

ASX: SI6 / SI6OC

**ABN:**

96 122 995 073

**Issued Securities:**

457,503,150 ordinary shares

132,436,000 options

(exercise price \$0.01, expiry date 01/07/2021)

30,500,000 Unlisted options

(exercise price \$0.022, expiry date 16 April 2021)

**Directors:**

Mr Edwin Bulseco (Chairman)

Mr Steve Groves (Director/Geologist)

Mr Joshua Letcher (Non-executive)

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**About Six Sigma Metals:**

Six Sigma Metals is exploring for nickel, copper, cobalt, tantalum and lithium within its ~1,500 square kilometre exploration portfolio in Botswana. These "new world" metals are becoming increasingly important as the world switches to cleaner sources of energy.

The company announced a maiden JORC Inferred Resource of 2.38Mt on 28 April 2015 from drilling within a small 185 square kilometre section of its exploration portfolio in which it had entered a joint venture with BCL. At the time cobalt was not included in the resource calculation.

Historical drilling outside of the joint venture ground has intercepted further nickel as well as significant intercepts of copper and cobalt.

A soil sampling program detected traces of lithium and tantalum which warrant further exploration.

Large tracts of the Company's exploration portfolio remain unexplored.

**ASX ANNOUNCEMENT**

17 May 2018

**Acquisition of highly prospective Vanadium-Titanium and Lithium assets**

**Highlights**

- **Option agreement executed to acquire up to 80% interest in the Chuatsa Vanadium-Titanium and Shamva Lithium Projects in Zimbabwe from Mirrorplex Pty Ltd.**
- **The Chuatsa Vanadium project is located 140km northeast of Harare.**
- **The project was historically explored by Anglo America Prospecting (Rhodesia) Ltd and remains un-explored since 1964.**
- **Historical trenching and borehole assays reported Vanadium Pentoxide grades up to 0.80% V<sub>2</sub>O<sub>5</sub> and Titanium Dioxide to 7.81% TiO<sub>2</sub>.**
- **The Shamva Lithium Project has excellent exploration potential and contains at least 5 large pegmatite bodies with evidence of historic small-scale tin/beryl mining on some pegmatites and records of "substantial" outcrops of Spodumene and Lepidolite**
- **Recent geological mapping has confirmed strong occurrences of outcropping Lithium mineralisation in the form of minerals such as spodumene, lepidolite and zinnwaldite with recent reconnaissance rock sampling revealing:**
  - **Numerous results above 2% Li<sub>2</sub>O to a maximum of 3.40% Li<sub>2</sub>O**
  - **11 results above 1% Li<sub>2</sub>O**
  - **Indications of 3 new pegmatite areas that do not appear on historical maps**
- **The Shamva Lithium Project consists of 10 granted prospecting licenses and is located 65km north east of Harare in Zimbabwe. The area is serviced by sealed roads and grid power.**
- **Acquisition structured as a phased share acquisition earn-in. SI6 at its sole election may earn up to 80% of the Vanadium and Lithium assets over three phases as projects are de-risked.**
- **Aggressive exploration program planned across all assets (Vanadium and Lithium).**
- **Transaction leverages SI6 to high growth energy metals sector across two commodities in a country experiencing material investor interest.**

## Summary

The Board of Six Sigma Metals (“S16” or “the Company”) is pleased to announce that it has entered into an agreement under which the Company can acquire up to an 80% interest in the Chuatsa Vanadium-Titanium and Shamva Lithium Projects in Zimbabwe from the vendors of Mirrorplex Pty Ltd (“Mirrorplex”) in a three-phase staged option agreement whereby the Company can acquire an interest in the Projects by acquiring an interest in the share capital of Mirrorplex (“the Acquisition”). The Acquisition is subject to various shareholder and regulatory approvals. Refer to page 10 below for a summary of the material terms of the Acquisition.

The Acquisition is in line with the previously announced strategy to explore for, or acquire, projects containing “battery or new world” metals to capitalise on the rising interest in the sector due to recent global technology advances.

The Acquisition is the culmination of a number of years focus on the battery metals sector and leverages the Company’s significant skills and experience in exploring and operating in Southern Africa and is complementary to the Company’s current assets.

