

HIGHLIGHTS

- Two deep diamond drill holes completed at **Welbourn Hill**, with very positive indicators for the presence of IOCGU style mineralisation.
- Drilling underway at the exciting **Nicholson Project** representing the first test of this quality 10 mgal gravity anomaly with excellent IOCGU potential.
- The first phase drilling program over the **Atlas/Baco** palaeodrainage system successfully completed returning positive gamma results from a broad redox corridor favourable for sandstone-hosted uranium mineralisation.
- New sandstone-hosted uranium target, identified from airborne EM surveys, at **Billa Kalina** to be tested early in the September Quarter.
- Excellent project portfolio with programs ongoing at **Marree** and **Kingoonya** likely to generate multiple new exploration targets.
- As at 30 June 2008 the company held cash of \$6.54 million.
- Following an active June Quarter the company is continuing to advance across multiple projects, with a dual focus on IOCGU and sandstone-hosted uranium mineral systems.

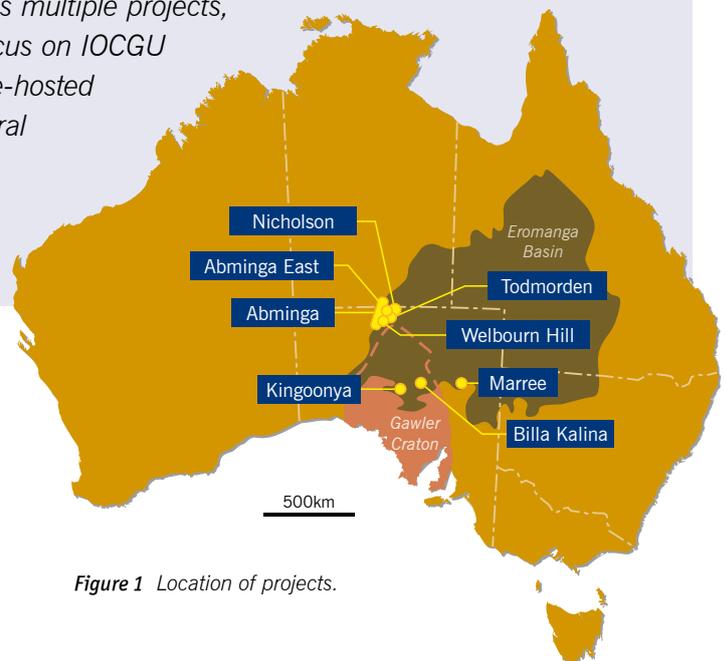


Figure 1 Location of projects.

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REVIEW OF OPERATIONS

CORPORATE ACTIVITIES

FINANCE

As at 30 June 2008, Eromanga had available funds of \$6.54 million of which the majority is held in term deposits with an Australian bank. During the June quarter total net exploration expenditure by the company was \$1.42 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 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 iron oxide-copper-gold-uranium mineralisation similar to that at the Olympic Dam, Prominent Hill and Carrapateena deposits to the south-east.

During the quarter the Company has successfully completed the drilling of two deep diamond drill holes, EWHDO1 and EWHDO2, over the central portions of the major gravity anomaly at Welbourn Hill (Figure 2). The first of these holes was completed at a depth of 831.17 m, intersecting the targeted crystalline basement at a depth of 701.1 m after passing through a sequence of fine to coarse grained hematitic sediments (Figure 3). The gneissic basement, whilst strongly altered and deformed, did not intersect significant mineralisation. The second drill hole in the program, EWHDO2, was sited approximately 2.1 km to the north-west of EWHDO1 and approximately 2 km to the south of the interpreted position of the major bounding fault structure (Figure 2). This second hole was completed at a depth of 806.53 m having intersected a zone of over 350 metres (from 450 to 806.53 m) of strongly altered and locally intensely brecciated basement gneisses. This extensive basement intersection contains abundant hydrothermal magnetite with associated pyrite, chalcopyrite and minor bornite mineralisation disseminated throughout. The bottom of hole remained in altered and mineralised gneisses.

