

**ASX ANNOUNCEMENT**  
17 April 2023

**NEW THICK AND HIGHER-GRADE NICKEL SULPHIDE INTERSECTIONS  
ENHANCE RESOURCE UPGRADE POTENTIAL OF SHERLOCK BAY**

***New drilling set to commence to test multiple strong EM conductors and target a significant upgrade to the nickel sulphide Mineral Resource***

- Thick, higher-grade nickel sulphides intersected in latest diamond hole (SBDD004) drilled beneath the Symonds Zone at Sherlock Bay, including:
  - **33.77m @ 0.60% NiEq\* (0.52% Ni, 0.05% Cu, 0.02% Co, 0.15g/t 3E)** from 528.43m  
incl. **8m @ 0.83% NiEq\* (0.72% Ni, 0.07% Cu, 0.03% Co, 0.19g/t 3E)** from 529m  
& incl. **10.94m @ 0.76% NiEq\* (0.71% Ni, 0.05% Cu, 0.02% Co)** from 549.14m  
incl. **1.50m @ 1.07% NiEq\* (1.01% Ni, 0.05% Cu, 0.02% Co)** from 551.5m
- The nickel sulphide intersections in SBDD004 are significantly higher-grade than the existing Mineral Resource at Sherlock Bay and remain open at depth.
- Downhole EM has detected strong off-hole conductors immediately above SBDD004 (conductor target C4) and to the east of the hole (conductor target C5)<sup>1</sup>. These conductors represent priority targets for further higher-grade nickel sulphide zones.
- New drilling program set to commence to expand and potentially upgrade nickel sulphide resources. Drilling will target conductor/nickel sulphide targets identified at the Symonds Zone (C4 and C5), Discovery Zone (C3 and C6) and the recently detected major conductor/sulphide target extending 1km to the west of Discovery Zone<sup>4</sup> (Figure 1).
- SBDD004 is the second of two diamond drillholes which have confirmed Sherlock Bay is a magmatic intrusive-related nickel sulphide system. This is similar to other intrusive related discoveries in WA such as the nearby Andover nickel sulphide resource (Azure Minerals Ltd. ASX:AZS)<sup>3</sup> and the major Nova-Bollinger nickel-sulphide deposit (IGO Ltd. ASX:IGO)<sup>10</sup>.
- A follow-up exploration metallurgical program will also examine potential for Class 1 nickel-copper-cobalt sulphide concentrate production for downstream battery-metals processors.
- Results awaited from potentially lithium-bearing pegmatites intersected by SBDD004<sup>1</sup> in volcanic rocks to the north/hanging wall side of the sulphide mineralised horizon at the Symonds Zone.

*\*See Appendix 1 for nickel equivalent (NiEq) calculations.*

**Sabre Resources CEO, Jon Dugdale, commented:**

*“This latest WA Government co-funded drilling intersection highlights the potential to both increase the grade and significantly expand the existing nickel-copper-cobalt Mineral Resources at the Sherlock Bay discovery.*

*“New drilling will now test extensions to the higher-grade nickel sulphide zones and strong off-hole conductors we have identified, as well as the major new conductor extending for 1km at the western end of Discovery Zone.*

*“Having already defined about 100,000 tonnes of contained nickel in resources at Sherlock Bay, our focus is now on upgrading and expanding the resource base to further enhance the project’s economic potential.”*

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Sabre Resources Ltd (ASX: SBR) is pleased to announce thick and higher-grade nickel sulphide intersections from below the Symonds Zone resource at the Sherlock Bay Nickel Sulphide Project in Western Australia’s highly prospective Pilbara region (see Figure 1).

The new diamond drilling intersection in SBDD004 is the **thickest and highest grade produced from the recent program and confirms that Sherlock Bay is an intrusive-related system with potential for further discoveries of higher-grade nickel sulphides to upgrade and expand the existing Mineral Resource.**

**Significant intersections in SBDD004 are shown on cross section 20,800mE, Figure 2, and include:**

- **33.77m @ 0.60% NiEq\* (0.52% Ni, 0.05% Cu, 0.02% Co, 0.15g/t 3E)** from 528.43m  
incl. **8m @ 0.83% NiEq\* (0.72% Ni, 0.07% Cu, 0.03% Co, 0.19g/t 3E)** from 529m  
& incl. **10.94m @ 0.76% NiEq\* (0.71% Ni, 0.05% Cu, 0.02% Co)** from 549.14m  
incl. **1.50m @ 1.07% NiEq\* (1.01% Ni, 0.05% Cu, 0.02% Co)** from 551.5m

**Strong off-hole EM conductors were detected immediately above (conductor C4) and at shallower depth to the east of SBDD004 (conductor C5)** (see longitudinal projection, Figure 3), highlighting the potential for further higher-grade nickel sulphide discoveries within the Symonds Zone.

