

ASX Announcement

17 April 2023

FLAGSHIP BASE METALS PROJECT IN BOTSWANA REINSTATED

Highlights

- New JV Licenses in Botswana issued
- Planning for exploration and drilling activities at the JV Licences currently underway
- Licences contain an advanced Ni-Cu-Co-PGE resource at Maibele North and high-grade Cu-Ag discoveries at the Airstrip and Dibete prospects
- JV Licenses beneficially owned 60% by Si6 and 40% by BCL Limited

Issue of licenses

Si6 Metals Limited (ASX: **Si6** or the **Company**) is pleased to announce that its wholly owned Botswanan subsidiary Africa Metals (Pty) Ltd has been issued new licenses to replace the JV licenses previously in suspension for circa 7 years. These licences contain the advanced **Ni-Cu-Co-PGE resource at Maibele North** and **high-grade Cu-Ag discoveries at Airstrip and Dibete**. The JV licenses are owned by Africa Metals as manager for a JV beneficially owned 60% by Africa Metals and 40% by BCL Investments (Pty) Ltd.

Historical resource and other targets

Most of the major drilling programs at the JV Licences were carried out before 2014. This drilling formed the basis of a resource calculation for Maibele (currently **2.4Mt @ 0.72% Ni and 0.21% Cu + PGMs + Au**), undertaken by MSA South Africa, in accordance with JORC 2012 (refer to Appendix 1). Subsequent drilling undertaken at Maibele has never been formally assessed for potential resource upgrades by Si6.

Drilling at Airstrip and Dibete prospects has not been assessed for potential resource calculations and follow up drilling will confirm potential for this. Historical drilling undertaken included the following results at these prospects:

Dibete

- 38m @1.72% Cu, 119.5g/t Ag from 16m (DBRC014)
- 25m @2.17% Cu, 77g/t Ag from 27m (DBRC124)
- 17m @2.7% Cu, 40.5g/t Ag from 16m (DBRC081)
- 11m @4.5% Cu, 229.9g/t Ag from 33m (DBRC028)
- 10m @3.9% Cu, 110g/t Ag from 43m (DBRC108)
- 13m @2.11% Cu, 37.8g/t Ag from 37m (DBRC129)

Airstrip

- 8m @10.39% Cu, 630g/t Ag from 52m (ACRC003)
- 8m @1.71% Cu, 51.1g/t Ag from 159m (ACRD018)
- 6m @2.7% Cu, 72g/t Ag from 68m (ACDC067)
- 18m @1.72% Cu, 27.5g/t Ag from 42m (ACRC122)
- 8m @1% Cu, 34g/t Ag from 90m (ACRC135)

Recent discussions

In recent years, Si6 has continued discussions regarding the reinstatement of the JV Licences with various stakeholders including the liquidators of BCL and various Botswanan Government bodies including the Department of Mines, Ministry of Minerals and Energy and the Department of Environmental Affairs (DEA).

Si6 is delighted that the new JV Licences have been issued allowing drilling to now take place. Discussions are continuing with the DEA in relation to the receipt of approvals to commence drilling.

