

**SABRE RESOURCES LTD  
AND CONTROLLED ENTITIES**

(ACN 003 043 570)

**Interim Financial Report  
for the Half Year Ended  
31 December 2020**

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## DIRECTORS' REPORT

Your Directors present their report on the consolidated group of Sabre Resources Ltd ("Sabre") and its controlled entities (the "Group") for the half year ended 31 December 2020.

### 1. DIRECTORS

The names of Directors in office during the half year and up to the date of this report:

Michael Scivolo  
Robert Collins  
Basil Conti

### 2. REVIEW OF OPERATIONS

Sabre Resources Ltd ('Company') holds advanced exploration projects in Namibia and Western Australia. In Western Australia, the Company has a 70% interest in the Sherlock Bay Nickel Project in the western Pilbara region that contains the Sherlock Bay Nickel Deposit. It also holds a 100% interest in both the Bonanza and Beacon gold projects in Western Australia. In Namibia, the Company has base metal and vanadium projects in the Otavi Mountain Land ('OML') in northern Namibia close to the Tsumeb and Kombat Mines.

#### 2.1 Bonanza and Beacon Gold Projects

The Bonanza and Beacon projects cover an area of 18km<sup>2</sup> located adjacent to the recent discovery at Penny West Gold Project, owned by Ramelius Resources Limited (ASX: RMS), located in the Youanmi Gold Mining District, in Western Australia.

The Youanmi Gold Mining District has gained investor attention with several companies including Rox Resources Limited (ASX: RXL) and Venus Metals Corporation Limited (ASX: VMC) reporting significant exploration success on gold projects located in the same area.

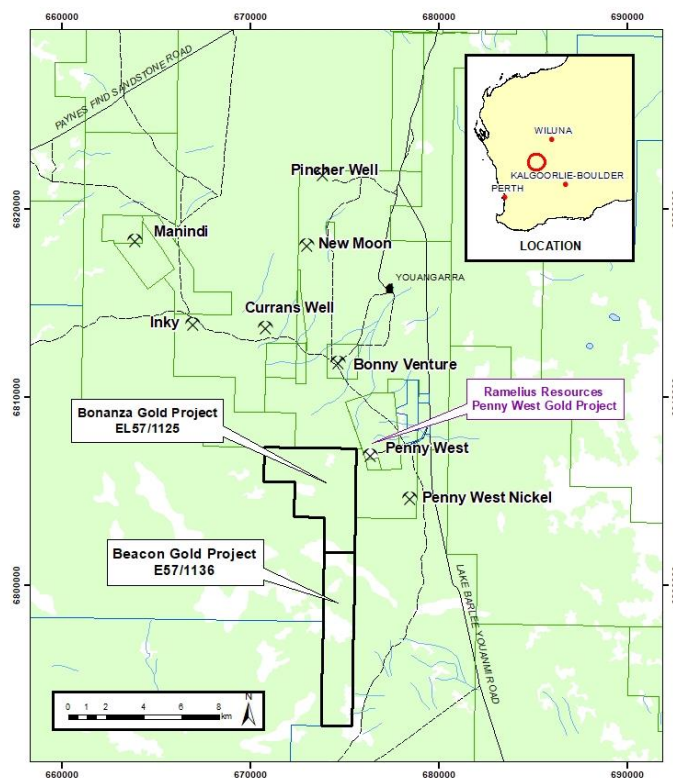


Figure 1: Bonanza and Beacon Gold Projects location plan showing area of proposed aeromagnetic survey

**DIRECTORS' REPORT (continued)**

In August 2020, Perth based Pegasus Airborne Systems Pty Ltd successfully completed a detailed airborne magnetic survey over a structural target area of 2km by 3km in the northeast corner of E57/1125 (Bonanza Gold Project), located immediately west of the Penny West Gold Mine (Figures 1+2). The survey was flown at a line spacing of 20m and a sensor height of 20m providing exceptionally high quality and detailed data that exceeded the Company's expectation. The northeast corner of E57/1125 is approximately 500m from the tenement boundary of Ramelius Resources Ltd tenement and 800m from the Penny North discovery (Figure 1).

Sabre's geophysical consultants processed and imaged the aeromagnetic data and completed a lithological and structural interpretation (Figure 2).

