

ASX ANNOUNCEMENT

24 April 2018

ASX code: **SBR**

Completion of Heavily Oversubscribed Placement and Acquisition of Three WA-based Vanadium Projects

Diversified exploration company Sabre Resources Limited (ASX: **SBR**) is pleased to announce it has entered into a binding Share Sale Agreement with Kinetic Metals Pty Ltd to acquire a 100% interest in each of its Speewah Vanadium Project, its Unaly Vanadium Project and its Balla Vanadium Project, all located in Western Australia.

In addition, the Company is pleased to announce that it has completed a heavily oversubscribed placement to sophisticated and professional investors to raise approximately \$1,588,000 (gross) via the issue of 105,868,057 fully paid ordinary shares at an issue price of \$0.015 per share (**Placement**). Subject to shareholder approval, participants in the Placement will also receive a free attaching option on a 1-for-1 basis with each option having an exercise price of 3 cents and an expiry date of 31 October 2019.

Highlights:

Proposed Acquisition of Kinetic Metals

- Sabre Resources has entered into a binding Share Sale Agreement to acquire Kinetic Metals Pty Ltd, the holder of a 100% interest in each of the Speewah, Unaly and Balla Vanadium projects, located in Western Australia
 - **The Speewah Vanadium Project** is located adjacent to and adjoins the area that contains the King River Copper Limited Speewah Dome project which hosts a JORC resource of 4.7Bt at 0.3% V₂O₅, 2% TiO₂ and 14.7% Fe
 - **The Unaly Vanadium Project** is located adjacent to and adjoins the area that contains the Surefire Resources Limited Unaly Hill project which hosts a JORC resource of 86.2Mt at 0.42% V₂O₅, 4.5% TiO₂ and 24% Fe. The “Kinetic Metals” tenement extends to and adjoins Venus Metals Youanmi vanadium project which hosts a JORC resource of 330.6Mt at 0.29% V₂O₅, 5.95% TiO₂ and 19.41% Fe
 - **The Balla Vanadium Project** is prospective for mineralisation similar to the Forge Resources Limited Balla-Balla iron-vanadium-titanium project which hosts a JORC resource of 456Mt at 0.65% V₂O₅, 13.7% TiO₂ and 45% Fe
 - Potential exists for the projects to host similar deposits of vanadium-titanium mineralisation

Completion of Placement

- Sabre Resources has completed a heavily oversubscribed Placement to Professional and Sophisticated investors to raise approximately \$1,588,000 (gross) via the issue of 105,868,057 fully paid ordinary shares at an issue price of \$0.015 per share



- Subject to shareholder approval, participants in the Placement will also receive a free attaching option on a 1-for-1 basis with each option having an exercise price of 3 cents and an expiry date of 31 October 2019

Proposed Spin Out

- Sabre Resources is proposing to spin out its Namibian assets into a separate company which will complete an IPO and seek a listing on the ASX - the Company will initiate a drilling program at its Namibian vanadium-lead-zinc project to advance the deposit in preparation for the proposed spin out
- Assets include:
 - **High-Grade Vanadium Mineralisation:** High grade near-surface vanadium mineralisation historically mined at the Baltika V-Zn-Pb Prospect and the Kaskara V-Cu Deposit.
 - Channel sampling of mineralisation at the base of the Harasib III pit has returned high-grade lead-vanadium mineralisation including: 21m @ 4.79% lead and 2% V₂O₅ and 4m @ 8.71% lead, 3.69% V₂O₅
 - **Lead-Zinc Resource at the Border Deposit:** JORC Inferred resource of 16.0 Mt @ 1.53% Zn, 0.59% Pb and 4.76g/t Ag defined at the Border Deposit and recent work has shown significant Zn-Pb geochemical anomalies along strike at the Toggenburg Prospect with up to 2.90% Zn+Pb over 2.8 km strike length defined to date. Mineralisation has exceptional metallurgical characteristics and is amenable to beneficiation using heavy media separation methods.
 - **High-Grade Copper Mineralisation at Guchab:** Extensive copper mineralisation intersected in drilling at the Guchab South Cu-Ag Prospect, where mineralisation occurs over an area at surface measuring over 850 metres by around 100 metres.
- Further details regarding the proposed spin out including timing, capital structure and offer to SBR shareholders will be provided following completion of the Lead Manager mandate and in consultation with the ASX

