

ASX ANNOUNCEMENT

30 April 2018



QUARTERLY ACTIVITIES REPORT

FOR THE QUARTER ENDED 31 MARCH 2018

HIGHLIGHTS

- **Sherlock Bay Nickel-Copper-Cobalt and Gold Project in the Pilbara, WA**
 - Verification of drilling databases and compilation of extensive digital data and hardcopy reports completed
 - Preliminary field visits undertaken
- **Otavi Mountain Land Base Metal and Vanadium Project, Namibia**
 - Review and compilation of vanadium exploration targets
- **Capital raising and acquisition of Vanadium Assets (subsequent to quarter end)**
 - Completed a heavily oversubscribed placement to sophisticated and professional investors to raise \$1,588,000 (gross)
 - Acquired 100% of Kinetic Metals Pty Ltd which holds 3 Western Australian vanadium projects

SHERLOCK BAY PROJECT

Sabre Resources Limited (SBR or the Company) acquired 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 tenements comprise two valid exploration licenses E47/1769 and E47/1770 and a mining lease M47/567 (Figure 1 and Appendix I).

Mining lease M47/567 contains the Sherlock Bay nickel-copper-cobalt deposit, which has an existing nickel resource (for full details, refer to SBR announcement dated 29 January 2018). The deposit also contains a potentially significant amount of copper and cobalt. During the quarter the Company commenced the process of verifying the drilling database used for the resource estimate and evaluating the requirements for updating the estimate from JORC 2004 to JORC 2012 standards. This resource update is expected to be completed during the next quarter.

Extensive previous exploration and development work including completion of a feasibility study in 2005, has been completed on the Sherlock Bay Project. SBR has obtained access to all these data for the deposit. Compilation of the digital data and hard copy reports was undertaken during the quarter. SBR is most impressed at the quality and quantity of the data held. The Company is confident that the extensive feasibility-level studies that have been completed by previous holders can be utilised to accelerate further evaluation of the Project and to prepare an updated feasibility study.