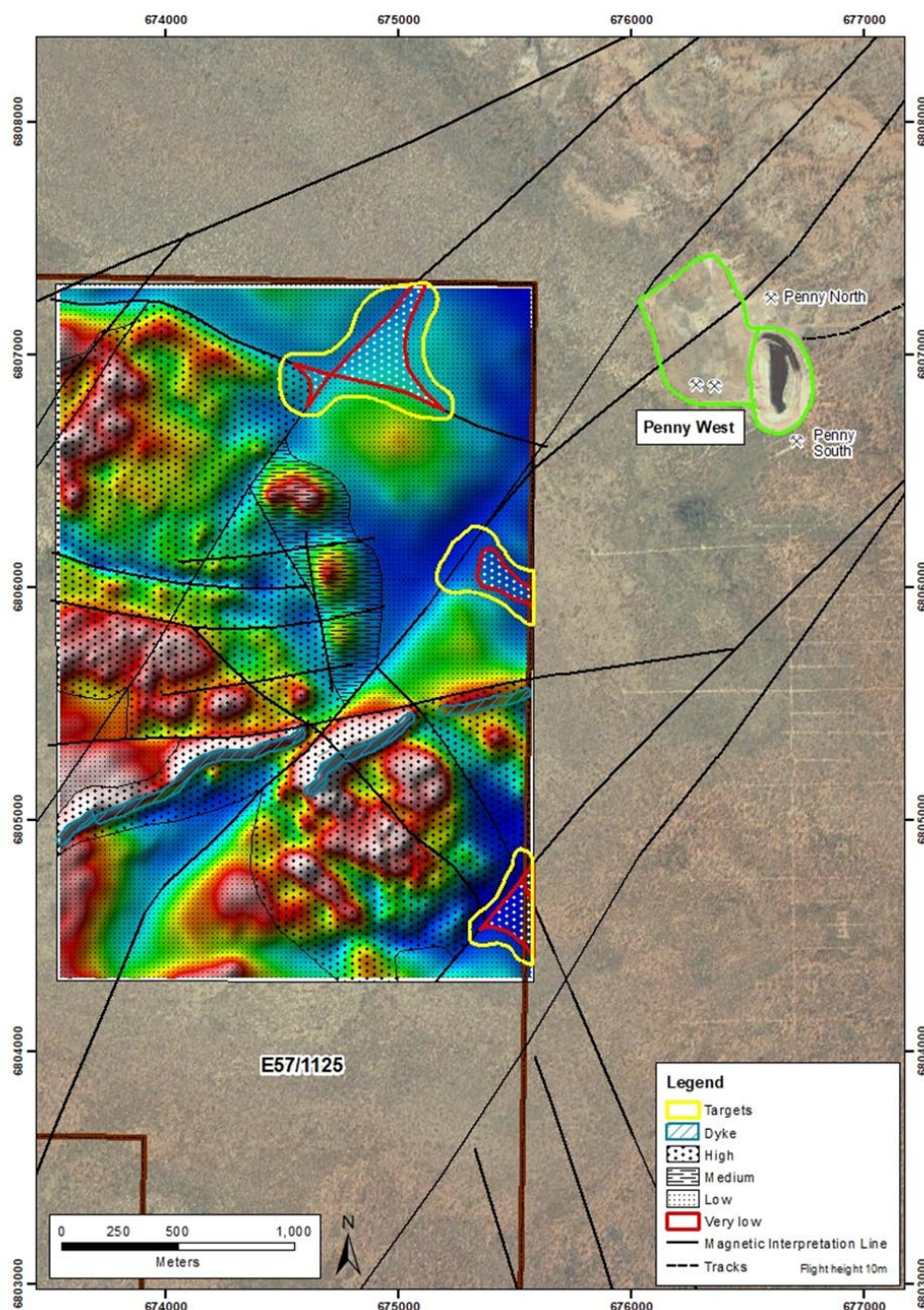


Figure 2: Aeromagnetic image (TMI-RTP) of the survey area on E57/1125 and interpretation by Newexco.

**DIRECTORS' REPORT (continued)**

The magnetic survey covers an area of structural complexity at the greenstone-granite contact near Penny West. The northeastern portion of the surveyed area has a lower magnetic response to the southeastern portion. These different magnetic domains are separated by sets of northwest and northeast trending faults that are represented by linear magnetic lows possibly caused by alteration. There is no outcrop within the surveyed area and no previous drilling so although different magnetic domains had been identified the rock type cannot be accurately determined.

The northeast trending faults offset the geological domains and extend through to the gold mineralised area at Penny West and Penny North. The northwest trending faults appear to represent splays off the main north-south trending Youanmi Fault that controls gold mineralization along the trend between the Penny West and Youanmi Mines. At the intersection of the northeast and northwest trending faults, Sabre's consultants have identified magnetic lows they believe to represent alteration caused by magnetite destruction. These fault intersections and interpreted dilation zones were the highest priority targets for drilling to test for gold mineralization.

In November 2020, Sabre completed an Aircore drilling program at the Bonanza Gold Project. The reconnaissance drilling was conducted on four east-west orientated traverses with holes spaced 100m apart. Forty nine holes were drilled for a total of 1,427m. Samples were taken downhole as 4m composites with a total of 392 samples and standards submitted to the laboratory for gold and pathfinder element analysis.

The Aircore drilling was conducted on a wide spaced 400m by 100m grid to test for supergene gold mineralization within the near surface regolith profile indicative of mineralization in fresh bedrock (Figure 3). The drill hole depth averaged 30m with holes intersecting oxidised clays and penetrating to partially weathered bedrock. There are indications of faulting in the form of variations in the basement lithologies, stringer quartz veins and pegmatite intrusions in the Aircore drilling, however, the drilling did not resolve the cause of the linear magnetic features, interpreted to be faults. The best result obtained from the Aircore drilling was 4m at 1.27g/t Ag in hole BZAC0016<sup>1</sup>.

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<sup>1</sup> Sabre Resources (ASX:SBR) announcement 19 January 2021 "AC Drilling Completed and Deeper RC Drilling Planned".



