

AUSTRALIAN STOCK EXCHANGE Announcement



4 May 2007
The Manager
Companies Announcements Office
Australian Securities Exchange
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12,000 line/km AIRBORNE EM SURVEYS TO COMMENCE 9th MAY BILLA KALINA DRILLING TO START EARLY JUNE

HIGHLIGHTS

- *Contracts have been signed for the drilling of two deep (800m) diamond drill holes on the Billa Kalina Gravity Anomaly with work to commence by the first week of June 2007.*
- *Two major airborne EM surveys totalling 12,000 line/km, over the Billa Kalina and Abminga projects, have been contacted to commence on the 9th May 2007.*



of approximately 800m (Figure 2). These holes have been designed to intersect the peak gravity response and the flank of the anomaly with the final depths to be determined as drilling proceeds.

The Billa Kalina Gravity Anomaly is considered to be prospective for Iron Oxide-Copper-Gold-Uranium (IOCG) mineralisation and is similar to those that led to the discovery of the exciting Carrapateena and Prominent Hill systems. The depth of overlying barren cover-rocks is an important control on the ultimate economic viability of these types of deposits with geophysical modelling (based on either gravity or magnetic imaging) suggesting a range from 250-500m at Billa Kalina. Eromanga believes that these depth-of-cover estimates are acceptable should drilling identify mineralisation of similar grades to those at Carrapateena and Prominent Hill.

The Billa Kalina Gravity Anomaly has not previously been subjected to drill testing.

Eromanga Uranium Limited
ACN 119 031 864

62 Beulah Road Norwood
South Australia 5067

PO Box 3126 Norwood
South Australia 5067

Phone 61 8 8132 7970

Fax 61 8 8132 7999

Email info@eromangauranium.com

web www.eromangauranium.com

BILLA KALINA DRILLING

(Eromanga earning 50% under Billa Kalina JV with Maximus)

Eromanga Uranium is pleased to announce that contracts are in place that will allow the drill testing of the Billa Kalina Gravity Anomaly to commence in early June 2007. The Gravity Anomaly is located entirely within Eromanga's tenements at Billa Kalina (Figure 1) and is positioned between the Olympic Dam and Prominent Hill mines. The target covers an area of approximately 7km x 2km and will initially be tested by two deep diamond drill holes to a depth

AIRBORNE EM SURVEYS

(Eromanga earning 50% under Billa Kalina JV with Maximus;

Eromanga earning 70% at Abminga under Eromanga Basin JV with Maximus)

A contract has been signed between Eromanga Uranium and Geosolutions Pty Ltd for the completion of approximately 12,000 line/km of airborne EM survey. These surveys will commence during the second week of May 2007 and will utilise the same REPTM helicopter mounted system that was successfully applied at the Marree Project in late 2006. This contract is for one of the largest helicopter supported EM surveys ever undertaken in Australia by an individual company, and will be completed over a period of approximately 10 weeks. The initial focus will be at the Billa Kalina Project where it is planned to complete approximately 4000 line/km and provide coverage over the entire tenement holding. This part of the survey will target the identification and delineation of buried palaeodrainages related to Mesozoic and Permian sedimentary sequences, capable of hosting sandstone/roll-front styles of uranium mineralisation. This style of uranium mineralisation is separate from the IOCG systems which are the target of the deep diamond drilling discussed above. It is anticipated that the Billa Kalina airborne EM survey will take 2-3 weeks to complete at which time the survey team will move to the Abminga Project (Figure 3) in the region of the SA/NT border.

