



Sub-Sahara Resources NL

ASX ANNOUNCEMENT
October 30, 2007

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SUB-SAHARA RESOURCES QUARTERLY ACTIVITIES REPORT **QUARTER ENDED September 30, 2007**

HIGHLIGHTS:

- Drilling at the Koka prospect at Zara in Eritrea has been the focus of the Company's activity during the quarter. A number of high grade diamond drill intercepts have been returned as follows:

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
ZARD062	54	57.9	3.9	65.10
ZARD067	33	37	4	21.37
	134	138	4	59.89
ZARD069	148	153	5	367.71
INCLUDING			1	1,652.33
ZARD070	38	51	13	57.24
ZARD071	130	134	4	43.49

- **Sub-Sahara increased its equity in Zara Project – Eritrea to 69%**

Sub-Sahara Resources Managing Director Michael Griffiths said, "The Company's attention has been clearly focussed on the Zara Gold project and in particular the Koka deposit. The results from the infill diamond drilling have been very good and our team is working hard to deliver the next resource estimate by the end of the year. Once we have this new estimate, we will be able to make some solid plans for the future."

OPERATIONS PROJECT SUMMARY

Eritrea Africa

Diamond drilling at the Zara Gold Project continued during the quarter to complete the infill drilling programme of the Koka resource on a 40metre x 20metre basis. This infill drilling resulted from the successful completion of an independent JORC compliant inferred resource estimation completed by Snowden Mining Industry Consultants (Perth). A published resource of 7million tonnes containing 760,000 ounces of gold at a grade of 3.4g/t was defined and released in mid-May (Table 1 below). An updated resource statement is expected to be published by the end of 2007.

Table 1: Koka Inferred Mineral Resource statement, as at May 2007

Depth category	Reporting cut-off (g/t Au)	Tonnes (Mt)	Au (g/t)	Contained gold oz
up to 150 m below surface	1.0	6.1	3.2	620,000
>150 m below surface	3.0	0.9	5.1	140,000
Total		7.0	3.4	760,000

