

27 April 2021

ASX ANNOUNCEMENT

QUARTERLY ACTIVITIES REPORT

FOR THE QUARTER ENDED 31 MARCH 2021

SHERLOCK BAY PROJECT

Sabre holds a 70% interest in the Sherlock Bay Project located in the Pilbara region of Western Australia (refer to SBR announcement dated 29 January 2018). The Project is well-located 12 km off Highway 1 with access to critical mining infrastructure. The Project comprises a mining lease M47/567 and a Miscellaneous Licence L47/124 (Figure 1). The mining lease contains a resource of 24.6Mt grading 0.4% nickel, 0.09% copper and 0.02% cobalt¹. Sabre continues to review the economics of the project following recent fluctuations in the nickel price.

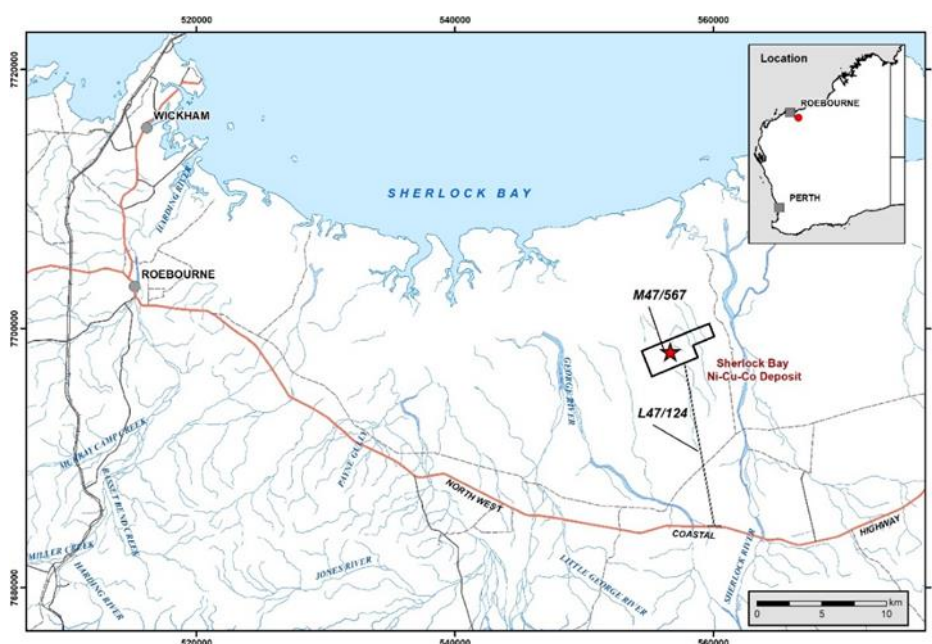


Figure 1: Location map of the Sherlock Bay Project in Western Australia

In April, Sabre Resources Ltd (“Sabre”) commenced a scoping study to determine the economics of the Sherlock Bay Nickel project at current commodity prices. The study is being coordinated by Dr. Natalia Steltsova, a highly regarded metallurgist specializing in nickel. This new study was initiated in the light of forecasts on the market penetration of EVs and demand for battery raw materials, including nickel, copper and cobalt through to 2030.

The new scoping study will build on extensive previous work including a feasibility study carried out by the Sherlock Bay Nickel Corporation Limited between 2004 and 2007. The feasibility study included extensive studies on the mining, environment, geotechnical, hydrology, plant design and other matters

¹ SBR ASX announcement dated 12 June 2018 ‘Sherlock Bay resource estimate update’.

necessary to complete the feasibility study. In 2018, Australian Mining Consultants Pty Ltd (AMC) completed a mining study on the Sherlock Bay Nickel deposit². As part of the mining study, AMC prepared and documented cost schedules for the open pit and underground mining of the deposit. The mining study, processing study and other work done by Sabre have provided the Company with confidence that the Sherlock Bay deposit has the potential to become an economic mining development. It is for these reasons that Sabre Resources now commence a scoping study.

Sabre considers that it is well positioned to take advantage of the recovery in the nickel, copper and cobalt prices. Updates and information will be provided as the study progresses.

OTAVI MOUNTAIN LAND PROJECT (“OML PROJECT”)

The Otavi Mountain Land Project comprises two Exclusive Prospecting Licences, EPL 3540 (SBR 80%) and EPL 3542 (SBR 70%), which cover about 347km² of the ‘Otavi Triangle’.

