

ASX ANNOUNCEMENT

31 October 2016



QUARTERLY ACTIVITIES REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2016

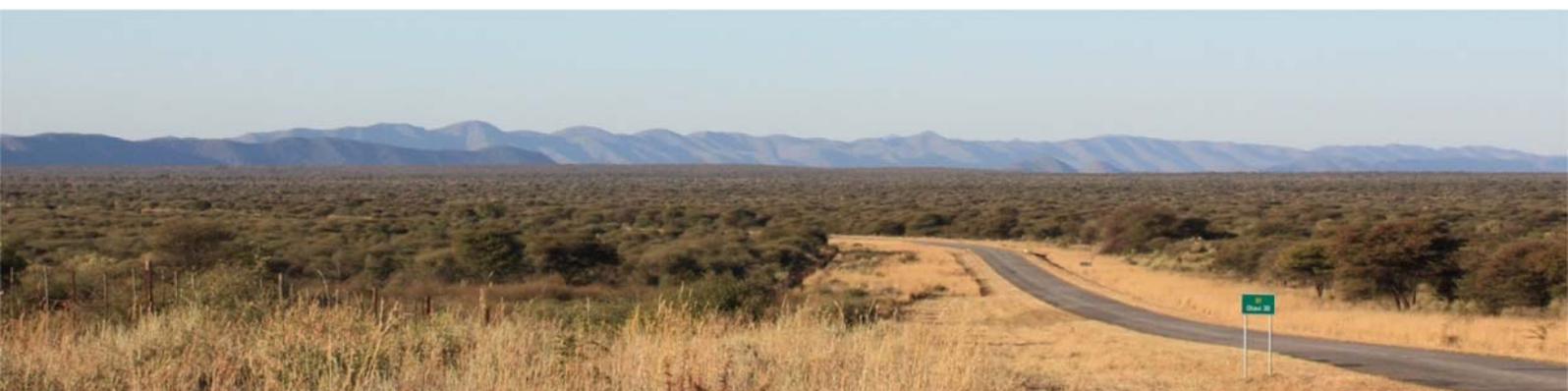


Figure 1 – View of the Otavi Mountain Land, approaching from the southwest on the highway from Windhoek

- **Border Scoping Study review continues**
- **Preparation for forthcoming mining licence applications continued during the quarter**
- **Detailed interrogation and interpretation of historical datasets continued during the quarter.**

ZINC-LEAD-SILVER PROJECTS

Border

The significant upward trend in the zinc price over the last two quarters supports the review of the zinc and lead opportunities within the Otavi Mountain Land project.

Sabre's Border Zn-Pb project has a **JORC 2012 Inferred Resource of 16.0Mt @ 1.53% Zn, 0.59% Pb and 4.76g/t Ag** is located within a 25km significant regional zinc-lead anomalous corridor (Figure 2), which hosts a number known occurrences including Border, Toggenburg and South Ridge to the East, and Harasib to the west (Figure 3).

In light of the increase in the zinc price, a review of the capital and operating cost assumptions in the 2011 Scoping Study completed at Border continues. Metallurgical sighter testwork on a bulk sample conducted for that study shows that the mineralisation responds very favourably to Heavy Media Separation ('HMS'). Border mineralisation upgrades with HMS, before grinding and flotation, to a product of 12.5% Zn + 6.3% Pb with recoveries of 86% and 92.5% respectively.

Toggenburg

Toggenburg is located along strike from Border, and is interpreted to be controlled by the same structures (Figure 2).

Anomalies defined at Toggenburg measure over 2.8 km long and up to 250 m wide and are open to the east and west. The anomalies have an area more than four times the size of the equivalent anomaly at Border, where a 0.1 % Zn+Pb cutoff in the near-surface approximates the footprint of zinc and lead sulphide mineralisation at depth.

Maximum combined zinc and lead values identified in shallow geochemical drilling at Toggenburg are in excess of 2.9%. Four targets have been selected for reverse circulation drilling. It is expected that, like the Border Zn-Pb deposit to the west, mineralisation will dip to the north-northwest, parallel to the host dolomite sequence.



Figure 2 – Sabre's Border and Toggenburg Zn-Pb projects are located along the Border-Toggenburg Corridor which hosts anomalous zinc and lead mineralisation over 25km.

FURTHER TARGETING FOR ZINC AND LEAD PROJECTS

Detailed interrogation and interpretation of historical datasets continued during the quarter.

COPPER PROJECTS

Proposed surveys at Guchab South remain on hold pending the EPL renewals.