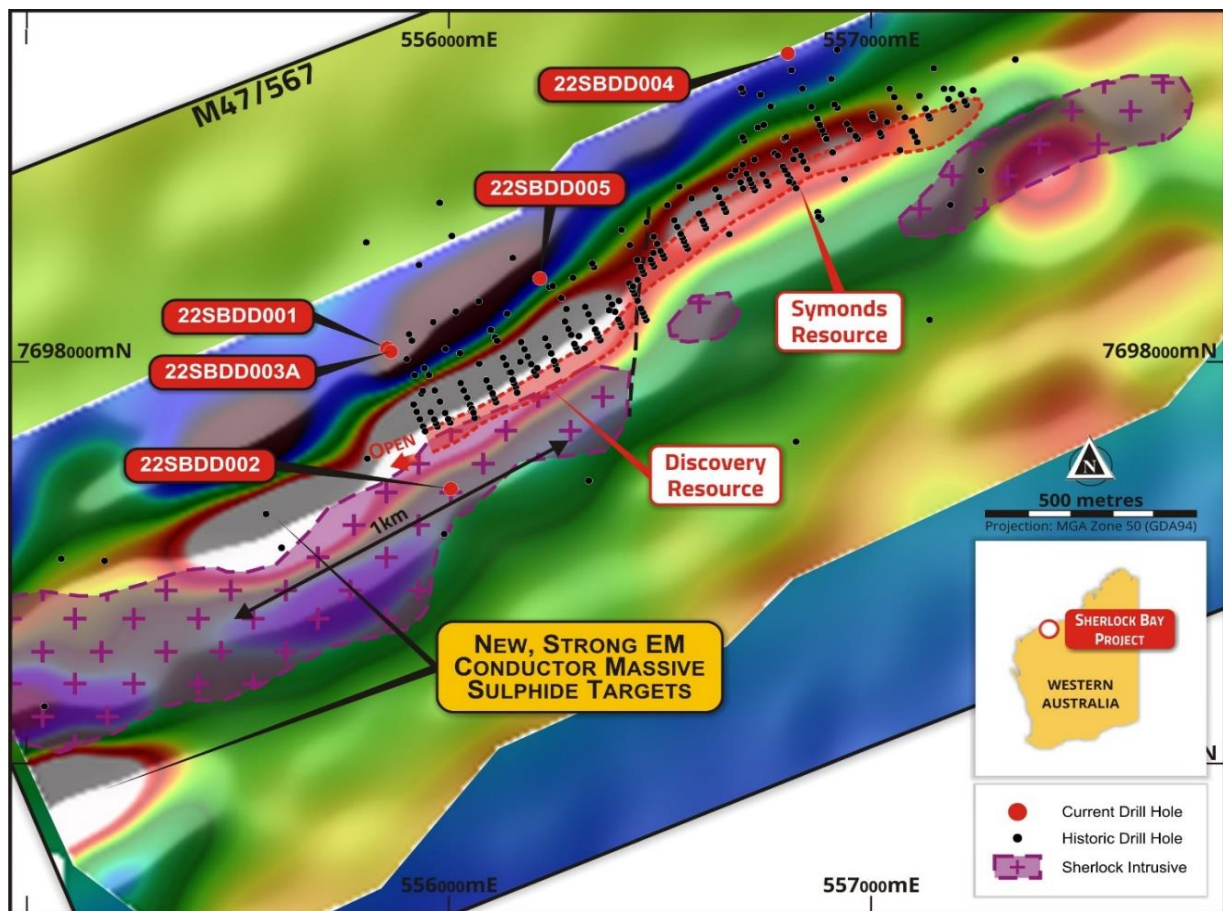
A new drilling program is set to commence (PoW granted and drilling rig lined up), to test these EM conductor/sulphide targets at Symonds Zone, as well as previously detected EM conductor/sulphide targets at the Discovery Zone (C3 and C6) (see Figure 3).

**Drilling will also test the recently-detected strong EM conductor extending for 1km at the western end of the Discovery Zone** (Figure 1).

SBDD004 is the second of two WA Government Exploration Incentive Scheme (EIS) co-funded holes, alongside SBDD002<sup>5</sup>. Both intersected massive, semi-massive and breccia matrix sulphides in the contact zone of the Sherlock Intrusive, **confirming Sherlock Bay is an intrusive-related magmatic nickel-copper-cobalt sulphide system.**

The massive and matrix-breccia sulphide zones intersected - and the consistent nickel, copper and cobalt grades - are typical of mafic-intrusive associated deposits such as the Andover nickel sulphide discovery of Azure Minerals Ltd (ASX:AZS), located 60km along strike to the west of Sherlock Bay (see Figure 4). The Andover Mineral Resource is 4.6Mt @ 1.41% NiEq (1.11% Ni, 0.47% Cu, 0.05% Co)<sup>3</sup>.

*\*See Appendix 1 for nickel equivalent (NiEq) calculations.*



**Figure 1: Sherlock Bay drilling locations & surface EM anomalies southwest of sulphide intersections**

The recent surface EM program at Sherlock Bay<sup>2</sup> highlighted potential for extensions and new massive sulphide zones along strike to the southwest, as well as to the northeast of the Sherlock Bay resource zones (Figure 1). Previous detailed gravity surveys<sup>2</sup> indicate the Sherlock Intrusive is developed along the entire 5km strike-length of the Sherlock Bay Mining Lease and surface EM anomalies are located on both the northern and southern margins of the intrusive.

The Sherlock Intrusive, and the nickel sulphides associated with it, are hosted by the regional Scholl Shear corridor (Figure 4), which is interpreted to represent a major crustal suture. This is a similar setting to the Fraser Range nickel sulphide deposits such as Nova-Bollinger<sup>4</sup>.

The immediate priority of the upcoming drilling program is to test the identified targets for extensions and higher-grade zones near the existing Sherlock Bay JORC 2012 Mineral Resource<sup>6</sup>.

Bulk drill-core samples have been prepared from recent holes SBDD001 and SBDD005 for metallurgical testwork to examine the flotation sulphide concentrate potential of the Sherlock Bay mineralisation. Historical mineralogy indicates that nickel is contained in fine pentlandite grains concentrated as granular intergrowths with pyrrhotite<sup>7</sup>. Preliminary testwork in the 1970s produced up to 12% nickel in flotation concentrate<sup>7</sup>.

The bulk of previous metallurgical testwork has focused on heap-leach processing to produce a mixed-hydroxide product, which was the basis for the January 2022 Sherlock Bay Scoping Study<sup>8</sup>, which indicated positive cash-flow potential at a US\$10/lb (US\$22,400/t) nickel price. *The Company confirms that it is not aware of any other new information or data that materially affects the information in the Scoping Study release of 27<sup>th</sup> January 2022<sup>7</sup>.*

\*See Appendix 1 for nickel equivalent (NiEq) calculations.

The resource upgrade drilling and the metallurgical programs will form the basis for Sabre to upgrade the 2022 Sherlock Bay Scoping Study to a Pre-Feasibility Study (PFS) for what has the potential to be a major new nickel-copper sulphide project to supply Class-1 nickel to downstream processors to take advantage of the positive outlook for these high-demand battery-metals.

