the heading 'Voting exclusion statements'.

The Directors recommend that shareholders vote in favour of Item 3.

ITEM 4 – APPROVAL OF POTENTIAL TERMINATION BENEFITS

The law in Australia restricts the benefits which can be given to people who hold certain offices in ERA or its related bodies corporate (together the Group) in connection with cessation of office or employment, unless shareholder approval is obtained. The law is complex and affects ERA's and the Group's ability to treat employees across the Group consistently and/or abide by the terms of contractual commitments. As described in Appendix 1, approval is sought to give certain benefits to current and future directors, senior executives and other personnel in ERA and the Group in a manner that is consistent with our remuneration policies and practices.

Approval was previously sought (and obtained) at previous Annual General Meetings, most recently in 2017 and 2018. The approval granted at those meetings was for a limited period of time, ending in 2020. The proposed resolution is principally a renewal of these earlier approvals.

If approval is obtained, it will be effective for a period of three years from the date the resolution is passed.

A voting exclusion applies to Item 4 as set out in the Notice of Meeting under the heading 'Voting exclusion statements'.

The Directors recommend that shareholders vote in favour of Item 4.

ITEM 5 – INCREASE IN NON-EXECUTIVE DIRECTORS' FEE POOL

Under Rule 10.2(a) of the Company's Constitution and ASX Listing Rule 10.17, the maximum aggregate amount that the Company may pay Non-executive Directors (Directors) for their services to the Company in any year may not exceed the shareholder approved maximum (Fee Pool). Presently, this maximum is set at \$800,000.

Shareholder approval is being sought to increase the Fee Pool by \$150,000 per annum to \$950,000 per annum.

The current Fee Pool for Directors of \$800,000 was fixed at the Company's 2008 Annual General Meeting. The Company pays Board and Committee fees and superannuation contributions to the Directors out of this Fee Pool. Details of the amounts paid to each Director for the year ended 31 December 2019 are set out in the Remuneration Report section of the Annual Report. The fees paid are set to reflect the appropriate level of remuneration required to attract and retain directors with the necessary skills and experience for the Board.

The Board periodically reviews Director fees. The Board has formed the view that the proposed increase is appropriate for the following reasons:

- the aggregate amount that the Company paid to Directors for their services to the Company in 2019 was approximately \$793,000. There is insufficient headroom to accommodate any future market-based adjustments to fees and the potential appointment of additional Directors;
- Rio Tinto has advised the Company that it may look to appoint additional board member(s) to the Board and the Board wishes to have the flexibility to appoint additional Directors, if considered to be in the best interests of the Company in the circumstances; and
- the increase is in line with non-executive director fee pools of comparable companies.

The Board does not, however, intend to pay the full amount of the increase in the short to medium term.

Given the interests of the Directors in this item, the Board makes no recommendation in relation to Item 5.

ITEM 6 – ELECTION OF DIRECTORS

Two directors, namely, Mr Justin Carey and Mr Peter Mansell, will retire and, being eligible, are standing for election (or re-election) at the Annual General Meeting in accordance with the Company's Constitution. In addition, Ms Marcia Hanrahan and Mr Jacques van Tonder, who are not currently directors, are seeking election as directors of the Company.

Ms Sutton is retiring at the annual general meeting and is not seeking re-election.

(i) Mr Justin Carey (BCom)

Mr Carey was appointed as a Director in August 2019.

The Constitution of the Company (Rule 3.4) requires that any Director appointed since the last Annual General Meeting automatically retires at the next Annual General Meeting and is eligible for election. Accordingly, Mr Carey resigns and seeks election at the Annual General Meeting.

The Board does not consider Mr Carey to be an independent Director, given his position as an executive of the Company's majority shareholder, Rio Tinto.

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. Included in that time Justin spent two and a half years as Chief Financial Officer for Oyu Tolgoi LLC based in Mongolia. Since leaving Mongolia, Mr Carey has been in the Rio Tinto corporate finance team, first as finance officer for the groups corporate entities and currently in leading the groups planning and forecasting processes as the General Manager Financial Planning & Analysis. Justin has served on several Rio Tinto entity boards and brings extensive experience in corporate governance and control processes.

