Strong nickel and copper hits up to 2.4% Ni and 2% Cu confirm emerging potential of Akelikongo discovery

Highest grade assays seen to date returned from recent drilling with strong matrix to semi-massive sulphides up to 1.5% Ni, 2% Cu in AKD017 and 2.42% Ni in AKCD006

Highlights:

- **Initial assay results have now been received from diamond holes AKD017 and AKCD006** in our recently completed drilling program at Akelikongo nickel-copper discovery, Uganda.
- **The results include the highest grade intercepts returned to date** from drilling targeting the Akelikongo Ultramafic Complex.
- The results show strong matrix to semi-massive sulphide zones **assaying up to 1.5% Ni and 2% Cu in AKD017 and 2.42% Ni in AKCD006.**
- **In addition, stronger nickel and copper grades were returned in the thick disseminated zones** which lie immediately above the matrix to semi-massive zones, demonstrating that the system is strengthening down-plunge as predicted.
- Assay results returned to date include:

  AKD017:
  84.5m @ 0.42% Ni and 0.19% Cu from 138m to 222.5m down-hole, including:
  5.2m @ 1.00% Ni and 0.41% Cu from 213.1m to 218.3m (refer Figure 1); and
  0.8m @ 0.97% Ni and 0.87% Cu from 221.1m in the basal matrix to semi-massive zone

  AKCD006:
  38m @ 0.51% Ni and 0.17% Cu from 194m to 232m down-hole, including:
  7m at 1.0% Ni and 0.35% Cu from 223m to 230m, including
  0.4m at 2.42% Ni and 0.2% Cu from 228.1m in the basal matrix to semi massive zone from AKCD006

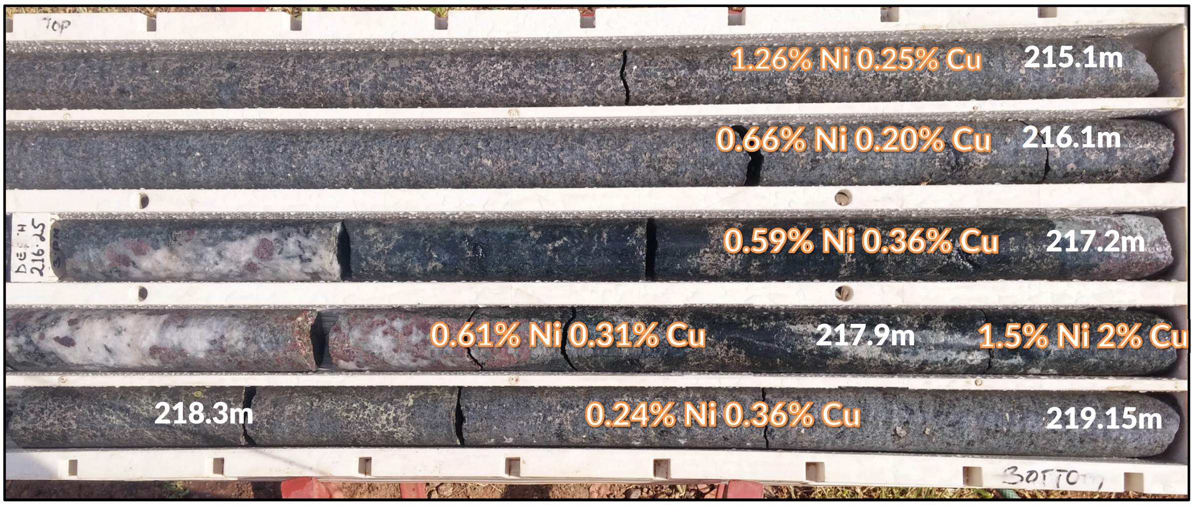

Figure 1 – Mineralised NQ core from AKD017 part of interval 213.1m to 218.3m showing matrix textured sulphides assaying 1% Ni and 0.41% Cu

Sipa Resources Limited (ASX: **SRI**) is pleased to report the highest grade assay results seen to date at the emerging Akelikongo nickel-copper discovery, part of its Kitgum Pader Project in Northern Uganda, with two diamond holes intersecting visible massive and disseminated sulphides returning significant grades of up to 2.4% Ni and 2% Cu.

The results are considered to be an important breakthrough for the project, demonstrating that the system is strengthening and potentially thickening down-plunge as predicted by the Company's geological model.

Sipa has received initial results for two holes completed as part of the recent RC and diamond drilling program. The remainder of the assay results are expected by the end of November.

The drilling program, which was designed to further delineate zones of massive and disseminated sulphides intersected earlier in 2016, consisted of 9 RC holes, 6 RC holes with diamond tails, and 1 diamond hole drilled from surface for a total of ~1,800m of drilling.

12 holes were drilled to test the Akelikongo Ultramafic Complex (Figures 2 and 3) with the remaining four holes testing additional targets in the immediate Akelikongo area.

Results from AKD017 include:

84.5m @ 0.42% Ni 0.19% Cu from 138m to 222.5m down-hole including **5.2m @ 1% Ni and 0.41% Cu** from 213.1m to 218.3m down-hole (refer Figure 1) and **0.8m @ 0.97% Ni and 0.87% Cu** from 221.1m down-hole in the basal matrix to semi-massive zone.

Note also that three additional samples from 178.85 -179.3m, 181-181.3m and 221.1-221.5m triggered greater than 1% Cu and therefore final results for these intervals are pending.

Results from AKCD006 include:

16m @ 0.34% Ni and 0.1% Cu from 145m to 161m

38m @ 0.51% Ni and 0.17% Cu from 194m to 232m down-hole including **7m at 1% Ni and 0.35% Cu** from 223m to 230m down-hole including **0.4m at 2.4% Ni and 0.2% Cu** from 228.1m down-hole in the basal matrix to semi-massive zone.

These results continue to improve the nickel and copper grades of the disseminated and basal matrix to semi massive zones. As yet no PGE assays have been returned from these zones which are consistently higher in copper (often associated with PGE's in nickel-copper sulphide deposits).

In the hangingwall of the matrix to semi-massive sulphide zones, wider zones of lower grade disseminated sulphide mineralisation of up to 150m (drilled width) occur.

The results validate Sipa's exploration targeting method to follow the higher grade matrix to semi-massive zone by drilling down plunge and along the embayment as identified in the previous drilling program.

Management Comment

Sipa's Managing Director, Lynda Burnett, said the recent drilling at Akelikongo had successfully extended the high grade matrix to semi-massive sulphide zone a further 100m down-plunge with the results clearly improving with depth as the zone is better understood and delineated.