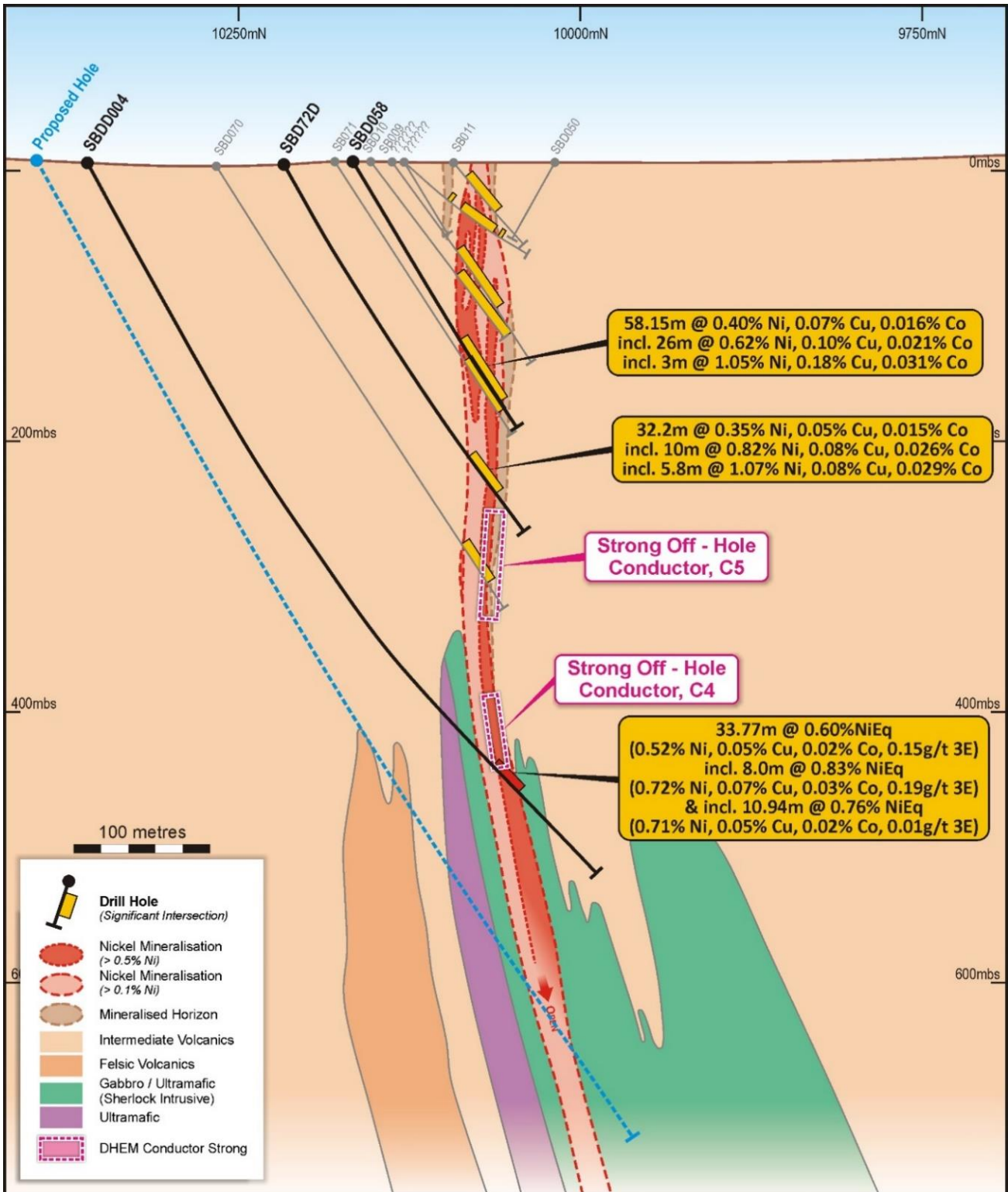


Figure 2: Symonds Zone cross section 20,800mE with recent sulphide intersections and DHEM conductors

\*See Appendix 1 for nickel equivalent (NiEq) calculations.