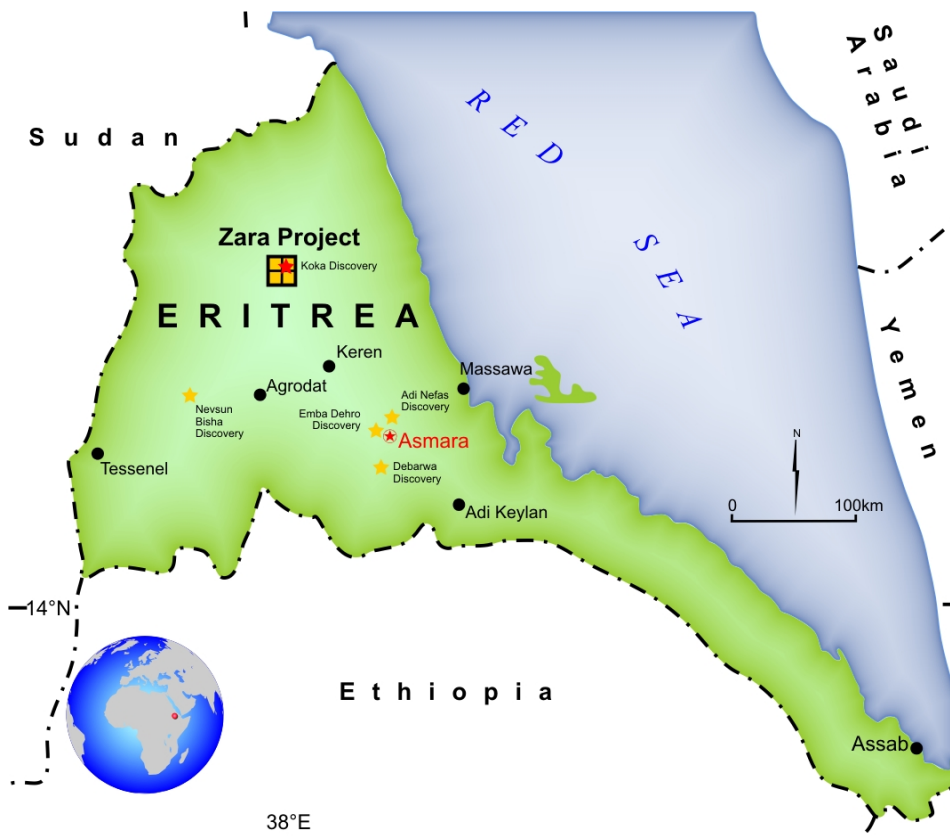


Figure 1: Location Map of Sub-Sahara Resources Zara Project

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Tanzania Africa

Drilling continued at the Mwamazengo prospect that forms part of the Lake Victoria joint venture with Canadian listed Currie Rose Resources Inc. Results are pending.

In addition, Barrick has generated additional targets in close proximity to the Tusker resource and some progress has been made with two geophysical anomalies targeted for drilling in the December 2007 quarter.

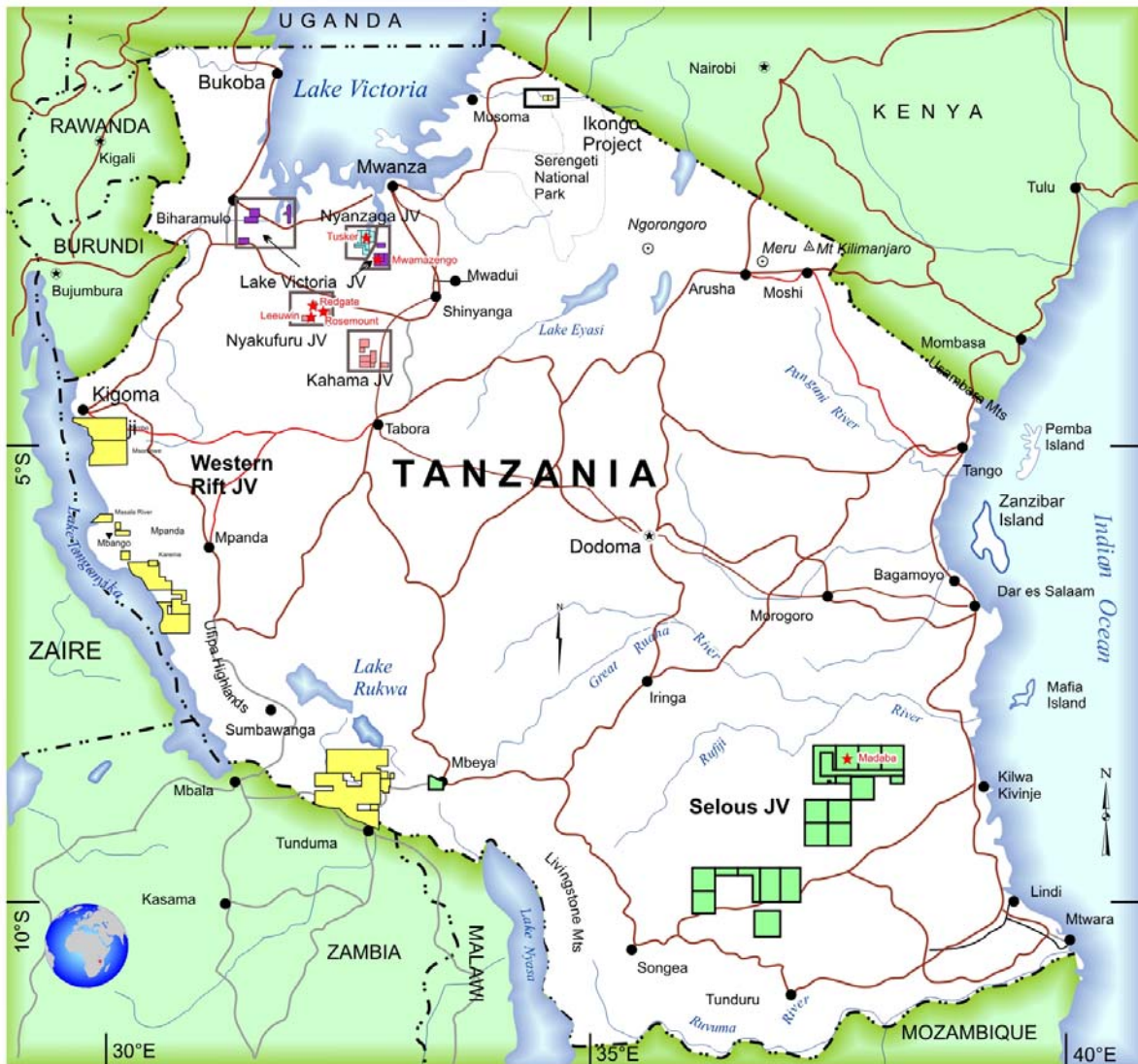


Figure 2: Location Map of Sub-Sahara Resources Tanzanian projects.

