

ASX ANNOUNCEMENT

31 AUGUST 2012

DRILLING SUCCESS CONTINUES AT GUCHAB



Near surface copper mineralisation in drill core from GCDD0002

HIGHLIGHTS

- The pilot programme of diamond drilling at Guchab continues to intersect significant copper mineralisation,
- The second hole, GCDD0002, was drilled to a depth of 101.13 metres and intersected mineralisation from near surface to more than 68 metres down hole,
- Significant intercepts in GCDD0002 include:

GCDD0002 26.56 m @ 1.06% Copper & 6.25 gpt Silver from 1.42 metres,

Including 4.16 m @ 2.36% Copper & 7.93 gpt Silver from 1.42 metres,
 4.57 m @ 2.18% Copper & 21.44 gpt Silver from 8.19 metres.

- A total of five drill holes have now been completed from the first drill pad, with all holes intersecting broad zones of visible copper mineralisation,
- The diamond drill rig is now being moved to Pad 2, 500 metres to the west of Pad 1,
- The results from the remaining holes from Pad 1, GCDD0003 to 0005, are pending.

GUCHAB DRILLING PROGRAMME

Sabre ('SBR') is presently carrying out a pilot programme of diamond drilling at the Guchab copper mining centre, within its Otavi Mountain Land ('OML') copper project in northern Namibia. The programme will comprise around twenty diamond drill holes to establish the style and orientation of mineralisation at Guchab.

The second diamond drill hole at Guchab (GCDD0002) has once again successfully intersected a **broad zone of visible copper mineralisation** to a depth of more than 68 metres down hole. The hole intersected mineralisation from 1.42 metres below surface to over 68 metres depth (**a 67.04 metre intercept**) and averaged **0.66% Copper** and **6.32 gpt Silver**.

Assaying of the drill core returned a significant zone of copper mineralisation, including:

GCDD0002 26.56 m @ 1.06% Copper & 6.25 gpt Silver from 1.42 metres,

**Including 4.16 m @ 2.36% Copper & 7.93 gpt Silver from 1.42 metres,
 4.57 m @ 2.18% Copper & 21.44 gpt Silver from 8.19 metres.**

The copper mineralisation is predominantly comprised of malachite and chalcocite within distinct breccia zones, with notable occurrences of native copper, chalcopyrite and bornite. Chalcopyrite and bornite were the major ore minerals at the **Kombat Copper Mine (which produced 8.7 Mt @ 3.1% Copper, 1.1% Lead and 26 gpt Silver) located 10 km to the west**, and are expected to be the main primary sulphide minerals at depth at Guchab.