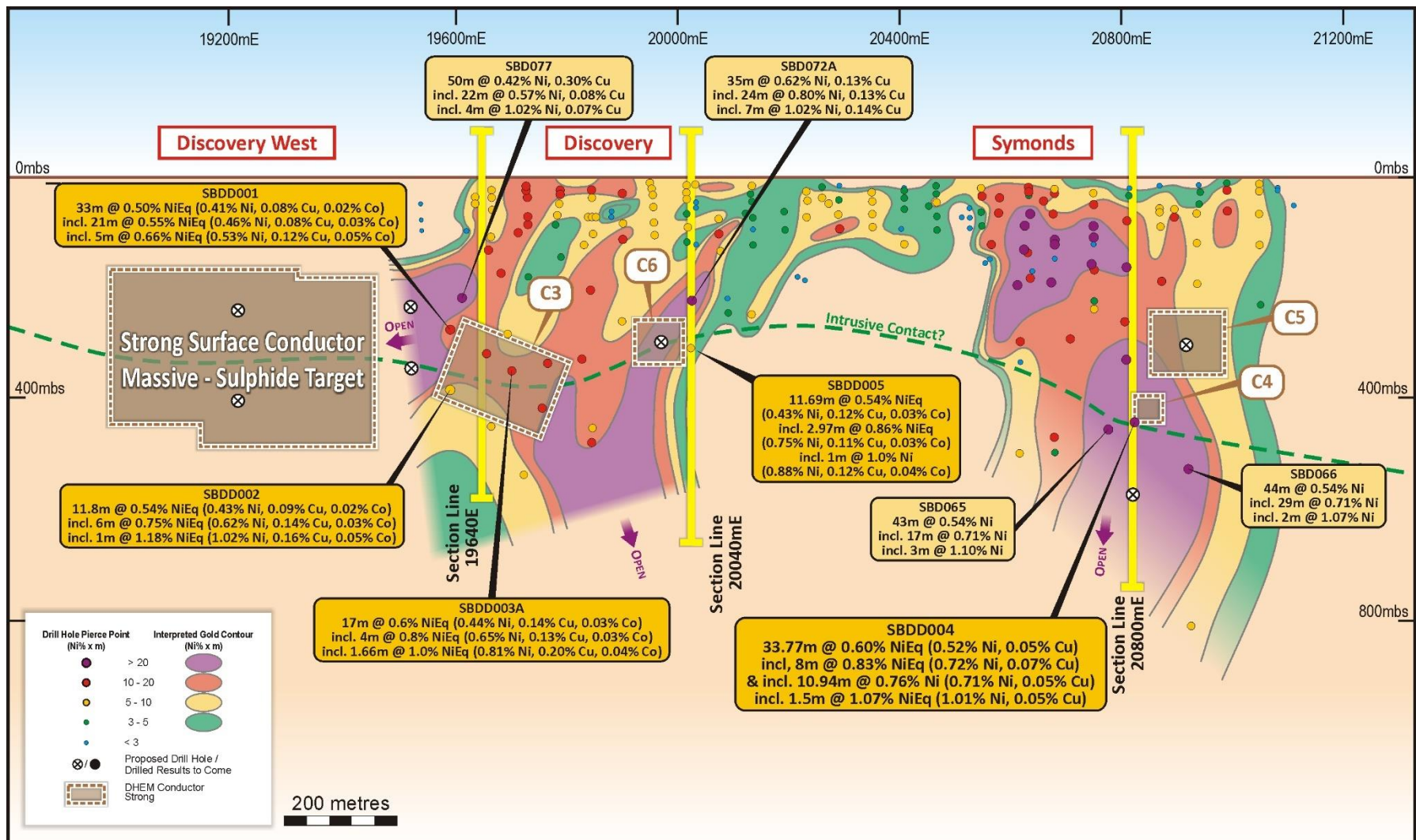
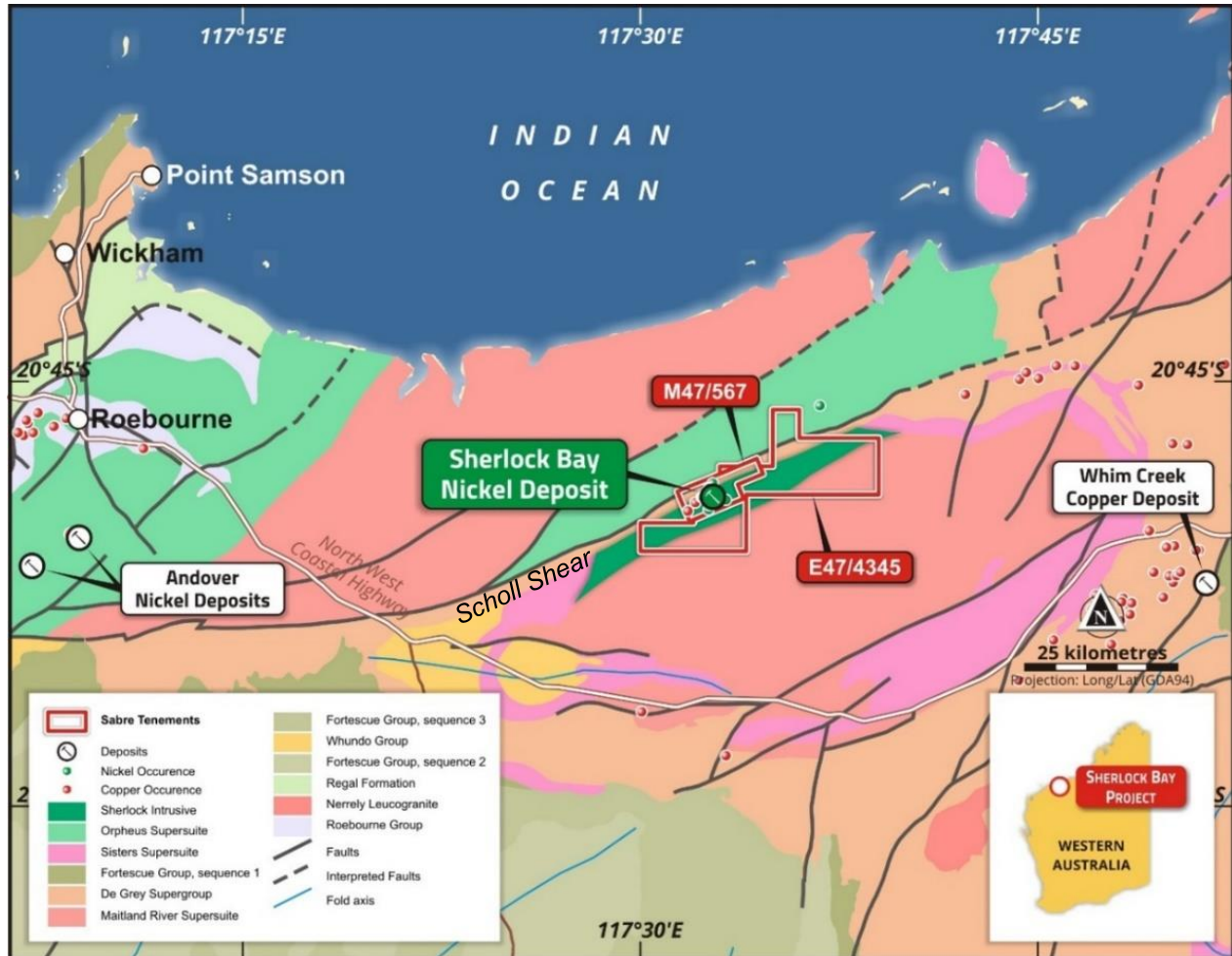


Figure 3: Sherlock Bay Longitudinal Projection showing latest intersections and key EM conductor targets

### About the Sherlock Bay Nickel-Copper-Cobalt Project:

The Sherlock Bay nickel-copper-cobalt project is located 50km east of Roebourne in Western Australia's highly-prospective Pilbara region (see location, Figure 4).



**Figure 4: Sherlock Bay Nickel-Copper-Cobalt Project, regional geology and location plan**

Sherlock Bay has a current JORC 2012 Mineral Resource of **24.6Mt @ 0.40% Ni, 0.09% Cu, 0.02% Co (0.47% NiEq\*)** containing **99,200t Ni, 21,700t Cu, 5,400t Co (117kt NiEq\*)**, including Measured: 12.48Mt @ 0.38% Ni, 0.11% Cu, 0.025% Co; Indicated: 6.1Mt @ 0.59% Ni, 0.08% Cu, 0.022% Co and Inferred: 6.1Mt @ 0.27% Ni, 0.06% Cu, 0.01% Co<sup>6</sup>.

Sabre completed a Scoping Study on the Sherlock Bay nickel sulphide deposit in January 2022, based on open pit and underground (sub-level cave) mining and heap-leach processing to produce mixed hydroxide nickel, copper and cobalt products. The Scoping Study highlighted significant cash-flow potential at a nickel price of US\$10/lb (US\$22,400/t). The nickel price has remained sustainably above that level since completion of the Scoping Study (see [Kitcometals.com](http://Kitcometals.com)). The Company confirms that it is not aware of any other new information or data that materially affects the information in the Scoping Study release of 27<sup>th</sup> January 2022<sup>7</sup>.

The recently-completed, 2,414.6m<sup>1</sup> diamond drilling program (see Table 2) targeted higher-grade to massive nickel (copper, cobalt) bearing sulphides at the projected intersection of the sulphide mineralised horizon with the contact of the Sherlock mafic/ultramafic Intrusion.

\*See Appendix 1 for nickel equivalent (NiEq) calculations.

Two holes (SBDD002 and SBDD004) were co-funded by the WA Government for up to 50% of drilling costs, and \$10,000 mobilisation costs, capped at a total of \$220,000<sup>2</sup>. The initial 80% of the co-funding has been received by the Company with the balance due upon completion of a final report.

