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# **SABRE RESOURCES LTD**

ACN: 003 043 570

## **ANNUAL REPORT FOR THE YEAR ENDED 30 JUNE 2022**

**SABRE RESOURCES LTD**  
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**SABRE RESOURCES LTD**  
**COMPANY DIRECTORY**

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**DIRECTORS**

Michael Scivolo  
Basil Conti  
Michael Norburn

**COMPANY SECRETARY**

Michael Muhling

**REGISTERED OFFICE**

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**AUDITOR**

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**BANKERS**

Westpac Banking Corporation  
109 St George's Terrace  
Perth, WA, 6000

**SHARE REGISTRY**

Advanced Share Registry Limited  
110 Stirling Highway  
Nedlands, WA, 6009  
Telephone: (08) 9389 8033  
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**SECURITIES EXCHANGE LISTING**

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

Home Exchange: Perth, Western Australia

ASX code for shares: SBR

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# SABRE RESOURCES LTD

## DIRECTORS REPORT

The Directors present their report on Sabre Resources Ltd ("the Company") and its controlled entities for the year ended 30 June 2022.

### DIRECTORS

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

Michael Scivolo  
Basil Conti  
Michael Norburn (appointed 16 January 2022)  
Robert Collins (ceased 16 January 2022)

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

Director	Shares	Options
Michael Scivolo	-	-
Basil Conti	-	-
Michael Norburn	160,000	-

### PRINCIPAL ACTIVITIES

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

### REVIEW OF OPERATIONS

#### Summary

Sabre Resources Ltd ('Sabre' or 'the Company') is focused on the exploration and development of a highly prospective portfolio of nickel sulphide and gold assets in Western Australia, and uranium and base metal prospects in the Northern Territory.

The Company's flagship project is the **Sherlock Bay Nickel-Copper-Cobalt Project**<sup>1</sup> – a significant nickel sulphide deposit in Western Australia's highly prospective Pilbara Region (Figure 1).

During the reporting period Sabre completed a Scoping Study<sup>1</sup> on the development of nickel sulphide mining, heap-leach processing and production of a nickel (copper, cobalt) product at Sherlock Bay. The Scoping Study showed positive cashflow potential at prevailing nickel prices of US\$10/lb/US\$22,040/tonne (*the Company confirms that it is not aware of any other new information or data that materially affects the information in the Scoping Study release of 27<sup>th</sup> January 2022*).

Re-interpretation and targeting work after the Scoping Study identified potential for additional higher-grade resources associated with extensions to both the Symonds and Discovery deposits (Figure 2) that are both increasing in grade with depth (see Figure's 3 and 4)<sup>2</sup>. The projected intersection of the sulphide mineralised horizon with the Sherlock mafic-ultramafic intrusion is being targeted by a new diamond drilling program, in progress, which is testing potential for higher grade to massive nickel sulphides, the location of which has the potential to greatly enhance the economic viability of the Sherlock Bay Project.

Sabre is also earning an 80% interest in the **Sherlock Pool**<sup>3</sup> tenement E47/4345 (Figure 1), which covers immediate strike extensions to the northeast and southwest of Sherlock Bay.

The Company is also earning 80% of the **Nepean South**<sup>3</sup> tenement which covers a >10km corridor of prospective ultramafic rocks south of the Nepean Nickel Mine<sup>4</sup> near Coolgardie in WA. An RC drilling program was recently completed, post the reporting period, which tested nickel sulphide targets under previous RAB results of up to 6m @ 1.84% Ni<sup>3</sup>.

# SABRE RESOURCES LTD DIRECTORS REPORT

## REVIEW OF OPERATIONS (continued)

Sabre has an 80% interest in three exploration licences at **Cave Hill**<sup>3</sup> that were granted post the reporting period. These tenements cover a >50km strike length of interpreted extensions of the Nepean and Queen Victoria Rocks nickel sulphide belts, adjoining the Nepean South tenement.

Sabre's 100% owned **Ninghan Gold Project**<sup>5</sup> in Western Australia's southern Murchison district is located less than 20km along strike from the Mt Gibson gold mine, which has a ~3Moz gold resource endowment<sup>5</sup>. Previous RAB and aircore drilling has defined two strongly anomalous zones of gold-arsenic mineralisation at Ninghan where follow-up drilling is planned.

In the Northern Territory, Sabre holds an 80% interest in the **Ngalia Uranium-Vanadium Project**<sup>6</sup>, which comprises two granted exploration licences: **Dingo** EL32829 and **Lake Lewis** EL32864 in the highly prospective Ngalia Basin near existing uranium resource projects.

Sabre also holds an 80% interest in the **Cararra** EL32693<sup>6</sup> copper-gold and lead-zinc-silver project at the junction of the Tennant East Copper-Gold Belt and the Lawn Hill Platform/Mt Isa Province.

### Sherlock Bay Nickel Project, Western Australia

Sabre Resources holds a 70% interest in the Sherlock Bay Nickel Project on mining lease M47/567, located in the Pilbara region of Western Australia (see Figure 1). The Project is well-located, being only 12 km north off Highway 1, with access to critical mining infrastructure in the region.

The Sherlock Bay Project includes a JORC 2012 Mineral Resource of **24.6Mt @ 0.40% Ni, 0.09% Cu, 0.02% Co, containing 99,200t Ni, 21,700 tonnes Cu and 5,400 tonnes Co** (including a Measured 12.48Mt @ 0.38% Ni, 0.11% Cu, 0.025% Co; Indicated 6.1Mt @ 0.59% Ni, 0.08% Cu, 0.022% Co and Inferred 6.1Mt @ 0.27% Ni, 0.06% Cu, 0.01% Co)<sup>7</sup>.

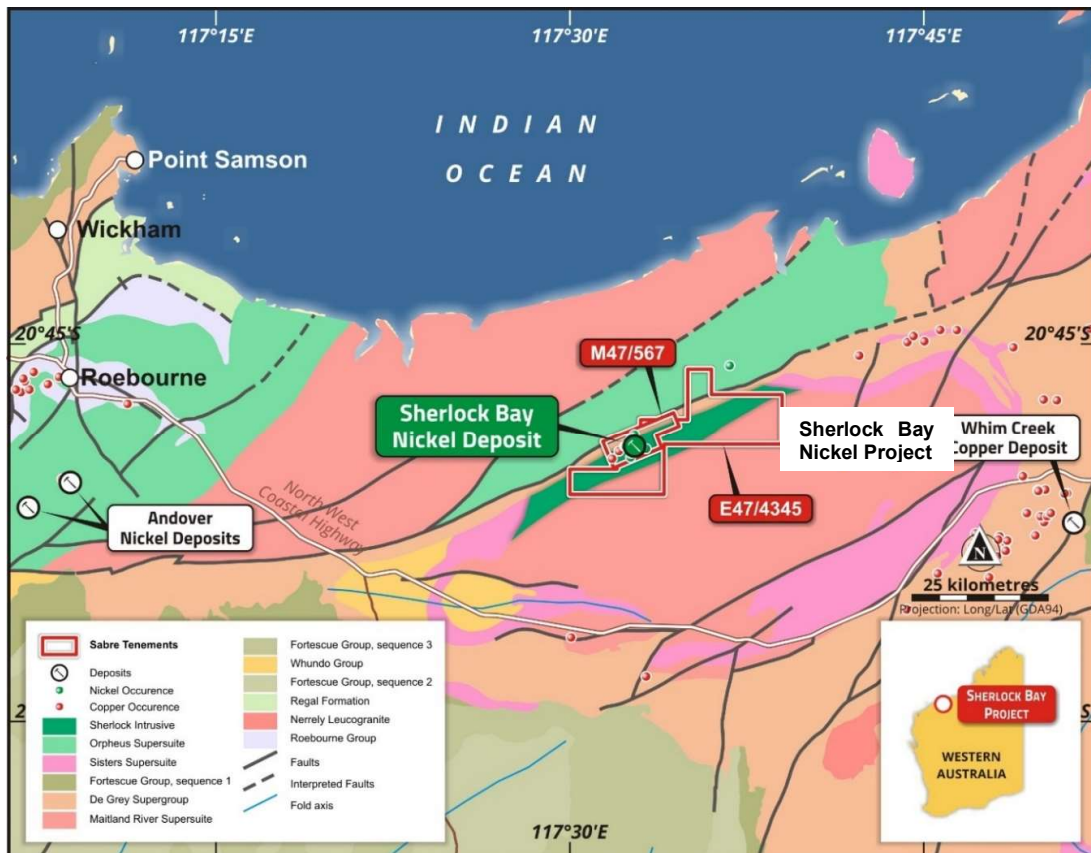


Figure 1 - Sherlock Bay Nickel-Copper-Cobalt (sulphide) Project, regional geology and location plan

# SABRE RESOURCES LTD

## DIRECTORS REPORT

### REVIEW OF OPERATIONS (continued)

The Sherlock Bay nickel-copper-cobalt deposit is located in the Pilbara region of northwest WA within the Archaean West Pilbara Granite-Greenstone Belt and within / proximal to the Scholl Shear Zone (see Figure 1). The Scholl Shear Zone a major regional strike-slip fault that traverses the north-western margin of the Caines Well Granitoid Complex in the West Pilbara Craton.

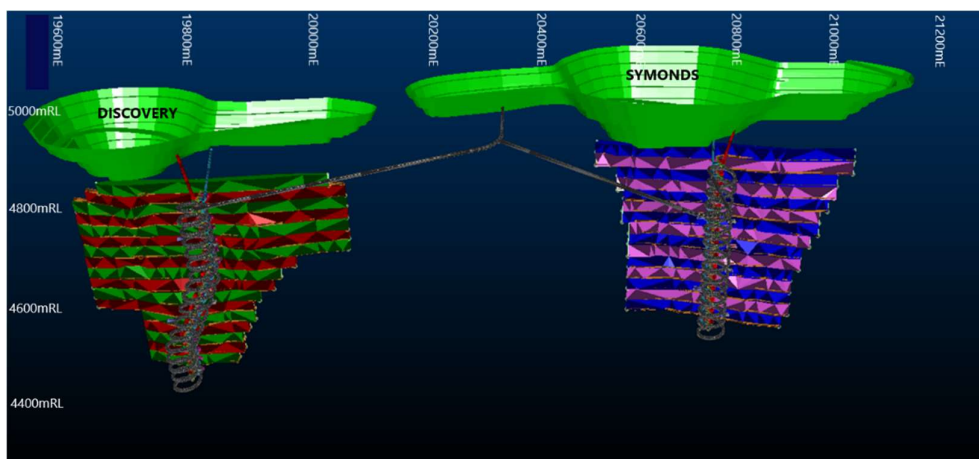
The nickel sulphide resource is hosted by a quartz-magnetite-amphibole-sulphide schist or “mineralised horizon”. It comprises two main lenticular lodes (termed Discovery and Symonds) over a combined strike length of 1,600m (Figure 2). Higher grade portions of the main zones are up to 30m wide and are continuous down dip in excess of 500m in places.

#### **Sherlock Bay Project, Scoping Study:**

The Company has completed a major Scoping Study<sup>1</sup> on the development of the Sherlock Bay Nickel Project, which was announced on 27 January 2022<sup>1</sup>.

The Scoping study indicates that the Sherlock Bay Project has the potential to produce strong operating cashflow at the prevailing nickel pricing of US\$10/lb/US\$22,040/t<sup>1</sup>, with projections of continued price appreciation based on forecast increases in global nickel consumption.

The Scoping Study is based on a combined two open pit and two underground mines development strategy (Figure 2) and a production rate of 2Mtpa following initial ramp-up over 10 years of mining. Processing will be via Heap Leach to produce 70,300t Ni in Mixed Hydroxide Product (MHP) over 12 years of processing. The outcomes of the Scoping Study indicate that the Project produces strong operating cash-flows and a positive cash-flow after return of capital at Ni pricing of US\$10/lb / US\$22,040/t (price based on a 10 day average spot Ni price for period ending 21/1/22). *The Company confirms that it is not aware of any other new information or data that materially affects the information included in the Sherlock Bay Nickel Project Scoping Study release of 27<sup>th</sup> January 2022.*



**Figure 2 – AMC Mining Study 2018, optimised open-pits, underground development and mining layout<sup>1</sup>**

#### **Sherlock Bay Massive Sulphide Potential – Diamond Drilling Program:**

A review of previous reports and re-interpretation of the deposits has been carried out to examine potential for higher-grade extensions and/or higher-grade nickel sulphide bodies in the near resource environment<sup>1,2</sup>.

The average grade of the Sherlock Bay resource is ~0.4% nickel with copper and cobalt credits. However, there is evidence that the two deposits increase in nickel grade at depth (as shown in longitudinal projection, Figure 3).

