

# INTERGRATED ANNUAL REPORT 2024

# Scope and boundary (IFC)

The boundary of our report is the financial reporting entity of Sable Exploration and Mining Limited (**SEAM**) and its subsidiaries. The report framework is in line with International Financial Reporting Standards (**IFRS**), the King Report on Corporate Governance in South Africa (**King IV™**) and the Companies Act 2008 (Act 71 of 2008), as amended and the JSE Listings Requirements. The audited financial statements are prepared in accordance with IFRS.

This integrated annual report covers the financial year from 1 March 2023 to 29 February 2024.

Our report aims to provide our stakeholders with balanced, accurate and understandable information about our financial, economic, social and environmental performance on matters material to our strategy and our ability to create and sustain value in the short and medium term.

## Assurances

The group did not receive external assurance for this report, other than from the external auditors in terms of the annual financial statements.

## Forward looking statements

According to the JSE Listing Requirements, forward-looking statements have to be reviewed by the group's auditors. No forward-looking forecasts have intentionally been included in this report. Certain statements in this report may however be perceived as 'forward-looking'. Words such as 'forecasts', 'believes', 'expects', 'intends', 'plans', 'will', 'may', 'should', 'could', 'anticipates', 'estimates', 'seeks', 'continues' or similar expressions or the negative thereof, are typically indicative of forward-looking statements. These statements should not be seen as guarantees of SEAM's future operating, financial or other results and involves certain risks, uncertainties and assumptions.

## Board approval

The Sable Exploration and Mining Limited board of directors acknowledges its responsibility to ensure the integrity of the integrated report for the financial year ended 29 February 2024, and in the board's opinion, this report addresses the group's material issues and presents fairly its integrated performance and its impacts.



**James Allan**  
28 June 2024

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# Highlights

## Mandatory Offer and Rights Issue

- A Mandatory Offer was made to shareholders by PBNJ Trading and Consulting (Pty) Ltd to acquire all the remaining shares in the company at 100 cents per share. This offer closed on Friday 24 March 2023.
- 428,333 SEAM shareholders, representing 9,8% of all the SEAM shareholders accepted the Mandatory offer resulting in PBNJ Trading and Consulting (Pty) Ltd holding 59,9% of the issued capital of the company
- The CEO did not accept the Mandatory offer.
- On 1 September 2023 it was announced that the Rights Issue of R52.2m was fully underwritten by both Mr. James Allan and Mr. Ulrich Bester, either through their own names, or their associates
- On 22 November 2023 it was announced that the Rights Issue was concluded with 1.38% of the Rights Issue (722,166 shares) been subscribed by minority shareholders.
- Ulrich Bester and James Allan own, directly and indirectly, 85,9% and 9,4% respectively.

## Board of Directors and Executive Management

- On 26 April 2023 Messrs. Charles Mostert, Mohammed Bassam Al-Mojarkesh, Said Tinawi and Eshaan Singh resigned as non-executive directors of the company.
- On 21 April 2023 Ms. Nyameka Madikizela, Mr. Ian Bird and Ms. Hazel Bango-Moyo were appointed as non-executive directors. James Allan and Deon Botha remained on the Board.
- On 15 May 2023 Mr. Ulrich Bester was appointed to the Board in the position of Business Development Director.
- On 5 July 2023 it was announced that Mr. Enver Motala had not been re-elected to the Board at the company AGM
- On 10 July 2023 it was announced that Mr. Deon Botha had resigned as Financial Director and Mr. Ulrich Bester had been appointed in his place as Financial Director.

## Magnetite Plant

- On 1 September 2023 it was announced that the company had entered into an unincorporated joint venture (UJV) with IPace (itself a joint venture between Ironveld Mining (Pty) Ltd, a subsidiary of Ironveld Plc and Pace SA (Pty) Ltd.) to build and operate a 10,000tpm DMS Grade Magnetite plant on Ironveld Plc's Lapon Mining Right.
- SEAM would provide the capital of R15m to build the plant and would recover this capital through 70% of cash flows from the plant and would, once all capital had been repaid, thereafter share 50% of the cash flows with IPace. DMS Grade Magnetite is used in coal beneficiation in a process known as "washing" coal.
- On 5 February 2024 SEAM announced that a further R1m had been provided in funding to the DMS Grade Magnetite project in exchange for an additional 2.5% in the UJV from IPace. IPace has an option to buy this back for R1,3m until the end of October 2024.

# Our values

- Acting with **integrity**
- Leading with **courage**
- Serving with **pride**
- Caring because there is **respect** for one another.
- Growing **shareholder value** through innovation and superior performance

# Our philosophy and principles

- Our conduct shall at all times conform to the SEAM values
- We are committed to complying with all applicable legislation and regulations
- We share, protect and maintain the property and information of SEAM and its stakeholders
- We shall manage and mitigate all conflicts or perceived conflicts of interests
- We are committed to fostering and maintaining an equitable and sustainable employer-employee relationship, including the provision of a safe, healthy and productive working environment

# CORPORATE PROFILE

SEAM operates in the minerals industry and is seeking to acquire projects at various stages of development.

SEAM was originally listed as Sable Platinum Mining Limited, as the Company was in the business of acquiring prospecting rights for platinum group metals. Drilling was done on various project areas, but it was found that either the platinum bearing reefs were too deep, or too low in grade, to be economically viable.

The Company acquired various prospecting rights for the Vanadium Magnetite Reef on the same properties and the rights of these were sold to Bushveld Minerals Limited.

Subsequently, the Company was approached by Middle Eastern investors that wished the Company to acquire various diamond properties in South Africa. The funds to acquire these projects were not forthcoming from the Middle Eastern investors and this strategy was put on hold when trading in the shares of the Company on the Johannesburg Stock Exchange was suspended in December 2016.

The company changed its name to Sable Exploration and Mining Limited in November 2021, consolidated the shares on a 100:1 basis resulting in 4.35m shares in issue. At the same time the company increased the authorised share capital to 1.5bn shares, enabling the company to issue shares to effect acquisitions.

The Annual Financial Statements were brought up to date and trading in the shares resumed in February 2022.

Shortly thereafter PBNJ Consulting and Trading (Pty) Ltd concluded a transaction whereby it acquired over 35% of the shares in the company. Following this acquisition of shares, a mandatory offer was made to other shareholders to acquire shares at R1 per share. Approximately 10% of the shareholders accepted the minority offer. The CEO did not accept the offer.

Messrs C Mostert, E Singh, M Bassam Al Mojarkesh Bassam, S Tinawi resigned as directors on 26 April 2023. Mr. E Motala was not re-elected to the board on 5 July 2023. Mr. D Botha resigned on 10 July 2023.

Mr. Ian Bird, Ms. Nyameka Madikizela and Ms. Hazel Bango-Moyo were appointed to the Board as Independent non-executive directors on 21 April 2023. Mr. Ulrich Bester was appointed as an executive director on 15 May 2023 and as Financial Director on 10 July 2023.

A fully underwritten rights issue was announced on 1 September 2023 when it was also announced the company had entered into an unincorporated joint venture with IPace (Pty) Ltd to construct a plant to produce 10 000 tonnes of DMS Grade Magnetite. DMS Grade Magnetite is used to beneficiate coal in what is commonly referred to as "coal washing". IPace is a joint venture between Ironveld Mining (Pty) Ltd (a subsidiary of Ironveld Plc listed on AIM) and Pace SA (Pty) Ltd.

The company has funded its commitment to the plant in terms of the UJV agreement, however, IPace has been unable to fund the balance of the plant and negotiations on the funding and profit share are ongoing.

The company continues to investigate the acquisition of suitable assets, inside, and outside South Africa.

There are a number of material risks to the company identified as follows:

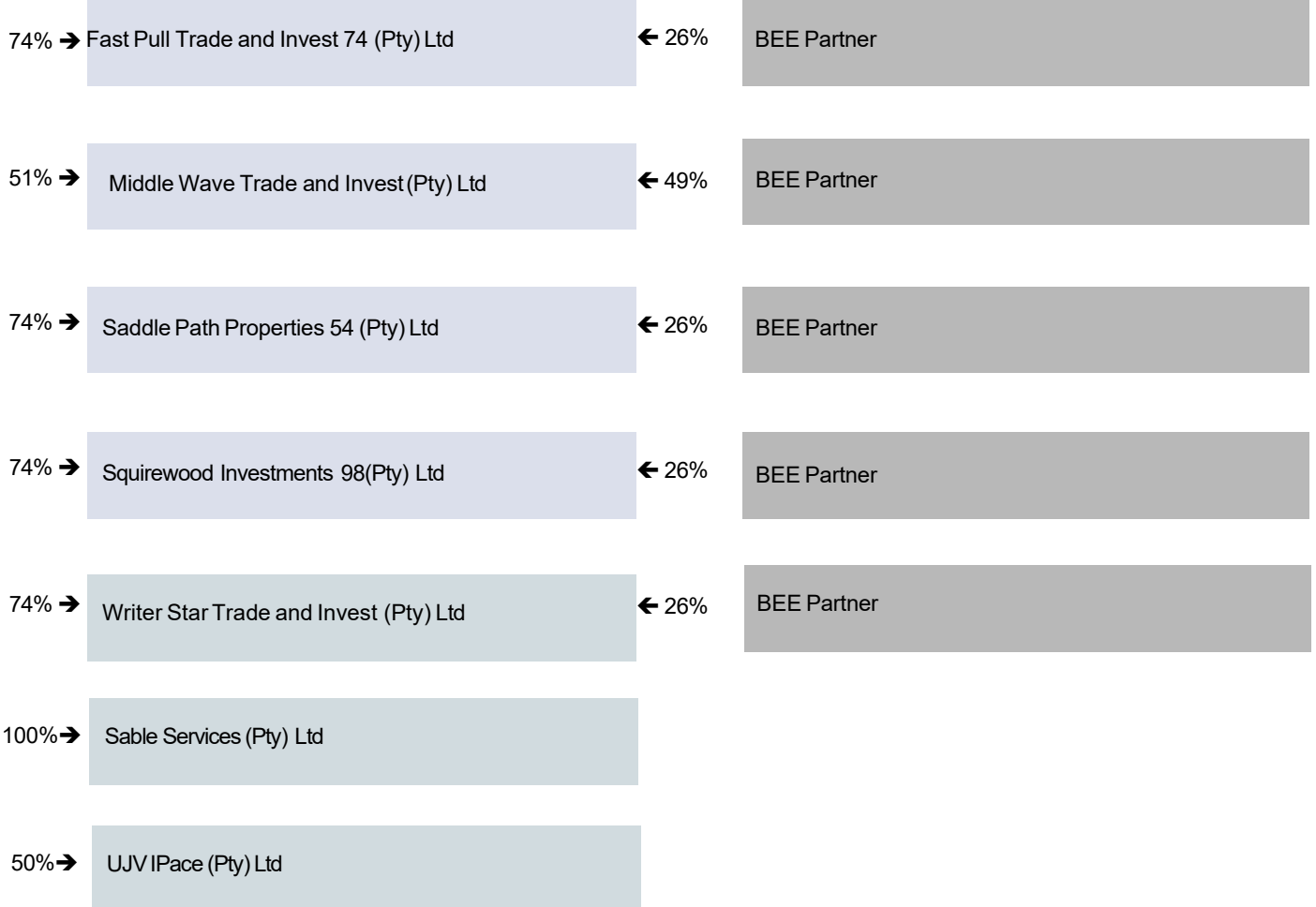
1. Various acquisitions currently being investigated do not come to fruition.
2. Financial Risks such as cashflow and going concern.
3. Overspending on current projects.
4. Mining permits: There is a risk that outstanding prospect rights may not be granted even if the rehabilitation guarantees are provided.
5. Prospecting Rights

# OPERATIONAL STRUCTURE

Sable Exploration and Mining Limited

↓ 100%

Sable Platinum Holdings (Pty) Ltd



# Tenure report

Company name	% held	Prospecting right reference	Status
Middelwave Trade and Invest 4 Proprietary Limited	51	LP 30/5/1/1/2/12527PR Iron Ore, Rutile, Phosphate ore, Platinum Group Metals, Gold, Chrome, Copper, Nickel and Cobalt. Farms Kaalvlakte 416 KQ and Leeuwkopje 415 KQ	Application made to DMR The application was made at least 7 years ago. The application is in progress.
Squirewood Investments 98 Proprietary Limited	74	LP 30/5/1/1/2/1043PR Gold, Chrome, Nickel, Copper, Molybdenum, Rare Earths, Silver, Cobalt, Zinc, Lead, Heavy Minerals, Vanadium and Iron. Farm Portion 2 Leeuwkopje 415 KQ	Right granted pending provision of R200 000 guarantee provision relating to rehabilitation of the property.
Squirewood Investments 98 Proprietary Limited	74	LP 30/5/1/4/2/1101 PR Vanadium, Tin, Rutile and Iron ore. Farm Einde 420KQ	Right granted subject to provision of R200 000 guarantee relating to rehabilitation of the property.
Squirewood Investments 98 Proprietary Limited	74	LP30/5/1/1/2/11032 PR Iron, Vanadium, Rutile and Lead. Farm Governementsplaats 417 KQ	Application accepted and in progress at the DMR The application has not been granted but it also has not been rejected.
Squirewood Investments 98 Proprietary Limited	74	LP30/5/1/1/2/11000PR Iron, Vanadium, Rutile and Lead Farm Witvley 423 KQ	Right granted subject to provision of R200 000 guarantee provision relating to rehabilitation of the property.
Fast Pull Trade and Invest Proprietary Limited	74	NW30/5/1/1/2/1227 PR Iron Ore. Farm Bierkraal 120 JQ	Right granted subject to provision of R200 000 guarantee provision relating to rehabilitation of the property.
WriterStar Trade and Invest Proprietary Limited	74	NW30/5/1/1/2/546 PR Iron Ore Farms Zandbult 119 JQ and Zandfontein 124 JQ	Application accepted and in progress
Sable Services Proprietary Limited	100	Has applied for a vanadium prospecting right on Uitvalgrond Portion 3	Awaiting Confirmation of acceptance letter from the DMRE

The company is following up with the Department of Minerals and Energy on all of these applications.

Whilst the presence of the Vanadium Magnetite Reef ("VMR") has been located on all of these farms it is not possible to declare any Resources until the Prospecting Rights have been executed and the project areas drilled to SAMREC requirements. Therefore, it is not possible to prepare a Competent Persons Report on these resources.

The company is currently not incurring any costs associated with these mineral right applications.

# Chief Executive Officer's Report-2024

The year commenced with PBNJ Trading and Consulting (Pty) Ltd ("PBNJ") making a Mandatory Offer to shareholders to acquire all the remaining shares in the company at 100 cps. This was because PBNJ had acquired more than 35% of the issued shares in the company. The offer to minorities was accepted by 9,8% of shareholders and PBNJ reached a holding of 59,9% of the issued share capital in the company.

Various changes were made to the Board with Mr. Ian Bird appointed as independent non-executive Chairman. Ms. Nyameka Madikizela and Ms Hazel Bango-Moyo were appointed as independent non- executive members of the Board and Mr Ulrich Bester was appointed as Financial Director.

Further details of the Board responsibilities are to be found on Page 17.

I have found working with the various members of the Board in their various capacities fulfilling in helping lead the company on a growth path.

I was aware that Ironveld Plc had announced, in January 2023, a Joint Venture between their subsidiary - Ironveld Mining (Pty) Ltd - with Pace SA (Pty) Ltd to build a DMS Grade Magnetite plant at the Ironveld Mining Lapon Mining Right near Polokwane.

In terms of this Joint Venture, called IPace (Pty) Ltd, Pace SA (Pty) Ltd was supposed to provide the R35m capital to build a 60 ton per hour DMS Grade Magnetite plant. Monitoring the progress, or rather the lack thereof, of this project led to discussions with IPace and an agreement that SEAM would provide capital of R15m to build a 10,000 tonnes per month plant. In exchange for providing this capital SEAM would recoup the capital through 70% of the cashflow in an unincorporated joint venture and once the capital and interest had been recovered then cashflow would be shared on a 50:50 basis. The plant would be constructed in Lapon Plant (Pty) Ltd to be wholly owned by SEAM until the capital had been recovered. Thereafter 50% of the shares in Lapon Plant would be transferred to IPace.

This agreement was announced on 1 September, on the same day it was announced that PBNJ would advance R17m to SEAM on loan and that the Rights Issue of R52,2m was fully underwritten by PBNJ and the CEO in his personal capacity and indirectly through an associated company.

Commencement was made on the construction of the plant at Lapon Mining near Mokopane. The site is considered strategically positioned to serve the Waterberg and Witbank coal fields. Competitor analysis indicated that a strategic gap was developing in the market with the Chinese having bought the Palabora Mine and the existing magnetite dump at Palabora. This dump is the primary source of DMS Grade Magnetite for the coal industry, and it is understood that this dump is in the process of being exported to China.

In February 2024, SEAM provided an additional R1m in funding to the UJV in exchange for an additional 2,5% of the UJV, raising SEAM's shareholding to 52,5%. IPace was granted an option to 31 October 2024 to buy-back this 2,5% for R1,3m.

It has become apparent that IPace failed to reduce various deferred funding agreements, for major pieces of capital equipment, to writing and the capital required to bring the plant into production is estimated to be a further R12m. All major pieces of equipment have had deposits paid on them and equipment is secure. Additional R20m including working capital will also be required before the first sales of DMS Grade Magnetite are made.



From provision of funding to completion of the plant is estimated at eight weeks.

IPace has the obligation to provide the additional funding but to date has failed to provide this funding. Ironveld has sent notices of termination of their Joint Venture with Pace SA (Pty) Ltd to Pace and there has been no response. Ironveld is taking legal action against Pace (SA) Pty Ltd and announced on 28 March 2024 that "Pace, which was initially responsible for the funding of the project, failed to comply with the terms of the agreement and will be exiting the joint venture."

As a result of the delays in commissioning the plant SEAM has suffered considerable losses in terms of lost profits.

SEAM is investigating providing the additional funding to complete the plant and is engaged in discussions with Ironveld Mining (Pty) Ltd with regard to how this will affect the profit share split in the UJV.

These discussions are currently underway and it is in both parties interests to bring this to a conclusion and bring the plant into production.

Shareholders will be notified of developments as they arise.

This coming year should see the company receiving cashflow from this project.

A handwritten signature in brown ink, appearing to read 'James Allan', with a horizontal line extending to the right.

James Allan

28 June 2024

# Corporate Governance Report

## Board of directors

### **Ian Bird (63)**

**Independent Non-Executive Director and Chairman**

**Chartered Accountant**

**Appointed 21 April 2023**

Ian is a Chartered Accountant who completed articles at the-then Ernst & Young.

After qualifying, Ian was appointed as the Management Accountant for the-then Spoornet (now Transnet Freight Rail) and developed a passion for the transportation of bulk commodities and logistics in general.

After an initial 6 years as Management Accountant, Ian then spent the last 4 years of his Transnet career as the executive responsible for the Export Coal Line to Richards Bay Coal Terminal engaging at a strategic level with the multinational coal exporters, as well as other users of the rail system to Richards Bay.

To further develop his skill and expertise in rail transportation of bulk commodities, Ian then transitioned into consulting and in the course of his career has advised executive teams and business leaders at Anglo American, South Dunes Coal Terminal, Eskom, Exxaro Resources, Barloworld Logistics, ArcelorMittal, TATA International, and Imperial Logistics.

Ian has also partnered with best of breed consulting firms such as OliverWyman, HATCH, the BIGEN Group and RCE in developing rail-based logistics solutions.

He currently leads the Transport & Logistics Focal Area under Business Unity SA, engaging, on behalf of organised business with the Government's National Logistics Crisis Committee.

He further serves as a Non-Executive Director of Richards Bay Coal Terminal, representing one of the larger coal exporters.

Ian has more recently participated as a member of the Business Delegation on Operation Vulindlela developing a Logistics Road Map for South Africa; with a focus on rail and ports.

### **James Gordon Allan (65)**

**Chief Executive Officer**

**BSc (Eng.) (Mining) MBA**

**Appointed 23 November 2012**

James Allan is a co-founder and a director of Sable Exploration and Mining Limited. He has been involved in the mining and financial service industries for the past 40 years. During this time, he has been a partner at Anderson Wilson and Partners, Barnard Jacobs Mellet and became a top-rated diamond analyst. He has started a number of companies in the mining industry. In 2006 he formed Allan Hochreiter Proprietary Limited with René Hochreiter and Sable Platinum Mining Proprietary Limited with René Hochreiter and David Levithan. Sable was listed in 2012.