"The presence of better copper grades in addition to improved nickel grades is new development for the project, as it adds significant metal value to the deposit," she said.

"In addition, the highest nickel result also corresponds to high cobalt values of up to 777ppm – another important feature of the system which clearly requires further investigation given the historically high price for cobalt at the moment.

"The recent drilling program could be considered a watershed for the project, as it has confirmed that the basal mineralised position improves both with width and grade as we go deeper. The presence of economic grades of nickel and copper within a system of this scale and fertility is clearly a very important development."

"It is important to add a cautionary note that we are still in the very early stages of a discovery, and there is a lot more work to be done. But we know that the system remains open to the north along plunge, and we have a much better understanding of where to target our drilling given the information we have gleaned from this drilling.

"We are looking forward to receiving the balance of the results and formulating our plans for the next stage of evaluation of this globally significant nickel-copper discovery."

Figure 4 shows the interpreted section x-x' showing AKD017 and AKCD006.

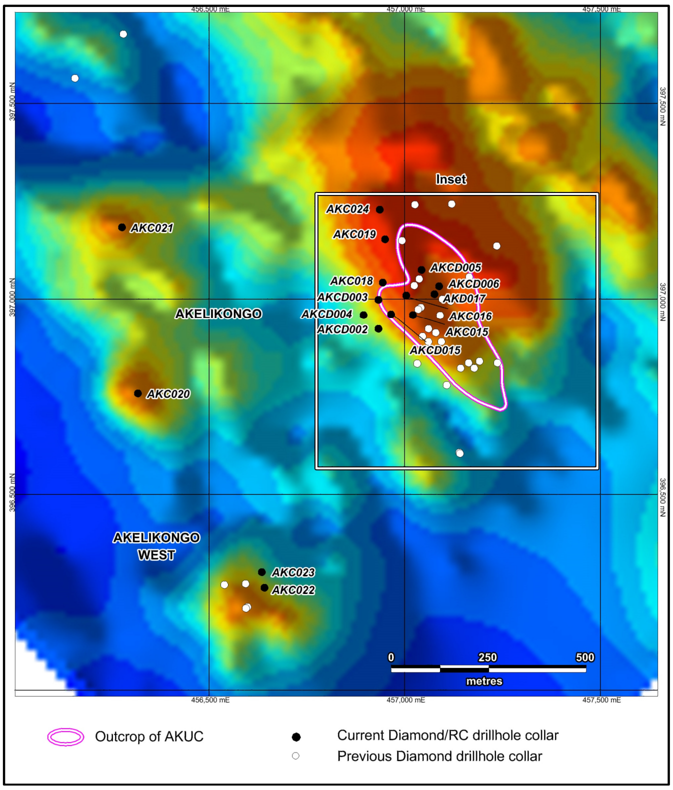

Figure 2 Location Plan of Drill Holes

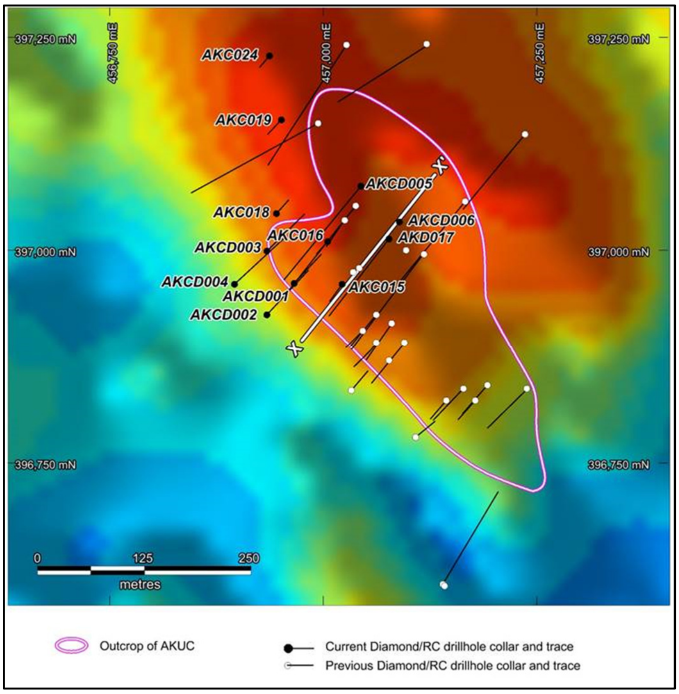

Figure 3 Location Plan of Drill Holes (inset) (section line in white)

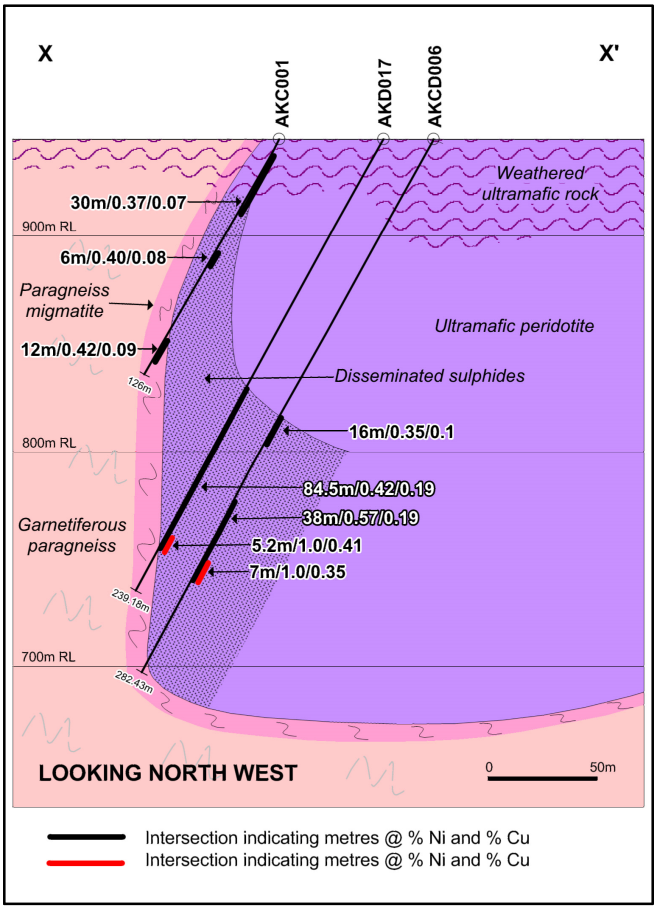

Figure 4 Section x-x' containing AKD017 and AKCD006

Forward Program

Kitgum-Pader

A program of down-hole hole EM will test the holes from this program and also from the April 2016 and the September 2015 programs. The program is planned for early in 2017 and will further help define mineralised extensions and other potential off-hole targets.Table 1 shows the drill-hole locations and depth of all holes in the program.