# SABRE RESOURCES LTD DIRECTORS REPORT

## REVIEW OF OPERATIONS (continued)

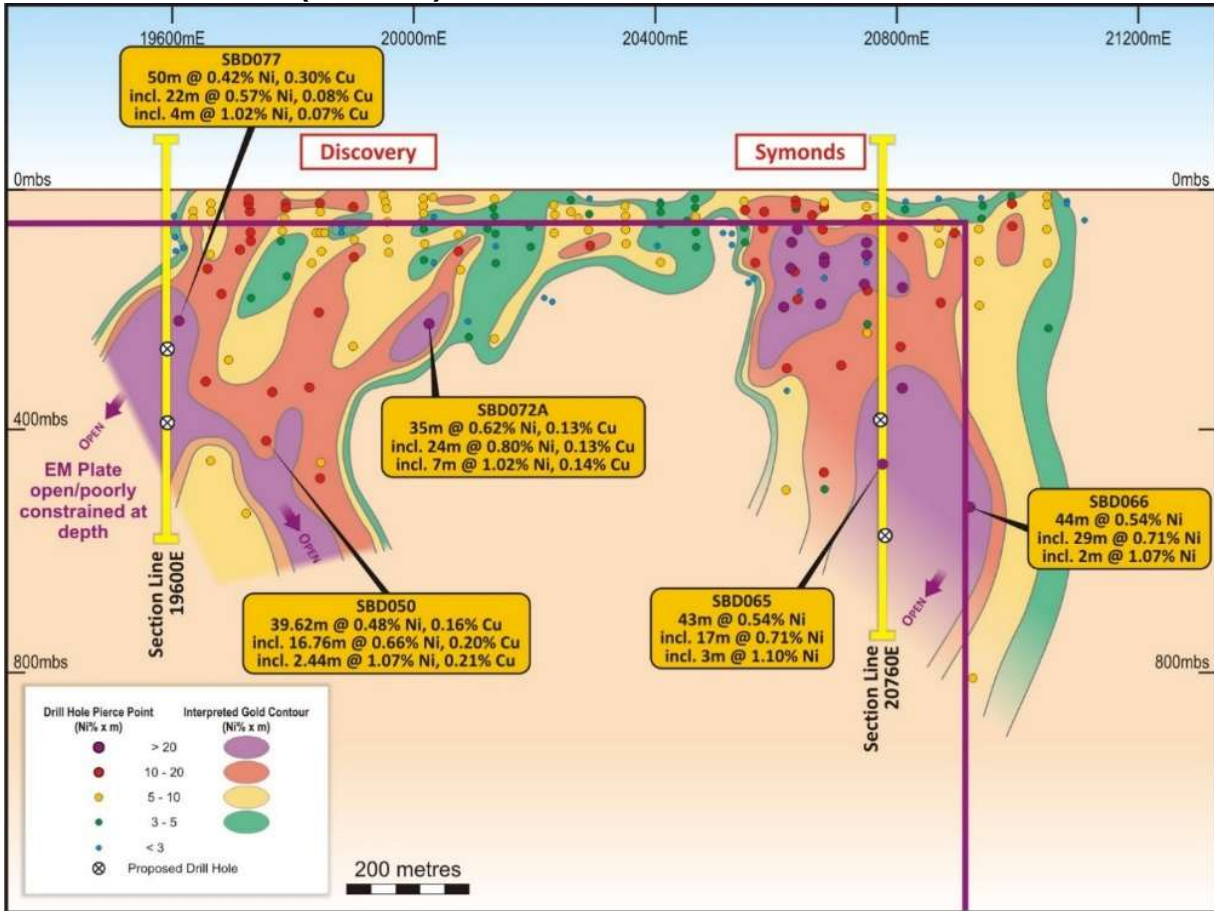


Figure 3 - Sherlock Longitudinal Projection with Ni x m contours and planned drill-points.

Previous models for Sherlock Bay nickel deposit include hydrothermal remobilisation of nickel and re-precipitation in the mineralised horizon. However, Ni-Cu-Co ratios are similar to other intrusive related nickel sulphide deposits such as the nearby Andover nickel sulphide deposits (Azure Minerals Ltd, ASX:AZS<sup>8</sup>), (Figure 1), suggesting that mineralisation is magmatic fluid related rather than remobilised hydrothermal, as this would disrupt magmatic metal ratios associated with sulphur saturation of magma.

Previous work by Outokumpu, based on 1990s drilling, has indicated that the proximal Sherlock mafic-ultramafic Intrusion has anomalous base metal and PGE values with associated sulphides, indicating sulphur saturation prior to intrusion.

A new model for the Sherlock Bay deposit has been developed by the Company<sup>2</sup>. Under this model nickel sulphide mineralisation, which is in the felsic footwall to the Sherlock Mafic-Ultramafic Intrusion, is associated with nickel bearing magmatic fluids that may have interacted with a sulphidic horizon in the footwall of the Sherlock Intrusive magma chamber and become sulphur saturated, causing the precipitation of Ni, Cu and Co sulphides as well as the deposition of amphibole, magnetite and other minerals that relate to the magmatic source.

Under this scenario, **massive sulphides are targeted where the mineralised horizon projects to intersect the footwall of the Sherlock Intrusive, potentially representing the “neck” of the intrusive** (see cross section, Figure 4). Massive sulphides occur in this position at analogous deposits such as the Nova-Bollinger intrusive related nickel sulphide deposit in WA (IGO Ltd, ASX:IGO<sup>9</sup>).

# SABRE RESOURCES LTD DIRECTORS REPORT

## REVIEW OF OPERATIONS (continued)

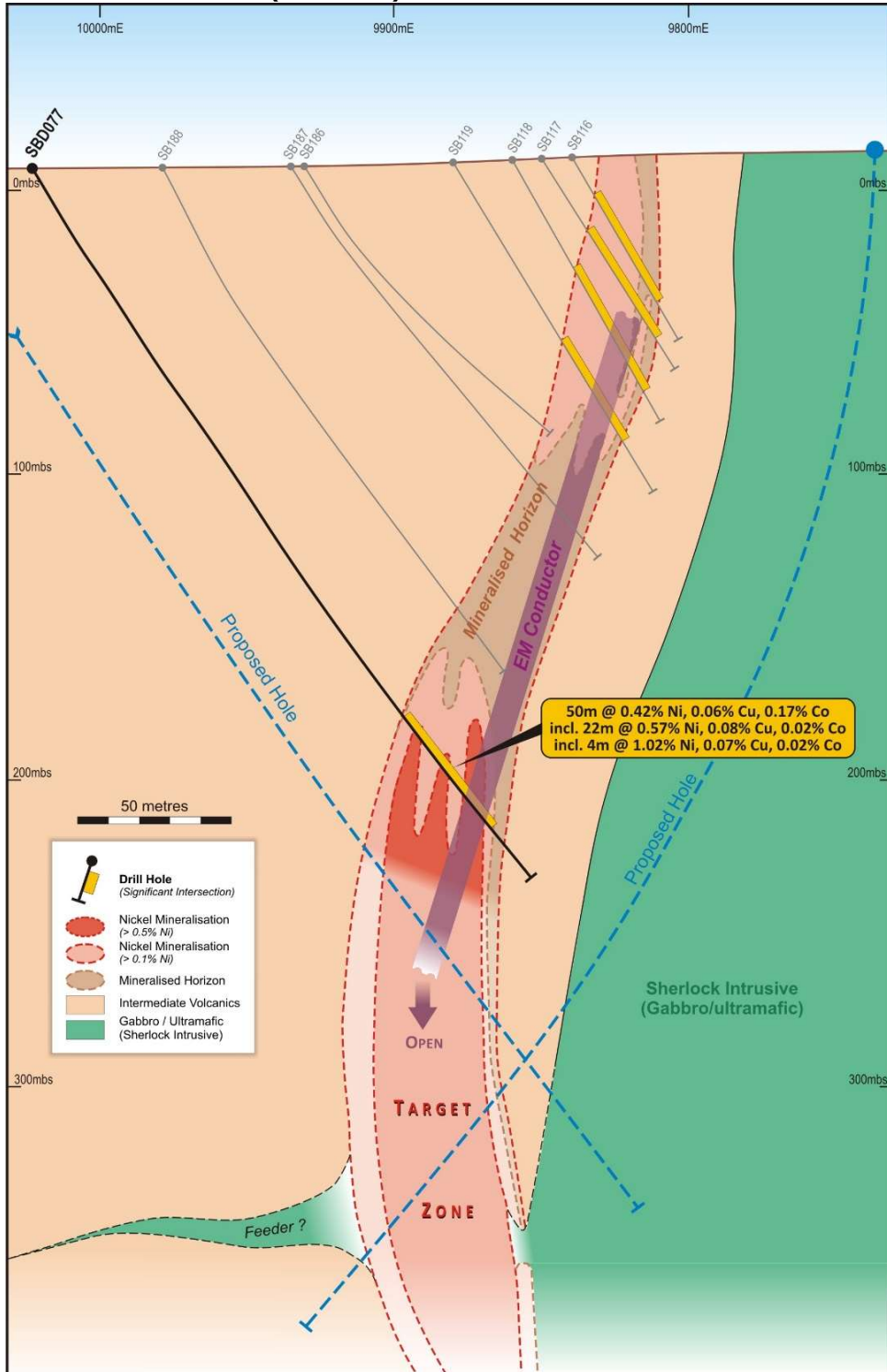


Figure 4 - Sherlock Bay nickel deposit, cross section 19,600mE with Target Zone.

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# SABRE RESOURCES LTD DIRECTORS REPORT

## REVIEW OF OPERATIONS (continued)

Modelling of a major EM conductor<sup>3</sup> supports the new model for massive sulphides to be located at the projected intersection of the mineralised horizon with the base of the Sherlock gabbro/ultramafic intrusion at depth below the disseminated nickel sulphide resources.

Four diamond drillholes totalling up to 2,400m are currently testing this targeted intersection point, down plunge of both the Discovery and Symonds resources (*program commenced post the end of the reporting period*).

### Regional Potential for New Nickel sulphide Deposits

Previous detailed magnetics and EM surveys at Sherlock Bay identified potential extensions of the Sherlock Bay mineralised horizon along strike from the nickel sulphide resources.

During the reporting period the Company carried out a detailed gravity survey over both the Sherlock Bay tenement, M47/567, and the adjoining Sherlock Pool farm-in project where the Company is earning 80% of E47/4345 from Jindalee Resources Ltd (ASX: JRL)<sup>3</sup>.

The results from the gravity survey produced a strong gravity anomaly lying below and parallel to the southeast of the Sherlock Bay mineralised horizon (see Figure 5 below). This supports the model that the Sherlock Bay mineralised horizon projects at depth to intersect the boundary of the Sherlock Intrusive.

The Sherlock Intrusive has previously been shown to be sulphide bearing and is identical to the intrusive unit that hosts the Andover massive nickel sulphide deposit<sup>8</sup> along strike 70km to the west of Sherlock Bay (Figure 1).

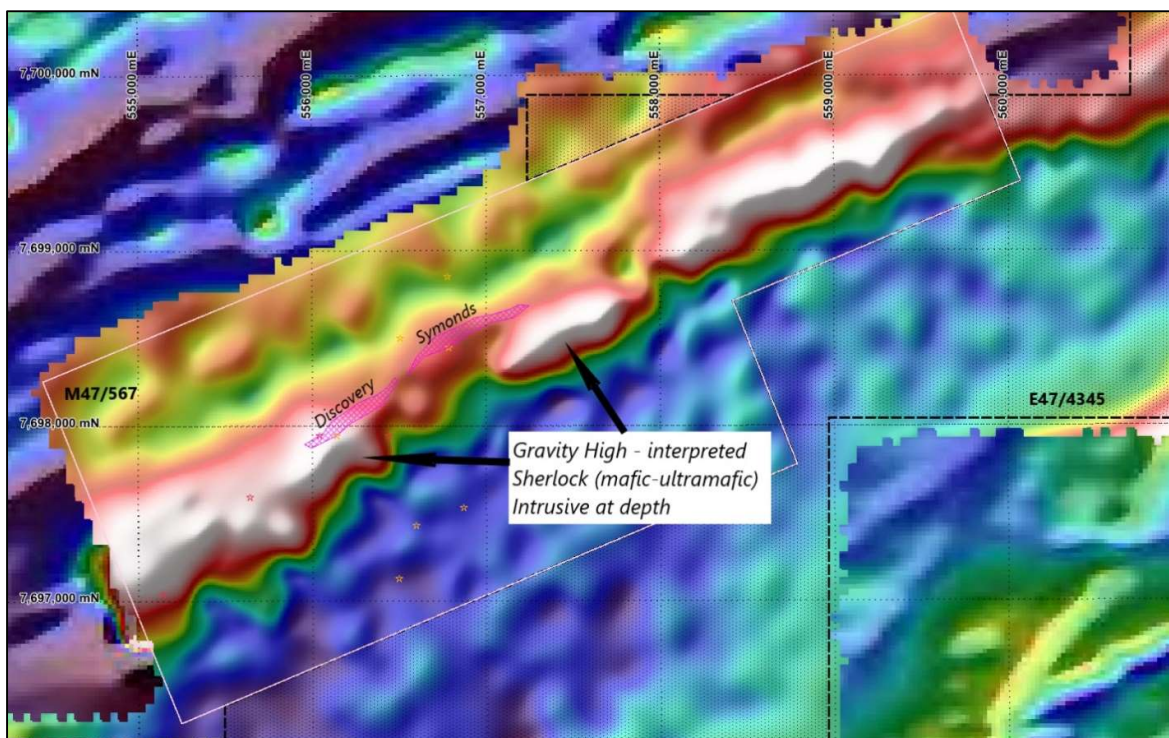


Figure 5 - Sherlock Bay Project gravity image showing gravity highs underlying/parallel to the Ni resources

Strike extensions of the mineralised horizon in association with the Sherlock Intrusive will be targeted for massive nickel sulphide deposits using surface electromagnetics (EM) and follow-up drilling on both the Sherlock Bay ML and the Sherlock Pool tenement.

# SABRE RESOURCES LTD DIRECTORS REPORT

## REVIEW OF OPERATIONS (continued)

### Nepean South Nickel Project, Western Australia

During the reporting period the Company identified multiple nickel sulphide targets and planned a 2,600m RC drilling program at its Nepean South farm-in project ("Nepean South" or "the Project") near Coolgardie in the highly prospective Eastern Goldfields of WA (see Figure 6 below). The Company is earning an 80% interest in the Nepean South E15/1702 from Metals Australia Ltd (ASX:MLS)<sup>3</sup>.

Nepean South is located southwest and in the same geological sequence as the historical Nepean Nickel (sulphide) Mine (see Figure 6 below), owned by Auroch Minerals Limited (ASX: AOU<sup>4</sup>). Nepean was the second producing nickel mine in Australia behind the Kambalda Nickel Field and **produced 1.1 million tonnes of ore grading 3.0% Ni** (recovered) between 1970 and 1987<sup>4</sup>.

