
UPDATE TO SHAREHOLDERS

Shareholders are referred to the Company's 2013 Integrated Report, posted to shareholders on 31 May 2013, wherein disclosure was made regarding litigation involving the Syferfontein project.

Subsequent to various meetings held between Sable Platinum Mining (Pty) Ltd ("**Sable**"), a wholly owned subsidiary of Sable Platinum, and interested parties, a memorandum of understanding was concluded between Sable, the Bakwena Ba Mogopa community ("**the Community**"), Mineral Capital Assets (Pty) Ltd ("**MCA**") and Odigen (Pty) Ltd ("**Odigen**") on 6 November 2013, the salient terms of which are set out below.

1. A mining right over the Syferfontein project for all minerals has been applied for by Caber Trade and Invest 1 (Pty) Ltd ("**Caber**"), a Sable subsidiary.
2. The shareholding in Caber will be as follows:
 - The Community (or its nominee) will have an undilutable interest of 30%;
 - Sable (or its nominee) will hold a 46% interest;
 - MCA (or its nominee) will hold a 20% interest; and
 - Odigen (or its nominee) will hold a 4% interest.
3. Sable will fund the project on loan account until such time as a bankable feasibility study has been procured.
4. The Community will have no funding obligation. In turn, they agreed that no surface use compensation will be payable.
5. The remaining shareholders being Sable, MCA and Odigen, will, post the conclusion of the bankable feasibility study, fund 100% of Caber's capital requirements *pro rata* to shareholding, on loan account. Failure to fund may result in a dilution of their shareholding in Caber.
6. Sable shall retain managerial control of Caber through a preferential share structure.
7. Shareholders loans will be repaid together with interest at prime plus 7% as directed by the board of directors as a first charge against capital received. An amount equivalent to 17.6% of the loans repaid will be paid to the Community.
8. The pending litigation shall be withdrawn by all parties concerned with no order as to costs.
9. The above is subject to the conclusion of a shareholders agreement acceptable to all parties.

CEO, James Allan said: "This agreement is considered to be significant in the ongoing development of the Company as this asset is a potentially valuable source of vanadium and iron ore".

7 November 2013

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