

28 May 2007

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

Via electronic lodgement

Dear Sir/Madam,

DRILLING COMMENCES AT GWABE PROSPECT, KARIBA VALLEY ZAMBIA

African Energy confirms it has commenced its 2007 exploration drilling program at its high priority Gwabe uranium prospect over the weekend. This new purpose built RC drill rig will be dedicated solely to the Company's exploration programs for the 2007 and 2008 field seasons in Zambia. The drilling at Gwabe is expected to run for 6-8 weeks, with the rig then scheduled to undertake a resource definition program at the Njame North project, followed by drilling at the company's other high priority uranium prospects at Chisebuka and Namakande. Initial assay results from the program that has now commenced at Gwabe are estimated to be available for release to the market in 4-6 weeks.

The drill targets at Gwabe, Chisebuka and Namakande are the Company's main focus for new projects in the 2007 exploration program, and were generated through the analysis of historical geological data, together with results of the radiometric anomalies generated by the December 2006 airborne survey.

Gwabe Uranium Prospect

The Gwabe uranium anomaly was identified by the December 2006 airborne radiometric survey, designed to develop a pipeline of high quality uranium targets for field evaluation and drill testing. Field inspection of the 6km long Gwabe uranium anomaly identified a well developed soil horizon overlying gently dipping sandstones and shales. These are interpreted to be the along-strike extension of the Escarpment Grit Formation which hosts mineralisation at the Company's Njame North uranium deposit (Inferred Resource containing 4.8 Mlb U₃O₈) some 15km to the southwest, and the nearby Dibwe and Mutanga uranium deposits owned by OmegaCorp (over 13 million lb U₃O₈ in inferred resources).

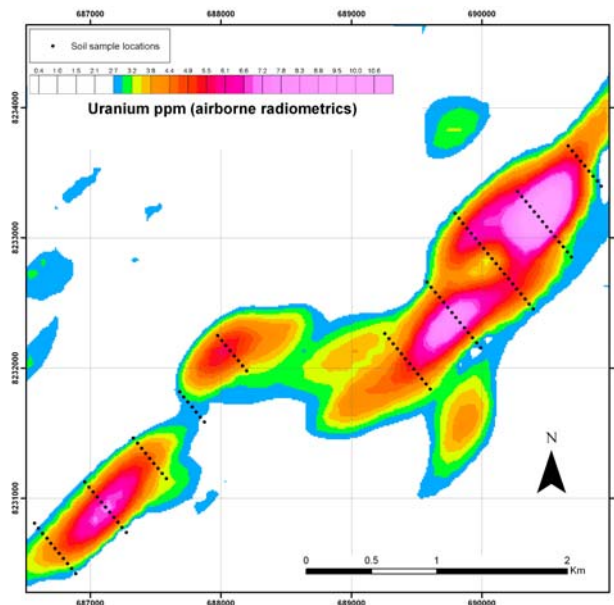


Diagram 1 Gwabe airborne radiometric anomaly (uranium channel) and soil sample location points

Background

African Energy (71% held by Energy Ventures Limited, ASX Code: EVE) was established to explore and develop energy projects in Africa and is currently focused on advanced uranium exploration projects in the emerging Kariba Valley uranium province in Zambia. It has already identified an initial Inferred Resource of over 4.8 Mlb of U_3O_8 at the Njame North prospect. The Company is conducting a wide-ranging uranium exploration program over extensions of the same prospective rocks that host the Kayelekera deposit in the north of Malawi through Zambia and into northern Botswana. The Company controls the majority of this emerging uranium province with access to over 41,800 sq. km's of granted title and applications, through its JV with Albidon Limited and also held in its own right (see diagram below).

The Company completed a successful ASX listing 18 April 2007, following a \$5m IPO capital raising.

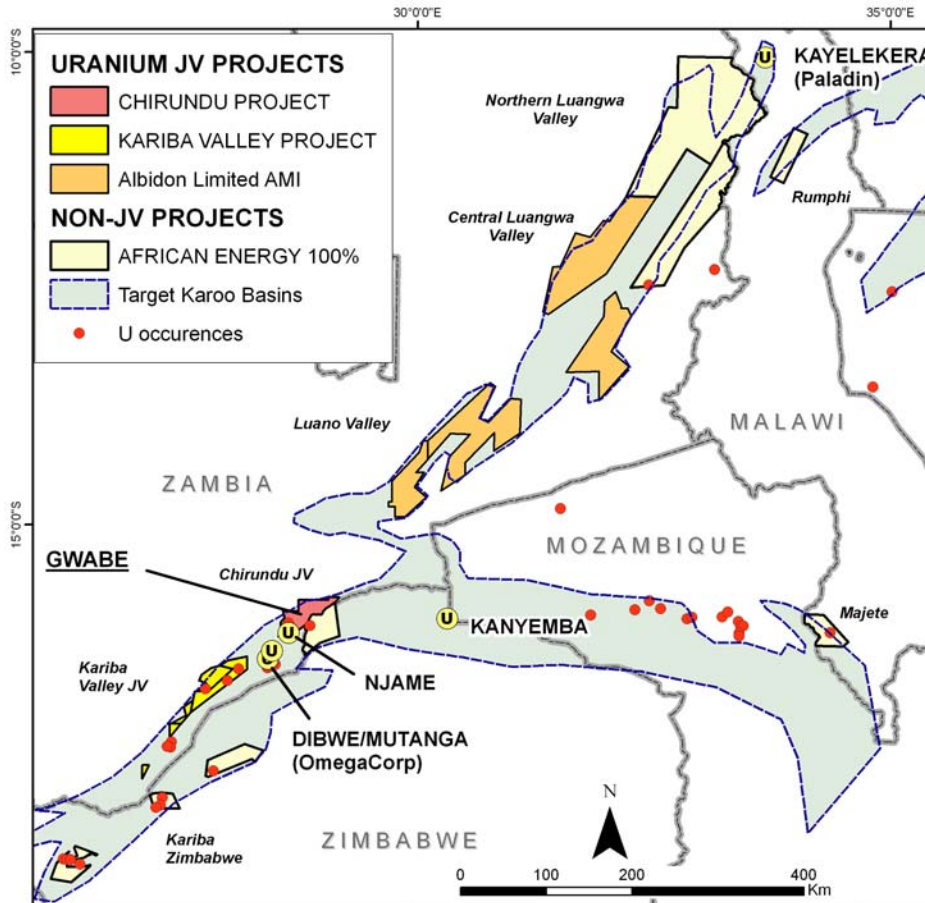


Diagram 2 Location of African Energy's main projects in the Karoo sediments of Zambia, Malawi and Zimbabwe

For any further information, please contact the Company on +61 8 9324 1177 or info@africanenergyresources.com

For and on behalf of the board

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