



SABLE EXPLORATION AND MINING 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")

SUMMARISED AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE YEAR ENDED 28 FEBRUARY 2023

PREPARER

These results were prepared by Deon Botha CA (SA).

OVERVIEW

At a glance

	Year ended 28 Feb 2023 (audited)	Year ended 28 Feb 2022 (audited)
EBITDA	(6 169 257)	(6 113 957)
(Loss)/earnings per share (cents)	(143.34)	(141.76)
Headline loss per share (cents)	(143.34)	(141.76)
Net asset value per share (cents)	(741.36)	(598.1)
Tangible asset value per share (cents)	(741.36)	(598.1)

Changes to the Board of directors

Director	Position	Appointment date	Resignation date
James Allan	Chief executive officer	2012-11-23	
Mohammed Bassam Al Mojarkesh	Non-executive director / shareholder representative	2016-07-29	2023-04-26
Charles Mostert	Independent Chairman	2020-08-25	2023-04-24
Eshaan Singh	Part-time financial director	2020-08-25	2023-04-24
Said Tinawi	Non-executive director	2016-02-16	2023-04-26
Deon Botha	Part-time Financial Director	2020-11-04	
Enver Motala	Non-executive director	2021-02-01	
Ian Bird	Independent Chairman	2023-04-21	
Nyameka Madikizela	Non-executive director	2023-04-21	
Hazel Bango-Moyo	Non-executive director	2023-04-21	
Ulrich Bester	Non-executive director	2023-05-15	

OVERVIEW (continued)

Reporting period under review

Chief Executive Officers report 2023

At the beginning of March 2022, it was announced that the Board had approved a partially underwritten rights issue of 52 215 180 shares at R1 per share. The directors had agreed to underwrite 28.6% of the rights issue of R52,2m. The underwriting could only be exercised if shareholders did not exercise their rights to acquire further shares.

At the end of May 2022 it was announced that Magni Investment Holdings (Pty) Ltd and Lurco Metals (Pty) had not fulfilled various conditions precedent and the agreement to acquire assets from them had lapsed and the company had been approached by various other companies to reverse their assets into your company.

Various negotiations and discussion took place over the year but these did not come to fruition by the time the company was approached by PBNJ (Pty) Ltd ("PBNJ") in November 2022.

PBNJ proposed that they wanted to acquire a majority stake in the company, fund the company and use the company to acquire mining assets for development.

An announcement was made in early December 2022 that PBNJ had acquired approximately 1.6m shares in the company which represented over 35% of the company. Further sales to PBNJ took place in December 2022 and January 2023 including the disposal by Mr. Enver Motala and Mr. Charles Mostert resulting in PBNJ holding shares representing over 50% of the company.

On 23 February 2023 an announcement was made to the effect that the rights offer, approved by the Board, was fully underwritten. The CEO has committed to, either directly or indirectly, follow rights and underwriting to a total of 6 456 136 shares at R1 per share representing approximately 12% of the rights issue.

A circular was distributed to shareholders shortly after the year-end in which PBNJ made an offer to acquire all of the shares from minority shareholders at R1 per share.

This offer was taken up by shareholders holding 428 233 shares representing 9.8% of the company, resulting in PBNJ holding 59.9% of the company.

The circular for the rights issue will be sent to shareholders after the release of this Integrated Report, after the circular is approved by the JSE.

The rights issue is fully subscribed and underwritten by the CEO and PBNJ. If other shareholders do not follow their rights then PBNJ will hold 85% and the CEO will hold approximately 12% of the company resulting in a free float of approximately 3% in the shareholding. The Johannesburg Stock Exchange will be approached for dispensation on the free float.

Following the successful conclusion of the rights issue there will remain over 1.4bn authorised but unissued shares in the company.

A visit was made to Ghana to investigate the Stepford gold prospect that had been the subject of SENS announcements in November 2020. After visiting prospecting trenches and analysing samples taken from the trenches it was decided that the company would not pursue the project.

