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Sable Mining Africa Ltd ('Sable Mining' or 'the Company')

Final Results

Sable Mining Africa Ltd, the AIM listed company focussed in the mining sector in Africa, announces its results for the year ended 31 March 2011.

Overview

- Significant progress made building a extensive coal and iron ore portfolio across Southern, Central and Western Africa and progressing these projects up the value curve
- Commenced comprehensive exploration and drilling programmes to prove up resources - current attributable coal resource stands at 2.3 billion tonnes and potential remains to raise this to 4 billion tonnes
- Gained exposure to the Zimbabwean coal sector through the acquisition of significant interests in the Lubu Coal Project and the Lubimbi Coal Project - both projects benefit from established infrastructure
- Published Bankable Feasibility Study on Rietkuil Coal Project in South Africa - demonstrated viability to produce 2.6 million tonnes per annum run of mine over a mine life of 30 years
- Established extensive mineral footprint in West Africa - assets located in recognised world class iron ore provinces with existing infrastructure
- Aeromagnetic surveys on Liberian projects have identified several major iron ore targets - a 60km mineralised strike on the Kpo licence and two mineralised anomalies on the Timbo licence with strike lengths of between 9km and 14km
- Acquisition and development programme to be funded from strong cash treasury following $125 million fundraising in April 2010

Sable Mining CEO Andrew Groves said, "Sable Mining has rapidly built a high quality multi-project portfolio spanning Zimbabwe, South Africa, Liberia, Sierra Leone and Guinea, with a focus on bulk commodities, primarily coal and iron ore.

"Our portfolio of thermal and metallurgical coal interests, located in areas with strong established infrastructure networks, has a current attributable coal resource in excess of 2.3 billion tonnes and we believe we have the potential to raise this to 4 billion tonnes. In tandem with this, we have assembled multiple highly prospective iron ore assets in recognised world class mineral regions of West Africa. We are positioned for growth and believe that we are at a tipping point in recognition of the inherent value of our portfolio which we believe will reflect positively in our valuation over the coming year."

CHAIRMAN'S STATEMENT

During the year under review the Company has achieved significant progress towards delivering on its strategy of acquiring significant coal and iron ore assets in Southern, Central and Western Africa and progressing these projects up the value curve. Momentum continues to build within Sable Mining and our primary focus is now orientated towards maximising value from our current portfolio of large scale bulk commodity exploration and development projects. In this context, the Company has initiated comprehensive exploration and drilling programmes to prove up resources. Not withstanding this, the Company is still targeting the acquisition of a limited number of key assets, particularly iron ore assets in West Africa and coal assets in Zimbabwe.

Sable Mining has now built a solid portfolio of highly prospective iron ore and coal licences over the period under review, complementing our maiden investment in Delta Mining Consolidated Limited ('DMC'). We have a current attributable resource in excess of 2.3 billion tonnes of coal in central and southern Africa. Importantly, the addition of our growing iron ore interests not only provides Sable Mining with a dual commodity focus, but affords the Company a diverse portfolio of assets at varying stages of development, from greenfield exploration to near term production, and extends our geographic spread to include Zimbabwe and South Africa for coal and Liberia, Sierra Leone and Guinea for iron ore.

Sable Mining's additional investment criteria require a strong market for the product, quality of mineral, a life of mine greater than ten years and proximity to infrastructure to facilitate development and access to market, all of which support the potential to provide high returns on investment. By adhering to these fundamental investment criteria, Sable Mining has, through the utilisation of its strong treasury, acquired a sizeable and exciting portfolio of projects.

Coal Assets

A key achievement for Sable Mining over the past 12 months has been its move into the Zimbabwean coal sector through the acquisition of significant interests in the Lubu Coal Project ('Lubu') in June 2010 and the Lubimbi Coal Project ('Lubimbi') in March 2011. Lubu covers 19,236 hectares and Lubimbi covers 16,545 hectares of the highly prospective Karro Mid Zambezi coal basin in the established Hwange (Wankie) mining district in north-western Zimbabwe. Lubu already has attributed an in-situ coal seam tonnage of 786 million tonnes and there remains significant resource upgrade potential as additional samples are analysed. Historic resource estimations at Lubimbi have demonstrated a 1 billion tonnes potential, and an ongoing drilling campaign conducted by the Company on a small area of the licence has suggested an initial in-situ tonnage of 537 million tonnes. With approximately 90% of the licence area remaining untested, the Company believes that there is strong potential for the total tonnage of the entire area to be considerably increased.

The development of Lubu and Lubimbi will benefit from Zimbabwe's established infrastructure. Importantly, the existing rail infrastructure provides Sable Mining with the potential to export the significant coking coal fraction from the concessions to South Africa or beyond, which has the ability to generate major revenues for the Company particularly in light of high coking coal prices. In addition, in light of regional power shortages and the deregulation of power generation, Sable Mining has initiated a study to investigate the possibility of obtaining an Independent Power Producer licence in Zimbabwe.

