

ASX ANNOUNCEMENT

25 JANUARY 2008

FURTHER HIGH GRADE INTERCEPTS FROM THE KOKA GOLD DEPOSIT, ERITREA

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

Koka Gold Deposit

Dragon Mining Limited, in conjunction with Sub Sahara Resources NL is pleased to announce an update on its resource drilling program at the Koka gold deposit in Eritrea. Assay results have been received from diamond drilling completed last year, which have returned additional significant high grade gold intercepts such as **6m @ 89.62g/t gold, 4m @ 20.55g/t gold** and **3m @ 34.98g/t gold**. Further details are outlined in the Sub Sahara announcement which is attached.

The Zara Joint Venture comprises a single license covering an area of 196km² situated in northern Eritrea, approximately 160km northwest of Asmara city. The project is managed by Sub-Sahara and Dragon Mining has a 20% interest 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

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Sub-Sahara Resources NL

Friday 25th January, 2008
ASX Announcement

Sub Sahara buoyed by further high drill intercepts from Zara Gold Project in Eritrea

Australian gold exploration company Sub Sahara Resources (ASX: SBS) announces an update on its resource drilling program at the Koka prospect, part of the Zara Project, in Eritrea, Africa (Figure 1).

The company has just received assay results from diamond drilling (ZARD85-ZARD096) completed last year, which have returned additional significant high grade gold intercepts such as **6m @ 89.62g/t; 4m @ 20.55g/t** and **3m @ 34.98g/t**.

Drilling Highlights:

Hole	From (m)	To (m)	Interval (m)	Gold (g/t)
ZARD085	10	14	4	20.55
	37	47	10	6.45
	70	73	3	11.30
ZARD086	141	145	4	5.50
ZARD088	17	22	5	7.75
	52	58	6	89.62
ZARD089	18	20	2	13.81
	36	39	3	5.88
	78	80	2	7.84
ZARD091	22.5	29	6.5	7.81
ZARD092	10	12	2	36.34
	29	30	1.00	24.18
ZARD094	43	44	1.00	23.15
ZARD095	0	5.5	5.5	3.02
	8.5	11.5	3.00	34.98

The mineralisation at the Koka Prospect (Figure 2) has been defined on a 20 metre x 40 metre basis and extends for over 600 metres and remains open along strike. Drill holes ZARD085-96 were infill drill holes from within the 40mx20m grid and were collared in the footwall rocks (Figure 3).

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Commenting on these further encouraging results, Sub Sahara Managing Director Mike Griffiths said:

“This latest batch of drill results has added additional confidence to our gold resource and although these results will not be incorporated in the resource update expected in February, we consider these latest results significant as they clearly indicate the nature of the high grade mineralisation anticipated in the deposit.

”The strong results received to-date from our exploration drilling of the Zara project coupled with the news late last year that the Eritrean government approved its first mining application, are all tangible signs that point to Eritrea becoming a gold producer in the near future. We are therefore very confident this project will eventually achieve the board’s long term objective of reaching production.”

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 (g/t)
ZARD085	129.00	1,824,310	390,255	102	-50	10	14	4	20.55
						21	23	2	8.69
						37	47	10	6.45
						53	54	1	4.06
						70	73	3	11.30
ZARD086	247.50	1,824,449	390158	102	-52	141	145	4	5.50
						177	180	3	1.90
ZARD088	105.00	1,824,229	390,240	102	-50	9	12	3	1.31
						17	22	5	7.75
						33	34	1	4.55
						41	42	1	4.55
						52	58	6	89.62
						81	83	2	2.66
						88	89	1	16.01
ZARD089	117.50	1,824,266	390,244	102	-50	14	15	1	4.24
						18	20	2	13.81
						24	25	1	3.17
						36	39	3	5.88
						45	46	1	3.77
						56	57	1	11.33
						78	80	2	7.84
						86	87	1	2.36
						92	93	1	2.90
ZARD090	17.00	1,824,386	390,268	102	-50	0	3	3	1.38
ZARD091	30.00	1,824,384	390,272	102	-50	22.5	29	6.5	7.81
ZARD092	129.60	1,824,347	390,268	102	-50	10	12	2	36.34
						29	30	1.00	24.18
ZARD094	90.60	1,824,381	390,287	102	-50	43	44	1.00	23.15
ZARD095	122.75	1,824,384	390,265	102	-50	0	5.5	5.5	3.02
						8.5	11.5	3.00	34.98
						41	42	1.00	7.5

Note: The metres quoted are down hole metres and gold grades are uncut with up to 2 metres of internal dilution (<0.25g/t gold). All samples are prepared at the Africa Horn Laboratory in Asmara, Eritrea and then analysed by Genalysis Laboratories in Perth, Western Australia.

