ASX ANNOUNCEMENT **ASX code: SBR**
30 May 2022

DRILLING OF HIGH-GRADE NICKEL SULPHIDE TARGETS TO COMMENCE AT SHERLOCK BAY

- ***Diamond drilling designed to upgrade JORC resources and enhance project economics***

- **Program of Work (PoW) approved and drilling contract signed for early June kick-off for 2,400m diamond drilling[1,2] program at Sherlock Bay nickel sulphide project in Western Australia's Pilbara region[3,4].**

- **Drilling will target additional higher-grade to massive sulphide resources down plunge of the Discovery and Symonds deposits[4].**

- **Latest exploration program designed to expand and upgrade existing nickel-copper-cobalt JORC resources, enhance scoping study economics and accelerate development studies.**

- **WA Government co-funding of up to $220,000[0] provided to test the concept that massive nickel sulphides occur at the intersection of the Sherlock Bay mineralised horizon and the "neck" of the sulphur-saturated Sherlock Intrusive - a position analogous with major deposits such as Nova-Bollinger.**

- **The massive sulphides target concept is supported by a major EM conductor[2] modelled beneath the current resources, which are increasing in grade with depth.**

Sabre Resources Ltd (ASX: SBR) ("Sabre" or "the Company") is pleased to announce that a **~2,400m diamond drilling program[0] is set to commence to test high-grade nickel sulphide targets at the Sherlock Bay Nickel-Cobalt-Copper Project** ("Sherlock Bay" or "the Project") in Western Australia's Pilbara region.

This follows the approval of a drilling Program of Work (PoW) by the WA Government and the signing of a drilling contract with Mount Magnet Drilling. The four-hole program will commence as soon as access is established following recent rains at the site, which is expected to be early June.

The drilling program will test the potential for additional, high-grade nickel sulphide resources below both the Discovery and Symonds resource zones at Sherlock Bay, with the key objective of expanding and upgrading the existing JORC resources. This will in turn enable Sabre to update its Sherlock Bay scoping study and accelerate preferred project development options as global demand for battery metals such as nickel, copper and cobalt, continue to strengthen.

The exploration program will also include down-hole EM (DHEM) surveying to detect massive sulphides associated with either in-hole or off hole conductors – as successfully applied by Azure Minerals Ltd (ASX:AZS) at Andover nickel sulphide deposit, 60km west of Sherlock Bay[3] (Figure 1).

The WA Government previously approved co-funding for this drilling program of up to 50% of the direct drilling costs and up to $10,000 mobilisation costs, capped at a total of $220,000[0].

Sabre Resources CEO, Jon Dugdale, said:

"We look forward with much anticipation to kicking off our new diamond drilling and down-hole EM program to test the high-grade nickel sulphide targets we have identified at Sherlock Bay.

"This is the first drilling program at Sherlock Bay since 2005 and we will be targeting high-grade nickel sulphide accumulations below the existing resource, in an analogous setting to the Nova-Bollinger massive sulphide deposits.

"Success in this program will be a key step in upgrading our existing JORC resources at Sherlock Bay and advancing development studies at a time of strong global demand for battery metals."

Background

The Sherlock Bay Project includes two nickel sulphide deposits, **Symonds** and **Discovery**, both of which are tabular and trend northeast-southwest within an overall 1.5km strike length mineralised horizon hosted by the regional Scholl Shear Zone corridor (Figure 1).

The Sherlock Bay nickel deposit is approximately 60km east of the Andover high-grade nickel sulphide discovery of Azure Minerals Ltd (ASX:AZR)[3] (Figure 1), which is associated with a gabbroic intrusive body similar to the Sherlock Intrusive.