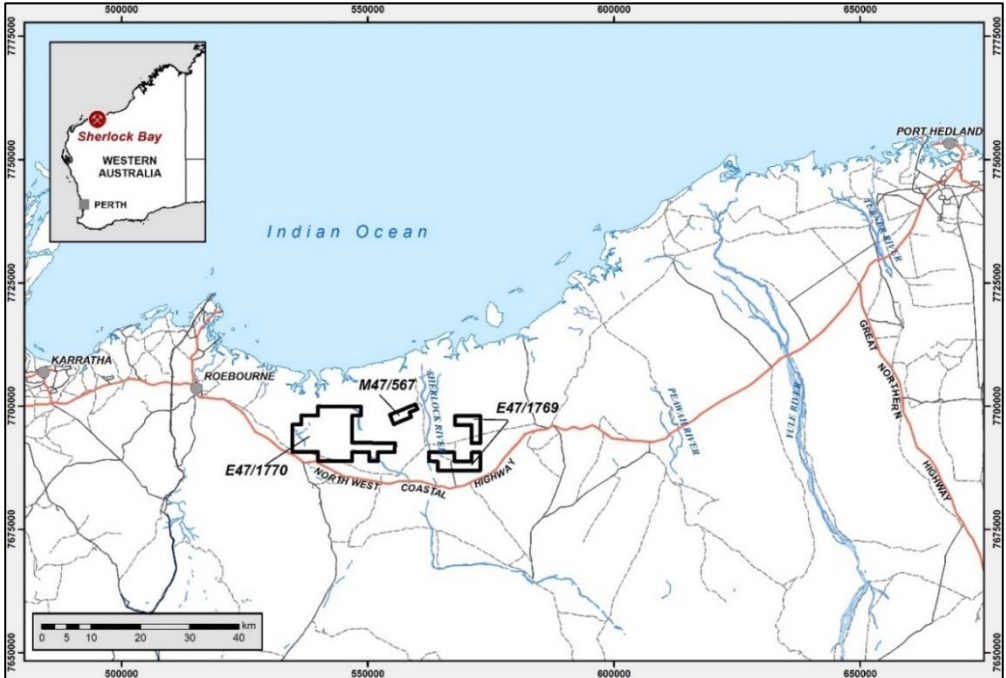


Figure 1: Location map of the Sherlock Bay Project in Western Australia

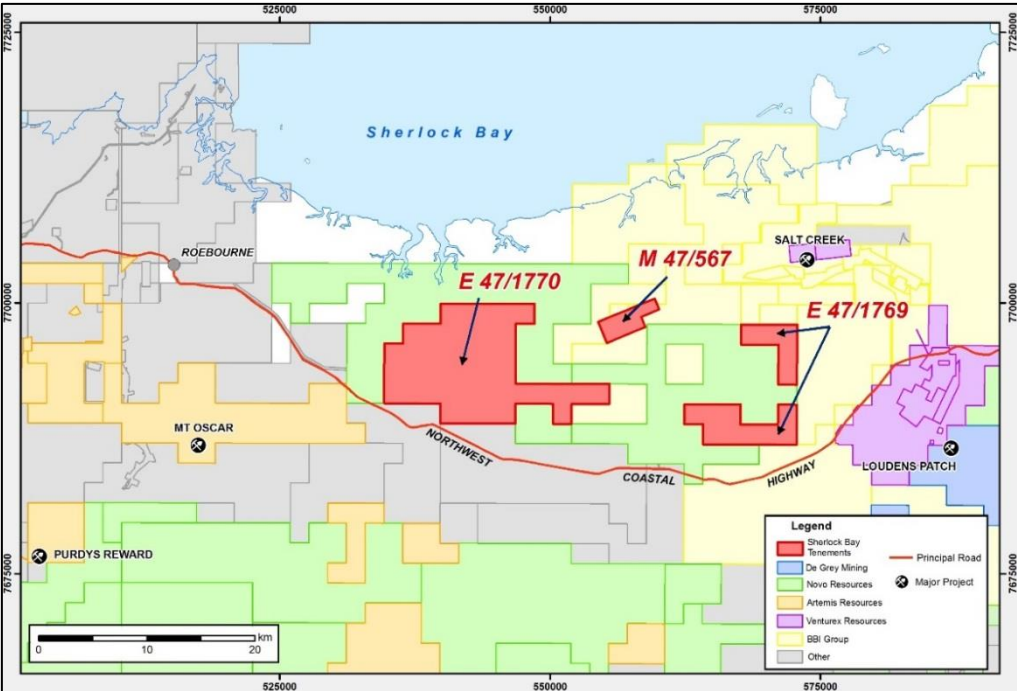


Figure 2: Current tenement status map for the Sherlock Bay Project and surrounding area, source: WA Department of Mines, Industry Regulation and Safety

The Sherlock Bay tenements also covers highly sought after ground that has potential for conglomerate-hosted gold mineralisation. The project area is almost totally surrounded by tenements held by Novo Resources Inc. on all sides (Figure 2). It sits strategically within the conglomerate-gold search area adjacent to and to the east of ground held by Artemis Resources Ltd and to the west of ground held by De Grey Mining Ltd. No prior exploration for gold has been undertaken in the project area.

During the quarter contact was made with the local pastoral stations and preliminary field inspections of the Sherlock Bay deposit site were completed. Access tracks and the core yard on site were all found to be in good order.



Plate 1: Overview of the Sherlock Bay Ni-Cu-Co Deposit

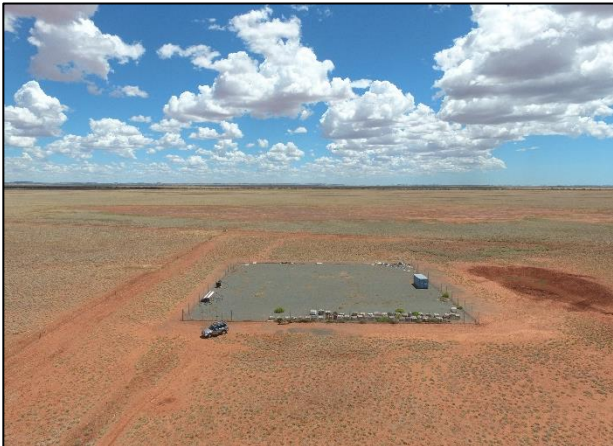


Plate 2: Core yard area at the Sherlock Bay Project

OTAVI MOUNTAIN LAND PROJECT (“OML PROJECT”)

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. The project comprises two granted tenements, EPL 3540 (SBR 80%) and EPL 3542 (SBR 70%), which cover about 347 sq.km of the ‘Otavi Triangle’ (Figure 4).



