

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION			
	Unaudited as at 31 August 2014	Unaudited as at 31 August 2013	Audited as at 28 February 2014
Figures in Rand			
<b>Assets</b>			
<b>Non-current assets</b>			
Plant and equipment	473 603	713 092	576 896
Intangible assets	1 200 000	1 200 000	1 200 000
Other financial assets	563 506	569 581	563 506
	2 237 109	2 482 673	2 340 402
<b>Current assets</b>			
Trade and other receivables	274 584	2 076 399	990 794
Cash and cash equivalents	1 509 000	971 703	30 767
	1 783 584	3 048 102	1 021 561
<b>Total assets</b>	<b>4 020 693</b>	<b>5 530 775</b>	<b>3 361 963</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Share capital	87 889 857	82 747 232	85 747 232
Accumulated loss	(92 465 402)	(79 361 835)	(85 592 340)
Cash received on shares to be issued	5 645 000	-	-
Equity attributable to equity holders of the parent	1 069 455	3 385 397	154 892
Non-controlling interest	(87 855)	(85 615)	(87 855)
<b>Total shareholders' interest</b>	<b>981 600</b>	<b>3 299 782</b>	<b>67 037</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Other financial liabilities	523 014	443 014	523 014
Loan from director	1 097 638	1 000 000	1 100 000
	1 620 652	1 443 014	1 623 014
<b>Current liabilities</b>			
Trade and other payables	1 418 441	787 979	1 547 159
Bank overdraft	-	-	124 753
	1 418 441	787 979	1 671 912
<b>Total liabilities</b>	<b>3 039 093</b>	<b>2 230 993</b>	<b>3 294 926</b>
<b>Total equity and liabilities</b>	<b>4 020 693</b>	<b>5 530 775</b>	<b>3 361 963</b>
Net asset value per share (cents)	0.69	2.32	0.10
Tangible net asset value per share (cents)	-0.08	1.50	-0.69

SUMMARISED SEGMENTAL REPORTS			
<b>Assets</b>			
Platinum	1 685 959	3 878 639	2 646 081
Vanadium and iron ore	2 334 735	652 137	715 882
Other (Including Selebi Phikwe)	-	1 000 000	-
<b>Total assets</b>	<b>4 020 693</b>	<b>5 530 775</b>	<b>3 361 963</b>
Assets as per financial statements	4 020 693	5 530 775	3 361 963
<b>Liabilities</b>			
Platinum	1 232 235	1 673 245	1 318 970
Vanadium and iron ore	1 806 859	557 748	1 975 956
<b>Total liabilities</b>	<b>3 039 093</b>	<b>2 230 993</b>	<b>3 294 926</b>
Liabilities as per financial statements	3 039 093	2 230 993	3 294 926

The company consists of two business segments currently, namely platinum and vanadium and iron ore with the potential to add chrome as the third business segment.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME			
	Unaudited for the six months ended 31 August 2014	Unaudited for the six months ended 31 August 2013	Audited for the year ended 28 February 2014
Figures in Rand			
Revenue	-	-	247 847
Other income	-	-	18 261
Operating expenses	-	-	(586 812)
- Exploration costs	-	-	-
- General and administration costs	(6 775 417)	(4 664 037)	(10 448 392)
<b>Operating loss</b>	<b>(6 775 417)</b>	<b>(4 664 037)</b>	<b>(10 769 096)</b>
Investment revenue	-	193 569	66 118
Finance costs	(97 645)	(298)	(533)
<b>Loss before taxation</b>	<b>(6 873 062)</b>	<b>(4 470 766)</b>	<b>(10 703 511)</b>
Taxation	-	-	-
<b>Loss for the period</b>	<b>(6 873 062)</b>	<b>(4 470 766)</b>	<b>(10 703 511)</b>
Other comprehensive income	-	-	-
<b>Total comprehensive loss for the period</b>	<b>(6 873 062)</b>	<b>(4 470 766)</b>	<b>(10 703 511)</b>
<b>Total comprehensive loss attributable to:</b>			
Owners of the parent	(6 873 062)	(4 470 766)	(10 701 271)
Non-controlling interest	-	-	(2 240)
	(6 873 062)	(4 470 766)	(10 703 511)
<b>Loss attributable to:</b>			
Owners of the parent	(6 873 062)	(4 470 766)	(10 701 271)
Non-controlling interest	-	-	(2 240)
Headline loss attributable to ordinary shareholders	(6 873 062)	(4 470 766)	(10 703 511)