The Otavi Mountain Land is a highly prospective, underexplored area in northern Namibia which has potential for high-value copper mineralisation, stratabound zinc-lead mineralisation and vanadium deposits (Figures 2).

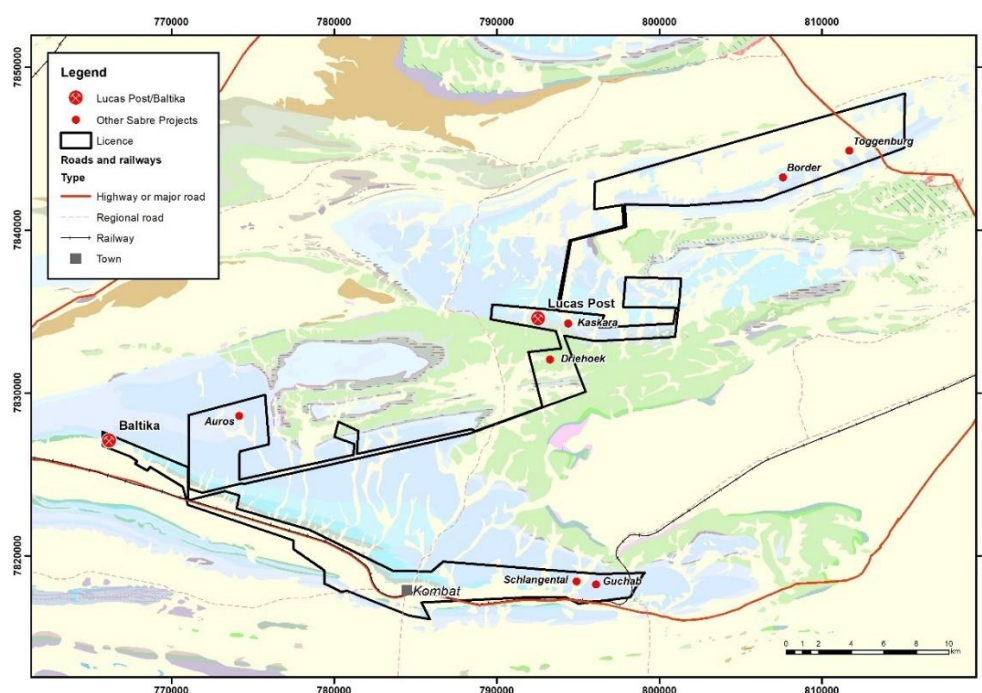


Figure 2: Location plan showing the Otavi Project (EPL3540) and the Ongava Project (EPL3542) and prospects

The Otavi Mountain Land contains numerous historic mines, including the Tsumeb copper-lead-zinc mine and smelter complex, plus the Kombat copper mine. These mines are currently on care and maintenance, however, the Tsumeb copper smelter remains one of only five operating copper smelters in Africa. The presence of these mines and other significant historical mining and processing operations has resulted in the provision of excellent infrastructure throughout the region.

In March 2021, Sabre engaged DRA Global to conduct a scoping study on the Border lead-zinc deposit. DRA Global is a diversified global engineering, project delivery and operations management group headquartered in Perth with an office in South Africa. The scoping study will assess the economic viability of an open pit mining and processing operation at Border.

² Sabre Resources Limited (ASX:SBR) announcement 14th August 2018 “Positive mining study for Sherlock Bay nickel-copper-cobalt deposit”.

The Border zinc-lead-silver deposit is one of several lead-zinc deposits located on the 20km long Pavian Trend within Sabre's exploration licences in the Otavi Mountain Land near Grootfontein in northeastern Namibia. A Mineral Resource for the Border deposit was estimated to JORC 2004 standard in 2011 and was updated to JORC 2012 standard in 2014. The current Inferred Mineral Resource at Border is 16.0Mt @ 1.53% Zn, 0.59% Pb and 4.76g/t Ag³.

