

ASX ANNOUNCEMENT
07 February 2022

ASX Code: **SBR**

SABRE COMPLETES ACQUISITION OF KEY NICKEL SULPHIDE, URANIUM & Cu-Au PROJECTS

Sabre Resources Ltd (Sabre) has completed the purchase of 80% of Chalco Resources Pty Ltd (Chalco), that has highly prospective nickel sulphide, uranium and base metals projects including:

- a) **three exploration licences (applications) at Cave Hill, covering a greater than 50km strike length of interpreted extensions of the Nepean and Queen Victoria Rocks nickel sulphide belts,**
 - b) **two uranium exploration licence applications in the Ngalia Basin of the Northern Territory along strike from existing uranium resources, and,**
 - c) **the Carrara E32693, located at the junction of the Tennant East Copper-Gold Belt and the Lawn Hill Platform/Mt Isa Province in the Northern Territory.**
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Sabre Resources Ltd (“**Sabre**” or “**the Company**”) is very pleased to announce the completion of the acquisition of an 80% interest in Chalco Resources Pty Ltd (“**Chalco**”).

This acquisition provides the Company with further exposure to **prospective nickel sulphide corridors in the Nepean South - Cave Hill region** near Coolgardie in Western Australia, as well as **key uranium tenement applications near existing resources in the Northern Territory** and a **granted tenement covering the intersection of the Tennant East copper-gold corridor and the Lawn Hill Platform, prospective for silver, lead and zinc.**

Sabre Resources CEO, Jon Dugdale, commented: *“The acquisition of an 80% interest in Chalco adds significantly to the Company’s portfolio of prospective nickel sulphide ground in WA through the Cave Hill Project, that covers an over 50km strike length of highly prospective nickel sulphide belts south of the Nepean nickel sulphide deposit and the Company’s Nepean South farm-in project.*

“In addition, Chalco holds two tenement applications in one of Australia’s most prospective uranium areas, the Ngalia Basin of the Northern Territory, both of which are immediately along strike from existing uranium resources, as well as a copper-gold and lead-silver project east of Tennant Creek.

“Sabre is now well placed to become a key nickel sulphide player and take advantage of the demand for nickel as a key component of lithium-ion batteries for the EV industry. The Company also looks forward to exploring its highly prospective uranium and base metals tenements in the Northern Territory.”

The Chalco (purchase) Agreement terms provide for the issue of 342 million (M) Sabre Resources (SBR) shares to the Vendor, including a deposit of 35M SBR shares that were issued following signing of the Chalco Agreement (see Appendix 2A, released 15 December 2021). The remaining 307M SBR shares have now been issued (see Appendix 2A, released 4 February 2022) following Shareholder approval at the Company’s Annual General Meeting (AGM) 27 January 2022, in addition to a payment of \$85,000 to the Vendor. A further 125M shares may be issued to the Vendor on achievement of certain performance milestone(s) (see detailed terms in Appendix 1).

Chalco Resources' Projects:

Cave Hill Nickel Project:

The Cave Hill Project consists of three Exploration Licence applications (EL15/1843, EL15/1844 and EL15/1845) (see location Figure 1) that include two structural/magnetic trends of interest for potential nickel sulphide deposits (see Figure 2):

- Two applications (E15/1843 and E 15/1844) covering a 50km strike-length magnetic trend south of the historical Nepean Mine and the Nepean South tenement E15/1702, the subject of a separate agreement where SBR is earning 80%¹ (Figure 2), and,
- One application (EL 15/1845) south of the Queen Victoria Rocks nickel sulphide prospect, that covers a strong magnetic target (Figure 2).