Windhoek.

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 but 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.

Figure 3: Location of the Otavi Mountain Land Project in northern Namibia. Red lines are highways, black crossed lines are railways, black squares are towns and cities, and black star is the capital,

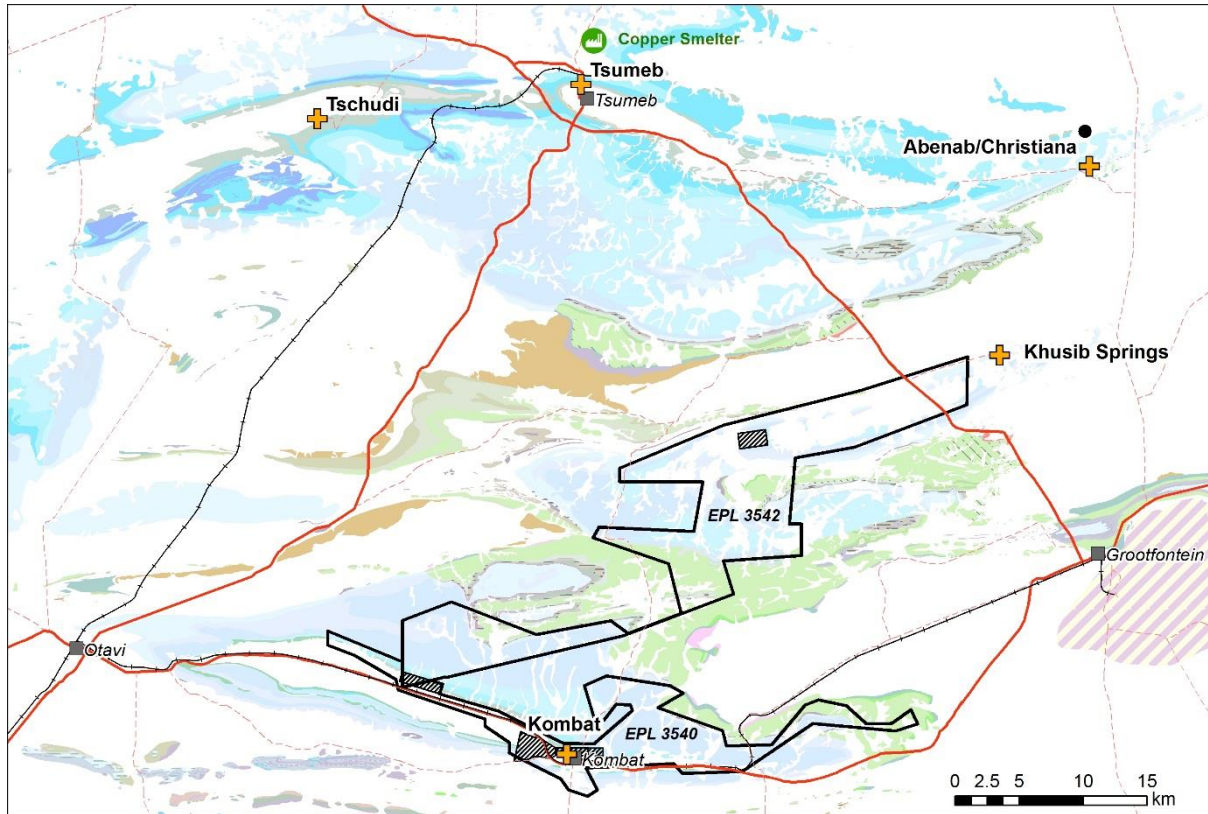


Figure 4: The Otavi Mountain Land, showing roads (red) railroads (black hatched), towns (black square), major mines and deposits (crosses) and the Tsumeb smelter complex. Sabre's two licences, EPL3540 and EPL3542, are located in the highly mineralised south of the area. Mining licences (grey cross-hatched) are not owned by Sabre and are excised from the licences.