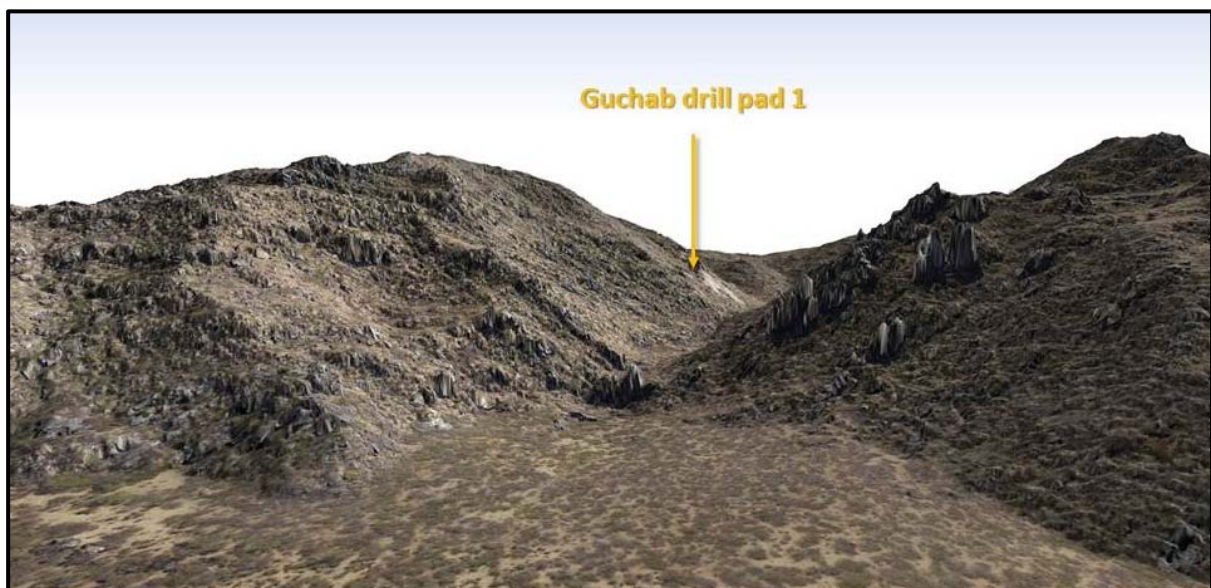


Figure 1 – Oblique view of Lidar imagery of the first drill pad location at Guchab (looking NNE). Pad 1 is located on the eastern flank of a prominent hill on the north side of the Otavi Valley.

The mineralisation at Guchab is located on a prominent hill with rugged topography, which currently restricts the locations available for drilling during this pilot programme. The first drill pad (Pad 1) is located within the historical Eastern Workings at Guchab (Figure 1). The first hole from Pad 1 was designed to be perpendicular to the stratigraphy, with later holes designed to test the orientation of the structure. Drilling shows that the mineralisation is hosted by a **copper-rich structural breccia**. Analysis of the drill core is underway to determine the orientation and attitude of these mineralised breccias and their controlling structures.

