ASX ANNOUNCEMENT & MEDIA RELEASE

29 March 2012

SABRE RESOURCES LTD

KASKARA RESOURCE PLANS BOOSTED BY OUTSTANDING HIGH-GRADE RESULTS

- **21 m @ 2.00% V_2O_5, 4.79% Pb, 1.75% Zn and 0.21% Cu (4.56 % CuEQ*), from exposed mineralisation in a historic pit at Kaskara, including:**
  - **4 m @ 4.16% V_2O_5, 9.15% Pb, 3.07% Zn and 0.38% Cu (9.09% CuEQ)**
- **New results are from outside the mineralised corridor, point towards a substantially larger surface footprint.**
- **Kaskara has all the hallmarks of a major deposit.**
- **Drilling to commence once seasonal rains abate (typically April) and will aim to:**
  - **define an oxide V-Pb-Zn-Cu resource; and**
  - **intersect primary Cu-Pb-Zn sulphide mineralisation at depth.**

STRONG MINERALISATION IN THE HARASIB III PIT

Channel sampling at the base of the Harasib III pit (which lies 200 m to the southwest of the previously announced results) at Kaskara has returned more outstanding grades. Results from the three channels include the following:

- **KKUG0023** 21 m @ 2.00% V_2O_5, 4.79% Pb, 1.75% Zn and 0.21% Cu **(4.56% CuEQ)**
  including 4 m @ 4.16% V_2O_5, 9.15% Pb, 3.07% Zn and 0.38% Cu **(9.09% CuEQ)**
- **KKUG0024** 4 m @ 3.69% V_2O_5, 8.71% Pb, 2.80% Zn and 0.47% Cu **(8.37% CuEQ)**
- **KKUG0025** 11 m @ 0.52% V_2O_5, 1.39% Pb, 0.61% Zn and 0.07% Cu **(1.27% CuEQ)**

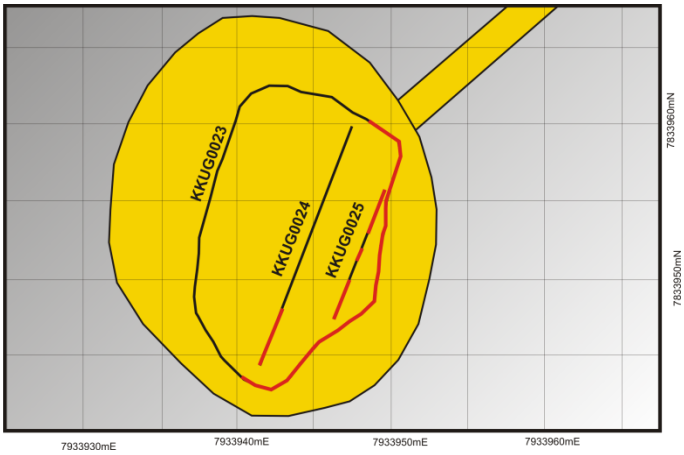


Figure 1 – Plan of sampling in the base of the Harasib III pit. Workings are shown in yellow. Intercepts quoted above are shown in red. The pit is 18m deep. See Figure 2 for location of the pit.

* CuEQ = copper equivalent. The copper equivalent calculation represents the total metal value for each metal, multiplied by the conversion factor, summed and expressed in equivalent copper percentage. These results are exploration results only and no allowance is made for recovery losses that may occur should mining eventually result nor metallurgical flowsheet considerations. The copper equivalent calculation is intended as an indicative value only. Copper Equivalent Formula= Cu% + (Pb% x 0.253) + (Zn% x 0.241) + (V_2O_5% x 1.695). Price Assumptions- Cu (US$8,434/t), Pb (US$2,083/t), Zn (US$2,058/t), V_2O_5 (US$11,574/t), which differ to values quoted in previous announcements.

