Sub-Sahara Resources NL

Friday, 27 February 2009

ASX Announcement

Sub-Sahara Signs Sale Agreement on Tanzanian Assets

On 17th February 2009, Sub-Sahara Resources NL (ASX:SBS) signed a binding Heads of Agreement ("HOA") with Western Metals Limited (**ASX:WMT**) to acquire SBS's interests in a number of gold exploration projects in Tanzania for the purchase price of a total of $6.25million.

Sub-Sahara have executes a formal Sale and Purchase Agreement ('SPA") as contemplated in the HOA. Completion is scheduled to occur in the next few days.

The key commercial terms include:

- WMT has now paid a total of A$250,000 to SBS and on completion of the transaction will pay a further A$650,000.

- A further payment of A$100,000 will be payed subject to a pre-emptive right.

- Finalisation of the transaction may see WMT pay SBS a further A$250,000 by the end of 2009 subject to the final liabilities of the Target Companies being determined.

- WMT will pay SBS A$5.0m on the commencement of commercial production at the Nyanzaga Gold Project in Tanzania.

For and on behalf of

Sub-Sahara Resources NL
Web site: www.subsahara.com.au

M.R. Griffiths
Managing Director

ASX-TZ Sale

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FOR FURTHER INFORMATION:
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Competent Person's 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-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.