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**SABRE RESOURCES LTD**

**ACN 003 043 570**

**NOTICE OF GENERAL MEETING**

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Notice is given that the Meeting will be held at:

**TIME:** 11.00 am (AWST)

**DATE:** 27 July 2020

**PLACE:** Level 1, 8 Parliament Place, West Perth WA 6005

***The business of the Meeting affects your shareholding and your vote is important.***

***This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.***

***The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 18.00pm (AWST) on 23 July 2020.***

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## BUSINESS OF THE MEETING

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### AGENDA

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#### 1. RESOLUTION 1 – RATIFICATION OF PRIOR ISSUE – CONSIDERATION SHARES (LR 7.1)

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 6,000,000 Shares on the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion Statement:** The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or is a counterparty to the agreement being approved (namely Saba Nominees Pty Ltd and Gabriel Govinda) or an associate of that person or those persons. However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
  - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

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#### 2. RESOLUTION 2 – RATIFICATION OF PRIOR ISSUE - CONSIDERATION OPTIONS (LR 7.1)

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 6,000,000 Options on the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion Statement:** The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) (namely Saba Nominees Pty Ltd and Gabriel Govinda ) or an associate of that person (or those persons). However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
  - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

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### 3. RESOLUTION 3 – APPROVAL FOR FUTURE ISSUE OF SHARES AND OPTIONS

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 200,000,000 Shares and up to 200,000,000 free attaching Options, with an exercise price of \$0.008 and an expiry date of 30 September 2022, on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion Statement:** The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person (or those persons). The Company will exclude any votes from parties that have participated in capital raisings within the last six months, as well as any votes from parties that are known to be associated with brokers that have recently assisted the Company and therefore may be expected to participate in the capital raising. However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
  - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

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### 4. RESOLUTION 4 – APPROVAL FOR ISSUE OF OPTIONS

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 100,000,000 Options with an exercise price of \$0.008 and an expiry date of 30 September 2022 on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion Statement:** The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who will participate in the issue or an associate of that person or those persons. However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and

- (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.
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**Dated: 23 June 2020**

**By order of the Board**

A handwritten signature in black ink, appearing to be 'Martin Stein', written over a horizontal line.

**Martin Stein**  
**Company Secretary**

### **Voting in person**

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To vote in person, attend the Meeting at the time, date and place set out above.

### **Voting by proxy**

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To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that changes to the Corporations Act made in 2011 mean that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

***Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 9481 7833.***

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## EXPLANATORY STATEMENT

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This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

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### 1. BACKGROUND TO RESOLUTIONS

#### 1.1 Resolutions 1 and 2 - Acquisition of Scarce Minerals Pty Ltd

As announced to ASX on 12 May 2020, the Company acquired 100% of the issued fully paid ordinary share capital in Scarce Minerals Pty Ltd (ACN 625 743 204) (**Scarce Minerals**) pursuant to a share sale agreement (**Acquisition Agreement**) between the Company, Scarce Minerals and Scarce Minerals' vendors, Saba Nominees Pty Ltd and Gabriel Govinda (together, the **Vendors**) (**Acquisition**). Scarce Minerals holds the interest to the Beacon Gold Project (EL 57/1136), located in the Youanmi Gold Mining District, in Western Australia.

Pursuant to the Acquisition Agreement:

- (a) The Vendors agreed to sell and the Company agreed to acquire 100% of the issued shares in Scarce Minerals.
- (b) In consideration for the Acquisition, the Company agreed:
  - (i) to issue 6,000,000 Shares to the Vendors (these were issued on 11 May 2020); and
  - (ii) to issue 6,000,000 Options exercisable at \$0.008 per Option and expiring on or before 30 September 2022 (these were issued on 11 May 2020); and
- (c) Following satisfaction of the conditions precedent set out in the share sale agreement, settlement of the Acquisition occurred on 11 May 2020.
- (d) Various representations, warranties and indemnities were given by the Company and the Vendors that are considered standard for an agreement of this type.

Further details regarding the Acquisition are set out in the Company's ASX announcement of 12 May 2020 entitled "Sabre Completes Beacon Gold Project Acquisition".

The Company is seeking to ratify the issue of the 6,000,000 Shares and 6,000,000 Options and this is the subject of Resolutions 1 and 2.

#### 1.2 Resolution 3 - Approval for future issue of Shares and Options

Resolution 3 seeks Shareholder approval for the issue of up to 200,000,000 Shares and up to 200,000,000 free-attaching Options. Further information in relation to this Resolution is outlined in Section 4.

