

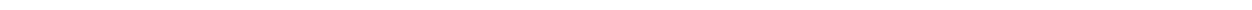


SABRE RESOURCES LTD

ACN: 003 043 570

ANNUAL REPORT FOR THE YEAR ENDED 30 JUNE 2023

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SABRE RESOURCES LTD

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SABRE RESOURCES LTD

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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 2023.

DIRECTORS

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

Michael Scivolo
Basil Conti
Michael Norburn

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	16,000	-

PRINCIPAL ACTIVITIES

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

OPERATING AND FINANCIAL REVIEW

Sabre Resources is focused on the exploration and development of a highly prospective portfolio of nickel sulphide, lithium 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** – a significant, undeveloped, nickel sulphide Mineral Resource in Western Australia's highly prospective Pilbara Region. The Company has identified through drilling the potential to significantly expand the nickel sulphide resources at Sherlock Bay. The results of recent drilling, in combination with the results of metallurgical programs in progress, will allow Sabre to re-assess the economic viability of the Sherlock Bay Nickel Project and potentially upgrade to a Pre-Feasibility Study (PFS). The PFS will consider a major new nickel-copper-cobalt sulphide project to supply downstream Class-1 nickel processors and take advantage of the positive outlook for these high-demand battery-metals.

In addition, the Company has expanded its tenement footprint at Sherlock Bay which includes potential for further nickel sulphide discoveries as well as **potential for lithium-pegmatites** along strike from the Andover lithium discovery of Azure Minerals Ltd (ASX:AZS).

The Company has also commenced a substantial new lithium exploration program at its **Nepean South** and **Cave Hill Projects**, south of the Kangaroo Hills lithium discovery of Future Battery Metals (ASX:FBM) near Coolgardie in the Eastern Goldfields of WA. The Company's tenements cover over 100km strike-length of interpreted greenstone lithologies, and regional soil and rockchip sampling is underway – targeting buried lithium-bearing pegmatite deposits for future drill-testing.

Sabre also holds several tenements at the **Ninghan Gold Project** in Western Australia's southern Murchison district and the highly prospective **Ngalia Uranium-Vanadium Project** in the Northern Territory. Exploration of these projects will be accelerated during the coming period.

At 30 June 2023 the Company had \$4.5M in cash which will allow it to continue actively exploring without needing to raise additional funds in the short term. However the Company's cash outlays in 2023 amounted to \$3.76M (\$3.27M on exploration), so in the medium term it will need to increasingly look to share risk in non-core projects so as to focus its exploration expenditure and maintain its cash position.

The Company's strategy involving advancing exploration and development projects carries with it the potential for high rewards but also high risks due to the volatile and uncertain outcomes of the activities being undertaken. The Company has substantial work to do to establish, and unlock, the

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SABRE RESOURCES LTD

DIRECTORS REPORT

OPERATING AND FINANCIAL REVIEW (continued)

economic value in its projects. Mineral prices are also volatile and can fluctuate adversely. The Company has a range of projects and minerals which all present opportunities, and it is highly adaptive and innovative in its exploration and corporate activities. This both manages and minimises risks, and it enables the Company to take full advantage of rapidly evolving opportunities.

REVIEW OF OPERATIONS

Summary and Highlights

During the reporting period Sabre Resources Ltd ('Sabre' or 'the Company') focused on the exploration and development of a highly prospective portfolio of nickel sulphide, lithium 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** – a significant nickel sulphide deposit in Western Australia's highly prospective west Pilbara Region of WA (Figure 1).

During the reporting period Sabre completed a significant diamond drilling program at Sherlock Bay, which resulted in the discovery of higher-grade nickel sulphide zones at depth and to the west of the existing Mineral Resources. The initial drilling, which was part WA Government co-funded, has demonstrated that the Sherlock Bay nickel sulphide deposits are mafic/ultramafic intrusive related with potential for higher-grade resources¹. A further diamond drilling program, completed late in the reporting period, tested a strong surface electromagnetic anomaly to the west of these higher-grade sulphide intersections. All four new diamond drillholes intersected substantial thicknesses of sulphide mineralisation, including massive sulphides within broad semi-massive and stringer sulphide zones, on the opposite or southern side of the Sherlock Intrusion, representing **a significant new sulphide discovery**². The results from the four new holes will be reported when available and compiled.

An expanded tenement footprint at Sherlock Bay includes potential for further nickel sulphide discoveries as well as **potential for lithium-pegmatites**³ along strike from the Andover lithium discovery of Azure Minerals Ltd (ASX:AZS) which has produced intersections of up to 209.4m @ 1.42% Li₂O⁴. Re-sampling of recent drillcore produced highly anomalous Li, Rb, Cs and Ta results⁵ indicating the presence of LCT pegmatites and outcropping pegmatites with anomalous lithium were located within new tenement applications which include the soil covered **Andover East targets**³.

A substantial new lithium exploration program has also commenced at the **Nepean South and Cave Hill Projects**⁶, south of the Kangaroo Hills lithium discovery of Future Battery Metals (ASX:FBM) near Coolgardie in the Eastern Goldfields of WA, which has produced lithium-spodumene intersections of up to 29m @ 1.36% Li₂O⁷. The Company's tenements cover over 100km strike-length of interpreted greenstone lithologies and regional soil and rockchip sampling is underway – targeting buried lithium-bearing pegmatite deposits for future drill-testing.

Sherlock Bay Project, Western Australia

Higher-Grade Nickel Sulphide Drilling:

During the reporting period the Company completed two diamond drilling programs which tested potential for higher-grade to massive nickel sulphides below/down-plunge as well as along strike from the existing nickel sulphide resources at the Sherlock Bay nickel deposit, located 50km east of Roebourne in the highly-prospective west Pilbara region of WA (see Figure 1, below).

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REVIEW OF OPERATIONS (continued)

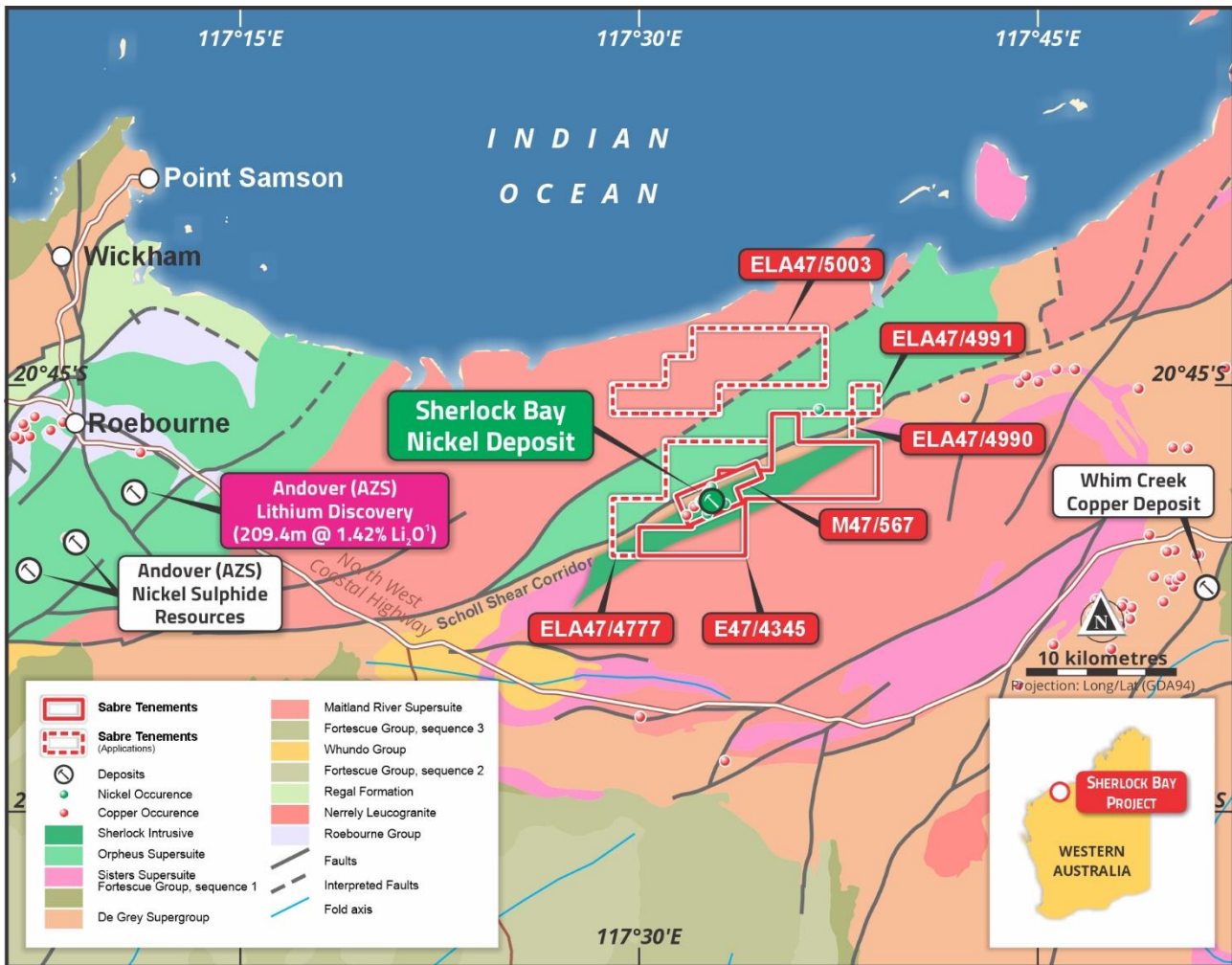


Figure 1: Sherlock Bay Project location & geology showing proximity to Andover nickel and lithium projects.

The Sherlock Bay nickel deposit has a current JORC 2012 Mineral Resource of **24.6Mt @ 0.40% Ni, 0.09% Cu, 0.02% Co (0.47% NiEq*)** containing **99,200t Ni, 21,700t Cu, 5,400t Co (117kt NiEq*)**, including 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% Co⁸.

The initial drilling program was WA Government co-funded and included five diamond drillholes for 2,414.6¹, which tested massive to semi-massive nickel sulphide targets at the position where the Sherlock Bay mineralised horizon intersects the Sherlock Intrusive at depth (see longitudinal, Figure 2).

The drilling has confirmed potential for intrusive related massive Ni-Cu-Co sulphide deposits. Results received produced intersections that are higher-grade than the current Mineral Resource and show potential for a resource upgrade at the project (see Figure 2), and include:

- **33.0m @ 0.50% NiEq*** (0.42% Ni, 0.08% Cu, 0.02% Co) from 296.0m in SBDD001⁹
- **11.8m @ 0.54% NiEq*** (0.43% Ni, 0.09% Cu, 0.02% Co) from 414.0m in SBDD002⁹
- **17.0m @ 0.60% NiEq*** (0.44% Ni, 0.14% Cu, 0.03% Co) from 359.0m in SBDD003A¹⁰
- **11.69m @ 0.54% NiEq*** (0.43% Ni, 0.12% Cu, 0.03% Co) from 341.67m in SBDD005¹¹

*NiEq = Ni% + 0.35x Cu% + 2.0x Co% + 0.23x Pd g/t + 0.15x Pt g/t + 0.26x Au g/t

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REVIEW OF OPERATIONS (continued)

