



## Drilling of highly prospective Paterson North copper-gold targets underway

*Up to 5,000m of aircore/RC drilling planned across highly prospective Obelisk prospect*

### **Highlights:**

- Rig mobilisation complete and drilling underway.
- Drilling program to comprise up to 5,000m of aircore/Reverse Circulation drilling.
- Obelisk comprises an extensive anomalous zone with copper values of >250ppm (peak value 0.41%) and gold values of >20ppb Au (peak value 1.26g/t Au) over a 4km strike length.
- Obelisk represents an outstanding target for follow-up exploration, with the mineral system remaining open in all directions.
- Several other targets in the vicinity of Obelisk to also be tested



*Drilling operations underway at the Obelisk copper-gold prospect, part of Sipa's Great Sandy Tenement, Paterson North*

Further to its announcement of 4 April 2017, Sipa Resources Limited (ASX: **SRI**) is pleased to advise that drilling has commenced at its **Paterson North Copper-Gold Project** in Western Australia.

A heritage survey and access preparations were completed last week, with the rig mobilizing to site over the Easter Weekend with drilling operations now commenced.

The current program, which will comprise up to 5,000m of combined Reverse Circulation (RC) and aircore drilling, is designed to further evaluate the Obelisk discovery, an extensive gold-copper mineral system delineated by Sipa's maiden 4,500m drill program in 2016 and reconnaissance drilling by the Company's Farm-in partner, Ming Gold, in 2015.



The Obelisk prospect, located within the Great Sandy Tenement, comprises a zone of copper-gold mineralization extending over a 4km strike length, including a 1.5km long zone where strongly anomalous copper values of >1,000ppm and gold values of >20ppb and up to 1.26 g/t (1260 ppb) were detected. This anomaly is located in a structurally favourable position on the southern side of an interpreted folded or domal position and represents an outstanding target for follow-up exploration.

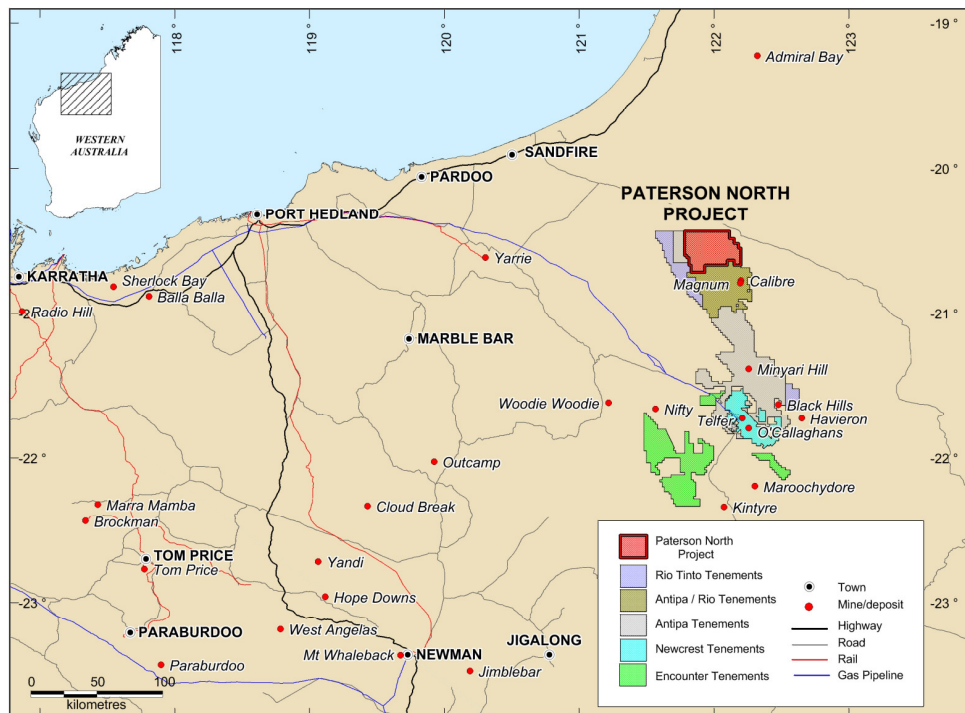


Figure 1. Location of Sipa's Paterson North Project

A number of other targeted positions, peripheral to the Obelisk prospect will also be drill tested as part of the program. As previously announced, Sipa has secured external funding totaling up to \$300,000 from the Western Australian and Australian Federal Governments for two important exploration initiatives which form part of the current program.

Sipa's Managing Director, Lynda Burnett, said the drilling was designed to build on the extensive technical work completed over the past few months – including several important new exploration targeting concepts.

"We are confident that this program will tell us more about the emerging mineral system at Obelisk," she said.

"This is also an exciting time for exploration in the Paterson, with the recent news that Rio Tinto has committed to the second stage of its \$60 million farm-in with Antipa Minerals being a strong indicator of the regional prospectivity.

"The recently announced program by Antipa Minerals and Rio will see them conduct extensive geophysical and aircore drilling programs across prospects such as Rimfire and Blue Steel, located immediately to the south of Sipa's tenement boundary.



"It's great to see significant effort and resources being invested by a range of different companies, including one of the world's biggest mining houses, to unlock the next generation of discoveries in this under-explored region."

## 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, Akelikongo nickel-copper and Pamwa lead-zinc-silver, 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, exhibiting strong similarities to major intrusive hosted nickel orebodies such as Nova, Raglan and Voisey's Bay.

At Akelikongo, Sipa has delineated intrusive-hosted chonolith style nickel-copper sulphide mineralisation which is outcropping and plunges shallowly to the north-west for a distance of at least 500m and open to the northwest. More recently, in December 2016 strong zones of up to 7m of semi-massive sulphide interpreted to dip shallowly to the northwest were intersected with strong off-hole conductors associated with them. These intercepts occur beneath large thicknesses over 100m of disseminated nickel and copper sulphide.

In Australia, Sipa has a Farm-in and Joint Venture Agreement with Ming Gold at the Paterson North Copper Gold Project in the Paterson Province of North West Western Australia, where extensive primary copper anomalism was intersected at the Obelisk prospect in primary bedrock in a geological setting similar to Rio/Antipa Mineral's Magnum Citadel Project.

The Company's maiden drill program in August 2016 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 (greater than 1000ppm Cu) and gold results up to 1.26g/t Au were returned. This represents an outstanding target for follow-up exploration.

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 17 March 2016, 5 September 2016, 3 October 2016 and 5 December 2016. The Company is not aware of any new information or data that materially affects the information included in that relevant market.*

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