The Sherlock Intrusive was identified by gravity survey results to be at depth and on the southern side/contact of the Sherlock Bay mineralised horizon<sup>2</sup>. This was initially confirmed by drilling in EIS co-funded drillhole SBDD002<sup>5</sup>, which intersected mafic intrusive rocks with sulphides across the contact zone to the east of the mineralised horizon and which continued to intersect massive, breccia-matrix and stringer sulphides at the base/northern contact of the Sherlock Intrusive gabbro sill, associated with the strong C3 DHEM conductor<sup>9</sup> (see Figure 3).

The massive and matrix-breccia sulphide zones intersected - and the consistent nickel, copper, cobalt, as well as the platinum-palladium grades - are typical of mafic-intrusive associated deposits such as the Andover nickel sulphide discovery of Azure Minerals Ltd (ASX:AZS), located 60km along strike to the west of Sherlock Bay (see location, Figure 4). Andover has a recently announced Mineral Resource estimate of 4.6Mt @ 1.41% NiEq (1.11% Ni, 0.47% Cu, 0.05% Co)<sup>3</sup>.

The deposit is also similar in style to other, major mafic-ultramafic intrusive related deposits in WA such as the Nova Bollinger deposit of IGO Ltd (ASX:IGO), which had an initial Mineral Resource of 14.3 Mt @ 2.3% Ni, 0.9% Cu, 0.08% Co<sup>10</sup>, and the Julimar deposit of Chalice Mining Ltd (ASX:CHN) which has a Mineral Resource of 350Mt @ 0.16% Ni, 0.10% Cu, 0.015% Co, 0.94g/t Pd+Pt+Au (3E) (0.58% NiEq)<sup>11</sup>.

See Table 1 below for significant intersections and Table 2, also below, for drillhole details.

Appendix 1 shows nickel equivalent calculations and Appendix 2 shows JORC Table 1, Sections 1 (Sampling Techniques and Data) and Section 2 (Reporting of Exploration Results).

**Table 1, Significant Intersections in SBDD004:**

Hole #	From (m)	To (m)	Intvl (m)	Ni%	Cu%	Co%	Pd g/t	Pt g/t	Au g/t	3E g/t	Cut off	NiEq %
<b>22SBDD004</b>	528.43	562.20	33.77	<b>0.52</b>	<b>0.05</b>	<b>0.02</b>	0.11	0.03	0.01	<b>0.15</b>	0.3% Ni	<b>0.60</b>
Incl.	529.00	537.00	8.00	<b>0.72</b>	<b>0.07</b>	<b>0.03</b>	0.14	0.03	0.03	<b>0.19</b>	0.5% Ni	<b>0.83</b>
& incl.	549.14	560.08	10.94	<b>0.71</b>	<b>0.05</b>	<b>0.02</b>	0.00	0.00	0.01	0.01	0.5% Ni	<b>0.76</b>
incl.	551.50	553.00	1.50	<b>1.01</b>	<b>0.05</b>	<b>0.02</b>	0.00	0.00	0.01	0.02	0.8% Ni	<b>1.07</b>

*\*See Appendix 1 for nickel equivalent (NiEq) calculations.*

**Table 2, Sherlock Bay diamond drilling, drillhole locations and details:**

Hole ID	East MGA	North MGA	Local East	Local North	Collar Dip	Azi Grid	Mud Rotary	Max Depth
SBDD001	555,873	7,698,143	19,600	10,065	-60	180	12.0	362.7
SBDD002	556,002	7,697,686	19,600	9,685	-63	0	13.6	550.0
SBDD003A	555,875	7,698,140	19,601	10,062	-65	180	12.0	408.4
SBDD004	556,802	7,698,770	20,760	10,360	-63	180	11.4	639.0
SBDD005	556,218	7,698,204	20,000	10,075	-65	180	12.0	453.5
<b>Total</b>								<b>2,414.6</b>

*\*See Appendix 1 for nickel equivalent (NiEq) calculations.*

## About Sabre Resources:

Sabre Resources Ltd is an ASX-listed company (ASX:SBR) focused on the exploration and development of a highly-prospective portfolio of nickel sulphide and gold assets in Western Australia, and uranium and base metal prospects in the Northern Territory.

The Company's flagship project is the **Sherlock Bay nickel-copper-cobalt project**<sup>6</sup> – a significant, undeveloped, nickel sulphide deposit in Western Australia's highly prospective Pilbara Region (Figure 4). Sabre is also earning an 80% interest in the **Sherlock Pool**<sup>12</sup> tenement E47/4345 (Figure 4), which covers immediate strike extensions to the northeast and southwest of Sherlock Bay.

The Company is also earning 80% of the **Nepean South** tenement which covers a >10km corridor of prospective ultramafic rocks south of the Nepean Nickel Mine (past production **1.1Mt at 3.0% Ni**<sup>13</sup>). A recently completed RC drilling program intersected high nickel grades with elevated copper (e.g., **8m @ 1.01% Ni, 0.02% Cu from 28m incl. 3m @ 1.26% Ni** in NSRC0012)<sup>13</sup> in saprolite across a 200m wide zone that overlies the ultramafic sequence. Deeper drilling intersected disseminated sulphides across ultramafic/footwall basalt contact. Results of up to **4m @ 0.20% Ni, 28.4% MgO**<sup>13</sup> at end of hole (134-138m) in NSRC0004 have confirmed channelised cumulate-textured ultramafics with potential for Kambalda/Nepean style massive nickel sulphide accumulations. A surface fixed loop electromagnetic (FLEM) program has recently been completed, targeting massive nickel-sulphide targets for further drill testing. Data from the FLEM program is currently being processed and interpreted.

Sabre has an 80% interest in three recently granted exploration licences at **Cave Hill**<sup>14</sup>, covering a >50km strike length of interpreted extensions to the Nepean and Queen Victoria Rocks nickel sulphide belts, adjoining the Nepean South tenement. These tenements also have significant lithium potential which will also be examined.

Sabre's 100% owned **Ninghan Gold Project**<sup>15</sup> in Western Australia's southern Murchison district is located less than 20km along strike from the Mt Gibson gold mine, which has a ~3Moz gold resource endowment<sup>15</sup>. Previous RAB and aircore drilling has defined two strongly anomalous zones of gold-arsenic mineralisation at Ninghan where follow-up drilling is planned.