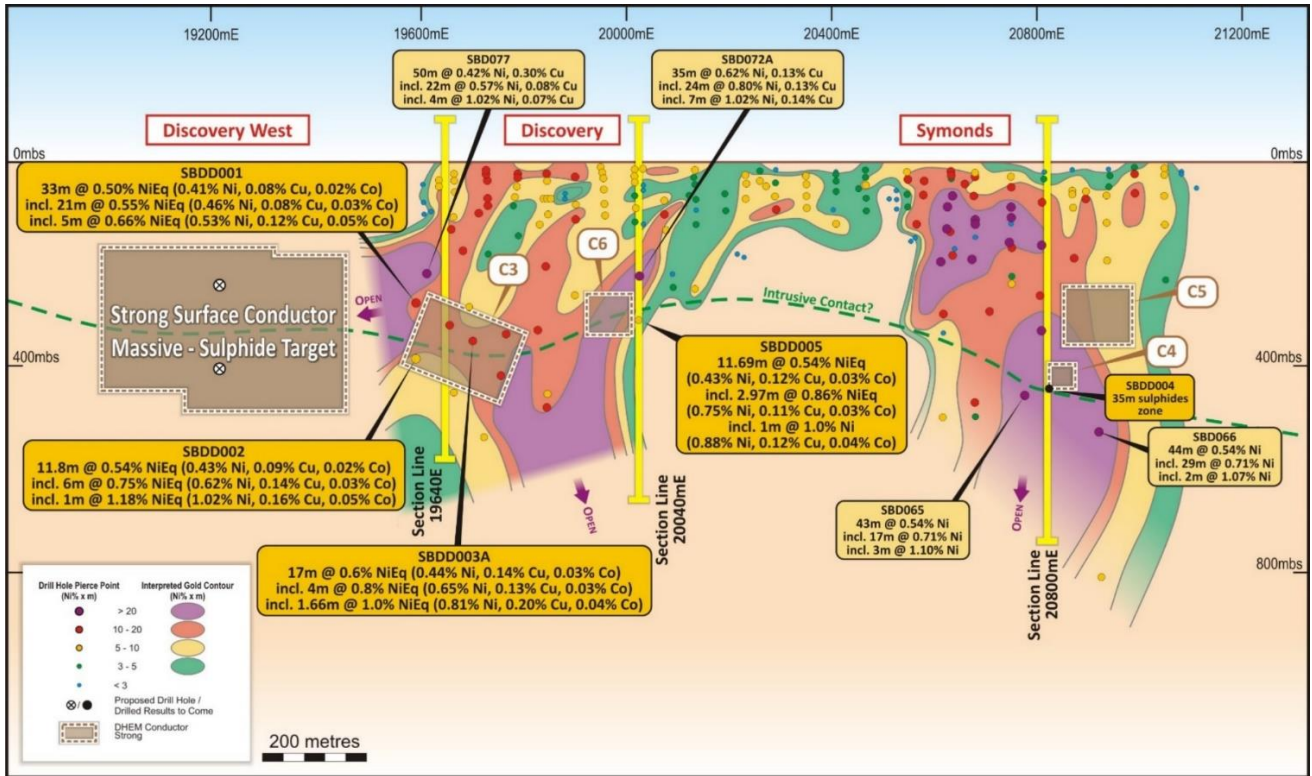


Figure 2: Sherlock Bay Longitudinal Projection showing latest NiEq* intersections and key EM conductor targets

Significant off-hole down hole electromagnetics (DHEM) conductors were detected from all drillholes completed, indicating potential to expand higher-grade resources within the Discovery and Symonds zones (Figure 2).

A new surface moving-loop electromagnetic (MLEM) survey at Sherlock Bay detected a strongly conductive massive sulphide target extending for over 1km at the western end of the Discovery nickel-copper-cobalt sulphide resource¹² (Figures 2 and 3).

The strongest MLEM anomaly is located to the west of the massive and matrix-breccia sulphide intersections in SBDD002 and SBDD003A, that are centred at around 300m below surface in the Discovery Zone and remain open to the west and at depth (see Figure 2).

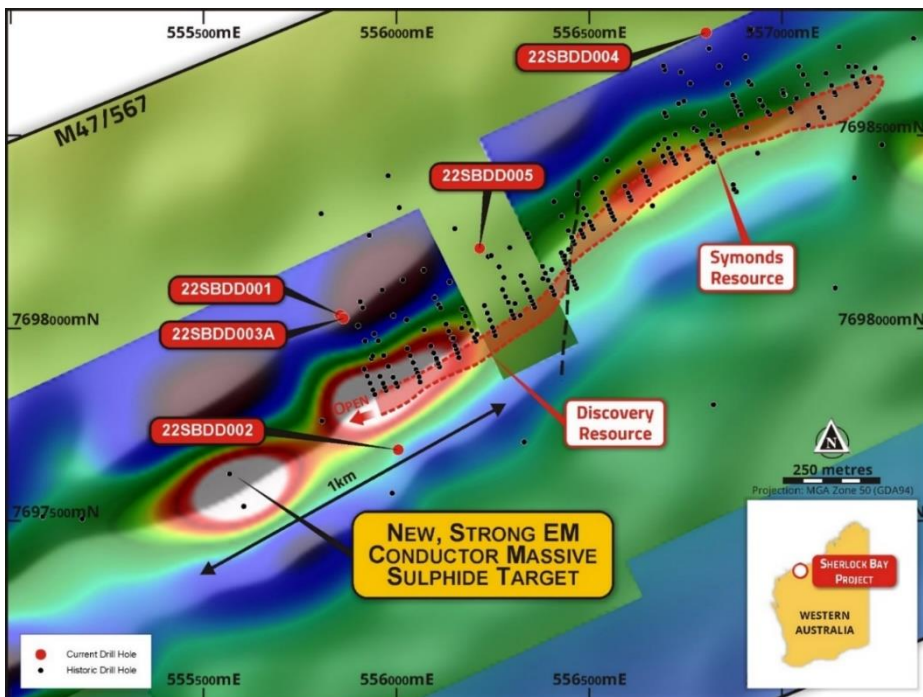


Figure 3: Sherlock Bay strong MLEM anomalies extending west of the latest drilling.

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REVIEW OF OPERATIONS (continued)

The detection of the strongest surface EM anomaly to date, to the west of the higher-grade massive, semi-massive and stringer sulphide intersections, highlighted strong potential for further massive sulphide discoveries in this zone.

A second diamond drilling program was completed during the first half, 2023, and included four completed holes (total 1,863m) which tested the strong moving-loop electromagnetic (MLEM) conductor detected southwest of the Discovery nickel sulphide resource zone² (see Figures 3 and 4). Significantly, all four diamond drillholes intersected substantial thicknesses of sulphide mineralisation (20m-45m downhole length), including massive sulphides within broad semi-massive and stringer sulphide zones comprising mostly pyrrhotite, with the copper-iron sulphide, chalcopyrite and the nickel-iron sulphide, pentlandite (see Appendix 1 of SBR release of 5 July 2023 for mineralisation descriptions²).

The new sulphide discovery is located on the footwall, or southern side, of the Sherlock Intrusive (see cross section, Figure 3). This is the opposite side of the Sherlock Intrusive to the existing Discovery and Symonds Mineral Resource zones and thus represents **a significant new sulphide discovery with very strong DHEM conductors indicating that the zone extends for at least 500m south-west of the existing resources and is open in all directions**. The results from the four new holes will be reported when available and compiled.

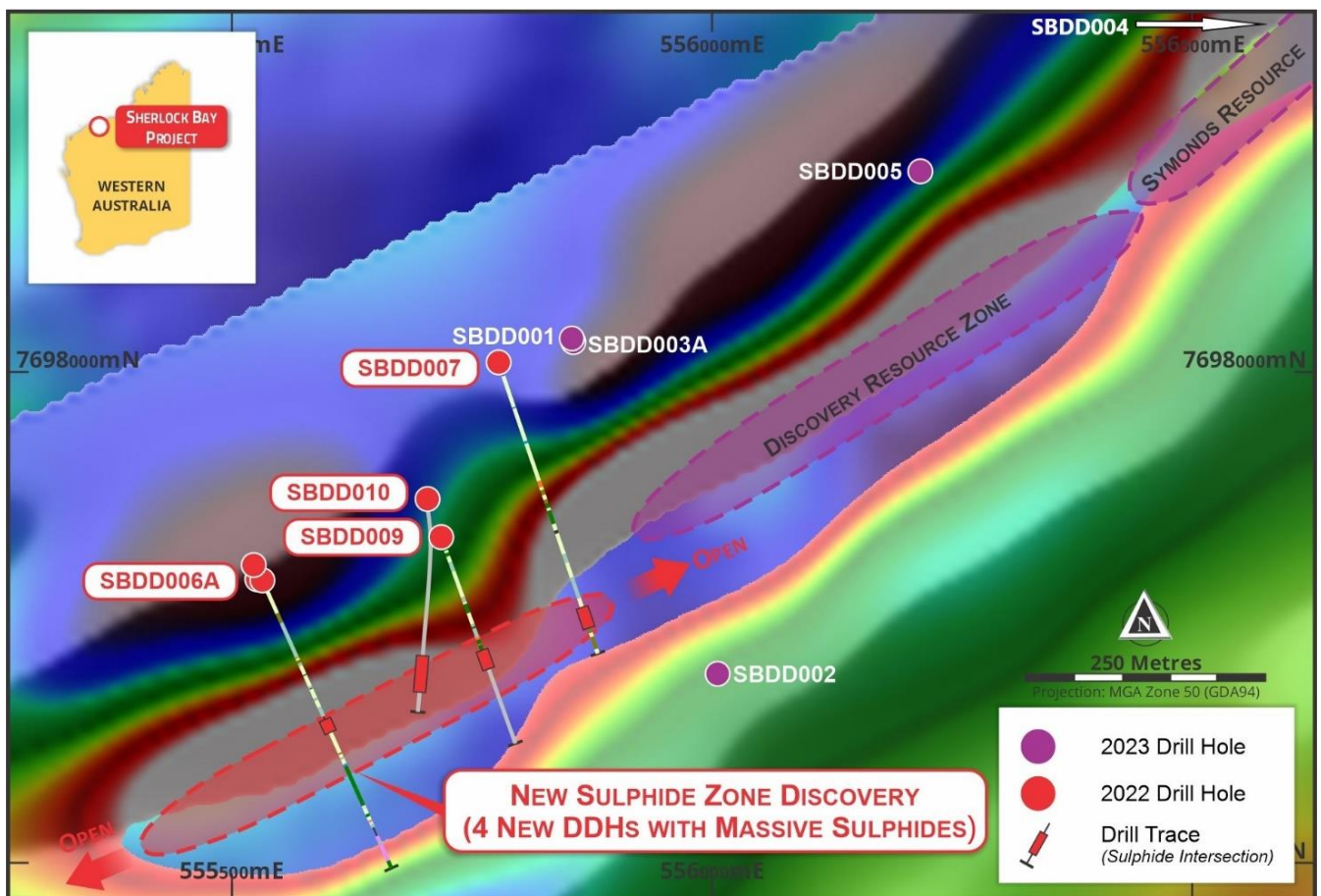


Figure 4: New diamond drilling at Sherlock Bay which intersected massive sulphides within broad semi-massive and stringer sulphide zones associated with a strong EM conductor southwest of current resources.

Regional Potential for New Nickel sulphide Deposits

Previous detailed magnetics and detailed gravity surveys at Sherlock Bay identified potential extensions of the Sherlock Bay mineralised horizon as well as the underlying Sherlock Intrusion along the entire length of the current mining lease (M57/047 – see Figure 1).

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REVIEW OF OPERATIONS (continued)

The detailed MLEM survey completed during the reporting period was continued 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). Several significant MLEM anomalies have been identified both within the mining lease and on E47/4345 (see figure 5, below), and these will be targeted for additional nickel sulphide resources during future drilling programs.

Sabre has also added three new 100% owned exclusive exploration licence (EL) applications to its tenement holding at Sherlock Bay, which now covers a combined 20km x 10km structural and intrusive corridor along the regional scale Scholl Shear³(see Figure 1 and Figure 5, below).

