



ACN 122 995 073

**FINANCIAL REPORT
FOR THE HALF-YEAR ENDED
31 DECEMBER 2022**

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DIRECTORS' REPORT

The Directors of Si6 Metals Limited ("Si6" or "the Company") present their report, together with the financial statements on the consolidated entity consisting of Si6 Metals Limited and its controlled entities for the half-year ended 31 December 2022 ("the Period").

It is recommended that the Directors' Report be read in conjunction with the annual financial statements for the year ended 30 June 2022 and considered together with any public announcement made by the Company during the period and up to the date of this report.

1. DIRECTORS

The names of the Company's Directors who held office during the Period and until the date of this report are set out below. The Directors were in office for this entire Period unless otherwise stated.

Director	Position	Duration of Appointment
Mr David Sanders	Independent Non-Executive Chairman	Appointed 12 August 2022
Mr Steven Groves	Technical Director	Appointed 22 February 2017
Mr Joshua Letcher	Non-Executive Director	Appointed 21 August 2017

2. PRINCIPAL ACTIVITIES

The Group's principal activities during the period continue to be exploration at the Maibele Base Metal Project (Botswana) and at the Monument Gold Project (Western Australia).

3. REVIEW OF OPERATIONS AND ACTIVITIES

Botswana – Maibele Base Metal Project

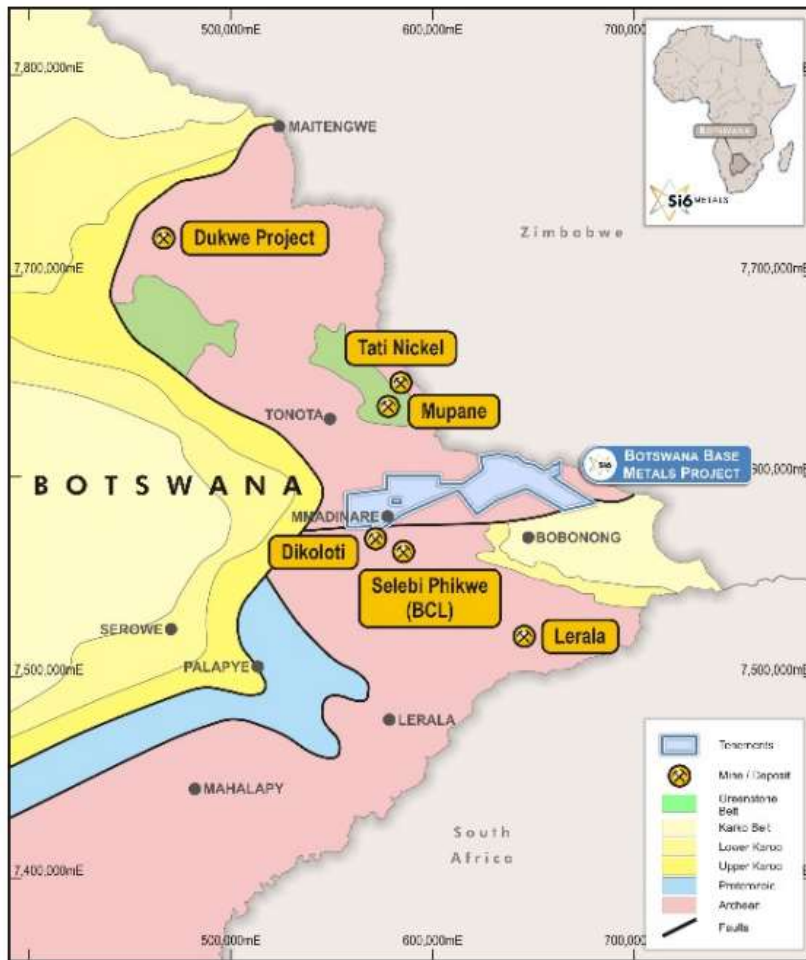
Si6 is primarily exploring for base and precious metals in the Limpopo Mobile Belt in Botswana, a district known for hosting major nickel and copper producing operations. The Company's portfolio contains an advanced Ni-Cu-Co-PGE resource at Maibele North and drilled high-grade Cu-Ag discoveries at Airstrip 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.

During the past six months, 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.

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.

The JV Licences only cover ~143km² of Si6's ~2,000km² tenement package in Botswana i.e. less than 10%. During the past six months, Si6 has been conducting geological reviews and programs on the Non-JV Licences which has provided encouragement to undertake further mapping and sampling programs.



Monument Gold Project (MGP), Western Australia

Si6's 100%-owned MGP currently contains a 3.3Mt @ 1.4g/t Au for 154koz gold resource along banded iron formations (BIF). MGP contains multiple target styles of gold mineralisation including BIFs and basalt-hosted, however, significant potential for large-tonnage deposits exists in the intrusion hosted targets.