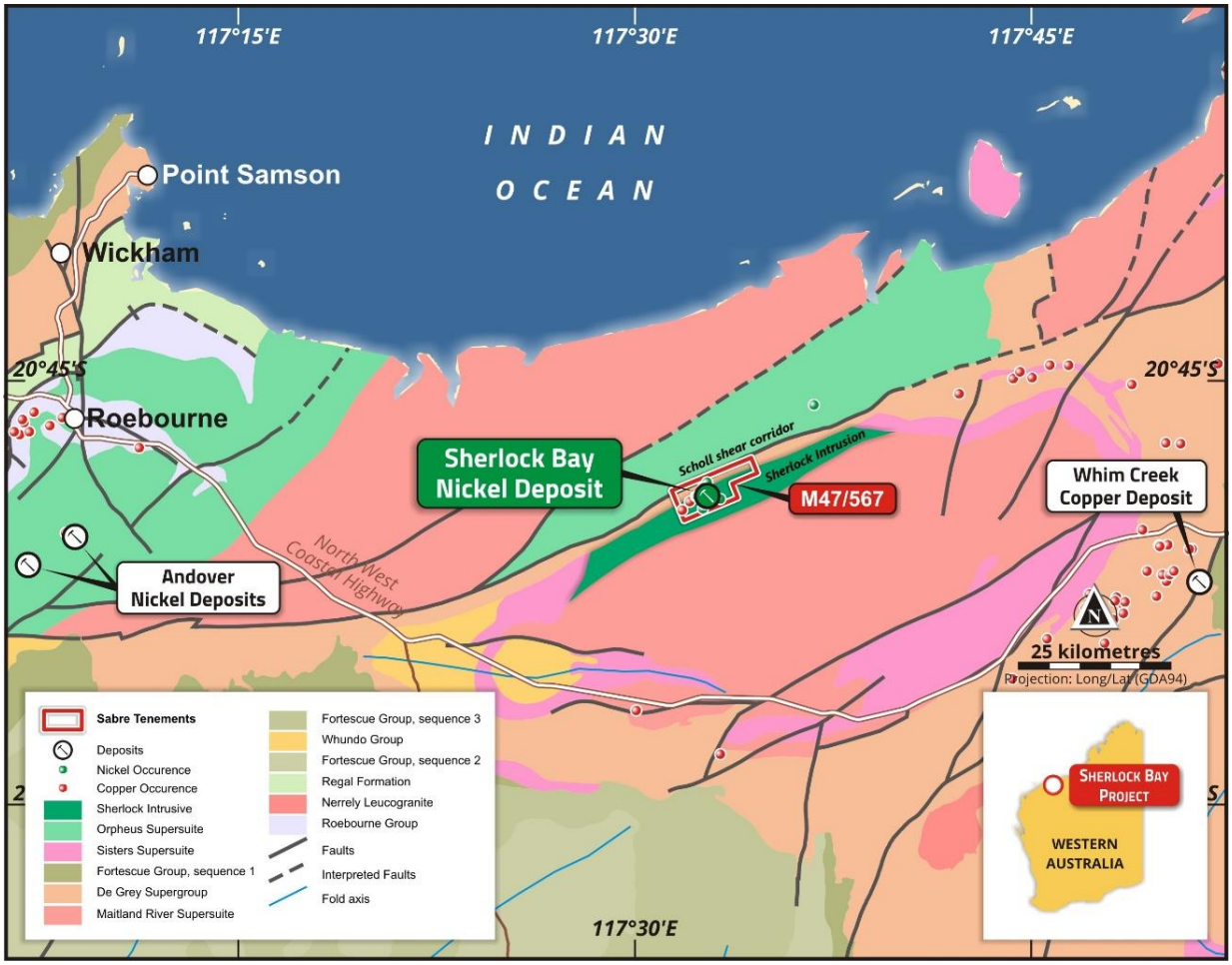

Figure 1: Sherlock Bay Nickel-Copper-Cobalt (sulphide) Project, regional geology and location plan

The Project has an existing JORC 2012 Mineral Resource of **24.6Mt @ 0.40% Ni, 0.09% Cu, 0.02% Co, containing 99,200t Ni, 21,700t Cu & 5,400t Co** (Measured 12.48Mt @ 0.38% Ni, 0.11% Cu, 0.025% Co; Indicated 6.1Mt @ 0.59% Ni, 0.08% Cu, 0.022% Co & Inferred 6.1Mt @ 0.27% Ni, 0.06% Cu, 0.01% Co)[4].

The recent Scoping Study[5] on the Sherlock Bay Project indicated positive cash-flow potential at prevailing nickel prices (US$10/lb at time of release, now ~US$12/lb[6]), while also highlighting the positive financial impact of continued strength in nickel prices and the discovery of additional higher-grade resources at the Project.

The Company believes there is significant upside potential for additional, high-grade, nickel sulphide resources below both the Symonds and Discovery resource zones, with both deposits increasing in grade and open at relatively shallow depths (see longitudinal projection, Figure 2).