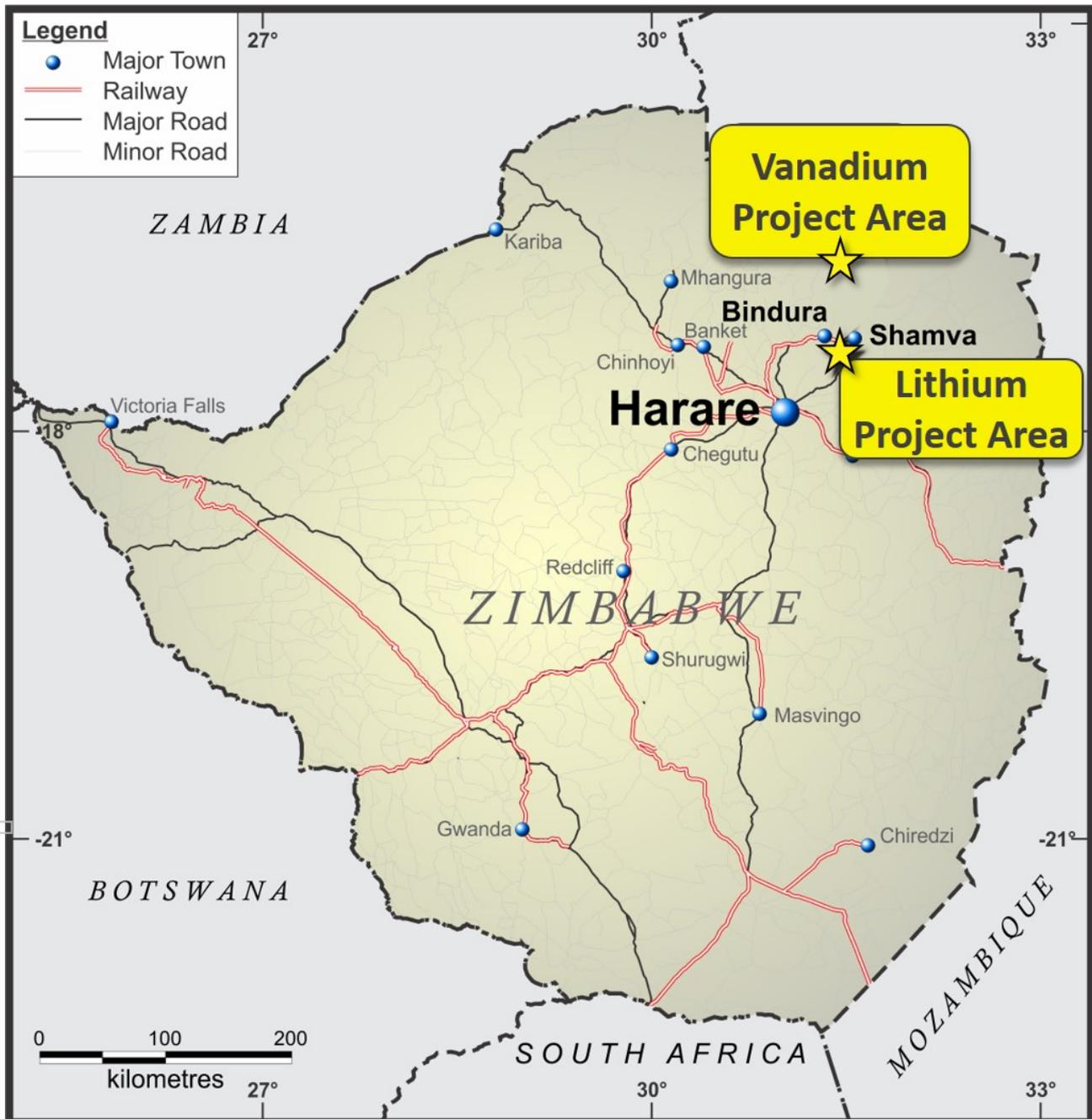


Figure 1: Map of Zimbabwe showing location of the Shamva Lithium Project and Chuatsa Vanadium-Copper-Titanium Project. Both projects are a short drive from Harare along sealed roads.

## Chuatsa Vanadium Asset

Mirrorplex Pty Ltd holds licence areas of 12km<sup>2</sup> with applications pending for an additional 8km<sup>2</sup> containing vanadium occurrences over the historic Chuatsa project, located approximately 140km northeast of Harare in Northern Zimbabwe. The Chuatsa project was subject to historical exploration by Anglo America Prospecting (Rhodesia) Ltd from 1962 to 1964. All exploration ceased in 1964 and Anglo America Prospecting (Rhodesia) Ltd concluded that potential resources at the prospect would be uneconomical at that time, but that:

*"...the deposit as it stands would have aroused considerable exploration interest if it had been located in the proximity to a large primary manufacturing complex instead of in an undeveloped area with no electricity supply and 90 km from the railhead at Bindura".*

Today, the prospect lies approximately 20km north of the town of Mount Darwin, a significant regional centre serviced by sealed roads, grid power and containing an airport, public hospital and banks.

The mineralisation at Chuatsa occurs in three folded, steeply-dipping, arcuate portions of a layered gabbroic sill that is part of the Nyamhanda Complex of the Rushinga Group. Mineralisation includes titanium as ilmenite, vanadium as vanadiferous magnetite and copper as chalcopyrite and bornite.

Historical samples submitted for chemical analysis from the 1960's Chuatsa exploration produced results up to 7.8% TiO<sub>2</sub>, 0.38% Cu and 0.8% V<sub>2</sub>O<sub>5</sub> from trenching and borehole sampling\*. Intersections of mineralisation are indicated to extend to over 90m in trenches and up to 69m in drill holes, though true thicknesses, continuity and tenor of the mineralisation across the deposit are not known at this time.

The Chuatsa mineralisation is interpreted to be geologically similar to layered gabbro-hosted Vanadium-Titanium deposits such as the Gabanintha V-Ti-Fe Deposit (Australian Vanadium, ASX:AVL, Market Cap \$67m) and the Speerwah V-Ti Project (King River Copper Ltd, ASX: KRC, Market Cap \$100m). Published Total Resources for these deposits are:

Gabanintha V-Ti-Fe: 179.6 Mt @ 0.75% V<sub>2</sub>O<sub>5</sub>, 33.8% Fe, 9.0% TiO<sub>2</sub> (source: ASX Announcement 15 November 2017)

Speerwah V-Ti: 4.7 Bt at 0.30% V<sub>2</sub>O<sub>5</sub> and 2% Ti (at 0.23% V<sub>2</sub>O<sub>5</sub> cut-off grade – JORC 2004 Standard) (source: ASX Announcement 21 April 2017)

The initial work program for the Chuatsa Vanadium asset is expected to include surface sampling and geological mapping to define areas of potential.

*\*Analytical results are historical in nature and taken from an un-referenced document referencing Anglo America Prospecting's work obtained from the Harare Geological Survey Office. Analytical method, quality controls, detection limits and representative nature of the samples are not known at this time.*

## Background on Vanadium

The bulk of vanadium produced globally is used in the steel making industry where it is used to add strength via various alloys, with demand from steel makers forecast to increase with the advent of stricter standards on the strength of steel to be used in construction.

Vanadium also has great potential as an energy mineral, with its application in battery usage for large scale energy storage predicted to lead to a strong increase in demand for the commodity. Developed in Australia, vanadium flow redox batteries (VFRB) have a longer lifespan than most current batteries and can hold a charge for up to 12 months. The batteries are scalable, enabling large-scale storage facilities to be constructed for use at renewable energy facilities (e.g. solar farms) to small town energy storage and down to a household level.

Vanadium is commonly traded as Vanadium Pentoxide (V<sub>2</sub>O<sub>5</sub>) and the development of new VFRB facilities is currently constrained by the absence of "battery-grade" V<sub>2</sub>O<sub>5</sub>. The price for >98% V<sub>2</sub>O<sub>5</sub> has increased significantly over the past few years from US\$3.50/lb to current prices of around US\$15.45/lb (source: www.vanadiumprice.com, 03 May 2018).