The Directors (other than Mr Carey, who makes no recommendation) recommend that shareholders vote in favour of the election of Mr Carey as a Director of the Company.

(ii) Mr Peter Mansell (BCom, LLB, H. Dip. Tax, FAICD)

Mr Mansell was appointed as a Director of the Company and Chairman of the Board in October 2015 and was re-elected at the 2017 meeting. He also serves as Chair of the Remuneration Committee and is a member of the Audit and Risk Committee.

The Board considers Mr Mansell to be an independent Director.

Mr Mansell has extensive experience in the mining, corporate and energy sectors, both as an advisor

and as an independent non-executive Chairman and Director of listed and unlisted companies.

He is currently the non-executive Chairman of Ora Banda Mining Ltd, DRA Global Limited and the Cancer Research Trust, and a non-executive director of Foodbank Australia Limited. Mr Mansell practised law for a number of years as a partner in corporate and resources law firms in each of South Africa and Australia. Mr Mansell retired from legal practice in 2004 and has since held directorships in a number of companies including BWP Management Ltd, Foodland Associated Ltd, OZ Minerals Ltd, W.A. Newspaper Holdings Ltd (Chairman), Electricity Networks Corporation (trading as Western Power) (Chairman) and Zinifex Ltd (Chairman). Mr Mansell also chaired the Advisory Board of Pacific Aluminium Ltd in anticipation of its intended float in 2014.

The Directors (other than Mr Mansell, who makes no recommendation) recommend that shareholders vote in favour of the re-election of Mr Mansell as a Director of the Company.

(iii) Ms Marcia Hanrahan (BBus, MIS, and MIntEcon&F)

Ms Hanrahan is seeking election as a director of the Company.

Ms Hanrahan is the Head of Risk at Rio Tinto and is accountable for supporting leaders in embedding risk management into their core business processes, building risk management capability, and advancing a risk-aware culture. Ms Hanrahan has over 20 years' experience in the resource industry, working across aluminium, alumina, bauxite, industrial minerals and coal divisions.

The Board does not consider Ms Hanrahan would be an independent Director, given her position as an executive of the Company's majority shareholder, Rio Tinto. Nonetheless, given her experience, qualifications and skills, **the Directors believe that Ms Hanrahan would be a valuable**

addition to the Board, and recommend that shareholders vote in favour of the election of Ms Hanrahan as a Director of the Company.

(iv) Mr Jacques van Tonder (MBAProMgt, MMaint&AssMgt, GAICD)

Mr van Tonder is seeking election as a director of the Company.

Mr van Tonder has over 25 years' international experience leading large organisational teams in the mining, port operations, power generation and petrochemical industries and is currently the Head of Asset Management Centre of Excellence, Rio Tinto Growth & Innovation. Mr van Tonder's previous roles include the General Manager of Hope Downs 4 and the Operations Manager at Robe Valley.

The Board does not consider Mr van Tonder would be an independent Director, given his position as an executive of the Company's majority shareholder, Rio Tinto. Nonetheless, given his experience, qualifications and skills, **the Directors believe that Mr van Tonder would be a valuable addition to the Board, and recommend that shareholders vote in favour of the election of Mr van Tonder as a Director of the Company.**

ITEM 7 – APPOINTMENT OF AUDITORS

The law in Australia requires shareholders to approve the appointment of a new auditor.

Following a tender process, the Board selected KPMG to be appointed as the Company's auditor from the conclusion of the 2020 Annual General Meetings, subject to shareholder approval. The incumbent auditor at the time of the tender process, PricewaterhouseCoopers, did not participate in the tender process. The period between the conclusion of the tender process and the planned commencement date has provided adequate time for KPMG to meet all relevant independence criteria before the appointment commences. In accordance with Australian law,

the Company has received notice from a shareholder nominating KPMG as the new auditor of the company, and a copy of the notice is contained in Appendix 2 to this Notice of Meeting. KPMG has given its written consent to act as auditor, subject to shareholder approval and the Australian Securities and Investments Commission's consent to the resignation of PricewaterhouseCoopers.

