



# Sipa Resources Limited

15 October 2018

Dear Sipa Shareholder

## Sipa Resources Limited – Share Purchase Plan

### 1. Introduction

On behalf of the Directors of Sipa Resources Limited ABN 26 009 448 980 (**Sipa**), I am pleased to offer Eligible Shareholders (as defined in Section 3 of the enclosed Terms and Conditions) the opportunity to participate in the Sipa Share Purchase Plan (**SPP**).

Pursuant to the SPP, Eligible Shareholders may apply to purchase up to A\$15,000 worth of new fully paid ordinary shares in Sipa (**New Shares**) (subject to any scale back) without paying brokerage or other transaction costs. As fellow shareholders, your Directors have indicated that they intend to take up their maximum entitlement under the SPP (subject to scale-back if oversubscribed).

The SPP proceeds will be capped at A\$1.5 million, however the Directors reserve the right to accept oversubscriptions, or to scale back applications in their absolute discretion.

The offer price of the New Shares will be a 20% discount to the volume - weighted average market price of the Company's fully paid ordinary shares (**Shares**), calculated over the last five days on which sales in the Shares are recorded before the day on which the issue is made.

The maximum number of New Shares which may be issued under the SPP as permitted by the ASX Listing Rules is 30% of the pre-SPP Offer issued capital, being 360,186,306 New Shares.

A brief snapshot of the SPP is set out below.

The SPP is underwritten by Patersons Securities Limited (ACN 69 008 896 311) (AFSL 239 052) (**Underwriter**) to the lower of \$1.5 million and the placement capacity of the Company under Listing Rules 7.1 and 7.1A (**Underwritten Amount**), pursuant to an Underwriting Agreement dated 5 October 2018 (**Underwriting Agreement**). Full details in relation to the SPP are set out in the enclosed Terms and Conditions and Application Form.

### 2. Purpose of SPP and Use of Funds

Sipa announced the SPP on 8 October 2018.

The funds raised from the SPP will be used as follows:

**In the North Paterson Province – Western Australia** – Sipa holds a key exploration land position in one of the hottest addresses as a result of the heightened exploration presence of Rio Tinto to the West, south east and north. It is understood that a key data set in the recent discovery successes in this area is new generation airborne EM. Funds raised will be applied as follows:

- **Conduct an airborne EM and magnetic survey.** Recent drilling indicates that a combination of airborne and ground techniques is required to optimise drill targeting. It is understood that airborne EM (in addition to gravity and magnetics) has been pivotal in targeting recent discoveries in the district and that most mineralisation discovered to date in the region has an electromagnetic signature.
- **Drill test targets generated from the EM and magnetic survey.** In conjunction with the airborne EM survey, a program of ground geophysics will also be conducted to advance both the newly-identified 2km long copper anomaly at Aranea (discovered by reconnaissance aircore/RC drilling of modelled geophysical targets) in 2018 and to assist finessing targets generated by the airborne EM.



- **Follow-up IP and drill testing at Obelisk**, dependent upon results of the diamond program commencing later this week which is designed to test the north-western part of the Obelisk copper discovery. Drilling conducted earlier in 2017 identified a focused copper-rich alteration zone or “footprint” >1000ppm Cu with RC intercepts such as 102m of >900ppm Cu. (Refer to ASX Releases dated 19 June 2017).<sup>1</sup>

And also:

- To continue generating new high quality exploration projects.
- To provide additional working capital.

No funds are expected to be required for exploration at the Kitgum Pader Base Metals Project in Northern Uganda as that project is currently being funded by Rio Tinto under a Farm-in and JV Agreement announced in May 2018. Under the terms of the agreement Rio Tinto can fund up to US\$57M of exploration expenditure and make US\$2m in cash payments to earn up to a 75% interest in the Project, in three stages over an 11-year period.

### 3. Summary of Key Details

Key details in relation to the offer of New Shares under the SPP (**Offer**) are summarised below. Please carefully read the full terms and conditions of the Offer, as you will be bound by them.

- Offer to Eligible Shareholders only:** The offer under the SPP to subscribe for New Shares is only open to Eligible Shareholders, being persons:
  - who were registered as holders of fully paid ordinary shares in Sipa (**Shares**) as at 5.00pm (WST) on 5 October 2018 (**Record Date**); and
  - whose registered address, as recorded in Sipa’s register of members, is in Australia or New Zealand (**Eligible Shareholders**).
- Optional, but not transferable:** Participation in the SPP is optional, but the right of Eligible Shareholders to participate in the SPP is not transferable.
- Issue price:** Eligible Shareholders may subscribe for New Shares at an issue price to be determined at a 20% discount to the volume - weighted average market price of Shares, calculated over the last five days on which sales in the Shares are recorded before the day on which the issue is made. Sipa will announce the final issue price for the offer on the day on which the issue is made. The number of New Shares issued to an applicant will be determined by dividing the value of the New Shares applied for by the issue price. If this calculation produces a fractional number, the number of New Shares will be rounded up to the nearest whole share.
- Minimum/Maximum amounts and increments:** If you are an Eligible Shareholder, you may apply to purchase a parcel of New Shares for a minimum price of \$1,000 and up to a maximum of \$15,000. Eligible Shareholders have the ability to subscribe for five different parcels of New Shares as set out in the table below. As the issue price will not be determined until the day before the issue of the New Shares, the number of New Shares for each parcel will be calculated by reference to the calculation referred to above. Fractional shares will not be issued and any fraction of a New Share will be rounded up to the nearest whole number of New Shares:

| Subscription amount                     |
|---|
| A\$1,000 (minimum) worth of New Shares  |
| A\$3,000 worth of New Shares            |
| A\$5,000 worth of New Shares            |
| A\$10,000 worth of New Shares           |
| A\$15,000 (maximum) worth of New Shares |

<sup>1</sup> The information in this report that relates to Exploration Results was previously reported in the ASX announcement dated 9 June 2017. The Company is not aware of any new information or data that materially affects the information included in those relevant market announcements.