LICENCE RENEWALS

Renewal applications for both EPL-3540 and EPL-3542 were submitted in September 2015. The Company continues to await notification by the Ministry of Mining and Energy (MME) of their renewal. Meetings were held with the MME during the quarter to expedite the renewal process.

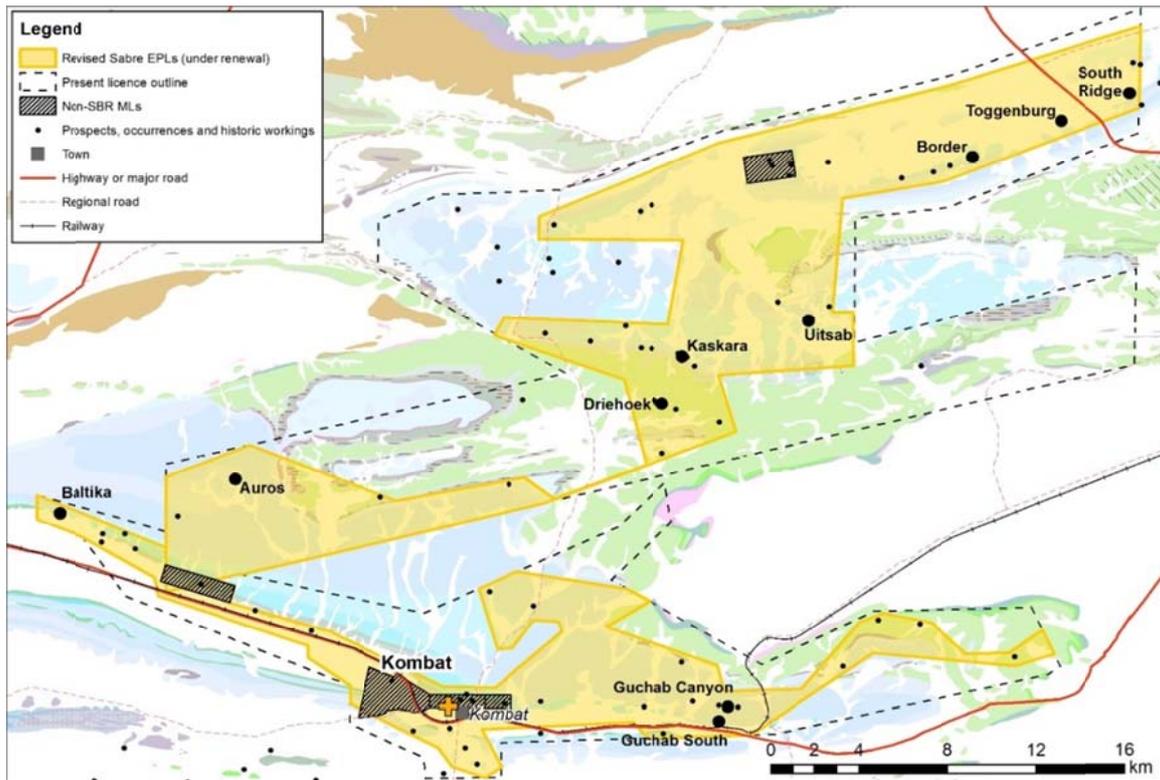


Figure 3 – Proposed 50% reductions (yellow) to the Company’s EPLs in the Otavi Mountain Land, as mandated by the Ministry of Mines and Energy. Note that all areas and prospects of interest have been retained. The present licence outlines (dashed lines) remain current until the renewals are granted.