#### 1.3 Pro forma capital structure

The proposed capital structure of the Company following completion of the Acquisition and issues of all securities contemplated by this Notice, assuming no Options are exercised prior to the date of this Notice, is set out below:

Shares	Number
Shares on issue as at the date of this Notice	851,717,007
Shares to be issued pursuant to any placement the subject of Resolution 3	200,000,000
<b>Total Shares on issue after completion of any placement</b>	<b>1,051,717,007</b>

Options	Number
<b>Quoted Options</b>	
Quoted Options on issue as at the date of this Notice	596,493,401
Quoted Options exercisable at \$0.008 each on or before 30 September 2022, to be issued pursuant to Resolution 3 <sup>1</sup>	200,000,000
Quoted Options exercisable at \$0.008 each on or before 30 September 2022, to be issued pursuant to Resolution 4 <sup>1</sup>	100,000,000
<b>Unquoted Options</b>	
Unquoted Options on issue as at the date of this Notice, exercisable at \$0.015 each on or before 1 December 2021	125,000,000
<b>Total Options on issue after completion of the acquisition and placements</b>	<b>1,021,493,401</b>

**Note:**

- (1) The Company intends on applying for quotation of the Options issued pursuant to this Notice of Meeting. There is no guarantee that the ASX will grant quotation of the Options, in which case, they will be Unquoted Options.

## **2. RESOLUTION 1 – RATIFICATION OF PRIOR ISSUE – CONSIDERATION SHARES (LR 7.1)**

### **2.1 General**

On 11 May 2020, the Company issued 6,000,000 Shares as partial consideration for the acquisition of Scarce Minerals Pty Ltd, holder of Western Australian focused gold exploration projects (**Consideration Shares**).

As summarised in Section 2.1 above, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that 12 month period.

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the company's capacity to issue further equity securities without shareholder approval under that rule.

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Consideration Shares.

Resolution 1 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Consideration Shares.

## **2.2 Technical information required by Listing Rule 14.1A**

If Resolution 1 is passed, the Consideration Shares will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Consideration Shares.

If Resolution 1 is not passed, the Consideration Shares will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Consideration Shares.

## **2.3 Technical information required by ASX Listing Rule 7.4**

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Ratification:

- (a) the Consideration Shares were issued to the vendors of Scarce Minerals Pty Ltd, being Saba Nominees Pty Ltd and Gabriel Govinda, who are not related parties of the Company;
- (b) 6,000,000 Consideration Shares were issued;
- (c) the Consideration Shares were issued on 11 May 2020;
- (d) the issue price was nil per Consideration Share as the Shares were issued as partial consideration for the acquisition of Scarce Minerals Pty Ltd;
- (e) the Consideration Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (f) the purpose of the issue of the Consideration Shares was to satisfy the Company's obligations under the Acquisition Agreement;
- (g) the Consideration Shares were issued to Saba Nominees Pty Ltd and Gabriel Govinda Hewitt under the Acquisition Agreement. A summary of the material terms of the Acquisition Agreement is set out in Section 1.2;
- (h) there were no funds raised from this issue; and
- (i) a voting exclusion statement is included in Resolution 1 of the Notice.

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## **3. RESOLUTION 2 – RATIFICATION OF PRIOR ISSUE – CONSIDERATION OPTIONS (LR 7.1)**

### **3.1 General**

On 11 May 2020, the Company issued 6,000,000 Options as partial consideration for the acquisition of Scarce Minerals Pty Ltd, holder of Western Australian focused gold exploration projects (**Consideration Options**).

Resolution 2 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Options (**Ratification**).



ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in a General Meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

### **3.2 Technical information required by ASX Listing Rule 7.4**

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Ratification:

- (a) the Consideration Options were issued to the vendors of Scarce Minerals Pty Ltd, being Saba Nominees Pty Ltd and Gabriel Govinda, who are not related parties of the Company;
- (b) 6,000,000 Consideration Options were issued;
- (c) the Consideration Options were issued on 11 May 2020;
- (d) the issue price was nil per Consideration Options as the Options were issued as partial consideration for the acquisition of Scarce Minerals Pty Ltd;
- (e) the Consideration Options were issued on the same terms and conditions as set out in Schedule 1;
- (f) the purpose of the issue of the Consideration Options was to satisfy the Company's obligations under the Acquisition Agreement;
- (g) the Consideration Options were issued to Saba Nominees Pty Ltd and Gabriel Govinda Hewitt under the Acquisition Agreement. A summary of the material terms of the Acquisition Agreement is set out in Section 1.2;
- (h) there were no funds raised from this issue; and
- (i) a voting exclusion statement is included in Resolution 2 of the Notice.