DIRECTORS' REPORT (continued)

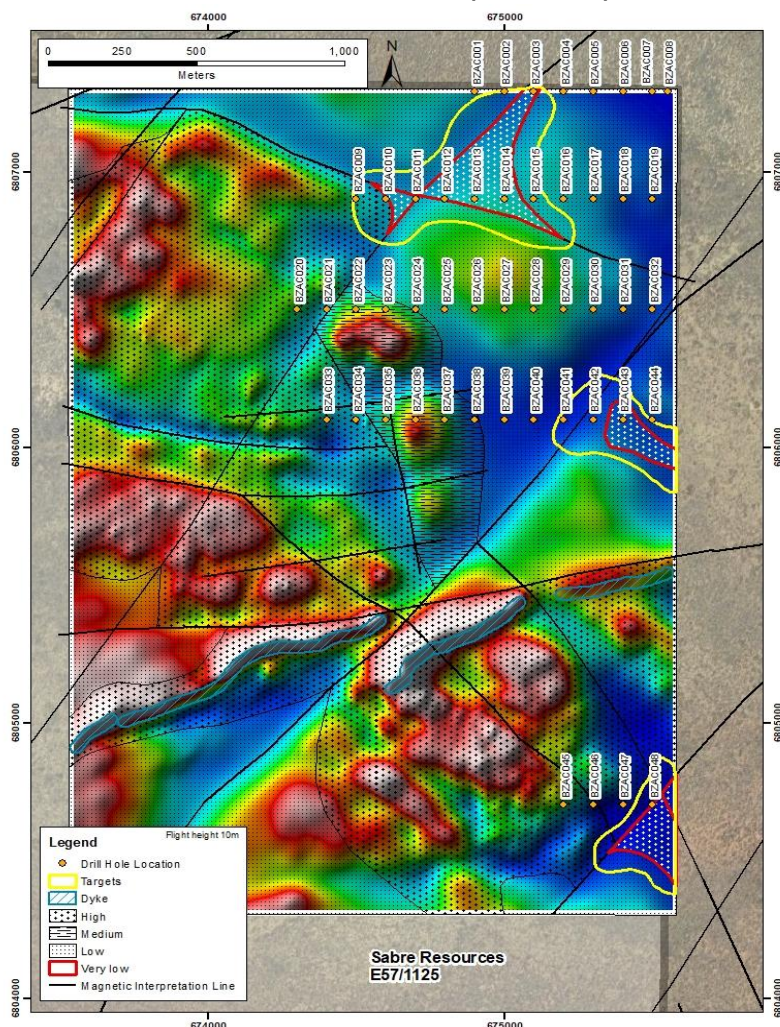


Figure 3: Aeromagnetic image (TMI-RTP) of the survey area showing location of Aircore drill holes

## 2.2 Otavi Mountain Land copper and base metal project, Namibia

The Project is located in the Otavi Mountain Land (OML) metallogenic province, historically a globally important source of copper, zinc, lead, and vanadium (Figure 4). The OML has a long mining history dating back to the late 1800s, and consequently has excellent infrastructure, including roads, power, water, rail to port and the Tsumeb base metal smelter complex, one of only five operating copper smelters in Africa.

On 28 September 2020, Trigon Metal Inc. (TSX-V:TM) announced an increase in the Mineral Resource at the Kombat Mine from 7 million tonnes to 39 million tonnes. The Mineral Resource is now 7.35Mt at 0.91% Cu, 0.88% Pb, 0.58g/t Ag (Indicated) and 31.75Mt at 2.21% Cu, 1.33% Pb, 4.42g/t Ag (Inferred)<sup>2</sup>.

The main prospect within Sabre's project area is the Border-Toggenburg lead-zinc prospect on EPL3542. In October 2014, Sabre announced an update of the Inferred Mineral Resource at Border:

16Mt @ 1.53% Zn, 0.59% and 4.76g/t Ag using a 1.5% Zn+Pb cut-off<sup>3</sup>

<sup>2</sup> Trigon Metals Inc. (TSX-V: TM) announcement 28 September 2020, "Trigon expands Kombat resource from 7Mt to 39 million tonnes."

<sup>3</sup> Sabre Resources Ltd (ASX:SBR) announcement 16 October 2014 "Border zinc deposit resource update".

## DIRECTORS' REPORT (continued)

Sabre conducted metallurgical testwork on the Border deposit to test the response of the mineralisation to dense media separation (DMS). DMS is a cheap and efficient process that becomes more efficient with higher density contrasts, providing greatly reduced mineral processing costs. The beneficiation tests on the bulk sample show exceptional upgrading of the mineralisation, in the DMS step with 92.5% of the lead and 86% of the zinc recovered to only 17% of the feed mass with a resulting product grade of 12.5% zinc and 6.3% lead. This greatly reduces the amount of material requiring grinding prior to flotation. Grind and float test work demonstrated excellent liberation at a relatively coarse grind size of 150 microns. Final flotation concentrate grades were around 65 % lead and 62 % zinc (from mineralisation grading 0.77% Pb and 1.66% Zn), with final recoveries of around 87% for lead and 82% for zinc.

