

ASX ANNOUNCEMENT
10 SEPTEMBER 2012

HIGH-GRADE COPPER FROM SURFACE



Figure 1 – Surface copper mineralisation near Drill Pad 2 at Guchab

HIGHLIGHTS

- The diamond drilling from Pad 1 at Guchab has now been completed continues to return significant copper mineralisation,
- Significant intercepts from GCDD0003-0005 include:

| | |
|------------------------------|--|
| GCDD0005 <i>including</i> | 22.20 m @ 3.45% Copper & 29.67 gpt Silver from surface 2.15 m @ 17.60% Copper & 247.70 gpt Silver from 20.05 metres |
| GCDD0004 <i>including</i> | 24.05 m @ 1.29% Copper & 10.91 gpt Silver from surface 1.00 m @ 8.55% Copper & 38.38 gpt Silver from 23.05 metres |
| GCDD0003 <i>including</i> | 18.90 m @ 1.54% Copper & 9.66 gpt Silver from 1.00 metre 7.00 m @ 2.52% Copper & 10.12 gpt Silver from 1.00 metre |
- Structural analysis of the core has begun and will be used to assist in the planning of the JORC resource drilling in the coming months,
- The diamond drill rig is now in operation at Pad 2, 500 metres to the west of Pad 1.

GUCHAB DRILLING PROGRAMME

Sabre ('SBR') is presently carrying out a reconnaissance programme of diamond drilling at the Guchab copper mining centre, within it's Otavi Mountain Land ('OML') project in northern Namibia. The programme is planned to comprise around twenty diamond drill holes, from four locations, to establish the style and orientation of mineralisation at Guchab.

The diamond drilling at Guchab has successfully intersected **broad zones of visible copper mineralisation in all** five drill holes completed from Pad 1. These holes were drilled to test the orientation of the mineralisation in the area surrounding the Eastern Workings.

The most recent results include the **highest grade copper and silver intercepts to date** from Guchab. The newly received data includes::

| | |
|------------------------------|--|
| GCDD0003 including | 18.90 m @ 1.54% Copper & 9.66 gpt Silver from 1.00 metre 7.00 m @ 2.52% Copper & 10.12 gpt Silver from 1.00 metre |
| GCDD0004 including | 24.05 m @ 1.29% Copper & 10.91 gpt Silver from surface 1.00 m @ 8.55% Copper & 38.38 gpt Silver from 23.05 metres |
| GCDD0005 including | 22.20 m @ 3.45% Copper & 29.67 gpt Silver from surface 2.15 m @ 17.60% Copper & 247.70 gpt Silver from 20.05 metres |

These results complement the previously reported results from Guchab, which include:

| | |
|------------------------------|--|
| GCDD0001 including | 107.75 m @ 1.15% Copper & 6.93 gpt Silver from 0.60 metres 2.35 m @ 13.24% Copper & 70.84 gpt Silver from 17.90 metres 8.95 m @ 3.03% Copper & 8.18 gpt Silver from 36.05 metres |
| GCDD0002 including | 26.56 m @ 1.06% Copper & 6.25 gpt Silver from 1.42 metres 4.57 m @ 2.18% Copper & 21.44 gpt Silver from 8.19 metres |

Sabre's Chief Executive Officer, Tim Putt, said:

"The drilling on Pad 1 has successfully intersected broad zones of copper mineralisation in ALL of the planned drill holes. That's an excellent start in an area that has seen little exploration in the last 50 years. The drilling at Pad 2 will greatly assist the team in gauging the size and architecture of the mineralised system at Guchab."

The copper mineralisation in the upper mineralised zones of the drill holes is predominantly comprised of malachite and chalcocite within distinct breccias, with notable occurrences of native copper, chalcopyrite and bornite.

Chalcopyrite and bornite were the major ore minerals at the **Kombat Copper Mine (which produced 8.7 Mt @ 3.1% Copper, 1.1% Lead and 26 gpt Silver) located 10 km to the west**, and are expected to be the main primary sulphide minerals at depth at Guchab.

Drilling shows that the mineralisation is hosted by a **copper-rich structural breccia**. Analysis of the drill core is underway to determine the orientation and attitude of these mineralised breccias and their controlling structures.