### **Hazel Bango-Moyo (46)**

**Independent Non-Executive Director and Chairman of the Audit and Risk Committee**

**Chartered Accountant**

**Appointed 21 April 2023**

Hazel is a qualified Chartered Accountant (South Africa) and a Registered Auditor with over 19 years of experience providing audit and advisory services to clients in South Africa, Australia and the USA in a variety of industries. She is the Managing Director and founder of Primorial, a broad-spectrum accounting services provider for Small and Medium businesses throughout Africa.

She was appointed as a partner/director at Deloitte & Touche in 2013 where she held such positions in South Africa and Australia until her resignation in 2017. She has solid experience servicing enterprises in financial institutions (including Private Equity), Technology Media and Telecommunications, Manufacturing and Not-for-Profit industries. Her experience with Not-for-Profits is gained from highly regulated Not-for-Profit jurisdictions of the USA and Australia.

Hazel has a passion for small business and the development of women executives in the workplace. The impact that she makes is through the support of, largely, small businesses to achieve their potential by overcoming the typical challenges that hinder their growth.

**Nyameka Madikizela (54)**  
**Independent Non-Executive Director**  
**Appointed 21 April 2023**

Nyameka has held senior positions in the Property and Logistics industries, both in the Public and Private Sectors. Her most senior positions were as Chief Executive Officer at PRASA, Corporate Real Estate Solutions (CRES), and as the Chief Operating Officer of Calulo Property Fund, a REIT in the JSE. She has been active in the transformative agenda, leading transformation in the Property Charter, as President of South African Institute of Black Property Practitioners (2006 - 2008).

In the Logistics Sector, as the General Manager: Agriculture & Bulk Liquid, managing the rail commodity transportation at Transnet Freight Rail. Nyameka's experience in the Logistics Sector has extended her experience in SADC. She developed a North South Corridor Regional Integration Strategy, now adopted by the Nepad Business Foundation, the North South Corridor Road/Rail Project, and is championed by the SA Presidency. The project's objective is to create a competitive Logistics Chain, by integrating the SADC North and South Ports and Railway Organisations.

**Ulrich Bester (46) Executive**  
**Financial Director**  
**Appointed 15 May 2023**

Ulrich has over twenty-seven years' experience in the mining industry. He graduated with a B.Sc. degree in Mining Engineering from the University of the Witwatersrand in 2000.

During his eight on-mine years he worked on gold, PGM and Coal mines in South Africa.

Ulrich spent twelve years in consulting in various roles. During 2018 he was appointed as a Financial Director to an AltX listed mining company where he also performed the function of Chief operating officer.

In 2019 Ulrich graduated with an M.Com in finance from the University of Johannesburg. Ulrich spent the last four years consulting in mining and mining finance.

# Governance Reporting structure

Structure of the highest governing body and committees responsible for decision-making on sustainable issues:

## Board of directors 1 March 2023 to 29 February 2024

**James Allan**  
(Chief Executive Officer)

**Ulrich Bester**  
(Executive Financial Director)  
(Appointed 15 May 2023)

Charles Mostert  
(Independent Non-Executive Director)  
(Resigned 26 April 2023)

Eshaan Singh  
(Independent Non-Executive Director)  
(Resigned 26 April 2023)

Enver Motala  
(Independent Non-Executive Director)  
(Not re-elected to the Board on 5 July 2023)

Deon Botha  
(Executive Director)  
(Resigned 10 July 2023)

**Ian Bird**  
(Independent non-executive director/ Chairman)  
(Appointed 21 April 2023)

**Hazel Bango-Moyo**  
(Independent Non-Executive Director)  
(Appointed 21 April 2023)

**Nyameka Madikizela**  
(Independent Non-Executive Director)  
(Appointed 21 April 2023)

Mohamad Bassam Al Mojarkesh  
(Independent Non-Executive Director)  
(Resigned 26 April 2023)

Said Tinawi  
(Independent Non-Executive Director)  
(Resigned 26 April 2023)

### Audit and Risk Committee

Eshaan Singh  
(Chairman)  
(Resigned 26 April 2023)  
Mohamad Bassam Al Mojarkesh  
(Resigned 26 April 2023)  
Charles Philip Mostert  
(Resigned 26 April 2023)  
Hazel Bango-Moyo  
(Chairman)  
(Appointed 21 April 2023)  
Nyameka Madikizela  
(Appointed 21 April 2023)  
Ian Bird  
(Appointed 21 April 2023)

### Remuneration and nominations committee

Charles Philip Mostert  
(Chairman)  
(Resigned 26 April 2023)  
Said Tinawi  
(Resigned 26 April 2023)  
Mohamad Bassam Al Mojarkesh  
(Resigned 26 April 2023)  
Nyameka Madikizela  
(Chairman)  
(Appointed 21 April 2023)  
Hazel Bango-Moyo  
(Appointed 21 April 2023)  
Ian Bird  
(Appointed 21 April 2023)

### Social and ethics committee

Said Tinawi  
(Chairman)  
(Resigned 26 April 2023)  
James Allan  
Charles Mostert  
(Resigned 26 April 2023)  
Ian Bird  
(Chairman)  
(Appointed 21 April 2023)  
Ulrich Bester  
(Appointed 15 May 2023)  
James Allan

**Board of directors as at publication date**

**Ulrich Bester**  
(Executive director)

**Ian Bird**  
(Independent non-executive director/  
Chairman)

**James Allan**  
(Chief executive officer)

**Hazel Bango-Moyo**  
(Independent non-executive director)

**Nyameka Madikizela**  
(Independent Non-executive director)

**Audit and Risk Committee**

**Hazel Bango-Moyo**  
(Chairman)

**Nyameka Madikizela**

**Ian Bird**

**Remuneration and nominations  
committee**

**Nyameka Madikizela**  
(Chairman)

**Hazel Bango-Moyo**

**Ian Bird**

**Social and ethics committee**

**Ian Bird**  
(Chairman)

**Ulrich Bester**

**James Allan**

## Custodians of Governance

The Board accepts its responsibility as the custodian of corporate governance within the Group and is therefore accountable to stakeholders for the provision of value-enabling governance. The Board is constituted in terms of the company's memorandum of incorporation and in line with King IV™. The majority of the Board members are independent non-executive directors who bring diversity to Board deliberations and create value by constructively challenging management.

A clear balance of power and authority at board level and a clear division of responsibilities between the directors is maintained to ensure that no single director has unfettered decision-making powers. A Delegation of Authority Framework is in place and reviewed to ensure the necessary authority to management to implement and execute the short-term strategy. The Board is satisfied that the Delegation of Authority Framework contributes to role clarity and the effective exercise of authority and responsibilities.

The Board is the highest decision-making body in the Group. It approves the Group's strategy and ensures that it is aligned with the Group's values. The Board assumes collective responsibility for steering and monitoring strategy implementation as well as any risks involved in the implementation of the strategy. It is collectively responsible for the Group's medium and long-term success.

The Board confirms that the company is –

- (a) in compliance with the provisions of the Companies Act or relevant laws of establishment, specifically relating to its incorporation and
- (b) operating in conformity with its Memorandum of Incorporation.

The Board strives to balance the interests of the Group and those of its various stakeholders. All directors are continuously taking steps to ensure that they have sufficient working knowledge of the Group and industry.

The directors have access to the advice and services of the company secretary. They are entitled, at the company's expense, to seek independent professional advice about the affairs of the company regarding the execution of their duties as directors.

## Board composition

All current directors are South African citizens. During the reporting period (1 March 2023 to 29 February 2024), there were the following changes to the Board:

Mr. Ulrich Bester	Financial Director	Appointed 15 May 2023
Mr. Ian Bird	Non-Executive Director	Appointed 21 April 2023
Ms. Hazel Bango-Moyo	Non-Executive Director	Appointed 21 April 2023
Ms. Nyameka Madikizela	Non-Executive Director	Appointed 21 April 2023
Mr. Mohammed Bassam Al Mojarkesh	Non-Executive Director	Resigned 26 April 2023
Mr. Deon Botha	Financial Director	Resigned 10 July 2023
Mr. Charles Phillip Mostert	Non-Executive Director	Resigned 26 April 2023
Mr. Enver Mohamed Motala	Non-Executive Director	Resigned 30 June 2023
Mr. Eshaan Singh	Non-Executive Director	Not re-elected 5 July 2023
Mr. Mohamed Said Tinawi	Non-Executive Director	Resigned 26 April 2023

## Appointment, rotation and re-election of directors

The Board has a formal and transparent policy regarding the appointment of directors to the Board. While the appointments are a matter for the Board, the authority to oversee the nomination and to carry out the interview process have been delegated to the remuneration and nominations committee.

Apart from a candidate's experience, knowledge, skills, availability and likely fit, the committee also considers a candidate's integrity, as well as other directorships and commitments to ensure that the candidate will have sufficient time to discharge his/her role properly. The remuneration and nominations committee will also consider race and gender diversity in its assessment in line with its race and gender diversity policy. The committee reviewed and adopted targets of 20% for both black and female representatives on the Board. These targets will be taken into consideration when new appointments are being made.

New appointees are appropriately familiarised with the Group's business through an induction programme. The composition of the Board is reviewed on a regular basis to ensure ongoing compliance with the requirements set out in the Companies Act, 71 of 2008 as amended (the Companies Act) and King IV™.

The company does not have an annual compliance report prepared in terms of section 13G(2) of the BEE Act. This will be reviewed once the company is operational.

In accordance with the company's memorandum of incorporation, a director, having been appointed by the Board since the last annual general meeting of the company, is obliged to retire and being eligible, offers him/herself for election at the next annual general meeting.

In line with the memorandum of incorporation, one-third of the directors are required to retire, and if available and eligible, stand for re-election at the company's annual general meeting. Those directors who have been in office for the longest, as calculated from the last re-election or appointment date, are required to stand for re-election.

The appointments of Mr. Ian Bird, Ms. Hazel Bango-Moyo and Ms. Nyameka Madikizela as independent non-executive directors and the appointment of Mr. Ulrich Bester as an executive director, were approved by the shareholders at the Annual General Meeting held in July 2023.

Their professional profiles can be found on pages 9-10 in the Integrated Annual Report.

## **Leadership roles and functions**

### **Non-executive directors**

All members of the Board have a fiduciary responsibility to represent the best interest of the Group and all of its stakeholders. The Group's non-executive directors are individuals of high calibre and credibility who make a significant contribution to the Board's deliberations and decisions. They have the necessary skills and experience to exercise judgement on areas such as strategy and performance.

### **The Chairman**

The chairman's role is to set the ethical tone for the Board and to ensure that the Board remains efficient, focused and operates as a unit. Charles Mostert was the independent non-executive chairman and resigned on 26 April 2023. Mr Ian Bird was appointed as the new independent non-executive chairman in April 2023 and his role is separate from that of the chief executive officer, James Allan.

### **Chief executive officer**

The Board appoints the chief executive officer to lead and implement the execution of the approved strategy. James Allan presents progress against the implementation of the strategy. The remuneration and nominations committee evaluates the performance of the chief executive officer.

### **Company secretary**

The company secretary plays a vital role in the corporate governance of the Group and is responsible for ensuring Board compliance with procedures and regulations of a statutory nature. The company secretary ensures compliance with the JSE Listings Requirements and is responsible for the submission of the annual compliance certificate to the JSE Limited (JSE).

The company secretary ensures that, in accordance with the pertinent laws and regulatory framework, the proceedings and affairs of the Board and its members and the company itself are properly administered. Despite the suspension, resolutions were still passed to find opportunities to bring operational assets into the business and lift the suspension to create value for shareholders.

The Board satisfied itself regarding Claire Middlemiss' work experience, performance, technical skills and overall competence in fulfilling her role as company secretary at the previous meeting of the Board (during which time she was excused from the meeting). She is an independent consultant and maintains an arm's length relationship with the Board. She reports to the chairman on all statutory duties and functions performed relating to the Board.

The company secretary's primary responsibilities are to:

- ensure that Board procedures are followed and reviewed regularly
- ensure applicable rules and regulations for the conduct of the affairs of the Board are complied with
- maintain statutory records in accordance with legal requirements
- guide the Board as to how its responsibilities should be properly discharged in the best interest of the company
- keep abreast of, and inform, the Board of current and new developments regarding best practice corporate governance thinking and practice.

## **Ethical and effective leadership**

The Board is committed to achieving its goals with integrity, high ethical standards and in compliance with all applicable laws, while being a responsible corporate citizen. The Board has adopted a Code of Ethics which is reviewed and sets the tone for an ethical culture within the Group. The directors are fully committed to these principles, which ensures that the business is managed according to the highest ethical standards, even beyond mere legal compliance, within its operating environment, as well as social, political and physical environment within which the Group operates.

No material ethical leadership and corporate citizenship deficiencies were noted. The Board, through the Audit and Risk Committee as well as the social and ethics committee, monitors compliance with SEAM's Code of Ethics and Business Conduct through various reporting.

SEAM received no requests in terms of the Promotion of Access to Information Act, 2000 during the reporting period.

## **Independence and conflicts**

During the year ended 29 February 2024, Mr Ulrich Bester, a majority shareholder had a significant interest in contracts and arrangements entered by the company and its subsidiaries, as disclosed in the annual financial statements.

Directors are required to inform the Board timeously of conflicts or potential conflicts of interest that they may have in relation to particular items of business.

Directors are obliged to excuse themselves from discussions or decisions on matters in which they have a conflict of interest, in accordance with the declaration and conflict of interest policy that is in place. A standard agenda item is included for members to declare whether any of them have any conflict of interest in respect of a matter on the agenda. This is minuted accordingly.

## **Insider trading**

No employee of the Group may deal directly or indirectly in the company's shares based on unpublished price-sensitive information regarding business. No director or officer of the Group may disclose trade information regarding business. Directors or officers of the Group are precluded from trading in the shares of the Group during a closed period or prohibited period, as determined by the Board. Notification to this effect is communicated to the Group's employees.



Processes are in place for any director wishing to trade in ordinary shares of the company to obtain clearance from the chairman of the Board or, in his absence, the chief executive officer when trading is permitted. The directors keep the company secretary advised of all their dealings in securities and details of dealings are placed on SENS in line with the JSE Listings Requirements.

### **Assessment of the Board and monitoring performance**

The chairman is appointed on an annual basis by the board, with the assistance of the remuneration and nominations committee. The remuneration and nominations committee also assess the independence of non-executive directors annually.

In line with recommendations of King IV, in 2023, a detailed self-assessment of the performance of the board and its committees will be conducted twelve months from now, as the majority of the Board is relatively new to their roles. The results thereof will be considered in order to identify areas for improvement. The previous assessments found the structures and processes governing the board and its committees were well established and functioning satisfactorily. It also found that the board had fulfilled its role and responsibilities and had discharged its responsibility to the Group, shareholders and other stakeholders in a suitable manner.

### **Commitment to the governance principles set out in King IV™**

The Board remains committed to the principles of King IV™ and ensures that its recommendations are materially entrenched into the Board's internal controls, policies, terms of reference and overall procedures and processes. A King IV™ Application Register, setting out how the company has applied the principles of King IV™, is available on our website, [www.sablemetals.co.za](http://www.sablemetals.co.za).

### **Integrated effective control**

As the custodian of governance, the Board is ultimately responsible for ensuring there is effective control within the business. The Board ensures effective control through a number of mechanisms, including:

### **Compliance with applicable laws, regulations and governance practices**

The decisions and actions taken by the Board ensures that the company subscribes to full compliance with applicable laws, regulations and governance practices. This function is delegated to the Social and Ethics Committee with financial compliance overseen by the Audit and Risk Committee. The company is required to comply with the relevant legislation with the requirements of the Companies Act and JSE Listings Requirements.

### **The Board Charter**

The roles and responsibilities of the Board and individual directors are set out in the Board Charter which is aligned with the provisions of relevant statutory and regulatory requirements and is reviewed on an annual basis. The Charter regulates the parameters within which the Board operate and ensures the application of the principles of good governance in all its dealings, in line with King IV™.

### **Governance structures and delegation**

The company's governance structure provides for delegation of authority, while enabling the Board to retain effective control. Such structures similarly support and enable the informed oversight exercised by the Board. The Board delegates authority to established Board committees, as well as the chief executive officer, with clearly defined mandates.

## Board committees

The roles, responsibilities and composition of the Board committees are described below. The responsibilities delegated to these committees are formally documented in each committee's terms of reference, which are approved by the Board and reviewed on an annual basis. After each committee meeting, committee chairmen report back to the Board, which facilitates transparent communication between directors and ensures that all aspects of the Board's mandate are addressed.

The terms of reference are subject to change as and when required by the Board in order to accommodate the company's changing needs. Roles and associated responsibilities and the composition of membership across committees are considered holistically. All committees have, as a whole, the necessary knowledge, skills, experience and capacity to execute their duties effectively. The chairman of each Board committee reports at each scheduled meeting of the Board, and minutes of Board committee meetings are provided to the Board.

Both the directors and the members of the Board committees are supplied with full and timely information that enables them to properly discharge their responsibilities. All directors have unrestricted access to all Group information.

The chairman of each Board committee is required to attend annual general meetings to answer questions raised by shareholders.

### Audit and Risk Committee

In reviewing the committee composition during the year, it was decided that, due to the size of the company, the Audit Committee and Risk Committee would remain one committee. However, the agenda is divided into two separate sections so as to ensure that both audit and risk management responsibilities are attended to.

Mr. Eshaan Singh was appointed as independent chairman. Although King IV<sup>TM</sup> recommend that the chairman of the Board should not be a member of the Committee, the Board agreed that due to the experience of Charles Mostert, he be appointed as a member of the Committee. The committee comprised Eshaan Singh (chairman), Charles Mostert and Mohamad Bassam Al Mojarkesh, who resigned in 26 April 2023.

The Committee members as from the 21 April 2023 are:

**Hazel Bango-Moyo** (Chairman)  
**Nyameka Madikizela**  
**Ian Bird**

The chief executive officer, financial director and external audit partner attend meetings by invitation. The Board is satisfied that the independence, experience and qualifications of each member enable them to fulfil the committee's mandate. The committee meets at least once a year with the company's external auditors, without management being present.

On 11 April 2024 it was announced that the auditors had been changed to CM and Associates Inc, with Renier Martin as the Audit Partner, as this was considered to be more in line with the company's growth strategy.

### Summarised roles and responsibilities

- Providing the Board with additional assurance regarding the efficiency and reliability of the financial information used by the directors to assist them in the discharge of their duties
- Reviewing interim and annual financial statements, the Integrated Annual Report and any other external reports issued by the organisation
- Ensuring that significant business, financial and other risks have been identified and are being managed suitably
- Ensuring independence of external audit and overseeing the external audit process
- Ensuring good standards of governance, reporting and compliance are in operation
- Overseeing the Group's risk management profile

During the 2024 financial year, the committee met three times, although meetings are scheduled quarterly in line with the Group's financial reporting cycle. The committee is however satisfied that it has fulfilled its responsibilities in accordance with its terms of reference for the reporting period.

### **Social and Ethics Committee**

The composition of the committee comprised of Said Tinawi (chairman), Charles Mostert and James Allan. Said Tinawi (chairman) and Charles Mostert resigned in April 2023.

The Committee members as from 21 April 2023 are:

**Ian Bird** (Chairman)  
**Ulrich Bester**  
**James Allan**

The committee's role and responsibilities as well as its composition are set out below:

#### Summarised roles and responsibilities

- Planning, implementing and monitoring the Group's strategy for transformation
- Monitoring compliance with legislation
- Monitoring employment equity and fair labour practices
- Monitoring good corporate citizenship and the Group's contribution to the development of communities in which it operates
- Monitoring ethics and business conduct.

The Social and Ethics Committee did meet once during the reporting period, however, the committee is satisfied that, as far as possible, it has fulfilled its responsibilities in accordance with its terms of reference for the reporting period.

Refer to page 27 of the Integrated Annual Report for the Social and Ethics Committee report.

### **Remuneration and Nominations Committee**

In reviewing the committee composition during the year, it was decided that, due to the size of the company, the Remuneration Committee and Nominations Committee would remain one committee.

