



**ASX Announcement**

10 May 2023

## **Rights Issue to fund Botswana drill targets at Ni-Cu-PGE and Cu-Ag discoveries**

### **Highlights**

- **Entitlement issue to raise up to circa \$3 million before costs**
  - **one (1) New Share for every three (3) shares held at the record date at a price of \$0.006 per share in a non-renounceable pro-rata offer to shareholders**
  - **shareholders will receive one (1) attaching option for every one (1) New Share subscribed. The options will be exercisable at \$0.01 on or before 30 June 2025**
  - **For every option that is exercised before the expiry date, the Company will issue an additional option exercisable at \$0.02 on or before 30 June 2027**
  - **The Company will apply to the ASX to have these options separately quoted on ASX, in compliance with ASX Listing Rule 2.5**
- **Majority of the funds will be used to advance the Ni-Cu-PGE Resource at Maibele North and high grade Cu-Ag discoveries at the Airstrip and Dibete prospects in Botswana**
- **Mr Jim Malone appointed Executive Director**

### **ENTITLEMENT ISSUE**

Si6 Metals Limited (ASX: "Si6", or "the Company") is pleased to announce that it will undertake a non renounceable pro rata entitlement issue ("the Offer") The Offer will seek to raise up to circa \$3 million with eligible shareholders at the record date entitled to the following;

- **One (1) new share for every three (3) shares they hold at the record date at a price of \$0.006.**
- **For every share taken up under the Offer, shareholders will receive one (1) attaching option exercisable at \$0.01 on or before 30 June 2025.**
- **For every option that is exercised before the expiry date, the Company will issue an additional option exercisable at \$0.02 on or before 30 June 2027.**
- **The Company will apply to the ASX to have these options separately quoted on ASX, in compliance with ASX Listing Rule 2.5**
- **Eligible shareholders will be able to apply for additional shares from any shortfall under the Offer**

The Company has engaged Melbourne based advisory firm Foxfire Capital Pty Ltd ("Foxfire") to manage the Offer for a management fee of \$60,000 and Foxfire will seek to place any shortfall for a fee of 6% for any shortfall placed. Foxfire is associated with the major shareholder in Si6, Mr Pat Volpe, who



through his different entities controls over 10% of the issued capital in the Company. Mr Volpe has committed to taking up his full entitlement in the Offer.

#### Use of Funds

The funds raised from the Offer will be used towards:

- Advancing the Naibele North project resource;
- Exploration works at the Dibete and Airstrip projects;
- costs of the Offer; and
- general working capital.

#### Timetable

Full details of the Offer will be set out in the Prospectus expected to be lodged by the Company on or around 29 May 2023 and despatched to the eligible shareholders on 6 June 2023.

The anticipated timetable for the Offer is as follows:

Event	Date
Announcement of the Offer and lodgement of Appendix 3B with ASX	10 May 2023
Lodgement of Prospectus with ASIC and ASX	29 May 2023
Ex date	1 June 2023
Record Date for determining shareholders entitled to participate in the Offer	2 June 2023
Prospectus and Entitlement and Acceptance Form dispatched to Eligible Shareholders, and Company announces that this has occurred	6 June 2023
Opening date of the Offer	7 June 2023
Last day to extend Closing Date of the Offer	27 June 2023
Closing Date	30 June 2023
Securities quoted on a deferred settlement basis	3 July 2023
Announcement of results of the Offer	7 July 2023
Last day to issue securities and apply for quotation	7 July 2023

\*Note: These dates are indicative only. The Company reserves the right to vary the key dates without prior notice, subject to the Listing Rules.

