

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")

UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS
ENDED 31 AUGUST 2024

CONDENSED STATEMENT OF FINANCIAL POSITION AS AT 31 AUGUST 2024			
Assets	31 Aug 2024	29 Feb 2024	31 Aug 2023
Non-Current Assets	11,979,418	12,186,780	
Other Financial Assets	4,799,370	4,499,370	-
Current Assets			
Trade and other receivables	789,909	668,362	1,370,241
Cash and cash equivalents	613,689	3,186,068	6,385
	6,202,968	8,353,800	
Total Assets	18,182,386	20 540 580	1,376,626
Equity and Liabilities			
Equity			
Share Capital	151,682,043	151,682,043	99,468,435
Accumulated loss	(151,149,531)	(146,125,800)	(134,886,183)
Equity attributable to owners of the parent	532,512	5,556,243	(35,417,748)
Non-controlling interest	(1,161)	(1,161)	(1,161)
Total equity	531,351	5,555,082	(35,418,909)
Liabilities			
Non-Current Liabilities			
Other financial liabilities	19,999	169,999	35,903,434
Current Liabilities			
Trade and other payables	2 789 935	2 789 935	892,101
Bank overdraft	-	-	-
Total Liabilities	17,651,035	14 985 498	36,795,535
Total Equity and Liabilities	18,182,386	20 540 580	1,376,626

CONDENSED STATEMENT OF COMPREHENSIVE INCOME FOR THE 6 MONTHS ENDED 31 AUGUST 2024

	Unaudited 6 months ended 31 August 2024	Audited year ended 29 Feb 2024	Unaudited 6 months ended 31 Aug 2023
Operating expenses	(2,708,362)	(9,633,447)	(3,161,232)
Operating loss	(2,708,362)	(9,633,447)	(3,161,232)
Finance costs	(1,874,546)	(1,559,785)	-
Loss before taxation	(4,582,908)	(11,193,232)	(3,161,232)
Taxation	(440,823)		-
Loss for the period from continuing operations	(5,023,731)	(11,193,232)	(3,161,232)
Loss for the period attributable to:			
Owners of the parent			(3,161,232)
Non-controlling interest			-
Loss for the period	(5,023,731)	(11,193,232)	(3,161,232)
Headline loss reconciliation - continuing operations			
Net loss for the year			(3,161,232)
Headline loss	(5,023,731)	(11,193,232)	(3,161,232)
Weighted average number of shares	(56,564,742)	(21,755,670)	4,351,134
Fully diluted WA number of shares	(56,564,742)	(21,755,670)	4,351,134
Loss per share (cents)	(8.88)	(51.45)	(72.65)
Diluted loss per share (cents)	(8.88)	(51.45)	(72.65)
Headline loss per share (cents)	(8.88)	(51.45)	(72.65)
Diluted headline loss per share (cents)	(8.88)	(51.45)	(72.65)

CONDENSED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 AUGUST 2024					
	Share Capital	Accumulated Loss	Total	Non-controlling Interest	Total Equity
Balance at 28 February 2022	99,468,435	(125,488,032)	(26,019,597)	(1,161)	(26,020,758)
Adjustment to non-controlling interest on disposal of subsidiaries				(200)	(200)
Comprehensive loss for the period		(2,418,103)	(2,418,103)		(2,418,103)
Balance at 31 August 2022	99,468,435	(127,906,135)	(28,437,700)	(1,361)	(28,439,061)
Adjustment to non-controlling interest on disposal of subsidiaries				200	200
Comprehensive loss for the period		(3,818,816)	(3,818,816)		(3,818,816)
Prior year adjustments		(3,207,617)	(3,207,617)		(3,207,617)
Balance at 28 February 2023	99,468,435	(134,932,568)	(35,464,133)	(1,161)	(35,465,294)
Comprehensive loss for the period		(5,296,530)	(5,296,530)		(5,296,530)
Balance at 31 August 2023	99,468,435	(140,229,098)	(40,760,663)	(1,161)	(40,761,824)
Issue of shares	52,213,608		52,213,608		52,213,608
Comprehensive loss for the period		(5,896,702)	(5,896,702)		(5,896,702)
Balance at 29 February 2024	151,682,043	(146,125,800)	5,556,243	(1,161)	5,555,082
Comprehensive loss for the period		(5,023,731)	(5,023,731)		(5,023,731)
Balance at 31 August 2024	151,682,043	(151,149,531)	532,512	(1,161)	531,351