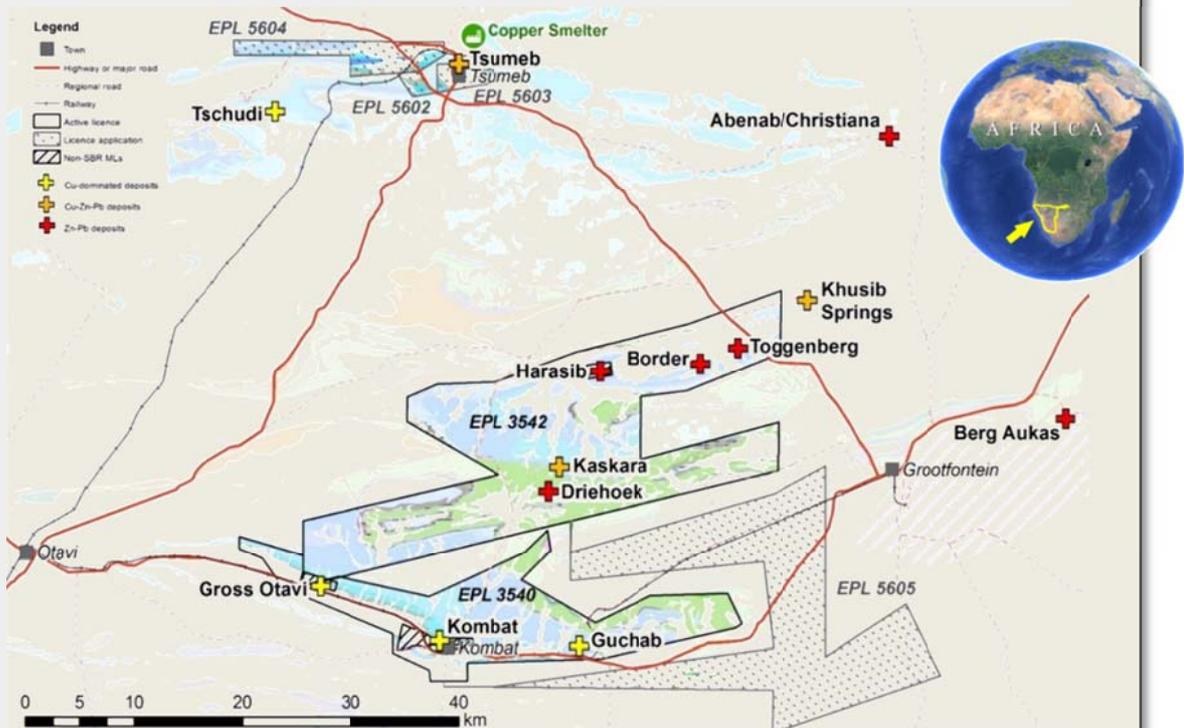
PREPARATION FOR MINING LICENCE APPLICATIONS

Sabre intends to submit applications for a number of Mining Licences within the forthcoming EPL renewal period (i.e. prior to end October, 2017). Several potential sites have been selected, namely Border, Guchab, Driehoek, Baltika and Kaskara. The application process requires submission of extensive documentation, including detailed geological maps, environmental reports, resource reports, and scoping studies.

During the quarter, further progress was made on the collection and collation of data and mineral resource information required for the mining licence applications. Work also continued on preparation for the Environmental Impact Assessments required for mining licence applications.

SABRE'S OTAVI MOUNTAIN LAND COPPER AND ZINC PROJECT

Sabre Resources Ltd (“**Sabre**” or “**the Company**”) is a Namibia-focused, Australia-based base-metals exploration company. Sabre holds a majority interest in a strategic land holding of about 700 km² of granted exploration licences and 350 km² of exploration licence applications in the Otavi Mountain Land (“OML”) in northern Namibia. The OML is interpreted to be an extension of the Central African Copperbelt, which comprises the Zambian and Katangan (DRC) Copperbelts and constitutes the world’s richest sediment-hosted copper province.



Sabre's Otavi Mountain Land copper and zinc project, in northern Namibia. Applications are subject to Ministerial approval.

