

SABLE RESOURCES LTD.
Condensed Interim Consolidated Financial Statements
For The Three and Six Months Ended June 30, 2017
(Unaudited)
(Expressed in Canadian Dollars)

The accompanying notes are an integral part of these financial statements

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

| As at: | Note | June 30 2017 | December 31 2016 |
|-----------------------------|------|-----------------|---------------------|
| Assets | | | |
| Current Assets | | | |
| Cash and cash equivalents | | 1,382,453 | 1,065,089 |
| Receivables | 5 | 5,774 | 216,695 |
| Prepaid expenses & deposits | | 38,534 | 10,000 |
| | | 1,426,761 | 1,291,784 |
| Mineral property interests | 6 | 455,014 | 108,499 |
| | | 1,881,775 | 1,400,283 |
| Liabilities | | | |
| Current Liabilities | | | |
| Payables and accruals | | 351,006 | 259,753 |
| Convertible debentures | 8 | - | 85,343 |
| Due to related parties | 8 | - | 181,262 |
| | | 351,006 | 526,358 |
| Shareholders' equity | | | |
| Share capital | 9 | 19,682,939 | 18,632,314 |
| Contributed surplus | | 1,333,032 | 1,063,482 |
| Deficit | | (19,485,202) | (18,821,871) |
| | | 1,530,769 | 873,925 |
| | | 1,881,775 | 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 August 28, 2017:

"Tom Obradovich", Director

"Joel Gillham", Director

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

| Period ending June 30, | Three Months ended, | | Six Months ended, | |
|--|---------------------|------------|-------------------|------------|
| | 2017 | 2016 | 2017 | 2016 |
| Property related expenses | | | | |
| Exploration expenditures | 25,673 | - | 109,873 | - |
| Property maintenance | 19,315 | 3,447 | 57,415 | 3,447 |
| | (44,988) | (3,447) | (167,288) | (3,447) |
| Other expenses | | | | |
| General and administrative expenses | 348,881 | 12,263 | 496,043 | 16,291 |
| Net loss and comprehensive loss | (393,869) | (15,710) | (663,331) | (19,738) |
| Loss per share | | | | |
| Basic | \$ (0.01) | \$ (0.00) | \$ (0.01) | \$ (0.00) |
| Diluted | \$ (0.01) | \$ (0.00) | \$ (0.01) | \$ (0.00) |
| Weighted average number of common shares outstanding | 53,526,957 | 22,961,490 | 53,526,957 | 22,961,490 |

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SABLE RESOURCES LTD.
Condensed Interim Consolidated Statement 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 | - | - | - | (19,738) | (19,738) |
| Balance, June 30, 2016 | 22,961,490 | 16,950,953 | 790,679 | (18,493,108) | (751,476) |
| Comprehensive loss | - | - | - | (328,763) | (328,763) |
| 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, December 31, 2016 | 49,589,457 | 18,632,314 | 1,063,482 | (18,821,871) | 873,925 |
| Comprehensive loss | - | - | - | (663,331) | (663,331) |
| Shares issued in acquisition of claims | 1,600,000 | 240,000 | - | - | 240,000 |
| Shares issued in exercise of warrants | 587,500 | 63,125 | - | - | 63,125 |
| Shares issued in settlement of debt | 1,900,000 | 285,000 | - | - | 285,000 |
| Private placements | 2,500,000 | 462,500 | 37,500 | - | 500,000 |
| Stock-based compensation | - | - | 232,050 | - | 232,050 |
| Balance, June 30, 2017 | 56,176,957 | 19,682,939 | 1,333,032 | (19,485,202) | 1,530,769 |

