

## QUARTERLY ACTIVITIES REPORT

FOR THE QUARTER ENDED 31 DECEMBER 2015

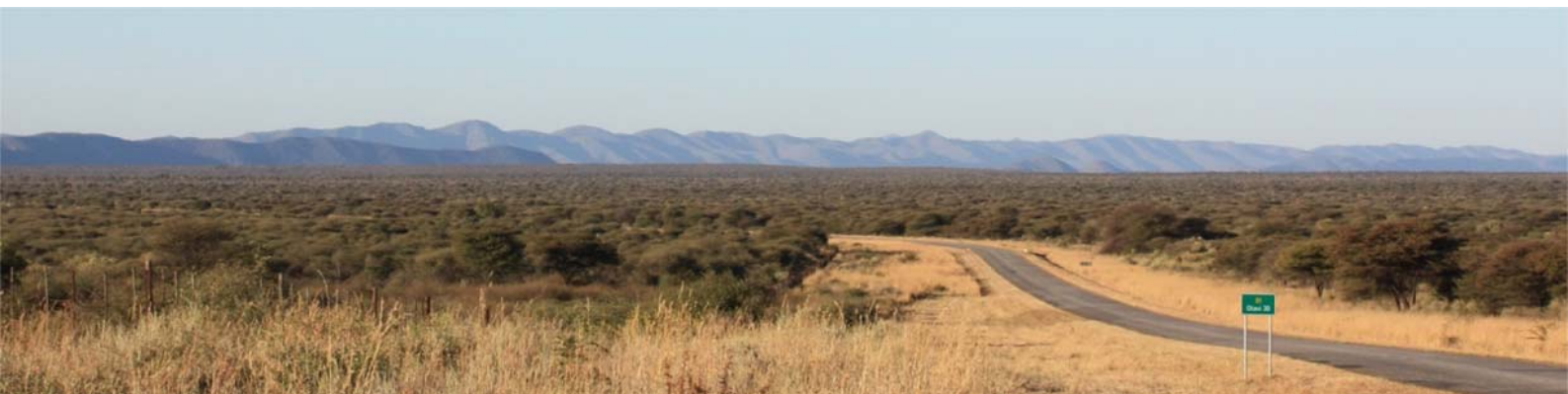


Figure 1 – View of the Otavi Mountain Land, approaching from the southwest on the highway from Windhoek..

- **Drill sites finalised for the next phase of exploration at the Toggenburg Zn-Pb-Ag prospect and the Guchab South Cu-Ag prospect which will commence on renewal of licences and cessation of wet season rains.**
- **New geochemical survey technique being trialled at and around Guchab in order to define the extent and intensity of the hydrothermal event responsible for copper-silver mineralisation.**
- **Detailed mapping and environmental studies are underway at several project areas in preparation for forthcoming Mining Licence applications at Border and the Guchab area.**
- **Interrogation of geophysical and other remote datasets identifies additional Zn-Pb-Ag targets.**
- **Cost-reduction initiatives implemented across Sabre's Australian and Namibian offices.**

### ZINC-LEAD-SILVER PROJECTS

#### Toggenburg

During the quarter, sites were cleared and preparations made for deeper drilling at selected sites at Toggenburg.

Four drill sites were identified for a series of 100 m deep reverse circulation drillholes which are designed to test the down-dip extent of zinc and lead mineralisation at Toggenburg. It is expected that, like the Border deposit to the west, mineralisation will dip moderately to steeply to the north-northwest, parallel to the host dolomite sequence.

Drilling at Toggenburg will recommence on renewal of the licence and cessation of the wet season rains. Being entirely under cover of black soil plains, Toggenburg is inaccessible during wet weather.

The Toggenburg prospect is located along strike from Sabre's Border zinc-lead-silver deposit and is interpreted to be controlled by the same structures as Border. The Toggenburg prospect measures over 2.8 km long and up to 250 m wide, with maximum combined zinc and lead values in excess of 2.9 %. The anomalies defined at Toggenburg, which are open to the east and west, have an area more than four times the size of the equivalent anomaly at Border, where a 0.1 % Zn+Pb cutoff in the near-surface approximates the footprint of zinc and lead sulphide mineralisation at depth. The JORC 2012 Inferred Resource at Border is 16.0 Mt @ 1.53 % Zn, 0.59 % Pb and 4.76 g/t Ag.