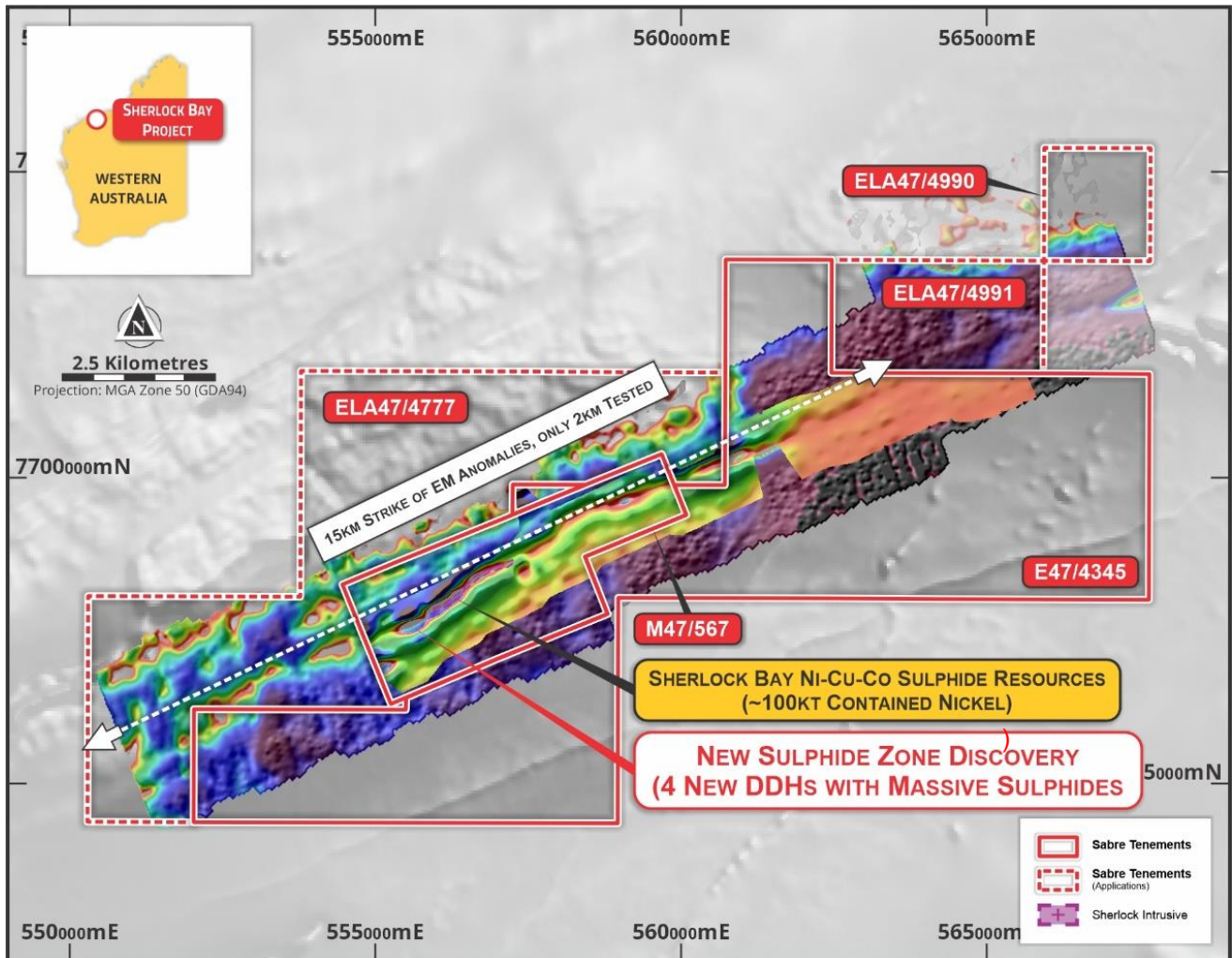


Figure 5: Sherlock Bay Project granted tenements & new applications over >15km EM conductor corridor.

The enlarged tenement footprint includes a 15km strike-length zone of identified EM anomalies. Drilling to date has only tested 2km of this corridor, leaving over 13km of EM anomalies to be tested (see Figure 5). All EM anomalies tested to date are associated with sulphide zones and the new sulphide discovery to the southwest of the Discovery resource², combined with the EM anomalies yet to be tested, represent major targets for nickel-copper-cobalt sulphide resource upgrades.

Sherlock Bay Lithium Pegmatite Potential:

The Sherlock Bay Project is located along strike to the east within the same structural and stratigraphic corridor as the Andover Nickel and Lithium Project of Azure Minerals Ltd (ASX:AZS) (see location relative to the Andover Project on Figure 1). The recent intersections by Azure Minerals of lithium in spodumene bearing pegmatites of up to include up to 209.4m @ 1.42% Li₂O⁴ are exceptional and indicate the potential of the region to host world-class lithium deposits.

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REVIEW OF OPERATIONS (continued)

The new tenement applications at Sherlock Bay, including a new application post the reporting period, EKLA47/5003 (see Figure 6 below), include the new **Andover East targets**, which are associated with significant northeast trending magnetic depletion zones indicative of structures intruded by buried, possibly pegmatitic intrusions (see magnetic image with new targets, Figure 6). These targets are analogous to the Andover lithium pegmatite discovery which is also associated with a magnetic low in a northeast trending structural corridor³.

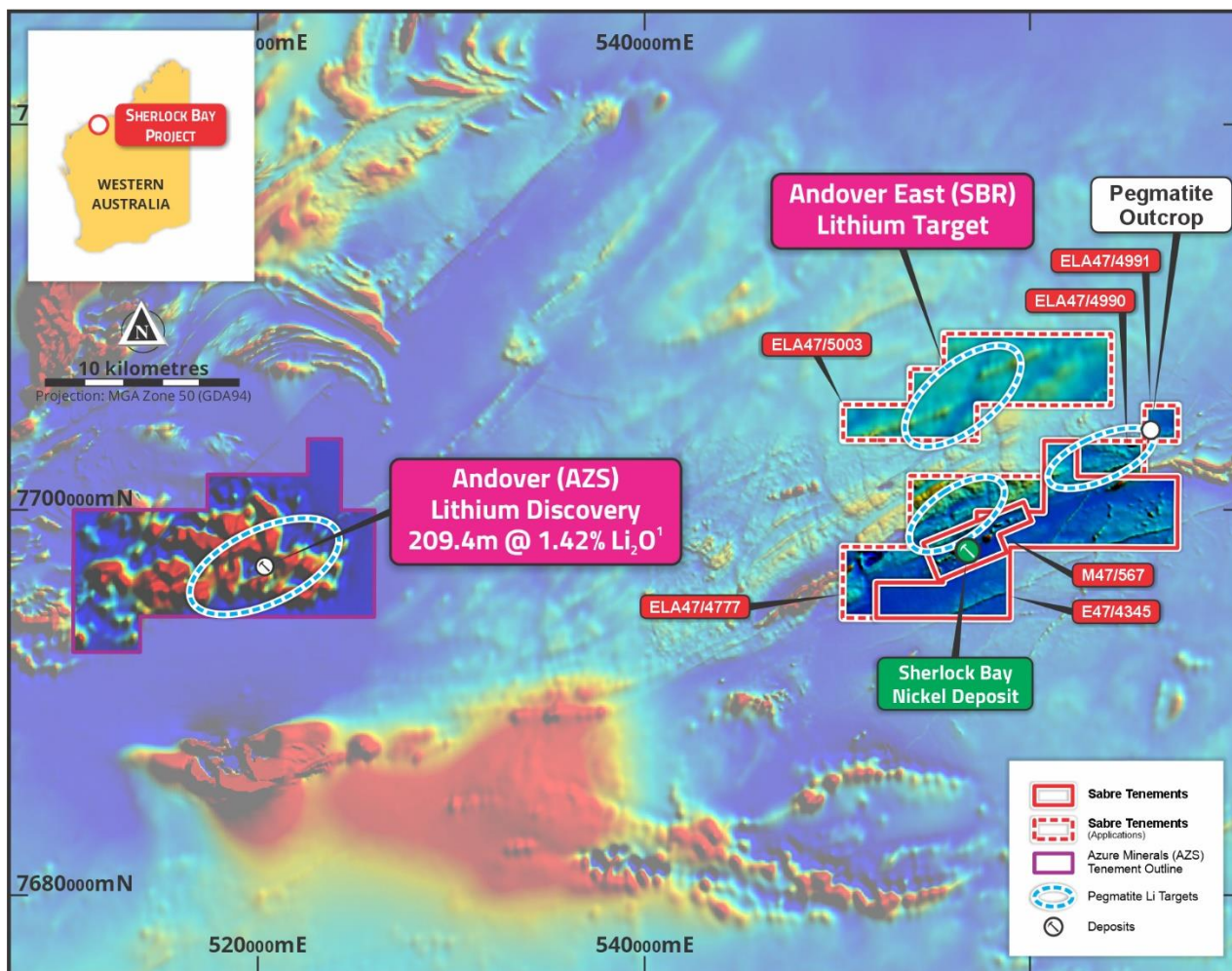


Figure 6: Sherlock Bay tenements and pegmatite outcrop, 50km east of major Andover lithium discovery.

The Company is re-examining its extensive drill-core and geophysical database and conducting field work to locate similar lithium bearing pegmatite occurrences.

The initial results of the lithium exploration work include the results of selective sampling of pegmatites intersected by recent diamond drillhole SBDD004⁵ which include highly anomalous lithium and rubidium as well as cesium and tantalum results, indicative of LCT pegmatites (see Table 1 below):

Table 1: SBDD004 hole details and anomalous LCT pegmatite results in SBDD004:

Hole ID	East	North	Local East	Local North	Collar Dip	Azi Grid	Depth (m)
SBDD004	556,802	7,698,770	20,760	10,360	-63°	180	639
	From (m)	To (m)	Intvl (m)	Li ppm	Cs ppm	Ta ppm	Rb ppm
	203.87	204.87	1.00	87.2	16.5	0.5	247.7
	220.28	224.41	4.13	60.3	9.1	3.3	157.5
	226.49	229.91	3.42	37.9	6.4	5.5	77.8
	236.34	240.85	4.51	68.5	12.4	1.1	138.7
	261.07	264.00	2.93	34.5	9.7	6.4	200.2
	287.09	291.72	4.63	44.2	5.9	2.6	120.6
303.00	306.00	3.00	33.0	4.9	3.3	129.6	

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REVIEW OF OPERATIONS (continued)

Examination of previous exploration reports highlighted the presence of outcropping pegmatite in the eastern most EL application, E47/4990 (see Figure 6). Field investigation located a large area of outcropping pegmatites in this location, which occur in an erosional gully across a more than 140m wide zone (see pegmatite outcrop, Image 1, below).

Sub-cropping pegmatites are also evident in the surrounding soil covered areas, indicating that this is an extensive zone of pegmatites. Sampling of the outcropping pegmatites produced anomalous lithium, cesium and rubidium results⁴, indicating that the outcropping pegmatites may be at the eastern edge of a higher-grade lithium zone. Highly anomalous levels of the rare metal gallium (Ga) were also detected in an unusual, sub-cropping, green mineral bearing pegmatite (Beryl?).

Following the grant of the new tenement applications the Company will carry out a detailed geophysical program over the identified lithium-pegmatite target zones, including gravity and passive seismic measurements. This program will be designed to detect low-density (low-gravity) pegmatite intrusives within the mafic complex at Andover East, with passive seismic targeting coincident "palaeo-highs", representing resistant ridges under shallow soil cover that could represent pegmatites.

Aircore drilling to bedrock will then test these buried targets for lithium bearing pegmatites similar to the Andover pegmatite discovery, which lies within the same structural and intrusive corridor and is only 50km to the west of Sherlock Bay (Figure 6).



Image 1: Outcropping pegmatite in E47/4990 (location: 566322mE; 7703865mN – see Figure 6).

Nepean South and Cave Hill Projects

Nepean South Nickel Exploration - E15/1702 (80%)

During the reporting period the Company satisfied the earn-in expenditure amount to earn 80% of the Nepean South tenement E15/1702 from Metals Australia Ltd¹³. Nepean South is located 40km south of Coolgardie in the highly prospective Eastern Goldfields of WA. Immediately along strike to the north is the Nepean massive nickel sulphide mine that produced 1.1Mt at 3.0% Ni between 1970 and 1987¹³ (Figure 7).