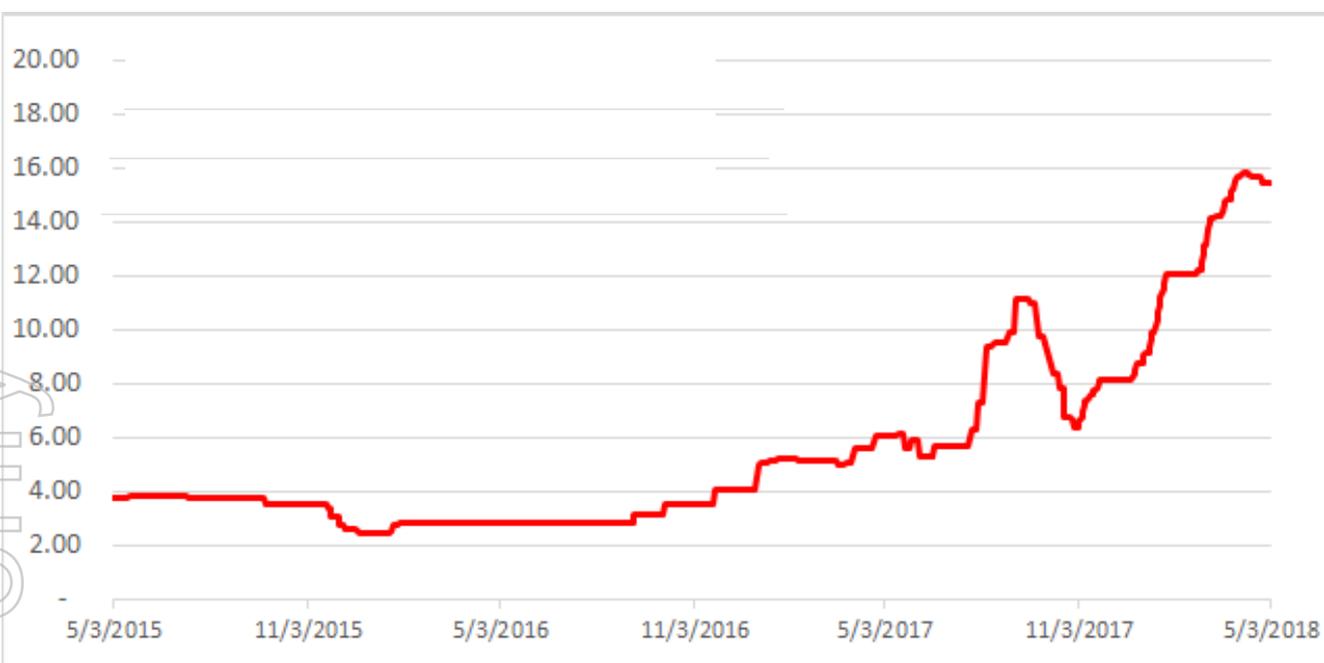


Figure 2: Three-year price chart of V<sub>2</sub>O<sub>5</sub> Vanadium Pentoxide Flake 98% Price USD / lb showing the dramatic rise in prices over the past 12 months (source: www.vanadiumprice.com, 03 May 2018).

The addition of a vanadium asset in Southern Africa to SI6's portfolio complements the acquisition of the Shamva Lithium Project and fulfils the Company's strategy to focus on developing quality battery metal projects in anticipation of the increasing demand for these commodities in the technology sector.

### The Shamva Lithium Project

The Shamva Lithium Project is located in northern Zimbabwe, approximately 65km northeast of Harare and consists of number of pegmatite dykes including the northerly striking Loch Ness Suite (1a, 1b, IV), Bonnyvale Dyke, Ronspur (Mkana) dyke and several unnamed dykes in the Hereford area. The cumulative strike length of dykes identified to date is approximately 3km, with the widest dyke ranging up to 250m in width.

Some of the pegmatite dykes were exploited in the 1960's for beryl, cassiterite and tantalum mineralisation. Spodumene mineralisation is reported in the central portion of Loch Ness IV dyke, where it occurs as fine-grained prismatic aggregates interspersed with quartz, albite-oligoclase and accessory beryl, apatite and columbite-tantalite. To the east of the Ronspur (Mkana) Tin workings lies a pegmatite that historical records indicate to contain a "substantial" tonnage of spodumene. The pegmatites fit the LCT classification based on setting, age and mineralogy and therefore are of high interest for lithium exploration.

Historical reports document numerous occurrences of lithium mineralised outcrops, including:

- In 1935, the Geological Survey office in Salisbury (Harare) report inspections of the Ronspur Claim identifying a coarse-textured pegmatite dyke up to 9m wide containing "...large aggregates of fine white mica and small amounts of zinnwaldite and pale lepidolite".
- In 1953, government geologists made brief notes on the Loch Ness beryl claims where trenches in a greisenised pegmatite dyke being exploited for massive beryl contained "...**exposed boulders of quartz-spodumene rock and in the southern block, an old shaft and trenches reveal a greisenised pegmatite with rounded boulders of spodumene-quartz rock**"
- In 1954 an unnamed government geologist visited the Loch Ness and Ronspur claims and note "...on the Ronspur claims, a **'mass of spodumene ore' was found, open in extent with a "substantial tonnage" available**".
- In 1960, two government geologists from the Geological Survey of Great Britain investigated the mineralogy of the pegmatites of the Loch Ness Claims and report "...Excavations revealed a weathered pegmatite with massive quartz, **hard spodumene-quartz pegmatite and a beryl-bearing dark mica pegmatite. Spodumene occurs extensively in the central section of the pegmatite and consists of fine grained prismatic aggregates interspersed with anhedral quartz.**"
- In 1961, a mining geologist visited the Ronspur Claim and noted a pegmatite body that "...contains **patches of spodumene and has been worked for beryl. Between these pegmatites lies the Ronspur gold reef, a sulphide bearing graphitic phyllite which was open pit mined for gold. To the east and southeast of the Ronspur tin quarry the smaller parallel pegmatites have been trenched for lepidolite and microlite bearing perthite. The lepidolite was considered to be more "profuse below the surface than the outcrop suggests"**.