RC holes

Hole_ID	UTMEast	UTMNorth	RL	Total_Depth	Dip	Hole_TYPE
AKC015	457021	396960	945	46	-60	RC
AKC016	457004	397010	944	41	-60	RC
AKC018	456944	397043	942	45	-60	RC
AKC019	456950	397153	940	46	-60	RC
AKC020	456318	396759	935	50	-90	RC
AKC021	456278	397183	922	52	-90	RC
AKC022	456642	396262	943	115	-60	RC
AKC023	456635	396302	943	67	-60	RC
AKC024	456936	397228	938	34	-60	RC

RC precollar with diamond tails

Hole_ID	UTMEast	UTMNorth	RL	Total_Depth	Dip	Hole_TYPE
AKCD001	456965	396961	944	97.57	-60	RC_DD
AKCD002	456933	396924	943	158.46	-60	RC_DD
AKCD003	456933	396999	942	116.43	-60	RC_DD
AKCD004	456895	396960	942	179.51	-60	RC_DD
AKCD005	457043	397075	943	309.19	-60	RC_DD
AKCD006	457088	397033	945	282.43	-60	RC_DD

Diamond hole

Hole_ID	UTMEast	UTMNorth	RL	Total_Depth	Dip	Hole_TYPE
AKD017	457076	397013	945	239.18	-60	DD

Table 1 – Drill-hole location and Depth

HOLE	FROM	TO	WIDTH	Cu %	Ni %	Co %	Mg %	S %
AKCD006	145	146	1	0.0442	0.198	0.0125	13.15	0.78
AKCD006	146	147	1	0.115	0.343	0.0177	16.6	1.7
AKCD006	147	148	1	0.107	0.346	0.0169	16.55	1.45
AKCD006	148	149	1	0.0527	0.217	0.0145	17.35	0.85
AKCD006	149	150	1	0.0768	0.308	0.0173	18.85	1.16
AKCD006	150	151	1	0.083	0.336	0.0167	18.1	1.3
AKCD006	151	152	1	0.131	0.427	0.0186	16.95	1.88
AKCD006	152	153	1	0.0929	0.384	0.018	17.45	1.59
AKCD006	153	154	1	0.119	0.508	0.0208	17.8	2.17
AKCD006	154	155	1	0.13	0.53	0.022	17.05	2.35
AKCD006	155	156	1	0.0607	0.203	0.0111	9.67	0.85
AKCD006	156	157	1	0.211	0.497	0.0212	17.5	2.21
AKCD006	157	158	1	0.104	0.344	0.0164	16.5	1.34
AKCD006	158	159	1	0.051	0.222	0.0135	17.05	0.74
AKCD006	159	160	1	0.0969	0.35	0.0166	17.4	1.42
AKCD006	160	161	1	0.11	0.435	0.0191	17.25	1.81
AKCD006	161	162	1	0.0309	0.168	0.0122	17	0.42
AKCD006	162	163	1	0.0332	0.179	0.0129	17.95	0.46
AKCD006	163	164	1	0.0313	0.166	0.0115	16.35	0.4
AKCD006	164	165	1	0.037	0.187	0.0128	18.35	0.45
AKCD006	165	166	1	0.0335	0.175	0.0119	17.3	0.37
AKCD006	166	167	1	0.0361	0.198	0.0137	19.05	0.45
AKCD006	167	168	1	0.0296	0.116	0.0096	13.1	0.34
AKCD006	168	169	1	0.0208	0.0764	0.007	8.41	0.26
AKCD006	169	170	1	0.0267	0.139	0.0129	16.85	0.46
AKCD006	170	171	1	0.0522	0.217	0.0141	16.2	0.83
AKCD006	171	172	1	0.0642	0.252	0.0155	16.3	1.14
AKCD006	172	173	1	0.0692	0.301	0.0159	16.2	1.42
AKCD006	173	174	1	0.0477	0.224	0.0152	17.15	0.91
AKCD006	174	175	1	0.0557	0.247	0.0163	17.15	1.01
AKCD006	175	176	1	0.0953	0.315	0.0165	15.95	1.2
AKCD006	176	177	1	0.0615	0.231	0.0139	12.8	1.17
AKCD006	182	183	1	0.0258	0.129	0.0136	16.25	0.51
AKCD006	183	184	1	0.0413	0.17	0.014	16.2	0.69
AKCD006	184	185	1	0.0197	0.116	0.0097	14.1	0.27
AKCD006	185	186	1	0.0274	0.156	0.0129	17.25	0.44
AKCD006	186	187	1	0.0294	0.161	0.0137	17.95	0.45
AKCD006	187	188	1	0.0237	0.149	0.0121	17.75	0.35
AKCD006	188	189	1	0.0355	0.162	0.0106	13.6	0.5
AKCD006	189	190	1	0.0271	0.127	0.0082	10.05	0.38
AKCD006	190	191	1	0.0417	0.194	0.0144	17.95	0.61
AKCD006	191	192	1	0.0632	0.274	0.0153	18.45	0.94

