ASX ANNOUNCEMENT

30 October 2017

QUARTERLY ACTIVITIES REPORT

FOR THE QUARTER ENDED 30 SEPTEMBER 2017

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

- **Kombat Cu-Pb-Zn-Ag Corridor tenement EPL 3540 renewed by the Namibian Ministry of Mines and Energy.**
- **All granted tenements have now been renewed and with security of tenure the Company can proceed with its exploration programs.**
- **Preparation for forthcoming mining licence applications continued during the quarter.**

ALL GRANTED TENEMENTS NOW RENEWED

The Company previously announced during the quarter (ASX release 29/8/2017) that it has received confirmation from the Namibian Ministry of Mines and Energy of the renewal of exploration licence EPL 3540 (Figure 2). The licence has been renewed for two years from 30 October 2016 to 29 October 2018. The application for the renewal was lodged in the September quarter of 2015 ahead of the due date and the renewal was received in August 2017.

Tenement EPL 3540 (SBR 70%) together with EPL 3542 (SBR 80%), comprise Sabre's Otavi Mountain Land Project ("OML Project") in northern Namibia, in southern Africa.

The lack of security of tenure has been of great concern to the Company, its management, auditors and shareholders, and it has impacted on the ability of the Company to progress its exploration and access the capital Markets. The Company is pleased that, now it has security of tenure, it can proceed with its exploration program.

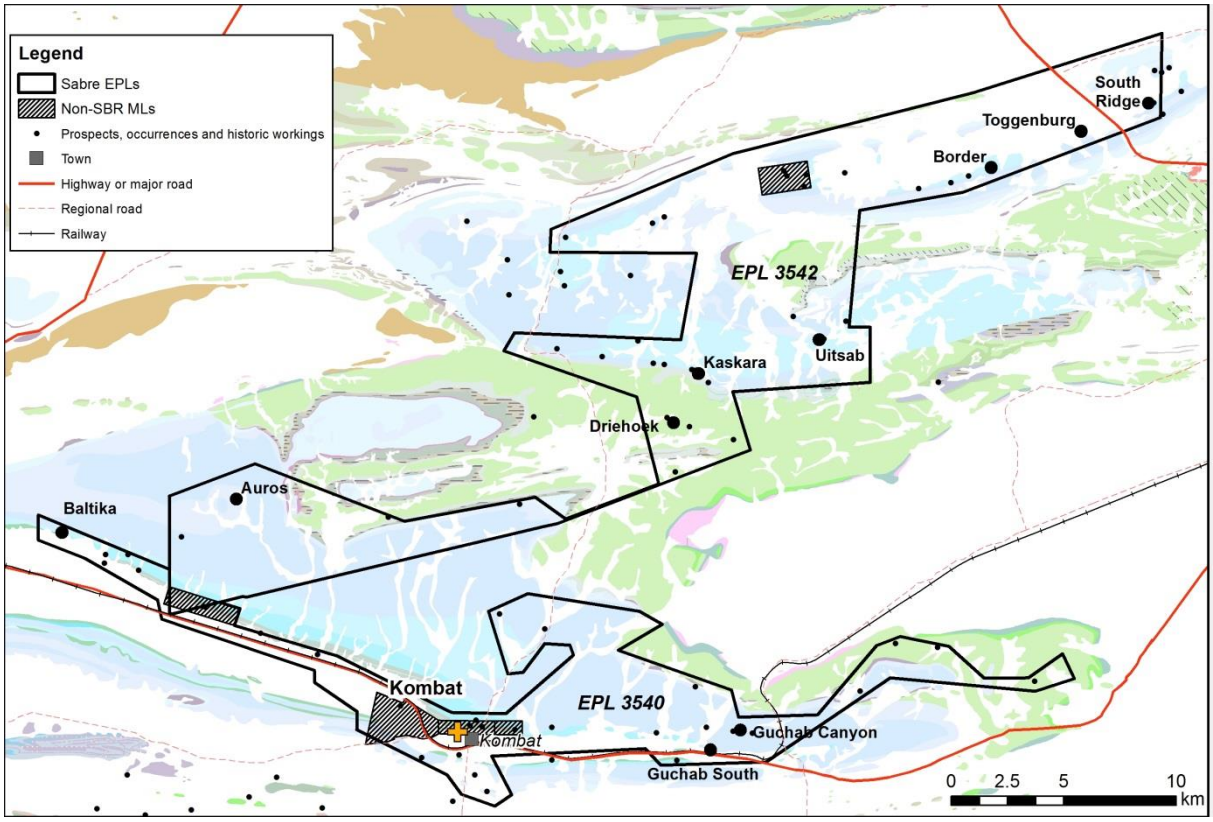

Figure 2 – Sabre's EPLs in the Otavi Mountain Land

OTAVI MOUNTAIN LAND PROJECT ("OML PROJECT")

The Otavi Mountain Land is a highly prospective, underexplored area which has potential for high-value Tsumeb–style copper and stratabound zinc-lead mineralisation.