The Directors recommend that shareholders vote in favour of Item 7.

Appendix 1: Further Explanation On Item 4

WHY SHAREHOLDER APPROVAL IS BEING SOUGHT

Relevant law in Australia (sections 200B and 200E of the Corporations Act) restricts the benefits (termination benefits) which can be given to certain individuals in connection with the individual ceasing employment or ceasing to hold an office in a member of the Group or to individuals who have held such an office during the preceding three years before they ceased to hold their office or position of employment. (Such individuals are Relevant Executives in terms of the proposed resolution). The effect of such restrictions would be to pre-empt in some cases, conformity with the provisions of individuals' pre-existing contracts of employment.

This includes members of ERA's KMP (including all ERA directors) and directors of other Group companies.

Under the Corporations Act, a Relevant Executive may only be given a termination benefit if it is approved by the relevant shareholders or an exemption applies. The exemptions include an exemption for benefits such as statutory entitlements to accrued annual and long-service leave, amounts required to be paid by law or by court order, certain types of "deferred bonuses" and, subject to certain conditions, payments made in accordance with a company's

redundancy policy. Beyond that, in general terms, certain benefits are permitted if they are within a monetary cap. This termination cap is broadly equivalent to the average 12-months' base salary of the person concerned over the three years preceding cessation of office. If termination benefits are provided beyond those permitted by the Corporations Act, a breach of the Corporations Act can occur even if the Relevant Executive has a pre-existing contractual entitlement to the benefit.

Having regard to the potentially wide application of the Corporations Act and the uncertainties it can cause, the directors are of the view that it is appropriate and prudent to seek shareholder approval, as contemplated by the Corporations Act, so that termination benefits are able to be provided to Relevant Executives in conformity with the Remuneration Policy where applicable, without any risk of a breach of the Corporations Act. The approval being sought would create no change (and in particular no increase) to the termination benefits which would have otherwise been applied to an outgoing employee.

Such approval has previously been sought from, and given by shareholders. Most recently, approval was given by shareholders at the 2018 annual general meeting for termination benefits under the Rio Tinto 2018 Equity Incentive Plan (2018 EIP) and approval was given by shareholders to a more comprehensive suite of potential termination benefit categories at the 2017 Annual General Meeting. The approvals given at the 2018 and 2017 Annual General Meetings are effective for two and three years respectively from the dates on which they were passed.

GLOBAL GROUP

As the Company is a member 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. The Company's Chief Executive and

senior executives are seconded from Rio Tinto and are hence drawn from the talented pool of executives in the wider Rio Tinto Group.

It is the view of the Company's 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 the Company's Chief Executive and senior executives, with appropriate review by the Remuneration Committee, is of benefit to ERA.

As a result, the Company is seeking termination benefits approval on the same terms as the termination benefits approval being sought by Rio Tinto Limited at its 2020 annual general meeting.

These are not new benefits

The directors are of the view that the Company's remuneration arrangements and strategy, including the termination benefits that are payable, are fair and reasonable for the Company and employees. Shareholders are not being asked to approve any increase in the remuneration or benefits for any Relevant Executive, any changes to their underlying employment arrangements or their entitlements under any existing plans.

No changes to current share plan rules nor any variations to the existing discretions of the board or the Rio Tinto Remuneration Committee are proposed. Rather, shareholders are being asked to approve the Company's existing policy and practices so as to enable the remuneration programmes to continue to operate and to support the Company's strategy.

Approval is being sought for the following termination benefits

Shareholder approval is being sought for the purposes of sections 200B and 200E of the Corporations Act for any termination benefits that may be provided to Relevant Executives as described in this appendix. This approval does not guarantee that any specific Relevant Executive will receive the benefits in the remuneration programmes described in this appendix.

