

SAMBA GOLD INC.
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January 4, 2006

The Company wishes to announce the closing of 4,832,000 units of the first tranche of a private placement announced December 5, 2005 and December 21, 2005 raising gross proceeds of \$724,800. Each unit was priced at \$0.15 per unit and was comprised of one share and a one year share purchase warrant entitling the holder to acquire an additional share at a price of \$0.25 per share for a period of two year from the date of closing. The units were issued on December 29, 2005 and are subject to a hold period expiring April 30, 2006. Commissions of \$ 64,005 and 640,050 finders' warrants were payable in conjunction with a portion of the placement. All warrants issued to finders were issued under the same terms and conditions as the units sold pursuant to the private placement.

In addition, the Company wishes to announce that it has granted 620,000 options to directors, officers and consultants at a price of \$0.18 per share for a period of five years.

On Behalf of the Board of Directors of Samba Gold Inc..

“Wayne Johnstone,” Director

The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of the contents of this press release.

NOT FOR DISSEMINATION IN THE UNITED STATES