**Executive directors:** JG Allan (Chief Executive Officer); RC Hochreiter; DN Levithan; M van Tonder (Financial Director)  
**Non-executive directors:** PB Schabot  
**Independent non-executive directors:** MH Rogers (Chairman); CP Mostert; WS Thabe; MM Mokgathe

SUMMARISED SEGMENTAL REPORTS			
Platinum	(687 306)	(2 235 383)	(2 235 383)
Vanadium and iron ore	(6 185 756)	(2 235 383)	(7 881 316)
Other (Including Selebi Phikwe)	-	-	(586 812)
<b>Total</b>	<b>(6 873 062)</b>	<b>(4 470 766)</b>	<b>(10 703 511)</b>
Loss per financial statement	(6 873 062)	(4 470 766)	(10 703 511)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY			
	Unaudited for the six months ended 31 August 2014	Unaudited for the six months ended 31 August 2013	Audited for the year ended 28 February 2014
Figures in Rand			
<b>Total attributable to equity holders of the parent</b>			
Opening balance	154 892	7 856 163	7 856 163
Loss for the period / year	(6 873 062)	(4 470 766)	(10 701 271)
Other comprehensive income	-	-	-
<b>Total comprehensive loss for the period / year</b>	<b>(6 873 062)</b>	<b>(4 470 766)</b>	<b>(10 701 271)</b>
Issue of shares	2 142 625	-	3 000 000
Cash received for shares to be issued	5 645 000	-	-
Total contributions by and distributions to owners of company recognised directly in equity	7 787 625	-	3 000 000
<b>Closing balance</b>	<b>1 069 455</b>	<b>3 385 397</b>	<b>154 892</b>
<b>Non-controlling interest</b>			
Opening balance	(87 855)	(85 615)	(85 615)
Loss for the period	-	-	(2 240)
Other comprehensive income	-	-	-
<b>Total comprehensive loss for the period</b>	<b>-</b>	<b>-</b>	<b>(2 240)</b>
Closing balance	(87 855)	(85 615)	(87 855)
<b>Total equity</b>	<b>981 600</b>	<b>3 299 782</b>	<b>67 037</b>

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS			
	Unaudited for the six months ended 31 August 2014	Unaudited for the six months ended 31 August 2013	Audited for the year ended 28 February 2014
Figures in Rand			
<b>Cash flows from operating activities</b>			
Cash used in operations	(6 084 639)	(5 623 504)	(9 892 626)
Interest income	-	18 125	66 118
Finance costs	-	(298)	(533)
Tax recovered / (paid)	-	1 166 824	1 166 824
<b>Net cash from operating activities</b>	<b>(6 084 639)</b>	<b>(4 438 853)</b>	<b>(8 660 217)</b>
<b>Cash flows from investing activities</b>			
Purchase of plant and equipment	-	-	(30 400)
Loan advanced form related party	-	-	80 000
Increase in other financial assets	-	(320 064)	(313 989)
<b>Net cash from investing activities</b>	<b>-</b>	<b>(320 064)</b>	<b>(264 389)</b>
<b>Cash flows from financing activities</b>			
Proceeds of share issued and shares to be issued	8 142 625	-	3 000 000
Loan received from director	(100 000)	1 000 000	1 100 000
Share issue listing expenses	(355 000)	-	-
<b>Net cash from financing activities</b>	<b>7 687 625</b>	<b>1 000 000</b>	<b>4 100 000</b>
Total cash movement for the period	1 602 986	(3 758 917)	(4 824 606)
Cash at the beginning of the period	(93 986)	4 730 620	4 730 620
<b>Total cash at end of the period</b>	<b>1 509 000</b>	<b>971 703</b>	<b>(93 986)</b>

EARNINGS PER SHARE CALCULATION			
	Unaudited for the six months ended 31 August 2014	Unaudited for the six months ended 31 August 2013	Audited for the year ended 28 February 2014
Figures in Rand			
<b>Loss after taxation</b>	<b>(6 873 062)</b>	<b>(4 470 766)</b>	<b>(10 703 511)</b>
Less: non-controlling interest	-	-	(2 240)
<b>Loss attributable to the owners of the parent</b>	<b>(6 873 062)</b>	<b>(4 470 766)</b>	<b>(10 701 271)</b>
Headline Loss	(6 873 062)	(4 470 766)	(10 701 271)
Number of shares in issue	196 869 837	187 451 848	192 392 244
Weighted average number of shares at the end of the period	155 038 152	145 803 355	148 172 085
Loss per share (cents)	(4.43)	(3.07)	(7.22)
Headline loss per share (cents)	(4.43)	(3.07)	(7.22)

**Registration number:** 2001/006539/06  
**Registered address:** Block A, Kingsley Office Park, 85 Protea Road, Chislehurst, Sandton, South Africa  
**Business postal address:** P O Box 411130, Craighall, 2024  
**Company secretary:** Juba Statutory Services (Pty) Ltd  
**Transfer secretaries:** Computershare Investor Services (Pty) Ltd  
**Sponsor:** Java Capital

#### COMMENTARY

##### Sable operational review

Prospecting rights granted  
*Uitvalgrond Portion 3*

Great 1 Line Invest (Pty) Ltd, a subsidiary of Sable, was granted the prospecting right, with bulk sampling, over the farm Uitvalgrond Portion 3.

