

HIGHLIGHTS

- Drill testing of **Welbourn Hill** currently underway, with the first of two deep diamond holes completed.
- Gravity survey at **Nicholson** completed and data indicates 10 mgal gravity anomaly awaiting drill testing.
- **Todmorden** Joint Venture finalised, gravity survey complete and data currently under interpretation.
- Drilling of the Atlas/Baco palaeodrainage systems at **Abminga East** approaches completion.
- Excellent project portfolio with programs ongoing at **Marree**, **Billa Kalina** and **Kingoonya** likely to generate multiple new exploration targets.
- As at 31 March 2008 the company held cash of \$8.29 million.
- Following a very active March Quarter the company is now well positioned to continue on a dynamic 2008 with major drilling programs to be completed at both **Welbourn Hill** (IOCGU) and **Abminga East** (Uranium), and further targets tested as appropriate.

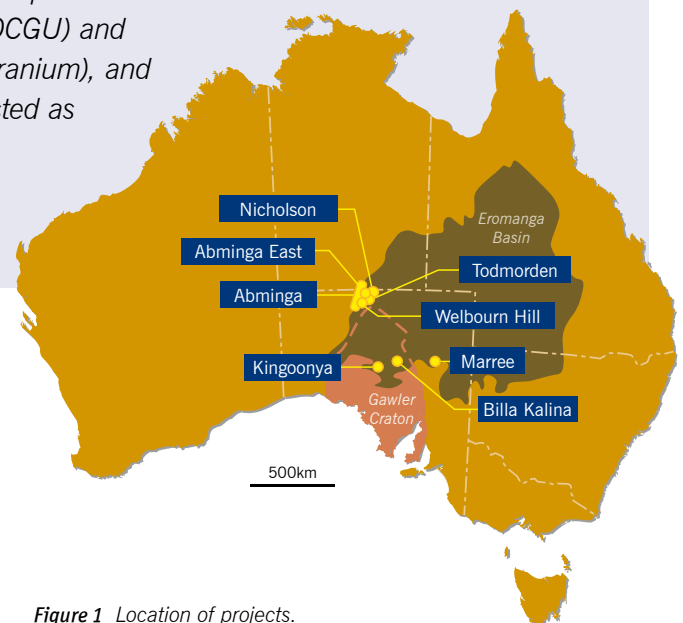


Figure 1 Location of projects.

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REVIEW OF OPERATIONS

CORPORATE ACTIVITIES

FINANCE

As at 31 March 2008, Eromanga had available funds of \$8.29 million of which the majority is held in term deposits with an Australian bank. During the March quarter total net expenditure by the company was \$0.946 million.

EXPLORATION ACTIVITIES

IRON OXIDE-COPPER-GOLD-URANIUM

WELBOURN HILL PROJECT

(Eromanga 100% in EL 4020)

The Welbourn Hill Project is located approximately 45 km east of the township of Marla in far northern South Australia (Figure 1) and forms part of the company's Northern Gawler Craton iron oxide-copper-gold-uranium (IOCGU) Initiative. This exciting target is defined by coincident high order gravity and magnetic anomalies at the northern limits of the Gawler Craton and is considered to be prospective for IOCGU mineralisation similar to that at the Olympic Dam, Prominent Hill and Carrapateena deposits to the south-east. During the quarter the company has completed the first of two deep diamond drillholes as an initial test of this exciting target. The first deep diamond hole intersected a sequence of younger sediments consisting initially of 200 m of Mesozoic sands and shales followed by approximately 500 m of siltstones, hematite veined and altered sandstones, and coarse clastic sediments. After penetrating this cover sequence, basement was intersected at 701.1 m downhole (699 m below surface). Basement rocks indicate a zone of shearing and mylonitisation of probable Proterozoic units. Potentially significant is the presence of extensive sericite and lesser carbonate alteration, with minor hematite. No significant sulphide mineralisation is evident. Initial assay results are expected in four weeks.



Drilling EWH01 at Welbourn Hill.

The second deep diamond hole has now commenced, located approximately 2.1 km to the north-west of the first hole.

FUTURE EXPLORATION

Upon completion of the second hole, and receipt of all assay results the company will be in a position to advance the Welbourn Hill Project.

