

# ANNUAL GENERAL MEETING 2008

**Kevin Lines**  
MANAGING DIRECTOR



# PRESENTATION NOTES

## Disclaimer

This presentation contains 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 effected by a variety of variables which could cause actual results or trends to differ materially.

## Competent person

The information in this PRESENTATION that relates to Exploration Results, Mineral Resources and Ore Reserves is based on information compiled by Mr K Lines who is a fellow of the Australasian Institute of Mining and Metallurgy. Mr Lines is an employee of Eromanga Uranium Limited. He has more than five years of relevant experience in the style of mineralisation and types of deposit under consideration and consent to inclusion of the information in this report in the form and context in which it appears. He qualifies as Competent Persons as defined in the 2004 Edition of the "Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves".



# INTRODUCTION

## 2008 Exploration – A Brief Review

### Exploration Strategy

- Iron oxide, copper, gold, uranium (IOCGU)

### Welbourn Hill

- Sandstone-hosted uranium

### Abminga Project

## 2009 "A Year of Change"

### Corporate Opportunities

### Exploration Portfolio Balance

## Summary





## 2008 EXPLORATION – A BRIEF REVIEW

- Dual exploration focus on sandstone-hosted uranium and IOCGU styles of mineralisation.
- Geographically committed to South Australia and the Northern Territory.
- Exploration portfolio strongly oriented towards “greenfields” projects.
- Five major drilling programs completed:
  - IOCGU – Welbourn Hill and Nicholson
  - Sandstone-hosted uranium – Abminga (x2), Marree and Sunshine Dam.
- Exciting new unconformity-uranium project acquired at Suplejack, NT.
- Zero staff turnover, strong/balanced exploration team committed to the Company’s objectives.



# IOCGU EXPLORATION INITIATIVE

- Major new exploration initiative over the Northern Gawler Craton.
- Landholdings secured over three project areas – Welbourn Hill, Nicholson (both 100% ERO) and Todmorden (in JV with InterMet Resources).
- Targeting large iron oxide, copper, gold, uranium systems similar to Olympic Dam, Prominent Hill and Carrapateena.
- Two major drilling programs completed at Welbourn Hill and Nicholson.
- Highly significant results returned from the Welbourn Hill project.