*Syferfontein and Uitvalgrond Portion 2*

Negotiations on the conclusion of a shareholders agreement with MKR Bakwena Minerals (Pty) Ltd, following the Heads of Agreement signed in the previous period, have again stalled.

SARS asset

The group has a SARS tax asset in the amount of R3.2 million outstanding originating from the reverse listing of Sable into New Corpcapital Limited on 23 November 2012. Due to the time the asset has been outstanding, the amount has been impaired in full. The matter is currently under review with SARS and we are of the opinion that the amount will be recovered in due course.

Financial overview

Sable is still in the exploration phase and does not generate cash from its activities. The group made a net loss of R 6.8 million for the period (August 2013: (R4.4 million)). As is common with many junior exploration and mining companies, the group raises capital for exploration and other projects as and when required.

Investment in Sable

As at 31 August 2014, Orange Oak Investments 16 (Pty) Ltd ("Orange Oak") had contributed R6 million of the agreed R10 million for shares in the company. The remaining R4 million was paid to the company on 14 October 2014. This transaction was approved at the general meeting of shareholders which was held on 27 October 2014. In terms of the transaction an additional 31 041 971 shares were allotted on 10 November 2014, which brought the total issued shares to 227 911 808.

Salaries – contingent liability

The CEO, James Allan, sacrificed 50% of his salary in December 2012 and January 2013 and has not drawn a salary from the company in the period February 2013 to February 2014. Since 1 March 2014 James has drawn 50% of his salary and since 1 June 2014 James has in addition to this drawn 50% of his salary forfeited in the previous period. During the period to February 2014 James Allan loaned the company R1 million, which loan was subordinated to other creditors and is repayable at a time to be determined by the board of directors ("the board").

René Hochreiter has sacrificed 50% of his salary since December 2012.

David Levithan has sacrificed 44% of his retainer since December 2012.

Marietjie van Tonder has sacrificed 20% of her salary since December 2012.

Other members of staff have also sacrificed 20% of their salary since February 2013.

No emoluments have been paid to the non-executive directors to date. These fees are contingent on the group obtaining sufficient funding, whereafter these fees may be paid at the discretion of the board.

The amount forfeited from December 2012 to 31 August 2014 amounts to R6 million. The board will reconsider the reimbursement of the amount forfeited if sufficient capital is raised.

Significant judgment

The agreement signed with Orange Oak made provision for the investment to be repaid to Orange Oak under certain circumstances. In terms of IAS 32.25, a financial instrument may require the entity to deliver cash or another financial asset, or otherwise to settle it in such a way that it would be a financial liability, unless: (a) the part of the contingent settlement provision that could require settlement in cash or another financial asset (or otherwise in such a way that it would be a financial liability) is not genuine.

IAS32.AG28 expands on this: AG28 Paragraph 25 requires that if a part of a contingent settlement provision that could require settlement in cash or another financial asset (or in another way that would result in the instrument being a financial liability) is not genuine, the settlement provision does not affect the classification of a financial instrument. Thus, a contract that requires settlement in cash or a variable number of the entity's own shares only on the occurrence of an event that is extremely rare, highly abnormal and very unlikely to occur is an equity instrument. Management believe the possibility that the investment would be repaid to be extremely unlikely and for this reason is classified as equity and not as a liability.

Internal restructuring

In line with the Company strategy to not confine itself to PGM exploration only and to focus on other precious metal opportunities, the board approved the move from platinum and precious metals sector to the general mining sector on the JSE. This was implemented in September 2014.

Subsequent events

As previously announced, an agreement was signed on 11 October 2014 with the Sekukobane Landowners Association over the farm Uitvalgrond Portion 3 and the prospecting right has thus become unconditional. Prospecting has commenced with a magnetometer survey which indicates the vanadium magnetite reef continues across the property from the western boundary to the eastern boundary with Evraz Vametco's mining operations.

Surface samples show the deposit is consistent with the grade of the requirements of a local customer. Negotiations on the supply of a bulk sample for metallurgical testing are ongoing. The successful conclusion of the metallurgical testing is likely to lead to the conclusion of a long-term ore supply contract. A site visit with the local customer is scheduled for early January 2015.

