

## **ASX ANNOUNCEMENT**

4 November 2020

ASX code: **SBR**

### **50 Hole Drilling Program to Commence at Bonanza Gold Project as Mining Approvals Granted**

#### **Highlights:**

- **1,500m drilling program scheduled to commence at Bonanza Gold in mid-November 2020**
- **Drilling contractor KTE Mining Services has been engaged**
- **All Department of Mines, Industry Regulation and Safety approvals received**
- **Drilling will test the three priority aeromagnetic targets generated by the interpretation of the aeromagnetic data**
- **Interpretation of the detailed aeromagnetic data identified targets at the intersections of north-east and north-west trending faults close to the granite-greenstone contact**

Sabre Resources Limited (“Sabre” or “Company”) is pleased to announce that an Aircore drilling program is scheduled to commence at the Bonanza Project in mid-November. The Company has been awaiting approval to drill and this has now been obtained.

The drilling program will be comprised of at least 50 holes for approximately 1,500m and will test some of the structural and lithological targets generated by the airborne magnetic survey completed in August<sup>1</sup>. The priority target area is in the north-east corner of Exploration Licence E57/1125 that is within 800m of Ramelius Resources’ (ASX:RMS) Penny West discovery (Figure 2).

KTE Mining Services, the drilling contractor selected by Sabre, is currently undertaking an Aircore drilling program for Rox Resources and Venus Metals in the area. Any gold mineralization intersected by the Aircore drilling program will be followed up with deeper Reverse Circulation drilling as soon as possible after completion of the Aircore drilling.

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<sup>1</sup> Sabre Resources Ltd (ASX:SBR) announcement 23 September 2020 ‘Aeromagnetic Survey Shows Excellent Targets at Bonanza Project Near Penny West Paving Way Towards Drilling’.

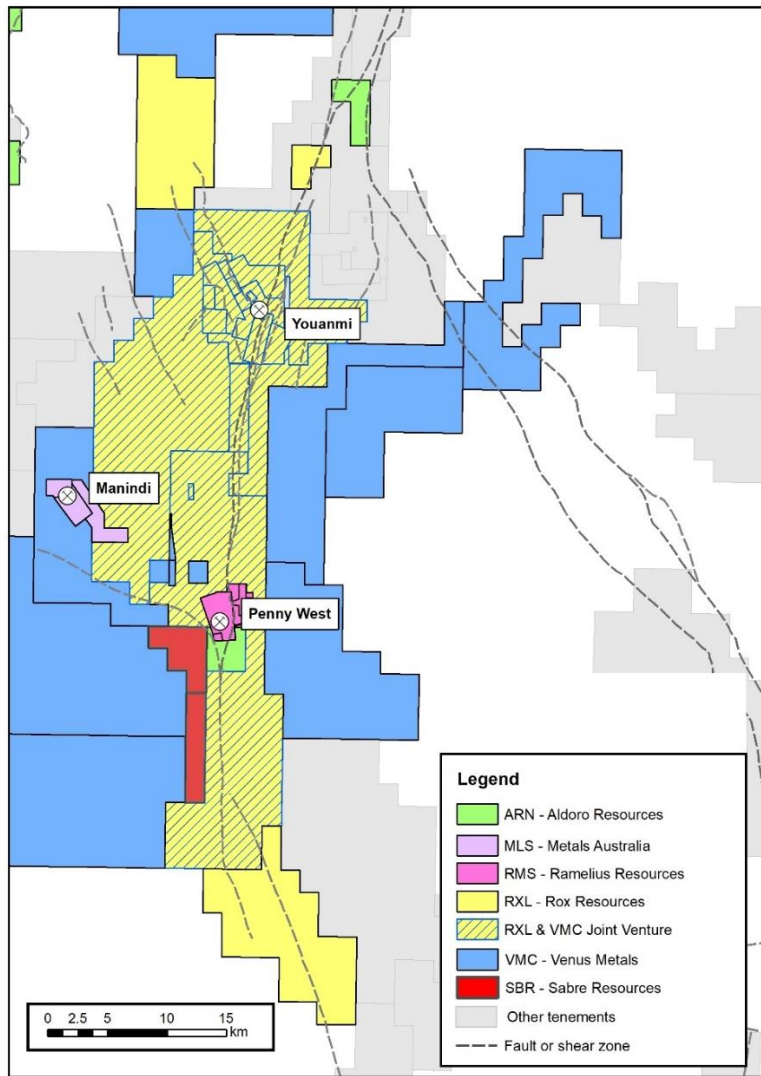


Figure 1: ASX listed companies active in the Youanmi area showing main structural trends