If you have two or more registered holdings of Shares, the total of all your applications must not exceed A\$15,000. Sipa reserves the right to decline applications from multiple registered holdings if the total exceeds A\$15,000, including where those registered holdings are in similar, but not identical names, are held directly or indirectly, or are held alone or with others.

- e) **Cap, Scale back and oversubscriptions:** The SPP is capped at A\$1.5 million under the SPP and the SPP is underwritten to the Underwritten Amount. However, the Directors reserve the right to accept over-subscriptions or to scale back applications in their absolute discretion.

The maximum number of New Shares which may be issued under the SPP as permitted by the ASX Listing Rules is 30% of the pre SPP offer issued capital, being 360,186,306 New Shares.

In the event that Sipa elects to scale back applications, this will be done in the absolute discretion of the Directors. Should this occur, you may be allocated fewer New Shares than you applied for, and the difference will be refunded to you without interest.

Any determination by the Directors in respect of any scaling back will be final.

Subject to any scale back of applications and the terms on the Underwriting Agreement, the allocation of New Shares will be at the absolute discretion of the Directors from time to time - the Company reserves the right to issue fewer New Shares than an Eligible Shareholder applies for under the SPP, or no New Shares, in its absolute discretion or if the Company believes it is not permitted to issue the New Shares as a result of any law or ASX Listing Rule.

#### 4. Underwriting

The SPP is underwritten by the Underwriter to the Underwritten Amount under the Underwriting Agreement. In the event that Eligible Shareholders do not subscribe for New Shares under the SPP to the Underwritten Amount, then the resultant shortfall up to the Underwritten Amount will be placed by the Underwriter under the terms of the Underwriting Agreement. The Underwriting Agreement contains customary warranties, undertakings and termination events.

The Underwriter has appointed sub-underwriters to take up New Shares pursuant to the Underwriting Agreement; they are not related parties of the Company, and subject to all applicable laws.

The Company will pay the Underwriter a corporate advisory fee of \$40,000 and an underwriting fee of 6% of the gross amount raised under the SPP. The SPP will raise a minimum of the Underwritten Amount, as any New Shares validly subscribed for by shareholders under the SPP will reduce the Underwriter's obligations.

Shares taken up pursuant to the Underwriting Agreement will take up Sipa's capacity under ASX Listing Rule 7.

See the announcement of 8 October 2018 concerning the potential placement by the Company.

#### 5. Application procedure

The SPP opens at 9.00am (WST) on 15 October 2018 and closes at 5.00pm (WST) on 2 November 2018. To apply for New Shares under the SPP, Eligible Shareholders may either:

- Complete and return their enclosed Application Form in accordance with the details on the form, together with a cheque, bank draft or money order drawn on an Australian bank in Australian dollars so that they are received by no later than 5.00pm (WST) on 2 November 2018; or
- Pay directly via BPAY® on the internet or by telephone (for shareholders with an eligible Australian bank account only) so that the funds are received by **no later than 5.00pm (WST) on 2 November 2018. Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment, and should therefore take this into consideration when making payment.**

Full details of the SPP are set out in the enclosed Terms and Conditions and Application Form.

#### 6. Junior Minerals Exploration Incentive Scheme

Sipa has been successful in its application to participate in the Federal Government's Junior Minerals Exploration Incentive (JMEI) scheme and has been allocated credits of up to \$500,000 which can be distributed to Eligible Shareholders who participate in the SPP.



## 7. Additional Information

You should be aware that the market price of Shares on ASX may rise and fall between the date of the Offer and the date that the New Shares are issued under the SPP. This means that the price you pay per New Share under this Offer may be either higher or lower than the price of shares in Sipa at the date of this Offer.

The New Shares are a speculative investment and there can be no certainty that New Shares will trade at or above the Issue Price following completion of the Offer.

The SPP does not take into account the individual investment objectives, financial situation, tax position or particular needs of each Eligible Shareholder. You should consider seeking independent financial and taxation advice before making a decision as to whether or not to accept the Offer.

The SPP may be changed, suspended or terminated by the Company at any time.

I encourage you to read and consider the enclosed Terms and Conditions relating to the SPP, as you will be bound by them if you apply for New Shares under the SPP. If you have any queries, please contact Tara Robson on +61 8 9388 1551.

Yours sincerely

Lynda Burnett  
Managing Director



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## SIPA RESOURCES LIMITED

### SHARE PURCHASE PLAN TERMS AND CONDITIONS

Sipa Resources Limited (ABN 26 009 448 980) (**Sipa or the Company**) would like to offer Eligible Shareholders (as defined in Section 3 below) the opportunity to participate in the Sipa Share Purchase Plan (**SPP**) and subscribe for new fully paid ordinary shares in Sipa (**New Shares**) on the terms and conditions set out below (**Terms and Conditions**). The SPP is capped at \$1,500,000, however the Directors reserve the right to accept oversubscriptions, or to scale back applications in their absolute discretion. The SPP is, subject to the placement capacity of the Company under Listing Rules 7.1 and Listing Rule 7.1A, underwritten by Patersons Securities Limited (ABN 69 008 896 311)(AFSL 239052) (**Underwriter**) to the lower of \$1,500,000 and the Company's placement capacity under ASX Listing Rules 7.1 and 7.1A (**Underwritten Amount**), pursuant to an underwriting agreement dated 5 October 2018 (**Underwriting Agreement**). By accepting the offer to subscribe for New Shares under the SPP, you have agreed to be bound by these Terms and Conditions and the Company's constitution.

#### 1. Class order 09/425 issued by the Australian Securities and Investments Commission

The offer of New Shares under the SPP (**Offer**) has been structured to comply with the Australian Securities and Investments Commission Class Order 09/425 (as may be amended from time to time) (**ASIC Class Order 09/425**) to enable the Company to issue fully paid ordinary shares (**Shares**) without a prospectus.