There were no assays >1.00g/t in drill hole ZARD087. Drill hole ZARD093 and ZARD096 were abandoned due to excessive deviations and were not sampled. Drill holes ZARD90 and ZARD091, (collared at the same location) were abandoned due to poor ground conditions and were successfully re-drilled as ZARD095.

Further drill results will be released as they are received by the company.

About the Zara Gold Project

The Zara Joint Venture comprises a single license covering an area of 196km² situated in northern Eritrea, approximately 160km northwest of Asmara city (Figure 1). Sub-Saharan 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-Saharan Resources NL
Web site: www.subsahara.com.au

M.R. Griffiths
Managing Director

About Sub-Saharan

Sub-Saharan Resources is an ASX listed company (ASX: SBS) with interests in a number of highly prospective and rapidly expanding African projects, including 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) and the Zara joint venture in Eritrea.

FOR FURTHER INFORMATION:

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Competent person statement

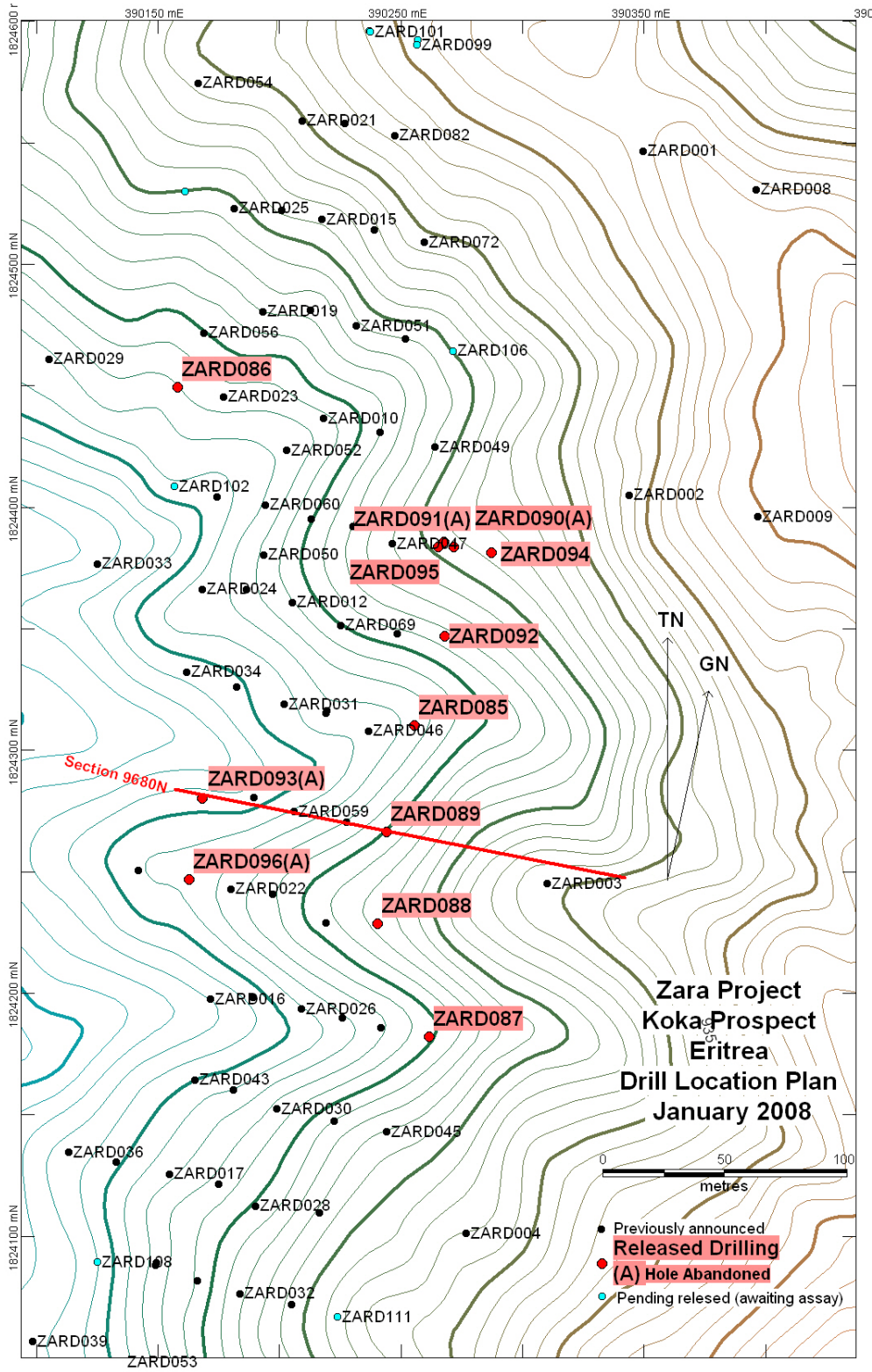
The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr M R Griffiths, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Griffiths is a full-time employee of Sub-Saharan Resources NL. Mr Griffiths 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 Map

