

Sable Exploration and Mining Limited

(formerly Middle East Diamond Resources Limited)

(Incorporated in the Republic of South Africa)

(Registration number: 2001/006539/06)

JSE share code: SXM ISIN: ZAE000303319

("SEAM or "the company" or "the group")

UNAUDITED CONDENSED CONSOLIDATED FINANCIAL RESULTS FOR THE 6 MONTHS ENDED 31 AUGUST 2022

CONDENSED STATEMENT OF FINANCIAL POSITION AS AT 31 AUGUST 2022

	Unaudited 6 months ended 31 Aug 2022	Audited year ended 28 Feb 2022	Unaudited 6 months ended 31 Aug 2021
Assets			
Non-Current Assets			
Other Financial Assets	-	98	-
Current Assets			
Trade and other receivables	699,024	395,145	2,191,645
Cash and cash equivalents	4,322	4,425	3,726
	703,346	399,570	2,195,371
Total Assets	703,346	399,668	2,195,371
Equity and Liabilities			
Equity			
Share Capital	99,468,435	99,468,435	99,468,435
Accumulated loss	(127,906,135)	(125,488,032)	(120,899,782)
Equity attributable to owners of the parent	(28,437,700)	(26,019,597)	(21,431,347)
Non-controlling interest	(1,361)	(1,161)	(12,969)
Total equity	(28,439,061)	(26,020,758)	(21,444,316)
Liabilities			
Non-Current Liabilities			
Other financial liabilities	25,418,527	22,941,609	20,290,850
Current Liabilities			
Trade and other payables	3,723,574	3,478,564	3,335,438
Taxation	-	-	13,399
Bank overdraft	306	253	-
	3,723,880	3,478,817	3,348,837
Total Liabilities	29,142,407	26,420,426	23,639,687
Total Equity and Liabilities	703,346	399,668	2,195,371

**CONDENSED STATEMENT OF COMPREHENSIVE INCOME FOR THE 6 MONTHS
ENDED 31 AUGUST 2022**

	Unaudited 6 months ended 31 Aug 2022	Audited year ended 28 Feb 2022	Unaudited 6 months ended 31 Aug 2021
Operating expenses	(2,418,103)	(6,113,957)	(1,579,489)
Operating loss	(2,418,103)	(6,113,957)	(1,579,489)
Finance costs	-	(53,782)	
Loss before taxation	(2,418,103)	(6,167,739)	(1,579,489)
Taxation	-	-	-
Loss for the year from continuing operations	(2,418,103)	(6,167,739)	(1,579,489)
Loss for the period attributable to:			
Owners of the parent	(2,418,103)	(6,167,739)	(1,579,489)
Non-controlling interest	-	-	-
Loss for the period	(2,418,103)	(6,167,739)	(1,579,489)
Headline loss reconciliation - continuing operations			
Net loss for the year	(2,418,103)	(6,167,739)	(1,579,489)
Headline loss	(2,418,103)	(6,167,739)	(1,579,489)
Weighted average number of shares	4,351,265	4,351,265	4,351,265
Fully diluted WA number of shares	4,351,265	4,351,265	4,351,265
Loss per share (cents)	(55.57)	(141.75)	(36.30)
Diluted loss per share (cents)	(55.57)	(141.75)	(36.30)
Headline loss per share (cents)	(55.57)	(141.75)	(36.30)
Diluted headline loss per share (cents)	(55.57)	(141.75)	(36.30)

CONDENSED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 AUGUST 2022

	Share Capital	Accumulated loss	Total	Non- controlling interest	Total Equity
Balance at 1 March 2020	99,468,435	(116,004,390)	(16,535,955)	(12,969)	(16,548,924)
Comprehensive loss for the period		(1,579,489)	(1,579,489)		(1,579,489)
Balance at 31 August 2020	99,468,435	(117,583,879)	(18,115,444)	(12,969)	(18,128,413)
Comprehensive loss for the period		(1,736,414)	(1,736,414)		(1,736,414)
Balance at 28 February 2021	99,468,435	(119,320,293)	(19,851,858)	(12,969)	(19,864,827)
Comprehensive loss for the period		(1,579,489)	(1,579,489)		(3,158,978)
Balance at 31 August 2021	99,468,435	(120,899,782)	(21,431,347)	(12,969)	(23,023,805)
Adjustment to non-controlling interest on disposal of subsidiaries				11,808	11,808
Comprehensive loss for the period		(4,588,250)	(4,588,250)		(4,588,250)
Balance at 28 February 2022	99,468,435	(125,488,032)	(26,019,597)	(1,161)	(27,600,247)
Adjustment to non-controlling interest on disposal of subsidiaries				(200)	(200)
Comprehensive loss for the period		(2,418,103)	(2,418,103)		(4,836,206)
Balance at 31 August 2022	99,468,435	(127,906,135)	(28,437,700)	(1,361)	(32,436,653)