Figure 3: Examples of outcropping Lithium mineralisation from the Shamva Lithium Project



Figure 4: Historic workings in large outcrops of mineralised pegmatite

## Shamva - Exploration Results

Recent exploration has been minimal and has involved reconnaissance mapping and rock sampling. The first batch of analytical results from 73 rock samples collected by Mirrorplex has been highly encouraging, showing 15% of results greater than 1% Li<sub>2</sub>O, with numerous results above 2% Li<sub>2</sub>O and a best result returning 3.4% Li<sub>2</sub>O.

SAMPLE	Li ppm	Li <sub>2</sub> O %	Description
17HERC241	15800	3.40	Altered grey/white pegmatite + spodumene
17HERC021	12350	2.66	pegmatite in ultramafic host
17HERC131	11350	2.44	grey white pegmatite rock
17HERC129	9330	2.01	grey and white pegmatite rock
17HERC124	7660	1.65	huge pegmatite outcrop
17HERC133	6680	1.44	grey pegmatite rock
17HERC239	5700	1.23	Massive grey pegmatite + spodumene
17HERC245	5610	1.21	Massive grey pegmatite + spodumene/petalite
17HERC132	5400	1.16	grey pegmatite rock with alteration
17HERC130	5120	1.10	dull grey pegmatite rock
17HERC231	4650	1.00	Massive micaceous Pegmatite + spodumene/petalite + lavenite

Table 1: Significant rock samples with above 1% Li<sub>2</sub>O

These samples were from the Hereford pegmatite as well as a further three previously unmapped pegmatite occurrences. The lithium mineralised areas indicated from historical records are yet to be sampled in the current program.

No exploration drilling has been undertaken on the licences to date which is the planned focus of phase 1 exploration.

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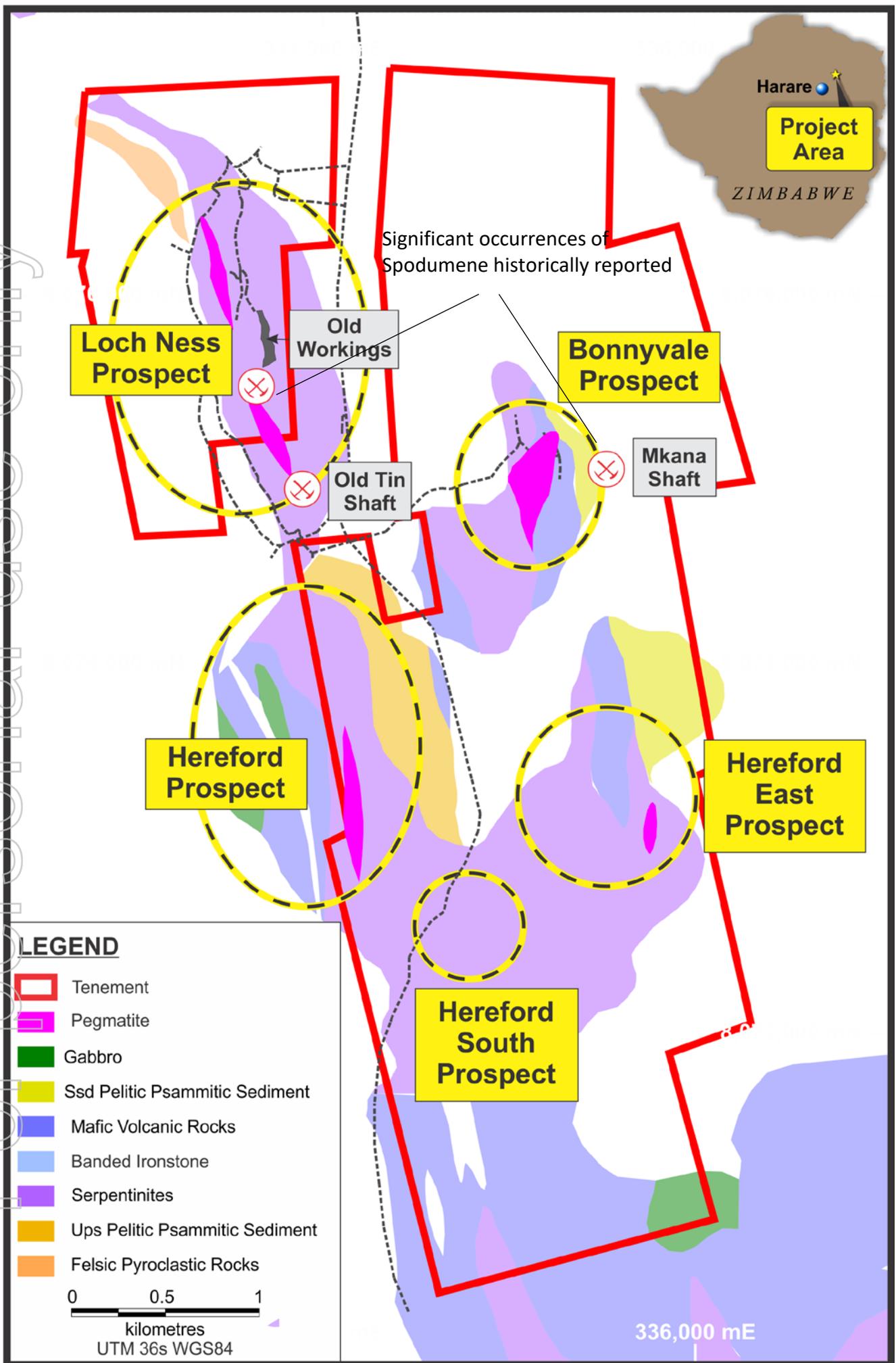


Figure 5: Simplified Geology map of the Shamva licences showing the locations of the outcropping pegmatites

## Lithium in Zimbabwe

Zimbabwe has long been a significant producer of Lithium and is currently the 5th largest producer in the world. Zimbabwe's Lithium resources are of the hard-rock type and are hosted in pegmatite dykes in various locations across the country. The largest single producer is the Bikita Mine, where resources of ~11mt @ 1.4% Li have been mined for over 60 years (*anecdotal resources from the World Wide Web - not reported to JORC 2012 standard*).

