



Sipa Resources Limited

ABN - 26 009 448 980

# Potential of Magmatic Nickel Sulphide and “Broken Hill Type” Lead Zinc mineralisation in the Kitgum Pader Region of Northern Uganda.

## Sipa Resources Ltd

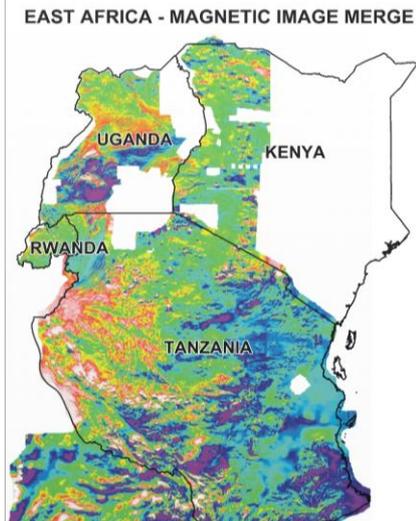


September 2014



# Sipa's Program in Uganda

## Timeline to Discovery



Data Collation



2011

Field Recce



2012

Tenement Applic.



Tenements Granted



Soil Sampling Commenced



2013

Ni Sulphides Drilled June  
Pb - Zn Sulphides Drilled July



2014

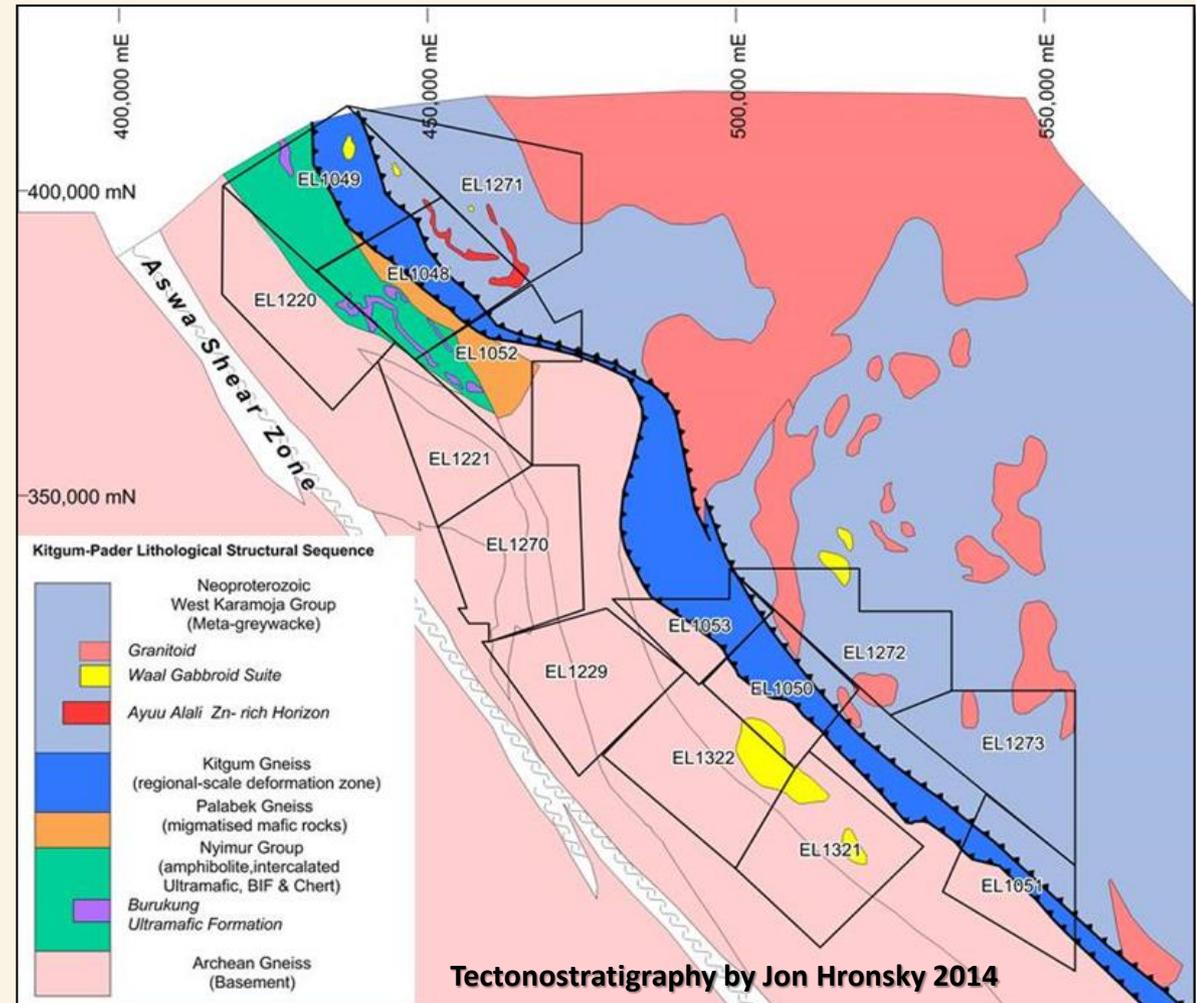




# Geological Setting of Kitgum-Pader

## Demonstrated potential for four world class deposit types

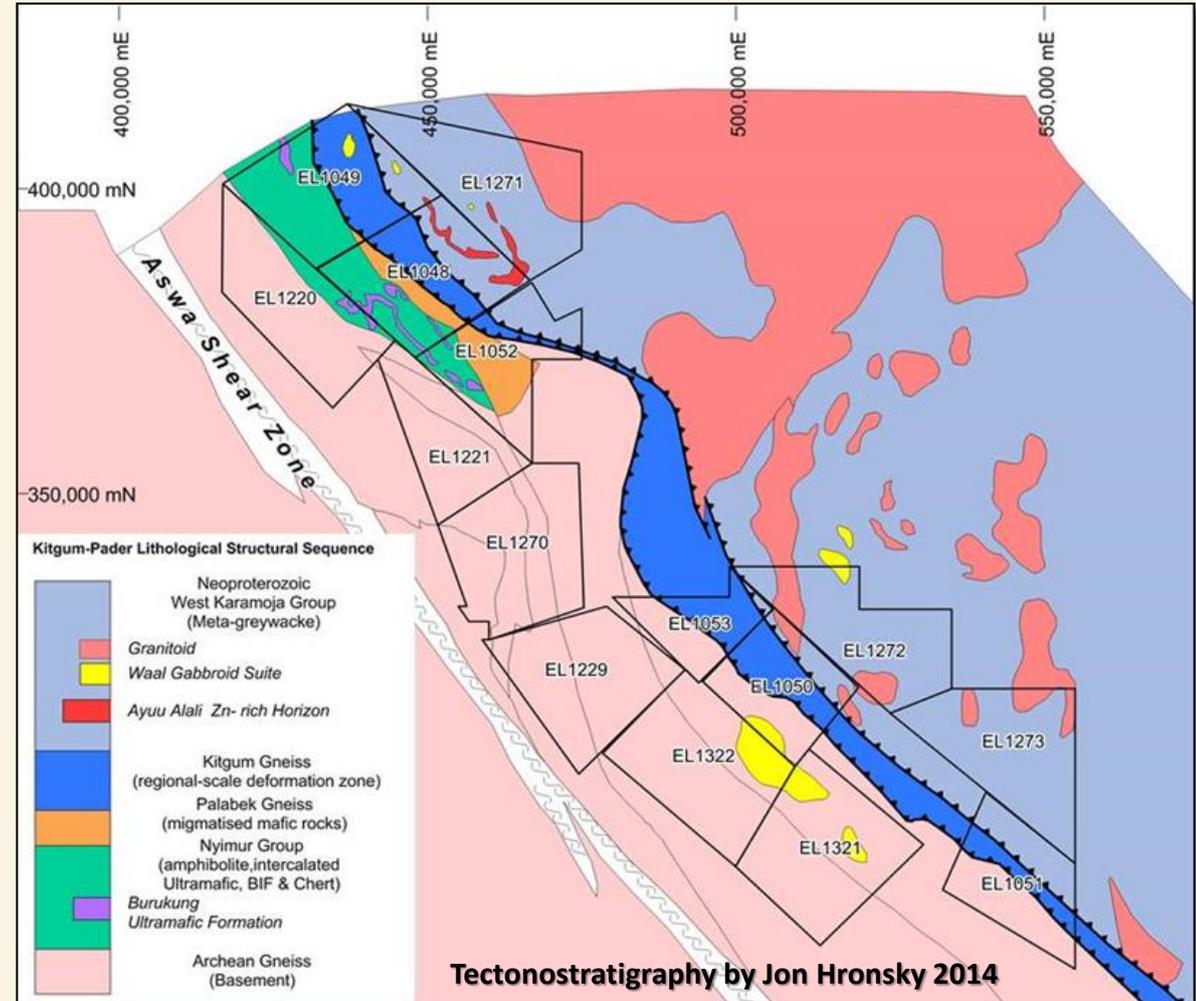
