



## Chairman's Address to AGM

Ladies and Gentlemen,

The past year has been characterised by two strong themes: one has been the turnaround and recovery, albeit at times slow and grinding, of the junior resource sector; the other has been continued volatility and uncertainty in global markets – the most recent bout of which was seen during last week's US Presidential election.

Sipa has been able to capitalise on the opportunities – but has also at times been frustrated by the challenges – presented by this environment. That said, there is little doubt that we will end the year in a stronger position than we started it – with a healthy cash position, and a robust portfolio of assets which continue to show great promise.

Most importantly, the Company – ably led by Lynda Burnett and her team – has been able to remain true to Sipa's underlying philosophy, which is to use innovative, cutting-edge exploration with sound technical foundations to target significant new discoveries in Tier-1 locations which exhibit the scale, quality and potential of those currently on our books.

As I said in the Annual Report, a key development during the year was the establishment of our new gold-copper portfolio in the emerging Paterson Province, underpinned by a joint venture with Ming Gold Limited to earn an 80 per cent interest in the Great Sandy Project.

This region is arguably one of the most exciting emerging mineral districts in Australia, which is attracting significant exploration expenditure and investment – headlined by the \$60 million farm-in joint venture entered into last year by our neighbour Antipa Minerals with global miner Rio Tinto.

The Paterson North Project has been a significant addition to our exploration portfolio, providing us with greater balance and diversification – both geographically and in terms of our commodity exposure.

We commenced our maiden drilling program at the Great Sandy Tenement within the Paterson North Project in August and the results so far have exceeded our expectations, resulting in the delineation of an extensive gold-copper gold mineralised system which appears to have strong potential to evolve into a significant discovery.

Lynda will explain in more detail in her presentation why we are excited by this project, albeit that we are still at a very early stage in the discovery process.

We believe the potential for important new Tier-1 discoveries in the Paterson is high and, with activity levels increasing, we are looking forward to playing a role in the continued development of this significant new frontier for Australian exploration.

Turning to our Kitgum-Pader Base Metals Project in Uganda, I would like to briefly reflect on the significant progress which was achieved during the year in advancing the Akelikongo nickel-copper discovery.

As the many companies which have taken on the challenges of exploring for magmatic nickel-copper deposits in the Fraser Range region of Western Australia would know, this style of exploration is not for the faint-hearted. When you are operating in central Africa, these challenges can be magnified even further.

Notwithstanding this, the Company successfully completed two phases of drilling at Akelikongo during the year, successfully delineating a nickel-copper system of significant potential.

We recently completed a successful second phase of drilling, and preliminary results suggest that we have successfully extended the main massive sulphide horizon further down-plunge. I will again leave it to Lynda to comment in more detail on the significance of this drilling and our plans to advance this project to the next stage and realise value for our shareholders, particularly against the backdrop of an improving nickel price.



On the corporate front, we were able to capitalise on the improving sentiment in the junior resource sector during the year to complete a \$4.5 million capital raising. This outstanding result was largely due to the support from our existing shareholders, for which we are very grateful.

As a result of this, the Company is now well placed to advance exploration activities both in Australia and Africa over the coming year, and to take advantage of other opportunities that may arise.

The recent retracement in our share price has been a frustrating consequence of the recent market volatility and “risk-off” reaction to events in the US. Rest assured that we will be working hard over the coming months to reverse this situation and rebuild shareholder value.

In conclusion, I would like to take this opportunity to thank the many people who have contributed to our progress during the year, beginning with our Managing Director Lynda Burnett – who has personally supervised all of the Company’s key drilling programs during the year – our CFO and Company Secretary Tara Robson and our in-country manager and Director Bill Willmot.

My thanks also to my fellow board members and other key stakeholders who have assisted us during the year, including the Government of Uganda and Department of Geological Survey and Mines, the Ugandan Acholi people, and our team of very capable geological and geophysical consultants.

My sincere thanks also to all of our shareholders for your continued support.

While we continue to confront the challenges of a volatile and uncertain world, I am optimistic about the future of our company and look forward to another year of activity, growth and success. I thank you for your attendance at this AGM and look forward to talking with you after Lynda’s presentation.

**Craig McGown**

**Chairman**

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