Zimbabwe hosts an exceptional concentration of mineralised landscapes, including high quality coking and thermal coal assets and the Board believes that it is important to maintain, and if possible, increase its exposure to the Zimbabwean coal market. The Board believes that through the investment into Lubu and Lubimbi, it now benefits from a significant foothold in Zimbabwe, and the Company intends, should the opportunity occur, to acquire additional coal licences in this highly prospective coal destination targeting a limited number of further acquisitions to expand its current coal footprint. In line with this, Sable Mining looks forward to being an active contributor towards the continued economic growth of the country.

Sable Mining's maiden investment in the coal sector was through its proposed acquisition of the total issued share capital DMC, a South African based coal developer. Sable Mining currently holds a 36% interest in DMC, and progress is being made to obtain the requisite consents ahead of the acquisition of the balance of DMC's shares by Sable Mining. Sable Mining has exposure to the Rietkuil Coal Project, the Springbok Flat Coal Project and the Limpopo Coal Project through its interest in DMC.

A further key development in regard to Sable Mining's coal assets has been the publication of a Bankable Feasibility Study ('BFS') on the Rietkuil Coal Project ('Rietkuil'), located 80km east of Johannesburg, 8km south of Delmas and adjacent to Exxaro Resources Limited's Leeuwpan Colliery and Kuyasa Mining (Pty) Limited's Delmas Colliery, in the Mpumalanga Province of South Africa. The BFS demonstrates the economic viability of developing the project towards production and is predicated upon a rate of 2.6 million tonnes per annum run of mine ('ROM') over a mine life of 30 years. The possibility exists of significant upside to the BFS model through the acquisition of the full rail and port export allocation, and the Rietkuil management is working assiduously to achieve this whilst at the same time, acquiring the final regulatory consents including the water licence.

An additional development that offers further potential value upside to the wider Rietkuil project is the advancement of the adjacent Matjiesgoedkuil 266IR farm ('Matjiesgoedkuil'), which represents the southern extension of the modelled Rietkuil seam. An exploration programme has commenced on Matjiesgoedkuil with the intention of progressing the project and potentially increasing Rietkuil's current SAMREC compliant 199.9 million tonnes resource, extending the life of mine beyond 30 years and further improving the economic fundamentals of the wider Rietkuil project.

Also in South Africa, DMC signed an agreement to acquire a significant interest in two prospecting rights contained within the Springbok Flats Coal Project. These titles, located on one of the last underexplored coalfields in South

Africa, have a combined non-JORC estimated coal resource of 1,340 million tonnes. Previous exploration has demonstrated the potential for high quality coal grades, ranging from coking coal to power station grade coal, and DMC intends to commence a drilling campaign in order to better define the geology of the coal basin and delineate a JORC compliant resource.

DMC and Sable Mining note with interest the developments in regard to Coal of Africa's Vele's Project in the Limpopo Province of South Africa, particularly the recommencement of development following the grant of environmental consent and water licences from the Department of Environmental Affairs. Consequent to this, Sable Mining will be reviewing how best to advance its assets in the Limpopo region.

Iron Ore Assets

As discussed earlier in my statement, Sable Mining has diversified its portfolio over the past year through the acquisition of several early stage iron ore licences, all located in recognised world class iron ore provinces in West Africa and areas with established infrastructure.

Sable Mining now has an extensive mineral footprint in world-class mineralised districts of West Africa, with an initial focus on the Company's interests in the Bopulu/Kpo and Timbo iron ore licences in Liberia. These licences form part of a widely recognised world-class iron ore province which include major iron projects such as the 1 billion tonne Yekepa Project, owned by Arcelor Mittal; the 1.1 billion tonne Putu Range, owned by Severstal; and the 290 million tonne Bong Project, owned by China Union/Wisco. Early stage exploration work has commenced in Liberia, with aeromagnetic surveys identifying several major iron ore targets, including a 60km mineralised strike on the Kpo licence and two mineralised anomalies on the Timbo licence with strike lengths of between 9km and 14km. These anomalies at Bopulu, Kpo and Timbo have been prioritised for follow-up drilling.

Sable Mining's Liberian iron ore assets also benefit from established infrastructure, with Kpo situated within 60km of the existing Bong railway line and in close proximity to the proposed Bomi railway line, which will provide access routes to the ports of Monrovia and Buchanan.

The Company's West African portfolio also includes its interest in the Bagla Hills region of Sierra Leone, held through Red Rock Mining (SL) Limited ('Red Rock'), which is 80km from the coast and 12km from a disused railhead at Kongo in Liberia. Sable Mining, in conjunction with Red Rock, is working with the government of Sierra Leone and the relevant local agencies in order to establish the best framework for the future of the Bagla Hill lease in light of the moratorium and prohibition on conducting mining and other exploration activities in the area.

Sable Mining's West African portfolio also includes its iron ore permits in the Kissidougou area of south east Guinea and the exploration permit on the Mount Kakoulima mafic-ultramafic igneous intrusive c.50km north-east of Conakry in Guinea.

