

SABLE RESOURCES LTD.
Condensed Interim Consolidated Financial Statements
For The Three Months Ended March 31, 2017
(Unaudited)
(Expressed in Canadian Dollars)

The accompanying notes are an integral part of these financial statements

SABLE RESOURCES LTD.
Condensed Interim Consolidated Statements of Financial Position
(Expressed in Canadian Dollars - Unaudited)

As at	Note	March 31 2017	December 31 2016
Assets			
Current Assets			
Cash and cash equivalents		1,039,372	1,065,089
Receivables	5	7,830	216,695
Prepaid expenses & deposits		13,453	10,000
		1,060,655	1,291,784
Mineral property interests	6	314,711	108,499
		1,375,366	1,400,283
Liabilities			
Current Liabilities			
Payables and accruals		311,173	259,753
Convertible debentures	8	85,343	85,343
Due to related parties	8	181,262	181,262
		577,778	526,358
Shareholders' equity			
Share capital	9	18,825,439	18,632,314
Contributed surplus		1,063,482	1,063,482
Deficit		(19,091,333)	(18,821,871)
		797,588	873,925
		1,375,366	1,400,283

Nature and continuance of operations (Note 1)
Subsequent events (Note 15)

Approved by the Board of Directors and authorized for issue on May 30, 2017:

"Tom Obradovich", Director

"Joel Gillham", Director

SABLE RESOURCES LTD.
Condensed Interim Consolidated Statements of Net Loss and Comprehensive Loss
(Expressed in Canadian Dollars - Unaudited)

For the three months ended March 31,	2017	2016
Property related expenses		
Exploration expenditures	84,200	-
Property maintenance	38,100	-
	(122,300)	-
Other expenses		
General and administrative expenses	147,162	4,028
Net loss and comprehensive loss	(269,462)	(4,028)
Loss per share		
Basic	\$ (0.01)	\$ (0.00)
Diluted	\$ (0.01)	\$ (0.00)
Weighted average number of common shares outstanding	50,040,707	22,961,490

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SABLE RESOURCES LTD.
Condensed Interim Consolidated Statements of Changes in Equity
(Expressed in Canadian Dollars - Unaudited)

	Number of shares	Share Capital	Contributed Surplus	Accumulated Deficit	Total
Balance, December 31, 2015	22,961,490	16,950,953	790,679	(18,473,370)	(731,738)
Comprehensive loss	-	-	-	(4,028)	(4,028)
Balance, March 31, 2016	22,961,490	16,950,953	790,679	(18,477,398)	(735,766)
Comprehensive loss	-	-	-	(344,473)	(344,473)
Shares issued in settlement of debt	5,000,000	250,000	-	-	250,000
Private placements	21,627,967	1,494,197	-	-	1,494,197
Share issued costs	-	(62,836)	34,836	-	(28,000)
Stock-based compensation	-	-	237,967	-	237,967
Balance, Decemeber 31, 2016	49,589,457	18,632,314	1,063,482	(18,821,871)	873,925
Comprehensive loss	-	-	-	(269,462)	(269,462)
Shares issued in acquisition of claims	1,200,000	180,000	-	-	180,000
Shares issued in exercise of warrants	87,500	13,125	-	-	13,125
Balance, March 31, 2017	50,876,957	18,825,439	1,063,482	(19,091,333)	797,588

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SABLE RESOURCES LTD.
Condensed Interim Consolidated Statement of Cash Flows
(Expressed in Canadian Dollars - Unaudited)

For the three months ended March 31,	<u>2017</u>	<u>2016</u>
Increase (decrease) in cash		
Operating		
Net loss for period	(269,462)	(4,028)
Change in non-cash working capital		
Receivables	208,865	181
Prepays and deposits	(3,453)	-
Payables and accruals	51,420	(8,012)
Due to related parties	-	12,114
	<u>256,832</u>	<u>255</u>
Financing		
Issuance of shares	193,125	-
	<u>193,125</u>	<u>-</u>
Investing		
Acquisition of mineral claims	(206,212)	-
	<u>(206,212)</u>	<u>-</u>
Increase (decrease) in period	(25,717)	255
Cash		
Beginning of period	1,065,089	(359)
End of period	<u>1,039,372</u>	<u>(104)</u>

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SABLE RESOURCES LTD.

