

17<sup>th</sup> March 2008

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

*Via electronic lodgement*

Dear Sir/Madam,

## **MULTIPLE URANIUM TARGETS CONFIRMED THROUGH GEOCHEMICAL SAMPLING AT THE NAMAKANDE PROSPECT, ZAMBIA**

### **HIGHLIGHTS:**

- **Final assay results for soil and rock-chip samples have been received for six uranium prospects at Namakande in the Kariba Valley JV.**
- **Highly anomalous uranium levels of up to 1,150ppm U<sub>3</sub>O<sub>8</sub> identified over several target areas.**
- **Namakande C Target has rock-chips up to 1,150 ppm U<sub>3</sub>O<sub>8</sub> and soils up to 326 ppm U<sub>3</sub>O<sub>8</sub>, open along strike to the northeast.**
- **Namakande A Target has anomalous soil and rock chips over 50ppm U<sub>3</sub>O<sub>8</sub> (peak value 451 ppm U<sub>3</sub>O<sub>8</sub>) along a strike length of 1km and open in both directions.**
- **Drill testing of these anomalies is scheduled for the third quarter of 2008, immediately after drilling of the nearby Chisebuka uranium discovery.**
- **The Namakande uranium prospect is located approximately 55km to the south-west of the Njame uranium deposit.**
- **Resources identified at Namakande would be within economic trucking distance of the Njame processing facility and may contribute to the Chirundu Project resource base.**

### **NAMAKANDE URANIUM PROJECT EXPLORATION UPDATE**

African Energy has received all remaining assays for the programme of geochemical soil and rock-chip sampling completed over the Namakande uranium prospect in the Kariba Valley JV (for location refer to Diagram 1). As previously reported, Namakande comprises a cluster of six ground radiometric anomalies (Namakande targets A through F) which were defined over Escarpment Grit Formation sediments by the Italian petroleum company AGIP in the late 1970's (Diagram 2).

African Energy evaluated these six targets through a programme of geological reconnaissance mapping, ground radiometric (gamma-ray scintillometer) surveys, geochemical soil sampling and rock-chip sampling. This programme confirmed the presence of radiometric anomalies hosted by coarse grained sediments and in the overlying thin, poorly developed soils. Assays for remaining geochemical soil samples collected on a nominal 400m x 100m grid over all six targets have now been received.

Coherent uranium anomalism in soil and rock-chips has been detected at the Namakande A, Namakande E and Namakande F targets, with additional anomalism worthy of follow-up identified at the Namakande B and C targets (Diagram 3).

## Namakande A Target

At the Namakande A Target a zone of uranium anomalism has been detected in both soils and rock-chip sampling (Diagram 4). This anomaly extends over 1km of strike length, and is open along strike in both directions. The anomaly contains >50 ppm U<sub>3</sub>O<sub>8</sub> in soils and contains rock chip samples taken from small historical trenches (excavated by AGIP) with peak values of 451 ppm U<sub>3</sub>O<sub>8</sub>. Assay results are presented in Table 1.

## Namakande C Target

Three lines of geochemical soil and rock-chip sampling were completed at the Namakande C Target (Diagram 3 and Diagram 5), with uranium anomalism detected on two of these lines (Diagram 5). Peak values of 1,150 ppm U<sub>3</sub>O<sub>8</sub> in rock-chip samples and 326 ppm U<sub>3</sub>O<sub>8</sub> in soil samples were detected. Further sampling is required to determine the extent and significance of this anomalism.

## FORWARD EXPLORATION PROGRAMME

The following exploration programme is planned for Namakande:

- Additional soil sampling at Namakande Target C to define the extent of the anomalies identified in the existing geochemical soil sampling.
- Geological field validation to confirm that Targets A and C warrant drill testing.
- Geological field validation to evaluate uranium in soil anomalism at the Namakande B and D targets.
- Subject to the above, reverse circulation percussion drilling will be carried out at Namakande after completion of the follow-up drilling at the nearby Chisebuka Prospect. An initial drill spacing of 400m x 100m will be used at Namakande, with infill to 200m x 50m where warranted.
- Due to access issues, 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, followed immediately by Namakande.

## BACKGROUND

African Energy is 71% owned by Energy Ventures Ltd (ASX: EVE). The Namakande uranium prospect is approximately 100km south-west of Lusaka, the capital of Zambia. Namakande and the nearby Chisebuka Prospect 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 Albion 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.