NICHOLSON PROJECT

(Eromanga 100% in EL 4019)

The Nicholson Project is located approximately 35 km north-east of Welbourn Hill and 60 km from the township of Marla in far northern South Australia (Figure 1). The project is defined by a significant regional gravity anomaly centred over a large elliptical magnetic feature that is currently interpreted as a volcanic complex within older basement rocks (Figure 2). The character of

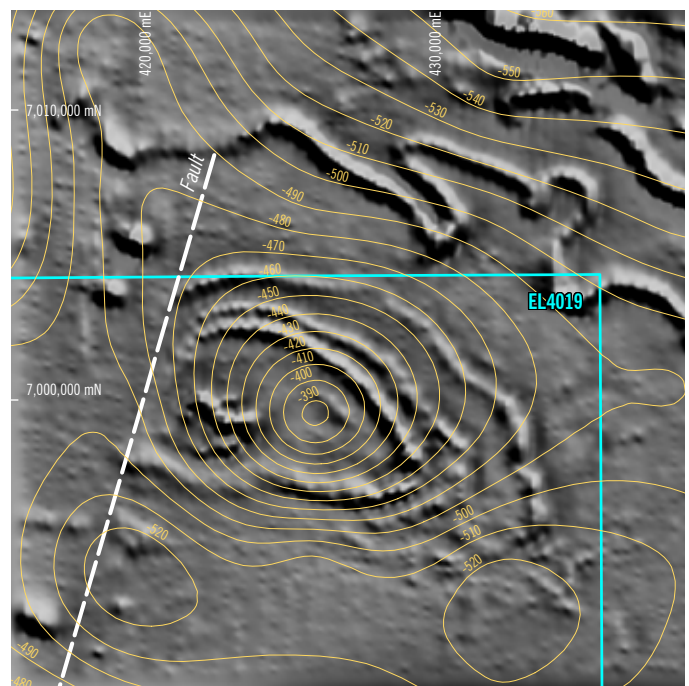


Figure 2 Gravity contours over the magnetic image at Nicholson.

the magnetic data suggests that the basement rocks may be at shallower depths than at Welbourn Hill, however the area has not been subject to any previous exploration. Access to the project area is good, the relationship with local pastoralists is excellent and Aboriginal Heritage clearance has been received which all combines to facilitate rapid and cost effective exploration. During the quarter the company completed an extensive gravity survey which highlighted a 10 km by 5 km gravity high to 10 mgal in amplitude. Results of this gravity survey and a regional synthesis is supportive of a potential IOCGU target centred within a volcanic complex, at a modelled depth of 500 m (Figure 3).

FUTURE EXPLORATION

Dependant on necessary drilling approvals and drilling contractor availability the company is expecting to complete initial drill testing in second quarter of 2008.



Proposed drill site at Nicholson.

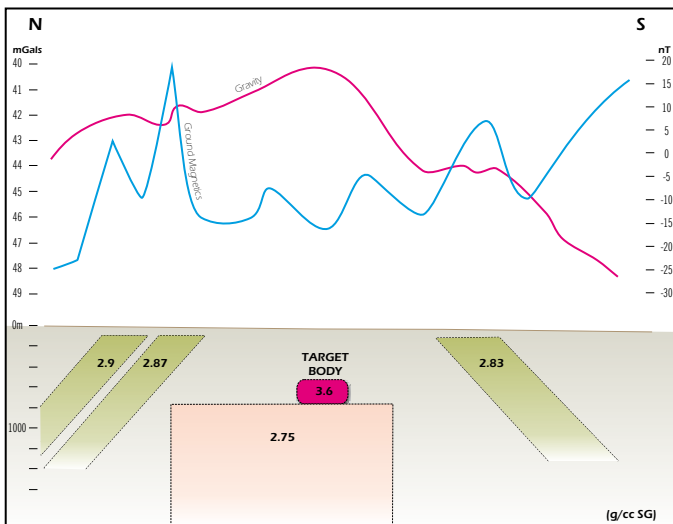


Figure 3 Schematic section of the Nicholson geophysical model.



Eromanga field staff at Nicholson.