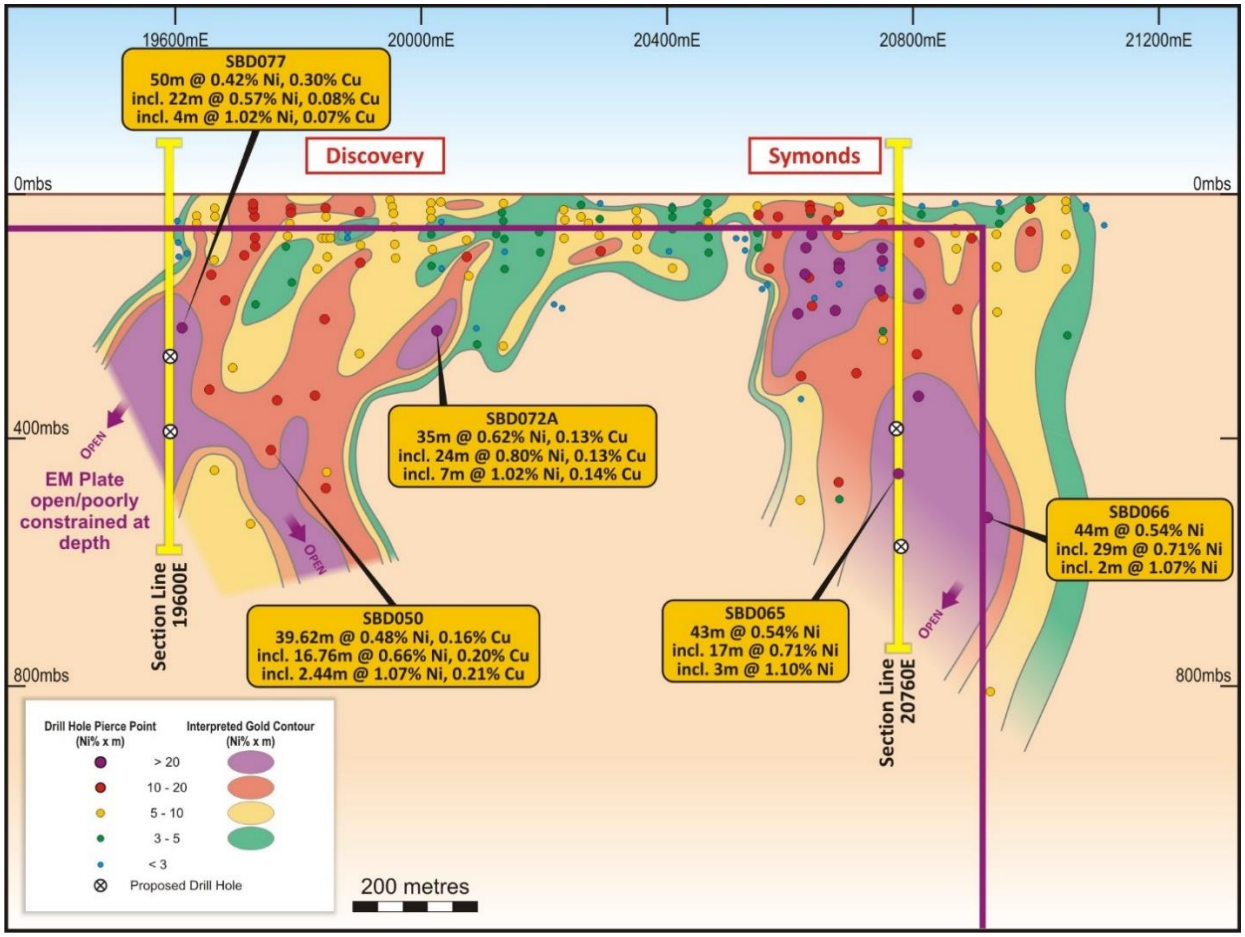

Figure 2: Sherlock Bay Longitudinal Projection with Discovery & Symonds nickel deposits, Ni% x m contours

Sabre's exploration model for Sherlock Bay is to target massive sulphides where the mineralised horizon projects to intersect the footwall of the Sherlock Intrusive, potentially representing the "neck" of the intrusive (see cross section, Figure 3). Massive sulphides occur in this position at analogous deposits such as the Nova-Bollinger nickel sulphide deposit, also in WA (IGO Ltd, ASX:IGO).