### **3.3 Technical information required by Listing Rule 14.1A**

If Resolution 2 is passed, the Consideration Options will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Consideration Options.

If Resolution 2 is not passed, the Consideration Options will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Consideration Options.

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## **4. RESOLUTION 3 – APPROVAL FOR FUTURE ISSUE OF SHARES AND OPTIONS**

### **4.1 General**

Resolution 3 seeks Shareholder approval for the issue of up to 200,000,000 Shares at an issue price set out in Section 4.5 and up to 200,000,000 free-attaching Options (**Proposed Placement**).

The Company does not currently have a lead manager mandate in place with respect to the Proposed Placement and is not currently in negotiations with any lead managers in this regard. The Company will consider engaging a lead manager at the time the funds are to be raised. The Company anticipates that any fees payable to a lead broker will be on standard market rates of approximately 5% to 6% of the total funds raised.

As summarised in Section 2.1 above, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.

The proposed issue of the Shares and Options does not fall within any of these exceptions and may exceed the 15% limit in Listing Rule 7.1. Accordingly, the Company is seeking Shareholder approval under Listing Rule 7.1 for the Proposed Placement.

### **4.2 Technical information required by Listing Rule 14.1A**

Whilst the number of the Shares and Options may not exceed the 15% limit in Listing Rule 7.1 at the time the Proposed Placement is undertaken, the Company wishes to retain as much flexibility as possible to issue additional equity securities into the future without having to obtain Shareholder approval under Listing Rule 7.1. To do this, the Company is asking Shareholders to approve the issue of the Shares and Options under Listing Rule 7.1 so that it does not use up any of the 15% limit on issue equity securities without shareholder approval set out in Listing Rule 7.1.

If Resolution 3 is passed, the Company will be able to proceed with the issue of the Shares and Options pursuant to the Proposed Placement. In addition, the issue of the Shares and Options will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 3 is not passed, the Company may not be able to proceed with the issue of the Shares and Options.

Resolution 3 seeks Shareholder approval for the purposes of Listing Rule 7.1 for the Proposed Placement.

### **4.3 Technical information required by ASX Listing Rule 7.1**

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to Resolution 3:

- (a) the maximum number of Shares to be issued is 200,000,000 and the maximum number of Options to be issued is 200,000,000;
- (b) the Shares and Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any

ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Shares and Options will occur on the same date;

- (c) the issue price of the Shares will be not less than 80% of the volume weighted average price for Shares calculated over the 5 days on which sales in the Shares are recorded before the day on which the issue is made or, if there is a prospectus, over the last 5 days on which sales in the securities were recorded before the date the prospectus is signed. The Company will not receive any other consideration for the issue of the Shares;
- (d) the issue price of the Options will be nil as they will be issued free-attaching to the Shares at a maximum of a one-for-one basis;
- (e) if a lead manager is appointed by the Company, the Shares and Options will be issued to professional and sophisticated investors who are clients of the lead manager. The recipients will likely be identified through a bookbuild process, which will involve the lead manager seeking expressions of interest to participate in the capital raising from non-related parties of the Company. If a lead manager is not appointed by the Company, the Shares and Options will be issued to professional and sophisticated investors who will be identified by the Directors. The recipients will be identified through the Directors seeking expressions of interest to participate in the Proposed Placement from non-related parties of the Company;
- (f) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (g) the Options will be issued on the terms and conditions set out in Schedule 1 and the Company will apply for quotation of the Options subject to compliance with all ASX requirements;
- (h) the Company intends to use the funds raised by the Proposed Placement towards continued exploration and development at the Company's Otavi-Ongava Vanadium, Lead and Zinc Project in Namibia, at the Bonanza-Beacon Gold Project located in Western Australia, or for exploration expenditure on any future assets acquired by the Company and general working and other capital. Additional funding is required to support the planned exploration activities on the Company's projects.

The Company anticipates that any funds raised from a placement of Shares and Options the subject of this Resolution 3, would be used in the following manner;

Exploration and project development on assets currently held	75%
Exploration and project development on any future assets acquired	10%
General working and other capital	15%

- (i) the Shares and Options are not being issued under, or to fund, a reverse takeover; and

- (j) a voting exclusion statement is included in Resolution 3 of the Notice.

#### 4.4 Dilution

Assuming no Options are exercised, or other Shares issued, the maximum number of Shares under this Resolution are issued, the number of Shares on issue would increase from 851,717,007 (being the number of Shares on issue as at the date of this Notice) to 1,051,717,007 and the shareholding of existing Shareholders would be diluted by 23.48%.

