



Sasare Project Fact Sheet

PROJECT HIGHLIGHTS

- Highly prospective IOCG licence
- Copper mineralisation over 25km strike length
- JORC inferred resource of 1.4 Mt at 1.2% copper
- Significant potential along the granite contact
- Airborne EM survey planned
- Joint venture partner sought

LOCATION AND HISTORY

Sasare Eagle Eye is the name which African Eagle has given to a copper-gold prospect with iron-oxide/copper-gold (IOCG) affinities which lies within the Company's Sasare licence area. Sasare Eagle Eye takes its name from one of several copper localities within the project, others being Mweze and Ndomba. Situated 450km east of Zambia's capital city, Lusaka, the project consists of two Prospecting Licences which together cover approximately 1017 km².

The licences contain Zambia's earliest gold mine, which produced around 12,000oz gold between 1906 and 1942. To the northwest of the old mine lie numerous copper showings which were explored by Anglovaal in the 1950s and an east European company in the 1970s. Drilling by the latter intersected 45m at 2.3% copper and 11m at 1.8% copper. Rio Tinto, Zambia (RTZ) briefly explored the area in the mid 1990's and confirmed the importance of the area not only for copper but also for gold.

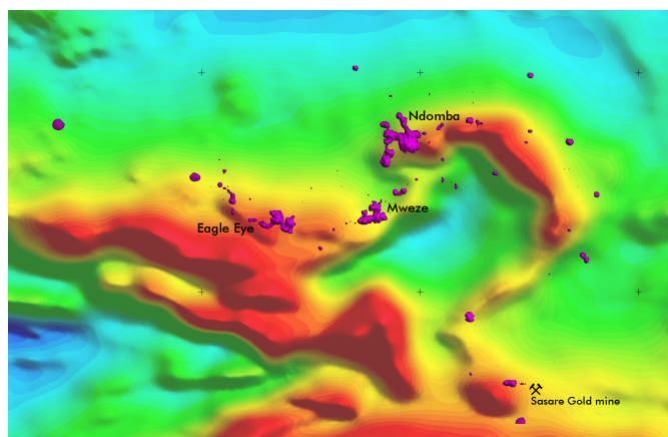
CURRENT STATUS AND UPSIDE POTENTIAL

African Eagle has carried out extensive exploration over the Sasare licences and has built up a considerable database including soil geochemistry, ground and airborne geophysics, geological mapping, trenching and reverse circulation drilling. This work led to the recognition of the Sasare Eagle Eye IOCG deposit. IOCG deposits represent a variable class of copper deposits which are commonly associated with gold and sometimes with silver and uranium. They can also be very large, making them extremely attractive exploration



targets. Sasare Eagle Eye is the first such deposit to be recognised in eastern Zambia.

The Sasare Eagle Eye IOCG system discovered by African Eagle extends over more than 25km, from old trial workings at Chikupi in the west, through the Sasare Eagle Eye and Mweze areas to the Ndomba copper prospect in the east and then south to the old Sasare gold mine. The copper mineralisation lies within Mesoproterozoic volcanic and sedimentary rocks intruded by Proterozoic granite and is associated with widespread iron oxides and hydrothermal alteration, all typical of IOCG deposits. The area lies astride the geologically important Mwembeshi Shear Zone system.



Iron-Copper Soil ratios & Geology



CURRENT STATUS AND UPSIDE POTENTIAL

The first phase of drilling confirmed potentially economic widths and grades including:

- 0.8% Cu over 60m at Mweze
- 3.0% Cu over 12m at Mweze
- 1.0% Cu over 12m at Eagle Eye.
- 2.0% Cu over 3m at Ndomba

A review by SRK of the drill data from the Mweze prospect delineated a JORC compliant copper resource of 1.4Mt at an average grade of 1.2% copper. A diamond drill hole has recently been completed at Mweze to determine the down plunge extension of mineralisation. Visible copper oxide mineralisation was intersected over 32m from a depth of 5m and the results are awaited from the laboratory. The Sasare Eagle Eye mineralisation remains open and significant potential is believed to exist along the granite contact near Ndomba.

The Company has recently completed the extension of the soil geochemical survey and geological mapping to cover the whole area of the Sasare Volcanics, the Mwembeshi dislocation and all other prospective areas within the Sasare Eagle Eye project area.

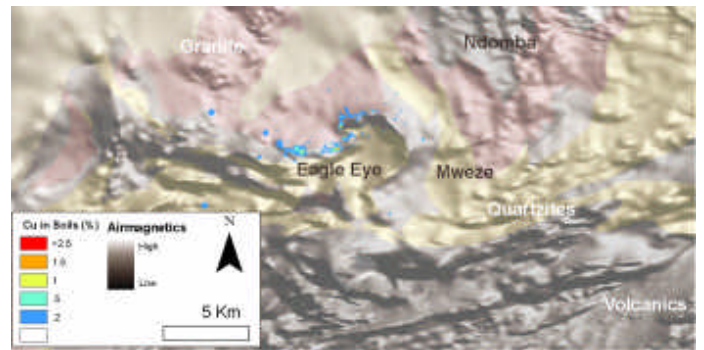
The Company also recently conducted a thorough reinterpretation of the Sasare Eagle Eye database. Careful imaging of the multi-element soil geochemical data in particular gives important insights into the mineralised system and will allow planning of the next phase of drilling with confidence.

Deposit	Location	Size	Grade
Olympic Dam	Australia	2000 Mt	1.6% Cu
Prominent Hill	Australia	119 Mt	1.3% Cu
Salobo	Brazil	789 Mt	1.0% Cu
Alemao	Brazil	170 Mt	1.5% Cu
Candelaria	Chile	366 Mt	1.1% Cu

IOCG deposits worldwide

FUTURE PROGRAMME

The next step is an airborne EM survey to define copper-gold targets for drilling. The company is seeking a joint venture partner for this project.



Copper in soil superimposed on airborne magnetics



Copper oxide in drill core from Mweze



High-grade chalcopryite in drill core from Mweze.

