

ASX ANNOUNCEMENT

12 November 2020

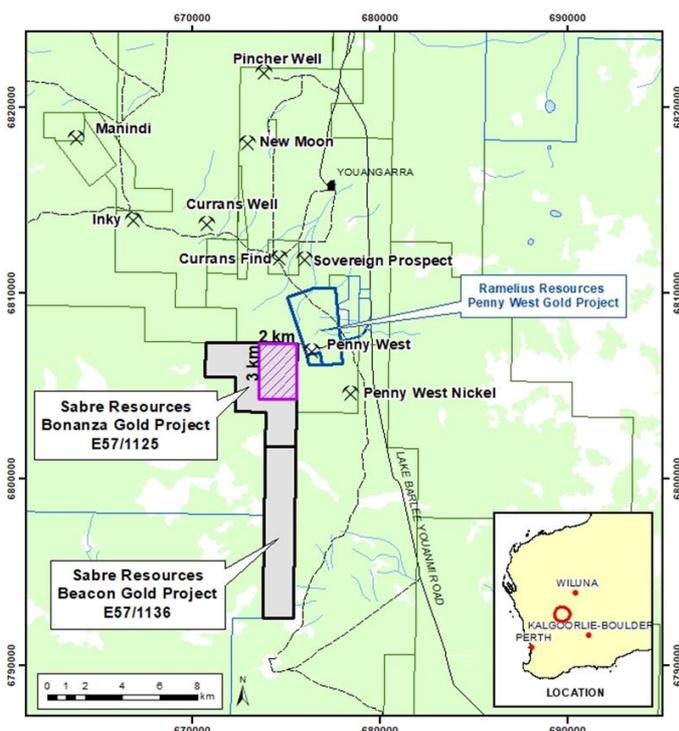
ASX code: **SBR**

Aircore Drilling Program Commenced at the Bonanza Gold Project Youanmi Gold Mining District

Highlights:

- Drilling commenced at Bonanza Gold Project located in the highly prospective Youanmi Gold Region, east of the Penny West Gold Mine
- Drilling will test three priority aeromagnetic targets generated by the airborne magnetic survey completed by the Company in August 2020
- Drilling program will comprise of a minimum of 1,500 metres - Aircore drilling program may also be expanded to test other structural and lithological targets identified
- Anomalous gold intersections generated by the Aircore program will be followed up with deeper Reverse Circulation drilling
- 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 has commenced at the Bonanza Gold Project, located in the highly prospective Youanmi Gold Mining District of Western Australia, directly east of the Penny West Gold Mine owned by Ramelius Resources Limited.



The drilling program will be comprised of at least 50 holes, for approximately 1,500m, and will test those high priority structural and lithological targets generated by the airborne magnetic survey completed by the Company in August 2020¹.

The priority target area is in the north-east corner of Exploration License E57/1125 that is located within 800m of Ramelius Resources’ (ASX:RMS) Penny West discovery (Figure 1).

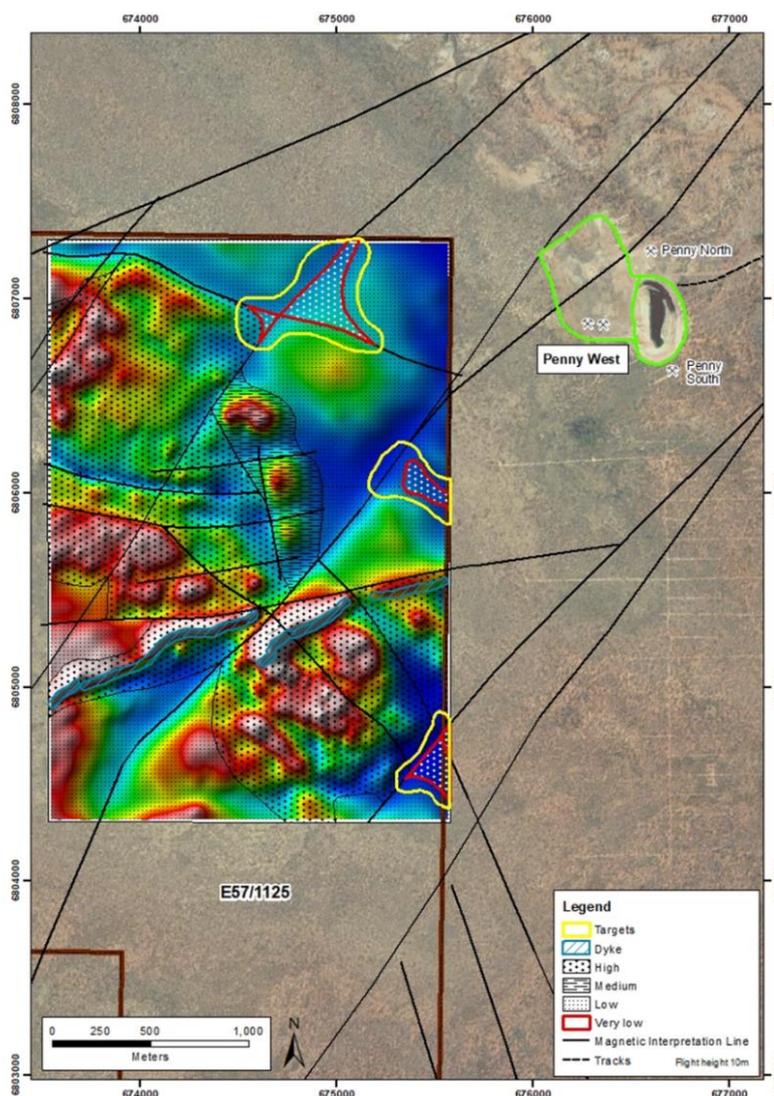
Figure 1: Bonanza Project location plan showing location of aeromagnetic survey

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

The high quality, detailed airborne magnetic survey at the Bonanza Gold 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 and presented a number of drill ready targets, which the Company plans on investigating during this current Aircore drilling program.