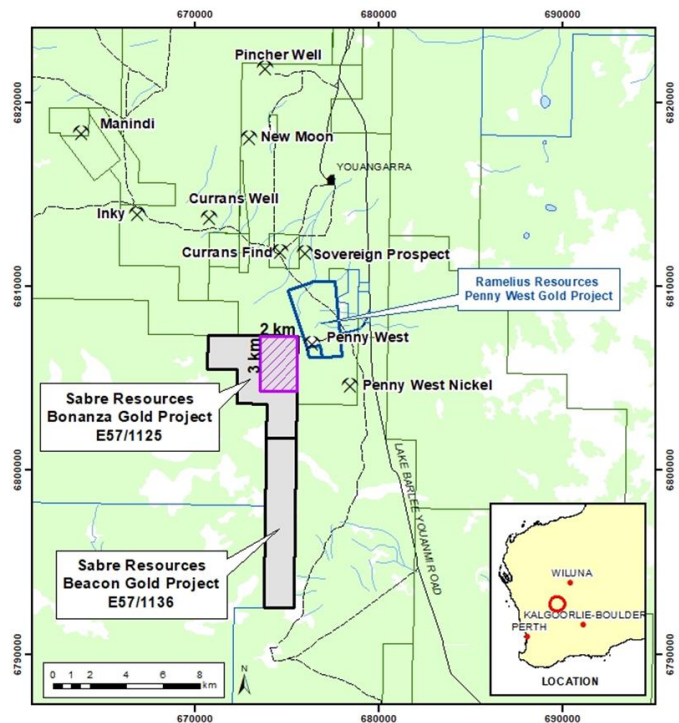


Figure 2: Bonanza Project location plan showing location of aeromagnetic survey

Aircore was selected as the preferred drill technique because it provides quick and economical coverage of large target areas whilst providing an uncontaminated sample of bedrock material for analysis. The majority of companies active in the Youanmi area are using Aircore for reconnaissance drill programs.

The high quality, detailed airborne magnetic survey at the Bonanza Project was flown at a line spacing of 20m over a 2km by 3km area in the north-east corner of EL57/1125. The results of the survey were better than expected. Interpretation of the magnetic data by Sabre’s geophysical consultants revealed several north-east trending fault lines, one of which runs through the centre of the surveyed area and continues directly through the Penny West Gold discovery (Figure 3). Priority drill targets have been identified at fault intersections and in particular where north-east trending faults intersect north-west trending structures that are interpreted to be splays off the Youanmi Fault. These fault intersections are associated with magnetic lows that could be caused by alteration.