The company will continue to investigate assets for acquisition, and this may address the free-float issue.

OVERVIEW (continued)

Reporting period under review

Chief Executive Officers report 2023 (continued)

I welcome the following appointments to the Board in April: Mr. Ian Bird, Ms. H Bango-Moyo and Ms. N Madikizela.

The following directors resigned from the Board in April: Mr Mohammed Bassam Al Mojarkesh, Mr Charles Mostert, Mr Said Tinawi and Mr Eshaan Singh.

I thank these Board members for their wise counsel and guidance over the last few years. In particular Charles Mostert has been with the company since the reversal into New Corpcapital in November 2012. Charles provided sound guidance over the years in his position as Board Member and Non-executive Chairman. Charles has indicated for some time that he has wished to step down to concentrate on his company, SunRanch Solar. I am sure his business will go from strength to strength.

Mr Ulrich Bester, director of PBNJ, was appointed to the Board in May 2023.

I look forward to working with Ian Bird as the new Chairman of the company and with the new members of the Board as we grow the company in line with the strategy outlined by PBNJ.

James Allan

Director

30 May 2023

SUMMARISED AUDITED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

AS AT 28 FEBRUARY 2023

	GROUP		COMPANY	
	Year ended 28 Feb 2023 (audited)	Year ended 28 Feb 2022 (audited)	Year ended 28 Feb 2023 (audited)	Year ended 28 Feb 2022 (audited)
Figures in Rands				
Assets				
Non-current assets				
Investment in associates	-	98	-	-
	-	98	-	-
Current assets				
Trade and other receivables	1 016 515	395 145	-	-
Cash and cash equivalents	67 418	4 425	-	-
	1 083 933	399 570	-	-
Total assets	1 083 933	399 668	-	-
Equity and liabilities				
Capital and reserves				
Share capital	99 468 435	99 468 435	317 605 140	317 605 140
Accumulative loss	(131 724 951)	(125 488 032)	(324 808 050)	(323 276 140)
Equity attributable to owners of the parent	(32 256 516)	(26 019 597)	(7 202 910)	(5 671 000)
Non-controlling interests	(1 161)	(1 161)	-	-
Total equity	(32 257 677)	(26 020 758)	(7 202 910)	(5 671 000)
Non-current liabilities				
Other financial liabilities	-	22 941 609	-	3 120 782
	-	22 941 609	-	3 120 782
Current liabilities				
Other financial liabilities	32 811 272	-	7 019 346	-
Trade and other payables	530 338	3 478 564	183 564	2 550 218
Bank overdraft	-	253	-	-
	33 341 610	3 478 817	183 564	2 550 218
Total liabilities	33 341 610	26 420 426	7 202 910	5 671 000
Total equity and liabilities	1 083 933	399 668	-	-

SUMMARISED AUDITED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 28 FEBRUARY 2023

	GROUP			COMPANY	
	Year ended 28 Feb 2023 (audited)	% change	Year ended 28 Feb 2022 (audited)	Year ended 28 Feb 2023 (audited)	Year ended 28 Feb 2022 (audited)
Figures in Rands					
Operating expenses	(6 169 257)		(6 113 957)	(1 470 640)	(882 943)
Operating loss	(6 169 257)		(6 113 957)	(1 470 640)	(882 493)
Impairment loss	-		-	-	(100 000)
Finance costs	(67 662)		(53 782)	(61 270)	(53 762)
Loss before income tax	(6 236 919)		(6 167 739)	(1 531 910)	(1 036 705)
Taxation	-		-	-	-
Total comprehensive loss for the year	(6 236 919)		(6 167 739)	(1 531 910)	(1 036 705)
Total comprehensive loss attributable to:					
Owners of the parent	(6 236 919)		(6 167 739)		
Non-controlling interest	-		-		
	(6 236 919)		(6 167 739)		
EBITDA	(6 169 257)	2.01%	(6 113 957)		
Earnings and Diluted Earnings per share					
Loss per share (cents)	(143,34)	1,12%	(141,76)		
Headline loss per share (cents)	(143,34)	1,12%	(141,76)		
Net Asset Value per Share	(741.36)	23.95%	(598.1)		
Net Tangible Value per Share	(741.36)	23.95%	(598.1)		