#### 2. Key Dates of the SPP

| Event  | Date  |
|--|---|
| Record date for determining entitlement                      | 5.00pm (WST) on 5 October 2018 ( <b>Record Date</b> ) |
| Announcement   | 8 October 2018  |
| SPP opens/ despatch  | 9.00am (WST) 15 October 2018                          |
| SPP closes   | 5.00pm (WST) on 2 November 2018                       |
| SPP shortfall notified                                       | 7 November 2018                                       |
| Shortfall settlement date                                    | 12 November 2018                                      |
| Issue of New Shares  | 13 November 2018                                      |
| New Shares issued under the SPP expected to commence trading | 15 November 2018                                      |
| Dispatch of holding statements/refund advice (if applicable) | 15 November 2018                                      |

No late applications will be accepted, however the above timetable is indicative only and the Directors reserve the right to vary these dates without notice.

#### 3. Who is eligible to participate in the Offer?

You are eligible to apply for Shares in the Offer if:

- your registered address, as recorded in the Company's register of members, is in Australia or New Zealand (**Eligible Shareholder**); and
- you were registered as a holder of Shares as at 5.00pm (WST) on 5 October 2018 (**Record Date**).

The Offer to each Eligible Shareholder is made on the same terms and conditions.

The Offer is non-renounceable (ie. you may not transfer your right to subscribe for New Shares under the Offer to anyone else).

#### 4. Foreign offer restrictions

This document may not be released or distributed outside Australia and New Zealand.



This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in any other country. In particular, any securities described in this document have not been, and will not be, registered under the US Securities Act of 1933 and may not be offered or sold in the United States except in transactions exempt from, or not subject to, registration under the US Securities Act and applicable US state securities laws.

### ***New Zealand***

The New Shares are not being offered or sold to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand and to whom the Offer is being made in reliance on the *Securities Act (Overseas Companies) Exemption Notice 2013* (New Zealand).

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the *Securities Act 1978* (New Zealand). This document is not an investment statement or prospectus under New Zealand law and is not required to, and may not, contain all the information that an investment statement or prospectus under New Zealand law is required to contain.

#### **5. Is the Offer voluntary?**

The Offer is entirely voluntary and is subject to these Terms and Conditions. You do not have to participate if you don't want to.

#### **6. How was the issue price determined?**

The issue price will be a 20% discount to the five day volume-weighted average market price for the Company shares calculated over the last five days on which sales in the Shares are recorded before the day on which the issue is made. Sipa will announce the final issue price for the offer on the day on which the issue is made. The number of New Shares issued to an applicant will be determined by dividing the value of the New Shares applied for by the issue price. If this calculation produces a fractional number, the number of New Shares will be rounded up to the nearest whole share.

#### **7. Directors' Participation**

The Directors of the Company, who are Eligible Shareholders, may participate in the Offer (without having to obtain shareholder approval), on the same terms as all other Eligible Shareholders in the Company. Each of the Directors have confirmed their intention to apply for an allotment of New Shares each under the SPP.

#### **8. Important Information on price risk to consider**

Before deciding whether to accept the Offer, you should refer to the current Share price, which can be obtained from the financial pages of your daily newspaper, your stockbroker, your financial adviser, or the ASX by searching the Company's code/ticker: SRI. Please note that the Share price may rise or fall between the date of this Offer and the date when the New Shares are issued to you under the SPP. This means that the price you pay per New Share under this Offer may be greater than or less than the Share price at the time the New Shares are issued to you pursuant to this Offer.

The New Shares are a speculative investment and there can be no certainty that New Shares will trade at or above the Issue Price following completion of the Offer.

***In determining whether you wish to participate in this Offer and the extent to which you participate, you should seek your own personal financial and/or taxation advice referable to your own circumstances.***

#### **9. How much can you invest in the Offer?**

The SPP is capped at A\$1.5 million. However, the Directors reserve the right to accept over-subscriptions or to scale back applications in their absolute discretion. The maximum number of New Shares which may be issued under the SPP as permitted by the ASX Listing Rules is 30% of the pre Offer issued capital, being 360,186,306 New Shares. In the event that Sipa elects to scale back applications, this will be done in the absolute discretion of the Directors. Should this occur, you may be allocated New Shares to a value which is less than the parcel for which you applied, and the difference will be refunded to you without interest.

Any determination by the Directors in respect of any scaling back will be final.



Subject to paragraph 9, if you are an Eligible Shareholder, you can subscribe for New Shares under the SPP as set out in the table below:

|   |
|---|
| A\$1,000 (minimum) worth of New Shares  |
| A\$3,000 worth of New Shares            |
| A\$5,000 worth of New Shares            |
| A\$10,000 worth of New Shares           |
| A\$15,000 (maximum) worth of New Shares |

The A\$15,000 limit applies irrespective of the number of Sipa Shares you hold on the Record Date.

As the issue price will not be determined until the day before the issue of the New Shares, the number of New Shares for each parcel will be calculated by reference to the calculation referred to in paragraph 6 above. For example, if the New Shares were issued on 8 October 2018, being the date the SPP was first announced, the issue price for the New Shares would have been \$0.0086.

Please note that the maximum of A\$15,000 applies to you even if you receive more than one Offer from the Company. For example, if you are both a sole and a joint shareholder of the Company as at the Record Date, you can only apply for, in aggregate, a maximum of A\$15,000 worth of New Shares.

If you are registered with one or more persons as the joint shareholders of a holding of Shares, that joint holding is considered to be a single registered holding for the purposes of the SPP and the joint holders are entitled to participate in the SPP in respect of that single holding only. If the same joint holders receive more than one Offer under the SPP due to multiple identical holdings, the joint holders may only apply in aggregate for a maximum of A\$15,000 worth of New Shares.

No fractions of Shares will be issued. The number of New Shares to be issued to you will be calculated by dividing the aggregate application money that you pay in applying for New Shares by the issue price, then rounding up to the nearest whole number.

#### 10. Scale back

Without limiting the above, the Company reserves the right to issue fewer New Shares than an Eligible Shareholder applies for under the SPP, or no New Shares and any determination by the Directors in respect of any scaling back will be final.

