

QUARTERLY ACTIVITIES REPORT

FOR THE QUARTER ENDED 31 DECEMBER 2019

HIGHLIGHTS

- **Geophysical contractor engaged for detailed aeromagnetic survey at Bonanza Gold Project**
- **Sampling at Utisab prospect in Namibia completed**
Assay samples contain up to 0.77% V₂O₅, 2.1% Pb and 0.7% Zn¹
- **Additional work planned at the historic Baltika and Lucas Post Mines in Namibia**

YOUANMI GOLD PROJECTS

In August 2019, Sabre Resources Ltd (**Company** and **Sabre**) announced it had entered into binding Share Sale Agreements with Power Metals Pty Ltd and Scarce Minerals Pty Ltd to acquire 100% of two gold projects in the Youanmi Goldfield in Western Australia (Figure 1).

Power Metal's Bonanza Gold Project (E57/1125) covers an area of 18km² and is located adjacent to the Penny West Gold Project, where Spectrum Metals Limited (ASX: SPX) has reported a new high-grade gold discovery at Penny West North.

The Youanmi Gold Mining District has gained rapid investor attention with several companies including Rox Resources Limited (ASX: RXL) and Venus Metals Corporation Limited (ASX: VMC) reporting significant exploration success on its gold projects located in the same area.

E57/1125 was granted on 10 January 2020, and Sabre has now engaged a geophysical contractor to undertake a detailed aeromagnetic survey on the tenement. The magnetic survey will be conducted over an area of 2km by 3km in the northeast corner of EL57/1125 with a line spacing of 20m for a total of 300 line kilometers (Figure 1). The survey has been scheduled to commence in late January 2020.

The survey area covers a granite-greenstone belt containing faults that splay to the north-west off the Youanmi Shear Zone that controls gold mineralisation at Penny West. Sabre is encouraged by Rox Resources Ltd's discovery of high-grade mineralisation in a series of quartz lodes hosted by granite within 100m of the Youanmi Main Pit (Grace Prospect)². This suggests both greenstone units and granite adjacent to the Penny West open pit and the greenstone contact have potential to host for gold mineralisation.

¹ SBR announcement dated 22 January 2020 'Namibian Projects Exploration Update'. The Company is not aware of any new information or data that materially effects the information in this announcement.

² Rox Resources Ltd (ASX: RXL) announcement dated 20 January 2020. 'Further Exceptional Gold Results Confirm New Discovery'. The Company is not aware of any new information or data that materially effects the information in this announcement.

