

QUARTERLY ACTIVITIES REPORT

FOR THE QUARTER ENDED 31 DECEMBER 2020

YOUANMI GOLD PROJECTS

The Youanmi Gold Project comprises two granted Exploration Licences located in the Youanmi Goldfield in Western Australia (Figure 1) adjacent to Ramelius Resources Ltd's Penny West Project. The Youanmi Gold Mining District has gained investor attention with the discovery of the Penny North gold resource by Spectrum Metals Ltd and the high-grade Grace Prospect discovery by Rox Resources Ltd at the Youanmi Mine.

The Youanmi Project covers a structurally complex granite-greenstone contact zone containing faults that splay off the major north-south trending Youanmi Shear Zone that controls gold mineralisation at Penny West/Penny North.

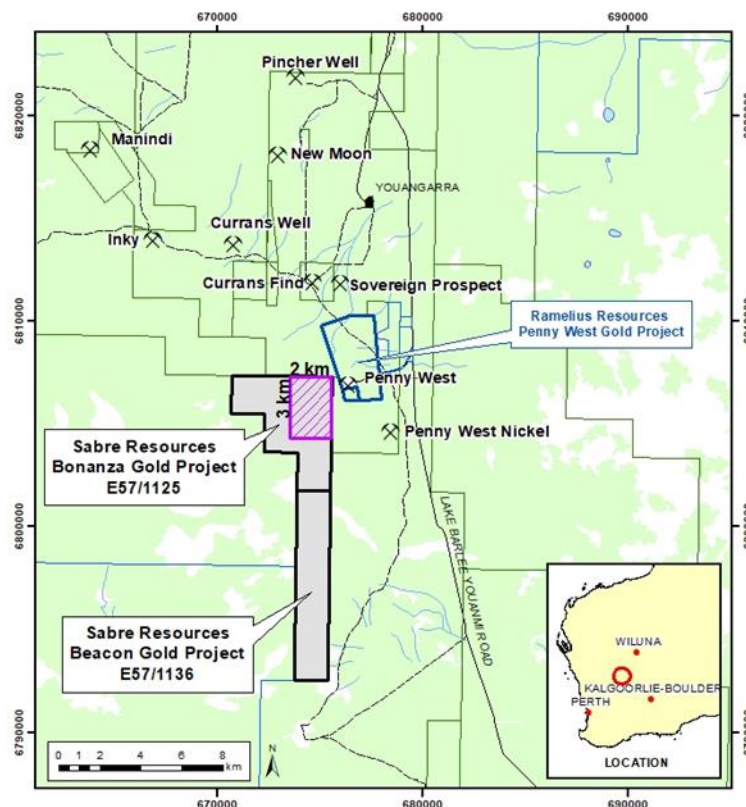


Figure 1: Location plan showing planned aeromagnetic survey area

Bonanza Aircore Drilling Program

In November 2020, Sabre completed an Aircore drilling program at the Bonanza Gold Project. The reconnaissance drilling was conducted on four east-west orientated traverses with holes spaced 100m apart. Forty-nine holes were drilled for a total of 1,427m. Samples were taken downhole as 4m composites with a total of 392 samples and standards submitted to the laboratory for gold and pathfinder element analysis.

The drilling program was designed to test priority targets generated by the airborne magnetic survey flown in August 2020 (Figure 3). 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. 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. Priority drill targets were 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.