CONDENSED STATEMENT OF CASH FLOWS FOR THE 6 MONTHS ENDED 31 AUGUST 2024			
	Unaudited 6 months ended 31 Aug 2024	Audited year ended 29 Feb 2024	Unaudited 6 months ended 31 Aug 2023
Cash flows from operating activities			
Cash generated/(utilised) in operations	(1,595,832)	(10,489,120)	(3,153,195)
Finance costs paid			-
Tax paid	(405,000)		
Net cash from operating activities	(1,717,379)		(3,153,195)
Cash flows from investing activities			
Purchase of property, plant and equipment	-	(12,454,776)	
Movement in other financial assets	(300,000)	345,000	-
Net cash from investing activities	(300,000)	(12,109,776)	-
Cash flows from financing activities			
Proceeds on share issue	-	722,166	-

Repayments of loans from directors	-	1,970,000	
Proceeds/(Repayments) from financial liabilities	(150,000)	23,025,583	3,092,162
Net cash from financing activities	(150,000)	25,717,749	3,092,162
Total cash movement for the year	(2,572,378)	3,118,853	(61,033)
Cash at the beginning of the year	3,186,068	67,215	67,418
Cash at the end of the year	613,689	3,186,068	6,385

OPERATIONS, MARKETS AND FINANCIAL PERFORMANCE

Financial performance

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

The Company's expenses mainly consist of management fees and general costs related to a listed entity. Management monitors 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

There were no transactions during the reporting period.

The company previously announced that it had entered into an agreement with IPace (Pty) Ltd ("IPace") for the establishment of an unincorporated joint venture to conduct the business of commissioning, operating and maintaining of a Dense Medium Separation ("DMS") plant to produce DMS grade magnetite for sale into the coal industry.

The Lapon plant's commissioning has been delayed due to a lack of funding from SEAM's JV partner, IPace. This lack of performance according to the agreement has forced SEAM to initiate arbitration processes with IPace regarding SEAM's view of IPace's non-performance. This process is ongoing and expected to be completed within H1 2025.

The delay in the commissioning of the plant has placed strain on SEAM's financial performance but the management team as well as the board is confident that SEAM's turnaround is imminent.

The CEO, Mr James Allan's Employment Contract with the Company expired on 31 October 2024 and was not renewed. The Company is in the process of finalising the appointment of a new CEO.

Management continues to review potential business opportunities for the Group.

RIGHTS OFFER

The Rights Offer was successfully concluded and raised R52,2 million before any costs.

SEGMENT REPORTING

Whilst the Company retains application for various vanadium and iron ore prospecting rights, during the period the Group currently operated in one segment relating to the expenditure on acquisitions in the mining sector.

BASIS OF PREPARATION

The Groups financial results for the 6 months ended 31 August 2024 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 29 February 2024.

The interim financial statements have been prepared by Ulrich Bester CA (SA).

GOING CONCERN

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.

The Group incurred a loss for the 6-month period ended 31 August 2024 and, as of that date, the Group's total liabilities exceeded its total assets. The Group has the right to defer a payment of non-current liabilities of R23,184,629.00 until such time as the Group is able to repay the loans from available cash resources.

These events or conditions indicate that a material uncertainty continues to exist that may cast significant doubt on the Group's ability to continue as a going concern.

The directors continue to source financial resources for the Group to continue as a going concern despite the historical losses incurred. The ability of the Group to be a going concern is dependent on the IPace transaction detailed above and securing additional projects.

By order of the board

Sandton

15 November 2024

Executive directors: Ulrich Bester (Chief Financial Officer)

Independent non-executive directors: Mr. Ian Bird, Ms. Hazel Bango-Moyo, Ms. Nyameka Madikizela

Registration number: 2001/006539/06

Registered address: 1A Stan Road, Morningside, Sandton, 2196

Business postal address: 1A Stan Road, Morningside, Sandton, 2196

Company secretary: Claire Middlemiss

Transfer secretaries: CTSE Registry Services (Pty) Ltd

Sponsor: Exchange Sponsors (2008) (Pty) Ltd