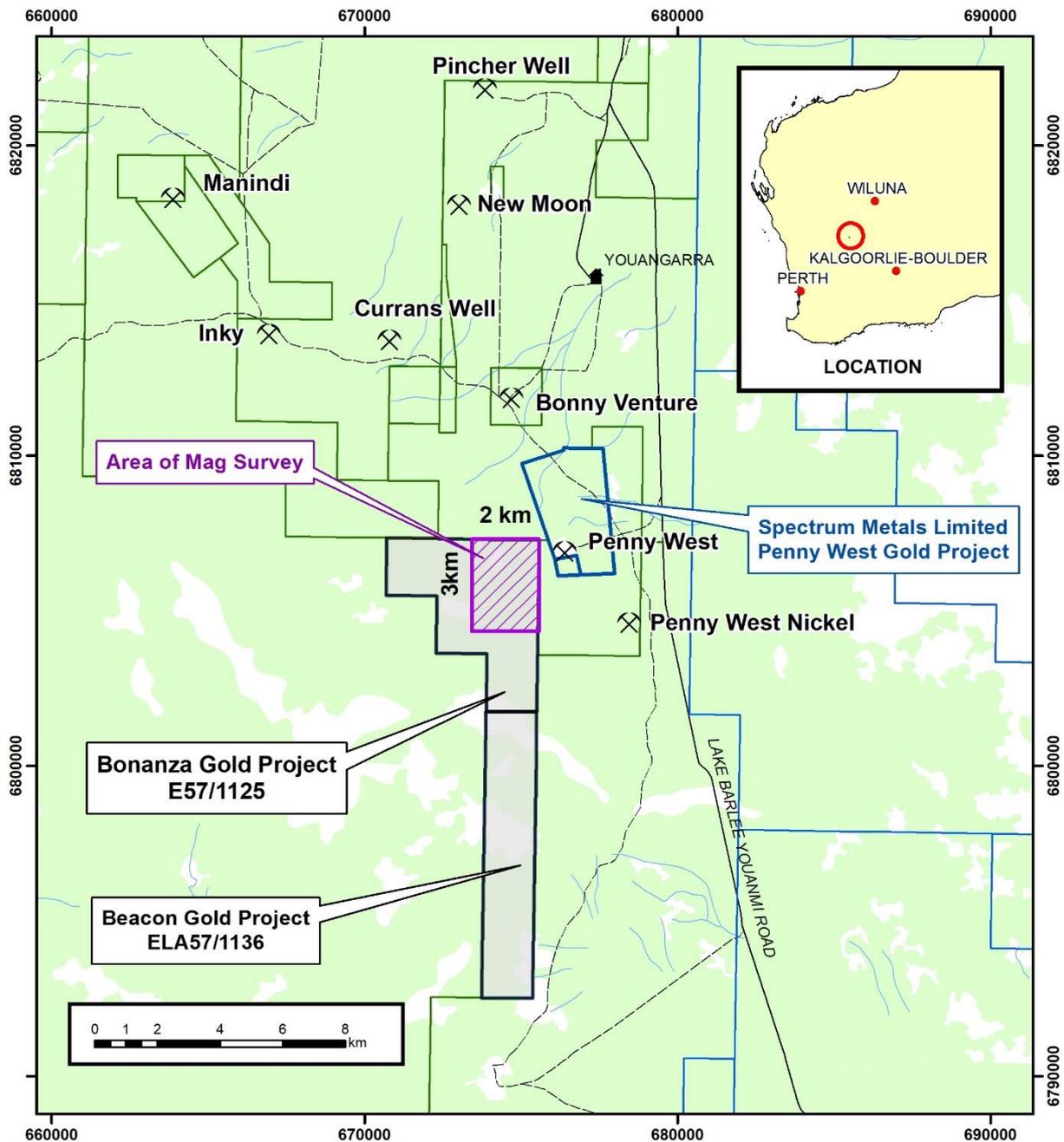


Figure 1: Location plan showing the Bonanza Gold Project (E57/1125) and Beacon Gold Project (ELA57/1136) relative to Spectrum Metals Ltd's Penny West Project

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 mining lease M47/567. The mining lease contains a resource of 24.6Mt grading 0.4% nickel, 0.09% copper and 0.02% cobalt³. Sabre continues to review the economics of the project following recent fluctuations in the nickel price.

³ SBR ASX announcement dated 12 June 2018 'Sherlock Bay resource estimate update'. The Company is not aware of any new information or data that materially effects the information in this announcement.