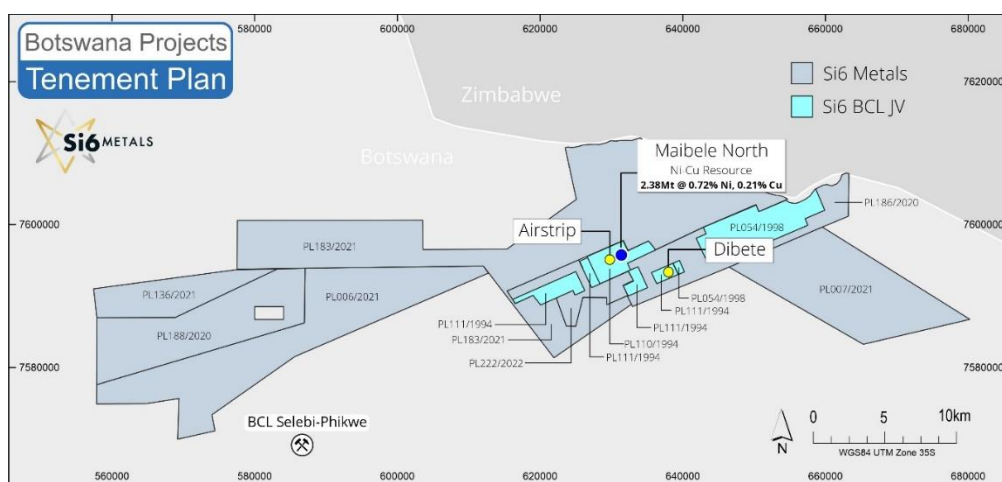


Figure 1: Location of Si6’s base metals project in Botswana consisting of the JV Licences (light blue, “Si6 BCL JV”) and 100%-owned licences (darker blue, “Si6 Metals”). The JV Licences contain the Ni/Cu and PGM resource at Maibele as well as the high grade Cu/Au discoveries at Airstrip and Dibete.

Nearby operations

The JV Licences are in close proximity to the Selebi Phikwe mine operations which comprise a mining complex, a concentrator and a smelter, as well as other supplementary assets and infrastructure including rail line, dams, tailings, dumps and employee housing. Mining concluded at Selebi Phikwe in 2016, when the operations were placed on care and maintenance due to low base metal prices and high operational costs. The mine employed more than 5,000 workers at the time of closing¹.

Premium Nickel Resources Ltd (PNR, TSX-V: PNRL) recently acquired BCL’s Selebi Mine (Selebi). Selebi is a fully permitted, Ni-Cu-Co mine and PNR intends to redevelop and modernise the remaining resources to produce two separate Ni and Cu commercial concentrates².

Previously, BCL had decided to proceed to a bankable feasibility study for the Maibele North resource. The objective was to initially mine Maibele North as an open pit mine and to continue further exploration and drilling to evaluate the potential for underground mining. Worley Parsons was appointed to perform an upgraded resource calculation incorporating drilling subsequent to the 2014 programs used in the maiden resource. Worley Parsons was also tasked with preparing a feasibility study based on the results of the upgraded resource³. This work was not completed prior to BCL going into liquidation.

¹ <https://www.reuters.com/article/ozabs-uk-botswana-mining-idAFKCN12K1IX>

² <https://premiumnickelresources.ca/projects/botswana/overview/>

³ <https://www.asx.com.au/asxpdf/20160627/pdf/4384p68xn7ljg5.pdf>

Background on JV and Si6’s strategy in Botswana

BCL spent A\$4 million on exploration expenditure to earn its 40% JV interest in the JV tenements.

Si6 is primarily exploring for base and precious metals in the Limpopo Mobile Belt in Botswana, a district known for hosting major nickel and copper producing operations. The Company’s portfolio contains an advanced **Ni-Cu-Co-PGE resource** at Maibele North and drilled **high-grade Cu-Ag discoveries** at Airstrip and Dibete. The project contains nickel sulphide mineralisation related to ultramafic intrusions within mobile belt rocks and is broadly **similar in style to other ultramafic intrusion-related mobile belt nickel discoveries** such as IGO’s Nova Bollinger (ASX:IGO), Chalice Mining’s Julimar (ASX:CHN) and the globally significant Thompson Belt in Canada. It currently hosts a resource of **2.4Mt @ 0.72% Ni and 0.21% Cu + PGMs + Co + Au**.

Si6 also has secondary exploration targets for pegmatite-hosted mineralisation and other commodities including rare earths and gold. The portfolio contains Archean cratonic rocks as well as re-worked Archean rocks and has been shown to contain evidence of pegmatite dykes throughout. The Company’s portfolio abuts the Zimbabwe border where the same belt of Archean geology hosts one of the world’s largest lithium pegmatite mines at Bikita.