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 2). 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, implying these targets are high priority targets that warrant drill testing. Although a preliminary reconnaissance of the drill traverses identified limited bedrock exposure, the Company did identify widespread quartz vein material (float) at the surface on the northern traverse.

Any anomalous gold intersections generated by the Aircore program will be followed up with deeper Reverse Circulation drilling. The Aircore drilling program may also be expanded to test other structural and lithological targets that were also identified during the August 2020 airborne magnetic survey which was completed by the Company.



The Aircore drilling will also provide information on the weathering profile and depth to bedrock. If the weathering is shallow and there is no veneer of transported material, an auger soil sampling program will also be completed by the Company as a systematic exploration model targeting geochemical coverage of E57/1125.

Figure 2: Aeromagnetic image (TMI-RTP) of the survey area on E57/1125 overlain by Newexco interpretation and priority drill targets

The Company is encouraged by the recent discovery of the Grace Prospect at Younami by Rox Resources Limited (ASX: RXL). High-grade gold mineralisation at Grace was intersected close to the granite-greenstone contact on fault splays related to the Youanmi Fault. The Bonanza Gold Project covers a faulted granite-greenstone contact 800m from the Penny West Mine and interpreted splays off the Youanmi Fault. High-grade gold mineralisation 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.

The Company is further encouraged by Rox Resources Limited “Red White and Blue prospect” located 4km to the north of Penny West, near Currans Find. Gold mineralisation 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 the Bonanza Gold Project has identified similar north-east trending structures that are considered to be high priority targets where they intersect north-west trending faults that may generate dilation zones hosting gold mineralisation.

Background

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

The Bonanza Gold Project and the contiguous Beacon Gold Project to the south cover a combined area of 33km² 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 3).

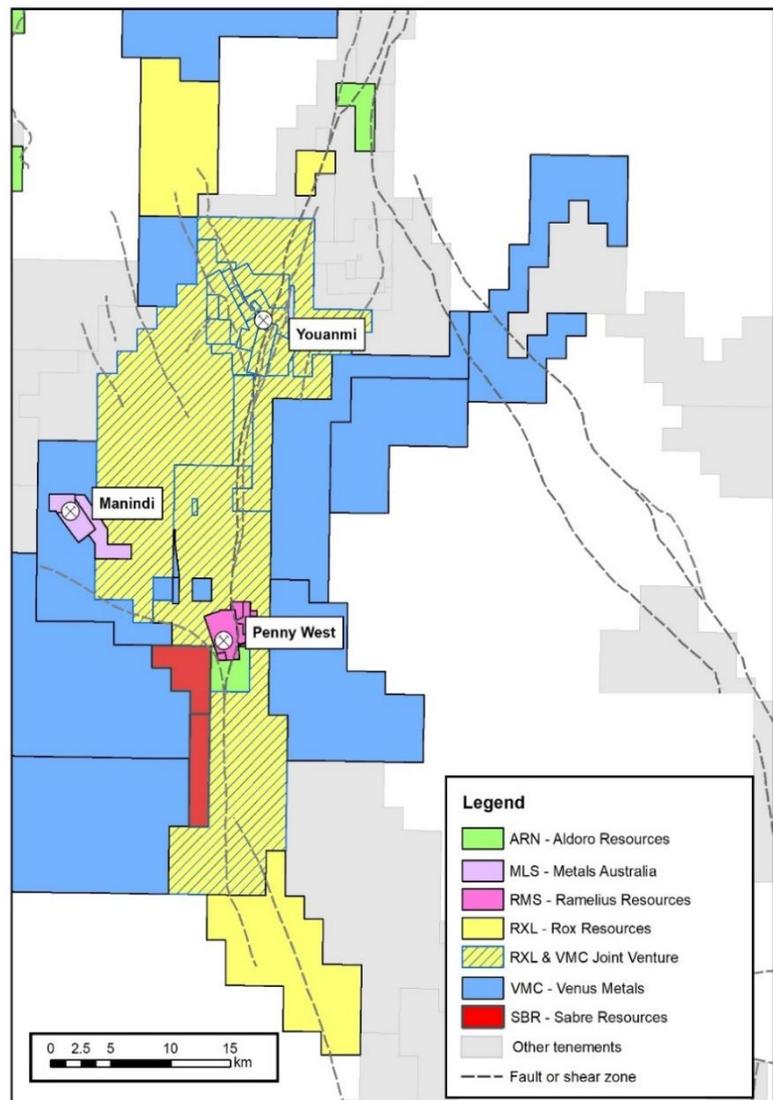


Figure 3: ASX listed companies active in the Youanmi area showing main structural trends

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

ENDS

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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.