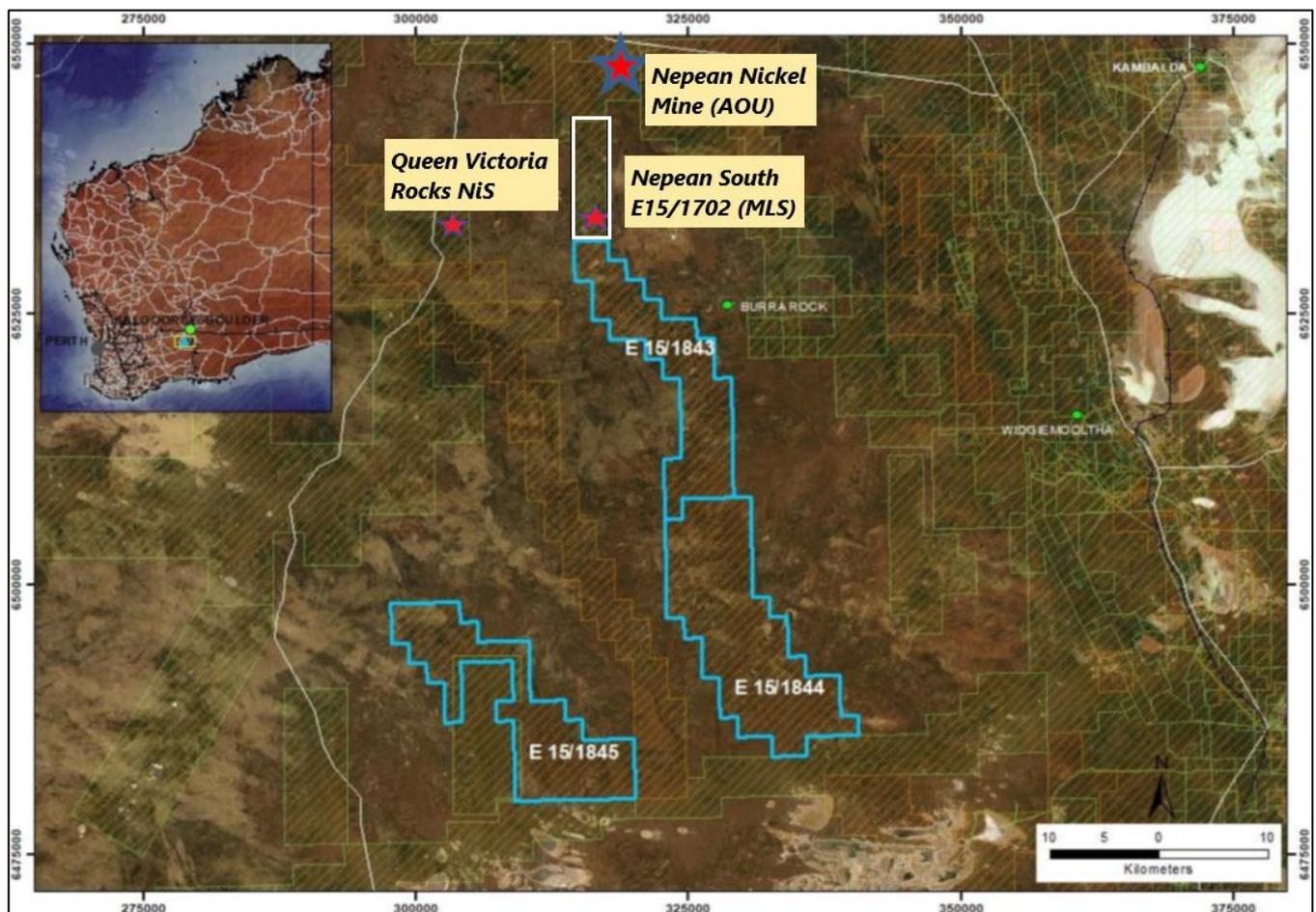


Figure 1: Cave Hill Nickel Project tenements on aerial photo with Nepean (AOU) and Nepean South (MLS) Projects

All the magnetic targets are concealed by shallow cover. The primary targets within the tenement package are potentially sulphur-saturated ultramafic rocks hosting nickel sulphides, along strike from known nickel sulphide occurrences (e.g., Queen Victoria Rocks prospect, Nepean nickel deposit) (see Figures 1 and 2).