EXPLORATION UPDATE - ERITREA

Zara Joint Venture (Gold)

During the quarter, Sub-Sahara completed Stage 3 of the Zara Joint Venture Agreement having spent in excess of US\$3.3 million on exploration on behalf of Dragon Mining Limited (ASX:DRA) and Sub-Sahara.

This expenditure dilutes Dragon's interest to 20% with Sub-Sahara having earned 70% of Dragon's original 66.65% holding or 46.65% of the Zara Project in Eritrea. Dragon will now be free carried through to completion of a bankable feasibility study.

The equities in the project are now:

Sub-Sahara Resources NL	69%
Dragon Mining Limited	20%
Africa Wide Resources Limited	11%

Exploration activity during the period centred on the Koka gold deposit that forms part of the Zara Project in north-western Eritrea. 3 diamond drills have been operating for most of the period drilling out the 40metre x 20metre grid in preparation for an upgraded resource estimate that is expected to be completed by the end of 2007.

Koka Prospect

An additional twenty six (26) diamond drill holes (ZARD061-ZARD087), totalling 3257.95m, were completed at the Koka Prospect during the quarter (Figure 3). Drill holes ZARD086, ZARD088 and ZARD089 are in progress. Assay results up to ZARD071 (excluding ZARD056 which was abandoned due to excessive deviation before reaching the mineralised zone and which has not been sampled or assayed) have been reported. Assay results for ZARD072-084 are pending. A table listing significant drill intersections for the quarter is presented in Appendix 1.

The current drill programme targets strike and depth extensions to the Koka mineralised zone and drilling is expected to continue through to the end of November (Figure 4).

By the end of the reporting period, two LY38 equivalent diamond rigs were double shifting and a track mounted Longyear 44 diamond rig was transported to site and has been operational since late July.

All necessary data (geological, structural, assay, specific gravity, survey (surface and down-hole), geotechnical and petrological) for the upgraded interpretation and resource estimate at Koka Prospect on a 40metre x 20metre grid will be sent to an independent geological consulting group in Australia for compilation and assessment. This updated, JORC compliant gold resource is expected by the end of 2007.

During the quarter, a petrography report on 33 drill core samples was received from Mason Geoscience (Adelaide). Mason has identified the host rock of the deposit as

“microgranite” with the associated mineralisation reported as a vein-hosted, lode-gold deposit.

A team of structural consultants from Alprojet in Bishkek, Kyrgyzstan arrived to complete the field work for a detailed 3D structural model at Koka during September. A report is pending. This 3D model will be used as part of the resource upgrade due out by the end of the year.

In addition, a team of geophysicists from the Ministry of Energy and Mines in Asmara completed an IP/resistivity orientation programme at both Koka and Konate. Data collected from Koka is being processed in Asmara.

An Environmental Baseline Study utilizing the services of Global Resources commenced in July and will run for a year. Work commenced with the visit of a team of hydrologists and the installation of a local meteorological station at Zara.

Regional

Seasonal heavy rains throughout the quarter reduced access to site and systematic regional work was temporarily stopped. Mapping of the more accessible Koka East workings continued.

EXPLORATION UPDATE - TANZANIA

Nyanzaga Joint Venture (Gold)

The Nyanzaga Joint Venture with Barrick Exploration Africa Ltd (BEAL), a subsidiary of Barrick Gold Corporation, is located 60kms south-southwest of Mwanza city on the north-eastern flank of the Sukumaland Achaean Greenstone Belt in central Tanzania. The JV area covers approximately 500km² of highly prospective geology and Sub-Saharan currently hold a 49% interest in the project. BEAL can increase its equity to 70% of Sub-Saharan's interest by free carrying Sub-Saharan to a 'decision to mine' based on a bankable feasibility study.