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REVIEW OF OPERATIONS (continued)

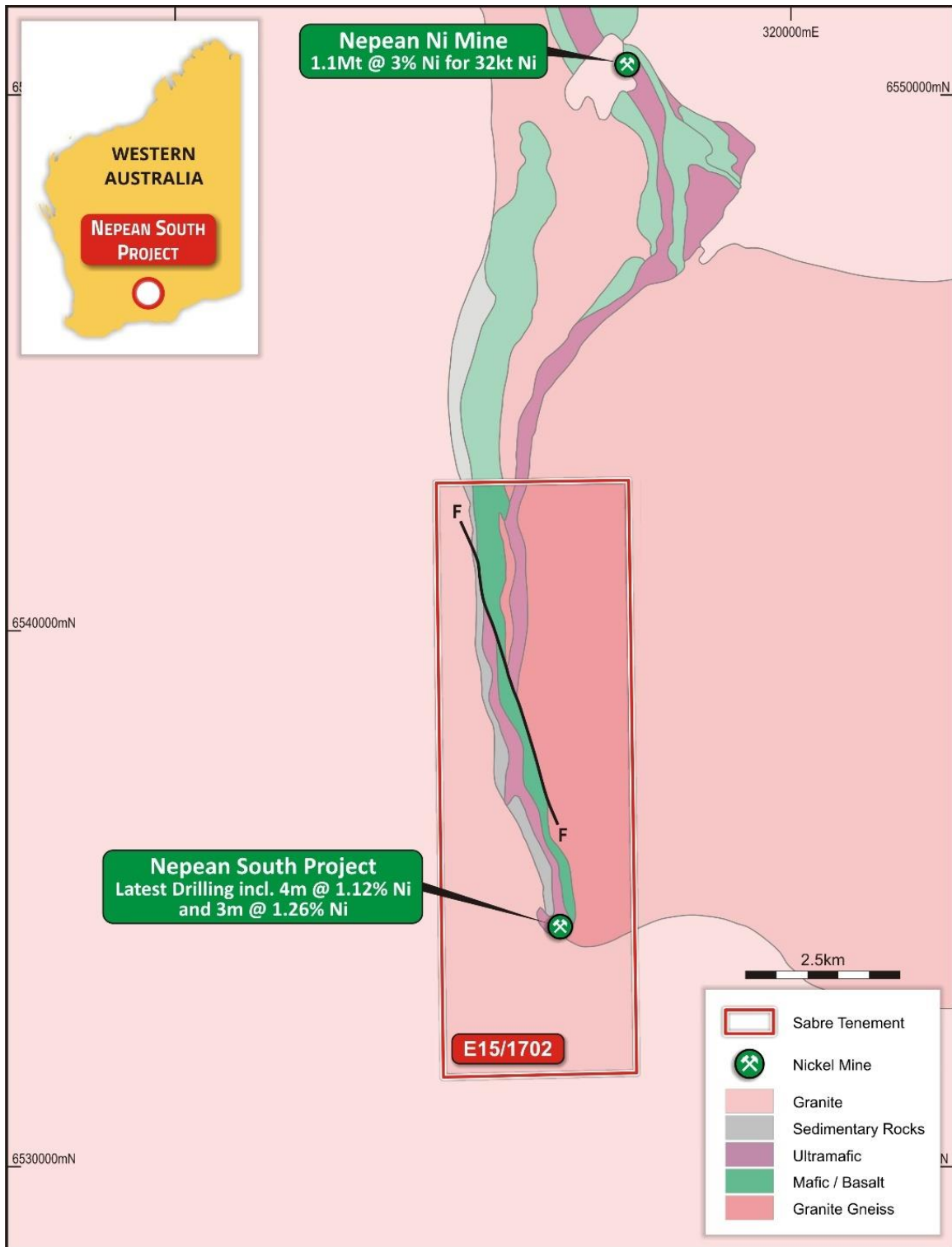


Figure 7: Nepean South Nickel Project, location and interpreted geology with Ni occurrences.

The Company previously produced excellent results from 18 RC holes (2,382m)¹³ which tested the targeted ultramafic rocks that are interpreted to extend the entire 12km strike length of the Nepean South tenement on five broad-spaced sections. On the southern section, 6,534,550mN (Figure 8), high nickel grades with elevated copper were produced from saprolite across a 200m wide zone that overlies the ultramafic sequence and includes the following intersection from the eastern or footwall side of the zone:

- **8m @ 1.01% Ni** from 28m incl. **3m @ 1.26% Ni** in **NSRC0012**¹³
- **8m @ 0.78% Ni** from 32m incl. **4m @ 1.12% Ni** in **NSRC0002**¹³

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REVIEW OF OPERATIONS (continued)

The new RC holes also tested fresh rock below the saprolite intersections, intersecting disseminated sulphides including pyrrhotite, chalcopyrite and potentially the nickel sulphide pentlandite across the ultramafic/footwall basalt contact in NSRC0002 and at end of hole in NSRC0004 (see Figure 8). Results of up to 4m @ 0.20% Ni, 28.4% MgO at end of hole (134-138m) in NSRC0004 have confirmed that Kambalda-style channelised ultramafics (komatiites) have been intersected.

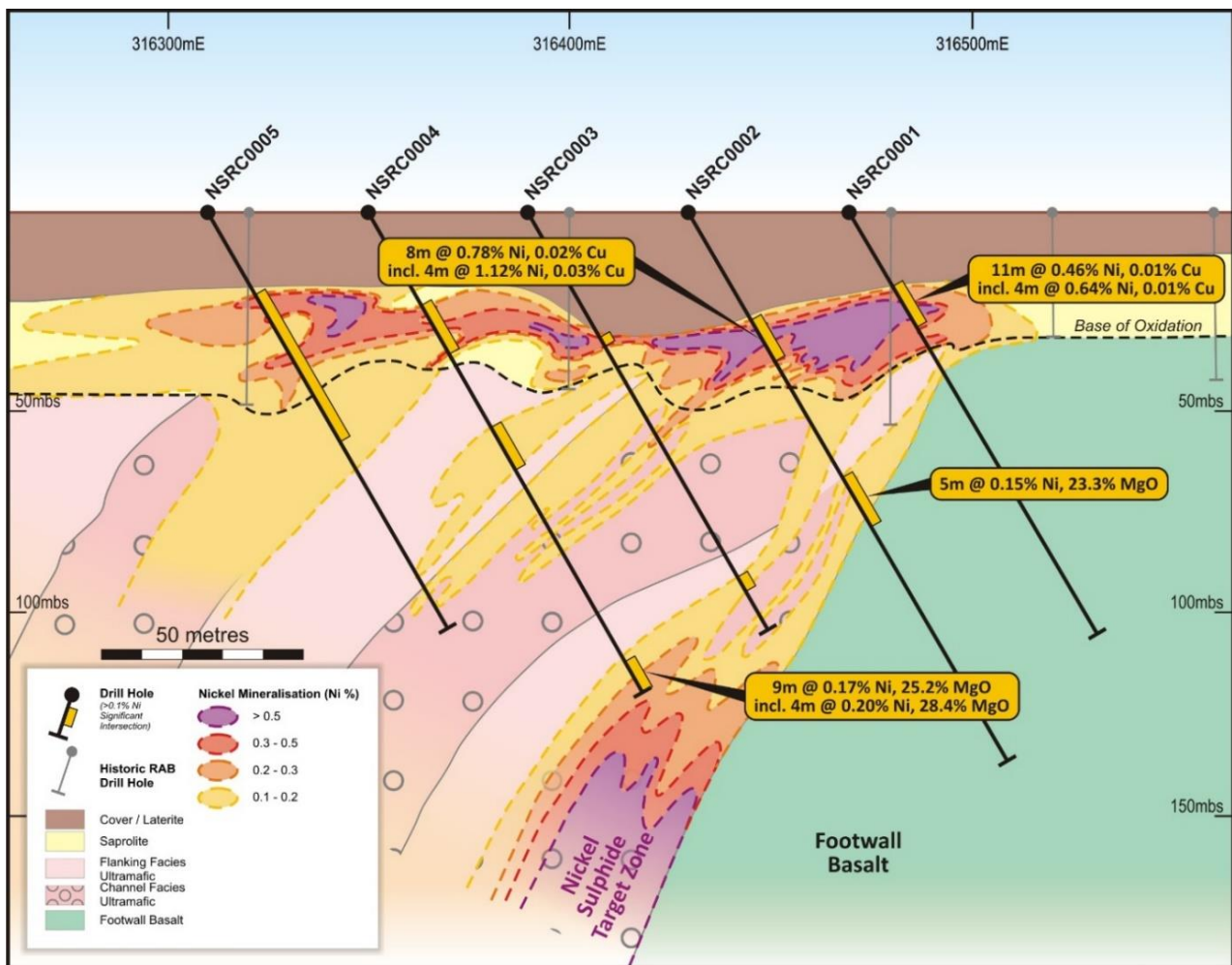


Figure 8: Cross section 6,534,550, NSRC0001 to NSRC0005 with nickel intersections and ultramafics

Based on the results of this RC drilling program and the intersection of sulphide bearing, cumulate textured high-MgO ultramafics with potential for Kambalda/Nepean style massive nickel sulphide accumulations, a detailed fixed loop electromagnetics (FLEM) was carried out across the sulphide-bearing ultramafics to detect massive nickel sulphide zones for further drill targeting. The FLEM survey did not detect significant conductors indicative of massive sulphide accumulations along the footwall contact or within the ultramafics. However the presence of sulphides in fresh bedrock ultramafics and the wide zone of saprolite nickel including intersections of >1% nickel indicates potential for broad disseminated nickel intersections.

A follow-up program of selective induced polarisation (IP) dipole-dipole geophysics is proposed to detect broad zones of disseminated nickel bearing sulphides. A diamond drillhole testing across the entire 200m thickness of sulphide bearing ultramafics is also planned.

Cave Hill Project Lithium Exploration - E15/1843, 1844, 1845, 1942 (ELA15/1959) (80%):

Immediately post the end of the reporting period Sabre commenced a major gridded soil sampling program targeting new lithium-bearing pegmatite discoveries within its Nepean South and Cave Hill

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REVIEW OF OPERATIONS (continued)

Projects south of Coolgardie in Western Australia's highly prospective Eastern Goldfields Province (see Figure 9, below).

Sabre has identified significant lithium potential within the Cave Hill Project, which includes five granted tenements and one application over a 700km² area. Immediately to the north of Cave Hill is the Kangaroo Hills lithium discovery of Future Battery Metals (ASX:FBM), which has produced lithium-spodumene intersections of up to 29m @ 1.36% Li₂O⁷.

