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ASX Companies Announcements

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Drilling at Zara Gold Project in Eritrea commences.

Diamond drilling at the Zara Gold Project situated 160km north-west of the capital city Asmara in Eritrea has commenced.

At this stage, the drilling will focus on 2 areas – Koka and Konate (Figure 1). Both areas (and others not part of this programme) were identified by artisanal miners and confirmed by rock chip and soil samples by both Sub-Sahara and joint venture partner Dragon Mining Limited.

At Koka, a 10-15 metre wide zone has been identified over a strike length of 400 metres. A quartz stockwork within the shear zone has been the focus of the artisanal miners and this zone has been verified by Sub-Sahara with numerous samples returning values in excess of 10g/t gold with a peak value of 1010.7g/t gold (32ozs).

At Konate, a 10-15 metre wide shear zone extending over 300 metres has been identified with numerous rock chip samples returning gold values in excess of 5g/t gold with a peak value of 957g/t gold (31ozs).

At both sites, the topography has been very challenging and, the extent of the artisanal activity (now terminated), has determined that drilling should intersect mineralisation at about 80-90 metres vertical depth.

The return of results for this drilling will be slow given the isolation of the site, depth of drilling and the need to send samples to Australia for quality control.

Sub-Sahara is very optimistic about the potential of this project and will make further announcements when information comes to hand.

**For and on behalf of
Sub-Sahara Resources NL**



**M.R. Griffiths
CEO - Director**

For further information please e-mail Michael Griffiths (enquiries@subsahara.com.au) or contact by phone on 61-8-9227 3260

Reported in accordance with the Aus. IMM "Australasian Code for Reporting of Identified Mineral Resources and Ore Reserves" and is based on information complied by Mr M.R. Griffiths, a competent person as defined by the Code and member of the Australasian Institute of Mining & Metallurgy. Mr Griffiths is employed by Sub-Sahara Resources NL and has consented to the information in the form and context in which it appears.

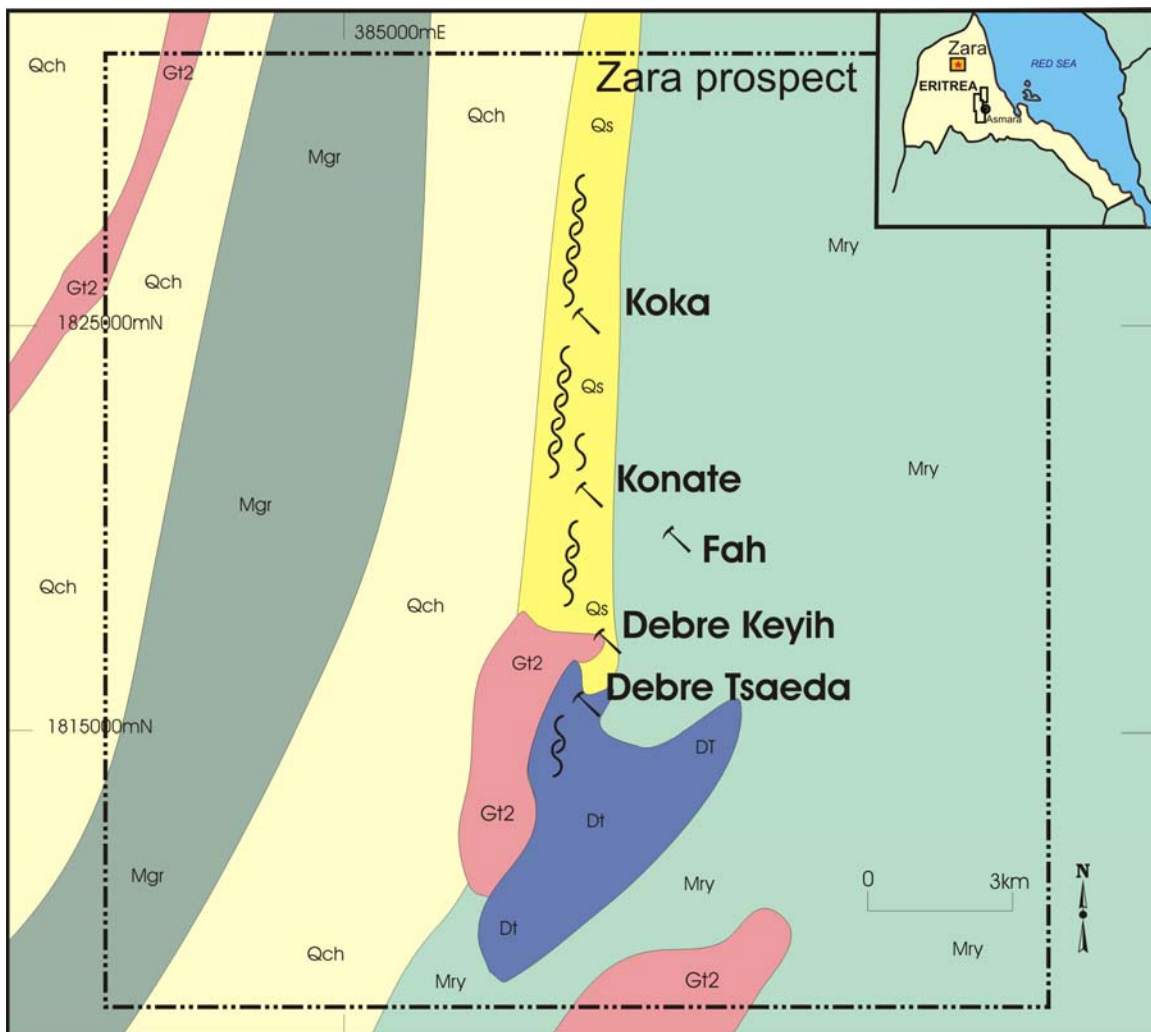


Figure 1 – Zara Gold Project Location Plan