Assay results from the interval 450 to 658 metres have been received and confirm the presence of anomalous copper mineralisation with a best intersection of 18 m at 0.1% Cu over the interval from 639–657 metres*. **These results, whilst sub-economic, are considered to be highly significant as they confirm for the first time that the northern limits of the Gawler Craton have been host to large volumes of the same type of fluids that have been responsible for the formation of the Olympic Dam, Prominent Hill and Carrapateena deposits over 400 km to the south-east.** The Company believes that these results, achieved with only the second drill hole in a new terrain, provide very strong support for our IOCGU initiative in the Northern Gawler Craton.

Assay results are awaited for the interval from 659 to 806.53 metres with the Company anticipating receipt of these results

* (All sampling was undertaken over 1 m intervals with half-core sent for analysis at the laboratories of ALS in Perth. Samples were dried, crushed, riffle split to 1 kg and pulverised such that 85% passed a nominal 75 microns. After aqua-regia digest the copper assays were determined using ICPAES. The interval has been calculated using a 250 ppm Cu lower cut-off. No significant gold or uranium assay values have been received from the hole to-date.)

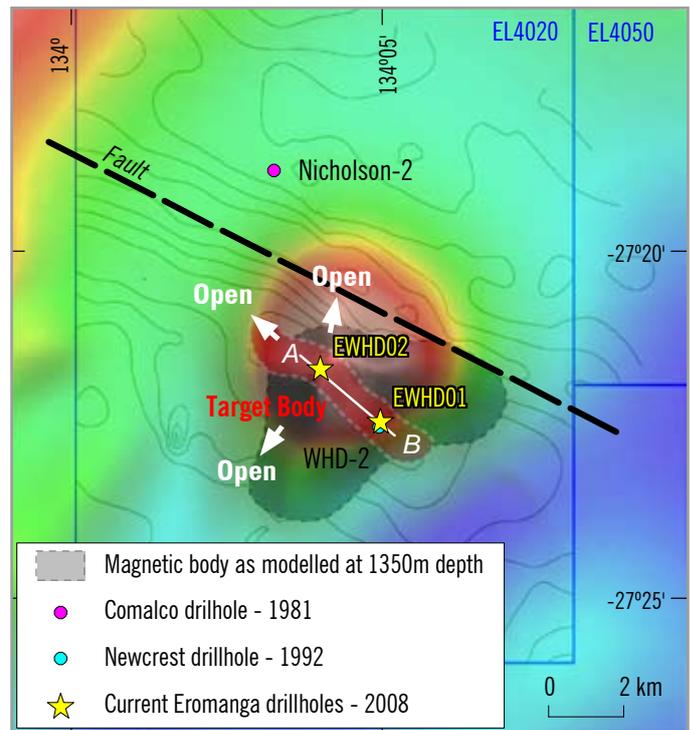


Figure 2 Welbourn Hill magnetics with gravity contours.

within the next two to three weeks. Visual indications from this interval suggest that the overall tenor of the mineralisation is broadly in-line with the assay results received to-date.

The Company believes that the highly elevated magnetite content within the basement gneisses can adequately explain the observed magnetic anomaly at Welbourn Hill, however the current understanding of the overall geology of the project area does not fully accommodate the significant gravity anomaly. As a consequence the large coincident gravity/magnetic anomaly at Welbourn Hill remains open to the north, south and west (Figure 2). The results from EWHDO1 and EWHDO2 show a pronounced increase in alteration intensity, brecciation and sulphide mineralisation within the western portion of the overall anomaly indicating that significant potential remains to the west of EWHDO2 (Figure 3). This potential is further enhanced by the much shallower depths to basement in EWHDO2 (450 m in



Drilling EWHDO1 at Welbourn Hill.