The Committee comprised of Charles Mostert (chairman), Said Tinawi and Mohamad Bassam Al Mojarkesh, who resigned in April 2023.

The Committee members as from the 21 April 2023 are:

**Nyameka Madikizela** (Chairman)  
**Hazel Bango-Moyo**  
**Ian Bird**

#### Summarised roles and responsibilities

- Identifying and nominating new directors for approval by the Board
- Ensuring that appointments to the Board are formal and transparent
- Approving the classification of directors as independent
- Overseeing induction and training of directors and conducting annual performance reviews of the Board and Board committees
- Overseeing an appropriate separation between executive, non-executive and independent directors
- Ensuring proper and effective functioning of the Group's Board committees
- Reviewing the Board's structure, the size and composition of the various Board committees and making recommendations
- Oversees the remuneration philosophy and practices

The Remuneration and Nominations Committee met twice during the reporting period; the committee is satisfied that it has fulfilled its necessary responsibilities in accordance with its terms of reference for the reporting period.

Refer to pages 24 to 27 for the Remuneration Report by the Remuneration and Nominations Committee, including the Remuneration Policy and Remuneration Implementation Report.

**Below is a summary of all the Board members' attendance at Board and committee meetings from**

**1 March 2023 to 29 February 2024:**

Director	Classification	Board	ARC	RNC	SEC
<b>Number of Meetings</b>		<b>3</b>	<b>3</b>	<b>2</b>	<b>1</b>
James Allan	Chief executive officer	3/3	*	*	1/1
Ulrich Bester	Executive Director	3/3	*	*	1/1
Ian Bird	Independent Non-executive Director	3/3	3/3	2/2	1/1
Nyameka Madikizela	Independent Non-executive Director	3/3	3/3	2/2	*
Hazel Bango-Moyo	Independent Non-executive Director	3/3	3/3	2/2	*
Deon Botha	Part-time Financial Director	1/3	1/3	*	*

*\*Not a member*

**The Board met three times during the financial year. It is noted that the Company did not hold the requisite number of Board and committee meetings during the financial year ended 29 February 2024. However, many Board and Committee decisions were made during the year via Round Robin Resolutions, in lieu of Board Meetings.**

# Audit and Risk Committee Report

## Annual financial statements for the year ended 29 February 2024

The Audit and Risk Committee has pleasure in submitting this report, which has been approved by the Board and has been prepared in accordance with section 94(7) of the Companies Act No 71 of 2008 (“the Act”) and incorporating the recommendations of the Report on corporate governance for South Africa, 2016 (“King IV™”).

In summary, this committee assists the Board in its responsibilities covering the:

- internal and external audit process for the Group taking into account the significant risks
- adequacy and functioning of the Group’s internal controls
- integrity of the financial reporting
- risk management and information technology.

The committee has performed all the duties required in section 94(7) of the Companies Act 71 of 2008.

In reviewing the Committee’s composition during the year, it was decided that, due to the size of the company, the Audit Committee and Risk Committee would remain one Committee and attend to both audit and risk responsibilities.

In terms of Section 3.84(g)(ii) of the JSE Listings Requirements, the committee believes that appropriate financial reporting procedures exist and are working for all entities the group and has access to all the financial information of the issuer to allow the issuer to effectively prepare and report on the financial statements of the issuer.

### Members of the Audit and Risk Committee and attendance at meetings

The Audit and Risk Committee consisted of the three independent non-executive directors listed below. The Chief Executive Officer, Financial Director and partner of the External Auditors attend meetings by invitation. The Board is satisfied that the independence, experience and qualifications of each member enable them to fulfil the committee’s mandate. In addition to scheduled meetings, the committee are required to meet at least once a year with the company’s External Auditors, without management being present.

Three meetings were held from 1 March 2023 to 29 February 2024. The committee composition and meeting attendance are below:

Name	Position	Qualifications	Meetings attended
Hazel Bango-Moyo	Independent chairman	CA (SA)	3/3
Nyameka Madikizela	Independent member		3/3
Ian Bird	Independent member	CA (SA)	3/3

The committee, as a whole, has the necessary financial literacy, skills and experience to execute their duties effectively.

### Role of the Audit and Risk Committee

The Audit and Risk Committee reviewed its Terms of Reference, setting out its duties and responsibilities as prescribed in the Act, King IV™ and incorporating additional duties delegated to it by the Board.

The committee:

- fulfils the duties that are assigned to it by the Act and as governed by other legislative requirements
- assists the Board in overseeing the quality and integrity of the Group’s integrated reporting process, including

- the financial statements and announcements in respect of the financial results
- monitors that an effective control environment in the Group is maintained
- provides the Financial Director and External Auditors with unrestricted access to the committee and its Chairman as is required in relation to any matter falling within the ambit of the committee
- meets with the External Auditors and Executive Directors as the committee may elect
- meets confidentially with the External Auditors without other Executive Board members and the company's Financial Director being present
- reviews and recommends to the Board the Interim Financial Results and Annual Financial Statements
- fulfils the duties that are assigned to it by the Act and as governed by other legislative requirements, including the statutory audit committee functions required for subsidiary companies
- receives and deals with any complaints concerning accounting practices or the content and audit of its financial statements or related matters
- conduct annual reviews of the Audit and Risk Committee's Work Plan and Terms of Reference
- assesses the performance and effectiveness of the Audit and Risk Committee and its members on a regular basis
- reviewed the proactive monitoring process in terms of the 2023 JSE report back on proactive monitoring of financial statements letter from the JSE

### **Execution of functions during the year**

The committee is satisfied that, for the 2024 financial year, it has performed all the possible functions as set out in the Act, JSE Listings Requirements, King IV™ and the committee's Terms of Reference.

The Audit and Risk Committee discharged its functions in terms of its terms of reference and ascribed to it in terms of the Act during the year under review as follows:

#### **External audit**

CM & A Inc. were appointed as External Auditors effective 11 April 2024.

The committee among other matters:

- agreed to nominate CM&A Inc. and Renier Martin as the external auditor and designated audit partner respectively to shareholders for appointment as auditor for the financial year ending 28 February 2024, and ensured that the appointment complied with all applicable legal and regulatory requirements for the appointment of an auditor
- nominated the External Auditor and the independent auditor for each material subsidiary company for re-appointment
- requested from CM&A Inc. the formal letter of their latest inspection performed by IRBA on the firm and Renier Martin, including any findings to the firm and/or individual in line with paragraph 22.15(h) of the JSE Listings Requirements
- reviewed the audit effectiveness and evaluated the External Auditor's internal quality control procedures of the previous auditors, SAB&T.
- obtained an annual confirmation from the auditor that their independence was not impaired
- confirmed that no non-audit services were conducted by CM&A Inc
- approved the external audit engagement letter and the budgeted audit fees payable to the external auditor
- obtained assurances from the external auditor that adequate accounting records were being maintained by the company and its subsidiaries
- considered whether any reportable irregularities were identified and reported by the external auditor in terms of the Auditing Profession Act, No. 26 of 2005

### **Adequacy and functioning of the Group's internal controls**

The committee reviewed the plans and work outputs of the external auditors and concluded that these were adequate to address all significant financial risks facing the business.

As noted above, it also reviewed the reporting around the adequacy of the internal controls and based on this concluded that there had been no material breakdowns in internal control, including financial controls, business risk management and maintenance of effective material control systems.

## **Financial reporting**

The Audit and Risk Committee ensures that the financial reporting to stakeholders fairly presents the state of affairs of the Group. This covers the Annual Financial Statements, Integrated Annual Report, interim and preliminary reporting.

The committee among other matters:

- confirmed the going concern as the basis of preparation of the Annual Financial Statement.
- examined and reviewed the Interim and Annual Financial Statements, as well as all financial information disclosed prior to the submission to the Board for their approval and then for disclosure to stakeholders
- overseen that the Annual Financial Statements fairly present the financial position of the company and of the Group as at the end of the financial year and the results of operations and cash flows for the financial year and considered the basis on which the company and the Group was determined to be a going concern
- considered the appropriateness of the accounting policies adopted and changes thereto
- reviewed the external auditor's audit report and key audit matters included
- considered any problems identified and reviewed any significant legal and tax matters that could have a material impact on the financial statements
- considered accounting treatments, significant unusual transactions, and accounting judgments.
- reviewed the manner in which the PAYE was to be corrected from the prior years. This was presented to the Board for approval.

## **Significant areas of judgement**

In arriving at the figures disclosed in the financial statements there are many areas where judgement is needed. These are outlined in the critical accounting estimates and judgements in the accounting policies to the annual financial statements. The Audit and Risk Committee has looked at the quantum of the assets and liabilities on the statements of financial position and other items that require significant judgement and decided that no judgements are required.

The committee:

- reviewed and recommended to the Board for approval any policies proposed by management and relevant to the areas of responsibility of the committee.

## **Legal and regulatory requirements**

To the extent that these may have an impact on the Annual Financial Statements, the committee:

- reviewed legal matters that could have a material impact on the Group
- reviewed the adequacy and effectiveness of the Group's procedures, including its risk management framework, to ensure compliance with legal and regulatory responsibilities
- considered reports provided by management and the external auditors regarding compliance with legal and regulatory requirements.

## **Expertise and experience of Financial Director and the financial function**

As required by 3.84(h) of the JSE Limited Listings Requirements, the committee has satisfied itself that the financial director, Ulrich Bester, has the appropriate expertise and experience. In addition, the committee satisfied itself that the composition, experience and skills set of the finance function met the Group's requirements.

## **Election of committee at the annual general meeting**

Pursuant to the provisions of section 94(2) of the Companies Act, which required that a public company must elect an audit committee at each annual general meeting, it is proposed in the notice of annual general meeting H Bango-Moyo (chairman), N Madikizela and I Bird be re-appointed as members of the Audit and Risk Committee until the next annual general meeting in 2025.

**Assessment of the committee**

The committee agreed to only conduct self-evaluations every second year. A detailed self-assessment of the performance of the committee is to be conducted and the results thereof will be considered in order to identify areas for improvement. The current structure and processes governing the committee are well established and functioning satisfactorily.

**Integrated report**

Following the review by the committee of the Consolidated Annual Financial Statements of Sable Exploration and Mining Limited for the period ended 29 February 2024, the committee is of the view that in all material aspects they comply with the relevant provisions of the Act and International Financial Reporting Standards and fairly present the consolidated and separate financial positions at that date and the results of operations and cash flows for the year then ended. The committee has also satisfied itself of the integrity of the Integrated Annual Report to be published on the website on 1 July 2024.

**Recommendation of the Annual Financial Statements for approval by the Board**

The committee recommended the Annual Financial Statements for the year ended 29 February 2024 for approval to the Board. The Board has subsequently approved the reports, which will be open for discussion at the forthcoming annual general meeting.



Hazel Bango-Moyo  
Audit and Risk Committee Chairman  
28 June 2024



# REMUNERATION & NOMINATIONS COMMITTEE REPORT

This report comprises three sections:

- matters considered by the remuneration and nomination committee;
- remuneration policies and principles for shareholders 'vote and the annual general meeting;
- implementation report of the remuneration policy

In reviewing the committee's composition during the year, it was decided that, due to the size of the company, the remuneration committee and nomination committee would remain one committee.

## Appointment of directors to the board

Apart from a candidate's experience, availability and likely fit, the committee also considers a candidate's integrity, as well as other directorships and commitments to ensure that the candidate will have sufficient time to discharge his/her role properly. The remuneration and nomination committee also consider race and gender diversity in its assessment in line with its race and gender diversity policy. The board adopted targets of 20% for both race and gender representation on the board and will be considered for new appointments.

The committee operates under formal terms of reference in terms of which it is required to meet at least twice a year in order to fulfil the functions assigned to it.

## Remuneration and nomination committee members

Charles Mostert was the chairman of the Nominations Committee matters and Said Tinawi of the Remuneration committee matters up to 26 April 2023. Thereafter Nyameka Madikizela was the Chairman of the Remuneration and Nomination Committee and Hazel Bango-Moyo and Ian Bird (Chairman of the Board) were members. The chief executive officer attends meetings by invitation.

Two meetings were held from 1 March 2023 to 29 February 2024. The committee composition and meeting attendance are below:

Name	Position	Qualifications	Meetings attended
Hazel Bango-Moyo	Independent chairman	CA (SA)	2/2
Nyameka Madikizela	Independent member		2/2
Ian Bird	Independent member	CA (SA)	2/2

## Assessment of the committee

A detailed self-assessment of the performance of the committee is to be conducted and the results thereof will be considered in order to identify areas for improvement. The members of the committee found the structure and processes governing the committee are well established and functioning satisfactorily.



Nyameka Madikizela  
Chairman of the Remuneration and Nomination Committee  
28 June 2024

# REMUNERATION POLICY

## Background statement

The group's remuneration policy aims to attract, retain and motivate skilled and performing employees to execute the group's strategy. Retrenchments were made to leave the minimum number of employees to execute the necessary functions whilst investigating new opportunities. This Policy is applicable to current and future employees.

The group offers an integrated remuneration and reward model, which comprises:

- Cost-to-company benefits
- Short-term incentive
- Long-term incentive

## Short-term incentive

The group awards management and most salaried employees on an annual performance incentive. The actual value awarded is subject to the achievement of predetermined thresholds relating to the performance and position of the group, and individual performance during the reporting period. Due to the suspension, the short-term incentive was placed on hold until such time as the company's suspension was lifted.

Once operational, all payments in terms of the qualitative and quantitative portion of the short-term incentive scheme will be based on predetermined performance targets.

## Long-term incentive

The long-term incentive plan ("LTIP") forms part of the variable compensation and is used to attract, retain and motivate employees who influence the long-term sustainability and strategic objectives of the group. The purpose is to foster sustainable performance or value creation over the long term, which is aligned to the group's strategy and which enhances stakeholder value. Its main characteristic is the promise to deliver value over a future vesting period, once performance criteria are met or exceeded.

This LTIP will again be reviewed and implemented once the group is operational.

## Increases

At an individual employee level, the annual CTC increases are determined by the individual's pay relative to the band he/she is in, as well as the performance of the individual in the role.

## Non-executive directors

It is the group's policy to identify, attract and retain non-executive directors who can add significant value to SEAM. The board applies principles of good corporate governance relating to directors' remuneration and also keeps abreast of changing trends. Governance of directors' remuneration is undertaken by the committee.

The committee takes cognisance of market norms and practices as well as additional responsibilities placed on the board members by new legislation and corporate governance principles.

Non-executive directors receive a base fee for their main board membership and an attendance fee per meeting. Board members only receive fees for meetings they attend.

The policy on remuneration for non-executive directors is that this should:

- be market-related (having regard to the median fees paid and number of meetings attended by non-executive directors of companies of similar size and structure to similar sectors); and
- not be linked to the share price of SEAM.

Non-executive directors do not receive bonuses or share options, recognising that this can create potential conflicts of interest which can impair the independence which non-executive directors are expected to bring to bear in decision-making by the board.

Shareholders will be requested to approve the fees in the annual general meeting to be held in 2024 as set out in the notice of annual general meeting on page 63.

### **Voting and shareholder engagement**

In order to actively promote fair, responsible and transparent remuneration and remuneration reporting, SEAM encourages engagement with shareholders on remuneration-related matters. The remuneration policy as well as the implementation report will be tabled for two separate non-binding advisory votes by shareholders at the annual general meeting.

The committee will initiate shareholder engagement with dissenting shareholders, should 25% or more of the shareholders vote against either or both the remuneration policy or the implementation report.

## **Remuneration implementation report**

The remuneration implementation report details the outcomes following the implementation of the approved remuneration policy detailed on pages 26 to 27 of the integrated annual report.

### **Total cost of employees (“TCOE”) increases**

No increases were given to any employee since 1 March 2016.

Refer to note 16 on page 57 for a detailed breakdown of executive directors and prescribed officers’ remuneration. The TCOE as earned by executive directors and prescribed officers for the period 2024 compared with 2023 are as follows:

	<b>TCOE2024</b>	<b>TCOE2023</b>
	<b>R’000</b>	<b>R’000</b>
James Allan Chief executive officer	3,600	3,600
Deon Botha Part-time financial director**	-	260
Ulrich Bester Financial Director*	-	-
<b>Total</b>	<b>3,600</b>	<b>3,860</b>

\*\*Billed for work done. Resigned 10 July 2023.

\*No Employment Contract in place

### **Annual incentive bonus**

Due to the group not being operational, no annual incentive bonuses were paid to any employees.

### **Long-term incentives (“LTI”)**

There was no LTI remuneration made to executive directors and prescribed officers for the year 1 March 2023 to 29 February 2024.

### **Non-executive directors’ remuneration**

The participation of non-executive directors in the group is essential to the group achieving its strategic objectives and non-executive director’s fees are therefore recommended by the executive directors and remuneration and nomination committee with this in mind.

In accordance with the Companies Act, and the company’s memorandum of incorporation (“MOI”), non-executive directors’ fees are approved by the shareholders at the annual general meeting. The current fee levels are presented to the shareholders for approval at the annual general meeting to be held on Friday 16 August 2024 and are stated in the notice of annual general meeting included in this integrated annual report.

The total amount spent on non-executive directors’ fees from 1 March 2023 to 29 February 2024 are as follows:

	2024 R'000	2023 R'000
Non-executive directors’ fees	303	772

### Directors’ Services Contracts

James Allan has agreed in writing that he will not terminate his employment for the next two years, other than with agreement with the board.

## Social and Ethics committee report

The committee operates under formal terms of reference in terms of which it is required to meet at least twice a year in order to fulfil the functions assigned to it in terms of the Companies Regulations, and such other functions as are assigned to it by the board from time to time in order to assist the board in ensuring that the group remains a responsible corporate citizen.

This report, which describes how the committee has discharged its responsibilities in respect of the financial year ended 29 February 2024, will be presented to the shareholders at the annual general meeting to be held on Friday 16 August 2024.

### Social and ethics committee members

During the reporting period the committee members were:

Said Tinawi\* was the chairman, Charles Mostert\* and James Allan. \*Resigned 26 April 2023.

Ian Bird\*\*, Ulrich Bester\*\* and James Allan. \*\*Appointed as members in May 2023.

### Responsibilities

The objectives and responsibilities of the committee, which are aligned with the committee’s statutory functions as set out in the Companies Act, form the basis of an annual work plan.

The objectives that support SEAM’s sustainability policy include the promotion of environmental, health and public safety and good corporate citizenship, including the promotion of equality, the prevention of unfair discrimination and the reduction of corruption.

### Ethics

The code of ethics and business conduct, which embodies our key principles and values, was reviewed during the year and confirmed to be relevant and effective.

### Labour

Our employment equity policies embody our commitment to implementing employment equity across the group, whilst the company are committed in compliance with the South African Broad-Based Black Economic Empowerment Act.

Skills development will receive additional attention once the operations of the company are at full capacity again.

### **Assessment of the committee**

A detailed self-assessment of the performance of the committee was conducted and the results thereof were considered in order to identify areas for improvement. The assessment found the structure and processes governing the committee were well established and functioning satisfactorily.

### **Sustainability**

SEAM adheres to environmental and sustainability principles as set out in the Minerals and Petroleum Resources Development Act, 28 of 2002 (MPRDA).

There have been no operations, including drilling, and there has been no requirement during the reporting period.

### **Sustainability and corporate social awareness**

The group is fully committed to sustainability and corporate social awareness. We are cognisant of the fact that the growth and success of the company is dependent on the ability to continue to deliver value to our stakeholders. Sustainability can only be achieved through paying greater attention to the world in which we operate.

The group will continue seeking new ways in which the environment can be benefitted through efficient and effective allocation of resources, once operational.

### **Safety, health and the environment**

There were no accidents or incidents during the reporting period.

Since inception in 2010, SEAM has an accumulative Lost Time Injury Frequency Rate of 3.14. (LTIFR = number of injuries \* 200 000 hours / total hours worked)

To date SEAM recorded on their exploration sites 127 554 accumulative man hours worked, of which 69 998 hours were contributed by drilling contractors in the past.



Ian Bird  
Social and Ethics Committee  
Chairman 28 June 2024

## **Certification by the company secretary**

In terms of section 88(2)(e) of the Companies Act of South Africa (Act 71 of 2008), as amended (the "Act"), I certify that for the year ended 29 February 2024, Sable Exploration and Mining Limited has lodged with the Companies and Intellectual Property Commission all such returns as are required of a public company in terms of the Act and that all such returns are true, correct and up to date.