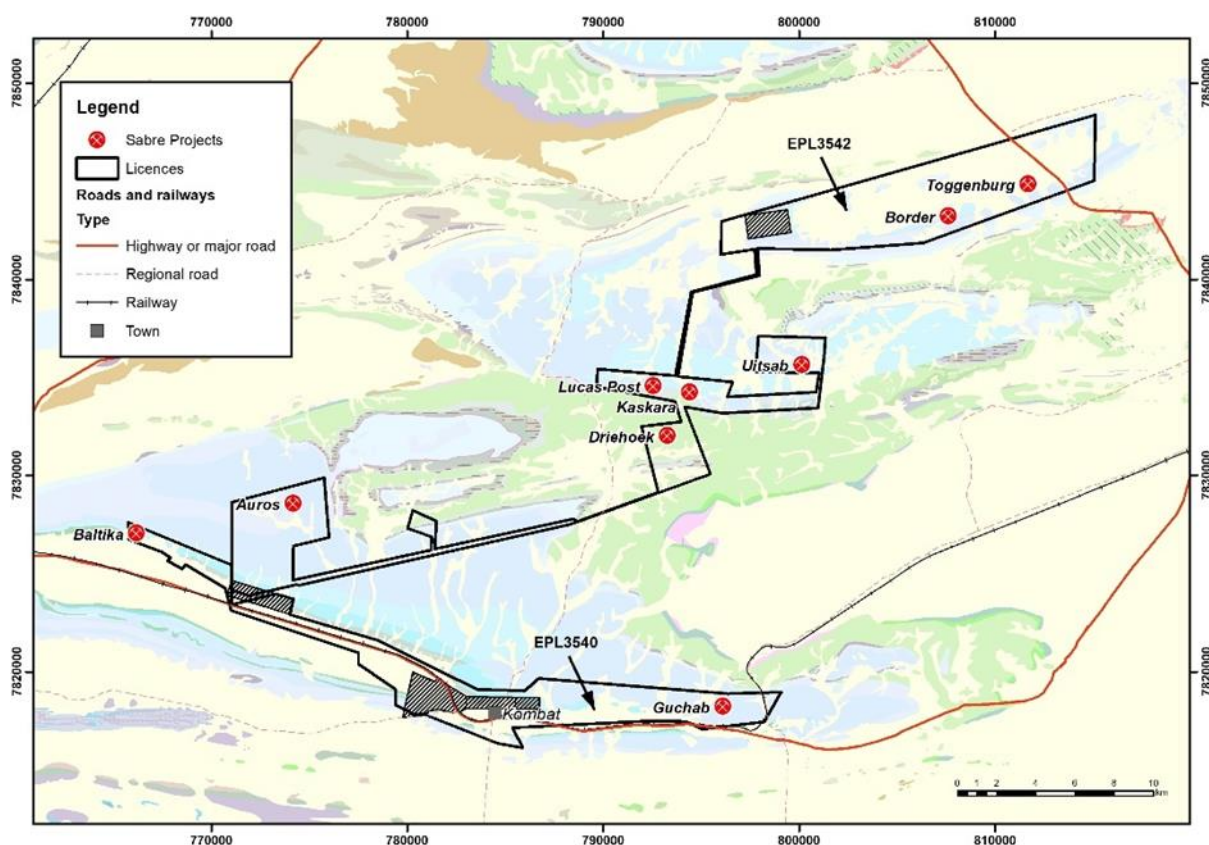


Figure 4: Location map of the Sabre Resources Limited Exclusive Prospecting Licences (EPL's) in the Otavi Mountain Land, northern Namibia

### 2.3 Sherlock Bay Project, Western Australia

Sabre holds a 70% interest in the Sherlock Bay Project located in the Pilbara region of Western Australia (refer to SBR announcement dated 29 January 2018). The Project is well-located 12 km off Highway 1 with access to critical mining infrastructure. The Project comprises a mining lease M47/567 and a Miscellaneous Licence L47/124 (Figure 5). The mining lease contains a resource of 24.6Mt grading 0.4% nickel, 0.09% copper and 0.02% cobalt<sup>4</sup>. Sabre continues to review the economics of the project following recent fluctuations in the nickel price.

<sup>4</sup> SBR ASX announcement dated 12 June 2018 "Sherlock Bay resource estimate update".



DIRECTORS' REPORT (continued)

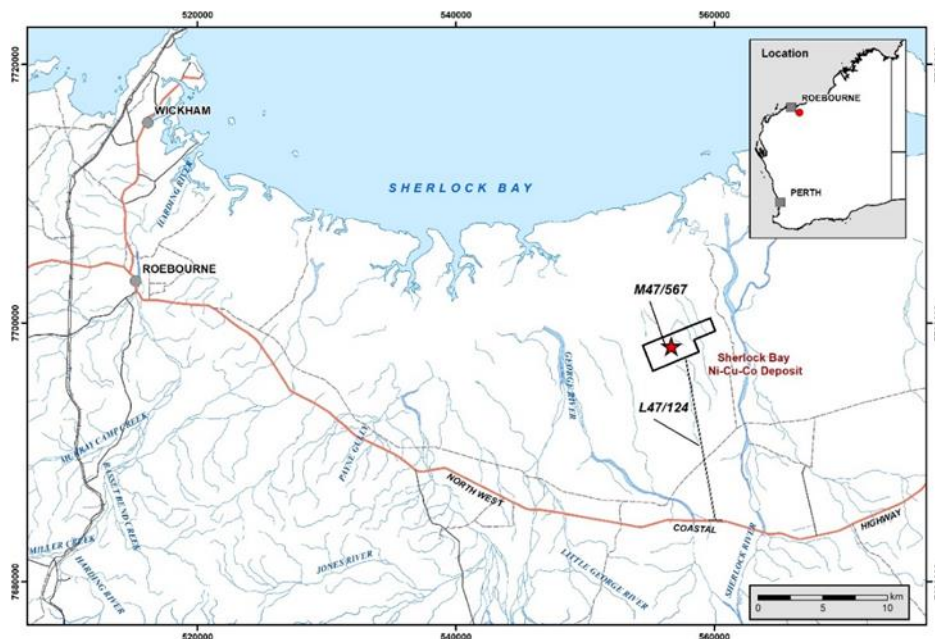


Figure 5: Location map of the Sherlock Bay Project in Western Australia

In June 2020, Sabre announced that the West Australian Department of Mines, Industry Regulation and Safety (DMIRS) had granted a 5 year exemption from expenditure for M47/567 that covers the Sherlock Bay Nickel Deposit in the Pilbara Region of Western Australia. The exemption was granted on 27 May 2020 and is valid for the tenement years ending 22 September 2020 to 2024. The annual minimum expenditure commitment was previously \$100,000 per year.

