



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

ASX Announcement

6 MAY 2011

Federal Government endorses mining and defence activities in the Woomera Prohibited Area

Potential for significant new exploration province in South Australia.

BILLA KALINA JV

ERO Mining earning 50% under the terms of the Billa Kalina JV from Maximus Resources Ltd in EL 4463, ELAs 33/10, 78/10, 350/10 and 351/10, ERO Mining 100% in ELA 32/10

ERO Mining Limited (ASX:ERO) welcomes the Federal Government approval of mineral exploration and mining in certain zones of the Woomera Prohibited Area (WPA) in South Australia. The final report of the Government's enquiry into mining and military activities in the WPA confirmed both can coexist in the area.

The WPA will be broken into zones indicated by days of exclusive use by the Department of Defence (Defence) (Figure 1). Time sharing will be introduced with the Defence having the right to ask explorers and miners to evacuate the sites for set periods. This will allow for campaign exploration and mining in those zones.

ERO will work with Defence and PIRSA to ensure our portfolio of advanced applications for access to the WPA will be promptly expedited. None of ERO's tenements lie in the Defence continuous use zone (red zone).

Peeweena Dam

Analysis of previous gravity survey data at Billa Kalina drew attention to a potentially significant single point gravity anomaly at Peeweena Dam, proximal to the western margin of ELA78/10. The anomalous point has amplitude of approximately 10 mgal and was originally recorded within a 6–7 km spaced gravity survey completed by the Bureau of Mineral Resources. Based upon nearby drilling, undertaken by ERO, the Company interprets the anomaly to lie adjacent to a major structurally controlled contact between Archaean basement to the west and Proterozoic/Palaeozoic sediments to the east and believes it is prospective for iron oxide–copper–gold–uranium (IOCGU) mineralisation.

A handwritten signature in black ink, appearing to read "Shane Gale".

Shane Gale

Chief Executive Officer

6 May 2011

ERO Mining 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@eromining.com
web www.eromining.com

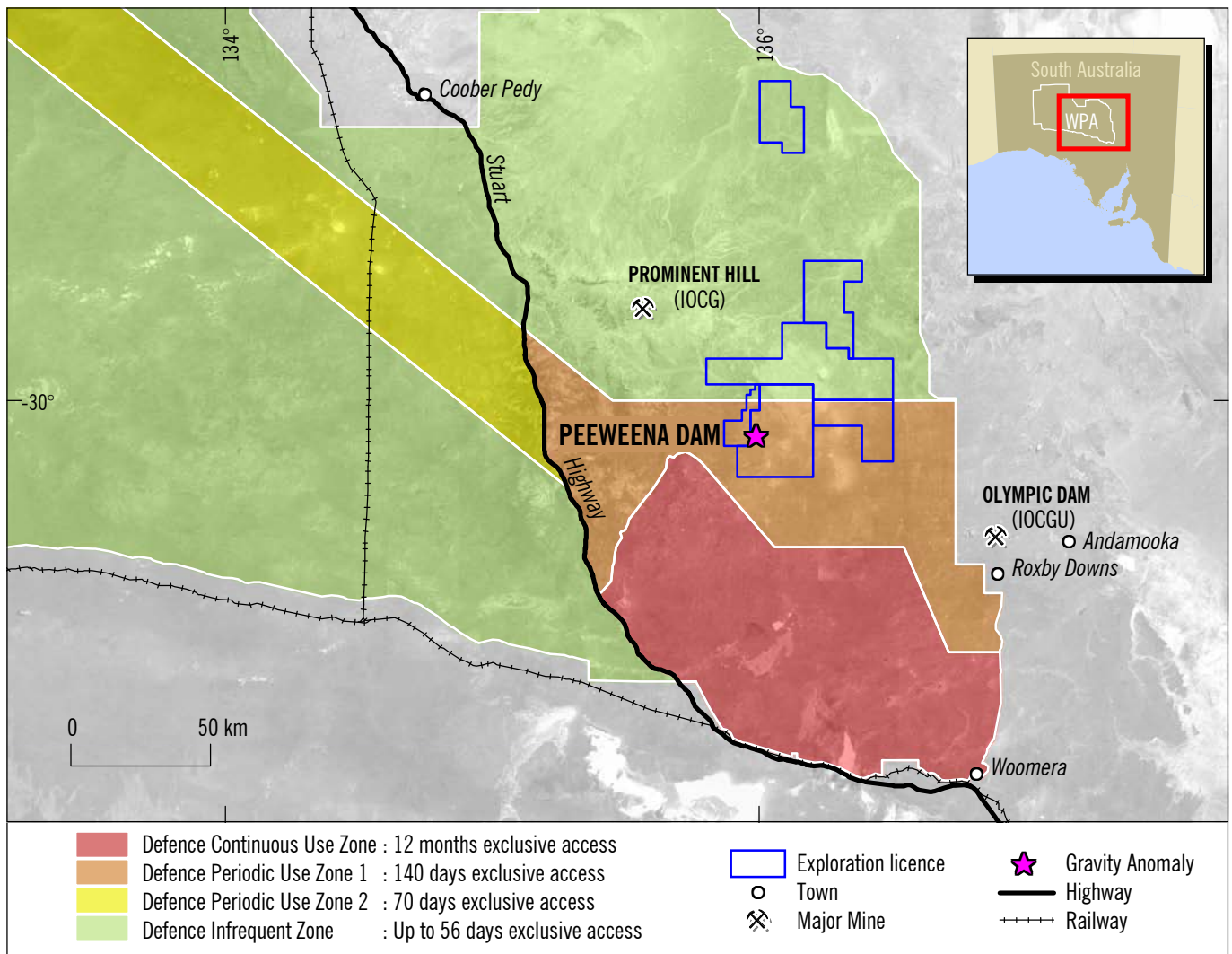


Figure 1 Location of Peeweena Dam Gravity Anomaly and IOCGU mines in relation to the Indicative Zoning of the Woomera Prohibited Area, May 2011.

Disclaimer

This document may contain forward looking statements that are subject to risk factors associated with the exploration and mining industry.

It is believed that the expectations reflected in these statements are reasonable, but they may be affected by variables which could cause actual results or trends to differ materially.

The information in this report that relates to Exploration Results, Mineral Resources and Ore Reserves is based on information compiled by Mr Stephen Hogan (who is a Member of the Australasian Institute of Mining and Metallurgy). Mr Hogan is Exploration Manager of the Company and has sufficient experience that is relevant to the style of mineralisation and types 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). Mr Hogan consents to inclusion of the information in this report in the form and context in which it appears.

Media and investor relations contacts

Shane Gale

ERO Mining
t (08) 8132 7911, m 0459 128 252

Duncan Gordon

Adelaide Equity
t (08) 8232 8800, m 0404 006 444

Kevin Skinner

Field Public Relations
t (08) 8234 9555, m 0414 822 631

Further information relating to ERO Mining Limited and its various exploration projects can be found on its website:

www.eromining.com