This exploration concept for massive sulphides to be located in this target zone is supported by the modelling of a major EM conductor[2] (see EM Plate projected on Figure 2) at the projected intersection of the mineralised horizon with the base of the Sherlock gabbro/ultramafic intrusion at depth, below the disseminated nickel sulphide resources.

The New Drilling Program

Four diamond holes totalling up to 2,400m will be drilled to test the two key target zones identified with potential for higher-grade to massive sulphides down plunge of both the Discovery and Symonds resources (see pierce points projected onto Figure 2) including:

i) **Two holes to test for down plunge extensions of the Discovery nickel sulphide deposit** (Figure 3, cross section 19,600mE), where higher-grade intersections including**: SBD077 – 50m @ 0.42% Ni from 227m incl. 22m @ 0.57% Ni & 4m @ 1.02% Ni**[1] indicate improving nickel grade down-plunge at relatively shallow depth to the southwest that remains open down plunge (see longitudinal projection, Figure 2).

ii) **Two holes to test for deeper extensions of the Symonds nickel sulphide deposit**, where higher-grade intersections at depth such as **SBD065 – 43m @ 0.54% Ni from 508m incl. 17m @ 0.71% Ni and 3m @ 1.10% Ni**[1] (see cross section, Figure 4) indicate improving nickel grade with depth within a steep westerly-plunging zone that remains open down plunge (Figure 2).

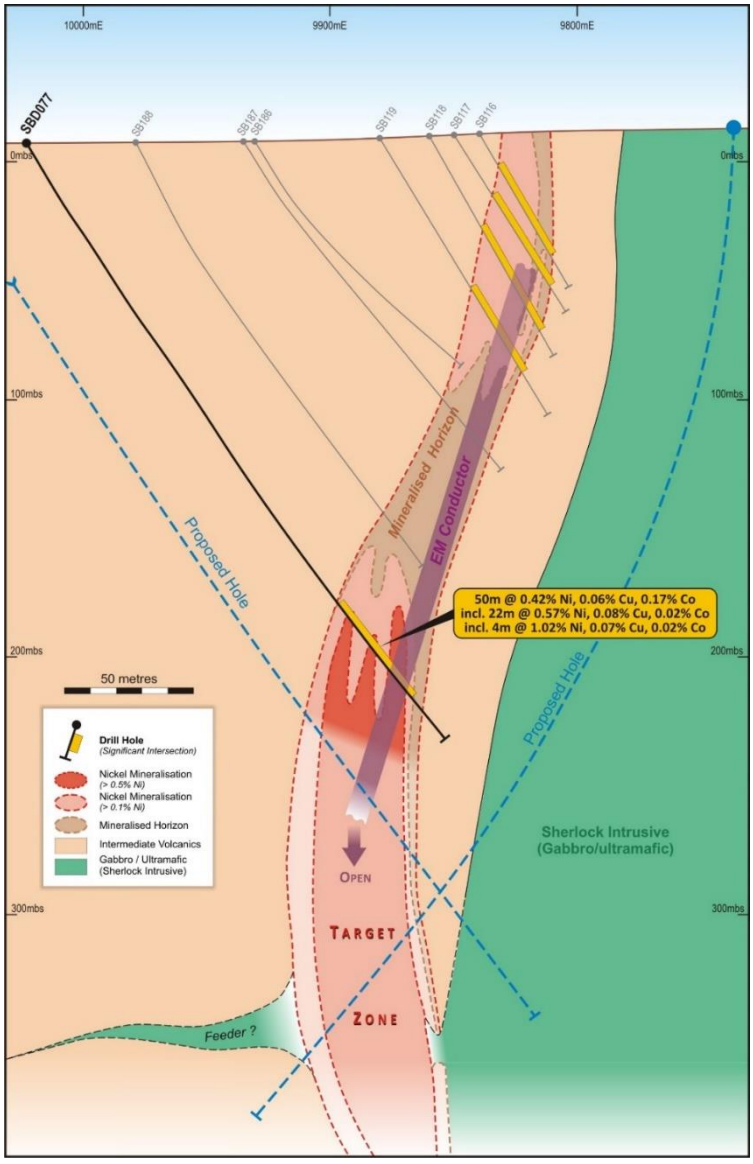

Figure 3 – Sherlock Bay nickel deposit, cross section 19,600mE with Target Zone and drilling planned.