- 1) Broken Hill Type Pb,Zn,Ag
- 2) Intrusive Related Ni-Cu sulphides “chonolith” related ie Norilsk, Voiseys Bay
- 3) Archean/Proterozoic “greenstone” Ni deposits in rift setting. ie Thompson Ni Belt
- 4) Orogenic Gold shear hosted ie Tropicana





# Geological Setting of Kitgum-Pader

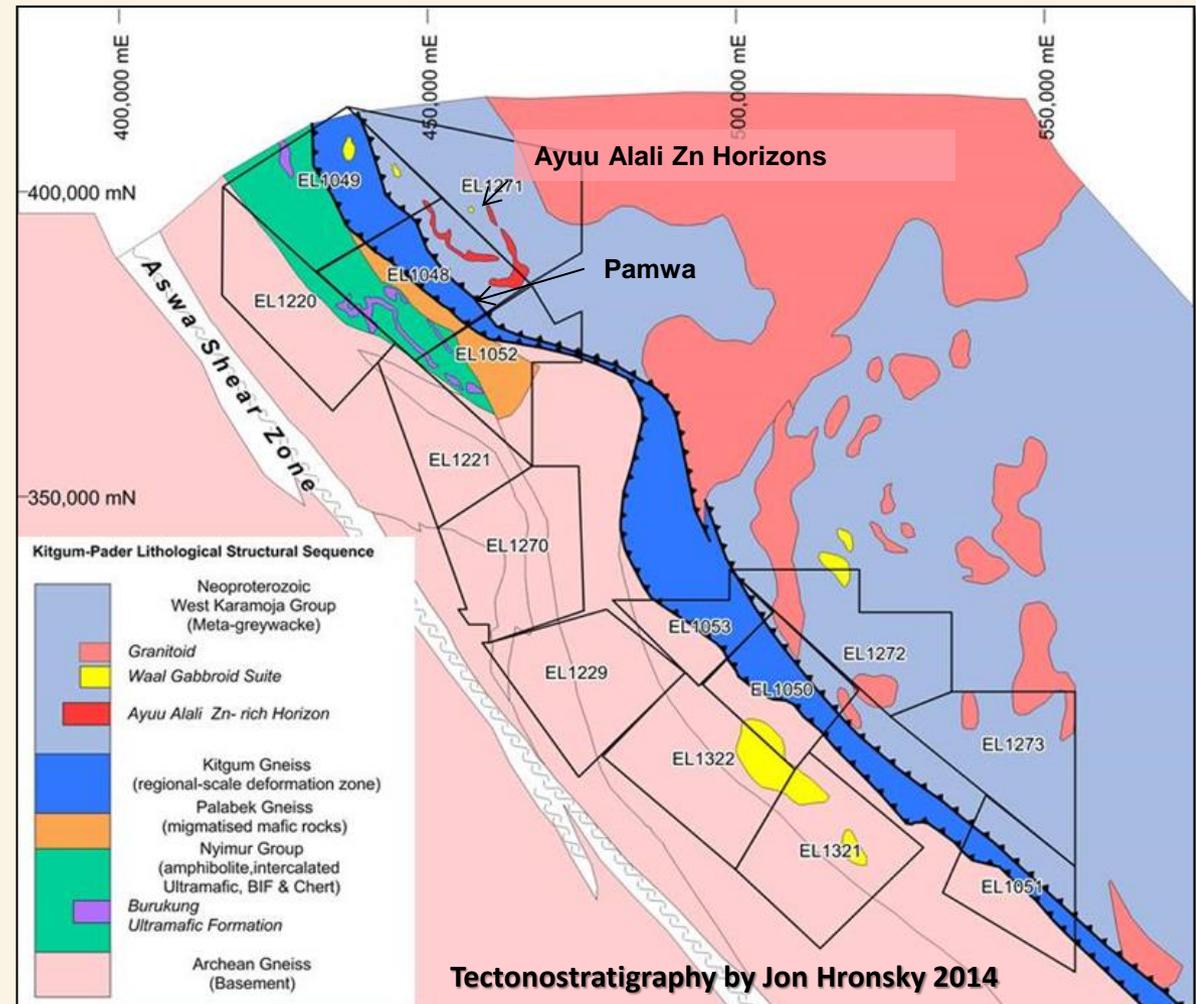
- Located on the reworked NE dipping northeastern margin of the Archaean Congo Supercraton
- Multiple phases of rifting & inversion during Palaeo and MesoProterozoic
- NeoProterozoic West Karamoja Group metasediments overthrust from northeast probably during Pan African orogeny (~700Ma)