Under the Corporations Act, when seeking shareholder approval for a termination benefit, shareholders must be provided with details of the amount or value of the payment or benefit; or if that amount or value cannot be ascertained at the time of disclosure, the manner in which that amount or value is to be calculated and any matter, event or circumstance that will, or is likely to, affect the calculation of that amount or value.

The amount or value of a benefit that a particular Relevant Executive may be entitled to will depend on a number of factors, including the manner in which the individual ceases in their role, the length of time they have been employed, changes in market practice, fluctuations in share price and, in some cases, the exercise of discretions by the board. Accordingly, it is not possible to state with certainty the amount or value of a payment or benefit that may become payable. Rather, the Company has set out in the tables below a range of benefits that may be treated as potential termination benefits, the manner in which the amount or value of that benefit may be calculated and the matters, events or circumstances that will, or will be likely to, affect the calculation of that amount or value.

Shareholder approval is being sought to the extent required to allow the provision of benefits up to the maximum amount or value under the relevant arrangements described in this appendix, including by the exercise of discretion as described and in addition to other benefits that are treated as exempt benefits under the Corporations Act (and which are not taken into account in calculating

the termination cap). Alternatively, the Company and a Relevant Executive may agree not to rely on this approval to any extent and to instead rely on the provisions of the Corporations Act.

Not all of the benefits in this appendix require shareholder approval. However, in the interests of good governance and transparency, the board considers it appropriate to seek approval for all benefits that are potentially payable when a Relevant Executive ceases to hold office.

Approval is sought for a three-year period

If approval is obtained, it will be effective for a period of three years from the date the resolution is passed. That is, shareholder approval will be effective for all termination benefits paid or granted to a Relevant Executive who ceases to hold office or a position of employment during the period beginning at the conclusion of the Annual General Meeting in 2020 and expiring at the conclusion of the Annual General Meeting in 2023. If considered appropriate, the directors would consider seeking a new approval from shareholders at the annual general meeting in 2023.

It can be reasonably anticipated that aspects of the relevant employment agreements, practices, relevant share plans and retirement plans will be amended from time to time in line with market practice and changing governance standards and, where relevant, these changes will be reported in ERA's Remuneration Report, which forms part of the Annual Report. However, it is intended that this approval will remain valid for as long as these agreements, practices and plans provide for the treatment on cessation of employment as set out in this appendix.

Table 1: Potential Benefits

Agreement or plan	Treatment on cessation of employment
Employment agreements	<p>All Relevant Executives are employed pursuant to employment agreements which are capable of termination by the Company on giving the relevant period of notice under the agreement, or immediately by paying the base salary only in lieu of any unexpired notice.</p> <p>Relevant Executives may be required to undertake garden leave during all or part of their notice period and may receive their contractual salary, STIP and benefits during the notice period or the cash equivalent. Where applicable, tax equalisation and other expatriate benefits will continue in accordance with the Relevant Executive's prevailing terms and conditions.</p> <p>The Company may make payment in lieu of some or all of the notice period in accordance with the terms of the employment agreement. This payment can include any amounts as contemplated by the employment agreement.</p> <p>Accrued, but untaken, annual leave and any long-service leave will be paid out on termination, in accordance with the relevant country legislation and applicable practice applying to employees, which may be in excess of entitlements under law. For eligible leavers (as defined in the footnote below) in Australia, the value of the leave is calculated on the basis of base salary, target STIP and car allowance. No STIP is included where the executive is not an eligible leaver.</p> <p>On termination, ERA will pay relocation or expatriation benefits as agreed on the original expatriation and/or in accordance with its applicable policies on travel and relocation. ERA may also agree to pay the Relevant Executive the monetary value of relocation or expatriation benefits in lieu of actually providing them, including relocation or expatriation benefits that the Relevant Executive would have received during a period of notice that was paid in lieu.</p> <p>On termination, other than for cause, ERA may make a payment in consideration of the departing Relevant Executive confirming, extending or entering into appropriate restrictive covenants to protect Rio Tinto and its shareholders.</p>
Short Term Incentive Plan (STIP)	<p>If a Relevant Executive who is an eligible leaver leaves the Group during a performance year, the Relevant Executive may be awarded a pro rata portion of the STIP based on the portion of the year served and based on actual assessment of performance against targets. No portion of the award will be deferred into shares and any cash payment will be made at the normal STIP payment date.</p> <p>If a Relevant Executive provides notice of their resignation during the performance year, but will not leave the Group until after the end of the performance year, the Relevant Executive may receive an award under the STIP. In these circumstances, the Relevant Executive will only be eligible to receive the cash portion of the award and will forfeit the deferred shares portion.</p>
Bonus Deferral Plan (BDP)	<p>For grants made to Relevant Executives, awards will normally be retained, and vest either at the scheduled vesting date or on termination. There will be no pro rata reduction of awards and any dividend equivalent shares will be calculated on the vested shares. If the Relevant Executive resigns or is dismissed for misconduct, or for any other reason that the Rio Tinto Remuneration Committee decides, the awards will lapse. For any BDP award, where permitted by law or regulation, a Relevant Executive can receive cash in lieu of shares.</p>
Performance Share Plan (PSP)	<p>For grants made to Relevant Executives, awards will be retained when a Relevant Executive ceases employment and vest at the scheduled vesting date, except that awards will lapse in the case of resignation, dismissal for misconduct or where the Remuneration Committee so decides. Unvested awards remain subject to the satisfaction of the performance conditions. Any dividend equivalent shares will be calculated on the vested shares at vesting.</p>