The Company's highly prospective West African interests meet the Company's investment criteria and consequently have considerable value uplift potential. It is Sable Mining's intention to develop these towards resource definition stage as soon as practicable, barring the Bagla Hills lease, due to the current moratorium on mining and other exploration activities in the area.

Financial Review

Sable Mining is reporting for the year ended 31 March 2011 a pre-tax loss on continuing activities of $11.5 million (2010: $3.9 million). The Group has a strong treasury and as at 31 March 2011 cash balances were $108.9 million (2010: $30.3 million).

Outlook

Sable Mining remains in an attractive position with a substantial asset base covering two core commodities and with a significant geographic spread across southern and West Africa, in addition to near term production potential. In addition to this, the Company has a strong cash treasury which will be utilised to rapidly develop our most prospective projects up the value curve without further dilution, offering considerable value for our investors.

Phil Edmonds
Chairman
22 July 2011

OPERATIONS REVIEW

Coal Interests

Zimbabwean Coal Assets

The Company has exposure to the Zimbabwean coal sector through its significant interests in the Lubu Coal Project and the Lubimbi Coal Project. Zimbabwe is a high quality coal mining region which benefits from established infrastructure. This infrastructure will facilitate the development of Sable Mining's projects and offers the potential for the export of coal products to South Africa and beyond. In addition, in light of regional power shortages and the deregulation of power generation, Sable Mining has initiated a study to investigate the possibility of obtaining an Independent Power Producer licence in Zimbabwe.

Lubu Coal Project, Zimbabwe

The Lubu Coal Project ('Lubu') covers 19,236 hectares of the highly prospective Karro Mid Zambezi coal basin in the established Hwange (Wankie) mining district in north-western Zimbabwe and has initial modelled in-situ seam tonnage of 786 million tonnes.

An intensive 36 hole drilling campaign at Lubu commenced in October 2010, results from which have already emphasised the quality and continuity of Lubu's shallow deposit, the grade parameters, as well as the high coking coal deposits across multiple seams. The results have been incorporated into the existing seam correlation work and when used in conjunction with the borehole geological logs and the downhole geophysical logs, have enabled Sable Mining's geologists to better understand the lithological sequences and correlate and model the seams more accurately.

The model for the Main Seam has been updated and new models constructed for the laterally consistent 1B Lower and 1C seams within the blocks that have been drilled to date. There are a number of seams that occur inconsistently, including the 1B Upper and the 1A seam, which are currently being analysed and will also be modelled in due course. The Company believes that these seams have the potential to add further tonnage to the project when analysed.

Seam	Ave Thickness (metres)	Coal Seam Volume (million cubic metres)	Density	In-situ Tonnes (million tonnes)
1C	4.55	100	1.78	178.035
1B Lower	4.06	89	1.80	160.476
MAIN	12.96	283	1.58	447.445
TOTAL		472		785.956

Analytical work is progressing with identification and quantification of the coal products that can be best derived from these seams. This will be incorporated into the geological model and will lead to the establishment of a SAMREC/JORC/43-101 compliant resource statement which is expected mid-2011.

Lubimbi Coal Project, Zimbabwe

The Company owns a significant interest in the 16,545 hectare Lubimbi Coal Project in the Gwaai area of the Kariba Coal Basin ('Lubimbi'). Historical work has indicated an in-situ coal tonnage in excess of 1 billion tonnes, and an ongoing drilling campaign conducted by the Company on a small area of the licence has suggested an initial in-situ tonnage of 537 million tonnes. With approximately 90% of the licence area remaining untested, the Company believes that there is strong potential for the total tonnage of the entire area to be considerably increased.

18 boreholes totalling 1,846m of core have been completed which has defined a consistent 'coal zone' and identified ten coal seams. These seams can be correlated across the entire 16,545 hectare Lubimbi Project area, based on the downhole geophysics data (density, gamma and resistivity) which has been undertaken on all 18 boreholes.

Initial structural computer models of five of the laterally consistent seams have been constructed to establish an indication of faulting or displacement of the coal zone, and an early estimation of the tonnes underlying this part of the property. Based on an area of less than 10% of the entire 16,545 hectare Lubimbi Coal Project area, the models over the five seams have suggested an in-situ tonnage of 537 million tonnes.

The E Lower Seam has initially been identified, based on its lateral consistency, as a marker horizon. This seam has been intersected 16 times and has an average thickness in these intersections of 5.47m. The initial model of this seam only, modelled only within this restricted 1,529 hectare area, indicates an in-situ coal tonnage 118 million tonnes using a default density of 1.65.

Listed below are the basic statistics of the holes drilled and the seams intersected, as well as the preliminary tonnes derived from the structural model for the main seams within this area.