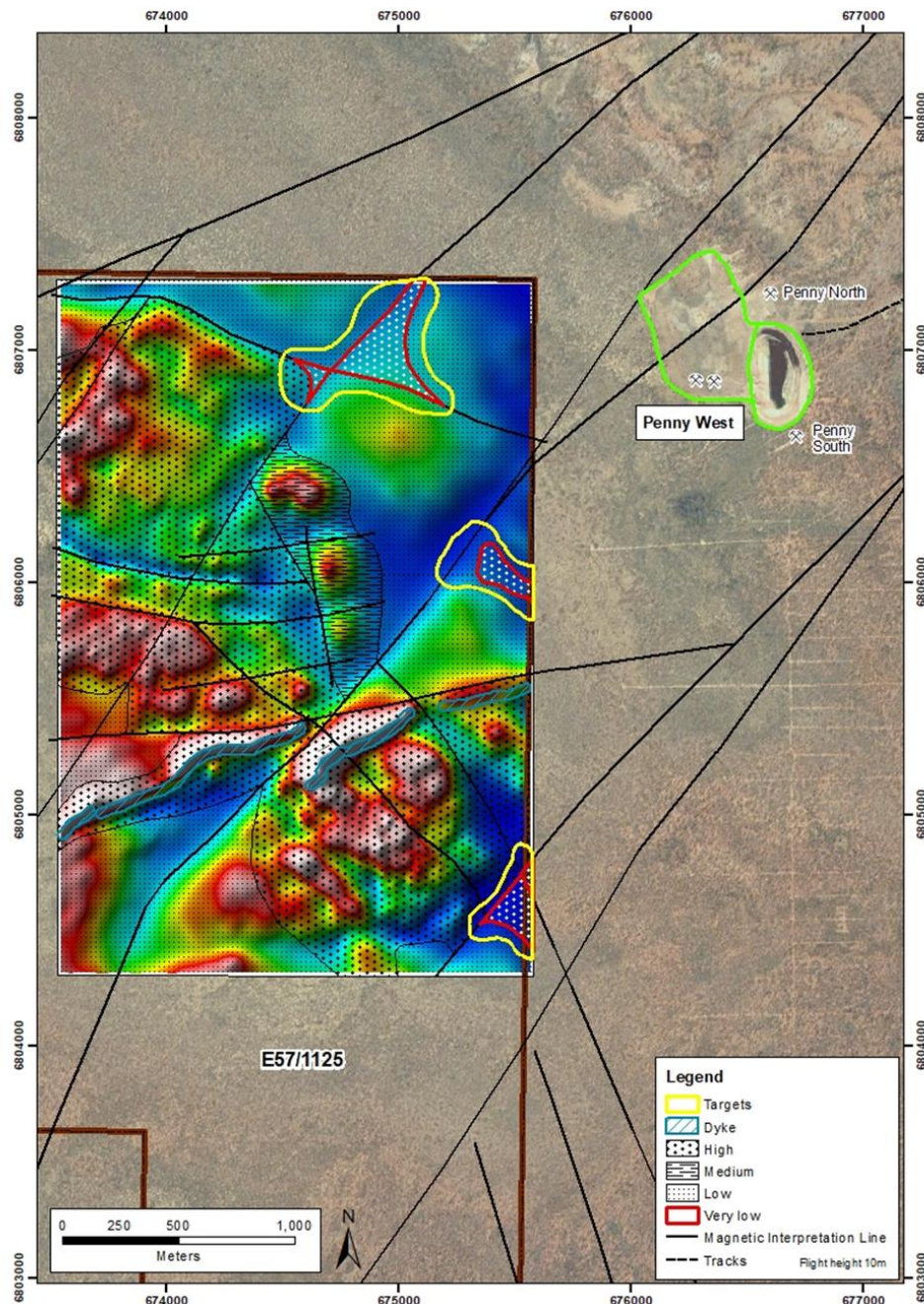


Figure 3: Aeromagnetic image (TMI-RTP) of the survey area on E57/1125 and interpretation by Newexco.

The Aircore drilling was conducted on a wide spaced 400m by 100m grid to test for supergene gold mineralization within the near surface regolith profile indicative of mineralization in fresh bedrock (Figure 4). The drill hole depth averaged 30m with holes intersecting oxidised clays and penetrating to partially weathered bedrock. There are indications of faulting in the form of variations in the basement lithologies,

stringer quartz veins and pegmatite intrusions in the Aircore drilling, however, the drilling did not resolve the cause of the linear magnetic features, interpreted to be faults. Deeper and closer spaced RC drilling will be carried out to test the priority targets.