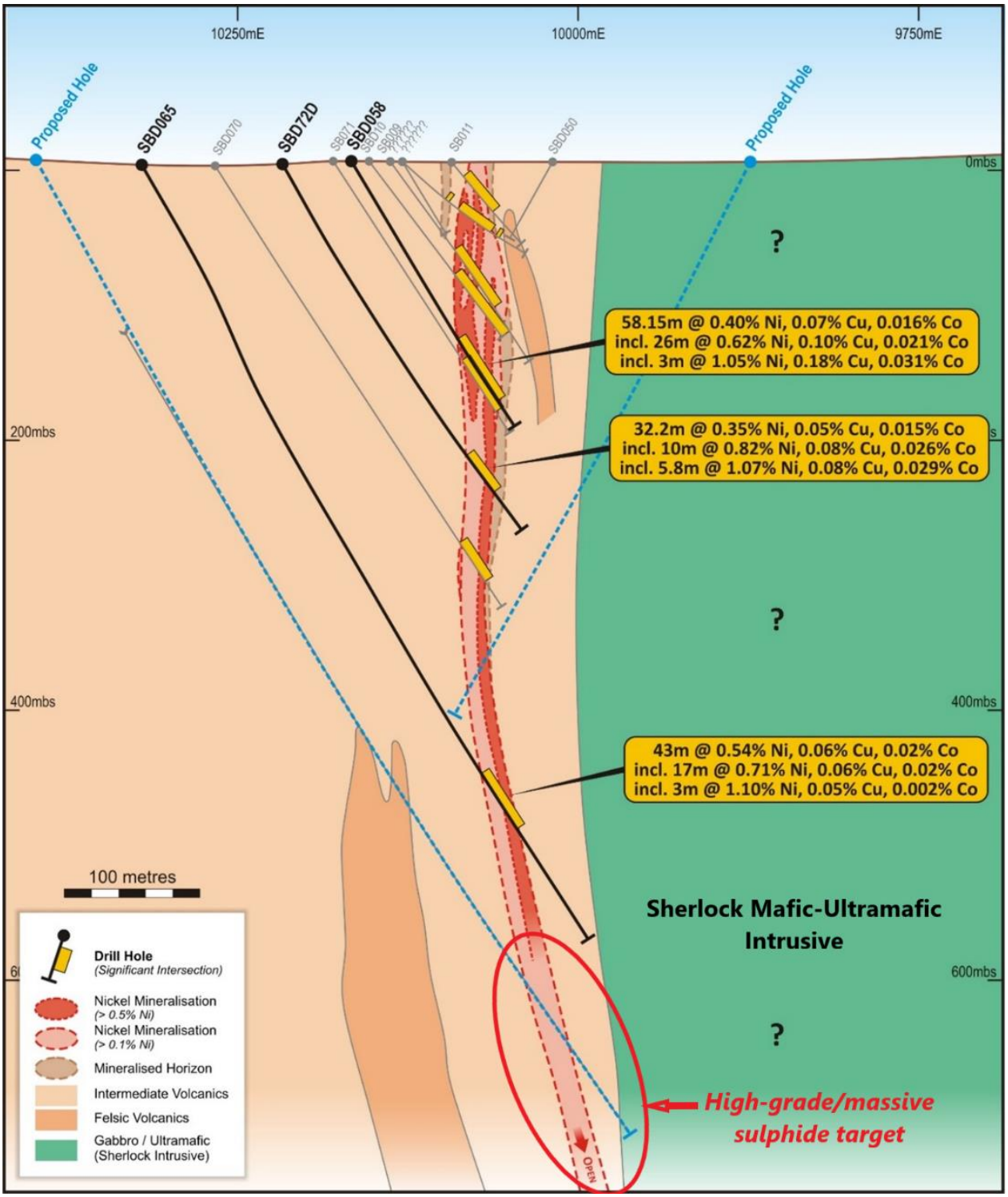

Figure 4: Symonds Nickel Deposit, Cross Section 20,760mE. High-grade nickel sulphide target and drilling planned

About Sabre Resources

Sabre Resources is an ASX-listed company **(ASX:SBR)** focused on the exploration and development of 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 70% owned **Sherlock Bay Nickel-Copper-Cobalt Project** - a significant nickel sulphide resource located on granted mining lease, M47/567, 40km east of Roebourne in the highly prospective Pilbara Region of Western Australia (Figure 1).