## APPLICATION OF FUNDS - BOTSWANA

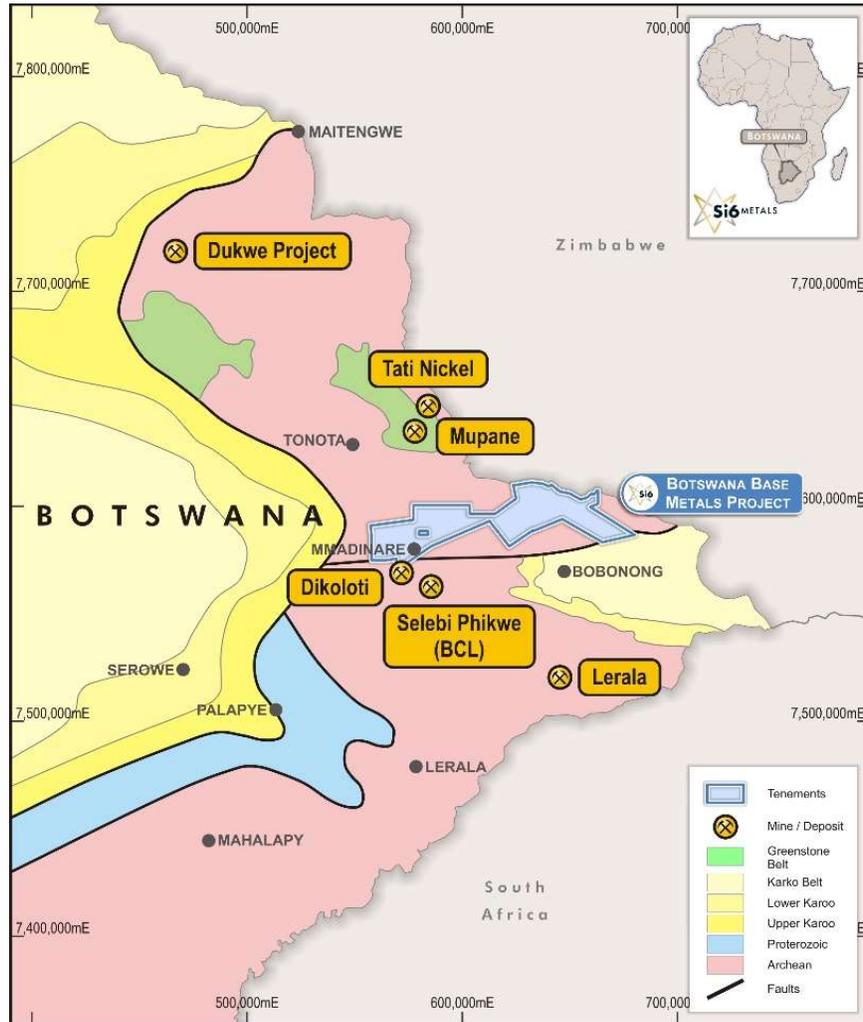
The Company currently has two portfolios of projects, being the base metals target projects in Botswana and the Monument Gold project in Western Australia. A source and application of funds table will form part of the offer document, however the Company intends to allocate the majority of funds raised from the Offer to prioritise the drilling of the highly prospective targets identified at the Maibele North, Dibete and Airstrip projects in Botswana.

As announced to the ASX on 17 April 2023, the Company has commenced preparation for targeted drill programs at the Maibele North Resource and Dibete and Airstrip discoveries held by the Company's wholly owned Botswanan subsidiary African Metals (Pty) Ltd ("**African Metals**") under a



Joint Venture with BCL Investments (Pty) Ltd (“BCL”). The licenses are owned by African Metals as manager for a Joint Venture beneficially owned 60% by African Metals and 40% by BCL (“the JV”).

Si6 also has secondary targets for pegmatite hosted mineralisation and other commodities including rare earths and gold and it is examining the best way to fast track exploration on these possible targets.



**Figure 1:** Location of Si6’s Botswana exploration tenure strategically located only ~50km from the Premium Nickel Limited (TSX-V: PNRL) Ni-Cu-Co mine in Selebi Phikwe acquired from the BCL Liquidator.

Si6 Executive Director Mr Jim Malone commented: “I joined the company after reviewing the potential of the Botswana assets and I am excited to lead our aggressive drill program on the three Joint Venture projects at Maibele North, Airstrip and Dibete where past drilling has discovered excellent copper, nickel and silver mineralisation at shallow depths. Our focus will be to drill mostly deeper targets identified by the anomalies revealed by the AMT Survey technology. The Company has never drilled to test the mineralisation at depth. We will be looking for the primary source of the mineralisation that potentially could host several large Tier 1 deposits. These drill targets could potentially be a game changer for Si6.”