Exploration activity was limited during the quarter. Work consisted of re-assessment of VTEM airborne geophysical data and rock chip sampling in preparation for drilling.

Two geophysical targets were identified in the review and these areas are expected to be drilled during the December quarter. Results from 2 rock chip samples from the geophysical anomalies have returned anomalous results (0.33g/t & 0.55g/t) and the remainder of the sample results are outstanding.

The Tusker gold deposit remains at the “indicated/inferred” level with resources totalling 4.5moz of gold grading 1.15g/t from 123Mt of ore (See ASX release 5 September 2006 for details).

Since commencement of the joint venture, BEAL has expended a total of US\$13.3million.

Nyakufuru Joint Venture (Gold)

The Nyakufuru Joint Venture is situated approximately 150km south-southwest of Mwanza city. The properties are grouped into three (3) separate project blocks (Mkwani, Mwagi Magi and Kanegele). Joint venture partner Resolute Mining Limited (Resolute) is the manager of the Joint Venture.

Resolute has completed its initial earn-in phase (51%) by spending US\$275,000 and has elected to earn a further 19% by solely contributing an additional US\$5million over four years or producing a Bankable Feasibility Study.

No field work was completed during the quarter and the results of soil samples collected during last quarter have identified a large anomaly (200 metres x 800 metres) within the central Mwagi Magi project area.

Kahama Joint Venture (Gold)

The Kahama Joint Venture comprises a number of tenements that are located on the western extent of the Nzega greenstone belt, approximately 30km west of the Resolute Mining Limited (Resolute) Golden Pride gold mine in central Tanzania. Resolute is the manager of the Joint Venture.

Resolute has completed its initial earn-in phase (51%) by spending US\$275,000 and has elected to earn a further 19% by solely contributing an additional US\$5million over four years or producing a Bankable Feasibility Study.

During the quarter, 360 soil samples were collected from the Mwanzwilo prospect that forms part of the Iqusule 1 license, identifying two 200metre x 1500 metre anomalies for follow up exploration activity.

A further 189 infill soil samples were collected from Malunde prospect that forms part of the Iqusule 2 license. The results have enhanced the previous wide spaced anomaly and the area is poised for further exploration work.

The interpretation of a wide spaced ground Induced Polarisation (IP) survey completed last quarter was inconclusive and further work is required.

Lake Victoria Joint Venture (Gold)

The Lake Victoria Joint Venture covers two separate project areas, Mabale Hills and Nyamirembe. Joint venture partner Currie Rose Resources Inc (TSX-V) (Currie) has earned a 40% interest in the venture and can increase its interest in these project areas to 70% by completing a bankable Feasibility Study on either of the projects. Sub-Sahara is the operator of the Joint Venture.

Mabale Hills Project

The Mabale Hills Project is situated approximately 125km south of Mwanza city on the north-eastern flank of the Sukumaland Archaean Greenstone Belt in Tanzania.

Drilling

A tender to drill approximately 2,500metres of RAB, 4,000metres of RC and 2,000metres of diamond drill at Mabale Hills Project, was awarded to Stanley Mining Services (T) Limited.

A total of 1,443metres of Reverse Circulation (RC) drilling and 561metres of Diamond drill has been drilled to the end of the quarter at Mwamazengo Prospect and results are expected in the coming quarter.

Nyamirembe Project

The Nyamirembe project area lies west of the known western limit of the Geita greenstone belt in Tanzania. The main Geita to Biharamulo road runs through the centre of the licence.

No field work was completed during the quarter and the Company expects to advance this project in the next quarter.

Western Rift Joint Venture (Nickel, PGE, gold & Uranium)

The Western Rift joint venture is situated in western Tanzania and covers approximately 12,000km of the highly prospective Tanganyika mobile belt that hosts a number of commodities and a number of growing projects including the world class Kabanga nickel discovery and the Mibango PGE discovery. Under the terms of the agreement, Sub-Sahara holds a 30% interest in the Joint Venture and can earn up to a 70% interest by completing a feasibility study.

No work was carried out during the quarter and the project is currently under review.

Madaba-Mkuju Joint Venture (Uranium)

Sub-Sahara has a 15% contributing interest in the Madaba-Mkuju project situated 225km south-east of Dar es Salaam. The project area covers 9,689km² and the area was explored by German uranium explorer, Uranerzbergbau GMBH (Uranerz) between 1978 and 1981. Uranerz discovered significant "Roll-front" style uranium mineralisation within the Karoo sandstones that form part of the Luwegu-Selous Basin.

Sub-Sahara has entered into a Joint venture with unlisted Canadian company Tanganyika Uranium Corp. and a two-stage, success-contingent, work program is planned, consisting of data compilation, airborne geophysics, ground geophysics, geological mapping, pitting, and drilling at a total estimated cost of CDN \$2.7million over two years. SBS is expected to contribute CDN\$105,000 during the first year and CDN\$300,000 during the second year as part of its JV commitments.

No field work was completed during the quarter.

EXPLORATION UPDATE - AUSTRALIA

Duketon Project – (Gold)

The Duketon project covers seven (7) Mining Lease applications near Mt Maiden situated 120km north of Laverton in Western Australia. No field work was conducted in the area pending grant of the mining lease applications.

EXPENDITURE

During the quarter, Sub-Sahara spent A\$2,866,000 on exploration and acquisition activities.

For and on behalf of Sub-Sahara Resources NL

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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.

Appendix 1

Table 1: ZARA JV - Significant Diamond Drill Assay Intercepts (Koka Prospect):

Hole	North (UTM)	East (UTM)	Azimuth (°)	Dip (°)	From (m)	To (m)	Interval (m)	Gold (g/t)
ZARD052	1,824,423	390,203	102	-52	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	1,824,048	390,135	102	-50	131	132	1	2.12
ZARD053					150	151	1	75.90
ZARD055	1,824,186	390,242	102	-50	16	40	24	15.41
ZARD055					44	47	3	4.29
ZARD055					54	75	21	7.80
ZARD057	1,824,241	390,197	102	-53	64	65	1	7.70
ZARD057					92	100	8	1.52
ZARD057					105	115	10	2.62
ZARD057					150	158	8	1.82
ZARD058	1,824,481	390,213	102	-51	80	81	1	4.73
ZARD058					88	100	12	6.17
ZARD058					123	137	14	4.69
ZARD059	1,824,275	390,206	102	-53	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	1,824,401	390,194	102	-51	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	1,824,122	390,175	102	-53	112	116	4	2.58
ZARD062	1,824,315	390,219	102	-53	54	57.9	3.9	65.10
ZARD064	1,824,316	390,220	102	-53	53	58	5	8.59
					63	67	4	6.97
					88	90	2	5.32
					104	105	1	5.23
					130	131	1	10.05
ZARD065	1,824,366	390,186	102	-55	117	121	4	9.48
					125	126	1	7.23
					133	136	3	2.67

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Hole	North (UTM)	East (UTM)	Azimuth (°)	Dip (°)	From (m)	To (m)	Interval (m)	Gold (g/t)
ZARD067	1,824,392	390,230	102	-56	33	37	4	21.37
					54	61	7	3.63
					106	113	7	9.69
					134	138	4	59.89
					145	146	1	6.37
ZARD068	1,824,043	390,156	102	-53	113	124	11	5.17
					135	136	1	88.78
ZARD069	1,824,351	390,225	102	-53	37	42	5	1.11
					63	75	12	5.06
					112	113	1	12.50
					148	153	5	367.71
		Including			148	149	1	1,652.33
		including			149	153	4	17.30
					156	159	3	52.85
ZARD070	1,824,469	390,251	102	-45	16	17	1	9.39
					31	33	2	18.84
					38	51	13	57.24
		including			40	43	3	170.94
		including			44	50	6	33.30
ZARD071	1,824,081	390,166	102	-52	123	124	1	8.71
					130	134	4	43.49

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. Drill hole ZARD062 was abandoned in the mineralized zone due to excessive deviation and re-drilled as ZARD064. ZARD069 also terminated in ore. All samples are prepared at the Africa Horn Laboratory in Asmara, Eritrea and then analysed by Genalysis Laboratories in Perth, Western Australia. All samples are diamond drill core.