If the Company wishes to allot fewer New Shares than an Eligible Shareholder applies for or is not permitted to issue all the New Shares offered as a result of any law or ASX Listing Rule, the allocation of New Shares will be at the absolute discretion of the Directors from time to time.

If a scale back occurs, the Company will refund any excess application money to Eligible Shareholders (without interest).

#### 11. Allotment of Shares and Variation on Number of New Shares Issued

The New Shares are expected to be allotted no later than 13 November 2018. The Company's share registry, Computershare Investor Services Pty Ltd, will send to you a holding statement in due course.

Without limiting the above, the Company reserves the right to allot fewer New Shares than an Eligible Shareholder applies for under the Offer or no New Shares, in the Company's discretion or if the Company believes the allotment of those New Shares would contravene any law or the ASX Listing Rules. No interest will be paid on any money returned.

In the event the Company wishes to allot fewer New Shares than an Eligible Shareholder applies for or is not permitted to issue all the New Shares offered as a result of any law or ASX Listing Rule, the Company will use its best endeavours to allocate New Shares to those Eligible Shareholders in the absolute discretion of the Directors.

#### 12. Custodian Certification

If on the Record Date you are a custodian within the definition of "custodian" in ASIC Class Order 09/425 (**Custodian**) and hold Shares on behalf of one or more persons (each a **Participating Beneficiary**), you may apply



for up to a maximum of A\$15,000 worth of New Shares for each Participating Beneficiary, subject to providing a notice in writing to the Company on application for New Shares pursuant to the Offer certifying the following:

- (a) either or both of the following:
  - (i) that the Custodian holds Shares on behalf of one or more other persons (**Participating Beneficiaries**) that are not Custodians; and
  - (ii) that another Custodian (**Downstream Custodian**) holds beneficial interests in Shares on behalf of one of more other persons (each a Participating Beneficiary), and the Custodian holds the Shares to which those beneficial interests relate on behalf of the Downstream Custodian or another Custodian,

on the Record Date and that each Participating Beneficiary has subsequently instructed the following persons:

  - (iii) where paragraph 12(a)(i) applies - the Custodian; and
  - (iv) where paragraph 12(a)(ii) applies - the Downstream Custodian,

to apply for New Shares on their behalf under the SPP;
- (b) the number of Participating Beneficiaries;
- (c) the name and address of each Participating Beneficiary;
- (d) in respect of each Participating Beneficiary:
  - (i) where paragraph 12(a)(i) applies - the number of Shares that the Custodian holds on their behalf; and
  - (ii) where paragraph 12(a)(ii) applies - the number of Shares to which the beneficial interests relate;
- (e) in respect of each Participating Beneficiary:
  - (i) where paragraph 12(a)(i) applies - the number or the dollar amount of New Shares they instructed the Custodian to apply for on their behalf; and
  - (ii) where paragraph 12(a)(ii) applies - the number or the dollar amount of New Shares they instructed the Downstream Custodian to apply for on their behalf;
- (f) that there are no Participating Beneficiaries in respect of which the total of the application price for the following exceeds A\$15,000:
  - (i) the New Shares applied for by the Custodian on their behalf under the SPP with the instructions referred to in paragraph 12(e); and
  - (ii) any other Shares issued to the Custodian in the 12 months before the application as a result of an instruction given by them to the Custodian or the Downstream Custodian to apply for Shares on their behalf under an arrangement similar to the SPP;
- (g) that a copy of this Offer document was given to each Participating Beneficiary; and
- (h) where clause paragraph 12(a)(ii) applies – the name and address of each Custodian who holds beneficial interests in the Shares held by the Custodian in relation to each Participating Beneficiary.

In providing a certificate under this paragraph 12, the Custodian may rely on information provided to it by the Participating Beneficiary and any Custodian who holds beneficial interests in the Shares held by the Custodian.

For the purpose of ASIC Class Order [CO 09/425], you are a Custodian if you are a registered holder of Shares:

- (a) that holds an Australian financial services licence that:
  - (i) covers the provision of a custodial or depository service; or
  - (ii) covers the operation of an IDPS (as defined in ASIC Class Order [CO 13/763]); or
- (b) that is exempt from the requirement to hold an Australian financial services licence for the provision of a custodial or depository service under:
  - (i) paragraph 7.6.01(1)(k) of the Corporations Regulations 2001 (Cth) (**Regulations**); or
  - (ii) paragraph 7.6.01(1)(na) of the Regulations; or





- (iii) ASIC Class Order [CO 14/1000] or ASIC Class Order [CO 14/1001]; or
- (iv) Schedule 2 to the ASIC Corporations (Repeal and Transitional) Instrument 2016/396; or
- (v) an instrument, not being a legislative instrument, made by ASIC and which applies to the person on terms similar to Schedule 2 of the legislative instrument referred to in subparagraph (iv) or any of the ASIC Class Orders repealed by that legislative instrument; or
- (vi) paragraph 911A(2)(h) of the Corporations Act 2001 (Cth); or
- (c) that is a trustee of a:
  - (i) self-managed superannuation fund; or
  - (ii) superannuation master trust;
- (d) that is the responsible entity of an IDPS-like scheme; or
- (e) that is the registered holder of Shares and is noted on the register of members of the body or scheme (as the case may be) as holding the shares or interests on account of another person.

If you hold Shares as a trustee or nominee for another person, but are not a Custodian as defined above, you cannot participate for beneficiaries in the manner described above. In this case, the rules for multiple single holdings set out in paragraph 9 apply.

### 13. Shareholder Certification

Subject to paragraph 12, an Eligible Shareholder, by submitting an Application Form, together with the appropriate payment in the manner specified in 19(a), or by making a BPAY ® payment in the manner specified in 19(b), does certify, acknowledge, warrant and represent as true, correct and not misleading to the Company that if you are not a Custodian, the total of the application price for the following does not exceed A\$15,000:

- (a) the New Shares the subject of the application under the SPP;
- (b) any other New Shares issued to the Eligible Shareholder under the SPP or any similar arrangement in the 12 months before the application under the SPP;
- (c) any other New Shares which the Eligible Shareholder has instructed a Custodian to acquire on their behalf under the SPP; and
- (d) any other Shares issued to a Custodian in the 12 months before the application under the SPP as a result of an instruction given by the Eligible Shareholder to the Custodian to apply for Shares on their behalf under an arrangement similar to the SPP.