These new results show that the eastern vertical wall of the Harasib III pit (Figure 1) is highly mineralised down to the base of the workings, 18 m below surface, and is expected to continue vertically for some distance. The pit is located around 200 m southwest of the Kaskara mineralised corridor that is exposed at surface (Figure 2) and the previously reported underground intercepts that it contains. These intercepts included:

- **KKUG0003** 13 m @ 2.31% V_2O_5, 5.59% Pb, 2.38% Zn and 0.32% Cu **(5.45% CuEQ)**
  including 2 m @ 8.49% V_2O_5, 19.85% Pb, 7.43% Zn and 0.91% Cu **(19.25% CuEQ)**
- **KKUG0019** 22 m @ 1.81% V_2O_5, 4.16% Pb, 1.77% Zn and 0.26% Cu **(4.20% CuEQ)**
  including 5 m @ 5.44% V_2O_5, 12.25% Pb, 5.07% Zn and 0.62% Cu **(12.33% CuEQ)**

Outcropping oxide mineralisation occurs in gossans throughout the Kaskara mineralised corridor, covering 900 m strike. The mineralisation in the Harasib III pit is located 200 m outside of this corridor but perhaps importantly coincides with the southern edge of the extensive IP anomaly at depth below Kaskara (Figure 2).

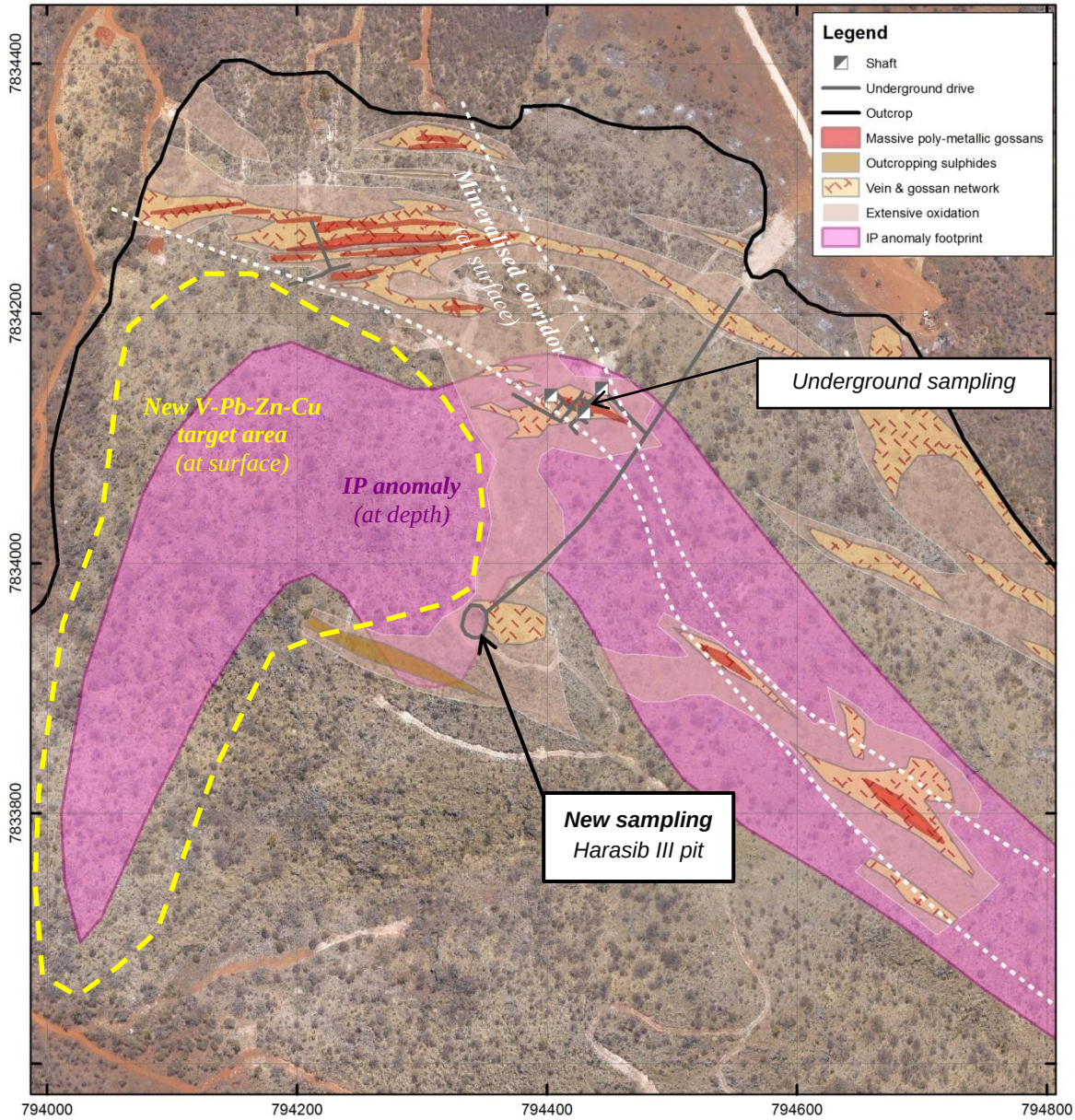