## COPPER PROJECTS

### Guchab South

At Guchab South, several drill sites have been identified and preparations made for drilling. Drilling will commence on renewal of the licences and the end of the wet season.

Additionally, work is continuing on refining the detailed parameters for the high-powered EM survey proposed for the Guchab South area. Features at Guchab South, such as the conductive Kombat Shale overlying the potential host dolomite sequence, as well as the highly conductive railway line, can complicate or obscure the electrical response of possible sulphide mineralisation. Modelling is continuing to ensure the appropriate technique is used.

### Guchab Mining Centre

A new geochemical survey is underway over the Guchab Mining Centre. A series of samples has been collected at 250 m intervals in a line running northward from the Otavi Valley, over the mining centre and to the Hoba Valley in the north. The stable isotope values of these samples will be measured in an effort to define the hydrothermal footprint of the copper mineralisation at and around Guchab. Use of this technique in copper and gold deposits elsewhere has defined distinct haloes to mineralisation that have resulted in further discoveries.

This is very much a trial program as the technique has not been used previously in the Otavi Mountain Land. If successful, further samples will be taken with the intention of defining haloes to, and therefore vectors to, additional mineralisation at Guchab.

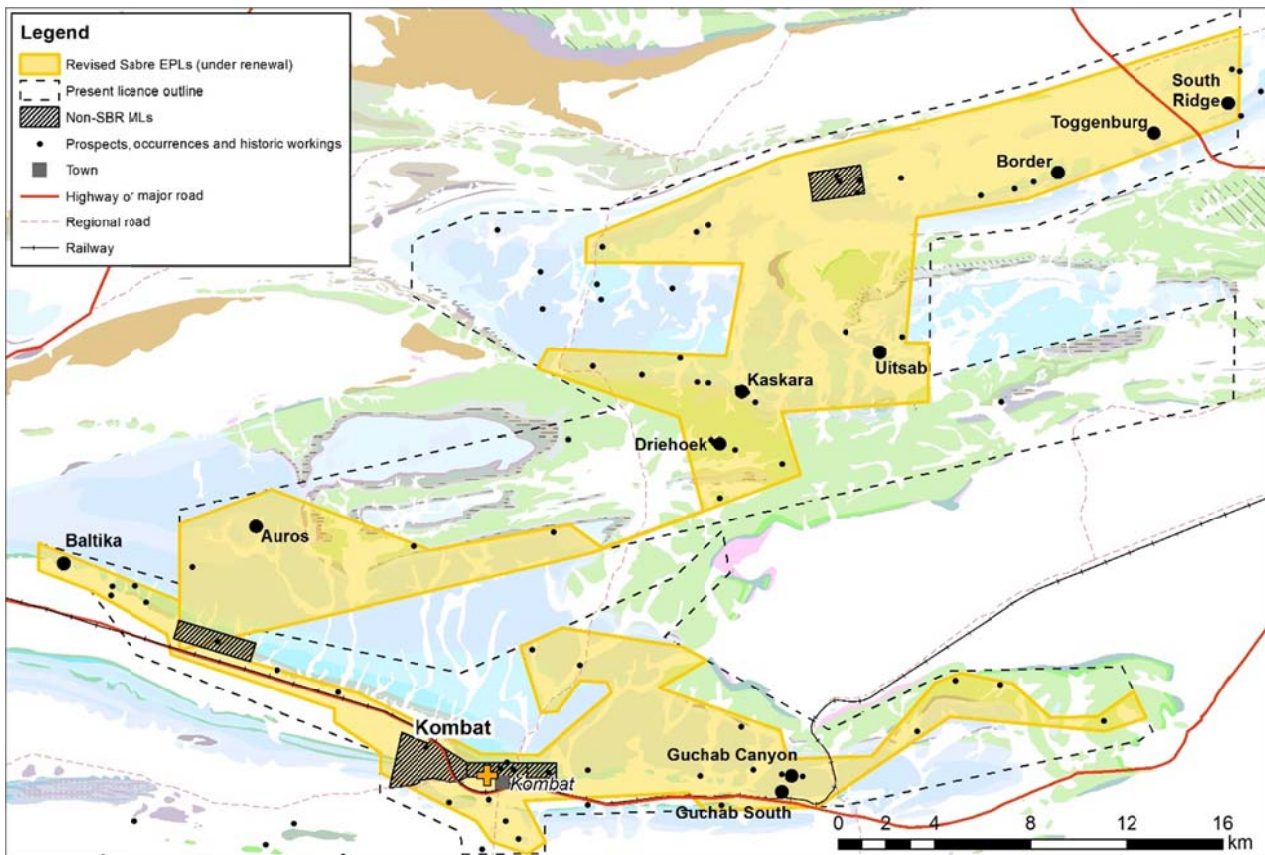
The initial batch of samples is presently passing through customs and will be analysed in Perth upon its delivery.