### 14. Costs of Participation

The only cost to you associated with the Offer is the issue price of the number of New Shares you wish to subscribe for. Under the Offer you do not have to pay for brokerage, commission or other transaction costs which would normally apply when you acquire Shares on market.

### 15. Underwriting

The SPP is underwritten by the Underwriter to the Underwritten Amount under the Underwriting Agreement.

In the event that Eligible Shareholders do not subscribe for New Shares under the SPP to the Underwritten Amount, then the resultant shortfall up to the Underwritten Amount will be taken up by the Underwriter or sub-underwriters under the terms of the Underwriting Agreement. The Underwriting Agreement contains customary warranties, undertakings and termination events.

The termination events are:

- (a) **(Indices fall):** any of the All Ordinaries Index or the Standard and Poors/ASX Small Resources Index as published by ASX is at any time after the date of this Agreement for a period of at least two (2) consecutive days at a level that is 7.5% or more below its respective level as at the close of business on the Business Day prior to the date of this Agreement; or
- (b) **(No Official Quotation):** ASX has indicated before the Shortfall Notice Deadline Date that Official Quotation will not be granted in accordance with the Timetable or will be granted with such conditions



attached so as to represent a Material Adverse Effect, having been granted, is subsequently withdrawn, withheld or qualified; or

- (c) **(Restriction on allotment):** the Company is prevented from allotting the Offer Shares within the time required by this Agreement, the Corporations Act, the Listing Rules, any statute, regulation or order of a court of competent jurisdiction by ASIC, ASX or any court of competent jurisdiction or any governmental or semi-governmental agency or authority; or
- (d) **(Non-compliance with class orders):** it transpires that the Share Purchase Plan or the Offer do not contain all the information required by ASIC Class Order 09/425, or equivalent ASIC relief, is or becomes unavailable to the Company, or is not expected to become available to the Company; or
- (e) **(Misleading Share Purchase Plan):** it transpires that there is a statement or omission made by the Company including without limitation a statement or omission in connection with the Share Purchase Plan, or an ASX announcement relating to the Offer and that statement or omission is or becomes misleading or deceptive or likely to mislead or deceive; or
- (f) **(ASIC or other prosecution):** ASIC gives notice of an intention to hold a hearing, examination or investigation, or it requires information to be disclosed in connection with the Offer, the Share Purchase Plan or the Company; or
- (g) **(Takeovers Panel):** the Takeovers Panel makes a declaration that circumstances in relation to the affairs of the Company are unacceptable circumstances under Pt 6.10 of the Corporations Act, or an application for such a declaration is made to the Takeovers Panel and the Takeovers Panel elects to hear the application; or
- (h) **(Secondary Trading):** it transpires that the Company is unable to issue a notice under ASIC Class Order [CO 09/425] in relation to secondary trading of the Offer Shares or Section 708A(6) of the Corporations Act in relation to secondary trading of the Shortfall Shares or Shares issued pursuant to the Top-Up Placement (if any); or
- (i) **(Authorisation):** any authorisation which is material to anything referred to in the Offer is repealed, revoked or terminated or expires, or is modified or amended in a manner unacceptable to the Underwriter; or
- (j) **(Indictable offence):** a director or a senior manager of a Relevant Company is charged with an indictable offence; or
- (k) **(Termination Events):** subject always to items 15(a) – (k), any of the following events occurs:
  - i. **(Default):** default or breach by the Company under this Agreement of any terms, condition, covenant or undertaking;
  - ii. **(Hostilities)** there is an outbreak of hostilities or a material escalation of hostilities (whether or not war has been declared) after the date of this Agreement involving one or more of Australia, , Uganda, , New Zealand, the United Kingdom, the United States of America or the People's Republic of China;
  - iii. **(Incorrect or untrue representation):** any representation, warranty or undertaking given by the Company in this Agreement is or becomes untrue or incorrect;
  - iv. **(Contravention of constitution or Act):** a contravention by a Relevant Company of any provision of its constitution, the Corporations Act, the Listing Rules or any other applicable legislation or any policy or requirement of ASIC or ASX;
  - v. **(Adverse change):** an event occurs which gives rise to a Material Adverse Effect or any adverse change or any development including a prospective adverse change after the date of this Agreement in the assets, liabilities, financial position, trading results, profits, forecasts, losses, prospects, business or operations of any Relevant Company including, without limitation, if any forecast disclosed to ASX prior to the date of this Agreement becomes incapable of being met or in the Underwriter's reasonable opinion, unlikely to be met in the projected time;
  - vi. **(Public statements):** without the prior approval of the Underwriter a public statement is made by the Company in relation to the Offer or the Share Purchase Plan;
  - vii. **(Misleading information):** any information supplied at any time by the Company or any person on its behalf to the Underwriter in respect of any aspect of the Offer or the affairs of any Relevant Company is or becomes misleading or deceptive or likely to mislead or deceive;
  - viii. **(Official Quotation qualified):** the Official Quotation is qualified or conditional other than as set out in the definition of "Official Quotation";