Seam ID	Minimum	Maximum	Average	Intersections	Preliminary In-situ Tonnes
H	2.00	2.00	2.00	1	From Structural model (million tonnes)
G	0.61	1.10	1.27	5	
F	0.50	1.66	0.96	14	
E-UPPER	1.76	9.74	5.22	16	114
E-MIDDLE	1.08	3.36	1.96	7	
E-LOWER	3.26	7.10	5.47	16	118
D	3.37	6.86	5.34	14	114
C	1.44	4.80	2.85	15	61
B	1.80	14.43	6.54	15	130
A	0.63	1.13	0.88	2	
TOTAL			32.49		537

Approximately two tonnes of samples have been collected as part of this drilling programme and these cores have been refrigerated and are in the process of being delivered to ALS Witlab in South Africa for analysis of grade parameters including swelling indices, calorific values, ash content and volatility. The results from these samples, once received, will be integrated into the seam models.

South African Coal Assets

Sable Mining's interests in the South African coal sector are held through Delta Mining Consolidated Limited ('DMC'). Sable Mining currently holds a 36% interest in DMC, and progress is being made to obtain the requisite regulatory consents ahead of the acquisition of the balance of DMC's shares by Sable Mining.

Rietkuil Coal Project, South Africa

Rietkuil provides near term production opportunity. The project, which has a current SAMREC compliant gross in-situ tonnage resource of 199 million of coal (156.9 million tonnes) in Measured and 42 million tonnes in Indicated categories), is located 80km east of Johannesburg, 8km south of Delmas and is adjacent to Exxaro Resources Limited's Leeuwpan Colliery and Kuyasa Mining (Pty) Limited's Delmas Colliery, in the Mpumalanga Province of South Africa. Importantly, it benefits from access to power and water, and a railway line dissects the property.

A Bankable Feasibility Study ('BFS') was recently completed by SRK Consulting on Rietkuil, which highlighted the viability of establishing an open pit mining operation capable of producing 2.6 million tonnes per annum run of mine ('ROM') coal over a mine life in excess of 30 years. The results of the BFS reiterate Rietkuil's potential to become a profitable mine and represents one of only a few coal projects in South Africa that has the potential to be transformed into an operating entity. A Mining Licence was granted over Rietkuil in December 2010.

The BFS report indicated a start up period of 18 months from date of "approval to proceed" and the management is currently working on finalising details in order to move forward to advance the project. The grant of a water licence is pending as is the confirmation of rail and port access in order to export the product. Progress has been made in other respects of the project's development and a rehabilitation guarantee was recently lodged with the Department of Mines and Energy.

Interest has been received from local consumers, including Eskom, South Africa's largest consumer of domestic coal, which has a power station 30km away from Rietkuil. It is intended to continue advancing these negotiations with a view to signing an off-take agreement with Eskom or another partner, supplying its coal product to local energy companies. Indications have also been received for senior debt support for 60% of the capital requirement to bring Rietkuil into production, and these discussions continue to progress.

The possibility exists of significant upside to the BFS model through the acquisition of the full rail and port export allocation, and the Rietkuil management is working assiduously to achieve this whilst at the same time, acquiring the final regulatory consents including the water licence.

Matjiesgoedkuil Coal Project, South Africa

The economic fundamentals of bringing Rietkuil into production are further improved when considering the exploration activities which have been initiated on the adjacent Matjiesgoedkuil 266IR farm ('Matjiesgoedkuil'). Matjiesgoedkuil represents the southern extension of the Rietkuil seam and historic drill holes show good coal continuity. A 25 borehole drilling programme is underway to provide further information regarding the coal seams. Initial indications look promising for Matjiesgoedkuil, and this asset is being advanced towards resource definition stage, with the objective of considerably lengthening the mine life of its neighbour, Rietkuil.

Springbok Flats Coal Project, South Africa

DMC has exposure to the Springbok Flats Coal Project in South Africa through its agreement to acquire a 70% interest in the 9,948 hectare prospecting right held by the Bakgatla Ba Seabe Traditional Authority (the 'Ba Seabe Title') and the 24,753 hectare prospecting right held by the Bakgatla Ba Mocha Traditional Authority (the 'Ba Mocha Title'). The aforementioned titles have current non-JORC estimated coal resources of 342 million tonnes and 998 million tonnes respectively, which, on completion of the agreement (which is subject to regulatory approval in South Africa), will provide DMC with a total attributable tonnage of 938 million tonnes. The remaining 30% interest in the Ba Seabe and Ba Mocha Titles will be held by the Bakgatla Ba Seabe Traditional Authority (15%) and the Bakgatla Ba Mocha Traditional Authority (15%).

Exploration at Springbok Flats is an important strategic step as the district remains one of a few underexplored coalfields in South Africa. The area has been the subject of various exploration campaigns in the 1970s and 1980s and a database of some 300 boreholes drilled in the immediate vicinity acquired has been evaluated and modelled. These formed the basis for an independent geologists' report in 2009 which tabulated 1.34 billion gross tonnes in situ ('GTIS') that underlie the combined Ba Seabe licence and the Ba Mocha licence. The exploration conducted demonstrated that the coalfield encompassed by the Ba Seabe Title and the Ba Mocha Title areas could deliver coal grades ranging from coking to power station grade.