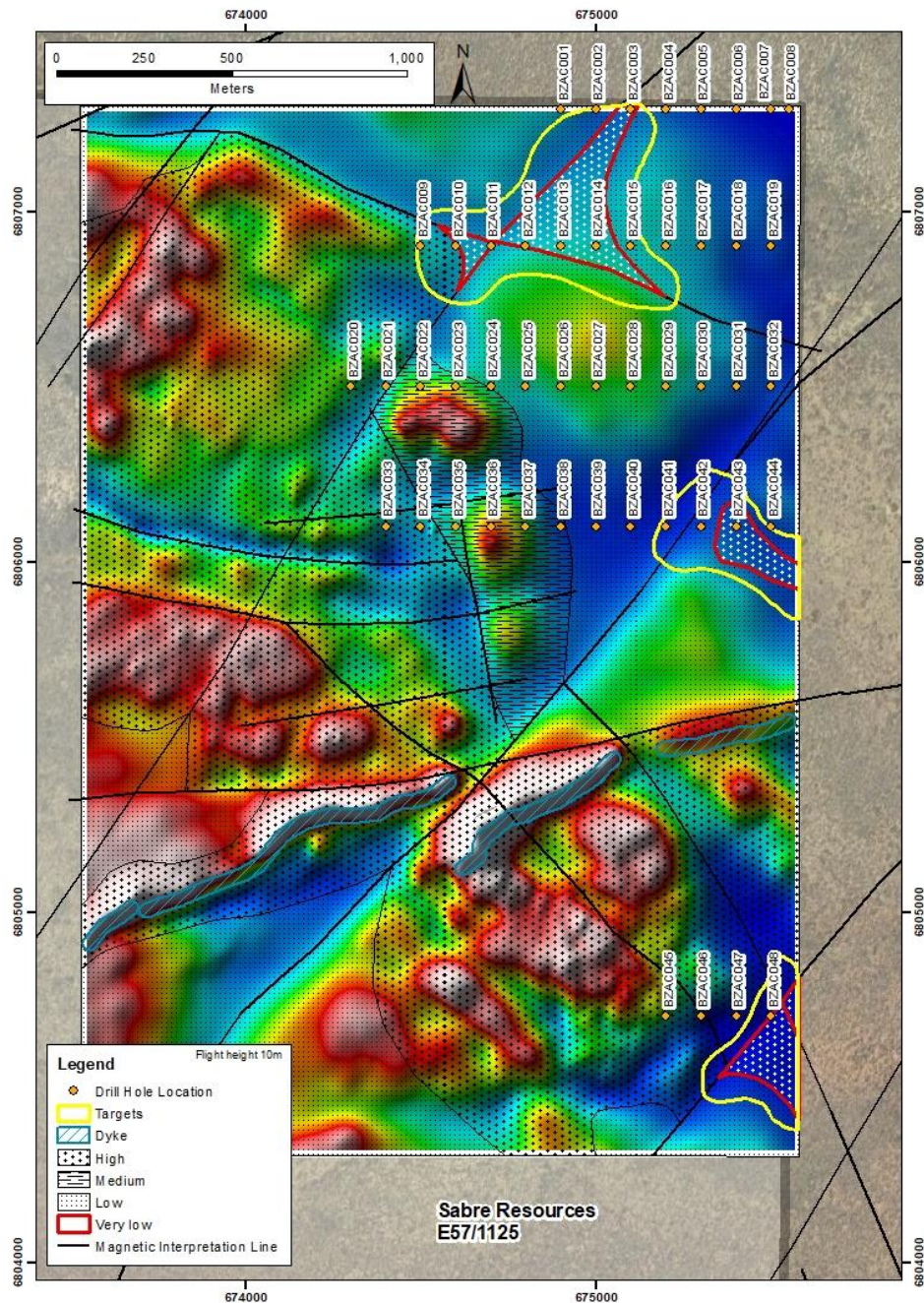


Figure 4: Aeromagnetic image (TMI-RTP) of the survey area showing location of Aircore drill holes

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 a mining lease M47/567 and a Miscellaneous Licence L47/124 (Figure 3). The mining lease contains a resource of 24.6Mt grading

0.4% nickel, 0.09% copper and 0.02% cobalt¹. Sabre continues to review the economics of the project following recent fluctuations in the nickel price.