Proposed Share Purchase Plan

- Sabre Resources is proposing to complete a Share Purchase Plan (**SPP**) which will entitle all shareholders to acquire shares in the Company at the same price as the recently completed Placement
- The SPP will be capped at \$500,000 with further details to be announced

Commenting on the recent activities of the Company, the Board of Sabre Resources stated:

“We consider the proposed acquisition of Kinetic Metals and these WA-based vanadium projects as an excellent opportunity for Sabre to commence exploration in areas which are host to several large vanadium-titanium deposits. Sabre has been very active in recent months following the conclusion of the acquisition of the advanced Sherlock Bay Nickel-Cobalt project and we are now well-positioned to take advantage of the dynamic market conditions that relate to the dominant battery-metals sector.”

The completion of the recent placement demonstrates the support and attractiveness of the portfolio of projects that Sabre controls and will be acquiring. The Company is now well funded to advance its exploration activities at the Sherlock Bay Nickel-Cobalt project as well as conduct early stage exploration at the Kinetic Metals Projects, following completion.

We are now considering the spin out of our highly prospective Namibian projects which includes the Border Lead-Zinc deposit and the high-grade copper mineralisation at the Guchab project. Our Namibian assets are also prospective for high-grade vanadium mineralisation at Baltika and Kaskara.

Our Shareholders will also be rewarded for their continued support through a limited Share Purchase Plan which will entitle Shareholders to acquire additional shares at the same price as the Placement. We are excited about the future of Sabre Resources and look forward to providing further updates to Shareholders.”

Proposed Acquisition of Kinetic Metals Pty Ltd

Sabre Resources has entered into a binding Share Sale Agreement with Kinetic Metals Pty Ltd, the holder of a 100% interest in each of the Speewah Vanadium Project, the Unaly Vanadium Project and the Balla Vanadium Project, all located in Western Australia.

A map showing the project location of each of the Speewah, Unaly and Balla vanadium projects is outlined below:

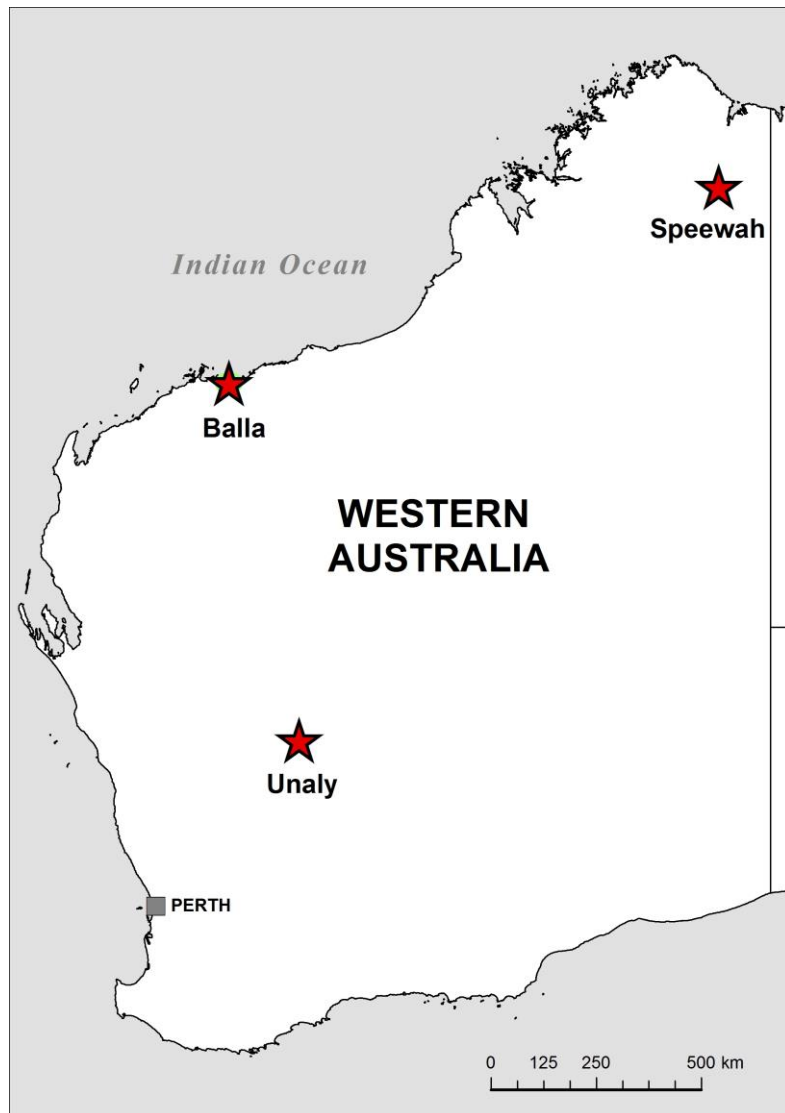


Figure 1: Kinetic Metals Project Location Map

The Company is presently conducting technical and legal due diligence on Kinetic Metals and each of the vanadium projects that it controls. The Company will provide further updates once it has concluded its investigations.

Speewah Vanadium Project

The Speewah Vanadium Project is located adjacent to and adjoins the area that contains the King River Copper Limited Speewah Dome project which hosts a JORC resource of 4.7Bt at 0.3% V₂O₅, 2% TiO₂ and 14.7% Fe. The Speewah project is comprised of 52 blocks covering an area of 170.66km².

A map showing the project location relative to the King River Copper Limited Speewah Dome project is outlined below:

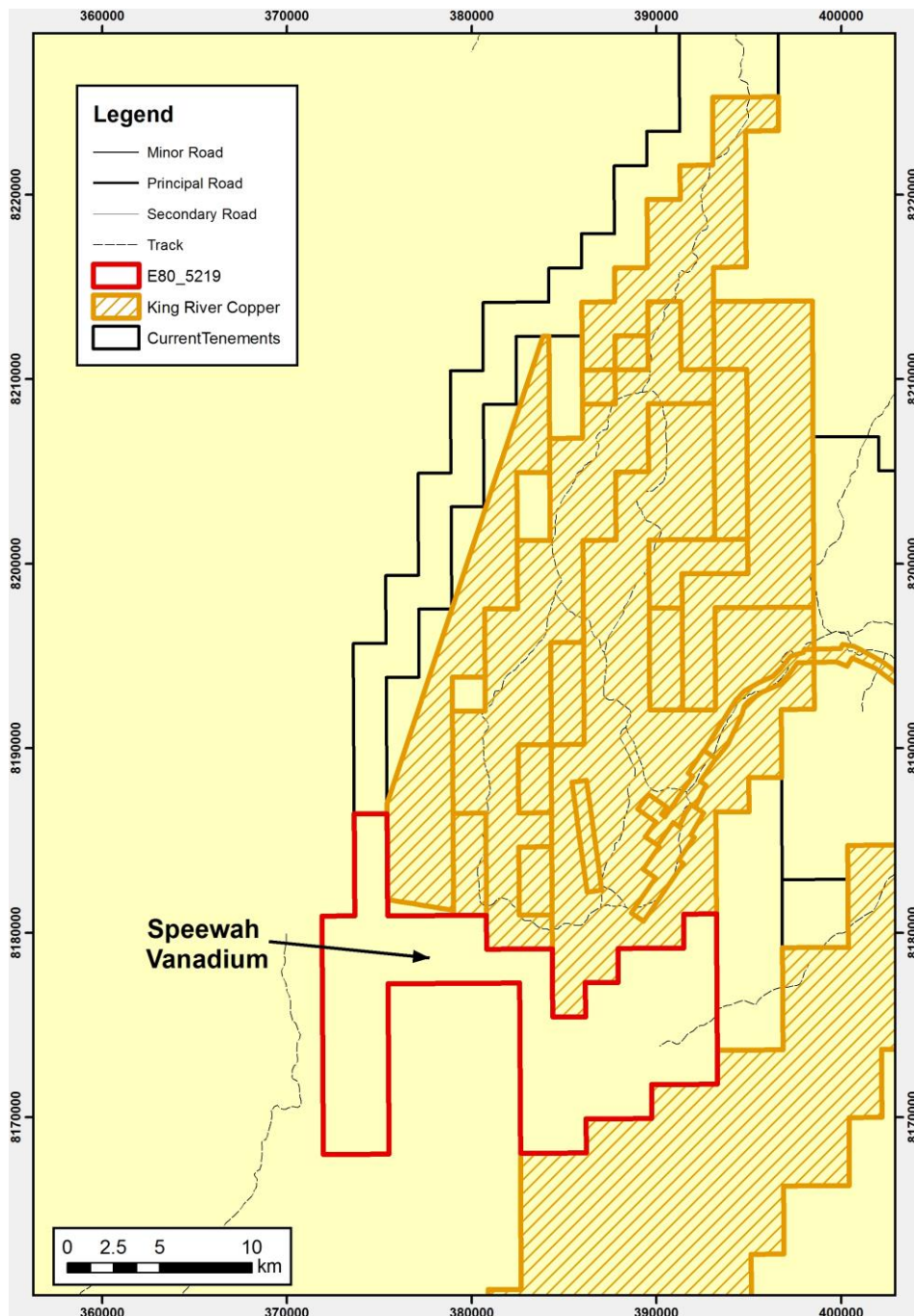


Figure 2: Speewah Vanadium Project Location Map

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Unaly Vanadium Project

The Unaly Vanadium Project is located adjacent to and adjoins the area that contains the Surefire Resources Limited Unaly Hill project which hosts a JORC resource of 86.2Mt at 0.42% V₂O₅, 4.5% TiO₂ and 24% Fe. The Unaly project is comprised of 20 blocks covering an area of 60.31km².

A map showing the project location relative to the Surefire Resources Limited Unaly Hill project is outlined below:

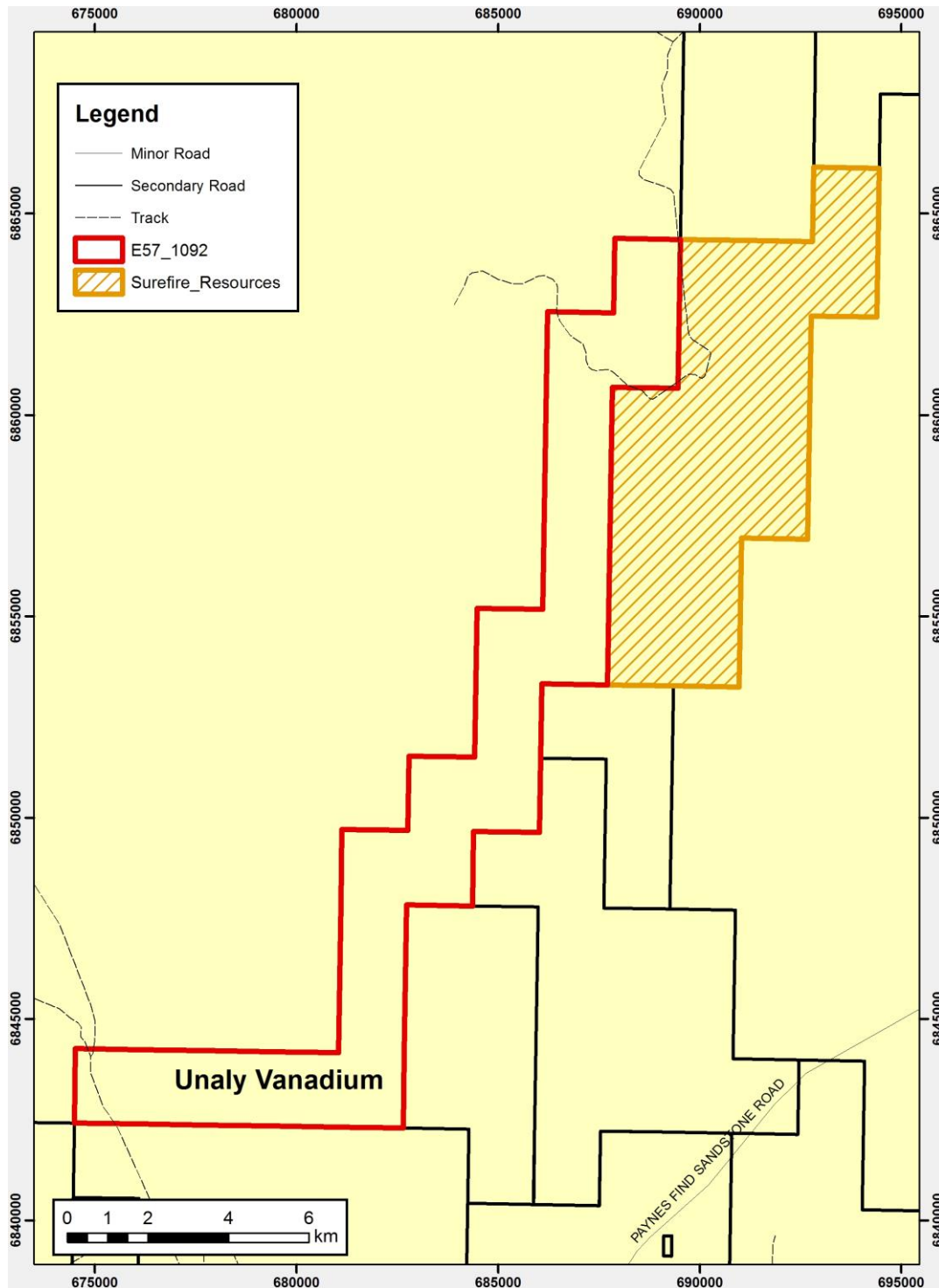


Figure 3: Unaly Vanadium Project Location Map

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Balla Vanadium Project

The Balla Vanadium Project is prospective for mineralisation similar to the Forge Resources Limited Balla-Balla iron-vanadium-titanium project which hosts a JORC resource of 456Mt at 0.65% V₂O₅, 13.7% TiO₂ and 45% Fe. The Balla project is comprised of 11 blocks covering an area of 35.22km².

A map showing the project location relative to the Forge Resources Limited Balla-Balla project is outlined below:

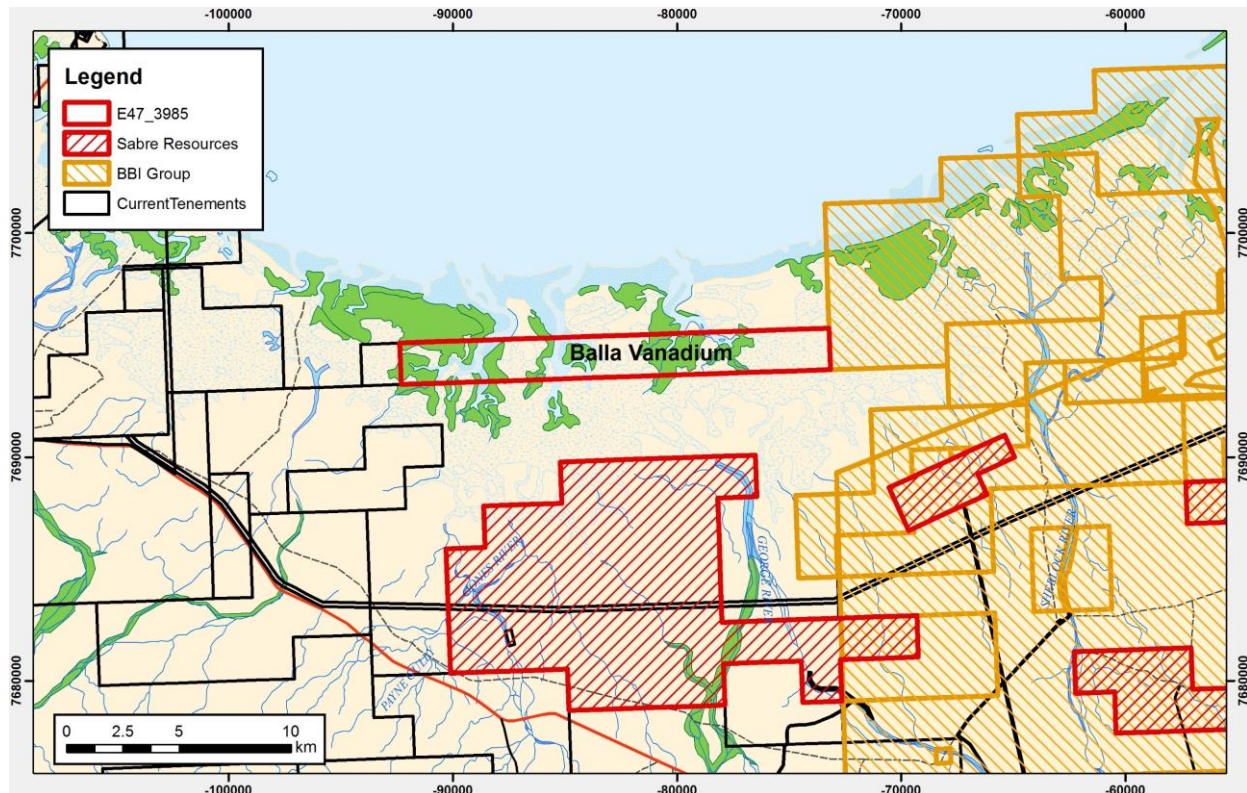


Figure 4: Balla Vanadium Project Location Map

Summary of Acquisition Terms of Kinetic Metals

The key terms of the acquisition are as follows:

- The Company will have a 30-day exclusivity period to complete its due diligence investigations on Kinetic Metals and its projects;
- The Company will issue the Vendors with 2,500,000 fully paid ordinary shares (**Vendor Shares**); and
- The Company will issue the Vendors with 2,500,000 unlisted options, with each option having an exercise price of \$0.03 and an expiry date of 31 October 2019 (**Vendor Options**).

The acquisition remains subject to legal and commercial and technical due diligence. Completion of the acquisition and the issue of the Vendor Shares and Vendor Options remains subject to shareholder approval.

Completion of Placement

In conjunction with the proposed acquisition of Kinetic Metals, Sabre Resources Limited has completed a heavily oversubscribed share placement (the **Placement**) to professional and sophisticated investors to raise

capital for feasibility studies at the advanced Sherlock Bay Nickel-Cobalt Deposit as well as vanadium and base metal exploration in Namibia and to fund ongoing working capital.

A total of 105,868,057 fully paid ordinary shares were issued at a price of \$0.015 per share in order to raise approximately \$1,588,000 gross proceeds. Subject to Shareholder Approval, participants in the Placement will also receive a free attaching option on a 1-for-1 basis with each option having an exercise price of 3 cents and an expiry date of 31 October 2019.

Shares will be issued under the Placement using the Company's existing capacity pursuant to ASX Listing Rule 7.1 and 7.1A as well as the Shareholder Approved capacity. The table below specifies the calculation and the capacity categories utilised:

Shares	No. issued
Issue approved by Shareholders at EGM held on 8/3/2018	40,000,000
Issue pursuant to Rule 7.1	39,520,834
Issue pursuant to Rule 7.1A	26,347,223
Total No. of shares	105,868,057

The issue of the attaching 105,868,057 options is subject to Shareholder Approval.

ENDS

For further information, contact:

Graham Baldisseri
Company Secretary
P: +61 8 9481 7833
E: gbaldisseri@kmm.com.au

Caution Regarding Forward-Looking Information

This document contains forward-looking statements concerning Sabre Resources. 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 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 announcement that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves, as applicable, is based on information compiled by Mr. Lachlan Reynolds. Mr Reynolds is a consultant to Metals Australia Limited and is a member of the Australasian Institute of Mining and Metallurgy. Mr. Reynolds has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr. Reynolds consents to the inclusion in the report of the matters based on their 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.

Information Relied Upon – ASX Listing Rule Compliance 5.23.2

Pursuant to ASX Listing Rule 5.23.2, the Company has relied upon the following announcements in compiling information in this current announcement:

1. Annual Report for Sabre Resources Limited for the period ended 30 June 2017 and released to the ASX on 29 September 2017