Sabre's exploration has continued the focus on extensive areas of cover or poor outcrop which have been largely ignored by previous explorers.

This program has:

a) Prioritised the two areas at Guchab South and Toggenburg, where broad areas of copper and zinc-lead sulphide mineralisation respectively, have been discovered in the subsurface, and

b) Completed regional soil geochemistry along key mineralised corridors which has identified significant Zn-Pb anomalism at the Auros prospect located to the west along the Driehoek Corridor.

OML PROJECT LOCATION

Sabre's Otavi Mountain Land project is located in northern Namibia, in southern Africa (Figure 3). The project comprises two granted tenements, EPL 3540 (SBR 70%) and EPL 3542 (SBR 80%), which cover about 347 sq.km of the 'Otavi Triangle' (Figure 5).

The Otavi Mountain Land is home to numerous historic mines, including the Tsumeb copper-lead-zinc mine and smelter complex, plus the Kombat copper mine. These mines are currently on care & maintenance, but the Tsumeb copper smelter remains one of only five operating copper smelters in

Africa. The presence of these and other significant mining and processing operations has resulted in the provision of excellent infrastructure throughout the region.

Overall, the Otavi Mountain Land displays a significant mineral endowment of copper, zinc, lead, vanadium, and some semi-precious metals, with well-established supporting infrastructure.

Figure 3 – Location of Sabre's 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, Windhoek.

GEOLOGICAL SETTING

The Otavi Mountain Land ('OML') is part of the Damaran Mobile Belt, one of the most economically important regions globally for base metal mineralisation (Figure 4). A significant proportion of the world's copper is sourced from the Central African Copper Belt, which is subdivided into the Zambian and the Katangan (DRC) Copper Belts. With giant deposits such as Kamoa and Tenke-Fungurume and large high-grade deposits like Kipushi, the Central African Copper Belt is a major source of revenue for both the DRC and Zambia.

On the northern side of the Damaran Mobile Belt, the Central African Copper Belt is separated from the Namib Copper Belt (home to the Otavi Mountain Land) by the overlying sediments of the much younger Kavango Basin and more recent Kalahari sands. The Namib Copper Belt extends from the Otavi Mountain Land in the east in an arcuate shape to the Angolan border in the north. It is presently the focus of exploration for Sabre in the highly prospective eastern parts, and for many other companies along its length.

