



Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN

that the Annual General Meeting of Members of Sabre Resources Ltd (SBR or the Company) will be held on Tuesday, 13 November 2007 commencing at 10.30am (Australian Western Daylight) at the Celtic Club, 48 Ord Street, West Perth, Western Australia.

Agenda

BUSINESS OF THE MEETING

1. Accounts and reports

To receive and consider the financial statements and the reports of the directors and the auditors for the year ended 30 June 2007.

2. Resolution 1 – Non Binding Resolution to adopt the Remuneration Report

To consider and, if thought fit, pass the following as an ordinary resolution:

“That the Remuneration Report as set out in the Company’s Annual Report for the year ended 30 June 2007 be adopted.”

Note: The vote on this resolution is advisory only and does not bind the Directors of the Company.

This is an opportunity for shareholders to comment and ask questions about the remuneration report detailed on page 8 of the Annual Report. The vote on the proposed resolution is advisory only, and will not bind the directors or the Company however the Board will take the outcome of the votes into consideration, when reviewing future practices of the Company.

3. Resolution 2 – Re-election of a Director

To consider, and if thought fit, to pass the following ordinary resolution:

“That Alex Clemen, who retires by rotation in accordance with the company’s constitution, be re-elected a director of the company.”

4. Resolution 3 – Appointment of Auditors

To consider, and if thought fit, to pass the following ordinary resolution.

“That Messrs Grant Thornton be appointed as auditors of the Company.”

The Company’s previous auditors, Stantons International, have submitted their resignation as they have been its auditors for more than seven years and no longer meet the independence rules for auditors.

The Board of Directors unanimously recommends Shareholders vote in favour of the resolution.

5. Resolution 4 – Ratification and Approval of Grant of Options

To consider, and if thought fit, to pass the following ordinary resolution.

“That pursuant to ASX Listing Rule 7.4 and for all other purposes, the grant of 500,000 options to Dr Matthew Painter, or his nominee, with 250,000 options having an exercise price of 30 cents each, and 250,000 having an exercise price of 40 cents each, with all having an expiry date of 1 November 2010,



and otherwise on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Meeting (including Annexure A to the Explanatory Statement) be ratified."

VOTING EXCLUSION

The Company will disregard any votes cast on Resolution 4 by Dr Painter and any associate of him. However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form; or if it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

BY ORDER OF THE BOARD

Norman Grafton
COMPANY SECRETARY
5 October 2007

Your annual report is available on line, simply visit :
www.sabresources.com

Explanatory Statement

INTRODUCTION

This Explanatory Statement has been prepared for the information of members of SABRE RESOURCES LTD in connection with Resolution 4 of the business to be conducted at the Annual General Meeting of members to be held at the Celtic Club, 48 Ord Street, West Perth, Western Australia, on 13 November 2007 at 10:30 am (Australian Western Daylight Time).

This Explanatory Statement forms part of and should be read in conjunction with the accompanying Notice of Annual General Meeting and the Directors recommend that shareholders read it before making any decision in relation to Resolution 4.

Shareholders should note that all the Directors approved the proposal to put the resolutions to shareholders as outlined in the Notice of General Meeting and to prepare this Explanatory Statement.

RESOLUTION 4 – RATIFICATION AND APPROVAL OF GRANT OPTIONS

Introduction

On 4 October 2007, the Company announced the appointment of Dr Matthew Painter as General Manager - Exploration with effect from 1 November 2007. On that date, as part of his remuneration package, the Company will grant him 250,000 options exercisable at 30 cents each and 250,000 options exercisable at 40 cents each, with all of these options expiring on 1 November 2010.

On 4 October 2007, the Company granted 500,000 Options (with 250,000 exercisable at 30 cents and a further 250,000 exercisable at 40 cents on or before 1 November 2010) to Dr Matthew Painter in recognition of his appointment as General Manager - Exploration. The Company now seeks, pursuant to this Resolution 4, shareholder approval to ratify the grant of the 500,000 Options.

Listing Rule 7.4

Listing Rule 7.4 provides that (subject to certain exceptions, none of which are relevant here) prior approval of shareholders is required for an issue of securities if the securities will, when aggregated with the securities issued by the Company during the previous 12 months, exceed 15% of the number of the Shares on issue at the commencement of that 12 month period.

The grant of Options detailed in Resolution 4 did not exceed the 15% threshold. However, Listing Rule 7.4 provides that where a company ratifies an issue of securities, the issue will be treated as having been made with approval for the purpose of Listing Rule 7.1, thereby replenishing that company's 15% capacity and enabling it to issue further securities up to that limit.

Accordingly, Resolution 4 proposes the ratification and approval of the grant of Options for the purpose of satisfying the requirements of Listing Rule 7.4.