SUMMARISED AUDITED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

FOR THE YEAR ENDED 28 FEBRUARY 2023

Figures in Rands	Attributable to the parent			Non-controlling interest	Total equity
	Share capital	Accumulated loss	Total		
Group					
Balance at 1 March 2021	99 468 435	(119 320 293)	(19 851 858)	(12 969)	(19 864 827)
Adjustment to non-controlling interest on disposal of subsidiaries	-	-	-	11 808	11 808
Total comprehensive loss	-	(6 167 739)	(6 167 739)	-	(6 167 739)
Balance at 28 February 2022	99 468 435	(125 488 032)	(26 019 957)	(1 161)	(26 020 758)
Total comprehensive loss	-	(6 236 919)	(6 236 919)	-	(6 236 919)
Balance at 28 February 2023	99 468 435	(131 724 951)	(32 256 516)	(1 161)	(32 257 677)
Company					
Balance at 1 March 2021	317 605 140	(322 239 435)	(4 634 295)	-	(4 634 295)
Total comprehensive loss	-	(1 036 705)	(1 036 705)	-	(1 036 705)
Balance at 1 March 2022	317 605 140	(323 276 140)	(5 671 000)	-	(5 671 000)
Total comprehensive loss	-	(1 531 910)	(1 531 910)	-	(1 531 910)
Balance at 28 February 2023	317 605 140	(324 808 050)	(7 202 910)	-	(7 202 910)

SUMMARISED AUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 28 FEBRUARY 2023

	GROUP		COMPANY	
	Year ended 28 Feb 2023 (audited)	Year ended 28 Feb 2022 (audited)	Year ended 28 Feb 2023 (audited)	Year ended 28 Feb 2022 (audited)
Figures in Rands				
Cash flows from operating activities				
Cash generated by operations	80 908	(1 333 268)	61 270	(17 020)
Finance costs paid	(67 662)	(53 782)	(61 270)	(53 762)
Net cash (used in)/generated from operating activities	13 246	(1 387 050)	-	(70 782)
Cash flows from investing activities				
Loans advanced to subsidiary	-	-	-	(100 000)
Acquisition of associates	-	(98)	-	-
Net cash from investing activities	-	(98)	-	(100 000)
Cash flows from financing activities				
Payment of financial liabilities	(400 000)	-	-	-
Proceeds from financial liabilities	450 000	1 385 759	-	170 782
Net cash from financing activities	50 000	1 385 759	-	170 782
Total cash movement for the period	63 246	(1 389)	-	-
Cash at the beginning of the period	4 172	5 561	-	-
Total cash at the end of the period	67 418	4 172	-	-

NOTES TO THE SUMMARISED AUDITED CONSOLIDATED FINANCIAL RESULTS

For the year ended 28 February 2023

1. Basis of preparation and Accounting Policies

Presentation of annual financial statements

The principal accounting policies applied in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

The consolidated financial statements of Sable Exploration and Mining Limited have been prepared in accordance with the International Financial Reporting Standards (“IFRS”), interpretations issued by the IFRS Interpretations Committee (“IFRS IC”) applicable to companies reporting under IFRS and JSE Securities Exchange (“JSE”) Listings Requirements. The financial statements comply with IFRS as issued by the International Accounting Standards Board (“IASB”) and in the manner required by the Companies Act, 71 of 2008 as amended.

Historical cost convention

The financial statements have been prepared on the historical cost basis.

Standards and interpretations

The following standards and interpretations not yet effective that would have an immaterial impact on the financial statements of the Group and Company.

