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11th March 2008

Manager Announcements
Company Announcements Office
Australian Securities Exchange
10th Floor, 20 Bond Street
SYDNEY NSW 2000

Via electronic lodgement

Dear Sir/Madam,

NEW DRILL INTERSECTIONS CONFIRM DISCOVERY OF SIGNIFCANT URANIUM MINERALISATION AT CHISEBUKA PROJECT, ZAMBIA

HIGHLIGHTS:

- **Assays have been received for the remaining 30 drill holes from the initial 35 drill hole programme of widely-spaced RC drilling.**
- **The new results confirm the discovery of significant grades and thicknesses of sandstone-type uranium mineralisation. Mineralisation is near surface and likely to be amenable to open pit extraction.**
- **Two parallel mineralised zones have been identified, with strike lengths of up to 800m. Both zones remain open along strike. Additional RC drilling is scheduled to commence in the second quarter of 2008, after the seasonal rains have ceased.**
- **Significant assays are detailed below:**

CHI007*		**7m @ 445 ppm U_3O_8 from 11m**
	including	**2m @ 762 ppm U_3O_8 from 11m**
	and	**2m @ 642 ppm U_3O8 from 16m**
CHI004		**2m @ 740 ppm U_3O_8 from 66m**
CHI026		**7m @ 465 ppm U_3O_8 from 57m**
CHI025		**7m @ 260 ppm U_3O_8 from 92m**
CHI024		**7m @ 208 ppm U_3O_8 from 60m**
CHI031		**11m @ 175 ppm U_3O_8 from 60m**
CHI015		**4m @ 228 ppm U_3O_8 from 76m**

** denotes results previously released to the market*

- **The Chisebuka uranium discovery is located approximately 75km to the south-west of the Njame uranium deposit which African Energy is currently evaluating as part of the Chirundu Pre-Feasibility Study.**
- **Under the development model being evaluated for the Chirundu Project, Chisebuka would be within economic trucking distance to form part of the project resource base.**

CHISEBUKA URANIUM PROJECT DRILLING UPDATE

African Energy is pleased to announce final assay results from the initial phase of reverse circulation (RC) drill testing of the Chisebuka uranium anomaly in the Kariba Valley Joint Venture Project in Zambia (for location refer to Diagram 1). An initial RC drilling programme of 35 drill holes for a total of 3,079m was completed at Chisebuka in late 2007 to evaluate a series of linear ground radiometric anomalies associated with high-grade surface uranium mineralisation.

Previous rock-chip sampling undertaken by African Energy (reported to the ASX on 17th August 2007) had confirmed the presence of high-grade uranium mineralisation at surface with 11 of 46 samples exceeding 100ppm U_3O_8, and with a peak value of 4,823ppm U_3O_8. All of the 11 samples with greater than 100ppm U_3O_8 were coarse-grained gritty sandstones which are interpreted to be part of the Karoo-aged Escarpment Grit Formation. This is the equivalent geological position to the Company's Njame uranium deposit, some 75km along-strike to the east. A programme of RC drilling on a nominal 400m x 100m gird was undertaken to test these anomalies. Due to the locally steep topography, some of the planned drill holes could not be drilled.

Assay results have now been received for all holes in the initial 35 drill hole programme (refer to Diagram 2 and Table 1 for drill hole collar locations). Significant assays are listed in the following table, with a full assay list in Table 2:

CHISEBUKA SIGNIFICANT DRILL ASSAY RESULTS				
Hole ID	**From (m)**	**To (m)**	**Interval (m)**	**Equivalent U3O8 (ppm)**
CHI004	61	64	3	242
CHI004	66	68	**2**	**740**
CHI007*	11	18	**7**	**445**
CHI007*	including 11	13	**2**	**762**
	and 16	18	**2**	**642**
	and 21	22	1	416
CHI010*	69	70	1	557
CHI015	76	80	4	228
CHI017	30	31	1	322
	and 93	100	7	131
CHI023	and 84	85	1	488
	and 87	88	1	355
CHI024	and 60	67	**7**	**208**
CHI025	and 45	46	1	566
	and 92	99	**7**	**260**
CHI026	and 57	64	**7**	**465**
CHI029	50	51	1	623
	and 62	64	2	394
CHI030	and 61	67	6	122
CHI031	60	71	**11**	**175**