The magnetic features covered by E15/1843 and E15/1844 show similar magnetic patterns to the adjoining Nepean/Nepean South greenstone belt that hosts the Nepean Nickel mine, owned by Auroch Minerals Ltd (ASX: AOU). **Nepean produced 1.1Mt of ore from 1970 to 1987 for 32kt Ni at an average recovered grade of 3.0% Ni².**

Application E15/1845 is located southwest and on the western side of a regional dome from the Queen Victoria Rocks nickel sulphide occurrence (Figures 1 and 2). A strong northwest trending magnetic feature is the primary target for investigation for remnant greenstone/ultramafic and/or magnetic BIF horizons.

Based on examination of previous airborne magnetic and gravity data, historic exploration activity and neighbouring mineral resources, the application areas will primarily be targeted for buried nickel (Ni) sulphide mineralisation associated with channelised, high-MgO, ultramafics.

Review of historical exploration and GSWA airborne magnetic data within the tenement application areas suggests they remain insufficiently tested by previous explorers for remnant mafic/ultramafic greenstones.

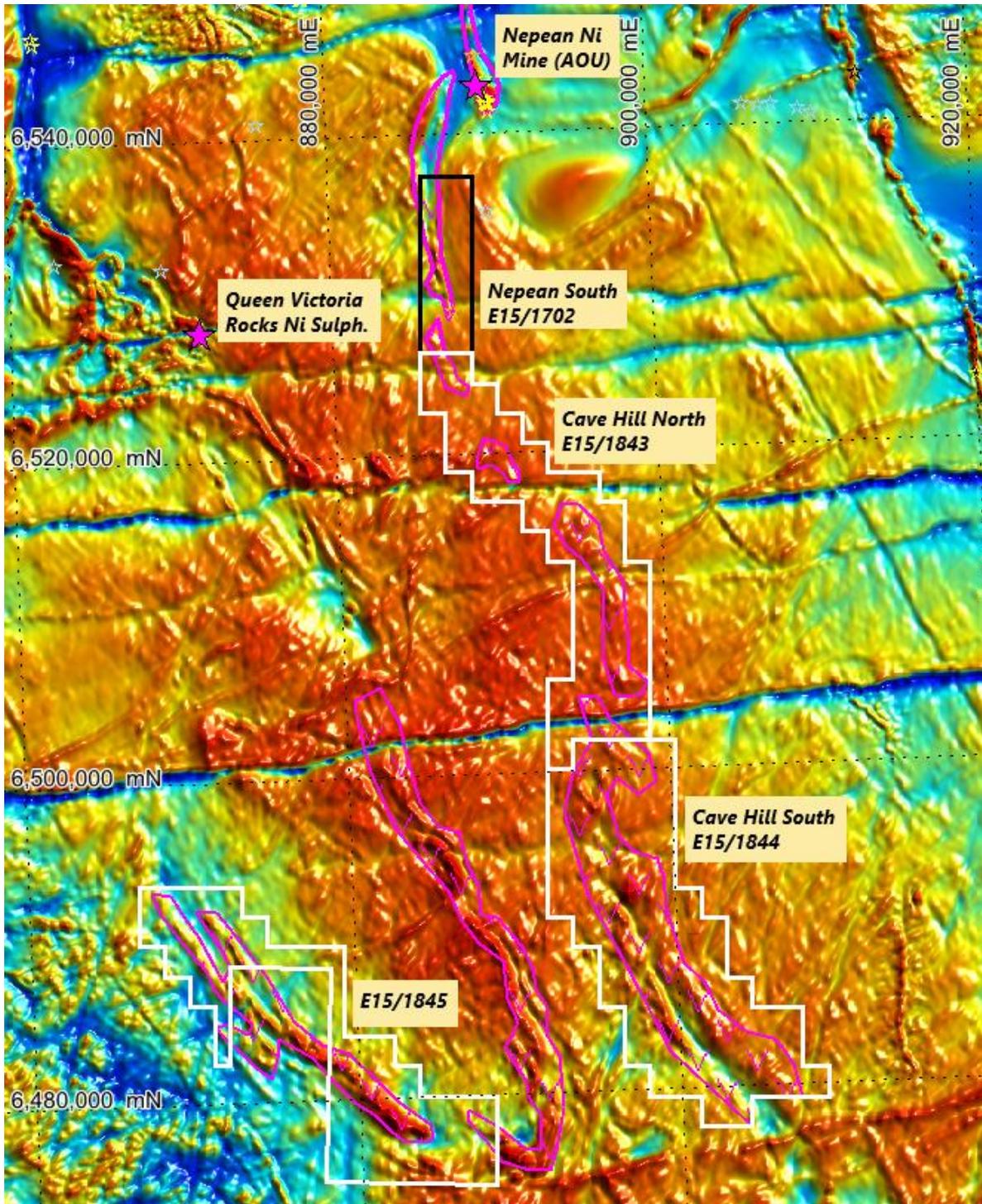


Figure 2: Cave Hill Nickel Project tenements magnetic image with Nepean (AOU) and Nepean South (MLS) Projects

The exploration program on these tenements, once granted, will include detailed airborne and/or ground magnetics to detail the anomalies and define targets for channelised, nickel-sulphide bearing ultramafics, followed by targeted electromagnetics (EM) to detect nickel sulphide deposits. This would be followed by soil /auger geochemical sampling and targeted aircore drilling of coincident magnetic/gravity features and EM anomalies. RC drilling to follow based on lithologies intersected and anomalous nickel +/- copper anomalism.

Ngalia Uranium Projects, Northern Territory:

Chalco holds the Ngalia Uranium Project which comprises two exploration licence applications (EL32829 and EL32864) located within the highly prospective Ngalia Basin in the southwestern Northern Territory (NT) (see Figure 3 below).