The accompanying notes are an integral part of these financial statements

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

| Period ending June 30, | Three Months ended, | | Six Months ended, | |
|------------------------------------|---------------------|----------|-------------------|----------|
| | 2017 | 2016 | 2017 | 2016 |
| Increase (decrease) in cash | | | | |
| Operating | | | | |
| Net loss for period | (393,869) | (15,710) | (663,331) | (19,738) |
| Items not involving cash: | | | | |
| Stock-based compensation | 232,050 | | 232,050 | |
| | (161,819) | (15,710) | (431,281) | (19,738) |
| Change in non-cash working capital | | | | |
| Receivables | 2,056 | 240 | 210,921 | 421 |
| Prepays and deposits | (25,081) | - | (28,534) | - |
| Payables and accruals | 39,833 | (19,327) | 91,253 | (27,340) |
| Due to related parties | (181,262) | 35,185 | (181,262) | 47,299 |
| | (164,454) | 16,098 | 92,378 | 20,380 |
| Financing | | | | |
| Issuance of shares | 895,000 | - | 1,088,125 | - |
| Settlement of debt | (85,343) | - | (85,343) | - |
| | 809,657 | - | 1,002,782 | - |
| Investing | | | | |
| Acquisition of mineral claims | (140,303) | - | (346,515) | - |
| | (140,303) | - | (346,515) | - |
| Increase (decrease) in period | 343,081 | 388 | 317,364 | 642 |
| Cash | | | | |
| Beginning of period | 1,039,372 | (104) | 1,065,089 | (358) |
| End of period | 1,382,453 | 284 | 1,382,453 | 284 |

The accompanying notes are an integral part of these financial statements

SABLE RESOURCES LTD.

Notes to the Condensed Interim Consolidated Statement of Cash Flows For the three and six months ended June 30, 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 six month period ended June 30, 2017, the Company reported a net loss of \$663,331 (2016 - \$19,738) and as of that date had an accumulated deficit of \$19,485,202 (2016 - \$18,821,871). As of June 30, 2017, the Company has working capital of \$1,075,755 (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 August 25, 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 and six months ended June 30, 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 | |
|------------------------------|-------------------------------------|--|--|----------------------|
| | | | June 30, 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 June 30, 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 and six months ended June 30, 2017 and 2016****(Expressed in Canadian Dollars - Unaudited)****5. Receivables**

| | June 30, 2017 | December 31, 2016 |
|--------------------------|--------------------------|----------------------|
| Goods and services tax | 5,774 | 2,495 |
| Subscriptions receivable | - | 214,200 |
| | 5,774 | 216,695 |

6. Mineral Property Interests

| | <u>Baker</u> | <u>Mets</u> | <u>Tulox</u> | <u>Bot</u> | <u>Margarita</u> | <u>Other</u> | <u>Total</u> |
|-----------------------------------|---------------|----------------|---------------|---------------|------------------|---------------|----------------|
| Balance at December 31, 2016 | 83,589 | - | - | - | - | 24,910 | 108,499 |
| Acquisition of Mets Lease | - | 150,000 | - | - | - | - | 150,000 |
| Acquisition of Tulox Gold Project | - | - | 56,212 | - | - | - | 56,212 |
| Acquisition of Bot Project | - | - | - | 74,265 | - | - | 74,265 |
| Acquisition of Margarita | - | - | - | - | 66,038 | - | 66,038 |
| Balance at June 30, 2017 | 83,589 | 150,000 | 56,212 | 74,265 | 66,038 | 24,910 | 455,014 |

The mineral property interests consist of numerous claims located in the Toadoggone area of northern British Columbia and Chihuahua State, Mexico. 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.

On April 11, 2017, the Company acquired the Bot Deal Project located in north-central British Columbia in consideration for 400,000 common shares in 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 are subject to a hold period of four months plus one day.

On May 30, 2017, the Company optioned the Margarita Silver Project located in Chihuahua State, Mexico in consideration for 200,000 common shares in capital stock of the Company and payment of \$50,000. An additional \$500,000, less the 200,000 common shares issued initially, worth of common shares in capital stock will be issued on the first anniversary of the agreement, \$1,000,000 worth of common shares in capital stock on the second anniversary, and \$2,000,000 common shares in capital stock on the third anniversary.

SABLE RESOURCES LTD.**Notes to the Condensed Interim Consolidated Statement of Cash Flows
For the three and six months ended June 30, 2017 and 2016
(Expressed in Canadian Dollars - Unaudited)**

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.