# 1) Geological Setting of Broken Hill Type Targets at Pamwa and Ayu Alali

- Located in the Kitgum Gneiss (Pamwa) & Zn rich “Ayu Alali” stratiform horizons of the West Karamoja Group
- Rocks described as garnetiferous gneisses, albitites, psammites, pelites & amphibolites strikingly similar to the Broken Hill ‘Mine Series’





# Global significance of Broken Hill Type host terranes

- Typically high grade low pressure metamorphic terranes with **restricted global distribution**; example Broken Hill Block (Broken Hill), Eastern succession Mt Isa Block (Cannington); Namaqualand-Bushmanland NE South Africa (Aagenys, Gamsberg, Broken Hill); Bergslagen Belt, Sweden (Zinkgruvan).
- Deposits typically Pb-Zn-Ag and world class to giants

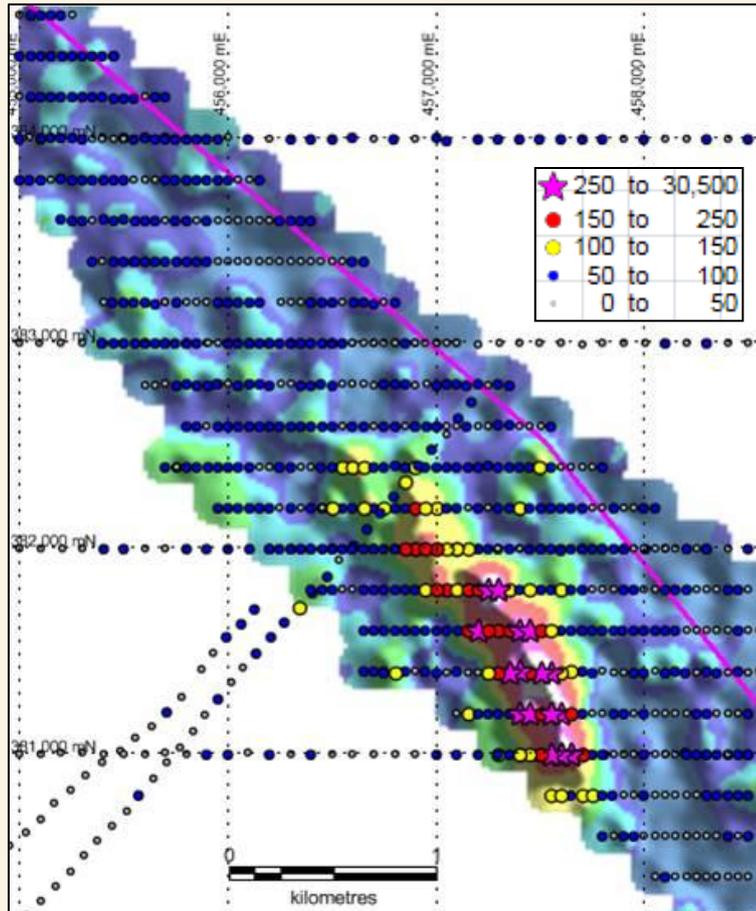


|             |        |                       |              |
|-------------|--------|-----------------------|--------------|
| Cannington  | 44Mt   | 4.4% Zn; 11.6% Pb     | 538g/t Ag    |
| Broken Hill | 180Mt+ | 11% Zn; 14% Pb        | 200g/t Ag    |
| Zinkgruvan  | 40Mt   | 6-10% Zn; 1.5-4.5% Pb | 45-100g/t Ag |
| Gamsberg    | 143Mt  | 7.4% Zn; 0.6% Pb      | 3g/t Ag      |