## FURTHER TARGETING FOR COPPER, ZINC AND LEAD PROJECTS

Detailed interrogation of geophysical and other remotely sensed datasets continues throughout the licence areas. Several new zinc and lead targets have been identified and will be ranked on completion of the interpretation.

## LICENCE RENEWALS

Renewal applications for both EPL-3540 and EPL-3542 were submitted during the previous reporting period. The Company is presently awaiting notification by the Ministry of Mining and Energy of their renewal, and is not aware of any issues that would preclude renewal of each of the licences.



**Figure 2** – Areas to be retained in yellow after the statutory 50% reduction to the Company's EPLs in the Otavi Mountain Land, as mandated by the Ministry of Mines and Energy. Note that all areas and prospects of interest have been retained.

## PREPARATION FOR MINING LICENCE APPLICATIONS

Sabre intends to submit applications for a number of Mining Licences within the forthcoming EPL renewal period (i.e. prior to end October, 2017). Several sites are shortlisted which include the Border Zn-Pb-Ag deposit and the Guchab Cu-Ag deposit, amongst others. The application process requires submission of extensive documentation, including detailed geological maps, environmental reports, resource reports, and scoping studies.

During the quarter, progress was made on the collection and collation of data for the detailed geological maps. Work also commenced on preparation for the environmental reports.

## CAPITAL RAISING AND REVIEW OF EXPENDITURE

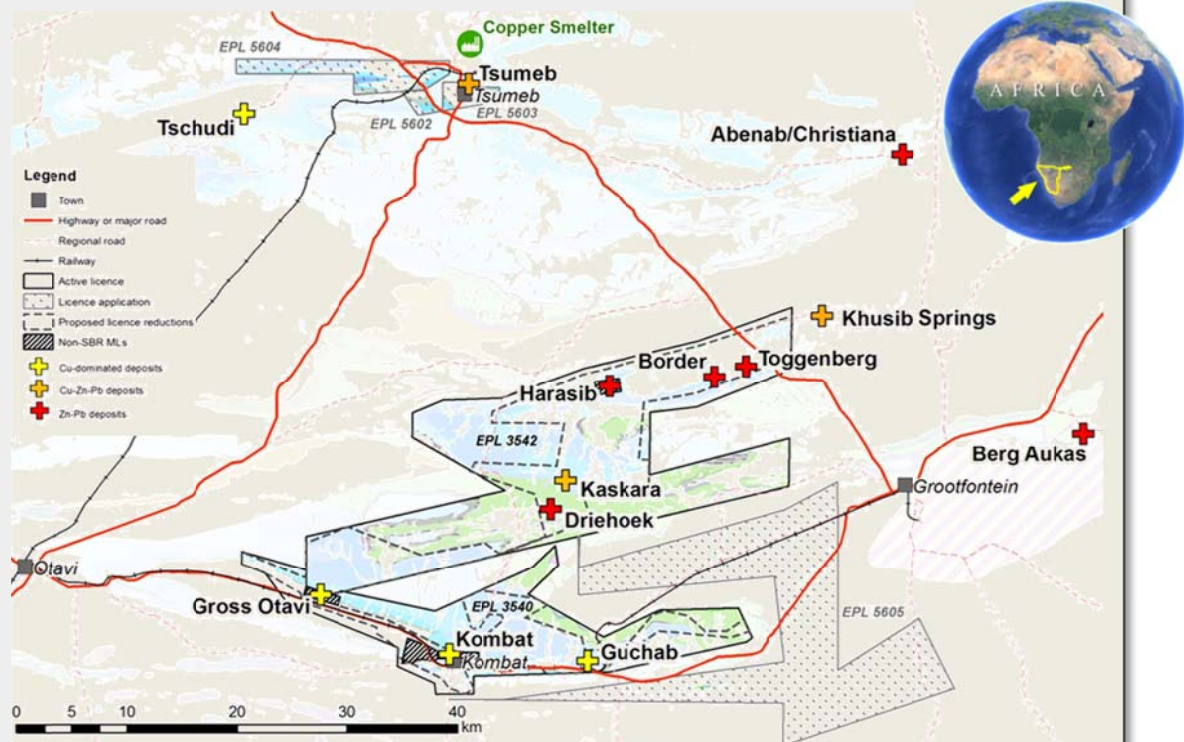
Sabre raised \$400,000 on 26 October 2015 by the issue of 25,000,000 shares at \$0.016 each, together with 12,500,000 free options exercisable at \$0.025 each on or before 1 August 2018.