* denotes data previously released to market

Mineralisation at Chisebuka occurs in two parallel zones, denoted by both the ground radiometric data and by the drill results themselves (see Diagram 2). Significant thicknesses and grades of mineralisation occur over at least 800m of strike in the northern zone of mineralisation and at least 400m in the southern zone. Both remain open along strike to the northeast. Preliminary geological mapping indicates that these two mineralised zones are likely to represent a single mineralised system which is repeated by faulting. A north-block down normal fault between the two systems has been inferred.

FORWARD DRILLING PROGRAMME

Additional RC drilling will be carried out at Chisebuka after the seasonal rains cease in 2008. Due to the relatively steep nature of the ground, a track-mounted drill-rig is being sourced for this work to provide more flexibility with collar

locations. Discussions with several drilling companies are well advanced, and the Company expects to recommence drilling at Chisebuka in the second or third quarter of 2008.

BACKGROUND

African Energy is 71% owned by Energy Ventures Ltd (ASX: EVE). The Chisebuka uranium prospect occurs approximately 120km south-west of Lusaka, the capital of Zambia, and forms part of the Kariba Valley Joint Venture Project (see Diagram 1). African Energy may earn a 30% equity interest in the Kariba Valley Project from Albidon Limited (ASX: ALB) by completing expenditure of AUD $1 million on the Project, and can increase this to 70% equity interest by completing a pre-feasibility study on an Indicated Resource.

Chisebuka occurs 75km to the south-west of the Njame Uranium deposit which African Energy is currently evaluating through a Pre-Feasibility Study. The Company is currently evaluating the potential for economically viable mining and uranium processing at the Njame and Gwabe deposits as part of the Chirundu Pre-Feasibility Study. The total resource for the Chirundu project is 4,120t U_3O_8 (9.1 Mlb U_3O_8). The Pre-Feasibility Study is expected to be finalised by the end of the first quarter of 2008, with a decision to proceed to a full Bankable Feasibility Study (BFS) to be made in the second quarter. Subject to receiving the necessary government permits and approvals, and subject to completion of successful sales agreements, feasibility studies and financing arrangements, the Company considers that the Chirundu project is on-track for first uranium production by the end of 2009.

The Pre-Feasibility Study is based on the construction of a central uranium processing facility at the Njame deposit to treat both Njame ore and uranium loaded resin products derived from a Remote Ion-Exchange (RIX) facility at Gwabe. Chisebuka is considered to lie within economic trucking distance of the proposed Njame uranium processing facility for transport of loaded resins.

Information in this report relating to Exploration results, Mineral Resources or Ore Reserves is based on information compiled by Dr Frazer Tabeart (an employee and the Managing Director of African Energy Resources Limited) who is a member of The Australian Institute of Geoscientists. Dr Tabeart 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 under the 2004 Edition of the Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves. Dr Tabeart consents to the inclusion of the data in the form and context in which it appears.

For any further information, please refer to the Company's website www.africanenergyresources.com or contact the Company directly on +61 8 9324 1177.