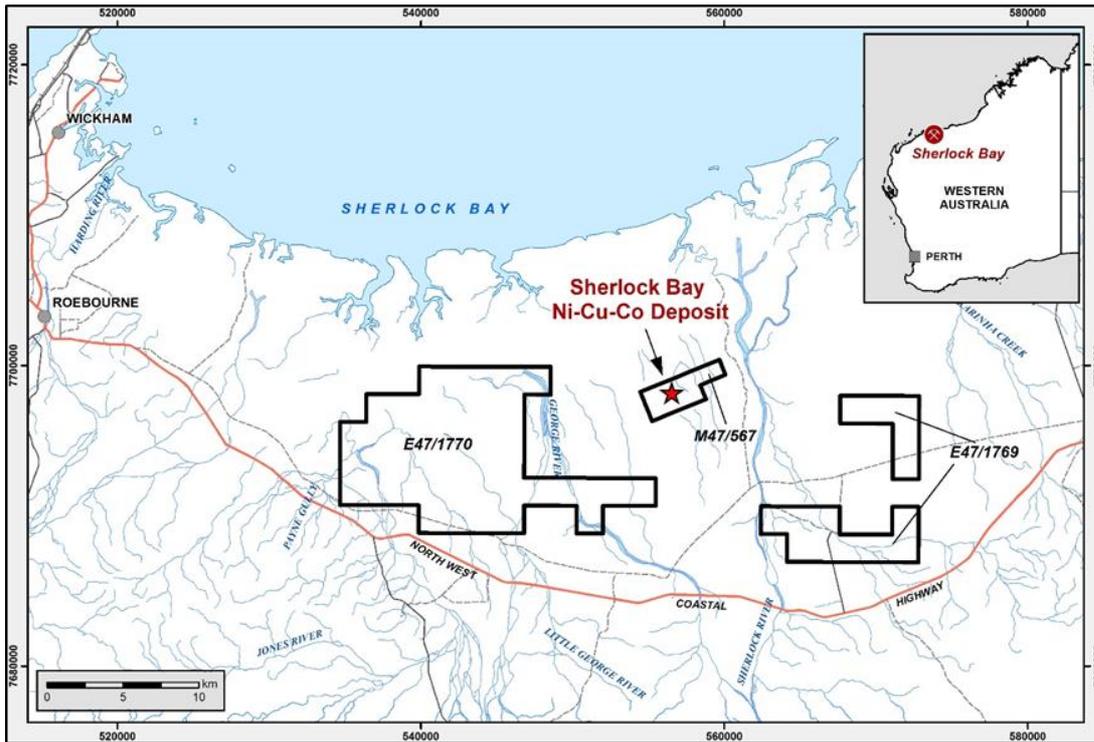


Figure 2: Location map of the Sherlock Bay Project in Western Australia

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 (Figures 3).

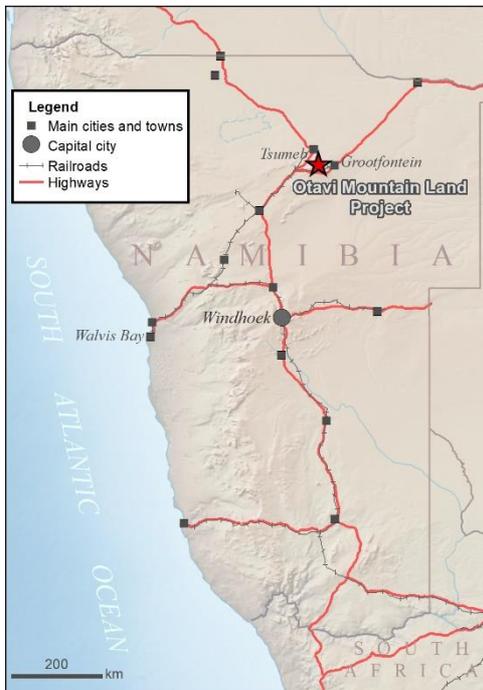


Figure 3: Location of Otavi Mountain Land Project in Northern Namibia.

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.

The Otavi Mountain Land Project comprises two tenements, EPL 3540 (SBR 80%) and EPL 3542 (SBR 70%), which cover about 347km² of the 'Otavi Triangle'. Renewal applications for EPL3540 and EPL3542 have been granted for an additional two year term and will now expire in May 2021.

Exploration on the project has continued during the December quarter.

At Utisab, 40 surface samples were taken from waste dumps and tailings around the historic open pit that has a historic production of 60,000t at 1.4% vanadium pentoxide (V₂O₅) between 1920-1940 (Figure 4). Areas of tailings were sampled with a powered auger on a grid spacing of 25m x 25m with holes drilled to depths ranging from 0.3m to 1m. The 20 samples of tails taken had maximum assay values of 0.77 V₂O₅, 0.2% Cu, 2.1% Pb and 0.7% Zn¹. The waste dump/ stockpiles were sampled on a 25m x 25m grid with rock chip samples taken at a depth of 0.25m. The 20 samples taken had maximum assay values of 0.5% V₂O₅, 0.1% Cu, 1.3% Pb and 0.5% Zn. The vanadium and basemetal grades of the surface material at Utisab are comparable to the grades reported by Golden Deeps Limited (ASX:GED) at the Abenab Mine where processing of stockpiles and tails is planned⁴.