During the quarter, an internal review of expenditure in both Australia and Namibia was completed and a number of cost-reduction initiatives implemented.



## SABRE'S OTAVI MOUNTAIN LAND COPPER AND ZINC PROJECT

Sabre Resources Ltd (“Sabre” or “the Company”) is a Namibia-focused, Australia-based base-metals exploration company. Sabre has a strategic land holding of about 350 km<sup>2</sup> of exploration licences currently being renewed, and 350 km<sup>2</sup> of exploration licence applications in the Otavi Mountain Land (“OML”) in northern Namibia. The OML is interpreted to be an extension of the Central African Copperbelt, which comprises the Zambian and Katangan (DRC) Copperbelts and constitutes the world’s richest sediment-hosted copper province.



Sabre's Otavi Mountain Land copper and zinc project, in northern Namibia. Applications are subject to Ministerial approval.

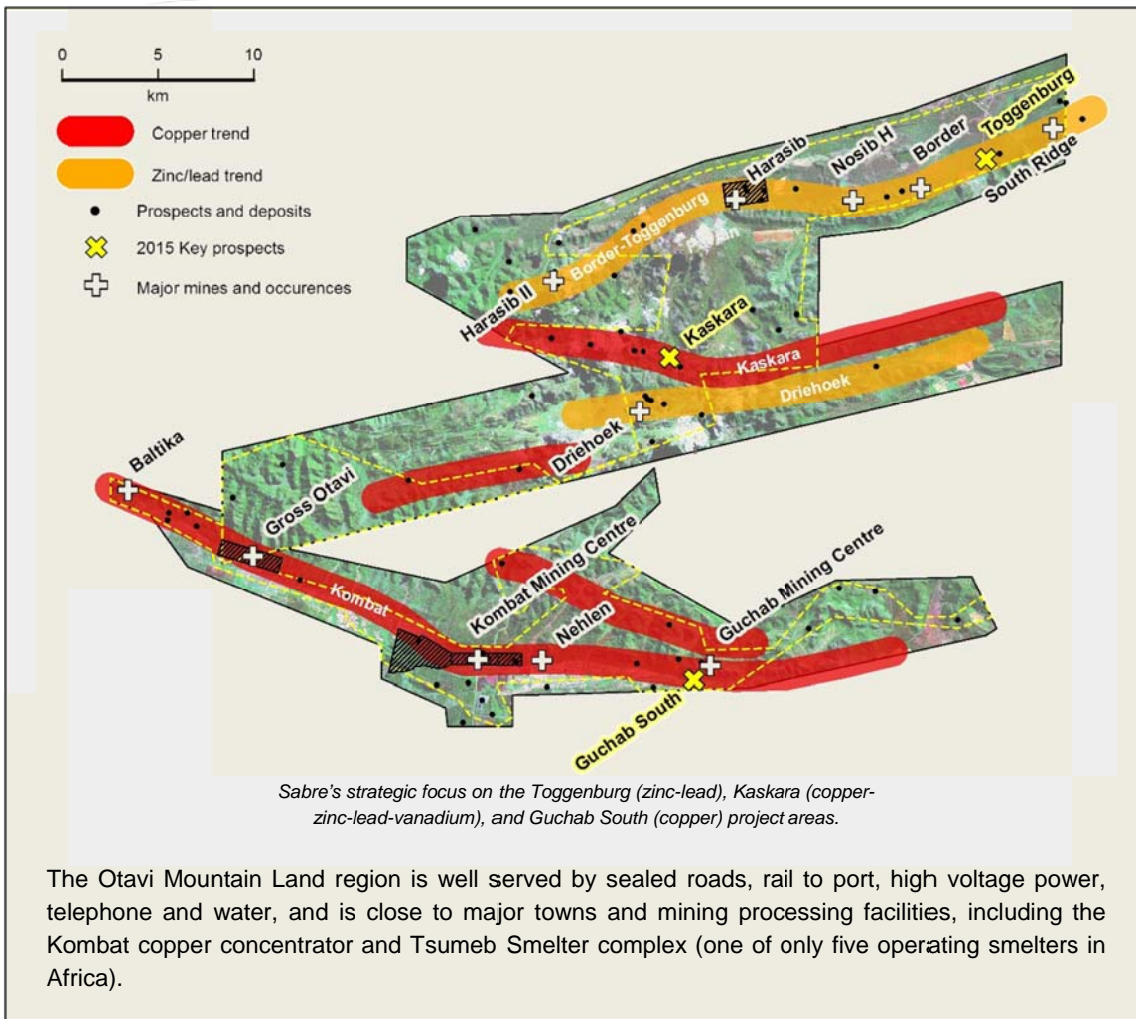
Sabre has defined copper mineralisation in two major trends with potential for Tsumeb, Kipushi and Kombat breccia-style massive sulphide pipes, and Tschudi –style stratiform mineralisation. Copper in geochemical drilling at Guchab South has identified visible chalcocite and malachite over a 600m by 200m zone along trend east of the Kombat Copper Mine.

Sabre has also defined two major trends with stratabound zinc-lead sulphide mineralisation. As well as containing the Border zinc-lead deposit (16.0 Mt @ 1.53 % Zn, 0.59 % Pb and 4.76 g/t Ag), recent work has uncovered significant Zn-Pb geochemical anomalies at Toggenburg with up to 2.90 % Zn+Pb over 2.8 km strike length defined to date.