Refer to the "Investment in Sable" paragraph for further subsequent event information.

Dividend Policy

No dividend has been declared for the interim period.

Changes to the board of directors

Tom Wixley, independent, non-executive chairman resigned on 12 June 2014 and Neil Lazarus resigned on 10 July 2014. Both Tom and Neil were on the board of New Corpcapital Limited, which acquired the share capital of Sable Platinum Holdings (Pty) Ltd in November 2012. The company would like to thank both Tom and Neil for their diligence and contribution to the company over this period.

Mike Rogers was appointed on 8 August 2014 as independent non-executive director and chairman of the board.

Willie Thabe was appointed on 12 June 2014 as an independent non-executive director to the board.

Ms Mpho Mokgathe was appointed as independent non-executive director and chairman of the Audit and Risk Committee with effect from 14 October 2014.

It is with great pleasure that we welcome the three new members to our board.

Going concern

As Sable is an exploration company and is not yet in a cash-generating position; it is obliged to fund its exploration programme out of capital. The group is currently raising capital in order to continue its exploration programme and to cover all general and administration costs. The company's future prospects and stability relies on its ability to raise capital for the ensuing year.

At 31 August 2014, the group had accumulated losses of R91 557 286.

As at 11 December the group had a cash balance of R699 956. A shareholder has in principle agreed to loan the company R1 million subject to a definitive agreement being concluded.

The company has signed a term sheet whereby an investor will loan R5 million to the company subject to a due diligence and various conditions precedent. This loan will, at the investor's sole discretion, either be convertible to Sable shares at the lower of 29.469 cps or the 30 day VWAP on the date of election to convert the loan or repayable at the election of the investor after 12 months of the execution of definitive agreements. The investor will be granted an option to subscribe for up to such number of shares in Sable as to give it a shareholding of 34.9% on the basis of a 30 day VWAP at the time of exercise of such option. The option shall be exercisable during a period of 12 months from the date of execution of the definitive agreements and subject to shareholder approval. The company has a cash burn rate of approximately R800 000 per month and outstanding creditors of approximately R600 000.

The interim 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.

#### NOTES TO THE FINANCIAL STATEMENTS

Basis of preparation

These unaudited condensed consolidated interim financial statements for the six months ended 31 August 2014 have been prepared in accordance with the conceptual framework and the recognition and measurement requirements of International Financial Reporting Standards ("IFRS"), the presentation and disclosure requirements of IAS34 Interim Financial Reporting, the SAICA Financial Reporting Guides issued by the Accounting Practices Committee, the JSE Listings Requirements and the Companies Act (Act 71 of 2008). The accounting policies applied in the preparation of these unaudited condensed consolidated interim financial statements comply with IFRS and are consistent with those used in the annual financial statements for the year ended 28 February 2014. These results have not been reviewed or reported on by the group's auditors, Grant Thornton (Jhb) Inc. The interim financial statements have been prepared under the supervision of Marietjie van Tonder CA (SA), the financial director.

The following new standards were adopted during the period:

- Amendments to IFRS 10, IFRS 12 and IAS 27 - Investment Entities
- Amendment to IAS 32 - Offsetting Financial Assets and Financial Liabilities
- Amendment to IAS 36 - Recoverable amount disclosures for non-financial assets
- Amendment to IAS 39 - Novation of derivatives and continuation of hedge accounting
- IFRIC 21 - Levies

None of these standards had a material impact on these interim results.

#### LITIGATION

Shareholders are referred to the Syferfontein litigation so defined and detailed previously in the integrated report as well as the reverse listing circular and are advised that settlement of this matter has still not been concluded and the litigation is ongoing.

Sable's erstwhile joint venture partners in Coveaway Trade and Invest 46 (Pty) Ltd, Mineral Capital Assets (Pty) Ltd and Platinum Mile (Pty) Ltd, have initiated an appeal to the Minister in terms of Section 96 of the Mineral and Petroleum Resources Development Act against the decision of the Regional Manager (North West Province) to accept an application for a prospecting right for vanadium, iron ore and rutile lodged by the company's subsidiary, Writer Star Trade and Invest (Pty) Ltd over the properties Zandvult 119 JQ and Zandfontein 124 JQ. This appeal shall be opposed by Sable.

Save as set out above, the directors are not aware of any legal or arbitration proceedings including proceedings that are pending or threatened that may have or have had in the recent past, being the previous 12 months, a material effect on the company's financial position.

By order of the board

Johannesburg

15 December 2014