The Ba Seabe Title is also potentially prospective for uranium, while historical data relating to it suggests that it may contain coal which has semi-coking properties. A Phase 2 exploration plan has been developed for this area and is underpinned by an additional 62 planned boreholes totalling some 10,000m of core drilling. The main focus of this drilling will be expansion drilling to the east where more information is needed, as well as some infill drilling to increase the reporting confidence of the total resources. Drilling will also focus on understanding the uranium mineralisation which is associated with this deposit.

Limpopo Coal Project, South Africa

DMC has an interest in the 9,548 hectare Limpopo Coal Project, located in the Limpopo Province of South Africa, which has a current SAMREC compliant Indicated coal resource of 136 million GTIS ('the Limpopo Project').

A first phase exploration programme on the 3,445 hectare Southern block of the Limpopo Project, which comprised a total of 9,628.59m has been completed. Coal seams, including the top, middle upper, middle lower and bottom seams, were encountered at depths varying from 65m up to 287m, with seam thickness varying from 5.2m to 0.5m. Importantly, the initial tests indicated a free swelling index of above 5, serving as an indicator of a soft coking coal product.

The currently unexplored Northern Block of Limpopo Coal Project is contiguous to Coal of Africa Limited's Vele coal project, where development has recently recommenced following the grant of environmental consent and water licences from the Department of Environmental Affairs. In light of this, DMC will be reviewing how best to advance its assets in the Limpopo region.

Iron Ore Assets

Liberian Iron Ore

Sable Mining has interests in three highly prospective projects areas in Liberia: the 531.9 sq km Kpo Range concession, the 477 sq km Bopolu licence and the 486 sq km Timbo licence. All three licence areas are located in the metamorphosed Archaean granitoid-gneiss-greenstone terrain of the Kenema-Man domain on the West African Shield in Liberia, and aeromagnetic surveys have highlighted the licences' strong iron ore prospectivity. The licences form part of a widely recognised world-class iron ore province in Liberia which include major iron projects such as the 1 billion tonne Yekepa Project, owned by Arcelor Mittal; the 1.1 billion tonne Putu Range, owned by Severstal; and the 290 million tonne Bong Project, owned by China Union/Wisco.

The Kpo Range and Bopulu licences are situated within 60km of the existing Bong railway line and in close proximity to the proposed Bomi railway line, which will provide access routes to the ports of Monrovia and Buchanan. Additionally, there is acceptable road infrastructure servicing both this area and the Timbo licence vicinity.

An exploration programme has been planned for the Company's Liberian iron ore assets. The exploration programme will include 15,000m of diamond drilling and is expected to commence in H2 2011.

Kpo Range

The Kpo Range licence is contiguous to the Bopulu licence area, and has an identified strike of approximately 60km.

Aeromagnetic surveys have indicated significant anomalies, placing Kpo as a high priority drilling target during the upcoming work programme.

The Bopulu Licence

A further two prominent targets associated with itabarite iron formations were delineated on the high-resolution airborne magnetic data from the Bopulu area. These initial targets appear to have strike lengths of between 2.5km and 3.5km with depths of less than 15m and indicated itabarite with potential hematite widths of approximately 45m.

The Timbo Licence

Aeromagnetic surveys commissioned revealed the presence of two potentially significant and highly magnetic anomalies on the Timbo area, interpreted to be associated with itabarite iron formations. The surveys demonstrated the targets have strike lengths of between 9km and 14km, with maximum depths of less than 40m and widths up to 120m.

Guinean Iron Ore

Sable Mining owns a 1,107 sq km iron ore Prospecting Licence, covering three permits in the Kissidougou area of south east Guinea.

The acquired permits are positioned in what is widely recognised as one of the world's largest underdeveloped iron ore and bauxite provinces. They are located between Bellzone Mining plc's multi billion tonne Kalia Project and Rio Tinto's world class Simandou Iron Ore Project, which is expected to commence production in 2013.

Preliminary work conducted on the permits has focussed on high level aeromagnetic surveys and spectrometry, targeting banded iron formations ('BIF') deposits located within a Lower Proterozoic greenstone belt. Results have already identified significant anomalies. Extensive trenching has also been conducted with samples ranging from 30.86% Fe up to 57.78% Fe.

The next objective is to initiate a comprehensive exploration programme and development strategy aimed at developing a JORC compliant resource and providing an initial economic assessment of the licence area.

The Company believes that Guinea represents an ideal location in which to build a portfolio of iron ore assets. Rich deposits have been found in the Mount Nimba area along the Liberian border and the Simandou mountain area, with the iron content of these BIF deposits estimated to be between 63% and 68%.

The Guinean Government is encouraging the development of iron ore projects to diversify from the country's traditional bauxite mining. Mining is the single largest contributing economic activity in Guinea based on its contribution to exports and government revenue. Power supply is available with the two major sources of supply being thermal and hydro. Infrastructure is improving, especially when considering the Guinean Government's intention to build a 1,012km railway from Simandou in the south east to Conakry (the Trans-Guinean railway). Importantly, shipping from West Africa to China is comparable in distance and voyage time from Brazil to China.

