

SABLE METALS AND MINERALS LIMITED
(formerly Sable Platinum Limited)
(Incorporated in the Republic of South Africa)
(Registration number 2001/006539/06)
(JSE code: SMM ISIN: ZAE000185674)
("Sable" or the "Company")

PRO FORMA FINANCIAL EFFECTS OF THE TRANSACTION TO ACQUIRE THE DIAMOND DUMP PROCESSING OPERATION OF BLAIN CAPITAL SOLUTIONS (PTY) LTD

1) PRO FORMA FINANCIAL EFFECTS OF THE ACQUISITION

Shareholders are referred to the circular issued to shareholders on 21 December 2015 ("the circular") which indicated that the *pro forma* financial effects of the Blain Capital Solutions (Pty) Ltd ("Blain") acquisition will be released in due course. Shareholders are also referred to the SENS announcement dated 8 December 2015 regarding the acquisition by Sable Platinum Holdings (Pty) Ltd, a wholly owned subsidiary of Sable of the sale assets of Blain.

Below are the financial effects of the acquisition.

1.1 Pro forma financial effects based on Sable as at 31 August 2015

The *pro forma* financial effects of the acquisition on Sable shareholders set out below are based on the published interim unaudited results of Sable for the six months ended 31 August 2015. The *pro forma* financial effects are the responsibility of the board of directors of Sable and have been prepared for illustrative purposes only and because of their *pro forma* nature may not fairly present Sable's financial position or results of operations after the acquisition. The directors of Sable are responsible for the preparation of the *pro forma* financial effects.

	"Sable before the acquisition" unaudited 31 August 2015	<i>Pro forma</i> "After the acquisition" 31 August 2015	Change
Loss per share (cents)	(1.81)	(0.45)	75%
Headline loss per share (cents)	(1.81)	(0.45)	75%
Net asset value per share (cents)	(4.86)	1.09	122%
Tangible net asset value per share (cents)	(5.38)	0.65	112%
Weighted average number of shares in issue ('000)	227 911 808	267 911 808	
Total shares in issue ('000)	227 911 808	267 911 808	

Notes:

- 1) The 'before the acquisition' has been extracted from the published unaudited results of Sable for the six months ended 31 August 2015.
- 2) The basic earnings and headline earnings per share were calculated as if the acquisition took place on 1 March 2015.
- 3) The net asset value and net tangible asset value per share were calculated as if the acquisition took place on 31 August 2015.
- 4) The "After the acquisition" net asset value and net tangible asset value per share have been adjusted to include the following:
 - the acquired sale assets of Blain to the value of R14 000 000 ;
 - estimated transaction costs of R50 000; and
 - the issue of 40 000 000 Sable shares at 35 cents per share.

- 5) The "After the acquisition" basic earnings per share and headline earnings per share have been adjusted to include the following:
- the after tax profits of Blain based on its unaudited results for the six months ended 31 August 2015; and
 - transaction costs of R50 000 written off to expenses.

1.2 Pro forma financial effects based on Sable 31 August 2015 after the disposal, specific issue, vesting of share rights and scheme as per the circular

The *pro forma* financial effects of the acquisition on Sable shareholders set out below are based on the published unaudited interim results of Sable for the six months ended 31 August 2015 after the disposal, specific issue, vesting of share rights and scheme as per the circular. The *pro forma* financial effects are the responsibility of the board of directors of Sable and have been prepared for illustrative purposes only and because of their *pro forma* nature may not fairly present Sable's financial position or results of operations after the acquisition. The directors of Sable are responsible for the preparation of the *pro forma* financial effects.

	"Sable after the disposal, specific issue, vesting of share rights and scheme but before the acquisition" unaudited 31 August 2015	<i>Pro forma</i> "After the acquisition" 31 August 2015	Change
Loss per share (cents)	(0.64)	0.54	184%
Headline loss per share (cents)	(2.24)	(0.93)	58%
Net asset value per share (cents)	0.35	3.27	834%
Tangible net asset value per share (cents)	0.07	3.01	4200%
Weighted average number of shares in issue ('000)	435 126 517	475 126 517	
Total shares in issue ('000)	435 126 517	475 126 517	

Notes:

- 1) The "Sable after the disposal, specific issue, vesting of share rights and scheme but before the acquisition" has been extracted from the published *pro forma* financial effects of Sable for the six months ended 31 August 2015 per the circular.
- 2) The basic earnings and headline earnings per share were calculated as if the acquisition took place on 1 March 2015.
- 3) The net asset value and net tangible asset value per share were calculated as if the acquisition took place on 31 August 2015.
- 4) The "After the acquisition" net asset value and net tangible asset value per share have been adjusted to include the following:
 - the acquired sale assets of Blain to the value of R14 000 000 ;
 - estimated transaction costs of R50 000; and
 - the issue of 40 000 000 Sable shares at 35 cents per share.
- 5) The "After the acquisition" basic earnings per share and headline earnings per share have been adjusted to include the following:
 - the after tax profits of Blain based on its unaudited results for the six months ended 31 August 2015; and
 - transaction costs of R50 000 written off to expenses.

2) UPDATE ON THE BLAIN ACQUISITION

Shareholders will be updated in due course regarding the progress of the outstanding conditions precedent of the Blain acquisition.

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18 January 2016
Johannesburg