

RESEARCH REPORT BY STRACHAN CORPORATE

An updated research report was prepared by respected resource analyst, Peter Strachan of Strachan Corporate on 17 October. This report notes that the area so far outlined by Curnamona Energy could contain over 3,000 tonnes of U_3O_8 , which could potentially sustain 200 tonne per annum U_3O_8 production. He concludes that Curnamona Energy "appears to be on its way to becoming a significant uranium producer".

This research report is available on the Company's website at www.curnamona-energy.com.au

FORWARD EXPLORATION PLANNING

Curnamona Energy's objectives during the next quarter are:

1. Continue working on obtaining all approvals required for the construction of a field leach trial plant on the Oban deposit, including finalisation of the final MARP document.
2. Undertake detailed design of a field leach trial plant.
3. Commence testing some 40 kilometres of the lower Yarramba palaeochannel that has never been drilled before. A water supply bore for the drilling has recently been completed to facilitate this drilling programme.

FINANCE

As at 31 October 2007 the Company had available funds of \$9.1 million, of which the majority is held in a term deposit. Expenditure on exploration activities for the quarter was \$324,000 and is expected to be at a similar level next quarter.

Dr K R Johnson
CHAIRMAN

Further technical details relating to Curnamona Energy activities will be found on the Company's website:

www.curnamona-energy.com.au

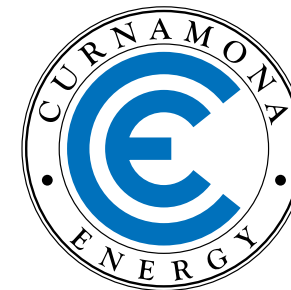
The information in this report has been prepared by geologists Dr Bob Johnson and Mr Mark Randell who are members of the Australasian Institute of Mining and Metallurgy and Dr Chris Giles who is a member of The Australian Institute of Geoscientists. Drs Johnson and Giles are employed by the Company on consulting contracts and Mr Randell is a full-time employee. They have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration to qualify as Competent Persons as defined in the JORC Code 2004.

Drs Johnson and Giles and Mr Randell consent to the release of the information compiled in this report in the form and context in which it appears.

*Enquiries should be directed to Dr Bob Johnson
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CURNAMONA ENERGY LIMITED

ACN 112 712 115



Quarterly Report
November 2007

HIGHLIGHTS

EXPANDED AREA OF URANIUM MINERALISATION AT OBAN

- *Drilling continues to expand the area of sand-hosted uranium mineralisation at Oban*
- *Progress on field leach trial permitting*

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REVIEW OF OPERATIONS

FIELD ACTIVITIES

Curnamona Energy Limited (Curnamona Energy - ASX:CUY)

During the quarter exploration drilling continued to focus entirely on the Oban project with a further 96 holes completed. This drilling has now confirmed potentially economic grades of sand-hosted uranium mineralisation over at least 3 kilometres in a north south direction.

Some excellent uranium intercepts were achieved by this drilling, including:

CEY190 : 3.9 metres averaging 0.059% eU₃O₈ for a grade thickness product (GT) of 0.23 m% eU₃O₈

CEY207 : 5.45 metres averaging 0.06% eU₃O₈ for a grade thickness product (GT) of 0.35 m% eU₃O₈

CEY212 : 4.5 metres averaging 0.02% eU₃O₈ for a grade thickness product (GT) of 0.1 m% eU₃O₈
(see map for drillhole locations)

(Note : these intercepts are calculated using a cutoff of 0.01 % eU₃O₈ and assuming equilibrium between radioactive components).

It is evident from the map that there are richer cores of uranium mineralisation, which as yet are not fully defined, within an overall linear trending mineralised zone. As drilling progresses, the geological model emerging is one of a sinuous sand strandline system fringing a large lake area that lay to the east and north. It is a different style of uranium occurrence to the traditional palaeochannel, but the roll-front oxidation/reduction process still seems to be controlling the distribution of the uranium mineralisation. Such a strand line system can be laterally extensive, as the present drilling is indicating. Curnamona Energy is being guided by the historic mineral drilling databases across the area to determine the likely strandline positions, and has identified many kilometres of potential strike where it can test this concept.

Importantly, the area of potentially economic uranium mineralisation (defined by the 0.05 m% eU₃O₈ contour) continues to grow and is now over 2 square kilometres. It is considered that sufficient uranium resources exist at Oban to support a long term in-situ leach operation.

However, until factors critical to successful in situ recovery processing at Oban, such as permeability of the sands, uranium leachability/recovery and the extent of uranium disequilibrium are firmly established it will not be possible to obtain a JORC compliant resource estimate. It is for this reason that Curnamona Energy is proposing to establish a field leach trial to establish the amenability of the sands to in situ uranium recovery methods.

Although the field leach trial is extremely limited in size and scope, it still requires extensive public consultation

and is subject to rigorous permitting procedures by PIRSA, similar to a full scale uranium mining operation. A comprehensive Mining and Rehabilitation Plan (MARF), that outlines strategies for management of environmental impacts and operational risks, was lodged with PIRSA during the quarter, which is the first critical step in the permitting process. Feedback from PIRSA has been received and as a consequence revisions to the MARF document are being made to ensure compliance with the strict environmental guidelines and procedures laid down by PIRSA.