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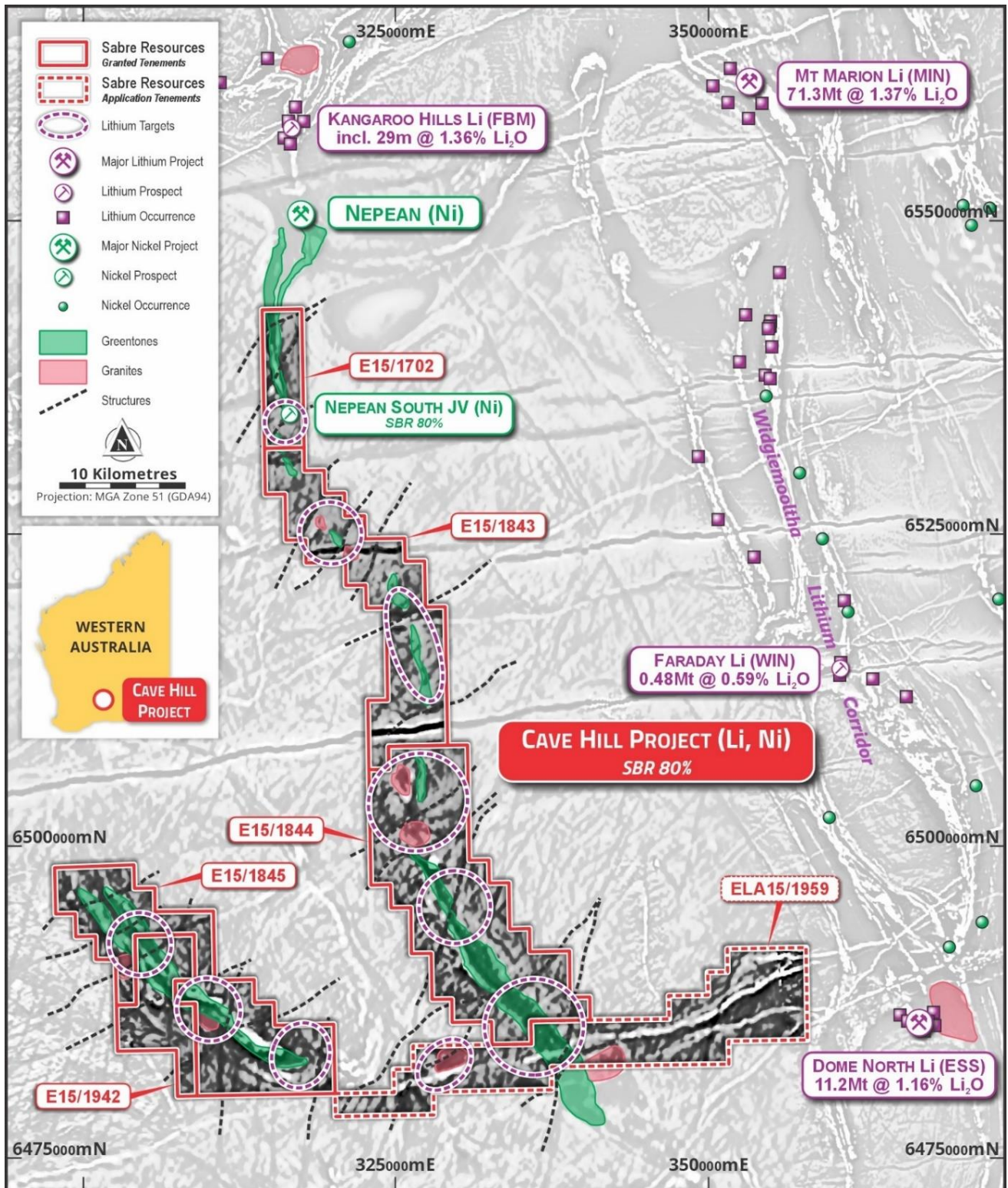


Figure 9: Cave Hill Project tenements on aeromagnetics with other significant lithium projects in the region.

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DIRECTORS REPORT

REVIEW OF OPERATIONS (continued)

Interpretation of regional aeromagnetics imagery indicates previously un-recognised greenstone lithologies are present throughout the Cave Hill tenements. The Nepean South and Cave Hill Project tenements include more than a 100km strike-length of the interpreted greenstone lithologies (mafic and ultramafic rocks), structures and intrusive bodies of similar character to those exposed within the Widgiemooltha belt immediately to the east (Figure 9).

Several significant lithium in spodumene resources have been identified within the Widgiemooltha Belt, including the Mt Marion Project of Mineral Resources Ltd (ASX:MIN) which has a Mineral Resource of 71.3Mt @ 1.37% Li₂O¹⁴ (Figure 9).

Ten key target areas have been identified within the Cave Hill Project tenements, associated with interpreted fault structures cutting metasedimentary rocks and greenstone lithologies, with intrusive granites that may be associated with pegmatites. Field reconnaissance suggests that the areas of interpreted greenstone and intrusives, which are prospective for lithium-bearing pegmatites, are amenable to soil sampling.

Sabre has commenced a large scale 400m x 400m regional soil sampling program along interpreted greenstone/intrusive corridors that have been identified through interpretation of aeromagnetics imagery (Figure 9). Up to 2,800 samples will be collected and analysed for the "lithium-suite" of elements to detect anomalous soil signatures above lithium bearing pegmatites.

In parallel with the soil sampling, field mapping will be carried out to locate and sample outcropping or sub-cropping pegmatites that may be present. Anomalous areas will be infilled and detailed gravity programs used to focus on buried pegmatite occurrences (gravity lows in higher density greenstones) for drill targeting.

Ninghan Projects, E59/2402, E59/2670, 2672, 2673 and ELA59/2650, WA (100%):

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 Australia¹⁵.

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)¹⁵. 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 outcrop¹⁵. A second, parallel, north-south trending structure passes through the eastern side of the tenement, also in an area of cover.

Drilling is planned to follow-up on the encouraging results from previous RAB and aircore drilling which has defined two strongly anomalous zones of gold-arsenic mineralisation¹⁵.

Review of available open-file data over other exploration licences in the Ninghan area, including granted Exploration Licences E59/2670, E59/2672 E59/2673, highlighted prospective areas for intrusive related nickel-copper sulphide deposits as well as potential along projections of gold anomalous structures to the northwest of the Ninghan E59/2402. The tenements are also prospective for lithium bearing pegmatite occurrences.

Follow-up field work programs will be carried out over these tenements during the coming reporting period.

Ngalia Uranium-Vanadium Projects, EL32829 and EL32864, Northern Territory (80%):

The Ngalia Uranium-Vanadium (U-V) Project comprises two exploration licences: Dingo EL32829 and Lake Lewis EL32864 located within the highly prospective Ngalia Basin in the southwestern Northern Territory¹⁶. Data compilation and previous geophysics interpretation has highlighted targets on the **Ngalia 'Dingo' tenement EL32829** for tabular, sandstone-hosted U-V deposits hosted by the prospective Mt Eclipse Formation which underlies EL32829.

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DIRECTORS REPORT

REVIEW OF OPERATIONS (continued)

The Dingo Project is along strike from the Bigrlyi and Walbiri resource projects held by Energy Metals Ltd (ASX:EME) which has a defined resource of 7.46Mt @ 1,283ppm U₃O₈ and 1,197ppm V₂O₅ (9600t U₃O₈ and 8900t V₂O₅)¹⁶.

Exploration targeting was also carried out for the **Ngalia 'Lake Lewis' tenement EL32864**, which is located on the southern margin of the Ngalia Basin and is highly prospective for calcrete style U-V mineralisation. The nearby Napperby deposit of Core Lithium Ltd (ASX:CXO) contains a JORC 2012 Inferred Resource of 9.54Mt at 382ppm U₃O₈ for 8.03 Mlb of contained U₃O₈ (at a 200 ppm U₃O₈ cut-off)¹⁶.

Carrara Project EL32693, Northern Territory (80%):

Interpretation of regional geophysical imagery has been carried out for the **Carrara EL 32693**¹⁶, which is located approximately 340 km east northeast of Tennant Creek and 1,000 km southeast 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, 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

- ¹ Sabre Resources Ltd., 17th April 2023. *New Nickel Sulphide Intersections Enhance Resource Potential.*
- ² Sabre Resources Ltd, 5th July 2023. *Extensive New Sulphide Zone Discovery at Sherlock Bay.*
- ³ Sabre Resources Ltd, 25th August 2023. *Major New Andover East Lithium Targets at Sherlock Bay.*
- ⁴ Azure Minerals Ltd (ASX:AZS), 4th August 2023. *209m High-Grade Lithium Intersection at Andover.*
- ⁵ Sabre Resources Ltd, 19th May 2023. *Drilling Testing New high-Grade Nickel Targets at Sherlock Bay.*
- ⁶ Sabre Resources Ltd, 12th July 2023. *Sabre Commences Major Lithium Program at Cave Hill in WA.*
- ⁷ Future Battery Metals Ltd (ASX:FBM), 20th March 2023: *LCT Pegmatite Discovery Confirmed at Kangaroo Hills*
- ⁸ Sabre Resources Ltd announcement, 12th June 2018. *Resource Estimate Update for Sherlock Bay Nickel Deposit.*
- ⁹ Sabre Resources Ltd, 17th January 2023. *Sherlock Massive Sulphides to 1.18% Nickel Equivalent.*
- ¹⁰ Sabre Resources Ltd, 6th February 2023. *Further High-Grade Ni-Cu-Co Results Sherlock Bay.*
- ¹¹ Sabre Resources Ltd, 2nd March 2023. *Second Strong EM Massive Sulphide Target at Sherlock Bay*
- ¹² Sabre Resources Ltd, 9th January 2023. *Major New EM Conductor Extends Massive Sulphide Potential.*
- ¹³ Sabre Resources Ltd, 21st September 2022. *High Nickel Grades and Sulphides in Drilling at Nepean South.*
- ¹⁴ Mineral Resources Ltd (ASX:MIN), 30th October, 2018. *Mineral Resource Update for the Mt Marion Project*
- ¹⁵ Sabre Resources Ltd, 24th September 2021. *Sabre to Complete Acquisition of Ninghan Gold Project.*
- ¹⁶ Sabre Resources Ltd, 7th February 2022. *Sabre Acquires Key Nickel and Uranium Projects.*

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SABRE RESOURCES LTD

DIRECTORS REPORT

RESULTS

The operating loss for the financial year after providing for income tax amounted to \$1,231,867 (2022: \$9,635,280).

FINANCIAL POSITION

The net assets of the Group reduced by \$745,080 from \$12,204,997 at 30 June 2022 to \$11,459,917 at 30 June 2023.

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.

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

- (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)

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.

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.

SABRE RESOURCES LTD

DIRECTORS REPORT

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

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

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.

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.

REMUNERATION REPORT (AUDITED)

Details of Key Management Personnel (KMP) as at 30 June 2023 were:

Key Management Personnel	Position
M Scivolo	Non-Executive Director
B Conti	Non-Executive Director
M Norburn	Non-Executive Director
J Dugdale	Chief Executive Officer
M Muhling	Company Secretary

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

There are no committees of directors.

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SABRE RESOURCES LTD

DIRECTORS REPORT

REMUNERATION REPORT (AUDITED) (continued)

KMP Remuneration

2023

Key Management Personnel	Short-term Benefits		Superannuation	Share-based	Total	Percentage of remuneration paid in Equity
	Director's Fees	Consulting Fees		Payment		
				Options		
\$	\$	\$	\$	\$	%	
M Scivolo	16,000	-	1,680	28,000	45,680	61
B Conti	12,000	-	1,260	28,000	41,260	68
M Norburn	12,000	-	-	28,000	40,000	70
J Dugdale ¹	-	-	-	105,000	105,000	100%
M Muhling ¹	-	-	-	31,500	31,500	100%
	40,000	-	2,940	220,500	263,440	-

2022

Key Management Personnel	Short-term Benefits		Superannuation	Share-based	Total	Percentage of remuneration paid in Equity
	Director's Fees	Consulting Fees		Payment		
				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 ¹	-	-	-	55,369	55,369	100%
M Muhling ¹	-	-	-	29,142	29,142	100%
M Stein ¹	-	-	-	-	-	-
	35,870	-	2,400	84,511	122,781	-

¹ 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. Mr Dugdale or Mr Muhling have signed a written agreement with the Company.

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 2023 there was a total amount of \$6,000 (2022: \$5,337) owing to directors for fees.

SABRE RESOURCES LTD

DIRECTORS REPORT

REMUNERATION REPORT (AUDITED) (continued)

Key Management Personnel Options and Rights Holdings

The number of options over ordinary shares in Sabre Resources Ltd held by each KP during the financial year was as follows (all options are post 10:1 consolidation):

2023	Opening balance 1 July 2022	Additions	Disposals	Closing balance 30 June 2023
Key Management Personnel				
M Scivolo	-	2,000,000	-	2,000,000
B Conti	-	2,000,000	-	2,000,000
M Norburn	-	2,000,000	-	2,000,000
J Dugdale	1,900,000	7,500,000	-	9,400,000
M Muhling	1,000,000	2,250,000	-	3,250,000
	2,900,000	15,750,000	-	18,650,000

2022	Opening balance 1 July 2021	Additions	Disposals	Closing balance 30 June 2022
Key Management Personnel				
M Scivolo	-	-	-	-
B Conti	-	-	-	-
M Norburn	-	-	-	-
R Collins ¹	-	-	-	-
J Dugdale	-	1,900,000	-	1,900,000
M Muhling	-	1,000,000	-	1,000,000
M Stein	-	-	-	-
	-	2,900,000	-	2,900,000

¹ At date of cessation as a director.