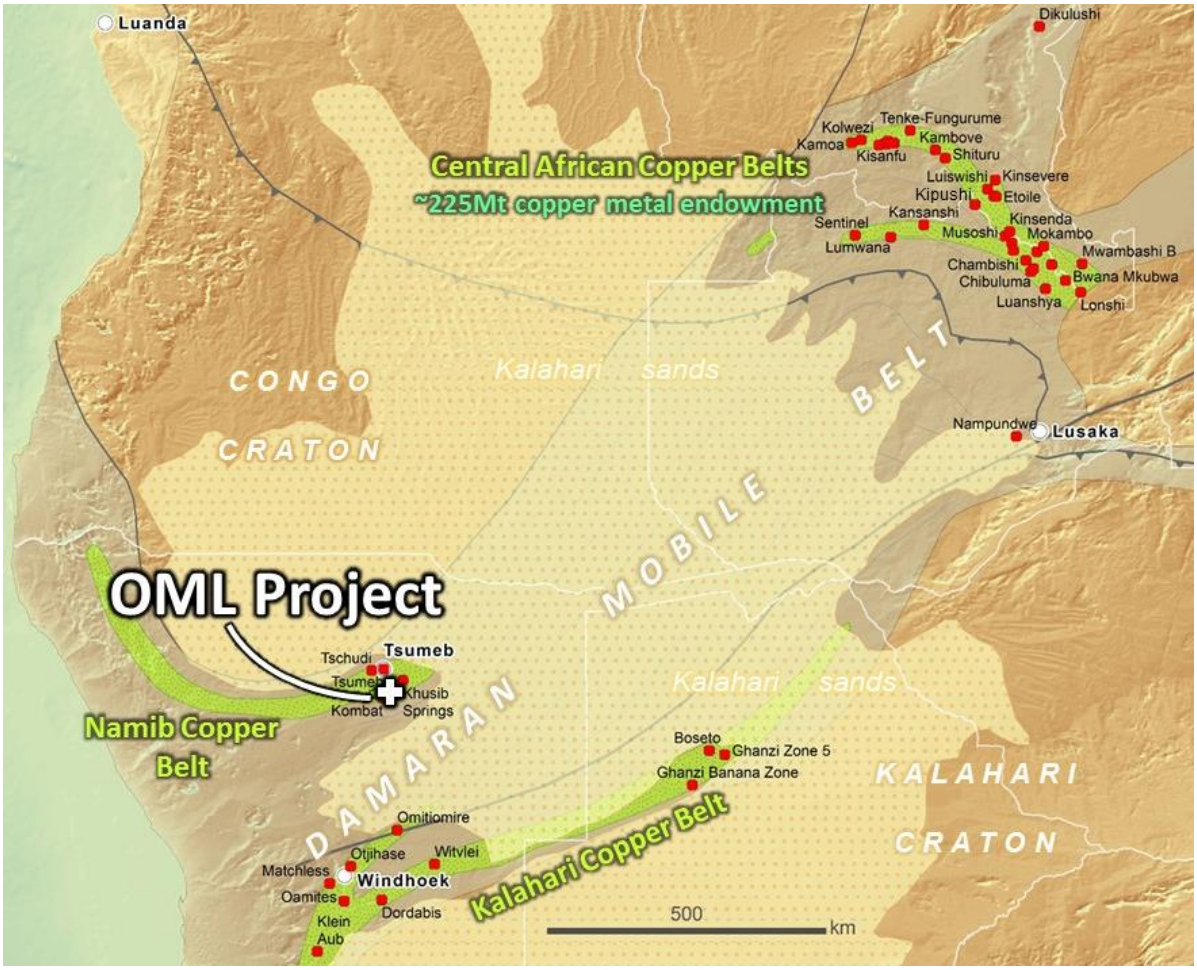

Figure 4 – Overview of the Damaran Mobile Belt in southwest Africa showing the location of Sabre's Otavi Mountain Land Project with respect to the Namib Copper Belt, the Kalahari Copper Belt and the Central African Copper Belt.

The Otavi Mountain Land itself comprises a sequence of platform carbonates, predominantly dolomites and limestones, which have been variably faulted and folded. The OML hosts a number of types of mineral deposits including:

- Epigenetic zinc-lead deposits (eg Sabre's Border and Toggenburg deposits),
- Epithermal copper deposits (eg Tsumeb, Kombat & Sabre's Guchab Mining Centre), and
- Late stage lead-vanadium 'overprinting' events (eg Berg Aukas and Abenab).

Sabre's extensive work has enabled development of a strong understanding of the mineralisation styles of the Otavi Mountain Land which differs from the widely accepted models. This places the Company in an excellent position to explore for undiscovered mineralisation throughout the licence areas.

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 an 850m by 100m zone which is located along trend east of the Kombat Copper Mine.

The disseminated copper mineralisation at Guchab South is interpreted to be a possible halo to potentially more massive mineralisation down plunge. Initial results show that the mineralisation has a shallow westerly plunge. The down-plunge mineralised zone is interpreted to be overlain by the subsurface shale/dolomite contact.

Mineralisation at Guchab South is very similar to that at the Kombat Copper Mine located 10 km to the west. At Guchab South, copper sulphide mineralisation is hosted within hydraulic breccias that are often observed to be structurally controlled. Mineralised breccia zones are directly associated with various styles of alteration including silicification and calcitisation. Promisingly, hydrothermal calcite is manganese-rich, as it is in the major copper deposits of the region.

