

19 July 2011

PROGRESS AT KASKARA

Construction, drilling and vanadium potential

Construction of an access road on the hill at Kaskara (Ongava Project, northern Namibia) is well underway (Figure 1). This road will allow drilling in previously unreachable areas of exposed mineralisation, and will allow more extensive testing of previously drilled mineralisation. An irregular route has been planned with a number of switchbacks to allow access to all outcropping areas of interest on the steep slopes of the hill (Figure 2). The final trace of the road will be determined by local ground conditions.

Recent drill testing on site appears to have resolved many of the technical issues with core recovery experienced during the pilot drill programme. We are now expecting to drill, recover and assay representative samples from the soft, broken and deeply weathered rock that comprises and surrounds the weathered (oxidised) mineralisation at Kaskara.



Figure 1 - Excavation of the access road on the hill at Kaskara in preparation for a systematic drill programme of 30 holes.

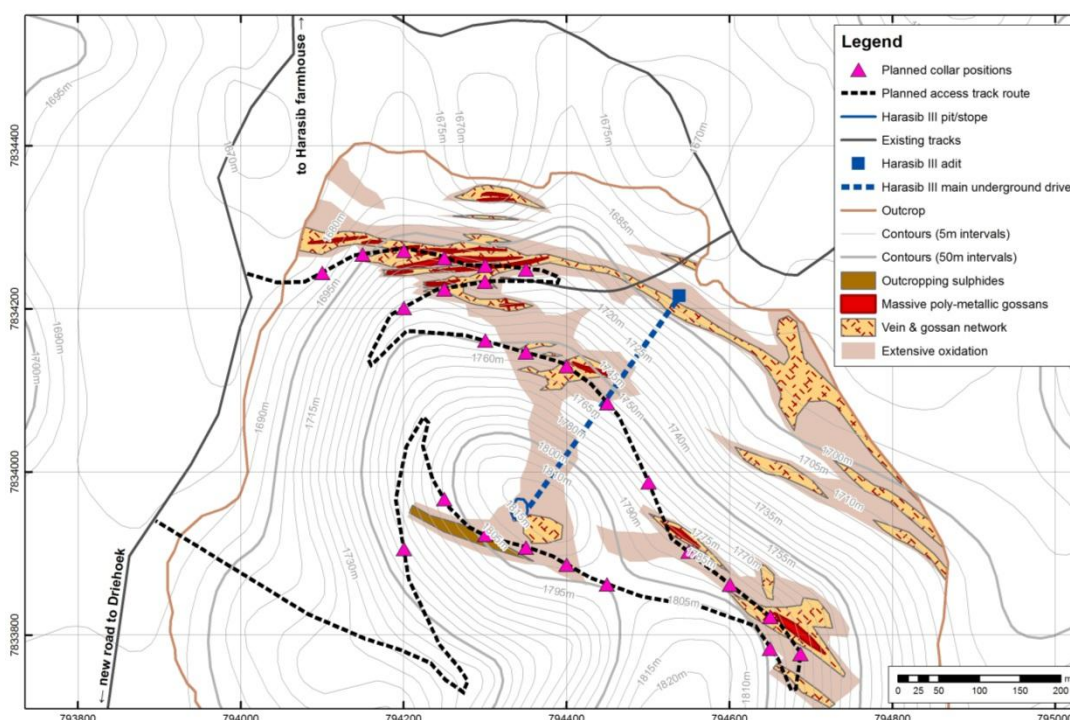


Figure 2 - Planned route for the access road (black dashed line) and some of the drill collars (pink triangles) at Kaskara. The final trace of the road and the drillhole collar locations may differ significantly depending on local ground conditions. The trace of the adit is shown in blue.

Drilling has already commenced on the lowermost sections of the new access track while construction continues higher on the hill (Figure 2). Around 30 drillholes are planned. Sabre will report assay results from the drilling as they are received.

Rehabilitation of the historic underground workings below the hill at Kaskara is proceeding (Figure 3). Sabre has identified exposed mineralisation in the drive. Channel sampling of the drive will be undertaken once the rehabilitation is completed and the workings are certified safe.



Figure 3 - Rehabilitation of the historic workings adjacent to Kaskara will provide underground access to mineralisation and drill collar sites.

