

6 March 2008

The Manager
 Companies Announcements Office
 Australian Securities Exchange
 20 Bridge Street SYDNEY NSW 2000

EXPLORATION UPDATE

The Company is pleased to provide an update on the progress of its dual drilling programs in the Marla region of northern South Australia. Both programs are progressing broadly in line with previous guidance from the Company (ASX release 31/01/2008) with diamond drilling of the first hole at Welbourn Hill, EWHD1 at 256 metres (as at 5.00pm 5/03/08) and 3 rotary-mud drill holes completed to-date over the prospective Atlas/Baco palaeodrainage systems.

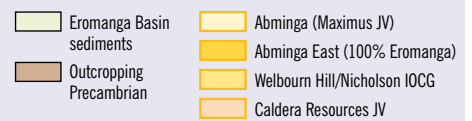
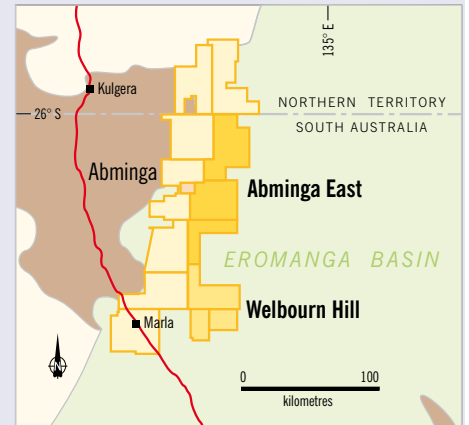


Figure 1 Location of the Welbourn Hill and Abminga East Project areas.

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

Welbourn Hill (Eromanga Uranium 100%)

The Welbourn Hill Project is located approximately 40kms east of the township of Marla in far northern South Australia (Figure 1) and forms part of the company's Northern Gawler Craton IOCGU Initiative. This exciting target is defined by coincident high order gravity and magnetic anomalies at the north-western limits of the Gawler Craton and is considered to be prospective for iron oxide-copper-gold-uranium mineralisation similar to that at the Olympic Dam, Prominent Hill and Carrapateena deposits to the south-east (Figure 2).

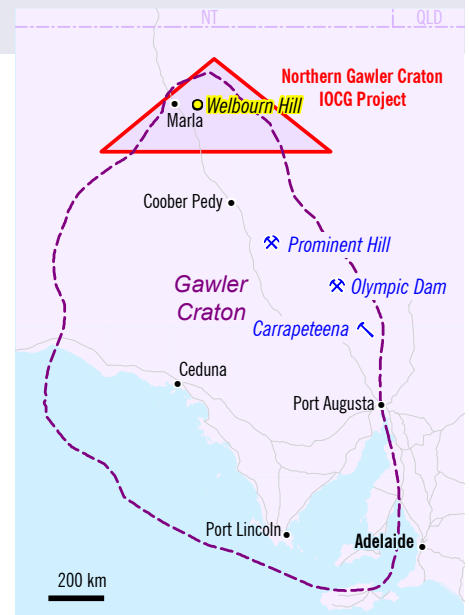


Figure 2 Northern Gawler Craton IOCG Project Area.

Eromanga is drilling two deep diamond drill holes (EWHD1 & 2), to 800m depths, as an initial test of the Welbourn Hill anomaly (Figure 3). Both holes have been successfully pre-collared through the Mesozoic cover sediments to depths of approximately 200m. This has been an important outcome for the Company as it has been these upper units of the cover sequence that have previously prevented successful drill testing of Welbourn Hill.

After some initial delays the diamond drill rig is now set up over the pre-collar for EWHD1 and as at 5.00pm on the 5th March 2008 had reached a depth of 256m.