Namakande occurs 55km 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<sub>3</sub>O<sub>8</sub> (9.1 Mlb U<sub>3</sub>O<sub>8</sub>). 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. Namakande and Chisebuka are 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 Tabcart (an employee and the Managing Director of African Energy Resources Limited) who is a member of The Australian Institute of Geoscientists. Dr Tabcart 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 Tabcart 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](http://www.africanenergyresources.com) or contact the Company directly on +61 8 9324 1177.

*For and on behalf of the board*

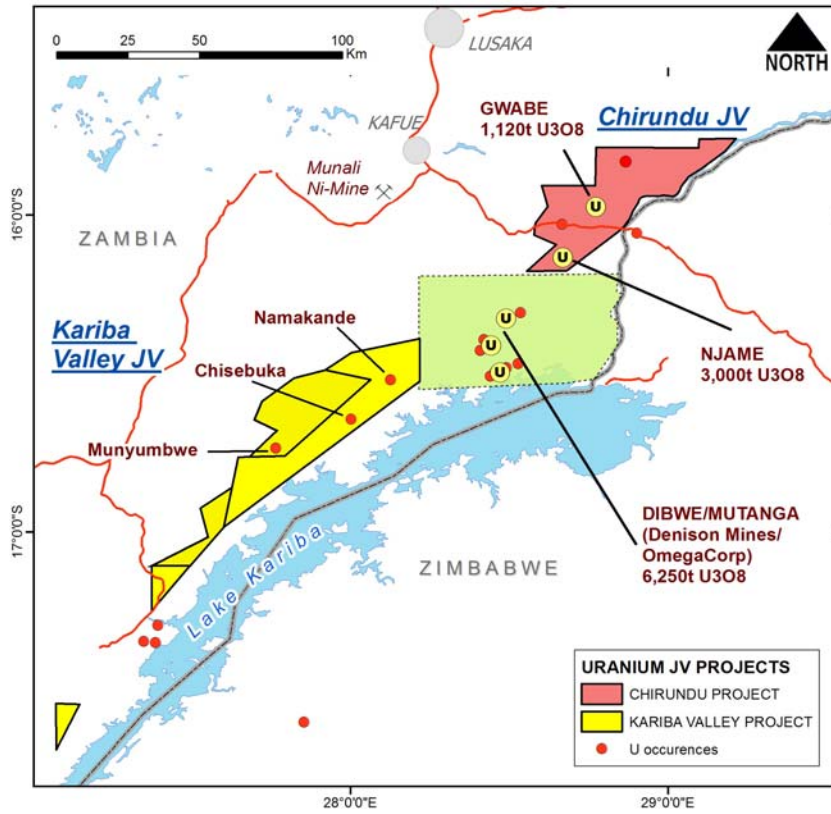


Diagram 1 Location of the Chisebuka Uranium prospect within the Kariba Valley JV Project, Zambia

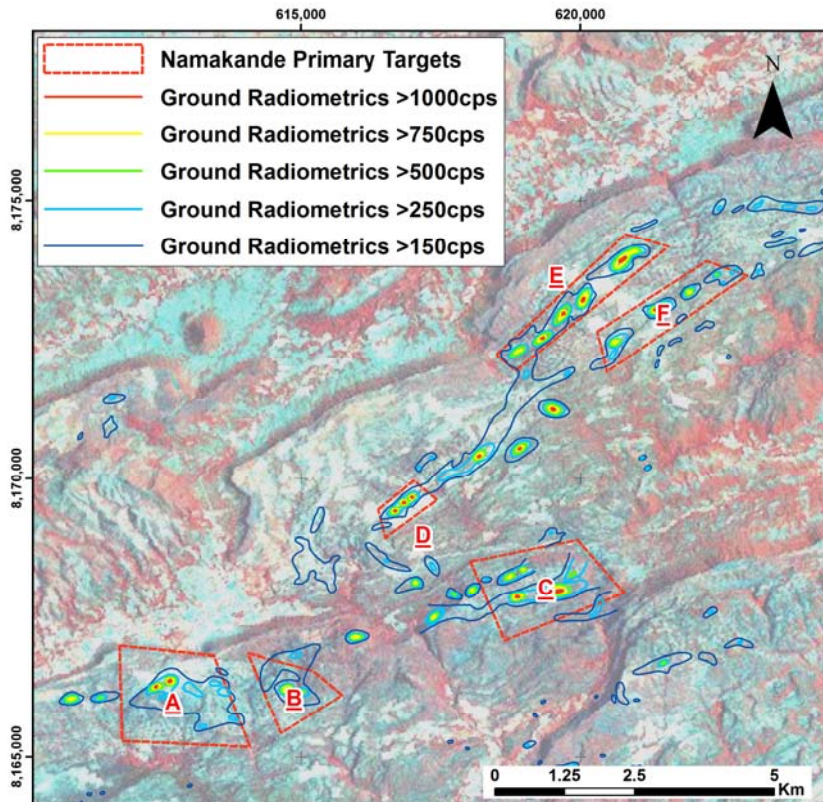


Diagram 2 Ground radiometric survey data at the Namakande Uranium prospect.