KMP Shareholdings

The number of options over ordinary shares in Sabre Resources Ltd held by each KP during the financial year was as follows (all options are post 10:1 consolidation):

2023	Balance 1 July 2022	Additions	Disposals	Balance 30 June 2023
M Scivolo	-	-	-	-
B Conti	-	-	-	-
M Norburn	16,000	-	-	16,000
J Dugdale	600,000	-	-	600,000
M Muhling	-	-	-	-
Total	616,000	-	-	616,000

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SABRE RESOURCES LTD

DIRECTORS REPORT

REMUNERATION REPORT (AUDITED) (continued)

2022

	Balance 1 July 2021	Additions	Disposals	Balance 30 June 2022
M Scivolo	-	-	-	-
B Conti	-	-	-	-
M Norburn	-	16,000	-	16,000
R Collins ¹	-	-	-	-
J Dugdale	-	600,000	-	600,000
M Muhling	-	-	-	-
M Stein	-	-	-	-
Total	-	616,000	-	616,000

¹ At date of cessation as a director.

DIRECTORS FEES

Non-executive Directors receive a fixed fee as remuneration. Directors received listed options as a performance incentive during the year under review.

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. The Company has written agreements with all directors and executives.

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 2022. 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 raising and also issued shares as consideration for the acquisition of tenements or for services rendered as follows.

	Number	\$
Opening balance 1 July 2022	2,789,731,008	68,313,092
Conversion of options as at 21 September 2022	125,000	1,000
Issued on 7 October 2022 deferred consideration shares for Chalco acquisition	125,000,000	-
Capital raising costs	-	(16,800)
Total	2,914,856,008	68,297,292
10:1 Consolidation 20 December 2022	291,486,187	68,297,292
Closing balance 30 June 2023	291,486,187	68,297,292

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 2022 ¹	Issued During Year	Exercised or expired during year	Balance 30 June 2023
Exercisable at 8.0 cents each on or before 30 September 2022	145,662,542 ²	-	(145,662,542)	-
Exercisable at 6.0 cents each on or before 30 April 2024	85,378,572	37,200,000	-	122,578,572
	231,041,114	37,200,000	(145,662,542)	122,578,572

¹ Presented in post-consolidation number of options.

² The 8.0 cent options were never consolidated as they expired prior to the consolidation taking effect, but these have been presented as divided by ten for comparison purposes.

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 2023, and the number of meetings attended by each Director.

Name	Eligible to attend	Attended
Michael Scivolo	4	4
Basil Conti	4	4
Michael Norburn	4	4

The Directors also conducted business via Circular Resolutions.

RETIREMENT, ELECTION AND CONTINUATION OF OFFICE OF DIRECTORS

Mr Michael Norburn, having been appointed as a director by the directors, was elected as a director by shareholders on 30 November 2022.

At the forthcoming Annual General Meeting, Michael Scivolo retires by rotation as a Director and will offer himself for re-election.

BOARD MATRIX

The Board seeks a mix of skills that it considers necessary to effectively direct the Company. The skills matrix provided below summarises the skills that the Board needs and that it has.

	Michael Scivolo	Basil Conti	Michael Norburn
Corporate Governance	2	2	2
Strategy	2	2	2
Risk and Compliance	2	3	2
Legal	2	2	1
Accounting and Audit	3	3	2
Finance and Funding	3	3	2
Human Resources & Remuneration	2	2	2
Commercial Experience	3	2	3
Mergers and Acquisitions	2	1	2

SABRE RESOURCES LTD DIRECTORS REPORT

	Michael Scivolo	Basil Conti	Michael Norburn
Business Development	2	2	3
Mining Exploration & Development	1	1	2
Mining Technical Experience	1	1	3
Media & Marketing	2	1	2
Sustainability / ESG	2	2	2
Independent	Yes	Yes	Yes
Adds Diversity	No	No	No

Key – 3 = Expert, 2 = Proficient, 1 = Competent.

AUDIT, NOMINATION, REMUNERATION AND RISK COMMITTEES

No Audit, Nomination, Remuneration or Risk Committee has been formed as the Directors believe that the Company is not of a size to justify having a separate committee for these purposes. Given the small size of the Board, the Directors believe that the full board should perform these functions as having separate committees to perform them would be inefficient.

The Board performs the functions of an audit committee by reviewing the annual and half year accounts, and it meets with the Company's auditors twice a year to review and evaluate its governance, risk management and internal controls. The Board also considers the performance of the auditor and its audit engagement partner.

The Board performs the functions of a Nomination Committee, and has developed a skills matrix to identify the skills, knowledge, experience, independence and diversity it requires to discharge its duties and responsibilities effectively. The board skills matrix is reviewed annually.

The Board performs the function of a Remuneration Committee in a manner that is appropriate given the Company's size, the nature of its activities and the context in which it is operating. Directors and Executive were formally evaluated in conjunction with the preparation of the 2023 annual report.

The Board performs the function of a Risk Committee. The Board meets regularly and manages risk giving regard to the Company's size, the nature of its activities and the context in which it is operating. The Board reviewed the Company's risk management framework in conjunction with the preparation of the 2023 annual report.

DIVERSITY, EQUITY, AND INCLUSION POLICY

The Company has a Diversity, Equity and Inclusion Policy. The Board has set the target of achieving gender diversity by 30 June 2026. The Company defines gender diversity as being 25% of the Board and 40% of its wider workforce (including its executives and personnel from CRS with which it has a Services Agreement). At 30 June 2023 the Board had 0% and the wider workforce had 37.5% gender diversity.

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. The Company has established a Sustainability Committee Charter and a Sustainability Policy, however this function continues to be performed by the Board.

EVENTS SUBSEQUENT TO REPORT DATE

The Directors are not aware of any matter or circumstance not otherwise dealt with in the report or financial statements that has significantly or may significantly affect the operations of the consolidated entity, the results of those operations or the state of affairs of the consolidated entity in subsequent financial years.

SABRE RESOURCES LTD

DIRECTORS REPORT

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 122,578,572 SBRB options with an exercise price of \$0.06 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.

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 49.

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 Company, Moore Australia Audit (WA), for audit and non-audit services provided during the year are set out in Note 5 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 Company's Corporate Governance Statement.

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SABRE RESOURCES LTD

DIRECTORS 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 28th day of September 2023
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.

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SABRE RESOURCES LTD

CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME FOR YEAR ENDED 30 JUNE 2023

	Notes	Consolidated 2023 \$	2022 \$
Interest Earned		176,486	1,371
Co-funded drilling program		220,000	-
Other income		200	724
Reverse provision for doubtful debt		37,009	-
		<u>433,695</u>	<u>2,095</u>
Expenditure			
Depreciation	9	(11,777)	(13,766)
Impairment of fixed assets	9	(26,891)	-
Employee benefit expense		(45,133)	(42,583)
Professional fees		(189,918)	(230,482)
ASX listing fees		(77,687)	(64,820)
Exploration and evaluation expenditure written off	10	(322,807)	(8,632,072)
Share Based Payments		(501,000)	(291,415)
Management Fees		(316,532)	(288,000)
Other operating costs		(173,817)	(74,237)
		<u>(1,665,562)</u>	<u>(9,637,375)</u>
(Loss) before income tax		(1,231,867)	(9,635,280)
Income tax benefit	4	-	-
(Loss) for the year		(1,231,867)	(9,635,280)
Other Comprehensive Income (Loss), net of tax			
<i>Items that may be subsequently transferred to profit or loss:</i>			
Exchange differences on translating foreign controlled entities		(18,213)	(219,830)
		<u>(18,213)</u>	<u>(219,830)</u>
Total Comprehensive (Loss) for the year		(1,250,080)	(9,855,110)
(Loss) for the year attributable to:			
Owners of the parent		(1,214,304)	(7,819,377)
Non-controlling interest		(17,563)	(1,815,903)
		<u>(1,231,867)</u>	<u>(9,635,280)</u>
Total (Loss) for the year, net after tax		(1,231,867)	(9,635,280)
Total Comprehensive (loss) for the year attributable to:			
Owners of the parent		(1,227,053)	(7,973,258)
Non-controlling interest		(23,027)	(1,881,852)
		<u>(1,250,080)</u>	<u>(9,855,110)</u>
Total Comprehensive (loss) for the year		(1,250,080)	(9,855,110)
Basic and diluted loss per share (cents)	17	(0.43)	(0.40)

The accompanying notes form part of these financial statements

SABRE RESOURCES LTD

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023

	Notes	Consolidated	
		2023	2022
		\$	\$
CURRENT ASSETS			
Cash and cash equivalents	7	4,511,761	8,275,709
Trade and other receivables	8	198,491	52,131
TOTAL CURRENT ASSETS		4,710,252	8,327,840
NON-CURRENT ASSETS			
Plant and equipment	9	6,451	48,509
Exploration and evaluation expenditure	10	7,571,034	3,951,410
TOTAL NON-CURRENT ASSETS		7,577,485	3,999,919
TOTAL ASSETS		12,287,737	12,327,759
CURRENT LIABILITIES			
Trade and other payables	11	817,597	117,465
Provisions		10,223	5,297
TOTAL CURRENT LIABILITIES		827,820	122,762
TOTAL LIABILITIES		827,820	122,762
NET ASSETS		11,459,917	12,204,997
EQUITY			
Issued capital	12	68,297,292	68,313,092
Foreign currency translation reserve	15	(2,871,009)	(2,858,260)
Share options reserve	13	814,215	448,494
Accumulated losses	14	(52,395,348)	(51,336,123)
Parent interests		13,845,150	14,567,203
Non-controlling interest		(2,385,233)	(2,362,206)
TOTAL EQUITY		11,459,917	12,204,997

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 2023

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	Ordinary Issued Capital	Foreign Currency Translation Reserve	Share Options Reserve	(Accumulated Losses)	Total attributable to owners of parent	Non- controlling Interest	Total
	\$	\$	\$	\$	\$	\$	\$
BALANCE AT 1 JULY 2021	61,443,958	(2,704,379)	167,579	(43,529,246)	15,377,912	(1,060,588)	14,317,324
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	-	-	-
BALANCE AT 30 JUNE 2022	68,313,092	(2,858,260)	448,494	(51,336,123)	14,567,203	(2,362,206)	12,204,997
	Ordinary Issued Capital	Foreign Currency Translation Reserve	Share Options Reserve	(Accumulated Losses)	Total attributable to owners of parent	Non- controlling Interest	Total
	\$	\$	\$	\$	\$	\$	\$
BALANCE AT 1 JULY 2022	68,313,092	(2,858,260)	448,494	(51,336,123)	14,567,203	(2,362,206)	12,204,997
Loss for the year	-	-	-	(1,214,304)	(1,214,304)	(17,563)	(1,231,867)
Total other comprehensive gain (loss) for the period	-	(12,749)	-	-	(12,749)	(5,464)	(18,213)
Issue of capital	1,000	-	-	-	1,000	-	1,000
Capital raising costs	(16,800)	-	-	-	(16,800)	-	(16,800)
Issue of options	-	-	520,800	-	520,800	-	520,800
Expiration of options	-	-	(155,079)	155,079	-	-	-
BALANCE AT 30 JUNE 2023	68,297,292	(2,871,009)	814,215	(52,395,348)	13,845,150	(2,385,233)	11,459,917

The accompanying notes form part of these financial statements

SABRE RESOURCES LTD

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2023

	Note	Consolidated 2023 \$	2022 \$
Cash Flows from Operating Activities			
Receipts from co-funded drilling		176,000	724
Payments to suppliers and employees		(818,052)	(714,105)
Interest received		140,672	1,371
<i>Net cash (used in) operating activities</i>	16	<u>(501,380)</u>	<u>(712,010)</u>
Cash Flows from Investing Activities			
Payments for exploration and evaluation expenditure		<u>(3,266,693)</u>	<u>(716,155)</u>
<i>Net cash (used in) investing activities</i>		(3,266,693)	(716,155)
Cash Flows from Financing Activities			
Proceeds from capital raising		4,000	4,957,430
Payment of loans		(94,161)	-
Receipt of paid loan		94,286	-
Payments for cost of capital raising		<u>-</u>	<u>(266,296)</u>
<i>Net cash provided by financing activities</i>		4,125	4,691,134
Net increase/(decrease) in Cash and Cash Equivalents		(3,763,948)	3,262,969
Cash and Cash Equivalents at the Beginning of the Year		8,275,709	5,012,740
Cash and Cash Equivalents at the End of Year	7	<u>4,511,761</u>	<u>8,275,709</u>

The accompanying notes form part of these financial statements

1. Corporate Information

The financial report of Sabre Resources Ltd (the Company) for the year ended 30 June 2023 was authorised for issue in accordance with a resolution of the directors on 28 September 2023.