Si6 is currently focused on prospects where geochemical analysis provides indications of the existence of fractionated, felsic intrusives belonging to the sanukitoid suite of evolved intrusive rocks. Such prospects are significant when taking into consideration the similarities with other gold-bearing sanukitoid intrusions such as Hemi (~11Moz) or Tropicana (~5Moz), as well as other nearby bulk tonnage, multi-million-ounce projects such as the Wallaby (~7Moz) and Jupiter (~1.5Moz) projects.

The MGP lies directly adjacent to and along strike of Dacian Gold Ltd's (Dacian, ASX:DCN) ~2Moz Au Mt Morgan's Project). During the half year, Genesis Minerals Ltd (Genesis, ASX:GMD) launched a takeover offer for Dacian. The offer closed in February 2023 with Genesis now holding ~80% of Dacian. In December 2022, Genesis and St Barbara Ltd (St Barbara, ASX: SBM) announced a merger as Genesis continues to seek consolidation of areas in close proximity to Si6's project.

During the past six months, Si6 was focussed on aircore drilling as part of a three phase program since acquiring MGP. Drilling consisted of 119 holes drilled for 5,636m across four prospect areas. To date, Si6 has been undertaking reconnaissance style aircore drilling across the project area to test for a wide range of gold mineralisation styles similar to those evident in Dacian's adjoining Mt Morgans Gold Project. These include bulk tonnage felsic intrusion hosted along with BIF's and mafic shear zone hosted gold mineralisation. In contrast to the Mt Morgans Project, more than 50% of the MGP comprises shallow surface cover and remains largely untested by

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shallow surface drilling. The MGP also contains interpreted strike extensions to the host rocks to Glencore's Murrin Murrin Ni-Co operation which are considered prospective for Ni-Co laterite mineralisation.



Competent Persons Statement

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 is a Director of 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.

4. SIGNIFICANT CHANGES TO THE STATE OF AFFAIRS

There have been no significant changes to the state of affairs during the half-year ended 31 December 2022.

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5. FINANCIAL RESULTS

The financial results of the Company for the half year ended 31 December 2022 are:

	31-Dec-22	30-Jun-22
Cash and cash equivalents (\$)	1,544,145	2,510,618
Net assets (\$)	1,682,397	2,536,393

	31-Dec-22	31-Dec-21
Net loss after tax (\$)	(895,998)	(1,879,740)
Loss per share (cents)	(0.06)	(0.13)

6. EVENTS OCCURRING AFTER REPORTING DATE

There are no matters or circumstances which have arisen since the end of the half-year which significantly affected or may significantly affect the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in subsequent financial periods.

7. AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration under s 307C of the Corporations Act 2001 is set out on page 7 for the half-year ended 31 December 2022.

This report is signed in accordance with a resolution of the Board of Directors.

Mr David Sanders
Independent Non-Executive Chairman
 14 March 2023

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DECLARATION OF INDEPENDENCE BY JARRAD PRUE TO THE DIRECTORS OF SI6 METALS LIMITED

As lead auditor for the review of Si6 Metals Limited for the half-year ended 31 December 2022, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Si6 Metals Limited and the entity it controlled during the period.



Jarrad Prue

Director

BDO Audit (WA) Pty Ltd

Perth

14 March 2023

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SI6 METALS LIMITED

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 31 December 2022

	Note	31-Dec-22 \$	31-Dec-21 \$
Other Income	4	16,134	38,231
Administrative and corporate expenses		(136,750)	(223,244)
Other expenses		(55,364)	(60,500)
Directors' remuneration and fees		(81,897)	(118,800)
Professional fees		(139,531)	(202,783)
Travel and marketing		(54,415)	(50,647)
Amortisation		-	(5,542)
Fair value gain/(loss) on financial asset at FVTPL		139,789	(35,209)
Exploration expenses		(583,964)	(1,221,246)
Loss before income tax for the period		(895,998)	(1,879,740)
Income tax expense		-	-
Loss after income tax for the period		(895,998)	(1,879,740)
Other comprehensive (loss)/income that may be subsequently reclassified to profit or loss			
Exchange differences from translation of foreign operations	7	(1,232)	(1,468)
Total comprehensive loss for the period attributable to members of Si6 Metals Limited		(897,230)	(1,881,208)
Loss per share for the period attributable to the members of Si6 Metals Limited:			
Basic and diluted loss per share	5	(0.06)	(0.13)

The Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the notes to the financial statements.