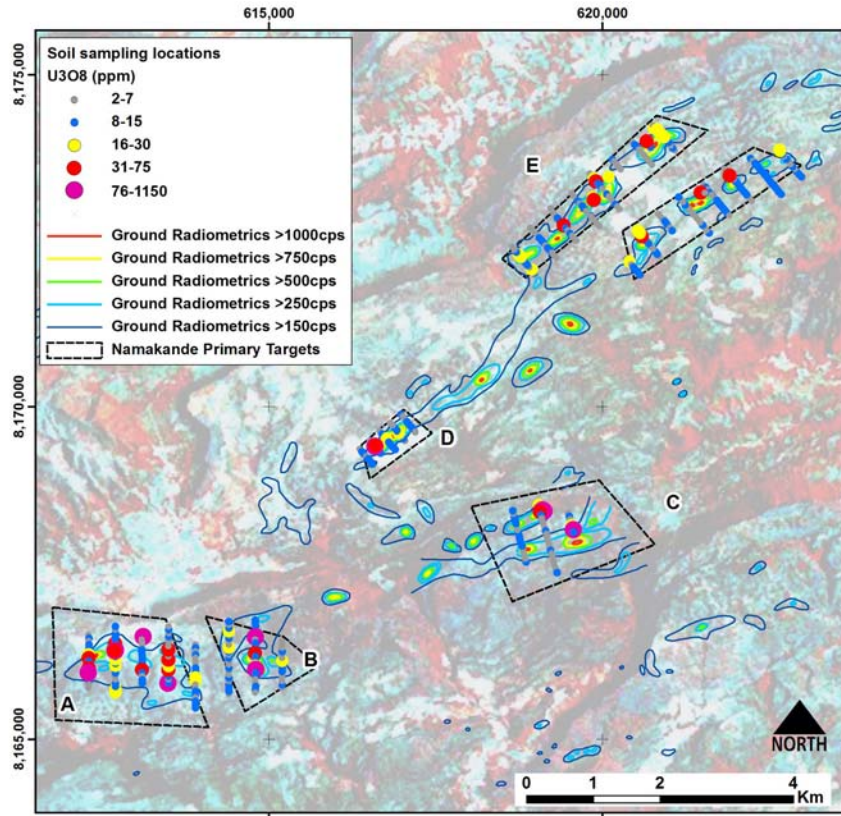


Diagram 3 Geochemical soil sampling results for Namakande Targets A through F overlaid on ground radiometric contours

