

**ASX ANNOUNCEMENT**

**18 SEPTEMBER 2007**

**More High Grade Results at the Zara Gold Project in Eritrea**

**Zara Joint Venture, Eritrea (Dragon Mining Limited - 20% interest)**

***Koka Gold Deposit***

Dragon Mining Limited ("Dragon Mining"), in conjunction with Sub Sahara Resources NL ("Sub Sahara") announce the latest assay results from infill diamond drilling at the Koka Gold deposit in Eritrea which have continued to identify high grade gold and broad zones of gold mineralisation as part of an on-going resource definition drilling programme.

The Zara Joint Venture comprises a single license covering an area of 196km<sup>2</sup> situated in northern Eritrea, approximately 160km northwest of Asmara city. The project is managed by Sub Sahara and Dragon Mining has a 20% interest in the project and is free carried through to completion of a bankable feasibility study.

For and on behalf of  
**Dragon Mining Limited**

**Peter G Cordin**  
Managing Director



# Sub-Sahara Resources NL

Tuesday 18<sup>th</sup> September, 2007

ASX Announcement

## More high grade results for Sub Sahara's Zara Gold Project in Eritrea

Australian resources company Sub Sahara Resources' (ASX:SBS) latest assay results from infill diamond drilling at the Koka Gold deposit in Eritrea (Figure 1) have continued to identify high grade gold and broad zones of gold mineralisation as part of an on-going resource definition drilling programme.

### Drilling highlights:

Hole	From (m)	To (m)	Interval (m)	Gold (g/t)
ZARD052	91	96	5	25.75
ZARD053	150	151	1	75.90
ZARD055	16	40	24	15.41
	54	75	21	7.80
ZARD058	88	100	12	6.17
	123	137	14	4.69

Sub Sahara managing director Michael Griffiths said, "These latest drilling results have added further confidence to management's assessment of the Koka gold deposit. Our drilling is returning consistent high grade gold values and we expect further good results during this drill out phase."

"These new results will be included in the next resource estimate scheduled for the fourth quarter 2007."

Highlights from the drilling program were holes ZARD052-053, ZARD055, and ZARD057-061, which have added considerable dip and strike continuity to the deposit. Drill holes ZARD054 and ZARD056 were abandoned and drill-hole ZARD052 was terminated short of the planned depth due to excessive hole deviation.

The Koka deposit has been defined on a 20metre x 40metre basis over 640 metres and remains open along strike and at depth (Figure 2 & Figure 3).

**Table 1: Significant Koka Prospect Diamond Drill Assay Intercepts:**

Hole	Depth (m)	North (UTM)	East (UTM)	Azimuth (°)	Dip (°)	From (m)	To (m)	Interval (m)	Gold (ppm)
ZARD052	167.50	1,824,423	390,203	102	-52.0	68	76	8	4.94
ZARD052						91	96	5	25.75
ZARD052						117	118	1	10.02
ZARD052						121	122	1	2.96
ZARD052						124	125	1	5.72
ZARD052						129	136	7	6.18
ZARD052						141	147	6	7.13
ZARD052						153	156	3	2.67
ZARD052						162	163	1	4.03
ZARD053	190.60	1,824,048	390,135	102	-50.0	131	132	1	2.12
ZARD053						150	151	1	75.90
ZARD055	89.80	1,824,186	390,242	102	-50.0	16	40	24	15.41
ZARD055						44	47	3	4.29
ZARD055						54	75	21	7.80
ZARD057	168.00	1,824,241	390,197	102	-53.0	64	65	1	7.70
ZARD057						92	100	8	1.52
ZARD057						105	115	10	2.62
ZARD057						150	158	8	1.82
ZARD058	156.30	1,824,481	390,213	102	-51.0	80	81	1	4.73
ZARD058						88	100	12	6.17
ZARD058						123	137	14	4.69
ZARD059	172.60	1,824,275	390,206	102	-53.0	78	79	1	12.13
ZARD059						88	96	8	2.57
ZARD059						114	118	4	6.75
ZARD059						130	131	1	8.58
ZARD059						143	145	2	3.00
ZARD059						150	152	2	12.75
ZARD060	190.45	1,824,401	390,194	102	-51.0	82	83	1	11.94
ZARD060						109	113	4	5.17
ZARD060						119	121	2	5.17
ZARD060						133	134	1	4.41
ZARD060						157	158	1	5.08
ZARD061	154.8	1,824,122	390,175	102	-53.0	112	116	4	2.58

*Note: The metres quoted are down-hole metres and the gold grades are uncut with up to 2 metres of internal dilution (<0.25g/t gold). Holes ZARD054 and ZARD056 were abandoned and not sampled due to excessive deviations from their planned down-hole directions. All samples are prepared at the Africa Horn Laboratory in Asmara, Eritrea and then analysed by Genalysis Laboratories in Perth, Western Australia.*

### **About the Zara Gold Project**

The Zara Joint Venture comprises a single license covering an area of 196km<sup>2</sup> situated in northern Eritrea, approximately 160km northwest of Asmara city (Figure 1).

Sub-Sahara has earned a 69% interest in the project. The Koka Gold deposit within the project contains an inferred resource of 760,000 ozs gold from 7million tonnes of ore,

grading 3.4g/t gold, and current drilling continues to expand and enhance this resource. Initial metallurgical test work indicates +95% recovery after 24 hours gravity/cyanidation.

On application for a mining license, the Eritrean Government is entitled to a 10% free carried interest. Furthermore, the Government has the right, by agreement, to a 30% equity participation interest in any mining project and up to a 5% royalty on mined precious metals.

### **For and on behalf of**

Sub-Sahara Resources NL  
Web site: [www.subsahara.com.au](http://www.subsahara.com.au)

**M.R. Griffiths**  
Managing Director

### **About Sub-Sahara**

Sub-Sahara Resources is an ASX listed company (ASX: SBS) with interests in a number of highly prospective and rapidly expanding African projects, including the Zara joint venture in Eritrea, and the Nyanzaga joint venture with Barrick Gold, Lake Victoria joint venture with Currie Rose Resources and the Nyakufuru joint venture with Resolute Mining (all in Tanzania). The company hold 7.6million shares in Sunridge Gold Corp (TSX-V: SGC) and an equity interest in Currie Rose Resources Inc (TSX-V: CUI).

### **FOR FURTHER INFORMATION:**

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### **Competent person statement**

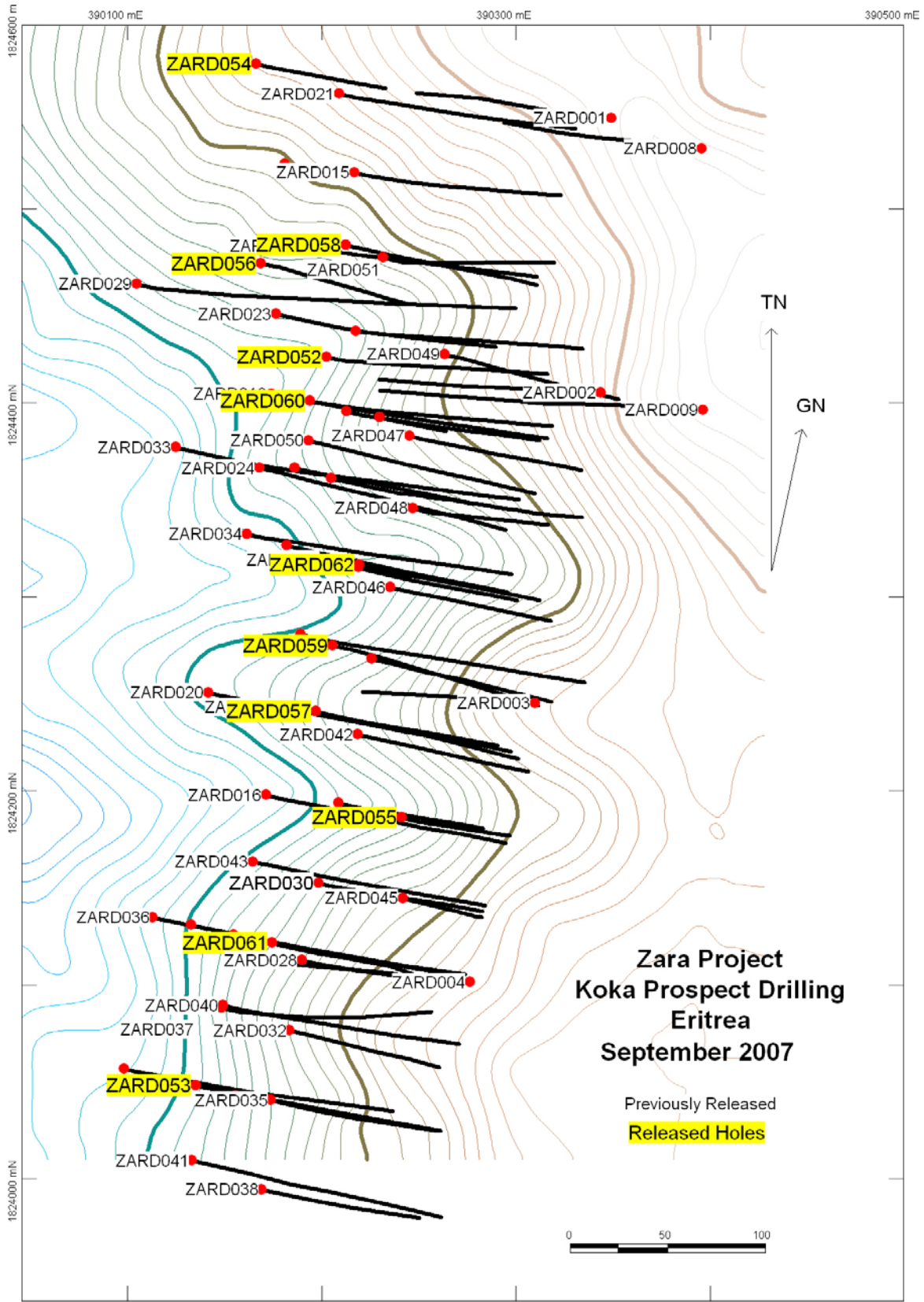
The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr M R Griffiths, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Griffiths is a full-time employee of Sub-Sahara Resources NL. Mr Griffiths has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which 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'. Mr Griffiths consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Figure 1 – Zara Project - Location Plan