The Project includes a JORC 2012 Mineral Resource of **24.6Mt @ 0.40% Ni, 0.09% Cu, 0.02% Co, containing 99,200t Ni, 21,700 tonnes Cu and 5,400 tonnes Co** (including a 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)[4]. The latest targeted diamond drilling and exploration program is designed to upgrade and expand the resources, update the Sherlock Bay scoping study and accelerate further development studies to Pre-Feasibility Study (PFS) standard.

Sabre is also earning a n 80% interest in the **Sherlock Pool** tenement, E47/4345, covering immediate strike extensions to the northeast and southwest of the Sherlock Bay nickel sulphide deposit[5]. Exploration will commence shortly, targeting previously generated VTEM anomalies that may represent massive nickel sulphide potential.

It is also earning 80% of the **Nepean South** tenement, E15/1702[5], that covers a 12km corridor of ultramafic rocks south of the Nepean nickel sulphide mine.

In addition, Sabre's 80% owned subsidiary, Chalco Resources Pty Ltd[7], has three exploration licence applications at **Cave Hill** over a >50km strike length of interpreted extensions of the Nepean and Queen Victoria Rocks nickel sulphide belts.

Sabre's **Ninghan Gold Project**[8], E59/2402, 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. Previous RAB and aircore drilling has defined two strongly-anomalous zones of gold-arsenic mineralisation at Ninghan where follow-up drilling is planned.

Sabre also holds a 100% interest in the **Bonanza** and **Beacon** exploration licences, in the Youanmi Gold Mining District, proximal to where partners Rox Resources Limited (ASX: RXL) and Venus Metals Corporation Limited (ASX: VMC) have reported significant exploration results.

In the Northern Territory, Sabre holds an 80% interest in the **Ngalia** Uranium Project[7], which comprises two recently granted exploration licences: **Dingo** EL32829 and **Lake Lewis** EL32864 in the highly prospective Ngalia Basin.

Sabre also holds an 80% interest in the **Cararra** EL32693[7] copper-gold and lead-zinc-silver project at the junction of the Tennant East Copper-Gold Belt and the Lawn Hill Platform/Mt Isa Province.

References

[0] Sabre Resources Ltd announcement, 05th May 2022. WA Govt Co-Funding for High-Grade Ni Sulphide Drilling.

[1] Sabre Resources Ltd announcement, 10th March 2022. Sabre to Drill High-Grade Nickel Targets at Sherlock Bay.

[2] Sabre Resources Ltd announcement, 11th April 2022. Drilling of High-Grade Nickel EM Targets Set to Commence.

[3] *Azure Minerals Ltd announcement, 2nd August 2021. High-Grade Hits Continue at Andover.*
[4] *Sabre Resources Ltd announcement, 12th June 2018. Resource Estimate Update for the Sherlock Bay Nickel-Copper- Cobalt Deposit.*
[5] *Sabre Resources Ltd announcement, 27th January 2022. Sherlock Bay Ni Scoping Study Delivers Positive Cashflow.*
[6] *www.kitcometals.com/charts/nickel_historical.html*
[7] *Sabre Resources Ltd announcement, 13th December 2021. Agreements to Acquire Three Nickel Sulphide Projects.*
[8] *Sabre Resources Ltd announcement, 24th September 2021. Sabre to Complete Acquisition of Ninghan Gold Project.*

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

*****ENDS*****

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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.

Regarding the Mineral Resource Estimate for the Sherlock Bay Nickel Deposit, released 12 June 2018, 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 announcement.

JORC Table 1 - Section 1 Sampling Techniques and Data

Criteria	JORC Code Explanation	Commentary
Sampling techniques	• *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.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *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.*	• RC drilling was conducted using a 5 ¼" face sampling bit on a nominal 20m by 60 m spacing. • RC samples were collected in large plastic bags from riffle splitter and a 2-5 kg representative sample taken for analysis. • Diamond drilling was sampled to geological contacts then at 1 m or 1.52 m intervals with quarter core samples taken for analysis. • Collar surveys were carried using total station electronic equipment. • Down hole surveys for each hole were completed using single shot cameras. • Sampling was limited to the visually mineralised zones with additional sampling of several metres either side of the mineralisation.
Drilling techniques	• *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).*	• The majority of RC drilling was completed in 2004 and 2005 by Sherlock Bay Nickel Corporation (SBNC) using face sampling equipment. • 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.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *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.*	• Drill core recovery was measured and was generally excellent. • No record of RC sample quality was located, however drilling conditions were good and samples generally from fresh rock and no problems were anticipated. • No obvious relationships between sample recovery and grade.
Logging	• *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.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• All holes were logged in the field at the time of drilling. • No core photographs were located.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.*	• 1m RC samples were split by the riffle splitter on the drill rig and sampled dry. • The sampling was conducted using industry standard techniques and were considered appropriate.