Bagla Hills, Sierra Leone

The Company has an interest in a lease over the 206.75 sq km Bagla Hills area, in the Tonkia Kingdom of south-east Sierra Leone, located near to the Liberian border, 80km from the coast where BIF horizons have previously been identified.

A moratorium and prohibition on conducting mining and other exploration activities has been imposed by the Government of Sierra Leone on the Bagla Hills area, however the Company will continue to work with its local partner and the local and regional authorities in order to clarify the onward development potential of the lease area.

Additional Interests

Mount Kakoulima, Guinea

Sable Mining has a majority interest in a new 298 sq km exploration permit on the Mount Kakoulima mafic-ultramafic igneous complex, 50km north-east of Conakry, Guinea ('Mount Kakoulima'), which is prospective for nickel, copper, cobalt, chromium and platinum group elements.

The 1,000m high massif of Mount Kakoulima lies in the central part of the northeast trending complex, flanked by aprons of scree and slumped material. Other possible ultrabasic intrusions have been interpreted from historic geophysical data forming high ground to the northeast of the permit area. Records show this area was also determined to be anomalous in chromite during geochemical studies undertaken in the 1950s.

World class Ni-PGE orebodies typically occur at the base of mafic-ultramafic igneous complexes and Mount Kakoulima is one of the world's few remaining large scale areas that have yet to be exploited in this context. Chromite and massive sulphides are known in thin subhorizontal horizons near the base of Mount Kakoulima and have been the main focus of previous exploration. The Mount Kakoulima permit was explored by TSX listed SEMAFO Inc. ('SEMAFO'), from 1996 to 1998 and by Rio Tinto between 1999 and 2001, with both focussing on a narrow high grade Ni-Cu-Co-PGE intersections in an upper gabbro/pyroxenite horizon. This resulted in the delineation of an approximately 0.8m thick massive sulphide horizon of axial dimensions 100m x 100m with weighted average grades of 2.78% Ni and 0.86% Cu.

To the south of Mount Kakoulima lie extensive laterites overlying mafic-ultramafic cumulates. Nine short vertical holes were previously drilled by Semafo in a nickeliferous/chromiferous lateritic zone at two localities. All holes report the ubiquitous presence of Cr with enriched zones of +2% Cr in many instances. One hole (97-14) intersected a horizon, from 11.5 to 26.3 m, of 3.28% Cr, 0.58% Ni and 0.13% Co. The Ni/Cr laterite mineralisation appears generally to relate to a magnetic anomaly which extends for along the southern flank of Mount Kakoulima. The zone is a few hundred metres in width. Recent surface sampling and shallow pitting over the general area of the concession has confirmed the geochemistry of the laterite highlighted in previous campaigns. Further, analysis of Fe also highlighted why the laterites were exploited for iron in the vicinity in the 1950s, with many of the results from the recent programme showing + 40% Fe.

Further drilling of the laterites is planned for 2011, focussing on the area of the previously defined north-east trending magnetic anomaly and the recently interpreted north-east intrusion.

South African Iron Ore

The Company has a majority interest in the Gulukwane iron ore project ('Gulukwane'), located in the Thabazimbi area in the Limpopo Province of South Africa.

Gulukwane is situated 15km north of the town of Thabazimbi, home to the large Thabazimbi Iron Ore Mine owned by Kumba Iron Ore Limited which is a subsidiary of Anglo American. The initial target zone within the area covered by the Company's Prospecting Rights is immediately north and adjacent to the area held by Aquila Resources Limited, and the Board believes that the mineralised zone being targeted by Aquila extends through the centre of the Gulukwane project area.

A 32 hole reverse circulation ('RC') drilling programme, aimed at confirming the presence of haematite and to determine initial grades of the target will be completed later this year.

For further information please visit www.sablemining.com or contact:

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CONSOLIDATED INCOME STATEMENT
For the year ended 31 March 2011

	Note	Year ended 31 March 2011 $'000	Period ended 31 March 2010 $'000
Continuing Operations			
Operating expenses		(14,202)	(2,707)
Operating loss		(14,202)	(2,707)
Other gains and losses		1,392	(1,382)
Net finance income		1,314	161
Loss before taxation		(11,496)	(3,928)

	Note	2011	2010
Income tax expense	2	-	-
Loss for the year from continuing operations		(11,496)	(3,928)
Discontinued Operations			
Gain/(Loss) for the year from discontinued operations		300	(57,804)
Loss for the year		(11,196)	(61,732)
Loss for the year attributable to owners of the parent company		(11,091)	(59,251)
Loss for the year attributable to non-controlling interests		(105)	(2,481)
Loss for the year		(11,196)	(61,732)
Loss per share			
- Basic and diluted (cents)	3	(1.2 cents)	(15.0 cents)
Loss per share from continuing operations			
- Basic and diluted (cents)	3	(1.3 cents)	(1.0 cents)
Gain/(loss) per share from discontinued operations			
- Basic and diluted (cents)	3	0.03 cents	(14.0 cents)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the year ended 31 March 2011