HOLE	FROM	TO	WIDTH	Cu %	Ni %	Co %	Mg %	S %
AKCD006	192	193	1	0.0409	0.186	0.0135	18.15	0.55
AKCD006	193	194	1	0.0717	0.258	0.0153	18.25	0.85
AKCD006	194	195	1	0.15	0.495	0.0213	17.6	1.75
AKCD006	195	196	1	0.168	0.615	0.0246	17.85	2.17
AKCD006	196	197	1	0.231	0.57	0.0233	17.8	2.15
AKCD006	197	198	1	0.158	0.584	0.0239	18.1	2.3
AKCD006	198	199	1	0.17	0.558	0.0232	18.1	2.05
AKCD006	199	200	1	0.161	0.607	0.0245	17.45	2.16
AKCD006	200	201	1	0.178	0.641	0.0258	18.1	2.56
AKCD006	201	202	1	0.161	0.601	0.0248	18.1	2.63
AKCD006	202	203	1	0.158	0.587	0.024	17.25	2.38
AKCD006	203	204	1	0.167	0.564	0.0235	17.1	2.39
AKCD006	204	205	1	0.166	0.593	0.0251	17.65	2.54
AKCD006	205	206	1	0.152	0.538	0.0236	17.3	2.22
AKCD006	206	207	1	0.177	0.595	0.0256	17.75	2.23
AKCD006	207	208	1	0.193	0.606	0.0262	17.6	2.74
AKCD006	208	209	1	0.204	0.651	0.0278	16.4	2.73
AKCD006	209	210	1	0.201	0.594	0.0259	16.15	2.74
AKCD006	210	211	1	0.168	0.537	0.0242	17.5	2.5
AKCD006	211	212	1	0.135	0.458	0.0206	14.1	2.16
AKCD006	212	213	1	0.154	0.406	0.0188	12.25	1.66
AKCD006	213	214	1	0.134	0.399	0.0181	11.55	2.12
AKCD006	214	215	1	0.126	0.292	0.0153	12.7	1.37
AKCD006	215	216	1	0.154	0.367	0.0188	11.9	1.88
AKCD006	216	217	1	0.0867	0.256	0.0152	14.2	1.43
AKCD006	217	218	1	0.054	0.184	0.0109	11.7	0.85
AKCD006	218	219	1	0.0856	0.254	0.0122	8.13	1.18
AKCD006	219	220	1	0.0717	0.233	0.0129	9.93	1.19
AKCD006	220	221	1	0.0769	0.258	0.0156	12	1.6
AKCD006	221	222	1	0.0778	0.279	0.0154	7.86	1.8
AKCD006	222	223	1	0.0811	0.203	0.0124	6.04	1.4
AKCD006	223	224	1	0.517	0.862	0.0456	4.45	6.19
AKCD006	224	225	1	0.312	0.716	0.0373	4.65	5.11
AKCD006	225	225.8	0.8	0.381	0.735	0.0362	3.62	5.39
AKCD006	225.8	226.5	0.7	0.462	1.525	0.0729	3.12	9.79
AKCD006	226.5	227	0.5	0.435	0.911	0.0445	6.82	6.76
AKCD006	227	227.6	0.6	0.227	1.4	0.0692	7.52	10
AKCD006	227.6	228.1	0.5	0.697	0.918	0.0471	7.97	7.69
AKCD006	228.1	228.5	0.4	0.195	2.42	0.113	4.56	10
AKCD006	228.5	229	0.5	0.207	0.492	0.0253	10.45	3.49
AKCD006	229	229.7	0.7	0.14	0.415	0.0221	8.73	2.84
AKCD006	229.7	230	0.3	0.058	2.29	0.108	2.33	10

HOLE	FROM	TO	WIDTH	Cu %	Ni %	Co %	Mg %	S %
AKCD006	230	231	1	0.292	0.388	0.0213	9.37	2.76
AKCD006	231	232	1	0.29	0.52	0.0269	9.07	3.42
AKCD006	232	232.6	0.6	0.0835	0.303	0.016	8.65	2.15
AKCD006	232.6	234.2	1.6	0.0229	0.0788	0.0064	6.52	0.48
AKCD006	234.2	235	0.8	0.073	0.23	0.013	11.55	1.28
AKCD006	235	236	1	0.0547	0.206	0.0129	11.85	1.38
AKCD006	236	237	1	0.19	0.472	0.0253	12.1	3.51
AKCD006	237	237.7	0.7	0.0925	0.363	0.0202	13.9	2.24
AKCD006	237.7	238.2	0.5	0.0257	0.0808	0.0072	7.56	0.44
AKCD006	238.2	239	0.8	0.366	0.252	0.0166	11.5	1.96
AKCD006	239	240.1	1.1	0.0648	0.1575	0.012	11.75	0.99
AKCD006	241.9	242.7	0.8	0.077	0.214	0.0117	12.15	1.06
AKCD006	243.65	244.5	0.85	0.127	0.285	0.0147	12.45	1.44
AKCD006	244.5	245.4	0.9	0.0694	0.201	0.0116	13.25	0.94
AKCD006	245.8	246.3	0.5	0.0872	0.299	0.0146	11.85	1.66
AKCD006	247.45	248	0.55	0.1195	0.347	0.0197	15.45	2.02
AKCD006	248	249	1	0.1235	0.317	0.0181	14.85	1.85
AKCD006	249	250	1	0.131	0.385	0.0211	15.7	2.26
AKCD006	250	251	1	0.1015	0.303	0.0165	13.1	1.79
AKCD006	251	252	1	0.11	0.247	0.0143	12.65	1.33
AKCD006	252	253	1	0.0973	0.315	0.0178	14.45	1.94
AKCD006	253.45	253.8	0.35	0.0678	0.189	0.0128	12.55	1.25
AKCD006	254.1	255	0.9	0.0787	0.226	0.0153	13.65	1.39
AKCD006	255	256	1	0.0476	0.15	0.0123	13.75	0.96
AKCD006	256	258	2	0.0971	0.192	0.0128	12.3	1.2
AKCD006	258	259	1	0.0354	0.128	0.0121	15.1	0.65
AKCD006	259	260	1	0.0687	0.208	0.0132	13.75	1.1
AKCD006	260	261	1	0.0372	0.126	0.0098	13.1	0.64
AKCD006	261	262	1	0.0414	0.166	0.012	14.3	0.65
AKCD006	262	264	2	0.0305	0.159	0.0126	16.6	0.45
AKCD006	264	266	2	0.0317	0.152	0.01	12.15	0.56
AKCD006	266	268	2	0.0231	0.0733	0.007	8.82	0.35
AKCD006	269.3	270	0.7	0.0054	0.0155	0.0042	6.12	0.11
AKCD006	270	272	2	0.0102	0.0561	0.0071	10.2	0.21
AKCD006	272	274	2	0.0122	0.0923	0.0085	12.35	0.19
AKCD006	274	276	2	0.0151	0.0407	0.0063	6.1	1.56
AKD017	49	51	2	0.0337	0.176	0.0135	20.5	0.43
AKD017	51	53	2	0.0398	0.196	0.0143	20.3	0.52
AKD017	53	55	2	0.0333	0.152	0.0124	18.1	0.4
AKD017	55	57	2	0.0438	0.197	0.013	17.6	0.57
AKD017	57	59	2	0.0298	0.161	0.0117	17.65	0.41
AKD017	59	61	2	0.0345	0.161	0.0114	15.85	0.49