- ix. **(Change in Act or policy)**: there is introduced, or there is a public announcement of a proposal to introduce, into the Parliament of Australia or any of its States or Territories any Act or prospective Act or budget or the Reserve Bank of Australia or any Commonwealth or State authority adopts or announces a proposal to adopt any new, or any major change in, existing, monetary, taxation, exchange or fiscal policy;
- x. **(Prescribed Occurrence)**: a Prescribed Occurrence occurs;
- xi. **(Suspension of debt payments)**: the Company suspends payment of its debts generally;
- xii. **(Event of Insolvency)**: an Event of Insolvency occurs in respect of a Relevant Company;
- xiii. **(Judgment against a Relevant Company)**: a judgment in an amount exceeding \$75,000 is obtained against a Relevant Company and is not set aside or satisfied within 7 days;
- xiv. **(Litigation)**: litigation, arbitration, administrative or industrial proceedings are after the date of this Agreement commenced or threatened against any Relevant Company, other than any claims disclosed to the ASX prior to the date of this Agreement;
- xv. **(Board and senior management composition)**: there is a change in the composition of the Board or a change in the senior management of the Company before Completion without the prior written consent of the Underwriter (such consent not to be unreasonably withheld);
- xvi. **(Change in shareholdings)**: there is a material change in the major or controlling shareholdings of a Relevant Company or a takeover offer or scheme of arrangement pursuant to Chapter 5 or 6 of the Corporations Act is publicly announced in relation to a Relevant Company;
- xvii. **(Timetable)**: there is a delay in any specified date in the Timetable which is greater than 5 Business Days;
- xviii. **(Force Majeure)**: a Force Majeure affecting the Company's business or any obligation under the Agreement lasting in excess of 7 days occurs;
- xix. **(Certain resolutions passed)**: a Relevant Company passes or takes any steps to pass a resolution under section 254N, section 257A or section 2608 of the Corporations Act or a resolution to amend its constitution without the prior written consent of the Underwriter;
- xx. **(Capital Structure)**: any Relevant Company alters its capital structure in any manner not contemplated by the Offer;
- xxi. **(Investigation)**: any person is appointed under any legislation in respect of companies to investigate the affairs of a Related Company;
- xxii. **(Market Conditions)**: a suspension or material limitation in trading generally on ASX occurs or any material adverse change or disruption occurs in the existing financial markets, political or economic conditions of Australia, Japan, the United Kingdom, the United States of America or other international financial markets;
- xxiii. **(Shares are not fully paid ordinary)**: all Shares issued pursuant to the Offer and in accordance with the terms of this Agreement must, from the date of allotment, rank equally in all respects with other fully paid ordinary shares in the Company and will be free of all encumbrances; or
- xxiv. **(Suspension)**: the Company is removed from the Official List or, after the date of this Agreement, the Shares become suspended from Official Quotation and that suspension is not lifted within 3 trading days following such suspension.

Unless otherwise defined in this document, the capitalised terms referred to in the termination events above have the same meaning as those given to them in the Underwriting Agreement.

The Underwriter may appoint sub-underwriters to take up New Shares pursuant to the Underwriting Agreement, subject to all applicable laws and provided they are not related parties of the Company.

Sipa will pay the Underwriter a corporate advisory fee of \$40,000 and an underwriting fee of 6% of the total gross amount raised in SPP and any potential placement. Shares taken up pursuant to the Underwriting Agreement will take up Sipas capacity under ASX Listing Rule 7.

## 16. What Rights Will the New Shares Carry?

Once the New Shares are issued, they will rank equally with existing Shares in the Company and will carry the same voting rights, dividend rights, and entitlements to dividends, rights and bonus issues.



**17. Can the Company Change the SPP?**

The SPP may be changed, suspended or terminated by the Company at any time. If the Company changes, suspends or terminates the SPP it will advise ASX. The accidental omission to give notice of changes to or suspension or termination of the SPP or the non-receipt of any such notice will not invalidate the change, suspension or termination.

**18. How Do You Pay for the New Shares?**

All amounts in this Offer are expressed in Australian dollars.

- (a) You can pay for the New Shares by cheque, bank draft or money order in Australian dollars. Please make your cheque, bank draft or money order payable to "**Sipa Resources Limited**" and ensure cheques are crossed "**Not Negotiable**". Applicants must not forward cash. Receipts for Application Payments will not be issued.

Please post your application moneys, together with a completed Application Form (a copy of which is enclosed with this document) to:  
Computershare Investor Services Pty Ltd  
GPO Box 505, Melbourne, Vic, 3001

**OR**

- (b) You can pay for the New Shares by payment using BPAY® in accordance with the instructions on the Application Form. **If paying via BPAY®, Eligible Shareholder should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment and it is the responsibility of the Eligible Shareholder to ensure that funds are submitted through BPAY® by the date and time mentioned above.** If you elect to pay via BPAY®, you must follow the instructions for BPAY® set out in the Application Form (which includes the Biller Code and your unique Customer Reference Number) and you will not need to return the Application Form. Ensure that your BPAY® payment reaches the Company by the closing date of the Offer being no later than 5.00pm (WST) on 2 November 2018. **No late payments will be accepted, although the Directors reserve the right to extend the closing date.**

**If paying by BPAY®, please make sure to use the specific Biller Code and unique Customer Reference Number on your Application Form. If you receive more than one personalised Application Form, you will need to complete individual BPAY® transactions using the Customer Reference Number specific to each individual personalised Application Form that you receive.** The maximum investment any shareholder may apply for will remain A\$15,000 even if a shareholder receives more than one Offer (whether in respect of a joint holding or because the shareholder has more than one holding under a separate account).

The Company encourages Eligible Shareholders to pay for the New Shares using the BPAY® method described above.

**19. Please provide a cheque, bank draft or money order or make the BPAY payment for the exact amount.**

If you do not provide the exact amount, the Company reserves the right to return your BPAY payment or your Application Form and cheque, bank draft or money order (without interest). If the Company returns your BPAY payment or Application Form and cheque, bank draft or money order, no New Shares will be allotted to you.

**20. Will the Shares be quoted on the ASX?**

The Company will apply for the New Shares allotted to you to be quoted on ASX, within the relevant period specified in the ASX Listing Rules.

**21. How is a Dispute Resolved?**

The Company may settle any dispute in connection with the SPP in any manner it thinks fit, whether generally or in relation to any participant, application or New Share. The Company's decision shall be final and binding.

The Company reserves the right to waive strict compliance with any provision of these Terms and Conditions.



