



**SIX
SIGMA
METALS**

15 APRIL 2020

COMPANY UPDATE

- ***Acquisition opportunities continue to be identified and assessed***
- ***Field exploration program planned***
- ***Cost reduction strategy implemented***
- ***Resignation of Eddie King as non-executive director***

The Board of Six Sigma Metals Ltd (ASX:SI6, “Six Sigma” or the “Company”) is pleased to report to shareholders an update on current work and activities.

Acquisition opportunities

In late 2019, SI6 submitted an application for in-principle advice to the ASX in relation to a potential acquisition opportunity (the “Transaction”). Subsequently, SI6 and the ASX engaged in a number of discussions in relation to the Transaction. In early April 2020, SI6 established from its discussions with ASX that the Transaction terms were not suitable.

The Board continues to identify and assess other potential value accretive acquisitions in the resources sector. There is no certainty that such acquisition will proceed. In the event that an acquisition proceeds, completion may be subject to various conditions, including regulatory and shareholder approval.

Exploration update

The Company is currently finalising plans for a field exploration program to commence in Botswana, subject to any restrictions that may be imposed as a result of COVID-19. By way of background, SI6 is the holder of exploration licences covering approximately 1,500km² of terrain prospective for Ni-Cu-Co-PGE-Au-Ag as well as lithium and tantalum in the Limpopo Belt of eastern Botswana.

Work completed to date by SI6 includes regional and local soil sampling, geological mapping, airborne and ground-based geophysical surveying. Extensive reverse circulation and diamond drilling has also been undertaken at numerous prospects across the portfolio, with a focus on the advanced Maibele North Ni-Cu-Co-PGE, Airstrip Cu-Ag and Dibete Cu-Ag Prospects. The Maibele North mineralisation remains open to the east and west along strike and at depth.

Six Sigma Metals

Corporate Details

ASX Code: SI6

Directors

Patrick Holywell
Chairman

Steve Groves
Non-Executive Director

Joshua Letcher
Non-Executive Director

Mauro Piccini
Company Secretary

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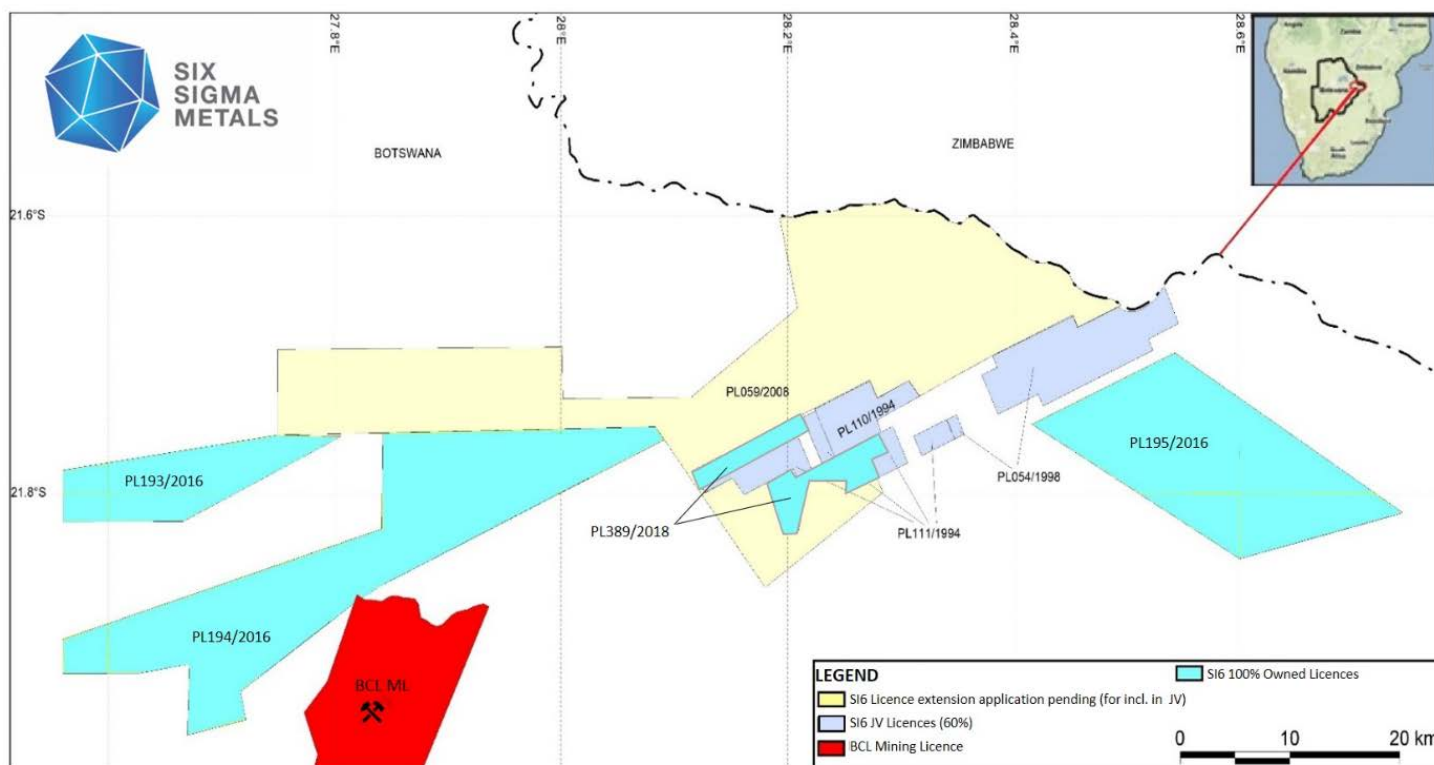


