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SABRE RESOURCES LTD

ACN: 003 043 570

ANNUAL REPORT

2017

Contents

	Page No.
• Company Directory	1
• Review of Operations	2
• Directors' Report	16
• Consolidated Statement of Profit or Loss and Other Comprehensive Income	22
• Consolidated Statement of Financial Position	23
• Consolidated Statement of Changes in Equity	24
• Consolidated Statement of Cash Flows	25
• Notes to the Financial Statements	26
• Directors' Declaration	48
• Independent Audit Report	49
• Auditor's Independence Declaration	53
• Corporate Governance Statement	54
• Shareholder Information	69

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SABRE RESOURCES LTD

COMPANY DIRECTORY

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DIRECTORS

Michael Scivolo
Jonathan Downes (until 7 December 2016)
Robert Collins (from 7 December 2016)
David Chapman

AUDITORS

Grant Thornton Audit Pty Ltd
10 Kings Park Road
West Perth WA 6005

COMPANY SECRETARY

Paul Fromson

BANKERS

Westpac Bank
108 Stirling Highway
Nedlands WA 6009

REGISTERED OFFICE

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SHARE REGISTRY

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SOLICITORS

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16 Milligan Street
Perth WA 6005

SECURITIES EXCHANGE LISTING

The Company is listed on the Australian Securities Exchange and the Berlin and Frankfurt Stock Exchanges

Home Exchange: Perth, Western Australia

ASX code for shares: SBR

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SABRE RESOURCES OPERATIONS REPORT

THE OTAVI MOUNTAIN LAND PROJECT – NORTHERN NAMIBIA

Activity for the year focussed on the liaison with the Ministry for Mines and Energy in Namibia to enable the renewal of the two EPL's 3540 and 3542, and the activities required to support mining licence applications in 2018:

A summary of the Otavi Mountain Land project follows:

The Otavi Mountain Land is a highly prospective, underexplored area which has potential for high-value Tsumeb–style copper and stratabound zinc-lead mineralisation.

a) Sabre's exploration focusses on extensive areas of cover or poor outcrop which have been largely ignored by previous explorers.

This program has:

a) Prioritised the two areas at Guchab South and Toggenburg, where broad areas of copper and zinc-lead sulphide mineralisation respectively, have been discovered in the subsurface,
b) Completed regional soil geochemistry along key mineralised corridors which has identified significant Zn-Pb anomalism at the Auros prospect located to the west along the Driehoek Corridor.



Figure 1 – Location of Sabre's Otavi Mountain Land Project in northern Namibia. Red lines are highways, black crossed lines are railways, black squares are towns and cities, and black star is the capital, Windhoek.

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PROJECT LOCATION

Sabre's Otavi Mountain Land project is located in northern Namibia, in southern Africa (Figure 1). The project comprises two granted tenements, EPL 3540 (SBR 70%) and EPL 3542 (SBR 80%), which cover about 375 km2 of the 'Otavi Triangle' (Figure 2).

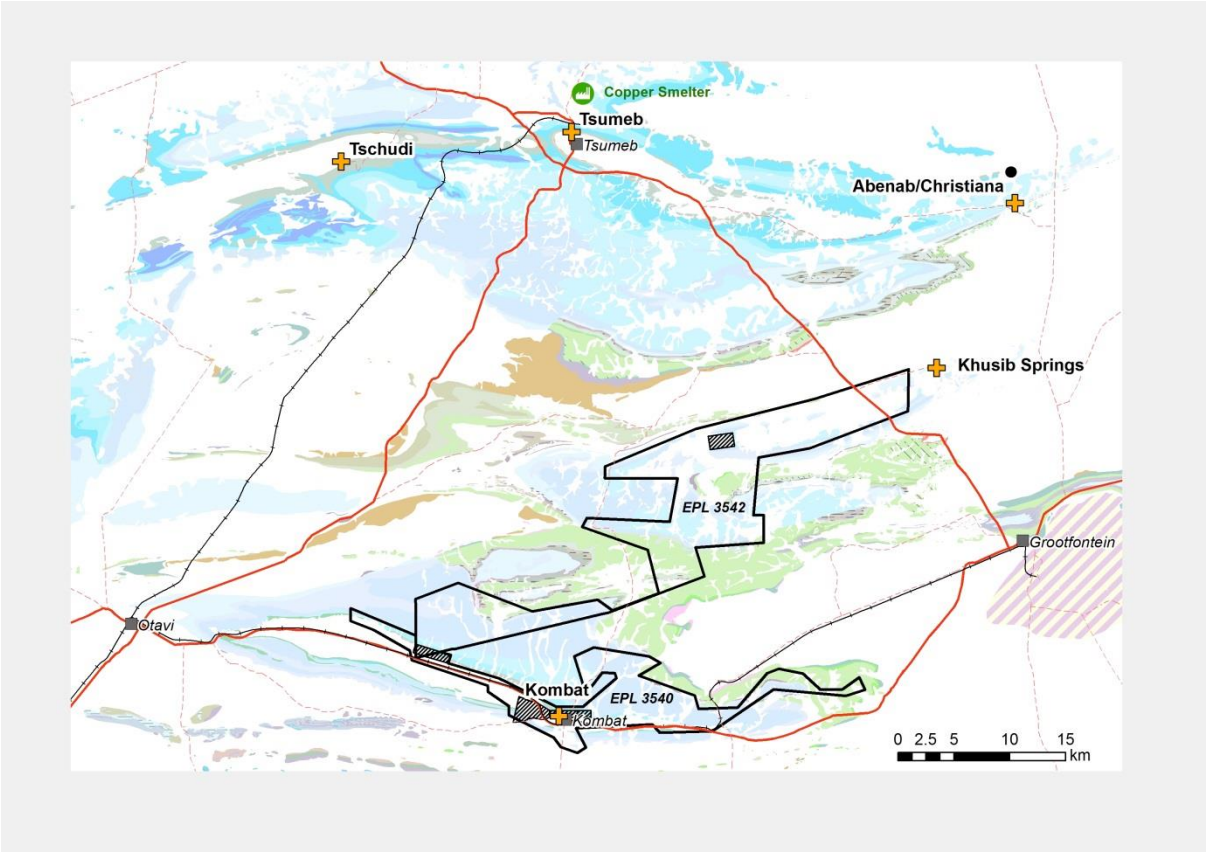

Figure 2 – The Otavi Mountain Land, showing roads (red) railroads (black hatched), towns (black square), major mines and deposits (crosses) and the Tsumeb smelter complex. Sabre's two licences, EPL3540 and EPL3542, are located in the highly mineralised south of the area. Mining licences (grey cross-hatched) are not owned by Sabre and are excised from the licences.

The Otavi Mountain Land is home to numerous historic mines, including the Tsumeb copper-lead-zinc mine and smelter complex, plus the Kombat copper mine. These mines are currently on care & maintenance, but the Tsumeb copper smelter remains one of only five operating copper smelters in Africa. The presence of these and other significant mining and processing operations has resulted in the provision of excellent infrastructure throughout the region.

Overall, the Otavi Mountain Land displays a significant mineral endowment of copper, zinc, lead, vanadium, and some semi-precious metals, with well-established supporting infrastructure.

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GEOLOGICAL SETTING

The Otavi Mountain Land ('OML') is part of the Damaran Mobile Belt, one of the most economically important regions globally for base metal mineralisation. A significant proportion of the world's copper is sourced from the Central African Copper Belt, which is subdivided into the Zambian and the Katangan (DRC) Copper Belts. With giant deposits such as Kamoa and Tenke-Fungurume and large high-grade deposits like Kipushi, the Central African Copper Belt is a major source of revenue for both the DRC and Zambia.

On the northern side of the Damaran Mobile Belt, the Central African Copper Belt is separated from the Namib Copper Belt (home to the Otavi Mountain Land) by the overlying sediments of the much younger Kavango Basin and more recent Kalahari sands. The Namib Copper belt extends from the Otavi

Mountain Land in the east in an arcuate shape to the Angolan border in the north. It is presently the focus of exploration for Sabre in the highly prospective eastern parts, and for many other companies along its length.

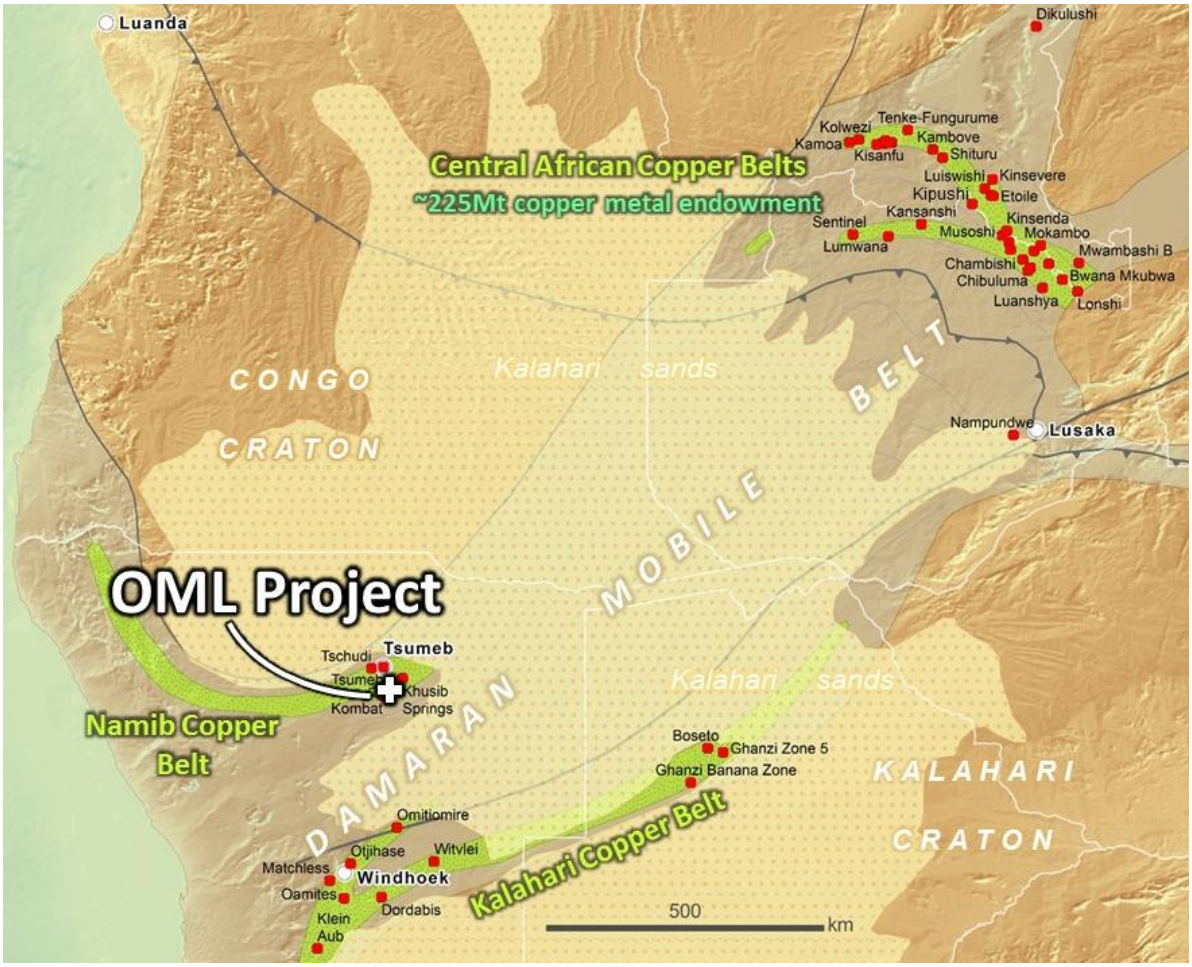

Figure 3 – Southern African mobile belts and copper belts, and the location of the Otavi Mountain Land project. Note the shaded area of sedimentary cover separating the Namib and Central African Copper Belts.

The Otavi Mountain Land itself comprises a sequence of platform carbonates, predominantly dolomites and limestones, which have been variably faulted and folded. The OML hosts a number of types of mineral deposits including:

- Epigenetic zinc-lead deposits (eg Sabre's Border and Toggenburg deposits),
- Epithermal copper deposits (eg Tsumeb, Kombat & Sabre's Guchab Mining Centre), and
- Late stage lead-vanadium 'overprinting' events (eg Berg Aukas and Abenab).

Sabre's extensive work has enabled development of a strong understanding of the mineralisation styles of the Otavi Mountain Land which differs from the widely accepted models. This places the Company in an excellent position to explore for undiscovered mineralisation throughout the licence areas.

Sabre has defined copper mineralisation in two major trends with potential for Tsumeb, Kipushi and Kombat breccia-style massive sulphide pipes, and Tschudi-style stratiform mineralisation. Copper in geochemical drilling at Guchab South has identified visible chalcocite and malachite over a850 by 100m zone along trend east of the Kombat Copper Mine.

Sabre has also defined two major trends with stratabound zinc-lead sulphide mineralisation. As well as containing the Border zinc-lead deposit (**16.0 Mt @ 1.53 % Zn, 0.59 % Pb and 4.76 g/t Ag**), recent work has uncovered significant Zn-Pb geochemical anomalies at Toggenburg with up to 2.90 % Zn+Pb over 2.8 km strike length defined to date.

Strategically the Company is focusing on high-value deposit styles:

- High grade, copper-rich Tsumeb- and Kipushi-type deposits. Kombat-style epigenetic copper mineralisation is considered to be a subset of this type.
- Stratabound epigenetic zinc-lead deposits with favourable metallurgical characteristics.

There is also a secondary focus throughout the region on Copperbelt-style stratiform Copper deposits (e.g. Tschudi in the OML). Exploration is mainly in the extensive areas of cover or poor outcrop which previous explorers largely ignored.

MINING INFRASTRUCTURE

A long history of mining in the Otavi Mountain Land has resulted in excellent infrastructure in the region. Exploration commenced in the region in the late 1800s when German explorers noted the local Herero people wearing jewellery made from a variety of copper minerals. This led to the discovery of the Tsumeb mine as well as further copper deposits in the Otavi Valley, including the Kombat and Guchab mines.

Copper mining from the early-1900s through to 2008 required significant infrastructure throughout the OML, which still exists today, including:

- **Tsumeb Copper Smelter** *(Dundee PM)* – Capacity to process 240,000 tonnes of copper concentrates per annum.
- **Tsumeb Concentrator** *(Weatherly International)* – on care & maintenance, largely intact 560,000 tonnes per annum circuit, closed in 2008 due to low copper prices.
- **Kombat Concentrator** *(Kombat Copper)* – on care & maintenance, 400,000 tonne per annum circuit, closed in 2008 due to low copper prices.
- **Rail** – network of rail through region, from the port at Walvis Bay to Tsumeb (530km) & Grootfontein (with a dedicated siding at Guchab).
- **Roads** – paved and formed gravel roads throughout region and to the capital Windhoek (430 km).
- **Reticulated high voltage power** - power throughout the OML region, sourced internally and from neighbouring countries including Zambia.
- **Reticulated water**
- **Mobile and land-line telecommunications**

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This infrastructure provides a significant advantage in progressing a discovery into production.

COPPER EXPLORATION UNDER COVER

The Kombat Corridor is the 40 km long lineament of copper mineralisation extending approximately east-west from Baltika in the west, through Gross Otavi and the Kombat copper mine, and beyond the Guchab mining centre in east. In the 2015-2016 year Sabre concentrated copper exploration at the Guchab South prospect (Figure 4).

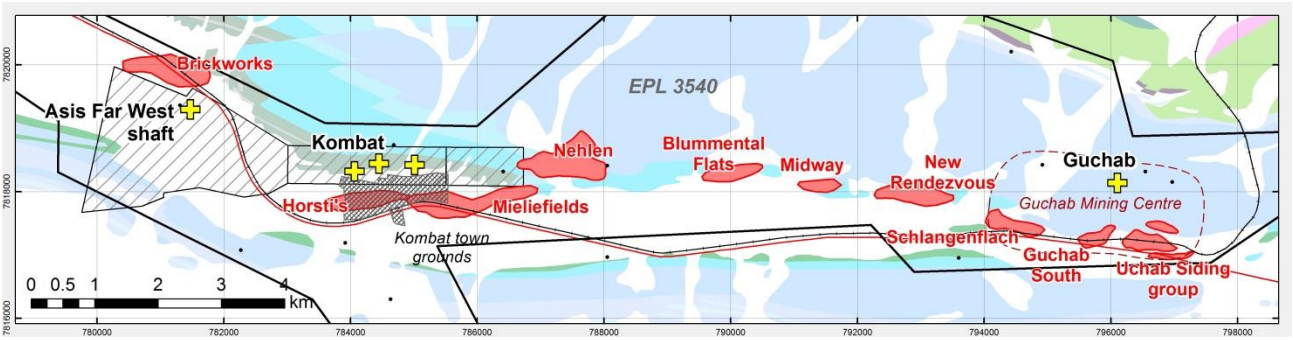

Figure 4 – Copper targets (red) on the eastern part of the Kombat Copper Corridor and around the Kombat copper mine. Historic copper mines are shown with yellow crosses. The limits of EPL 3540 are shown with the Kombat Copper mining licences excluded (hatched). Also shown is the footprint of the Kombat town grounds (cross-hatched).

Sabre's model for mineralisation along the Kombat Corridor is for Kombat-style hydrothermal copper deposits to be distributed at structurally favourable locations. Geochemical responses would likely differ according to the modelled mineralisation's depth and the nature of the overburden (Figure 5).

For example, copper mineralisation buried deeply beneath the shale and dolomite would likely result in a weak and/or cryptic anomaly, with shallow mineralisation showing a moderate response, and near-emergent mineralisation showing the strongest anomalism in both the regolith and the bedrock.

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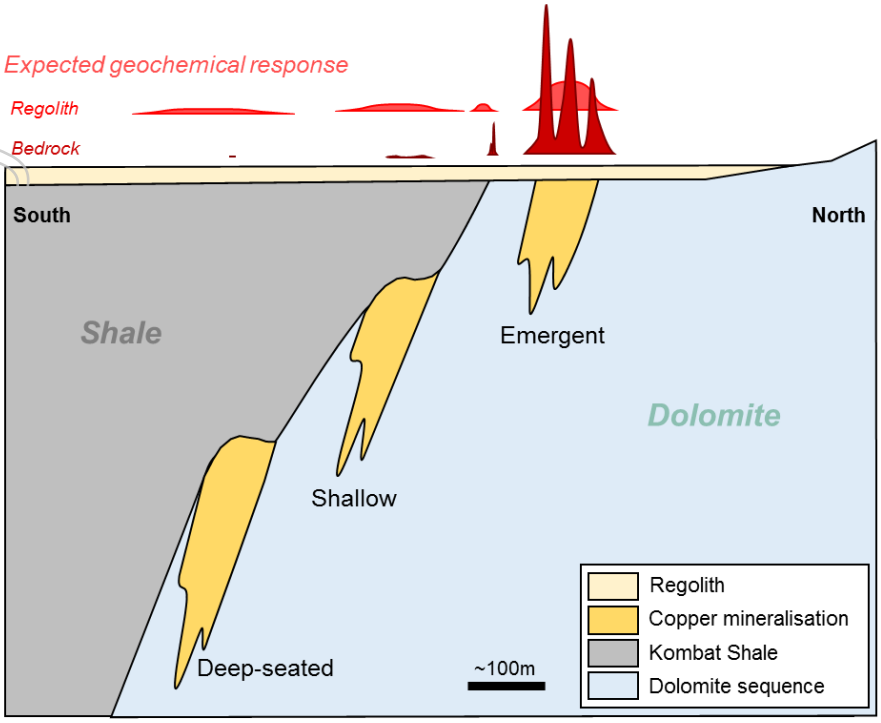

Figure 5 – Diagrammatic cross-section showing the styles of anomalism likely to be detected by the shallow geochemical drilling program along the Kombat Corridor. The style of response will largely be a function of the depth of any underlying copper mineralisation. Emergent mineralisation, which is located immediately beneath a veneer of cover material, is expected to provide strong regolith anomalism and irregular but strong bedrock response. Shallow mineralisation will show a weaker but broader regolith response and weak (if any) bedrock response, and deep-seated mineralisation showing weaker and broader response again if it shows anything at all. Note that the contact between the shale and the dolomite is likely to show a response if there is shallow or emergent mineralisation nearby.

Guchab South

Shallow geochemical drilling program over the Guchab South prospect confirmed extensive anomalism over a broad area that coincides with the visible mineralisation identified from the pilot program (Figures 6 and 7). Strong copper anomalism follows subtle gravity ridges which also coincide with lead, manganese, iron, potassium, and calcium anomalism. Importantly, anomalism is present in both the bedrock and the base of regolith. Strong anomalism is open to the west between the railway line and the Guchabberg mountain, in line with the continuing gravity ridge. Initially drilled at a nominal 100 x 100 metre collar spacing, subsequent infill to 50 x 50 metre spacing confirmed observed relationships in considerably more detail, providing certainty on geochemical distribution (Figure 7).

Disseminated copper mineralisation has been identified extensively in outcrop at Guchab South (Figure 7), including the copper sulphides bornite, chalcocite, and chalcopyrite, as well as the hydrated copper carbonate malachite and the hydrated copper silicate chrysocolla. Sulphide mineralisation covers an area measuring over 850 metres by around 100 metres, with several other zones also present. The distribution of copper mineralisation in outcrop closely follows the strong copper anomalies defined by the geochemical drilling program.

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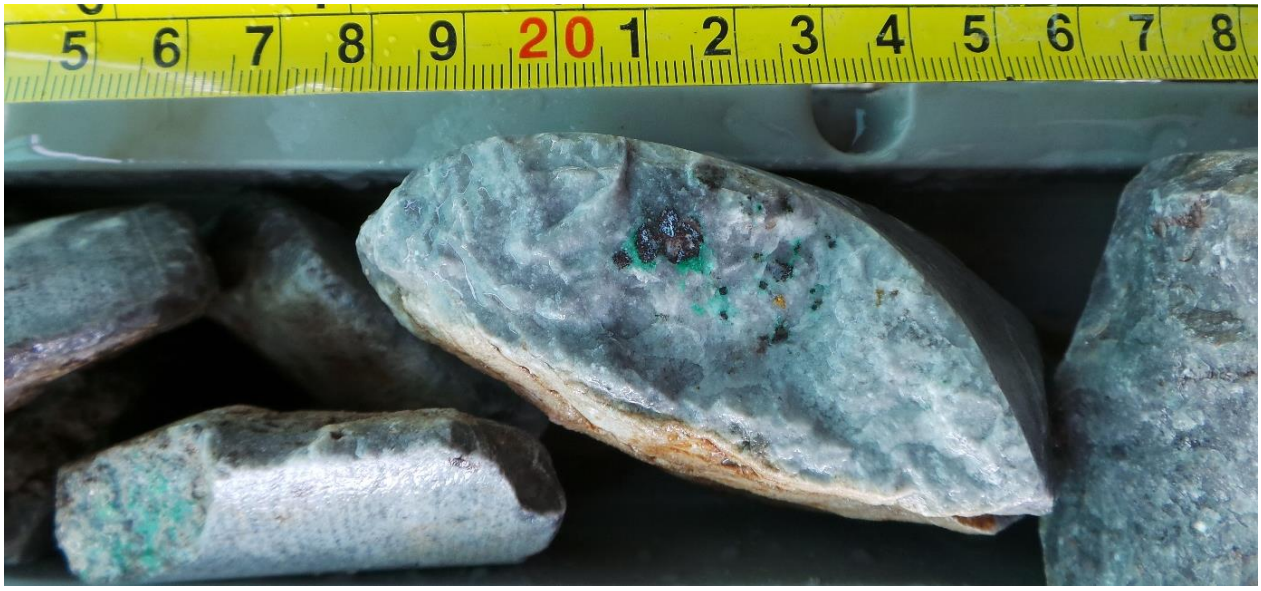

Figure 6 - Chalcocite (black-grey) and malachite (green) mineralisation in silicified dolomite at Guchab South, GCGDD0006 1.65m

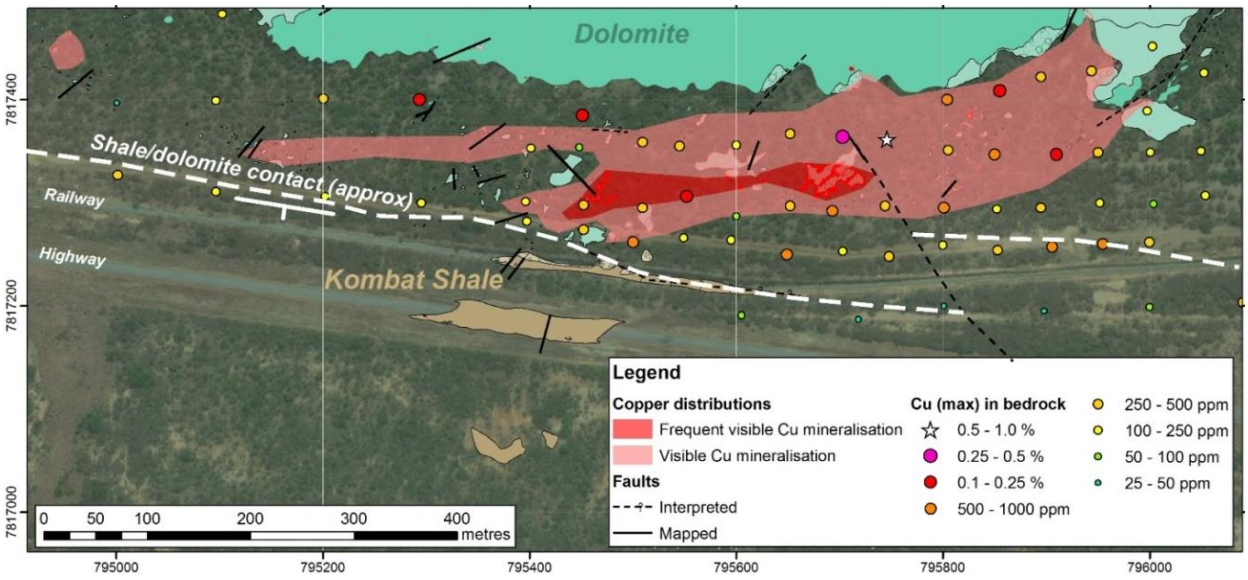

Figure 7 – Detailed geological mapping at Guchab South has identified disseminated copper mineralisation over an extensive area.

High resolution geological mapping continued at the Guchab South copper prospect identified late-stage copper bearing structures in outcrop (Figure 7). that are considered to be the conduits (or their extensions) for copper mineralising fluids. These structures constitute a swarm of ENE-trending faults that dive under cover and beneath the shale-dolomite contact.

Sabre is presently assessing the applicability of high-powered EM (electromagnetic) systems to evaluate the Guchab South project and assist drill targeting.

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ZINC-LEAD EXPLORATION

Toggenburg zinc-lead prospect

The Toggenburg prospect lies along strike from Sabre's Border deposit (Figure 8) and is interpreted to be controlled by the same structures as Border. Zinc and lead sulphide mineralisation has been discovered beneath shallow soil cover over an extensive area (Figures 9 and 10). Here, visible zinc and lead sulphides, sphalerite and galena, are evident beneath less than 3 metres of cover material. The Toggenburg discovery is located on Sabre's 30 km long Border-Toggenburg Corridor (formerly the Pavian Trend) of outcropping and buried zinc-lead mineralisation. Drilling prior to the reporting period comprised 146 shallow reverse circulation (RC) drillholes for a total of 719 metres for an average hole depth of less than 5 metres. Each hole penetrated the black soil cover and 2 to 3 metres into underlying bedrock.

Shallow reverse circulation (RC) drilling at Toggenburg confirmed the high-grade zones identified by earlier drilling. An additional 51 drillholes averaging less than 5 m deep were drilled at 3 locations (western, central, and eastern, Figure 10) along the strike length of the prospect.

With near-surface oxidation effects expected to subdue responses, percentage-grade results within the top 2 metres of bedrock (generally within 5 metres of surface) continue to highlight the potential of Toggenburg. Values peaked at 1.10 % Zn+Pb (0.73 % Zn and 0.37 % Pb) in the newly collected samples. Several locations have been defined for deeper drilling that will test for the depth extents of the Toggenburg mineralisation.

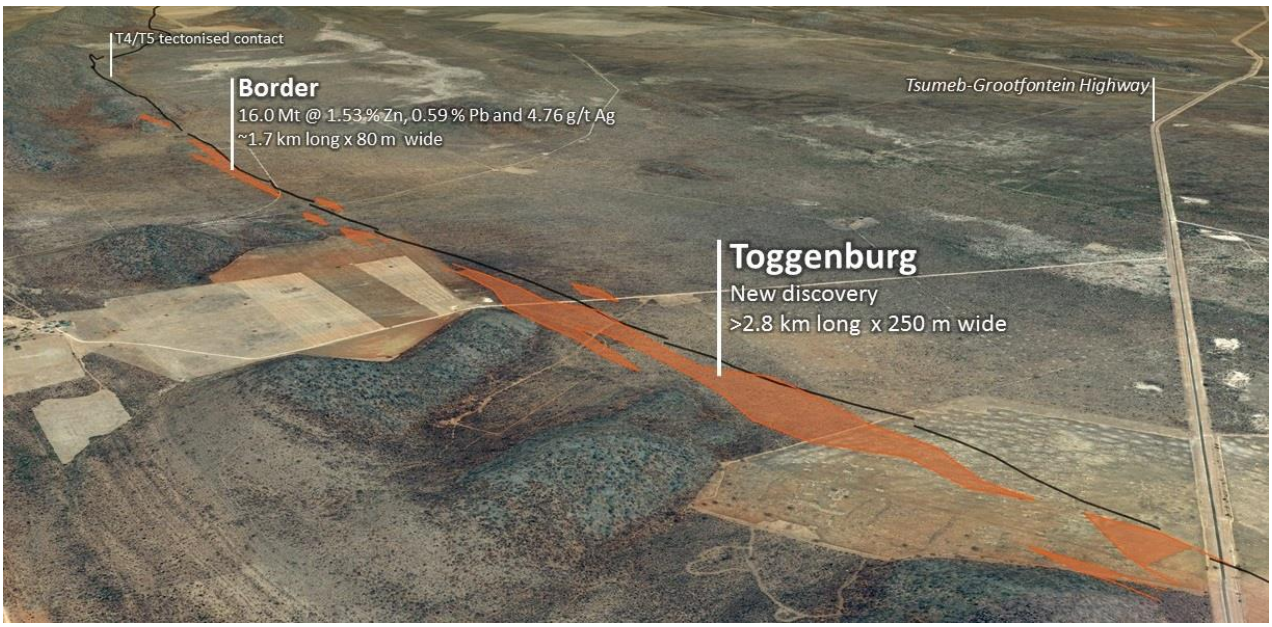

Figure 8 – The Toggenburg prospect, looking northwest, showing the footprints of the Border deposits and the extensive anomalism at Toggenburg. Also shown is the T4/T5 contact (black line) and the Tsumeb-Grootfontein Highway.

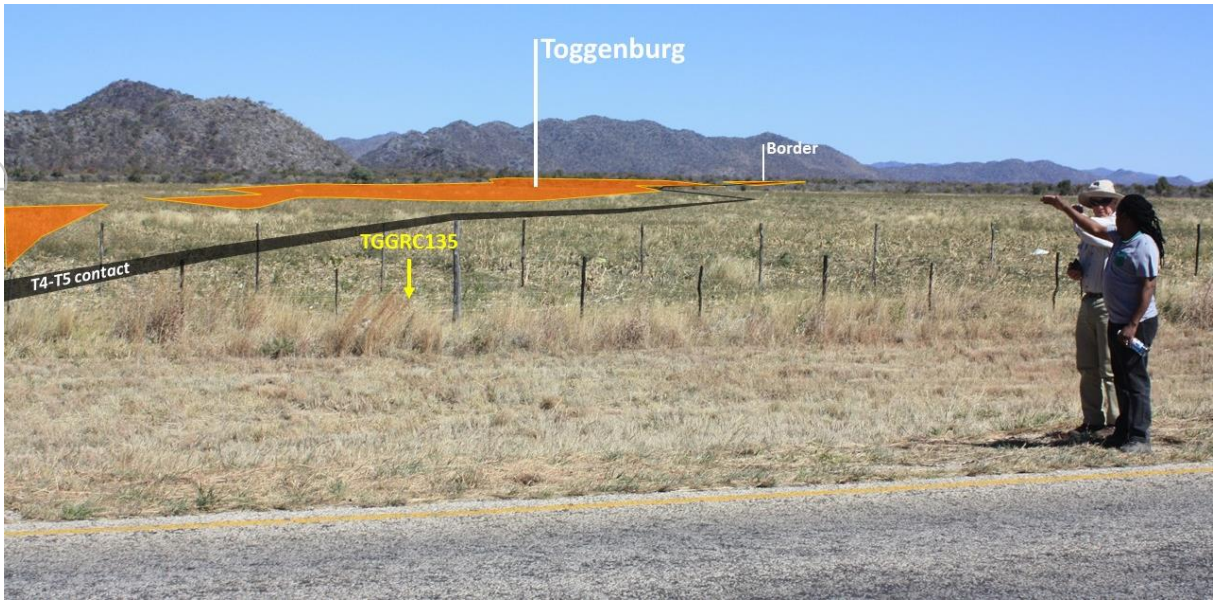

Figure 9 – View of Toggenburg and Border from the Tsumeb-Grootfontein Highway, looking west. Border is around 5.5 km away. The footprint of the project areas is shown in orange in Figure 10. The location of the northeasternmost hole of the Toggenburg drill program, TGGRC135, is located immediately in front of the fenceline.

It is important to note that the Toggenburg anomalies remain open to both the east and the west (Figure 10). These anomalies have an area more than four times the size of the equivalent anomaly at Border, where a 0.1% Zn+Pb cutoff in the near-surface approximates the footprint of zinc and lead sulphide mineralisation at depth.

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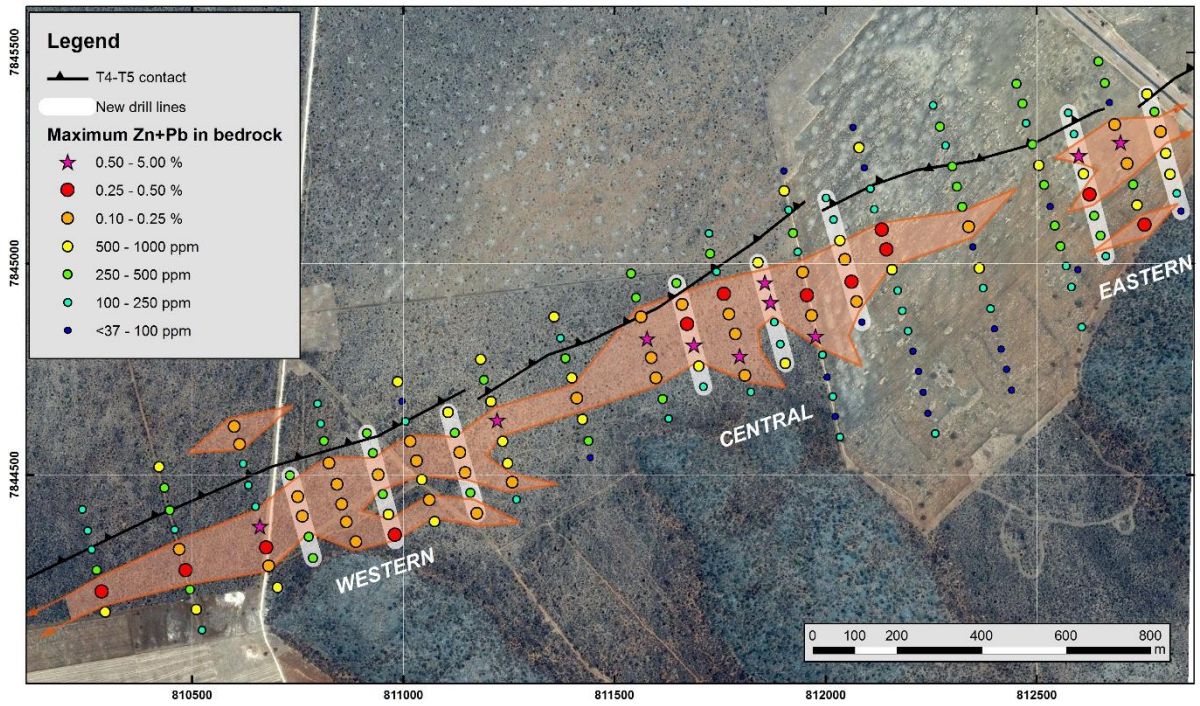

Figure 10 - Top of bedrock maximum zinc plus lead values over the Toggenburg project area. Orange lines outline the 0.10 % (1000 ppm) Zn+Pb contour, which at the Border deposit defines the distribution of zinc and lead sulphide mineralisation at depth. Drilling in the 2015-2016 year is highlighted by white bands and shows continuity of mineralisation in the subsurface. Note that the mineralisation is open to the east and west.

A notable feature of the Toggenburg zinc-lead prospect is its proximity to infrastructure. The drill program and the anomalism runs up to the sealed Tsumeb-Grootfontein Highway, only 20 km from the city of Grootfontein (Figure 9).

Border

The significant upward trend in the zinc price during the final quarter of the reporting period has accelerated the review the existing and new zinc and lead opportunities within the Otavi Mountain Land project.

Sabre's Border Zn-Pb project has a **JORC 2012 Inferred Resource of 16.0Mt @ 1.53% Zn, 0.59% Pb and 4.76g/t Ag** is located within a 25km long significant regional zinc-lead anomalous corridor, which hosts a number known occurrences including Border, Toggenburg and South Ridge to the East, and Harasib to the west along a distinctive tectonised contact (Figure 8).

In light of the increase in the zinc price a review of the commodity price, capital and operating cost assumptions in the 2011 Scoping Study completed at Border is underway. Metallurgical sighter testwork on a bulk sample conducted for the 2011 study shows that the Border mineralisation responds very favourably to Heavy Media Separation ('HMS'). Border mineralisation upgrades with HMS, before grinding and flotation, to a product of 12.5% Zn + 6.3% Pb with recoveries of 86% and 92.5% respectively.

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REGIONAL EXPLORATION

Auros

Sabre's regional soil sampling programs have identified significant zinc-lead anomalism in the Auros-Nageib-Wolkenhauben area (Figure 11) which is the possible western limit of a regional zinc-lead anomalous corridor extending east about 20km to Sabre's Driehoek prospect. Over 1087 samples were collected resulting in the definition of the Auros zinc-lead anomaly which covers over 300 hectares, measuring over 2.5 km by 5.0 km (Figure 11).

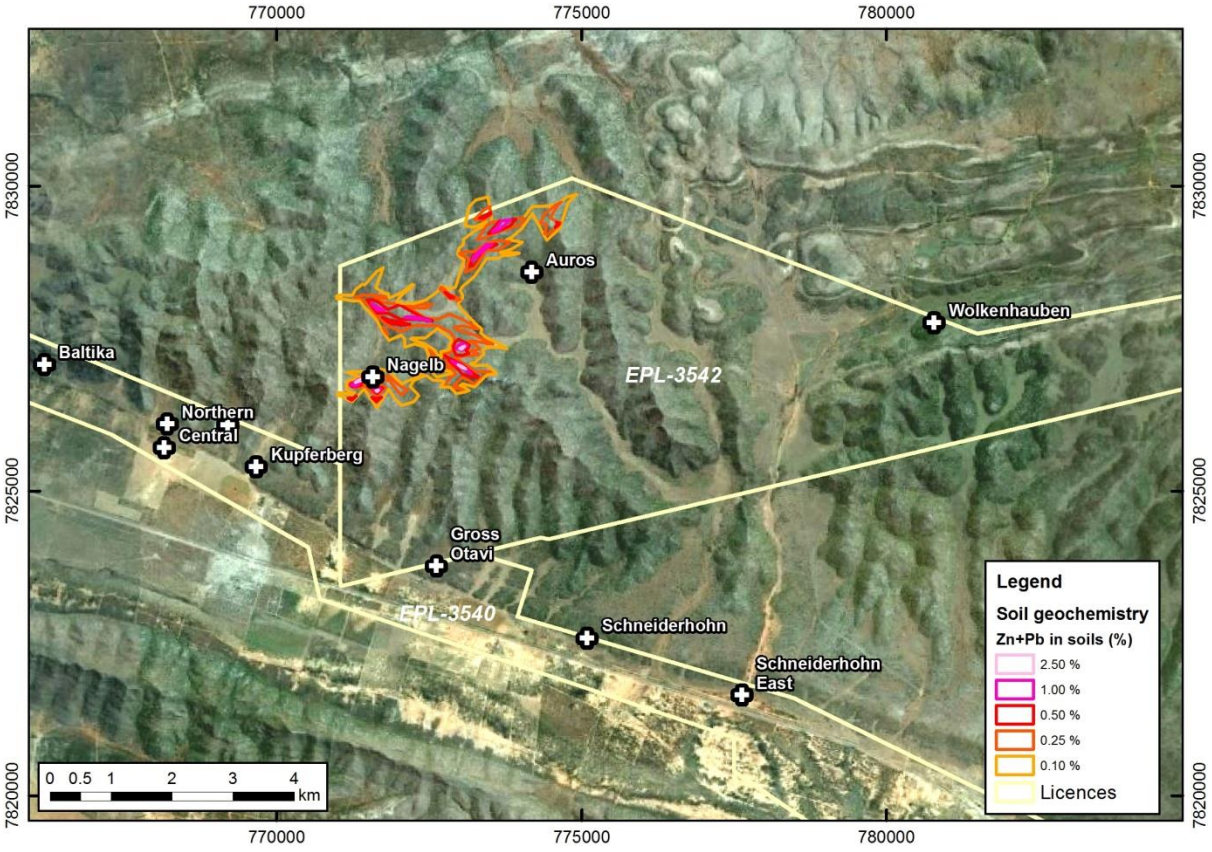

Figure 11 – The Auros Zinc-Lead anomaly

The Auros anomaly has been defined using a 0.1% Zn+Pb cutoff (as at Toggenburg) and contains a peak value of 8.25 % Zn+Pb (6.30 % Zn and 1.95 % Pb – determined by portable XRF) near the historic Nageib workings. Numerous percentage-grade results were obtained in areas with no known historic mining activity. One such area, which recorded soil values up to 4.65 % Zn+Pb (3.20 % Zn and 1.45 % Pb), exhibits outcropping brecciate and disseminated sphalerite and galena mineralisation (Figure 12).

Detailed interpretation of high-resolution aeromagnetic data over the Auros area shows that bedding and its interaction with several important cross-cutting structures seem to control the distributions of intense zinc and lead anomalism throughout the area. Initial impressions from field work are that the Auros area mineralisation shows similarities to zinc-lead mineralisation at Driehoek, which is located along strike around 20 km to the east. Auros however is much larger in extent than the Driehoek group of deposits, prospects, and occurrences.



Figure 12 – Outcropping disseminated galena (dark grey) and sphalerite (brown-grey) mineralisation with secondary zinc oxides (brown) in the Auros area.

Baltika

Collation and review of data for the historical Baltika Zn-V2O5 mining centre commenced. Baltika is located within and toward the west of Sabre's EPL 3540 and produced 5,820t of concentrate grading 9% vanadium pentoxide between 1931 and 1942. Vanadium mineralisation is associated with east-west trending zinc and lead - bearing structures proximal to the contact which hosts the Kombat and Guchab Cu-Zn-Pb mining centres to the east within the Kombat Corridor.

REGIONAL DATA ACQUISITION

Ongoing interpretation of regional geophysical and other remotely sensed datasets is allowing the definition of more targets throughout Sabre's ground holding in the Otavi Mountain Land. Interrogation of publicly available data beyond our licences is also being undertaken, to identify new opportunities for the Company so that, should the ground become available, Sabre can promptly apply for that ground.

During the year Sabre negotiated access to historic archives at the Tsumeb mine site. The archives contain historic data and drill core generated during decades of exploration by Tsumeb Corporation Limited (TCL) throughout the 20th Century. TCL explored the entirety of the OML at various times and to varying degrees.

All data was retrieved and all relevant drill cores photographed and documented. Cataloguing of all of the retrieved data and data base construction continues.

LICENCING

EPL 3542 was renewed for two years from 30 October 2016 to 29 October 2018. The application for the renewal was lodged in the September quarter of 2015 ahead of the due date and renewal has only just been received.

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EPL 3542 is located in the Otavi Mountainland ("OML") of Namibia, and covers approximately 237 square kilometres. Sabre has defined two major trends with stratabound zinc-lead sulphide mineralisation within the tenement. This is a key tenement in Sabre's Namibian holdings and contains the following resources and projects:

- The Border Zn-Pb deposit (16Mt @1.53%Zn , 0.59% Pb and 4.76 Ag);
- The Driehoek Zn-Pb deposit;
- The Toggenburg and Southridge Zn-Pb prospect;
- The Kaskara Cu-V and Ag prospect ;
- The Auros Zn-Pb-Ag prospect;
  together with a number of other prospects.

EPL 3540 was renewed for two years from 30 October 2016 to 29 October 2018. The application for the renewal was lodged in the September quarter of 2015 ahead of the due date and renewal has only just been received.

Tenement EPL 3540 (SBR 70%) together with EPL 3542 comprise Sabre's Otavi Mountain Land Project.

The lack of security of tenure was of great concern to the Company, its management, auditors and shareholders, and it has impacted on the ability of the Company to progress its exploration and access the capital Markets. The Company is pleased that, now it has security of tenure, it can proceed with exploration.

(Figure 13).

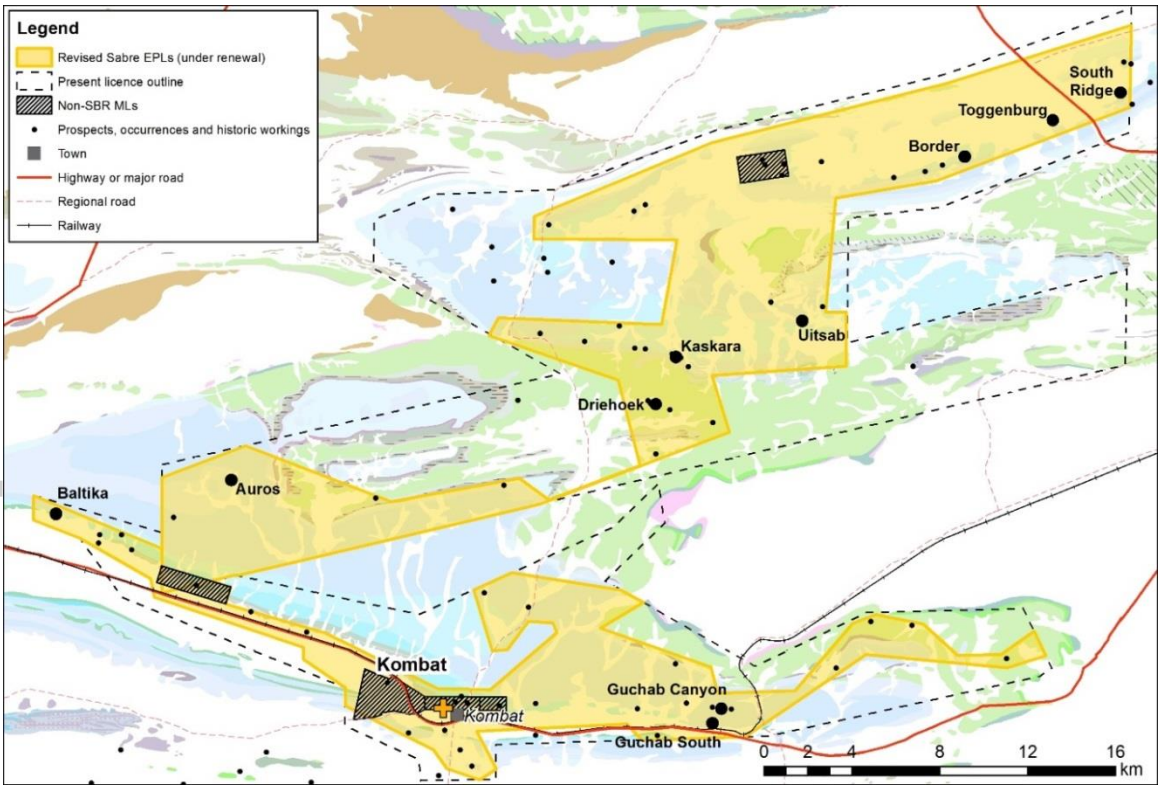

Figure 13 – Approved 50% reductions (yellow) to the Company's EPLs in the Otavi Mountain Land, as mandated by the Ministry of Mines and Energy. Note that all areas and prospects of interest have been retained. The present licence outlines (dashed lines) remain current until the renewals are granted.

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PREPARATION FOR MINING LICENCE APPLICATIONS

Sabre intends to submit applications for a number of Mining Licences during the current EPL renewal period. Several potential sites have been selected, namely Border, Guchab, Driehoek, Baltika and Kaskara. The application process requires submission of extensive documentation, including detailed geological maps, environmental reports, resource reports, and scoping studies.

During the year, progress was made on the collection and collation of data and mineral resource information required for the Mining Licence applications. Work also continued on preparation for the Environmental Impact Assessments required for Mining Licence applications.

EXPLORATION PROGRAM 2017-18

The exploration program for 2017-18 will continue to focus on defining mineralisation in the shallowly covered areas of the Otavi Mountain Land.

Sabre's priorities include:

- Continued drill testing of the Toggenburg zinc-lead discovery.
- High-resolution geophysical testing of the Guchab South copper prospect.
- High resolution, deep penetrating geophysical testing of the Kaskara copper-zinc-lead-vanadium prospect.
- Investigation of various copper and zinc-lead targets throughout the region.
- Investigation of various zinc targets throughout the region.

Competent Person Declaration

The information in this report that relates to Exploration Results is based on information compiled by David Chapman who is a Director of Sabre Resources Ltd, and who is a Member of The Australian Institute of Mining and Metallurgy. Mr Chapman has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australian Code for Reporting of Exploration Results, Mineral Resource and Ore Reserves". Mr Chapman consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Forward-Looking Statements

This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning Sabre Resources Ltd's planned exploration programme and other statements that are not historical facts. When used in this document, the words such as "could," "plan," "estimate," "expect," "intend," "may", "potential," "should," and similar expressions are forward-looking statements. Although Sabre believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements.

Licence schedule.

Country	*State/Region*	*Project*	*Tenement ID*	*Area (km^2)*	*Grant date*	*Interest*
Namibia	Otjozondjupa	Otavi Mountain Land base metals	EPL3540 EPL3542	236.90 110.98	30/10/2006 30/10/2006	80% 70%

The Directors present their report on Sabre Resources Ltd ("the Company") and its controlled entities for the year ended 30 June 2017.

DIRECTORS

The Directors of the Company during and since the end of the financial year were:-

Michael Scivolo
Jonathan Downes (resigned 7 December 2016)
David Chapman
Robert Collins (appointed 7 December 2016)

Shares and options of Sabre Resources Ltd held by Directors at the date of this report:

Director	Shares	Options
Michael Scivolo	-	-
Robert Collins	-	-
David Chapman	-	-

PRINCIPAL ACTIVITIES

The principal activity of the Company and its controlled entities is mineral exploration.

RESULTS

The operating loss for the financial year after providing for income tax amounted to $913,385 (2016: $593,651).

FINANCIAL POSITION

The net assets of the Group have decreased by $6,152 from $25,273,883 at 30 June 2016 to $25,267,731 at 30 June 2017.

DIVIDENDS

Since the end of the previous financial year, no dividend has been declared or paid by the Company. The Directors do not recommend the payment of a dividend.

INFORMATION ON DIRECTORS AND COMPANY SECRETARY

(a) The qualifications and experience of the Board of Directors and Company Secretary are as follows:-

(i) Michael Scivolo BCom, FCPA (Non-Executive Director)

Mr Scivolo has extensive experience in the fields of accounting and taxation in both corporate and non-corporate entities. He was a Director of Blaze International Limited until 4 December 2015, K2Fly Ltd (formerly Power Resources Limited) until 17 November 2016 and Covata Ltd (formerly Prime Minerals Limited) until 29 October 2014. He is currently a Director of Metals Australia Ltd and Golden Deeps Limited.

(ii) Robert Collins

Mr Collins has served on a number of ASX listed industrial and mining company boards, and owned a large accounting practice serving the corporate sector. He was a Director of Covata Ltd (formerly Prime Minerals Limited) until 29 October 2014, K2Fly Ltd (formerly Power Resources Limited) until 17 November 2016 and Blaze International Limited until 8 April 2016.

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Mr Collins is currently a Non-Executive Director of Metals Australia Ltd and Golden Deeps Limited.

(iii) David Chapman BSc (Geol) (Hons) (Managing Director until 31 October 2016 and then Non-Executive Director)

Mr Chapman is a geologist with over thirty years diverse international geological experience in the mining and minerals industry. His experience covers most aspects of the mining industry, from exploration and operations through to completion of feasibility studies, funding and project construction and business development. He was a founding director of ASX listed Paringa Resources Limited until his resignation on 11 January 2016.

(b) Mr Jonathan Downes resigned as a Non-Executive Director on 7 December 2016

(c) A new Company Secretary was appointed on 11 July 2017 following the retirement of the previous Company Secretary. His qualifications and experience are as follows:-

(i) Paul Fromson BCom CPA

Mr Fromson is a CPA and licensed Tax Agent. He has been involved in the resources industry since 1987. Mr Fromson has held a range of senior roles with ASX listed entities including CFO, Company Secretary and Director.

(ii) The former Company Secretary Mr Norman Grafton retired and creased as Company Secretary on 11 July 2017

REMUNERATION REPORT (AUDITED)

Details of Key Management Personnel (KMP) as at 30 June 2017 were:-

Key Management Personnel	Position
M Scivolo	Non-Executive Director
D Chapman	Non-Executive Director
R Collins	Non-Executive Director

Mr Scivolo was in office the entire year.

Mr Chapman was the Managing Director up until 31 October 2016 and then stepped down from that role but continued as a non-executive director.

Mr Collins joined the board as a Non-Executive director on 7 December 2016.

Mr Jonathan Downes resigned as a Non-Executive director on 7 December 2016.

There are no committees of directors.

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KMP Remuneration

2017

Key Management Personnel	Short-term Benefits		Super-annuation	Share-based Payment		Percentage of remuneration paid in Equity
	Director's Fees	Salaries & Consulting Fees		Options	Total	
	$	$	$	$	$	%
M Scivolo	9,000	-	4,140	-	13,140	-
D Chapman	48,000	-	-	-	48,000	-
J Downes (until 7 December 2016)	5,260	-	-	-	5,260	-
R Collins (from 7 December 2016)	6,773	-	-	-	6,773	-
	69,033	**-**	**4,140**	**-**	**73,173**	**-**

The directors fees disclosed above were based on Directors entitlements and includes actual payments and entitlements accrued but not paid. Payment of directors fees have now been deferred until the Company is in a stronger financial position and as at 30 June 2017 amounts owing to directors totalled $43,173.

2016

Key Management Personnel	Short-term Benefits		Superannuation	Share-based Payment		Percentage of remuneration paid in Equity
	Director's Fees	Salaries & Consulting Fees		Options	Total	
	$	$	$	$	$	%
M Scivolo	6,000	-	7,140	-	13,140	-
D Chapman	-	102,500	-	-	102,500	-
J Downes	12,000	-	1,140	-	13,140	-
P Mazzoni (until 1 June 2016)	11,000	525	-	-	11,525	-
M Painter	-	170,878	13,000	-	183,878	-
M McCabe	-	92,400	10,530	-	102,930	-
	29,000	**366,303**	**31,810**	**-**	**427,113**	**-**

Directors fees and superannuation for the June quarter in respect of Mr Scivolo ($3,285) and Mr Downes ($3,285) were actually paid in August 2016. An accrual of $12,000 for the June quarter was made in respect of fees due to Mr Chapman.

No options were held by any KMP during the period under review.

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KMP Shareholdings

The number of ordinary shares in Sabre Resources Ltd held by each KMP during the financial year is as follows:

	Balance 1 July 2016	Granted as Compensation	Issued on Exercise of Options During the Year	Other Changes During the Year	Balance 30 June 2017
J Downes	-	-	-	-	-
M Scivolo	-	-	-	-	-
R Collins	-	-	-	-	-
D Chapman	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**

Non-executive Directors receive a fixed fee, with Executive Directors being remunerated for any professional services conducted for the Company.

No Director has an employment contract, but the employment terms and conditions of key management personnel and Group executives are formalised in twelve month contracts of employment.

Terms of employment require that thirty days' notice of termination of contract is required from either employer or employee. There is no agreement to pay any termination payment other than accrued salary and annual leave.

Directors and Executives received no benefits in the form of share-based payments during the year ended 30 June 2017.

There are no retirement schemes for any Directors or any loans or any other type of compensation. Board policy on the remuneration for this exploration company is influenced by comparing fees paid to directors in other companies within the exploration industry, and then set at a level to attract qualified people, to accept the responsibilities of directorship. No Director, executive or employee has an employment contract.

Being an exploration company, with no earnings, a relationship is yet to be established between an emolument policy and the Company's performance. During the year the Company did not engage remuneration consultants to review its existing remuneration policies.

At the last AGM shareholders voted to adopt the remuneration report for the year ended 30 June 2016. The Company did not receive specific feedback at the AGM regarding its remuneration practices.

END OF REMUNERATION REPORT

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ANALYSIS OF MOVEMENT IN SHARES

There was no movement in shares on issue during the year.

ANALYSIS OF MOVEMENT IN OPTIONS

During the year 100,000,000 unlisted options exercisable at 2.5 cents on or before 1 August 2018 were issued. The options were issued at a cost of $0.0001 each to raise $10,000.

At the end of the year the following options were on hand.

112,500,000 unlisted options exercisable at 2.5 cents expiring 1 August 2018.

No person entitled to exercise an option had or has any right by virtue of the option to participate in any share issue of any other body corporate.

MEETINGS OF DIRECTORS

The following table sets out the number of meetings of the Company's Directors held during the year ended 30 June 2017, and the number of meetings attended by each Director.

Name	Eligible to attend	Attended
Michael Scivolo	-	-
Jonathan Downes (resigned 7/12/16)	-	-
Robert Collins (appointed 7/12/16)	-	-
David Chapman	-	-

The Directors did not hold any directors meetings as such during the year and business was conducted via seven Circular Resolutions.

RETIREMENT, ELECTION AND CONTINUATION OF OFFICE OF DIRECTORS

Mr Scivolo retired by rotation as a Director at the Annual General Meeting on 30 November 2016 and was re-elected.

Mr Chapman, who is retiring by rotation, will offer himself for re-election at the forthcoming Annual General Meeting.

ENVIRONMENTAL ISSUES

The Company's objective is to ensure that a high standard of environmental care is achieved and maintained on all properties. There are no known environmental issues outstanding.

EVENTS SUBSEQUENT TO REPORT DATE

No matters or circumstances have arisen since the end of the financial year, except as reported in the following paragraphs, which significantly affect, or could significantly affect, the operations of the consolidated group, the results of these operations, or the state of affairs of the consolidated group in future years.

INDEMNIFYING OFFICERS OR AUDITOR

No indemnities have been given, or insurance premiums paid, other than Directors' and Officers' Insurance, during or since the end of the financial year, for any person who is or has been an officer or auditor of the

entity. Details of the amount of the premium paid in respect of the Directors and Officers insurance policy is not disclosed as such disclosure is prohibited under the terms of the contract.

SHARE OPTIONS

As at the date of this report, there are 112,500,000 options on with an expiry date of 1 August 2018.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

There have not been any significant changes in the state of affairs of the Company and its controlled entities during the financial year, other than as noted in this financial report.

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied for leave of court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings. The Company was not a party to any such proceedings during the year.

AUDIT COMMITTEE

No Audit Committee has been formed as the Directors believe that the Company is not of a size to justify having a separate Audit Committee. Given the small size of the Board, the Directors believe an Audit Committee structure to be inefficient.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the independent auditor's declaration as required by section 307c of the *Corporations Act 2001*, is set out on Page 53.

NON AUDIT SERVICES

The Board of Directors is satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The directors are satisfied that the services disclosed below did not compromise the external auditor's independence for the following reasons;

- All non-audit services are reviewed and approved by the audit committee prior to commencement to ensure they do not adversely affect the integrity and objectivity of the auditor; and
- The nature of the services provided does not compromise the general principles relating to auditor independence in accordance with APES 110: Code of Ethics for Professional Accountants set by the Accounting Professional and Ethical Standards Board.

During the year under review, a related practice of our auditor Grant Thornton Audit Pty Ltd also provided services in relation to taxation matters. Details of the amounts paid and payable to the auditor of the Company, Grant Thornton Audit Pty Ltd for audit and non-audit services provided during the year are set out in Note 6 to the Financial Statements.

This report is made in accordance with a resolution of the Directors and Section 298(2) of the *Corporations Act 2001*.



Michael Scivolo
DIRECTOR
Dated this 29th day of September 2017 Perth, Western Australia

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SABRE RESOURCES LTD

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2017

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	Notes	Consolidated 2017 $	Consolidated 2016 $
Other Income	5	50,311	41,260
Expenditure			
Management fees		282,000	78,333
Reimbursable Costs payable to Management Company		175,827	-
Directors' fees and services	7	73,173	158,545
Other expenses		149,154	158,268
Administration costs		-	34,104
Employee benefits expense		29,143	163,950
Depreciation	10	30,550	41,495
Provision for doubtful debt		219,345	-
Fair value movement – financial assets		3,603	-
Impairment of exploration assets	11	901	-
Exploration costs		-	216
		963,696	**634,911**
Profit/(Loss) before income tax		(913,385)	(593,651)
Income tax benefit	4	-	-
Profit/(Loss) after income tax	15	**(913,385)**	**(593,651)**
Other comprehensive (loss), net of tax			
Items that may be subsequently transferred to profit or loss:			
Exchange differences on translating foreign controlled entities	16	897,233	(1,581,151)
Total comprehensive profit/(loss) for the year		**(16,152)**	**(2,174,802)**
Earnings per share		**Cents**	**Cents**
Basic Earnings / (Loss) per share	18	(0.36)	(0.24)
Diluted Earnings / (Loss) per share	18	(0.36)	(0.24)

Diluted earnings / (loss) per share has not been shown as the exercise of options would not be dilutive on earnings.

The accompanying notes form part of these financial statements

SABRE RESOURCES LTD

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2017

	Notes	Consolidated 2017 $	Consolidated 2016 $
CURRENT ASSETS			
Cash and cash equivalents	8	66,579	56,796
Trade and other receivables	9	48,227	230,884
Financial assets		11,063	14,667
TOTAL CURRENT ASSETS		**125,869**	**302,347**
NON-CURRENT ASSETS			
Plant and equipment	10	33,045	71,109
Exploration and evaluation expenditure	11	26,120,999	24,982,606
TOTAL NON-CURRENT ASSETS		**26,154,044**	**25,053,715**
TOTAL ASSETS		**26,279,912**	**25,356,062**
CURRENT LIABILITIES			
Trade and other payables	12	104,354	82,179
TOTAL CURRENT LIABILITIES		**104,354**	**82,179**
NON-CURRENT LIABILITIES			
Borrowings	12 (b)	450,000	-
Trade and other payables	12 (a)	457,827	-
TOTAL NON-CURRENT LIABILITIES		**907,827**	-
TOTAL LIABILITIES		**1,012,181**	**82,179**
NET ASSETS		**25,267,731**	**25,273,883**
EQUITY			
Issued capital	13	52,325,045	52,325,045
Foreign currency translation reserve	16	(2,259,956)	(3,157,189)
Share Option Reserve	14	10,000	-
Accumulated losses	15	(24,807,358)	(23,893,973)
TOTAL EQUITY		**25,267,731**	**25,273,883**

The accompanying notes form part of these financial statements

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SABRE RESOURCES LTD

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2017

CONSOLIDATED ENTITY

	Issued Capital	Share Option Reserve	Foreign Currency Translation Reserve	(Accum-ulated Losses)	Total
	$	$	$	$	$
Balance as at 30 June 2015	**51,936,045**	**-**	**(1,576,038)**	**(23,300,322)**	**27,059,685**
Loss attributable to members of parent entity	-	-	-	(593,651)	(593,651)
Other comprehensive profit/(loss) for the year	-	-	(1,581,151)	-	(1,581,151)
Total comprehensive (loss) for the year	**-**	**-**	**(1,581,151)**	**(593,651)**	**(2,174,802)**
Shares issued (net)	389,000	-	-	-	389,000
Balance as at 30 June 2016	**52,325,045**	**-**	**(3,157,189)**	**(23,893,973)**	**25,273,883**
Balance as at 30 June 2016	**52,325,045**	**-**	**(3,157,189)**	**(23,893,973)**	**25,273,883**
Profit/(Loss) attributable to members of parent entity	-	-	-	(913,385)	**(913,385)**
Other comprehensive profit/(loss) for the year	-	-	897,233	-	**897,233**
Total comprehensive profit/(loss) for the year	**-**	**-**	897,233	(913,385)	**(16,152)**
Transactions with owners:					
Options Issued	-	10,000	-	-	**10,000**
Balance as at 30 June 2017	**52,325,045**	**10,000**	**(2,259,956)**	**(24,807,358)**	**25,267,731**

The accompanying notes form part of these financial statements

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SABRE RESOURCES LTD

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2017

	Note	Consolidated 2017 $	Consolidated 2016 $
Cash flow from operating activities			
Payments to suppliers		(265,983)	(781,324)
Interest received		1,419	5,910
Sundry Income		42,823	29,008
Net cash (outflow) from operating activities	17	(221,741)	(746,406)
Cash flow from investing activities			
Proceeds from disposal of plant and equipment		17,401	16,057
Exploration and evaluation expenditure	11	(270,444)	(348,937)
Net cash (outflow) from investing activities		(253,043)	(332,880)
Cash flow from financing activities			
Proceeds from borrowings		450,000	-
Proceeds from issue of shares	13	-	389,000
Proceeds from issue of options	14	10,000	-
Net cash inflow from financing activities		460,000	389,000
Net increase/(decrease) in cash and cash equivalents held		(14,784)	(690,286)
Cash and cash equivalents at the beginning of the financial year		56,796	764,577
Effect of exchange rates on cash holdings in foreign currencies		24,567	(17,495)
Cash and cash equivalents at the end of the financial year	8	66,579	56,796

The accompanying notes form part of these financial statements

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1. Corporate Information

The financial report of Sabre Resources Ltd (the Company) for the year ended 30 June 2017 was authorised for issue in accordance with a resolution of the directors on 29 September 2017.

Sabre Resources Ltd is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange and the Berlin and Frankfurt Stock Exchanges.

The nature of the operations and principal activity of the Group is mineral exploration.

2. Summary of Significant Accounting Policies

(a) Basis of Preparation

The financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standards, Australian Accounting Interpretations and complies with other requirements of the law, as appropriate for for-profit oriented entities. The financial report has also been prepared on an accruals basis and on a historical cost basis, except for financial assets and liabilities, which have been measured at fair value.

The financial report also complies with International Financial Reporting Standards (IFRS).

The financial report is presented in Australian Dollars.

The financial statements of the Company and Group have been prepared on a going concern basis which anticipates the ability of the Company and Group to meet its obligations in the normal course of the business.

(b) New and Amended Accounting standards adopted by the Group

AASB 2015-1 *Amendments to Australian Accounting Standards – Annual Improvements to Australian Accounting Standards 2012-2014 Cycle*
These amendments arise from the issuance of Annual Improvements to IFRS 2012-2014 Cycle in September 2014 by the IASB.

Among other improvements, the amendments clarify that when an entity reclassifies an asset (or disposal group) directly from being held for sale to being held for distribution (or vice-versa), the accounting guidance in paragraphs 27-29 of AASB 5 Non-current Assets Held for Sale and Discontinued Operations does not apply. The amendments also state that when an entity determines that the asset (or disposal group) is no longer available for immediate distribution or that the distribution is no longer highly probable, it should cease held-for-distribution accounting and apply the guidance in paragraphs 27-29 of AASB 5.

AASB 2014-4 *Amendments to Australian Accounting Standards – Clarification of Acceptable Methods of Depreciation and Amortisation*
The amendments to AASB 116 prohibit the use of a revenue-based depreciation method for property, plant and equipment. Additionally, the amendments provide guidance in the application of the diminishing balance method for property, plant and equipment.

The amendments to AASB 138 present a rebuttable presumption that a revenue-based amortisation method for intangible assets is inappropriate. This rebuttable presumption can be overcome (ie. a revenue-based amortisation method might be appropriate) only in two (2) limited circumstances:

- intangible asset is expressed as a measure of revenue, for example when the predominant limiting factor inherent in an intangible asset is the achievement of a revenue threshold; or
- when it can be demonstrated that revenue and the consumption of the economic benefits of the intangible asset are highly correlated.

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AASB *2014-3 Amendments to Australian Accounting Standards – Accounting for Acquisitions of Interests in Joint Operations*

This amendment impacts on the use of AASB 11 when acquiring an interest in a joint operation.

The effective date is for annual reporting periods beginning on or after 1 January 2016.

When these amendments were first adopted for the year ending 30 June 2017, there were no material impact on the transactions and balances recognised in the financial statements.

AASB 2015-2 *Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101*

The Standard makes amendments to AASB 101 Presentation of Financial Statements arising from the IASB's Disclosure Initiative project. The amendments:

- Clarify the materiality requirements in AASB 101, including an emphasis on the potentially detrimental effect of obscuring useful information with immaterial information
- Clarify that AASB 101's specified line items in the statement(s) of profit or loss and other comprehensive income and the statement of financial position can be disaggregated
- Add requirements for how an entity should present subtotals in the statement(s) of profit and loss and other comprehensive income and the statement of financial position
- clarify that entities have flexibility as to the order in which they present the notes, but also emphasise that understandability and comparability should be considered by an entity when deciding that order
- remove potentially unhelpful guidance in AASB 101 for identifying a significant accounting policy

(c) New Accounting Standards for Application in Future Period

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2017 reporting periods. The group's assessment of the impact of these new standards and interpretations is set out below.

(i) ***AASB 9 Financial Instruments***

AASB 9 introduces new requirements for the classification and measurement of financial assets and liabilities and includes a forward-looking 'expected loss' impairment model and a substantially-changed approach to hedge accounting.

The effective date is for annual reporting periods beginning on or after 1 January 2018.

The entity is yet to undertake a detailed assessment of the impact of AASB 9. However, based on the entity's preliminary assessment, the Standard is not expected to have a material impact on the transactions and balances recognised in the financial statements when it is first adopted for the year ending 30 June 2019.

AASB 15 *Revenue from Contracts with Customers*

AASB 15 replaces AASB 118: Revenue, AASB 111 Construction Contracts and some revenue-related Interpretations. In summary, AASB 15:

- establishes a new revenue recognition model;
- changes the basis for deciding whether revenue is to be recognised over time at a point in time;
- provides a new and more detailed guidance on specific topics (eg multiple element arrangements, variable pricing, rights of return and warranties); and
- expands and improves disclosures about revenue.

When this Standard is first adopted for the year ending 30 June 2019, there will be no material impact on the transactions and balances recognised in the financial statements.

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(d) Basis of consolidation

The Group financial statements consolidate those of the Parent Company and all of its subsidiaries as of 30 June 2017. The Parent controls a subsidiary if it is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary. All subsidiaries have a reporting date of 30 June.

All transactions and balances between Group companies are eliminated on consolidation, including unrealised gains and losses on transactions between Group companies. Where unrealised losses on intra-group asset sales are reversed on consolidation, the underlying asset is also tested for impairment from a group perspective. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Profit or loss and other comprehensive income of subsidiaries acquired or disposed of during the year are recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable.

Non-controlling interests, presented as part of equity, represent the portion of a subsidiary's profit or loss and net assets that is not held by the Group. The Group attributes total comprehensive income or loss of subsidiaries between the owners of the parent and the non-controlling interests based on their respective ownership interests.

The Group applies the acquisition method in accounting for business combinations. The consideration transferred by the Group to obtain control of a subsidiary is calculated as the sum of the acquisition-date fair values of assets transferred, liabilities incurred and the equity interests issued by the Group, which includes the fair value of any asset or liability arising from a contingent consideration arrangement. Acquisition costs are expensed as incurred.

The Group recognises identifiable assets acquired and liabilities assumed in a business combination regardless of whether they have been previously recognised in the acquiree's financial statements prior to the acquisition. Assets acquired and liabilities assumed are generally measured at their acquisition-date fair values.

Goodwill is stated after separate recognition of identifiable intangible assets. It is calculated as the excess of the sum of (a) fair value of consideration transferred, (b) the recognised amount of any non-controlling interest in the acquire, and (c) acquisition-date fair value of any existing equity interest in the acquiree, over the acquisition-date fair values of identifiable net assets. If the fair values of identifiable net assets exceed the sum calculated above, the excess amount (i.e. gain on a bargain purchase) is recognised in profit or loss immediately.

Associates are those entities over which the Group is able to exert significant influence but which are not subsidiaries.

(e) Foreign currency translation

The functional and presentation currency of Sabre Resources Ltd, Link National Pty Ltd and Starloop Holdings Pty Ltd is Australian Dollars (A$), and the functional and presentation of Sabre Resources Namibia (Pty) Ltd and Gazania Investments Nine (Pty) Ltd is Namibian Dollars (N$).

Cash remittances from the parent entity to the Namibian subsidiaries are sent in Australian Dollars. Transactions in foreign currencies are initially recorded in the functional currency at the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

As at the reporting date the assets and liabilities of any overseas subsidiaries would be translated into the presentation currency of Sabre Resources Ltd at the rate of exchange ruling at the Statement of Financial Position date and the Statement of Profit or Loss and Other Comprehensive Income are translated at the weighted average exchange rates for the period.

The exchange differences arising on the retranslation are taken directly to Other Comprehensive Income.

On disposal of a foreign entity, the deferred cumulative amount recognised in equity relating to that particular foreign operation is recognised in the Statement of Profit or Loss.

(f) Property, plant and equipment

Plant and equipment is stated at cost less accumulated depreciation and any impairment in value.

Depreciation is calculated on a straight-line basis over the estimated useful life of the asset as follows:

Plant and equipment - over 3 to 5 years

Impairment

The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets or cash-generating units are written down to their recoverable amount.

The recoverable amount of plant and equipment is the greater of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the Statement of Profit or Loss in the period the item is derecognised.

(g) Impairment of non-financial assets

At each reporting date, the Group assesses whether there is any indication that a non-financial asset may be impaired. Where an indicator of impairment exists, the Group makes a formal estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount.

Recoverable amount is the greater of fair value less costs to sell and value in use. It is determined for an individual asset, unless the asset's value in use cannot be estimated to be close to its fair value less costs to sell and it does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case, the recoverable amount is determined for the cash-generating unit to which the

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asset belongs.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

(h) Investments and other financial assets

Financial assets in the scope of AASB 139 *Financial Instruments: Recognition and Measurement* are classified as either financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, or available-for-sale financial assets. When financial assets are recognised initially, they are measured at fair value, plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs. The Group determines the classification of its financial assets after initial recognition and, when allowed and appropriate, re-evaluates this designation at each financial year-end.

All regular way purchases and sales of financial assets are recognised on the trade date, i.e. that date that the Group commits to purchase the asset. Regular way purchases or sales are purchases or sales of financial assets under contracts that require delivery of the assets within the period established generally by regulation or conversion in the market place.

(i) Financial assets at fair value through profit or loss

Financial assets classified as held for trading are included in the category "financial assets at fair value through profit or loss". Financial assets are classified as held for trading if they are acquired for the purpose of selling in the near term with the intention of making a profit. Derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on investments held for trading are recognised in the Statement of Profit or Loss and Other Comprehensive Income.

(ii) Loans and receivables

Loans and receivables, including loan notes and loans to key management personnel are non-derivative financial assets with fixed or determinable payment that are not quoted in an active market. Such assets are carried at amortised cost using the effective interest method. Gains and losses are recognised in the Statement of Profit or Loss and Other Comprehensive Income when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Impairment

At the end of each reporting period, the Group assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the Statement of Profit or Loss and Other Comprehensive Income.

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(i) Exploration and Evaluation Expenditure

Exploration and evaluation expenditure incurred is accumulated in respect of each identifiable asset through the successful development, or sale, of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to an abandoned area are written off in full against profit or loss in the year in which the decision to abandon the area is made.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

Costs of site restoration are provided over the life of the facility from when exploration commences and are included in the costs of that stage. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal, and rehabilitation of the site in accordance with clauses of the mining permits. Such costs have been determined using estimates of future costs, current legal requirements and technology on a discounted basis.

Any changes in the estimates for the costs are accounted on a prospective basis. In determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly the costs have been determined on the basis that the restoration will be completed within one year of abandoning the site.

(j) Trade and other receivables

Trade receivables, which generally have 30-90 day terms, are recognised and carried at original invoice amount less an allowance for any uncollectible amounts.

An allowance for doubtful debts is made when there is objective evidence that the Group will not be able to collect the debts. Bad debts are written off when identified.

(k) Cash and cash equivalents

Cash and short-term deposits in the Statement of Financial Position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less.

For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

(l) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.
Where discounting is used, the increase in the provision due to the passage of time is recognised as a

finance cost.

(m) Share-based payment transactions

(i) Equity settled transactions:

In the year under review, the Group did not provide benefits to management personnel and consultants of the Group in the form of share-based payments whereby personnel render services in exchange for shares.

In the previous year, the cost of equity-settled transactions with management personnel and consultants was measured by reference to the fair value of the equity instruments at the date on which they were granted. The fair value was determined using the Black-Scholes formula.

In valuing equity-settled transactions, no account was taken of any performance conditions, other than conditions linked to the price of the shares of Sabre Resources Ltd (market conditions). The cost of equity-settled transactions was recognised, together with the corresponding increase in equity, on the date of grant of the options.

The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of earnings per share.

(ii) Cash settled transactions:

The Group does not provide benefits to employees in the form of cash-settled share based payments.

Any cash-settled transactions would be measured initially at fair value at the grant date using the Black-Scholes formula taking into account the terms and conditions upon which the instruments were granted. This fair value is expensed over the period until vesting with recognition of a corresponding liability. The liability is remeasured to fair value at each reporting date up to and including the settlement date with changes in fair value recognised in the Statement of Profit or Loss and Other Comprehensive Income.

(n) Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

(i) Sale of goods

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer and can be measured reliably. Risks and rewards are considered passed to the buyer at the time of delivery of the goods to the customer.

(ii) Interest

Revenue is recognised as the interest accrues (using the effective interest method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument) to the net carrying amount of the financial asset.

(iii) Dividends

Revenue is recognised when the shareholders' right to receive the payment is established.

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(o) Income tax

Deferred income tax is provided on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred income tax liabilities are recognised for all taxable temporary differences:

- except where the deferred income tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, except where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax credits and unused tax losses can be utilised:

- except where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and,
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in the Statement of Profit or Loss and Other Comprehensive Income. Income tax benefits are comprised of research and development claims against eligible expenditure.

(p) Other taxes

Revenues, expenses and assets are recognised net of the amount of GST except:

- where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Statement of Financial Position.

Cash flows are included in the Statement of Cash Flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

(q) Trade and other payables

Trade payables and other payables are carried at amortised costs and represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services.

(r) Contributed equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(s) Earnings per share

Basic earnings per share is calculated as net loss attributable to members of the parent, divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted earnings per share is calculated as net loss attributable to members of the parent, adjusted for:

- the after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and
- other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

(t) Comparatives

Comparatives are reclassified where necessary to be consistent with the current year's disclosures.

(u) Going Concern

The financial report has been prepared on the basis of going concern, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business. During the period, the Group has reported a loss of $913,385 (2016: $593,651). Net cash outflow from operating activities were $221,741 (2016: $746,406) and from investing activities of $253,043 (2016: $332,880). The main source of funding for the cash outflows was a loan of $450,000 from a shareholder of the company.

The Directors will continue to monitor the capital requirements of the Group, and this includes additional capital raisings in future periods as required. The Group has the ability to vary discretionary exploration expenditure if required.

In addition to planned capital raisings, a shareholder of the Company has agreed to provide cash advances to the Company until a capital raising has been completed. Up to 30 June 2017 a loan of $450,000 has been received by the Company under this arrangement. Repayments are not required for at least twelve months from the date of the issue of the audited financial statements. A further $100,000 has been advanced subsequent to year end.

In addition, Service Fees and Reimbursable Expenses for the years ended 30 June 2016 and 2017 have been deferred for at least 12 months from the issue of the audited financial statements.

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The Directors recognise that the above represents a material uncertainty as to the Group's ability to continue as a going concern, however, they are confident that the Group will be able to continue its operations into the foreseeable future.

Should the Group be unable to obtain the funding as described above, there is a material uncertainty as to whether the Group will be able to continue as a going concern, and therefore, whether it will be required to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts different from those stated in the financial report. The financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts nor to the amounts and classification of liabilities that may be necessary should the Group be unable to continue as a going concern.

3. Significant Accounting Judgments, Estimates and Assumptions

In applying the Group's accounting policies, management continually evaluates judgments, estimates and assumptions based on experience and other factors, including expectations of future events that may have an impact on the Group. All judgments, estimates and assumptions made are believed to be reasonable based on the most current set of circumstances available to management. Actual results may differ from the judgments, estimates and assumptions. Significant judgments, estimates and assumptions made by management in the preparation of these financial statements are outlined below:

(i) Significant accounting judgments include:

(a) Provision for investments in and loans to subsidiaries

Investments in, and loans to, subsidiaries are fully provided for until such time as subsidiaries are in a position to repay loans.

(b) Exploration expenditure

The Group capitalises expenditure relating to exploration and evaluation where it is considered likely to be recoverable or where the activities have not reached a stage which permits a reasonable assessment of the existence of reserves. While there are certain areas of interest from which no reserves have been extracted, the directors are of the continued belief that such expenditure should not be written off since feasibility studies in such areas have not yet concluded. Such capitalised expenditure is carried at the end of the reporting period at $26,120,999. Refer to Note 11 for details in relation to the current renewal of the Namibian tenement licences.

(ii) Significant accounting estimates and assumptions include:

(a) Share-based payment transactions

The Group measured the cost of equity-settled transactions with management personnel and consultants in previous years by reference to the fair value of the equity instruments at the date at which they were granted. The fair value was determined using the Black-Scholes model. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact expenses and equity.

The Group measured the cost of cash settled share-based payments at fair value at the grant date using the Black-Scholes formula taking into account the terms and conditions under which the instruments were granted

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(b) Estimation of useful lives of assets

The estimation of the useful lives of assets has been based on historical experience as well as manufacturers' warranties (for plant and equipment) and turnover policies (for motor vehicles). In addition, the condition of assets is assessed at least once per year and considered against the remaining useful life. Adjustments to useful life are made when considered necessary.

4. Income Tax

	Consolidated 2017 $	Consolidated 2016 $
The prima facie tax on profit/(loss) from ordinary activities before income tax is reconciled to the income tax as follows:		
Prima facie tax on profit/(loss) from ordinary activities before income tax at 30%	(251,181)	(178,095)
Add:		
Tax effect of:		
Other non-allowable items	75,841	3,803
Deferred tax asset not bought to account	162,759	180,810
Less:		
Tax effect of overseas tax rate	12,581	(6,518)
Income tax (benefit) attributable to entity	**-**	**-**
Unrecognised Deferred Tax Assets		
Australian		
- Tax losses: operating losses	2,948,453	3,048,069
- Tax losses: capital losses	1,713,983	1,869,800
- Temporary differences	10,679	6,203
- Temporary differences equity	-	-
Foreign		
- Tax losses	272,278	275,576
	4,945,393	**5,199,648**
Unrecognised Deferred Tax Liabilities - Australian	-	(10,657)
Unrecognised Deferred Tax Liabilities - Foreign	-	652
	-	**(10,005)**

The benefits from Unrecognised Deferred Tax Assets will only be obtained if:-

(i) The companies derive future assessable income of a nature and of an amount sufficient to enable the benefit from the deduction for the losses to be realised;

(ii) The companies continue to comply with the conditions for deductibility purposes imposed by the Law; and

(iii) No changes in tax legislation adversely affect the companies in realising the benefits from the deductions for the losses.

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5. Other income

	Consolidated 2017 $	2016 $
Interest earned	1,419	5,910
Cost recovery	42,823	29,008
Fair value movement – financial assets	-	2,667
Profit on sale of assets	6,069	3,675
	50,311	**41,260**

6. Auditor's Remuneration

Amounts received or due and receivable by the Company's auditors for:-

Remuneration of the auditor of the parent entity, Grant Thornton Audit Pty Ltd		
- auditing or reviewing of the financial report	32,992	27,059
- taxation services provided by related practice of the auditor	4,630	2,663
- other	-	-
Remuneration of other auditors of subsidiaries for:		
- auditing or reviewing the financial reports of subsidiaries	16,832	40,930
	54,454	**70,652**

7. Interests of Key Management Personnel (KMP)

Refer to the Remuneration Report contained in the Directors' Report for Details of the remuneration paid or payable to each member of the Group's key management personnel for the year ended 30 June 2017.

The totals of remuneration paid to KMP during the year are as follows:

Short-term employee benefits	69,033	395,303
Post-employment benefits	4,140	31,810
	73,173	**427,113**

There are no retirement schemes for any Directors or any loans or any other type of compensation.

Directors' fees are normally payable on a quarterly basis however Directors have agreed to defer payment of fees until the Company's financial position is stronger.

8. Cash and Cash Equivalents

Represented by		
Cash at bank	66,579	56,796
Bank deposits	-	-
	66,579	**56,796**

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9. Trade and Other Receivables

	Consolidated 2017 $	Consolidated 2016 $
Current		
Short term loans	-	28,352
Other debtors	264,109	202,532
Less provision for doubtful debts	(215,882)	-
	48,227	**230,884**

The above provision for doubtful debts relates to the VAT refunds in Namibia which are overdue by more than 1 year and hence have been fully provided for. All amounts are short term. The net carrying value of trade receivables is considered a reasonable approximation of fair value.

10. Plant and Equipment

Plant and Equipment, at cost	280,423	318,026
Less: accumulated depreciation	(247,378)	(246,917)
	33,045	**71,109**
Opening written down value	71,109	124,986
Additions	-	-
Disposals	(11,332)	(626)
Depreciation	(30,550)	(41,495)
Foreign currency exchange differences	3,818	(11,756)
Closing written down value	**33,045**	**71,109**

11. Exploration and Evaluation Expenditure

Opening balance	24,982,606	25,939,709
Expenditure for the year	270,444	348,937
Impairment	(901)	-
Foreign currency exchange differences	868,850	(1,306,040)
	26,120,999	**24,982,606**

The Namibian government has released for comment a draft New Equitable Economic Empowerment Framework (NEEEF) discussion paper seeking to give Namibian citizens greater opportunities to participate in the economic development of their country.

It is not clear at this stage what the final form of the legislation, if enacted, may take and it may have implications for our future activities in Namibia.

On 29 June 2012, the Group acquired all the issued share capital of Starloop Holdings Pty Limited (Starloop) for a purchase consideration of 5,360,000, consisting of 46,000,000 converting shares of Sabre Resources Ltd at a share price of 11cents and $300,000 in cash. The consideration securities were subject to a 12 month escrow period which expired on 28 June 2013. Other terms of the transaction included the issue of the further shares upon meeting the targets set out below:

1. 25 million shares on achieving inferred JORC resource of 1million tonnes at a grade of 2% Cu, and
2. A further 5 million shares on achieving an inferred JORC resource of 5 million tonnes at a grade of 3% Cu.

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The above items are disclosed in the contingent liability at note 25.

12. Trade and other Payables

(a) Trade Payables

Current		
Trade payables	44,330	61,499
Trade payables – directors	43,173	-
Accrued annual leave and long service leave	16,851	20,680
	104,354	**82,179**
Non-current		
Deferred trade payables	457,827	-
	907,827	**-**

The above deferred trade payables represents unbilled management fees and reimbursable costs payable to a service company. See Note 23

(b) Borrowings

Non-current		
Borrowings - unsecured	**450,000**	**-**

The loan is unsecured with no fixed repayment dates. Repayment of the loan has been deferred for at least 12 months from the signing of the audited financial statements.

13. Issued Capital

Movement in ordinary share capital of the Company during the last two years.

Date	Details	Number of Shares	Issue Price (cents)	Amount $
1 July 2015	**Balance**	**226,472,228**		**51,936,045**
26 October 2015	Shares issued	25,000,000	1.6	400,000
26 October 2015	Capital raising costs	-		(11,000)
30 June 2016	**Balance**	**251,472,228**		**52,325,045**
	No movement in 2017	-		-
30 June 2017	**Balance**	**251,472,228**		**52,325,045**

The Company's capital consists of Ordinary Shares. The Company does not have a limited amount of authorised share capital. The Shares have no par value and are entitled to participate in dividends and the proceeds on any winding up of the Company in proportion to the number of Shares held.

At shareholders' meetings each fully paid ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

Capital Management

Management controls the capital of the group in order to maintain a suitable debt to equity ratio and to ensure that the group can fund its operations and continue as a going concern.

The group's debt and capital includes ordinary share capital, supported by financial assets.

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There are no externally imposed capital requirements.

Management effectively manages the group's capital by assessing the group's financial risks and adjusting its capital structure in response to changes in these risks and in the market.

There have been no changes in the strategy adopted by management to control the capital of the group since the prior year.

14. Share Option Reserve

Date	Details	Number of Options	Amount $
1 July 2015	**Balance**	**-**	**-**
26 October 2015	Options granted	12,500,000	-
30 June 2016	**Balance**	**12,500,000**	**-**
8 February 2017	Options granted	100,000,000	10,000
30 June 2017	**Balance**	**112,500,000**	**10,000**

Summary of Options Granted

The following table sets out the number and weighted average exercise price (WAEP) of, and movements in, share options granted during the year or prior year:

	2017 Number	2017 WAEP (cents)	2016 Number	2016 WAEP (cents)
Outstanding at beginning of year	12,500,000	2.5	-	-
Granted during the year	100,000,000	2.5	12,500,000	2.5
Expired during year	-	-	-	-
Exercised during the year	-	-	-	-
Outstanding at the end of the year	**112,500,000**	**2.5**	**12,500,000**	**2.5**

As at year-end, there was one class of unlisted options exercisable at 2.5 cents per option at any time up to their expiry date of 1 August 2018. The remaining contractual life of the options outstanding at year end was 1.09 years.

15. Accumulated Losses

	Consolidated 2017 $	Consolidated 2016 $
Accumulated losses at the beginning of the year	(23,893,973)	(23,300,322)
Profit/(Loss) for year	(913,385)	(593,651)
Accumulated losses at the end of the financial year	**(24,807,358)**	**(23,893,973)**

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16. Foreign currency translation reserve

Foreign currency translation reserve at the beginning of the year	(3,157,189)	(1,576,038)
Currency translation differences arising during the year	897,233	(1,581,151)
Foreign currency translation reserve at the end of the financial year	**(2,259,956)**	**(3,157,189)**

Exchange differences arising on translation of foreign controlled entities are recognised in other comprehensive income and accumulated in a separate reserve within equity.

17. Cash flow Information

Reconciliation to Statement of Cash Flows

		Consolidated	
		2017	2016
	Note	$	$
Operating profit/(loss) after income tax:		(913,385)	(593,651)
Non-cash flows in loss:			
Depreciation	10	30,550	41,495
Fair value adjustments		3,603	(2,667)
Unrealised foreign exchange gain		-	(257,616)
Impairment of exploration assets		901	-
Gain on disposal of plant & equipment		(6,069)	(3,675)
Changes in assets and liabilities:			
(Increase)/decrease in receivables		182,657	246,092
Increase/(decrease) in trade and other payables		480,002	(176,384)
Net cash flows (used in) operating activities		**(221,741)**	**(746,406)**

18. Earnings per share

	2017 Number	2016 Number
Weighted average number of shares on issue during the financial year used in the calculation of basic earnings per share	251,472,228	244,163,485

Diluted loss per share has not been disclosed, as it does not show a position which is inferior to basic earnings per share.

Loss per share - cents	(0.36)	(0.24)
Loss per share – cents - diluted	(0.36)	(0.24)

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19. Financial Instruments

(a) Interest Rate Risk

The consolidated entity's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on those financial assets and financial liabilities, is as follows:

	Floating Interest Rate		Non-Interest Bearing		TOTAL	
	2017	2016	2017	2016	2017	2016
	0.00% - 1.10%	0.00% - 1.10%				
	$		$	$	$	$
Financial Assets:						
Cash and cash equivalents	66,579	56,796	-	-	66,579	56,796
Loans and Receivables	-	-	48,227	223,376	48,227	230,884
Held-for-trading investments	-	-	11,063	14,667	11,063	14,667
Total Financial Assets	**66,579**	**56,796**	**59,290**	**245,551**	**125,869**	**302,347**
Financial Liabilities (at amortised cost):						
Loan	-	-	(450,000)	-	(450,000)	-
Trade and other payables	-	-	(562,181)	(74,669)	(562,181)	(74,669)
Net Financial Assets	**66,579**	**56,796**	**(952,891)**	**170,882**	**(886,312)**	**227,678**

Reconciliation of Financial Assets to Net Assets

	Consolidated	
	2017	2016
	$	$
Net Financial Assets	(886,313)	220,168
Exploration and Evaluation expenditure	26,120,999	24,982,606
Fixed assets	33,045	71,109
	25,267,731	**25,273,883**

(b) Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at report date to recognised financial assets is the carrying amount of those assets, net of any provision for doubtful debts, as disclosed in the Statement of Financial Position and notes to the financial report.

The consolidated entity does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the consolidated entity.

(c) Net Fair Values

The carrying amount of financial assets and financial liabilities recorded in the financial statements represent their respective net fair values determined in accordance with the accounting policies disclosed in note 2 to the financial statements.

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(d) Financial Risk Management

The Group's financial instruments consist mainly of deposits with recognised banks, investments in bank bills up to 90 days, accounts receivable and accounts payable, and loans to subsidiaries. Liquidity is managed, when sufficient funds are available, by holding sufficient funds in a current account to service current obligations and surplus funds invested in bank bills. The Directors analyse interest rate exposure and evaluate treasury management strategies in the context of the most recent economic conditions and forecasts. The main risks the Group is exposed to, through its financial instruments, are the depository banking institution itself, holding the funds, and interest rates. The Group's active exposure to foreign currency is confined to services procured through the Namibian subsidiary. The Group's credit risk is minimal as being an exploration company, no goods are sold, or services provided, for which consideration is claimed.

(e) Sensitivity Analysis

Interest Rate Risk, Foreign Currency Risk and Price Risk

The group has performed sensitivity analysis relating to its exposure to interest rate risk, foreign currency risk and price risk at report date. This sensitivity analysis demonstrates the effect on the current year results and equity which could result from a change in these risks.

Interest Rate Sensitivity Analysis

At 30 June 2017, the effect on profit and equity as a result of changes in the interest rate, with all other variables remaining constant would be as minimal:

	Consolidated	
	2017 $000	**2016 $000**
Change in profit:		
- Increase in interest rate by 2%	-	-
- Decrease in interest rate by 2%	-	-
Change in Equity		
- Increase in interest rate by 2%	-	-
- Decrease in interest rate by 2%	-	-

(f) Liquidity Risk

Liquidity risk arises from the possibility that the Group might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The Group manages the risk through the following mechanisms:

- preparing forward looking cash flow analysis in relation to its operational, investing and financing activities;
- maintaining a reputable credit profile;
- managing credit risk related to financial assets;
- only investing surplus cash with major financial institutions; and comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

The tables below reflect an undiscounted contractual maturity analysis for financial liabilities.

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates and does not reflect management's expectations that banking facilities will be rolled forward.

Consolidated Group	Within 1 Year		1 to 5 Years		Over 5 Years		Total	
	2017	2016	2017	2016	2017	2016	2017	2016
Financial Liabilities - Due for Payment								
Loans	-	-	450,000	-	-	-	450,000	
Trade and Other Payables	104,354	82,179	457,827	-	-	-	562,181	82,179
Total expected outflows	104,354	87,179	907,827	-	-	-	1,012,181	87,179
Financial Assets - Cash Flows Realisable								
Cash and Cash Equivalents	66,579	56,796	-	-	-	-	66,579	56,796
Receivables	48,227	233,376	-	-	-	-	48,227	233,376
Held-for-trading investments	11,064	14,667	-	-	-	-	11,064	14,667
Total anticipated Inflows	125,870	302,347	-	-	-	-	125,870	302,347
Net (outflow)/inflow on financial instruments	21,516	215,168	(907,827)	-	-	-	(886,311)	215,168

(g) Price risk

Price risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices largely due to demand and supply factors for commodities.

The Group is also exposed to securities price risk on investments held for trading or for medium to longer terms. Such risk is managed through diversification of investments across industries and geographical locations.

Financial Instruments Measured at Fair Value:
The financial instruments recognised at fair value in the Statement of Financial Position have been analysed and classified using a fair value hierarchy reflecting the significance of the inputs used in making the measurements. The fair value hierarchy consists of the following levels:

- quoted prices in active markets for identical assets or liabilities (Level 1);
- inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (Level 2); and
- inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

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Consolidated Group	Level 1 $000	Level 2 $000	Level 3 $000	Total $000
2017				
Financial assets				
Financial assets at fair value through profit or loss: investments held for trading	11	-	-	11
	11	**-**	**-**	**11**
2016				
Financial assets				
Financial assets at fair value through profit or loss: investments held for trading	15	-	-	15
	15	**-**	**-**	**15**

Included within Level 1 of the hierarchy are listed investments. The fair values of these financial assets have been based on the closing quoted bid prices at the end of the reporting period, excluding transaction costs.

20. Investment in controlled entities

Name of Entity	Country of Incorporation	Class of Shares	Equity Holding %		Book Value of Investment		Contribution to Consolidated Result	
			2017 %	2016 %	2017 $	2016 $	2017 $	2016 $
Link National Pty Ltd	Australia	Ordinary	100	100	8,000,000	8,000,000	-	-
Sabre Resources Namibia (Pty) Ltd	Namibia	Ordinary	70	70	-	-	(99,631)	(42,416)
Starloop Holdings Pty Ltd	Australia	Ordinary	100	100	5,360,000	5,360,000	-	-
Gazania Investments Nine (Pty) Ltd	Namibia	Ordinary	80	80	6,500,000	6,500,000	(225,441)	(44,492)

Although the Namibian subsidiaries have non-controlling interests, the financial effect of these interests have not been brought to account in the consolidated financial report as accumulated losses attributable to non-controlling interests exceed their relevant proportion of equity. The parent entity also considers it will be wholly responsible for funding the future financial commitments of these subsidiaries.

21. Related Parties

The Group's related parties include its subsidiaries, key management and others as described below. Unless otherwise stated, none of the transactions incorporate special terms and conditions and no guarantees were received or given.

Related Party	Relationship	Nature Of Transaction	Year ended 30 June 2017		Year ended 30 June 2016	
			Transactions	Balance	Transactions	Balance
Sabre Resources Namibia (Pty) Ltd	Subsidiary	Expenses paid	218,000	9,369,000	142,000	9,151,000
Gazania Investments Nine (Pty) Ltd	Subsidiary	Expenses paid	45,000	3,510,000	95,000	3,465,000
Golden Deeps Limited	Common directorship	Other Income	-	-	273	-
Golden Deeps Limited	Common directorship	Geological services	-	-	(17,195)	-

All transactions with Directors are disclosed in Note 7.

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22. Operating Segments

The Group has identified its operating segments based on the internal management reporting that is used by the executive management team (the chief operating decision maker) in assessing performance and allocating resources. The Group's operating segments have been identified based on how the financial and operating results of the Group are monitored and presented internally to the executive management team. The reportable segments are based on aggregated operating segments determined by the similarity of the products sold, as these are the sources of the Group's major risks and have the most effect on the performance of the Group.

The executive management team have aggregated the performance of all segments as they maintain similar economic characteristics of which includes the development and exploration of the Group's minerals interests in Namibia.

23. Commitments

(i) **Mining Tenements**
The Company's main focus is the highly prospective Ongava Project in Namibia. There are no formal exploration commitments specified by the Namibian Ministry of Mining and Energy.

(ii) **Services Agreement**
The Company has an agreement with a service company for the provision of services at $188,000 per annum plus CPI. Charges are at commercial terms in accordance with the agreement entered into on 1 June 2015 for renewable one year periods. The service company has confirmed in writing that it will defer the unsecured loan (see Note 12b) , billed and unbilled fees (Note 12a) as at 30 June 2017 for at least 12 months from the signing of the audited financial statements.

The management service company did not invoice for its management fees and reimbursable costs in the prior year and no costs were accrued. The Company has now quantified all the amounts owing and according these amounts have been accrued even though the management service company has not invoiced for the amounts payable.

24. Parent Entity Information

The following details information related to the parent entity, Sabre Resources Ltd, at 30 June 2017. The information presented here has been prepared using consistent accounting policies as shown in note 2.

	Parent Entity 2017 $	Parent Entity 2016 $
ASSETS		
Current assets	53,084	51,680
Non-current assets	17,056,332	16,973,879
TOTAL ASSETS	**17,109,416**	**17,025,559**
LIABILITIES		
Current liabilities	(84,341)	(66,998)
Non-current liabilities	(907,827)	-
TOTAL LIABILITIES	**(992,168)**	**(66,998)**
EQUITY		
Issued capital	52,325,045	52,325,045
Share option reserve	10,000	-
Accumulated losses	(36,217,797)	(35,366,484)
TOTAL EQUITY	**16,117,248**	**16,958,561**

24. Parent Entity Information (continued)

FINANCIAL PERFORMANCE		
(Loss) for the year	(851,313)	(743,742)
TOTAL COMPREHENSIVE (LOSS)	**(851,313)**	**(743,742)**

No guarantees have been entered into by the parent entity on behalf of its subsidiary.

No contractual commitments by the parent company exist other than that referred to in Note 23.

25. Contingent Liabilities

In addition to the shares issued to the vendor of Namibian tenement number EPL 3540, a further 25,000,000 shares will be issued on achieving an inferred JORC resource of 1 million tonnes at a grade of 2% copper; (or the metal equivalent being 20,000 tonnes copper metal) from the Project and 5,000,000 shares on achieving an inferred JORC resource of 5 million tonnes at a grade of 3% copper; (or the metal equivalent being 30,000 tonnes copper metal)

No other contingent liability exists for termination benefits under service agreements with directors or persons who take part in the management of the company.

26. Subsequent Events

Apart from the comments in the succeeding paragraphs, no other matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the consolidated group, the results of these operations, or the state of affairs of the consolidated group in future years.

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SABRE RESOURCES LTD

DIRECTORS' DECLARATION

1. In the opinion of the Directors of Sabre Resources Limited (the "Company"):

(a) the financial statements and notes set out on pages 22 to 47, and the Remuneration disclosures that are contained in pages 17 to 19 of the Remuneration Report in the Directors' Report, are in accordance with the Corporations Act 2001, including:

(i) giving a true and fair view of the Group's financial position as at 30 June 2017 and of its performance, for the financial year ended on that date; and

(ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and

(iii) complying with International Financial Reporting Standards as disclosed in note 2.

(b) the remuneration disclosures that are contained in pages 17 to 19 of the Remuneration Report in the Directors' Report comply with Australian Accounting Standard AASB 124 Related Party Disclosures; and

(c) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

2. The Directors have been given the declarations required by Section 295A of the Corporations Act 2001 from the Chief Executive Officer and Chief Financial Officer for the financial year ended 30 June 2017.

Signed in accordance with a resolution of the Directors:



Michael Scivolo
DIRECTOR

Dated this 29th day of September 2017
Perth, Western Australia

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Independent Auditor's Report to the Members of Sabre Resources Limited

Report on the audit of the financial report

Opinion

We have audited the financial report of Sabre Resources Limited (the Company), and its subsidiaries (the Group) which comprises the consolidated statement of financial position as at 30 June 2017, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated statement statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of Sabre Resources Limited is in accordance with the Corporations Act 2001, including:

- Giving a true and fair view of the Group's financial position as at 30 June 2017 and of its performance for the year ended on that date; and
- Complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Group in accordance with the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 2(u) in the financial statements, which indicates that the Group incurred a net loss of $913,385 and also incurred cash outflows from operating and investing activities of $474,784 during the year ended 30 June 2017. As stated in Note 2(u), these events or conditions, indicate that a material uncertainty exists that may cast doubt on the Group's ability to continue as a going concern. 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 consolidated statement report of the current period. These matters were addressed in the context of our audit of the consolidated statement report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Exploration and Evaluation Assets – valuation Note 2(i) and Note 11	
At 30 June 2017 the carrying value of Exploration and Evaluation Assets was $26,120,999. In accordance with AASB 6 *Exploration for and Evaluation of Mineral Resources*, the company is required to assess at each reporting date if there are any triggers for impairment which may suggest the carrying value is in excess of the recoverable value. The process undertaken by management to assess whether there are any impairment triggers in each area of interest involves an element of management judgement. This area is a key audit matter due to the valuation of exploration and evaluation assets being a significant risk.	Our procedures included, amongst others: • Obtaining the management prepared reconciliation of capitalised exploration and evaluation expenditure and agreeing to the general ledger; • Reviewing management's area of interest considerations against AASB 6; • Conducting a detailed review of management's assessment of trigger events prepared in accordance with AASB 6 including; – Tracing projects to statutory registers, exploration licenses and third party confirmations to determine whether a right of tenure existed; – Enquiry of management regarding their intentions to carry out exploration and evaluation activity in the relevant exploration area, including review of managements' budgeted expenditure; – Understanding whether any data exists to suggest that the carrying value of these exploration and evaluation assets are unlikely to be recovered through development or sale; • Assessing the accuracy of impairment recorded for the year as it pertained to exploration interests; • Reviewing the appropriateness of the related disclosures within the financial statements.

Information Other than the Financial Report and Auditor's Report Thereon

The Directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2017, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

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In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report 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 Financial Report

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, 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.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is 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 the Australian Auditing Standards 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 this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar1.pdf. This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 17 –19 the directors' report for the year ended 30 June 2017.

In our opinion, the Remuneration Report of Sabre Resources Limited, for the year ended 30 June 2017, complies with section 300A of the Corporations Act 2001.

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Responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

P W Warr
Partner – Audit & Assurance
29th September 2017

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Auditor's Independence Declaration to the Directors of Sabre Resources Limited

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the audit of Sabre Resources Limited for the year ended 30 June 2017, I declare that, to the best of my knowledge and belief, there have been:

a no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and

b no contraventions of any applicable code of professional conduct in relation to the audit.

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

P W Warr
Partner - Audit & Assurance

Perth, 29 September 2017

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INTRODUCTION

Sabre Resources Ltd ACN 003 043 570 ("the Company") has adopted systems of control and accountability as the basis for the administration of corporate governance. Some of these policies and procedures are summarised below.

Additional information about the Company's corporate governance practices is set out on the Company's website at www.sabresources.com:

Principle 1 – Lay solid foundations for management and oversight

Responsibilities of the Board

The Board is responsible for the following matters:

- ensuring the Company's conduct and activities are ethical and carried out for the benefit of all its stakeholders;
- development of corporate strategy, implementation of business plans and performance objectives;
- reviewing, ratifying and monitoring systems of risk management, codes of conduct, internal control system and legal and regulatory compliance;
- the appointment of the Company's Managing Director, (or equivalent), Chief Financial Officer, Company Secretary and other senior executives;
- monitoring senior executives' performance and implementation of strategy;
- determining appropriate remuneration policies;
- allocating resources and ensuring appropriate resources are available to management;
- approving and monitoring the annual budget, progress of major capital expenditure, capital management, and acquisitions and divestitures; and
- approving and monitoring financial and other reporting.

Diversity

The Company recognises and respects the value of diversity at all levels of the organisation.

Due to the size and scale of the Company's activities, most services are provided by a Services Provider under a Services Agreement. The Company has only one direct employees, who is a woman.

When the level of activity permits, the Directors will ensure that women are fairly considered and the Company's aim will be to promote a culture which embraces diversity through ongoing education, succession planning, director and employee selection and recognising that skills are not gender specific.

The Company recognises that the mining and exploration industry is intrinsically male dominated in many of the operational sectors and the pool of women with appropriate skills is limited in some instances. The Company also recognises that diversity extends to matters of age, disability, ethnicity, marital/family status, religious/cultural background and

sexual orientation. Where possible, the Company will seek to identify suitable candidates for positions from a diverse pool.

As at the date of this report, the Company has no women appointed to the Board, or to senior management, and one employee in the organisation as a whole.

Chairman

The Chairman is responsible for leadership of the Board and for the efficient organisation and conduct of the Board's business. The Chairman facilitates the effective contribution of all directors and promotes constructive and respectful relations between directors and between the Board and management of the Company. The Chairman is responsible for briefing directors on issues arising at Board meetings and is ultimately responsible for communications with shareholders and arranging Board performance evaluation.

Managing Director

The Managing Director is responsible for running the affairs of the Company under authority delegated from the Board. In carrying out his responsibilities the Managing Director must report to the Board in a timely manner and ensure all reports to the Board present a true and fair view of the Company's financial condition and operational results.

Company Secretary

The Company Secretary is responsible for monitoring the extent that Board policy and procedures are followed, and coordinating the timely completion and despatch of Board agendas and briefing material and is accountable directly to the Board on all matters to do with the proper functioning of the Board. All directors are to have access to the Company Secretary.

Performance Evaluation

The Chairman and/or the Managing Director are responsible for reviewing the performance of each executive at least once every calendar year. During the financial year ended 30 June 2017, an evaluation of the performance of the Board and its members was not formally undertaken. However, a general review of the Board and executives occurs on an on-going basis to ensure that structures suitable to the Company's status as a listed entity are in place.

It is the policy of the Board to conduct evaluation of individual employees' performance. The objective of this evaluation is to provide best practice corporate governance to the Company. During the financial year an evaluation of the performance of the individuals was not formally carried out. However, a general review of the individuals occurs on an on-going basis to ensure that structures suitable to the Company's status as a listed entity are in place.

Principle 2 - Structure the Board to add value

Composition of the Board

The Company will ensure that the Board will be of a size and composition that is conducive to making appropriate decisions and be large enough to incorporate a variety of perspectives and skills, and to represent the best interests of the Company as a whole

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rather than of individual shareholders or interest groups. It will not, however, be so large that effective decision-making is hindered.

Independent Directors

The Company will regularly review whether each non-executive director is independent, and each non-executive director should provide to the Board all information that may be relevant to this assessment. If a director's independence status changes this should be disclosed and explained to the market in a timely fashion.

An Independent Director:

1. is a Non-Executive Director and;

2. is not a substantial shareholder of the Company or an officer of, or otherwise associated directly with, a substantial shareholder of the Company;

3. within the last three years has not been employed in an executive capacity by the Company or another group member, or been a Director after ceasing to hold any such employment;

4. within the last three years has not been a principal of a material professional adviser or a material consultant to the Company or another group member, or an employee materially associated with the service provided;

5. is not a material supplier or customer of the Company or another group member, or an officer of or otherwise associated directly or indirectly with a material supplier or customer;

6. has no material contractual relationship with the Company or other group member other than as a Director of the Company;

7. has not served on the Board for a period which could, or could reasonably be perceived to, materially interfere with the Director's ability to act in the best interests of the Company; and is free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the Director's ability to act in the best interests of the Company; and

8. is free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the Director's ability to act in the best interests of the Company.

The Company's non-executive directors are all independent and will endeavour to ensure that it has a majority of independent directors at all times, subject to the right of shareholders in general meeting to elect and remove directors**.**

The Company's current non-executives are:

- Michael Scivolo was first appointed on 3 October 2006
- Robert Collins was first appointed on 7 December 2016
- David was first appointed on 30 May 2015 and was Managing Director and then reverted to a Non-Executive Director on 1 November 2016

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Chairman

The Chairman should be a non-executive director who is independent and should not be the Chief Executive Officer of the Company. The Chairman's other positions should not be such that they are likely to hinder the effective performance of his role of Chairman of the Company.

Independent decision-making

All directors - whether independent or not - should bring an independent judgment to bear on Board decisions. Non-executive directors are encouraged to confer regularly without management present. Their discussions are to be facilitated by the Chairman, if he is independent, or, if he is not independent, the deputy Chairman. Non-executive directors should inform the Chairman before accepting any new appointments as directors.

Independent advice

To facilitate independent decision making, the Board and any committees it convenes from time to time may seek advice from independent experts whenever it is considered appropriate. With the consent of the Chairman, individual directors may seek independent professional advice, at the expense of the Company, on any matter connected with the discharge of their responsibilities.

Procedure for selection of new directors

The Company believes it is not of a size to justify having a Nomination Committee. If any vacancies arise on the Board, all directors will be involved in the search and recruitment of a replacement. The Board believes corporate performance is enhanced when it has an appropriate mix of skills and experience.

Prior to the appointment of a director, appropriate checks will be undertaken to determine the suitability of any candidate, and the Board will provide security holders with all material information in its possession, which the Board considers relevant.

In support of their candidature for directorship or re-election, non-executive directors should provide the Board with details of other commitments and an indication of time available for the Company. Prior to appointment or being submitted for re-election non-executive directors should specifically acknowledge to the Company that they will have sufficient time to meet what is expected of them. Re-appointment of directors is not automatic. There are no written agreements with directors.

The Company has reviewed the skill set of its Board to determine where the skills lie and any relevant gaps in skill shortages. The Company monitors any perceived gaps in skills, as well as seeking to identify future suitable Board candidates for positions from a diverse pool.

Induction and education

The Board has an induction program to enable new directors to gain an understanding of:

- the Company's financial, strategic, operational and risk management position;
- the rights, duties and responsibilities of the directors;
- the roles and responsibilities of senior executives; and

- the role of any Board committees in operation.

Directors will have reasonable access to continuing education to update and enhance their skills and knowledge, including education concerning key developments in the Company and in the industries in which the Company's business is involved.

Access to information

The Board has the right to obtain all information from within the Company which it needs to effectively discharge its responsibilities.

Senior executives are required on request from the Board to supply the Board with information in a form and timeframe, and of a quality that enables the Board to discharge its duties effectively. Directors are entitled to request additional information where they consider such information necessary to make informed decisions.

Principle 3: Promote ethical and responsible decision-making

Code of conduct

The Board has adopted the Code of Conduct set out at Appendix A to promote ethical and responsible decision making by directors, management and employees. The Code embraces the values of honesty, integrity, enterprise, excellence, accountability, justice, independence and equality of stakeholder opportunity.

The Board is responsible for ensuring that training on the Code of Conduct is provided to staff and officers of the Company.

The Board is responsible for making advisers, consultants and contractors aware of the Company's expectations set out in the Code of Conduct.

Policy for trading in Company securities

The Board has adopted a policy on trading in the Company's securities by directors, senior executives and employees set out in Appendix B.

The Board is responsible for ensuring that the policy is brought to the attention of all affected persons and for monitoring compliance with the policy.

Principle 4: Safeguard integrity in financial reporting

Audit and Risk Management

The Company believes it is not of a size to justify having a separate Audit and Risk Management Committee. Ultimate responsibility for the integrity of the Company's financial reporting rests with the full Board. Given the small size of the Board, the directors believe an Audit and Risk Management Committee structure to be inefficient. All directors share responsibility for ensuring the integrity of the Company's financial reporting and appropriate Board processes have been implemented to perform the following audit and risk management functions:

- external audit function:
  - review the overall conduct of the external audit process including the

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independence of all parties to the process;

- review the performance of the external auditors;
- consider the reappointment and proposed fees of the external auditor; and
- where appropriate, seek tenders for the audit and where a change of external auditor is recommended, arrange submission to shareholders for shareholder approval;

- reviewing the quality and accuracy of published financial reports;
- reviewing the accounting function and ongoing application of appropriate accounting and business policies and procedures;
- reviewing and imposing variations to the risk management and internal control policies designed and implemented by Company management; and
- any other matters relevant to audit and risk management processes.

The Company's Risk Management Policy ensures that the Board as a whole is responsible for the oversight of the Company's risk management and control framework. The objectives of the Company's Risk management strategy are to:

- identify risks to the Company;
- balance risk to reward;
- ensure regulatory compliance is achieved; and
- ensure senior executives, the Board and investors understand the risk profile of the Company.

The Board monitors risk through various arrangements including:

- regular Board meetings;
- share price monitoring;
- market monitoring; and
- regular review of financial position and operations.

The Company's Risk Management Policy is considered adequate for addressing and managing risk. It is intended that the Board will annually review the following categories of risks affecting the Company as part of the Company's systems and processes for managing material business risks:

- operational matters,
- financial reporting,
- sovereignty and
- market-related risks.

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Principle 5: Make timely and balanced disclosure

Disclosure Policy

The Board has adopted a Disclosure Policy for ensuring timely and accurate disclosure of price-sensitive information to shareholders through the ASX set out in Appendix C.

The Disclosure Policy ensures that:

- all investors have equal and timely access to material information concerning the Company including its financial position, performance, ownership and governance; and
- Company announcements are subjected to a vetting and authorisation process designed to ensure they:
  - are released in a timely manner;
  - are factual;
  - do not omit material information; and
  - are expressed in a clear and objective manner that allows investors to assess the impact of the information when making investment decisions.

The Company respects the rights of its shareholders and to facilitate the effective exercise of those rights the Company is committed to making it easy for shareholders to participate in shareholder meetings of the Company. The Company also makes available a telephone number and email address for shareholders to make enquiries of the Company.

Shareholders are given the opportunity to receive communications electronically.

The Company's website includes the following:

- Corporate Governance policies, procedures, charters, programs, assessments, codes and frameworks;
- Names and biographical details of each of its directors and senior executives;
- Constitution;
- Copies of annual, half yearly and quarterly reports;
- ASX announcements;
- Copies of notices of meetings of security holders;
- Media releases;
- Overview of the Company's current business, structure and history;
- Details of upcoming meetings of security holders;
- Summary of the terms of the securities on issue;
- Historical market price information of the securities on issue;
- Contact details for the share registry and media enquiries;
- Share registry key security holder forms.

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Principle 6: Respect the rights of shareholders

Communication with Shareholders

The Board is committed to open and accessible communication with holders of the Company's shares and other securities. Disclosure of information and other communication will be made as appropriate by telephone, mail or email.

The Company's website will also be used to provide additional relevant information to security holders. The Board considers the following to be appropriate features for the Company's website:

- placing the full text of notices of meeting and explanatory material on the website;
- providing information about the last three years' press releases or announcements plus at least three years of financial data on the website; and
- providing information updates to security holders on request by email.

General Meetings

The Company is committed to improving shareholder participation in general meetings. In order to achieve that objective, the Company has adopted guidelines of the ASX Corporate Governance Council for improving shareholder participation through the design and content of notices and through the conduct of the meeting itself.

The external auditor is invited to attend every AGM for the purpose of answering questions from security holders relevant to the audit.

Principle 7: Recognise and manage risk

Creation and implementation of Company risk management policies

It is the responsibility of the Managing Director to create, maintain and implement risk management and internal control policies for the Company, subject to review by the Board.

The Managing Director must report to the Board on an annual basis regarding the design, implementation and progress of the risk management policies and internal control systems.

Audit and Risk Management

As referenced with respect to Principle 4, the Board has not established an Audit and Risk Management Committee for the reasons given above.

Due to the nature and size of the Company's operations, and the Company's ability to derive substantially all of the benefits of an independent internal audit function, the expense of an independent internal auditor is not considered to be appropriate.

The Company has considered its economic, environmental and social sustainability risks by way of internal review and has concluded that it is not subject to material economic, environmental and social sustainability risks.

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Review by the Board

The Board will review the effectiveness of implementation of the risk management system and internal control system at least annually.

When reviewing risk management policies and internal control system the Board should take into account the Company's legal obligations and should also consider the reasonable expectations of the Company's stakeholders, including security holders, employees, customers, suppliers, creditors, consumers and the community.

Managing Director

The Managing Director is required annually to state in writing to the Board that the Company has a sound system of risk management, that internal compliance and control systems are in place to ensure the implementation of Board policies, and that those systems are operating efficiently and effectively in all material respects.

Verification of financial reports

The Managing Director and Chief Financial Officer are required by the Company to state the following in writing prior to the Board making a solvency declaration pursuant to section 295(4) of the Corporations Act:

- that the Company's financial reports contain a true and fair view, in all material respects, of the financial condition and operating performance of the Company and comply with relevant accounting standards; and
- that the declaration provided in accordance with section 295A of the Corporations Act is founded on a sound system of risk management and that the system is operating effectively in all material respects in relation to financial reporting risks.

Principle 8: Remunerate fairly and responsibly

Director and senior executive remuneration policies

The Company's remuneration policy is structured for the purpose of:

- motivating senior executives to pursue the long-term growth and success of the Company; and
- demonstrating a clear relationship between senior executives' performance and remuneration.

The Board's responsibility is to set the level and structure of remuneration for officers (including but not limited to directors and secretaries) and executives, for the purpose of balancing the Company's competing interests of:

- attracting and retaining senior executives and directors; and
- not paying excessive remuneration.

Executive directors' remuneration is structured to reflect short and long-term performance objectives appropriate to the Company's circumstances and goals.

Executive directors' and senior executives' remuneration packages involve a balance between fixed and incentive-based pay, reflecting short and long-term performance objectives appropriate to the Company's circumstances and goals.

Non-executive directors' remuneration is formulated with regard to the following guidelines:

- non-executive directors are normally remunerated by way of fees, in the form of cash, non-cash benefits, superannuation contributions or equity, usually without participating in schemes designed for the remuneration of executives; and
- non-executive directors are not provided with retirement benefits other than superannuation.

Executives and non-executive directors are prohibited from entering into transactions or arrangements which limit the economic risk of participating in unvested entitlements.

No director is involved in setting their own remuneration or terms and conditions, but if such a case were to arise, the relevant director would be required to absent himself from the full Board discussion.

Remuneration Committee

The Company believes it is not of a size to justify having a Remuneration Committee and that it has Board processes in place which raise the issues that would otherwise be considered by a committee.

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Appendix A – Code of Conduct

Introduction

This Code of Conduct sets out the standards with which the Board, management and employees of the Company are encouraged to comply when dealing with each other, the Company's shareholders and the broader community.

Responsibility to shareholders

The Company aims:

- to increase shareholder value within an appropriate framework which safeguards the rights and interests of shareholders; and
- to comply, with openness and integrity, the systems of control and accountability which the Company has in place as part of its corporate governance.

Responsibility to clients, employees, suppliers, creditors, customers and consumers

The Company will comply with all legislative and common law requirements which affect its business.

Employment practices

The Company will employ the best available staff with the skills required to carry out the role for which they are employed. The Company will ensure a safe workplace and maintain proper occupational health and safety practices.

Responsibility to the community

The Company recognises, considers and respects environmental, native title and cultural heritage issues which may arise in relation to the Company's activities and will comply with all applicable legal requirements.

Responsibility to the individual

The Company recognises and respects the rights of individuals and will comply with applicable laws regarding privacy and confidential information.

Obligations relative to fair trading and dealing

The Company will deal with others in a way that is fair and will not engage in deceptive practices.

Business courtesies, bribes, facilitation payments, inducements and commissions

Corrupt practices are unacceptable to the Company. It is prohibited for the Company or its directors, managers or employees to directly or indirectly offer, pay, solicit or accept bribes or any other corrupt arrangements.

Conflicts of interest

The Board, management and employees must report any situations where there is a real or apparent conflict of interest between them as individuals and the interests of the Company. Where a real or apparent conflict of interest arises, the matter must be brought to the attention of the Chairman in the case of a Board member, the Managing Director in the

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case of a member of management and a supervisor in the case of an employee, so that it may be considered and dealt with in an appropriate manner.

Compliance with the Code of Conduct

Any breach of compliance with this Code of Conduct is to be reported directly to the Chairman.

Periodic review of Code

The Company will monitor compliance with this Code of Conduct periodically by liaising with the Board, management and staff. Suggestions for improvements or amendments to this Code of Conduct can be made at any time to the Chairman.

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Appendix B – Policy for trading in Company securities

Introduction

The Company recognises and enforces legal and ethical restrictions on trading in its securities by relevant persons within and external to the Company. The terms of this securities dealing policy apply to the Company's directors, senior executives, employees and consultants (Relevant Persons).

Communication

This policy will be communicated to all Relevant Persons and will be placed on the Company website.

Trading restrictions

Trading by Relevant Persons in the Company's securities is subject to the following limitations:

- No trading in Company securities shall take place during the two weeks preceding release of each quarterly report, half-yearly financial report, and annual financial report of the Company.
- No trading in the Company's securities shall take place, directly or indirectly, where it is known, or ought reasonably to have been known by the person intending to trade, that information exists which has not been released to the ASX and where that information is of a type that could reasonably be expected to encourage buying or selling were that information known by others.
- No trading shall take place in Company securities unless prior notice is given [and approval is obtained] from the Chairman.

Hardship

During a period specified in the previous paragraph, Relevant Persons may, after obtaining the Chairman's consent, trade the Company's securities to the extent reasonably necessary to avoid or ameliorate documented hardship and suffering or as required by other extenuating circumstances.

Directors' trading and disclosures

Within twenty four hours of a director being appointed to the Board, resigning or being removed from the Board, or trading in the Company's securities, full details of the director's notifiable interests in the Company's securities and changes in such interest must be advised to the Company Secretary so that a record is kept within the Company and so that necessary ASX notifications will occur.

All directors must notify the Company Secretary of any margin loan or similar funding arrangement entered into in relation to the Company's securities and any variations to such arrangements, including the number of securities involved, the circumstances in which the lender can make margin calls, and the right of the lender to dispose of securities.

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Appendix C - Disclosure Policy

Disclosure requirements

The Company recognises its obligations pursuant to the continuous disclosure rules of the ASX Listing Rules and the Corporations Act to keep the market fully informed of information which may have a material effect on the price or value of the Company's securities.

Subject to certain exceptions (in ASX Listing Rule 3.1A), the Company is required to immediately release to the market information that a reasonable person would expect to have a material effect on the price or value of the Company's securities.

Responsibilities of directors officers and employees

The Board as a whole is primarily responsible for ensuring that the Company complies with its disclosure obligations and for deciding what information will be disclosed. Subject to delegation, the Board is also responsible for authorising all ASX announcements and responses of the Company to ASX queries.

Every director, officer and employee of the Company is to be informed of the requirements of this policy and must advise the Managing Director, Chairman or Company Secretary as soon as possible (and prior to disclosure to anyone else) of matters which they believe may be required to be disclosed.

Authorised Disclosure Officer

The Board has delegated its primary responsibilities to communicate with ASX to the following Authorised Disclosure Officer:

- the Company Secretary or
- in the absence of the Company Secretary, the Managing Director is authorised to act in that capacity by the Board.

Responsibilities of Authorised Disclosure Officer

Subject to Board intervention on a particular matter, the Authorised Disclosure Officer is responsible for the following:

- monitoring information required to be disclosed to ASX and coordinating the Company's compliance with its disclosure obligations;
- ASX communication on behalf of the Company, authorising Company announcements and lodging documents with ASX;
- requesting a trading halt in order to prevent or correct a false market;
- providing education on these disclosure policies to the Company's directors, officers and employees; and
- ensuring there are vetting and authorisation processes designed to ensure that Company announcements:
    - are made in a timely manner;
    - are factual;
    - do not omit material information; and
    - are expressed in a clear and objective manner that allows investors to assess the impact of the information when making investment decisions.

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An Authorised Disclosure Officer, who is responsible for providing contact details and other information to ASX to ensure such availability, must be available to communicate with the ASX at all reasonable times.

Measures to avoid a false market

In the event that ASX requests information from the Company in order to correct or prevent a false market in the Company's securities, the Company will comply with that request. The extent of information to be provided by the Company will depend on the circumstances of the ASX request.

If the Company is unable to give sufficient information to the ASX to correct or prevent a false market, the Company will request a trading halt.

If the full Board is available to consider the decision of whether to call a trading halt, only they may authorise it, but otherwise, the Authorised Disclosure Officer may do so.

ASX announcements

Company announcements of price sensitive information are subjected to the following vetting and authorisation process to ensure their clarity, timely release, factual accuracy and inclusion of all material information:

- The Authorised Disclosure Officer must prepare ASX announcements when required to fulfil the Company's disclosure obligations.
- Proposed announcements must be approved by the Managing Director or in his absence, urgent announcements may be approved by any other person expressly authorised by the Board.
- Announcements must first be released to the ASX Announcements Platform before being disclosed to any other private or public party (such as the media). After release of the announcement, it must be displayed on the Company's website, following which the Company can then release such information to media and other information outlets.
- Wherever practical, all announcements must be provided to the directors, Managing Director and Company Secretary prior to release to the market for approval and comment.

Confidentiality and unauthorised disclosure

The Company must safeguard the confidentiality of information which a reasonable person would expect to have a material effect on the price or value of the Company's securities. If such information is inadvertently disclosed, the Authorised Disclosure Officer must be informed of the same and must refer it to the Chairman and Managing Director as soon as possible.

External communications and media relations

The Chairman, Managing Director and Company Secretary are authorised to communicate on behalf of the Company with the media, government and regulatory authorities, stock brokers, analysts and other interested parties or the public at large. No other person may do so unless specifically authorised by the Chairman or the Managing Director.

All requests for information from the Company must be referred to the Authorised Disclosure Officer for provision to the Chairman and the Managing Director.

Breach of Disclosure Policy

Serious breaches of the Company's Disclosure Policy may be treated with disciplinary action, including dismissal, at the discretion of the Board. Where the breach is alleged against a member of the Board, that director will be excluded from the Board's consideration of the breach.

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SABRE RESOURCES LTD
SHAREHOLDER INFORMATION

1 Distribution of Shareholders

(a) As at 12 September 2017 the distribution of members and their shareholdings were:-

Range of Holding	Holders	Shares Held	Percent
1 - 1,000	291	94,758	0.038
1,001 - 5,000	282	781,286	0.311
5,001 - 10,000	128	1,036,947	0.412
10,001 - 100,000	324	13,357,174	5.312
100,001 and over	163	236,202,063	93.928
	1,188	**251,472,228**	**100.000**

(b) There exist 948 shareholders with less than marketable parcels of shares.

2 Substantial Shareholders

The names of the substantial shareholders who have notified the Company in accordance with Section 671B of the *Corporation Act 2001* are:

Name	Number of Ordinary Shares	Percentage of Issued Capital
Coniston Pty Ltd and Kalgoorlie Mine Management Pty Ltd	73,290,771	32.36%
Contango Nominees Pty Ltd	12,874,999	5.12%

23 Top 20 Shareholders

The twenty largest shareholders as at 12 September 2017, representing 72.596% of the paid up capital were:

Name of Holder	Number	Percent
Coniston Pty Ltd <Coniston A/c>	69,200,000	27.518
National Nominees Limited	26,507,550	10.541
McNeil Nominees Ltd	16,562,748	6.586
Zero Nominees Pty Ltd	12,000,000	4.772
Seiwan Properties Limited	11,000,000	4.374
HSBC Custody Nominees (Australia) Ltd	6,050,775	3.783
Ianaki Semerdziev	4,104,000	1.632
Fleubaix Pty Ltd	4,000,000	1.591
Stella May Ha Or	4,000,000	1.591
Herlequin Investments Pty Ltd	3,760,000	1.495
Szeco Pty Ltd	3,262,761	1.297
Colvic PtY Ltd	3,095,378	1.231
Stevsand Holdings Pty Ltd	3,000,000	1.193
Ironside Pty Ltd	2,795,000	1.111
JP Morgan Nominees Pty Ltd	2,697,019	1.072
Kalgoorlie Mine Management Pty Ltd	2,590,771	1.030
Buckingham Investment Financial Services Pty Ltd	2,500,000	0.994
Peter Tregenza	2,088,000	0.830
Langoni Investments Pty Ltd	1,803,882	0.717
Cannon Super Nominees Pty Ltd	1,540,000	0.612
	182,557,884	**72.596**

4 Top 20 Optionholders

As at the date of this report, there are 112,500,000 unlisted options exercisable at 2.5 cents each at any time up to their maturity on 1 August 2018

Name of Holder	Number	Percent
Australian Executor Trustees	50,000,000	44.44
Corridor Nominees Pty Ltd	32,000,000	28.44
Pata Nominees Pty Ltd	12,500,000	11.11
H G Grafton	3,800,000	3.38
Coniston Pty Ltd	1,700,000	1.51
Pan Pacific Mining Pty Ltd	1,700,000	1.51
J Del Piano	1,300,000	1.16
A Del Piano	1,000,000	0.89
G Del Piano	1,000,000	0.89
Caconda Pty Ltd	900,000	0.80
Jadel Pty Ltd	750,000	0.67
2 Thomas Road Pty Ltd	700,000	0.62
Silverglade Nominees Pty Ltd	700,000	0.62
Cambrian Investments Pty Ltd	690,000	0.61
Joydem Pty Ltd	600,000	0.53
Dagana Pty Ltd	560,000	0.50
N Grafton	550,000	0.49
A Shirazee	470,000	0.42
R Grafton	440,000	0.39
906 Orton road Pty Ltd	400,000	0.36
	111,760,000	**99.34**

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