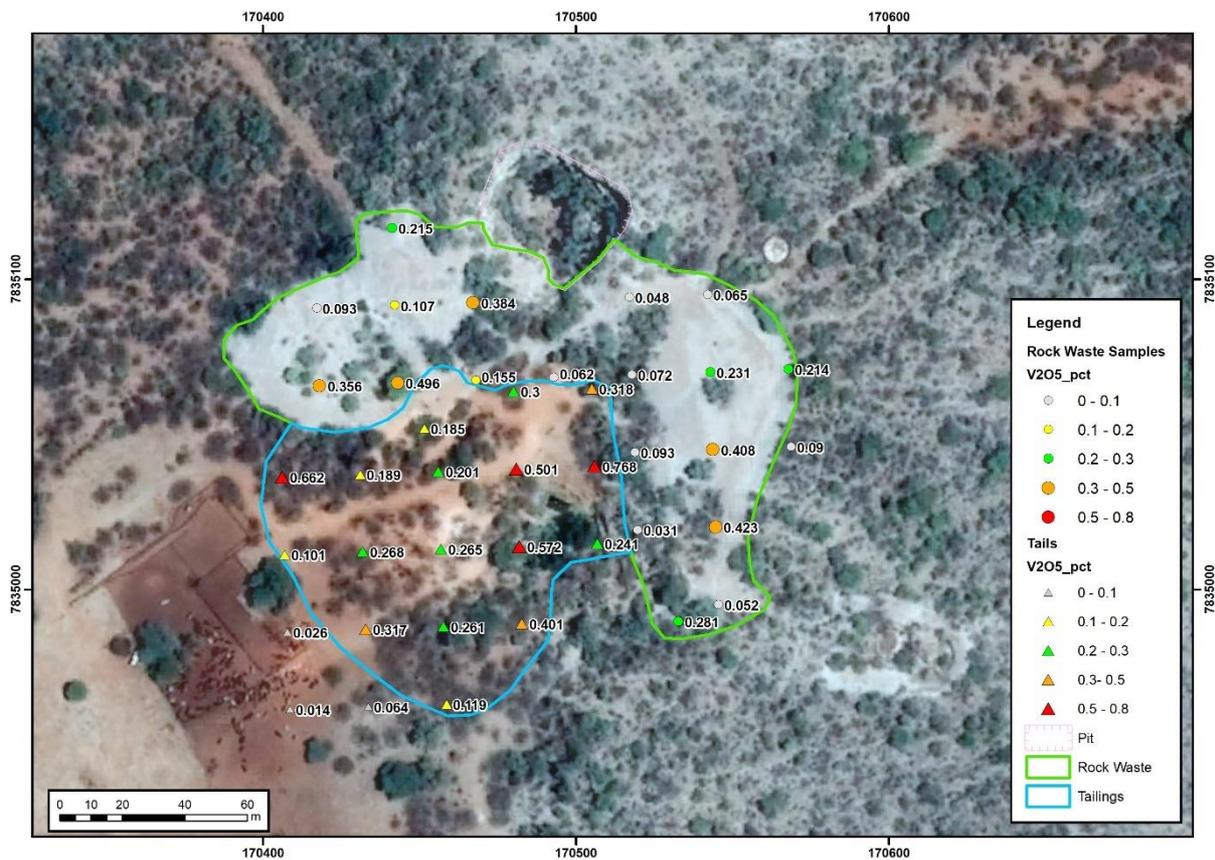


Figure 4: Utisab prospect location plan

Regional soil sampling located a >1000ppm lead soil anomaly 1.2km along strike to the west of Utisab. The anomaly strikes east-west and extends over 1km. Prospecting at the eastern end of the anomaly located a historic working in brecciated dolomite with coarse galena. Additional prospecting and sampling is planned.

⁴ GED announcement dated 17 January 2020 'Surface Mineralised Material Extended at Abenab Mine'. The Company is not aware of any new information or data that materially effects the information in this announcement.

Sampling of stockpiles, tails and waste is also planned at Baltika on EPL3540 and Lucas Post on EPL3542 (Figure 4). Baltika produced 5,820t of high-grade concentrate grading 9% V₂O₅ between 1931-1942.

The Company has also conducted reviews and field checking at other priority targets including Kaskara (Cu, V), Border-Toggenburg (Pb-Zn), Nosib (V) and Kombat (Cu). Refer to Figure 5 for prospect locations. At the Guchab prospect on EPL3540, historic mining has targeted copper rich veins hosted by silicified dolomite. Geological mapping and modelling suggest the mineralization is hosted by northeast-southwest trending shears and joints with a southwest plunge. Previous drilling has been hindered by steep access and the mineralization remains open to the southwest. At the Toggenburg prospect, shallow drilling identified an east-northeast extension of the Border prospect that has not been followed up with deeper RC drilling.