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	<p>If a Relevant Executive leaves the Group during the first 36 months from the date of grant of the award, the number of shares that can vest will be reduced pro rata over that 36 month period. Awards will vest immediately on death, but if a Relevant Executive dies during the first 36 months from the date of grant of the award, the number of shares that can vest will be reduced pro rata over that 36 months period. The number of shares vesting is determined on the assumption that performance conditions are met at median level or at the level to which they are actually satisfied at the date of death, if higher. The number of shares is further reduced as described above. The value of awards will be equal to market price of a share at the time of vesting multiplied by the number of shares that are vesting.</p> <p>For any PSP award, where permitted, a Relevant Executive can receive cash in lieu of shares.</p>
<p>Management Share Plan (MSP)</p>	<p>Note that awards under the MSP are only made to KMPs prior to their appointment as an Executive Committee member. Although the MSP rules make provision both for performance-based and time-based vesting conditions, MSP awards are normally subject to time-based vesting conditions only.</p> <p>For grants made to Relevant Executives, awards will normally be retained by the Relevant Executive, and vest either at the scheduled vesting date or on termination (awards to US taxpayers will normally be allowed to vest on termination and awards to French taxpayers will normally vest on termination or on the second anniversary of the award, if later).</p> <p>If the Relevant Executive resigns or is dismissed for misconduct, or for any other reason that the Remuneration Committee decides, the awards will lapse (subject to the Remuneration Committee's discretion).</p> <p>The value of awards will be equal to the market price of the shares on vesting.</p> <p>All retained MSP awards will be reduced pro rata to reflect the proportion of the period between the date of grant of the award and the normal vesting date which has not elapsed at the time employment ceased. Any dividend equivalent shares or the cash equivalent will be calculated on the vested shares. Awards vest on death, subject to the pro rata reduction as described above.</p>
<p>myShare (GESP)</p>	<p>Purchased shares will be transferred to the Relevant Executive (or nominee) as soon as practicable. In the case of a Relevant Executive who is an eligible leaver, any conditional awards also vest in full and will be transferred to the Relevant Executive (or nominee) following termination.</p>
<p>2018 EIP</p>	<p>The amount or value of a termination benefit that a Relevant Executive may be entitled to under the 2018 EIP will depend on a number of factors. Accordingly, it is not possible to confirm the amount or value of a payment or benefit that may become payable under the 2018 EIP. Rather, set out below and in the following section of this appendix is a description of a range of potential benefits under the 2018 EIP that may be treated as potential termination benefits, the manner in which the amount or value of that benefit may be calculated and the matters, events or circumstances that will, or will be likely to, affect the calculation of that amount or value.</p> <p>It can be reasonably anticipated that aspects of the 2018 EIP will be amended from time to time in line with market practice and changing governance standards and, where relevant, these changes will be reported in the Remuneration Report, which forms part of the Annual report.</p> <p>However, it is intended that this approval will remain valid for as long as the 2018 EIP provides for the treatment on cessation of employment as set out in this appendix.</p> <p>Grants made under the 2018 EIP to Relevant Executives will be retained where they cease employment and will vest at the scheduled vesting date, except that:</p> <ul style="list-style-type: none"> ● awards will lapse if the Relevant Executive leaves the Group due to resignation, misconduct or any other reason;