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 2023. 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.

SABRE RESOURCES LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

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

SABRE RESOURCES LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

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.

SABRE RESOURCES LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

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.

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 2023

4. Income Tax

	Consolidated	
	2023	2022
	\$	\$
a. The components of tax expense comprise:		
Current income tax	-	-
Deferred income tax	-	-
	-	-
b. The prima facie tax benefit on loss from ordinary activities before income tax as follows:		
Prima facie tax benefit on loss from ordinary activities before income tax at 30% (2022: 30%) from ordinary operations:	(364,291)	(2,890,584)
Add/(less) tax effect of:		
- Other non-allowable items	180,852	2,575,502
- Revenue losses not recognised	224,474	360,155
- Other deferred tax balances not recognised	(40,215)	75,987
- Tax effect and overseas tax rate	(820)	(121,060)
	-	-
Income tax expense/(benefit) reported in the consolidated statement of profit or loss and other comprehensive income from ordinary operations.	-	-
c. Recognised deferred tax assets at 30% (2022:30%)¹		
Exploration	(1,323,306)	(212,158)
Interest receivable	(10,744)	-
	(1,334,050)	(212,158)
Recognised deferred tax assets at 30% (2022:30%)¹		
Carry forward revenue losses	1,334,050	212,158
Net deferred tax	-	-
d. Unrecognised deferred tax assets at 30% (2022:30%)¹		
Carry forward revenue losses	5,498,105	5,312,499
Carry forward capital losses	3,400,579	3,400,579
Other temporary differences	317,116	222,377
	9,215,800	8,935,455

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 - 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.

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SABRE RESOURCES LTD
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

5. Auditor's Remuneration

	Consolidated	
	2023	2022
	\$	\$
Remuneration of the auditor of the parent entity, Moore Australia Audit (WA)		
- auditing or reviewing the financial report	23,000	22,000
- taxation services provided by a related practice of the auditor	3,000	4,376
	26,000	26,376

6. 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 2023.

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

	Consolidated	
	2023	2022
	\$	\$
Short-term employee benefits	40,000	35,870
Superannuation	2,940	2,400
Share Based Payments	220,500	84,511
	263,440	122,781

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.

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.

7. Cash and Cash Equivalents

	Consolidated	
	2023	2022
	\$	\$
Cash at Bank	1,011,761	8,275,709
Term deposits	3,500,000	-
	4,511,761	8,275,709

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SABRE RESOURCES LTD
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

8. Trade and Other Receivables

	Consolidated	
	2023	2022
	\$	\$
Current		
GST receivable	83,237	19,862
Other receivables	115,254	32,269
	<u>198,491</u>	<u>52,131</u>

9. Plant and Equipment

	Consolidated	
	2023	2022
	\$	\$
Plant and Equipment, at cost	84,225	122,551
Less: accumulated depreciation	(77,774)	(74,042)
	<u>6,451</u>	<u>48,509</u>
Opening written down value	48,509	64,413
Additions	-	-
Foreign exchange movements	(3,390)	(2,138)
Depreciation	(11,777)	(13,766)
Impairment of fixed assets	(26,891)	-
Closing written down value	<u>6,451</u>	<u>48,509</u>

10. Exploration and Evaluation Expenditure

	Consolidated	
	2023	2022
	\$	\$
Opening balance	3,951,410	9,326,923
Expenditure for year (including foreign currency exchange)	3,942,431	234,410
Acquisition of exploration and evaluation projects	-	120,980
Acquisition of Chalco Resources Pty Ltd ¹	-	2,901,169
Exploration and evaluation expenditure written off ²	(322,807)	(8,632,072)
	<u>7,571,034</u>	<u>3,951,410</u>

¹ See Note 26.

² The Bonanza (E57/1125) and Beacon (E57/1136) tenements were surrendered, and the Wardagga Hill tenement (E59/2650) was withdrawn during the 2023 financial year. During the 2022 financial year tenement EPL 3542 in Namibia was not renewed. Consequently the carrying value of costs against these tenements were written off.

11. Trade and other Payables

	Consolidated	
	2023	2022
	\$	\$
Current		
Trade payables	429,996	96,778
Accrued liabilities and other payables	387,601	20,687
	<u>817,597</u>	<u>117,465</u>

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SABRE RESOURCES LTD
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

12. Issued Capital

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

Date	Details	Number of Shares	Issue Price	Amount \$
30 June 2021		1,683,063,649		61,443,958
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	1,535,000
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)
30 June 2022		2,789,731,008		68,313,092
21 September 2022	Conversion of SBRO options	125,000	\$0.008	1,000
7 October 2022	Issue of deferred consideration shares on Chalco acquisition	125,000,00	-	-
Total		2,914,856,008		68,314,092
20 December 2022	10:1 Consolidation	291,486,187		68,314,092
	Capital raising costs	-		(16,800)
30 June 2023		291,486,187		68,297,292

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.

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.

SABRE RESOURCES LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

13. Share Option Reserve

Date	Details	Number of Options	Amount \$
30 June 2021	Balance	1,575,375,418	167,579
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)	-
30 June 2022	Balance	2,310,410,469	448,494
21 September 2022	Conversion of options	(125,000)	-
30 September 2022	Expiry of options	(1,456,625,418)	(155,079)
Total		853,660,051	293,415
20 December 2022	10:1 Consolidation	85,378,572	293,415
23 December 2022	Issue of options to directors	6,000,000	84,000
23 December 2022	Issue of options to consultants	30,000,000	420,000
23 December 2023	Issue of options to broker	1,200,000	16,800
30 June 2023	Balance	122,578,572	814,215

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:

	2023 Number	2023 WAEP (cents)	2022 Number	2022 WAEP (cents)
Outstanding at beginning of year	2,310,410,469	0.7	1,575,375,418	0.9
Exercised during the year	(125,000)	0.8	(566,154)	0.6
Expired during year	(1,456,500,418)	0.8	(125,000,000)	1.5
Total	853,785,051	0.6		
10:1 Consolidation	85,378,572	6.0		
Granted (post consolidation)	37,200,000	6.0	860,601,205	0.6
Outstanding at the end of the year	122,578,572	6.0	2,310,410,469	0.7

As at year-end, there was one class of options on issue as follows:

- 122,578,572 list options exercisable at 6.0 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 0.836 years.

14. Accumulated Losses

	Consolidated	
	2023 \$	2022 \$
Accumulated losses at the beginning of the year	(51,336,123)	(43,529,246)
Loss for year	(1,214,304)	(7,819,377)
Expiration of share options	155,079	12,500
Accumulated losses at the end of the financial year	(52,395,348)	(51,336,123)

SABRE RESOURCES LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

15. Foreign currency translation reserve

	Consolidated	
	2023	2022
	\$	\$
Foreign currency translation reserve at the beginning of the year	(2,858,260)	(2,704,379)
Currency translation differences arising during the year	<u>(12,749)</u>	<u>(153,881)</u>
Foreign currency translation reserve at the end of the financial year	<u>(2,871,009)</u>	<u>(2,858,260)</u>

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

16. Cash flow Information

Reconciliation to Statement of Cash Flows

		Consolidated	
	Note	2023	2022
		\$	\$
Operating profit/(loss) after income tax:		(1,231,867)	(7,819,377)
Non-cash flows in loss:			
Reverse provision for doubtful debt		(54,572)	-
Depreciation	9	11,777	13,766
Impairment of Fixed Assets	9	26,891	
Foreign exchange movements		-	2,138
Exploration and evaluation expenditure written off		322,807	8,632,072
Share Based Payments		501,000	291,415
Non-controlling interest		17,563	(1,815,903)
Changes in assets and liabilities:			
(Increase)/decrease in receivables		(109,351)	(9,296)
Increase/(decrease) in trade and other payables		7,872	(6,067)
Increase/(decrease) in provisions		<u>6,500</u>	<u>(758)</u>
Net cash flows (used in) operating activities		<u>(501,380)</u>	<u>(712,010)</u>

17. Earnings per share

	2023	2022
	Number	Number
Weighted average number of shares on issue during the financial year used in the calculation of basic earnings per share	<u>288,092,934</u>	<u>1,976,250,059</u>
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	<u>(0.43)</u>	<u>(0.40)</u>

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

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SABRE RESOURCES LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

18. 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	
	2023	2022	2023	2022	2023	2022
	\$	\$	\$	\$	\$	\$
Financial Assets:						
Cash and cash equivalents	4,511,761	8,275,709	-	-	4,511,761	8,275,709
Trade and other receivables	-	-	198,491	52,131	198,491	52,131
Total Financial Assets	4,511,761	8,275,709	198,491	52,131	4,710,252	8,327,840
Financial Liabilities:						
Trade and other payables	-	-	(817,597)	(117,465)	(817,597)	(117,465)
Provisions	-	-	(10,223)	(5,297)	(10,223)	(5,297)
Total Financial Liabilities	-	-	(827,820)	(122,762)	(827,820)	(122,762)
Net Financial Assets	4,511,761	8,275,709	(629,329)	(70,631)	3,882,432	8,205,078

(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 2023

18. 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	
	2023	2022	2023	2022	2023	2022
	\$	\$	\$	\$	\$	\$
Financial Liabilities – Due for Payment						
Trade and other payables	(817,597)	(117,465)	-	-	(817,597)	(117,465)
Provisions	(10,223)	(5,297)	-	-	(10,223)	(5,297)
Total Expected Outflows	(827,820)	(122,762)	-	-	(827,820)	(122,762)
Financial Assets – Cash Flows Realisable						
Cash and cash equivalents	4,511,761	8,275,709	-	-	4,511,761	8,275,709
Trade and other receivables	198,491	52,131	-	-	198,491	52,131
Total anticipated inflows	4,710,252	8,327,840	-	-	4,710,252	8,327,840
Net (outflow) / inflow on financial instruments	3,882,432	8,205,078	-	-	3,882,432	8,205,078

(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 2023, 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 2023

18. Financial Instruments (continued)

	Consolidated	
	2023 \$	2022 \$
Change in profit:		
- Increase in interest rate by 2%	90,235	165,514
- Decrease in interest rate by 2%	(90,235)	(165,514)
Change in Equity		
- Increase in interest rate by 2%	90,235	165,514
- Decrease in interest rate by 2%	(90,235)	(165,514)

Foreign Currency Risk Sensitivity Analysis

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

19. Investment in controlled entities

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Name of Entity	Country of Incorporation	Class of Shares	Equity Holding %		Book Value of Investment		Contribution to Consolidated Result	
			2023 %	2022 %	2023 \$	2022 \$	2023 \$	2022 \$
Link National Pty Ltd	Australia	Ordinary	100	100	-	-	-	-
Sabre Resources Namibia (Pty) Ltd	Namibia	Ordinary	70	70	-	-	(21,535)	(8,672,597)
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	80	2,346,325	2,346,325	-	-

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

20. 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 2023		Year ended 30 June 2022	
			Transactions	Balance	Transactions	Balance
Corporate Resource Services Pty Ltd	Management Services	Management Fees	(316,532)	(119,344)	(288,000)	(82,130)
Poldor Pty Ltd	Director Related Entity	Payment of director fees	(12,000)	(6,000)	(5,337)	(5,337)
Profit & Resources Management Pty Ltd	Director Related Entity	Payment of director fees	-	-	(6,533)	-

All transactions with Directors are disclosed in Note 6.