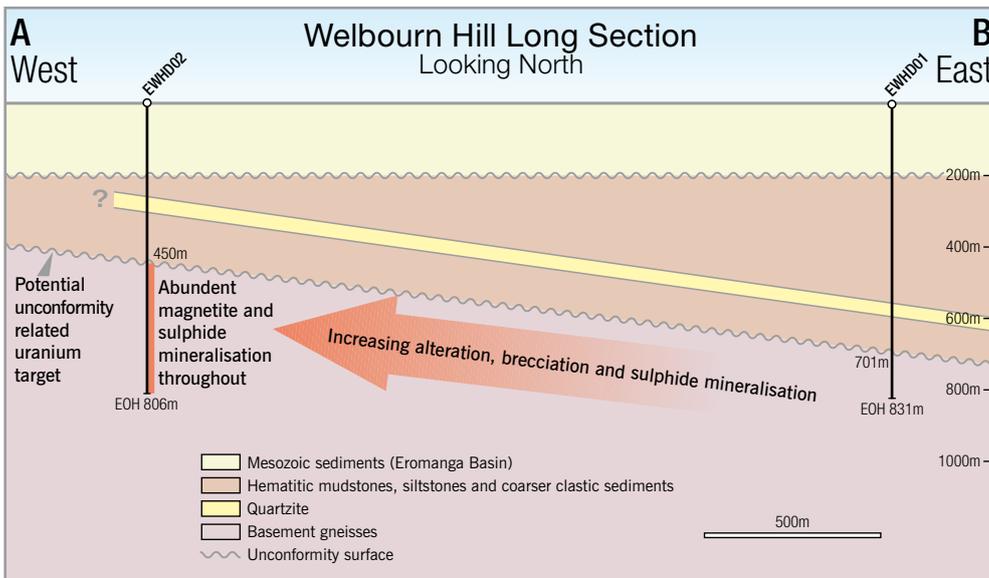


Figure 3 Welbourn Hill schematic long-section.

EWHD02 vs 701 m in EWHD01). Similarly, significant potential also exists to the north between EWHD02 and an interpreted major bounding fault, a distance of over 2 km (Figure 2).

To facilitate planning of future drilling at Welbourn Hill and to allow time for the receipt of outstanding assays the Company has relocated the diamond drill rig to the Nicholson Project. In the interim a number of options, including limited geophysical surveys, are under consideration by the Company with the objective of optimising the location of future drilling at Welbourn Hill. On

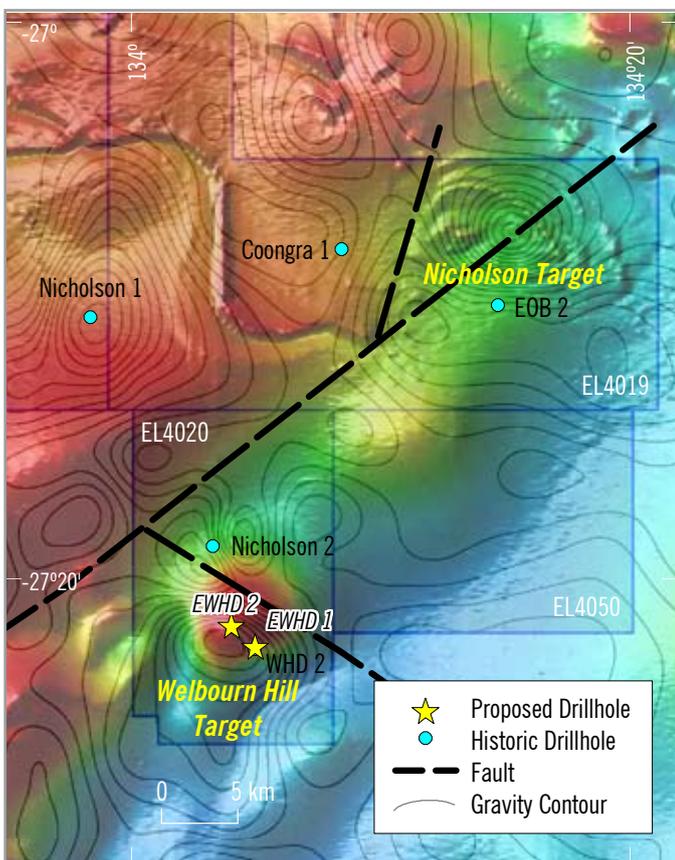


Figure 4 Gravity contours over a magnetic image.

completion of this review it is our intention that the second phase of exploration would commence immediately drilling is completed at the Nicholson Project.