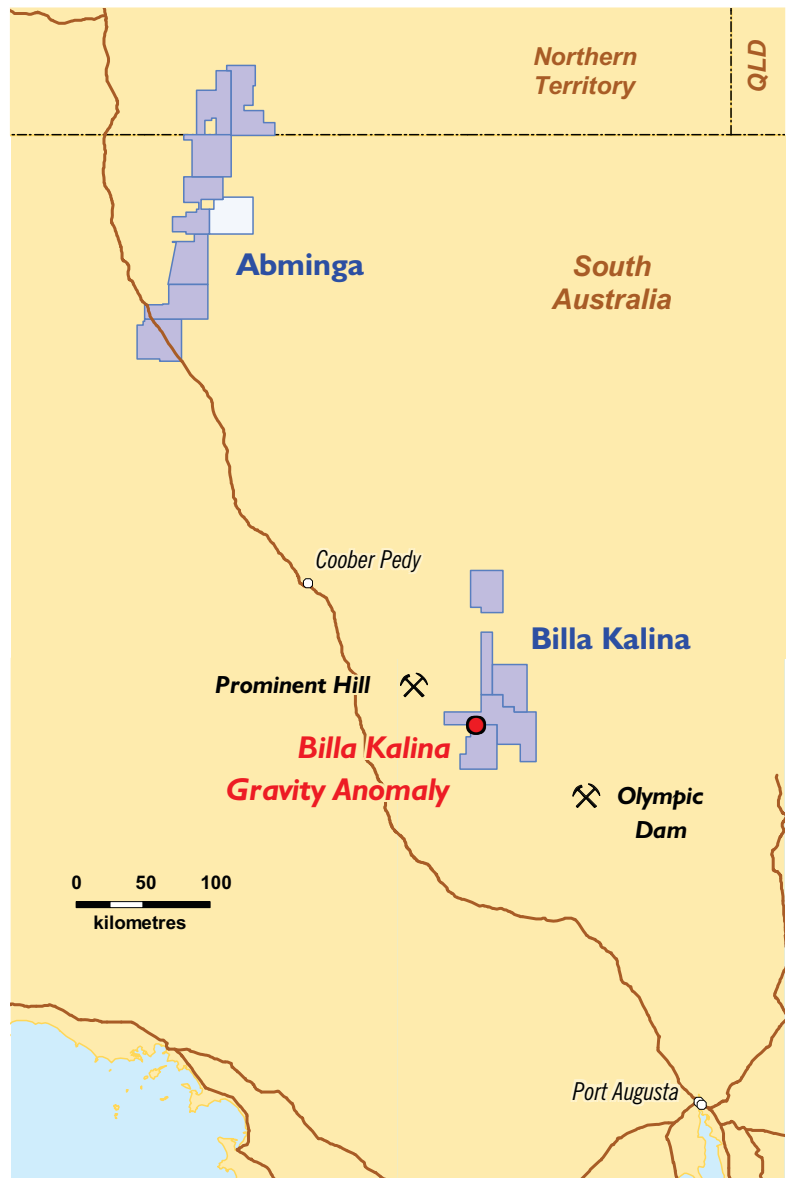


Figure 1 Abminga and Billa Kalina Tenement Locations

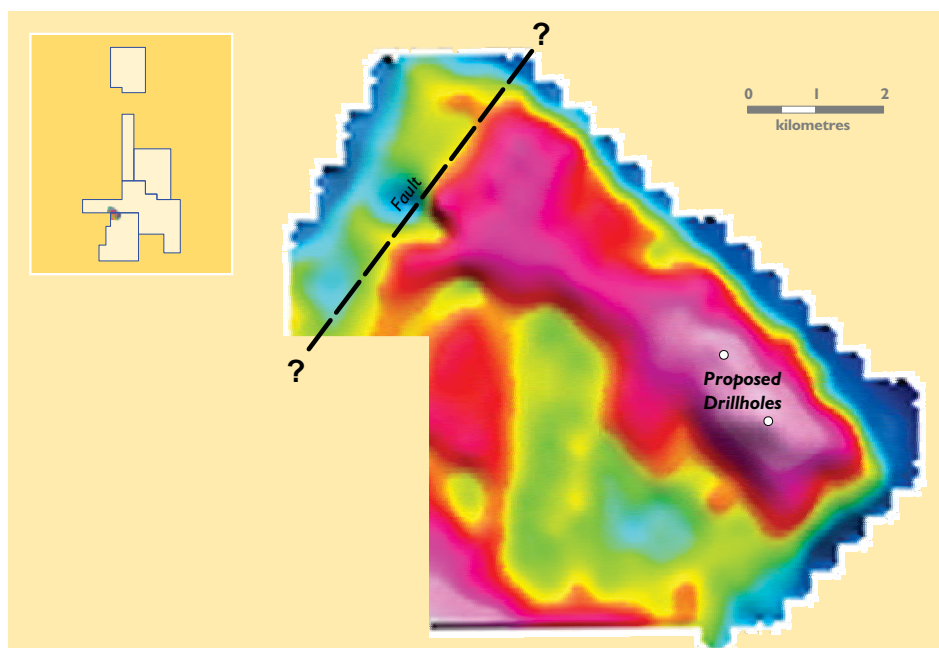


Figure 2 Billa Kalina Gravity Anomaly and proposed drilling.

The Abminga survey will involve approximately 8,000 line/km of flying and, with allowances for field breaks, will be completed over a 7 week period. The Abminga Project is a very large and contiguous tenement holding which covers virtually the entire extent of the contact between the Eromanga Basin and the uranium enriched Musgrave Province. Very restricted exploration in the late 1970's and early 1980's, by BHP Exploration and Afmeco, in this region identified anomalous uranium to 190ppm in shallow buried palaeodrainages. The purpose of the Abminga EM survey is to map these palaeodrainages throughout the entire Eromanga tenement holding (particularly where they are draining areas of outcropping/subcropping uranium enriched granites) and to provide the template for design of follow-up drill testing. Based on recent analysis of the geology and

exploration history at Abminga the company has applied for an additional Exploration Licence covering 877 sq km to the east and immediately adjacent to our current tenement holding (Figure 3).