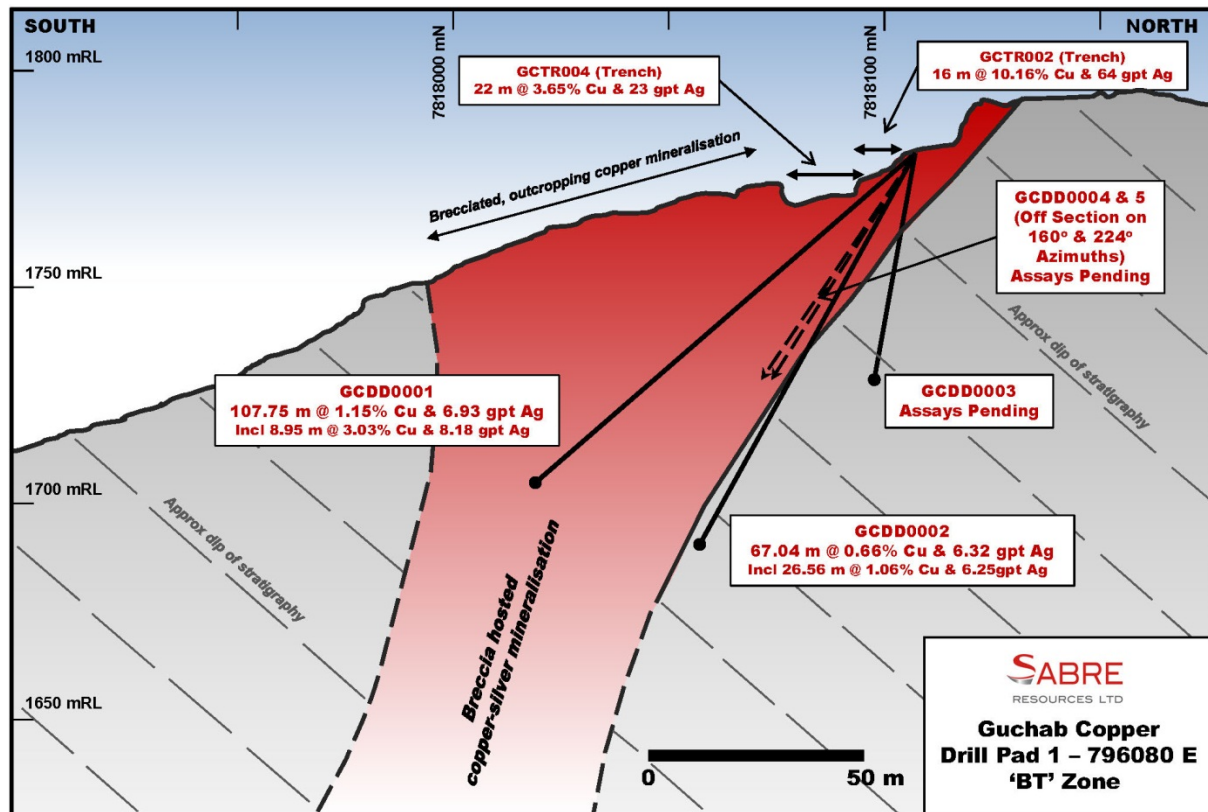


Figure 2 – Cross section of drilling from Pad 1 showing drill holes, interpreted geology and results to date.

Initial analysis indicates that the brecciated mineralisation appears to dip steeply to the south. GCDD0001 has been drilled across the mineralisation (but does not appear to have penetrated the upper contact of the mineralised zone) whilst drill holes GCDD0002 & 0003 have been drilled through the lower contact of the mineralisation and into the footwall dolomite. The upper, hangingwall, contact has been defined at surface by mapping of the outcropping mineralisation (Figure 2).

Sabre's Chief Executive Officer, Tim Putt, said:

*"...diamond drilling continues to intersect broad zones of **near surface copper mineralisation**. The results of the drilling, given that it is a 'first pass' reconnaissance programme, have been extremely encouraging. We are now looking forward to receiving the results from the remaining holes from Pad 1 and the commencement of drilling on Pad 2..."*

Drill holes GCDD0003, 0004 & 0005 have now been completed and also show significant zones of visible copper mineralisation. Holes GCDD0001-0003 were drilled to an azimuth of 180° whilst GCDD0004 was drilled at an azimuth of 224° and GCDD0005 was drilled at an azimuth of 160°. GCDD0004 & 0005 are therefore 'off-section' from holes GCDD0001-0003.

The rig has now completed the planned holes at Pad 1 and is in transit to Pad 2 (Figure 3), 500 metres to the west. Sabre expects to commence drilling on Pad 2 during the first week of September, with an initial nine hole programme planned from this site.