	2011 $'000	2010 $'000
Foreign exchange translation differences	(24)	(365)
Foreign exchange translation differences recycled to the income statement	-	5,454
Other comprehensive income for the year	(24)	5,089
Loss for the year	(11,196)	(61,732)
Total comprehensive income for the year	(11,220)	(56,643)
Total comprehensive income attributable to the owners of the parent company	(11,115)	(54,162)
Total comprehensive income attributable to non-controlling interests	(105)	(2,481)
Total comprehensive income for the year	(11,220)	(56,643)

CONSOLIDATED BALANCE SHEET
As at 31 March 2011

	Note	2011 $'000	2010 $'000
ASSETS			
Non-current assets			
Intangible assets		35,347	-
Property, plant and equipment		1,871	37
Financial asset investment		24,456	23,744
Loans receivable		9,052	-
Total non-current assets		70,726	23,781
Current assets			
Trade and other receivables		2,277	66
Cash and cash equivalents		108,989	30,334
Total current assets		111,266	30,400
TOTAL ASSETS		181,992	54,181
LIABILITIES			
Current liabilities			
Trade and other payables		(3,565)	(1,654)
NET ASSETS		178,427	52,527
EQUITY			
Issued capital	4	248,623	118,228

Share based payment reserve	1,992	1,233
Translation reserve	(24)	-
Retained earnings	(78,025)	(66,934)
Total equity attributable to the owners of the parent company	172,566	52,527
Non-controlling interests	5,861	-
TOTAL EQUITY	178,427	52,527

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share Capital $'000	**Share-based payment reserve** $'000	**Translation reserve** $'000	**Retained earnings** $'000	**Non-controlling interests** $'000	**Total** $'000
Balances at 01 April 2009	72,199	650	(5,089)	(7,683)	2,481	62,558
Loss for the year	-	-	-	(59,251)	(2,481)	(61,732)
Other comprehensive income						
Exchange translation differences on foreign operations	-	-	(365)	-	-	(365)
Recycled exchange translation difference on discontinued activities	-	-	5,454	-	-	5,454
Total comprehensive income for the year	**-**	**-**	**5,089**	**(59,251)**	**(2,481)**	**(56,643)**
Transactions with owners						
Share-based payment charge	(583)	583	-	-	-	-
Share issues	46,612	-	-	-	-	46,612
Total transactions with owners	**46,029**	**583**	**-**	**-**	**-**	**46,612**
Balances at 31 March 2010	**118,228**	**1,233**	**-**	**(66,934)**	**-**	**52,527**
Loss for the year	-	-	-	(11,091)	(105)	(11,196)
On formation of subsidiaries	-	-	-	-	14	14
Non-controlling interest on asset acquisitions	-	-	-	-	5,952	5,952
Other comprehensive income						
Exchange translation differences on foreign operations	-	-	(24)	-	-	(24)
Total comprehensive income for the year	**-**	**-**	**(24)**	**(11,091)**	**5,861**	**(5,254)**
Transactions with owners						
Share based payment charge	-	759	-	-	-	759
Share issues	130,395	-	-	-	-	130,395
Total transactions with owners	**130,395**	**759**	**-**	**-**	**-**	**131,154**
Balance at 31 March 2011	**248,623**	**1,992**	**(24)**	**(78,025)**	**5,861**	**178,427**

CONSOLIDATED CASH FLOW STATEMENT
For the year ended 31 March 2011

	2011 $'000	2010 $'000
OPERATING ACTIVITIES		
Loss before tax	(11,496)	(3,928)
Adjustments for:		
- Depreciation of property, plant and equipment	131	2
- Share based payment charge	759	-
- (Gain)/loss on foreign exchange	(26)	1,382
- Net interest income	(1,314)	(161)
Operating cash flow before movements in working capital	(11,946)	(2,705)
Working capital adjustments:		
- Increase in receivables	(2,070)	(67)
- Increase in payables	2,346	5

Cash used in operations	(11,670)	(2,767)
Finance cost	-	(1)
Interest received	1,314	162
Net cash used in continuing operating activity	(10,356)	(2,606)
Net cash used in discontinued operating activity	(465)	(52)
Net cash used in operating activities	(10,821)	(2,658)
INVESTING ACTIVITIES		
Purchase of intangible assets	(21,741)	-
Purchase of property, plant and equipment	(1,965)	(39)
Purchase of investment	(712)	(23,744)
Net cash used in investing in continuing activities	(24,418)	(23,783)
Net cash used in investing in discontinued activities	-	(1,146)
Net cash used in investing activities	(24,418)	(24,929)
FINANCING ACTIVITIES		
Proceeds from issue of share capital	125,659	49,915
Share issue costs	(2,917)	(1,882)
Increase in loan to related party	(9,052)	-
Net cash flow from financing activities	113,690	48,033
Net increase in cash and cash equivalents	78,451	20,446
Cash and cash equivalents at start of the year	30,334	11,270
Effect of foreign exchange rate changes	204	(1,382)
Cash and cash equivalents at end of the year	108,989	30,334

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2011

1. General information

Sable Mining Africa Limited is incorporated in the British Virgin Islands under the British Virgin Islands Business Companies Act 2004. The nature of the Group's operations and its principal activities are set out in the Chairman's Statement above.