TODMORDEN PROJECT

(Eromanga earning 80% in EL 4001 from Intermet Resources)

During the quarter the company announced the signing of a Joint Venture agreement with Intermet Resources over EL 4001. EL 4001 is located approximately 90 km north-east of the township of Marla. The tenement is positioned over the northern margins of the Gawler Craton and is considered to be prospective for IOCGU mineralisation. Under the joint venture agreement, Eromanga can earn up to an 80% interest in EL 4001 by the expenditure of \$0.5 million on exploration. Eromanga may withdraw at any time after an initial appraisal period provided it has expended at least \$50,000. Intermet may elect to contribute pro-rata to expenditure once Eromanga has earned a 60% interest upon expenditure of \$0.25 million .

A gravity survey designed to enhance a broad regional gravity high from existing 7 km spaced stations, has been completed. In total 230 readings were collected along several traverses at 500 m station spacings. The survey was designed to determine if the regional gravity high consisted in detail of more discrete gravity features that may be associated with IOCGU targets at acceptable depth.

The gravity data is currently undergoing verification and modelling to identify gravity anomalies that may be related to potential IOCGU targets.

FUTURE EXPLORATION

Dependant on survey results the company may drill targets if they were to model at acceptable depths, and be of significant magnitude to be suggestive of IOCGU style targets.

SANDSTONE-HOSTED URANIUM EXPLORATION

ABMINGA EAST PROJECT

(Eromanga 100% in ELs 3982, 3964 and ELA 594/07)

The Abminga East Project (1,867 km²) is located approximately 100 km north/north-east of the township of Marla in far northern South Australia (Figure 1) and is contiguous with, and immediately east of, the larger Abminga Project (7,000 km²) where Eromanga is earning 70% equity from Maximus Resources Ltd. The entire area is considered to be highly prospective for sandstone-hosted (roll-front) style uranium mineralisation similar to that currently being mined at the Beverly deposit in the Frome Embayment SA. Airborne EM coverage over the entire Abminga East project area was completed in 2007 and immediately identified the Atlas/Baco drainage systems as a priority target. Ongoing data processing, analysis and interpretation of the EM data has now identified 14 new palaeodrainages in the immediate environs of the Atlas/Baco systems (Figure 4). This palaeodrainage network totals in excess of 250 km of interpreted drainage available for testing. Drilling of the initial 20–25 holes program is nearing completion. The current drill program has been designed to confirm and enhance the understanding of the drainage geometries interpreted from the geophysical datasets, as well as directly testing for the presence of uranium mineralisation. The company is encouraged by the regionally wide spread, albeit low level, gamma anomalism contained within wide intervals of reduced, organic rich and variably pyritic, sections of the Mesozoic Algebuckina Sandstone. Initial assay results are expected in four weeks.

FUTURE EXPLORATION

After a round of interpretation and assay result the company will be in a position to advance the project.