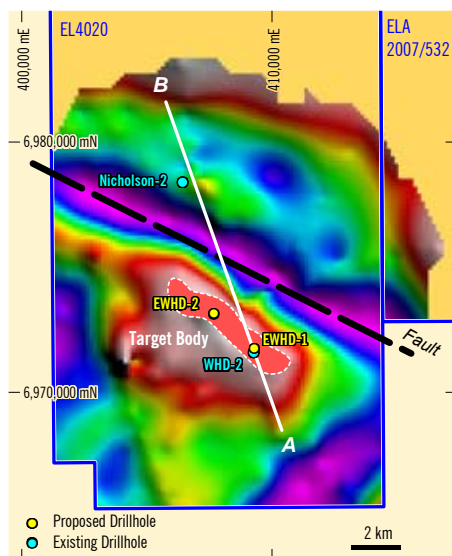


Figure 3 Welbourn Hill Gravity Image.



Drilling Welbourn Hill precollars - February 2008.

Logging of the available drill core indicates that the current drill hole has intersected cover sediments that are in line with the company's expectations. Target depths to intersect the top of the modelled gravity anomaly at Welbourn Hill are approximately 650 metres with the Company anticipating that this will require another 6 to 8 days of drilling (on double shift).

The Company is also pleased to advise that the Welbourn Hill and Nicholson projects which form part of Eromanga's Northern Gawler Craton IOCGU Initiative have received the maximum grant of \$100,000 in the recently announced round of 2008 PACE funding. This support, under the South Australian Government's exploration initiative, for the Company's exploration programs in the Marla region is very pleasing.

ABMINGA EAST – ATLAS/BACO Palaeodrainages (Eromanga Uranium 100%)

Rotary-mud drill testing of the Atlas/Baco palaeodrainage systems has commenced with the first 3 holes of a planned initial program of 25-30 holes having been completed as at 5/03/08.

The Atlas/Baco drainages are located approximately 100km north/north-east of Marla SA (Figure 1) and form part of over 250km of interpreted palaeodrainage development in the Abminga area (Figure 4). These drainages are considered to be highly prospective for sandstone-hosted uranium mineralisation similar to that currently being mined at the Beverly deposit in the Frome Embayment SA.

The current drill program has been designed to confirm and enhance the understanding of the drainage geometries interpreted from the geophysical data sets as well as directly testing for the presence of uranium mineralisation. First results from the drill program are expected towards the end of March 2008.

Mr Kevin Lines
MANAGING DIRECTOR

6 March 2008

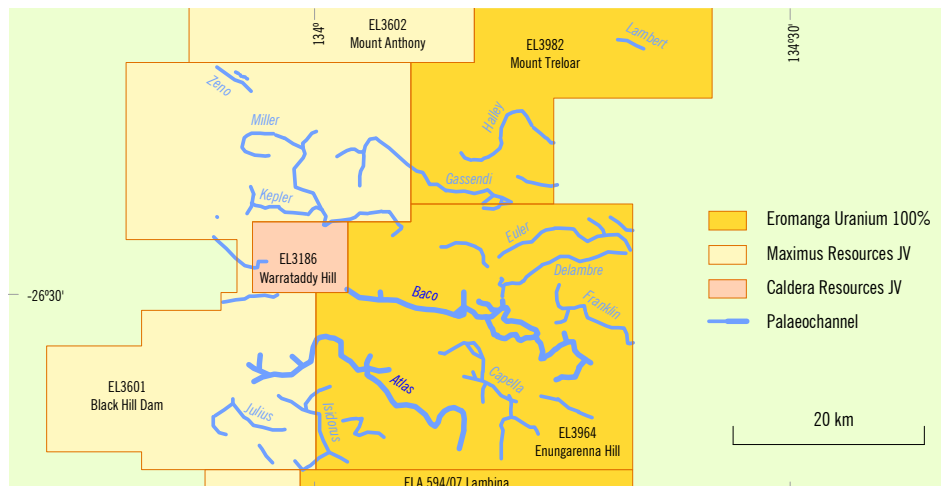


Figure 4 New palaeodrainages identified, outside of the current targets in the Atlas/Baco systems

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.eromanga uranium.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.