HOLE	FROM	TO	WIDTH	Cu %	Ni %	Co %	Mg %	S %
AKD017	61	63	2	0.0383	0.19	0.0134	19.1	0.56
AKD017	63	65	2	0.0557	0.229	0.0145	19.3	0.78
AKD017	65	67	2	0.0368	0.185	0.0137	19.35	0.55
AKD017	67	69	2	0.0338	0.183	0.0136	20.5	0.45
AKD017	69	71	2	0.0363	0.187	0.0124	18.15	0.48
AKD017	71	73	2	0.0495	0.24	0.0143	19.65	0.67
AKD017	73	75	2	0.0458	0.231	0.0141	19.8	0.66
AKD017	75	77	2	0.0413	0.207	0.0141	20.2	0.57
AKD017	77	79	2	0.0263	0.135	0.0096	14.5	0.37
AKD017	79	81	2	0.044	0.193	0.0128	16.35	0.64
AKD017	81	83	2	0.0309	0.162	0.0132	17.45	0.48
AKD017	83	85	2	0.0238	0.117	0.0102	14.1	0.35
AKD017	85	87	2	0.0366	0.18	0.0132	19.2	0.47
AKD017	87	89	2	0.0435	0.199	0.0138	19.85	0.54
AKD017	89	91	2	0.0704	0.288	0.0159	19.15	0.88
AKD017	91	93	2	0.028	0.122	0.0081	11.25	0.38
AKD017	93	95	2	0.0233	0.0868	0.0074	8.92	0.37
AKD017	95	97	2	0.0261	0.138	0.0121	16.9	0.47
AKD017	97	99	2	0.0212	0.0987	0.0085	12.1	0.31
AKD017	99	101	2	0.0396	0.185	0.0134	18.85	0.58
AKD017	101	103	2	0.0718	0.287	0.0173	20.1	1
AKD017	103	104	1	0.0462	0.218	0.0142	19.85	0.57
AKD017	104	105	1	0.0756	0.297	0.0161	19.1	0.93
AKD017	105	106	1	0.0566	0.289	0.0158	19.2	0.54
AKD017	106	107	1	0.0521	0.211	0.014	19.8	0.48
AKD017	107	108	1	0.0328	0.17	0.0131	19.25	0.41
AKD017	108	109	1	0.0347	0.159	0.0111	15.65	0.42
AKD017	109	110	1	0.0401	0.193	0.0135	18.85	0.52
AKD017	110	111	1	0.0582	0.241	0.0157	19.7	0.9
AKD017	111	112	1	0.0427	0.183	0.0148	18.3	0.52
AKD017	113	114	1	0.037	0.154	0.0132	15.3	0.67
AKD017	114	115	1	0.0431	0.192	0.0144	18	0.71
AKD017	115	116	1	0.0403	0.198	0.0138	18.05	0.44
AKD017	116	117	1	0.0369	0.204	0.0133	17.75	0.47
AKD017	117	118	1	0.0439	0.207	0.0149	18.85	0.68
AKD017	118	119	1	0.0342	0.173	0.0138	17.9	0.58
AKD017	119	120	1	0.0269	0.127	0.012	14.55	0.45
AKD017	120	121	1	0.0316	0.142	0.0136	16.65	0.61
AKD017	121	122	1	0.0242	0.0942	0.0101	11.95	0.43
AKD017	122	123	1	0.037	0.159	0.0136	16.45	0.65
AKD017	123	124	1	0.0369	0.183	0.0129	18	0.5
AKD017	124	125	1	0.0309	0.16	0.0125	19.4	0.34

HOLE	FROM	TO	WIDTH	Cu %	Ni %	Co %	Mg %	S %
AKD017	125	126	1	0.024	0.147	0.0116	18.95	0.3
AKD017	126	127	1	0.0177	0.126	0.0101	15.05	0.26
AKD017	127	128	1	0.0286	0.18	0.0118	16.05	0.48
AKD017	128	129	1	0.0286	0.146	0.0101	13.5	0.42
AKD017	129	130.3	1.3	0.026	0.153	0.0121	18.45	0.35
AKD017	131.7	133	1.3	0.0232	0.152	0.012	19.25	0.3
AKD017	133	134	1	0.0264	0.149	0.0115	17	0.35
AKD017	134	135	1	0.0213	0.124	0.0102	15.55	0.32
AKD017	135	136	1	0.0149	0.106	0.0087	13.15	0.22
AKD017	136	137	1	0.0315	0.179	0.0113	14.95	0.48
AKD017	137	138	1	0.0284	0.162	0.0101	13.75	0.45
AKD017	138	139	1	0.0754	0.346	0.0164	18.15	1.41
AKD017	139	140	1	0.071	0.303	0.0158	17.45	1.06
AKD017	140	141	1	0.0624	0.283	0.0154	17.95	1.09
AKD017	141	142	1	0.053	0.232	0.0138	17.05	0.91
AKD017	142	143	1	0.073	0.314	0.016	18.05	1.04
AKD017	143	144	1	0.0851	0.328	0.0165	17.15	1.33
AKD017	144	145	1	0.0655	0.291	0.0154	17.45	1.02
AKD017	145	146	1	0.0646	0.274	0.0153	18.6	1
AKD017	146	147	1	0.0492	0.194	0.0113	11.85	0.79
AKD017	147	148	1	0.0743	0.227	0.0141	18	0.71
AKD017	148	149	1	0.0695	0.288	0.0163	19	0.98
AKD017	149	150	1	0.132	0.424	0.0186	11.15	1.96
AKD017	150	151	1	0.106	0.406	0.0198	17.95	1.6
AKD017	151	152	1	0.0922	0.397	0.0185	19.4	1.69
AKD017	152	153	1	0.0621	0.275	0.0148	17.1	1
AKD017	153	154	1	0.0525	0.218	0.0132	15.7	0.82
AKD017	154	155	1	0.0427	0.217	0.0118	13	0.8
AKD017	157	158	1	0.0438	0.216	0.0158	18.5	0.93
AKD017	158	159	1	0.035	0.181	0.0145	17.85	0.59
AKD017	159	160	1	0.0587	0.264	0.0171	18.45	0.97
AKD017	160	161	1	0.311	0.455	0.0223	15.25	2.3
AKD017	161	162	1	0.0852	0.447	0.0225	17.25	2.01
AKD017	162	163	1	0.0668	0.382	0.0193	15.7	1.69
AKD017	163	164	1	0.124	0.496	0.0238	17.65	2.24
AKD017	164	165	1	0.109	0.418	0.0215	19.8	1.45
AKD017	165	166	1	0.105	0.378	0.0194	17.75	1.55
AKD017	166	167	1	0.144	0.333	0.0166	14.8	1.38
AKD017	167	168	1	0.132	0.504	0.025	18.6	2.09
AKD017	168	169	1	0.12	0.43	0.0225	18.95	1.93
AKD017	169	170	1	0.0935	0.356	0.0199	19	1.53
AKD017	170	171	1	0.133	0.347	0.0199	19.4	1.56