One new and globally significant resource about to enter a development phase is Prospect Resources' (ASX: PSC, Market Cap \$92m) Arcadia Lithium Project which is located 35km east of Harare in Zimbabwe. The Arcadia Lithium Project is ~40km south of the Shamva Lithium project and contains Ore Reserves of 26.9MT @ 1.31% Li<sub>2</sub>O and 128ppm Ta. Results from a recently upgraded Pre-Feasibility Study returned a 20-year mine life showing an NPV (10% discount) of USD \$340M and an IRR of 77% (PSC ASX announcement – 19/03/2018). The Arcadia Lithium Project has received very strong support from the Government of Zimbabwe and has all the approvals in place enabling development to commence, demonstrating the country's renewed commitment to allowing foreign investment in developing mining projects.

### Initial Work Planned

The first phase of Lithium exploration program is anticipated to include drilling the pegmatites in areas of mapped surface lithium mineralization. The drilling will be designed to assess the strike, width and depth potential of lithium mineralisation. The first phase may also include geochemical grid sampling the southern portion of the Loch Ness South pegmatite (which Mirrorplex has an option to peg), the Hereford East pegmatite and the three new pegmatite areas.

The aim of the drilling project is to determine the morphology of the pegmatites along strike and down dip with the areas targeted to be determined from the surface sampling results. Historical work suggests the dykes have dips between 450 – 650 to the west or southwest and mineralisation tends to be in the hanging wall of the dykes.

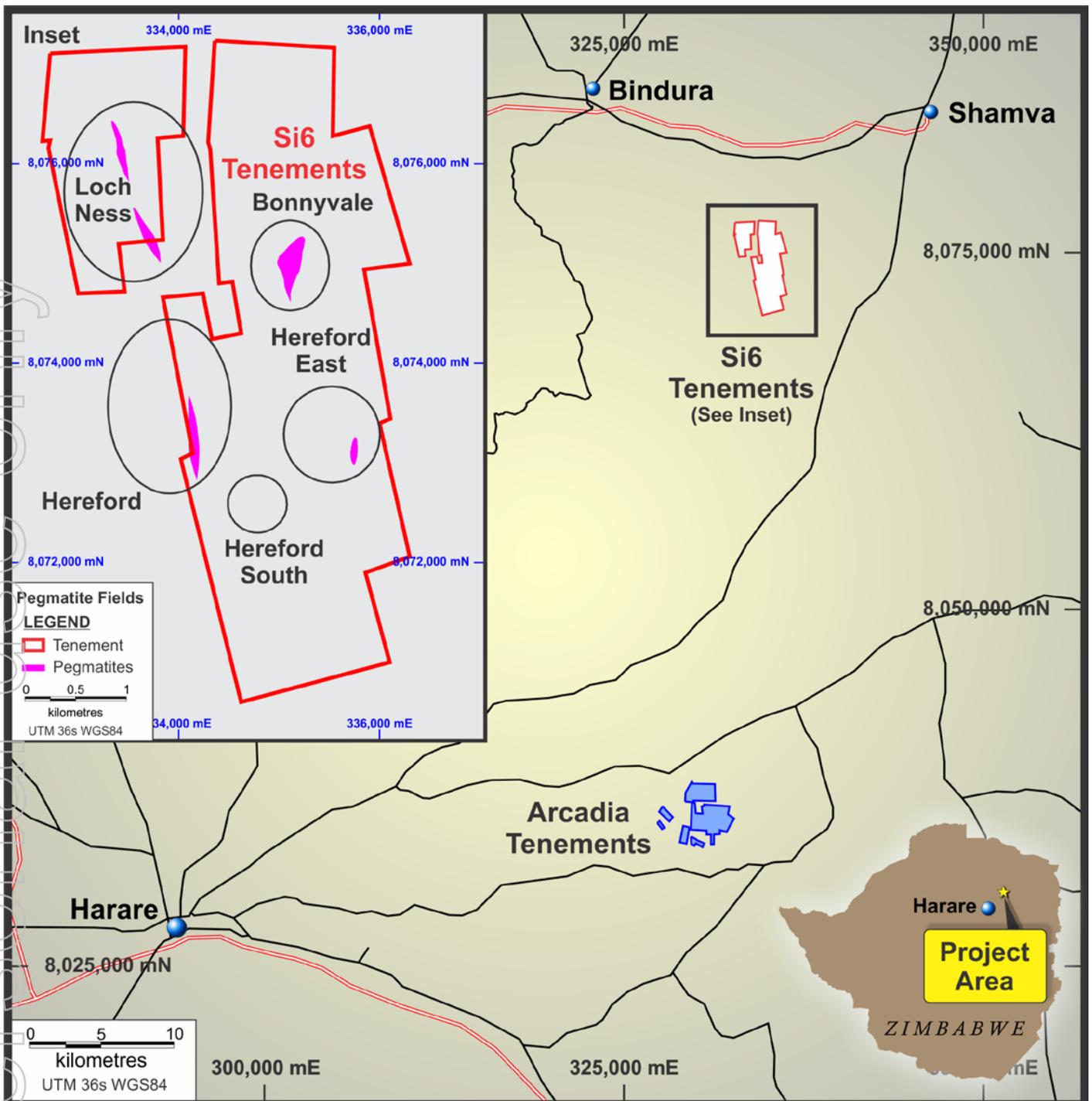


Figure 6: The Shamva Lithium Project in relation to Prospect Resources' development-phase Arcadia Lithium Project. Arcadia is approximately 40km south of Shamva,