The drilling at Welbourn Hill has also identified the potential for the project to host unconformity-related uranium mineralisation similar in style to that in the Alligator Rivers region of the Northern Territory and the Athabasca Basin in Canada. These deposits are hosted within major structures in the Palaeoproterozoic basement rocks at, or close to, the unconformity with a thick sequence of overlying hematitic sediments. This style of uranium mineralisation contains many of the

highest grade uranium deposits globally with mines planned or operating at depths in excess of 400 m. All of the critical controls necessary for the development of this type of deposit have been identified in the Company's drilling at Welbourn Hill. This is an exciting new development for Eromanga Uranium and it is our intention to integrate exploration for unconformity-related uranium mineralisation into our ongoing IOCGU programs at Welbourn Hill.

FUTURE EXPLORATION

To facilitate planning of future drilling at Welbourn Hill and to allow time for the receipt of outstanding assays the Company has relocated the diamond drill rig to the Nicholson Project. In the interim a number of options, including limited geophysical surveys, are under consideration by the Company with the objective of optimising the location of future drilling at Welbourn Hill. On completion of this review it is our intention that the second phase of exploration would commence immediately drilling is completed at the Nicholson Project.

NICHOLSON PROJECT

(Eromanga Uranium Ltd 100% in EL 4019)

The Nicholson Project is located approximately 30 km to the north-east of Welbourn Hill and 65 km from the township of Marla (Figure 4). The project is defined by a significant 10 mgal gravity anomaly centred over a large elliptical magnetic feature that is interpreted as a volcanic complex within older basement rocks. The character of the magnetic data suggests that the basement rocks may be at shallower depths than Welbourn Hill but the area has seen no previous exploration. The Company believes that the geological setting and coincident gravity anomaly are favourable for the development of hematite hosted IOCGU mineralisation.

During the quarter the primary focus of exploration activities at the Nicholson Project has been on the preparation of drill sites and on the establishment of adequate water supplies to support both rotary-mud and diamond drilling. An attempt to drill a new water-bore close to the proposed drill sites failed and water is now

being piped over 18 km from a quality water source. Drilling of the first hole to test this exciting target began on the 26 July 2008 (Figure 5) with a rotary-mud pre-collar to be completed through the semi-consolidated sedimentary cover before diamond drilling can commence. The hole is planned to proceed to a minimum depth of 600 m with the top of the gravity anomaly currently modelled at a depth of approximately 500 m.

FUTURE EXPLORATION

Testing of the Nicholson anomaly will be integrated with the ongoing exploration of Welbourn Hill, and further drilling will be prioritised based upon the results from each project. Given the size of the gravity/magnetic anomaly at Nicholson the Company believes that the target will require a minimum of at least three deep diamond holes to adequately test the project area.

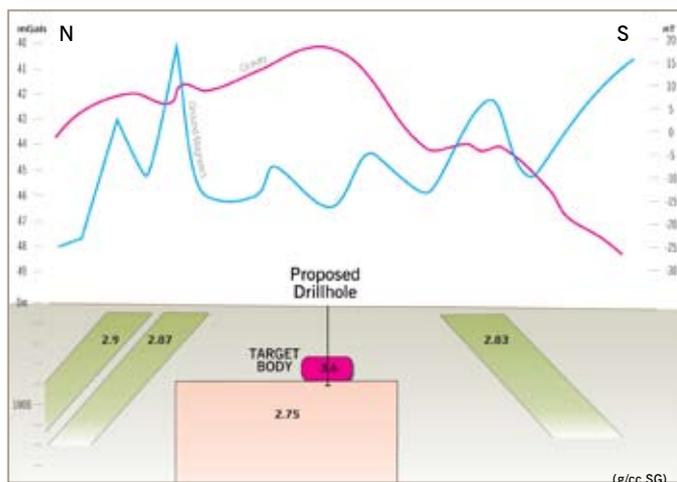


Figure 5 Schematic section of the Nicholson geophysical model.

TODMORDEN PROJECT

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

During the March Quarter the Company entered onto a Joint Venture with InterMet Resources over EL 4001 at Todmorden with the area considered to be prospective for IOCGU mineralisation. The project area is positioned over the northern margins of the Gawler Craton approximately 90 km north-east of the township of Marla in northern SA (Figure 1).