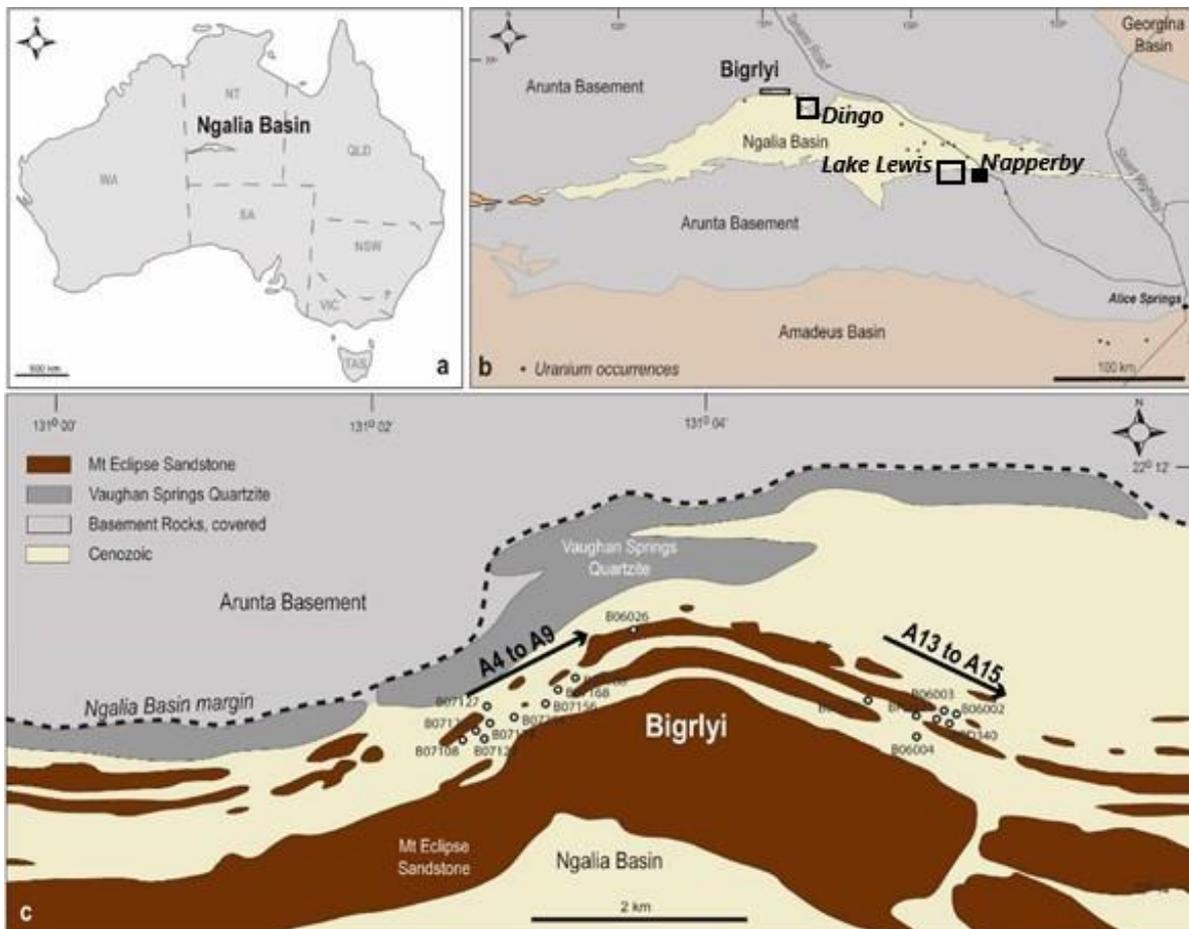


Figure 3: Ngalia Basin, project locations and geology of Bigrlyi uranium-vanadium deposit

The Ngalia Basin has been extensively explored for uranium mineralisation in the 1970s and 1980s, with several significant uranium resource projects identified along the northern and southern margins of the basin.

The **Ngalia ‘Dingo’ tenement EL32829** is highly prospective for tabular, sandstone - hosted, uranium–vanadium (U-V) deposits of Carboniferous age. The targeted deposits are fluvial, sandstone-hosted U-V deposits which are analogous to the nearby Bigrlyi U-V deposit (Figure 3).

The Ngalia Basin units include the highly prospective Mount Eclipse Sandstone, which is covered by flat lying Palaeozoic sediments in the southern part of the tenement, however drainage anomalies with elevated uranium highlight the prospectivity of the underlying units.

Initial exploration for sandstone-hosted, U-V deposits would focus on potential extensions of identified prospects and will include detailed magnetics to trace west-north-west trending structures and further, detailed, geochemistry to better define and extend historical geochemical anomalies (U-V and Cu-Au) in the NE corner of the tenement, in an area of structural complexity. Drilling targets will be initially followed up with grid-based aircore drilling prior to deeper RC drilling to test anomalies and key contacts.

The **Ngalia ‘Lake Lewis’ tenement EL32864** is considered prospective for calcrete style U-V mineralisation, hosted by palaeo-channels analogous to the neighbouring Napperby and Cappers uranium resources. The Napperby deposit of Core Lithium Ltd (ASX:CXO) contains a JORC 2012 Inferred Resource of **9.54Mt at 382ppm U₃O₈ for 8.03 Mlb of contained U₃O₈ (at a 200 ppm U₃O₈ cut-off)³.**