The Border Resource is a key component of the Company's strategy of identifying and developing high-tonnage, moderate-grade lead-zinc open pit mines, feeding a proposed centrally located processing plant. Several other lead-zinc prospects have been drilled at Driehoek approximately 15km southwest of Border. Diamond drilling (DKDD) and channel sampling (DKCS) at Driehoek included the following results:

61.85m at 4.21% Pb + Zn (2.96% Zn + 1.25% Pb) from 12.45m in DKDD0008⁴

71m at 3.62% Pb + Zn (2.64% Zn + 1.00% Pb) from 10m in DKDD0009⁴

77m at 4.27% Pb + Zn (3.02% Zn + 1.25% Pb) from 39m in DKCS003⁴

103m at 5.96% Pb + Zn (4.50% Zn + 1.46% Pb) from 53m in DKCS00⁴

This and other drilling led to an Exploration Target of 3 to 6Mt @ 4-7% Pb + Zn⁴ for the Driehoek prospect. Encouraging exploration results have also been reported at the South Ridge prospect to the east of Toggenburg on the Pavian Trend and at the Auros prospect.

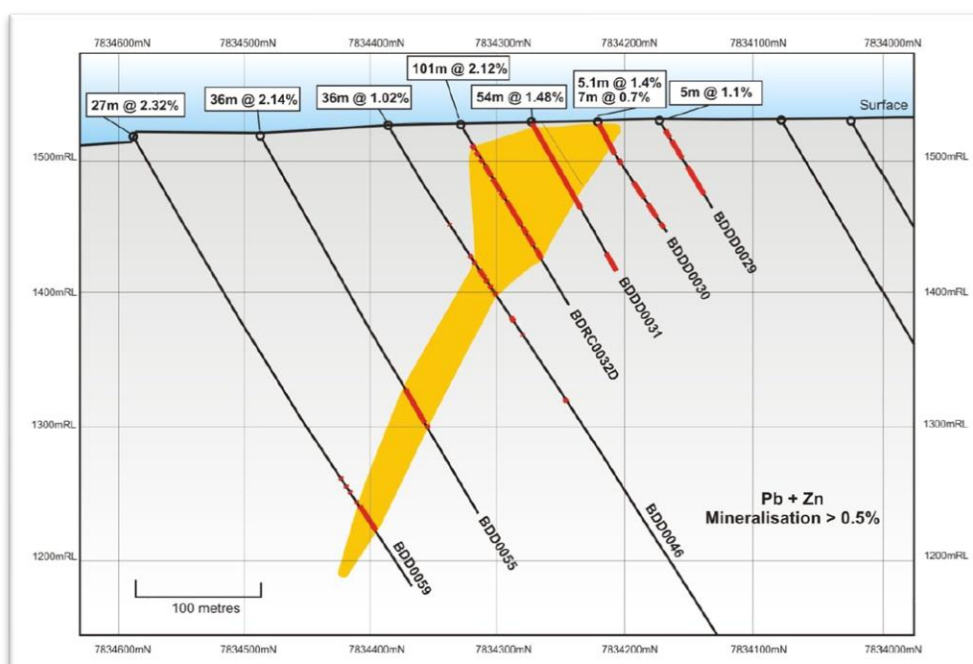


Figure 3: Cross section of the Border Deposit (807,600mE section), showing the distribution of mineralisation downhole (red) and from 3D modelling (yellow)

Sabre has completed detailed metallurgical test work on the Border deposit to test the response of the mineralisation to dense media separation (DMS). DMS is a cheap and efficient process that provides greatly reduced mineral processing costs.

The beneficiation tests on the bulk sample of Border ore show exceptional upgrading of the mineralisation in the DMS step. After only a crush to 12.5mm, DMS resulted in 92.5% of the lead and

³ Sabre Resources Ltd (ASX:SBR) announcement 16 October 2014 "Border zinc deposit resource update".

⁴ Sabre Resources Ltd (ASX:SBR) announcement 20 September 2011 "Very encouraging results from Driehoek".

86% of the zinc recovered to only 17% of the feed mass with a resulting product grade of 12.5% zinc and 6.3% lead. The effect of this is that for every 100 tonnes of ore only 17 tonnes remain to be processed after the DMS stage. The 17 tonnes of material generated will contain 92.5% of the lead and 86% of the zinc. The result of this is that a much smaller plant is required because only 17% of the ore needs to be processed. This greatly reduces the amount of material requiring grinding prior to flotation. Grind and float test work demonstrated excellent liberation at a relatively coarse grind size of 150 microns. Final flotation concentrate grades were around 65 % lead and 62 % zinc (from mineralisation grading 0.77% Pb and 1.66% Zn), with final recoveries of around 87% for lead and 82% for zinc⁵.