Claire Middlemiss  
Company Secretary  
28 June 2024

# Chief Executive Officer and Financial Director Responsibility Statement

The directors, whose names are stated below, hereby confirm that-

- a) The annual financial statements, fairly present in all material respects that the financial position, financial performance and cash flows of the issuer in terms of IFRS;
- b) No facts have been omitted or untrue statements made that would make the annual financial statements false or misleading.
- c) Internal financial controls have been put in place to ensure that material information relating to the issuer and its consolidated subsidiaries have been provided to effectively prepare the financial statements of the issuer; and
- d) The internal financial controls are adequate and effective and can be relied upon in compiling the annual financial statements, having fulfilled our role and function within the combined assurance model pursuant to principle 15 of the King Code. Where we are not satisfied, we have disclosed to the audit committee and the auditors the deficiencies in design and operational effectiveness of the internal financial controls. We are not aware of any fraud involving directors.



James Allan  
Chief Executive Officer  
28 June 2024



Ulrich Bester  
Financial Director  
28 June 2024

# Sable Exploration and Mining Ltd

(Registration number 2001/006539/06)

Group Annual Financial Statements for the year ended 29 February 2024

## Directors' Responsibilities and Approval

The directors are required in terms of the Companies Act of South Africa to maintain adequate accounting records and are responsible for the content and integrity of the group annual financial statements and related financial information included in this report. It is their responsibility to ensure that the group annual financial statements fairly present the state of affairs of the group as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with International Financial Reporting Standards. The external auditors are engaged to express an independent opinion on the group annual financial statements.

The group annual financial statements are prepared in accordance with International Financial Reporting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the group and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the directors set standards for internal control aimed at reducing the risk of error or loss in a cost-effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the group and all employees are required to maintain the highest ethical standards in ensuring the group's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the group is on identifying, assessing, managing and monitoring all known forms of risk across the group. While operating risk cannot be fully eliminated, the group endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the group annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have reviewed the group's cash flow forecast for the year to 28 February 2025 and, in light of this review and the current financial position, they are satisfied that the group has or had access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the group's annual financial statements. The group annual financial statements have been examined by the group's external auditors and their report is presented on page 38-40.

The group annual financial statements set out on pages 14 to 33, which have been prepared on the going concern basis, were approved by the board of directors on 28 June 2024 and were signed on their behalf by:

### Approval of financial statements



**Mr. James Gordon Allan**  
Director  
28 June 2024



**Mr. Ulrich Bester**  
Director  
28 June 2024

# Sable Exploration and Mining Ltd

(Registration number 2001/006539/06)

Group Annual Financial Statements for the year ended 29 February 2024

## Directors' Report

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The directors have pleasure in submitting their report on the group annual financial statements of Sable Exploration and Mining Ltd and the group for the year ended 29 February 2024.

### 1. Nature of business

Sable Exploration and Mining Ltd is an investment entity incorporated in South Africa with interests in the minerals industry. The company does not trade, and all of its activities are undertaken through its principal subsidiaries. The group operates in South Africa.

There have been no material changes to the nature of the group's business from the prior year.

### 2. Review of financial results and activities

The consolidated group annual financial statements have been prepared in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa. The accounting policies have been applied consistently compared to the prior year.

Full details of the financial position, results of operations and cash flows of the group are set out in these consolidated group annual financial statements.

### 3. Share capital

	2024	2023
<b>Authorised</b>		
Ordinary shares	1 500 000 000	1 500 000 000
<b>Issued</b>		
Ordinary shares	56 564 742	4 351 134

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Refer to note 8 of the consolidated group annual financial statements for detail of the movement in authorised and issued share capital.

### 4. Dividends

The directors have resolved not to declare a dividend for the year under review.

### 5. Directorate

The directors in office at the date of this report are as follows:

#### Directors

Mr. James Gordon Allan	Chief Executive Officer	
Mr. Ulrich Bester	Financial Director	Appointed 15 May 2023
Mr. Ian Bird	Non-executive chairperson	Appointed 21 April 2023
Ms. Hazel Bango-Moyo	Non-executive director	Appointed 21 April 2023
Ms. Nyameka Madikizela	Non-executive director	Appointed 21 April 2023
Mr. Mohammed Bassam Al Mojarkesh		Resigned 26 April 2023
Mr. Deon Botha		Resigned 10 July 2023
Mr. Charles Phillip Mostert		Resigned 26 April 2023
Mr. Enver Mohamed Motala		Not re-elected 5 July 2023
Mr. Eshaan Singh		Resigned 26 April 2023
Mr. Mohamed Said Tinawi		Resigned 26 April 2023

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# Sable Exploration and Mining Ltd

(Registration number 2001/006539/06)

Group Annual Financial Statements for the year ended 29 February 2024

## Directors' Report

### 6. Directors' interests in shares

The following directors hold direct or indirect beneficial interest in shares of the company:

<b>Holding at 28 February 2024*</b>	<b>Number of shares Direct holding</b>	<b>Number of shares Indirect holding</b>	<b>Total holding</b>	<b>% holding</b>
<i>*there has been no change between year end and date of approval of the Annual Financial Statements</i>				
James Gordon Allan	4 280 455	1 036 923	5 317 378	9.42 %
Ulrich Bester		48 591 238	48 591 238	85.90 %
	<b>4 280 455</b>	<b>49 628 161</b>	<b>53 908 616</b>	<b>95.32 %</b>

### Holding at 28 February 2023

	<b>Number of shares Direct holding</b>	<b>Number of shares Indirect holding</b>	<b>Total holding</b>	<b>% holding</b>
James Gordon Allan	305 768	12 729	318 497	7.32 %
Charles Phillip Mostert	948		948	0.02 %
	<b>306 716</b>	<b>12 729</b>	<b>319 445</b>	<b>7.34 %</b>

### 7. Interests in subsidiaries

Details of material interests in subsidiary companies, are presented in the consolidated group annual financial statements in note 4.

The interest of the group in the profits and losses of its subsidiaries, for the year ended 29 February 2024 are as follows:

	2024 R	2023 R
<b>Subsidiaries</b>		
Total losses before income tax	(10 737 781)	(5 946 881)

There were no significant acquisitions or divestitures during the year ended 29 February 2024.

### 8. Borrowing powers

In terms of the Memorandum of Incorporation (MOI), the borrowing powers of the company are unlimited.

# Sable Exploration and Mining Ltd

(Registration number 2001/006539/06)

Group Annual Financial Statements for the year ended 29 February 2024

## Directors' Report

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### 9. Special resolutions

#### 1. Special resolution number 1 - Remuneration of non-executive directors

Resolved that the remuneration payable to the non-executive directors be approved on the following basis with effect from this annual general meeting until the next annual general meeting to be held in 2024:

Board member: R45 000 annual retainer  
Board chairman: R15 000 per meeting attended  
Board member: R10 000 per meeting attended  
Audit and Risk Committee  
Chairman: R8 000 per meeting attended  
Member: R6 000 per meeting attended  
Remuneration and nomination committee  
Chairman: R4 500 per meeting attended  
Member: R3 500 per meeting attended  
Social and ethics committee  
Member : R500 per meeting attended

Reasons for and effect of special resolution number 1:

The reason for the proposed special resolution is to comply with section 66 (9) of the Companies Act, which requires the approval of directors' fees prior to the payment of such fees.

The effect of special resolution number 1 is that the company will be able to pay its non-executive directors for the services they render to the company as directors without requiring further shareholder approval until the next annual general meeting.

# Sable Exploration and Mining Ltd

(Registration number 2001/006539/06)

Group Annual Financial Statements for the year ended 29 February 2024

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## Directors' Report

### 9. Special resolutions (continued)

#### 2. Special resolutions number 2.1 and 2.2 - Financial assistance to related and inter-related companies

##### 2.1 Financial assistance for subscription of securities in terms of section 44.

Resolved that the board may to the extent required, in terms of and subject to section 44 of the Companies Act, as the case may be, and the company's MOI, authorise the company to provide financial assistance by way of a loan, guarantee, the provision of security or otherwise, to its subsidiaries and inter-related companies (excluding any director or prescribed officer of the company, or a person related to such director or prescribed officer), for the purpose of, or in connection with, the subscription of any option, or any securities, issued or to be issued by the company or a related or inter-related company, or for the purchase of any securities of the company or a related or inter-related company, subject to the terms and conditions of section 44 of the Companies Act. No such financial assistance may be provided at any time in terms of this authority after the expiry of two years from the date of the adoption of this special resolution.

##### Reason and effect of special resolution number 2.1

The purpose of this special resolution number 2.1 is to grant the board the authority to authorise the company to provide financial assistance by way of a loan, guarantee, the provision of security, or otherwise to its subsidiaries and inter-related companies (excluding any director or prescribed officer of the company, or a person related to such director or prescribed officer), for the purpose of, or in connection with, the subscription of any option, or any securities, issued or to be issued by the company or a related or inter-related company, or for the purchase of any securities of the company or a related or inter-related company as contemplated in section 44 of the Companies Act. The directors undertake that prior to the company providing the financial assistance as contemplated in section 44 of the Companies Act, the company will have satisfied the solvency and liquidity test as set out in section 4 of the Companies Act (solvency and liquidity test) and that the terms under which the financial assistance is proposed to be given are fair and reasonable to the company.

##### 2.2 Financial assistance in terms of section 45 to related and inter-related companies or corporations

Resolved that, in terms of section 45(3)(a)(ii) of the Companies Act, shareholders of the company hereby approve of the company providing, at any time during the period of 2 (two) years from the date of passing this special resolution, any direct or indirect financial assistance as contemplated in section 45 of the Companies Act to any 1 (one) or more related or inter-related companies or corporations of the company and/or to any 1 (one) or more members of any such related or inter-related company or corporation and/or to any 1 (one) or more persons related to any such company or corporation, provided that: (a) The recipient or recipients of such financial assistance, the form, nature and extent of such financial assistance and the terms and conditions under which such financial assistance is to be provided, are determined by the board from time to time (b) The board may not authorise the company to provide any financial assistance pursuant to this special resolution unless all the requirements of section 45 of the Companies Act to authorise the company to provide such financial assistance have been fulfilled (c) Such financial assistance to a recipient is, in the opinion of the board, required for the purpose of (i) meeting all or any of such recipient's operating expenses (including capital expenditure), and/or (ii) funding the growth, expansion, reorganisation or restructuring of the businesses or operations of such recipient, and/or (iii) funding such recipient for any other purpose which, in the opinion of the board, is directly or indirectly in the interests of the company.

##### Reason and effect of special resolution number 2.2

The reason for special resolution number 2.2 is that the company advances loans and other financial assistance to subsidiaries and other related companies or corporations in its group. Shareholders are required to pass special resolution number 1 to approve the company providing such financial assistance, subject to the board performing the solvency and liquidity test and subject further to the financial assistance falling within the category of assistance mentioned in sub-paragraph (c) of special resolution number 2.2 above. Percentage of voting rights required for special resolutions numbers 2.1 and 2.2 to be adopted: at least 75% (seventy-five percent) of the voting rights exercised in favour of the resolution by shareholders present at the AGM or represented by proxy and entitled to exercise voting rights on the resolution.

# Sable Exploration and Mining Ltd

(Registration number 2001/006539/06)

Group Annual Financial Statements for the year ended 29 February 2024

## Directors' Report

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### 9. Special resolutions (continued)

#### 3. Special resolution number 3 - Authority to repurchase shares by the company

Resolved as a special resolution that the company and its subsidiaries be and are hereby authorised, as a general approval, to repurchase any of the shares issued by the company, upon such terms and conditions and in such amounts as the directors may from time to time determine, but subject to the provisions of sections 46 and 48 of the Companies Act, the memorandum of incorporation of the company, the Listings Requirements of the JSE and the requirements of any other stock exchange on which the shares of the company may be quoted or listed, namely that:

- the general repurchase of the shares may only be implemented on the open market of the JSE and done without any prior understanding or arrangement between the company and the counterparty;
- this general authority shall only be valid until the next annual general meeting of the company, provided that it shall not extend beyond 15 months from the date of this resolution; an announcement must be published as soon as the company has acquired shares constituting, on a cumulative basis, 3% of the number of shares in issue prior to the acquisition, pursuant to which the aforesaid 3% threshold is reached, containing full details thereof, as well as for each 3% in aggregate of the initial number of shares acquired thereafter;
- the general authority to repurchase is limited to a maximum of 20% in the aggregate in any one financial year of the company's issued share capital at the time the authority is granted;
- a resolution has been passed by the Board of directors approving the purchase, that the company has satisfied the solvency and liquidity test as defined in the Companies Act and that since the solvency and liquidity test was applied there have been no material changes to the financial position or required shareholder spread of the Group;
- the general repurchase is authorised by the company's memorandum of incorporation;
- repurchases must not be made at a price more than 10% above the weighted average of the market value of the shares for five business days immediately preceding the date that the transaction is affected. The JSE should be consulted for a ruling if the applicant's securities have not traded in such five-business day period;
- the company may at any point in time only appoint one agent to affect any repurchase(s) on the company's behalf;
- the company and its subsidiaries may not affect a repurchase during any prohibited period as defined in terms of the Listings Requirements of the JSE unless there is a repurchase programme in place as contemplated in terms of 5.72(g) of the Listings Requirements of the JSE.

#### Reason and effect of special resolution number 3

The reason for and effect of special resolution number 3 is to grant the directors a general authority in terms of its memorandum of incorporation and the Listings Requirements of the JSE for the acquisition by the company and/or its subsidiaries of shares issued by it on the basis reflected in the special resolution.

In terms of the Listings Requirements of the JSE any general repurchase by the company and/or its subsidiaries must, inter alia, be limited to a maximum of 20% of the company's issued share capital in any one financial year of that class at the time the authority is granted. This loan is offset against the rights issue funds payable by PBNJ. The circular for the rights issue is in process at the Johannesburg Stock Exchange and once approved by the JSE will be sent to shareholders.

# Sable Exploration and Mining Ltd

(Registration number 2001/006539/06)

Group Annual Financial Statements for the year ended 29 February 2024

## Directors' Report

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### 9. Special resolutions (continued)

#### 4. Special resolution number 4 - authorisation to issue additional shares under section 41 of the Companies Act

Resolved that, in the event that the shares to be issued pursuant to the Proposed Rights Offer of 52 213 608 ordinary shares will have voting power which is equal to or exceeds 30% of the voting power of all the issued Shares immediately prior to such issue, and in order to issue Shares under the Proposed Rights Offer of 52 213 608 ordinary shares to Shareholders contemplated in section 41(1) of the Companies Act, the Directors be and are hereby authorised, in terms of section 41(1) and section 41(3) of the Companies Act, to issue such Shares.

Reason and effect of special resolution number 4

The reason for and effect of special resolution number 4 is to grant the directors authorisation to issue additional shares for the Proposed Rights Offer of 52 213 608 ordinary shares under section 41 of the Companies Act. This loan is offset against the rights issue funds payable by PBNJ. The circular for the rights issue is in process at the Johannesburg Stock Exchange and once approved by the JSE will be sent to shareholders.

### 10. Events after the reporting period

On 11 April 2024 it was announced that the auditors had been changed to CM and Associates Inc. as this was considered to be more in line with the company's growth strategy.

On 29 April 2024 a reportable irregularity was reported to Independent Regulatory Board for Auditors (IRBA) in accordance with Section 45 of the Auditing Professions Act No. 26 of 2005 (APA) as referred to in note 21.

### 11. Going concern

The group annual 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 directors believe that the group has adequate financial resources to continue in operation for the foreseeable future and accordingly the group annual financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the group is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements.

We draw attention to the fact that at 29 February 2024, the company had accumulated losses of R 371 727 037 and that the company's total assets exceed its total liabilities by R 1 908 289.

Certain conditions have given rise to a material uncertainty which may cast significant doubt about the group's ability to continue as a going concern and, therefore that it may be unable to realise its assets and discharge its liabilities in the normal course of business. The reportable irregularity as referred to in note 21 pertains to the Pay-As-You-Earn (PAYE) and Unemployment Insurance Fund (UIF) not being deducted from the salary of the directors. The liability accrued due to the irregularity gives rise to a material uncertainty.

### 12. Auditors

CM & Associates Inc. was appointed in office as auditors for the company and its subsidiaries for 2024.

### 13. Secretary

The company secretary is Ms. Claire Middlemiss from Capital Governance (Pty) Ltd.

### 14. Date of authorisation for issue of financial statements

The consolidated group annual financial statements have been authorised for issue by the directors on 28 June 2024. No authority was given to anyone to amend the group annual financial statements after the date of issue.

# Sable Exploration and Mining Ltd

(Registration number 2001/006539/06)

Group Annual Financial Statements for the year ended 29 February 2024

## Directors' Report

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### 15. Shareholding analysis

Ordinary Shareholders analysis as at 29 February 2024. The following are shareholders beneficially holding, directly or indirectly, in excess of 5% of the share capital as at 29 February 2024.

James Allan	5 317 378	9.42 %
PBNJ Trading and Consulting (Pty) Ltd	48 591 238	85.90 %
	<b>53 908 616</b>	<b>95.32 %</b>

### 16. Rights issue

Issued to	Number of shares	% of rights issue
Minority shareholders	722 166	1.38 %
James Allan	3 974 688	7.62 %
PBNJ Trading and Consulting (Pty) Ltd	46 490 213	89.04 %
Sable Metals and Minerals (Pty) Ltd	1 026 541	1.96 %
	<b>52 213 608</b>	<b>100.00 %</b>

The Rights Issue of 52 213 608 shares was successfully closed on Friday 17 November 2023.



To the Shareholders of Sable exploration and Mining Limited  
Report on the Audit of the Group Annual Financial Statements  
Qualified Opinion

## INDEPENDENT AUDITOR REPORT

We have audited the group annual financial statements of Sable Exploration and Mining Ltd (the company) set out on pages 41 to 60, which comprise the statement of financial position as at 29 February 2024, statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the group annual financial statements, including material accounting policy information.

In our opinion, except for the possible effect of the matter described in the Basis for Qualified Opinion section of our report, the group annual financial statements present fairly in all material respects, the financial position of Sable Exploration and Mining Limited as at 29 February 2024 and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa.

### Basis for Qualified Opinion

We were engaged to audit the group annual financial statements of Sable Exploration and Mining Ltd set out on pages 15-34, which comprise the statement of financial position as at 29 February 2024, statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the group annual financial statements, including material accounting policy information.

The audit was conducted based on information provided by the management of Sable Exploration and Mining Ltd, as we were unable to obtain sufficient, appropriate audit evidence due to the limitations arising from the predecessor auditors'. The possible effect on the group financial statements of undetected misstatements, if any, due to the inability to obtain sufficient appropriate audit evidence could be material but not pervasive.

Additionally, as disclosed in note 17 to the group financial statements, the group has restated its prior period financial statements to correct the disclosure of Pay-As-You-Earn (PAYE) and Unemployment Insurance Fund (UIF). The prior period financial statements were misstated due to the PAYE and UIF not being deducted from the remuneration of the directors paid to a company which is considered to be a personal service provider.

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Group Annual Financial Statements section of our report. We are independent of the company in accordance with the Independent Regulatory Board for Auditors' Code of Process and Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of group annual financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (Including International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

### Material Uncertainty Related to Going Concern

We draw attention to note 19 of the group annual financial statements, which indicates that the company incurred a net loss of R46,918,987 during the year ended 29 February 2024. The note states that these events or conditions, along with other matters in note 19 to the group annual financial statements, indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

### Emphasis of Matter

We draw attention to note 17 and note 21 to the group annual financial statements which indicates that a reportable irregularity was reported to the Independent Regulatory Board for Auditors on PAYE and UIF not deducted from the remuneration of executive directors. The irregularity has been rectified in the comparative figures as well the current year under review based on the opinions obtained by management of Sable Exploration and Mining Limited, obtained from legal professionals. Our opinion is not modified in respect of this matter.

## **Key Audit Matters**

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the group annual financial statements of the current period. These matters were addressed in the context of our audit of the group annual financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the Basis for Qualified Opinion section and the Material Uncertainty Related to Going Concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

## **Legal Opinions Considered During the Audit of Group Financial Statements**

As part of our audit of the group financial statements of Sable Exploration and Mining Ltd, management obtained legal opinions which concluded that Sable Metal and Minerals (Pty) Ltd (formerly Sable Platinum Mining), which Mr. JG Allan is a director of, is considered to be a Personal Service Provider. The matter is considered significant as it has a material impact on the presentation of the group financial statements.