Criteria	JORC Code Explanation	Commentary
	• *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *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.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• No formal quality control measures were in place for the programs.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *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.* • *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.*	• Historic drill samples were assayed using four acid digest and AAS analysis at accredited laboratories. • Samples from the 2004 and 2005 programs were assayed using four acid digest and AAS analysis at the Aminya and ALS laboratories. • QAQC data was limited to assay repeats and interlaboratory checks which showed acceptable results.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• Field data was loaded into excel spreadsheets at site. • Original laboratory assay records have been located and loaded into an electronic database. • Hard copies of logs, survey and sampling data are stored in the SBR office. • No adjustment to assay data.
Location of data points	• *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.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• SBNC drill hole collars were accurately surveyed using electronic total station equipment. • A local grid system was used with data converted to WGS84. • Topography is very flat with control from drill hole collars and field traverses.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *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.* • *Whether sample compositing has been applied.*	• Drilling was on a nominal 20m by 60m spacing in the upper 200m of the deposit. • Deeper mineralisation was tested at approximately 120m spacing. • Drill data is at sufficient spacing to define Measured, Indicated and Inferred Mineral Resource. • Samples were composited to 2 m intervals for estimation.

Criteria	JORC Code Explanation	Commentary
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *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.*	• Shallow holes were drilled at -60° into a vertical trending zone and orientated perpendicular to the known strike of the deposit. • Deeper diamond holes flattened to be approximately orthogonal to the dip of mineralisation. • No orientation based sampling bias has been identified in the data.
Sample security	• *The measures taken to ensure sample security.*	• Samples were organised by company staff then transported by courier to the laboratory.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• Procedures were reviewed by independent consultants during the exploration programs in 2005 by SBNC.

JORC Table 1 - Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *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.* • *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.*	• The deposit is located on granted mining lease M47/567 with an expiry date of 22/9/2025. • SBR has a 70% beneficial interest in the project.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Discovery and initial exploration was completed by Texas Gulf in the 1970's. • Majority of exploration was completed by SBNC in 2004 and 2005.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The project is hosted within the Archaean West Pilbara Granite-Greenstone Belt. It comprises two main lenticular lodes (termed Discovery and Symond's Well) hosted within a sub-vertical to steep north dipping chert horizon. • 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, pyrite and chalcopyrite.

Drill hole information	• *A summary of all information material to the under-standing of the exploration results including a tabulation of the following information for all Material drill holes:*
	  • *easting and northing of the drill hole collar*
	  • *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*
	  • *dip and azimuth of the hole*
	  • *down hole length and interception depth*
	  • *hole length*
	• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract*
		• Results are reported in local grid coordinates.
		• Drill hole intersections used in the resource have been historically reported.

Criteria	JORC Code explanation	Commentary
	from the understanding of the report, the Competent Person should clearly explain why this is the case.	
Data aggregation methods	• *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.* • *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.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• Length weighted average grades have been reported. • No high-grade cuts have been applied. • Metal equivalent values are not being reported.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *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').*	• The majority of holes have been drilled at angles to intersect the mineralisation approximately perpendicular to the orientation of the mineralised trend. • Some steeper holes will have intersection length greater than the true thickness.
Diagrams	• *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.*	• A relevant plan showing the historical drilling is included within the *Sabre Resources Ltd announcement* of *12th June 2018 "Resource Estimate Update for the Sherlock Bay Nickel-Copper- Cobalt Deposit"*. • Representative longitudinal projection and cross sections Figures 2, 3 and 4.
Balanced Reporting	• *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.* • *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.*	• All relevant results available have been previously reported.
Other substantive exploration data	• *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.*	• Geological mapping, geophysical surveys and rock chip sampling has been conducted over the project area.
Further work	• *The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large- scale step-out drilling).* • *Diagrams clearly highlighting the areas of*	• Continued economic analysis of the project is planned. • Further exploration to extend high-grade resources is planned.

Criteria	JORC Code explanation	Commentary
	possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	• Representative cross sections and longitudinal projections, Figures 2, 3 and 4 show targeted projections and further drilling planned.