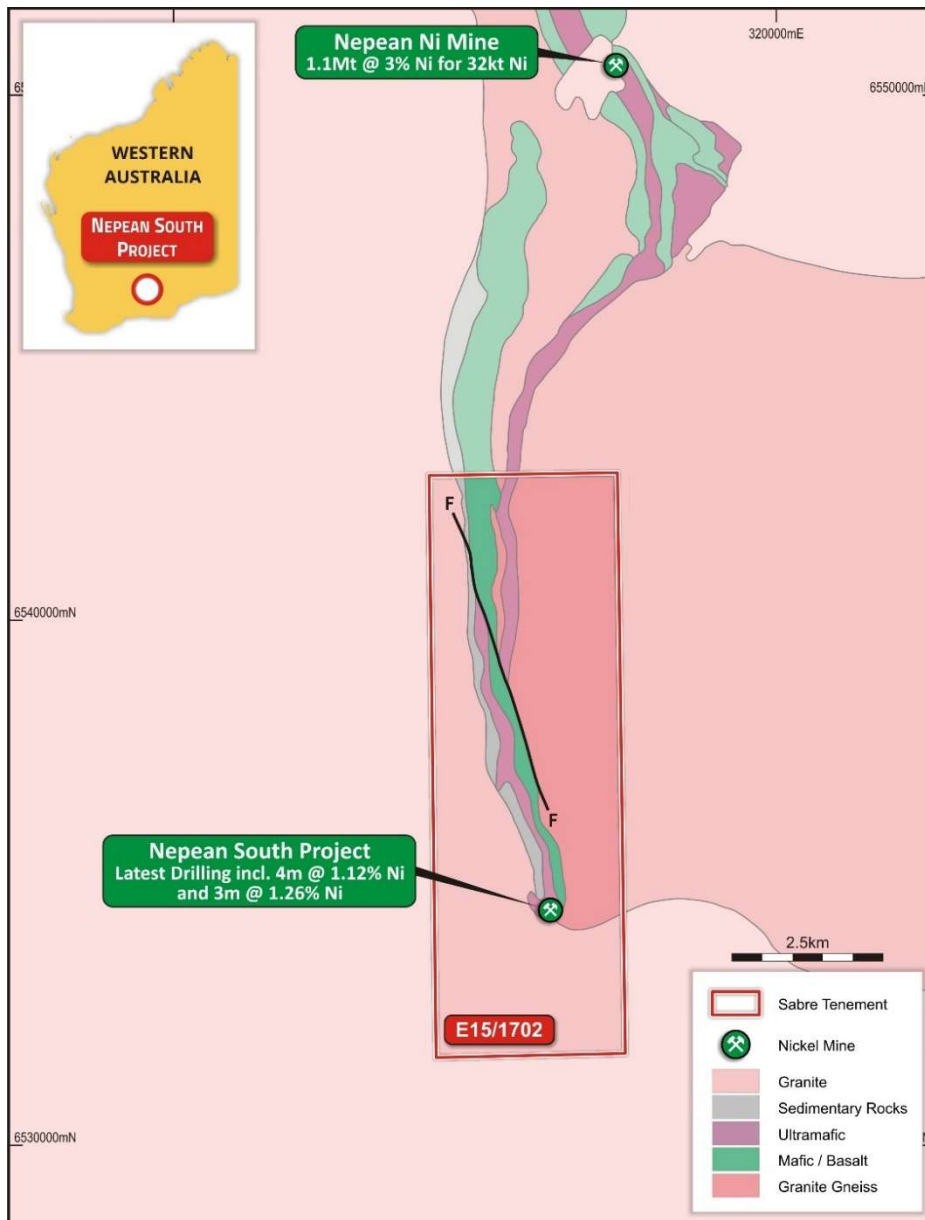


Figure 6 - Nepean South Nickel Project, location and interpreted geology with Ni occurrences

# SABRE RESOURCES LTD DIRECTORS REPORT

## REVIEW OF OPERATIONS (continued)

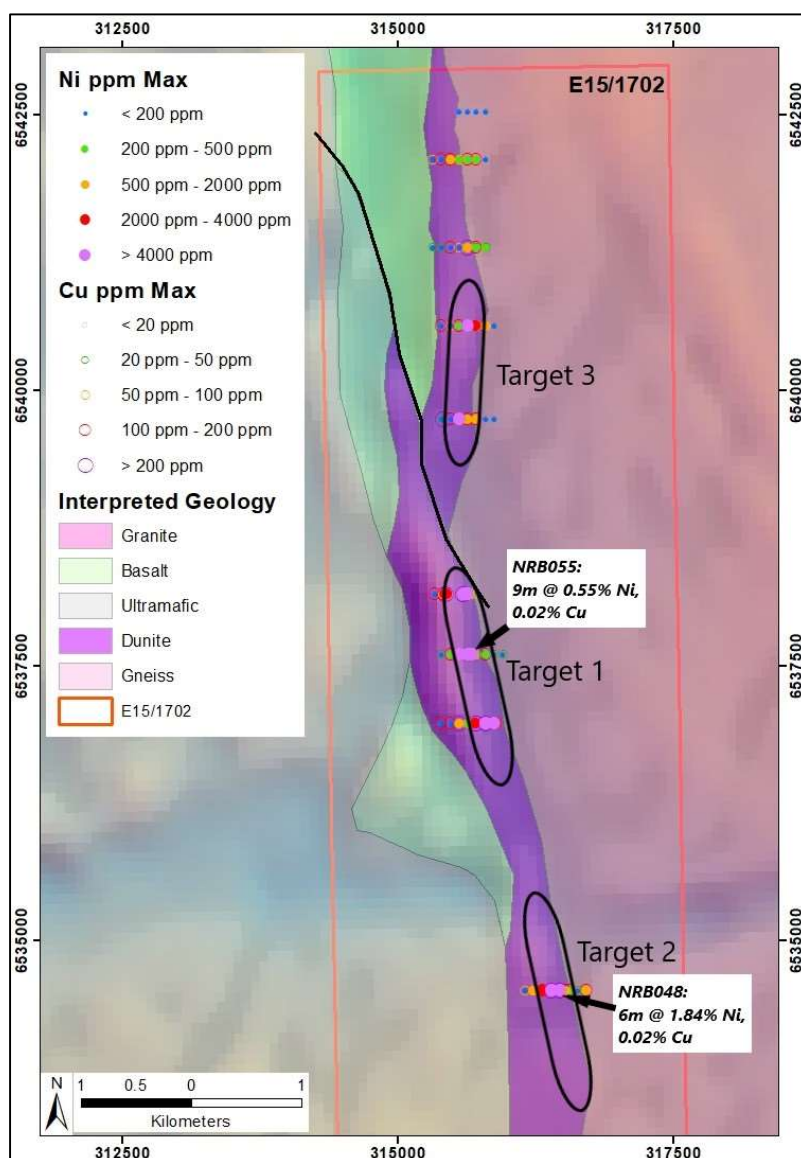
The RC drilling will follow-up previous high nickel grades intersected in shallow RAB drilling completed by Mincor Resources NL (E15/884, 2007-2012). The RAB drilling traverses average a broad, >1km spacing and tested a magnetic corridor of interpreted ultramafic rocks that extends the entire 10km strike length of the Nepean South exploration licence, E15/1702 (Figure 5).

Highlights of the previous RAB results<sup>3</sup> include:

- **NRB048: 12m @ 1.29% Ni from 15m incl. 6m @ 1.84% Ni and 0.02% Cu from 18m**

A plot of peak RAB drilling results on interpreted magnetics (see Figure 7 below) shows that the highest-grade nickel with copper results are located close to the interpreted eastern, basal side of the ultramafic corridor. The presence of copper with the very-high nickel grades in RAB drilling points to the presence of nickel sulphide bearing komatiitic ultramafics in fresh bedrock below.

The RC drilling program was completed post the end of the reporting period and tested the basal ultramafic contact zone under the peak RAB results that have been identified to date on at least five of the most highly nickel-copper anomalous sections and in three key target areas (see Figure 7).



In conjunction with the RC drilling, a detailed drone magnetics survey was flown post the reporting period along the entire length of the Nepean South tenement in order to define the ultramafics and fine tune nickel-sulphide targets for further drilling. Electromagnetics (EM) surveys will also test selected target areas for buried nickel sulphide zones for deeper RC and/or diamond drilling.

**Figure 7 - Nepean South interpreted ultramafic with peak Ni and Cu in RAB holes on TMI image with key targets**

# SABRE RESOURCES LTD

## DIRECTORS REPORT

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### REVIEW OF OPERATIONS (continued)

#### Ninghan Gold Project, WA:

The 100% owned **Ninghan Gold Project**, E59/2402, is located approximately 50km southwest of Paynes Find in the southern part of the, highly gold-endowed, Murchison Province of Western Australia<sup>5</sup>.

Mt Gibson Gold Mine is located less than 20km along strike to the south of the Project and has a total of 3.0Moz pre-mining gold endowment (Capricorn Metals Ltd, ASX:CMM<sup>5</sup>). The Mt Gibson gold deposit is associated with a north-northeast trending structural corridor that continues from Mt Gibson, north, passing through the western side of E59/2402 in an area of shallow cover/no outcrop<sup>5</sup>. A second, parallel, north-south trending structure passes through the eastern side of the tenement, also in an area of cover.

Previous RAB and aircore drilling has defined two strongly anomalous zones of gold-arsenic mineralisation<sup>4</sup>. Field reconnaissance has located mineralised and altered mafic rocks with pyrite associated the previous aircore anomalies in the northeastern part of the tenement. These anomalies remain open to the south and follow up is planned with additional aircore drilling to be followed by deeper RC drilling programs.

#### Ninghan Nickel-Copper Projects, E59/2673, E59/2670 and ELA59/2650, WA

During the reporting period the Company was granted Exploration Licence **E59/2673** and Exploration Licence **E59/2670**, both in the vicinity of the Company's Ninghan Gold Project, E59/2402. E59/2673 covers interpreted mafic/ultramafic intrusive rocks that are part of the Ninghan intrusive complex. Copper occurrences located at the interpreted base of the intrusive, along strike from this tenement, indicate potential for intrusive related nickel-copper sulphide deposits. E59/2670 covers projected extensions of gold anomalous structures to the northwest of the Ninghan tenement.

A larger tenement application, **E59/2650**, covers a >10km strike length series of magnetic anomalies on the northeastern side of the Ninghan Intrusive Complex. The magnetic anomalies lie south along strike from a previous nickel sulphide occurrence drilled by WMC in the 1990s, west of Paynes Find.

#### Youanmi Gold Project, E57/1125 (Bonanza) and E57/1136 (Beacon), WA

The Youanmi gold Project comprises two granted Exploration Licences (ELs), **Bonanza (E57/1125)** and **Beacon (E57/1136)**, located in the Youanmi Goldfield in WA. These ELs will be reviewed before further work is proposed.

#### Ngalia Uranium-Vanadium Projects, EL32829 and EL32864, Northern Territory:

Through the Acquisition of Chalco<sup>6</sup>, the Company holds an 80% interest in the Ngalia Uranium-Vanadium (U-V) Project which comprises two exploration licences: **Dingo EL32829** and **Lake Lewis EL32864** located within the highly prospective Ngalia Basin in the southwestern Northern Territory (NT) (see Figure 8 below). Both tenements have been granted for a 6 year term to 21 March 2028.

The Ngalia Basin was extensively explored for uranium in the 1970s and 1980s with several significant uranium resource projects identified along the northern extent of the basin (Figure 8).

The **Ngalia 'Dingo' tenement EL32829** is highly prospective for tabular, sandstone - hosted, uranium-vanadium (U-V) deposits of Carboniferous age. The targeted deposits are fluvial, sandstone-hosted U-V deposits which are analogous to the nearby Bigrlyi U-V deposit (Figure 8).

The Company is currently planning initial exploration for sandstone-hosted uranium-vanadium deposits in the Dingo Project, focusing on extensions of identified prospects. The program will include detailed magnetics to trace west-north-west trending structures and further, detailed, geochemistry to better define and extend historical geochemical anomalies (U-V and Cu-Au) in the NE corner of the tenement, in an area of structural complexity. Drilling targets will be initially followed up with grid-based aircore drilling prior to deeper RC drilling to test anomalies and key contacts.

# SABRE RESOURCES LTD DIRECTORS REPORT

## REVIEW OF OPERATIONS (continued)

The **Ngalia 'Lake Lewis' tenement EL32864** is considered prospective for calcrete style uranium-vanadium mineralisation hosted by palaeo-channels, analogous to the neighbouring Napperby and Cappers uranium resources.

The Lake Lewis EL32864 lies immediately along strike to the southwest of the Napperby Uranium Deposit, which was discovered by CRA Exploration in the 1970s<sup>6</sup>.

Examination of previous radiometrics, Aster imagery and correlation with the neighbouring Napperby Mineral Resource<sup>6</sup> indicates that the Lake Lewis EL32864 is highly prospective for shallow calcrete style uranium - vanadium mineralisation associated with palaeo-drainages close to the confluence with Lake Lewis. Radiometric ratios and limited review of historical exploration indicates uranium enrichment within this zone, that remains insufficiently tested by previous explorers.

The Company is currently planning initial exploration at Lake Lewis, to include detailed geophysical and geochemical programs that will target the interpreted projections of this zone from the position of the radiometric anomalies and to the north, projected under Lake Lewis. Aircore/sonic drilling of key targets identified will follow.

