



ASX Code: Si6

ASX Announcement

6 August 2021

RECEIPT OF PURPORTED NOTICE UNDER S249D

Si6 Metals Limited (**Si6** or the **Company**) advises that it has received at its registered office yesterday what purports to be a notice under section 249D of the Corporations Act 2001 (Cth) (**Purported 249D Notice**). In the Company's initial review, the Purported 249D Notice contains significant legal issues, such that it may not be effective.

The Purported 249D Notice has been authored by interests associated with Mr Patrick Volpe. The Purported 249D Notice proposes resolutions to elect Mr Volpe as a director, along with Mr Arthur Ioannou, and seeks the removal of Executive Chairman Mr Patrick Holywell and fellow Director Mr Joshua Letcher.

Mr Volpe was a founder and long serving Chairman of Si6, at the time the Company was demerged from A-Cap Resources Limited, initially listing on the ASX on 18 January 2008 after a capital raising at 20 cents. Si6's principal assets at that time were solely Botswana focussed. Mr Volpe stepped down as Executive Chairman on 11 December 2017, to "pursue other business interests", at which time Si6's share price was 1.5 cents (after a 1 for 12 consolidation completed on 28 November 2017 prior to which the share price was 0.1 cents).

The Board of the Company has been in communication with Mr Volpe in relation to the Purported 249D Notice in an attempt to reach an outcome that is both acceptable to Mr Volpe and the existing Board, and does not involve the time, expense and distraction associated with a requisitioned general meeting of shareholders.

The Board of the Company encourages Mr Volpe to withdraw the Purported 249D Notice and to re-engage constructively with the Board to identify his specific concerns and intentions with respect to the Company, and the changes in strategy he wishes to see implemented.

Executive Chairman Mr Patrick Holywell said that the only guaranteed outcome of an extended shareholder dispute, which is potentially on the cards for Si6, is a distraction from project progress and would result in a subsequent loss of shareholder value for all of Si6's shareholders.

"I do not believe that the intention of the Purported 249D Notice is in the best interests of our Company, and fail to see how some sort of poorly defined 'back to the past' strategy for shareholders can deliver better shareholder value," Mr Holywell said.

"Since early 2020 we have achieved a number of significant milestones. We assessed a number of acquisition opportunities within various sectors and in August 2020 we entered into an option agreement to acquire the Monument Gold Project in Western Australia (**Monument**). Last week we announced a JORC inferred resource of 154,000oz of gold. We drilled Monument earlier this year and we are drilling it shortly. We have undertaken numerous geophysical surveys at our Maibele Base Metals Project in Botswana (**Maibele**) which have provided us with some outstanding drill targets. Drilling at these targets is planned to take place as soon as practicable.

DIRECTORS

Patrick Holywell
Executive Chairman
Steve Groves
Technical Director

Joshua Letcher
Non-Executive Director
Mauro Piccini
Company Secretary

CONTACT

Suite 2, Level 1
1 Altona Street
West Perth WA
Australia 6005

+61 (0)8 6559 1792
info@si6metals.com
si6metals.com

"I recognise that some shareholders may have hoped for even greater success from past drilling campaigns as well as more campaigns, and as a shareholder myself we all want to see Si6 succeed with every endeavour. The reality of minerals exploration of course is that not every drill hole makes a major discovery, but the important thing is that exploration companies continue to explore and advance their prospects, to maximise the chance of success.

"I am proud with what we have achieved at Si6 over the last 18 months, and as we speak, the Company is in an enviable position with base metal and gold resources in Botswana and Western Australia, attractive drill targets, plans in place to drill in the coming months, and a very strong cash at hand figure to back these plans up. This is the time for the Company to continue this momentum, and deliver exploration results to our shareholders, not to be distracted by shareholder proxy fights," Mr Holywell said.

Details of the Purported 249D Notice and potential defects

The Purported 249D Notice has been executed by CAP Holdings Pty Ltd ACN 139 779 203, Trayburn Pty Ltd (ACN 006 048 639) and Vermar Pty Ltd (ACN 007 284 997). As disclosed in the Form 604 lodged by Patrick John Volpe on 5 July 2021, each of these entities is controlled by Patrick and Maria Volpe and (as at that date) together held more than 5% of the voting power in the Company.

The Purported 249D Notice requests the convening of an extraordinary general meeting of the shareholders of the Company for the purpose of considering, and if thought fit, passing the following resolutions:

1. That Patrick John Volpe be and is hereby appointed as Director of the Company.
2. That Arthur Ioannou be and is hereby appointed as a Director of the Company.
3. That Patrick Holywell be and is hereby removed as a Director of the Company.
4. That Joshua Alan Letcher be and is hereby removed as a Director of the Company.

From an initial review, the Company notes the following in relation to the notice:

- CAP Holdings Pty Ltd and Vermar Pty Ltd hold their shares in the Company as trustees, but have not executed the Purported 249D Notice in that capacity.
- The notice encloses undated consents from Messrs Volpe and Ioannou to act as directors of an entity that does not exist.
- No biographies, qualifications or credentials have been provided for Messrs Volpe and Ioannou.
- No notices have been received under sections 203D(2) or 249P of the Corporations Act 2001 (Cth) in connection with the Purported 249D Notice.
- As the resolutions are not expressed to be inter-conditional, the passage of some but not others may result in the Company ceasing to have the requisite minimum number of directors (three) required by law under section 201A(2) of the Corporations Act 2001 (Cth) and rule 3.1(a) of the Constitution of the Company.

DIRECTORS

Patrick Holywell
Executive Chairman
Steve Groves
Technical Director

Joshua Letcher
Non-Executive Director
Mauro Piccini
Company Secretary

CONTACT

Suite 2, Level 1
1 Altona Street
West Perth WA
Australia 6005

+61 (0)8 6559 1792
info@si6metals.com
si6metals.com

The Company takes its obligations under the Corporations Act and the ASX Listing Rules very seriously, and has engaged legal counsel to urgently assess whether the Purported 249D Notice is nonetheless valid in relation to some or all of the resolutions.

To the extent that the Purported 249D Notice is determined to be valid and is not withdrawn, the Company will immediately notify the market and comply with its obligation to convene an extraordinary general meeting of the Company at considerable cost to the Company.

This announcement has been approved for release by the Executive Chairman of Si6 Metals Ltd, Mr Patrick Holywell.

For further information please contact:

Patrick Holywell
Executive Chairman
M: +61 (0)401 407 357
ph@si6metals.com

DIRECTORS

Patrick Holywell
Executive Chairman
Steve Groves
Technical Director

Joshua Letcher
Non-Executive Director
Mauro Piccini
Company Secretary

CONTACT

Suite 2, Level 1
1 Altona Street
West Perth WA
Australia 6005

+61 (0)8 6559 1792
info@si6metals.com
si6metals.com