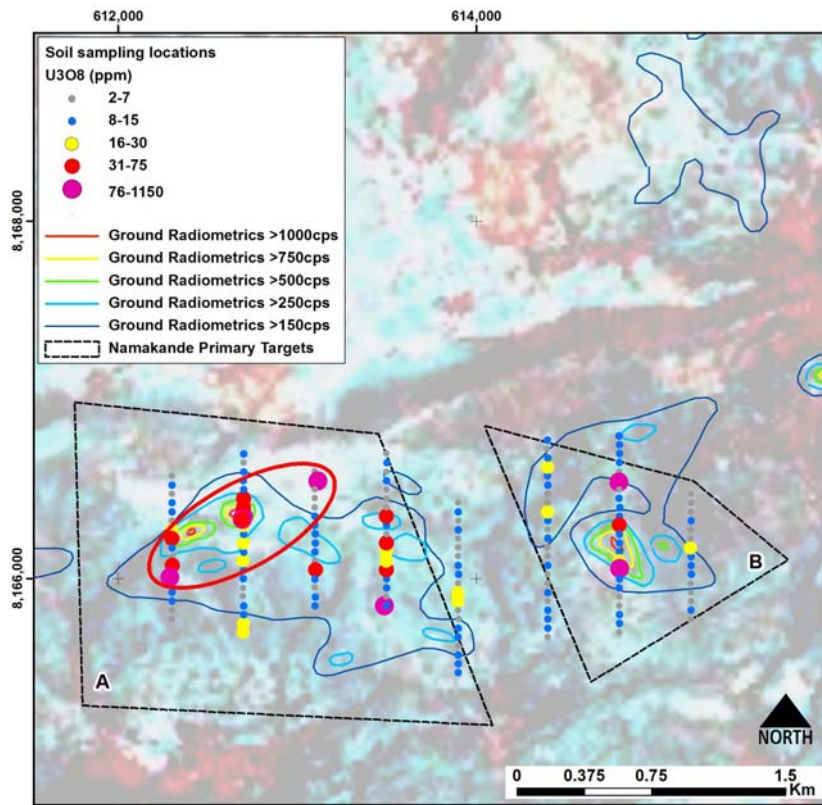


Diagram 4 Detailed plan showing geochemical soil sampling results for Namakande Targets A and B. Red ellipse denotes >1km long anomaly at >50 ppm U3O8 which is open along strike in both directions

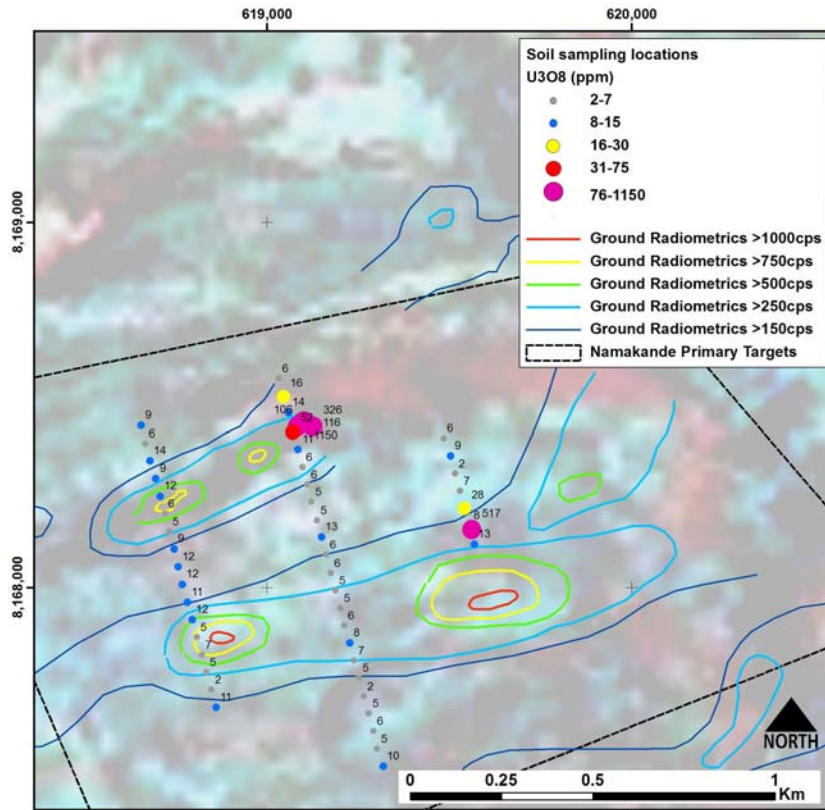


Diagram 5 Geochemical soil and rock-chip sampling assay results for the Namakande C Target

Table 1. Assay results for geochemical samples from the Namakande A Target

Sample ID	Easting (wgs84 utm35s)	Northing (wgs84 utm35s)	Sample Type	U3O8 ppm
L2151	612,300	8,166,575	Rock-Chip	6
L2157	612,300	8,166,275	Rock-Chip	16
L2159	612,301	8,166,174	Rock-Chip	8
L2160	612,302	8,166,125	Rock-Chip	5
L2191	612,700	8,166,699	Rock-Chip	13
L2195	613,099	8,166,499	Rock-Chip	6
L2196	613,100	8,166,451	Rock-Chip	5
L2204	613,100	8,166,100	Rock-Chip	6
L2210	613,487	8,165,849	Rock-Chip	143
L2212	613,500	8,165,900	Rock-Chip	6
L2215	613,499	8,166,050	Rock-Chip	58
L2219	613,499	8,166,250	Rock-Chip	7
L2226	613,499	8,166,499	Rock-Chip	7
L2228	613,500	8,166,599	Rock-Chip	5
L2231	612,290	8,166,008	Rock-Chip	114
L2232	612,694	8,166,333	Rock-Chip	451
L2233	612,694	8,166,333	Rock-Chip	346
L2234	612,694	8,166,333	Rock-Chip	400
L2235	612,694	8,166,333	Rock-Chip	38
L2243	613,899	8,166,225	Rock-Chip	7
L2252	613,900	8,165,825	Rock-Chip	6
L2153	612,300	8,166,475	Soil	6
L2154	612,301	8,166,425	Soil	11
L2156	612,300	8,166,326	Soil	7
L2169	612,699	8,165,701	Soil	19
L2178	612,699	8,166,101	Soil	16
L2198	613,099	8,166,349	Soil	13
L2254	613,900	8,165,725	Soil	8
L2152	612,301	8,166,525	Soil	15