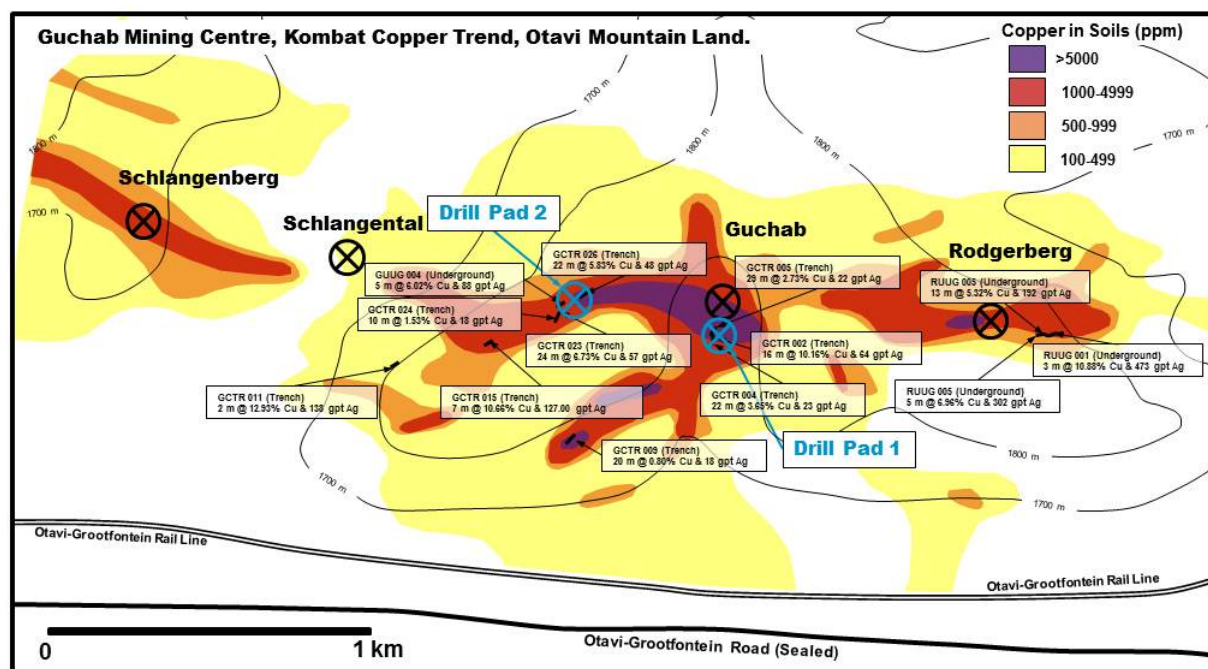


Figure 3 – Copper in soils over Guchab with trenching and channel sampling results and drill pad locations.

GUCHAB PILOT DRILLING PROGRAMME

Diamond drilling will be undertaken from up to four sites across the Guchab mine area utilising ‘fans’ of drill holes at varying dips and azimuths to test the depth extents of the outcropping copper mineralisation. The diamond drill core is being structurally oriented, which will allow the architecture of the deposit to be determined. This will provide an optimal drill orientation for a future **resource drilling programme**.

Diamond drilling will continue at Guchab throughout September 2012. Sabre looks forward to updating investors as further results of the drilling programme are received in coming weeks.

Table showing the details of the five diamond drill holes drilled from Drill Pad 1, at the Guchab deposit. Copper and silver values were determined at the accredited Bureau Veritas laboratory, Swakopmund, Namibia.

Hole No.	Northing	Easting	Dip (°)	Azimuth (°true)	From (m)	To (m)	Downhole width (m)	Grade
GCDD0001	7818105	796081	-40	180	0.60	108.35	107.75	1.15% Cu & 6.93 gpt Ag
					including 17.90	20.25	2.35	13.24% Cu & 70.84 gpt Ag
					and 29.80	52.15	22.35	2.08% Cu & 10.11 gpt Ag
					and 96.90	100.05	3.15	2.85% Cu & 22.90 gpt Ag
GCDD0002	7818105	796081	-60	180	1.42	68.46	67.04	0.66% Cu & 6.32 gpt Ag
					including 1.42	27.98	26.56	1.06% Cu & 6.25 gpt Ag
					with 1.42	5.58	4.16	2.36% Cu & 7.93 gpt Ag
					and 8.19	12.76	4.57	2.18% Cu & 21.44 gpt Ag
GCDD0003	7818105	796081	-80	180			Results pending	
GCDD0004	7818105	796081	-55	224			Results pending	
GCDD0005	7818105	796081	-55	160			Results pending	