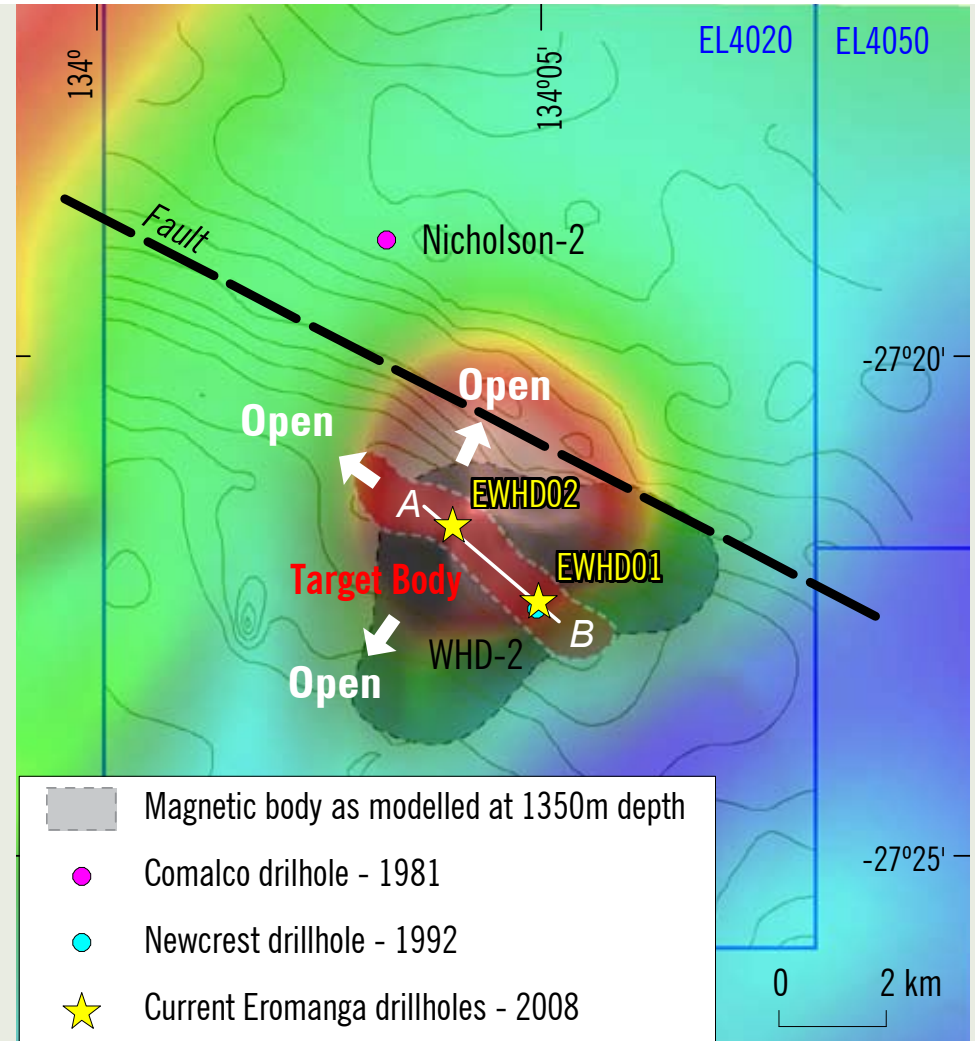




# IOCGU – WELBOURN HILL



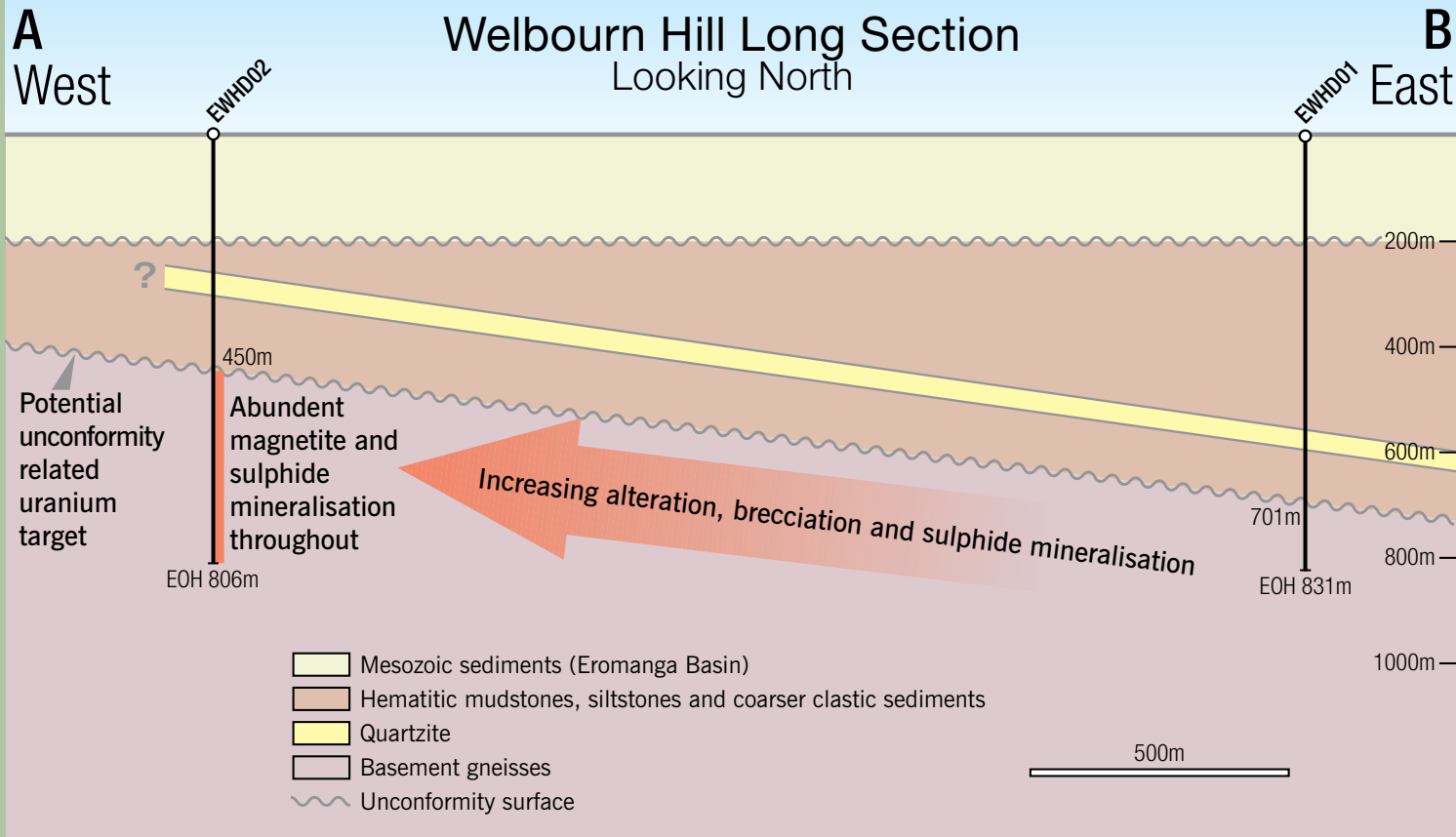
- Major coincident gravity/magnetic anomaly
- Two deep diamond drillholes completed as first test of +6 kilometre target.
- Strong brecciation/alteration and associated sulphide mineralisation in EWHD02.
- Best intersection of 18 m at 0.1% Copper.
- Highly significant results.