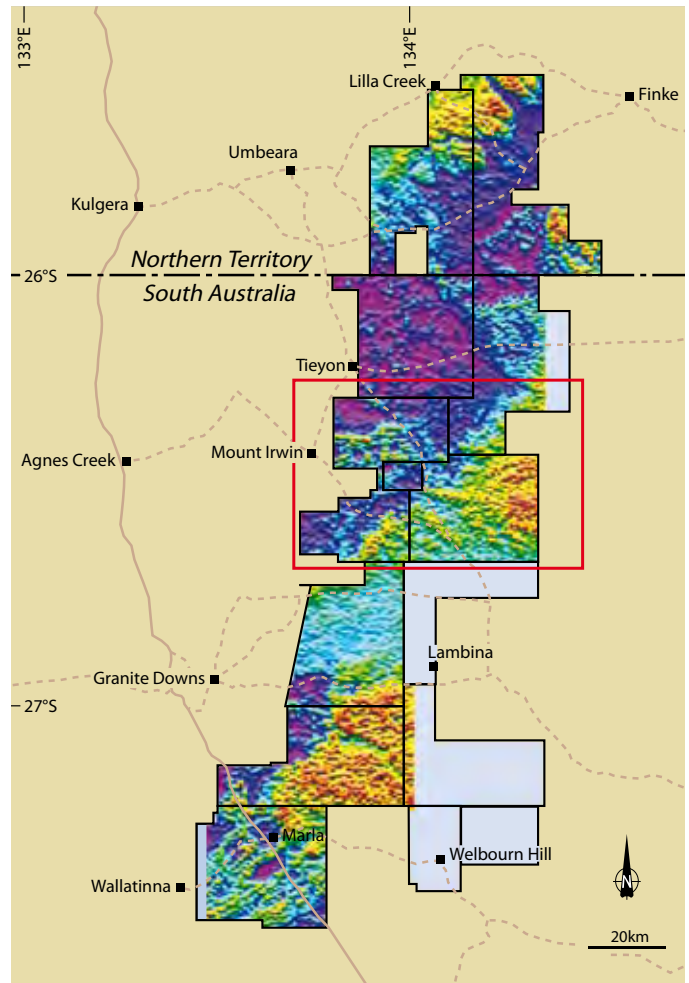


Figure 5 Location of the Abminga Project with airborne EM image.

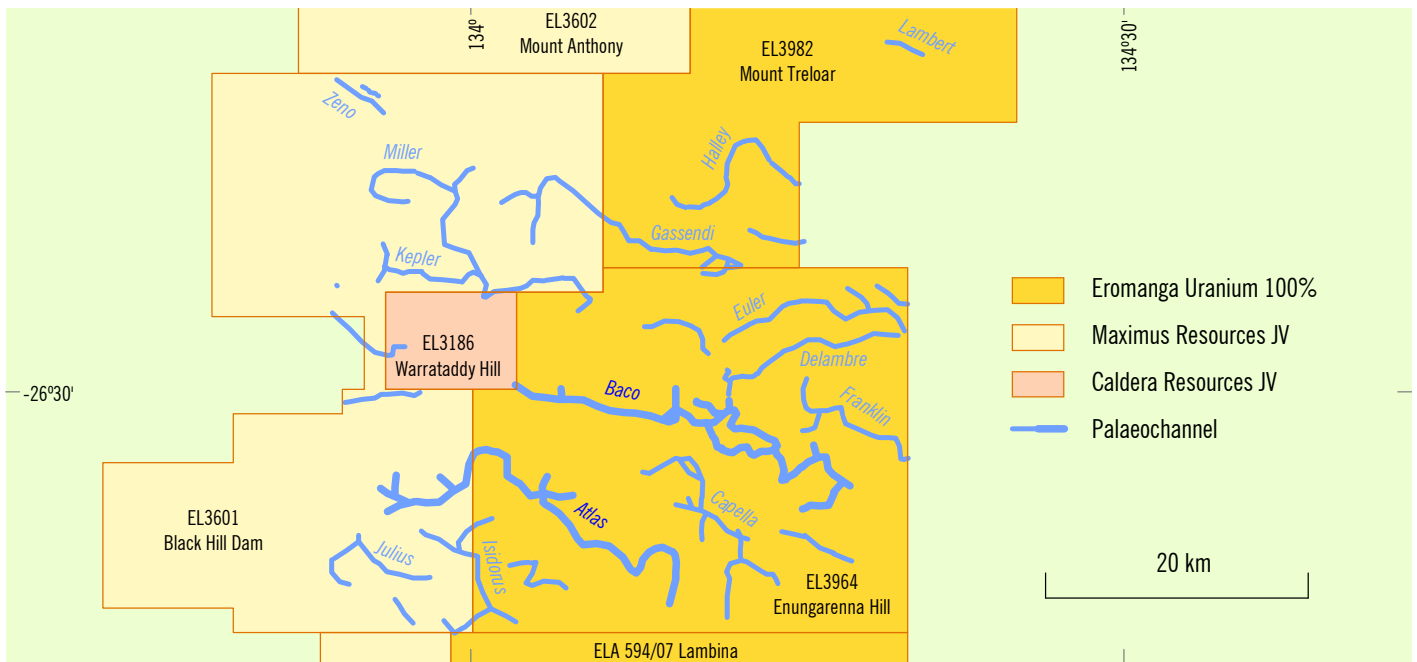


Figure 4 Palaeodrainages identified, outside of the current targets in the Atlas/Baco systems.