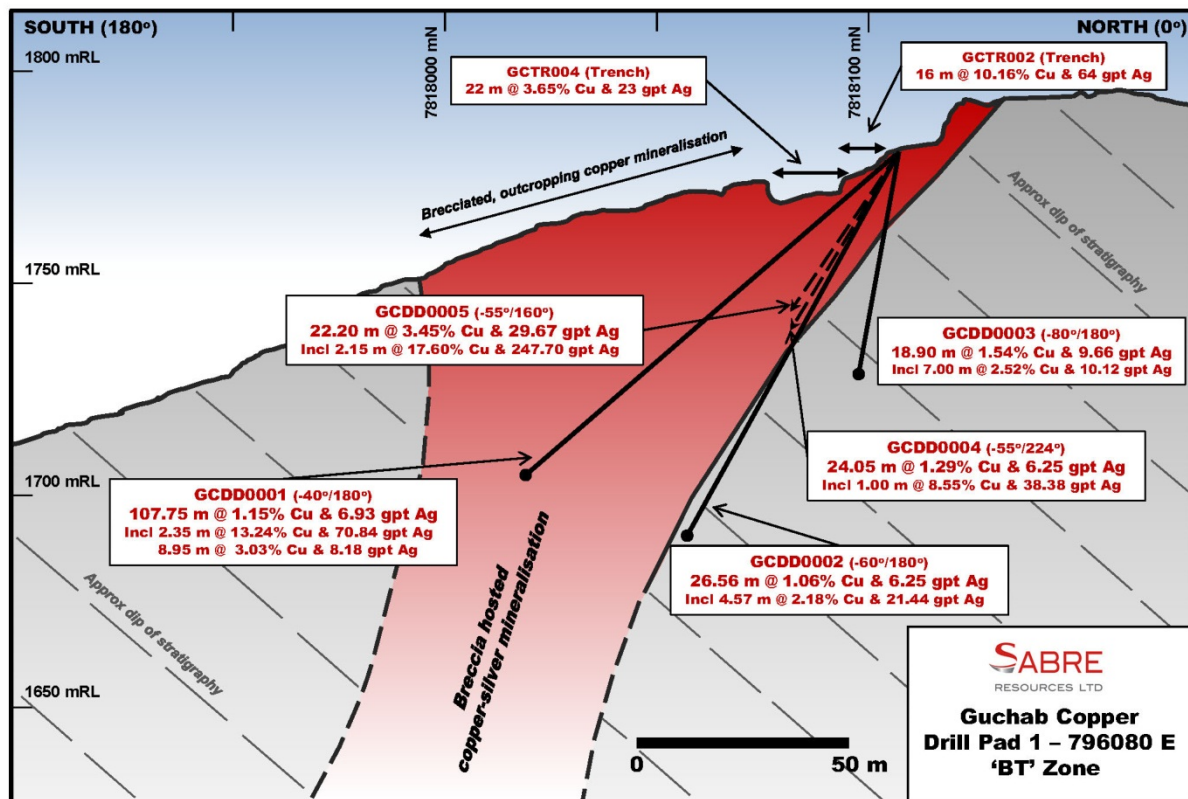


Figure 2 – Cross section of drilling from Pad 1 showing drill holes, interpreted geology and results of diamond drilling. Off-section drillholes GCDD0004 and 0005 are superimposed on the section as dashed lines.

The rig has commenced drilling at Pad 2 (Figure 3), 500 metres to the west of Pad 1. An initial programme of nine holes is planned from this location, however it may be altered based upon the results of the drilling.

GUCHAB PILOT DRILLING PROGRAMME

Sabre’s reconnaissance diamond drilling programme is the first drilling to be undertaken on the new licence since acquisition in June 2012. Diamond drilling is being undertaken from up to four sites across the Guchab mine area utilising ‘fans’ of drill holes at varying dips and azimuths to test the depth extents of the outcropping copper mineralisation. The diamond drill core is being structurally oriented, which will allow the architecture of the deposit to be determined. This will provide an optimal drill orientation for a future **resource drilling programme**.

Diamond drilling will continue at Guchab throughout September 2012. Sabre looks forward to updating investors as further results of the drilling programme as they become available.