Figure 2 – Location of mine workings and surface mineralisation at Kaskara. The new sampling reported here is approximately 200 m southwest of the previous high-grade results from the historic underground workings. It coincides with the extensive IP anomaly (purple) which is located around 200 m beneath surface. See text for discussion.

Oxide mineralisation at surface shows a complex relationship to the underlying IP anomaly, lying both over the anomaly and around the northern side of it. However, it is clear that the poorly exposed western flank of the Kaskara hill is now a target for further oxide V-Pb-Zn-Cu mineralisation above and around the extent of the IP anomaly at depth (Figure 2).

Dr Matt Painter, General Manager – Exploration, said that "these outstanding results further illustrate the significant potential of Kaskara". He said that Kaskara has all the hallmarks of the major deposits of the region, but that its highly mineralised surface footprint is larger than some of the these other deposits. "We're looking forward to proving Kaskara's potential in this field season's forthcoming drill programme", he said.

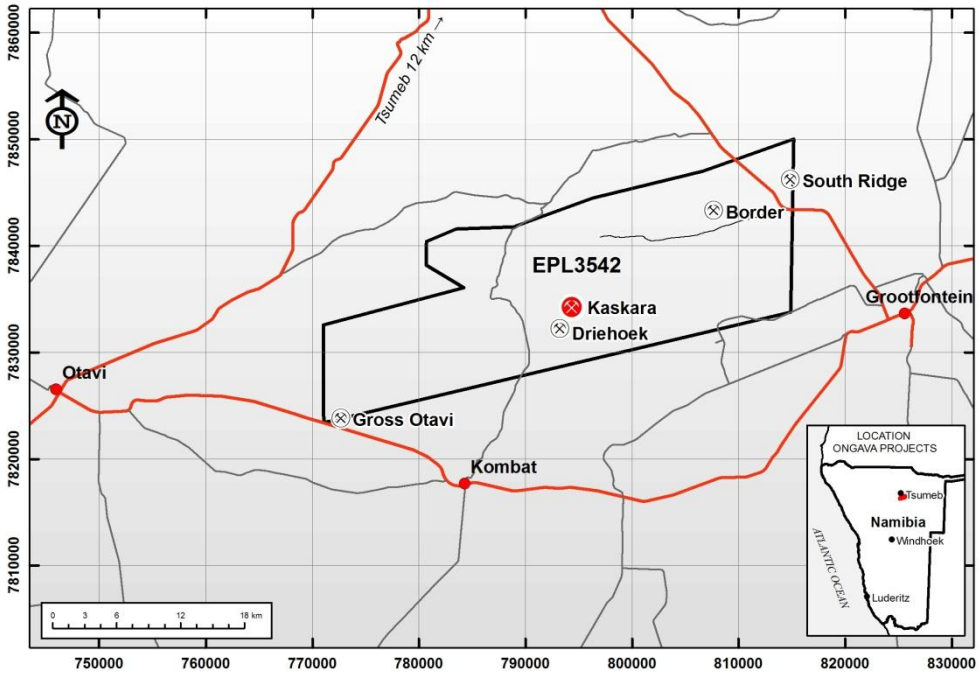


Figure 3 – Location of the Kaskara prospect in the Otavi Mountain Land of northern Namibia.