ABMINGA PROJECT

(Eromanga earning 70% under the Eromanga Basin JV Agreement with Maximus Resources Ltd in ELs 3575, 3599, 3600, 3601, 3602, 25163 and 25166. Eromanga earning 100% of the uranium rights from Caldera Resources on EL 3186)

The Abminga Project covers approximately 7,000 km² of continuous tenements extending from south of Marla SA across the SA/NT border (Figure 5) and is considered to be highly prospective for the discovery of sandstone-hosted uranium mineralisation. (Note: geologically the Abminga and Abminga East project areas are of similar geological potential and are only separated to clarify the ownership position of Eromanga Uranium Ltd). A number of the new palaeodrainages identified by the recently completed airborne EM survey (Figure 4) are located either totally or partially within the Abminga Project.

Considerable potential exists for the discovery of additional new palaeodrainage systems both to the north and south of the area detailed in Figure 4 and computer processing of the extensive airborne EM data sets is ongoing at the company's Adelaide office.

FUTURE EXPLORATION

It is envisaged that exploration for sandstone-hosted uranium deposits will continue, on a campaign basis, throughout 2008. This exploration will be predominantly drill based with priorities determined by the results received and the subsequent assessment of overall discovery potential.

MARREE PROJECT

(Eromanga earning 70% under the Eromanga Basin JV Agreement with Maximus Resources Limited in ELs 3574, 3577, 3578 and 3579. Eromanga 100% of ELs 3962 and 3963)

The Marree Project is located 40 km east of the township of Marree in northern South Australia (Figure 1), and consists of six granted exploration licences covering 5,779 km². Eromanga's primary exploration target at the Marree Project is sandstone-hosted uranium deposits similar to those at the Beverley and Four Mile discoveries. Exploration during the quarter has been limited to analysis of the results of initial drilling completed earlier in 2007, the design of second phase drill testing and the completion of further Aboriginal Heritage surveys.

Comparison of the results of the Marree airborne EM survey (the first REPTM survey ever undertaken) with those from later surveys at Abminga, Kingoonya and Billa Kalina has indicated that an improved understanding of the geology at Marree would be obtained from the re-processing of the Marree data. This task approaches completion and the results will be integrated into the company's exploration programs.

FUTURE EXPLORATION

Aboriginal Heritage surveys have been successfully completed and the second rotary-mud drilling program at Marree has been programmed for completion towards the end of the second quarter of 2008. This drilling program will focus on areas where thicker sequences of the target Algebuckina Sandstone have developed as well as testing shallower units of the Coorikiana Sandstone.

KINGOONYA PROJECT

(Eromanga Uranium earning 70% under the terms of the Eromanga Basin JV from Maximus Resources in ELs 3573, 3576, 3590, 3591 and 3613)

The Kingoonya Project is located approximately midway between the townships of Glendambo and Coober Pedy, South Australia and consists of five granted exploration licences covering 4,060 km². The company's main exploration targets at Kingoonya are sandstone-hosted uranium and unconformity-related uranium deposits.

The last of four major airborne EM surveys undertaken by Eromanga Uranium was completed over the entire Kingoonya tenement area in the second half of 2007. This data set is currently undergoing detailed computer processing and imaging in Adelaide. Preliminary results are encouraging and further work is being undertaken that will allow the identification of discrete targets for testing in the second half of 2008.

BILLA KALINA

(Eromanga Uranium earning 50% under the terms of the Billa Kalina JV from Maximus Resources Ltd in ELs 3526, 3525, 3170, 3337 and 3338)

The Billa Kalina Project is located 70 km north-north-west of the Olympic Dam copper-gold-uranium (IOCGU) mine, and 45 km east of the more recent discovery and mine development at Prominent Hill, South Australia (Figure 1). Eromanga is exploring for IOCGU deposits in the deeper basements rocks and for sandstone-hosted uranium mineralisation in the shallower sedimentary cover sequences.

Eromanga completed an airborne EM survey over the entire Billa Kalina project area in the second half of 2007 and this data is currently being processed in Adelaide. This EM data will be used in conjunction with new detailed gravity data (collected by PIRSA) and magnetics to review the potential of the Billa Kalina tenements to host IOCGU mineralisation. Drilling of the Billa Kalina Gravity anomaly in 2007 highlighted the relatively shallow depths of sedimentary cover in this region and the strategic positioning of the Billa Kalina Project between Olympic Dam and Prominent Hill suggests that the exploration potential remains substantial.

The EM data sets will also be used to identify the development of palaeodrainages in both the Mesozoic and Permian cover sequences capable of hosting secondary uranium mineralisation.