A feasibility study was conducted on the Sherlock Bay Nickel Project in August 2004 by the Sherlock Bay Nickel Corporation Limited (SNBC). This was followed by a Notice of Intent (NOI) in December 2004. The feasibility study was subsequently updated in 2007 by SNBC.

Processing technology, as well as commodity prices and exchange rates, have changed since the last update of the feasibility study. The nickel price has been increasing since early 2020 and is currently ~USD\$18,000/t, the highest price since 2014. Sabre is continuously reviewing the project, however, a full update of the 2007 feasibility study is required to determine the current economics of the project.

#### Work Planned 2020 – 2021

##### Bonanza and Beacon Gold Projects

Sabre intends to conduct a Reverse Circulation (RC) drilling program to test the interpreted faults at greater depth with closer spaced holes. A RC drilling contractor has been secured and drilling is scheduled for early 2021. The program will comprise holes of at least 100m in depth with 6 holes planned initially with potential to expand the number and depth of holes based on results as drilling progresses.

Traverses of RC holes will be drilled across the priority structures identified from the aeromagnetic data and the Aircore drilling. A senior geologist will be on site to log the holes as they are drilled to identify any indication of alteration or mineralization in the form of quartz veins, shearing and pyrite. Additional deeper holes of up to 250-300m will be drilled as a follow up if any visual indications of mineralization are intersected.

The priority structures are located near Aircore holes BZAC004, BZAC011 and BZAC042 (refer to Figure 3). BZAC004 intersected quartz veins at an interpreted contact. BZAC011 intersected a pegmatite intruded into an interpreted faulted contact and BZAC042 is located at a contact zone.



## SABRE RESOURCES LTD AND CONTROLLED ENTITIES

### DIRECTORS' REPORT (continued)

#### **Otavi Mountain Land, Namibia**

Sabre plans to continue exploration for basemetals and vanadium on EPL3542.

At the Border prospect, Sabre plans to continue reviews of the economics of the lead-zinc resource based on current commodity prices and costs. The economics of Border could be improved by increasing the size of the Mineral Resource estimated in 2004. Shallow drilling indicates the lead-zinc mineralisation at Border extends along strike to the Toggenburg prospect. Deeper reverse circulation drilling at Toggenburg is likely to result in a significant increase in the resource size. Smaller lead-zinc resources have also been identified at the Driehoek prospect, 20km to the south west.

#### **Sherlock Bay Nickel Project**

Sabre is continuously reviewing the project to determine the current economics of the project based on recent increases in the nickel and copper price.

#### **Appendix I – Sabre tenement schedule**

Country	State/Region	Project	Tenement ID	Area (km <sup>2</sup> )	Date Granted	Date Expires	Interest
Namibia	Otjozondjupa	Otavi Mountain Land	EPL3540 <sup>1</sup>	56.19	30/10/2006	07/05/2021	80%
			EPL3542	116.29	30/10/2006	08/05/2021	70%
Australia	WA	Bonanza	E57/1125	15.0	10/01/2020	09/01/2025	100%
		Beacon	E57/1136	18.0	24/03/202	23/03/2025	100%
		Sherlock Bay	M47/567	10.0	07/09/2004	22/09/2025	100%
		09/2244Lyon River	E09/2244	31.33	25/02/2019	24/02/2024	100%

<sup>1</sup> This EPL was sold on 25 February 2021.

#### **Competent Person Declaration**

The information in this report that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Martin Bennett, who is a member of The Australasian Institute Geoscientists. Mr Bennett is a consultant to Sabre Resources Limited and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resource and Ore Reserves". Mr Bennett consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

#### **Forward-Looking Statements**

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

### **3. FINANCIAL RESULT**

The Group incurred a loss after income tax of \$3,155,323 for the half year period (2019: loss of \$512,088). As at 31 December 2020, the Group had cash funds of \$5,258,838 (30 June 2020: \$448,945).

**DIRECTORS' REPORT (continued)**

**4. EVENTS SUBSEQUENT TO REPORTING DATE**

On 25 February 2021, the Company sold its 80% interest in Namibian subsidiary Gazania Investments Nine (Pty) Ltd, the holder of Exclusive Prospecting License 3540. Total consideration receivable for the sale is CAD\$200,000 up front, plus an additional CAD\$100,00 on successful renewal of the license by the Namibian Ministry of Mines and Energy.

No other matters or circumstances have arisen since the end of the half year which significantly affect or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group.

**5. AUDITOR'S INDEPENDENCE DECLARATION**

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on the following page.

This report is made in accordance with a resolution of the Board of Directors.



**Michael Scivolo**  
Director

**Perth, dated this 12th day of March 2021**

## AUDITOR'S INDEPENDENCE DECLARATION TO THE DIRECTORS OF SABRE RESOURCES LIMITED

As lead auditor for the review of the half-year financial report of Sabre Resources Limited for the half-year ended 31 December 2020, I declare that, to the best of my knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- b) no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Sabre Resources Limited and the entities it controlled during the period.