As the first phase of our exploration at the Todmorden Project, Eromanga Uranium has completed a ground gravity survey over an area of coincident elevated magnetic and gravity response in the broad spaced regional data sets. This survey was completed at 500 m station spacing on two east-west lines (2 km separation) and two north-south lines (8 km separation) (Figure 6). Modelling of the data from this survey confirms a broad gravity feature (6 mGals) combined with a smaller 2 mGal anomaly.

The Company interprets these results to reflect the response from deep basement (plus 800 m) with only very limited opportunity for the presence of a significant body of IOCGU style mineralisation.

The geology of the project area is extremely complex and retains significant exploration potential and the Company is currently

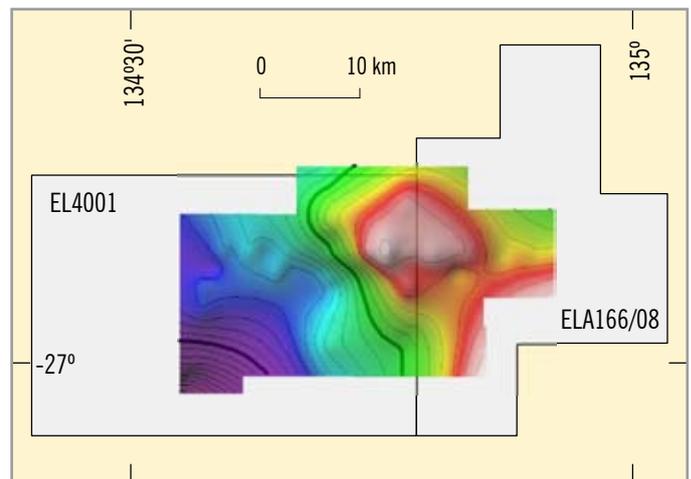


Figure 6 Todmorden gravity contours over a magnetic image.

undertaking a review of the known geology of the area to help direct future exploration. This review will be assisted by drilling now underway at the Nicholson Project as currently the closest drilling to have intersected the basement is over 70 km to the north-west of the project area.

SANDSTONE-HOSTED URANIUM EXPLORATION

ABMINGA EAST PROJECT

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

The Abminga East Project (1867 km²) is located approximately 100km 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 (7000 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.

The first phase of exploration drilling at Abminga East has been completed with rotary-mud drilling of 23 holes for a total of 4,444 metres. The program was designed to provide two drill traverses across the interpreted positions of the Atlas and Baco palaeo-drainages, one essentially parallel to the basin margin and the other in a north-east/south-west orientation (Figure 7).

Results from this initial drilling program indicate that the interpreted palaeo-drainages are not within the targeted Mesozoic sandstones but are developed within the younger, overlying Tertiary sediments. These Tertiary cover sediments, whilst more extensive than previously recognised, are rarely greater than 50 metres in thickness and are completely oxidised. As such they do not represent a viable target for the development of roll-front style uranium mineralisation.

However, the drilling program has identified that the underlying Mesozoic Algebuckina Sandstone remains highly prospective with the drilling returning a number of intersections containing zones, to 10 metres, with anomalous gamma response in reduced pyritic/carbonaceous sandstones. Estimations of the equivalent uranium values from the zones of elevated gamma response returned a

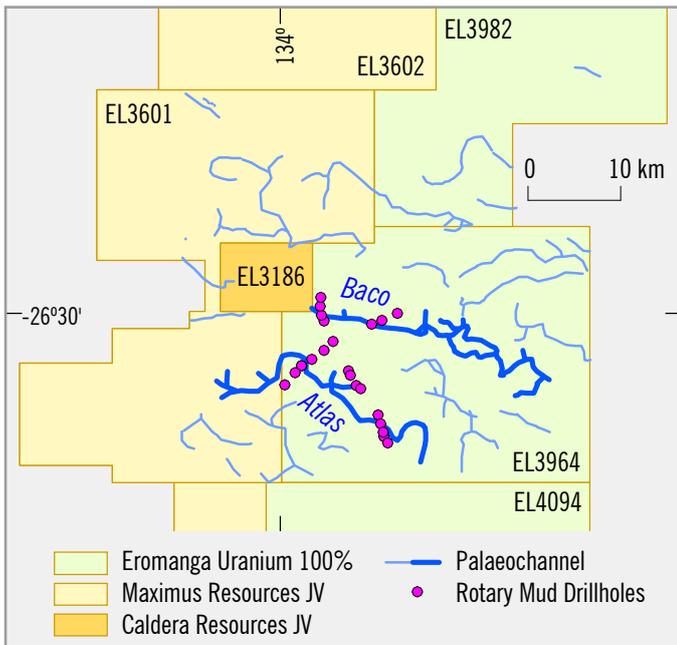


Figure 7 Atlas and Baco palaeochannels showing location of rotary mud drillholes, Abminga East.