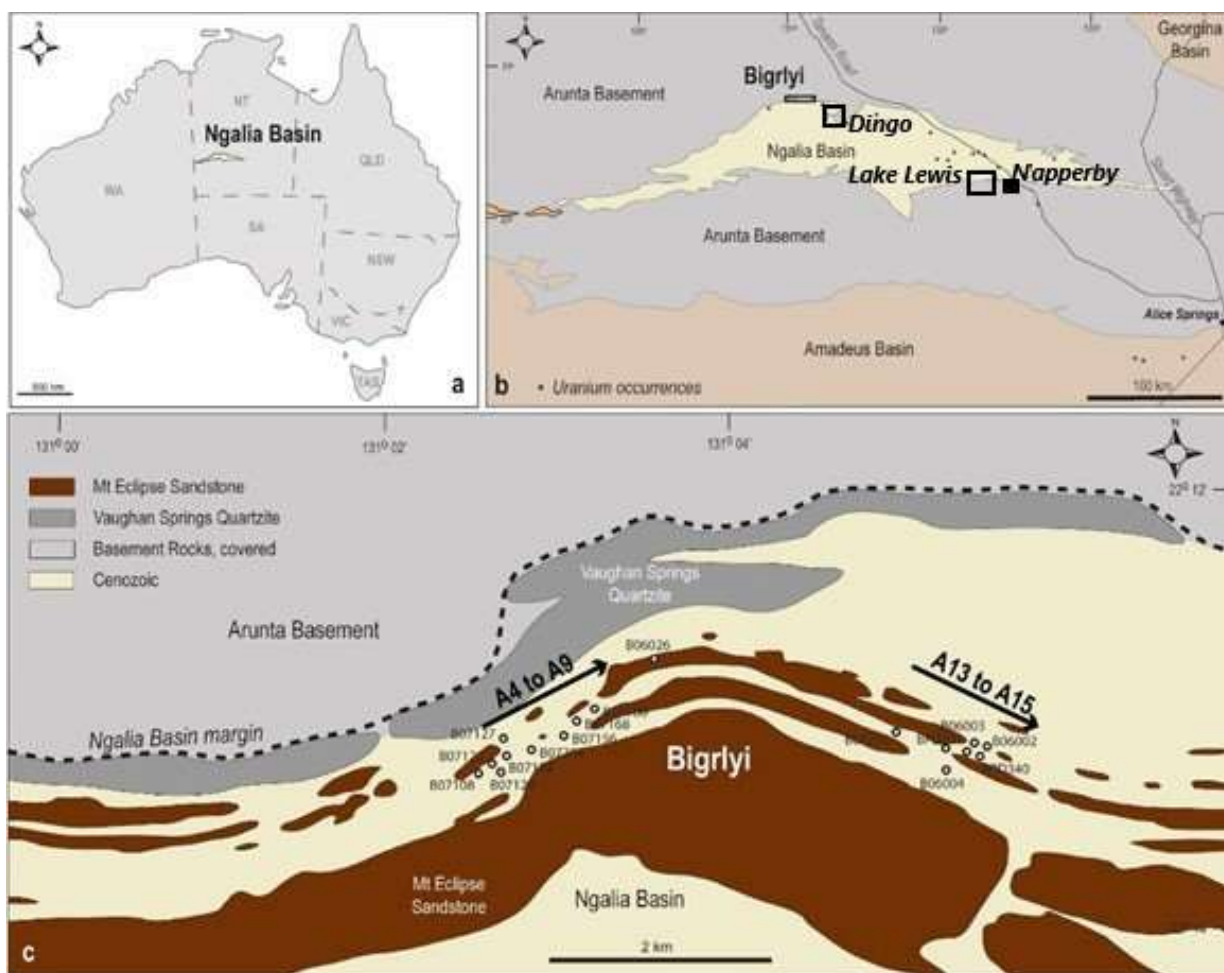


Figure 8 - Ngalia Basin, project locations and geology of Bigrlyi uranium-vanadium deposit

# SABRE RESOURCES LTD

## DIRECTORS REPORT

### REVIEW OF OPERATIONS (continued)

#### Carrara Project EL32693, Northern Territory:

The acquisition of Chalco also includes the **Carrara exploration licence (EL) 32693**<sup>6</sup>, which is located approximately 340 km east northeast of Tennant Creek and 1000 km SE of Darwin.

The Carrara tenement is considered highly prospective for Iron Oxide Copper Gold (IOCG) mineralisation of the 'Tennant Creek' style, within extensions of the Tennant East Belt and Zinc-lead-silver (SEDEX) massive sulphide deposits or sedimentary copper deposits of the McArthur River-Mount Isa provinces (e.g., Century, McArthur River, George Fisher, Mount Isa copper-lead-zinc and Lady Loretta), within the buried Lawn Hill Platform.

Initial exploration on EL32693 will focus on acquiring detailed magnetic and gravity data in order to detect buried Warramunga Formation and target Tennant Creek style, high-grade, IOCG deposits that will then be tested by drilling, focused on discrete and coincident magnetic and gravity highs.

#### References

- <sup>1</sup> Sabre Resources Ltd announcement, 27<sup>th</sup> January 2022. *Sherlock Bay Ni Scoping Study Delivers Positive Cashflow.*
- <sup>2</sup> Sabre Resources Ltd announcement, 11<sup>th</sup> April 2022. *Drilling of High-Grade nickel EM Targets Set to Commence.*
- <sup>3</sup> Sabre Resources Ltd announcement, 13<sup>th</sup> December 2021. *Agreements to Acquire Three Nickel Sulphide Projects.*
- <sup>4</sup> Auroch Minerals Ltd (ASX: AOU), 11 November 2020: *Auroch to Acquire High-Grade Nepean Nickel Project.*
- <sup>5</sup> Sabre Resources Ltd announcement, 24<sup>th</sup> September 2021. *Sabre to Complete Acquisition of Ninghan Gold Project.*
- <sup>6</sup> Sabre Resources Ltd announcement, 7<sup>th</sup> February 2022. *Sabre Acquires Key Nickel and Uranium Projects.*
- <sup>7</sup> Sabre Resources Ltd announcement, 12<sup>th</sup> June 2018. *Resource Estimate Update for Sherlock Bay Nickel Deposit.*
- <sup>8</sup> Azure Minerals Ltd (ASX:AZS), 30<sup>th</sup> March 2022. *Azure Delivers Maiden Mineral Resource for Andover.*
- <sup>9</sup> PorterGeo Database – Nova-Bollinger Ore Deposit Description

#### Appendix 1 – Sabre Resources Ltd, Tenement Schedule as at 30 June 2022

Tenement ID	Jurisdiction	Project	Interest	Area km <sup>2</sup>	Expiry Date
M47/0567	Australia - WA	Sherlock Bay	70%	10	22/09/25
L47/0124	Australia - WA	Sherlock Bay	70%	1	20/07/25
E59/2402	Australia - WA	Ninghan Gold	100%	30	29/08/26
E57/1125	Australia - WA	Bonanza	100%	18	9/01/25
E57/1136	Australia - WA	Beacon	100%	15	23/03/25
EL32693	Australia - NT	Carrara	80%	805	25/10/27
EL32829	Australia - NT	Dingo	80%	207	21/03/28
EL32864	Australia - NT	Lake Lewis	80%	537	21/03/28
E59/2670	Australia - WA	Taylor Well	100%	27	30/06/27
E59/2672	Australia - WA	Ninghan Nickel	100%	35	2/03/27
E59/2673	Australia - WA	Ninghan Nickel	100%	30	10/04/27
E15/1702	Australia - WA	Nepean South	Earning 80%	35	09/12/24
E47/4345	Australia - WA	Sherlock Pool	Earning 80%	53	21/07/26
E15/1843	Australia - WA	Cave Hill	80%	132	N/A <sup>1,2</sup>
E15/1844	Australia - WA	Cave Hill	80%	205	N/A <sup>1,2</sup>
E15/1845	Australia - WA	Cave Hill	80%	149	N/A <sup>1,2</sup>
E59/2650	Australia - WA	Warrdagga Hill	100%	140	N/A <sup>2</sup>

<sup>1</sup> These application have been granted subsequent to the end of the financial year.

<sup>2</sup> A Warden's Court decision post the reporting period could have placed these applications at risk of refusal by the DMIRS, so SBR made a new application over these tenement areas.

# SABRE RESOURCES LTD

## DIRECTORS REPORT

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### RESULTS

The operating loss for the financial year after providing for income tax amounted to \$9,635,280 (2021: \$4,179,993).

### FINANCIAL POSITION

The net assets of the Group reduced by \$2,112,327 from \$14,317,324 at 30 June 2021 to \$12,204,997 at 30 June 2022.

### DIVIDENDS

Since the end of the previous financial year, no dividend has been declared or paid by the Company.

### INFORMATION ON DIRECTORS, CHIEF EXECUTIVE OFFICER AND COMPANY SECRETARY

#### DIRECTORS

The qualifications and experience of the Board of Directors 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, Golden Deeps Limited and Tennant Minerals Ltd.

- (ii) Basil Conti FCA

Mr Conti is a fellow of the Institute of Chartered Accountants Australia & NZ and was a partner/director of a Chartered Accounting firm in West Perth until 2015. Mr Conti is experienced in management accounting, taxation, secretarial practice, corporate and financial planning, consulting to small and large businesses and has been associated with the mining industry in a professional capacity for some 25 years. Mr Conti is also a director of Metals Australia Ltd and was previously a director of Sheila Foundation Limited.

- (iii) Michael Norburn, BSc (Hons) (Non-Executive Director) (appointed 21 January 2022)

Mr Norburn graduated from the University of Birmingham with an honours degree in engineering and has worked for over twenty five years in the resource industry in Australia, the Middle East and Africa. He is also a director of Golden Deeps Ltd.

- (iv) Robert Collins (ceased 16 January 2022)

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. Mr Collins was a Non-Executive Director of Metals Australia Ltd and Golden Deeps Limited. Rob passed away on 16 January 2022.

# SABRE RESOURCES LTD

## DIRECTORS REPORT

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### INFORMATION ON DIRECTORS, CHIEF EXECUTIVE OFFICER AND COMPANY SECRETARY (continued)

#### CHIEF EXECUTIVE OFFICER

The following persons acted as Chief Executive Officer during the financial year:-

- (i) Jon Dugdale FAusIMM

Mr Dugdale is a very well credentialed geologist and brings over 30 years of experience in the resources sector to Sabre Resources, including a strong track record of discovery, promotion and capital raising.

Mr Dugdale spent the first 20+ years of his career with WMC and then MPI Mines and was involved in major discovery programs at the St Ives and Agnew Gold projects in WA and with MPI, the exploration and development of several discoveries made by the MPI exploration team, including Silver Swan nickel deposit in Western Australia and direct involvement in the >1Moz Golden Gift discovery in Western Victoria.

The last 10+ years Mr Dugdale has spent time as a Fund Manager with Lion Selection Group then as Managing Director of several ASX listed companies, directly involved with the promotion and raising of over \$70 million of capital to advance exploration and complete pre-feasibility studies into nickel and gold projects in the Philippines.

#### COMPANY SECRETARY

The following persons acted as Company Secretary during the financial year:-

- (i) Michael Muhling B. Com (Hons), MPA, FCPA, FCG, FGIA (appointed 13 October 2021)

Mr Muhling is a finance and governance professional with twenty years of experience in the resources industry, including 15 years in senior roles with ASX listed companies. He is a Fellow of CPA Australia and a Fellow of The Chartered Governance Institute, and a Fellow of Governance Institute of Australia.

Mr Muhling brings to the Company a wealth of experience in the corporate and resource sectors, both in Australia and overseas.

Mr Muhling is also the Chief Financial Officer of the Company.

- (ii) Martin Stein B. Bus., CA, FCG, FGIA (resigned 13 October 2021)

Mr Stein is a finance and governance professional and has previously held executive positions with PwC and Anvil Mining Ltd. He is a Chartered Accountant, Fellow of Institute of Chartered Secretaries and Administrators and Fellow of Governance Institute of Australia.

Mr Stein was also the Chief Financial Officer of the Company.

#### DIRECTORS INTERESTS IN CONTRACTS

No Director has an interest, whether directly or indirectly, in a contract or proposed contract with the Company, other than by way of contracts for engagement of services in their capacity as a director.

# SABRE RESOURCES LTD

## DIRECTORS REPORT

### REMUNERATION REPORT (AUDITED)

Details of Key Management Personnel (KMP) as at 30 June 2022 were:

Key Management Personnel	Position
M Scivolo	Non-Executive Director
B Conti	Non-Executive Director
M Norburn (appointed 16 January 2022)	Non-Executive Director
J Dugdale	Chief Executive Officer
M Muhling (appointed 13 October 2021)	Company Secretary
R Collins (ceased 16 January 2022)	Non-Executive Director
M Stein (resigned 13 October 2021)	Company Secretary

The directors were all in office for the full year unless otherwise stated.

There are no committees of directors.

### KMP Remuneration

#### 2022

Key Management Personnel	Short-term Benefits		Superannuation	Share-based Payment	Total	Percentage of remuneration paid in Equity
	Director's Fees	Consulting Fees		Options		
				\$		
M Scivolo	12,000	-	1,200	-	13,200	-
B Conti	12,000	-	1,200	-	13,200	-
M Norburn	5,337	-	-	-	5,337	-
R Collins	6,533	-	-	-	6,533	-
J Dugdale <sup>1</sup>	-	-	-	55,369	55,369	100%
M Muhling <sup>1</sup>	-	-	-	29,142	29,142	100%
M Stein <sup>1</sup>	-	-	-	-	-	-
	<b>35,870</b>	<b>-</b>	<b>2,400</b>	<b>84,511</b>	<b>122,781</b>	<b>-</b>

#### 2021

Key Management Personnel	Short-term Benefits		Superannuation	Share-based Payment	Total	Percentage of remuneration paid in Equity
	Director's Fees	Consulting Fees		Options		
				\$		
M Scivolo	12,000	-	1,140	-	13,140	-
B Conti	12,000	-	1,140	-	13,140	-
R Collins	12,000	-	-	-	12,000	-
J Dugdale <sup>1</sup>	-	-	-	-	-	-
M Stein <sup>1</sup>	-	-	-	-	-	-
	<b>36,000</b>	<b>-</b>	<b>2,280</b>	<b>-</b>	<b>38,280</b>	<b>-</b>

# SABRE RESOURCES LTD

## DIRECTORS REPORT

### REMUNERATION REPORT (AUDITED) (continued)

<sup>1</sup> Mr Dugdale, and Mr Muhling/Mr Stein, were appointed as the Company's Chief Executive Officer and Company Secretary, respectively, without:

- Entering into an employment, service or consultancy agreement with Sabre, or a child entity of Sabre; or
- Sabre and Mr Dugdale or Mr Muhling/Mr Stein entering into any other agreement.