**CONDENSED STATEMENT OF CASH FLOWS FOR THE 6 MONTHS
ENDED 31 AUGUST 2022**

	Unaudited 6 months ended 31 Aug 2022	Audited year ended 28 Feb 2022	Unaudited 6 months ended 31 Aug 2021
Cash flows from operating activities			
Cash utilised in operations	(2,477,074)	(1,333,268)	(121,017)
Finance costs paid	-	(53,782)	-
Net cash from operating activities	(2,477,074)	(1,387,050)	(121,017)
Cash flows from investing activities			
Acquisition of associates		(98)	-
Net cash from investing activities	-	(98)	-
Cash flows from financing activities			
Proceeds from financial liabilities	2,476,918	1,385,759	119,162
Net cash from financing activities	2,476,918	1,385,759	119,162
Total cash movement for the year	(156)	(1,389)	(1,855)
Cash at the beginning of the year	4,172	5,561	5,561
Cash at the end of the year	4,016	4,172	3,706

OPERATIONS, MARKETS AND FINANCIAL PERFORMANCE

Financial performance

The group is still in the exploration phase and is investigating various acquisitions and therefore does not generate cash from its activities.

The company's expenses mainly consist of management fees and general costs related to a listed entity. Management continue to monitor the cash flow situation on an ongoing basis.

As is common with many junior exploration and mining companies, the group raises capital for exploration and other projects as and when required.

TRANSACTIONS

No transactions or prospective transactions were entered into. The CEO, Mr James Allan continues to review numerous business opportunities for the Group.

RIGHTS OFFER

The directors of the company have underwritten, direct and indirectly, a total of 25 364 907 shares which in total amounts to R 25,36 million representing 48,6% of the approved rights issue. The details were disclosed in a SENS announcement dated 2 March 2022. It should be noted that shareholders have the first right to subscribe for shares at R1 each and the underwriting can only be exercised if shareholders do not take up the shares being offered in the rights issue.

SEGMENT REPORTING

Whilst the company retains various platinum prospecting rights, during the period the group currently operated in one segment relating to the expenditure on acquisitions in the diamond sector.

BASIS OF PREPARATION

The groups financial results for the 6 months ended 31 August 2022 constitute a summary prepared in accordance with the JSE Listings Requirements, the South African Companies Act, 2008 as amended (the Companies Act), and the recognition and measurement requirements of International Financial Reporting Standards (IFRS) and the presentation and disclosure requirements of IAS 34 and the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee or its successor of the group's audited financial statements.

The accounting policies applied in the preparation of these condensed consolidated interim financial statements comply with IFRS and are consistent with those used in the annual financial statements for the year ended 28 February 2022.

The interim financial statements have been prepared by Deon Botha CA (SA).

GOING CONCERN

The group continued to incur losses in the 6 month period. The interim results have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments, will occur in the ordinary course of business.

SEAM is an exploration company not yet in a cash generating position which is obliged to fund exploration through equity investments. The group is currently exploring options available to it to enable it to raise further capital in order to continue its exploration and acquisition programme and to cover all general and administration costs. The group's future prospects and stability rely on its ability to raise further capital for the ensuing years.

At 31 August 2022 the group had negative equity attributable to equity holders of R28,4 million. The group incurred a net loss of R2,418,103 for the period and, as that date, the group's total liabilities, fairly valued, exceeded its total assets by R28,4 million.

It should be noted that the majority of this liability is to Sable Platinum Mining Limited, the company that was spun off in terms of the restructuring of the group in January 2016, and to current directors.

DIVIDEND POLICY

No dividend has been declared for the interim period.

CHANGES TO THE BOARD

There were no changes made to the board for the period 1 March 2022 to date.

LITIGATION

The company is not aware of any legal or arbitration proceedings (including any such proceedings which are pending or threatened), which may have or may have had, in the last 6 months, a material effect on the group's financial position.

EVENTS AFTER THE REPORTING PERIOD

No transactions took place after the reporting period of 31 August 2022 to date.

By order of the board

Sandton

5 December 2022

Executive directors: James Allan (chief executive officer), Deon Botha (financial director - part-time)

Non-executive directors: Sheikh Abdulla Khalfan Humaid Nasser, Said Tinawi, Enver Motala

Independent non-executive directors: Charles Mostert, Eshaan Singh

Registration number: 2001/006539/06

Registered address: Kingsley Office Park, 85 Protea Road, Chislehurst, 2196

Business postal address: PO Box 411130, Craighall, 2024

Company secretary: Claire Middlemiss

Transfer secretaries: CTSE Registry Services (Pty) Ltd

Sponsor: Exchange Sponsors (2008) (Pty) Ltd