These financial statements have been presented in US Dollars because this is the currency of the primary economic environment in which the Group operates. The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU").

The non statutory financial statements for the year ended 31 March 2011 have been reported on by Sable Mining's auditors and contain an unqualified opinion (31 March 2010: unqualified opinion).

The full audit report is contained in the Company's Annual Report, which will be available on the Company's website by 30 September 2011.

The financial information contained in this document does not constitute statutory financial statements.

2. Income tax expense

	2011 $'000	2010 $'000
Loss before tax:	(11,496)	(3,928)
Expected tax @ weighted average tax rate (14.46%)	(1,662)	(1,139)
Tax effect of expenses that are not deductible in determining taxable profit	2	12
Tax effect of losses not allowable	918	1,101
Tax effect of losses not recognised in overseas subsidiaries (net of effect of different rates)	742	26
Tax expense for the year	-	-

The tax reconciliation has been prepared using the weighted average tax rates of the jurisdictions where the principal assets of its continuing activities are located.

The Group has operations in a number of overseas jurisdictions where it has incurred taxable losses on continuing operations of $5,566,000 (2010: $90,000). To date no deferred tax asset has been recognised as the requirements of IAS 12 have not been met.

The Company is resident for taxation purposes in the British Virgin Islands and its income is subject to BVI income tax, presently at a rate of zero.

3. Earnings/(loss) per share

The calculation of the basic and diluted loss per share is based on the following data:

	2011 $'000	2010 $'000
Loss for the purposes of basic earnings per share (loss for the year attributable to equity holders of the parent)	(11,091)	(59,251)
Loss for the purposes of basic earnings per share on continuing activities (loss for the year on continuing activities attributable to equity holders of the parent)	(11,496)	(3,928)
Profit/ (loss) for the purposes of basic earnings per share on discontinued activities (loss for the year on discontinued activities attributable to equity holders of the parent)	300	(55,323)
Number of shares		
Weighted average number of ordinary shares for the purposes of basic loss per share	898,992,346	394,822,345
Weighted average number of ordinary shares for the purposes of diluted loss per share	906,669,373	404,715,496
Basic and diluted loss per share	(1.2 cents)	(15.0 cents)
Basic and diluted loss per share on continuing activities	(1.3 cents)	(1.0 cents)
Basic and diluted earnings/(loss) per share on discontinued activities	0.03 cents	(14.0 cents)

No dilution arises as a result of the total loss and the loss on continuing activities for the year (2010: loss).

4. Share Capital

	Ordinary shares of no par value Allotted and fully paid Number	$'000
At 27 April 2007	1,000	-
Issue of shares to fund group activities	127,250,200	27,814
Acquisition of Procana Limitada	185,180,000	44,385
At 1 April 2009	312,431,200	72,199
Issue of shares to fund group activities	295,334,822	46,029
At 1 April 2010	607,766,022	118,228
Issue of shares to fund group activities	299,707,452	122,742
Issue of incentive shares	20,000,000	7,653
At 31 March 2011	927,473,474	248,623

On incorporation on 27 April 2007, the company had an authorised share capital of 500,000,000 ordinary shares of no par value.

Between 21 February 2008 and 12 August 2008, a further 58,425,600 ordinary shares were issued fully paid for cash at a price of 12.5 pence per ordinary share constituting the pre IPO funding round.

On 21 July 2008 at an extraordinary general meeting the authorised share capital was increased to 1,000,000,000 ordinary shares of no par value.

On 12 August 2008, 185,180,000 ordinary shares were issued fully paid in consideration for the acquisition of 94% of the issued share capital of Procana Limitada.

On 1 September 2008, 68,825,600 ordinary shares were issued fully paid for cash at 12.5 pence per ordinary share.

On 15 December 2009, 270,000,000 ordinary shares were issued fully paid for cash at 10 pence per ordinary share.

On 22 January 2010, 25,334,822 ordinary shares were issued fully paid for cash at 11 pence per ordinary share.

On 16 April 2010, 299,707,452 ordinary shares were issued fully paid for cash at 28 pence per ordinary share.

Share capital issued during the period is stated net of share issue costs of $7,447,000 (2010: $2,465,000).

The Company has one class of ordinary share which carries no right to fixed income.

On 21 January 2011, 20,000,000 ordinary shares held in trust by Ely Place Nominees Limited were issued to consultants to the Company for services provided relating to acquisitions of intangible exploration interests during the year.

END