



Sipa gears up for new field season in the Paterson as nickel drilling continues in Uganda

Field preparations for airborne EM at Paterson North Project have commenced. Diamond drilling underway in Uganda

HIGHLIGHTS

Paterson North, WA (Copper-Gold)

- Field preparations have commenced for a major SkyTEM airborne EM scheduled in May.
- 1,150 line kilometres will be flown testing key magnetic features and structures under cover.
- Airborne EM was a key factor in the identification of the anomaly that Rio Tinto first drilled in late 2017 that led to the Winu copper discovery, 10km to the west of Sipa's land-holdings.
- Follow-up ionic leach surface sampling is set to commence to further define the copper/polymetallic anomaly adjacent to Obelisk in preparation for drill testing.
- Other activities for the 2019 field season include 3D pole-dipole IP geophysics at Obelisk and WA Government EIS co-funded drill testing of geochemical and geophysical targets..

Uganda, East Africa (Nickel-Copper)

- Diamond drilling continues at Akelikongo and regional targets under the US\$59M JV with Rio Tinto (Sipa as manager). Assay results are awaited. Regional mapping and rock sampling is progressing.

Project Generation

- New projects secured in NW Queensland (gold) and Northern WA (copper, zinc) consistent with Sipa's strategy of generating high-potential base metal and gold projects in underexplored terrains in Australia.

Corporate

- Sipa's major shareholder, Rodiv (NSW) Pty Limited (Rodiv), a company controlled by prominent Sydney businessman Mr Ervin Vidor AM, increased its holding to >10% following a \$450k placement.
- Proceeds of the placement to be used to support Sipa's aggressive copper exploration campaign in the Paterson Province of WA Pilbara and for project generation purposes.

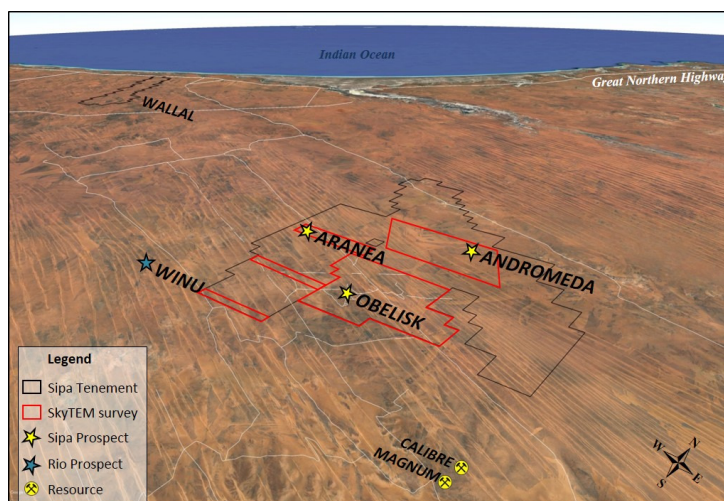


Figure 1. Location of Paterson North Project showing planned SkyTEM airborne survey.



Paterson North Copper-Gold Project, Western Australia

Since completing its 2018 field season, a number of developments have contributed to a significantly improved understanding of the geological significance and context of Sipa's Obelisk discovery and its surrounding tenement package.

Most notable has been the recent confirmation of a significant copper-gold-silver discovery by Rio Tinto at Winu, located approximately 10km west of Sipa's tenement holding in February.

Important information that has come from Rio's announcement that can be applied to Sipa's exploration activities include:

- A similar polymetallic copper, gold, silver, molybdenum, bismuth and tungsten signature at both Winu and Obelisk. Peak assay values from Sipa's drilling are 22g/t Au, 2% Cu, 16g/t Ag, 323ppm Mo, 0.3% Bi and 0.3% W (see ASX Releases, 19 June 2017 and 12 Oct 2017);
- The mineralisation discovered at both Winu and Obelisk is associated with quartz sulphide veins with dominant sulphides, chalcopyrite, pyrite and pyrrhotite. High-grade veins of up to 22g/t Au and 2% Cu have been found at Obelisk; and
- Vein-hosted mineralisation with multiple mineralising events has been identified at both locations associated with biotite alteration of metasilicic rocks and, in the case of Obelisk, also with dolerite.

Airborne EM was a key factor in the identification of the anomaly that Rio first drilled in late 2017, resulting in the Winu discovery.

Airborne EM, Pole-Dipole IP and New Geochemical Program

Sipa has now contracted Skytem to conduct an airborne EM survey in May 2019 following the completion of further EM surveying for Rio Tinto. Field logistics to support the survey have commenced.

In addition, further pole-dipole IP geophysical lines will be surveyed following one line completed in 2018 which successfully detected and provided 2D depth information on an earlier gradient-array IP survey. The extra lines will resolve the anomalism in three dimensions in preparation for drill testing.

Concurrently with the Airborne EM a follow-up ionic leach surface soil program will be undertaken to better define the surface copper and polymetallic anomaly immediately south of Obelisk, which was extended with the results from drill holes PNA090 and 091 (see Figure 2).