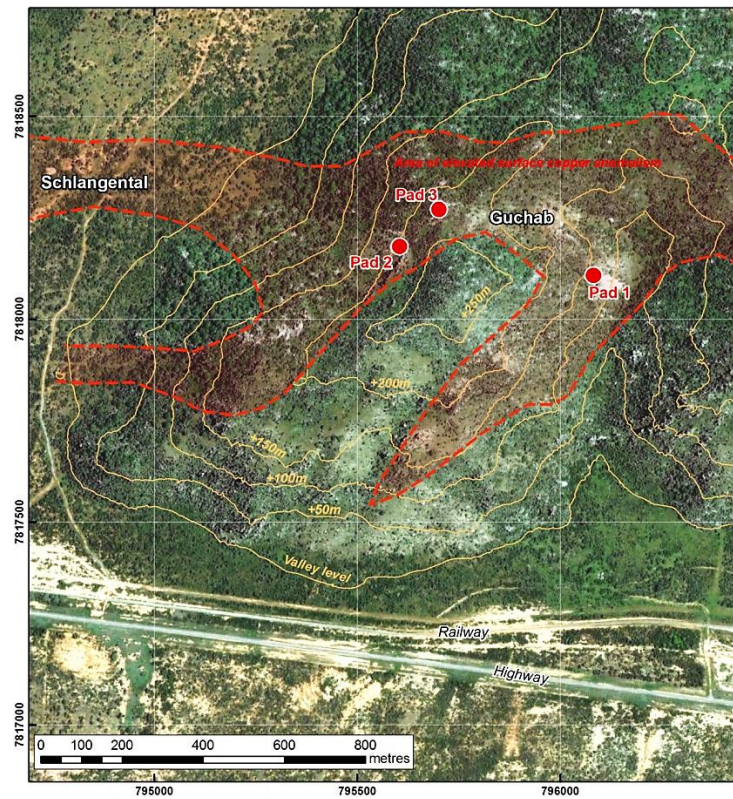


Figure 3 – Imagery of the Guchab area showing Drill Pad locations, topography and outline of elevated surface copper mineralisation (in red).

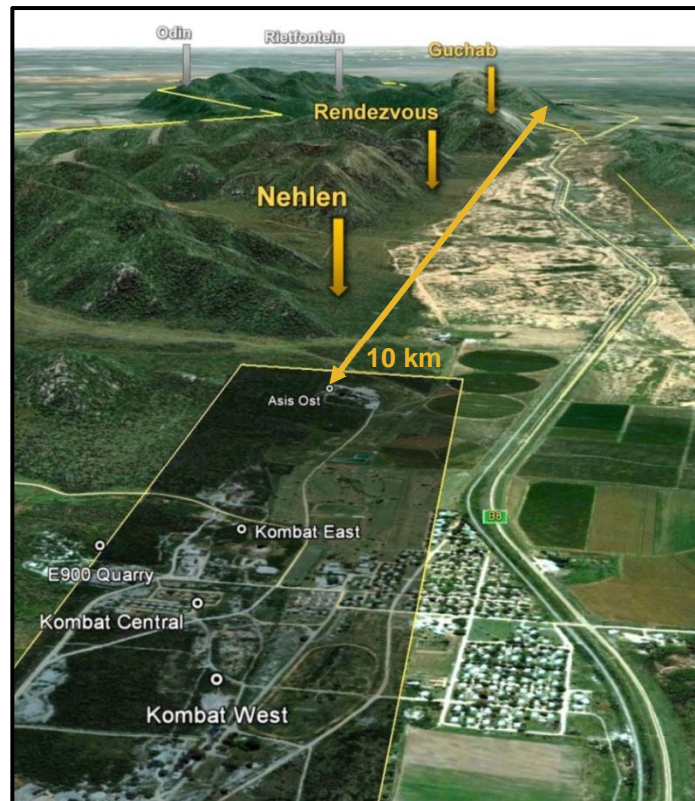


Figure 4 – Oblique view east from the Kombat copper mine (foreground, excised area shaded) along strike to Sabre's series of copper targets (yellow) at Nehlen and Rendezvous in the Kombat Ost copper target area, and Guchab in the Guchab mining centre. Note the railway and highway on the right of the diagram, and the white zone of hydrothermal alteration on the flank of the hill at Guchab. The Rietfontein and Odin lead-zinc targets (grey) are also shown - the licence boundary is shown in yellow.