Figure 1: SI6 tenement map in eastern Botswana

In April 2014, SI6 entered into a farm-in and joint venture agreement with BCL Limited and its subsidiary BCL Investments (Pty) Ltd (jointly referred to as “BCL”). Under the terms of the agreement, BCL was required to spend A\$4 million on exploration expenditure to earn a 40% equity interest in three tenements (~185km²). BCL had the option to continue funding the project to a Bankable Feasibility Study in order to earn an additional 30%. By July 2016, BCL had earned the initial 40% equity, subject to the completion of formalities. In October 2016, BCL was placed into liquidation and all work on the JV assets ceased. The Ministry of Minerals Resources, Green Technology and Energy Security has subsequently suspended (put on hold) the renewal date of the three Prospecting Licences but this decision does not affect SI6’s right to continue exploring these licences. The liquidation process is ongoing to date and SI6 is closely monitoring progress.

An initial JORC-compliant (2012) Inferred Resource was calculated at Maibele North by MSA South Africa in 2015. At the time of BCL’s liquidation, Worley Parsons had been engaged to recalculate the resource based on further drilling in preparation for mining pre-feasibility studies. This work was never completed.

Maibele North Inferred Resource							
Tonnes (Mt)	Ni (%)	Cu (%)	Pt (g/t)	Pd (g/t)	Rh (g/t)	Ru (g/t)	Au (g/t)
2.38	0.72	0.21	0.08	0.36	0.04	0.05	0.10

Table 1: Inferred Resource calculated by MSA South Africa in 2015 to JORC 2012 compliance (at a 0.30% Nickel cut-off grade). See ASX release on 28 April 2015 “Maiden Inferred Resource for Maibele North.



Cost reduction strategy

The Board continues to focus on prudent financial management and recently implemented a cost reduction strategy. Whilst some difficulties are present in global markets and economies, particularly in light of recent COVID-19 concerns, the Board is focussed on:

1. Unlocking the potential of the Botswanan assets;
2. Monitoring the BCL liquidation process; and
3. Assessing potential value accretive acquisitions.

The Board has identified several costs which will be reduced as follows:

- All directors have reduced fees by 20%;
- Main consultants, advisors and service providers have agreed to reduce fees by 20-30%; and
- Company's share registry to be moved to Automic.

Resignation of Eddie King

Eddie King has offered his resignation and will be stepping down as non-executive director, effective immediately. The Board wishes to thank Mr King for his services to the company and wishes him well in his future endeavours.

This announcement has been authorized by the board of directors of Six Sigma.

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Disclaimer

In accordance with ASX Listing Rule 5.23.2, the Company confirms it is not aware of any new information or data that materially affects the information included in the relevant market announcement dated 28 April 2015 referred to above and that all material assumptions and technical parameters underpinning the estimates in the announcement continue to apply and have not materially changed.

Competent Persons Statement

The information in this report that relates to Exploration Targets and Exploration Results is based on historical exploration information compiled by Mr Steven Groves, who is a Competent Person and a Member of the Australian Institute of Geoscientists. Mr Groves is a Director of Six Sigma Metals Limited. Mr Groves has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for the reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Groves consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

About Six Sigma Metals

Six Sigma Metals (ASX: SI6) is an exploration company operating in Southern Africa specifically targeting projects containing "battery or new world" metals to capitalise on the rising interest in the sector due to recent global technology advances and increasing demand for these commodities.