## **Other Information**

The directors are responsible for the other information. The other information comprises the information included in the document titled "Sable Exploration and Mining Ltd group annual financial statements for the year ended 29 February 2024", which includes the Directors' Report as required by the Companies Act of South Africa and the supplementary information as set out on page 35. The other information does not include the group annual financial statements and our auditor's report thereon.

Our opinion on the group annual financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the group annual financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the group annual financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report **that fact**. We have nothing to report in this regard.

## **Responsibilities of the Directors for the Group Annual Financial Statements**

The directors are responsible for the preparation and fair presentation of the group annual financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of group annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the group annual financial statements, the directors are responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or to cease operations, or have no realistic alternative but to do so.



# Independent Auditor's Report

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## Auditor's Responsibilities for the Audit of the Group Annual Financial Statements

Our objectives are to obtain reasonable assurance about whether the group annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these group annual financial statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the group annual financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the group annual financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the group annual financial statements, including the disclosures, and whether the group annual financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the group annual financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Report on Other Legal and Regulatory Requirements

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that CM & Associates Inc. has been the auditor of Sable Exploration and Mining Ltd from April 2024.

  
CM & Associates Inc.  
Chartered Accountants (SA)  
Registered Auditors

28 June 2024

# Sable Exploration and Mining Ltd

(Registration number 2001/006539/06)

Group Annual Financial Statements for the year ended 29 February 2024

## Statement of Financial Position as at 29 February 2024

Figures in Rand	Note(s)	Group		Company	
		2024	2023 Restated*	2024	2023 Restated*
<b>Assets</b>					
Non-Current Assets					
Property, plant and equipment	3	12 186 780	-	-	-
Investments in subsidiaries	4	-	-	300	300
		<b>12 186 780</b>	<b>-</b>	<b>300</b>	<b>300</b>
Current Assets					
Other financial assets	5	4 499 370	5 305 544	-	-
Trade and other receivables	6	668 362	14 800	-	-
Cash and cash equivalents	7	3 186 068	67 215	-	-
		<b>8 353 800</b>	<b>5 387 559</b>	<b>-</b>	<b>-</b>
<b>Total Assets</b>		<b>20 540 580</b>	<b>5 387 559</b>	<b>300</b>	<b>300</b>
<b>Equity and Liabilities</b>					
<b>Equity</b>					
Share capital	8	151 682 043	99 468 435	369 818 748	317 605 140
Accumulated loss		(146 125 800)	(134 932 567)	(371 727 037)	(324 808 050)
Equity Attributable to Equity Holders of Parent		5 556 243	(35 464 132)	(1 908 289)	(7 202 910)
Non-controlling interest		(1 161)	(1 161)	-	-
		<b>5 555 082</b>	<b>(35 465 293)</b>	<b>(1 908 289)</b>	<b>(7 202 910)</b>
<b>Liabilities</b>					
Current Liabilities					
Trade and other payables	11	12 025 564	9 307 808	287 213	183 864
Loans from directors	9	2 789 935	7 604 567	1 621 376	1 621 012
Other financial liabilities	10	169 999	23 940 477	-	5 398 334
		<b>14 985 498</b>	<b>40 852 852</b>	<b>1 908 589</b>	<b>7 203 210</b>
<b>Total Equity and Liabilities</b>		<b>20 540 580</b>	<b>5 387 559</b>	<b>300</b>	<b>300</b>

# Sable Exploration and Mining Ltd

(Registration number 2001/006539/06)

Group Annual Financial Statements for the year ended 29 February 2024

## Statement of Profit or Loss and Other Comprehensive Income

Figures in Rand	Note(s)	Group		Company	
		2024	2023 Restated*	2024	2023 Restated*
Movement in credit loss allowances	12			{46 463 534}	
Other operating expenses		(9 633 447)	(6 349 902)	{455 453}	(1 470 640)
<b>Operating loss</b>	12	<b>(9 633 447)</b>	<b>(6 349 902)</b>	<b>(46 918 987)</b>	<b>(1 470 640)</b>
Finance costs	13	(1 559 785)	(1 128 888)		(61 270)
<b>Total comprehensive loss for the year</b>		<b>(11 193 232)</b>	<b>(7 478 790)</b>	<b>(46 918 987)</b>	<b>(1 531 910)</b>
<b>Total comprehensive loss attributable to:</b>					
Owners of the parent		(11 193 232)	(7 477 629)	(46 918 987)	(1 531 910)
Non-controlling interest			(1 161)		
		<b>(11 193 232)</b>	<b>(7 478 790)</b>	<b>(46 918 987)</b>	<b>(1 531 910)</b>

• See Note 17

# Sable Exploration and Mining Ltd

(Registration number 2001/006539/06)

Group Annual Financial Statements for the year ended 29 February 2024

## Statement of Changes in Equity

	Share capital	Share premium	Total share capital	Accumulated loss	Total attributable to equity holders of the Group/company	Non-controlling interest	Total equity
Figures in Rand							
<b>Group</b>							
Opening balance as previously reported	4 351 265	95 117 170	99 468 435	(125 488 032)	(26 019 597)	-	(26 019 597)
Adjustments							
Prior year adjustments	-	-	-	(1 966 906)	(1 966 906)	-	(1 966 906)
<b>Restated* Balance at 01 March 2022 as restated</b>	<b>4 351 265</b>	<b>95 117 170</b>	<b>99 468 435</b>	<b>(127 454 938)</b>	<b>(27 986 503)</b>	<b>-</b>	<b>(27 986 503)</b>
<b>Total comprehensive Loss for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(7 477 629)</b>	<b>(7 477 629)</b>	<b>(1 161)</b>	<b>(7 478 790)</b>
Opening balance as previously reported	4 351 265	95 117 170	99 468 435	(131 724 951)	(32 256 516)	(1 161)	(32 257 677)
Adjustments							
Prior year adjustments	-	-	-	(3 207 617)	(3 207 617)	-	(3 207 617)
<b>Balance at 01 March 2023 as restated</b>	<b>4 351 265</b>	<b>95 117 170</b>	<b>99 468 435</b>	<b>(134 932 568)</b>	<b>(35 464 133)</b>	<b>(1 161)</b>	<b>(35 465 294)</b>
<b>Total comprehensive Loss for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(11 193 232)</b>	<b>(11 193 232)</b>	<b>-</b>	<b>(11 193 232)</b>
Issue of shares	52 213 608	-	52 213 608	-	-	-	-
<b>Total contributions by and distributions to owners of company recognised directly in equity</b>	<b>52 213 608</b>	<b>-</b>	<b>52 213 608</b>	<b>-</b>	<b>52 213 608</b>	<b>-</b>	<b>52 213 608</b>
<b>Balance at 29 February 2024</b>	<b>56 564 873</b>	<b>95 117 170</b>	<b>151 682 043</b>	<b>(146 125 800)</b>	<b>5 556 243</b>	<b>(1 161)</b>	<b>5 555 082</b>
Note(s)	8	8	8				
<b>Company</b>							
<b>Restated* Balance at 01 March 2022</b>	<b>317 605 140</b>	<b>-</b>	<b>317 605 140</b>	<b>(323 276 140)</b>	<b>(5 671 000)</b>	<b>-</b>	<b>(5 671 000)</b>
<b>Total comprehensive Loss for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1 531 910)</b>	<b>(1 531 910)</b>	<b>-</b>	<b>(1 531 910)</b>

• See Note 17

## Sable Exploration and Mining Ltd

(Registration number 2001/006539/06)

Group Annual Financial Statements for the year ended 29 February 2024

### Statement of Changes in Equity

	Share capital	Share premium	Total share capital	Accumulated loss	Total attributable to equity holders of the Group/company	Non-controlling interest	Total equity
Figures in Rand							
<b>Balance at 01 March 2023</b>	<b>317 605 140</b>	<b>-</b>	<b>317 605 140</b>	<b>(324 808 050)</b>	<b>(7 202 910)</b>		<b>(7 202 910)</b>
<b>Total comprehensive Loss for the year</b>				<b>(46 918 987)</b>	<b>(46 918 987)</b>		<b>(46 918 987)</b>
Rights issue	52 213 608		52 213 608		52 213 608		52 213 608
<b>Total contributions by and distributions to owners of company recognised directly in equity</b>	<b>52 213 608</b>		<b>52 213 608</b>		<b>52 213 608</b>		<b>52 213 608</b>
<b>Balance at 29 February 2024</b>	<b>369 818 748</b>	<b>-</b>	<b>369 818 748</b>	<b>(371 727 037)</b>	<b>(1 908 289)</b>	<b>-</b>	<b>(1 908 289)</b>
Note(s)	8	8	8				

• See Note 17

# Sable Exploration and Mining Ltd

(Registration number 2001/006539/06)

Group Annual Financial Statements for the year ended 29 February 2024

## Statement of Cash Flows

Figures in Rand	Note(s)	Group		Company	
		2024	2023 Restated*	2024	2023 Restated*
<b>Cash flows from operating activities</b>					
Cash receipts from other receivables		2 984 563	(14 800)		
Cash paid to suppliers and employees		(13 473 683)	95 708	(455 453)	61 270
Cash generated from/(used in) operations	14	(10 489 120)	80 908	(455 453)	61 270
Finance costs	13		(67 662)		(61 270)
<b>Net cash from operating activities</b>		<b>(10 489 120)</b>	<b>13 246</b>	<b>(455 453)</b>	
<b>Cash flows from investing activities</b>					
Purchase of property, plant and equipment	3	(12 454 776)			
Cash receipts on repayments of loans to group companies				455 453	
Movement in other financial assets	5	345 000			
<b>Net cash from investing activities</b>		<b>(12 109 776)</b>		<b>455 453</b>	
<b>Cash flows from financing activities</b>					
Proceeds on rights issue		722 166			
Movement in loans (to)/from directors	9	1 970 000			
Movement in other financial liabilities	10	23 025 583	50 000		
<b>Net cash from financing activities</b>		<b>25 717 749</b>	<b>50 000</b>		
<b>Total cash movement for the year</b>		<b>3 118 853</b>	<b>63 246</b>		
Cash and cash equivalents at the beginning of the year		67 215	4 172		
Adjustment to cash and cash equivalent			(203)		
<b>Cash and cash equivalents at the end of the year</b>	7	<b>3 186 068</b>	<b>67 215</b>		

• See Note 17

# Sable Exploration and Mining Ltd

(Registration number 2001/006539/06)

Group Annual Financial Statements for the year ended 29 February 2024

## Accounting Policies

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### 1. Material accounting policies

The principal accounting policies applied in the preparation of these consolidated and separate group annual financial statements are set out below.

#### 1.1 Basis of preparation

The consolidated financial statements of Sable Exploration and Mining Limited have been prepared on the going concern basis in accordance with, and in compliance with, International Financial Reporting Standards (IFRS) and International Financial Reporting Standards Interpretations Committee (IFRS IC) interpretations issued and effective at the time of preparing these group annual financial statements and the Companies Act of South Africa as amended.

These consolidated financial statements of Sable Exploration and Mining Limited comply with the requirements of the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council.

The consolidated financial statements of Sable Exploration and Mining Limited have been prepared on the historic cost convention, unless otherwise stated in the accounting policies which follow and incorporate the material accounting policies set out below. They are presented in Rands, which is the group and company's functional currency.

These accounting policies are consistent with the previous period.

#### 1.2 Consolidation

##### Basis of consolidation

The consolidated financial statements incorporate the financial statements of the company and all subsidiaries. Subsidiaries are entities (including structured entities) which are controlled by the group.

The group has control of an entity when it is exposed to or has rights to variable returns from involvement with the entity and it has the ability to affect those returns through use its power over the entity.

The results of subsidiaries are included in the consolidated group annual financial statements from the effective date of acquisition to the effective date of disposal.

Adjustments are made when necessary to the group annual financial statements of subsidiaries to bring their accounting policies in line with those of the group.

All inter-company transactions, balances, and unrealised gains on transactions between group companies are eliminated in full on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

##### Investments in subsidiaries in the separate financial statements

In the company's separate financial statements, investments in subsidiaries are carried at cost less any accumulated impairment losses. This excludes investments which are held for sale and are consequently accounted for in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations.

#### 1.3 Property, plant and equipment

Property, plant and equipment are tangible assets which the group holds for its own use or for rental to others and which are expected to be used for more than one year.

An item of property, plant and equipment is recognised as an asset when it is probable that future economic benefits associated with the item will flow to the group, and the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost. Cost includes all of the expenditure which is directly attributable to the acquisition or construction of the asset, including the capitalisation of borrowing costs on qualifying assets and adjustments in respect of hedge accounting, where appropriate.

# Sable Exploration and Mining Ltd

(Registration number 2001/006539/06)

Group Annual Financial Statements for the year ended 29 February 2024

## Accounting Policies

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### 1.3 Property, plant and equipment (continued)

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the group. Leased assets are depreciated in a consistent manner over the shorter of their expected useful lives and the lease term. Depreciation is not charged to an asset if its estimated residual value exceeds or is equal to its carrying amount. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale or derecognised.

The useful lives of items of property, plant and equipment have been assessed as follows:

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Item	Depreciation method	Average useful life
Plant and machinery	Straight line	20 years
Structures and fixtures	Straight line	10 years

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The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting year. If the expectations differ from previous estimates, the change is accounted for prospectively as a change in accounting estimate.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation charge for each year is recognised in profit or loss unless it is included in the carrying amount of another asset.

Impairment tests are performed on property, plant and equipment when there is an indicator that they may be impaired. When the carrying amount of an item of property, plant and equipment is assessed to be higher than the estimated recoverable amount, an impairment loss is recognised immediately in profit or loss to bring the carrying amount in line with the recoverable amount.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its continued use or disposal. Any gain or loss arising from the derecognition of an item of property, plant and equipment, determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, is included in profit or loss when the item is derecognised.

### 1.4 Financial instruments

Financial instruments held by the group are classified in accordance with the provisions of IFRS 9 Financial Instruments.

Broadly, the classification possibilities, which are adopted by the group, as applicable, are as follows:

Financial assets which are equity instruments:

- Mandatorily at fair value through profit or loss; or
- Designated as at fair value through other comprehensive income. (This designation is not available to equity instruments which are held for trading or which are contingent consideration in a business combination).

Financial assets which are debt instruments:

- Amortised cost. (This category applies only when the contractual terms of the instrument give rise, on specified dates, to cash flows that are solely payments of principal and interest on principal, and where the instrument is held under a business model whose objective is met by holding the instrument to collect contractual cash flows); or
- Fair value through other comprehensive income. (This category applies only when the contractual terms of the instrument give rise, on specified dates, to cash flows that are solely payments of principal and interest on principal, and where the instrument is held under a business model whose objective is achieved by both collecting contractual cash flows and selling the instruments); or
- Mandatorily at fair value through profit or loss. (This classification automatically applies to all debt instruments which do not qualify as at amortised cost or at fair value through other comprehensive income); or
- Designated at fair value through profit or loss. (This classification option can only be applied when it eliminates or significantly reduces an accounting mismatch).

Derivatives which are not part of a hedging relationship:

- Mandatorily at fair value through profit or loss.
-



# Sable Exploration and Mining Ltd

(Registration number 2001/006539/06)

Group Annual Financial Statements for the year ended 29 February 2024

## Accounting Policies

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### 1.4 Financial instruments (continued)

Financial liabilities:

- Amortised cost; or
- Mandatorily at fair value through profit or loss. {This applies to contingent consideration in a business combination or to liabilities which are held for trading}; or
- Designated at fair value through profit or loss. (This classification option can be applied when it eliminates or significantly reduces an accounting mismatch; the liability forms part of a group of financial instruments managed on a fair value basis; or it forms part of a contract containing an embedded derivative and the entire contract is designated as at fair value through profit or loss).

Note 18 Financial instruments and risk management presents the financial instruments held by the group based on their specific classifications.

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

The specific accounting policies for the classification, recognition and measurement of each type of financial instrument held by the group are presented below:

#### Trade and other receivables

##### Classification

Trade and other receivables, excluding, when applicable, VAT and prepayments, are classified as financial assets subsequently measured at amortised cost (note 6).

They have been classified in this manner because their contractual terms give rise, on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding, and the group's business model is to collect the contractual cash flows on trade and other receivables.

##### Recognition and measurement

Trade and other receivables are recognised when the group becomes a party to the contractual provisions of the receivables. They are measured, at initial recognition, at fair value plus transaction costs, if any.

They are subsequently measured at amortised cost.

The amortised cost is the amount recognised on the receivable initially, minus principal repayments, plus cumulative amortisation (interest) using the effective interest method of any difference between the initial amount and the maturity amount, adjusted for any loss allowance.

##### Credit risk

Details of credit risk are included in the trade and other receivables (note 6) and the financial instruments and risk management (note 18).

# Sable Exploration and Mining Ltd

{Registration number 2001/006539/06}

Group Annual Financial Statements for the year ended 29 February 2024

## Accounting Policies

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### 1.4 Financial instruments (continued)

#### Trade and other payables

##### Classification

Trade and other payables (note 11), excluding VAT and amounts received in advance, are classified as financial liabilities subsequently measured at amortised cost.

##### Recognition and measurement

They are recognised when the group becomes a party to the contractual provisions, and are measured, at initial recognition, at fair value plus transaction costs, if any.

They are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

If trade and other payables contain a significant financing component, and the effective interest method results in the recognition of interest expense, then it is included in profit or loss in finance costs (note 13).

Trade and other payables expose the group to liquidity risk and possibly to interest rate risk. Refer to note 18 for details of risk exposure and management thereof.

##### Derecognition

Refer to the "derecognition" section of the accounting policy for the policies and processes related to derecognition.

#### Cash and cash equivalents

Cash and cash equivalents are stated at carrying amount which is deemed to be fair value.

##### Derecognition

#### Financial assets

The group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the group retains substantially all the risks and rewards of ownership of a transferred financial asset, the group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

#### Financial liabilities

The group derecognises financial liabilities when, and only when, the group obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

# Sable Exploration and Mining Ltd

(Registration number 2001/006539/06)

Group Annual Financial Statements for the year ended 29 February 2024

## Accounting Policies

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### 1.5 Tax

#### Current tax assets and liabilities

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

Current tax liabilities (assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the tax authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

#### Tax expenses

Current and deferred taxes are recognised as income or an expense and included in profit or loss for the period, except to the extent that the tax arises from:

- a transaction or event which is recognised, in the same or a different period, to other comprehensive income, or
- a business combination.

Current tax and deferred taxes are charged or credited to other comprehensive income if the tax relates to items that are credited or charged, in the same or a different period, to other comprehensive income.

Current tax and deferred taxes are charged or credited directly to equity if the tax relates to items that are credited or charged, in the same or a different period, directly in equity.

### 1.6 Impairment of assets

The group assesses at each end of the reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the group estimates the recoverable amount of the asset.

Irrespective of whether there is any indication of impairment, the group also:

- tests intangible assets with an indefinite useful life or intangible assets not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount. This impairment test is performed during the annual period and at the same time every period.
- tests goodwill acquired in a business combination for impairment annually.

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined.

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use.

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss.

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in profit or loss. Any impairment loss of a revalued asset is treated as a revaluation decrease.

An entity assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets other than goodwill may no longer exist or may have decreased. If any such indication exists, the recoverable amounts of those assets are estimated.

The increased carrying amount of an asset other than goodwill attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation other than goodwill is recognised immediately in profit or loss. Any reversal of an impairment loss of a revalued asset is treated as a revaluation increase.

# Sable Exploration and Mining Ltd

(Registration number 2001/006539/06)

Group Annual Financial Statements for the year ended 29 February 2024

## Accounting Policies

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### 1.7 Share capital and equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

If the group reacquires its own equity instruments, the consideration paid, including any-directly attributable incremental costs (net of income taxes) on those instruments are deducted from equity until the shares are cancelled or reissued. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the group's own equity instruments. Consideration paid or received shall be recognised directly in equity.