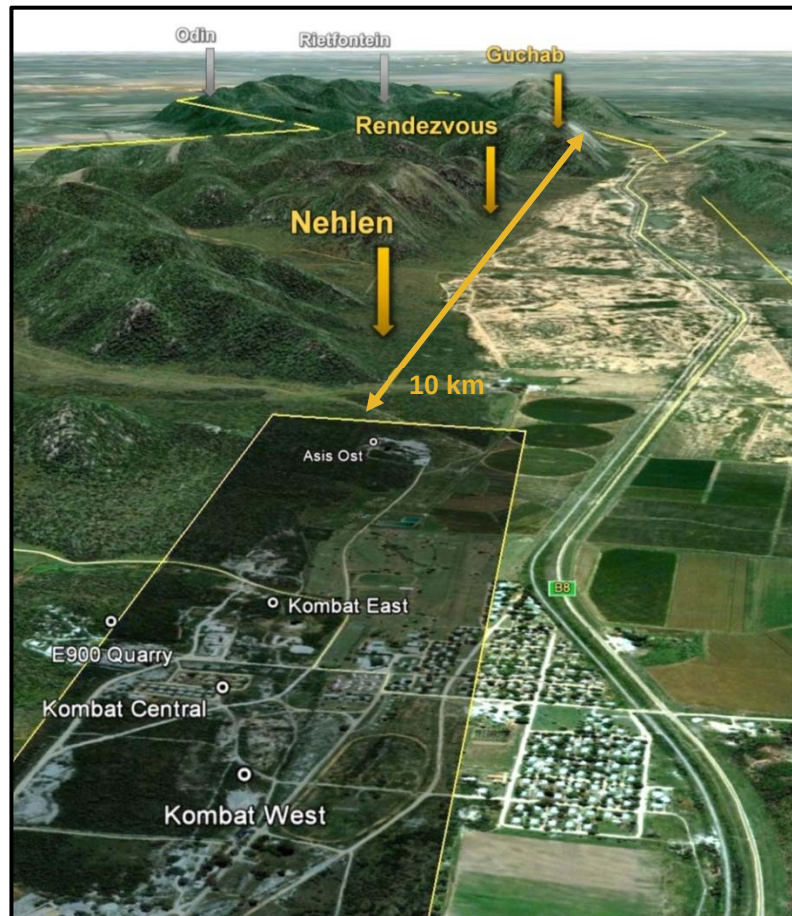


Figure 4 – Oblique view east from the Kombat copper mine (foreground, excised area shaded) along strike to Sabre's series of copper targets (yellow) at Nehlen and Rendezvous in the Kombat Ost copper target area, and Guchab in the Guchab mining centre. Note the railway and highway on the right of the diagram, and the white zone of hydrothermal alteration on the flank of the hill at Guchab. The Rietfontein and Odin lead-zinc targets (grey) are also shown - the licence boundary is shown in yellow.

THE GUCHAB COPPER MINING CENTRE

The Guchab mining centre was discovered in the early 1900s and operated for a short time, producing **high-grade copper ores** (up to 33%) before the discovery of significant, near surface copper mineralisation at Kombat, some 10 kilometres to the west (Figure 4).

Sabre's work at Guchab encompasses three historic mining centres (Guchab, Rodgerberg & Schlangental) covering more than 4,000 metres of strike, defined by historical workings and surface geochemistry of up to 10,000 ppm, or 1%, Copper in soils.

The Company's exploration and structural analysis shows that Guchab hosts '**Kombat-style**' **metamorphic copper mineralisation**, as vein and breccia style deposits, **with high-grade copper-silver rich zones** which are surrounded by moderate grade vein networks. Major copper minerals at surface include malachite, chalcocite, and diopside.

Channel sampling of the historic workings at the Guchab deposit has returned very high-grade intercepts, including:

GCTR 001	17m @ 5.86% Copper & 29 gpt Silver
GCTR 002	16m @ 10.16% Copper & 64 gpt Silver
GCTR 021	14m @ 6.40% Copper & 62 gpt Silver
GCTR 023	25m @ 6.70% Copper & 59 gpt Silver
GCTR 026	22m @ 5.83% Copper & 48 gpt Silver

In addition to the excellent drill and channel sampling results, infrastructure at and around Guchab make it a very attractive copper target. Guchab is located within 1 km of an active railway line and sealed highway, and is located around 10 km east of the Kombat Copper Mine and Concentration plant (presently being rejuvenated). It is also approximately 50 km south of the Tsumeb Copper Smelter Complex, to which it is connected by rail.

Guchab, which is part of the 45 km long Kombat Copper Trend, was acquired by Sabre in June 2012. Detailed evaluations by the Company have defined a number of target areas along the 10 kilometre long mineralised corridor between Kombat and Guchab (Figure 4) including the Nehlen and Rendezvous prospects. These targets are now being evaluated for drilling later testing.