Standards	Details of amendment	Annual periods beginning on or after
IAS 1 Presentation of Financial Statements	Classification of Liabilities as Current or Noncurrent: Narrow-scope amendments to IAS 1 to clarify how to classify debt and other liabilities as current or non-current.	1 January 2024
	Disclosure of Accounting Policies: The amendments require companies to disclose their material accounting policy information rather than their significant accounting policies, with additional guidance added to the Standard to explain how an entity can identify material accounting policy information with examples of when accounting policy information is likely to be material.	1 January 2023
	Non-current liabilities with Covenants: The amendment clarifies that only covenants with which an entity is required to comply on or before the reporting date affect the classification of a liability as current or non-current, with additional guidance to explain how an entity should disclose information in the notes to understand the risk that non-current liabilities with covenants could become repayable within twelve months.	1 January 2024

IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors	Definition of Accounting Estimates: The amendments clarify how companies should distinguish changes in accounting policies from changes in accounting estimates, by replacing the definition of a change in accounting estimates with a new definition of accounting estimates. Under the new definition, accounting estimates are “monetary amounts in financial statements that are subject to measurement uncertainty”. The requirements for recognising the effect of change in accounting prospectively remain unchanged.	1 January 2023
IAS 12 Income Taxes	Deferred Tax related to Assets and Liabilities arising from a Single Transaction: The amendment clarifies how a company accounts for income tax, including deferred tax, which represents tax payable or recoverable in the future. In specified circumstances, companies are exempt from recognising deferred tax when they recognise assets or liabilities for the first time. The aim of the amendments is to reduce diversity in the reporting of deferred tax on leases and decommissioning obligations, by clarifying when the exemption from recognising deferred tax would apply to the initial recognition of such items.	1 January 2023

COMMENTARY

The Board of Directors (“the Board”) of SEAM is pleased to present the reviewed results for the year ended 28 February 2023.

Trade and other receivables has increased from R 395 145 for the year ended 28 February 2023 to R 1 016 515 for the year ended 28 February 2022 which can be attributed to an increase in Input VAT.

Other financial liabilities have been reclassified from non-current assets to current assets due to change in terms and conditions. Other financial liabilities increased from R 22 941 609 as at 28 February 2023 to R 32 811 272 as at 28 February 2022, which can be attributed to an increase in funding received for operations during the year.

Trade and other payables have decreased from R 3 478 564 as at 28 February 2022 to R 530 338 as at 28 February 2023 due to payments effected by an executive director resulting in a corresponding increase in his loan.

2. Earnings and headline earnings per share

	Year ended 28 Feb 2023 (audited)	Year ended 28 Feb 2022 (audited)
Loss and Headline Loss per share and Diluted Loss and Diluted Headline Loss per share		
Attributable to the ordinary equitable holders	(143,34)	(141,76)
Reconciliation of loss used in calculating earnings per share and headline loss per share		
Profit attributable to the ordinary equity holders of the company used in		

calculating basic loss per share		
Loss for the year	(6 236 919)	(6 167 739)
Adjusted for: No adjustments required	-	-
	(6 236 919)	(6 167 739)
Weighted average number of shares used as the denominator		
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	4,351,134	4,351,134
Adjusted for calculation of diluted earnings per share: No adjustments required	-	-
Weighted average number of ordinary shares and potential ordinary shares used as the denominator in calculating diluted earnings per share	4,351,134	4,351,134

NOTES TO THE SUMMARISED AUDITED CONSOLIDATED FINANCIAL RESULTS

For the year ended 28 February 2023 (Continued)

3. Financial risk management and fair value

There has been no material change in the Group's financial risk management objectives and policies compared to those disclosed in the consolidated annual financial statements as at and for the year ended 28 February 2023.

The Group does not currently carry any assets or liabilities at fair value which required any disclosure on its fair value measurement.

The directors are of the opinion that the carrying amount of the financial assets and financial liabilities approximate their fair values.

4. Contingencies

No contingencies exist at year-end.