2012 KASKARA DRILL PROGRAMME

The forthcoming Kaskara drill programme will test both the geophysical anomaly at depth and the near-surface oxide mineralisation. Three objectives will be achieved as a result of this drilling programme:

1. To define an initial JORC compliant resource for oxide vanadium-lead-zinc-copper mineralisation.
2. To qualitatively identify the style of primary copper-lead-zinc sulphide mineralisation at depth that is parental to the near-surface oxide mineralisation and is in all likelihood responsible for the IP anomaly.
3. To more precisely target subsequent resource drilling for the deep-seated primary sulphide mineralisation.

Heavy seasonal rains are still precluding work on site. Weather permitting, the Company expects that extensive ground and access track works will commence on the hill at Kaskara in the coming weeks, with drilling to commence in late April/early May. Groundworks will include construction of access to and drill pads for planned new drill sites, repair of wet-season damage to existing access tracks on the hill and, in places, upgrading of these tracks for the larger drill rig that will be used for the programme.

The reverse circulation (RC) drill programme will comprise around 30 drill holes of varying depths and orientations. The RC drilling is expected to provide full intercepts of the oxide mineralisation and into primary sulphide mineralisation at depth. RC drilling will not have the technical issues that diamond drilling had previously, where drilling fluids effectively dissolved the unusually soft oxide mineralisation. The programme will take several months to complete because of access limitations on the steep terrain.

EXPLORATION FOR THE 2012 FIELD SEASON

With the forthcoming end of an intense wet season in the Otavi Mountain Land, Sabre is preparing for an active field season covering the remainder of the year.

In addition to the drill programme outlined above for Kaskara, Sabre will continue to move towards development of the Pavian Trend and other zinc-lead-silver deposits. For the earliest part of the field season following the rains, a pilot drill programme is ready for implementation at South Ridge and a programme is also being designed to upgrade the JORC resource at Border. Also, drilling at Driehoek will be completed to finalise an initial JORC resource for that deposit.

This year, Sabre is aiming to substantially advance the Kaskara Cu-Pb-Zn-V prospect while concurrently progressing the high-tonnage/moderate grade Zn-Pb-Ag projects, which the Company believes will become substantial, profitable zinc-lead-silver mines.

For further information regarding the Company's activities, please contact:

Dr Matthew Painter – General Manager – Exploration
Phone (08) 9481 7833

Or consult our website: www.sabresources.com

Competent Persons Declarations

The information in this report that relates to Exploration Results is based on information compiled by Dr Matthew Painter of Sabre Resources Ltd, who is a member of The Australian Institute of Geoscientists. Dr Painter 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 2004 Edition of the "Australian Code for Reporting of Exploration Results, Mineral Resource and Ore Reserves". Dr Painter consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Mineral Resources or Ore Reserves is based on information compiled by Luke Marshall of Kalgoorlie Mine Management, who is a member of The Australian Institute of Geoscientists. Mr Marshall 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 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resource and Ore Reserves". Mr Marshall 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 Metals Australia 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 Metals Australia Ltd 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.

