

CHAIRMAN'S ADDRESS TO ERO MINING LIMITED

ANNUAL GENERAL MEETING

6 November 2012

Fellow Shareholders

Good morning ladies and gentlemen, it is my great pleasure to welcome you all to the sixth Annual General Meeting of ERO Mining Limited as a listed company.

As outlined in my Chairman's Report contained in the Annual Report small mining companies continue to be contained by the lack of available capital and until markets improve and we can raise additional capital we will concentrate on one or two projects and joint venture or sell projects with a view to gaining some upside for shareholders.

Regulation and the ability of authorities to process applications in a timely manner also have a significant effect on smaller mining companies who want to spend their money in the ground on exploration rather than meeting the standing costs of prolonged periods of waiting for approval. It is critical that we can progress to discovery especially where we are endowed with a significant portfolio of assets that require capital to progress exploration then development in order to proceed down the path of production.

Our current focus is centred on:

- The positive announcement by the Federal Minister of Defence and the Federal Minister for Resources and Energy that the Woomera Prohibited Area is open for applications for minerals exploration access. Our Chief Executive Officer will outline the details in his address but it means we will soon be allowed on the ground at our Billa Kalina tenement which is located 70 km north-north-west of the Olympic Dam copper-gold-uranium (IOCGU) mine, and 45 km south-east of the more recent discovery and mine development at Prominent Hill, South Australia. The deed will allow us to explore the Peeweena Dam Prospect which is highly prospective for Iron Oxide Copper Gold Uranium mineralisation.

- Tanami in the Northern Territory which has hosted several high quality gold mines. We have obtained rights to explore for both Gold and Uranium on the Suplejack project which lies on Aboriginal Freehold land.
- After a successful farmout of the Padthaway Mineral Sands Project to Iluka Resources Limited they have decided to concentrate on other prospects and terminated the joint venture. We have signed a Confidentiality Agreement with another party with the hope of signing a new joint venture agreement sometime in the current quarter.
- Wertaloona where we have to take a back seat due to funding but still hope to discover lithium and uranium. Our initial drilling did indicate the presence of lithium so we intend to conduct some follow up drilling in this area testing for brine hosted mineralisation as soon as funds are available.

I thank Hector Gordon and Mike Hatcher as non executive directors and Kevin Lines our Chief Executive Officer all of whom have contributed to our current focus and rebuilding of the company.

I thank our former Company Secretary Peter Kupniewski and welcome Justin Nelson who has taken on the role.

Most importantly, I would like to recognise our loyal shareholders who have continued to support the Company throughout the year through their participation in the rights issues. That support is most appreciated as we need capital to pursue our exploration opportunities.

Thank you ladies and gentlemen for your attention and I now call on Kevin Lines to give his presentation.

R M Kennedy
Chairman