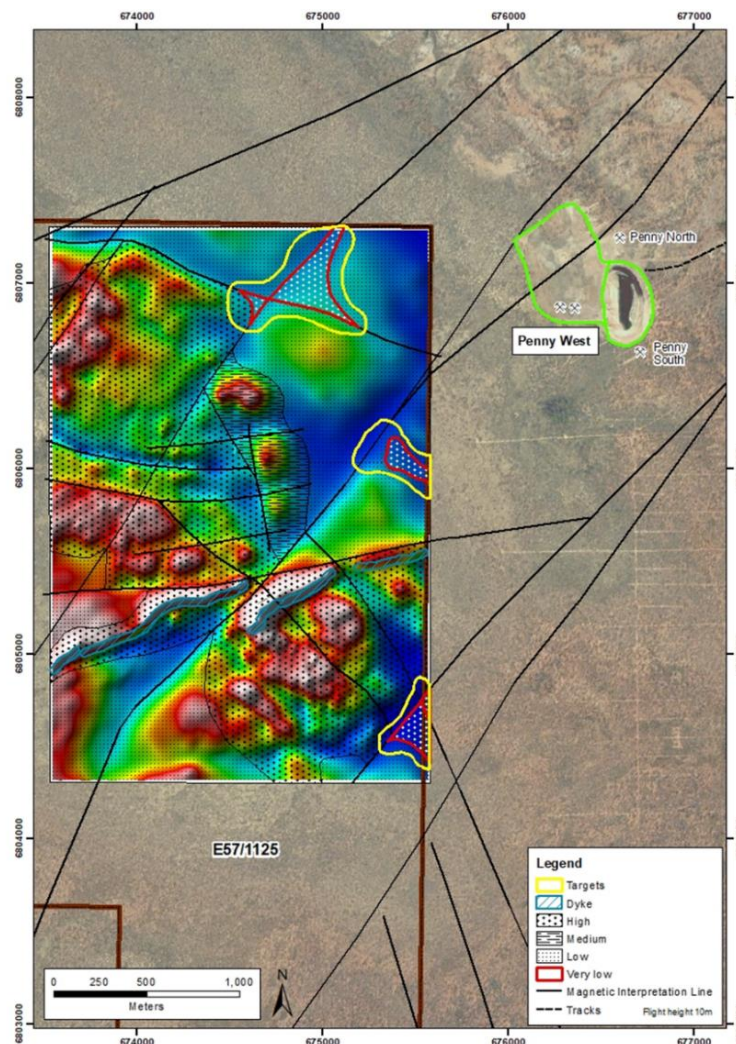


Figure 3: Aeromagnetic image (TMI-RTP) of the survey area on E57/1125 overlain by Newexco interpretation and priority drill targets.

Following interpretation of the magnetic survey, a drilling program was designed and applications were lodged to obtain required approvals. The approvals have now been received from the Department of Mines, Industry Regulation and Safety. Drilling contractor KTE Mining has been engaged and site access works are commencing.

Sabre is encouraged by the recent discovery of the Grace Prospect at Youanmi by Rox Resources (ASX:RXL). High-grade gold mineralization at Grace was intersected close to the granite-greenstone contact on fault splays related to the Youanmi Fault<sup>2</sup>. The Bonanza Project covers a faulted granite-greenstone contact 800m from the Penny West Mine and interpreted splays off the Youanmi Fault. High-grade gold mineralization at a sheared granite-greenstone contact has also recently been reported by Resources & Energy Group Limited (ASX:REZ) at the Gigante Grande prospect near Menzies<sup>3</sup>.

The Company is further encouraged by Rox Resource's announcement in relation to the Red White and Blue prospect located 4km to the north of Penny West<sup>4</sup> near Currans Find (Figure 2). Gold mineralization has been shown to be controlled by a north-south trending shear parallel to the Youanmi Fault, but significantly, also north-east trending structures. The interpretation of the aeromagnetic data at Bonanza has identified similar north-east trending structures that are considered to be priority targets where they intersect north-west trending faults that may generate dilation zones hosting gold mineralization.

### **Background**

Sabre Resources holds a 100% interest in the Bonanza Gold Project located in Western Australia as well as the contiguous Beacon Project.

The Bonanza Gold Project and the contiguous Beacon Project to the south cover a combined area of 33km<sup>2</sup> and are located adjacent to the recently discovered Penny West Gold Project, owned by Ramelius Resources Limited (ASX:RMS), located in the Youanmi Gold Mining District, in Western Australia.

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 gold projects located in the same area (Figure 1).

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

### **ENDS**

#### **For further information contact:**

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#### **Competent Person Statement**

The information in this report that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr. Martin Bennett, a consultant to Sabre Resources Ltd, and a member of 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 "Australasian 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.

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<sup>2</sup> Rox Resources Limited (ASX:RXL) announcement 1 September 2020 'Youanmi Exploration Update: New exceptionally high gold grades extend Grace Prospect strike length to 700m'.

<sup>3</sup> Resources & Energy Group Ltd (ASX:REZ) 20 October 2020 'High grade find at Gigante Grande – 66m thick zone from 71m with a peak result of 1m @ 76.4g/t Au'.

<sup>4</sup> Rox Resources Limited (ASX:RXL) announcement 11 September 2020 'Youanmi Gold Project High-Grade Gold Mineralisation discovered at Taylor's Reef'.