If subsequently the Options issued under this Resolution are exercised (and provided no other Shares are issued or Options exercised), the number of Shares on issue would increase from 1,051,717,007 to 1,251,717,007, which would dilute the shareholding of existing Shareholders by an additional 23.48%.

#### 4.5 Trading history

The volume weighted average price for Shares on the 5 days on which sales in Shares were recorded before 23 June 2020 was \$0.003. The lowest issue price (i.e. maximum discount) of not less than 80% of this volume weighted average price would be \$0.0024 per Share.

If the Company issued the maximum number of Shares under this Resolution at an issue price of \$0.0024 per Share, the Company would raise \$480,000.

The trading history of the Shares on ASX in the 12 months before the date of this Notice is set out below:

	Price	Date
Highest	\$0.01	5 August 2019
Lowest	\$0.001	4 May 2020
Last	\$0.003	19 June 2020

The table below sets out the possible funds that the Company could raise under this Resolution, based on a volume weighted average price of \$0.01 and \$0.001, being the highest and lowest trading prices of the Shares over the past 12 months. To calculate the potential funds that could be raised under this Resolution,

discounted figures of \$0.008 and \$0.0008 have been used, being an issue price, which is not less than 80% of the volume weighted average prices set out below.

<b>VWAP</b>	<b>VWAP Discount (80% of VWAP)</b>	<b>Funds raised</b>
\$0.01	\$0.008	\$1,600,000
\$0.001	\$0.0008	\$160,000

Assuming a management fee of 6% is payable in respect of the Proposed Placement, the Company would pay a management fee of \$96,000 if \$1,600,000 is raised and \$9,600 if \$160,000 is raised.

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## **5. RESOLUTION 4 – APPROVAL FOR ISSUE OF OPTIONS**

### **5.1 General**

Resolution 4 seeks Shareholder approval for the Company to issue up to 100,000,000 Options to employees, consultants, service providers and others (or their nominee/s) who have provided services to the Company.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

The effect of this Resolution will be to allow the Company to issue the Options to employees, consultants, service providers and contractors and others who have provided services to the Company (or their nominee/s) during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

### **5.2 Technical information required by ASX Listing Rule 7.1**

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to this Resolution:

- (a) the maximum number of Options to be issued is 100,000,000;
- (b) the Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that the issue of the Options will occur on the same date;
- (c) the Options will be issued for 0.002 cents each;

(d) the Options will be issued to employees, consultants, service providers and others (or their nominee/s) who have provided services to the Company, who are not related parties of the Company. The recipients will be issued the Options at a price of 0.002 cents each, with the allocation to be made at the discretion of the Board of directors;

(e) the Options will be issued on the terms and conditions set out in Schedule 1 and the Company intends to apply for quotation of the Options; and

(f) \$2,000 will be raised from the issue as the Options.

(g) the Company intends to use the funds raised by the proposed issue of Options towards continued exploration and development at the Company's Otavi-Ongava Vanadium, Lead and Zinc Project in Namibia, at the Bonanza-Beacon Gold Project located in Western Australia, or for exploration expenditure on any future assets acquired by the Company and general working and other capital. Additional funding is required to support the planned exploration activities on the Company's projects.

The Company anticipates that any funds raised from a placement of Shares and Options the subject of this Resolution 4, would be used in the following manner;

Exploration and project development on assets currently held	75%
Exploration and project development on any future assets acquired	10%
General working and other capital	15%

### **5.3 Technical information required by Listing Rule 14.1A**

If Resolution 4 is passed, the Options will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Consideration Options.

If Resolution 4 is not passed, the Options will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Options.

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## GLOSSARY

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**\$** means Australian dollars.

**ASIC** means the Australian Securities & Investments Commission.

**ASX** means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

**ASX Listing Rules** means the Listing Rules of ASX.

**Board** means the current board of directors of the Company.

**Business Day** means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

**Chair** means the chair of the Meeting.

**Company** means Sabre Resources Ltd (ACN 003 043 570).

**Corporations Act** means the *Corporations Act 2001* (Cth).

**Directors** means the current directors of the Company.

**Explanatory Statement** means the explanatory statement accompanying the Notice.

**General Meeting** or **Meeting** means the meeting convened by the Notice.

**Notice** or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

**Option** means an option to acquire a Share.

**Optionholder** means a holder of an Option.

**Proxy Form** means the proxy form accompanying the Notice.

**Resolutions** means the resolutions set out in the Notice, or any one of them, as the context requires.

**Section** means a section of the Explanatory Statement.

**Share** means a fully paid ordinary share in the capital of the Company.

**Shareholder** means a registered holder of a Share.

**WST** means Western Standard Time as observed in Perth, Western Australia.

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## SCHEDULE 1 – TERMS AND CONDITIONS OF OPTIONS