For and on behalf of the board

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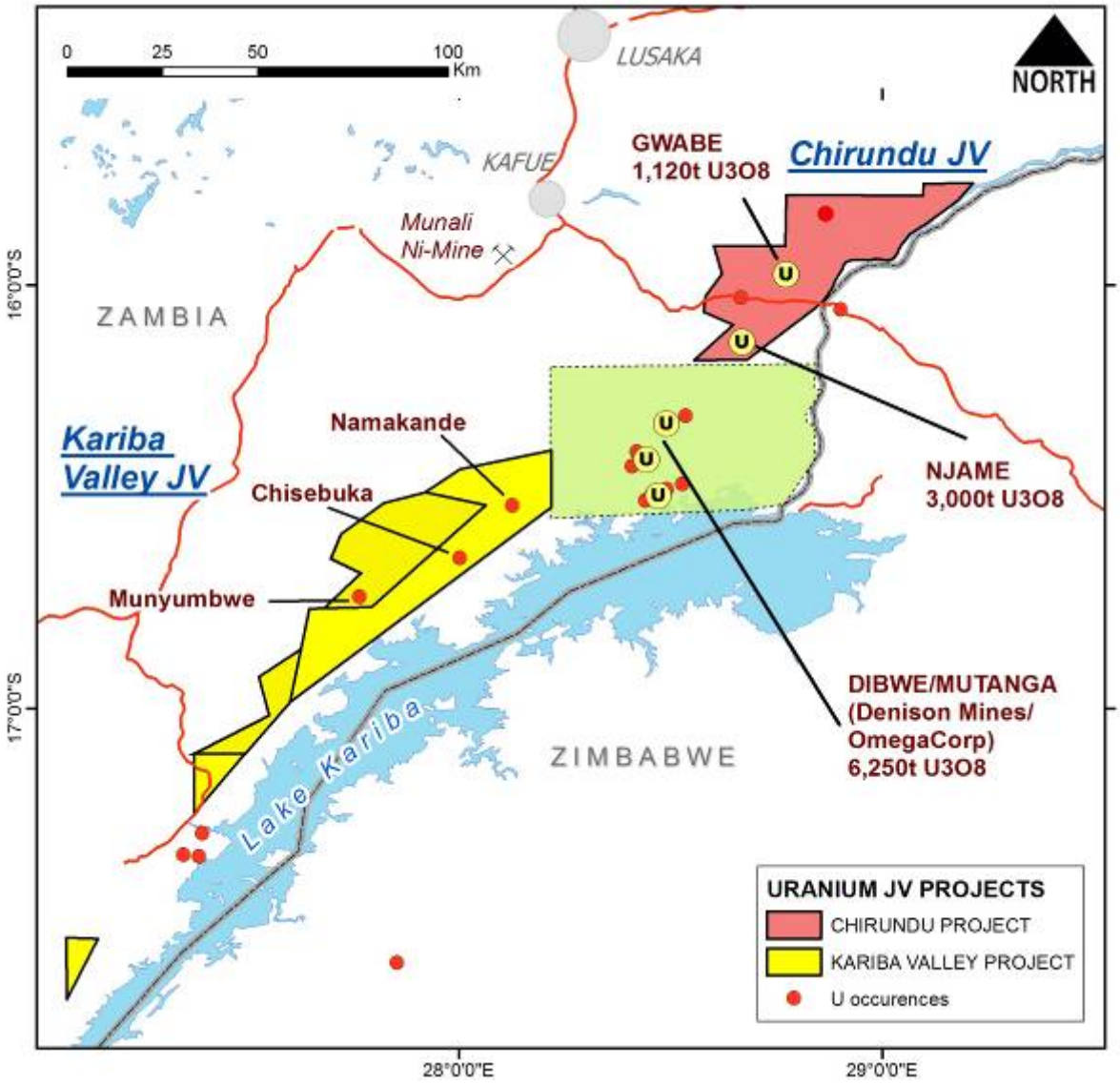

Diagram 1 Location of the Chisebuka Uranium prospect within the Kariba Valley JV Project, Zambia