Additional Information

For the purposes of Listing Rule 7.5, the following information is provided to shareholders:

(a) Number of Options to be granted is 500,000;

- (b) the Options will be granted for no consideration and accordingly no funds will be raised from the grant of the Options;
- (c) the terms and conditions of the Options are set out in Annexure A to this Explanatory Statement; and
- (d) the Options will be granted to Dr Matthew Painter or his nominee. Dr Painter is not an associate or a



Annexure "A"

TERMS AND CONDITIONS OF OPTIONS

The Options granted will entitle the holder to subscribe for and be allotted Shares as follows:

- (a) A certificate will be issued for the Options.
- (b) The Options shall expire at 5.00pm Australian Western Standard Time on 1 November 2010 ("Expiry Date").
- (c) Subject to condition (n) the Option is a right in favour of the option holder to subscribe for one fully paid ordinary share in the capital of the Company ("Share").
- (d) Shares allotted to the option holder on exercise of the Options shall, be issued at the following prices ("Exercise Price"):

250,000 at 30 cents each
250,000 at 40 cents each

- (e) The Exercise Price of Shares the subject of the Options shall be payable in full on exercise of the Options.
- (f) Options shall be exercisable by the delivery to the registered office of the Company of a notice in writing stating the intention of the option holder to:
 - (i) exercise all or a specified number of Options; and
 - (ii) pay the subscription monies in full for the exercise of each Option.
- (g) The notice must be accompanied by an Option certificate and a cheque made payable to the Company for the subscription monies for the Shares. An exercise of only some Options shall not affect the rights of the option holder to the balance of the Options held by him.
- (h) The Company shall allot the resultant Shares and deliver the share certificate or holding statement within five business days of the exercise of the Option.
- (i) The Options are not transferable.
- (j) Shares allotted pursuant to an exercise of Options shall rank, from the date of the allotment, equally with existing ordinary fully paid Shares of the Company in all respects.
- (k) The Company shall in accordance with the Listing Rules make application to have Shares allotted pursuant to an exercise of Options listed for official quotation.
- (l) In case of any entitlements issue (other than bonus issue) the Exercise Price of an Option may be reduced according to the following formula:

$$O' = O - \frac{E [P - (S + D)]}{N + 1}$$

- O' = the new exercise price of the Option.
- O = the old exercise price of the Option.
- E = the number of underlying securities into which one Option is exercisable.
- P = the average market price per share (weighted by reference to volume) of the underlying securities during the 5 trading days ending on the day before the ex rights date or ex entitlement date.
- S = the subscription price for a security under the pro rata issue.
- D = the dividend due but not yet paid on the existing underlying securities (except those to be issued under the pro rata issue).
- N = the number of securities with rights or entitlements that must be held to receive a right to one new security.

In the case of a bonus issue the number of Shares over which the Option is exercisable may be increased by the number of Shares which the option holder would have received if the Option had been exercised before the record date for the bonus issue. The Company shall notify the ASX of the adjustments in accordance with the Listing Rules.

- (m) In the event of any reconstruction (including consolidation, subdivisions, reduction or return) of the authorised or issued capital of the Company, the number of the Options or the exercise price of the Options or both shall be reconstructed (as appropriate) in accordance with the Listing Rules.
- (n) The Options will not give any right to participate in dividends until Shares are allotted pursuant to the exercise of the relevant Options.
- (o) The Options do not give any right to participate in new issues unless the option holder exercises the Option.

SABRE RESOURCES LTD
ABN 68 003 043 570
FORM OF PROXY

The Secretary,
 Sabre Resources Ltd.
 1st Floor, 8 Parliament Place,
 West Perth, WA, 6005

I/We.....
 of.....
 being a holder of shares in the capital of Sabre Resources Ltd hereby appoint

.....
 of.....
 or failing him, the Chairman of the meeting as my/our proxy to vote on my/our behalf at the Annual General Meeting of the Company to be held on Tuesday, 13 November 2007 and at any adjournment thereof, in the manner indicated below, or in the absence of indication as he or she thinks fit.

A statement of the Chairman's voting intentions in relation to undirected proxies.

If you do not wish to direct your proxy how to vote, please place a mark in the box.

By marking this box you acknowledge that the Chairman may exercise your proxy even if he has an interest in the outcome of the resolution and votes cast by him other than as proxy holder will be disregarded because of that interest.

The Chairman intends to vote for the resolution.

- | | | | | | | | |
|----|---------------------------------------|-----|--------------------------|---------|--------------------------|---------|--------------------------|
| 1. | To adopt remuneration report | For | <input type="checkbox"/> | Against | <input type="checkbox"/> | Abstain | <input type="checkbox"/> |
| 2. | To re-elect Alex Clemen as a Director | For | <input type="checkbox"/> | Against | <input type="checkbox"/> | Abstain | <input type="checkbox"/> |
| 3. | To appoint new auditors | For | <input type="checkbox"/> | Against | <input type="checkbox"/> | Abstain | <input type="checkbox"/> |
| 4. | Ratification of grant of options | For | <input type="checkbox"/> | Against | <input type="checkbox"/> | Abstain | <input type="checkbox"/> |

(Shareholders to indicate by a tick in the box above how a proxy holder is to vote in respect of the above resolutions).

Signed by the said member this day of 2007.

Shareholders Signature
 or

Director

Director Secretary

Attendance and Voting Eligibility

For the purposes of the meeting, securities will be taken to be held by the persons who are registered holders at 9:00am on Friday, 9 November 2007. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the meeting.

Proxies

A member of the Company entitled to attend and vote at the meeting shall be entitled to appoint not more than two other persons (whether members of the company or not) as the member's proxy or proxies, to attend and vote on the member's behalf. Where two proxies are appointed the appointments shall be of no effect unless each proxy is appointed to represent a specified proportion of the member's voting rights. Forms of proxy must be deposited at the registered office of the company in West Perth not less than forty-eight (48) hours before the time appointed for the holding of the meeting.