VANADIUM POTENTIAL OF THE ONGAVA PROJECT

Sabre has persisted in resolving technical issues of core recovery at Kaskara in the face of trying geological conditions. The great potential of the Kaskara area to host economic copper-lead-zinc-vanadium mineralisation is indicated by numerous geological features characteristic of significant Tsumeb-type* mineralisation.

At least **seven other Tsumeb-type prospects** are documented on Sabre's Ongava Project licence area (Figure 4). Success in our exploration technique at Kaskara will allow more efficient exploration of these targets. All of these prospects contain copper, lead, zinc and vanadium, and like Kaskara are deeply weathered. Each prospect has at least some historical workings, ranging in significance from trenches to an open pit.

All of the Tsumeb-type prospects identified on Sabre's licence area are highly prospective for:

- Vanadium-rich copper-lead-zinc secondary mineralisation in the oxidised zones nearer to surface.
- Copper-lead-zinc sulphide mineralisation at depth.

* Tsumeb-type copper-lead-zinc mineralisation contains significant proportions of vanadium, silver, gold, and germanium. The largest deposit of this style was Tsumeb (40km north of Kaskara), which produced around 25 Mt of ore grading 5.50 % copper, 11.48 % lead, 4.01 % zinc, and 171.6 g/t silver from a vertically extensive pipe no greater than 200 x 50 m in plan view. Other mined Tsumeb-type deposits in the region include Kombat and Gross Otavi. Mineralisation is structurally controlled and developed during regional deformation of the rock sequence at peak metamorphic conditions. Most of these deposits are deeply weathered near to surface where secondary vanadium-rich mineralisation is commonly developed.

The Otavi Mountainland was historically a major vanadium producer from 1920 through to 1978. Recent scientific publications have shown a direct link between the presence of the copper-lead-zinc vanadate minerals, at and near surface, and copper-lead-zinc sulphide mineralisation at depth.

With global interest in vanadium increasing, Kaskara and the other Tsumeb-type prospects will be a major focus for Sabre's exploration efforts. Sabre's recent high-grade vanadium intercepts at Kaskara (reported 17 March 2011) include:

- 21.9m @ 1.41% V (**2.52% V₂O₅**)[†] and
- 2.7m @ 2.41% V (**4.30% V₂O₅**)[‡].

These values compare favourably with recently reported resource grades from some Australian deposits of between 0.40% and 0.85% V₂O₅[§].

The vanadium potential of each of these Tsumeb-type prospects means that vanadium is considered a target in its own right. Their vanadium potential will augment the copper, lead and zinc potential, both at surface and at depth.