5. Segment reporting

IFRS 8 requires an entity to report financial and descriptive information about its reportable segments, which are operating segments or aggregations of operating segments that meet specific criteria. Operating segments are components of an entity about which separate financial information is available that is evaluated regularly by the chief operating decision maker. Furthermore, a segment is a distinguishable component of the Group that is engaged in either providing related products and services (business segments), in providing products or services within a particular economic environment (geographic segment), which is subject to risks and returns that are different to those of other segments. The Chief Executive Officer is the chief operating decision maker and evaluates the financial information of the Group as one operating unit.

No segment information has been provided as the Group is currently not trading.

6. Related parties

Relationships

Subsidiaries

Fast Full Trade and Invest (Pty) Ltd
Middlewave Trade and Invest 4 (Pty) Ltd
Saddle Path Properties 54 (Pty) Ltd
Squirewood Investments 98 (Pty) Ltd
Writer Star Trade and Invest (Pty) Ltd

Directors and members of key management:

James Gordon Allan

Deon Botha

Ian Bird

Ulrich Bester

Hazel Bango-Moyo

Nyameka Madikizela

Mohammed Bassam Al Mojarkesh – resigned 26 April 2023

Mohamed Said Tinawi - resigned 26 April 2023 Eshaan Singh - resigned 24 April 2023

Charles Philip Mostert - resigned 24 April 2023

Enver Mohamed Motala

Other

Kim Botha – wife of Deon Botha

NOTES TO THE SUMMARISED AUDITED CONSOLIDATED FINANCIAL RESULTS

For the year ended 28 February 2023 (Continued)

6 Related parties (continued)

Related party balances and transactions with entities with control, joint control or significant influence

Related party balances	Year ended 28 Feb 2023 (audited)	Year ended 28 Feb 2022 (audited)
Transactions with directors		
Loans payable		
PBNJ Consulting and Trading (Pty) Ltd	23 184 630	-
Sable Platinum Mining Limited (JG Allan director)	1 266 278	18 857 276
J G Allan	7 604 566	1 034 333
Kianalily (Pty) Ltd	450 000	-
Shenver Investments (Pty) Ltd (EM Motala director)	-	1 000 000
Mohamed Said Tinawi	-	800 000
Trade payables		
Eshaan Singh / Noah Capital	-	252,203
Deon Botha	-	210 825
Kim Botha - wife of Deon Botha	-	114 100
Related party transactions		
Management and accounting fees		
Sable Platinum Mining Limited (JG Allan director)	3 600 000	2 400 000
Deon Botha	259 950	211 250
Kim Botha	-	45 000
Directors' remuneration		
Executive		
J G Allan	-	-
D Botha	-	-
Total executive fees	-	-
Non-executive fees		
C P Mostert	200 500	116 500
E Singh	199 500	99 000
M Bassam Al Mojarkesh	178 000	103 500
M S Tinawi	139 000	76 500

E M Motala	55 000	75 000
Total non-executive fees	772 000	470 500

NOTES TO THE SUMMARISED AUDITED CONSOLIDATED FINANCIAL RESULTS

For the year ended 28 February 2023 (Continued)

7 Going concern

The financial statements 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.

The Group incurred a loss for the year ending 28 February 2023 of R6 236 919 (2022 - R6 167 739) and, as of those dates, the Group's total liabilities exceeded its total assets by R32 257 677 (2022 - R26 020 758).

These events or conditions, along with other matters set forth in this note, indicate that a material uncertainty exists that may cast a significant doubt on the Group's ability to continue as a going concern.

The directors will continue to source financial resources to continue as a going concern despite the historical losses incurred. The ability of the Group and Company to be a going concern is dependent on the success of the rights issue as follows:

Rights issue

The SENS announcement on 02 March 2022 informed shareholders that the SEAM board of directors approved a partially underwritten rights offer of 52 213 608 ordinary shares, in the ratio of 12 new ordinary shares for each existing ordinary share, at a price of R 1 per share. The company aims to raise R52,2 million before any costs to assist in paying outstanding creditors and assist SEAM with future acquisitions.