The services of Mr Dugdale and Mr Muhling/Mr Stein to Sabre is governed by a Services Agreement between Sabre and Corporate Resource Services Pty Ltd ("CRS"), which provides the services of Mr Dugdale and Mr Muhling/Mr Stein to Sabre.

Mr Dugdale and Mr Muhling/Mr Stein are not being paid by Sabre in their capacity as the Company's Chief Executive Officer or Company Secretary, respectively. The remuneration of Mr Dugdale and Mr Muhling/Mr Stein relating to Sabre is paid by CRS, which in turn on charges the remuneration paid to Mr Dugdale and Mr Muhling/Mr Stein to Sabre at cost without any mark up or profit

The directors fees disclosed above were based on Directors entitlements and includes actual payments and entitlements accrued but not paid. As at 30 June 2022 there was a total amount of \$5,337 (2021: \$3,000) owing to directors for fees.

### Key Management Personnel Options and Rights Holdings

2022	Opening balance 1 July 2021	Additions	Disposals	Closing balance 30 June 2022
<b>Key Management Personnel</b>				
M Scivolo	-	-	-	-
B Conti	-	-	-	-
M Norburn	-	-	-	-
R Collins <sup>1</sup>	-	-	-	-
J Dugdale	-	19,000,000	-	19,000,000
M Muhling	-	10,000,000	-	10,000,000
M Stein	-	-	-	-
	-	29,000,000	-	29,000,000

<sup>1</sup> At date of cessation as a director.

There were no options over ordinary shares held by an KMP as at 30 June 2021.

### KMP Shareholdings

KMP Shareholdings	Balance 1 July 2021	Additions	Disposals	Balance 30 June 2022
M Scivolo	-	-	-	-
B Conti	-	-	-	-
M Norburn	-	160,000	-	160,000
R Collins <sup>1</sup>	-	-	-	-
J Dugdale	-	-	-	-
M Muhling	-	-	-	-
M Stein	-	-	-	-
<b>Total</b>	-	160,000	-	160,000

<sup>1</sup> At date of cessation as a director.

There were no shares held by a KMP as at 30 June 2021.

# SABRE RESOURCES LTD

## DIRECTORS REPORT

### REMUNERATION REPORT (AUDITED) (continued)

#### DIRECTORS FEES

Non-executive Directors receive a fixed fee as remuneration.

No Director has an employment contract.

Terms of employment for Key Management Personnel 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 fees.

Directors received no benefits in the form of share-based payments during the year ended 30 June 2022.

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.

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 2021. The Company did not receive specific feedback at the AGM regarding its remuneration practices.

#### END OF REMUNERATION REPORT

#### ANALYSIS OF MOVEMENT IN SHARES

During the year the Company conducted a capital raisings and also issued shares as consideration for the acquisition of tenements or for services rendered as follows.

	Number	\$
Opening balance 1 July 2021	1,683,063,649	61,443,958
Issued on 29 September 2021 as part consideration for acquisition of mineral properties at \$0.005 per share	6,250,000	31,250
Issued on 13 December 2021 as part consideration for acquisition of mineral properties at \$0.005 per share	3,500,000	17,500
Issued on 13 December 2021 as part consideration for acquisition of Chalco Resources Pty Ltd at \$0.005 per share	35,000,000	175,000
Issued on 4 February 2022 as part consideration for acquisition of Chalco Resources Pty Ltd at \$0.005 per share	307,000,000	1,535,000
Issued on 21 April 2022 at \$0.0065 per share	754,351,205	4,903,283
Deferred consideration on Chalco acquisition	-	470,000
Conversion of options as at 8 June 2022	566,154	3,397
Capital raising costs	-	(266,296)
Closing balance 30 June 2022	2,789,731,008	68,313,092

# SABRE RESOURCES LTD

## DIRECTORS REPORT

### ANALYSIS OF MOVEMENT IN SHARE OPTIONS

During the year the movement in options was as follows.

Class	Balance 1 July 2021	Issued During Year	Exercised or expired during year	Balance 30 June 2022
Exercisable at 1.5 cents each on or before 1 December 2021	125,000,000	-	(125,000,000)	-
Exercisable at 0.8 cents each on or before 30 September 2022	1,450,375,418	6,250,000	-	1,456,625,418
Exercisable at 0.6 cents each on or before 30 April 2024	-	854,351,205	(566,154)	853,785,051
	<b>1,575,375,418</b>	<b>860,601,205</b>	<b>(125,566,154)</b>	<b>2,310,410,469</b>

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 2022, and the number of meetings attended by each Director.

Name	Eligible to attend	Attended
Michael Scivolo	2	2
Robert Collins	2	1
Basil Conti	2	1
Michael Norburn	-	-

The Directors also conducted business via Circular Resolutions.

### RETIREMENT, ELECTION AND CONTINUATION OF OFFICE OF DIRECTORS

Mr Basil Conti retired by rotation as a Director at the Annual General Meeting on 27 January 2022 and was re-elected.

Rob Collins passed away on 16 January 2022.

At the coming Annual General Meeting, Mr Michael Norburn, having been appointed as a director by the directors, will offer himself for re-election.

### 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

During the year to 30 June 2022 the Company acquired 80% of Chalco Resources Pty Ltd. The acquisition agreement included a deferred consideration payment of 125,000,000 SBR fully paid shares to the vendor of Chalco Resources Pty Ltd if any one of three performance milestones were met. Subsequent to the end of the financial year one of those milestones was met and the 125,000,000 SBR fully paid shares are now to be issued to the vendor. The accounts for the year to 30 June 2022 include a provision of \$470,000 for the deferred consideration payment.

# SABRE RESOURCES LTD

## DIRECTORS REPORT

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### EVENTS SUBSEQUENT TO REPORT DATE (continued)

No matters or circumstances have arisen since the end of the financial year 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.

### SHARE OPTIONS

As at the date of this report, there are 1,456,500,418 SBRO options with an exercise price of \$0.008 and an expiry of 30 September 2022, and 853,785,051 SBROB options with an exercise price of \$0.006 and an expiry of 30 April 2024.

### 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 47.

### 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 the Company's auditor, Moore Australia Audit (WA), also provided services in relation to taxation matters. Details of the amounts paid and payable to the auditor of the

# SABRE RESOURCES LTD

## DIRECTORS REPORT

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Company, Moore Australia Audit (WA), for audit and non-audit services provided during the year are set out in Note 6 to the Financial Statements.

### **CORPORATE GOVERNANCE STATEMENT**

The Company is committed to achieving and demonstrating the highest standards of corporate governance. Information about the Company's Corporate Governance policies are set out in the Annual Report.

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 30th day of September 2022

Perth, Western Australia

### **Caution Regarding Forward-Looking Information**

This document contains forward-looking statements concerning Sabre Resources Limited. Forward-looking statements are not statements of historical fact and actual events and results may differ materially from those described in the forward looking statements as a result of a variety of risks, uncertainties and other factors. Forward-looking statements are inherently subject to business, economic, competitive, political and social uncertainties and contingencies. Many factors could cause the Company's actual results to differ materially from those expressed or implied in any forward-looking information provided by the Company, or on behalf of, the Company. Such factors include, among other things, risks relating to additional funding requirements, metal prices, exploration, development and operating risks, competition, production risks, regulatory restrictions, including environmental regulation and liability and potential title disputes.

Forward looking statements in this document are based on the company's beliefs, opinions and estimates of Sabre Resources Limited as of the dates the forward looking statements are made, and no obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.

### **Competent Person Statement**

The information in this report that relates to exploration results has been reviewed, compiled and fairly represented by Mr Jonathon Dugdale. Mr Dugdale is the Chief Executive Officer of Sabre Resources Limited and a Fellow of the Australian Institute of Mining and Metallurgy ('FAuslMM'). Mr Dugdale has sufficient experience, including over 34 years' experience in exploration, resource evaluation, mine geology and finance, relevant to the style of mineralisation and type of deposits under consideration to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee ('JORC') Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves. Mr Dugdale consents to the inclusion in this report of the matters based on this information in the form and context in which it appears.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

# SABRE RESOURCES LTD

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME FOR YEAR ENDED 30 JUNE 2022

	Notes	Consolidated 2022 \$	2021 \$
<b>Other Income</b>	5	2,095	13,082
<b>Expenditure</b>			
Depreciation	10	(13,766)	(3,053)
Employee benefit expense		(42,583)	(68,494)
Professional fees		(230,482)	(191,431)
ASX listing fees		(64,820)	(39,615)
Provision for doubtful debts		-	(8,401)
Exploration and evaluation expenditure written off	11	(8,632,072)	(2,892,675)
Share Based Payments		(291,415)	-
Management Fees		(288,000)	(183,832)
Loss on sale of subsidiary company	27	-	(735,714)
Other operating costs		(74,237)	(69,860)
		<b>(9,637,375)</b>	<b>(4,193,075)</b>
<b>(Loss) before income tax</b>		<b>(9,635,280)</b>	<b>(4,179,993)</b>
Income tax benefit	4	-	-
<b>(Loss) for the year</b>		<b>(9,635,280)</b>	<b>(4,179,993)</b>
<b>Other Comprehensive Income (Loss), net of tax</b>			
<i>Items that may be subsequently transferred to profit or loss:</i>			
Exchange differences on translating foreign controlled entities		(219,830)	180,032
<b>Total Comprehensive (Loss) for the year</b>		<b>(9,855,110)</b>	<b>(3,999,961)</b>
<b>(Loss) for the year attributable to:</b>			
Owners of the parent		(7,819,377)	(4,168,499)
Non-controlling interest		(1,815,903)	(11,494)
<b>Total (Loss) for the year, net after tax</b>		<b>(9,635,280)</b>	<b>(4,179,993)</b>
<b>Total Comprehensive (loss) for the year attributable to:</b>			
Owners of the parent		(7,973,258)	(4,393,264)
Non-controlling interest		(1,881,852)	393,303
<b>Total Comprehensive (loss) for the year</b>		<b>(9,855,110)</b>	<b>(3,999,961)</b>
Basic and diluted loss per share (cents)	18	(0.40)	(0.28)

The accompanying notes form part of these financial statements

# SABRE RESOURCES LTD

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2022

	Notes	Consolidated	
		2022 \$	2021 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	8	8,275,709	5,012,740
Trade and other receivables	9	52,131	42,835
<b>TOTAL CURRENT ASSETS</b>		<b>8,327,840</b>	<b>5,055,575</b>
<b>NON-CURRENT ASSETS</b>			
Plant and equipment	10	48,509	64,413
Exploration and evaluation expenditure	11	3,951,410	9,326,923
<b>TOTAL NON-CURRENT ASSETS</b>		<b>3,999,919</b>	<b>9,391,336</b>
<b>TOTAL ASSETS</b>		<b>12,327,759</b>	<b>14,446,911</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	12	117,465	123,532
Provisions		5,297	6,055
<b>TOTAL CURRENT LIABILITIES</b>		<b>122,762</b>	<b>129,587</b>
<b>TOTAL LIABILITIES</b>		<b>122,762</b>	<b>129,587</b>
<b>NET ASSETS</b>		<b>12,204,997</b>	<b>14,317,324</b>
<b>EQUITY</b>			
Issued capital	13	68,313,092	61,443,958
Foreign currency translation reserve	16	(2,858,260)	(2,704,379)
Share options reserve	14	448,494	167,579
Accumulated losses	15	(51,336,123)	(43,529,246)
Parent interests		14,567,203	15,377,912
Non-controlling interest		(2,362,206)	(1,060,588)
<b>TOTAL EQUITY</b>		<b>12,204,997</b>	<b>14,317,324</b>

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 2022

	Ordinary Issued Capital	Foreign Currency Translation Reserve	Share Options Reserve	(Accumulated Losses)	Total attributable to owners of parent	Non- controlling Interest	Total
	\$	\$	\$	\$	\$	\$	\$
<b>BALANCE AT 1 JULY 2020</b>	<b>55,878,006</b>	<b>(2,835,870)</b>	<b>68,500</b>	<b>(39,360,747)</b>	<b>13,749,889</b>	<b>(2,288,324)</b>	<b>11,461,565</b>
Loss for the year	-	-	-	(4,168,499)	(4,168,499)	(11,494)	(4,179,993)
Total other comprehensive gain (loss) for the period	-	(224,765)	-	-	(224,765)	404,797	180,032
Issue of capital	6,069,603	-	-	-	6,069,603	-	6,069,603
Capital raising costs	(503,651)	-	-	-	(503,651)	-	(503,651)
Disposal of investment in subsidiary companies	-	356,256	-	-	1,169,291	834,433	2,003,724
Issue of options	-	-	99,079	-	99,079	-	99,079
<b>BALANCE AT 30 JUNE 2021</b>	<b>61,443,958</b>	<b>(2,704,379)</b>	<b>167,579</b>	<b>(43,529,246)</b>	<b>15,377,912</b>	<b>(1,060,588)</b>	<b>14,317,324</b>
	\$	\$	\$	\$	\$	\$	\$
<b>BALANCE AT 1 JULY 2021</b>	<b>61,443,958</b>	<b>(2,704,379)</b>	<b>167,579</b>	<b>(43,529,246)</b>	<b>15,377,912</b>	<b>(1,060,588)</b>	<b>14,317,324</b>
Loss for the year	-	-	-	(7,819,377)	(7,819,377)	(1,815,903)	(9,635,280)
Total other comprehensive gain (loss) for the period	-	(153,881)	-	-	(153,881)	(65,949)	(219,830)
Issue of capital	7,135,430	-	-	-	7,135,430	580,234	7,715,664
Capital raising costs	(266,296)	-	-	-	(266,296)	-	(266,296)
Issue of options	-	-	293,415	-	293,415	-	293,415
Expiration of options	-	-	(12,500)	12,500	-	-	-
<b>BALANCE AT 30 JUNE 2022</b>	<b>68,313,092</b>	<b>(2,858,260)</b>	<b>448,494</b>	<b>(51,336,123)</b>	<b>14,567,203</b>	<b>(2,362,206)</b>	<b>12,204,997</b>