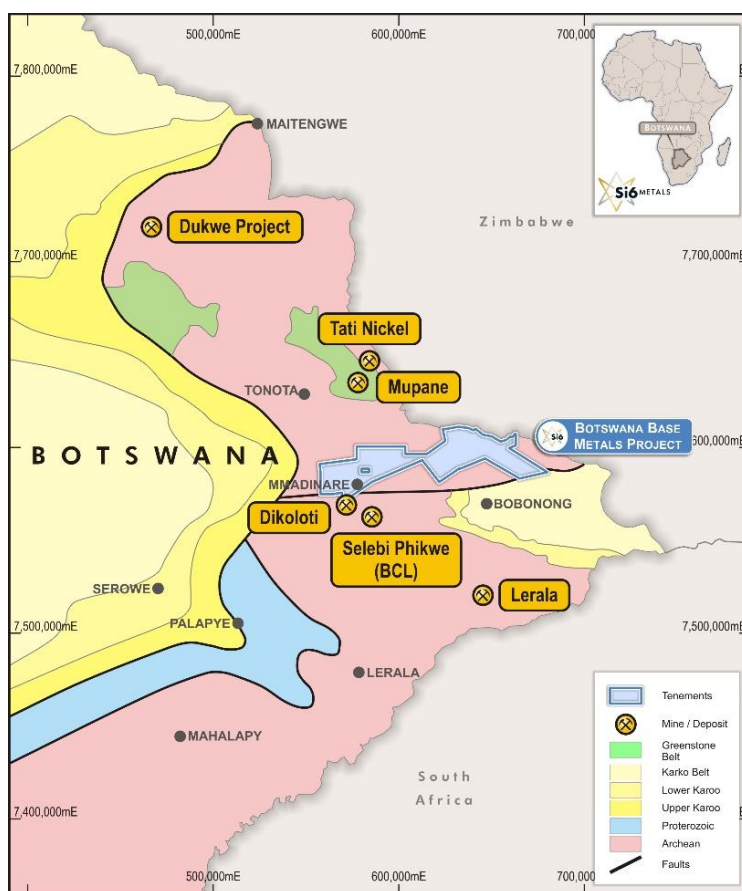


Figure 2: Location of Si6’s base metals project in Botswana

**Previously Released Information Relevant to this Release**

Airstrip (2010 - 2012 (see ASX announcements 25 November 2011, 1 March 2012, 2018 ASX announcement 12 January 2018,) and Dibete (Dibete 2010 - 2012 (see ASX announcement 25 November 2011, Dibete 2017 (see ASX announcement 18 December 2017).

Disclaimer

In relying on the above mentioned ASX announcement and pursuant to ASX Listing Rule 5.23.2, the Company confirms that it is not aware of any new information or data that materially affects the information included in the above announcement. No exploration data or results are included in this document that have not previously been released publicly. The source of all data or results have been referenced.

Competent Persons Statement (Maibele Base Metals Project, Botswana)

The information in this report that relates to Exploration Targets and Exploration Results is based on recent and historical exploration information compiled by Mr Steven Groves, who is a Competent Person and a Member of the Australian Institute of Geoscientists. Mr Groves acts as consultant to Si6 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.

Forward-Looking Statements

This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning Si6's mineral properties, planned exploration program(s) and other statements that are not historical facts. When used in this document, the words such as "could," "plan," "estimate," "expect," "intend," "may", "potential," "should," and similar expressions are forward looking statements. All of such statements are subject to certain risks and uncertainties, many of which are difficult to predict and generally beyond the control of the Company, that could cause actual results to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. Our audience is cautioned not to place undue reliance on these forward-looking statements that speak only as of the date hereof, and we do not undertake any obligation to revise and disseminate forward-looking statements to reflect events or circumstances after the date hereof, or to reflect the occurrence of or non-occurrence of any events.

JORC Resource details

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 28 April 2015, "Maiden Inferred Resource for Maibele North".