Strategically the Company is focusing on high-value deposit styles:

- High grade, copper-rich Tsumeb- and Kipushi-type deposits. Kombat-style epigenetic copper mineralisation is considered to be a subset of this type.
  - Tsumeb (OML) – 24.9 Mt @ 5.5 % Cu, 11.5 % Pb, 4.0 % Zn & 172 g/t Ag, and
  - Kipushi (DRC) – historical production 60 Mt @ 10 % Cu and 11.03 % Zn and historical resources of 26 Mt @ 2.18 % Cu and 19.05 % Zn.
- Stratabound epigenetic zinc-lead deposits with favourable metallurgical characteristics.

There is also a secondary focus throughout the region on Copperbelt-style stratiform Copper deposits (e.g. Tschudi in the OML). Exploration is mainly in the extensive areas of cover or poor outcrop which previous explorers largely ignored.



**For further information please contact:**

David Chapman, Managing Director  
Phone (08) 9481 7833

Or consult our website:

<http://www.sabresources.com/>

#### Competent Person Declaration

The information in this report that relates to Exploration Results is based on information compiled by David Chapman who is Managing Director of Sabre Resources Ltd, and who is a Member of The Australian Institute of Mining and Metallurgy. Mr Chapman 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 Chapman 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 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 – LICENCE SCHEDULE.

Country	State/Region	Project	Tenement ID	Area (km <sup>2</sup> )	Grant date	Interest
Namibia	Otjozondjupa	Otavi Mountain Land base metals	EPL3540	213.2	30/10/2006	80%
			EPL3542	475.5	30/10/2006	70%