Sample ID	Easting (wgs84 utm35s)	Northing (wgs84 utm35s)	Sample Type	U3O8 ppm
L2155	612,301	8,166,375	Soil	13
L2158	612,301	8,166,224	Soil	52
L2162	612,302	8,166,075	Soil	51
L2163	612,300	8,166,025	Soil	13
L2164	612,300	8,165,975	Soil	9
L2165	612,301	8,165,925	Soil	9
L2166	612,301	8,165,876	Soil	14
L2167	612,301	8,165,825	Soil	6
L2168	612,300	8,165,775	Soil	6
L2170	612,701	8,165,750	Soil	21
L2171	612,701	8,165,801	Soil	14
L2172	612,700	8,165,849	Soil	9
L2173	612,699	8,165,902	Soil	6
L2174	612,699	8,165,948	Soil	7
L2176	612,699	8,166,001	Soil	10
L2177	612,701	8,166,050	Soil	12
L2179	612,701	8,166,148	Soil	8
L2180	612,700	8,166,200	Soil	20
L2182	612,701	8,166,249	Soil	14
L2183	612,700	8,166,299	Soil	22
L2184	612,700	8,166,349	Soil	108
L2185	612,701	8,166,400	Soil	74
L2186	612,700	8,166,448	Soil	51
L2187	612,700	8,166,500	Soil	13
L2188	612,699	8,166,550	Soil	10
L2189	612,700	8,166,599	Soil	8
L2190	612,700	8,166,650	Soil	7
L2192	613,100	8,166,600	Soil	6
L2193	613,100	8,166,550	Soil	12
L2194	613,116	8,166,546	Soil	107
L2197	613,100	8,166,400	Soil	2
L2199	613,099	8,166,301	Soil	13
L2201	613,101	8,166,251	Soil	15
L2202	613,101	8,166,200	Soil	10
L2203	613,100	8,166,150	Soil	14
L2205	613,103	8,166,050	Soil	43
L2206	613,100	8,166,000	Soil	8
L2207	613,100	8,165,951	Soil	6
L2208	613,101	8,165,899	Soil	9
L2209	613,100	8,165,850	Soil	9
L2211	613,501	8,165,851	Soil	12
L2213	613,499	8,165,949	Soil	9
L2214	613,500	8,166,001	Soil	14
L2216	613,499	8,166,100	Soil	21
L2217	613,500	8,166,150	Soil	21
L2218	613,499	8,166,200	Soil	44
L2220	613,500	8,166,300	Soil	13
L2222	613,500	8,166,351	Soil	54
L2223	613,499	8,166,400	Soil	7
L2224	613,499	8,166,449	Soil	7
L2227	613,499	8,166,550	Soil	9
L2229	613,501	8,166,650	Soil	15
L2237	613,499	8,166,700	Soil	7
L2238	613,900	8,166,425	Soil	5
L2239	613,900	8,166,375	Soil	10
L2240	613,901	8,166,325	Soil	7
L2242	613,900	8,166,274	Soil	10
L2244	613,899	8,166,175	Soil	6
L2245	613,900	8,166,126	Soil	7
L2246	613,899	8,166,075	Soil	14
L2247	613,901	8,166,025	Soil	8
L2248	613,899	8,165,975	Soil	5

<b>Sample ID</b>	<b>Easting (wgs84 utm35s)</b>	<b>Northing (wgs84 utm35s)</b>	<b>Sample Type</b>	<b>U308 ppm</b>
L2249	613,900	8,165,924	Soil	17
L2251	613,900	8,165,875	Soil	22
L2253	613,903	8,165,775	Soil	2
L2255	613,900	8,165,674	Soil	8
L2256	613,900	8,165,625	Soil	5
L2257	613,899	8,165,575	Soil	8
L2258	613,900	8,165,525	Soil	8
L2259	613,900	8,165,475	Soil	8