The accompanying notes form part of these financial statements

# SABRE RESOURCES LTD

## CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2022

	Note	Consolidated	
		2022	2021
		\$	\$
<b>Cash Flows from Operating Activities</b>			
Receipts from customers		724	34,351
Payments to suppliers and employees		(714,105)	(1,045,029)
Interest received		1,371	1,270
<i>Net cash (used in) operating activities</i>	17	<u>(712,010)</u>	<u>(1,009,408)</u>
<b>Cash Flows from Investing Activities</b>			
Payments for exploration and evaluation expenditure		(716,155)	(238,267)
Payments for plant and equipment		-	(55,136)
Proceeds from sale of subsidiary company		-	201,576
<i>Net cash (used in) investing activities</i>		<u>(716,155)</u>	<u>(91,827)</u>
<b>Cash Flows from Financing Activities</b>			
Proceeds from capital raising		4,957,430	6,168,681
Payments for cost of capital raising		<u>(266,296)</u>	<u>(503,051)</u>
<i>Net cash provided by financing activities</i>		4,691,134	5,665,030
<b>Net increase/(decrease) in Cash and Cash Equivalents</b>		<b>3,262,969</b>	<b>4,563,795</b>
Cash and Cash Equivalents at the Beginning of the Year		5,012,740	448,945
<b>Cash and Cash Equivalents at the End of Year</b>		<b>8,275,709</b>	<b>5,012,740</b>

The accompanying notes form part of these financial statements

**SABRE RESOURCES LTD**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022**

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**1. Corporate Information**

The financial report of Sabre Resources Ltd (the Company) for the year ended 30 June 2022 was authorised for issue in accordance with a resolution of the directors on 30 September 2022.

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

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 are based on a historical costs.

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

The financial report is presented in Australian Dollars.

**(b) New or amended Accounting Standards and Interpretations adopted**

**New or amended Accounting Standards and Interpretations adopted**

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period and have had no material impact.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted, however the impact is not expected to be material.

**(c) Basis of consolidation**

The Group financial statements consolidate those of the Parent Company and all of its subsidiaries as of 30 June 2022. 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.

## **2. Summary of Significant Accounting Policies (continued)**

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 acquiree, 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.

### **(d) Foreign currency translation**

The functional and presentation currency of Sabre Resources Ltd, Link National Pty Ltd, Sherlock Operations Pty Ltd, Hammond Park Pty Ltd, Power Metals Pty Ltd and Scarce Minerals Pty Ltd is Australian Dollars (A\$), and the functional and presentation of Sabre Resources Namibia (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.

## **2. Summary of Significant Accounting Policies (continued)**

### **(e) 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.

### **(f) 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 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.

## **2. Summary of Significant Accounting Policies (continued)**

### **(g) Exploration and Evaluation Expenditure**

Exploration and evaluation expenditure in relation to separate areas of interest for which rights of tenure are current is carried forward as an asset in the statement of financial position where it is expected that the expenditure will be recovered through the successful development and exploitation of an area of interest, or by its sale; or exploration activities are continuing in an area and activities have not reached a stage which permits a reasonable estimate of the existence or otherwise of economically recoverable reserves.

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. The recoverable amount of the exploration and evaluation asset is estimated to determine the extent of the impairment loss (if any).

In the event that an area of interest is abandoned or if the Directors consider the expenditure to be of reduced value, accumulated costs carried forward are written off in the year in which that assessment is made. 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.

### **(h) Trade and other receivables**

Trade receivables are initially recognised at transaction price and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The consolidated entity has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

### **(i) 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.

### **(j) 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.

## **2. Summary of Significant Accounting Policies (continued)**

### **(j) Provisions (continued)**

Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

### **(k) Share-based payment transactions**

#### *(i) Equity settled transactions:*

In the year under review, the Group provided benefits to management personnel and consultants of the Group in the form of share-based payments whereby personnel render services in exchange for shares.

The cost of these equity settled transactions are 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.

### **(l) 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) 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.

### **(m) Income tax**

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or

**2. Summary of Significant Accounting Policies (continued)**

**(m) Income tax (continued)**

- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

**(n) 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.

**(o) 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.

**(p) 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.

## **2. Summary of Significant Accounting Policies (continued)**

### **(q) 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.

### **(r) Comparatives**

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

### **(s) Current and non-current classification**

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

### **(u) Operating Segments**

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

**SABRE RESOURCES LTD**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022**

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**3. Significant Accounting Judgments, Estimates and Assumptions**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Significant judgments, estimates and assumptions made by management in the preparation of these financial statements are outlined below:

(i) *Significant accounting judgments include:*

(a) Exploration expenditure

The Group determines whether exploration and evaluation expenditure is impaired on at least an annual basis based on historical information and best available current information. The application of this policy necessarily requires management to make certain estimates and assumptions as to future events and circumstances. Any such estimates and assumptions may change as new information becomes available. If, after having capitalised expenditure under this policy, it is concluded that the consolidated entity is unlikely to recover the expenditure by future exploitation or sale, then the relevant capitalised amount will be written off to profit and loss.

(b) Share Based Payments

The consolidated entity measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. 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 profit or loss and equity.

**SABRE RESOURCES LTD**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022**

**4. Income Tax**

	Consolidated	
	2022	2021
	\$	\$
<b>a. The components of tax expense comprise:</b>		
Current income tax	-	-
Deferred income tax	-	-
	-	-
<b>b. The prima facie tax benefit on loss from ordinary activities before income tax as follows:</b>		
Prima facie tax benefit on loss from ordinary activities before income tax at 30% (2021: 30%) from ordinary operations:	(2,890,584)	(1,253,998)
Add/(less) tax effect of:		
- Other non-allowable items	2,575,502	1,089,307
- Revenue losses not recognised	360,155	-
- Other deferred tax balances not recognised	75,987	167,564
- Tax effect and overseas tax rate	(121,060)	2,873
Income tax expense/(benefit) reported in the consolidated statement of profit or loss and other comprehensive income from ordinary operations.	-	-
<b>c. Recognised deferred tax assets at 30% (2021:26%)<sup>1</sup></b>		
Exploration	(212,158)	(168,368)
	(212,158)	(168,368)
<b>Recognised deferred tax assets at 30% (2021:26%)<sup>1</sup></b>		
Carry forward revenue losses	212,158	168,368
<b>Net deferred tax</b>	-	-
<b>d. Unrecognised deferred tax assets at 30% (2021:30%)<sup>1</sup></b>		
Carry forward revenue losses	5,312,499	4,833,669
Carry forward capital losses	3,400,579	3,400,579
Other temporary differences	222,377	3,057,661
	<b>8,935,455</b>	<b>11,291,909</b>

The tax benefits of the above Deferred tax assets will only be obtained if:

- (i) The company derive future assessable income of a nature and of an amount sufficient to enable the benefits to be realised;
- (ii) The company continues to comply with the conditions for deductibility imposed by the Law; and
- (iii) No changes in tax legislation adversely affect the company in utilising the benefits.

**Note 1** - the corporate tax rate for eligible companies will reduce from 30% to 25% by 30 June 2022 providing certain turnover thresholds and other criteria are met. Deferred tax assets and liabilities are required to be measured at the tax rate that is expected to apply in the future income year when the asset is realised or the liability is settled. The Directors have determined that the deferred tax balances be measured at the tax rates stated.

**SABRE RESOURCES LTD**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022**

**5. Other income**

	<b>Consolidated</b>	
	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Interest earned	1,371	776
Other income	724	-
ATO cash flow boost	-	12,306
	<b>2,095</b>	<b>13,082</b>

**6. Auditor's Remuneration**

	<b>Consolidated</b>	
	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Remuneration of the auditor of the parent entity, Moore Australia Audit (WA)		
- auditing or reviewing the financial report	22,000	-
- taxation services provided by a related practice of the auditor	4,376	-
Remuneration of the auditor of the parent entity, Crowe Perth		
- auditing or reviewing the financial report	-	16,900
- taxation services provided by a related practice of the auditor	-	3,735
Remuneration of other auditors of subsidiaries for:		
- auditing or reviewing the financial reports of subsidiaries	-	11,898
	<b>26,376</b>	<b>32,533</b>

**7. Remuneration 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 2022.

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

	<b>Consolidated</b>	
	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Short-term employee benefits	35,870	36,000
Superannuation	2,400	2,280
Share Based Payments	84,511	-
	<b>122,781</b>	<b>38,280</b>

Mr Dugdale and Mr Muhling/Mr Stein were appointed as the Company's Chief Executive Officer and Company Secretary respectively without:

- Entering into an employment, service or consultancy agreement with Sabre, or a child entity of Sabre; or
- Sabre and Mr Dugdale or Mr Muhling/Mr Stein entering into any other agreement.

The services of Mr Dugdale and Mr Muhling/Mr Stein to Sabre is governed by a Services Agreement between Sabre and Corporate Resource Services Pty Ltd ("CRS"), which provides the services of Mr Dugdale and Mr Muhling/Mr Stein to Sabre.

**SABRE RESOURCES LTD**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022**

**7. Remuneration of Key Management Personnel (KMP) (continued)**

Remuneration of Key Management Personnel (KMP)

Mr Dugdale and Mr Muhling/Mr Stein are not being paid by Sabre in their capacity as the Company's Chief Executive Officer or Company Secretary, respectively. The remuneration of Mr Dugdale and Mr Muhling/Mr Stein relating to Sabre is paid by CRS, which in turn on charges the remuneration paid to Mr Dugdale and Mr Muhling/Mr Stein to Sabre at cost without any mark up or profit.

**8. Cash and Cash Equivalents**

	<b>Consolidated</b>	
	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Cash at Bank	8,275,709	5,012,740
	<b><u>8,275,709</u></b>	<b><u>5,012,740</u></b>

**9. Trade and Other Receivables**

	<b>Consolidated</b>	
	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
<b>Current</b>		
GST receivable	19,862	14,853
Other receivables	32,269	27,982
	<b><u>52,131</u></b>	<b><u>42,835</u></b>

**10. Plant and Equipment**

	<b>Consolidated</b>	
	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Plant and Equipment, at cost	122,931	127,026
Less: accumulated depreciation	(74,042)	(62,613)
	<b><u>48,509</u></b>	<b><u>64,413</u></b>
Opening written down value	64,413	9,861
Additions	-	57,605
Foreign exchange movements	(2,138)	-
Depreciation	(13,766)	(3,053)
<b>Closing written down value</b>	<b><u>48,509</u></b>	<b><u>64,413</u></b>

**11. Exploration and Evaluation Expenditure**

	<b>Consolidated</b>	
	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Opening balance	9,326,923	11,451,783
Expenditure for year (including foreign currency exchange)	234,410	767,815
Acquisition of exploration and evaluation projects	120,980	-
Acquisition of Chalco Resources Pty Ltd <sup>1</sup>	2,901,169	-
Exploration and evaluation expenditure written off <sup>2</sup>	(8,632,072)	(2,892,675)
	<b><u>3,951,410</u></b>	<b><u>9,326,923</u></b>

<sup>1</sup> See Note 28.

<sup>2</sup> The tenement EPL 3542 in Namibia was not renewed during the 2022 financial year and consequently the carrying value of costs against this tenement were written off.

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**SABRE RESOURCES LTD**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022**

**12. Trade and other Payables**

	<b>Consolidated</b>	
	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
<b>Current</b>		
Trade payables	96,778	99,919
Accrued liabilities and other payables	20,687	23,613
	<b>117,465</b>	<b>123,532</b>

**13. Issued Capital**

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

<b>Date</b>	<b>Details</b>	<b>Number of Shares</b>	<b>Issue Price</b>	<b>Amount \$</b>
<b>30 June 2020</b>		<b>857,717,007</b>		<b>55,878,006</b>
21 July 2020	Shares issued	180,929,251	\$0.0025	452,323
28 July 2020	Shares issued	212,000,000	\$0.00304	644,480
1 December 2020	Shares issued	417,391,304	\$0.0115	4,800,000
4 December 2020	Shares issued	15,026,087	\$0.0115	172,800
	Capital raising costs	-		(503,651)
<b>30 June 2021</b>		<b>1,683,063,649</b>		<b>61,443,958</b>
29 September 2021	Shares issued	6,250,000	\$0.005	31,250
13 December 2021	Shares issued	3,500,000	\$0.005	17,500
13 December 2021	Shares issued	35,000,000	\$0.005	175,000
4 February 2022	Shares issued	307,000,000	\$0.005	2,005,000
4 February 2022	Deferred consideration on Chalco acquisition	-	-	470,000
21 April 2022	Shares issued	754,351,205	\$0.0065	4,903,283
8 June 2022	Options exercised	566,154	\$0.006	3,397
	Capital raising costs	-		(266,296)
<b>30 June 2022</b>		<b>2,789,731,008</b>		<b>68,313,092</b>

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.