HOLE	FROM	TO	WIDTH	Cu %	Ni %	Co %	Mg %	S %
AKD017	171	172	1	0.114	0.381	0.0208	19.2	1.64
AKD017	172	173	1	0.0472	0.192	0.0127	14.45	0.74
AKD017	173	174	1	0.0359	0.172	0.0114	12.5	0.59
AKD017	174	175	1	0.0552	0.151	0.011	12.75	0.66
AKD017	175	176	1	0.0371	0.134	0.0102	13	0.49
AKD017	176	177	1	0.0786	0.28	0.0159	15.6	1.02
AKD017	177	178	1	0.0812	0.288	0.0168	18.65	1.1
AKD017	178	178.85	0.85	0.125	0.319	0.0155	10.85	1.21
AKD017	178.85	179.3	0.45	>1*	0.229	0.0158	5.79	2.59
AKD017	179.3	180	0.7	0.103	0.403	0.0203	18.05	1.87
AKD017	180	181	1	0.119	0.463	0.0224	18.1	2.07
AKD017	181	181.3	0.3	>1*	0.933	0.0427	7.6	6.39
AKD017	181.3	182	0.7	0.098	0.457	0.0212	15.45	2.11
AKD017	182	183	1	0.158	0.352	0.0182	14.25	1.62
AKD017	183	184	1	0.0942	0.512	0.025	15.45	2.43
AKD017	184	185	1	0.157	0.501	0.0255	18.35	2.73
AKD017	185	186	1	0.129	0.49	0.0243	18.1	2.54
AKD017	186	187	1	0.0632	0.233	0.0125	10.3	1.13
AKD017	187	188	1	0.119	0.404	0.0206	16.1	2.05
AKD017	188	189	1	0.14	0.456	0.023	17.75	2.37
AKD017	189	190	1	0.163	0.52	0.0255	17.65	2.39
AKD017	190	191	1	0.141	0.472	0.024	16.8	2.56
AKD017	191	192	1	0.117	0.463	0.0238	16.85	2.18
AKD017	192	193	1	0.0821	0.236	0.0126	4.51	1.23
AKD017	193	194	1	0.141	0.44	0.0218	14.2	2.08
AKD017	194	195	1	0.137	0.448	0.0219	15.05	2.18
AKD017	195	196	1	0.155	0.54	0.0264	18.15	2.75
AKD017	196	196.5	0.5	0.144	0.553	0.0269	17.2	3.05
AKD017	197.4	198.4	1	0.572	0.587	0.027	13	3.08
AKD017	198.4	198.9	0.5	0.273	0.447	0.0217	10.15	2.52
AKD017	198.9	200	1.1	0.12	0.448	0.0228	17.15	2.43
AKD017	200	201.2	1.2	0.179	0.44	0.0229	18.3	2.51
AKD017	201.2	202	0.8	0.0064	0.0219	0.0022	2.41	0.08
AKD017	202	203	1	0.009	0.0235	0.0039	4.63	0.12
AKD017	203	204	1	0.0082	0.0053	0.0038	4.03	0.11
AKD017	204	205	1	0.0063	0.0045	0.0036	4.04	0.09
AKD017	205	206	1	0.111	0.44	0.0226	15.55	2.42
AKD017	206	207	1	0.641	0.439	0.0238	13.95	2.73
AKD017	207	207.7	0.7	0.105	0.422	0.0219	16.25	2.33
AKD017	207.7	208.5	0.8	0.081	0.308	0.0172	12.15	1.71
AKD017	208.5	209.5	1	0.0802	0.373	0.0216	15.8	2.39
AKD017	209.5	210.5	1	0.107	0.422	0.0228	15.2	2.72

HOLE	FROM	TO	WIDTH	Cu %	Ni %	Co %	Mg %	S %
AKD017	210.5	211.5	1	0.153	0.371	0.0206	13.15	2.42
AKD017	211.5	212.5	1	0.115	0.414	0.0229	13.6	2.76
AKD017	212.5	213.1	0.6	0.198	0.358	0.0206	12.35	2.78
AKD017	213.1	214.1	1	0.26	1.395	0.0718	10.55	10
AKD017	214.1	215.1	1	0.248	1.26	0.0621	12.05	9.3
AKD017	215.1	216.1	1	0.199	0.665	0.0351	13.4	4.59
AKD017	216.1	217.2	1.1	0.361	0.594	0.0298	5.25	5.2
AKD017	217.2	217.9	0.7	0.312	0.612	0.0316	9.2	4.87
AKD017	217.9	218.3	0.4	2.01	1.5	0.0777	10.2	10
AKD017	218.3	219.15	0.85	0.364	0.245	0.017	13.25	2.01
AKD017	219.15	220.1	0.95	0.0347	0.0914	0.0091	7.27	0.88
AKD017	220.1	221.1	1	0.161	0.191	0.0139	10.85	1.62
AKD017	221.1	221.5	0.4	>1*	0.569	0.034	3.84	7
AKD017	221.5	221.9	0.4	0.743	1.375	0.0693	2.44	10
AKD017	221.9	222.5	0.6	0.07	0.287	0.0155	2.35	2.75
AKD017	222.5	224.5		0.0362	0.0544	0.0031	1.32	0.58
AKD017	224.5	226.5		0.0658	0.156	0.0089	2.36	1.35

Table 2 Table of Results

* Over 1% Cu limit triggered in assay lab final results pending.

Where is the 2.0% Cu

About Sipa

Sipa Resources Limited (ASX: SRI) is an Australian-based exploration company which is targeting the discovery of significant new gold-copper and base metal deposits in mineral provinces with world-class potential.

In Northern Uganda, the 100%-owned Kitgum-Pader Base Metals project contains two new mineral discoveries both made by Sipa during 2014 and 2015. The intrusive hosted nickel-copper sulphide mineralisation at Akelikongo is one of the most significant nickel sulphide discoveries globally for 2015.

At Akelikongo, Sipa has delineated an intrusive-hosted chonolith nickel-copper sulphide system which is outcropping and plunges shallowly to the north-west for a distance of at least 500m and open to the north- west.