Figure 3 – Koka Drill Hole Location Plan (Zara Joint Venture), Eritrea

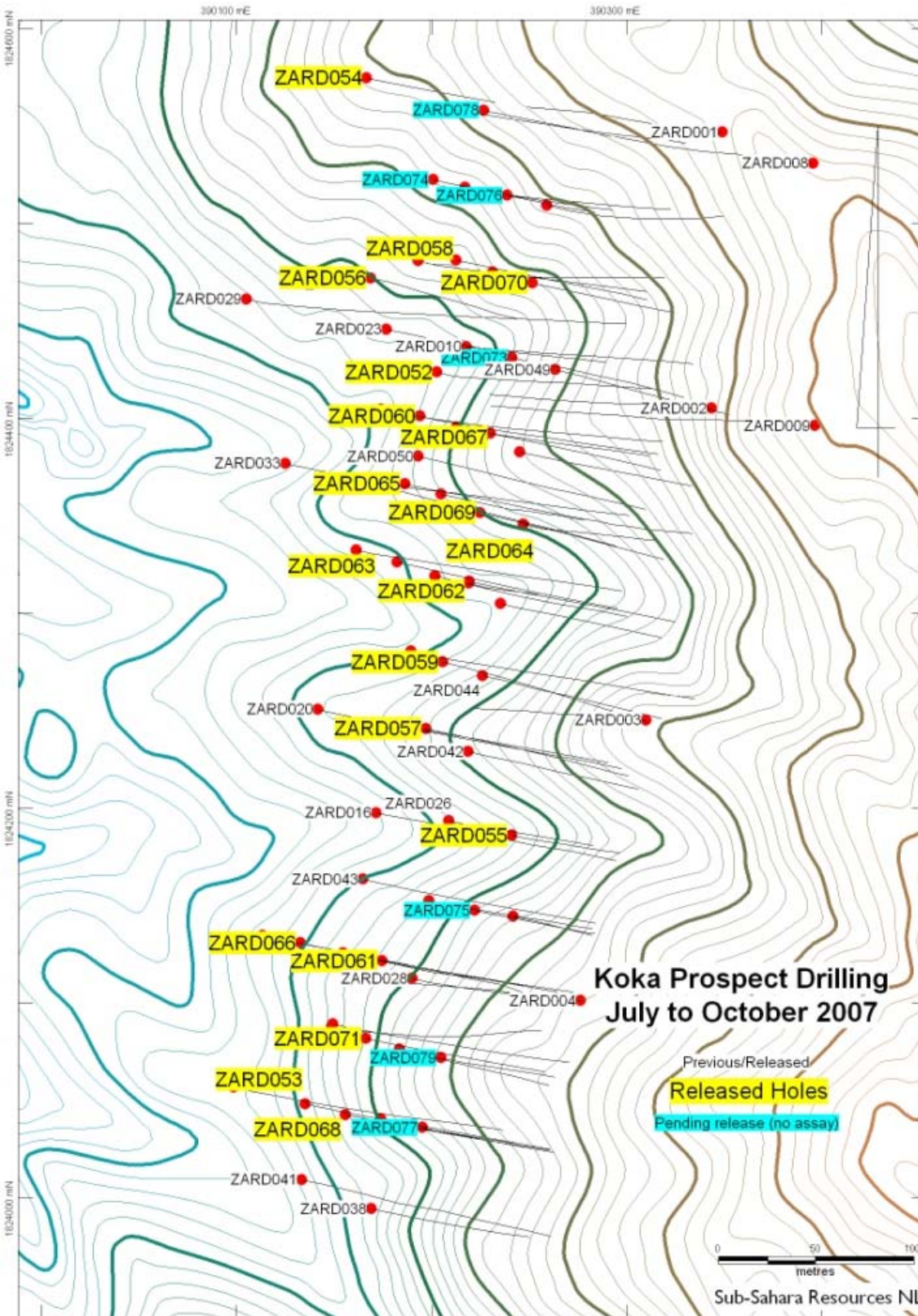


Figure 4 – Koka Drill Hole Schematic Cross Section (Zara Joint Venture), Eritrea