	<ul style="list-style-type: none"> ● awards may lapse if the Relevant Executive breaches any applicable restrictions on competition, solicitation or the use of confidential information; ● awards held by a Relevant Executive that are not subject to performance conditions may vest on leaving; ● awards subject to a performance condition will be subject to the satisfaction of the performance condition/s; ● awards that vest on or after cessation will be reduced pro rata to reflect the fact that the Relevant Executive's employment ceased before the scheduled vesting date. Pro rating will not apply to an award subject to a performance condition where the Relevant Executive leaves on or after third anniversary of grant or to deferred bonus awards; ● if a Relevant Executive dies, the award will vest on the date of death; and ● any options will be exercisable for 12 months after the later of the date on which the option vests and the date on which the Relevant Executive ceased employment. However, if a Relevant Executive leaves employment because of misconduct or breach of the terms of their employment after options have vested, the options will lapse. <p>Most of the exceptions are subject to the Rio Tinto Remuneration Committee's discretion to vary the vesting date and/or the number of awards that will vest.</p>
<p>Pension or superannuation plans</p>	<p>Employment benefits typically include participation in a superannuation scheme, or a cash allowance to contribute to a superannuation scheme. ERA may make employer contributions to such plans and may also facilitate employee contributions either directly or through salary sacrifice arrangements. In some cases, these plans are funded externally or constitute unfunded promises made by ERA. The contributions or entitlements provided by ERA may exceed the minimum statutory requirement or be provided in jurisdictions where there is no statutory requirement. Pensions may be payable before, at or after termination.</p>
<p>Other benefits</p>	<p>ERA may also agree to continue certain other benefits for a period following termination where the arrangements are provided under term contracts or in accordance with the terms of the service contract, for example relocation or expatriation benefits, payment for financial advice, tax advice and preparation of tax returns for a tax year. In some cases, a Relevant Executive may receive a modest retirement gift.</p> <p>ERA may also pay reasonable legal and other professional fees including outplacement support, to or in respect of a Relevant Executive in connection with any termination of employment. These may include legal fees incurred in negotiating a settlement or separation agreement.</p>
<p>Retrenchment policy</p>	<p>If termination is a result of redundancy, the terms of the relevant local policy may apply. The Group's retrenchment policy generally provides for a payment determined by reference to the number of years of service of the Relevant Executive and the total remuneration of the Relevant Executive as at the termination date. There is some variation in the retrenchment policy applying across the Group to reflect different market practice in the jurisdictions in which the Group operates.</p> <p>Applicable policies may provide for redundancy pay based on years of service, up to 3 months' payment in lieu of notice (in addition to other notice entitlements) and other benefits. The benefits provided under the retrenchment policy are not contractual in nature and may be revised, reduced or otherwise varied by the Group.</p>
<p>Other amounts payable at law</p>	<p>While many of the termination benefits to which a Relevant Executive may become entitled on ceasing employment are provided under the relevant employment agreement, there may be additional benefits, the payment of which is required by law, depending on the jurisdiction in which the Relevant Executive is based at the time they cease employment. This approval is intended to cover any such payments. The value of the payments will be calculated as prescribed by law, which may take account of any number of factors (e.g. the Relevant Executive's length of service, the circumstances of the Relevant Executive's cessation of employment, etc.).</p>