About Sabre Resources Ltd

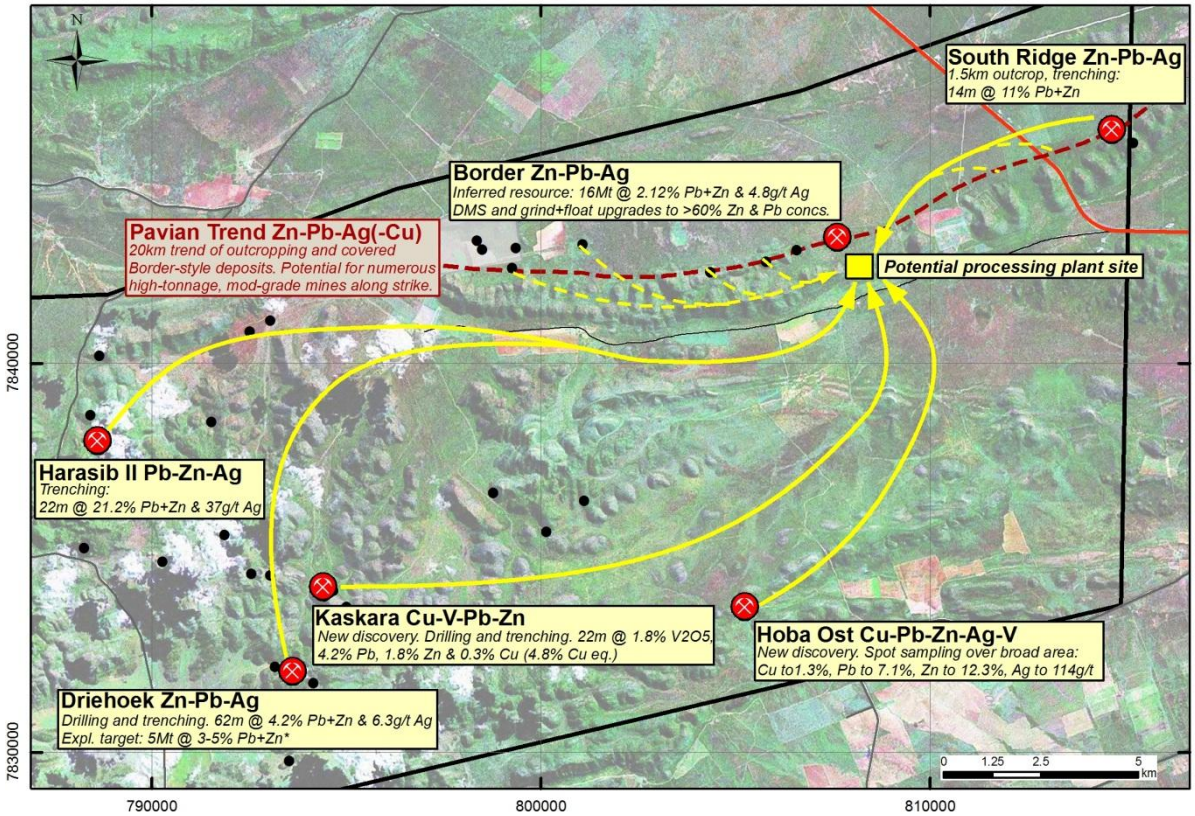
Sabre's primary focus is the exploration and development of the Ongava Polymetallic Project. The project is located in the world-class metallogenic province of the Otavi Mountain Land in northern Namibia, historically a globally important source of copper, lead, zinc and vanadium. The province is presently undergoing a renaissance with the work of Sabre and others in the region.

Our Ongava Polymetallic Project contains more than 30 known copper, lead, zinc and vanadium occurrences, including the Kaskara copper-lead-zinc-vanadium discovery, unmined deposits such as the Border and Driehoek lead-zinc deposits, and historic mine sites such as Harasib Claims and Uitsab. Gallium, germanium, silver and gold, are also highly prospective.

The Zn-Pb-Ag deposits of Sabre's Pavian Trend form a series of similar deposits along 20 km of strike. Border is the first of the Pavian Trend deposits to have a JORC resource calculated by Sabre. The Company is aiming for series of high-tonnage, moderate-grade Zn-Pb-Ag mines, from the Pavian Trend and from further afield, feeding a centrally located processing plant.

Concurrently, the copper potential will be realised through further exploration of Kaskara, Hoba Ost, and the surrounding areas. Kaskara represents an outstanding opportunity for Sabre, showing all of the hallmarks of a major Tsumeb-style deposit.

Based in Perth, Australia, Sabre will build value for shareholders through the definition of JORC compliant resources in this metal-rich region. Extensive exploration, management and corporate experience are combined in a lean company structure that aims to provide maximum return to shareholders.



Sabre's concept of a centrally-located plant using feed from an array of mines throughout the project area.

** At this stage, the potential quantity and grade of the Driehoek zinc-lead deposit is conceptual in nature, as Sabre has determined that insufficient work has been undertaken to define a mineral resource and it is uncertain if further exploration will result in the determination of a mineral resource. The "exploration target" size was based upon deposit calculations undertaken by Goldfields Namibia Ltd.*