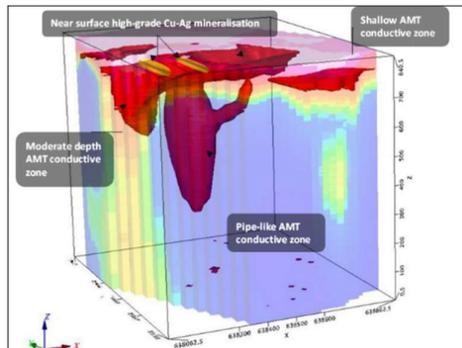
## Dibete

As previously announced to the ASX on 9 November 2021, an Audio-frequency Magnetotellurics (“AMT”) Survey identified multiple high-quality targets both beneath and along strike from mineralisation previously drilled at surface. High grade Cu-Ag from historical drilling undertaken included the following results:

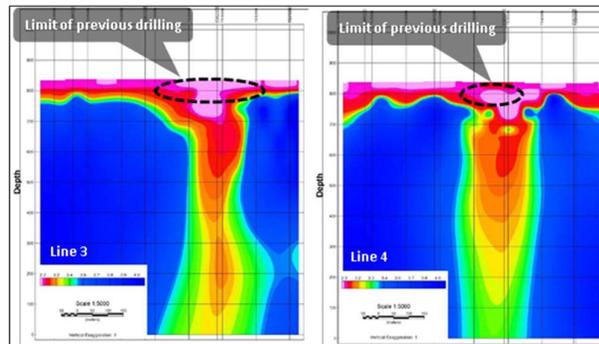
- 38m @ 1.72% Cu, 119.5g/t Ag from 16m (DBRC014)
- 25m @ 2.17% Cu, 77g/t Ag from 27m (DBRC124)
- 17m @ 2.7% Cu, 40.5g/t Ag from 16m (DBRC081)
- 11m @ 4.5% Cu, 229.9g/t Ag from 33m (DBRC028)
- 10m @ 3.9% Cu, 110g/t Ag from 43m (DBRC108)
- 13m @ 2.11% Cu, 37.8g/t Ag from 37m (DBRC129)

Shallow mineralisation across the prospect is marked by oxide copper minerals malachite and azurite, with deeper mineralisation along both lodes occurring as chalcocite, bornite and chalcopyrite (refer ASX announcement released on 18 December 2017).

The AMT survey conducted in 2021 shows a very promising, strong AMT response beneath the shallow, high-grade Cu-Ag mineralisation. The response models as a vertical, pipe-like body and is geometrically reminiscent of the breccia-pipe style of copper mineralisation in the Messina Copper district. This type of AMT response adds further support to the interpretation of Messina Copper style of mineralisation present at Dibete and will be a high priority drill target in the upcoming drill campaign.



**Figure 2 :** Three-dimensional image, looking NE, of the AMT conductive zone .the “pipe-like” geometry of the model is immediately beneath the areas of near surface Cu-Ag mineralisation.



**Figure 3:** looking southwest, showing strong AMT response at depth beneath the areas of high grade, near surface Cu-Ag mineralisation.