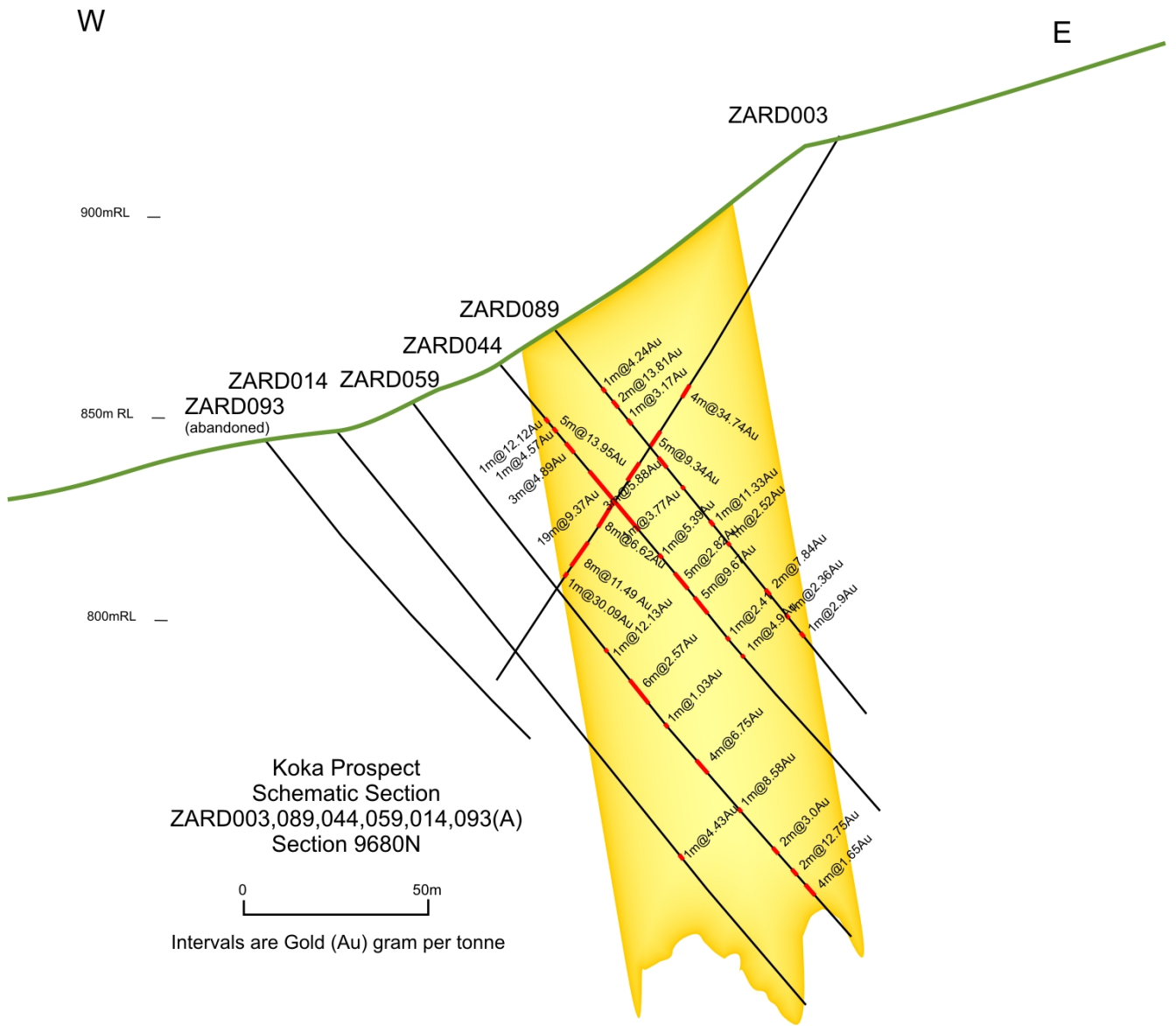


Figure 2: Koka Drill Hole Location Plan



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Figure 3: Koka Cross-Section -



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