

LICENCE RENEWAL AND EXPLORATION UPDATE

HIGHLIGHTS

- **Exclusive Prospecting Licence 3542, the Ongava Project, has been renewed by the Ministry of Mines and Energy, Namibia.**
- **Drilling is continuing at Border.**
 - ▶ **Successful interception of down-dip zinc-lead mineralisation.**
 - ▶ **First samples have been sent to the laboratory for assay.**
- **Regional 30 m bird height helicopter-borne magnetic and radiometric survey currently underway over the entire 600 km² exploration licence.**
- **Extensive anomalies detected from Kaskara geophysics currently being validated by third party consultants.**

1 COMMENTARY

The renewal of Sabre's Ongava Polymetallic Project licence, EPL 3542, was welcomed by Dr Matthew Painter, General Manager – Exploration.

"We're very pleased to receive confirmation of the licence renewal for our Ongava Polymetallic Project," he said. "Whilst we did not doubt that the licence would be renewed, the extended bureaucratic delays were extremely frustrating for shareholders and management alike."

"We can now concentrate on the enormous potential of the project and move forward, as we are doing with the ongoing drilling at Border and the current acquisition of high resolution helicopter-borne magnetic and radiometric data from the entire licence area".

2 LICENCE RENEWAL

Sabre's Exclusive Prospecting Licence EPL3542 has been renewed by the Namibian Ministry of Mines and Energy.

Sabre submitted the renewal on 9 August 2009, more than two months prior to the expiry date of 11 October 2009. With severe processing backlogs in the Ministry, the Mining Commissioner signed the renewal earlier this month. The licence has accordingly been renewed for the statutory two year period.

3 BORDER DIAMOND DRILLING PROGRAMME

Two diamond rigs are continuing to drill at Border. To date, over 3000 m of core has been drilled.

Drilling is showing that the previously drilled mineralisation is continuing further down-dip (Figure 1). Visual observations suggest that this zone is broadening and that grades may be increasing. This will require assay confirmation.



Figure 1 – Galena and sphalerite mineralisation from BDDD0049, 112m.

A small part of the geophysical anomalies detected adjacent to the Border deposit have been drilled. These anomalies correspond with intense alteration and broadly disseminated copper, lead and zinc mineralisation of a different style to the previously drilled portions of the Border deposit. The copper minerals malachite $[\text{Cu}_2\text{CO}_3(\text{OH})_2]$, chalcocite $[\text{Cu}_2\text{S}]$ and bornite $[\text{Cu}_5\text{FeS}_4]$ have been noted, alongside galena $[\text{PbS}]$ and sphalerite $[\text{ZnS}]$ (which are typical of the Border deposit). Initial observations suggest that the concentration of mineralisation intercepted to date is not of ore grade, but forms part of an extensive, copper-bearing mineralising system. Investigations are continuing into this newly discovered zone.

The first batch of samples has been sent to South Africa for processing. We expect to report the results of these analyses in the coming weeks.

4 REGIONAL MAGNETIC AND RADIOMETRIC SURVEY

Sabre has embarked upon the collection of regional high resolution magnetic and radiometric data from the entire Ongava licence area using low level (30 m height) helicopter-borne sensors. Data acquisition commenced on 8 June and is due to be completed shortly. Processing of the data collected will take several weeks to complete.

North-south lines are spaced at 100 m intervals over the entire 600 km² licence area and its periphery. Sensor height is at 30 m above ground on a boom attached to the base of the helicopter. These parameters should ensure some of the highest quality data commercially available.



Figure 2 – The contract helicopter with dual sensor boom attachment for recording magnetic and radiometric data.

It is expected that this dataset will be instrumental in Sabre's ongoing exploration of the Ongava Polymetallic Project. As well as assisting with exploration at and around Border and Kaskara, it will be used to evaluate other known deposits and prospects, such as the Driehoek Zn-Pb deposit and the Rooikat Cu prospect. The data will also be used to generate additional targets for mineralisation throughout the Ongava Polymetallic Project area.

5 KASKARA GEOPHYSICAL PROGRAMME

The geophysical programme at and around Kaskara has identified numerous anomalies, some of which directly correlate with outcropping oxidised mineralisation at Kaskara, Kaskara West, Lucas Post and Lucas Post East prospects. The presence of a powerline and metal fences within part of the Kaskara geophysical survey area may, however, have interfered with the results of the programme at some locations. As such, the veracity of some anomalies must be checked. In doing so, we have taken the opportunity to have third party geophysics specialists in Western Australia check the entire survey results, the data processing procedures and the likely depth effectiveness of the programme for quality control purposes. In the meantime, targeting of the area for the upcoming drill programme has commenced, but will await the conclusion of the geophysics data review before finalising targets.

Drilling at Kaskara is now due to commence in the third quarter.

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

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Competent Person Declaration

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 Australasian 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 "Australasian 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.