



Sipa Raises \$1.04M To Underpin Imminent Drilling at Paterson North Copper-Gold Project

2017 exploration field season about to commence to test exciting new targets and progress exploration across highly prospective district

Sipa Resources Limited (ASX: SRI) (the "Company" or "Sipa") is pleased to announce it has received firm commitments to raise \$1.04 million through a placement to institutional and sophisticated investors comprising 104 million shares at A\$0.01 per share to underpin its 2018 exploration campaign at the Paterson North Copper-Gold Project in WA.

The proceeds of the Placement, together with Sipa's cash reserves (~\$1.5 million at the end of the March Quarter), will ensure that it is in a strong position to progress upcoming exploration programs and leverage off the two Exploration Incentive Scheme grants available to the Company. In particular, the proceeds will be used for:

- Further diamond drill testing of the **Obelisk** discovery, including at least one 500m deep hole to test further along strike of the combined magnetic/gradient array IP target, north-west of the drill holes completed in 2017. Exploration at the Obelisk discovery is also supported with an EIS drilling grant up to the value of \$150,000;
- Aircore/RC drilling at the new **Andromeda** target, where exploration will target a discrete GEOTEM anomaly where nickel-copper and PGEs (platinum group elements) were returned in one RC drill-hole completed by previous explorers. A second EIS drilling grant up to the value of \$150,000 is available for the Andromeda drilling;
- Evaluation of at least three newly identified targets, Asselli, Aranea and Jordanus, using additional ground geophysics before undertaking reconnaissance drilling planned for June; and
- General working capital.

The issue price for the Placement of \$0.01 per share represents a 9.1% discount to the last closing price of \$0.011 and an 8.9% discount to the 5-day VWAP of \$0.01098.

The Placement is being undertaken under the Company's existing placement capacity under ASX Listing Rule 7.1. Settlement of the Placement is currently scheduled to take place on 29 May 2018, with quotation of the new Shares expected to occur on 30 May 2018. New Shares issued under the Placement will rank equally with existing Sipa Shares.

Sipa's Managing Director, Lynda Burnett, said the Company was looking forward to the imminent re-commencement of exploration in the Paterson Province.

"I would like to thank both the existing shareholders and new investors who have participated in this capital raising. As a result of this raising, the Company is now fully-funded for its upcoming 2018 drilling campaign in the Paterson Province. Together with existing cash reserves and the EIS co-funding grants, Sipa is well placed to push ahead with a multi-pronged exploration campaign which should deliver strong news-flow in the weeks ahead."

For more information:

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