*Welbourn Hill magnetics with gravity contours.*



# IOCGU – WELBOURN HILL



- System shallowing to the north-west.
- Remains open to the north, south and west.
- Geological setting recognised as having additional potential for unconfomity-related uranium mineralisation



# SANDSTONE-HOSTED URANIUM

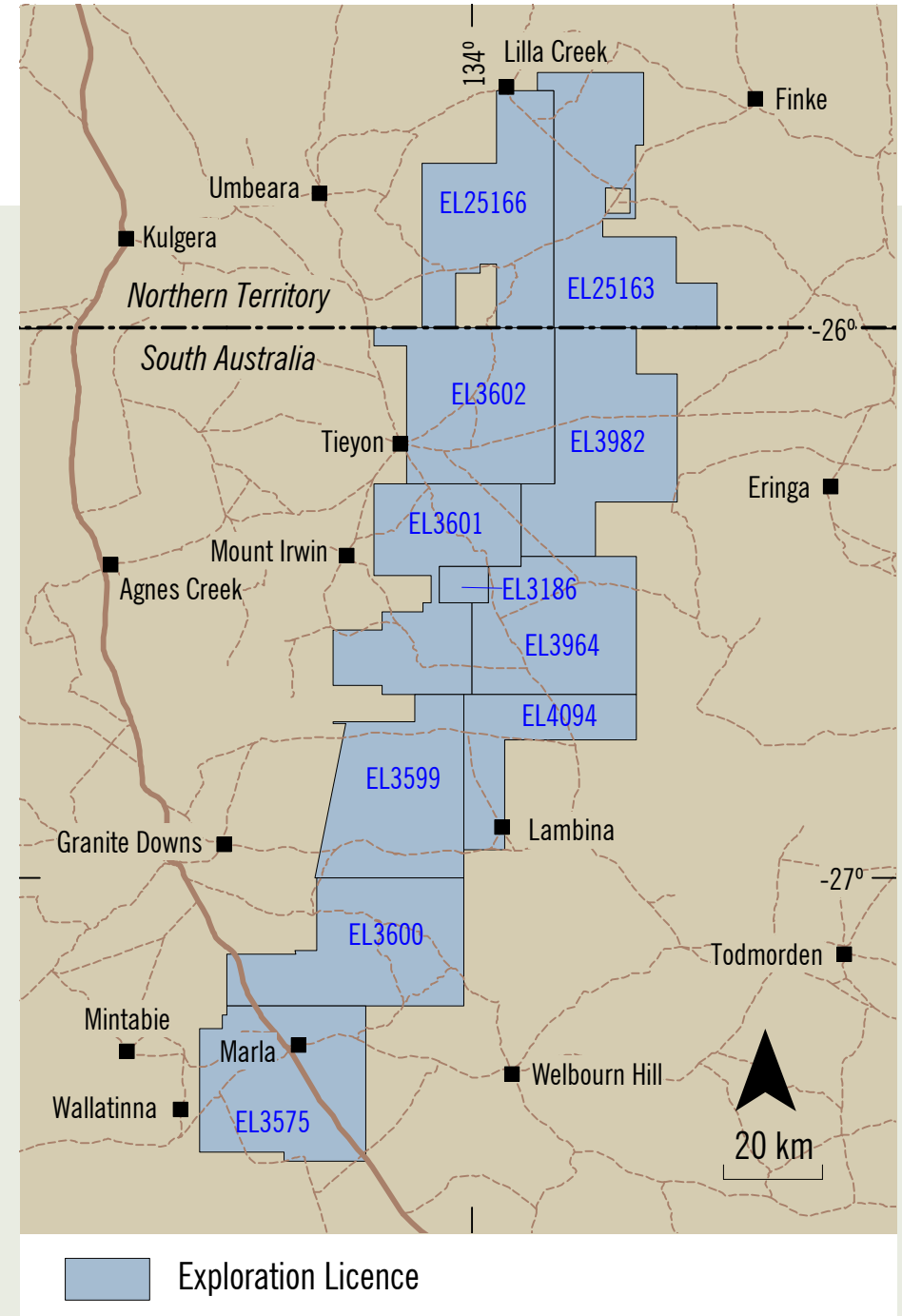


- Four major project areas, Abminga, Marree, Billa Kalina and Kingoonya around the margins of the Eromanga Basin.
- Drilling programs completed at Abminga (x2), Marree and Billa Kalina.
- Drill testing of the Sunshine Dam prospect at Billa Kalina produced negative results.
- Highly encouraging results at Abminga and Marree.
- Large tenement holdings can now be rationalised, with 2009 focus on targeted follow-up at Abminga and Marree.