In the Northern Territory, Sabre holds an 80% interest in the **Ngalia Uranium-Vanadium Project**<sup>14</sup>, which comprises two granted exploration licences, **Dingo** EL32829 and **Lake Lewis** EL32864, in the highly-prospective Ngalia Basin near existing uranium resource projects.

Sabre also holds an 80% interest in the **Cararra** EL32693<sup>14</sup> copper-gold and lead-zinc-silver project at the junction of the East Tennant Copper-Gold Belt and the Lawn Hill Platform/Mt Isa Province.

## References:

<sup>1</sup> Sabre Resources Ltd, 6<sup>th</sup> December 2022. *Further Massive Sulphides Intersected at Sherlock Bay.*

<sup>2</sup> Sabre Resources Ltd, 11<sup>th</sup> April 2022. *WA Govt. Co-funding for High-Grade Ni Sulphide Drilling.*

<sup>3</sup> Azure Minerals Ltd (ASX:AZS), 30<sup>th</sup> March 2022. *Azure Delivers Maiden Mineral Resource for Andover.*

<sup>4</sup> Sabre Resources Ltd, 9<sup>th</sup> January 2023. *Major New EM Conductor Extends Massive Sulphide Potential.*

<sup>5</sup> Sabre Resources Ltd, 17<sup>th</sup> January 2023. *Sherlock Massive sulphides to 1.18% Nickel Equivalent.*

<sup>6</sup> Sabre Resources Ltd, 12<sup>th</sup> June 2018. *Resource Estimate Update for the Sherlock Bay Ni-Cu-Co Deposit.*

<sup>7</sup> *Annual Report, Sherlock Bay Mineral Claims, West Pilbara Gold Field, WA.* Brian W Hester, Australian Inland Exploration Company Inc., March 1974

<sup>8</sup> Sabre Resources Ltd, 27<sup>th</sup> January 2022. *Sherlock Bay Ni Scoping Study Delivers Positive Cashflow.*



<sup>9</sup> Sabre Resources Ltd, 28<sup>th</sup> September 2022. Massive Sulphide EM Target Intersected at Sherlock Bay.

<sup>10</sup> PorterGeo Database – Nova-Bollinger Ore Deposit Description.

<sup>11</sup> Chalice Minerals Ltd (ASX:CHN), 8<sup>th</sup> July 2022. Updated Gonneville Mineral Resource.

<sup>12</sup> Sabre Resources Ltd, 13<sup>th</sup> December 2021. Agreements to Acquire Three Nickel Sulphide Projects.

<sup>13</sup> Sabre Resources Ltd, 21st September 2022. High Nickel Grades & Sulphides in Ultramafics at Nepean South.

<sup>14</sup> Sabre Resources Ltd, 7<sup>th</sup> February 2022. Sabres Acquires Key Nickel Sulphide and Uranium Projects.

<sup>15</sup> Sabre Resources Ltd, 24<sup>th</sup> September 2021. Sabre to Complete Acquisition of Ninghan Gold Project.

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

**\*\*\*ENDS\*\*\***

**For background, please refer to the Company’s website or contact:**

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### **Cautionary Statement regarding Forward-Looking information**

*This document contains forward-looking statements concerning Sabre Resources Ltd. Forward-looking statements are not statements of historical fact and actual events and results may differ materially from those described in the forward-looking statements as a result of a variety of risks, uncertainties, and other factors. Forward-looking statements are inherently subject to business, economic, competitive, political, and social uncertainties and contingencies. Many factors could cause the Company’s actual results to differ materially from those expressed or implied in any forward-looking information provided by the Company, or on behalf of, the Company. Such factors include, among other things, risks relating to additional funding requirements, metal prices, exploration, development and operating risks, competition, production risks, regulatory restrictions, including environmental regulation and liability and potential title disputes.*

*Forward looking statements in this document are based on the company’s beliefs, opinions and estimates of Sabre Resources Ltd as of the dates the forward-looking statements are made, and no obligation is assumed to update forward looking statements if these beliefs, opinions, and estimates should change or to reflect other future developments.*

### **Competent Person Statements**

*The information in this report that relates to exploration results, metallurgy and mining reports and Mineral Resource Estimates has been reviewed, compiled, and fairly represented by Mr Jonathon Dugdale. Mr Dugdale is the Chief Executive Officer of Sabre Resources Ltd and a Fellow of the Australian Institute of Mining and Metallurgy (‘FAusIMM’). Mr Dugdale has sufficient experience, including over 34 years’ experience in exploration, resource evaluation, mine geology, development studies and finance, relevant to the style of mineralisation and type of deposits under consideration to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (‘JORC’) Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves. Mr Dugdale consents to the inclusion in this report of the matters based on this information in the form and context in which it appears.*

### **ASX Listing Rules Compliance**

*In preparing this announcement the Company has relied on the announcements previously made by the Company as listed under “References”. The Company confirms that it is not aware of any new information or data that materially affects those announcements previously made, or that would materially affect the Company from relying on those announcements for the purpose of this announcement.*

## Appendix 1: Sherlock Bay Nickel Equivalent (NiEq) Calculation

The conversion to nickel equivalent (NiEq) grade must take into account the plant recovery/payability and sales price (net of sales costs) of each commodity.

Approximate recoveries/payabilities and sales price are based on leach testing information summarised in the Sabre Resources Ltd ASX release of 27<sup>th</sup> January 2022, "Sherlock Bay Ni Scoping Study Delivers Positive Cashflow"<sup>8</sup>.

The prices used in the calculation are based on current market for Ni, Cu, Co and Pt, Pd, Au sourced from the website kitco.com.

The table below shows the grades, process recoveries and factors used in the conversion of drilling intersection grades into a Nickel Equivalent (NiEq) grade percent:

Metal	Average grade (g/t)	Average grade (%)	Metal Prices			Recovery x payability (%)	Factor	Factored Grade (%)
			\$/oz	\$/lb	\$/t			
Ni		0.52	168	\$10.50	\$23,142	0.8	1.00	0.518
Cu		0.05	65	\$4.04	\$8,904	0.8	0.38	0.021
Co		0.02	254	\$15.88	\$35,000	0.8	1.51	0.029
Pd	0.106		1,366	21856	48,170,624	0.8	0.21	0.022
Pt	0.033		1,005	16080	35,440,320	0.8	0.15	0.005
Au	0.015		2,005	32080	70,704,320	0.8	0.31	0.005
							<b>NiEq</b>	<b>0.60</b>

The table below shows the grades, process recoveries and factors used in the conversion of the resource grade estimates into a Nickel Equivalent (NiEq) grade percent.