### 1.8 Earnings per share

Earnings and headline earnings per share are calculated by dividing the net profit attributable to the owners of the parent and headline earnings respectively, by the weighted average number of ordinary shares in issue during the year, excluding the ordinary shares held by the Group as treasury shares.

Headline earnings are calculated in accordance with the Circular 1/2021 issued by the South African Institute of Chartered Accountants as required by the JSE Listing Requirements.

# Sable Exploration and Mining Ltd

(Registration number 2001/006539/06)

Group Annual Financial Statements for the year ended 29 February 2024

## Notes to the Group Annual Financial Statements

Figures in Rand	Group		Company	
	2024	2023	2024	2023

### 2. New Standards and Interpretations

#### 2.1 Standards and interpretations effective and adopted in the current year

In the current year, the group has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

Standard/ Interpretation:	Effective date: Years beginning on or after	
Deferred tax related to assets and liabilities arising from a single transaction - Amendments to IAS 12	01 January 2023	The impact of the amendment is not material.
Disclosure of accounting policies: Amendments to IAS 1 and IFRS Practice Statement 2	01 January 2023	The impact of the amendment is not material.
Definition of accounting estimates: Amendments to IAS 8	01 January 2023	The impact of the amendment is not material.
Classification of Liabilities as Current or Non-Current - Amendment to IAS 1	01 January 2023	The impact of the amendment is not material.

#### 2.2 Standards and interpretations not yet effective

The group has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the group's accounting periods beginning on or after 01 March 2024 or later periods:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
Lack of exchangeability - amendments to IAS 21	01 January 2025	Unlikely there will be a material impact
Supplier finance arrangements - amendments to IAS 7 and IFRS 7	01 January 2024	Unlikely there will be a material impact
Non-current liabilities with covenants - amendments to IAS	01 January 2024	Unlikely there will be a material impact

### 3. Property, plant and equipment

#### Reconciliation of property, plant and equipment - Group - 2024

	Opening balance	Additions	Depreciation	Total
Structures and fixtures		64 481	(6 831)	57 650
Plant and machinery		12 390 295	(261 165)	12 129 130
		<b>12 454 776</b>	<b>(267 996)</b>	<b>12 186 780</b>

# Sable Exploration and Mining Ltd

(Registration number 2001/006539/06)

Group Annual Financial Statements for the year ended 29 February 2024

## Notes to the Group Annual Financial Statements

Figures in Rand	Group		Company	
	2024	2023	2024	2023

### 4. Interests in subsidiaries including consolidated structured entities

The following table lists the entities which are controlled by the group, either directly or indirectly through subsidiaries.

The following table lists the entities which are controlled directly by the company.

#### Company

	% voting power 2024	% voting power 2023	% holding 2024	% holding 2023	Carrying amount 2024	Carrying amount 2023
Sable Platinum Holdings (Pty) Ltd	100.00 %	100.00 %	100.00 %	100.00 %	152 245 645	152 245 645
					152 245 645	152 245 645
Impairment of investment in subsidiaries					(152 245 345)	(152 245 345)
					300	300

### 5. Other financial assets

Other financial assets are presented at amortised cost, which is net of loss allowance, as follows:

Sable Metals and Minerals (Pty) Ltd (JG Allan - director)	4 499 370	5 305 544
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The loan above is unsecured, interest free and is repayable on the discretion of the board of directors of the group.

#### Split between non-current and current portions

Current assets	4 499 370	5 305 544
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#### Exposure to credit risk

Other financial assets inherently exposes the group to credit risk, being the risk that the group will incur financial loss if counterparties fail to make payments as they fall due.

### 6. Trade and other receivables

#### Non-financial instruments:

VAT	656 132	
Prepayments	12 230	14 800
<b>Total trade and other receivables</b>	<b>668 362</b>	<b>14 800</b>

#### Split between non-current and current portions

Current assets	668 362	14 800
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### 7. Cash and cash equivalents

Cash and cash equivalents consist of:

Bank balances	3 186 068	67 215
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# Sable Exploration and Mining Ltd

(Registration number 2001/006539/06)

Group Annual Financial Statements for the year ended 29 February 2024

## Notes to the Group Annual Financial Statements

Figures in Rand	Group		Company	
	2024	2023	2024	2023
<b>8. Share capital</b>				
<b>Authorised</b>				
1,500,000,000 Ordinary shares of no-par value	1 500 000 000	1 500 000 000	1 500 000 000	1 500 000 000
<b>Reconciliation of number of shares issued:</b>				
Reported as at beginning of the reporting period	4 351 134	4 351 134	4 351 134	4 351 134
Rights issue	52 213 608			
	<b>56 564 742</b>	<b>4 351 134</b>	<b>4 351 134</b>	<b>4 351 134</b>
The unissued share capital is currently under control of the board of directors who may issue them on such terms and conditions as they deem fit, but only within the classes, and to the extent, that the shares have been authorised by the MOI, until the next Annual General Meeting.				
<b>Issued</b>				
Ordinary shares of no-par value	56 564 873	4 351 265	369 818 748	317 605 140
Share premium	95 117 170	95 117 170		
	<b>151 682 043</b>	<b>99 468 435</b>	<b>369 818 748</b>	<b>317 605 140</b>
<b>9. Loans from directors</b>				
J.G. Allan	2 789 935	7 604 567	1 621 376	1 621 012
The above loan is unsecured, interest free and is repayable on discretion of the board of directors of the group.				
<b>Details of loan movement</b>				
Balance at the beginning of the year	(7 604 567)	(7 604 567)	(621 012)	(70 782)
Invoices paid on behalf of the company	(824 208)			(856 078)
Other movement from related parties	(305 848)		(305 848)	305 848
Rights issue	3 974 688		305 484	
Repayment	1 970 000			
	<b>(2 789 935)</b>	<b>(7 604 567)</b>	<b>(621 376)</b>	<b>(621 012)</b>
<b>10. Other financial liabilities</b>				
Kianalily (Pty) Ltd	169 999	450 000		
The above loan is unsecured, interest free and have no fixed terms of repayment.				
PBNJ Consulting and Trading (Pty) Ltd		23 184 629		5 092 486
The above loan is unsecured, interest free and have no fixed terms of repayment.				
Allan Hochreiter Investments (Pty) Ltd		305 848		305 848
The above loan is unsecured, interest free and have no fixed terms of repayment.				
		<b>23 940 477</b>		<b>5 398 334</b>
	<b>169 999</b>	23 940 477		5 398 334
<b>Split between non-current and current portions</b>				
Current liabilities	169 999			

# Sable Exploration and Mining Ltd

(Registration number 2001/006539/06)

Group Annual Financial Statements for the year ended 29 February 2024

## Notes to the Group Annual Financial Statements

Figures in Rand	Group		Company	
	2024	2023	2024	2023

### 10. Other financial liabilities (continued)

#### Details of movement

Refer to note 16 in the Director's Report that relates to the rights issue during the reporting period that gives rise to the material movement in the financial liabilities.

### 11. Trade and other payables

#### Financial instruments:

Trade payables	946 044	530 338	287 213	183 864
SARS PAYE accrual	11 079 520	7 890 435	-	-

#### Non-financial instruments:

VAT	-	887 035	-	-
	<b>12 025 564</b>	<b>9 307 808</b>	<b>287 213</b>	<b>183 864</b>

### Exposure to liquidity risk

Refer to note 18 Financial instruments and financial risk management for details of liquidity risk exposure and management.

### 12. Operating profit (loss)

Operating loss for the year is stated after charging (crediting) the following, amongst others:

#### Auditor's remuneration - external

Audit fees	231 462	218 360	-	-
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#### Remuneration, other than to employees

Consulting and professional fees	468 000	560 033	-	241 464
Secretarial services	181 315	141 583	-	-
Accounting fees	279 950	274 950	-	-
	<b>929 265</b>	<b>976 566</b>	<b>-</b>	<b>241 464</b>

#### Employee costs

Directors remuneration	3 638 125	3 638 125	-	-
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#### Depreciation and amortisation

Depreciation of property, plant and equipment	267 996	-	-	-
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#### Movement in credit loss allowances

Loans to group companies	-	-	46 463 534	-
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#### Other

Subcontractors fees	2 033 437	-	-	-
Statutory, listing and related fees	462 372	456 339	252 372	457 176
Other operating expenses	1 294 195	-	180 000	-



# Sable Exploration and Mining Ltd

(Registration number 2001/006539/06)

Group Annual Financial Statements for the year ended 29 February 2024

## Notes to the Group Annual Financial Statements

Figures in Rand	Group		Company	
	2024	2023	2024	2023
<b>13. Finance costs</b>				
Late payment of tax (Tax authorities)	1 559 785	1 061 226		
Interest paid	-	67 662	-	61 270
<b>Total finance costs</b>	<b>1 559 785</b>	<b>1 128 888</b>	<b>-</b>	<b>61 270</b>
<b>14. Cash generated from/(used in) operations</b>				
Loss before taxation	(11 193 232)	(7 478 790)	(43 249 783)	(1 531 910)
<b>Adjustments for non-cash items:</b>				
Depreciation, amortisation, impairments and reversals of impairments	267 996	-	42 794 330	-
Disposal of associates / (Acquisition of associates)	-	98	-	-
Other non-cash item included in profit or loss	-	4 841 871	-	-
<b>Adjust for items which are presented separately:</b>				
Finance costs	1 559 785	67 662	-	61 270
<b>Changes in working capital:</b>				
(Increase) decrease in trade and other receivables	(653 562)	(81 370)	-	-
Increase (decrease) in trade and other payables	(470 107)	2 731 437	-	1 531 910
	<b>(10 489 120)</b>	<b>80 908</b>	<b>( 455 453)</b>	<b>61 270</b>
<b>15. Related parties</b>				
<b>Relationships</b>				
Directors and members of key management			James Gordon Allan Ulrich Bester Hazel Bango-Moyo Nyameka Madikizela Ian Bird	
<b>Related party balances</b>				
<b>Loan accounts - Owing (to)/from by related parties</b>				
PBNJ Trading and Consulting (Pty) Ltd (U Bester - director)	-	(23 184 629)	-	(5 092 486)
Sable Metals and Minerals (Pty) Ltd (JG Allan - director)	4 499 370	5 305 544	-	-
Kianalily (Pty) Ltd (U Bester - director)	(169 999)	(450 000)	-	-
Allan Hochreiter Investments (Pty) Ltd (JG Allan - director)	-	(305 848)	-	(305 848)
JG Allan - director	(2 789 935)	(7 604 567)	(1 621 376)	(1 621 012)
<b>Compensation to directors and other key management</b>				
Short-term employee benefits			-	-
	<b>3 638 125</b>	<b>3 638 125</b>		

# Sable Exploration and Mining Ltd

(Registration number 2001/006539/06)

Group Annual Financial Statements for the year ended 29 February 2024

## Notes to the Group Annual Financial Statements

Figures in Rand	Group		Company	
	2024	2023	2024	2023

### 16. Directors'

#### emoluments Executive

#### 2024

Directors' emoluments	Basic salary	Total
<b>Services as director or prescribed officer</b>		
Mr. James Gordon Allan	3 600 000	3 600 000

#### 2023

Directors' emoluments	Basic salary	Total
<b>Services as director or prescribed officer</b>		
Mr. James Gordon Allan	3 600 000	3 600 000

#### Service contracts

Mr JG Allan the majority shareholder of Sable Metals and Minerals (Pty) Ltd (SMM) renders services in his personal capacity to Sable Exploration and Mining Ltd using SMM as a vehicle, therefore is considered to be a Personal Service Provider.

#### Non-executive

#### 2024

Directors' emoluments	Basic fees	Total
<b>Services as director or prescribed officer</b>		
Mr. Ian Bird	109 000	109 000
Ms. Hazel Bango-Moyo	98 000	98 000
Ms. Nyameka Madikizela	96 000	96 000
	<b>303 000</b>	<b>303 000</b>

#### 2023

Directors' emoluments	Basic fees	Total
<b>Services as director or prescribed officer</b>		
Mr. Mohammed Bassam Al Mojarkesh	178 000	178 000
Mr. Charles Phillip Mostert	200 500	200 500
Mr. Enver Mohamed Motala	55 000	55 000
Mr. Eshaan Singh	199 500	199 500
Mr. Mohamed Said Tinawi	139 000	139 000
	<b>772 000</b>	<b>772 000</b>

### 17. Prior period errors

During the course of the audit a reportable irregularity was identified in accordance with the definition provided by the Auditing Profession Act No. 26 of 2005 (APA). This irregularity pertains to the Pay-As-You-Earn (PAYE) and Unemployment Insurance Fund (UIF) not being deducted from the salary of the directors.

# Sable Exploration and Mining Ltd

(Registration number 2001/006539/06)

Group Annual Financial Statements for the year ended 29 February 2024

## Notes to the Group Annual Financial Statements

Figures in Rand	Group		Company		
	2024	2023	2024	2023	
<b>17. Prior period errors (continued)</b>					
The management of Sable Exploration and Mining Ltd has obtained legal opinions with regards to the treatment of the above-mentioned and the board of directors responded appropriately to resolve the irregularity.					
The irregularity has been rectified in the comparative figures as well as the current year under review. The correction has been applied retrospectively to the affected prior periods in accordance with the relevant accounting standards.					
The correction of the error(s) results in adjustments as follows:					
<b>Statement of Financial Position</b>					
Other financial assets	-	5 305 544	-	-	
Investment in subsidiaries	-	-	-	300	
Other receivables	-	(1 001 715)	-	-	
Cash and cash equivalent	-	(203)	-	-	
Retained income	-	(3 207 617)	-	-	
Loans from directors	-	(7 604 567)	-	(1 621 012)	
Other financial liabilities	-	8 870 795	-	1 621 012	
Trade and other payables	-	(8 777 470)	-	(300)	
<b>Profit or Loss</b>					
Operating expenses	-	180 645	-	-	
Finance costs	-	(1 061 226)	-	-	
<b>Earnings per share</b>					
Loss per share (cents)	-	(28.54)	-	-	
<b>18. Financial instruments and risk management</b>					
<b>Capital risk management</b>					
The group's objective when managing capital (which includes share capital, borrowings, working capital and cash and cash equivalents) is to maintain a flexible capital structure that reduces the cost of capital to an acceptable level of risk and to safeguard the group's ability to continue as a going concern while taking advantage of strategic opportunities in order to maximise stakeholder returns sustainably.					
The group manages capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain the capital structure, the group may adjust the amount of dividends paid to the shareholder, return capital to the shareholder, repurchase shares currently issued, issue new shares, issue new debt, issue new debt to replace existing debt with different characteristics and/or sell assets to reduce debt.					
The capital structure and gearing ratio of the group at the reporting date was as follows:					
Loans from directors	9	2 789 935	7 604 567	1 621 376	1 621 012
Financial liabilities at fair value	10	169 999	23 940 477	-	5 398 334
Trade and other payables	11	12 025 564	9 307 808	287 213	183 864
PAYE accruals - exclusion		(11 079 522)	(7 890 437)	-	-
<b>Total borrowings</b>		<b>3 905 976</b>	<b>32 962 415</b>	<b>1 908 589</b>	<b>7203 210</b>
Cash and cash equivalents	7	(3 186 068)	(67 215)	-	-
<b>Net borrowings</b>		<b>719 908</b>	<b>32 895200</b>	<b>1 908 589</b>	<b>7203 210</b>
Equity		5 555 081	(35 465 295)	(1 908 289)	(7 202 910)
Gearing ratio		13 %	(93)%	(100)%	(100)%

# Sable Exploration and Mining Ltd

(Registration number 2001/006539/06)

Group Annual Financial Statements for the year ended 29 February 2024

## Notes to the Group Annual Financial Statements

Figures in Rand	Group		Company	
	2024	2023	2024	2023

### 18. Financial instruments and risk management

#### (continued) Financial risk management

##### Overview

The group is exposed to the following risks from its use of financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk (currency risk, interest rate risk and price risk).

##### Liquidity risk

The group is exposed to liquidity risk, which is the risk that the group will encounter difficulties in meeting its obligations as they become due.

The group manages its liquidity risk by effectively managing its working capital, capital expenditure and cash flows. The financing requirements are met through a mixture of cash generated from operations and long and short-term borrowings. Committed borrowing facilities are available for meeting liquidity requirements and deposits are held at central banking institutions.

There have been no significant changes in the liquidity risk management policies and processes since the prior reporting period.

##### Interest rate risk

Fluctuations in interest rates impact on the value of investments and financing activities, giving rise to interest rate risk.

The debt of the group is comprised of different instruments, which bear interest at either fixed or floating interest rates. The ratio of fixed and floating rate instruments in the loan portfolio is monitored and managed, by incurring either variable rate bank loans or fixed rate bonds as necessary. Interest rate swaps are also used where appropriate, in order to convert borrowings into either variable or fixed, in order to manage the composition of the ratio. Interest rates on all borrowings compare favourably with those rates available in the market.

The group policy with regards to financial assets, is to invest cash at floating rates of interest and to maintain cash reserves in short-term investments in order to maintain liquidity, while also achieving a satisfactory return for shareholders.

There have been no significant changes in the interest rate risk management policies and processes since the prior reporting period.

### 19. Going concern

The group annual 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 directors believe that the group has adequate financial resources to continue in operation for the foreseeable future and accordingly the group annual financial statements have been prepared on a going concern basis. The directors is satisfied is that the group is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements.

We draw attention to the fact that at 29 February 2024, the company had accumulated losses of R 371 727 037 and that the company's total liabilities exceed its total assets by R 1 908 289.

Certain conditions have given rise to a material uncertainty which may cast significant doubt about the group's ability to continue as a going concern and, therefore that it may be unable to realise its assets and discharge its liabilities in the normal course of business. The reportable irregularity as referred to in note 21 pertains to the Pay-As-You-Earn (PAYE) and Unemployment Insurance Fund (UIF) not being deducted from the salary of the directors. The liability accrued due to the irregularity gives rise to a material uncertainty.

# Sable Exploration and Mining Ltd

(Registration number 2001/006539/06)

Group Annual Financial Statements for the year ended 29 February 2024

## Notes to the Group Annual Financial Statements

Figures in Rand	Group		Company	
	2024	2023	2024	2023

### 20. Events after the reporting period

On 11 April 2024 it was announced that the auditors had been changed to CM and Associates Inc. as this was considered to be more in line with the company's growth strategy.

On 29 April 2024 a reportable irregularity was reported to IRBA in accordance with Section 45 of the Auditing Professions Act No. 26 of 2005 as referred to in note 21.

### 21. Reportable irregularity identified and reported to IRBA

During the course of the audit a reportable irregularity was identified in accordance with the definition provided by the Auditing Profession Act No. 26 of 2005 (APA). This irregularity pertains to the Pay-As-You-Earn (PAYE) and Unemployment Insurance Fund (UIF) not being deducted from the salary of the directors. This matter was reported to the Independent Regulatory Broad for Auditors (IRBA) as required by Section 45 of the APA.