Upon completion of these two airborne EM surveys Eromanga will have full airborne EM coverage over 3 of our 5 major project areas. To assist in the processing and interpretation of this extensive database the company has upgraded our in-house computing capabilities with the acquisition of appropriate software and hardware platforms. These upgrades, when combined with the recently announced appointments of Mr Rod Evans and Dr Stephen Abbott, will allow Eromanga to make rapid and cost effective use of these critical data sets.



Mr Kevin Lines
MANAGING DIRECTOR

4 May 2007

For further information please contact Kevin Lines on 08 8132 7970 or 0419 801010

Further information relating to Eromanga Uranium Limited and its various exploration projects can be found on the Eromanga website: www.eromangauranium.com

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Kevin Lines who is a Member of the Australasian Institute of Mining and Metallurgy, and who has sufficient experience relevant to the style of mineralisation, the type of deposit under consideration, and the activity he is undertaking, to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration results, Mineral Resources and Ore Reserves (the JORC Code). This report is issued in the form and context in which it appears with the written consent of the Competent Person, who is Managing Director of the Company.

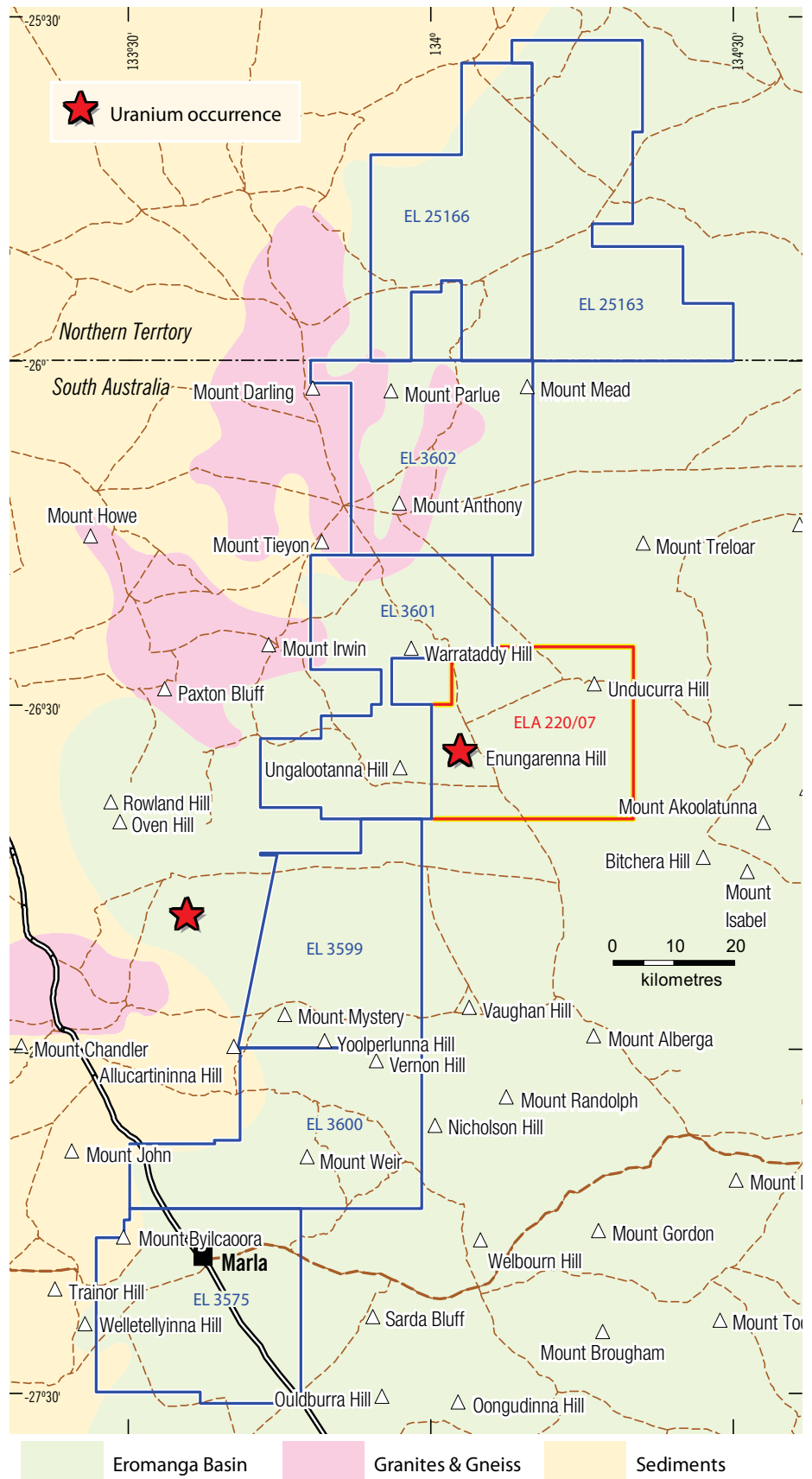


Figure 3 Abminga Project Tenements.