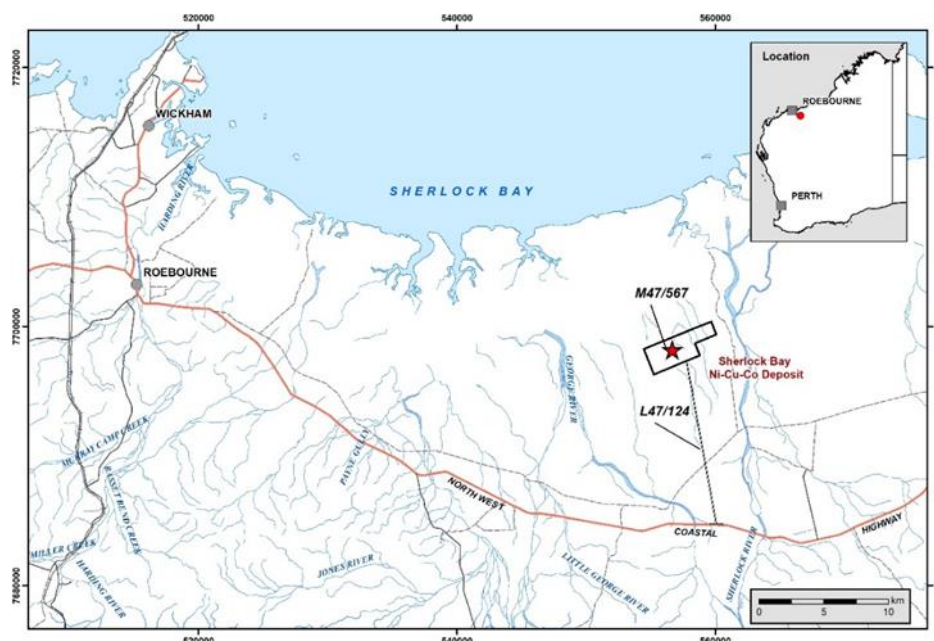


Figure 3: Location map of the Sherlock Bay Project in Western Australia

In June 2020, Sabre announced that the West Australian Department of Mines, Industry Regulation and Safety (DMIRS) had granted a 5 year exemption from expenditure for M47/567 that covers the Sherlock Bay Nickel Deposit in the Pilbara Region of Western Australia. The exemption was granted on 27 May 2020 and is valid for the tenement years ending 22 September 2020 to 2024. The annual minimum expenditure commitment was previously \$100,000 per year.

A bankable feasibility study was conducted on the Sherlock Bay Nickel Project in August 2004 by the Sherlock Bay Nickel Corporation Limited (SNBC). This was followed by a Notice of Intent (NOI) in December 2004. The feasibility study was subsequently updated in 2007 by SNBC.

In the 2004 NOI the project was proposed as an 8Mt open pit mine at the Symonds ore deposit. A four-year mine life was planned with an ore production rate of 2Mtpa. A second phase of mining would comprise an open pit at the Discovery ore deposit. The project would produce a bagged nickel hydroxide refinery feed through a combined bioleaching and mineral precipitation process.

Processing technology, as well as commodity prices and exchange rates, have changed since the last update of the feasibility study. The nickel price has been increasing since early 2020 and is currently ~USD\$18,000/t, the highest price since 2014. Sabre is continuously reviewing the project; however, a full update of the 2007 feasibility study is required to determine the current economics of the project.

¹ 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.

OTAVI MOUNTAIN LAND PROJECT (“OML PROJECT”)

The Otavi Mountain Land Project comprises two Exclusive Prospecting Licences, EPL 3540 (SBR 80%) and EPL 3542 (SBR 70%), which cover about 347km² of the ‘Otavi Triangle’.

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 4).