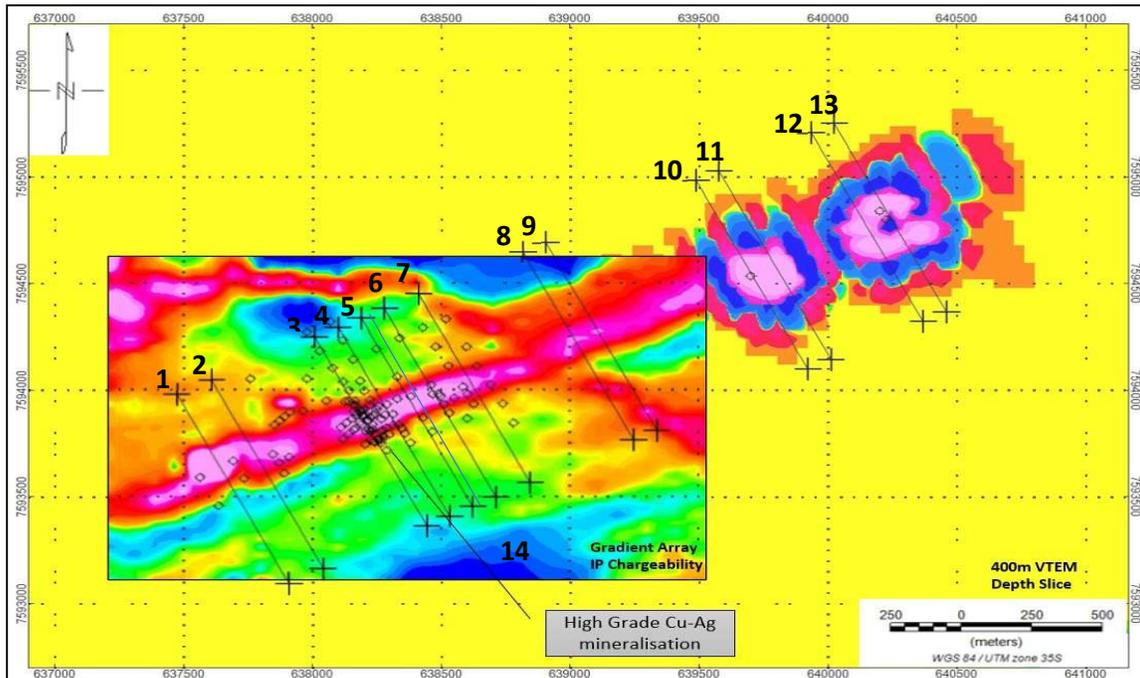


Figure 4: Plan view of the greater Dibete Prospect showing the AMT survey lines (black lines) overlaid on the gradient array chargeability image and the regional VTEM 400m depth slice as an underlay

## Maibele North

As previously announced to the ASX on 14 July 2021, the Maibele North orebody contains a multi-commodity Ni-Cu-Co-PGE Mineral Resource Estimate (MRE) of 2.38Mt which is open along strike and at depth.

### 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".

The results of the survey over Maibele North provide great encouragement for the effectiveness of the AMT to detect further mineralisation and potentially extend the orebody deeper below the current resource envelope. Historic drilling as part of the MRE is limited to 250m vertical depth.

The AMT survey covered the entire resource area as well strike extensions and has succeeded in mapping the known sulphide mineralisation, as well as detecting several significant zones of anomalism beneath the known orebody that remain untested by drilling.

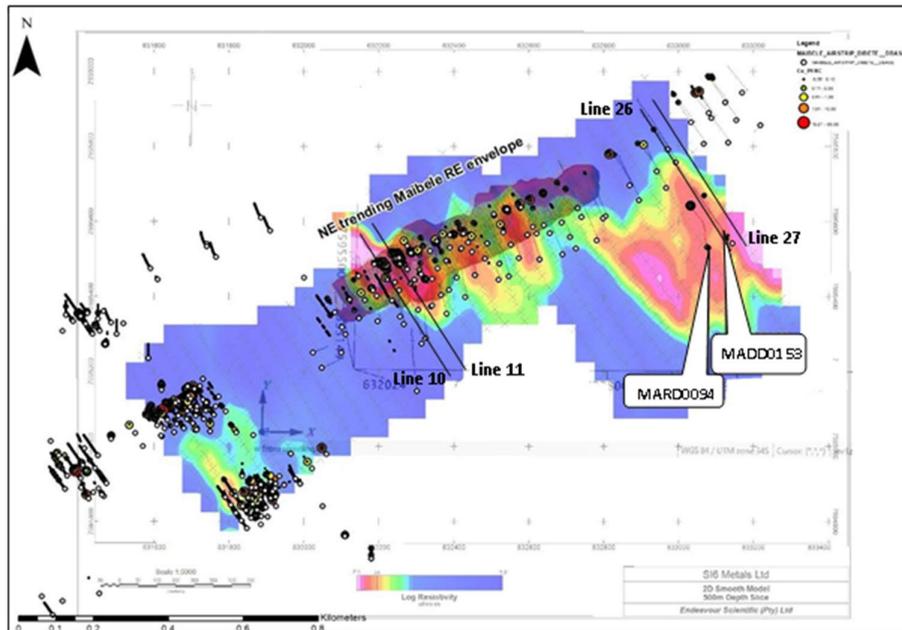


Figure 6: Depth slice of AMT results for Maibele North (and part of Airstrip) at 500m vertical depth showing the two holes (MARD0094 and MADD0153) that intersected Ni sulphides at ~400m depth. Also note the location of the Maibele MRE envelope as generated by MSA which extends to ~250m vertical depth. The anomalies coincident with the MRE envelope in the figure lie a further 250m below it.