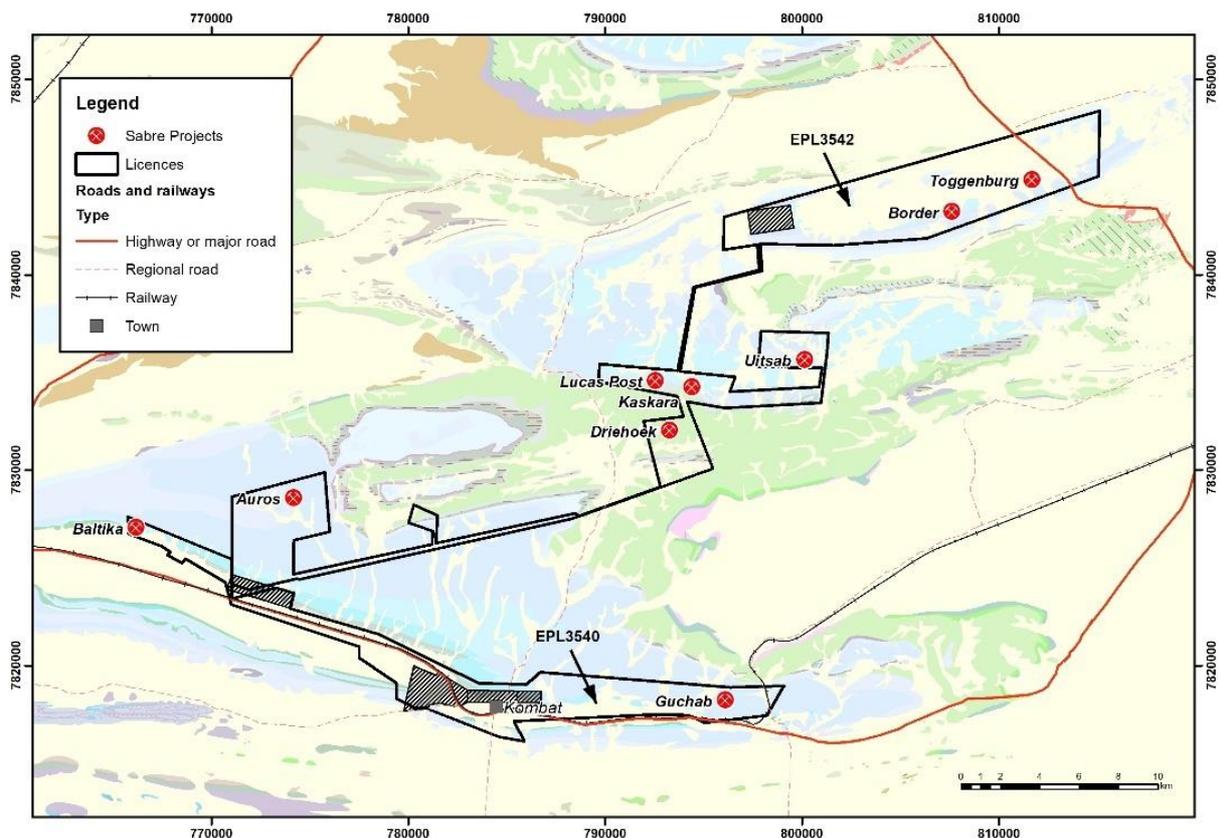


Figure 5: The Otavi Mountain Land, showing road, railroads, towns, major deposits and prospects. Sabre's two licences, EPL3540 and EPL3542, are located in the highly mineralised south of the area. Mining licences (grey cross-hatched) are not owned by Sabre and are excised from the licences.

ENDS

For further information 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, 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 2019

Country	State/Region	Project	Tenement ID	Area (km ²)	Date Granted	Date Expires	Interest
Namibia	Otjozondjupa	Otavi Mountain Land	EPL3540	56.19	30/10/2006	7/5/2021	80%
			EPL3542	116.29	30/10/2006	8/5/2021	70%
Australia	WA	Sherlock Bay	M47/567	10.0	07/09/2004	22/09/2025	70%