Notes to the Condensed Interim Consolidated Statement of Cash Flows

For the three months ended March 31, 2017 and 2016

(Expressed in Canadian Dollars - Unaudited)

1. Nature of Operations and Going Concern

Sable Resources Ltd. (the "Company") is incorporated under the Business Corporation Act (British Columbia). The Company is primarily engaged in the acquisition, exploration and development of mineral resource properties. The Company owns a mineral processing facility and tailings pond in Northern British Columbia, Canada.

The address of the Company's corporate office and principal place of business is Suite 900-999 West Hastings Street, Vancouver, B.C., V6C 2W2.

The Company has not yet determined whether any of its properties contain mineral deposits that are economically recoverable. The recoverability of any amounts shown as deferred mineral interest costs is dependent upon the existence of economically recoverable mineral reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of its properties, and future profitable production or proceeds from the disposition of its properties.

While the Company's consolidated financial statements have been prepared using International Financial Reporting Standards ("IFRS") applicable to a going concern, which contemplates the realization of assets and settlement of liabilities in the normal course of business as they come due, certain conditions and events indicate a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. For the period ended March 31, 2017, the Company reported a net loss of \$269,462 (2016 - \$4,028) and as of that date had an accumulated deficit of \$19,091,333 (2016 - \$18,821,871). As of March 31, 2017, the Company has working capital of \$482,877 (2016 - \$765,426). Although the Company presently has sufficient financial resources to undertake its currently planned business and has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company. Accordingly, it does not give effect to adjustments, if any, which would be necessary should the Company be unable to continue as a going concern and, therefore, be required to realize its assets and liquidate its liabilities in other than the normal course of business and at amounts which may differ from those shown in these financial statements.

2. Basis of Presentation

a) Statement of Compliance

These interim condensed consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. These consolidated financial statements represent the Company's presentation of its results and financial position under IFRS. These accounting policies are based on the IFRS standards and International Financial Reporting Interpretations Committee ("IFRIC") interpretations that the Company expects to be applicable at that time. The policies set out below were consistently applied to all presented unless otherwise noted.

These condensed unaudited interim consolidated financial statements were approved and authorized for issue by the Company's board of directors on May 30, 2017.

b) Subsidiary

In addition to the Company, the financial statements include all subsidiaries. Subsidiaries are all corporations over which the Company is able, directly or indirectly, to control financial and operating policies, which is the authority usually connected with holding majority voting rights. Subsidiaries are fully consolidated from the date on which control is acquired by the Company. They are de-consolidated from the date that control by the Company ceases.

SABLE RESOURCES LTD.**Notes to the Condensed Interim Consolidated Statement of Cash Flows
For the three months ended March 31, 2017 and 2016
(Expressed in Canadian Dollars - Unaudited)**

The subsidiary of the Company is as follows:

Name of Subsidiary	Principal Activity	Place of Incorporation and Operation	Portion of Ownership Interest and Voting Power Held	
			March 31, 2017	December 31, 2016
Multinational Mining Inc.	Mineral Property Holding Company	Canada	100%	100%

These interim condensed consolidated financial statements were prepared on an accrual basis and are based on historical costs except for financial instruments measured at fair value.

c) Functional and Presentation Currency

The Company's functional currency is the Canadian dollar. Monetary assets and liabilities denominated in foreign currencies are translated to Canadian dollars at the year-end exchange rate and all income and expenses are translated at average exchange rates prevailing during the year. Non-monetary assets and liabilities are translated at the rates prevailing at the dates the assets were acquired or liabilities incurred. Exchange gains and losses arising on translation are included as a charge to operations in the year incurred.

3. Summary of significant accounting policies

These unaudited condensed interim consolidated financial statements should be read in conjunction with the Company's audited consolidated financial statements for the year ended December 31, 2016 which includes information necessary for useful to understanding the Company's business and financial statement presentation. In particular, the Company's significant accounting policies are presented as Note 3 in the audited financial statements for the year ended December 31, 2016, and have been consistently applied in the preparation of these unaudited condensed interim financial statements.

4. Future changes in accounting policy

New accounting pronouncements not yet effective; the Company has not applied the following new or revised standards that have been issued but are not effective for the March 31, 2017 reporting period:

a) IFRS 9, Financial instruments

IFRS 9, Financial Instruments, ("IFRS 9") will replace IAS 39, Financial Instruments: Recognition and Measurement for classification and measurement of financial assets and liabilities ("IAS 39"). IFRS 9 requires all recognized financial assets to be subsequently measured at amortized cost or fair value. A fair value option is provided for financial instruments otherwise measured at amortized cost. This standard also requires a single impairment method to be used and replaces the multiple impairment methods in IAS 39. The IASB announced that IFRS 9 will come into effect in January 1, 2018 with early adoption permitted. The Company has yet to assess IFRS 9's impact on its financial statements.