The Napperby deposit is hosted by palaeo-drainages incised into the Palaeo-Proterozoic to Meso-Proterozoic basement and filled with 10m to 100m of Recent clastic material. Uranium mineralisation is hosted by partially carbonaceous sands and clays in the palaeo-drainage fill, that may have acted as redox fronts. The Napperby deposit lies immediately below and to a lesser extent within a calcrete layer overlying the sands and clays as coatings, disseminations, pellets and blobs ('nuggets') of carnotite up to 5 cm long.

Examination of previous radiometrics, Aster imagery and correlation with the neighbouring Napperby Mineral Resource³ indicates that the Lake Lewis EL32864 is highly prospective for shallow calcrete style U-V mineralization associated with palaeo-drainages close to the confluence with Lake Lewis. Radiometric ratios and limited review of historical exploration indicates uranium enrichment within this zone, that remains insufficiently tested by previous explorers. Detailed geophysical and geochemical programs will target the interpreted projections of this zone from the position of the radiometric anomalies and to the north. Aircore/sonic drilling of key targets identified will follow.

Carrara Project E32693:

Chalco also holds exploration licence (EL) 32693, granted on the 26 October 2021, which is located approximately 340 km east northeast of Tennant Creek and 1000 km SE of Darwin (see Figure 4).