THE GUCHAB COPPER MINING CENTRE

The Guchab mining centre was discovered in the early 1900s and operated for a short time, producing **high-grade copper ores** (up to 33%) before the discovery of significant, near surface copper mineralisation at Kombat, some 10 kilometres to the west (Figure 4).

Sabre's work at Guchab encompasses three historic mining centres (Guchab, Rodgerberg & Schlagental) covering more than 4,000 metres of strike, defined by historical workings and surface geochemistry of up to 10,000 ppm, or 1%, Copper in soils.

The Company's exploration and structural analysis shows that Guchab hosts '**Kombat-style**' **metamorphic copper mineralisation**, as vein and breccia style deposits, **with high-grade copper-silver rich zones** which are surrounded by moderate grade vein networks. Major copper minerals at surface include malachite, chalcocite, and diopside.

In addition to the excellent drill and channel sampling results, infrastructure at and around Guchab make it a very attractive copper target. Guchab is located within 1 km of an active railway line and sealed highway, and is located around 10 km east of the Kombat Copper Mine and Concentration plant (presently being rejuvenated). It is also approximately 50 km south of the Tsumeb Copper Smelter Complex, to which it is connected by rail.

Guchab, which is part of the 45 km long Kombat Copper Trend, was acquired by Sabre in June 2012. Detailed evaluations by the Company have defined a number of target areas along the 10 kilometre long mineralised corridor between Kombat and Guchab (Figure 4) including the Nehlen and Rendezvous prospects. These targets are now being evaluated for drilling later testing.

Tim Putt
Chief Executive Officer
Sabre Resources Ltd

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

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APPENDIX 1

SIGNIFICANT DIAMOND DRILL RESULTS FROM DRILL PAD 1, GUCHAB COPPER PROSPECT

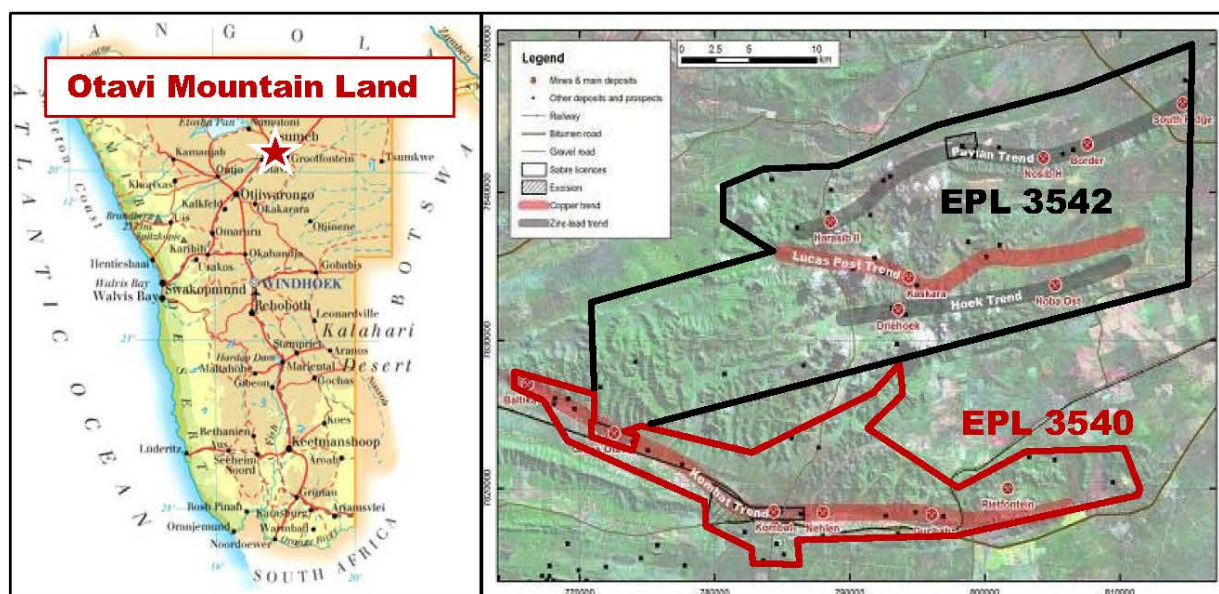
| Hole No. | Northing | Easting | Dip (°) | Azimuth (°true) | From (m) | To (m) | Downhole width (m) | Grade |
|-----------------|-----------------|----------------|--------------------|----------------------------|---------------------|-------------------|-------------------------------|--------------------------------------|
| GCDD0001 | 7818105 | 796081 | -40 | 180 | 0.60 | 108.35 | 107.75 | 1.15% Cu & 6.93 gpt Ag |
| | | | | <i>including</i> | 17.90 | 20.25 | 2.35 | 13.24% Cu & 70.84 gpt Ag |
| | | | | <i>and</i> | 29.80 | 52.15 | 22.35 | 2.08% Cu & 10.11 gpt Ag |
| | | | | <i>and</i> | 96.90 | 100.05 | 3.15 | 2.85% Cu & 22.90 gpt Ag |
| GCDD0002 | 7818105 | 796081 | -60 | 180 | 1.42 | 27.98 | 26.56 | 1.06% Cu & 6.25 gpt Ag |
| | | | | <i>including</i> | 1.42 | 5.58 | 4.16 | 2.36% Cu & 7.93 gpt Ag |
| | | | | <i>and</i> | 8.19 | 12.76 | 4.57 | 2.18% Cu & 21.44 gpt Ag |
| GCDD0003 | 7818105 | 796081 | -80 | 180 | 1.00 | 19.90 | 18.90 | 1.54% Cu & 9.66 gpt Ag |
| | | | | <i>including</i> | 1.00 | 8.00 | 7.00 | 2.52% Cu & 10.12 gpt Ag |
| GCDD0004 | 7818105 | 796081 | -55 | 224 | 0.00 | 24.05 | 24.05 | 1.29% Cu & 10.91 gpt Ag |
| | | | | <i>including</i> | 7.18 | 9.54 | 2.36 | 3.47% Cu & 35.34 gpt Ag |
| | | | | <i>and</i> | 23.05 | 24.05 | 1.00 | 8.55% Cu & 38.38 gpt Ag |
| GCDD0005 | 7818105 | 796081 | -55 | 160 | 0.00 | 22.20 | 22.20 | 3.45% Cu & 29.67 gpt Ag |
| | | | | <i>including</i> | 20.05 | 22.20 | 2.15 | 17.60% Cu & 247.70 gpt Ag |