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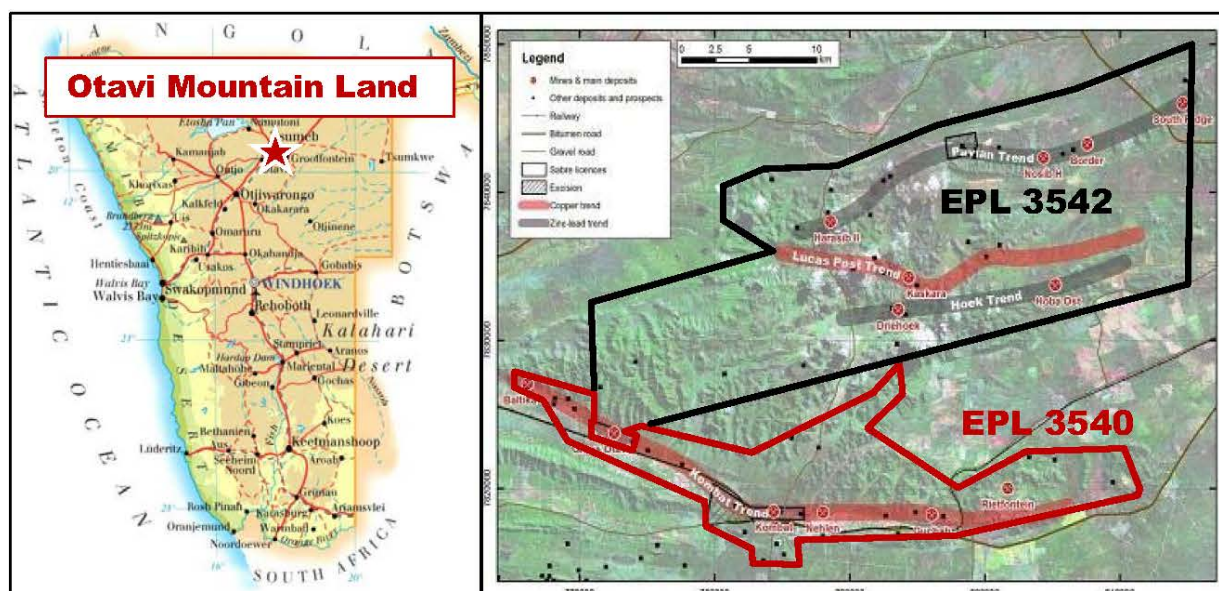
Or consult our website:

www.sabresources.com

SABRE'S OTAVI MOUNTAIN LAND COPPER PROJECT

The Otavi Mountain Land Copper Project ('OML') is located in northern Namibia, lying within the triangle created by the mining towns of Tsumeb, Otavi and Grootfontein.

The entire region is well served by sealed roads, high voltage power, telephone and water, rail to port and is close to major towns and mining processing facilities, including the Kombat copper concentrator and Tsumeb Smelter complex (one of only five operating smelters in Africa).



Sabre's OML project consists of two Exclusive Prospecting Licenses (EPL 3540 & 3542), which cover more than 800 km² of highly prospective base metal stratigraphy. Sabre has identified two key copper trends within its project area, each covering more than 25 km of strike, defined by surface geochemistry and historical workings. These extensive copper trends, namely the Lucas Post and Kombat Trends, are the present focus of exploration.

The region hosts a number of world class Copper, Zinc, Lead, Silver and Vanadium mines, including the **Tsumeb & Kombat Copper** mines. The Otavi Valley tenement (EPL 3540) surrounds the **Kombat Copper** mine on all sides and covers the strike extensions of the mine stratigraphy. To date, the Kombat Mine has produced more than 8.7 Mt @ 3.1% Cu, 1.1 Pb and 26 gpt Ag.

Competent Persons Declarations

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 Australian 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 "Australian 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.

Forward-Looking Statements

This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning Sabre Resources Ltd's planned exploration programme and other statements that are not historical facts. When used in this document, the words such as "could," "plan," "estimate," "expect," "intend," "may", "potential," "should," and similar expressions are forward-looking statements. Although Sabre Resources Ltd believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements.