

AUSTRALIAN SECURITIES EXCHANGE Announcement



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The Manager

Companies Announcements Office

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Airborne Survey Results Discovery of Previously Unknown Palaeochannel System

- Preliminary interpretation of Abminga Airborne Electromagnetic dataset delineates previously unknown palaeodrainage system.
- This buried river system, located entirely within Eromanga tenements has over 34km of channel within two discrete drainage systems, and subsidiary channels, potentially capable of hosting sandstone hosted (rollfront) uranium deposits.
- Drilling to commence once Aboriginal Heritage Clearance Surveys are conducted.

Abminga Project

(Eromanga Uranium Limited earning 70% from Maximus Resources Limited in ELs 3575, 3599, 3600, 3601, 3602, 25163, and 25166. Eromanga 100% of ELAs 297/07, 220/07, 387/07, and 439/07. Eromanga earning 100% of uranium rights from Caldera Resources on EL 3186)

As reported previously Eromanga Uranium has completed an extensive airborne electromagnetic (EM) survey over the entire 9000 km² of the Abminga Project in northern South Australia. The company has now completed a preliminary interpretation over a portion of this dataset in an area where uranium mineralisation was intersected by Afmeco in 1980 (Figure 1). Computer processing, imaging and interpretation of this dataset has highlighted a major, previously unknown palaeodrainage system.

This palaeodrainage systems consists of two main channels, named Atlas and Baco, and a network of braided subsidiary channels. These channels are draining potentially uranium bearing sources rocks including the Kulgera Suite Granites and the Birksgate Complex gneisses of the Musgrave Block, which both outcrop to the west, and underlie the channel system (Figure 2).

Previous drilling in the area returned, in hole CUR13, a thick intersection of Algebuckina Sandstone from 146m to the end of the hole at 215.5m. Two significant Uranium assays were returned from this hole, one metre at 190ppm Uranium from 190metres, and one metre at 80ppm Uranium from 182m.

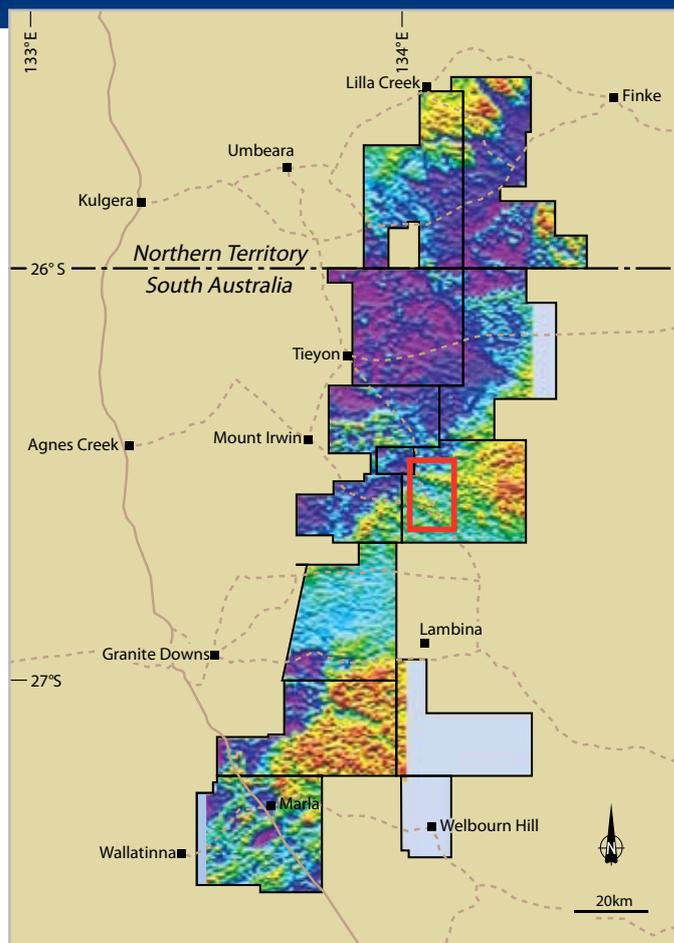


Figure 1 Abminga airborne electromagnetic image showing area of preliminary interpretation.