The deeper, untested zones occur as distinct anomalies and generally lie beneath the thicker zones of mineralisation within the orebody. For example, the most prominent AMT anomaly beneath the orebody lies below the thickest massive sulphide occurrences in hole MADD0057, where over 15m of massive sulphides have been intersected (see Figure 7).

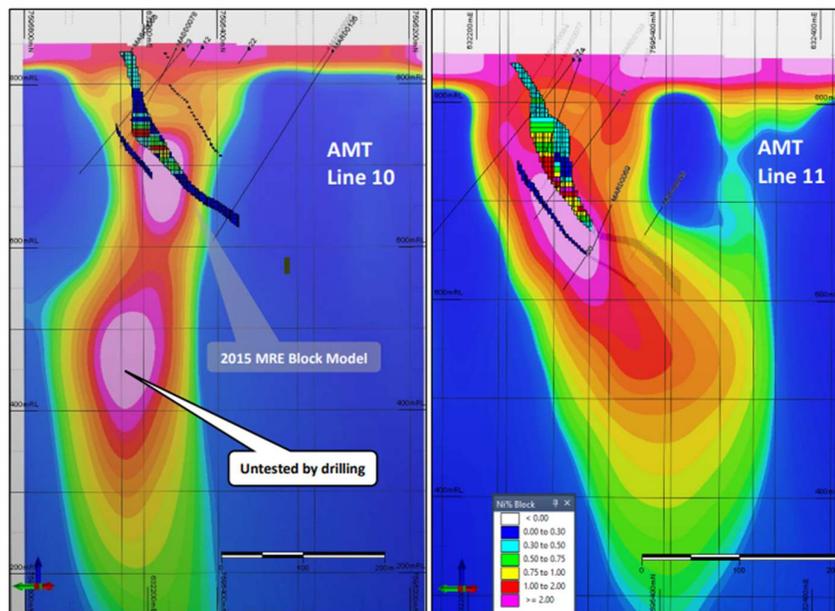


Figure 7: Cross-sections shows the thickest sulphide zone in the Maibele North coincident with the MSA MRE block model and demonstrates the effectiveness of the technique in mapping the Ni-sulphide occurrence. Note the prominent, deeper zones that has never been drill tested and extends to depths of 1 km and never drill tested.

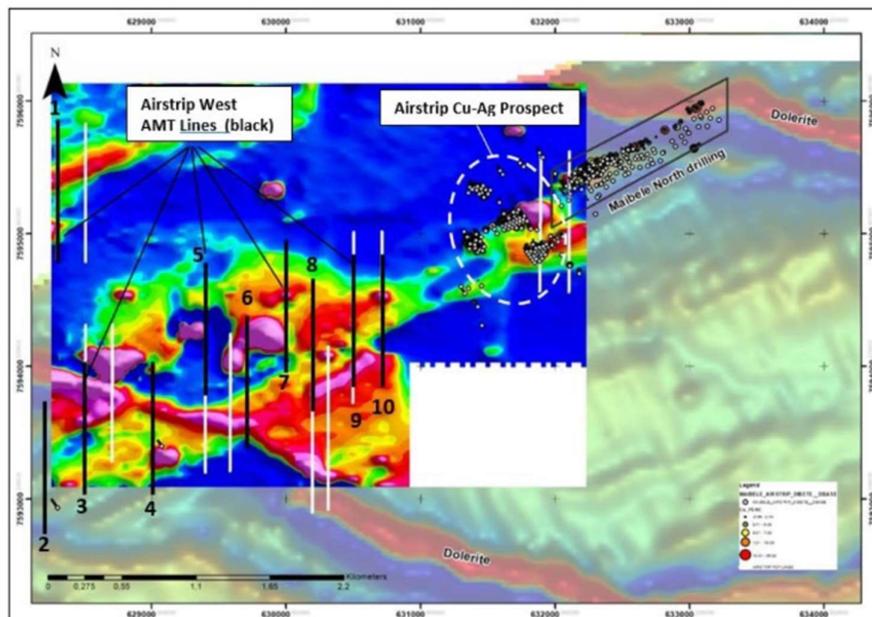


## Airstrip

Results of the AMT survey demonstrated strong conductive anomalies close to surface and coincident with the previously defined Gradient Array and Pole Dipole IP responses (refer ASX announcement released on 25 November 2021).