SABLE RESOURCES LTD.**Notes to the Condensed Interim Consolidated Statement of Cash Flows****For the three months ended March 31, 2017 and 2016****(Expressed in Canadian Dollars - Unaudited)****5. Receivables**

	March 31, 2017	December 31, 2016
Goods and services tax	7,830	2,495
Subscriptions receivable	-	214,200
	7,830	216,695

6. Mineral Property Interests

	Baker	Mets	Tulox	Other	Total
Balance at December 31, 2016	83,589	-	-	24,910	108,499
Acquisition of Mets Lease	-	150,000	-	-	150,000
Acquition of Tulox Gold Project	-	-	56,212	-	56,212
Balance at March 31, 2017	83,589	150,000	56,212	24,910	314,711

The mineral property interests consist of numerous claims located in the Toodoggone area of northern British Columbia. Exploration and holding costs are expensed in accordance with the Company's accounting policies until the property is likely to generate future economic benefit.

On February 21, 2017, the Company acquired the Mets Mining Lease in north-central British Columbia in consideration for 1,000,000 common shares in the capital stock of the Company and a 1% NSR which can be purchased at any time for payment of \$500,000.

On March 21, 2017, the Company acquired the Tulox gold project located in south-central British Columbia in consideration for 200,000 common shares in the capital stock of the Company and payment of \$5,000. An additional 500,000 common shares in the capital stock of the Company will be issued as bonus shares in the event the Company completes a NI43-101 technical report on the property that contains a measured and indicated resource of at least 500,000 ounces of gold within five years of the agreement. All common shares in the capital stock of the Company are subject to a hold period of four months plus one day.

7. Reclamation and closure cost obligation

During the year ended December 31, 2016, the Company forfeited a cash reclamation bond of \$222,500 to the Ministry of Energy and Mines of British Columbia in connection with a failure to meet certain compliance obligations relating to its Baker Project. Management is in the process of rectifying compliance failures which may result in the refund of a portion of the bond.

As the surrendered amount is most reliable estimate of the reclamation and closure cost obligation the Company has not recorded any provision for reclamation or closure cost obligation.

SABLE RESOURCES LTD.**Notes to the Condensed Interim Consolidated Statement of Cash Flows
For the three months ended March 31, 2017 and 2016
(Expressed in Canadian Dollars - Unaudited)****8. Advances, loans, and convertible debentures**

As at March 31, 2017 the following amounts were owing to a former CEO and former director of the Company:

	March 31, 2017	December 31, 2016
Advances	134,779	134,779
Loans	46,483	46,483
Convertible debenture	85,343	85,343
	266,605	266,605

All amounts unsecured with no specific terms for repayment. All advances, loans and convertible debentures were repaid following the end of the period through the issuance of common shares (see note 15).

9. Share capital and contributed surplus*b) Authorized*

The Company is authorized to issue an unlimited number of common shares.

c) Issued and outstanding

	<u># of Shares</u>	<u>\$ Value</u>
Balance at December 31, 2016	49,589,457	18,632,314
Shares issued in acquisition of mineral property	1,200,000	180,000
Shares issued in exercise of warrants	87,500	13,125
Balance at March 31, 2017	50,876,957	18,825,439

During the three months ended March 31, 2017 the Company issues 1,200,000 common shares in connection with the acquisition of the Mets Mining Lease.

d) Stock options

The Company has a share option plan whereby officers, directors and certain employees and consultants may be granted options to purchase unissued common shares of the Company. The option exercise price is decided by the Directors of the Company but may not be less than the discounted market price of the Company's shares as defined in the Rules and Policies of the TSX Venture Exchange.