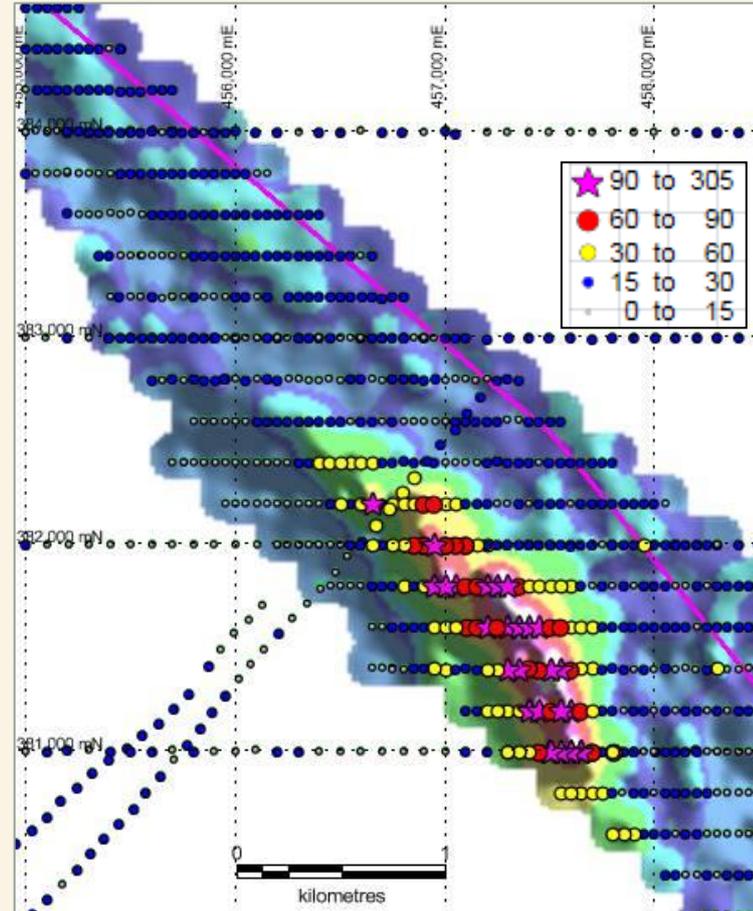


# Pamwa Zn-Pb (Ag-Cd)

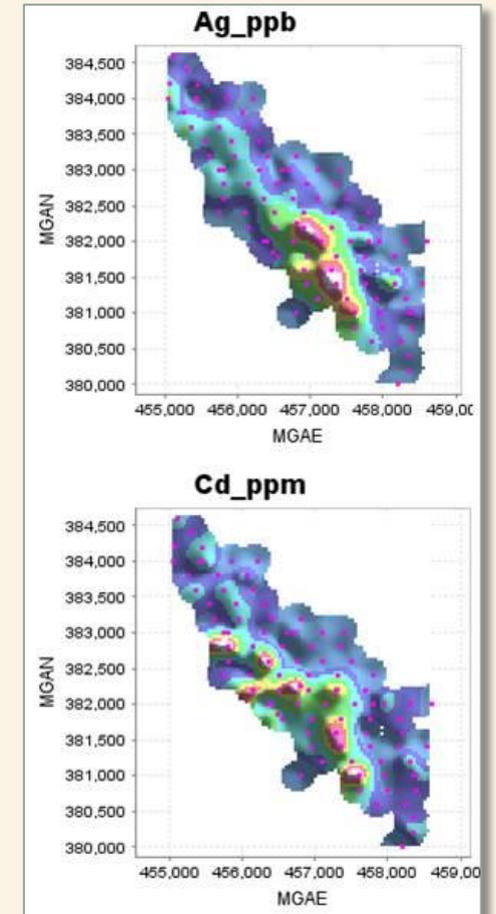
## Image of Zn (pXRF)