**Crowe Perth**



**Sean McGurk**  
Partner

Signed at Perth, 12 March 2021

SABRE RESOURCES LTD AND CONTROLLED ENTITIES

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE HALF YEAR ENDED 31 DECEMBER 2020**

	Notes	Consolidated Half year 2020 \$	Consolidated Half year 2019 \$
<b>Other Revenue</b>			
Interest earned		623	687
Government grants received		12,306	-
Cost recovery		-	2,028
		<b>12,929</b>	<b>2,715</b>
<b>Expenditure</b>			
Depreciation		-	(514)
Directors' fees and services		(19,140)	(18,420)
Professional fees		(87,366)	(86,703)
ASX listing fees		(22,568)	(20,117)
Exploration and evaluation expenditure written off	5	(2,892,675)	(268,800)
Employee benefits		(19,950)	(20,806)
Office facility fees for services under a Management Agreement		(95,795)	(95,795)
Other operating costs		(30,758)	(3,648)
		<b>(3,168,252)</b>	<b>(514,803)</b>
<b>Loss before income tax</b>		<b>(3,155,323)</b>	<b>(512,088)</b>
Income tax benefit		-	-
<b>Loss for the half year</b>		<b>(3,155,323)</b>	<b>(512,088)</b>
<b>Other Comprehensive Income, net of tax</b>			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Exchange differences on translating foreign controlled entities		436,223	56,907
<b>Total Comprehensive Loss for the half year</b>		<b>(2,719,100)</b>	<b>(455,181)</b>
<b>Loss for the period attributable to:</b>			
Owners of the parent		(2,570,930)	(434,552)
Non-controlling interest		(584,393)	(77,536)
<b>Total Loss for the half year, net after tax</b>		<b>(3,155,323)</b>	<b>(512,088)</b>
<b>Total comprehensive loss for the period attributable to:</b>			
Owners of the parent		(2,243,763)	(391,697)
Non-controlling interest		(475,337)	(63,484)
<b>Total comprehensive income/(loss) for the half year</b>		<b>(2,719,100)</b>	<b>(455,181)</b>
Basic and diluted loss per share (cents)		(0.25)	(0.13)

*The accompanying notes form part of these financial statements.*



# SABRE RESOURCES LTD AND CONTROLLED ENTITIES

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2020

	Notes	Consolidated 31 December 2020 \$	30 June 2020 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		5,258,838	448,945
Trade and other receivables		98,102	47,267
<b>TOTAL CURRENT ASSETS</b>		<b>5,356,940</b>	<b>496,212</b>
<b>NON-CURRENT ASSETS</b>			
Plant and equipment		10,402	9,861
Exploration and evaluation expenditure	5	9,149,621	11,451,783
<b>TOTAL NON-CURRENT ASSETS</b>		<b>9,160,023</b>	<b>11,461,644</b>
<b>TOTAL ASSETS</b>		<b>14,516,963</b>	<b>11,957,856</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		110,794	268,551
Provisions		-	27,740
<b>TOTAL CURRENT LIABILITIES</b>		<b>110,794</b>	<b>296,291</b>
<b>NON-CURRENT LIABILITIES</b>			
Trade and other payables		-	200,000
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>-</b>	<b>200,000</b>
<b>TOTAL LIABILITIES</b>		<b>110,794</b>	<b>496,291</b>
<b>NET ASSETS</b>		<b>14,406,169</b>	<b>11,461,565</b>
<b>EQUITY</b>			
Issued capital	6	61,444,032	55,878,006
Foreign currency translation reserve		(2,508,703)	(2,835,870)
Option reserve	7	166,178	68,500
Accumulated losses		(41,931,677)	(39,360,747)
Parent interests		17,169,830	13,749,889
Non-controlling interest		(2,763,661)	(2,288,324)
<b>TOTAL EQUITY</b>		<b>14,406,169</b>	<b>11,461,565</b>

*The accompanying notes form part of these financial statements.*

**SABRE RESOURCES LTD AND CONTROLLED ENTITIES**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE HALF YEAR ENDED 31 DECEMBER 2020**

	Ordinary Issued Capital	Foreign Currency Translation Reserve	Share Options Reserve	Accumulated Losses	Total attributable to owners of parent	Non- controlling Interest	Total
	\$	\$	\$	\$			\$
<b>BALANCE AT 1 JULY 2019</b>	<b>54,497,746</b>	<b>(1,626,909)</b>	<b>53,073</b>	<b>(38,736,568)</b>	<b>14,187,342</b>	<b>(1,794,081)</b>	<b>12,393,261</b>
Loss attributable for the period	-	-	-	(434,552)	(434,552)	(77,536)	(512,088)
Total other comprehensive income/(loss) for the period	-	42,855	-	-	42,855	14,052	56,907
Issue of capital	1,445,230	-	-	-	1,445,230	-	1,445,230
Capital raising costs	(121,757)	-	-	-	(121,757)	-	(121,757)
Expiration of options	-	-	(5,944)	5,944	-	-	-
<b>BALANCE AT 31 DECEMBER 2019</b>	<b>55,821,219</b>	<b>(1,584,054)</b>	<b>47,129</b>	<b>(39,165,176)</b>	<b>15,119,118</b>	<b>(1,857,565)</b>	<b>13,261,553</b>
	Ordinary Issued Capital	Foreign Currency Translation Reserve	Share Options Reserve	Accumulated Losses	Total attributable to owners of parent	Non- controlling Interest	Total
	\$	\$	\$	\$			\$
<b>BALANCE AT 1 JULY 2020</b>	<b>55,878,006</b>	<b>(2,835,870)</b>	<b>68,500</b>	<b>(39,360,747)</b>	<b>13,749,889</b>	<b>(2,288,324)</b>	<b>11,461,565</b>
Loss attributable for the period	-	-	-	(2,570,930)	(2,570,930)	(584,393)	(3,155,323)
Total other comprehensive income/(loss) for the period	-	327,167	-	-	327,167	109,056	436,223
Issue of capital	5,896,803	-	-	-	5,896,803	-	5,896,803
Capital raising costs	(330,777)	-	-	-	(330,777)	-	(330,777)
Issue of options	-	-	97,678	-	97,678	-	97,678
<b>BALANCE AT 31 DECEMBER 2020</b>	<b>61,444,032</b>	<b>(2,508,703)</b>	<b>166,178</b>	<b>(41,931,677)</b>	<b>17,169,830</b>	<b>(2,763,661)</b>	<b>14,406,169</b>