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(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.008 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on 30 September 2022 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within 15 Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must,



no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(i) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(k) **Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(l) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

## PROXY FORM

**SABRE RESOURCES LTD**  
**ACN 003 043 570**

### GENERAL MEETING

I/We

of:

being a Shareholder entitled to attend and vote at the Meeting, hereby appoint:

Name:

**OR:** ☐ the Chair of the Meeting as my/our proxy.

or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit, at the Meeting to be held at 11.00am (AWST), on 27 July 2020 at Level 1, 8 Parliament Place, West Perth WA 6005, and at any adjournment thereof.

#### CHAIR'S VOTING INTENTION IN RELATION TO UNDIRECTED PROXIES

**The Chair intends to vote undirected proxies in favour of all Resolutions. In exceptional circumstances the Chair may change his/her voting intention on any Resolution. In the event this occurs an ASX announcement will be made immediately disclosing the reasons for the change.**

#### Voting on business of the Meeting

Resolution 1	RATIFICATION OF PRIOR ISSUE – CONSIDERATION SHARES (LR 7.1)
Resolution 2	RATIFICATION OF PRIOR ISSUE - CONSIDERATION OPTIONS (LR 7.1)
Resolution 3	APPROVAL FOR FUTURE ISSUE OF SHARES AND OPTIONS
Resolution 4	APPROVAL FOR ISSUE OF OPTIONS

FOR	AGAINST	ABSTAIN
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<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Please note:** If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

If two proxies are being appointed, the proportion of voting rights this proxy represents is: \_\_\_\_\_ %

#### Signature of Shareholder(s):

**Individual or Shareholder 1**

Sole Director/Company Secretary

**Shareholder 2**

Director

**Shareholder 3**

Director/Company Secretary

**Date:** \_\_\_\_\_

**Contact name:** \_\_\_\_\_

**Contact ph (daytime):** \_\_\_\_\_

**E-mail address:** \_\_\_\_\_

**Consent for contact by e-mail  
in relation to this Proxy Form:**

YES ☐ NO ☐

## Instructions for completing Proxy Form

1. **(Appointing a proxy):** A Shareholder entitled to attend and cast a vote at the Meeting is entitled to appoint a proxy to attend and vote on their behalf at the Meeting. If a Shareholder is entitled to cast 2 or more votes at the Meeting, the Shareholder may appoint a second proxy to attend and vote on their behalf at the Meeting. However, where both proxies attend the Meeting, voting may only be exercised on a poll. The appointment of a second proxy must be done on a separate copy of the Proxy Form. A Shareholder who appoints 2 proxies may specify the proportion or number of votes each proxy is appointed to exercise. If a Shareholder appoints 2 proxies and the appointments do not specify the proportion or number of the Shareholder's votes each proxy is appointed to exercise, each proxy may exercise one-half of the votes. Any fractions of votes resulting from the application of these principles will be disregarded. A duly appointed proxy need not be a Shareholder.
2. **(Direction to vote):** A Shareholder may direct a proxy how to vote by marking one of the boxes opposite each item of business. The direction may specify the proportion or number of votes that the proxy may exercise by writing the percentage or number of Shares next to the box marked for the relevant item of business. Where a box is not marked the proxy may vote as they choose subject to the relevant laws. Where more than one box is marked on an item the vote will be invalid on that item.
3. **(Signing instructions):**
  - **(Individual):** Where the holding is in one name, the Shareholder must sign.
  - **(Joint holding):** Where the holding is in more than one name, all of the Shareholders should sign.
  - **(Power of attorney):** If you have not already provided the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Form when you return it.
  - **(Companies):** Where the company has a sole director who is also the sole company secretary, that person must sign. Where the company (pursuant to Section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held. In addition, if a representative of a company is appointed pursuant to Section 250D of the Corporations Act to attend the Meeting, the documentation evidencing such appointment should be produced prior to admission to the Meeting. A form of a certificate evidencing the appointment may be obtained from the Company.
4. **(Attending the Meeting):** Completion of a Proxy Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Form and attends the Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.
5. **(Return of Proxy Form):** To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
  - (a) post to Sabre Resources Ltd, PO Box 1618, West Perth, Western Australia 6872; or
  - (b) facsimile to the Company on facsimile number +61 8 9481 7835; or
  - (c) email to the Company at mstein@kmm.com.au,

so that it is received not less than 48 hours prior to commencement of the Meeting.

**Proxy Forms received later than this time will be invalid.**