



Sipa acquires new strategically located gold project in North West Queensland

Key land-holding secured along major crustal fault just to the south of a recent virgin gold discovery by Moho Resources

- Strategic addition to Sipa's generative Australian exploration portfolio.
- Forms part of Sipa's strategy to secure first-mover positions in under-explored mineral provinces which it can quickly evaluate using low-cost exploration techniques.
- Located along strike from recent virgin discovery by Moho Resources (ASX: MOH).
- Follows acquisition of belt-scale MVT zinc project in WA's Canning Basin last year.

Sipa Resources Limited (ASX: **SRI**) is pleased to advise that it has further expanded its generative Australian exploration portfolio with the acquisition of a new highly prospective gold project known as the Clara Project, located in the Croydon Province of North-West Queensland.

Sipa applied for the tenement package, which covers a total area of 995km², following a review of prospectivity and exploration activity in the region. The land-holding contains over 60 kilometres of strike of a deep crustal structure detectable from gravity data and also interpreted from recent Government seismic data that runs across the terrain just to the north of Sipa's tenements.

In recent months, an area further north along the same structure was drilled by ASX-listed company Moho Resources, returning widespread alteration and gold anomalism including an intercept of 10m at just over 1g/t in Mid Proterozoic bedrock (see *Moho Resources ASX announcement 7 Feb 2019*).

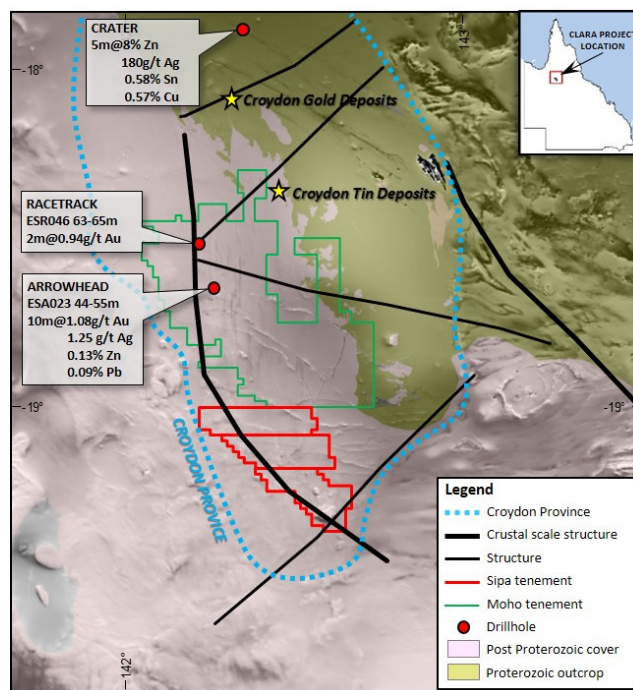


Figure 1: Clara tenement location showing RTP magnetics, location of outcropping and covered Croydon Province geology and interpreted deep crustal structures controlling mineralisation interpreted from gravity and seismic data.



The Croydon Province has a history of discovery of gold and polymetallic deposits with historical mining dating back to 1885 and more recent shallow open pit mining in the 1980s.

The Province consists of Proterozoic Esmeralda Supersuite granites, dated around 1550Ma, and the coeval felsic Croydon Volcanics. The mid-1550Ma age and geological setting is similar to the Hilltaba suite granites and felsic volcanics in South Australia, which are interpreted to have formed in an intra-cratonic setting and are hosts to large mineral deposits including Olympic Dam.

The project tenements have not previously been subject to any mineral exploration. Approximately 50km further to the north, previous explorers identified gold, bismuth and arsenic anomalism from surface soils using partial leach assay techniques.

Following on from this, widespread bedrock gold plus silver, lead and zinc mineralisation and alteration has been now intersected in drilling by Moho Resources. Techniques such as these, which include fine fraction soil sample preparation and analysis under development at the CSIRO, are gaining in popularity as a result of a number of technical successes.

Sipa intends to trial a similar sampling program and review recent regional airborne EM lines over this land-holding to determine prospectivity in the coming months following the grant of the tenements.

The Clara Project and recently secured Barbwire Terrace MVT Zinc Project in WA form part of Sipa's ongoing project generation strategy, whereby it aims to identify and secure first-mover positions in under-explored mineral provinces.

The Company will undertake first-pass exploration to evaluate these positions before either deciding to advance exploration in its own right (as in the case of the Paterson Province in WA), seek external funding to progress them (as in the case of its Kitgum Pader Project in Uganda) or rationalize them.

Other planned exploration

In addition to this work, Sipa has a full program planned in the Paterson Province (see *ASX announcement 21, March 2019*) including SkyTEM airborne EM over the area where it has identified a large zone over 4km long of copper and anomalous silver, gold, molybdenum bismuth and tungsten through bedrock sampling and wide-spaced drilling at Obelisk.

The Winu discovery announced by Rio Tinto on 27 February 2019, located approximately 10km to the west of Sipa's tenements, has the same metal association as Obelisk and same reported style of mineralization, being vein and stockwork hosted with quartz-sulphide veins and biotite, chlorite, muscovite and K feldspar alteration.

In Uganda, where Sipa is managing the exploration program on behalf of its joint venture partner Rio Tinto, the exploration program comprising soil sampling, mapping and geochemical sampling and diamond drilling continues. Further drilling of targets at Akelikongo is underway with assay results from some holes drilled late in 2018 and early 2019 expected in the next few weeks.



About Sipa

Sipa Resources Limited (ASX: SRI) is an Australian-based exploration company aiming to discover 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 an intrusive-hosted nickel-copper sulphide discovery at Akelikongo, one of the most significant recent nickel sulphide discoveries globally.

In May 2018 Sipa announced a Landmark Farm-in and JV Agreement with Rio Tinto to underpin accelerated nickel-copper exploration at the Kitgum Pader Base Metals Project in Northern Uganda in which 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 the project.

In Australia, Sipa has an 80% interest in Joint Venture with Ming Gold at the Paterson North Copper Gold Project in the Paterson Province of North West Western Australia, where polymetallic intrusive related mineralisation was intersected at the Obelisk prospect.

The Paterson Province is a globally recognized, strongly endowed and highly prospective mineral belt hosting the plus 25Moz world-class Telfer gold and copper deposits, Magnum and Calibre gold and copper deposits, Nifty copper and Kintyre uranium deposits and the O'Callaghans tungsten deposit.

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