## Image of Pb (pXRF)



## Image of Ag-Cd (lab) from 1 in 8 QC samples

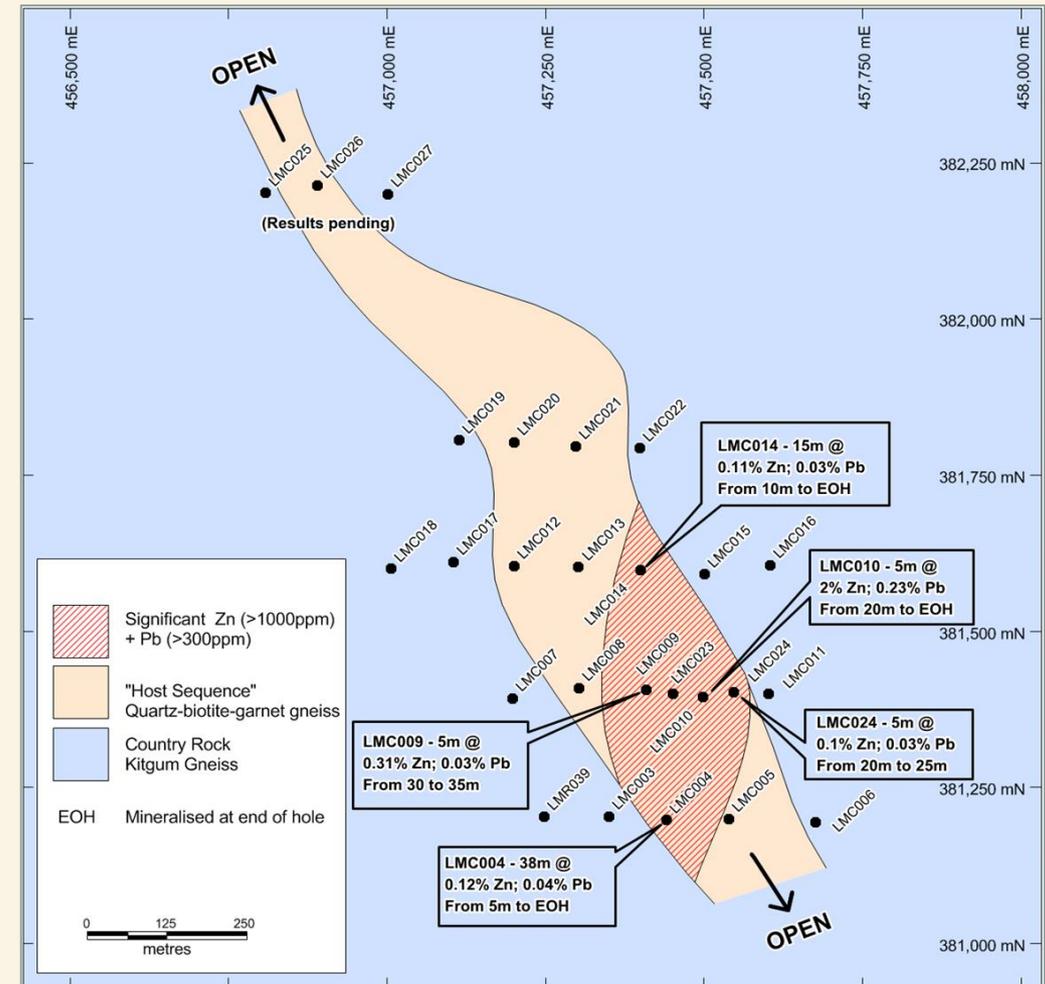


This is a text book signature for Pb-Zn mineralisation



# Pamwa Zn-Pb (Ag-Cd) Discovery July 2014

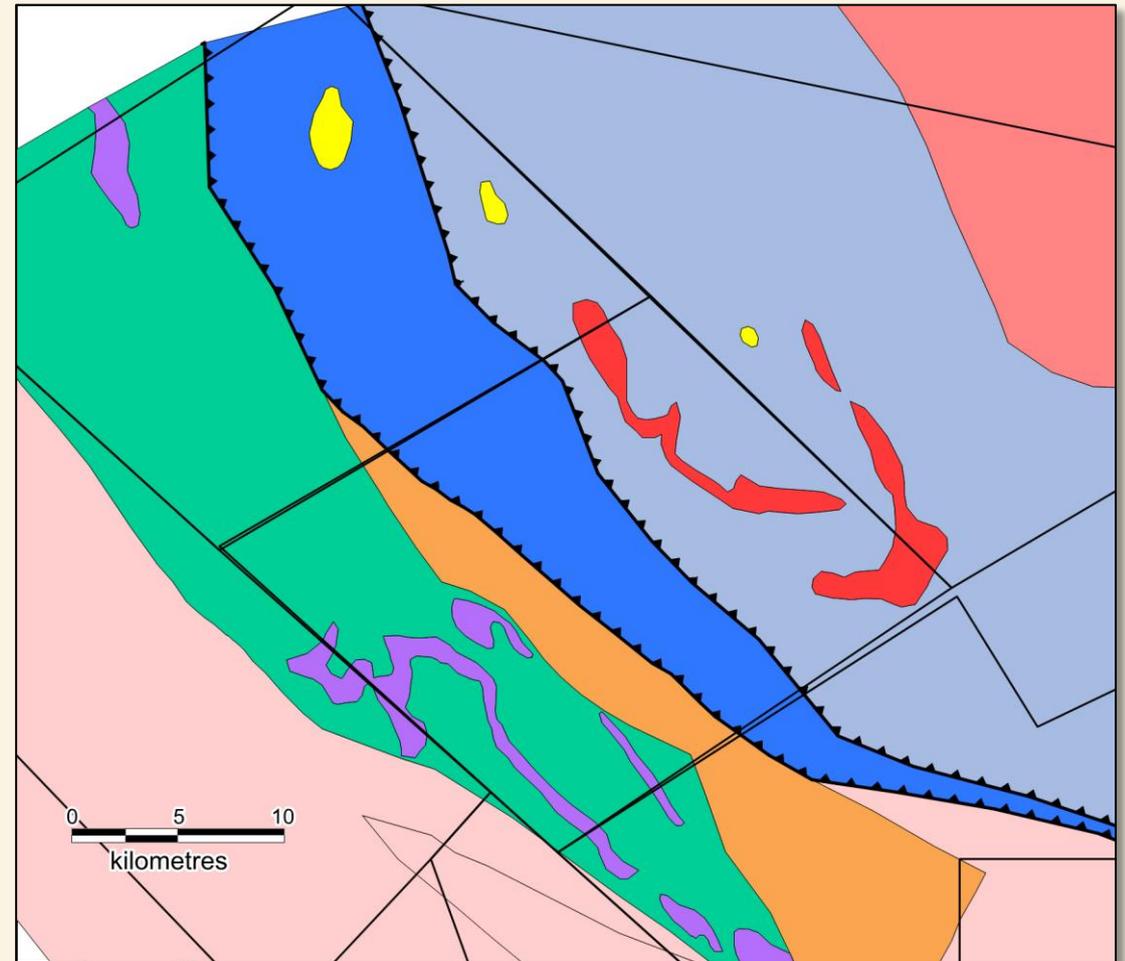
- RC/RAB drilling returned intercepts of **LMC10 - 5m @ 2% Zn 0.2% Pb** 2.4g/t Ag and 97ppm Cd from 20-25m EOH.  
LMC004 - 38m @ 0.12% Zn EOH  
LMC014 - 15m @ 0.11% Zn EOH
- Geochemical association is Zn Pb Cd Mn confirming a Broken Hill Type signature.
- The mineralization occurs in quartz-biotite schist +-garnet





# Ayuu Alali Zn rich horizons

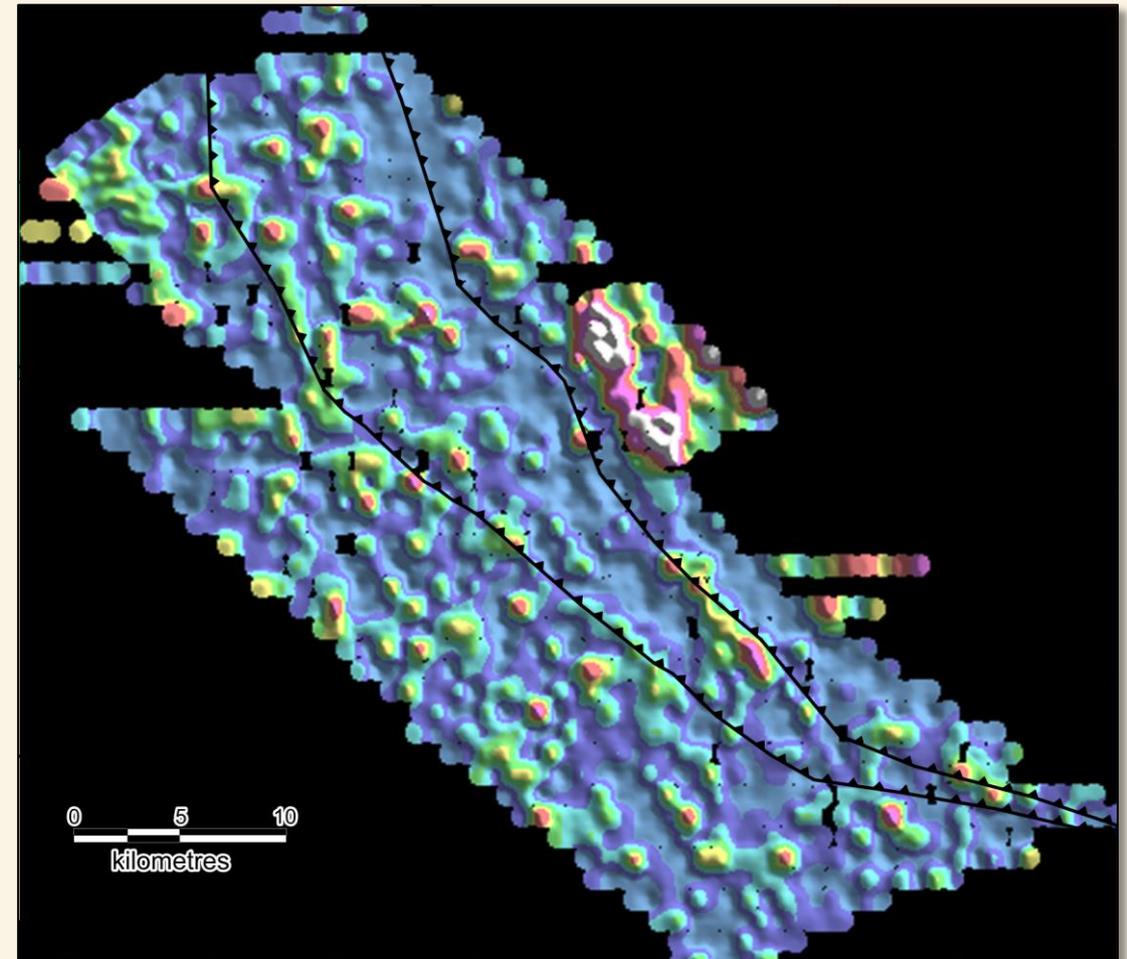
- Outboard of the Kitgum Gniess the Ayuu Alali horizons shown in red on the inset show a strong multielement association also similar to Broken Hill Type horizons