## HOW DO YOU APPLY FOR NEW SHARES UNDER THE OFFER

1. If you want to participate in this Offer please carefully read the Terms and Conditions relating to the Offer.
2. Once an application has been made it cannot be revoked. All valid applications shall be deemed accepted if received before the closing date of the Offer, being 5:00pm (WST) on 2 November 2018.

### If your payment is to be by cheque, bank draft or money order

3. SIPA encourages Eligible Shareholders to pay and apply for New Shares using the BPAY® method described below. If you wish to pay by cheque, bank draft or money order, please complete all the required details in the enclosed Application Form, noting that all amounts are expressed in Australian dollars:
  - (i) Enter the exact number of New Shares you want to subscribe for noting that the minimum and maximum subscription options for New Shares is as per the parcel options set out in paragraph 9 above.
  - (ii) Enter the amount payable (in Australian dollars), as set out in the table in Section 8 above (being the number of New Shares subscribed for by multiplied by the issue price per Share.
  - (iii) Complete the cheque details section and ensure that the "Amount" section corresponds to the exact amount payable for the New Shares you wish to subscribe for. Remember, **the minimum is A\$1,000 worth of New Shares and the maximum is A\$15,000 worth of New Shares.**
  - (iv) Insert your telephone contact numbers so that we may contact you if necessary.
  - (v) You do not need to sign the Application Form.
4. Ensure your cheque, bank draft or money order is made out for the exact amount of the New Shares you want to apply for, payable to "**Sipa Resources Limited**" and cheques crossed "**Not Negotiable**".
5. Return the completed Application Form, together with the cheque, bank draft or money order to Computershare Investor Services Pty Limited in the enclosed reply paid envelope or to:

**Computershare Investor Services Pty Limited**  
**GPO Box 505, Melbourne, Vic, 3001**

### If your payment is to be made using BPAY®

6. If you are making a BPAY payment, you do not need to return the Application Form. You can simply make a payment using BPAY® in accordance with the instructions on the Application Form. Please ensure that the amount paid by BPAY is the exact amount payable for the New Shares you wish to apply for. If paying via BPAY®, Eligible Shareholders should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment and it is the responsibility of the eligible shareholder to ensure that funds are submitted through BPAY® by the date and time mentioned above. If you elect to pay via BPAY®, you must follow the instructions for BPAY® set out in the Application Form (which includes the Biller Code and your unique Customer Reference Number) and you will not need to return the Application Form.

**If paying by BPAY®, please make sure to use the specific Biller Code and unique Customer Reference Number on your Application Form. If you receive more than one personalised Application Form, you will need to complete individual BPAY® transactions using the Customer Reference Number specific to each individual personalised Application Form that you receive.** The maximum investment any shareholder may apply for will remain A\$15,000 even if a shareholder receives more than one Offer (whether in respect of a joint holding or because the shareholder has more than one holding under a separate account).

7. Ensure that your completed Application Form and payment reach Computershare Investor Services Pty Ltd by the closing date of the Offer being no later than **5.00pm WST time on 2 November 2018. No late applications will be accepted, although the Directors reserve the right to extend the closing date.**

In determining whether you wish to participate in this Offer you should seek personal financial and/or taxation advice referable to your own circumstances.

**By accepting this Offer you agree to be bound by the Terms and Conditions of the Offer and the Constitution of the Company.**



Sipa Resources Limited

ABN - 26 009 448 980

## For all enquiries:

Phone:



(within Australia) +61 8 9388 1551

Web:



www.sipa.com.au

SRI

MR SAM SAMPLE  
123 SAMPLE STREET  
SAMPLETOWN VIC 3000

## Make your payment:



See overleaf for details of the Offer and how to make your payment

# Share Purchase Plan Application Form

 **Your payment must be received by 5:00pm (WST) Friday 2 November 2018**

This is an important document that requires your immediate attention.

It can only be used in relation to the shareholding represented by the details printed overleaf. If you are in doubt about how to deal with this form, please contact your financial or other professional adviser.

By making payment you agree to be bound by the Constitution of Sipa Resources Limited and that the submission of this payment constitutes an irrevocable offer by you to subscribe for Sipa Resources Limited shares on the terms of the Share Purchase Plan (SPP).

In addition, by making payment you:

(a) acknowledge that you have read the terms and conditions of the SPP;  
and

(b) acknowledge that you may receive a lesser number of New Shares than the number of New Shares you apply for, in which case, excess application monies will be returned to you without interest;

(c) **(if not a Custodian as defined in ASIC Class Order 09/425)** you certify that the aggregate of the application price for the following does not exceed A\$15,000:

1. the New Shares the subject of this application;
2. other shares applied for by me/us under the SPP or any similar arrangement in the 12 months before this application;
3. any other New Shares which I/we have instructed a Custodian (as defined in ASIC Class Order 09/425) to acquire on my/our behalf under the SPP; and
4. any other shares issued to a Custodian (as defined in ASIC Class Order 09/425) under an arrangement similar to the SPP in the last 12 months before the application under the SPP as a result of an instruction given by me/us to a Custodian to apply such shares on my/our behalf; and

(d) **(if a Custodian as defined in ASIC Class Order 09/425)** I/we agree to give a custodian certificate to Sipa Resources Limited.

Note: If you are a Custodian (as defined in ASIC Class Order 09/425), you must submit a custodian certificate to Sipa Resources Limited. If you did not receive a custodian certificate, contact Computershare Investor Services Pty Limited on the phone numbers above. If you need further information to determine whether you are a Custodian (as defined in ASIC Class Order 09/425), refer to the terms and conditions of the SPP which accompany this Application Form or contact Computershare Investor Service Pty Limited.

## Step 1: Registration Name & Offer Details

Details of the shareholding and the Offer are shown overleaf.

Please check the details provided and update your address via [www.investorcentre.com](http://www.investorcentre.com) if any of the details are incorrect.

If you have a CHESS sponsored holding, please contact your Controlling Participant to notify a change of address.