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SI6 METALS LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 December 2022

	Note	31-Dec-22 \$	30-Jun-22 \$
ASSETS			
Current Assets			
Cash and cash equivalents		1,544,145	2,510,618
Trade and other receivables		71,713	120,371
Financial asset at fair value through profit or loss	3	175,000	26,000
Total Current Assets		1,790,858	2,656,989
TOTAL ASSETS		1,790,858	2,656,989
LIABILITIES			
Current Liabilities			
Trade and other payables		100,394	89,669
Provisions		8,067	30,927
Total Current Liabilities		108,461	120,596
TOTAL LIABILITIES		108,461	120,596
NET ASSETS		1,682,397	2,536,393
EQUITY			
Issued capital	6	28,659,812	28,616,579
Reserves	7	790,577	791,808
Accumulated losses		(27,767,992)	(26,871,994)
TOTAL EQUITY		1,682,397	2,536,393

The Consolidated Statement of Financial Position should be read in conjunction with the notes to the financial statements.

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SI6 METALS LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED 31 December 2022

	Issued Share Capital	Share-based Payments Reserve	Foreign Currency Translation Reserve	Accumulated Losses	Total Equity
	\$	\$	\$	\$	\$
Balance at 1 July 2022	28,616,579	1,039,392	(247,583)	(26,871,994)	2,536,394
Net loss for the half-year	-	-	-	(895,998)	(895,998)
Other comprehensive income for the half-year	-	-	(1,232)	-	(1,232)
Total comprehensive income for the period	-	-	(1,232)	(895,998)	(897,230)
Transactions with owners in their capacity as owners:					
Issue of share capital	43,233	-	-	-	43,233
Balance at 31 December 2022	28,659,812	1,039,392	(248,815)	(27,767,992)	1,682,397
Balance at 1 July 2021	27,703,282	1,039,392	(240,287)	(24,042,272)	4,460,115
Net loss for the half-year	-	-	-	(1,879,740)	(1,879,740)
Other comprehensive income for the half-year	-	-	(1,468)	-	(1,468)
Total comprehensive income for the period	-	-	(1,468)	(1,879,740)	(1,881,208)
Transactions with owners in their capacity as owners:					
Share-based payments	453,488	-	-	-	453,488
Balance at 31 December 2021	28,156,770	1,039,392	(241,755)	(25,922,012)	3,032,395

The Consolidated Statement of Changes in Equity should be read in conjunction with the notes to the financial statements.

SI6 METALS LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE HALF YEAR ENDED 31 December 2022

	31-Dec-22 \$	31-Dec-21 \$
Cash flows used in operating activities		
Payments to suppliers and employees	(431,433)	(688,415)
Interest received	6,647	256
Payments for exploration and evaluation	(549,942)	(716,728)
Receipt of government grant	9,487	37,975
Net cash flows used in operating activities	(965,241)	(1,366,912)
 Cash flows from investing activities		
Net receipts from disposal of asset (net of gst)	-	79,333
Payments for property, plant and equipment	-	(4,523)
Purchase of financial assets	-	(38,077)
Net cash flows used in investing activities	-	(36,733)
 Cash flows from financing activities		
Payments for leases	-	(83,713)
Net cash flows used in financing activities	-	(83,713)
 Net (decrease)/increase in cash and cash equivalents	(965,241)	(1,413,892)
Cash and cash equivalents at the beginning of the period	2,510,618	4,559,417
Foreign currency effect on cash held	(1,232)	(1,468)
Cash and cash equivalents at the end of the period	1,544,145	3,144,057

The Consolidated Statement of Cash Flows should be read in conjunction with the notes to the financial statements.

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Notes to the Consolidated Interim Financial Statements

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These general purpose interim financial statements for half-year reporting period ended 31 December 2022 have been prepared in accordance with requirements of the Corporations Act 2001 and Australian Accounting Standard AASB 134: Interim Financial Reporting. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

This interim financial report is intended to provide users with an update on the latest annual financial statements of Si6 Metals Limited. As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Group. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2022, together with any public announcements made during the following half-year.

Significant accounting judgments and key estimates

The preparation of the interim financial report requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

In preparing this interim financial report, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial report for the year ended 30 June 2022.

Accounting Policies

The accounting policies are consistent with those applied in the previous financial year and those of the corresponding interim reporting period, other than as detailed below.

New and amended Accounting Standards that are effective for the current period

The Company has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to their operations and effective for the current half-year.

Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

NOTE 2: OPERATING SEGMENTS

The consolidated entity operates within two geographical segments within mineral exploration being Australia and Botswana. The segment information provided to the chief operating decision maker is as follows:

	Australia	Botswana	Total
	\$	\$	\$
Period Ended 31 December 2022			
Revenue and other income	16,134	-	16,134
Result (loss)	(785,778)	(110,220)	(895,998)
Total assets	1,784,324	6,534	1,790,858
Total liabilities	(105,595)	(2,866)	(108,461)
Period Ended 31 December 2021			
Revenue and other income	38,231	-	38,231
Result (loss)	(1,683,441)	(196,299)	(1,879,740)
Period Ended 30 June 2022			
Total assets	2,639,373	17,616	2,656,989
Total liabilities	(95,194)	(25,402)	(120,596)

SI6 METALS LIMITED

Notes to the Consolidated Interim Financial Statements

NOTE 3: FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	31 Dec 2022 \$	30 Jun 2022 \$
1,000,000 (2022: 1,000,000) fully paid ordinary shares held in Cobre Limited	175,000	26,000
	<u>175,000</u>	<u>26,000</u>

NOTE 4: OTHER INCOME

	31-Dec-22 \$	31-Dec-21 \$
Interest	6,647	256
EIS grant	9,487	37,975
	<u>16,134</u>	<u>38,231</u>

NOTE 5: EARNINGS PER SHARE

Loss after income tax attributable to owners of Si6 Metals Limited	(895,998)	(1,879,740)
Weighted average number of ordinary shares used in calculating basic earnings per share	1,490,225,420	1,417,906,371
	(0.06)	(0.13)

NOTE 6: ISSUED CAPITAL

	31-Dec-22 \$	30-Jun-22 \$
Issued and paid up Capital		
a) 1,495,394,592 ordinary shares fully paid (2022: 1,488,189,079)	28,650,601	28,616,579

	Date	Issue Price	No. of Shares	\$
Movement in ordinary shares on issue				
Balance at the beginning of the period	1-Jul-21	-	1,393,260,264	27,703,282
Issue of shares – Monument Acquisition	23-Aug-21	\$0.013	34,883,721	453,488
Conversion of options	Various	\$0.008	52,476,504	419,809
Issue of shares	30-Jun-22	\$0.005	7,568,590	40,000
Balance at the end of the period	30-Jun-22	-	1,488,189,079	28,616,579
Balance at the beginning of the period	1-Jul-22	-	1,488,189,079	28,616,579
Issue of shares	9-Nov-22	\$0.005⁽¹⁾	7,205,513	43,233
Balance at the end of the period	31-Dec-22	-	1,495,394,592	28,659,812

⁽¹⁾ On 9 November 2022, the Company issued 7,205,513 shares to Prospect Drilling Pty Ltd in lieu of services rendered. The volume weighted average price (VWAP) for the 5 days prior to the date of issue is 0.525 cents per share and the shares were issued at a 10% discount to the 5 day VWAP, being, 0.472 cents per share.

SI6 METALS LIMITED

Notes to the Consolidated Interim Financial Statements

NOTE 7: RESERVES AND SHARE-BASED PAYMENTS

	31-Dec-22	30-Jun-22
	\$	\$
Reserves		
Share-based payments reserve	1,039,392	1,039,392
Foreign currency translation reserve	(248,815)	(247,584)
	<u>790,577</u>	<u>791,808</u>
Movement reconciliation		
Share-based payments reserve		
Balance at the beginning of the period	1,039,392	1,039,392
Share-based payments expense	-	-
Balance at the end of the period	<u>1,039,392</u>	<u>1,039,392</u>
Movement reconciliation		
Foreign currency translation reserve		
Balance at the beginning of the period	(247,583)	(240,287)
Other comprehensive income	(1,232)	(7,296)
Balance at the end of the period	<u>(248,815)</u>	<u>(247,583)</u>

NOTE 8: CONTINGENCIES AND COMMITMENTS

There are no changes in the Company's commitments or contingencies from 30 June 2022.

NOTE 9: DIVIDENDS

No dividends were paid or proposed to be paid to members during the half year ended 31 December 2022.

NOTE 10: RELATED PARTIES TRANSACTIONS

There have been no changes to related party arrangements since the financial year ended 30 June 2022.

NOTE 11: EVENTS AFTER THE END OF THE INTERIM PERIOD

There are no matters or circumstances which have arisen since the end of the half-year which significantly affected or may significantly affect the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in subsequent financial periods.

SI6 METALS LIMITED
DIRECTORS' DECLARATION

In the Directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2022 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the directors



Mr David Sanders
Independent Non-Executive Chairman
14 March 2023

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INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Si6 Metals Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Si6 Metals Limited (the Company) and its subsidiary (the Group), which comprises the consolidated statement of financial position as at 31 December 2022, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Group does not comply with the *Corporations Act 2001* including:

- (i) Giving a true and fair view of the Group's financial position as at 31 December 2022 and of its financial performance for the half-year ended on that date; and
- (ii) Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be the same terms if given to the directors as at the time of this auditor's review report.

Responsibility of the directors for the financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2022 and its financial performance for the half-year ended on that date and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

BDO Audit (WA) Pty Ltd

BDO

A handwritten signature in black ink, appearing to read 'J Prue', is written over the printed name.

Jarrad Prue

Director

Perth

14 March 2023

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