# Ayuu Alali Zn rich horizons

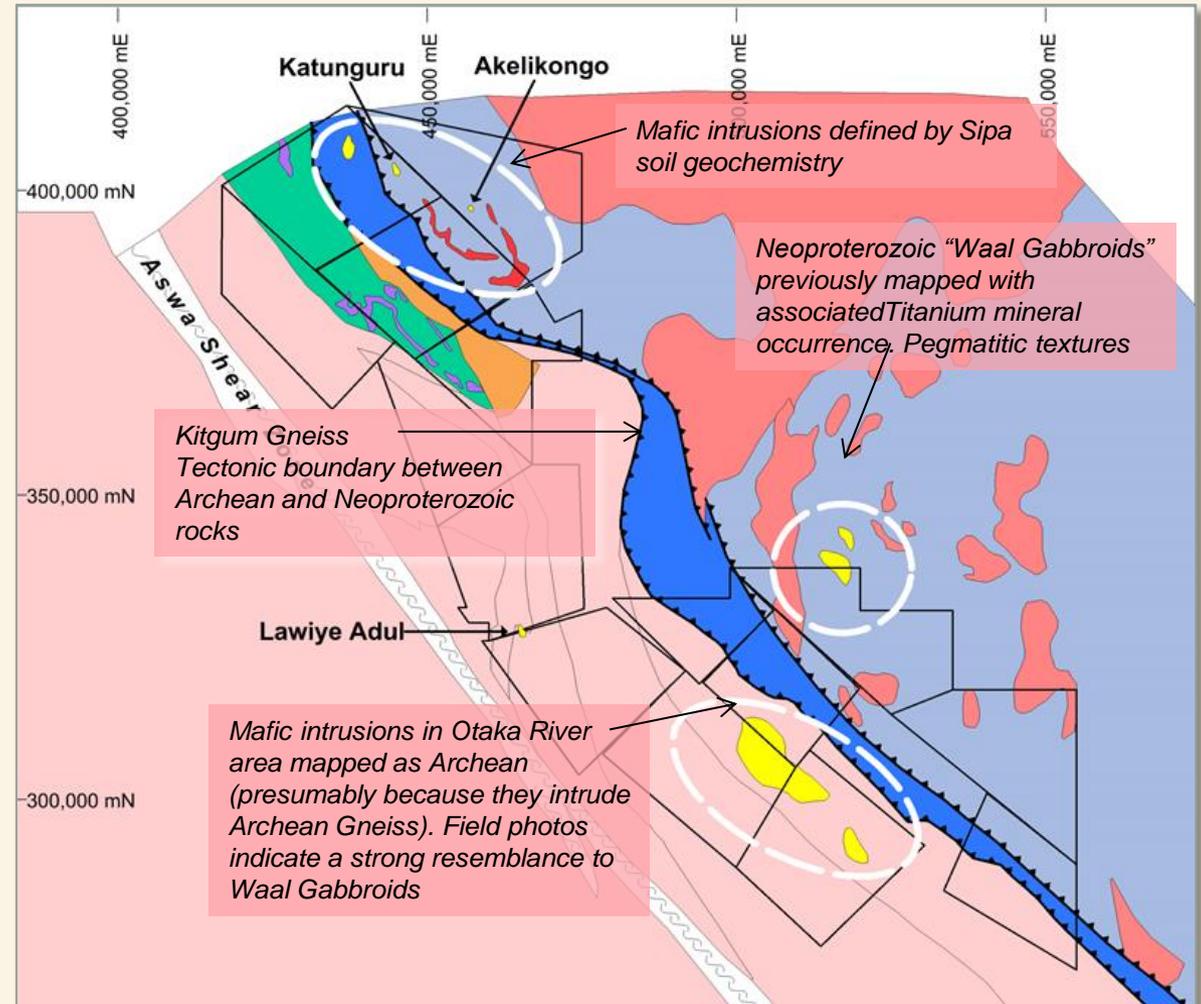
- Outboard of the Kitgum Gniess the Ayuu Alali horizons shown in red on the inset show a strong multielement association also similar to Broken Hill Type horizons
- Zn >50ppm
- Mo>2ppm
- Cd>60 ppm
- Ag>80ppb





## 2) Nickel Sulphide Prospectivity - Waal Gabbroids

- Akelikongo is interpreted to be one of the Waal Gabbroid Suite intrusives.
- Two others including Katunguru identified nearby
- Waal Intrusives have been interpreted as having characteristics of 'chonoliths' by Jon Hronsky (important in locating fertile Ni Sulphide systems (Hronsky and Beresford 2013))
- Characteristics include irregular grain sizes from fine to coarse and variably-textured to pegmatitic rocks. Irregular but often pipe shaped intrusions