*The accompanying notes form part of these financial statements.*

SABRE RESOURCES LTD AND CONTROLLED ENTITIES

CONSOLIDATED CASH FLOW STATEMENT  
FOR THE HALF YEAR ENDED 31 DECEMBER 2020

	Consolidated	
	Half year 2020	Half year 2019
	\$	\$
<b>Cash Flows from Operating Activities</b>		
Payments to suppliers and employees	(756,560)	(458,543)
Interest received	623	687
Other income	34,351	31,089
<i>Net cash used in operating activities</i>	<u>(721,586)</u>	<u>(426,767)</u>
<b>Cash Flows from Investing Activities</b>		
Payments for exploration and evaluation expenditure	(132,225)	(132,537)
<i>Net cash used in investing activities</i>	<u>(132,225)</u>	<u>(132,537)</u>
<b>Cash Flows from Financing Activities</b>		
Proceeds from issue of shares, net of capital raising costs	5,663,704	1,323,473
Proceeds from loans	-	-
<i>Net cash provided by financing activities</i>	<u>5,663,704</u>	<u>878,682</u>
<b>Net increase in Cash and Cash Equivalents</b>	<b>4,809,893</b>	<b>319,378</b>
<b>Cash and Cash Equivalents at the Beginning of the Half Year</b>	<b>448,945</b>	<b>351,111</b>
<b>Cash and Cash Equivalents at the End of Half Year</b>	<u><b>5,258,838</b></u>	<u><b>670,489</b></u>

*The accompanying notes form part of these financial statements.*

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE HALF YEAR ENDED 31 DECEMBER 2020**

**1. BASIS OF PREPARATION OF HALF YEAR REPORT**

Sabre Resources Ltd is a company domiciled in Australia.

This general-purpose financial report for the interim half year reporting period ended 31 December 2020 has been prepared in accordance with requirements of the Corporations Act 2001 and Australian Accounting Standards including AASB 134 Interim Financial Reporting. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards.

This interim financial report is intended to provide users with an update on the latest annual financial statements of Sabre Resources Ltd and its controlled entities (the Group). As such, it does not contain information that represents relatively insignificant changes occurring during the half year within the Group. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2020 together with any public announcements made during the half year.

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements except for the adoption of the following new and revised Accounting Standards.

The interim financial statements have been approved and authorised for issue by the Board of Directors.

**2. DIVIDENDS**

No dividends have been paid or proposed during the half year ended 31 December 2020.

**3. CAPITAL AND LEASING COMMITMENTS AND CONTINGENCIES**

There has been no material change in contingent liabilities and commitments since the end of the last annual reporting period.

**4. OPERATING SEGMENTS**

**Segment Information**

**Identification of reportable segments**

The Group has identified its operating segments based on the internal management reports that are reviewed and used by the executive management team (the 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 exploration expenditure incurred by area of interest. The internal reporting framework is the most relevant to assist the executive management team 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 executive management team has aggregated the performance of all segments as they maintain similar economic characteristics including the development and exploration of the Group's mineral interests in Namibia as well as Western Australia.



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE HALF YEAR ENDED 31 DECEMBER 2020**

**4. OPERATING SEGMENTS (continued)****Basis of Accounting for purposes of reporting by operating segments***Accounting Policies Adopted*

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

*Unallocated items*

Corporate costs are not considered core operations of any segment.

**5. EXPLORATION AND EVALUATION EXPENDITURE**

	<b>Consolidated</b>	
	<b>31 December 2020</b>	<b>30 June 2020</b>
	<b>\$</b>	<b>\$</b>
Opening balance	<b>11,451,783</b>	<b>13,023,225</b>
Expenditure for period including foreign exchange movements	590,513	(1,371,605)
Exploration and evaluation on acquisition of subsidiaries	-	68,963
Expenditure written off	(2,892,675)	(268,800)
	<b>9,149,621</b>	<b>11,451,783</b>

The ultimate recoupment of costs carried forward for exploration and evaluation phases is dependent on the successful development and commercial exploitation or sale of the respective mineral areas.