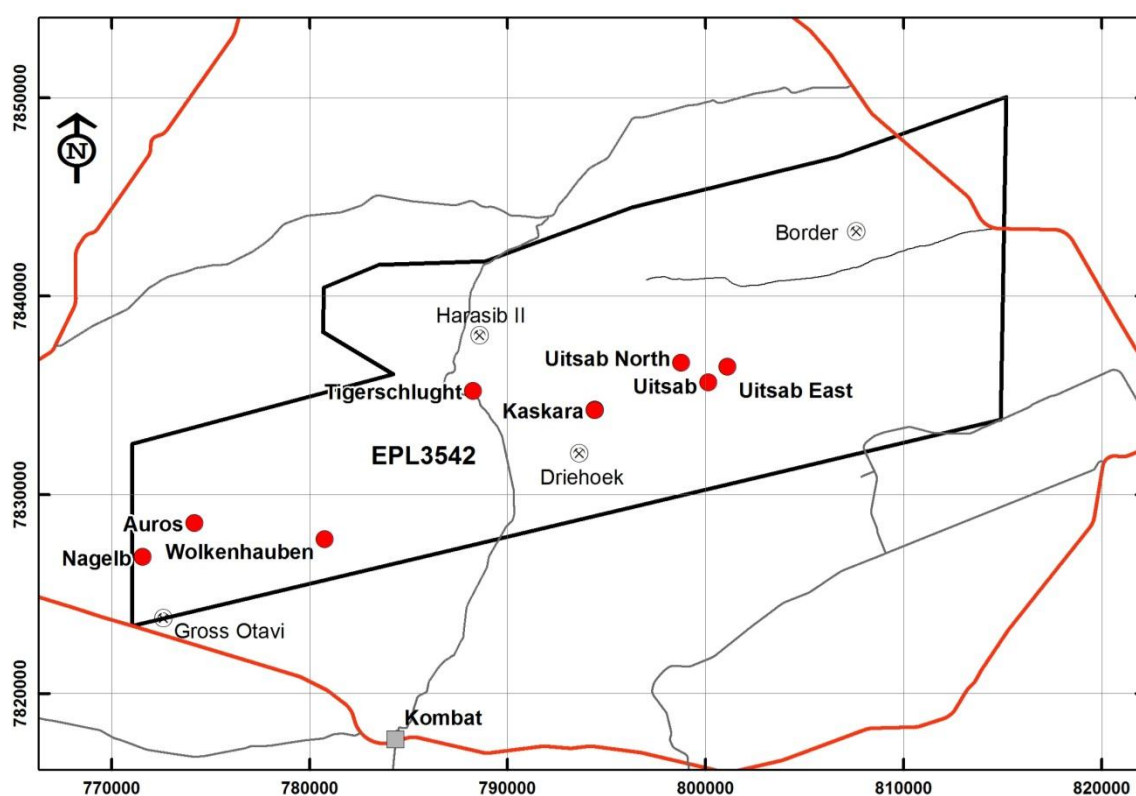


Figure 4 - The Ongava Project, showing Tsumeb-type Cu-Pb-Zn-V prospects throughout the licence area.

[†] Reported intercept: KKDD029, 21.9m @ 0.45% Cu, 5.79% Pb, 1.81% Zn, and 1.41% V, from 54.0m

[‡] Reported intercept: KKDD025, 2.7m @ 0.69% Cu, 10.45% Pb, 3.40% Zn, and 2.41% V, from 0m

[§] A brief summary of active Australian vanadium projects is provided by Geoscience Australia, "Australian Atlas of Minerals Resources, Mines & Processing Centres".

EXPLORATION PROGRAMME

Kaskara

Around 30 drillholes are planned for the initial systematic drill programme at Kaskara. Holes will vary in depth from ~50 m to in excess of 200 m.

This drill programme is expected to yield significant intercepts of copper, lead, zinc and vanadium as drilling proceeds through the oxidised carapace. Some deeper drilling may intercept fresh copper, lead and zinc sulphide mineralisation.

The aim of this programme is to define the geometry and extent of the Kaskara mineralised system in three dimensions. Subsequent drill programmes will then expand, deepen and infill the current programme in order to define an inaugural resource.

Remainder of the Ongava Project

Concurrently with the Kaskara drilling, Sabre is pursuing other targets within the Ongava tenement in order to develop and augment our pipeline of projects throughout this mineral-rich region.

These currently include:

- drilling at the Driehoek lead-zinc deposit,
- metallurgical studies at the Border lead-zinc deposit,
- further mapping and trenching at Harasib II,
- examination of the other Tsumeb-type prospects, and
- ongoing reconnaissance of mineralisation throughout the region.

For further information regarding the Company's activities, please contact:

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Or consult our website:

www.sabresources.com

Competent Person Declaration

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Dr Matthew Painter of Sabre Resources Ltd, who is a member of The Australasian Institute of Geoscientists. Dr Painter has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that 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 Resource and Ore Reserves". Dr Painter consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

About Sabre Resources Ltd

Sabre's primary focus is the exploration and development of the Ongava Multi-Element Project in Namibia. Our licence contains more than 30 known copper, lead, zinc and vanadium occurrences, ranging from grass-roots prospects such as the Kaskara copper-lead-zinc play, through unmined deposits such as the Border and Driehoek lead-zinc deposits, to historic mine sites such as Harasib Claims and Uitsab. Gallium, germanium, silver and gold, are also highly prospective.

Based in Perth, Australia, Sabre will build value for shareholders through the definition of JORC compliant resources in this metal-rich region. Extensive exploration, management and corporate experience are combined in a lean company structure that aims to provide maximum return to shareholders.

Some of the minerals at Kaskara:

Mottramite $PbCu(VO_4)(OH)$: A secondary mineral frequently found principally in the oxidised zones of copper and lead-bearing base metal deposits.

Descloizite $Pb(Zn,Cu)_2(VO_4)(OH)$: A secondary mineral often found in the oxidised zones of base metal deposits. Common in the Otavi Mountainland.