# Akelikongo Ni Cu Sulphide Discovery – June 2014





# Akelikongo Ni Cu Sulphide Discovery – June 2014

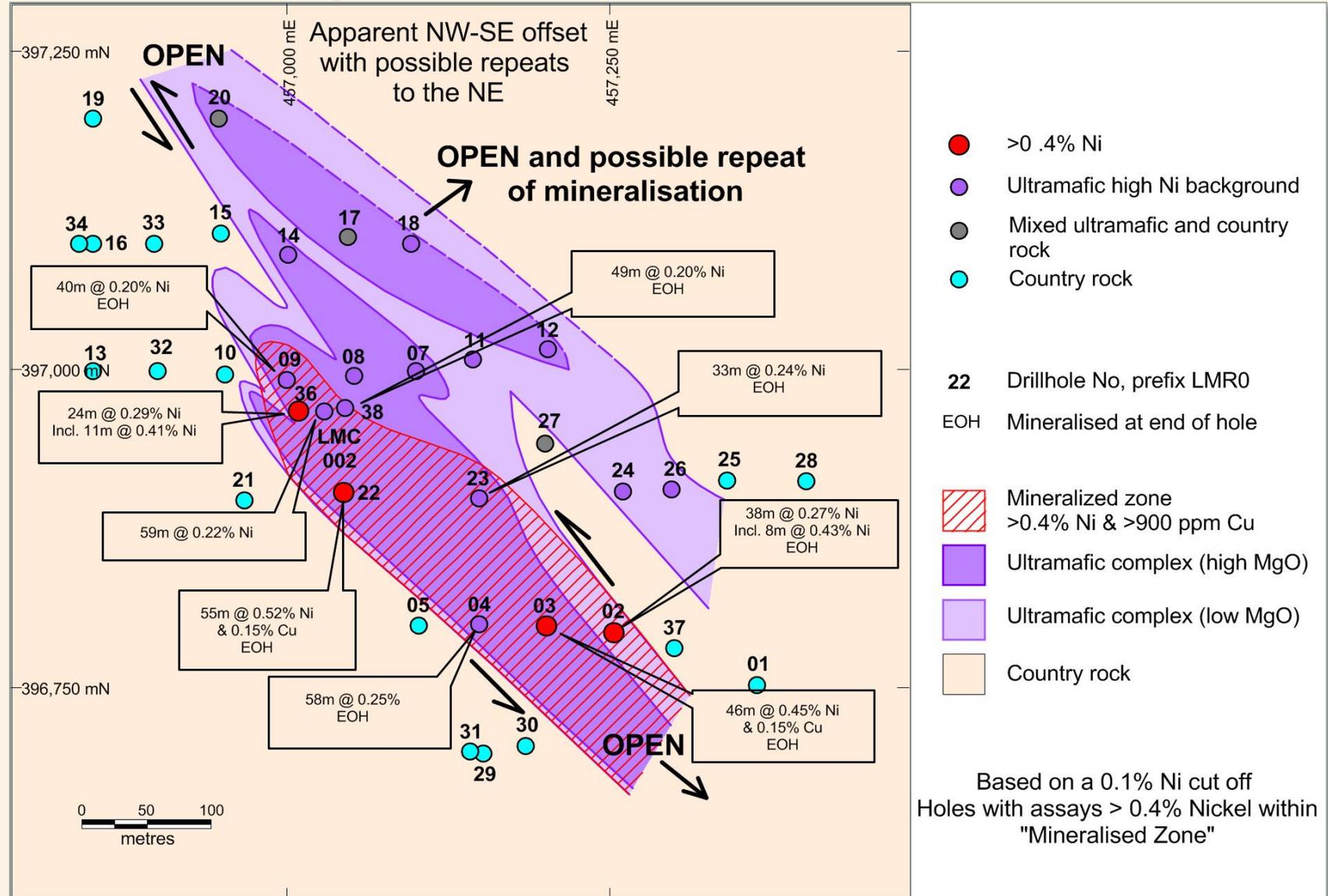
Discovery Pile 36-38m LMR002



Magmatic Ni Sulphides Pyrrhotite and Pentlandite



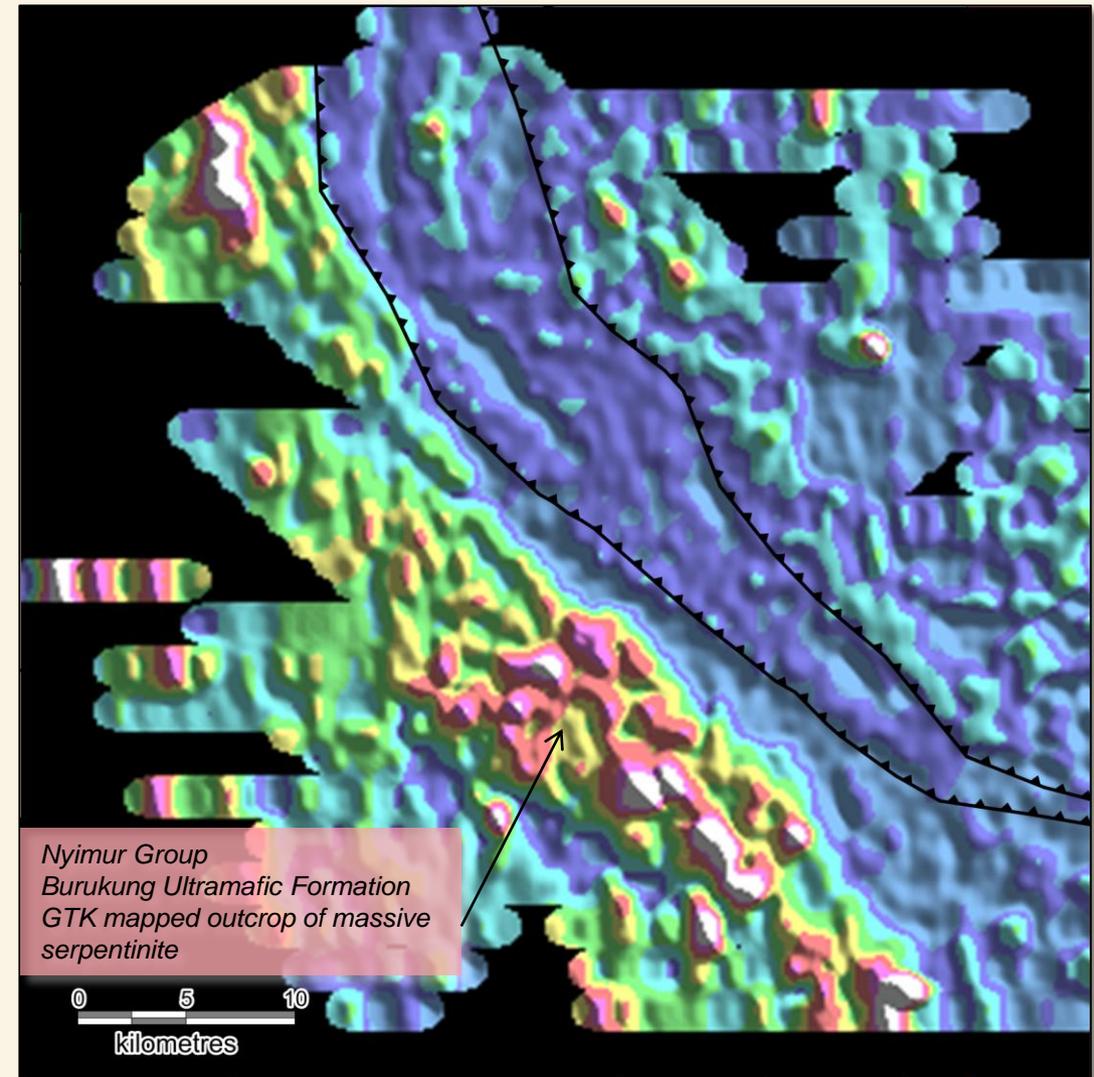
# Akelikongo – Ni Cu Assay Results





### 3) Nickel Sulphide Prospectivity – Nyimur Group

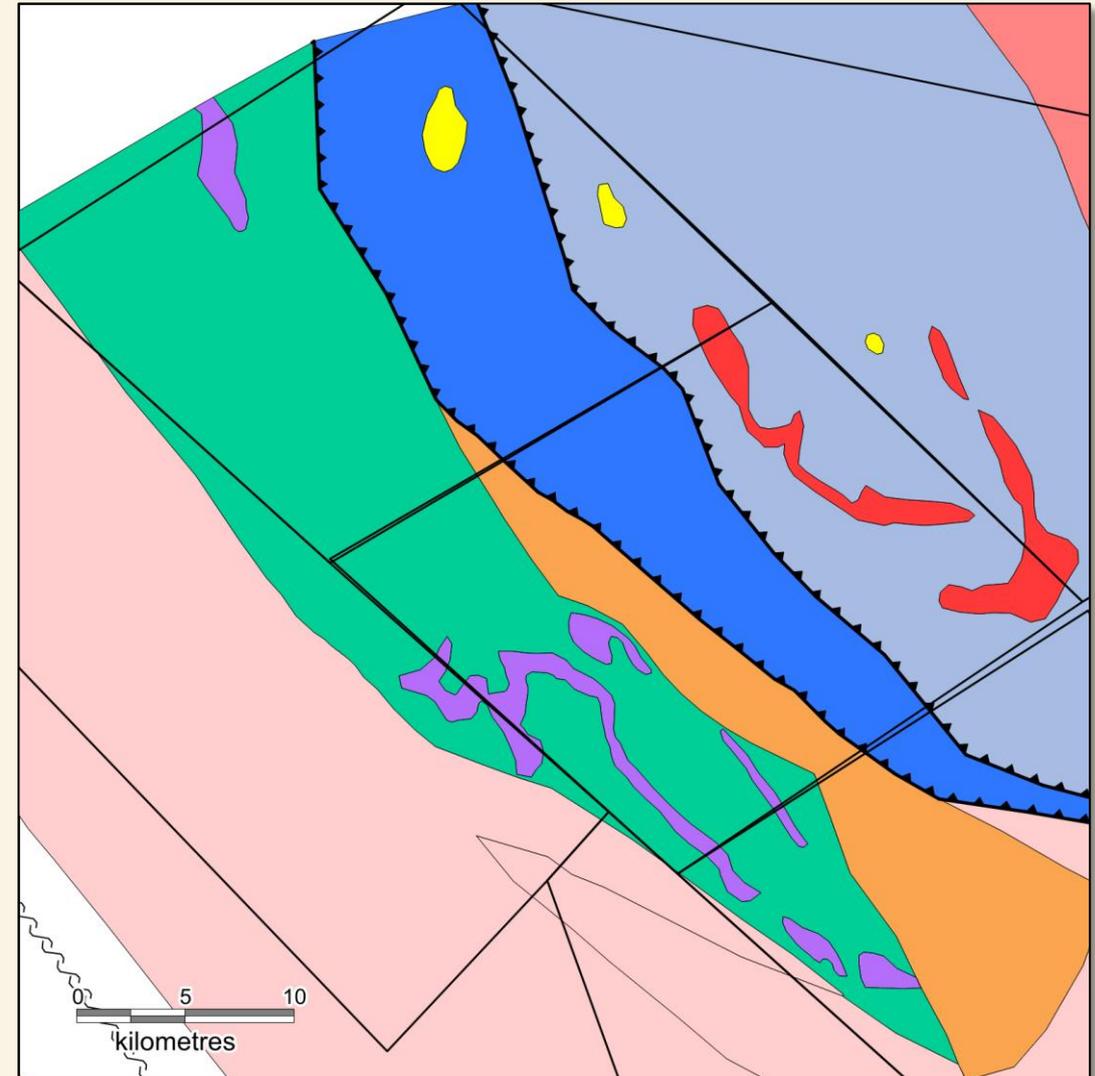
- Systematic geochemical exploration of the Kitgum-Pader project has defined a series of Ni anomalies over a strike length of about 50km
- These anomalies have been confirmed in the field to represent ultramafic rocks, with associated meta-BIF
- This association suggests a volcanic or sub-volcanic primary setting for the magmatic emplacement of these ultramafic rocks
- The belt is interpreted to be an Archean or Proterozoic greenstone belt- previously unrecognised
- This is the setting for several other major Paleoproterozoic NiS mineralised regions such as Thompson Nickel Belt





### 3) Nickel Sulphide Prospectivity – Nyimur Group

- The Burukung Ultramafic horizons shown in the geology inset are favourable for NiS prospectivity where peak nickel in soils is between 1000-3000ppm Ni with associated copper of 200-300ppmCu
- Where nickel is high and copper is low but Chrome is high there is strong potential in surface oxide for Nickel Laterite deposits





# Corporate

## CAPITAL STRUCTURE

|  |         |
|--|---------|
| Ordinary Fully Paid Shares                     | 608.6m  |
| A\$0.075 Listed Options (Nov 2015)             | 134m    |
| A\$0.15 Unlisted Employee Options (April 2015) | 13.2m   |
| A\$0.21 Unlisted Employee Options (Nov 2014)   | 2.0m    |
| A\$0.175 Unlisted Employee Options (Sep 2014)  | 7.2m    |
| Cash - June 2014 (unaudited)                   | A\$4.1m |

**Top 20 Shareholders** **33%**

## Key Shareholders

|                          |      |
|--------------------------|------|
| Institutions             | 12%  |
| Directors and Associates | 2.5% |

## ASX Codes :

Shares --SRI    Options -- SRIO



## Board and Management

- **Ian Pierce – Non Executive Chairman**