Exploration and evaluation activities in the area of interests to which the Exploration and Evaluation Expenditure relates has not at the reporting date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

**6. ISSUED CAPITAL**

<b>Date</b>	<b>Details</b>	<b>Number of Shares</b>	<b>Amount \$</b>
<b>1 July 2019</b>	<b>Balance</b>	<b>406,973,606</b>	<b>54,497,746</b>
2 August 2019	Issue of shares at \$0.003 per share	68,410,068	205,230
25 November 2019	Issue of shares at \$0.003 per share	233,333,333	700,000
25 November 2019	Issue of shares at \$0.004 per share	135,000,000	540,000
	Capital raising costs	-	(121,757)
<b>31 December 2019</b>	<b>Balance</b>	<b>843,717,007</b>	<b>55,821,219</b>
<b>1 July 2020</b>	<b>Balance</b>	<b>857,717,007</b>	<b>55,878,006</b>
21 July 2020	Issue of shares at \$0.0025 per share	180,929,251	452,323
28 July 2020	Issue of shares at \$0.00304 per share	212,000,000	644,480
1 December 2020	Issue of shares at \$0.0115 per share	417,391,304	4,800,000
	Capital raising costs		(330,777)
<b>31 December 2020</b>	<b>Balance</b>	<b>1,668,037,562</b>	<b>61,444,032</b>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE HALF YEAR ENDED 31 DECEMBER 2020**

**6. ISSUED CAPITAL (continued)**

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.

**7. SHARE OPTION RESERVE**

<b>Date</b>	<b>Details</b>	<b>Number of Options</b>	<b>Amount \$</b>
<b>1 July 2019</b>	<b>Balance</b>	<b>276,501,378</b>	<b>53,073</b>
31 October 2020	Expiration of \$0.03 31 October 2020 options	(151,501,378)	(5,944)
<b>31 December 2019</b>	<b>Balance</b>	<b>125,000,000</b>	<b>47,129</b>
<b>1 July 2020</b>		<b>721,493,401</b>	<b>68,500</b>
14 August 2020	Issue of \$0.008 30 September 2022 options	100,000,000	2,000
29 October 2020	Issue of \$0.008 30 September 2022 options	125,000,000	50,600
7 December 2020	Issue of \$0.008 30 September 2022 options	15,026,087	45,078
<b>31 December 2020</b>		<b>961,519,488</b>	<b>166,178</b>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE HALF YEAR ENDED 31 DECEMBER 2020**

**8. RELATED PARTY TRANSACTIONS**

The Group's related parties include its subsidiaries, key management personnel and others as described below. None of the transactions incorporate special items and conditions and no guarantees were received or given.

Related Party	Relationship	Nature of Transaction	Half Year Ended 31 December 2020	Half Year Ended 31 December 2019
			\$	\$
Sabre Resources Namibia (Pty) Ltd	Subsidiary	Advances	4,762	-
Gazania Investments Nine (Pty) Ltd	Subsidiary	Advances	20,817	24,665
Golden Deeps Limited	Common directors	Cost Recovery	-	35,626
Oshivela Mining Pty Ltd	Common directors	Cost Recovery	-	915
Metals Australia Limited	Common directors	Cost Recovery	-	559
Huab Energy (Pty) Ltd	Common directors	Cost Recovery	-	5,777
Gazania Investments Nine (Pty) Ltd	Subsidiary	Cost Recovery	-	2,775
Golden Deeps Limited	Common directors	Trade Receivables	-	14,362
Metals Australia Limited	Common directors	Trade Receivables	-	3,924
Gazania Investments Nine (Pty) Ltd	Subsidiary	Trade Receivables	-	4,462

The Company expensed director fees of \$6,000 from Profit & Resource Management Pty Ltd, an entity of which Robert Collins is a director and shareholder. An amount of \$3,000 (excluding GST) remains payable as at 31 December 2020.

**9. EVENTS SUBSEQUENT TO REPORTING DATE**

On 25 February 2021, the Company sold its 80% interest in Namibian subsidiary Gazania Investments Nine (Pty) Ltd, the holder of Exclusive Prospecting License 3540. Total consideration receivable for the sale is CAD\$200,000 up front, plus an additional CAD\$100,000 on successful renewal of the license by the Namibian Ministry of Mines and Energy.

No other matters or circumstances have arisen since the end of the half year which significantly affect or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group.

## SABRE RESOURCES LTD AND CONTROLLED ENTITIES

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### DIRECTORS' DECLARATION

In the opinion of the Directors of Sabre Resources Ltd:

- (a) the consolidated financial statements and notes, as set out on the accompanying pages, are in accordance with the Corporations Act 2001 including:
  - (i) complying with Australian Accounting Standard, AASB 134: Interim Financial Reporting; and
  - (ii) giving a true and fair view of its financial position as at 31 December 2020 and of its performance for the half year ended on that date; and
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

**Signed in accordance with a resolution of the Board of Directors.**



**Michael Scivolo**  
Director

**Perth, dated this 12th day of March 2021**



## INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF SABRE RESOURCES LIMITED

### REPORT ON THE HALF-YEAR FINANCIAL REPORT

#### *Conclusion*

We have reviewed the accompanying half-year financial report of Sabre Resources Limited (the Company) and its subsidiaries (collectively the Group) which comprises the consolidated statement of financial position as at 31 December 2020, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that causes us to believe that the half-year financial report of the Group is not in accordance with the requirements of the *Corporations Act 2001* including:

- a) giving a true and fair view of the consolidated financial position of the Group as at 31 December 2020 and of its performance for the half-year ended on that date; and
- b) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

#### *Basis for Conclusion*

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. 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 annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code

#### *Directors' responsibility for the half-year financial report*

The directors of the Company are responsible for the preparation of the half-year 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 half year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

#### *Auditor's responsibility*

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report of the Group is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2020 and its performance for the half-year ended on that date, and complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



**Crowe Perth**



**Sean McGurk**  
Partner

Signed at Perth, 12 March 2021