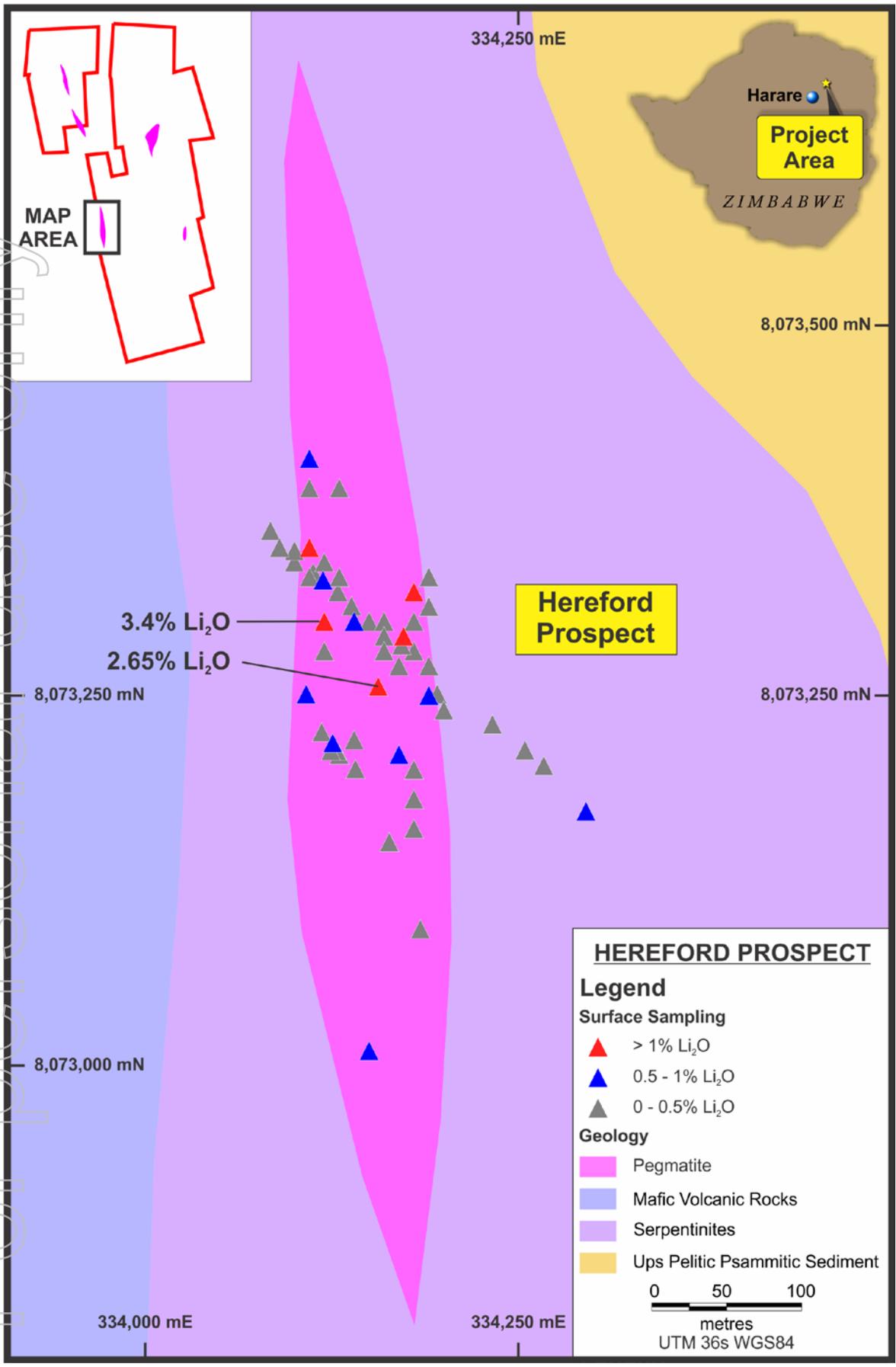


Figure 7: Details of surface rock grab samples across the Hereford Prospect showing Li-mineralisation levels

## Key Terms of the Option Earn in Agreement:

Pursuant to the terms of an exclusive binding term sheet between the Company, Mirrorplex and the shareholders of Mirrorplex ("Vendors"), the Company can acquire up to an 80% interest in the Projects by acquiring an interest in the share capital of Mirrorplex. Mirrorplex's wholly owned subsidiary, Mirrorplex Pvt Ltd, a private company incorporated in Zimbabwe, is the sole registered holder and beneficial owner of the licences which comprise the Projects.

The Vendors are comprised of unrelated third parties who have a 66% interest in Mirrorplex ("Unrelated Vendors") and a vendor company associated with SI6 director Mr Joshua Letcher ("Related Party Vendor").

SI6 will have the option to earn in up to an 80% interest in the Projects as follows:

1. **Pay a non-refundable deposit of \$100,000 (Option Fee)** to undertake a 60 day due diligence period ("Due Diligence") and to secure the grant of the Option to earn-in to the Projects ("Option"). Pursuant to Listing Rule 10.7, the Option Fee will only be paid by the Company to the extent that there is evidence of previous valid expenditure incurred by the Mirrorplex, Mirrorplex Zimbabwe and/or the Vendors in developing the Projects and securing the licenses to ASX's satisfaction (and the Vendors must provide SI6 with documentation to evidence this). The Option must be exercised within the 60 day Due Diligence period. For the avoidance of doubt, the Option will still be granted in the event that the Option Fee is required to be reduced pursuant to Listing Rule 10.7.
2. **Earn-In Phases:**
  - a. **Phase 1 (To Earn-In an initial 30%):** Subject to SI6's satisfaction with the outcome of the Due Diligence, SI6 may on its sole discretion proceed to phase 1 of the option earn in agreement to earn a 30% interest in the share capital of Mirrorplex by issuing 50 million SI6 Shares and 10 million SI6 Options (unlisted with exercise price of 3c and expiry 3 years from issue).
  - b. **Phase 2 (to Earn-In an additional 30% being 60% total):** SI6 may, at its election, earn-in an additional 30% interest in Mirrorplex (such that its cumulative interest in the Company is 60%) by issuing to the Vendors, SI6 Shares to the value of \$1,300,000 based on an issue price per share based on the previous 15 day VWAP of SI6 shares.
  - c. **Phase 3 (to Earn-In an additional 20% being 80% total):** Subject to a minimum JORC (2012) Indicated (or higher) Resource of 10 million tonnes of an economically mineable grade of Li2O being identified on the Project (at Six Sigma's sole discretion); SI6 may, at its election earn-in an additional 20% interest in Mirrorplex (such that its cumulative interest in the Company is 80%) by issuing to the Vendors, consideration equivalent to twenty percent (20%) of the market value of the Project (determined by an independent expert report), in SI6 Shares, based on an issue price per share of the previous 15 day VWAP of SI6 shares.
3. **Escrow of Consideration Shares and Options:** All shares and options issued to vendors over the three phases described above are subject to:
  - a. A voluntary escrow period of 3 months from their date of issue for the Unrelated Vendors; and
  - b. ASX imposed escrow period of 12 months from the date of issue (pursuant to Listing Rule 10.1.1 and 10.1.5 and Appendix 9B) in respect of the securities issued to the Related Party Vendor only.
4. **Conditions Precedent:** The Acquisition of Mirrorplex share capital at each phase may be exercised by SI6 at its sole and absolute discretion. Completion of the Acquisition is subject to and conditions on the following material conditions precedent:
  - a. SI6 obtaining all necessary shareholder and regulatory approvals to implement the transactions contemplated by the Term Sheet as required by the Corporations Act and the Listing Rules (being for the issue of securities under Listing Rule 7.1 and 10.11 and the Acquisition under Listing Rule 10.1);
  - b. the Vendors and Mirrorplex obtaining all necessary shareholder approvals; and
  - c. the Vendors and Mirrorplex obtaining all necessary third party consents and government approvals, including but not limited to any consent required for the change in control of the Projects as a result of the Acquisition.
5. **Maintenance of Project:** During the earn-In period, the Vendors' interest in the Projects will be free carried and SI6 will be responsible for Project maintenance and exploration costs. Upon SI6 obtaining an 80% interest in the Projects, the Vendors' remaining 20% interest will no longer be free carried and the parties will seek to form a joint venture in respect of further expenditure on the Projects.