A major factor in the success of the DMS technique at Border is the lack of waste sulphides, such as the iron sulphides pyrite and pyrrhotite. The near absence of these waste sulphides at Border means that the simple DMS process is highly efficient, resulting in very low processing costs to produce a marketable concentrate or to produce feedstock for a substantially smaller plant than would otherwise be required. This indicates that lower grades of zinc and lead mineralisation can be processed profitably.

The Pering Zn-Pb Mine in the Northern Cape Province of South Africa shows many similarities to Sabre's Border deposit. Operated by Shell South Africa and BHP Billiton from 1988 to 2003, output over the life of mine was 20.4 Mt @ 0.58% Pb and 2.58% Zn. The mining cut-off was 1.1% Zn+Pb. (refer Pering Base Metals (Pty) Ltd Techno Economic Statement as at 31 December 2010). Pering is considered to be a Mississippi Valley-Type (MVT) deposit, hosted by dolomite sequences.

Process	Lead	Zinc
<i>1 - Original sample (head assay)</i>		
Grade (2.43% Pb+Zn):	0.77 %	1.66 %
<i>2 – Dense media separation (sinks and fines)</i>		
Product grade:	6.3 %	12.5 %
Enrichment factor (from 1):	8.2 times	7.5 times
Recovery (from 1):	92.5 %	86.0 %
<i>3 - Grind and float</i>		
Product grade:	63-69 %	61-62 %
Enrichment factor (from 2):	~10 times	~5 times
Recovery (from 2):	94-95 %	~95 %
<i>Process Summary</i>		
Overall enrichment (from original):	~82 times	~37 times
Overall recovery (from original):	86.9%	81.7 %

Table 1: Summary of the results of beneficiation testing of Border ore⁵

The example of the Pering Mine shows that moderate-grade, high-tonnage zinc-lead deposits can be economically viable, profitable assets in southern Africa. Sabre believes that Border, with additional tonnages from Driehoek and other prospects to be defined along the Pavian Trend, such as Toggenburg, could become a significant lead and zinc producer in the Otavi Mountain Land.

YOUANMI GOLD PROJECTS

The Youanmi Gold Project comprises two granted Exploration Licences located in the Youanmi Goldfield in Western Australia (Figure 4) adjacent to Ramelius Resources Ltd's Penny West Project. The Youanmi Gold Mining District has gained investor attention with the discovery of the Penny North gold resource by Spectrum Metals Ltd and the high-grade Grace Prospect discovery by Rox Resources Ltd at the Youanmi Mine.

⁵ Sabre Resources Ltd (ASX:SBR) announcement 24 January 2012 "Border resource exceeds 16 million tonnes".

The Youanmi Project covers a structurally complex granite-greenstone contact zone containing faults that splay off the major north-south trending Youanmi Shear Zone that controls gold mineralisation at Penny West/Penny North.