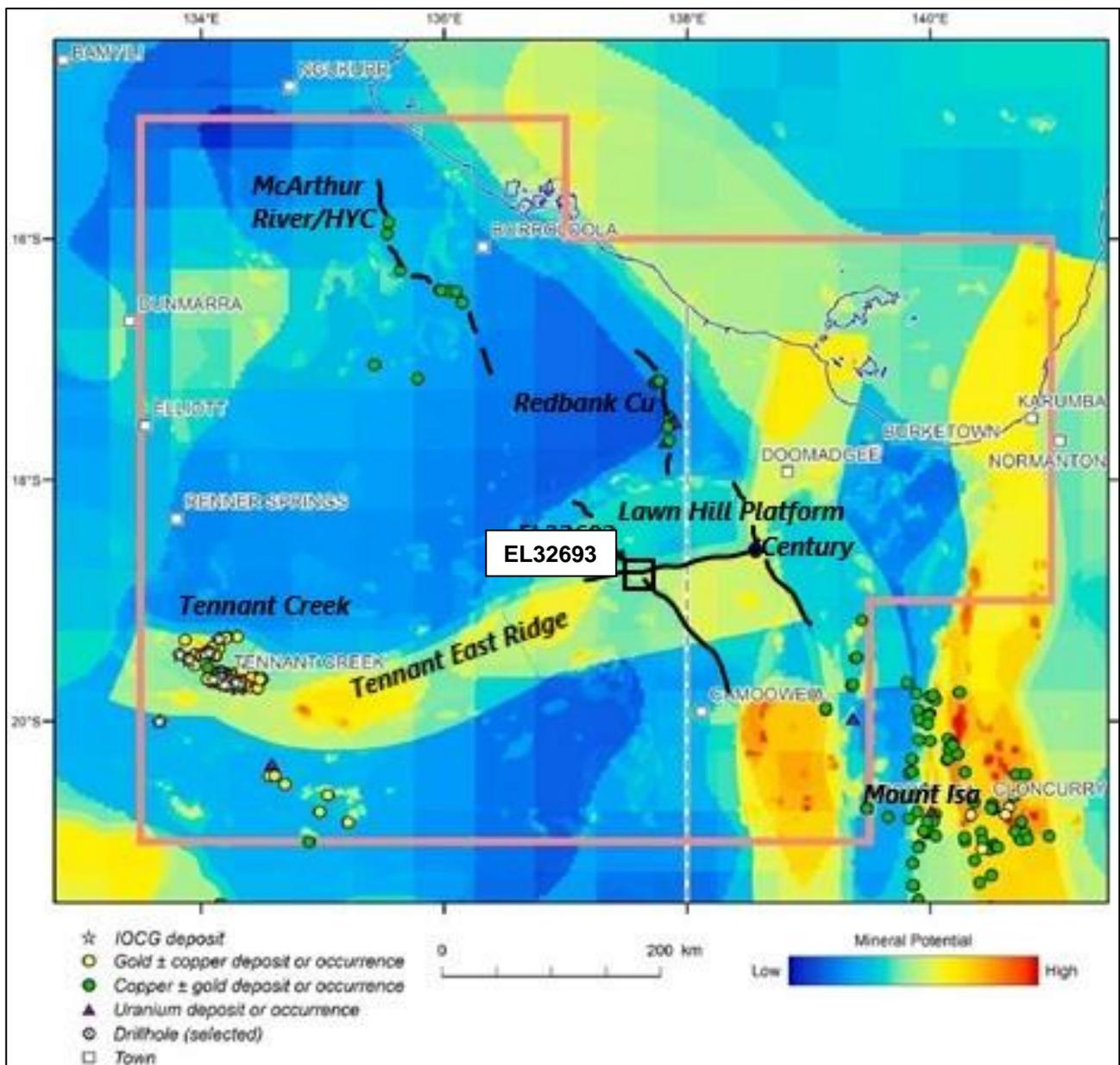


Figure 4: Mineral Potential map with Tennant East Belt and Lawn Hill/Mt Isa Province and EL32693

The Carrara tenement is considered highly prospective for:

- Iron Oxide Copper Gold (IOCG) mineralisation of the 'Tennant Creek' style, within extensions of the Tennant East Belt (Figure 4).
- Zinc-lead-silver (SEDEX) massive sulphide deposits or sedimentary copper deposits of the McArthur River-Mount Isa provinces (e.g., Century, McArthur River, George Fisher, Mount Isa copper-lead-zinc and Lady Loretta), within the buried Lawn Hill Platform.