SABRE RESOURCES LTD
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

21. 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.

Segment Performance – June 2023	Australia	Namibia	Total
Revenue	\$	\$	\$
Interest revenue	175,108	1,378	176,486
Co-funded drilling program	220,000	-	220,000
Reverse provision on doubtful debt	-	37,009	37,009
Other	200	-	200
Total Group revenue	395,308	38,387	433,695
Segment profit/(loss)			
Management Fees	(316,532)	-	(316,532)
Corporate overheads	(966,301)	(59,922)	(1,026,223)
Exploration and evaluation expenditure written off	(322,807)	-	(322,807)
Total Group profit/(loss)	(1,210,332)	(21,535)	(1,231,867)
Segment assets			
Cash and cash equivalents	4,416,399	95,362	4,511,761
Exploration and evaluation expenditure	7,571,034	-	7,571,034
Trade and other receivables	172,292	26,199	198,491
Plant and equipment	-	6,451	6,451
Total Group assets	12,159,725	128,012	12,287,737
Segment liabilities			
Trade and other payables	(817,960)	(9,860)	(827,820)
Total Group liabilities	(817,960)	(9,860)	(827,820)

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SABRE RESOURCES LTD
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

21. Operating Segments (continued)

Segment Performance – June 2022	Australia	Namibia	Total
Revenue	\$	\$	\$
Other Income	1,371	724	2,095
Total Group revenue	1,371	724	2,095
Segment profit/(loss)			
Management Fees	(288,000)	-	(288,000)
Corporate overheads	(676,054)	(41,249)	(717,303)
Exploration and evaluation expenditure written off	-	(8,632,072)	(8,632,072)
Total Group profit/(loss)	(962,683)	(8,672,597)	(9,635,280)
Segment assets			
Cash and cash equivalents	8,143,054	132,655	8,275,709
Exploration and evaluation expenditure	3,951,410	-	3,951,410
Trade and other receivables	20,172	31,959	52,131
Plant and equipment	-	48,509	48,509
Total Group assets	12,114,636	213,123	12,327,759
Segment liabilities			
Trade and other payables	(11,701)	(111,061)	(122,762)
Total Group liabilities	(11,701)	(111,061)	(122,762)

22. Commitments

(i) **Mining Tenements**

As part of ongoing activities, the consolidated entity is required to commit to minimum expenditures to retain its interest in its Australian mineral tenements, split into Western Australian and the Northern Territory. Over the next five years this amounts to \$3,487,000 as follows:

Year Ending 30 June	Western Australia	Northern Territory	Total \$
2024	401,000	155,000	556,000
2025	441,000	155,000	596,000
2026	539,000	155,000	694,000
2027	609,000	155,000	764,000
2028	722,000	155,000	877,000
	2,712,000	775,000	3,487,000

(ii) **Management Agreement**

The Company has an agreement with a management services company for the provision of services at \$316,532 (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 2023

23. Parent Entity Information

The following details information related to the parent entity, Sabre Resources Ltd, at 30 June 2023. The information presented here has been prepared using consistent accounting policies as shown in note 2.

	Parent Entity	
	2023	2022
	\$	\$
ASSETS		
Current assets	4,588,561	8,206,619
Non-current assets	7,475,293	3,771,669
TOTAL ASSETS	<u>12,063,854</u>	<u>11,978,288</u>
LIABILITIES		
Current liabilities	(817,959)	(111,061)
TOTAL LIABILITIES	<u>(817,959)</u>	<u>(111,061)</u>
EQUITY		
Issued capital	68,297,292	68,313,092
Share option reserve	814,295	448,494
Accumulated losses	(57,865,612)	(56,894,359)
TOTAL EQUITY	<u>11,245,895</u>	<u>11,867,227</u>
FINANCIAL PERFORMANCE		
(Loss) for the year	(1,126,332)	(4,073,486)
TOTAL COMPREHENSIVE (LOSS)	<u>(1,126,332)</u>	<u>(4,073,486)</u>

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 22.

24. Contingent Liabilities

There were no contingent liabilities as at 30 June 2023.

25. Subsequent Events

The Directors are not aware of any matter or circumstance not otherwise dealt with in the report or financial statements that has significantly or may significantly affect the operations of the consolidated entity, the results of those operations or the state of affairs of the consolidated entity in subsequent financial years.

26. Acquisition of Chalco Resources Pty Ltd

Description

During the 2022 financial 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.

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

SABRE RESOURCES LTD DIRECTORS DECLARATION

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

- (a) the financial statements and notes set out on pages 24 to 47, and the Remuneration disclosures that are contained in pages 16 to 19 of the Remuneration Report in the Directors' Report, are in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the Group's financial position as at 30 June 2023 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 16 to 19 of the Remuneration Report in the Directors' Report comply with Australian Accounting Standard AASB 124 Related Party Disclosures; and
- (c) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

2. The Directors have been given the declarations required by Section 295A of the Corporations Act 2001 from the Chief Executive Officer and Chief Financial Officer for the financial year ended 30 June 2023.

Signed in accordance with a resolution of the Directors:



Michael Scivolo
DIRECTOR

Dated 28th day of September 2023
Perth, Western Australia

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**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 2023, 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 28th day of September 2023.

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 2023, 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 2023 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 10 Exploration & Evaluation Expenditure

As at 30 June 2023 the Group had capitalised exploration and evaluation expenditure of \$7,571,034.

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 2023 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.

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 2023 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.

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

Other Information (continued)

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.

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 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 2023.

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 28th day of September 2023.

SABRE RESOURCES LTD

SHAREHOLDERS INFORMATION

Additional information included in accordance with the listing requirements of the Australian Securities Exchange Limited. The information set out below is applicable as at 22 September 2023 unless otherwise stated.

Capital Structure

The Company currently has issued capital of 291,486,187 fully paid ordinary shares held by 3,399 holders.

The Company has also issued 122,578,572 listed options exercisable at \$0.06 at any time up to their maturity on 30 April 2024, held by 189 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	690	168,137	0.06
1,001 - 5,000	385	1,356,864	0.47
5,001 - 10,000	569	4,764,028	1.63
10,001 - 100,000	1,360	52,300,842	17.94
100,001 and over	395	232,896,316	79.90
	<u>3,399</u>	<u>291,486,187</u>	<u>100.00</u>

(b) There were 1,707 shareholders with unmarketable parcels of shares based on the closing market price on 21 September 2023.

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	53,170,000	18.24
10 Bolivianos and Niv Dagan	24,769,164	8.50

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SABRE RESOURCES LTD

SHAREHOLDERS INFORMATION

Top 20 Shareholders

The twenty largest shareholders, representing 41.72% of the paid-up capital were:

Name of holder	Number	Percent
JAMES DEL PIANO	46,700,000	16.02
10 BOLIVIANOS PTY LTD	24,075,164	8.26
BNP PARIBAS NOMINEES PTY LTD ACF CLEARSTREAM	7,565,290	2.60
CONISTON PTY LTD	6,470,000	2.22
MR BAO FENG PAN + MS MIN HUA XUAN <BAO SUPERFUND A/C>	5,250,000	1.80
MR TIM POWE	4,100,000	1.41
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	4,015,471	1.38
TAG INVESTMENTS AUSTRALIA PTY LTD <TAG INVESTMENT A/C>	3,538,462	1.21
GREENWOOD TRADING FUND PTY LTD	2,378,574	0.82
BNP PARIBAS NOMS PTY LTD <DRP>	2,231,073	0.77
SUNSET CAPITAL MANAGEMENT PTY LTD <SUNSET SUPERFUND A/C>	2,000,000	0.69
WINGFAIR PTY LIMITED <DARCY SUPER FUND ACCOUNT>	1,806,000	0.62
CITICORP NOMINEES PTY LIMITED	1,747,889	0.60
LADYMAN SUPER PTY LTD <LADYMANSUPERFUND A/C>	1,692,308	0.58
ABHI SUPER PTY LTD <K PRAKASH & UG RAO S/F A/C>	1,583,560	0.54
MERRILL LYNCH (AUSTRALIA) NOMINEES PTY LIMITED <EQUITY FINANCE A/C>	1,506,660	0.52
SUPERHERO SECURITIES LIMITED <CLIENT A/C>	1,273,031	0.44
VIVO TRADING PTY LTD	1,214,410	0.42
MR ALAN VICTOR DOUBELL	1,200,000	0.41
MS CHUNYAN NIU	1,200,000	0.41
	121,547,892	41.72

Top 20 Option holders

There are 122,578,572 listed options exercisable at \$0.06 at any time up to their maturity on 30 April 2024 on issue. The twenty largest option holders as at 22 September 2023 are:

Name of Holder	Number	Percent
MS CHUNYAN NIU	17,098,783	13.95
CONISTON PTY LTD <CONISTON A/C>	9,727,290	7.94
FIRST INVESTMENT PARTNERS PTY LTD	8,000,000	6.53
MR LAWRENCE JONATHON DUGDALE	7,023,824	5.73
BRIAR PLACE PTY LIMITED <MJ FAMILY A/C>	4,290,852	3.50
MR BAO FENG PAN + MS MIN HUA XUAN <BAO SUPERFUND A/C>	3,900,000	3.18
ROSSLEE HOLDINGS PTY LTD <N & P BURN SUPER FUND A/C>	3,250,000	2.65
VELCO & CO PTY LTD <ECHOES A/C>	2,500,000	2.04
WAYNE DUNLOP SUPERANNUATION PTY LTD <WAYNE DUNLOP SUPER FUND A/C>	2,000,000	1.63
VITO HOLDINGS PTY LTD <THE BA CONTI FAMILY A/C>	2,000,000	1.63
NORBURN FAMILY INVESTMENTS PTY LTD	2,000,000	1.63
SEABIRD NOMINEES PTY LTD <SCIVOLO SUPER FUND A/C>	2,000,000	1.63
SUPER MSJ PTY LTD <MSJ SUPER FUND A/C>	1,935,000	1.58
ASE INVESTMENTS PTY LTD <ASE FAMILY A/C>	1,805,000	1.47
MR HERNANDO ANDRIANTO WILLY REN	1,700,000	1.39
MS LOUISE JOY MACFARLANE	1,641,798	1.34
W S MCCALLUM PTY LTD	1,500,000	1.22
MR ROSS DIX HARVEY	1,300,000	1.06
MR NATHAN JOHN KORCOK	1,269,872	1.04
MR JAVED MUHAMMAD	1,259,952	1.03
Totals	76,202,371	62.17

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SABRE RESOURCES LTD
SHAREHOLDERS INFORMATION

Distribution of Option holders \$0.06 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	1	360	0.00
1,001 - 5,000	0	0	0.00
5,001 - 10,000	0	0	0.00
10,001 - 100,000	76	4,608,815	3.76
100,001 and over	112	117,969,397	96.24
	<u>189</u>	<u>122,578,572</u>	<u>100.00</u>

(c) There were 62 option holders with unmarketable parcels of these options.

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TENEMENT INFORMATION

Tenement Schedule as at 28 September 2023

Tenement ID	Jurisdiction	Project	Interest	Area km ²	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
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	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
E15/1959	Australia - WA	Coolgardie	80%	130	N/A
E15/1942	Australia - WA	Coolgardie	80%	40	7/05/28
E47/4990	Australia - WA	Pilbara	100%	3	N/A
E47/4991	Australia - WA	Pilbara	100%	67	N/A
E47/5003	Australia - WA	Pilbara	100%	47	N/A
E59/2826	Australia - WA	Ninghan Nickel	100%	6	N/A
E70/6168	Australia - WA	Ninghan Nickel	100%	93	N/A
E59/2749	Australia - WA	Ninghan Nickel	100%	140	N/A
EL33642	Australia - NT	Ngalia	80%	152	N/A
EL33643	Australia - NT	Ngalia	80%	90	N/A
EL33644	Australia - NT	Ngalia	80%	40	N/A
EL33645	Australia - NT	Ngalia	80%	39	N/A
EL33646	Australia - NT	Ngalia	80%	69	N/A

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