peak value 60 ppm eU_3O_8 . These results, whilst only moderately anomalous, are considered by the Company to be encouraging as they confirm that the conditions within the Algebuckina Sandstone are conducive to the deposition of uranium in a roll-front setting.

The Company does not believe that the drilling to-date, within the Algebuckina Sandstone, has tested the most favourable geologic settings and has embarked on a program of re-interpretation of the airborne EM data, in conjunction with the magnetics, to produce a composite image that defines Mesozoic palaeo-drainages incised into the basement rocks. The work completed to-date has been very promising and will provide the control for the second phase of drill testing in the Abminga region.

FUTURE EXPLORATION

Eromanga intends to undertake a detailed ground gravity traverse to further confirm the new interpretations of Mesozoic palaeo-drainages in late August prior to the commencement of the second phase of drill testing in mid-September 2008.

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 7000 km² of continuous tenements extending from south of Marla SA across the SA/NT border 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).

The initial drill testing in the broader Abminga region has focussed on the Abminga East tenements discussed above and no on-

ground exploration was completed over the Abminga Project area during the quarter. It is intended that the second drill phase will cover portions of the Abminga Project and negotiations are proceeding with the Traditional Owners that will allow access to those portions of the Abminga Project that are located in the Northern Territory.

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 basement rocks and for sandstone-hosted uranium mineralisation in the shallower sedimentary cover sequences.

During the quarter exploration has focussed on interpretation of the detailed airborne EM survey that has been completed over the entire tenement holding at Billa Kalina. This work has highlighted a discrete sub-basin within the north-eastern portion of EL 3526. The basin, now named the Sunshine Dam Project, is defined by a coincident EM anomaly and gravity low that is interpreted to represent a thickening of the Mesozoic cover sediments within the basin (Figure 8). The Company believes that this sub-basin is a very favourable site for the development of sandstone-hosted, or roll-front, style uranium mineralisation around the basin margins. Limited drilling to the west of the Sunshine Dam area, completed

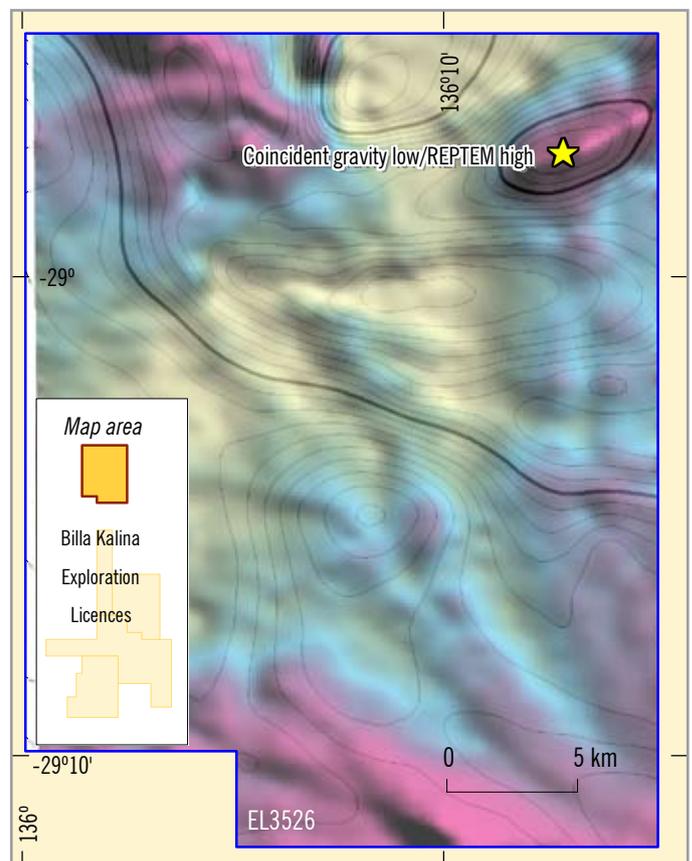


Figure 8 Billa Kalina gravity contours over a magnetic image.

by Flinders Diamonds, confirms that whilst the Mesozoic cover is generally only 50 metres thick and completely oxidised that the sequence thickens and becomes more reduced towards the basin margin.