In Australia, Sipa has a Farm-in and Joint Venture Agreement with Ming Gold at the Paterson North project in the Paterson Province of North West Western Australia, where extensive primary copper anomalism was intersected at the Obelisk prospect in primary bedrock adjacent to Rio/Antipa's Magnum and Citadel Gold/Copper project. The Company's maiden drilling program at the Obelisk prospect was completed in September 2016 with encouraging results.

The Paterson Province is a globally recognized, strongly endowed and highly prospective mineral belt for gold and copper including the plus world-class Telfer deposits, Antipa Minerals' Magnum and Calibre gold and copper deposits, the Nifty copper and Kintyre uranium deposits and the O'Callaghans skarn hosted tungsten deposit.

The information in this report that relates to Exploration Results is based on, and fairly represents, information and supporting documentation compiled by Ms Lynda Burnett, who is a Member of The Australasian Institute of Mining and Metallurgy. Ms Burnett is a full-time employee of Sipa Resources Limited. Ms Burnett has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which she 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'. Ms Burnett 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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JORC Code, 2012 Edition – Table 1 report template

Section 1 Sampling Techniques and Data

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

Criteria	JORC Code explanation	Commentary
Sampling techniques	• 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. • Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. • Aspects of the determination of mineralisation that are Material to the Public Report. • 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.	• See Sub sampling techniques (for drilling) • Soil samples are taken initially at 1km line and 100m sample spacing. Infill soil sampling to 200m line and 50m sample spacing and where appropriate down to 25m by 25m. The samples are taken from about 30cm depth and sieved with a 250# sieve. Soil Sample size is around 150g. If samples are wet or unsieved, the samples are brought back to camp, dried, then crushed and sieved to -250um. • The sample is then placed in a small cup with a mylar film on the bottom and analysed by XRF • One in eight soils were sent for laboratory analysis as a check.
Drilling techniques	• 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).	• 4.5 Inch Reverse Circulation drilling with a 1170 cfm compressor and a face sampling hammer bit. • Some holes consisted of RC and diamond drilling (RCDD) where RC was employed to drill to fresh rock. The diamond rig was then positioned over the hole and rentered the hole drilling around 5m of HQ core to provide hole stability and then reducing to NQ2 for the remainder of the drilling.

Criteria	JORC Code explanation	Commentary
		• Some holes are diamond only consisting of HQ coring from surface then reducing to NQ2 from fresh rock. • Core was oriented using Reflex ActII RD Rapid Descent Orientation
Drill sample recovery	• Method of recording and assessing core and chip sample recoveries and results assessed. • Measures taken to maximise sample recovery and ensure representative nature of the samples. • 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.	• The recovery was very high, and the samples were generally dry and of high quality, with only rare occurrences of damp samples on some rod changes (RC). • Groundwater was encountered in many holes. • Where this was excessive the holes were drilled using diamond drilling.
Logging	• 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. • Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. • The total length and percentage of the relevant intersections logged.	• Logging was conducted on all holes using a digital quantitative and qualitative logging system to a level of detail which would support a mineral resource estimation.
Sub-sampling techniques and sample preparation	• If core, whether cut or sawn and whether quarter, half or all core taken. • If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. • For all sample types, the nature, quality and appropriateness of the sample preparation technique. • Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. • 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. • Whether sample sizes are appropriate to the grain size of the material being sampled.	• Each dry one metre sample was passed through a riffle splitter, with one sample taken for laboratory analysis. • A second sample was sieved for pXRF analysis on site and one chip sample taken and stored in numbered chip trays as a reference. • Samples selected for laboratory analysis based on XRF data were further riffle split at the Kitgum office to reduce the size of the sample sent to the laboratory. All samples sent to the laboratory are between 500g and 1kg in weight. • Field duplicates and standards were used every 50 samples to ensure accuracy and precision. • Drillcore samples were cut in half using a core saw

Criteria	JORC Code explanation	Commentary
		with one half going to the laboratory. The entire sample is crushed and split at the laboratory.
Quality of assay data and laboratory tests	• The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. • 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. • 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.	• For soils and field analysis of RC and aircore samples, an Olympus Innov-X Delta Premium portable XRF analyzer was used with a Rhenium anode in soil and mines mode at a tube voltage of 40kV and a tube power of 200µA. The resolution is around 156eV @ 40000cps. The detector area is 30mm2 SDD2. A power source of Lithium ion batteries is used. The element range is from P (Z15 to U (Z92). A cycle time of 180 seconds Soil Mode was used and beam times were 60 seconds. • Selected high samples were analysed in Mineplus Mode. A propylene3 window was used. Standards are used regularly to calibrate the instrument. • For the samples selected for laboratory analysis multielement assaying is done via a commercial laboratory using a four Acid digest as a total technique with and ICP-AES finish. For selected samples additional assaying for Au Pt and Pd is by and 30g Fire Assay with ICP finish • Lab Standards were analysed every 30 samples
Verification of sampling and assaying	• The verification of significant intersections by either independent or alternative company personnel. • The use of twinned holes. • Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. • Discuss any adjustment to assay data.	• This is an early drill test into a newly identified prospect. No verification has been completed yet. • Twinned holes are not undertaken • Data entry is checked by Perth Based Data Management Geologist • Assays have not been adjusted • The soil data is reviewed by the independent consultant Nigel Brand, Geochemical Services, West Perth The data is audited and verified and then stored in a SQL relational data base.