	<u># of stock options</u>	<u>Weighted average exercise price</u>
Balance at December 31, 2016	2,450,000	0.10
Activity in period	-	-
Balance at March 31, 2017	2,450,000	0.10

SABLE RESOURCES LTD.**Notes to the Condensed Interim Consolidated Statement of Cash Flows****For the three months ended March 31, 2017 and 2016****(Expressed in Canadian Dollars - Unaudited)**

At March 31, 2017 the Company had the following stock options outstanding:

<u>Expiry date</u>	<u>Number of options outstanding</u>	<u>Number of stock options vested</u>	<u>Weighted average Exercise Price</u>	<u>Weighted average number of years to expiry</u>
October 24, 2021	2,450,000	2,450,000	\$ 0.10	4.57

d) Share Purchase Warrants

Share purchase warrants enable the holders to acquire common shares of the Company upon exercise. Continuity of warrants issued and outstanding for the period ended March 31, 2017 as follows:

	<u># of warrants</u>	<u>Weighted average exercise price</u>
Balance at December 31, 2016	10,524,982	0.12
Share warrants exercised	(87,500)	(0.15)
Balance at March 31, 2017	10,437,482	0.12

At March 31, 2017 the Company had the following share purchase warrants outstanding:

<u>Expiry date</u>	<u>Number of warrants outstanding</u>	<u>Weighted average exercise price</u>
September 14, 2017	5,437,500	0.10
November 24, 2017	4,999,982	0.15
	10,437,482	0.12

10. Financial Instruments

The Company's financial instruments consist of cash and cash equivalents, receivables, payables and accruals, convertible debentures and amounts due to related parties. Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values.

The three levels of the fair value hierarchy are:

Level 1 – unadjusted quoted prices in active markets for identical assets or liabilities

Level 2 – inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and

Level 3 – inputs that are not based on observable market data.

The fair values of the Company's cash and cash equivalents, receivables, payables and accruals, convertible debentures and amounts due to related parties approximate their carrying values due to their short term nature.

SABLE RESOURCES LTD.

**Notes to the Condensed Interim Consolidated Statement of Cash Flows
For the three months ended March 31, 2017 and 2016
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11. Segmented Information

The Company considers itself to operate in a single operating segment, being resource exploration and development, and operates in a single geographic segment being Canada.

12. Related Party Transactions

Key management personnel include the members of the Board of Directors and executive officers of the Company. During the three months ended March 31, 2017 compensation was paid or accrued to key management personnel of \$45,000 (March 31, 2016 - \$nil). At March 31, 2017 \$45,000 (2016-\$nil) is included in payables and accruals related to these amount.

Transactions with related parties are recorded at the exchange amount, being the price agreed to between the related parties.

13. Capital Management

The Company was incorporated under the laws of British Columbia and is a junior natural resource company listed on the TSX Venture Exchange.

The Company's objectives are to raise the necessary equity financing to fund its exploration projects and mining activities and to manage the equity funds raised to best optimize its exploration and mining programs in the interests of its shareholders and other stakeholders at an acceptable risk.

In the management of capital, the Company includes shareholders' equity, cash and cash equivalents, short-term and long-term investments and advances receivable in the definition of capital.

The Company manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of its underlying assets. In order to maintain or adjust the capital structure, the Company may raise additional equity funds and acquire new exploration properties as circumstances dictate.

14. Comparative Figures

Certain of the 2016 comparative figures have been reclassified to conform to the current year's presentation.

15. Subsequent Events

On April 18, 2017, the Company acquired the Bot Deal project located in north-central British Columbia, in consideration for 400,000 common shares in the capital stock of the Company and payment of \$7,500. An additional 500,000 common shares in the capital stock of the Company will be issued as bonus shares in the event the Company completes a NI43-101 technical report on the property that contains a measured and indicated resource of at least 500,000 ounces of gold within five years of the agreement. All common shares in the capital stock of the Company will be subject to a hold period of four months plus one day. The transaction is subject to regulatory approval.

SABLE RESOURCES LTD.

Notes to the Condensed Interim Consolidated Statement of Cash Flows

For the three months ended March 31, 2017 and 2016

(Expressed in Canadian Dollars - Unaudited)

On April 24, 2017, the Company entered into an agreement to settle \$285,000 of debt owed by the Company to a former director, by issuing 1,900,000 common shares in the capital stock of the Company at \$0.15 per share. The common shares in the capital stock of the Company will be subject to a hold period of four months plus one day. The transaction is subject to regulatory approval.

On May 4, 2017, the Board of Directors approved the granting of 2,550,000 stock options under the Company's stock option plan to management and consultants of the Company. Each option permits the holder to purchase one common share at a strike price of \$0.15 per share. All options vest at issuance and expire May 3, 2022.