Past drilling returned the following results:

- 8m @ 10.39% Cu, 630g/t Ag from 52m (ACRC003)
- 8m @ 1.71% Cu, 51.1g/t Ag from 159m (ACRD018)
- 6m @ 1.71% Cu, 51.1 g/tAg from 68m (ACDC067)
- 18m @ 1.72% Cu, 27.5 g/tAg from 42m (ACRC122)
- 8m @ 1.0% Cu, 34 g/tAg from 90m (ACRC135)



**Figure 8:** Plan view of the greater Airstrip Prospect showing the ten completed AMT survey lines (black lines) overlaid on the gradient array chargeability image and the regional magnetics as an underlay.

The AMT has defined some outstanding anomalies that require drill-testing to determine the source of the response. These anomalies all represent new and un-drilled targets and add further upside to the potential of Si6's Botswana portfolio.

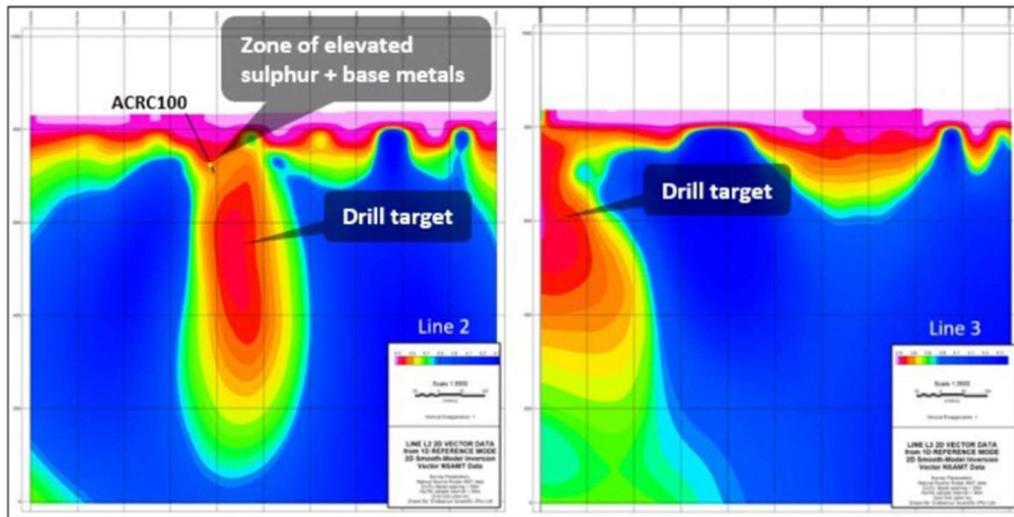


Figure 9: AMT Lines 2 and 3, looking west, showing the strong AMT response in an area containing a single drill hole (ACRC100). The lines are parallel and 300m apart, with the anomaly on line 3 along strike from that on line 2 in the direction of the NE geological trend.

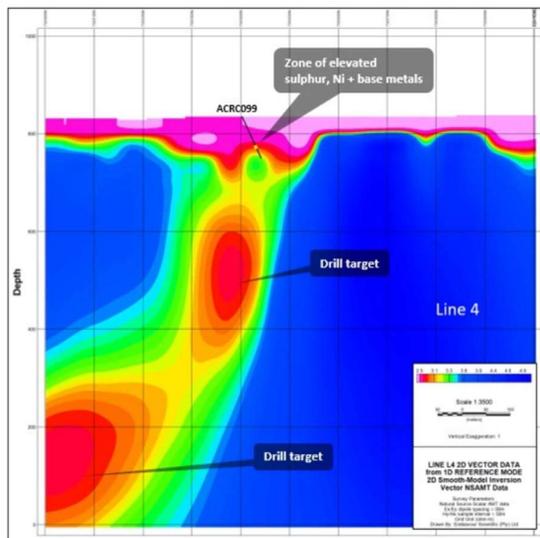


Figure 10: AMT, looking west, showing the strong MT response in an area containing a single drill hole (ACRC099). The anomaly lies approximately 600m northeast along the geological strike direction from the response