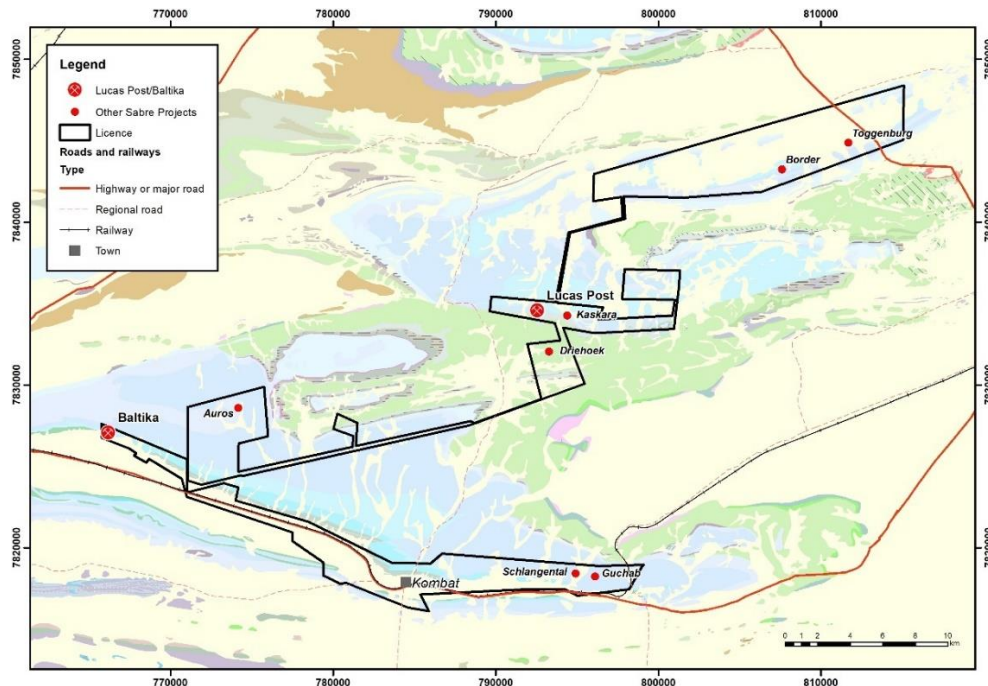


Figure 4: Location plan showing the Otavi Project (EPL3540) and the Ongava Project (EPL3542) and prospects

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.

On 28 September 2020, Trigon Metal Inc. (TSX-V:TM) announced an increase in the Mineral Resource at the Kombat Mine from 7 million tonnes to 39 million tonnes. The Mineral Resource is now 7.35Mt at 0.91% Cu, 0.88% Pb, 0.58g/t Ag (Indicated) and 31.75Mt at 2.21% Cu, 1.33% Pb, 4.42g/t Ag (Inferred)²

The main prospect within Sabre's project area is the Border-Toggenburg lead-zinc prospect on EPL3542. In October 2014, Sabre announced an update of the Inferred Mineral Resource at Border:

16Mt @ 1.53% Zn, 0.59% and 4.76g/t Ag using a 1.5% Zn+Pb cut-off³

Sabre conducted metallurgical testwork on the Border deposit to test the response of the mineralisation to dense media separation (DMS). DMS is a cheap and efficient process that becomes more efficient with higher density contrasts, providing greatly reduced mineral processing costs. The beneficiation tests on the bulk sample show exceptional upgrading of the mineralisation, in the DMS step with 92.5% of the lead and 86% of the zinc recovered to only 17% of the feed mass with a resulting product grade of 12.5% zinc and 6.3% lead. This greatly reduces the amount of material requiring grinding prior to flotation. Grind and float test work demonstrated excellent liberation at a relatively coarse grind size of

² Trigon Metals Inc. (TSX-V: TM) announcement 28 September 2020 'Trigon expands Kombat resource from 7Mt to 39 million tonnes.'

³ Sabre Resources Ltd (ASX:SBR) announcement 16 October 2014 'Border Zinc Deposit Resource Update'.

150 microns. Final flotation concentrate grades were around 65% lead and 62% zinc (from mineralisation grading 0.77% Pb and 1.66% Zn), with final recoveries of around 87% for lead and 82% for zinc.

Sabre continues to review the economics of the Border deposit based on current commodity prices and costs. The economics of the project could also be improved by increasing the size of the Mineral Resource estimated in 2004. Shallow drilling indicates the lead-zinc mineralisation at Border extends along strike to the Toggenburg prospect. Deeper reverse circulation drilling at Toggenburg is likely to result in a significant increase in the resource size. Smaller lead-zinc resources have also been identified at the Driehoek prospect, 20km to the south west.

CORPORATE

Sabre had a cash balance at 31 December 2020 of \$5.259M.

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

END

For further information please contact:

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Company Secretary
Phone (08) 9481 7833

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 Ltd's tenement schedule at 31 December 2021

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	23/09/2004	22/09/2025	70%
			L47/124	0.97	21/07/2004	20/07/2025	70%
Australia	WA	Bonanza	E57/1125	18.0	10/01/2020	9/01/2025	100%
	WA	Beacon	E57/1136	15.0	14/03/2020	23/03/2025	100%
	WA	Wanna	E09/2244		25/02/2019	24/02/2024	100%