Mining engineer with some 35 years of experience in gold and base metals project evaluation, development and management

- **Lynda Daley – Managing Director**

Over 25 years in mining and exploration most recently as Exploration Director Australia – Newmont Asia Pacific.

- **Mike Doepel – Non Executive Director**

Recently stepped down after 28 years as Managing Director.

- **Dalton Gooding – Non Executive Director**

Chartered accountant with over 25 years in the corporate and business sector

- **Karen Field – Non Executive Director**

Over 30 years in the mining industry holding executive roles in a variety of industry sectors in Australia and South America.

- **David Williams – Non Executive Director**

Commercial lawyer with 30 years advising in resources, corporate and business matters



## Summary

- Successful raising of \$4,445,356 with a total of 127,010,160 fully paid ordinary shares with an attached listed option, exercise price of \$0.075 and expiry date of 5 November 2015, were issued pursuant to the Entitlement Issue and Shortfall Offer
- Money applied immediately to Sipa's Uganda and Thaduna Project in WA.
- In Uganda RAB drilling has confirmed a Ni Cu Sulphide mineralized system and Broken Hill Type Zn,Pb mineralization. Both open along strike and to the depth of drilling.
- Cash \$4.1 at the end of the June Quarter.
- **Sipa's exploration program currently being conducted over its 6500sqkm of tenements in Northern Uganda indicates 'proof of concept' via its recent drill program testing numerous soil anomalies, that a new district of NiS and Zn-Pn deposits in a previously unidentified and therefore unexplored terrane may be discovered.**



## Competent Persons Statement

*The information in this report that relates to the exploration results previously reported in the ASX Announcements dated 24 February 2014, 23 June 2014, 15,30,31 July 2014, 18,26 Aug 2014. The Company is not aware of any new information or data that materially affects the information included in those relevant market announcements.*

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[www.sipa.com.au](http://www.sipa.com.au)**