## Step 2: Make Your Payment

Your payment must correspond to one of the options detailed overleaf. You may choose one option only. Note that the amount chosen may be subject to scale back in accordance with the terms of the SPP.

Sipa Resources Limited may make determinations in any manner it thinks fit, in relation to any difficulties which may arise in connection with the SPP whether generally or in relation to any participant or application.

Any determinations by Sipa Resources Limited will be conclusive and binding on all Eligible Shareholders and other persons to whom the determination relates. Sipa Resources Limited reserves the right to waive strict compliance with any provision of the terms and conditions of the SPP, to amend or vary those terms and conditions or to suspend or terminate the SPP at any time. Any such amendment, suspension or termination will be binding on all Eligible Shareholders even where Sipa Resources Limited does not notify you of that event. If Sipa Resources Limited changes, suspends or terminates the SPP, it will advise ASX. The accidental omission to give notice of changes to or suspension or termination of the SPP or the non-receipt of any such notice will not validate the change, suspension or termination.

Choose one of the payment methods shown below.

**BPAY®:** See overleaf. Do not return the payment slip with BPAY payment.

**By Mail:** Complete the reverse side of this payment slip and detach and return with your payment. Make your cheque, bank draft or money order payable in Australian dollars to **"Sipa Resources Limited"** and cross **"Not Negotiable"**. The cheque must be drawn from an Australian bank. Cash is not accepted.

Payment will be processed on the day of receipt and as such, sufficient cleared funds must be held in your account as cheques received may not be re-presented and may result in your Application being rejected. Paperclip (do not staple) your cheque(s) to the payment slip. Receipts will not be forwarded. Funds cannot be debited directly from your account.

Entering your contact details is not compulsory, but will assist us if we need to contact you.

Sipa Resources Limited Share Purchase Plan Application Form  
Payment must be received by 5:00pm (WST) Friday 2 November 2018


© Registered to BPAY Pty Limited ABN 69 079 137 518

**Turn over for details of the Offer →**

# Share Purchase Plan Application Form

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**STEP 1****Registration Name & Offer Details** For your security keep your SRN/  
HIN confidential.

Registration Name: MR SAM SAMPLE  
123 SAMPLE STREET  
SAMPLETOWN VIC 3000

Entitlement No: 12345678

Offer Details: Record date: **5:00pm (WST) Friday 5 October 2018**

Minimum value available to purchase: **\$1,000**

Maximum value available to purchase: **\$15,000**

**STEP 2****Make Your Payment**

Billers Code: 999999  
Ref No: 1234 5678 9123 4567 89

**Pay by Mail:**

Make your cheque, bank draft or money order payable to "**Sipa Resources Limited**" and cross "**Not Negotiable**".

Return your cheque with the below payment slip to:

**Computershare Investor Services Pty Limited**  
**GPO BOX 505 Melbourne Victoria 3001 Australia**

Contact your financial institution to make your payment from your cheque or savings account.

**Lodgement of Acceptance**

If you are applying for New Shares and your payment is being made by BPAY, you do not need to return the payment slip below. Your payment must be received by no later than 5:00pm (WST) Friday 2 November 2018. **Applicants should be aware that their own financial institution may implement earlier cut off times** with regards to electronic payment, and should therefore take this into consideration when making payment. Neither Computershare Investor Services Pty Limited (CIS) nor Sipa Resources Limited accepts any responsibility for loss incurred through incorrectly completed BPAY payments. It is the responsibility of the applicant to ensure that funds submitted through BPAY are received by this time.

If you are paying by cheque, bank draft or money order the payment slip below must be received by CIS by no later than 5:00pm (WST) Friday 2 November 2018. You should allow sufficient time for this to occur. A reply paid envelope is enclosed for shareholders in Australia. Other Eligible Shareholders will need to affix the appropriate postage. Return the payment slip below with cheque attached. Neither CIS nor Sipa Resources Limited accepts any responsibility if you lodge the payment slip below at any other address or by any other means.

**Privacy Notice**

The personal information you provide on this form is collected by Computershare Investor Services Pty Limited (CIS), as registrar for the securities issuers (the issuer), for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. In addition, the issuer may authorise us on their behalf to send you marketing material or include such material in a corporate communication. You may elect not to receive marketing material by contacting CIS using the details provided above or emailing [privacy@computershare.com.au](mailto:privacy@computershare.com.au). We may be required to collect your personal information under the Corporations Act 2001 (Cth) and ASX Settlement Operating Rules. We may disclose your personal information to our related bodies corporate and to other individuals or companies who assist us in supplying our services or who perform functions on our behalf, to the issuer for whom we maintain securities registers or to third parties upon direction by the issuer where related to the issuer's administration of your securityholding, or as otherwise required or authorised by law. Some of these recipients may be located outside Australia, including in the following countries: Canada, India, New Zealand, the Philippines, the United Kingdom and the United States of America. For further details, including how to access and correct your personal information, and information on our privacy complaints handling procedure, please contact our Privacy Officer at [privacy@computershare.com.au](mailto:privacy@computershare.com.au) or see our Privacy Policy at <http://www.computershare.com/au>.

Detach here

- - -

**Purchase Details for Sipa Resources Limited (choose one option)**

☐ \$1,000 worth of New Shares OR ☐ \$3,000 worth of New Shares OR ☐ \$5,000 worth of New Shares

☐ \$10,000 worth of New Shares OR ☐ \$15,000 worth of New Shares



Entitlement No: 12345678

**Payment must be received by 5:00pm (WST) Friday 2 November 2018**

MR SAM SAMPLE  
123 SAMPLE STREET  
SAMPLETOWN VIC 3000

**Contact Details**

Contact Name \_\_\_\_\_ Daytime Telephone \_\_\_\_\_

**Cheque Details**

| Drawer               | Cheque Number        | BSB Number           | Account Number       | Amount of Cheque         |
|----------------------|----------------------|----------------------|----------------------|--------------------------|
| <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | A\$ <input type="text"/> |

123456789123456789+0000000001-3051+14