Geoscience Australia (GA) have highlighted the prospectivity of the Tennant East Belt that extends from Tennant Creek, east towards the Mt. Isa Block (Figure 4). The southern and eastern boundaries of the tenement are dominated by a significant northeast-trending, magnetic high feature that is interpreted to represent the eastern equivalent to the Warramunga Formation, the host to the high-grade Tennant Creek IOCG deposits.

Near surface within EL32693 are the Georgina Basin sediments, that are interpreted to unconformably overlie the prospective Palaeo-Proterozoic units at depth. The area is poorly explored, particularly for minerals within the basement. There are several stratigraphic holes drilled in the area by GA in collaboration with the Northern Territory Geological Survey (NTGS) that, in combination with seismic data, reveal that the Tennant East Belt lies at only moderate depth below the clastic sediment filled basins. The Mt Isa Province units are interpreted to lie at greater depth to the south of the faulted contact with the Lawn Hill Platform.

Initial exploration on EL32693 will focus on acquiring detailed magnetic and gravity data in order to detect buried Warramunga Formation and target Tennant Creek style, high-grade, IOCG deposits that will then be tested by drilling, focused on discrete and coincident magnetic and gravity highs.

Initial exploration for Lawn Hill Platform/Mt Isa Province mineralisation would focus on modeling and interpretation of geophysical data sets to target coincident gravity/magnetic features that correlate with basement highs interpreted from seismic data in the area. Key stratigraphic holes, potentially in collaboration with the NTGS and/or GA, would then test these basement highs for mineralization, both within the overlying Georgina Basin and within the underlying Lawn Hill Platform/Mt Isa Province units.

References

¹ Sabre Resources Ltd (ASX:SBR) announcement, 13 December 2021: "Agreements to Acquire Three Nickel Sulphide Projects".

² Auroch Minerals Ltd (ASX:AOU) announcement, 11 November 2020: "Auroch to Acquire High-Grade Nepean Nickel Project".

³ Core Lithium Ltd (ASX:CXO) announcement, 12 October 2018: "Napperby Uranium Resource Update and Increase".

This announcement was authorised for release by the Board of Directors.

*****ENDS*****

For further information, please refer to the Company's website or contact:

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Cautionary Statement regarding Forward-Looking information

This document contains forward-looking statements concerning Sabre Resources Limited. 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 Statement

The information in this report that relates to exploration results has been reviewed, compiled and fairly represented by Mr Jonathon Dugdale. Mr Dugdale is the Chief Executive Officer (CEO) of Sabre Resources Limited 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 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.

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.

Appendix 1: Significant Terms of the Chalco Sale Agreement

1. The parties to the Chalco Sale Agreement are Sabre and James Del Piano ("Vendor").
2. The issue of 342M Sabre (SBR) shares to the Vendor, James Del Piano, as follows:
 - a) 35M SBR shares issued on signing the Agreement, and,
 - b) a further 307M SBR shares issued following shareholder approval at the Company's AGM on 27 January 2022.
3. Payment of \$85,000 to the Vendor.
4. An additional 125M deferred performance shares to be issued to Vendor on achievement of any one of the following performance milestones within three years from Approval:
 - a) the successful granting of the three ELA's that relate to the Cave Hill Project, located in WA;
 - b) the Company generating not less than three electromagnetic (EM) anomalies at any of the tenements that comprise the Cave Hill Project; or
 - c) the Company announcing no less than three drill holes each intersecting a minimum nickel percent times metre interval of 4 percent x metres on any one or more of the tenements that comprise the Cave Hill Project.
5. Sabre will fund all costs incurred in connection with the activities of Chalco until such time as a Definitive Feasibility Study (DFS) is completed on any one of Chalco's tenements and a Decision to Mine. Thereafter each party shall contribute pro-rata or dilute under normal dilution provisions.