



Sipa Resources Limited

ABN 26 009 448 980

24 July 2014

Appointment of New Managing Director

Sipa Resources Limited (ASX code: SRI) (**Company**) advises that Mr Mike Doepel is retiring as the Managing Director of the Company and will remain on the Board in a Non-Executive role. The Company is pleased to announce that the Board has appointed Ms Lynda Daley, currently the Exploration Manager, as Managing Director, effective today.

Ms Daley stated "I'm delighted to be taking on this position as I've known and worked with Mike and Sipra over many years, initially through the Sipra –Newmont Gold Generative Alliance when I was at Newmont. My desire is to continue the technical excellence in Greenfield exploration that Sipra is known for."

Sipra Chairman Ian Pearce paid tribute to Mr Doepel's contribution to the Company since listing of the Company in 1987. During this time, Sipra has made two significant mineral discoveries: The Panorama Base Metals Project and the Paraburdoo Gold Project. The latter produced approximately 350,000 oz of gold during the period 1998 to 2004.

Mr Doepel said "It has been an absolute privilege to lead Sipra for the past 28 years but I now believe it is time to pass the baton. I am so very proud of the commitment and achievements of all the staff and colleagues with whom I have had the privilege to work with during my time at Sipra. It is great that Lynda has agreed to accept the position and know that Sipra will be in capable hands. My decision to retire as Managing Director was made after more than 35 years in the mineral exploration industry and I am looking forward to continuing to contribute to the Company as a Non-Executive director.

Mr Pearce said Sipra was fortunate to have a person of Ms Daley's technical skill set and experience available to take on the Managing Director role and the appointment will position the Company well for the future. Ms Daley's background is summarised in Appendix A.

The Sipra Board thanks Mike for his enormous contribution and successful leadership of Sipra through a number of economic cycles and looks forward to his ongoing participation in his new role.

The key terms of Ms Lynda Daley's appointment as Managing Director are set out in Appendix B.

APPENDIX A -SUMMARY OF EXPERIENCE

Lynda has over 25 years experience in the mineral exploration industry, including most recently as Director – Exploration Australia for Newmont Asia Pacific and Acting Director Asia Pacific Generative Exploration. During her nine year tenure with Newmont, Lynda was responsible for the strategic planning management and oversight of all Newmont's generative exploration projects, as well as business development, in the Asia Pacific region.

Lynda is also on the Board of the Centre of Exploration Targeting (CET) at the University of Western Australia.

Prior to her roles at Newmont, Lynda has worked for a number of mining and exploration companies including directorship of Summit Resources Ltd and for Newcrest at the Telfer Gold Mine and Worsely Alumina at the Boddington gold mine at its commencement.

Lynda holds a Bachelor of Science with Honours in Geology from the University of Queensland Australia, is a graduate member of the AICD and member of the AUSIMM and the SEG.

APPENDIX B

SUMMARY OF KEY TERMS OF EMPLOYMENT CONTRACT – LYNDIA DALEY

1. TERM

The appointment commences on 24 July 2014 for an ongoing term subject to termination by either party as outlined in item 3.

2. REMUNERATION

a. Fixed Annual Remuneration

Ms Daley will be paid a cash Fixed Annual Remuneration comprised of a base salary of \$275,000 and a superannuation contribution of \$18,289 (subject to legislative adjustments) per annum.

b. Short Term Incentives

There is no short term incentive component at this time.

c. Long Term Incentives

Ms Daley will be eligible for long-term incentives from time to time as determined by the Board through participation in the Sipa Resources Limited Employee Share Option Plan. No Options are issued at the date of the contract.

3. TERMINATION

Ms Daley may resign at any time on giving 6 months written notice. Sipa may terminate Ms Daley's employment on giving 6 months written notice.

The Company may elect to terminate Ms Daley's employment prior to the end of the notice period and make a payment in lieu of some or all of the notice period.

Ms Daley may terminate the agreement by 1 months notice in the event she is demoted from her position without good cause, or is requested, without good cause to assume responsibilities or perform tasks not reasonably consistent with her position. In this instance, she will, subject to shareholder approval if necessary, be entitled to a payout of 1 years base salary

Sipa retains the right to terminate the employment of Ms Daley without any period of notice or pay in lieu in certain circumstances relating to serious misconduct, material breach of employment agreement, dishonest, and/ or fraudulent or criminal behaviour.