**SABRE RESOURCES LTD**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022**

**13. Issued Capital (continued)**

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 \$
<b>30 June 2020</b>	<b>Balance</b>	<b>721,493,401</b>	<b>68,500</b>
28 July 2020	Issue of free attaching options to placements	196,464,626	-
14 August 2020	Issue of options to consultants	100,000,000	2,000
29 October 2020	Issue of options to consultants	100,000,000	2,000
29 October 2020	Issue of options in part consideration for broker services	25,000,000	50,000
1 December 2020	Issue of free attaching options to placements	417,391,304	-
4 December 2020	Issue of options in part consideration for broker services	15,026,087	45,079
<b>30 June 2021</b>	<b>Balance</b>	<b>1,575,375,418</b>	<b>167,579</b>
29 September 2021	Issue of options to vendor for tenement acquisition	6,250,000	-
1 December 2021	Expiry of options	(125,000,000)	(12,500)
26 April 2022	Issue of free attaching options to placements	754,351,205	-
26 April 2022	Issue of options to consultants	100,000,000	293,415
8 June 2022	Exercise of options	(566,154)	-
<b>30 June 2022</b>	<b>Balance</b>	<b>2,310,410,469</b>	<b>448,494</b>

**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:

	2022 Number	2022 WAEP (cents)	2021 Number	2021 WAEP (cents)
Outstanding at beginning of year	1,575,375,418	0.9	721,493,401	0.9
Granted during the year	860,601,205	0.6	853,882,017	0.8
Expired during year	(125,000,000)	1.5	-	-
Exercised during the year	(566,154)	0.6	-	-
<b>Outstanding at the end of the year</b>	<b>2,310,410,469</b>	<b>0.7</b>	<b>1,575,375,418</b>	<b>0.9</b>

As at year-end, there were two classes of options on issue as follows:

- 1,456,625,418 listed options exercisable at 0.8 cents per option at any time up to their expiry date of 30 September 2022.
- 853,785,051 list options exercisable at 0.6 cents per option at any time up to their expiry date of 30 April 2024.

The remaining weighted average contractual life of options outstanding at year end was 0.837 years.

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# SABRE RESOURCES LTD

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

### 15. Accumulated Losses

	Consolidated	
	2022	2021
	\$	\$
Accumulated losses at the beginning of the year	(43,529,246)	(39,360,747)
Loss for year	(7,819,377)	(4,168,499)
Expiration of share options	12,500	-
<b>Accumulated losses at the end of the financial year</b>	<b>(51,336,123)</b>	<b>(43,529,246)</b>

### 16. Foreign currency translation reserve

Foreign currency translation reserve at the beginning of the year	(2,704,379)	(2,835,870)
Currency translation differences arising during the year	(153,881)	(224,765)
Disposal of investment in subsidiary companies	-	356,256
<b>Foreign currency translation reserve at the end of the financial year</b>	<b>(2,858,260)</b>	<b>(2,704,379)</b>

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	
	Note	2022	2021
		\$	\$
Operating profit/(loss) after income tax:		(7,819,377)	(4,168,499)
<b>Non-cash flows in loss:</b>			
Depreciation	10	13,766	3,053
Foreign exchange movements		2,138	(108,232)
Loss on sale of subsidiary company		-	735,714
Provision for doubtful debts		-	8,401
Exploration and evaluation expenditure written off		8,632,072	2,892,675
Share Based Payments		291,415	-
Non-controlling interest		(1,815,903)	11,494
<b>Changes in assets and liabilities:</b>			
(Increase)/decrease in receivables		(9,296)	4,433
Increase/(decrease) in trade and other payables		(6,067)	(366,762)
Increase/(decrease) in provisions		(758)	(21,685)
<b>Net cash flows (used in) operating activities</b>		<b>(712,010)</b>	<b>(1,009,408)</b>

### 18. Earnings per share

	2022	2022
	Number	Number
Weighted average number of shares on issue during the financial year used in the calculation of basic earnings per share	1,976,250,059	11,473,822,907

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

Profit (loss) per share – cents	(0.40)	(0.28)
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**SABRE RESOURCES LTD**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022**

**18. Earnings per share (continued)**

Potential ordinary shares have not been included in the diluted earnings per share calculation as they would be anti-dilutive.

**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:

Consolidated Group	Floating Interest Rate		Non-Interest Bearing		Total	
	2022	2021	2022	2021	2022	2021
	\$	\$	\$	\$	\$	\$
<b>Financial Assets:</b>						
Cash and cash equivalents	8,275,709	5,012,740	-	-	8,275,709	5,012,740
Trade and other receivables	-	-	52,131	42,835	52,131	42,835
<b>Total Financial Assets</b>	<b>8,275,709</b>	<b>5,012,740</b>	<b>52,131</b>	<b>42,835</b>	<b>8,327,840</b>	<b>5,055,575</b>
<b>Financial Liabilities:</b>						
Trade and other payables	-	-	(117,465)	(123,532)	(117,465)	(123,532)
Provisions	-	-	(5,297)	(6,055)	(5,297)	(6,055)
<b>Total Financial Liabilities</b>	<b>-</b>	<b>-</b>	<b>(122,762)</b>	<b>(129,587)</b>	<b>(122,762)</b>	<b>(129,587)</b>
<b>Net Financial Assets</b>	<b>8,275,709</b>	<b>5,012,740</b>	<b>(70,631)</b>	<b>(86,752)</b>	<b>8,205,078</b>	<b>(4,925,988)</b>

(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) Financial Risk Management

The Group's financial instruments consist mainly of deposits with recognised banks, accounts receivable and accounts payable. 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 higher interest accounts. 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.

**SABRE RESOURCES LTD**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022**

**19. Financial Instruments (continued)**

(d) 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.

Consolidated Group	Within 1 year		1 to 5 years		Total	
	2022	2021	2022	2021	2022	2021
	\$	\$	\$	\$	\$	\$
<b>Financial Liabilities – Due for Payment</b>						
Trade and other payables	(117,465)	(123,532)	-	-	(117,465)	(123,532)
Provisions	(5,297)	(6,055)	-	-	(5,2987)	(6,055)
<b>Total Expected Outflows</b>	<b>(122,762)</b>	<b>(129,587)</b>	<b>-</b>	<b>-</b>	<b>(122,762)</b>	<b>(129,587)</b>
<b>Financial Assets – Cash Flows Realisable</b>						
Cash and cash equivalents	8,275,709	5,012,740	-	-	8,275,709	5,012,740
Trade and other receivables	52,131	42,835	-	-	52,131	42,835
<b>Total anticipated inflows</b>	<b>8,327,840</b>	<b>5,055,575</b>	<b>-</b>	<b>-</b>	<b>8,327,840</b>	<b>5,055,575</b>
<b>Net (outflow) / inflow on financial instruments</b>	<b>8,205,078</b>	<b>4,925,988</b>	<b>-</b>	<b>-</b>	<b>8,205,078</b>	<b>4,925,988</b>

(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 2022, 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:

**SABRE RESOURCES LTD**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022**

**19. Financial Instruments (continued)**

	Consolidated	
	2022 \$	2021 \$
Change in profit:		
- Increase in interest rate by 2%	165,514	100,255
- Decrease in interest rate by 2%	(165,514)	(100,255)
Change in Equity		
- Increase in interest rate by 2%	165,514	100,255
- Decrease in interest rate by 2%	(165,514)	(100,255)

*Foreign Currency Risk Sensitivity Analysis*

There is minimal foreign currency risk as insignificant balances of foreign currency are held.

**20. Investment in controlled entities**

Name of Entity	Country of Incorporat -ion	Class of Shares	Equity Holding %		Book Value of Investment		Contribution to Consolidated Result	
			2022	2021	2022	2021	2022	2021
			%	%	\$	\$	\$	\$
Link National Pty Ltd	Australia	Ordinary	100	100	-	-	-	-
Sabre Resources Namibia (Pty) Ltd	Namibia	Ordinary	70	70	-	-	(6,053,011)	(38,307)
Sherlock Operations Pty Ltd	Australia	Ordinary	100	100	180,000	180,000	-	-
Hammond Park Pty Ltd	Australia	Ordinary	70	70	179,970	179,970	-	-
Kinetic Metals Pty Ltd	Australia	Ordinary	100	100	43,444	43,444	-	-
Scarce Minerals Pty Ltd	Australia	Ordinary	100	100	18,000	18,000	-	-
Power Metals Pty Ltd	Australia	Ordinary	100	100	66,000	66,000	-	-
Chalco Resources Pty Ltd	Australia	Ordinary	80	-	2,346,325	-	-	-

The non-controlling interests in Sabre Resources Namibia (Pty) Ltd and Chalco Resources Pty Ltd are not material to the Group.

**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 2022		Year ended 30 June 2021	
			Transactions	Balance	Transactions	Balance
Corporate Resource Services Pty Ltd	Management Services	Management Fees	(288,000)	(82,130)	(183,832)	(24,000)
Poldor Pty Ltd	Director Related Entity	Payment of director fees	(5,337)	(5,337)	-	-
Profit & Resources Management Pty Ltd	Director Related Entity	Payment of director fees	(6,533)	-	(12,000)	(3,000)

All transactions with Directors are disclosed in Note 7.

**SABRE RESOURCES LTD**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022**

**22. Operating Segments**

**Identification of reportable segments**

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (Chief Operating decision makers) in assessing performance and determining the allocation of resources. As the Group is focused on mineral exploration, the Board monitors the Group based on actual versus budgeted exploration expenditure incurred by area of interest. The internal reporting framework is the most relevant to assist the Board with making decisions regarding the Group and its ongoing exploration activities, while also taking into consideration the results of exploration work that has been performed to date.

The Company is managed on the basis of area of interest. Operating segments are therefore determined on the same basis.

**Segments**

The two reportable segments are as follows:

- (i) Australian Projects
- (ii) Namibian Projects

**Basis of Accounting for purposes of reporting by operating segments**

*Accounting Policies Adopted*

All amounts reported to the Board of Directors as the chief decision maker with respect to operating segments are determined in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the Group.

There are no inter-segment transactions. Segment assets are clearly identifiable on the basis of their nature. Segment liabilities include trade and other.

<b>Segment Performance – June 2022</b>	<b>Namibia</b>	<b>Australia</b>	<b>Total</b>
<b>Revenue</b>			
Other income	724	1,371	2,095
Total Group revenue	724	1,371	2,095
<b>Segment profit/(loss)</b>			
Management Fees	-	(288,000)	(288,000)
Corporate overheads	(41,249)	(676,054)	(717,303)
Exploration and evaluation expenditure written off	(8,632,072)	-	(8,632,072)
<b>Total Group profit/(loss)</b>	(8,672,597)	(962,683)	(9,635,280)
<b>Segment assets</b>	213,123	12,114,636	12,327,759
<b>Segment liabilities</b>	(11,701)	(111,061)	(122,762)

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**SABRE RESOURCES LTD**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022**

**22. Operating Segments (continued)**

Segment Performance – June 2021	Namibia	Australia	Total
<b>Revenue</b>			
From external sources	-	12,306	12,306
Interest revenue	65	711	776
Total Group revenue	65	13,017	13,082
<b>Segment profit/(loss)</b>			
Management Fees	-	(183,832)	(183,832)
Corporate overheads	(38,307)	(342,547)	(380,854)
Loss on sale of subsidiary company	(735,714)	-	(735,714)
Exploration and evaluation expenditure written off	(2,892,675)	-	(2,892,675)
<b>Total Group profit/(loss)</b>	<b>(3,666,631)</b>	<b>(513,362)</b>	<b>(4,179,993)</b>
<b>Segment assets</b>	<b>8,905,811</b>	<b>5,541,100</b>	<b>14,446,911</b>
<b>Segment liabilities</b>	<b>(12,153)</b>	<b>(117,434)</b>	<b>(129,587)</b>

**23. Commitments**

(i) **Mining Tenements**

The Company has a formal exploration commitment of \$100,000 per annum on its Sherlock Bay mining tenement, however, the Company has been granted an exemption from this by the Western Australian Department of Mines, Industry Regulation and Safety. The exemption is granted up to 22 September 2024.

The Company's exploration tenements in Western Australia and the Northern Territory have formal exploration commitments (excluding Sherlock Bay) of \$213,500 per year, or \$1,067,500 over five years. However expenditure commitments may increase over time, per area, but the Company is expected to reduce its tenement size over time. These factors make the five year commitment uncertain.

The Company's exploration commitments include Nepean South (E15/1702), which has an annual commitment of \$20,000. However, to earn-in an 80% interest in this tenement the Company must spend \$200,000 within five years of signing the agreement (signed 10 December 2021), and an additional \$70,000 to the vendor before a contributing joint venture is formed.

(ii) **Services Agreement**

The Company has an agreement with a service company for the provision of services at \$288,000 (excluding GST) per annum plus CPI. Charges are at commercial terms in accordance with the agreement entered into on 11 May 2021 for a period of five years, within renewable one year periods at the cessation of the initial five year term.

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**SABRE RESOURCES LTD**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022**

**24. Parent Entity Information**

The following details information related to the parent entity, Sabre Resources Ltd, at 30 June 2022. The information presented here has been prepared using consistent accounting policies as shown in note 2.

	Parent Entity	
	2022	2021
	\$	\$
<b>ASSETS</b>		
Current assets	8,206,619	4,958,951
Non-current assets	3,771,669	3,936,647
<b>TOTAL ASSETS</b>	<b>11,978,288</b>	<b>8,895,598</b>
<b>LIABILITIES</b>		
Current liabilities	(111,061)	(117,434)
<b>TOTAL LIABILITIES</b>	<b>(111,061)</b>	<b>(117,434)</b>
<b>EQUITY</b>		
Issued capital	68,313,092	61,443,958
Share option reserve	448,494	167,579
Accumulated losses	(56,894,359)	(52,833,373)
<b>TOTAL EQUITY</b>	<b>11,867,227</b>	<b>8,778,164</b>
<b>FINANCIAL PERFORMANCE</b>		
(Loss) for the year	(4,073,486)	(6,451,637)
<b>TOTAL COMPREHENSIVE (LOSS)</b>	<b>(4,073,486)</b>	<b>(6,451,637)</b>

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**

There were no contingent liabilities as at 30 June 2022.