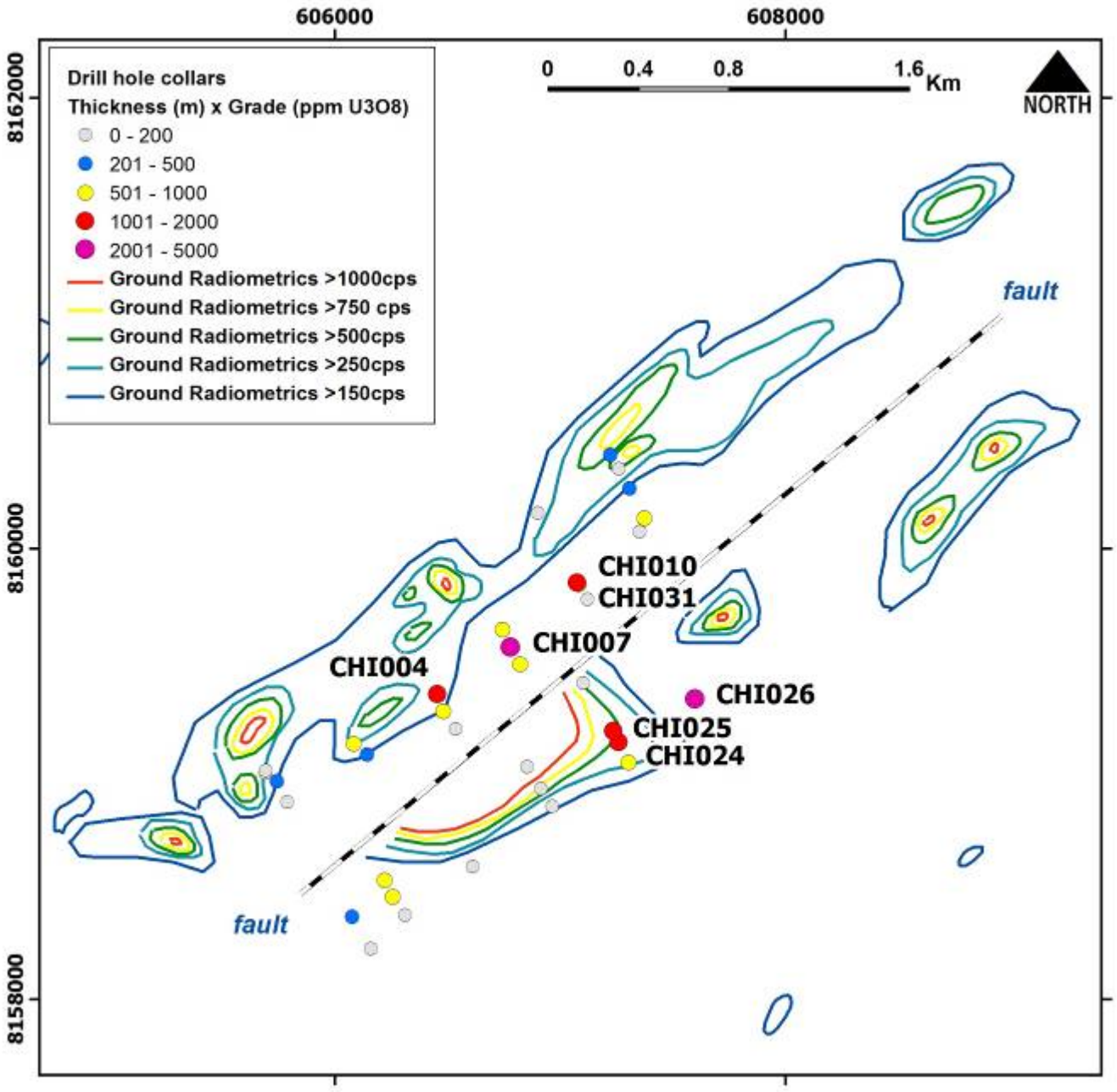

Diagram 2 Drill collar locations and ground radiometric survey data at Chisebuka Uranium prospect.

Table 1: List of RC drillhole collar coordinates (WGS84 UTM35S)

Hole ID	Easting WGS84 UTM35s	Northing WGS84 UTM35S	Elevation/m	Dip	Azimuth	Max Depth/m
CHI001	605,691	8,159,000	650	-90		70
CHI002	605,743	8,158,965	636	-90		82
CHI003	606,143	8,159,083	631	-90		88
CHI004	606,456	8,159,353	634	-90		106
CHI005	606,483	8,159,277	630	-90		106
CHI006	606,536	8,159,198	630	-90		106
CHI007	606,780	8,159,562	651	-90		82
CHI008	606,823	8,159,486	658	-90		94
CHI009	607,120	8,159,772	655	-90		82
CHI010	607,083	8,159,841	658	-90		95
CHI011	607,309	8,160,264	704	-90		70
CHI012	607,262	8,160,352	698	-90		58
CHI013	606,900	8,160,157	730	-90		52
CHI014	607,224	8,160,414	710	-90		115
CHI015	607,375	8,160,135	679	-90		94
CHI016	605,788	8,158,873	636	-90		82
CHI017	606,222	8,158,527	642	-90		118
CHI018	606,256	8,158,454	628	-90		100
CHI019	606,311	8,158,370	612	-90		70
CHI020	606,966	8,158,853	612	-90		94
CHI021	606,916	8,158,932	626	-90		94
CHI022	606,854	8,159,029	626	-90		82
CHI023	607,304	8,159,051	599	-90		94
CHI024	607,260	8,159,140	634	-90		94
CHI025	607,237	8,159,191	641	-90		112
CHI026	607,600	8,159,331	610	-90		82
CHI027	607,103	8,159,400	626	-90		64
CHI028	607,353	8,160,072	678	-90		64
CHI029	606,085	8,159,134	648	-90		76
CHI030	606,745	8,159,640	650	-90		106
CHI031	607,076	8,159,847	653	-60	300	105
CHI032	605,693	8,159,012	627	-60	300	82
CHI033	606,078	8,158,364	629	-90		90
CHI034	606,161	8,158,221	621	-90		70
CHI035	606,613	8,158,587	605	-90		100