Metal	Average grade (%)	Metal Prices		Recovery x payability (%)	Factor	Factored Grade (%)
		\$/lb	\$/t			
Ni	0.40	\$12.00	\$26,448	0.79	1.00	0.40
Cu	0.09	\$4.00	\$8,816	0.79	0.33	0.03
Co	0.02	\$22.69	\$50,000	0.79	1.89	0.04
					<b>NiEq</b>	<b>0.47</b>

Metal	Tonnage of metal	Metal Prices		Recovery x payability (%)	Factor	Factored Metal (t)
		\$/lb	\$/t			
Ni	99,200	\$12.00	\$26,448	0.79	1.00	99,200
Cu	21,700	\$4.00	\$8,816	0.79	0.33	7,233
Co	5,400	\$22.69	\$50,000	0.79	1.89	10,209
					<b>NiEq</b>	<b>116,642</b>

## Appendix 1: JORC Code, 2012 Edition – Table 1 (Sherlock Bay Project)

### Section 1 Sampling Techniques and Data

Criteria	JORC Code Explanation	Commentary
<b>Sampling techniques</b>	<ul style="list-style-type: none"> <li>Nature and quality of sampling (e.g., cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</li> <li>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</li> <li>Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g., 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g., submarine nodules) may warrant disclosure of detailed information.</li> </ul>	<ul style="list-style-type: none"> <li>RC drilling was conducted using a 5 ¼" face sampling bit on a nominal 20m by 60 m spacing.</li> <li>RC samples were collected in large plastic bags from riffle splitter and a 2-5 kg representative sample taken for analysis.</li> <li>Diamond drilling was sampled to geological contacts then at 1 m or maximum 1.5m intervals with quarter core samples taken for analysis.</li> <li>Collar surveys were carried using total station electronic equipment.</li> <li>Down hole surveys for each historical hole were completed using single shot cameras.</li> <li>Current diamond drillholes being surveyed using gyro electronic multi-shot.</li> <li>Sampling was limited to the visually mineralised zones with additional sampling of several metres either side of the mineralisation.</li> </ul>
<b>Drilling techniques</b>	<ul style="list-style-type: none"> <li>Drill type (e.g., core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g., core diameter, triple or standard tube, depth of diamond tails, face-sampling bit, or other type, whether core is oriented and if so, by what method, etc).</li> </ul>	<ul style="list-style-type: none"> <li>The majority of RC drilling was completed in 2004 and 2005 by Sherlock Bay Nickel Corporation (SBNC) using face sampling equipment.</li> <li>Core drilling included historic holes completed in the 1970's by Texas Gulf as well as a substantial number of holes completed in 2005 by SBNC.</li> <li>Current holes are HQ diamond with reduction to NQ at depth / in case of difficult drilling.</li> </ul>
<b>Drill sample recovery</b>	<ul style="list-style-type: none"> <li>Method of recording and assessing core and chip sample recoveries and results assessed.</li> <li>Measures taken to maximise sample recovery and ensure representative nature of the samples.</li> <li>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</li> </ul>	<ul style="list-style-type: none"> <li>Drill core recovery was measured and was generally excellent.</li> <li>No record of RC sample quality was located, however drilling conditions were good and samples generally from fresh rock and no problems were anticipated.</li> <li>No obvious relationships between sample recovery and grade.</li> </ul>
<b>Logging</b>	<ul style="list-style-type: none"> <li>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</li> <li>Whether logging is qualitative or quantitative</li> </ul>	<ul style="list-style-type: none"> <li>All holes were/are logged in the field at the time of drilling.</li> <li>No core photographs were located from historical holes.</li> <li>Current diamond drillholes are being routinely photographed.</li> </ul>

Criteria	JORC Code Explanation	Commentary
	<p><i>in nature. Core (or costean, channel, etc) photography.</i></p> <ul style="list-style-type: none"> <li>The total length and percentage of the relevant intersections logged.</li> </ul>	<ul style="list-style-type: none"> <li>Entire holes are being logged.</li> <li>Specific gravity (SG) and magnetic susceptibility measurements on selected intervals.</li> </ul>
<b>Sub-sampling techniques and sample preparation</b>	<ul style="list-style-type: none"> <li>If core, whether cut or sawn and whether quarter, half or all core taken.</li> <li>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</li> <li>For all sample types, the nature, quality, and appropriateness of the sample preparation technique.</li> <li>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</li> <li>Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling.</li> <li>Whether sample sizes are appropriate to the grain size of the material being sampled.</li> </ul>	<ul style="list-style-type: none"> <li>1m RC samples were split by the riffle splitter on the drill rig and sampled dry.</li> <li>The sampling was conducted using industry standard techniques and were considered appropriate.</li> <li>No formal quality control measures were in place for the programs.</li> <li>Current drilling will include registered standards and duplicates and blanks every 25m/50m.</li> <li>Sample sizes appropriate for the grain size of the sulphide mineralisation.</li> </ul>
<b>Quality of assay data and laboratory tests</b>	<ul style="list-style-type: none"> <li>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</li> <li>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</li> <li>Nature of quality control procedures adopted (e.g., standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e., lack of bias) and precision have been established.</li> </ul>	<ul style="list-style-type: none"> <li>Historic drill samples were assayed using four acid digest and AAS analysis at accredited laboratories.</li> <li>Samples from the 2004 and 2005 programs were assayed using four acid digest and AAS analysis at the Aminya and ALS laboratories.</li> <li>QAQC data was limited to assay repeats and interlaboratory checks which showed acceptable results.</li> <li>Current holes will be samples at approximately 1m intervals and samples of quarter core to half core analysed by Intertek laboratories, Perth via four acid digest and ICP-MS / ICP-OES analysis.</li> </ul>
<b>Verification of sampling and assaying</b>	<ul style="list-style-type: none"> <li>The verification of significant intersections by either independent or alternative company personnel.</li> <li>The use of twinned holes.</li> <li>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</li> <li>Discuss any adjustment to assay data.</li> </ul>	<ul style="list-style-type: none"> <li>Field data was loaded into excel spreadsheets at site.</li> <li>Original laboratory assay records have been located and loaded into an electronic database.</li> <li>Hard copies of logs, survey and sampling data are stored in the SBR office.</li> <li>No adjustment to assay data.</li> </ul>
<b>Location of data points</b>	<ul style="list-style-type: none"> <li>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</li> <li>Specification of the grid system used.</li> <li>Quality and adequacy of topographic control.</li> </ul>	<ul style="list-style-type: none"> <li>SBNC drill hole collars were accurately surveyed using electronic total station equipment.</li> <li>A local grid system was used with data converted to WGS84.</li> <li>Topography is very flat with control from drill hole collars and field traverses.</li> </ul>