SI6 intends to convene a shareholder meeting to seek the relevant approvals for the Acquisition and will update the market in due course.

**Edwin Bulseco**  
Chairman

## Competent Person

*The information in this report that relates to Exploration Results is based on, and fairly represents, information and supporting documentation compiled by Mirrorplex staff on site and provided to Mr Steve Groves who is a Member of The Australian Institute of Geoscientists. Mr Groves is Director of, and a consulting geologist to SI6 and has previously been employed as the Exploration Manager at SI6. Mr Groves has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Groves consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.*

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## APPENDIX 4 – JORC Code, 2012 Edition – Table 1

### Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

CRITERIA	JORC Code Explanation	Commentary
<b>Sampling techniques</b>	<ul style="list-style-type: none"> <li>- Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</li> <li>- Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</li> <li>- Aspects of the determination of mineralisation that are Material to the Public Report.</li> <li>- In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</li> </ul>	<p>Shamva Lithium: The samples referred to in this document are grab samples of outcropping rock. Location of sample sites are dictated by the availability of outcropping geology and, due to the reconnaissance nature of the sampling exercise, material collected is biased by the presence or absence of interpreted Li-minerals</p> <p>Chuatsa Vanadium: Reference is made to results from samples of historic trenching and drilling from programs in the 1960's. No information regarding sampling techniques from these programs is available and the reference to results from these programs should be taken as a guide only and not necessarily accurately representative of the mineralisation contained in the project.</p>
<b>Drilling techniques</b>	<ul style="list-style-type: none"> <li>- Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face sampling bit or other type, whether core is oriented and if so, by what method, etc).</li> </ul>	<p>Chuatsa Vanadium: Reference to drilling from the 1960's is made in the document though no information is at hand regarding details of the drilling programs at this time</p>
<b>Drill sample recovery</b>	<ul style="list-style-type: none"> <li>- Method of recording and assessing core and chip sample recoveries and results assessed.</li> <li>- Measures taken to maximise sample recovery and ensure representative nature of the samples.</li> <li>- Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</li> </ul>	<p>Chuatsa Vanadium: Reference to drilling from the 1960's is made in the document though no information is at hand regarding details of the drilling programs at this time</p>
<b>Logging</b>	<ul style="list-style-type: none"> <li>- Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</li> <li>- Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</li> <li>- The total length and percentage of the relevant intersections logged.</li> </ul>	<p>Shamva Lithium: The basic geology of each rock grab sample is recorded at the site, with specific reference to host rock type and Li-minerals identified.</p> <p>Chuatsa Vanadium: Reference to drilling from the 1960's is made in the document though no information is at hand regarding details of the drilling programs at this time</p>
<b>Sub-sampling techniques and sample preparation</b>	<ul style="list-style-type: none"> <li>- If core, whether cut or sawn and whether quarter, half or all core taken.</li> <li>- If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</li> <li>- For all sample types, the nature, quality and appropriateness of the sample preparation technique.</li> <li>- Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</li> </ul>	<p>Chuatsa Vanadium: Reference to drilling from the 1960's is made in the document though no information is at hand regarding details of the drilling programs at this time</p>

