



**CHAIRMAN'S ADDRESS TO ERO MINING LIMITED
ANNUAL GENERAL MEETING
30 November 2010**

Fellow Shareholders

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

In the Chairman's Report contained in the Company's Annual Report for the year ended 30 June 2010, I stated that our future direction would be determined over the next few months. In that time we have announced that ERO Mining has entered into an agreement, subject to approval by shareholders at a separate General Meeting (to be held as soon as practicable), whereby the Company will acquire South East Energy Ltd ("South East").

South East has been successful in building a strategic tenement position at Lake Frome and Lake Torrens in northern South Australia that is highly prospective for accumulations of lithium in brine charged sediments. Whilst this area has never been the subject of a systematic lithium exploration program, previous drill results and the geology of the area point to these tenements having many similarities to some of the world's largest lithium resources. In addition, South East has been successful in securing a strong exploration position in the Padthaway area of south-east South Australia that is highly prospective for uranium, base metals and other commodities. As the Company's future will be tied up with this acquisition I will invite Shane Gale, the Chief Executive Officer of South East, to make a presentation in regard to these tenements.

Over the past twelve months, ERO Mining has been successful in expanding its portfolio of exploration tenements in the highly prospective Tanami Region of the Northern Territory where we are in the process of obtaining the necessary statutory approvals to commence exploration on these tenements over the next twelve months. We believe these tenements are some of the best located in the entire Tanami area and are highly prospective for gold mineralisation close to significant mining operations. Our Suplejack project in the Tanami Region, in which we hope to discover a high grade unconformity-style uranium deposit, has also been progressed and we are now awaiting final approvals to commence drilling activities.

In South Australia, our Billa Kalina Project 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 and contains the significant Peweenaa Dam anomaly. ERO is exploring for IOCGU deposits in the deeper basement rocks. Given that the area of interest to ERO lies very close to the margin of the Restricted Zone of the larger Woomera Prohibited Area, the Company is hopeful that

permission to proceed will be forthcoming from the Defence Department and in such an event will immediately embark on the ground gravity program and drilling program.

Your Board has also announced that it intends to dispose of the Georgetown alluvial gold mining assets - a process that is currently underway. We have also reported that our Nackara Arc Gold Project, discovered no economically significant gold intersections and the ongoing review of the results did not reveal any further targets. Such is the nature of minerals exploration.

Following a positive broker response to our proposed South East acquisition, we have also been successful in raising \$450,000 for working capital. Once shareholders have determined the future of our scrip offer for South East, we will review our capital requirements going forward and are confident that we will be in a strong position to conduct exploration activities across our tenement portfolio. We believe that the new mix of projects will significantly improve ERO Mining's ability to add shareholder value in the future.

The last year has been a difficult one with little exploration success, delays in getting onto what we believe are our highly prospective tenements and the lack of ability to raise capital in a difficult market. As a result, we determined we needed a new direction. Our agreement with South East gives us an opportunity to tap into a strategic tenement position in a growth commodity, whilst retaining our highly prospective Peweena Dam and Suplejack projects.

I wish to thank Kevin Lines who has put in a tremendous effort to find attractive exploration projects that would lead to success. On approval by shareholders of the offer to South East, both Kevin Lines and Ewan Vickery will resign as directors and I would like to thank them both for their efforts since the inception of the Company.

I would also like to especially thank Stephen Hogan who has been invaluable over recent months as we have gone through the restructuring of the Company.

Most importantly, I would like to recognise our loyal shareholders who have continued to support the Company throughout the year. Thank you ladies and gentlemen for your attention and I now call on Shane Gale to give his presentation on the South East Energy tenements.

R M Kennedy
Chairman