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.

**Shane Gale**
Chief Executive Officer

6 May 2011

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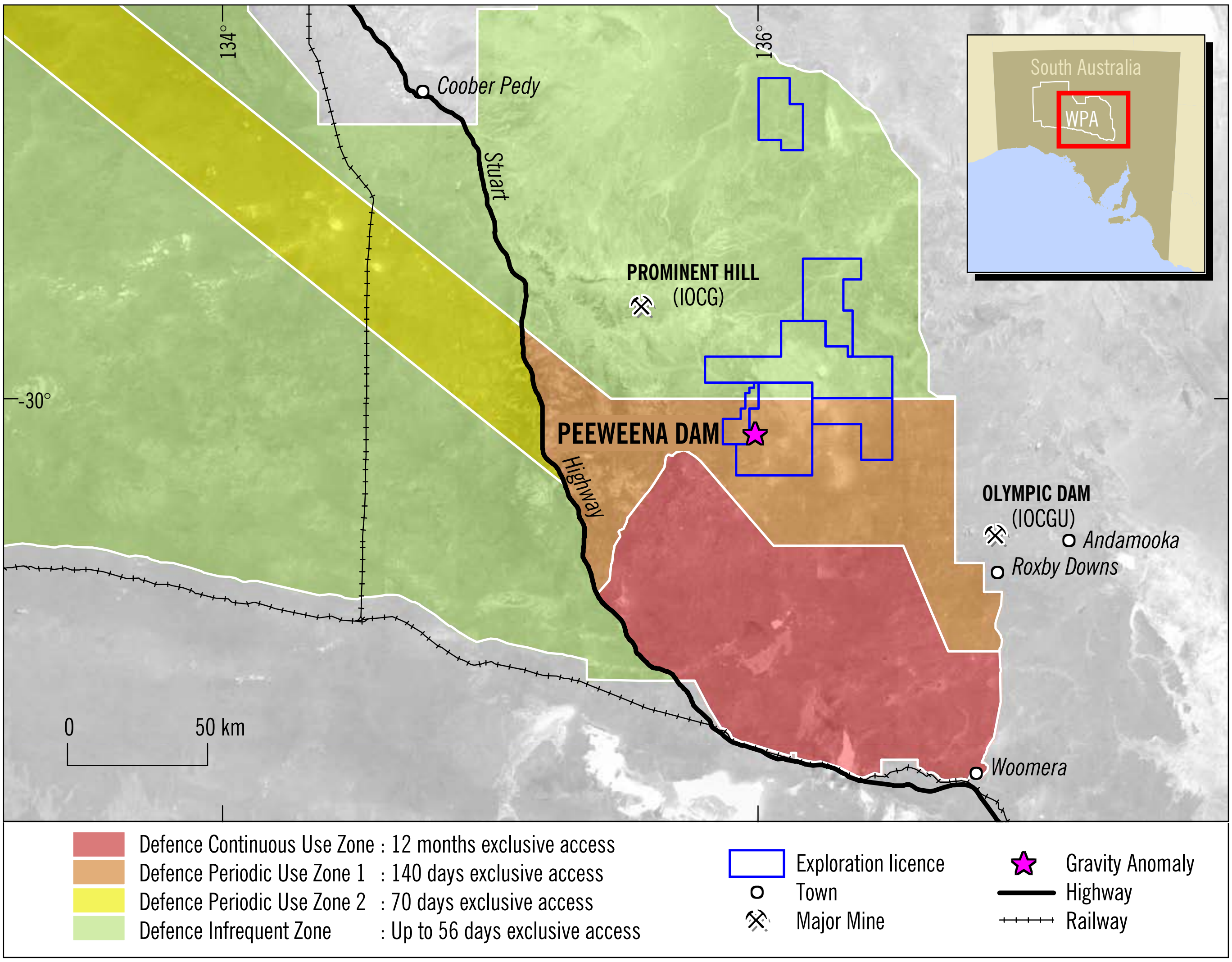


***Figure 1*** *Location of Peeweena Dam Gravity Anomaly and IOCGU mines in relation to the Indicative Zoning of the Woomera Prohibited Area, May 2011.*

## 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.*

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Further information relating to ERO Mining Limited and its various exploration projects can be found on its website:
**www.eromining.com**