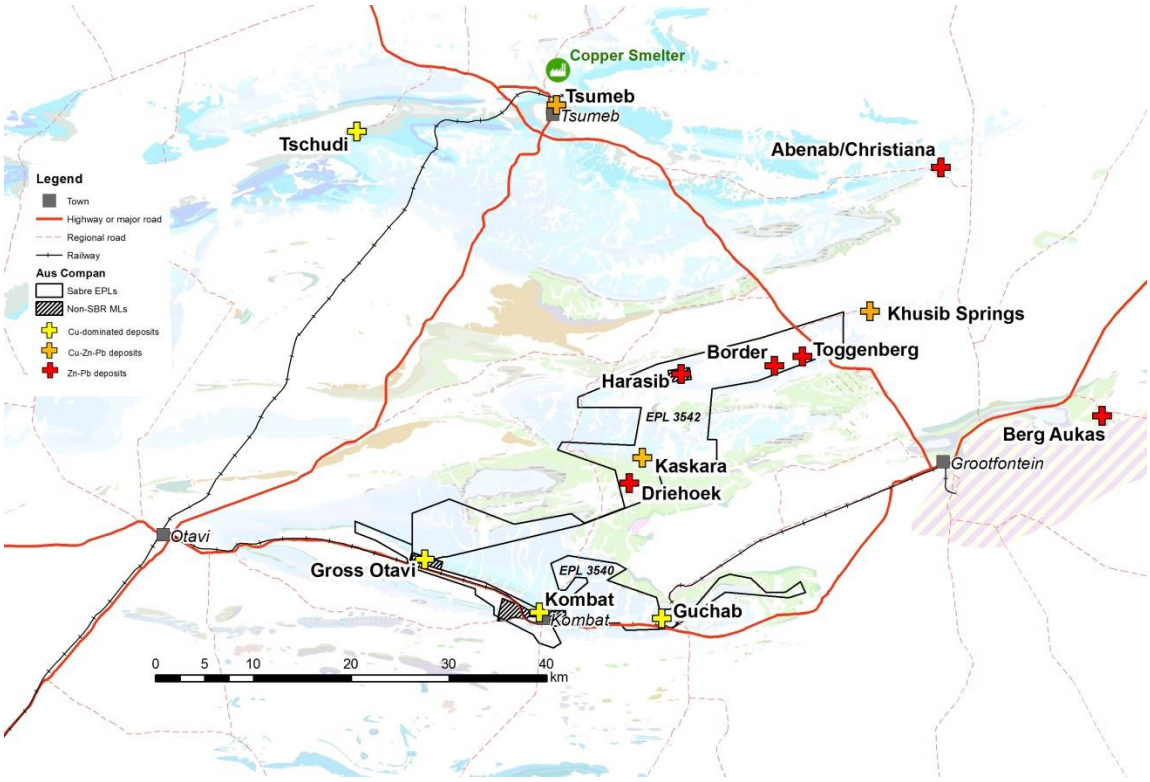

Figure 5 – The Otavi Mountain Land, showing roads (red) railroads (black hatched), towns (black square), major mines and deposits (crosses) and the Tsumeb smelter complex. Sabre's two licences, EPL3540 and EPL3542, are located in the highly mineralised south of the area. Mining licences (grey cross-hatched) are not owned by Sabre and are excised from the licences.

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, and Auros where numerous percentage-grade Zn and Pb results were obtained in areas with no known historic mining activity.

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.
- 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.

FUTURE EXPLORATION

The lengthy delay in obtaining renewals for both the tenements has impacted on the ability of the Company to progress its exploration and access the capital Markets. The Company is pleased that, now it has security of tenure, it can proceed with its exploration and also consider other options such as farm-in or joint venture arrangements.

EPL 3542 ZINC-LEAD-SILVER PROJECTS

The recent renewal of EPL 3542 allows for the continuation of exploration and evaluation of the significant zinc-lead potential of Sabre's Otavi Mountain Land project. Sabre 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.

Detailed interrogation and interpretation of historical datasets to identify additional zinc and lead targets continued during the quarter.

EPL 3540 COPPER PROJECTS

EPL 3540 contains the Kombat Corridor which is the 40 km long prospective 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 (Figure 2).

Significant prospects include:

- Guchab South Cu-Ag prospect where disseminated copper mineralisation, including bornite, chalcocite, chalcopyrite, and malachite, have been identified in outcrop covering an area measuring over 850 metres by around 100 metres; and
- Baltika Zn-Pb-V prospect where 5,820t of concentrate grading 9% vanadium pentoxide was produced between 1931 and 1942

Proposed surveys at Guchab South which have remained on hold pending the renewal of EPL 3540 will be progressed during the next quarter.

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, 2018). Several potential sites have been selected, namely Border, Guchab, Driehoek, Baltika and Kaskara. The application process requires submission of extensive documentation, including detailed geological maps, environmental reports, resource reports, and scoping studies.

Compilation of the documentation required for the mining licence applications continued during the quarter.

For further information please contact:

Paul Fromson, Company Secretary
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 a 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^2)	Grant date	Interest
Namibia	Otjozondjupa	Otavi Mountain Land base metals	EPL3540	236.90	30/10/2006	80%
			EPL3542	110.98	30/10/2006	70%