



Up to \$300,000 of additional EIS and Federal funding secured for exploration at Paterson North Project

Significant boost to Sipa's ongoing exploration efforts with EIS co-funding (WA) and Innovation Connections Funding (Commonwealth) awarded

Highlights:

- **Up to an additional \$150,000 in co-funding confirmed through the Western Australian Government EIS scheme** for exploration target drilling next year at Sipa's Obelisk copper-gold discovery, Sipa to match up to \$150,000 on a 50% basis.
- **Sipa to resume drilling in April 2017 to further evaluate the large copper-gold mineral system** at Obelisk, where reconnaissance drilling identified an extensive anomalous zone with >250ppm and gold values >20ppb over 4km
- **Obelisk represents an outstanding target for follow-up exploration**, with the mineral system remaining open in all directions.
- **The high tenor of the widespread anomalism, together with high gold values up to 1.26g/t** and the presence of **significant copper, silver, molybdenum and tungsten**, is analogous to the metal associations other discoveries in the district, such as the Calibre and Magnum deposits (>1Moz gold and >100,000 tonnes copper) and the giant Telfer gold and copper deposit.
- **In addition, a collaborative study between Sipa and the CSIRO Minerals Discovery Group, is underway** which aims to integrate and analyse all existing datasets including those collected through the previous two drilling programs. This will assist with further drill targeting.
- The study is partly funded through a grant of \$50,000 from the Australian Government Department of Industry Innovation and Science, undertaken through the Innovations Connection stream of the Entrepreneurs Program. Additional **funding in the order of \$100,000 as CSIRO contributions in kind** has also been secured. Sipa's portion of the study amounts to some \$50,000 before any potential tax deductions for Research and Development.

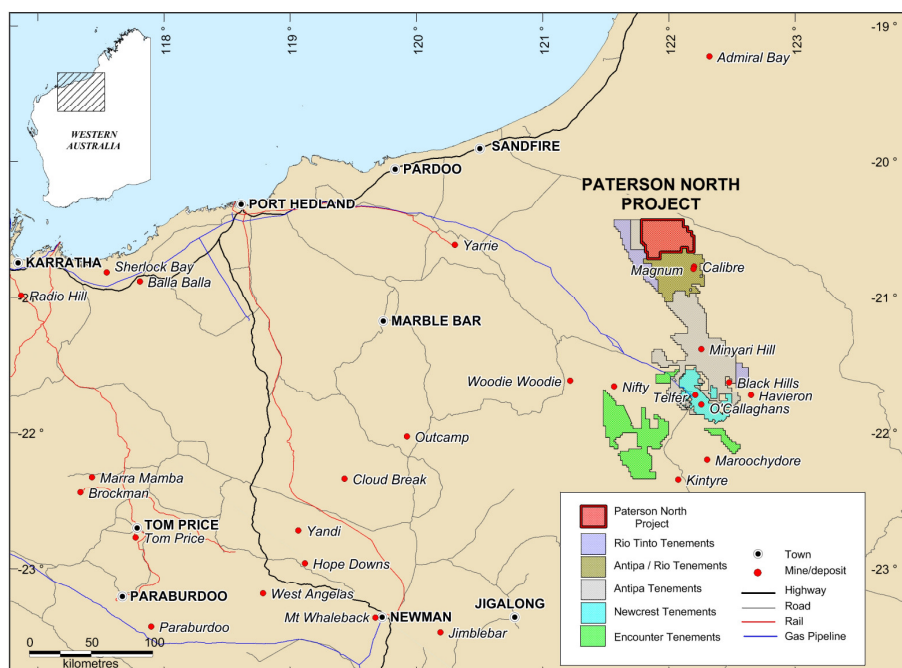


Figure 1 Location of Sipa's Paterson North Project



Sipa Resources Limited (ASX: **SRI**) is pleased to advise that it has secured external funding totaling up to \$300,000 from the Western Australian and Australian Federal Governments for two exploration initiatives at its Paterson Copper-Gold Project in Western Australia.

The additional funding – comprising \$150,000 in co-funding from the Western Australian Government's Exploration Incentive Scheme (EIS) and up to \$150,000 for a new collaborative study between Sipa and the CSIRO Minerals Discovery Group – represents a significant boost to Sipa's exploration efforts in the Paterson Province, where it recently discovered an extensive copper-gold mineral system.

The Company's maiden 4,500m drill program successfully delineated a major gold-copper mineral system over a 4km strike length at the Obelisk prospect, within the Great Sandy Tenement. The drilling confirmed that the anomaly is continuously developed over the entire strike length, including a 1.5km long zone where strongly anomalous copper and gold results were returned. This represents an outstanding target for follow-up exploration.