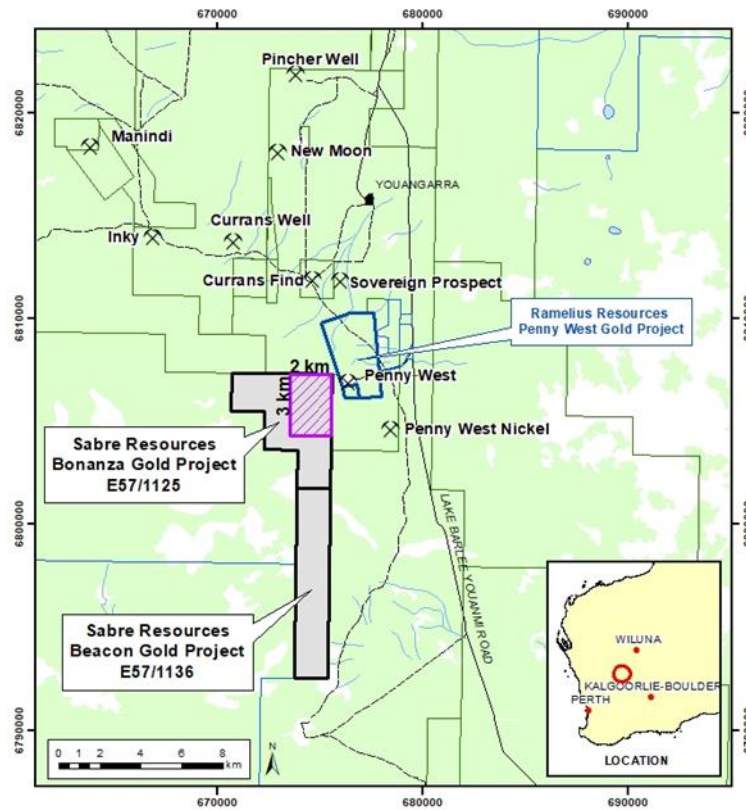


Figure 4: Location plan showing planned aeromagnetic survey area

In November 2020, Sabre completed an Aircore drilling program at the Bonanza Gold Project. The reconnaissance drilling was conducted on four east-west orientated traverses with holes spaced 100m apart. Forty-nine holes were drilled for a total of 1,427m. The drill targets were based on an interpretation of the detailed airborne magnetic survey completed in August 2020. Northeast and northwest trending linear magnetic lows were interpreted to be fault splays from the Youanmi Shear that hosts gold mineralization at Ramelius Resources Ltd's Penny West Gold Mine ~800m to the east. The shallow drilling did not resolve the cause of the linear magnetic features, interpreted to be faults. The best result obtained from the Aircore drilling was 4m at 1.27g/t Ag in hole BZAC0016.

The Aircore program was followed up by Reverse Circulation (RC) drilling designed to test three priority structures generated from the interpretation of the aeromagnetic data at greater depth. The RC drilling was conducted on three east-west orientated traverses with holes spaced 50m to 100m apart. Six holes were drilled to depths of 95m to 120m for a total of 595m. The RC drilling did not return any anomalous results.

The holes intersected felsic intrusive rocks of varying composition and varying depths of weathering. This variability is the likely cause of the textural features in the aeromagnetic image. Linear boundaries between rock types are caused by faulting that is represented by minor quartz veining and pegmatite intrusions but no gold was associated with these structures.

CORPORATE

EPL3540 Binding Sale Agreement

In February 2021, Sabre finalised the sale of its 80% interest in Exclusive Prospecting Licence 3540 in Namibia (Figure 2). The Licence is held by Namibian company Gazania Investments Nine (Pty) Ltd, and this company was, pursuant to the agreement, sold by Sabre.

The sale was to TSX Venture Exchange listed Trigon Metals Inc ('Trigon'). The consideration payable to Sabre is a total of CAD \$300,000, payable in two tranches. The first tranche of CAD \$200,000 was paid at settlement. The second tranche of CAD \$100,000 will be payable to Sabre on renewal of the Licence by the Namibian Ministry of Mines and Energy. Trigon is unrelated to Sabre and the sale is an arm's length transaction.

The Company had cash available on 31 March 2021 of \$5.252M.

The Company incurred payments of \$10K to related parties for the quarter, being in relation to director fees and superannuation.

This announcement has been authorised for release by the Board of Directors.

END

For further information please contact:

Martin Stein
Company Secretary
Phone (08) 9481 7833

Or consult our website:

www.sabresources.com

Competent Person Declaration

The information in this report that relates to Exploration Results, Exploration Targets and Mineral Resource or Ore Reserves is based on information compiled by Mr Martin Bennett, who is a consultant to Sabre Resources Ltd, and who is a Member of The Australian Institute of Geoscientists. Mr Bennett 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 2012 Edition of the "Australian Code for Reporting of Exploration Results, Mineral Resource and Ore Reserves". Mr Bennett consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

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 program 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 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.

APPENDIX I – TENEMENT SCHEDULE

Sabre Resources tenement schedule at 31 December 2021

Country	State/Region	Project	Tenement ID	Area (km ²)	Date Granted	Date Expires	Interest
Namibia	Otjozondjupa	Otavi Mountain Land	EPL3542	116.29	30/10/2006	8/5/2021	70%
Australia	WA	Sherlock Bay	M47/567	10.0	23/09/2004	22/09/2025	70%
			L47/124	0.97	21/07/2004	20/07/2025	70%
Australia	WA	Bonanza	E57/1125	18.0	10/01/2020	9/01/2025	100%
	WA	Beacon	E57/1136	15.0	14/03/2020	23/03/2025	100%
	WA	Wanna	E09/2244		25/02/2019	24/02/2024	100%