Project geologist at Abminga.

PROJECT GENERATION

During the quarter the company successfully enhanced the Northern Gawler Craton IOCGU initiative with the signing of the Todmorden Joint Venture. The company also applied for an exploration licence in the Tanami Desert, 600 km north west of Alice Springs, in the Northern Territory. The company considers this tenement to be prospective for both high grade, unconformity related uranium mineralisation, akin to deposits in the Athabasca Basin of Canada, and to be prospective for gold deposits of the Groundrush Style. The closed Groundrush mine (750,000 oz produced) is situated 25 km to the north west of the tenement application area. The tenement application area has undergone little drill testing, and no exploration for uranium. The Department of Primary Industry, Fisheries and Mines has advised Eromanga that two other companies have also made an application for this tenement, and the successful company will be notified shortly.



Refuelling during an aerial survey at Abminga.

SUMMARY

Eromanga is delighted with its strong start to 2008. The extensive foundations laid over the last 12 months have resulted in two exciting targets, at Welbourn Hill and Abminga East, both currently under drill testing. Eromanga Uranium has 100% ownership of both these projects and is highly leveraged to exploration success. The results from the Nicholson Gravity Survey confirm the presence of a large, high amplitude gravity feature which models at a depth of 500 m, and awaits drill testing. The extensive data sets generated from the 22,000 line/km of airborne EM surveys completed in 2007 means that the company has an excellent pipeline of new projects and the capability to continue to generate new opportunities in-house. The company is well funded to actively explore its tenement portfolio and has the people, systems and equipment that are pre-requisite to success.

Handwritten signature of Kevin Lines.

Mr Kevin Lines

MANAGING DIRECTOR

29 April 2008

For further information please contact Kevin Lines on 08 8132 7970 or 0419 801 010

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.

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

Eromanga Uranium Limited

ABN

40 119 031 864

Quarter ended ("current quarter")

31 March 2008

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (9 months) \$A'000
1.1 Receipts from product sales and related debtors		
1.2 Payments for (a) exploration and evaluation (b) development (c) production (d) administration	(894)	(3,521)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	173	670
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Other (provide details if material)		
Net Operating Cash Flows	(929)	(3,654)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects (b) equity investments (c) other fixed assets	(17)	(87)
1.9 Proceeds from sale of: (a) prospects (b) equity investments (c) other fixed assets		
1.10 Loans to other entities		(10)
1.11 Loans repaid by other entities		
1.12 Other (provide details if material)		
Net investing cash flows	(17)	(97)
1.13 Total operating and investing cash flows (carried forward)	(946)	(3,751)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(946)	(3,751)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.		
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings		
1.17	Repayment of borrowings		
1.18	Dividends paid		
1.19	Other (provide details if material)		
	Net financing cash flows	-	-
	Net increase (decrease) in cash held	(946)	(3,751)
1.20	Cash at beginning of quarter/year to date	9,236	12,041
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	8,290	8,290

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	114
1.24	Aggregate amount of loans to the parties included in item 1.10	

1.25 Explanation necessary for an understanding of the transactions

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities		
3.2 Credit standby arrangements		

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	1,000
4.2 Development	
Total	1,000

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	40	136
5.2 Deposits at call	8,250	9,100
5.3 Bank overdraft		
5.4 Other (provide details)		
Total: cash at end of quarter (item 1.22)	8,290	9,236

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	EL4019	Granted	Nil	100%
	EL4020	Granted	Nil	100%
	EL4050	Granted	Nil	100%
	EL4094	Granted	Nil	100%

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.


	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference + securities <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	125,442,346	63,335,203		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5 +Convertible debt securities <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>	26,785,714 283,000 225,000 635,500		<i>Exercise price</i> \$0.30 \$0.22 \$0.22 \$0.165	<i>Expiry date</i> 30/06/2011 20/03/2012 19/11/2012 05/03/2013
7.8 Issued during quarter	635,500		\$0.165	05/03/2013
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 Debentures <i>(totals only)</i>				

+ See chapter 19 for defined terms.

7.12	Unsecured notes (<i>totals only</i>)		
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Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:  Date: 28 April 2008
(Director/Company secretary)

Print name: Richard W C Willson

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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+ See chapter 19 for defined terms.