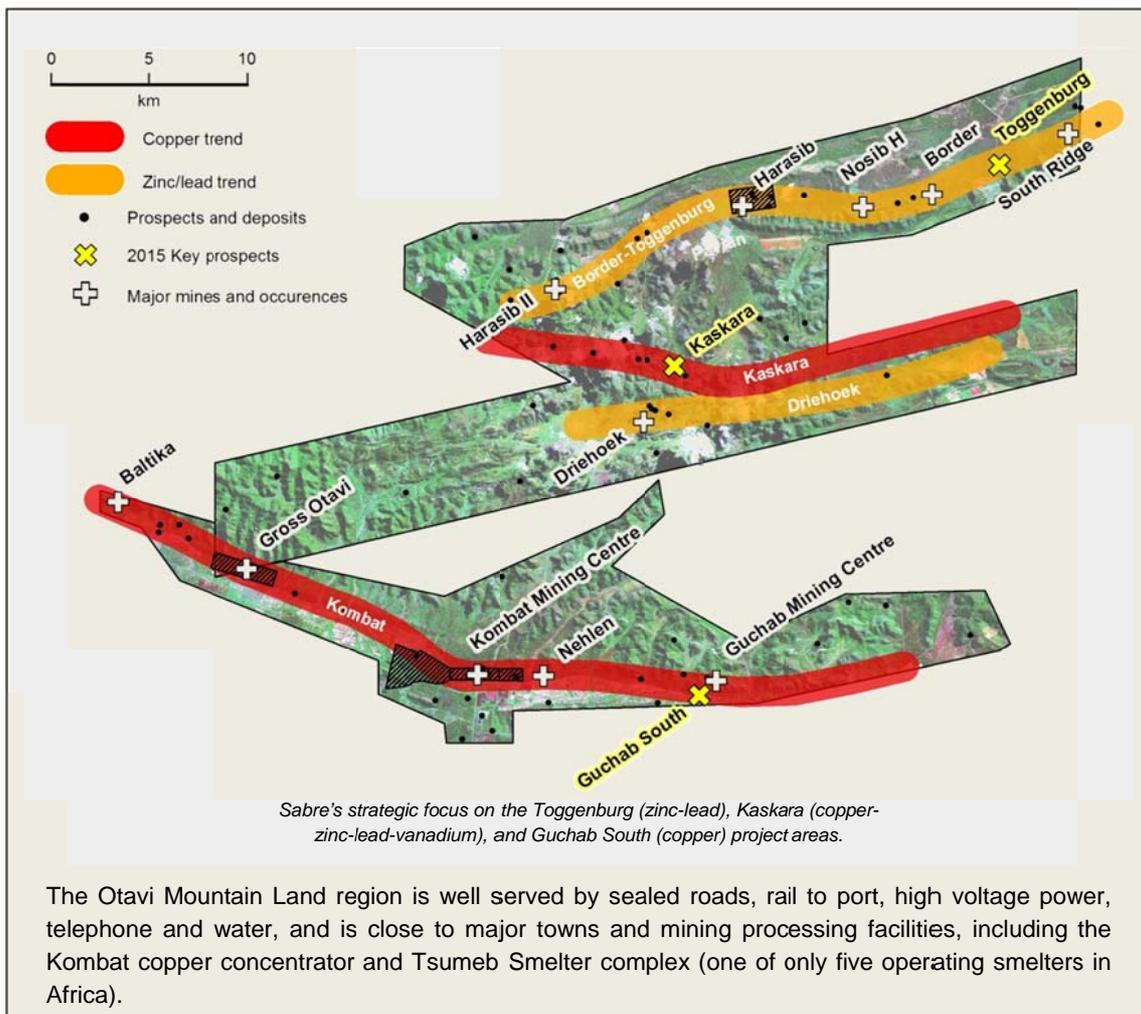
Sabre has defined copper mineralisation in two major trends with potential for Tsumeb, Kipushi and Kombat breccia-style massive sulphide pipes, and Tschudi –style stratiform mineralisation. Copper in geochemical drilling at Guchab South has identified visible chalcocite and malachite over a 600m by 200m zone along trend east of the Kombat Copper Mine.

Sabre has also defined two major trends with stratabound zinc-lead sulphide mineralisation. As well as containing the Border zinc-lead deposit (16.0 Mt @ 1.53 % Zn, 0.59 % Pb and 4.76 g/t Ag), recent work has uncovered significant Zn-Pb geochemical anomalies at Toggenburg with up to 2.90 % Zn+Pb over 2.8 km strike length defined to date.

Strategically the Company is focusing on high-value deposit styles:

- High grade, copper-rich Tsumeb- and Kipushi-type deposits. Kombat-style epigenetic copper mineralisation is considered to be a subset of this type.
 - Tsumeb (OML) – 24.9 Mt @ 5.5 % Cu, 11.5 % Pb, 4.0 % Zn & 172 g/t Ag, and
 - Kipushi (DRC) – historical production 60 Mt @ 10 % Cu and 11.03 % Zn and historical resources of 26 Mt @ 2.18 % Cu and 19.05 % Zn.
- Stratabound epigenetic zinc-lead deposits with favourable metallurgical characteristics.

There is also a secondary focus throughout the region on Copperbelt-style stratiform Copper deposits (e.g. Tschudi in the OML). Exploration is mainly in the extensive areas of cover or poor outcrop which previous explorers largely ignored.



For further information please contact:

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Or consult our website:

<http://www.sabresources.com/>

Competent Person Declaration

The information in this report that relates to Exploration Results is based on information compiled by David Chapman who is a Director of Sabre Resources Ltd, and who is a Member of The Australian Institute of Mining and Metallurgy. Mr Chapman has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australian Code for Reporting of Exploration Results, Mineral Resource and Ore Reserves". Mr Chapman consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Forward-Looking Statements

This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning Sabre Resources Ltd's planned exploration programme and other statements that are not historical facts. When used in this document, the words such as "could," "plan," "estimate," "expect," "intend," "may", "potential," "should," and similar expressions are forward-looking statements. Although Sabre believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements.

APPENDIX – LICENCE SCHEDULE.

Country	State/Region	Project	Tenement ID	Area (km ²)	Grant date	Interest
Namibia	Otjozondjupa	Otavi Mountain Land base metals	EPL3540	213.2	30/10/2006	80%
			EPL3542	475.5	30/10/2006	70%