### 22. Earnings per share

#### Earnings and Headline Earnings per share diluted loss and diluted headline loss per share (cents)

Attributable to ordinary equity holders of the company

(51.45)	(171.88)	-	-
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# Sable Exploration and Mining Ltd

(Registration number 2001/006539/06)

Group Annual Financial Statements for the year ended 29 February 2024

## Detailed Income Statement

Figures in Rand	Note(s)	Group		Company	
		2024	2023 Restated*	2024	2023 Restated*
Movement in credit loss allowances	12	-	-	(46 463 534)	-
<b>Other operating expenses</b>					
Accounting fees		(279 950)	(274 950)	-	-
Advertising		(23 081)	-	(23 081)	-
Auditor's remuneration - external audit	12	(231 462)	(218 360)	-	-
Bank charges		(8 833)	(8 305)	-	-
Community and charity events		(3 800)	-	-	-
Computer expenses		(1 900)	(6 612)	-	-
Conference fees		(5 950)	-	-	-
Consulting and professional fees		(468 000)	(560 033)	-	(241 464)
Consulting and professional fees - legal fees		-	(14 298)	-	-
Depreciation		(267 996)	-	-	-
Employee costs		(3 638 125)	(3 638 125)	-	-
Fines and penalties		(168 889)	(142 520)	-	-
Non-executive directors fees		(303 000)	(772 000)	-	(772 000)
Other operating expenses		(1 294 195)	-	(180 000)	-
Printing and stationery		-	(7 150)	-	-
Protective clothing		(20 541)	-	-	-
Secretarial fees		(181 315)	(141 583)	-	-
Sponsor fees		(231 600)	-	-	-
Statutory, listing and related fees		(462 372)	(456 339)	(252 372)	(457 176)
Subcontractors fees		(2 033 437)	-	-	-
Travel - local		(9 001)	(109 627)	-	-
		<b>(9 633 447)</b>	<b>(6 349 902)</b>	<b>(455 453)</b>	<b>(1 470 640)</b>
<b>Operating loss</b>	12	<b>(9 633 447)</b>	<b>(6 349 902)</b>	<b>(46 918 987)</b>	<b>(1 470 640)</b>
Finance costs	13	(1 559 785)	(1 128 888)	-	(61 270)
<b>Total comprehensive loss for the year</b>		<b>(11 193 232)</b>	<b>(7 478 790)</b>	<b>(46 918 987)</b>	<b>(1 531 910)</b>

• See Note 17

## Directors interest in shares

The following directors hold direct and indirect beneficial interests in the shares of the company

	Number of shares		Total holdings	% holdings
	Direct holdings	Indirect holdings		
<b>Holding at 29 February 2024</b>				
PBNJ Consulting (Pty) Ltd (Ulrich Bester)	48 591 238		48 591 238	85,90%
James Gordon Allan	5 317 378		5 317 378	9,42%
<b>Holding at 28 February 2023</b>				
James Gordon Allan	305 768	12 729	318 497	7.32%
Charles Phillip Mostert	3 346	-	3 346	0.08%
Enver Mohammed Motala	8 440	800 000	804 440	18.58%
	<u>317 554</u>	<u>812 729</u>	<u>1 130 283</u>	<u>25.98%</u>

### Holding at 30 May 2023

Ulrich Bester	-	2 605 495	2 605 495	59.88%
James Gordon	305 768	12 729	318 497	7.32%
Allan Charles	948	-	948	0.02%
Phillip Mostert	306 716	2 618 224	2 924 940	37.22%

### Ordinary shareholder analysis

2024

The following are shareholders holding, directly or

indirectly, in excess of 3% of the share capital

	Number of shares	% holding	Number of shares	% holding
PBNJ Trading and Consulting (Pty) Ltd	48 591 238	85,9		
James Gordon Allan	5 317 378	9,4		
	<b>52 801 759</b>			

### Shareholding in excess of 3% at 28 June 2024

PBNJ Trading and Consulting	85,9%
James Gordon Allan	9,4%

### Shareholder Spread

	Number of shareholders	% of shareholding	Number of shares held	% of shareholding
Issued Shares: 56 564 742				
1 - 100 shares	944	0.27%		0,27%
			152 725	
101 - 500 shares	58	0.44%	254 541	0,44%
501 - 1000 shares	25	0.46%	257 781	0,46%
1001 – 10 000 shares	58	2.89%	1 634 721	2,89%
10 001 - 100 000 shares	7	0.61%	356 358	0,61%
>100 001	2	95.32%	53 908 616	95,32%
	<b>1 102</b>	<b>100,00%</b>	<b>56 564 742</b>	<b>100,00%</b>

	Number of issued shares	Percentage
Public Shareholders:	2 647 230	4.68%
Non-Public Shareholders:	53 917 512	95.32%

The supplementary information presented does not form part of the group annual financial statements and is unaudited

# Notice to shareholders Annual General Meeting

**SABLE EXPLORATION AND MINING LIMITED**  
(Incorporated in the Republic of South Africa)  
**Registration number 2001/006539/06**  
JSE share code: SXMISIN: ZAE00303319

("SEAM" or the "Company")

The annual general meeting will be held in electronic format only.

Notice is hereby given that an annual general meeting of SEAM Shareholders will be held electronically at **10:00 on Friday 16 August 2024** to conduct the following business and adopt the following resolutions, with or without modifications:

## Note:

- For any of the ordinary resolutions number 1 to 7 and 9 to be adopted, more than 50% of the voting rights exercised on each such ordinary resolution must be exercised in favour thereof.
- For any of the special resolutions number 1 to 3 to be adopted, 75% or more of the voting rights exercised on each such ordinary resolution must be exercised in favour thereof.
- For ordinary resolution number 8 to be adopted, 75% or more of the voting rights exercised on each such ordinary resolution must be exercised in favour thereof.

## Purpose

The purpose of the meeting is to present, consider and adopt the financial statements of the company for the year ended 29 February 2024; to transact the business set out in this notice of annual general meeting (AGM notice) by considering and, if deemed fit, passing, with or without modification, the ordinary and special resolutions hereunder; and to transact such other business as may be transacted at the annual general meeting.

## Record date, attendance and voting

Financial year-end	29 February 2024
Record date for the purposes of determining which shareholders are entitled to receive the Notice of Annual General Meeting	Friday, 14 June 2024
Mailing of Integrated Annual Report	Monday, 1 July 2024
Last day to trade for the purposes of being entitled to participate and vote at the Annual General Meeting	Monday, 5 August 2024
Record date on which members must be recorded as such in the register maintained by the transfer secretaries of the Company for the purpose of being entitled to participate in and vote at the Annual General Meeting	Thursday, 8 August 2024
Last day to lodge forms of proxy for the Annual General Meeting for administrative purposes by 10h00 on	Thursday, 15 August 2024
Annual General Meeting at 10h00 on	Friday, 16 August 2024
Results of the Annual General Meeting published on SENS	Friday, 16 August 2024



## Voting and Proxies

The date on which SEAM Shareholders must be recorded in the Register to be entitled to attend and vote at the General Meeting is Thursday, 8 August 2024. The last day to trade in order to be entitled to attend and vote at the General Meeting is Monday, 5 August 2024.

For an ordinary resolution to be approved by the shareholders, it must be supported by more than 50% of the voting rights exercised on the resolution. For a special resolution to be approved by the shareholders, it must be supported by at least 75% of the voting rights exercised on the resolution.

Voting will be via a poll; every shareholder of the Company shall have one vote for every share held in the Company by such shareholder.

A shareholder entitled to participate and vote at the annual general meeting is entitled to appoint a proxy or proxies to electronically participate, speak and vote in his/ her stead. A proxy need not be a shareholder of the Company.

The electronic platform (Zoom) to be utilised to host the annual general meeting does not provide for electronic voting during the meeting.

Accordingly, shareholders are strongly encouraged to submit votes by proxy in advance of the annual general meeting, by completing the Form of Proxy and lodging this form with the Company's Transfer Secretaries by no later than 10:00 on Thursday, 15 August 2024 by:

- delivery to CTSE Registry Services (Pty) Ltd, 5<sup>th</sup> Floor, Block B, The Woodstock Exchange Building, 66-68 Albert Road, Woodstock, South Africa or
- email to [admin@4axregistry.co.za](mailto:admin@4axregistry.co.za)

Any forms of proxy not submitted by this time can still be lodged by email to [admin@4axregistry.co.za](mailto:admin@4axregistry.co.za) prior to the commencement of the meeting.

Shareholders are reminded that they are still able to vote normally through proxy submission, despite deciding to participate either electronically or not at all in the annual general meeting.

The Transfer Secretaries must be reasonably satisfied that the right of that person to participate in, speak and vote at the General Meeting as a SEAM Shareholder, as proxy or as a representative of a SEAM Shareholder, has been reasonably verified. Accepted forms of identification include original South African drivers' licenses, green barcoded identity documents or barcoded identification smart cards issued by the South African Department of Home Affairs, as well as passports.

Dematerialised shareholders, other than those with 'own name' registration, who wish to participate in the General Meeting, should instruct their Central Securities Depository Participant ("CSDP") or Broker to issue them with the necessary letter of representation to participate in the General Meeting, in the manner stipulated in the relevant custody agreement. The letter of representation will need to be submitted together with the completed Electronic voting form.

Participation Application Form to the Company's Transfer Secretaries and to SEAM in the manner and within the timeframe described above under the section titled "Electronic Participation Arrangements".

If these shareholders do not wish to participate in the General Meeting in person, they must provide the CSDP or broker with their voting instructions in terms of the relevant custody agreement entered into between them and the CSDP or broker.

Those Certificated Shareholders and Dematerialised Shareholders with 'own name' registration, who wish to participate in the General Meeting (either in person or represented by proxy), must submit a completed Electronic Participation Application Form to the Company's Transfer Secretaries and to SEAM in the manner and within the timeframe described above under the section titled "Electronic Participation Arrangements".

## **ELECTRONIC ATTENDANCE AND PARTICIPATION**

The Company's Memorandum of Incorporation authorises the conduct of shareholders' meetings entirely by electronic communication as does section 63(2)(a) of the Companies Act. The Board has decided that the General Meeting will only be accessible through a remote interactive electronic platform as detailed below.

Shareholders or their duly appointed proxies who wish to participate in the General Meeting are required to complete the Electronic Participation Application Form and email same to the Company's Transfer Secretaries at [admin@4axregistry.co.za](mailto:admin@4axregistry.co.za) as soon as possible, but in any event by no later than 10:00 on Thursday, 15 August 2024.

Shareholders or their duly appointed proxies are required to provide satisfactory identification before being entitled to participate in the General Meeting.

Upon receiving a completed Electronic Participation Application Form, the Company's Transfer Secretaries will follow a verification process to verify each applicant's entitlement to participate in and/or vote at the General Meeting. The Company's Transfer Secretaries will provide the Company with the nominated email address of each verified shareholder or their duly appointed proxy to enable the Company to forward them a Zoom meeting invitation required to access the General Meeting.

Fully verified shareholders or their duly appointed proxies who have applied to participate electronically in the General Meeting are requested by no later than 09:50 on Friday, 16 August 2024 to join the lobby of the meeting by clicking on the "Join Zoom Meeting" link to be provided by SEAM's company secretary or by the secretarial office, whose admission to the meeting will be controlled by the company secretary/secretarial office.

Participants will be liable for their own network charges in relation to electronic participation in and/or voting at the Annual General Meeting. Any such charges will not be for the account of the Company's Transfer Secretaries or SEAM who will also not be held accountable in the case of loss of network connectivity or other network failure due to insufficient airtime, internet connectivity, internet bandwidth and/or power outages which prevents any such shareholder or their proxy from participating in and /or voting at the General Meeting.

## **AGENDA**

Presentation and consideration of the annual financial statements of the Group, including the reports of the directors and the Audit and Risk Committee for the year ended 29 February 2024 as set out in the company's Integrated Annual Report 2024 of which this AGM notice forms part of.

Presentation and consideration of the Social and Ethics Report.

To consider and, if deemed fit, approve, with or without modification, the following special and ordinary resolutions:

### **ORDINARY RESOLUTIONS**

#### **1. Ordinary resolution number 1– Re-Appointment of Hazel Bango-Moyo**

"Resolved that Hazel Bango-Moyo be and is hereby re-appointed as an independent non-executive director".

An abbreviated curriculum vitae in respect of Hazel Bango-Moyo can be viewed on page 9 of this Integrated Annual Report of which this notice forms part.

#### **Reason for ordinary resolution number 1**

The reason for ordinary resolution number 1 is that annually one third of the non-executive directors retire by rotation. The Board recommends the re-appointment of Hazel Bango-Moyo, who has offered herself up for re-appointment, which is to be approved the shareholders.

## **2. Ordinary resolution number 2 - Confirmation of the appointment of the auditors**

“Resolved that the appointment of CM & A Inc. as independent auditors of the company for the ensuing year (the designated auditor being Renier Martin) on the recommendation of the company’s Audit and Risk Committee be hereby ratified.”

### **Reason for ordinary resolution number 2**

The reason for ordinary resolution number 2 is that the company, being a public listed company, must have its financial results audited and such auditor must be appointed or reappointed each year at the annual general meeting of the company as required by the Companies Act.

## **3. Ordinary resolution number 3 - Appointment of Hazel Bango-Moyo as a member and chairman to the Audit and Risk Committee**

“Resolved that Hazel Bango-Moyo be elected a member and chairman of the Audit and Risk Committee, with effect from the conclusion of this annual general meeting in terms of section 94(2) of the Companies Act.”

Subject to approval of ordinary resolution 1.

An abbreviated curriculum vitae in respect of Hazel Bango-Moyo can be viewed on page 9 of the Integrated Annual Report of which this notice forms part.

## **4. Ordinary resolution number 4 - Appointment of Nyameka Madikizela as a member to the Audit and Risk Committee**

“Resolved that Nyameka Madikizela be elected a member of the Audit and Risk Committee, with effect from the conclusion of this annual general meeting in terms of section 94(2) of the Companies Act.”

An abbreviated curriculum vitae in respect of Nyameka Madikizela can be viewed on page 10 of the Integrated Annual Report of which this notice forms part.

## **5. Ordinary resolution number 5 - Appointment of Ian Bird as a member to the Audit and Risk Committee**

“Resolved that Ian Bird be elected a member of the Audit and Risk Committee, with effect from the conclusion of this annual general meeting in terms of section 94(2) of the Companies Act.”

An abbreviated curriculum vitae in respect of Ian Bird can be viewed on page 9 of the Integrated Annual Report of which this notice forms part.

### **Reason for ordinary resolutions number 3 to 5**

The reason for ordinary resolutions number 3 to 5 (inclusive) is that the company, being a public listed company, must appoint an Audit Committee as prescribed by sections 66(2) and 94(2) of the Companies Act, which also requires that the members of such Audit Committee be appointed, or reappointed, as the case may be, at each annual general meeting of a company.

## **6. Ordinary resolution number 6 - Endorsement of remuneration policy and implementation report**

### **Ordinary resolution 6.1**

“Resolved that the company’s remuneration policy, as set out in the remuneration report on pages 24 and 25 of the Integrated Annual Report of which this notice forms part, be and is hereby approved by way of a non-binding advisory vote of shareholders of the company in terms of the King IV™ Report on Corporate Governance.”

## Ordinary resolution 6.2

“Resolved that the remuneration implementation report, as set out on pages 26 and 27 of the Integrated Annual Report of which this notice forms part, be and is hereby endorsed as a non-binding advisory vote of shareholders of the company in terms of the King IV™ Report on Corporate Governance.”

### Reason for ordinary resolutions number 6.1 and 6.2

The reason for ordinary resolutions number 6.1 and 6.2 is that King IV™ recommends that the remuneration policy of the company be endorsed through separate non-binding advisory votes by shareholders at the annual general meeting of a company. Failure to pass these resolutions will not have legal consequences relating to existing arrangements. However, the Board of directors of the company will take the outcome of the vote into consideration when assessing the company’s remuneration policy and implementation report.

## 7. Ordinary resolution number 7 - Placing unissued shares under directors’ control

“Resolved that the unissued shares in the company, be and are hereby placed under the control of the directors until the next annual general meeting and that they be and are hereby authorised to issue any such shares as they may deem fit, subject to the Companies Act, the memorandum of incorporation of the company, and the provisions of the Listings Requirements of the JSE Limited (JSE).”

### Reason for ordinary resolution number 7

The reason for ordinary resolution number 7 is that the Board requires authority from shareholders in terms of article 3 of its memorandum of incorporation to issue shares in the company. This general authority, once granted, allows the Board from time to time, when it is appropriate to do so, to issue ordinary shares as may be required inter alia in terms of capital raising exercises, and to maintain a healthy capital adequacy ratio that may be required from time to time.

## 8. Ordinary resolution number 8 - General authority to issue shares for cash

“Resolved that the directors of the company be and are hereby authorised by way of a general authority, to allot and issue any of its unissued shares for cash placed under their control as they in their discretion may deem fit, without restriction, subject to the provisions of the Listings Requirements of the JSE, and subject to the provision that the aggregate number of ordinary shares able to be allotted and issued in terms of this resolution, shall be limited to 30% (16,969,423 shares) of the issued share capital as at the date of the AGM, provided that:

- (a) the equity securities which are the subject of this general authority be of a class already in issue or, where this is not the case, must be limited to such securities or rights that are convertible into a class already in issue;
- (b) the equity securities must be issued to public shareholders, as defined in the Listings Requirements, and not to related parties;
- (c) the equity securities which are the subject of this general authority:
  - (i) may not, in aggregate, exceed 30% of the Company’s listed equity securities as at the date of the AGM, being the equivalent of 16,969,423 equity securities;
  - (ii) any equity securities issued in terms of this general authority must be deducted from the initial number of equity securities available under this general authority; and
  - (iii) in the event of a subdivision or consolidation of issued equity securities during the period of this general authority, the general authority must be adjusted accordingly to represent the same allocation ratio;
- (d) the general authority shall be valid until the next AGM, or for 15 months from the date on which the general authority for such ordinary resolution was passed, whichever period is shorter subject to the Listings Requirements and any other restrictions set out in this authority;
- (e) the maximum discount at which equity securities may be issued is 10% of the weighted average traded price of such equity securities measured over the 30 business days prior to the date that the price of the issue is agreed between the Company and the party subscribing for the equity securities. The JSE should be consulted for a ruling if the applicant’s securities have not traded in such 30-business-day period;
- (f) an announcement giving full details, including the impact on net asset value, net tangible asset value, earnings and headline earnings per share will be published at the time of any issue representing, on a cumulative basis within a financial year, 5% or more of the number of securities in issue prior to

- (g) the general issue for cash; and  
 this authority includes any options/convertible securities that are convertible into an existing class of equity securities.”

**The reason for ordinary resolution number 8**

For listed entities wishing to issue shares, it is necessary for the Board not only to obtain the prior authority of the shareholders as may be required in terms of their memorandum of incorporation contemplated in ordinary resolution number 8 above but it is also necessary to obtain the prior authority of shareholders in accordance with the Listings Requirements of the JSE. The reason for this resolution is accordingly to obtain a general authority from shareholders to issue shares in compliance with the Listings Requirements of the JSE. The authority granted in terms of this resolution number 10 must accordingly be read together with authority granted in terms of ordinary resolution number 8 above and any exercise thereof will be subject to the conditions contained in ordinary resolution number 8.

*Note: This resolution requires the approval of not less than 75% of the votes cast by shareholders present or represented by proxy and entitled to vote at this annual general meeting.*

**9. Ordinary resolution number 9 - Authority to action**

“Resolved that any one director of the company and/or the company secretary is hereby authorised to do all such things and sign all such documents as deemed necessary to implement the ordinary and special resolutions as set out in this notice convening the annual general meeting at which these resolutions will be considered.”

**The reason for ordinary resolution number 9**

The reason for ordinary resolution number 9 is to ensure that the resolutions voted favourably upon is duly implemented through the delegation of powers provided for in terms of clause 5.3 of the company’s memorandum of incorporation.

**SPECIAL BUSINESS**

**1. Special resolution number 1 - Remuneration of non-executive directors**

“Resolved that the remuneration payable to the non-executive directors be approved on the following basis with effect from this annual general meeting until the next annual general meeting to be held in 2025:

Category	Recommended remuneration
Board member	R 45 000 annual retainer
Board chairman	R 15 000 per meeting attended
Board member	R 10 000 per meeting attended
<b>Audit and Risk Committee</b>	
Chairman	R 8 000 per meeting attended
Member	R 6 000 per meeting attended
<b>Remuneration and nomination committee</b>	
Chairman	R 4 500 per meeting attended
Member	R 3 500 per meeting attended
<b>Social and ethics committee</b>	
Chairman and Member	R500 per meeting attended

### **Reasons for and effect of special resolution number 1**

The reason for the proposed special resolution is to comply with section 66(9) of the Companies Act, which requires the approval of directors' fees prior to the payment of such fees.

The effect of special resolution number 1 is that the company will be able to pay its non-executive directors for the services they render to the company as directors without requiring further shareholder approval until the next annual general meeting.

## **2. Special resolutions number 2.1 and 2.2 - Financial assistance to related and inter-related companies**

### **2.1 Financial assistance for subscription of securities in terms of section 44**

"Resolved that the board may to the extent required, in terms of and subject to section 44 of the Companies Act, as the case may be, and the company's MOI, authorise the company to provide financial assistance by way of a loan, guarantee, the provision of security or otherwise, to its subsidiaries and inter-related companies (excluding any director or prescribed officer of the company, or a person related to such director or prescribed officer), for the purpose of, or in connection with, the subscription of any option, or any securities, issued or to be issued by the company or a related or inter-related company, or for the purchase of any securities of the company or a related or inter-related company, subject to the terms and conditions of section 44 of the Companies Act. No such financial assistance may be provided at any time in terms of this authority after the expiry of two years from the date of the adoption of this special resolution".