Settlement or separation agreements	ERA may enter into a settlement or separation agreement with a Relevant Executive in connection with the termination of their employment. ERA may agree in the settlement or separation agreement to pay such amount as it determines is reasonable to settle any claims which the Relevant Executive may have in connection with the termination of employment. ERA may also agree to other clauses that are typically included in settlement or separation agreements (e.g. confidentiality, releases, non-disparagement, etc.).
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Table 2: Relevant circumstances

Agreement or plan	Circumstances affecting the calculation or amount of benefits
Employment agreements	<p>The circumstances of the Relevant Executive's cessation of employment (for example, whether cessation of employment arises due to resignation, retirement or redundancy or termination for cause.</p> <p>The Relevant Executive's base pay and, where appropriate, contractual benefits and other benefits (eg. STIP, relocation and expatriation benefits, etc.) at the time of cessation of employment.</p> <p>The Relevant Executive's length of service and the amount of leave accrued.</p> <p>Statutory requirements, market practice and the content and duration of the restrictive covenant and prevailing market practice.</p>
Short Term Incentive Plan (STIP)	<p>The circumstances of the Relevant Executive's cessation of employment (for example, whether cessation of employment arises due to resignation, retirement or redundancy or termination for cause.</p> <p>The Relevant Executive's base pay at the time of cessation of employment.</p> <p>The Relevant Executive's target STIP opportunity for the period, which is set in advance.</p> <p>The time period served during the performance or vesting year by the Relevant Executive up to the date of cessation of employment, and the applicable performance measures and performance against those measures.</p>
Employee Incentive Plans (BDP, PSP SOP, MSP, GESB and 2018 EIP)	<p>The circumstances of the Relevant Executive's cessation of employment (for example, whether cessation of employment arises due to resignation, retirement or redundancy or termination for cause. The number of awards or options (as the case may be) held by the Relevant Executive prior to cessation of employment. The time period served during the performance period by the Relevant Executive up to the date of cessation of employment.</p> <p>The application performance measures and performance against those measures.</p> <p>The number of awards that vest and their applicable vesting date(s).</p> <p>The market price of Rio Tinto shares at the relevant time.</p> <p>The applicable statutory requirements and any change in those requirements.</p>
Superannuation plans	<p>The applicable statutory requirements and any change in those requirements.</p> <p>The Relevant Executive's remuneration and years of service.</p> <p>The superannuation plan the Relevant Executive participates in. The value of contributions made and earnings and capital growth or loss.</p>

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Other benefits	<p>The circumstances of the Relevant Executive's cessation of employment (for example, whether cessation of employment arises due to resignation, retirement or redundancy or termination for cause.</p> <p>The applicable statutory requirements and any change in those requirements.</p> <p>The value of the services, benefits or entitlements that the Relevant Executive is given.</p>
Retrenchment policy	The number of years of service and base pay and other benefits as at the termination of employment.
Other amounts payable at law	The applicable statutory requirements and any change in those requirements.
Settlement or separation agreements	<p>The circumstances of the Relevant Executive's cessation of employment (for example, whether cessation of employment arises due to resignation, retirement or redundancy or termination for cause.</p> <p>Any claims that the Relevant Executive may have in connection with the termination of employment and the reasonable value of those claims.</p> <p>The clauses that are typically included in settlement or separation agreements from time to time.</p>

Appendix 2: Nomination of KPMG as Auditor

11 March 2020

The Directors
 Energy Resources of Australia Ltd
 Level 3, 18-20 Cavenagh Street
 GPO Box 2394
 DARWIN NT 0800

Nomination of KPMG as Auditor of Energy Resources of Australia Ltd

I, Tom Gooding, being a member of Energy Resources of Australia Ltd ("**Company**") hereby nominate KPMG for appointment as auditor of the Company, in accordance with section 328B of the Corporations Act 2001 (Cth), at the next Annual General Meeting of the Company to be held on 6 May 2020, or any adjournment or postponement of that meeting.

Yours sincerely



Tom Gooding
 Shareholder

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