Criteria	JORC Code explanation	Commentary
Location of data points	• 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. • Specification of the grid system used. • Quality and adequacy of topographic control.	• Drill holes and soil and rock points have been located via hand held GPS.
Data spacing and distribution	• Data spacing for reporting of Exploration Results. • 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. • Whether sample compositing has been applied.	• No Mineral Resource or Ore Reserve Estimation has been calculated
Orientation of data in relation to geological structure	• Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. • 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.	• Although this is an early stage drilling program the drilling has been design to cut at as orthogonal as possible to the mineralised bodies. The 25m spaced drilling was designed partly to understand these controls.
Sample security	• The measures taken to ensure sample security.	• Drill samples are accompanied to Entebbe by a Sipa employee. Until they are consigned by air to the laboratory in Perth.
Audits or reviews	• The results of any audits or reviews of sampling techniques and data.	• A preliminary review of sampling and assaying and drillhole spacing for JORC resource planning by CSA Global has been conducted. Results of this audit are that a higher grad standard has been added to the lower grade standard for assay QA/QC. Also a more detailed drill spacing has been recommended for JORC resource calculation purposes.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• 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. • 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.	• The results reported in this Announcement are on granted Exploration Licences held by Sipa Exploration Uganda Limited, a 100% beneficially owned subsidiary of Sipa Resources Limited. • At this time the tenements are believed to be in good standing. There are no known impediments to obtain a license to operate, other than those set out by statutory requirements which have not yet been applied for.
Exploration done by other parties	• Acknowledgment and appraisal of exploration by other parties.	• No previous mineral exploration activity has been conducted prior to Sipa.
Geology	• Deposit type, geological setting and style of mineralisation.	• The Kitgum-Pader Project covers reworked, high grade metamorphic, Archaean and Proterozoic supracrustal rocks heavily overprinted by the Panafrican Neoproterozoic event of between 600 and 700Ma. The tectonostratigraphy includes felsic ortho- and para-gneisses and mafic and ultramafic amphibolites and granulites and is situated on the northeastern margin of the Congo Craton. The geology and tectonic setting is prospective for magmatic Ni, Broken Hill type base metal and orogenic Au deposits
Drillhole Information	• 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: ○ easting and northing of the drill hole collar ○ elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar	• Reported in Text

Criteria	JORC Code explanation	Commentary
	○ dip and azimuth of the hole ○ down hole length and interception depth ○ hole length. • 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.	
Data aggregation methods	• 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. • 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. • The assumptions used for any reporting of metal equivalent values should be clearly stated.	• All assay results for Akelikongo have been reported. Where data has been aggregated a weighted average technique has been used.
Relationship between mineralisation widths and intercept lengths	• These relationships are particularly important in the reporting of Exploration Results. • If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. • 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').	• These widths approximate true width where possible. However due to the pipelike and variable nature of the body some intercepts may not be true width . • The geometry is generally dipping vertically or moderately to the east and plunging shallowly to the north west.
Diagrams	• 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.	• Reported in Text.
Balanced reporting	• 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.	• All drill assay results are reported for Akelikongo. • Soil data that are statistically important are shown (the database comprises more than 60000 samples)

Criteria	JORC Code explanation	Commentary
Other substantive exploration data	• 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.	• Not applicable
Further work	• The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). • Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	• As reported in the text

Glossary

Chalcopyrite

Chalcopyrite is a copper iron sulphide mineral with the formulae $CuFeS_2$. The principle three sulphide minerals in nickel sulphide deposits are pyrrhotite, pentlandite and chalcopyrite in decreasing order of abundance.

Cumulate

Cumulate rocks are the typical product of precipitation of solid crystals from a fractionating magma chamber. These accumulations typically occur on the floor of the magma chamber. Cumulates are typically found in ultramafic intrusions, in the base of large ultramafic lava tubes in komatiite and magnesium rich basalt flows and also in some granitic intrusions.

Gneiss

Gneiss is a high grade metamorphic rock, meaning that it has been subjected to higher temperatures and pressures than schist. It is formed by the metamorphosis of granite, or sedimentary rock. **Gneiss** displays distinct foliation, representing alternating layers composed of different minerals

MgO content

Method of mafic and ultramafic rock classification, with high MgO ultramafic rocks generally comprising greater than 25% MgO. The higher the MgO content the more nickel the rock can contain in silicate form with modifying factors up to 3000ppm.

Migmatite

Migmatite is a rock that is a mixture of metamorphic rock and igneous rock. It is created when a metamorphic rock such as gneiss partially melts, and then that melt recrystallizes into an igneous rock, creating a mixture of the unmelted metamorphic part with the recrystallized igneous part.

Nickel tenor

How much nickel in percentage terms within the total sulphide of the rock as a percentage of that sulphide. If you have nickel tenor of 6% and you have 50% sulphide in the rock then the grade is 3% nickel

Oikocrysts

Part of the definition of poikilitic texture. Poikilitic texture is a texture in which small, randomly orientated, crystals are enclosed within larger crystals of another mineral. The term is most commonly applied to igneous rock textures. The smaller enclosed crystals are known as chadacrysts, whilst the larger crystals are known as oikocrysts.

Paragneiss

A metamorphic rock formed in the earth's crust from sedimentary rocks (sandstones and argillaceous schists) that recrystallized in the deep zones of the earth's crust

Pentlandite

Pentlandite is an iron-nickel sulphide mineral with the formula, $(Fe,Ni)_9S_8$.

Peridotite

Peridotite is a dense, coarse-grained igneous rock, consisting mostly of the minerals olivine and pyroxene. Peridotite is ultramafic, as the rock contains less than 45% silica.

Pyroxenite

Pyroxenite is an ultramafic igneous rock consisting essentially of minerals of the pyroxene group, such as augite and diopside, hypersthene, bronzite or enstatite. They are classified into clinopyroxenites, orthopyroxenites, and websterites which contain both clino and orthopyroxene.

Pyrrhotite

Pyrrhotite is an iron sulphide mineral with the formula $Fe_{(1-x)}S$ (x = 0 to 0.2).

Saprolite

In situ deeply weathered rock usually consisting of a large percentage of clay minerals

Sulphide textures

- Massive

  Solid sulphide 100%

- Semi-massive

  Large blocks and pieces greater than 10mm in diameter of massive sulphide, often chaotic in texture but commonly taking up more than 20% of the rock volume. Stringer sulphides (where sulphides form elongate irregular veins and ribbons) often occur with semi-massive sulphides

- Net textured (matrix)

  Descriptive term to describe the visual appearance of a net with the sulphides forming the net and the other rock forming minerals the matrix, also known as matrix sulphides. Generally 20-50% of rock volume

- Blebby

  Grain size more than about 5mm and resembling droplets

- Disseminated

  Fine to medium grained (0.5 to 3mm) sprinkling of sulphides scattered throughout the ultramafic rock. Coarsening and increasing grade often occurs within the disseminated zone towards the gravitational base of the intrusion at the time of crystallisation. This is generally regarded as indicating gravitational settling of the sulphides as the magma and sulphide solution cool to form solid rock.

Xenomelt

Melt of a foreign rock typically the country rock, through which the hot ultramafic magma intrudes, interacts and partially melts and absorbs.

Ultramafic

Generic term for rocks composed of usually greater than 90% mafic minerals (dark colored, high in magnesium and iron) also have <45% silica. As opposed to mafic rocks which has 45-51% silica. The origin of ultramafic rocks is generally from deep within the earth's mantle.