Of the 45 holes, **26 returned strongly anomalous copper values of >250ppm and gold values of >20ppb**. The strongest results of >1000ppm or 0.1% Cu returned over more than 1.5km with gold values up to 1.26g/t (see Figure 2). Summary assays from the August program included:

- **4m at 0.42g/t Au from 85m in PNA007; and**
- **7m at 0.28g/t Ag and 0.29% Cu from 78m in PNA009**
- **8m at 0.28g/t Au, 0.44g/t Ag, 0.11% Cu 36ppm Mo and 141ppm W, from 86m including 1m at 1.26g/t Au from 89m in PNA014**
- **7m at 0.26g/t Ag and 0.13% Cu from 86m in PNA018**
- **3m at 0.16g/t Ag and 0.24% Cu from 80m in PNA024**
- **6m at 0.25g/t Ag and 0.10% Cu from 107m PNA035**

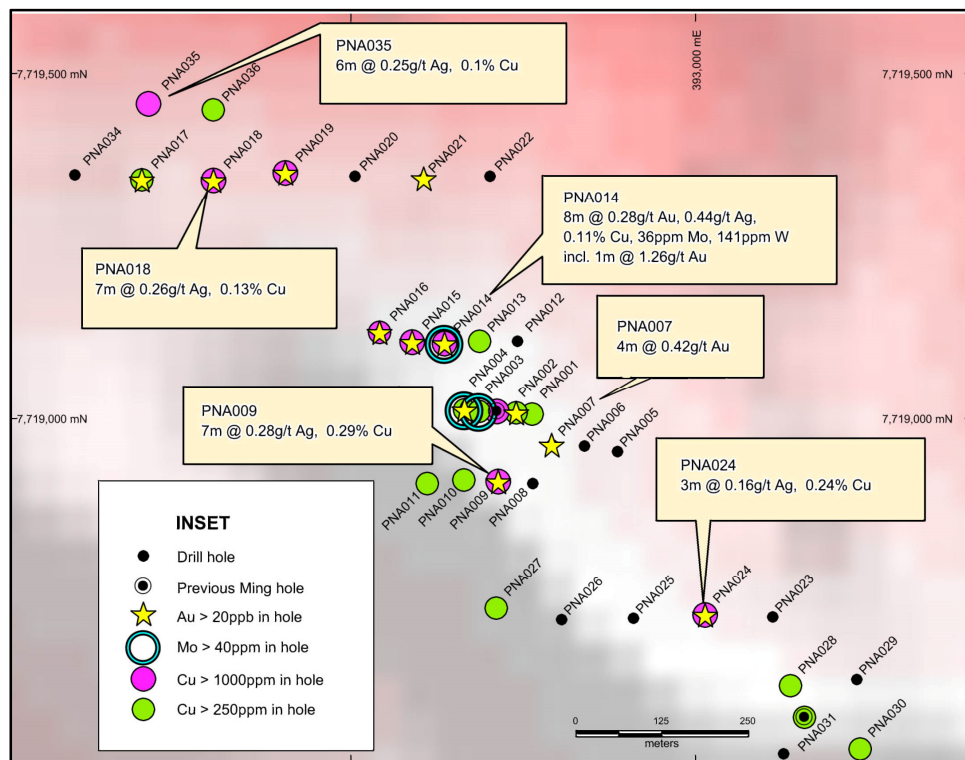


Figure 2 Anomalous Aircore/RC holes over gravity image



The tenor of the anomalism and the metal association is similar to that which led to the discovery of other significant deposits in the region including the >1Moz Calibre and Magnum deposits, highlighting the potential for a significant new mineral discovery.

The next drilling program is planned to further test this compelling copper gold target in April next year. Sipa has recently been advised that it has been successful in securing a Western Australian Government Exploration Incentive Scheme (EIS) grant up to the value of \$150,000 to co-fund the upcoming drilling program.

In addition, a collaborative study with the CSIRO Mineral Discovery Group has commenced. This study is partly funded through the Australian Government Innovation Connections Entrepreneurs' Program and the CSIRO in the order of \$150,000. Sipa's commitment to the study is around \$50,000 before and tax treatments for R and D. The study entails the characterization of the mineralisation and geology drilled during the past two exploration drilling programs using new generation technology such as TIMA (Tescan Integrated Mineral Analyzer) mineral mapping and integration of newly collected geophysical data such as detailed ground gravity.

The preliminary results from this program will partly assist with further drill targeting at Obelisk and provide much needed context for the mineralisation in this unexplored northern frontier of the Paterson Province.

Sipa's Paterson North Project comprises the Great Sandy Copper-Gold tenement (E45/3599), where Sipa can earn up to an 80% interest for expenditure of \$3 million over 4 years under a Farm-in and JV agreement with privately owned Ming Gold Limited (Ming), and Sipa's wholly owned Anketell tenement (ELA45/4697).

Sipa's Managing Director, Lynda Burnett, said the additional funding secured through both State and Federal channels represented a valuable complement to its planned exploration budget for 2017 in the Paterson Province.

"I would like to take this opportunity to acknowledge the support of the WA Government through Exploration Incentive Scheme and the CSIRO and Australian Government Department of Industry Innovation and Science," she said.

"It is thanks to the support and collective efforts of dedicated groups such as these and the various explorers operating in the challenging conditions of the Paterson Province that we continue to move ever closer to making next generation of significant Australian mineral discoveries.

"The Paterson is a new frontier for Australian exploration and, while the prize is great, the thick cover and tough operating conditions make it a challenging environment for exploration. We are very grateful for the support of these groups and we are looking forward to collaborating with some of the best geoscientists in Australia to work towards a major new mineral discovery next year."

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 established and emerging 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 recent nickel sulphide discoveries globally.

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 Citadel Project. The Company's maiden drilling program at the Obelisk prospect commenced in August 2016.

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 was previously reported in the ASX announcement dated 3 October 2016. The Company is not aware of any new information or data that materially affects the information included in that relevant market announcement.

For more information:

Lynda Burnett
Managing Director
Sipa Resources Limited
+61 (0) 8 9388 1551
info@sipa.com.au

Media Inquiries:

[Nicholas Read](#)
[Read Corporate](#)
+61 (0) 8 9388 1474
nicholas@readcorporate.com.au