CRITERIA	JORC Code Explanation	Commentary
	<ul style="list-style-type: none"> <li>- Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</li> <li>- Whether sample sizes are appropriate to the grain size of the material being sampled.</li> </ul>	
<b>Quality of assay data and laboratory tests</b>	<ul style="list-style-type: none"> <li>- The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</li> <li>- For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</li> <li>- Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</li> </ul>	<p>Shamva Lithium Project: The rock samples are sent to ALS Labs in South Africa and undergo preparation (Prep-31) which involves weighing, fine crushing to 70% at -2mm, with a 250g split which is further pulverised to better than 85% at -75microns. The samples are treated using complete decomposition by sodium peroxide fusion (ME-MS89L) to pick up the refractory minerals and have an ICP-MS finish for 52 elements,</p> <p>Chuatsa Vanadium Project: Analytical results are historical in nature and taken from an un-referenced document referencing Anglo America Prospecting's work obtained from the Harare Geological Survey Office. Analytical method, quality controls, detection limits and representative nature of the samples are not known at this time.</p>
<b>Verification of sampling and assaying</b>	<ul style="list-style-type: none"> <li>- The verification of significant intersections by either independent or alternative company personnel.</li> <li>- The use of twinned holes.</li> <li>- Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</li> <li>- Discuss any adjustment to assay data.</li> </ul>	<p>Shamva Lithium The Mirrorplex data were examined by the senior personnel on site. The primary data were audited and verified and then stored in relational data base. No data have been adjusted.</p> <p>Chuatsa Vanadium: All samples referred to in the document are historical in nature and cannot be verified at this time</p>
<b>Location of data points</b>	<ul style="list-style-type: none"> <li>- Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</li> <li>- Specification of the grid system used.</li> <li>- Quality and adequacy of topographic control.</li> </ul>	<p>Shamva Lithium: The data were recorded in longitude/latitude WGS84. The terrain is largely flat to undulating</p>
<b>Data spacing and distribution</b>	<ul style="list-style-type: none"> <li>- Data spacing for reporting of Exploration Results.</li> <li>- Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</li> <li>- Whether sample compositing has been applied.</li> </ul>	<p>Shamva Lithium: Location of sample sites are dictated by the availability of outcropping geology and, due to the reconnaissance nature of the sampling exercise, material collected is biased by the presence or absence of interpreted Li-minerals</p> <p>Chuatsa Vanadium: All samples referred to in the document are historical in nature and spacing and distribution is unknown at this time</p>
<b>Orientation of data in relation to geological structure</b>	<ul style="list-style-type: none"> <li>- Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</li> <li>- If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</li> </ul>	<p>Due to the reconnaissance nature of the sampling exercise and lack of knowledge and exposure of the local geology, the samples referred to in this document cannot be considered un-biased or representative of the entire dyke suite present in the project area.</p>

CRITERIA	JORC Code Explanation	Commentary
<b>Sample security</b>	- <i>The measures taken to ensure sample security.</i>	Samples were taken and transported by Mirrorplex personnel and couriered to the ALS Laboratory in Johannesburg, South Africa.

### Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

CRITERIA	JORC Code Explanation	Commentary
<b>Mineral tenement and land tenure status</b>	<ul style="list-style-type: none"> <li>- <i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i></li> <li>- <i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i></li> </ul>	<p>Ten prospecting licences form the Shamva Lithium Project and were granted to Mirrorplex Pvt Ltd for a period of 5 years from 13/07/17 by the Mines Department in Zimbabwe. Licence numbers range sequentially from 49731 to 49740.</p> <p>Eight prospecting licences form the Chuatsa Vanadium Project and were granted to Mirrorplex Pvt Ltd for a period of 5 years from 14/05/18 by the Mines Department in Zimbabwe. Licence numbers range sequentially from 69186 to 69193.</p>
<b>Exploration done by other parties</b>	- <i>Acknowledgment and appraisal of exploration by other parties.</i>	<p>Shamva Lithium: All exploration on the project area has been completed by either government geologists or prospectors until the 1960s, with the most recent comprehensive assessment completed by the Japanese International Cooperation Agency (1980s) who were searching for base metals</p> <p>Chuatsa Vanadium: The project was subject to historical exploration by Anglo America Prospecting (Rhodesia) Ltd from 1962 to 1964. All exploration ceased in 1964</p>
<b>Geology</b>	- <i>Deposit type, geological setting and style of mineralisation.</i>	<p>Shamva Lithium: The Project resides in the Bindura-Shamva Greenstone Belt located in the Central Archaean Zimbabwean Craton. Locally, the area is dominated by complex folds of pillowed basalts, ultramafic schists and serpentinites of the Arcturus formation. Banded iron formation (BIF's) occur between 30-100m thick associated with this bands of siltstone and shale all intercalated with the basalt. Numerous pegmatitic dykes have been mapped and/or reported throughout the area generally striking N-S or NNW-SSE over various strike length (up to 2000m) and strike widths up to 250m. Reports suggest that numerous parallel dykes adjacent to the main pegmatite are apparent, but are partially obscured on the ground. The dykes show variation in mineralogy between occurrences and along strike suggesting fractionation trends may be apparent.</p> <p>Chuatsa Vanadium: The mineralisation at Chuatsa occurs in three folded, steeply-dipping, arcuate portions of a layered gabbroic sill that is part of the Nyamhanda Complex of the Rushinga Group. Mineralisation includes titanium as ilmenite, vanadium as vanadiferous magnetite and copper as chalcopyrite and bornite.</p>

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<b>Drill hole Information</b>	<ul style="list-style-type: none"> <li>- A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all material drill holes:               <ul style="list-style-type: none"> <li>o easting and northing of the drill hole collar</li> <li>o elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</li> <li>o dip and azimuth of the hole</li> <li>o down hole length and interception depth</li> <li>o hole length.</li> </ul> </li> <li>- If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</li> </ul>	<p>Chuatsa Vanadium: Reference is made to results from samples of historic drilling from programs in the 1960's. No information regarding sampling techniques drill hole location, spacing and orientation from these programs is available and the reference to results from these programs should be taken as a guide only and not necessarily accurately representative of the mineralisation contained in the project.</p>
<b>Data aggregation methods</b>	<ul style="list-style-type: none"> <li>- In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</li> <li>- Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</li> <li>- The assumptions used for any reporting of metal equivalent values should be clearly stated.</li> </ul>	N/A
<b>Relationship between mineralisation widths and intercept lengths</b>	<ul style="list-style-type: none"> <li>- These relationships are particularly important in the reporting of Exploration Results.</li> <li>- If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</li> <li>- If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</li> </ul>	<p>Chuatsa Vanadium</p> <p>Intersections of mineralisation are indicated to extend to over 90m in trenches and up to 69m in drill holes, though true thicknesses, continuity and tenor of the mineralisation across the deposit are not known at this time due to the lack of knowledge regarding the details of the trenching and drilling programs</p>

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<b>Diagrams</b>	- <i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i>	Plan view and/or cross section maps of the reported drill holes are included in this announcement.
<b>Balanced reporting</b>	- <i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i>	N/A
<b>Other substantive exploration data</b>	- <i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i>	There is no other material exploration data that have not been previously reported.
<b>Further work</b>	- <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> - <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i>	Pending the successful completion of a Due Diligence exercise and Acquisition of the project by SI6, future work will consist of detailed surface geochemical sampling and pattern drill testing to assess the 3D potential of the host rocks to contain significant volumes of mineralisation