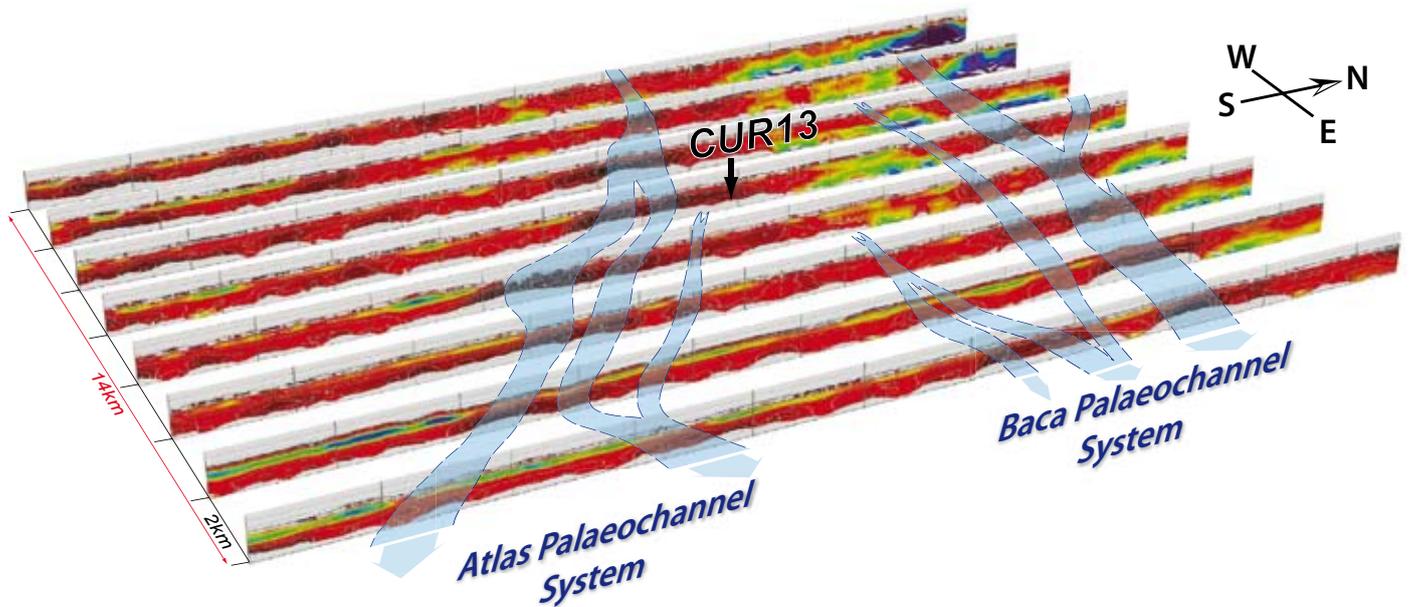


Figure 2 Stacked conductivity depth image (CDI) profiles within area of preliminary interpretation identifying palaeochannel systems and drillhole CUR13.

The location of this drillhole is now interpreted to be off the axis of the interpreted Atlas channel. This is highly encouraging, as the company expects that development of the hosting sandstone horizons will be substantially thickened within the Atlas channel (Figure 3).

The high quality of the EM data will allow the immediate development of an exploration program to test the validity of the interpretation, and target potential uranium mineralisation by drilling.

The actual commencement of drilling will be dependant upon the completion of Aboriginal Heritage Clearance Surveys, and the securing of a suitable drill rig, hopefully by late November.

Computer processing and interpretation of the remainder of the Abminga EM dataset is an ongoing process and is expected to lead to further drill targets to be assessed in early 2008.

For further information please contact Eromanga Uranium on 08 8132 7970 or Investor Relations - Mr Duncan Gordon on 0404 006 444

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.

Mr Kevin Lines
MANAGING DIRECTOR

18 October 2007

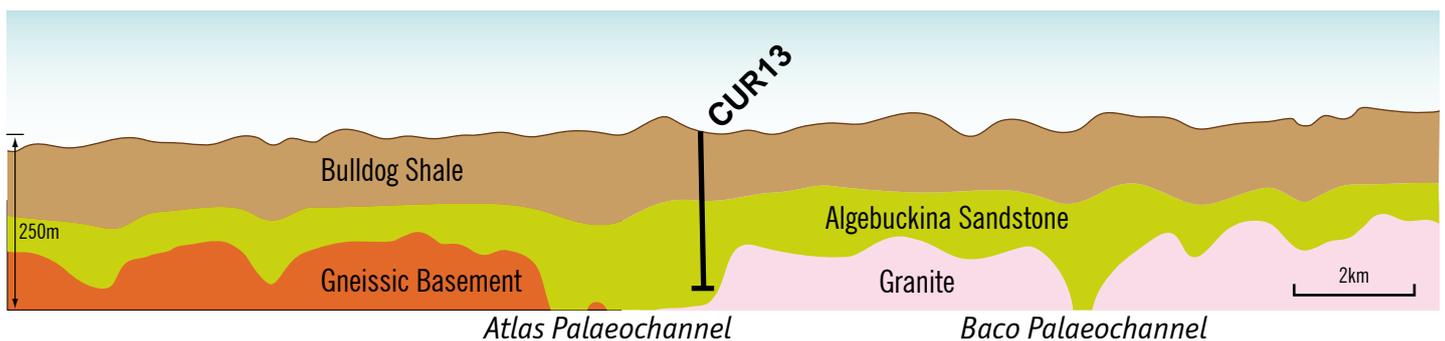


Figure 3 Interpreted geological cross-section displaying position of drillhole CUR13.