8. Advances, loans, and convertible debentures

As at June 30, 2017 the following amounts were owing to a former CEO and former director of the Company:

| | June 30, 2017 | December 31, 2016 |
|-----------------------|--------------------------|----------------------|
| Advances | - | 134,779 |
| Loans | - | 46,483 |
| Convertible debenture | - | 85,343 |
| | - | 266,605 |

All amounts unsecured with no specific terms for repayment. All advances, loans and convertible debentures were repaid through the issuance of common shares during the period.

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

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

b) 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 properties | 1,600,000 | 240,000 |
| Shares issued in exercise of warrants | 587,500 | 63,125 |
| Shares issued in settlement of debt | 1,900,000 | 285,000 |
| Shares issued in private placement of flow through shares | 2,500,000 | 462,500 |
| Balance at June 30, 2017 | 56,176,957 | 19,682,939 |

SABLE RESOURCES LTD.**Notes to the Condensed Interim Consolidated Statement of Cash Flows****For the three and six months ended June 30, 2017 and 2016****(Expressed in Canadian Dollars - Unaudited)***c) 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.

| | # of stock options | Weighted average exercise price |
|----------------------------------|-----------------------|---------------------------------------|
| Balance at December 31, 2016 | 2,450,000 | 0.10 |
| Options issued during the period | 2,550,000 | 0.15 |
| Balance at June 30, 2017 | 5,000,000 | 0.13 |

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

| Expiry date | Number of options outstanding | Number of stock options vested | Weighted average Exercise Price | Weighted average number of years to expiry |
|------------------|-------------------------------------|-----------------------------------|---------------------------------------|---|
| October 24, 2021 | 2,450,000 | 2,450,000 | \$ 0.10 | 4.32 |
| May 3, 2022 | 2,550,000 | 2,550,000 | \$ 0.15 | 4.84 |

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 June 30, 2017 as follows:

| | | |
|---------------------------------|-------------------|-------------|
| Balance at December 31, 2016 | 10,524,982 | 0.12 |
| Share warrants exercised | (587,500) | 0.11 |
| Warrants Issued | 2,500,000 | 0.30 |
| Balance at June 30, 2017 | 12,437,482 | 0.16 |

At June 30, 2017 the Company had the following share purchase warrants outstanding:

| Expiry date | Number of warrants outstanding | Weighted average exercise price |
|--------------------|--------------------------------------|---------------------------------------|
| September 14, 2017 | 5,025,000 | 0.10 |
| November 24, 2017 | 4,912,482 | 0.15 |
| June 29, 2018 | 2,500,000 | 0.30 |
| | 12,437,482 | 0.16 |

SABLE RESOURCES LTD.

Notes to the Condensed Interim Consolidated Statement of Cash Flows

For the three and six months ended June 30, 2017 and 2016

(Expressed in Canadian Dollars - Unaudited)

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.

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 June 30, 2017 compensation was paid or accrued to key management personnel of \$90,000 (June 30, 2016 - \$nil). At June 30, 2017 \$90,000 (June 30, 2016 - \$nil) is included in payables and accruals related to these amount.

April 24, 2017 the Company reached an agreement with Cangaroo Capital Corp. and Walter Canadian Coal Partnership to settle debts owing by the Company in the aggregate amount of \$285,000 in common shares at an issue price of 15 cents per share.

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

SABLE RESOURCES LTD.

Notes to the Condensed Interim Consolidated Statement of Cash Flows

For the three and six months ended June 30, 2017 and 2016

(Expressed in Canadian Dollars - Unaudited)

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 August 8, 2017, the Company announced the intention, on a best efforts private placement basis, to sell up to 20,000,000 units at a price of \$0.15 per unit, for gross proceeds of up to \$3,000,000. The net proceeds received by the Company from the Offering will be used for exploration on the Company's properties in North America and for working capital and general corporate purposes. The closing of the offering is expected to occur on or about September 6, 2017.