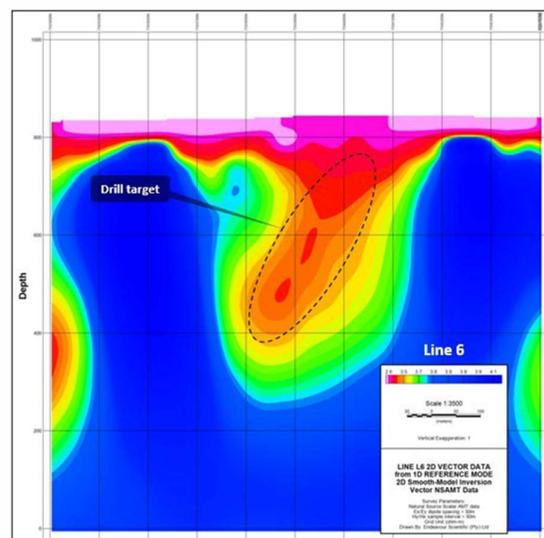
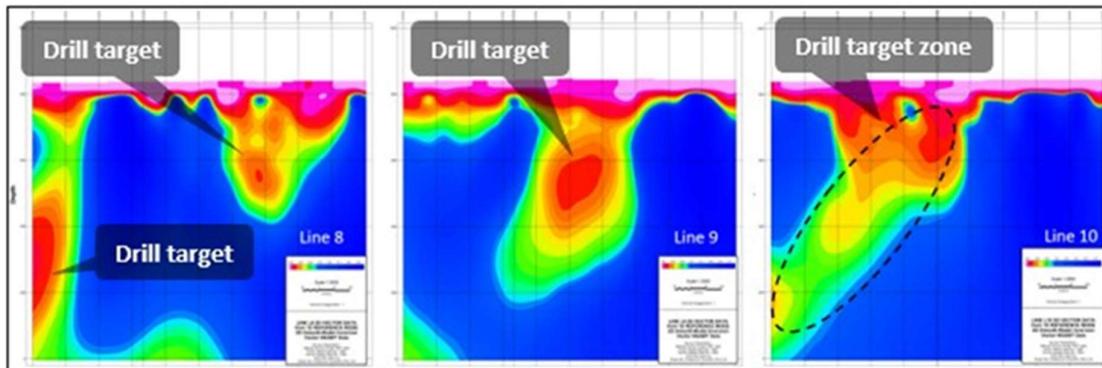


Figure 11: AMT, looking west, showing the strong, linear AMT response that presents as another good RC drill target.



*Figure 12: AMT Lines 8, 9 and 10, looking west, showing the strong AMT response in the central area of each line. It is possible that the response represents the same source for over a 500m strike length.*

## EXECUTIVE DIRECTOR APPOINTED

The Company is also pleased to announce that current Director Jim Malone will assume Executive Director duties starting immediately and will manage the day to day operations of the Company as well as oversee the Capital Raising/Entitlement issue as well as all Investor Relations duties for the next three months. Mr Malone's total remuneration for this period will be a fee of \$15,000 plus GST per month. It is expected that upon the successful completion of the Entitlement issue, Mr Malone will assume the full time role as Managing Director of the Company. A remuneration package will be finalized at this time. Mr Malone is a highly experienced Mining and Resource Executive with over 30 years senior management experience including 23 years in Mining. He has managed or been a Director of 15 ASX listed companies and he is also a very experienced and successful capital raiser, having been involved with raising over \$500 million worth of debt and equity for ASX listed companies over the past 20 years.

*This announcement has been approved for release by the Board of Si6 Metals Ltd.*

### **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 Dr Paul Woolrich, who is a Competent Person and a Member of the Australian Institute of Geoscientists. Dr Woolrich acts as a consultant of Si6 Metals Limited. Dr Woolrich 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". Dr Woolrich consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

### **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.

### **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.

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**About Si6 Metals Ltd**

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 that are in joint venture with BCL Limited (BCL), which has been in liquidation for several years. The joint venture tenements are controlled 60% by Si6 and 40% by BCL. 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.



**ASX CODE: SI6**

**DIRECTORS**

**David Sanders**  
Non-Executive Chairman

**Jim Malone**  
Executive Director

**Joshua Letcher**  
Non-Executive Director

**Johnathon Busing**  
Company Secretary

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