**26. Subsequent Events**

During the year to 30 June 2022 the Company acquired 80% of Chalco Resources Pty Ltd. The acquisition agreement included a deferred consideration payment of 125,000,000 SBR fully paid shares to the vendor of Chalco Resources Pty Ltd if any one of three performance milestones were met. Subsequent to the end of the financial year one of those milestones was met and the 125,000,000 SBR fully paid shares are now to be issued to the vendor. The accounts for the year to 30 June 2022 valued the deferred consideration payment at \$470,000.

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.

**SABRE RESOURCES LTD**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022**

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**27. Disposal of Subsidiary Company**

*Description*

On 25 February 2021 the consolidated entity sold Starloop Holdings Pty Ltd, a subsidiary of Sabre Resources Limited, which was also the holder of 80% of the issued capital in Gazania Investments Nine (Pty) Ltd ("Gazania"). The sale was for cash consideration of CAD\$200,000 payable at the date of settlement, as well as a further CAD\$100,000 payable upon Namibian Exclusive Prospecting License 3540 being successfully extended to Gazania by the Namibian Ministry of Mines and Energy.

*Net assets disposed of:*

	<b>2021</b>
	<b>\$</b>
Loans payable	(253,398)
Non-controlling interests	834,432
Foreign currency translation reserve	356,256
	937,290
Cash consideration for disposal	201,576
Loss on disposal of subsidiary	(735,714)

**28. Acquisition of Chalco Resources Pty Ltd**

*Description*

During the year the Company acquired an 80% interest in Chalco Resources Pty Ltd, a company holding tenement assets in Western Australia and the Northern Territory. The transaction has been treated as an asset acquisition.

	<b>2022</b>
	<b>\$</b>
Total consideration	2,320,935
Exploration and evaluation assets acquired	2,901,169
Outside equity interest	(580,234)
	2,320,935

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**SABRE RESOURCES LTD**  
**DIRECTORS DECLARATION**

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

- (a) the financial statements and notes set out on pages 21 to 45, and the Remuneration disclosures that are contained in pages 15 to 17 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 2022 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 15 to 17 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 2022.

Signed in accordance with a resolution of the Directors:



Michael Scivolo  
DIRECTOR

Dated 30th day of September 2022  
Perth, Western Australia

**AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION  
307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS  
OF SABRE RESOURCES LIMITED**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2022, there have been:

- a) no contraventions of the auditor independence requirements as set out in 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.



NEIL PACE  
PARTNER



MOORE AUSTRALIA AUDIT (WA)  
CHARTERED ACCOUNTANTS

Signed at Perth this 30<sup>th</sup> day of September 2022.

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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 2022, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is 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 2022 and of its financial performance for the year then ended; and
- ii. 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Independence**

We are independent of the Group in accordance with the auditor independence requirements of 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 (including Independence Standards)* (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.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

**Key Audit Matters**

We have determined the matters described below to be the key audit matters to be communicated in our report.

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

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**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF SABRE RESOURCES LIMITED (CONTINUED)**

**Key Audit Matters (continued)**

**Carrying value of Exploration & Evaluation Expenditure**

**Refer to Note 11 Exploration & Evaluation Expenditure**

As at 30 June 2022 the Group had capitalised exploration and evaluation expenditure of \$3,951,410.

The ability to recognise and to continue to defer exploration and evaluation assets under AASB 6 is impacted by the Group's ability, and intention, to continue to explore and evaluate the tenements or its ability to realise this value through development or sale.

The carrying values of the capitalised exploration and evaluation assets were key audit matters given the significance of the exploration activities to the Group's balance sheet, and the judgement involved in the assessment of their values.

Our procedures included, amongst others the following:

- Assessing the methodologies used by management to estimate recoverable amounts of the exploration and evaluation assets, including testing the integrity of the information provided, and assessing the appropriateness of the key assumptions adopted based on our knowledge of the exploration assets and industry.
- Reviewing minutes of Board meetings, ASX announcements, the latest professional and other reports for evidence of any impairment indicators or material adverse changes in relation to the exploration assets.
- Testing expenditures and other additions to the exploration and evaluation assets during the year on a sample basis against supporting documentation such as supplier invoices and cost agreements and ensuring such expenditures and additions are appropriately recorded in accordance with applicable accounting standards.
- Reviewing the Group's rights to tenure to its areas of interest and commitment to continue exploration and evaluation activities in these interests and ensuring capitalised expenditures relating to areas of interest which have been discontinued or no longer being budgeted for are appropriately impaired.
- Compared the Group's market capitalisation as at 30 June 2022 to its net asset position, Market capitalisation below net assets is an indicator of possible impairment, thereby requiring further consideration.
- Assessing the appropriateness of the relevant disclosures in the financial statements.

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**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF SABRE RESOURCES LIMITED (CONTINUED)**

**Key Audit Matters (continued)**

Acquisition of Controlled Entity During the Year	
Refer to Note 28 Acquisition of Controlled Entity	
<p>During the year the Company acquired an 80% controlling interest in Chalco Resources Pty Ltd.</p> <p>Accounting for the acquisition is a key audit matter given the significance of the significance of the investment to the Group's balance sheet, and the judgement involved in allocating the purchase consideration to the net assets acquired.</p>	<p>Our procedures included, amongst others the following:</p> <ul style="list-style-type: none"> <li>• Review of the purchase agreement and calculation of value ascribed to the value of consideration paid.</li> <li>• Review of the allocation of the purchase consideration to the estimated fair value of net assets acquired as at the date of acquisition.</li> <li>• Assessing the appropriateness of the relevant disclosures in the financial statements.</li> </ul>

**Other Information**

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2022 but does not include the financial report and our auditor's report thereon.

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

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 ability of the Group 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 has no realistic alternative but to do so.

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**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF SABRE RESOURCES LIMITED (CONTINUED)****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 on the Auditing and Assurance Standards Board website at:

[https://www.auasb.gov.au/admin/file/content102/c3/ar2\\_2020.pdf](https://www.auasb.gov.au/admin/file/content102/c3/ar2_2020.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 as included in the directors' report for the year ended 30 June 2022.

In our opinion, the Remuneration Report of Sabre Resources Limited, for the year ended 30 June 2022 complies with section 300A of the *Corporations Act 2001*.

**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.



NEIL PACE  
PARTNER



MOORE AUSTRALIA AUDIT (WA)  
CHARTERED ACCOUNTANTS

Signed at Perth this 30<sup>th</sup> day of September 2022.

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## SABRE RESOURCES LTD

### SHAREHOLDERS INFORMATION

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Additional information included in accordance with the listing requirements of the Australian Securities Exchange Limited. The information set out below is applicable as at 20 October 2022 unless otherwise stated.

#### Capital Structure

The Company currently has issued capital of 2,914,856,008 fully paid ordinary shares held by 3,699 holders.

The Company has also issued 853,785,051 listed options exercisable at \$0.006 at any time up to their maturity on 30 April 2024, held by 231 holders.

#### Voting Rights

The Company's Constitution provides that at a meeting of shareholders, and on a show of hands, each shareholder present in person and each other person present as a proxy, attorney or representative, has one vote. On a poll, each shareholder present in person has one vote for each fully paid ordinary share held by the shareholder and each person as a proxy, attorney or representative of a shareholder has one vote for each fully paid ordinary share held by the shareholder that person represents.

The Company's option holders do not have any voting rights.

#### On-Market Buy-Back

The Company does not have an on-market buy-back.

#### Securities Subject to Escrow

There are no Company securities subject to voluntary escrow.

#### Distribution of Shareholders

(a) The distribution of members and their shareholdings was:

Range of Holding	Holders	Shares Held	Percent
1 - 1,000	317	96,317	0.00%
1,001 - 5,000	257	692,881	0.02%
5,001 - 10,000	114	928,168	0.03%
10,001 - 100,000	1,093	70,843,544	2.43%
100,001 and over	1,918	2,842,295,098	97.51%
	<b>3,699</b>	<b>2,914,856,008</b>	<b>100%</b>

(b) There were 1,406 shareholders with unmarketable parcels of shares based on the closing market price on 19 October 2022.

**SABRE RESOURCES LTD**  
**SHAREHOLDERS INFORMATION**

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**Substantial Shareholders**

The Company has received the requisite notices from substantial shareholders being:

Name	Number of Ordinary Shares	Percentage of Issued Capital
James John del Piano and Coniston Pty Ltd	531,700,000	18.24%

**Top 20 Shareholders**

The twenty largest shareholders, representing 38.55% of the paid up capital were:

Name of holder	Number	Percent
James del Piano	467,000,000	16.02
10 Bolivianos Pty Ltd	118,541,815	4.07
BNP Paribas Nominees Pty Ltd ACF Clearstream	71,800,921	2.46
Coniston Pty Ltd	64,700,000	2.22
Sunset Capital Management Pty Ltd <Sunset Superfund A/C>	50,000,000	1.72
HSBC Custody Nominees (Australia) Limited	38,545,877	1.32
Tag Investments Australia Pty Ltd <Tag Investment A/C>	35,384,614	1.21
Mr George Alexander Bonney	35,000,000	1.20
BNP Paribas Nominees Pty Ltd	32,300,441	1.11
Greenwood Trading Fund Pty Ltd	23,785,737	0.82
Mr Menachem Mendel Rogatsky	23,715,001	0.81
Citicorp Nominees Pty Ltd	23,239,071	0.80
Mr Timothy James Jirgens	20,562,596	0.71
Vivo Trading Pty Ltd	20,500,000	0.70
Ashmat Investments Pty Ltd <Hester Investment A/C>	20,000,000	0.69
Ladyman Super Pty Ltd <Ladymansuperfund A/C>	16,923,077	0.58
Mr Trent Millar	16,500,000	0.57
Mr Antanas Guoga	15,333,334	0.53
Oberoi SMSF Pty Ltd <Oberoi Family Superfund A/C>	15,000,000	0.51
Ms Chunyan Niu	14,700,000	0.50
	<b>1,123,532,484</b>	<b>38.55%</b>

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**Top 20 Option holders**

There are 853,785,051 listed options exercisable at \$0.006 at any time up to their maturity on 30 April 2024 on issue. The twenty largest option holders as at 20 October 2022 are:

Name of Holder	Number	Percent
Ms Chunyan Niu	149,542,346	17.52
Coniston Pty Ltd <Coniston A/C>	55,000,000	6.44
Wayne Dunlop Superannuation Pty Ltd <Wayne Dunlop Super Fund A/C>	47,565,000	5.57
Trinity Direct Pty Ltd	44,538,462	5.22
Sunset Capital Management Pty Ltd <Sunset Superfund A/C>	20,000,000	2.34
Super MSJ Pty Ltd <MSJ Super Fund A/C>	20,000,000	2.34
Mr Lawrence Jonathon Dugdale	19,000,000	2.23
Arkk Capital Pty Ltd	15,000,000	1.76
Mr Zhifeng Chen	11,000,000	1.29
M & K Korkidas Pty Ltd <M & K Korkidas Pty Ltd A/C>	10,800,000	1.26
Ms Louise Joy Macfarlane	10,000,000	1.17
Rosslee Holdings Pty Ltd <N & P Burn Super Fund A/C>	10,000,000	1.17
Velco & Co Pty Ltd <Echoes A/C>	10,000,000	1.17
Mr Barry Dunlop	10,000,000	1.17
Mr Clement Frederick Devine	10,000,000	1.17
Mr Nicholas Ian Murchison	10,000,000	1.17
Euthenia Tyche Pty Ltd	9,830,000	1.15
Green Mountains Investments Ltd	8,492,308	0.99
Mr Martin Fraser Robinson	8,400,000	0.98
Mr Daniel Aaron Hylton Tuckett	8,000,000	0.94
<b>Totals</b>	<b>487,168,116</b>	<b>57.06</b>

**Distribution of Option holders \$0.006 Exercise Price Expiring 30 April 2024**

(a) The distribution of option holders and their holdings was:

Range of Holding	Holders	Options Held	Percent
1 - 1,000	0	0	0.00%
1,001 - 5,000	0	0	0.00%
5,001 - 10,000	0	0	0.00%
10,001 - 100,000	2	135,106	0.02%
100,001 and over	229	853,649,945	99.98%
	<b>231</b>	<b>853,785,051</b>	<b>100%</b>

(c) There were 3 option holders with unmarketable parcels of these options.

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**SABRE RESOURCES LTD**  
**TENEMENT INFORMATION**

**Tenement Schedule as at 20 October 2022**

Tenement ID	Jurisdiction	Project	Interest	Area km <sup>2</sup>	Expiry Date
M47/0567	Australia - WA	Sherlock Bay	70%	10	22/09/25
L47/0124	Australia - WA	Sherlock Bay	70%	1	20/07/25
E59/2402	Australia - WA	Ninghan Gold	100%	30	29/08/26
E57/1125	Australia - WA	Bonanza	100%	18	9/01/25
E57/1136	Australia - WA	Beacon	100%	15	23/03/25
EL32693	Australia - NT	Carrara	80%	805	25/10/27
EL32829	Australia - NT	Dingo	80%	207	21/03/28
EL32864	Australia - NT	Lake Lewis	80%	537	21/03/28
E59/2670	Australia - WA	Taylor Well	100%	27	30/06/27
E59/2672	Australia - WA	Ninghan Nickel	100%	35	2/03/27
E59/2673	Australia - WA	Ninghan Nickel	100%	30	10/04/27
E15/1702	Australia - WA	Nepean South	Earning 80%	35	09/12/24
E47/4345	Australia - WA	Sherlock Pool	Earning 80%	53	21/07/26
E47/4777	Australia - WA	Sherlock Bay	100%	33	N/A
E15/1843	Australia - WA	Cave Hill	80%	132	20/08/27
E15/1844	Australia - WA	Cave Hill	80%	205	31/08/27
E15/1845	Australia - WA	Cave Hill	80%	149	31/08/27
E59/2650	Australia - WA	Warrdagga Hill	100%	140	N/A <sup>1</sup>

<sup>1</sup>A Warden's Court decision post the reporting period could have placed these applications at risk of refusal by the DMIRS, so SBR made a new application over these tenement areas.

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