The directors of the company have undertaken to follow rights and underwritten, direct and indirectly, a total of 52 213 608 shares which in total amounts to R 52.21 million representing 100% of the approved rights issue. 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.

It anticipated that the rights issue circular will be sent to shareholders as soon rights offer has been approved by the JSE.

Acquisition of shares and subsequent funding

PBNJ acquired 45,5% of the companies issued share capital as per SENS announcement dated 15 December 2022 and a further 4,5% prior to the year-end.

PBNJ have committed to fund a further R22,5 million in terms of the right issue.

NOTES TO THE SUMMARISED AUDITED CONSOLIDATED FINANCIAL RESULTS

For the year ended 28 February 2023 (Continued)

Mining and prospecting risk

The Group and Company works within the framework of the Mineral and Petroleum Resources Development Act, 28 of 2002 and other applicable legislation in order to remain therewith and to retain its granted rights. The failure of the Group and Company to meet its obligation to the Department of Mineral Resources (DMR) may negatively impact on its holding of the prospecting rights and hence its core business. The impact of any legislative changes as to the risk they may pose to the Group and Company's operation will be assessed as and when they occur. The communities with whom the Group and Company deals with are often fractured. The Group and Company, through ongoing negotiation with these communities, attempts to anticipate and resolve any such issues as and when they occur and prior to them becoming material.

8 Events after the reporting date

PBNJ acquired a further 9.8% of the issued share capital as a result of the mandatory offer to resulting in PBNJ holding 59.9% of the issued share capital in the company.

No other events after the reporting date have been identified.

AUDITOR'S REPORT

The summarized financial results are extracted from audited information but is not itself audited. The directors take full responsibility for the preparation of the abridged financial information and the correct extraction of the financial information included herein for the underlying annual financial statements. The financial statements were audited by Nexia SAB&T, the audit report thereon is available for inspection at the Company's registered office. The auditor's report contained the following paragraph with respect to material uncertainty relating to going concern:

"We draw attention to Note 22 in the financial statements, which indicates that the Group incurred a net loss for the year ended 28 February 2023 and, as of that date, the Group's total liabilities exceeded its total assets by R32 257 677 (2022 - R26 020 758). As stated in Note 22, these events or conditions, along with other matters as set forth in Note 22, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter."

For and behalf of the Board of directors

James Gordon Allan

Chief Executive Officer

Ian Bird

Independent Non-Executive Chairman

SABLE EXPLORATION AND MINING 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")

Directors:

James Gordan Allan (Chief Executive Officer), Deon Botha (Financial Director (part-time)),
Ian Bird (Independent Chairman)*, Ulrich Bester (Executive Director), Enver Motala (Non-Executive Director)
Ms. Hazel Bango-Moyo and Ms. Nyameka Madikizela.*

* *Independent Non-Executive Directors*

Registered address:

TSEBO OFFICE PARK
85 PROTEA ROAD
CHISLEHURSTON SANDTON
GAUTENG
2192

Postal Address:

PO Box 411130, Craighall, 2024

Website Address:

www.sablemetals.co.za

Company Secretary:

Ms. Claire Middlemiss
Capital Governance (Pty) Ltd

Sponsor:

Exchange Sponsors (2008) Proprietary Limited, 44a Boundary Road, Inanda, 2196,
(P O Box 411216, Craighall, 2024)

Auditor:

Nexia SAB&T, 119 Witch-Hazel Avenue, Highveld Technopark, Centurion, 0157
(PO Box 10512, Centurion, 0046)

Transfer Secretaries:

CTSE Registry Services (Pty) Ltd
(previously named 4 Africa Exchange Registry)
Hill on Empire 4th floor
Building A
16 Empire Road Parktown, 2193

These results and an overview of SEAM are available from the CEO at james@sabemetals.co.za

30 May 2023