EPL 3542 Zinc-Lead-Silver-Vanadium Projects

SBR has defined two major trends with stratabound zinc-lead sulphide mineralisation within EPL 3542 which contain the following resources and projects:

- The Auros Zn-Pb-Ag prospect;
- The Border Zn-Pb deposit (16Mt @ 1.53%Zn , 0.59% Pb and 4.76 Ag);
- The Toggenburg and Southridge Zn-Pb prospects;
- The Driehoek Zn-Pb deposit; and
- The Kaskara Cu-V and Ag prospect.

Evaluation of historical datasets to identify additional targets, in particular at Kaskara where high grade vanadium mineralisation was historically mined, continued during the quarter and a work program for 2018 is in preparation.

EPL 3540 Base Metal-Vanadium Projects

EPL 3540 contains the Kombat Corridor which is a 40 km long prospective geological contact extending approximately east-west from the Baltika Zn-Pb-V prospect in the west, through the Gross Otavi and Kombat Copper mines, to the Guchab historical copper mining center at the eastern end of EPL 3540. Significant prospects include:

- Guchab South Cu-Ag prospect; and

- Baltika Zn-Pb-V prospect (5,820t of concentrate grading 9% vanadium pentoxide was produced between 1931 and 1942).

Evaluation of historical datasets to identify additional targets, in particular at Baltika where high grade vanadium was historically mined, continued during the quarter and a work program for 2018 is in preparation.