#### **Reason and effect of special resolution number 2.1**

The purpose of this special resolution number 2.1 is to grant the board the authority to authorise the company to provide financial assistance by way of a loan, guarantee, the provision of security, or otherwise to its subsidiaries and inter-related companies (excluding any director or prescribed officer of the company, or a person related to such director or prescribed officer), for the purpose of, or in connection with, the subscription of any option, or any securities, issued or to be issued by the company or a related or inter-related company, or for the purchase of any securities of the company or a related or inter-related company as contemplated in section 44 of the Companies Act. The directors undertake that prior to the company providing the financial assistance as contemplated in section 44 of the Companies Act, the company will have satisfied the solvency and liquidity test as set out in section 4 of the Companies Act (solvency and liquidity test) and that the terms under which the financial assistance is proposed to be given are fair and reasonable to the company.

### **2.2 Financial assistance in terms of section 45 to related and inter-related companies or corporations**

"Resolved that, in terms of section 45(3)(a)(ii) of the Companies Act, shareholders of the company hereby approve of the company providing, at any time during the period of 2 (two) years from the date of passing this special resolution, any direct or indirect financial assistance as contemplated in section 45 of the Companies Act to any 1 (one) or more related or inter-related companies or corporations of the company and/or to any 1 (one) or more members of any such related or inter-related company or corporation and/or to any 1 (one) or more persons related to any such company or corporation, provided that: (a) The recipient or recipients of such financial assistance, the form, nature and extent of such financial assistance and the terms and conditions under which such financial assistance is to be provided, are determined by the board from time to time (b) The board may not authorise the company to provide any financial assistance pursuant to this special resolution unless all the requirements of section 45 of the Companies Act to authorise the company to provide such financial assistance have been fulfilled (c) Such financial assistance to a recipient is, in the opinion of the board, required for the purpose of (i) meeting all or any of such recipient's operating expenses (including capital expenditure), and/or (ii) funding the growth, expansion, reorganisation or restructuring of the businesses or operations of such recipient, and/or (iii) funding such recipient for any other purpose which, in the opinion of the board, is directly or indirectly in the interests of the company".

#### **Reason and effect of special resolution number 2.2**

The reason for special resolution number 2.2 is that the company advances loans and other financial assistance to subsidiaries and other related companies or corporations in its group. Shareholders are required to pass special resolution number 1 to approve the company providing such financial assistance, subject to the board performing the solvency and liquidity test and subject further to the financial assistance falling within the category of assistance mentioned in sub-paragraph (c) of special resolution number 2.2

above. Percentage of voting rights required for special resolutions numbers 2.1 and 2.2 to be adopted: at least 75% (seventy-five percent) of the voting rights exercised in favour of the resolution by shareholders present at the AGM or represented by proxy and entitled to exercise voting rights on the resolution.

### **3. Special resolution number 3 - Authority to repurchase shares by the company**

“Resolved as a special resolution that the company and its subsidiaries be and are hereby authorised, as a general approval, to repurchase any of the shares issued by the company, upon such terms and conditions and in such amounts as the directors may from time to time determine, but subject to the provisions of sections 46 and 48 of the Companies Act, the memorandum of incorporation of the company, the Listings Requirements of the JSE and the requirements of any other stock exchange on which the shares of the company may be quoted or listed, namely that:

- the general repurchase of the shares may only be implemented on the open market of the JSE and done without any prior understanding or arrangement between the company and the counterparty;
- this general authority shall only be valid until the next annual general meeting of the company, provided that it shall not extend beyond 15 months from the date of this resolution;  
an announcement must be published as soon as the company has acquired shares constituting, on a cumulative basis, 3% of the number of shares in issue prior to the acquisition, pursuant to which the aforesaid 3% threshold is reached, containing full details thereof, as well as for each 3% in aggregate of the initial number of shares acquired thereafter;
- the general authority to repurchase is limited to a maximum of 20% in the aggregate in any one financial year of the company’s issued share capital at the time the authority is granted;
- a resolution has been passed by the Board of directors approving the purchase, that the company has satisfied the solvency and liquidity test as defined in the Companies Act and that since the solvency and liquidity test was applied there have been no material changes to the financial position or required shareholder spread of the Group;
- the general repurchase is authorised by the company’s memorandum of incorporation;
- repurchases must not be made at a price more than 10% above the weighted average of the market value of the shares for five business days immediately preceding the date that the transaction is affected. The JSE should be consulted for a ruling if the applicant’s securities have not traded in such five-business day period;
- the company may at any point in time only appoint one agent to affect any repurchase(s) on the company’s behalf;
- the company and its subsidiaries may not affect a repurchase during any prohibited period as defined in terms of the Listings Requirements of the JSE unless there is a repurchase programme in place as contemplated in terms of 5.72(g) of the Listings Requirements of the JSE.”

#### **Reason and effect of special resolution number 3**

The reason for and effect of special resolution number 3 is to grant the directors a general authority in terms of its memorandum of incorporation and the Listings Requirements of the JSE for the acquisition by the company and/or its subsidiaries of shares issued by it on the basis reflected in the special resolution.

In terms of the Listings Requirements of the JSE any general repurchase by the company and/or its subsidiaries must, inter alia, be limited to a maximum of 20% of the company’s issued share capital in any one financial year of that class at the time the authority is granted.

#### **OTHER BUSINESS**

To transact such other business as may be transacted at an annual general meeting or raised by shareholders with or without advance notice to the company.

## INFORMATION RELATING TO THE SPECIAL RESOLUTIONS

1. The directors of the company or its subsidiaries will only utilise the general authority to purchase shares of the company and/or the subsidiary as set out in special resolution number 3 to the extent that the directors, after considering the maximum shares to be purchased, are of the opinion that the Group position would not be compromised as to the following:
  - the Group's ability in the ordinary course of business to pay its debts for a period of 12 months after the date of this annual general meeting and for a period of 12 months after the purchase;
  - the consolidated assets of the Group will at the time of the annual general meeting and at the time of making such determination be in excess of the consolidated liabilities of the Group. The assets and liabilities should be recognised and measured in accordance with the accounting policies used in the latest audited annual financial statements of the Group;
  - the ordinary capital and reserves of the Group after the purchase will remain adequate for the purpose of the business of the Group for a period of 12 months after the annual general meeting and after the date of the share purchase;
  - the working capital available to the Group after the purchase will be sufficient for the Group's requirements for a period of 12 months after the date of the share repurchases and the directors have passed a resolution authorising the repurchase, resolving that the company has satisfied the solvency and liquidity test as defined in the Companies Act and resolving that since the solvency and liquidity test had been applied, there have been no material changes to the financial position of the Group.
2. For the purposes of considering special resolution number 3, and in compliance with paragraph 11.26 of the Listings Requirements, the information listed below has been included in the Integrated Annual Report, in which this notice of annual general meeting is included, at the places indicated:
  - Directors and management (pages 9-10)
  - Major shareholders (page 62)
  - Directors' interests in shares (page 62)
  - Share capital of the company (page 54)
  - Responsibility statement (page 30)
3. For purposes of special resolution number 2, the Board will only utilise the general authority bestowed upon them to provide direct or indirect financial assistance related to inter-related companies to the extent that the directors, after considering the amount of financial assistance to be granted, are of the opinion that:
  - immediately after providing the financial assistance, the company would satisfy the solvency and liquidity test (as defined in the Companies Act, 2008 as amended);
  - the terms under which the financial assistance is proposed to be given are fair and reasonable to the company
  - all conditions or restrictions regarding the granting of financial assistance as set out in the company's memorandum of incorporation have been satisfied and that the Board of directors have passed a resolution authorising the grant of the said financial assistance (the Board resolution) under their general authority so granted, the company which will then provide written notice of the Board resolution to all shareholders;
  - within 10 days after adoption of the Board resolution, if the total value of all loans, debts, obligations or assistance contemplated in that resolution, together with any previous such resolution(s) during the financial year, exceeds one-tenth of 1% of the company's net worth at the time of the Board resolution; or;
  - within 30 business days after the end of the financial year, in any other case.
4. The company is not involved in any legal or arbitration proceedings, nor are any proceedings pending or threatened of which the company is aware that may have or have had in the previous 12 months, a material effect on the company's financial position.
5. The directors, whose names are reflected in this Integrated Annual Report of which this notice forms part, collectively and individually accept full responsibility for the accuracy of the information given and certify that to the best of their knowledge and belief there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts that have been made and that the notice contains all information required by law and the Listings Requirements of the JSE.



6. Other than the facts and developments reported on in the Integrated Annual Report, there have been no material changes in the financial or trading position of the company and its subsidiaries since the date of signature of the audit report up to the date of this AGM notice.

By order of the Board

A handwritten signature in black ink that reads "Middlemiss". The signature is written in a cursive style and is placed over a light grey rectangular background.

Claire Middlemiss  
Company Secretary

28 June 2024

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## ELECTRONIC PARTICIPATION APPLICATION FORM

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### **Instructions**

Shareholders or their proxies, have the right, as provided for in the Company's Memorandum of Incorporation and the Companies Act, to participate in the General Meeting by way of electronic communication.

Shareholders or their duly appointed proxies who wish to participate in the General Meeting must complete this application form and email it (together with the relevant supporting documents referred to below) to the Company's Transfer Secretaries at [admin@4axregistry.co.za](mailto:admin@4axregistry.co.za) as soon as possible, but in any event by no later than 10:00 on Thursday, 15 August 2024.

Upon receiving a completed Electronic Participation Application Form, the Company's Transfer Secretaries will follow a verification process to verify each applicant's entitlement to participate in and/or vote at the General Meeting. The Company's Transfer Secretaries will provide the Company with the email address of each verified shareholder or their duly appointed proxy (each, "a Participant") to enable the Company to forward the Participant a Zoom meeting invitation required to access the General Meeting.

SEAM will send each Participant a Zoom meeting invitation with a link to "Join the Zoom Meeting" on Thursday, 15 August 2024 to enable Participants to link up and participate electronically in the AGM to be held at 10:00 on Friday, 16 August 2024. This link will be sent to the email address nominated by the Participant in the table below.

### **Please note**

The electronic platform to be utilised for the General Meeting does not provide for electronic voting during the meeting. Accordingly, shareholders are strongly encouraged to submit votes by proxy in advance of the General Meeting, by completing the Form of Proxy and lodging the completed proxy form together with this Electronic Participation Application Form with the Company's Transfer Secretaries.

Participants who indicate in this form that they wish to vote during the electronic meeting, will be contacted by the Company's Transfer Secretaries to make the necessary arrangements.

Participants will be liable for their own network charges in relation to electronic participation in and/or voting at the General Meeting. Any such charges will not be for the account of the Company's Transfer Secretaries or SEAM who will also not be held accountable in the case of loss of network connectivity or other network failure due to insufficient airtime, internet connectivity, internet bandwidth and/or power outages which prevents any such Participant from participating in and /or voting at the General Meeting.

By signing this application form, the Participant indemnifies and holds the Company harmless against any loss, injury, damage, penalty or claim arising in any way from the use of the telecommunication lines to participate in the General Meeting or any interruption in the ability of the Participant to participate in the General Meeting via electronic communication, whether or not the problem is caused by any act or omission on the part of the Participant or anyone else, including without limitation the Company and its employees.

**Information required for participation by electronic communication at the General Meeting**

Full name of shareholder:
Identity or registration number of shareholder:
Full name of authorised representative (if applicable):
Identity number of authorised representative:
Email address:
<i>*Note: this email address will be used by the Company to share the Zoom meeting invitation required to access the General Meeting electronically</i>
Cell phone number:
Telephone number, including dialling codes:
<i>*Note: The electronic platform to be utilised for the General Meeting does not provide for electronic voting during the meeting. Accordingly, shareholders are strongly encouraged to submit votes by proxy in advance of the General Meeting, by completing the proxy form.</i>
Indicate (by marking with an 'X') whether: <input type="checkbox"/> votes will be submitted by proxy (in which case, please enclose the duly completed proxy form with this form); or <input type="checkbox"/> the Participant wishes to exercise votes during the General Meeting. If this option is selected, the Company's Transfer Secretaries will contact you to make the necessary arrangements.
By signing this application form, I consent to the processing of my personal information above for the purpose of participating in SEAM's General Meeting.
Signed at _____ on _____ 2024
Signed:

**Documents required to be attached to this application form**

1. In order to exercise their voting rights at the General Meeting, shareholders who choose to participate electronically may appoint a proxy, which proxy may participate in the General Meeting, provided that a duly completed proxy form has been submitted in accordance with the instructions on that form, and as envisaged in the notice of the Annual General Meeting.
2. Documentary evidence establishing the authority of the named person, including any person acting in a representative capacity, who is to participate in the Annual General Meeting, must be attached to this application.
3. A certified copy of the valid identity document/passport/ of the person attending the Annual General Meeting by electronic participation, including any person acting in a representative capacity, must be attached to this application.

Applications to participate by electronic communication will only be considered if this application form is completed in full, signed by the shareholder, its proxy or representative, and delivered as detailed above. The Company may in its sole discretion accept any incomplete application forms.

**SABLE EXPLORATION AND MINING LIMITED**

(Incorporated in the Republic of South

Africa) Registration number

2001/006539/06

JSE share code: SXMISIN: ZAE00303319

("SEAM" or the "Company")

**FORM OF PROXY – GENERAL MEETING**

*Note:*

*All beneficial shareholders that have dematerialised their shares through a CSDP or broker, other than those which are in "own name", must not complete this form.*

*Certificated shareholders and/or dematerialised shareholders with "own name" registration must either provide their CSDP or broker with their voting instructions, or alternatively, should they wish to attend the annual general meeting in person, they should request the CSDP or broker to provide them with a letter of representation in terms of the custody agreement entered into between themselves and the CSDP or broker.*

*For use by SEAM Shareholders at a General Meeting (which will be held and conducted entirely by electronic communication) convened in terms of the Companies Act to be held at 10:00 on Friday, 16 August 2024 via Zoom, or any adjourned or postponed meeting.*

*The Board requests that completed forms of proxy are received at the office of the company's transfer secretaries, CTSE Registry Services (Pty) Ltd, 5<sup>th</sup> Floor, Block B, The Woodstock Exchange Building, 66-68 Albert Road, Woodstock, South Africa by 10:00 on Thursday, 15 August 2024. Any forms of proxy not lodged by this time may still be lodged by email to [admin@4axregistry.co.za](mailto:admin@4axregistry.co.za) prior to the commencement of the meeting*

I/We (Names in full – please print)

of (address):

Telephone number: \_\_\_\_\_

Cell phone number: \_\_\_\_\_

e-mail address:

being the holder of	shares in SEAM hereby appoint:	
1. _____	of _____	or failing him/her,
2. _____	of _____	or failing him/her,
3. the chairman of the annual general meeting,		

as my/our proxy to attend, speak and vote for me/us at the General Meeting (or any postponement or adjournment thereof) for purposes of consider and, if deemed fit, passing, with or without modification, the resolutions to be proposed thereat and at each postponement or adjournment thereof and to vote for and/or against the resolutions and/or abstain from voting in respect of the SEAM Shares registered in my/our name(s), in accordance with the following instructions and otherwise in accordance with the Companies Act, the MOI and the terms of the attached notes:

		Number of Shares		
		In favour of	Against	Abstain
<b>Ordinary resolution number 1</b>	Confirmation of the re-appointment of Hazel Bango-Moyo			
<b>Ordinary resolution number 2</b>	Confirmation of the appointment of the auditors			
<b>Ordinary resolution number 3</b>	Appointment of Hazel Bango-Moyo as a member and chairman to the Audit and Risk Committee			
<b>Ordinary resolution number 4</b>	Appointment of Nyameka Madikizela as a member to the Audit and Risk Committee			
<b>Ordinary resolution number 5</b>	Appointment of Ian Bird as a member to the Audit and Risk Committee			
<b>Ordinary resolution number 6.1</b>	Endorsement of remuneration policy			
<b>Ordinary resolution number 6.2</b>	Endorsement of the remuneration implementation report			
<b>Ordinary resolution number 7</b>	Placing unissued shares under directors' control			
<b>Ordinary resolution number 8</b>	General authority to issue shares for cash			
<b>Ordinary resolution number 9</b>	Authority to action			
<b>Special resolution number 1</b>	Remuneration of non-executive directors			
<b>Special resolution number 2.1</b>	Financial assistance for subscription of securities in terms of section 44			
<b>Special resolution number 2.2</b>	Financial assistance in terms of section 45 to related and inter-related companies or corporations			
<b>Special resolution number 3</b>	Authority to repurchase shares by the company			

Signed at

on

2024

Signature

Capacity of signatory (where applicable)

**(Note: Authority of signatory to be attached – see note 2)**

Assisted by me (where applicable)

Full name

Capacity

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Signature

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***Please read the notes below.***

**NOTES TO THE FORM OF PROXY:**

1. Shareholders' instructions to the proxy must be indicated in the appropriate box provided. Failure to comply with the above will be deemed to authorise the proxy to vote or abstain from voting at the annual general meeting as he/she deems fit. A shareholder may instruct the proxy to vote less than the total number of shares held by inserting the relevant number of shares in the appropriate box provided. A shareholder who fails to do so will be deemed to have authorised the proxy to vote or abstain from voting, as the case may be, in respect of all the shareholders' votes exercisable at the annual general meeting.
2. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity (e.g. for a company, close corporation, trust, pension fund, deceased estate, etc.) must be attached to this form of proxy.
3. Any alteration or correction made to this form of proxy must be initialed by the signatory/ies.
4. A minor must be assisted by the minor's parent or guardian, unless the relevant documents, establishing the minor's legal capacity are produced or have been registered by the share registrars of the company.
5. The chairman of the annual general meeting may accept any form of proxy which is completed other than in accordance with these notes if the chairman of the annual general meeting is satisfied as to the manner in which the shareholder wishes to vote.

**SUMMARY IN TERMS OF SECTION 58(8)(B)(I) OF THE COMPANIES ACT, 2008, AS AMENDED**

Section 58(8)(b)(i) provides that if a company supplies a form of instrument for appointing a proxy, the form of proxy supplied by the company for the purpose of appointing a proxy must bear a reasonably prominent summary of the rights established by section 58 of the Companies Act, 2008, as amended, which summary is set out below:

- A shareholder of a company may, at any time, appoint any individual, including an individual who is not a shareholder of that company, as a proxy, among other things, to participate in, and speak and vote at, a shareholders' meeting on behalf of the shareholder.
- A shareholder may appoint two or more persons concurrently as proxies and may appoint more than one proxy to exercise voting rights attached to different securities held by the shareholder.
- A proxy may delegate the proxy's authority to act on behalf of the shareholder to another person.
- A proxy appointment must be in writing, dated and signed by the shareholder; and remains valid only until the end of the meeting at which it was intended to be used, unless the proxy appointment is revoked, in which case the proxy appointment will be cancelled with effect from such revocation.

- A shareholder may revoke a proxy appointment in writing.
- A proxy appointment is suspended at any time and to the extent that the shareholder chooses to act directly and in person in the exercise of any rights as a shareholder.
- A proxy is entitled to exercise, or abstain from exercising, any voting right of the shareholder without direction.

# Corporate information

## Registered address

BUILDING 4  
31 IMPALA ROAD  
CHISLEHURSTONSANDTON  
GAUTENG  
2192

## Date and place of incorporation of the company

Incorporated on 27 June 2001 in the Republic of South Africa

## Directors

### Executive directors

James Allan (Chief Executive Officer)  
Ulrich Bester (Chief Financial Officer)

### Independent Non-executive directors

Ian Bird (Chairman)  
Hazel Bango-Moyo  
Nyameka Madikizela

## Sponsor and corporate advisor

Exchange Sponsors (2008) Proprietary  
Limited (Registration number  
2008/019553/07)  
44aBoundary  
Road  
Inanda, 2196  
(PO Box 411216, Craighall, 2024)  
SOUTH AFRICA

## Company secretary

Claire Middlemiss  
Capital Governance (Pty) Ltd

## Transfer secretaries

CTSE Registry Services (Pty) Ltd  
(previously named 4 Africa Exchange Registry)  
5<sup>th</sup> Floor, Block B,  
The Woodstock Exchange Building,  
66-68 Albert Road,  
Woodstock,  
South Africa