*Copper and silver values were determined at the accredited Bureau Veritas laboratory, Swakopmund, Namibia.

SABRE'S OTAVI MOUNTAIN LAND COPPER PROJECT

The Otavi Mountain Land Copper Project ('OML') is located in northern Namibia, lying within the triangle created by the mining towns of Tsumeb, Otavi and Grootfontein.

The entire region is well served by sealed roads, high voltage power, telephone and water, rail to port and is close to major towns and mining processing facilities, including the Kombat copper concentrator and Tsumeb Smelter complex (one of only five operating smelters in Africa).



Sabre's OML project consists of two Exclusive Prospecting Licenses (EPL 3540 & 3542), which cover more than 800 km² of highly prospective base metal stratigraphy. Sabre has identified two key copper trends within its project area, each covering more than 25 km of strike, defined by surface geochemistry and historical workings. These extensive copper trends, namely the Lucas Post and Kombat Trends, are the present focus of exploration.

The region hosts a number of world class Copper, Zinc, Lead, Silver and Vanadium mines, including the **Tsumeb & Kombat Copper** mines. The Otavi Valley tenement (EPL 3540) surrounds the **Kombat Copper** mine on all sides and covers the strike extensions of the mine stratigraphy. To date, the Kombat Mine has produced more than 8.7 Mt @ 3.1% Cu, 1.1 Pb and 26 gpt Ag.

Competent Persons Declarations

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves 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.

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 Resources 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.

CORPORATE INFORMATION

Directors

| | |
|--------------------|------------------------|
| Mr David Zukerman | Executive Director |
| Mr Michael Scivolo | Non-Executive Director |
| Mr Jonathan Downes | Non-Executive Director |

Company Secretary

| | |
|-------------------|-------------------|
| Mr Norman Grafton | Company Secretary |
|-------------------|-------------------|

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Or

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Issued Capital

At 7 September 2012, Sabre had 1,770 shareholders with issued capital of **226,472,228** fully paid ordinary shares.

Cash Position on 7 September 2012 –
\$9.5 Million

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Shareholder Enquiries

Matters relating to shares held, change of address and tax file numbers should be directed to the share registry at:

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