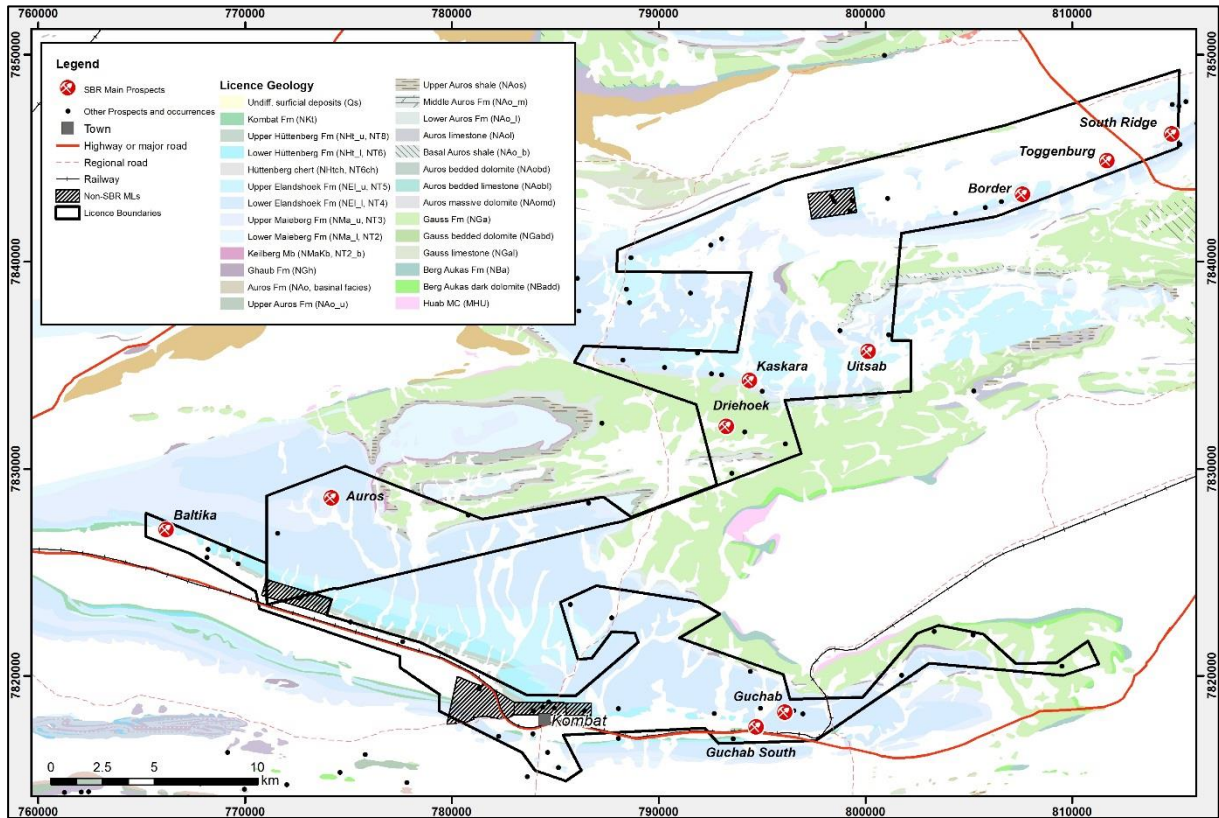


Figure 5: SBR EPL's showing key prospect areas and historical mines. Note that mining licences (grey cross-hatched) are not owned by SBR and are excised from the licences.

CORPORATE

Completion of Share Placement

During April 2018, Sabre Resources Limited appointed PAC Partners (PAC) as Lead Manager for a share placement (the **Placement**) to professional and sophisticated investors to raise capital to fund ongoing exploration.

A total of 105,866,667 fully paid ordinary shares, at a price of \$0.015/share were allocated to investors in order to raise approximately \$1.588 million gross proceeds from the Placement. Each placement share comes with a free attaching option, subject to shareholder approval, on a 1-for-1 basis. Each option will have an exercise price of 3 cents per share and an expiry date of 31 October 2019. The Company will seek quotation for the new series of options.

Funds raised under the Placement will be used as follows:

- Updating of Sherlock Bay resource estimate to JORC 2012 standard;
- Re-commencement of Sherlock Bay feasibility program including mining studies, metallurgical testwork, bulk sampling and financial analysis;
- Exploration of the Company's projects in Western Australia and Namibia; and
- General working capital.

PAC received a capital raising fee of 6% (+GST) of funds raised under the Placement. Subject to shareholders approval, PAC will also receive 8,000,000 listed options with an exercise price of \$0.03 and an expiry date of 31 October 2019.

Vanadium Project Acquisitions

In conjunction with the capital raising, Sabre Resources Ltd has agreed to acquire Kinetic Metals Pty Ltd which holds a package of three exploration license applications located in Western Australia. The Balla, Speewah and Unaly Vanadium Projects are strategically located adjacent to ground that holds known vanadium resources (see announcement dated 24 April 2018).

Consideration for the acquisition is 2.5 million fully paid ordinary shares (Vendor Shares) and 2.5 million unlisted options (Vendor Options), with each option having an exercise price of \$0.03 and an expiry date of 31 October 2019.

The acquisition remains subject to legal and commercial and technical due diligence. Completion of the acquisition and the issue of the Vendor Shares and Vendor Options remains subject to shareholder approval.

Change of Company Secretary

During the quarter Mr Paul Fromson resigned as Company Secretary and Mr Graham Baldisseri was subsequently appointed to the role. Mr Baldisseri is an experienced professional and has held in a variety of senior positions, including Company Secretary and Chief Financial Officer with several mining, exploration and engineering construction companies.

ENDS

For further information please contact:

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Exploration Manager
Phone (08) 9481 7833

Or consult our website:

www.sabresources.com

Competent Person Declaration

The information in this report that relates to Exploration Results is based on information compiled by Mr Lachlan Reynolds, who is a consultant to Sabre Resources Ltd, and who is a Member of The Australian Institute of Mining and Metallurgy. Mr Reynolds 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 Reynolds 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 I – TENEMENT SCHEDULE

Country	State/Region	Project	Tenement ID	Area (km ²)	Date Granted	Date Expires	Interest
Namibia	Otjozondjupa	Otavi Mountain Land	EPL3540	110.98	30/10/2006	29/10/2018	80%
			EPL3542	236.90	30/10/2006	29/10/2018	70%
Australia	WA	Sherlock Bay	M47/567	10.0	07/09/2004	22/09/2025	70%
			E47/1769	44.7	07/09/2009	06/09/2019	70%
			E47/1770	134.3	07/09/2009	06/09/2019	70%
		Balla	E47/3985*	35.22	-	-	-
		Unaly	E57/1092*	60.31	-	-	-
		Speewah	E80/5219*	170.66	-	-	-

* Exploration License Application