<b>Criteria</b>	<b>JORC Code Explanation</b>	<b>Commentary</b>
<b>Data spacing and distribution</b>	<ul style="list-style-type: none"> <li>• <i>Data spacing for reporting of Exploration Results.</i></li> <li>• <i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i></li> <li>• <i>Whether sample compositing has been applied.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Drilling was on a nominal 20m by 60m spacing in the upper 200m of the deposit.</li> <li>• Deeper mineralisation was tested at approximately 120m spacing.</li> <li>• Drill data is at sufficient spacing to define Measured, Indicated and Inferred Mineral Resources.</li> <li>• Samples were composited to 2 m intervals for estimation.</li> </ul>
<b>Orientation of data in relation to geological structure</b>	<ul style="list-style-type: none"> <li>• <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i></li> <li>• <i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Shallow holes were drilled at approximately - 60° into a vertical trending zone and orientated perpendicular to the known strike of the deposit.</li> <li>• Deeper diamond holes flattened to be approximately orthogonal to the dip of mineralisation.</li> <li>• No orientation-based sampling bias has been identified in the data.</li> </ul>
<b>Sample security</b>	<ul style="list-style-type: none"> <li>• <i>The measures taken to ensure sample security.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Samples were organised by company staff then transported by courier to the laboratory.</li> </ul>
<b>Audits or reviews</b>	<ul style="list-style-type: none"> <li>• <i>The results of any audits or reviews of sampling techniques and data.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Procedures were reviewed by independent consultants during the exploration programs in 2005 by SBNC.</li> </ul>

## Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
<b>Mineral tenement and land tenure status</b>	<ul style="list-style-type: none"> <li>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</li> <li>The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area.</li> </ul>	<ul style="list-style-type: none"> <li>The deposit is located on granted mining lease M47/567 with an expiry date of 22/9/2025.</li> <li>SBR has a 70% beneficial interest in the project.</li> </ul>
<b>Exploration done by other parties</b>	<ul style="list-style-type: none"> <li>Acknowledgment and appraisal of exploration by other parties.</li> </ul>	<ul style="list-style-type: none"> <li>Discovery and initial exploration was completed by Texas Gulf in the 1970's.</li> <li>Majority of exploration was completed by SBNC in 2004 and 2005.</li> </ul>
<b>Geology</b>	<ul style="list-style-type: none"> <li>Deposit type, geological setting, and style of mineralisation.</li> </ul>	<ul style="list-style-type: none"> <li>The project is hosted within the Archaean West Pilbara Granite-Greenstone Belt. It comprises two main lenticular lodes (termed Discovery and Symonds Well) hosted within a sub-vertical to steep north dipping banded chert/magnetite-amphibole horizon.</li> <li>Mineralisation is associated with strong foliation and/or banding of a silica-chlorite-carbonate-amphibole-magnetite chert. There is broad correlation of Ni, Cu and Co grade to sulphide content with the main species being pyrrhotite, pentlandite and chalcopyrite.</li> </ul>
<b>Drill hole information</b>	<ul style="list-style-type: none"> <li>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> <li>easting and northing of the drill hole collar</li> <li>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</li> <li>dip and azimuth of the hole</li> <li>down hole length and interception depth</li> <li>hole length</li> </ul> </li> <li>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</li> </ul>	<ul style="list-style-type: none"> <li>Results are reported in local grid coordinates.</li> <li>Drill hole intersections used in the resource have been historically reported.</li> </ul>
<b>Data aggregation methods</b>	<ul style="list-style-type: none"> <li>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g., cutting of high grades) and cut-off grades are usually Material and should be stated.</li> <li>Where aggregate intercepts incorporate short lengths of high-grade results and longer lengths of low-grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</li> <li>The assumptions used for any reporting of metal equivalent values should be clearly stated.</li> </ul>	<ul style="list-style-type: none"> <li>Length weighted average grades have been reported.</li> <li>No high-grade cuts have been applied.</li> <li>Metal equivalent values are not being reported.</li> </ul>
<b>Relationship between</b>	<ul style="list-style-type: none"> <li>These relationships are particularly important in the reporting of Exploration Results.</li> </ul>	<ul style="list-style-type: none"> <li>The majority of holes have been drilled at angles to intersect the mineralisation</li> </ul>

<b>Criteria</b>	<b>JORC Code explanation</b>	<b>Commentary</b>
<b>mineralisation widths and intercept lengths</b>	<ul style="list-style-type: none"> <li>• <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i></li> <li>• <i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g., down hole length, true width not known’).</i></li> </ul>	<p>approximately perpendicular to the orientation of the mineralised trend.</p> <ul style="list-style-type: none"> <li>• Some steeper holes will have intersection length greater than the true thickness.</li> </ul>
<b>Diagrams</b>	<ul style="list-style-type: none"> <li>• <i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i></li> </ul>	<ul style="list-style-type: none"> <li>• A relevant plan showing the historical drilling is included within the <i>Sabre Resources Ltd announcement of 12<sup>th</sup> June 2018 “Resource Estimate Update for the Sherlock Bay Nickel-Copper- Cobalt Deposit”</i>.</li> <li>• Representative cross section and longitudinal projection are shown on Figure’s 2 and 3. Location and tenement outlines are shown on Figure’s 1 and 4.</li> </ul>
<b>Balanced Reporting</b>	<ul style="list-style-type: none"> <li>• <i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i></li> <li>• <i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i></li> </ul>	<ul style="list-style-type: none"> <li>• All relevant results available have been previously reported.</li> </ul>
<b>Other substantive exploration data</b>	<ul style="list-style-type: none"> <li>• <i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples - size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Geological mapping, geophysical surveys and rock chip sampling has been conducted over the project area.</li> </ul>
<b>Further work</b>	<ul style="list-style-type: none"> <li>• <i>The nature and scale of planned further work (e.g., tests for lateral extensions or depth extensions or large- scale step-out drilling).</i></li> <li>• <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Continued economic analysis of the project is planned.</li> <li>• Representative longitudinal projection, Figure 3, shows targeted projections and MLEM and DHEM conductors where further drilling is planned.</li> <li>• Other surface EM anomalies will also be tested with further drilling.</li> <li>• Metallurgical testwork and mineral Resource upgrades planned to provide data for pre-feasibility study (PFS).</li> </ul>