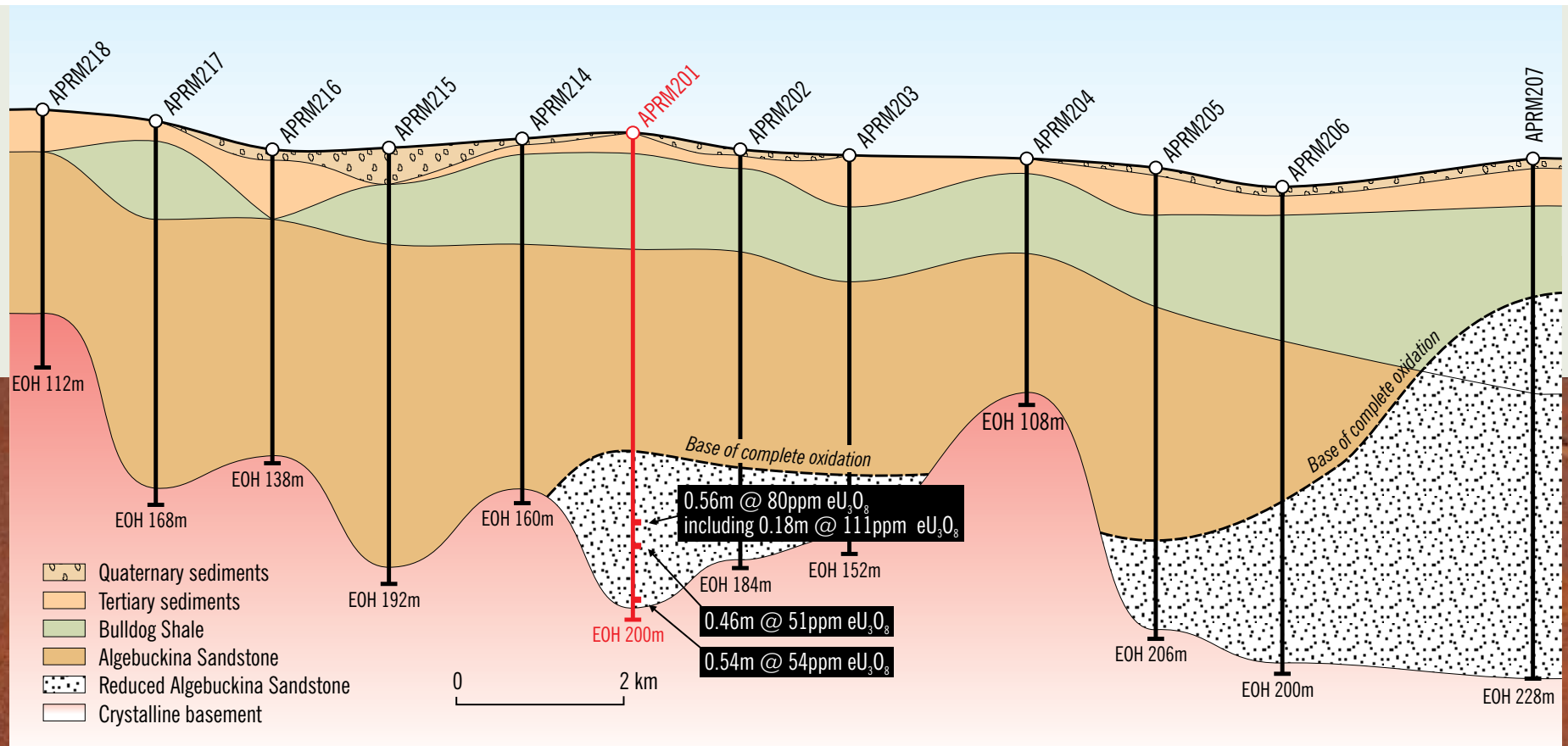
# ABMINGA PROJECT

- Over 9,000 square kilometres under management.
- Full airborne EM coverage, supplemented with selected micro-gravity traverses.
- Two major rotary-mud drilling programs completed in 2008.
- Now have improved understanding of geological setting and basement architecture.
- Future targeted exploration in 2009 in the Tieyon region closer to uranium source rocks.





# ABMINGA PHASE II DRILLING TRAVERSE





## 2009 "A YEAR OF CHANGE"



- Challenging business environment for “Small Cap” resource companies.
  - Impact of the global financial/economic turmoil.
  - General decline in commodity prices.
  - Constraints on the access to risk capital.
- Need to adjust Eromanga’s business strategy to reflect changing conditions.
  - Review and rationalise current exploration portfolio
  - Leverage off financial position to access new quality uranium, gold +/- base metal projects.
  - Consider carefully selected corporate initiatives.

**"CASH WILL BE KING"**



# EXPLORATION PORTFOLIO BALANCE – IN 2009

## URANIUM – WHY?

- Supply/demand fundamentals remain positive. Some short-term price weakness is expected but medium and longer term outlook is good.
- Nuclear Energy sector outlook remains very strong due to:
  - Longer term global energy demand
  - Role of nuclear energy in mitigating Climate Change
  - Increasing awareness of need for energy security
- Australia remains a preferred supplier of uranium to the Nuclear Energy sector.
- Eromanga has a strong uranium exploration portfolio and has developed extensive in-house expertise.
- Access to “third party” capital for exploration/development is still possible.



# EXPLORATION PORTFOLIO BALANCE – IN 2009

## GOLD – WHY?

- Australian dollar gold price holding above \$1000/ounce.
- Gold often acts as a natural hedge against currency movements.
- Gold operations can be very profitable at current prices.
- “Aussie” market understands gold exploration and the role of junior explorers.
- Strong in-house gold expertise within Eromanga – over 60 years experience.
- Current financial turmoil is presenting an excellent opportunity to acquire quality gold projects.



# SUMMARY

- 2008 – Positive exploration progress during a very challenging year for all “small cap” resource companies.
- Eromanga very well positioned to benefit in 2009 with over \$5 million in the bank (as at 30/09/08).
- 2009 – Will be a year of change with opportunities to enhance our exploration portfolio.
- Eromanga remains strongly committed to uranium exploration sector with confidence in the medium to longer term outlook.
- Opportunity to diversify into gold +/- base metals.
- Excellent exploration team, committed to success.

**EROMANGA URANIUM “POSITIONING for the FUTURE”**