FUTURE EXPLORATION

An initial program of rotary-mud drilling along the axis of the sub-basin has been scheduled for early September 2008, with follow-up drill testing to be undertaken based on the results of the first program.

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 5779 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 restricted to field testing of a number of small radiometric anomalies within the western ELs 3962 and 3963 held 100% by Eromanga Uranium. Sampling of these anomalies confirms that they are of only limited extent and are localised at the basal contact of thin Tertiary cover sediments in the area.

FUTURE EXPLORATION

The results of exploration to-date at Marree continue to support the view that the most prospective areas for the development of roll-front style uranium mineralisation are located along the eastern margins of our tenement holdings. It is anticipated that drilling in this area will recommence late in the September Quarter, subject to drill rig availabilities.

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 4060 km². The company's main exploration targets at Kingoonya are sandstone-hosted uranium and unconformity-related uranium deposits.

No exploration was completed over the Kingoonya Project during the June Quarter.

PROJECT GENERATION

The Company has been informally advised by The Northern Territory Department of Primary Industry, Fisheries and Mines that its application for an exploration licence in the Tanami Region, 600 km north-west of Alice Springs has been successful. This application is now subject to a period of two months in which objections to the grant of an exploration licence can be made before the Company can enter into negotiations with the area's Traditional Owners. The Company considers this tenement to be prospective for both high grade, unconformity related uranium mineralisation and for gold deposits of the Groundrush style.

Exploration of this exciting new area will commence immediately all of the pre-requisite permits are in place.

SUMMARY

Eromanga is very pleased with the progress that has been made during the June Quarter on its dual focus of drill testing our IOCGU projects in the Northern Gawler Craton and advancing our portfolio of sandstone-hosted uranium projects around the margins of the Eromanga Basin. The recent results from Welbourn Hill have provided a very strong impetus for continuing exploration for deeper IOCGU deposits in the Marla region with drilling to continue throughout the September Quarter. Similarly, the recent drilling at Abminga East has added substantially to our ability to interpret our airborne EM data sets and will allow greater control over future exploration programs in the region. The Company remains well funded to undertake all of its planned exploration programs throughout the remainder of 2008 and is confident of an exciting second half to the year.

Mr Kevin Lines
MANAGING DIRECTOR

30 July 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 (öcurrent quarterö)

30 June 2008

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$Aö000	Year to date (12 months) \$Aö000
1.1 Receipts from product sales and related debtors		
1.2 Payments for (a) exploration and evaluation (b) development (c) production (d) administration	(1,424)	(4,945)
1.3 Dividends received	(381)	(1,184)
1.4 Interest and other items of a similar nature received	183	853
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	(1,622)	(5,276)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects (b) equity investments (c) other fixed assets	(7)	(94)
1.9 Proceeds from sale of: (a) prospects (b) equity investments (c) other fixed assets		
1.10 Loans to other entities	(122)	(132)
1.11 Loans repaid by other entities		
1.12 Other (provide details if material)		
Net investing cash flows	(129)	(226)
1.13 Total operating and investing cash flows (carried forward)	(1,751)	(5,502)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(1,751)	(5,502)
	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	(1,751)	(5,502)
1.20	Cash at beginning of quarter/year to date	8,290	12,041
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	6,539	6,539

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	110
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	1,200
4.2 Development	
Total	1,200

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	25	40
5.2 Deposits at call	6,514	8,250
5.3 Bank overdraft		
5.4 Other (provide details)		
Total: cash at end of quarter (item 1.22)	6,539	8,290

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		

+ 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				
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: 
(Director/Company secretary)

Date: 29 July 2008

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.