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Figure 2 – Zara Project - Koka Drill Hole Location Plan



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Figure 3 – Zara Project - Koka Drill Hole Cross Section

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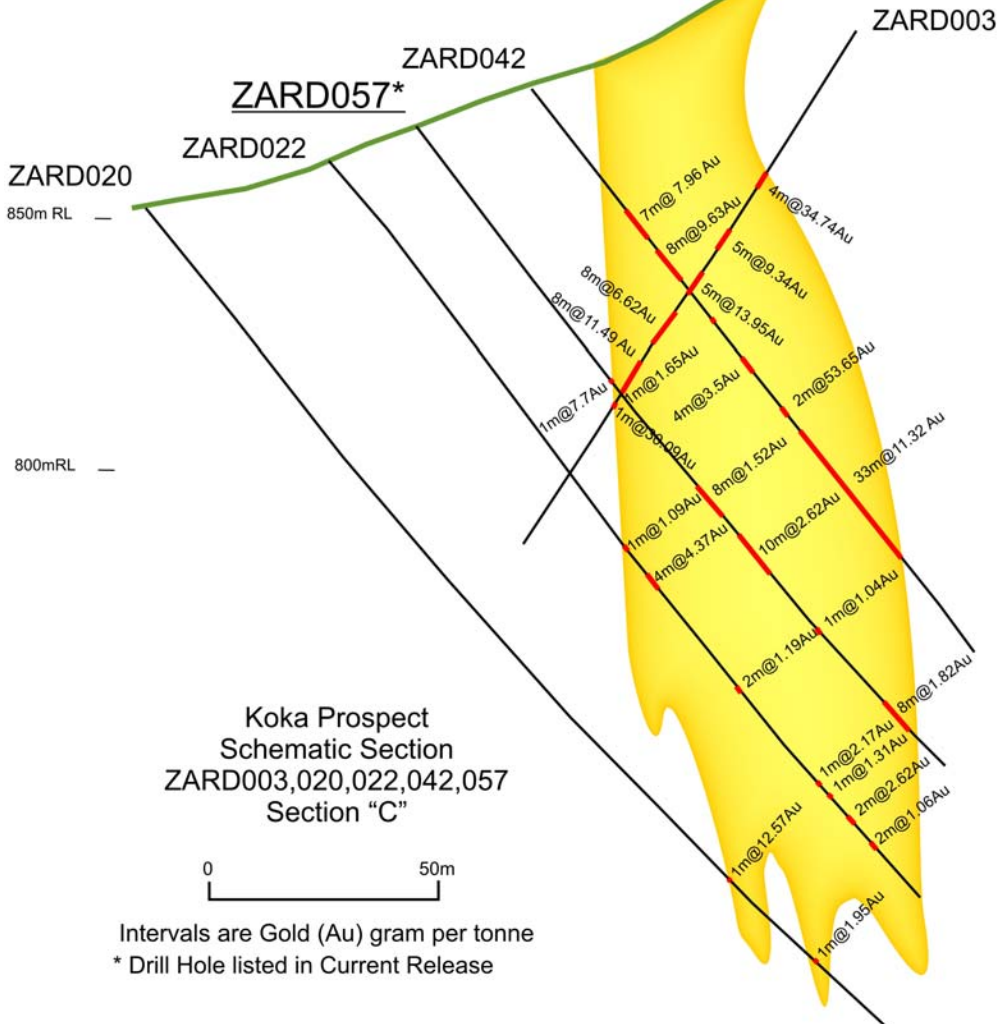
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