Table 2. List of all assay results for Chisebuka RC drill holes. All assays by pressed pellet XRF. Assays for holes previously announced are denoted by HOLE ID*

Hole ID	From (m)	To (m)	Interval (m)	Equivalent U3O8 (ppm)
CHI001				NSI
CHI002	57	58	1	354
CHI003	77	78	1	350
CHI004	61	64	**3**	**242**
CHI004	66	68	**2**	**740**
CHI004	70	71	1	195
CHI004*	96	97	1	216
CHI004*	and 103	104	1	198
CHI004*	and 105	106	1	319
CHI005*	75	76	1	238
CHI005*	and 79	81	2	255
CHI005*	and 86	89	3	197
CHI006				NSI
CHI007*	11	18	**7**	**445**
CHI007*	including 11	13	**2**	**762**
CHI007*	and 16	18	**2**	**642**
CHI007*	and 21	22	1	416
CHI007*	and 75	76	1	216
CHI008	44	46	2	221
CHI008	and 69	73	4	149
CHI009				NSI
CHI010*	69	70	1	557
CHI010*	and 76	77	1	213
CHI010*	and 80	82	2	286
CHI011	6	9	3	165
CHI011	and 38	40	2	141
CHI012	34	35	1	128
CHI013*	39	40	1	153
CHI014	89	92	3	117
CHI015	76	80	**4**	**228**
CHI015	and 82	84	2	145
CHI016				NSI
CHI017	30	31	1	322
CHI017	and 54	56	2	150
CHI017	and 83	84	1	256
CHI017	and 93	100	**7**	**131**
CHI017	and 108	111	3	229
CHI018	23	26	3	164
CHI018	and 32	36	4	142
CHI018	and 83	84	1	224
CHI019				NSI
CHI020				NSI
CHI021				NSI
CHI022				NSI
CHI023	16	20	4	140
CHI023	and 69	70	1	189
CHI023	and 78	81	3	203
CHI023	and 84	85	1	488
CHI023	and 87	88	1	355
CHI024	8	10	2	251
CHI024	and 33	34	1	237

Hole ID	From (m)	To (m)	Interval (m)	Equivalent U3O8 (ppm)
CHI024	and 41	42	1	171
CHI024	and 47	49	2	175
CHI024	and 60	67	**7**	**208**
CHI025	29	30	1	152
CHI025	and 45	46	1	566
CHI025	and 54	56	2	266
CHI025	and 69	71	2	209
CHI025	and 84	85	1	320
CHI025	and 92	99	**7**	**260**
CHI026	48	50	2	212
CHI026	and53	55	2	286
CHI026	and 57	64	**7**	**465**
CHI026	and 71	72	1	237
CHI027				NSI
CHI028	51	52	1	173
CHI029	50	51	**1**	**623**
CHI029	and 62	64	**2**	**394**
CHI030	44	46	2	199
CHI030	and 58	59	1	223
CHI030	and 61	67	**6**	**122**
CHI031	60	71	**11**	**175**
CHI031	and 85	86	1	271
CHI031	and 93	95	2	261
CHI032				NSI
CHI033	63	64	1	207
CHI034				NSI
CHI035				NSI