Ionic leach assaying is a relatively new and very sensitive assaying technique which is able to detect very low elemental responses in soils.

The technique is being widely trialed in the exploration industry with reported success in detecting anomalous metallic element signals through transported cover.

Following an initial orientation low-level ionic leach sampling line over Obelisk, a further three programs totalling around 200 samples have been collected and assayed from the Obelisk and Andromeda prospects.

Results show anomalism in a number of elements, including copper, which appear to be correlated with drilled bedrock mineralisation at both Obelisk and Andromeda, around 20km north-west of Obelisk.

At Obelisk, a north-west trending copper zone adjacent to the south-west of the drilled copper anomaly is present. Other anomalous elements which are coincident with the anomaly are As, Ba, Ce, Li, Nd, Pb, Se, Sm, Th U and Zn.

Importantly, the soil copper anomaly is largely untested by drilling and, where partially tested by recent aircore drilling, corresponded to bedrock copper mineralisation in drill holes PNA090 and PNA091 (refer to ASX announcement of 14 September 2018). This is a priority drilling target for the 2019 field season.

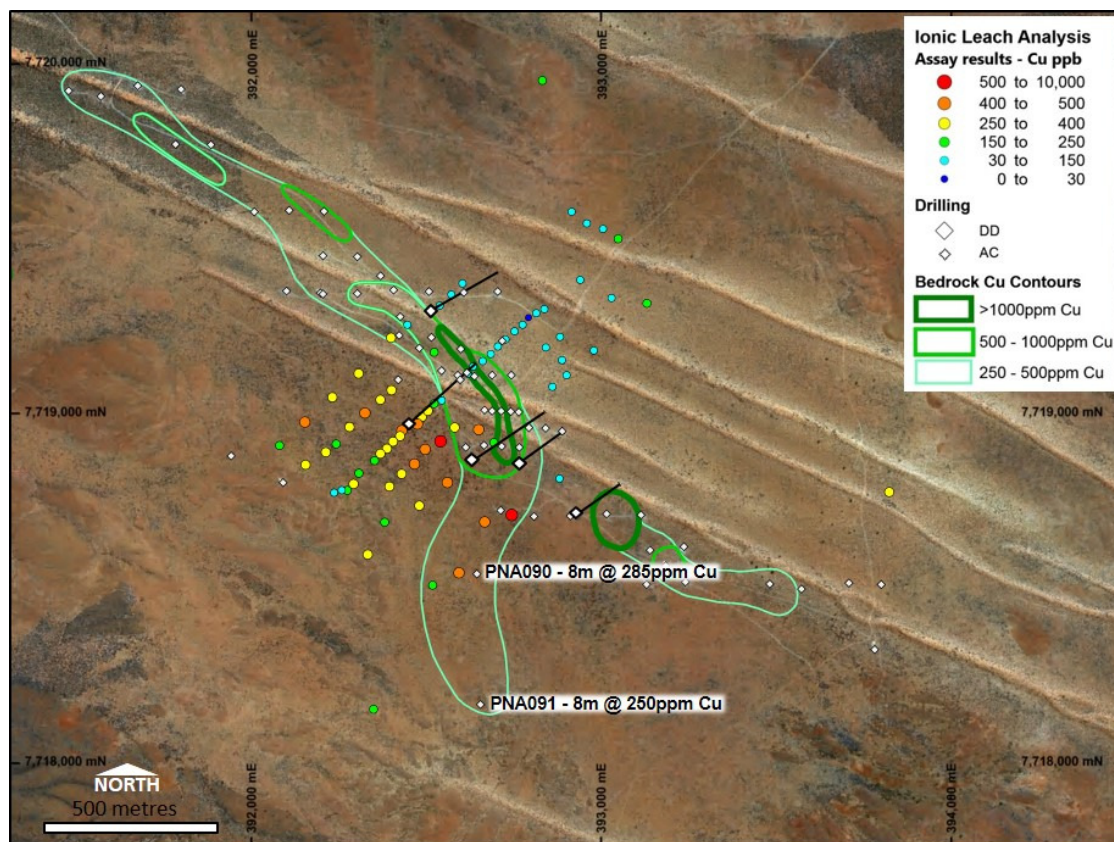


Figure 2 : Surface ionic leach copper results from Obelisk, open to the north, south and west, located south-west of highly anomalous >1,000ppm copper anomaly in bedrock from aircore drilling.

EIS Drilling

Drilling testing of copper targets at south Obelisk, Aranea and first pass drill testing of anomalies defined by the airborne EM survey is planned once EM data have been collected and processed.

The drilling at both south Obelisk and Aranea will be supported by a WA Government co-funded EIS drilling grant for up to \$150,000, as announced late last year.

This is a competitive program and, importantly, Sipa was awarded the only such grant for this round for any projects in the Paterson Province. The grants have been an important part of Sipa's exploration strategy as the area was, up until a few years ago, almost unexplored with drilling.

An important part of the Company's reconnaissance exploration approach is to understand fundamental geology, mineralising processes and prospectivity.

The North Paterson Province is now one of the most active and prospective new exploration frontiers in Australia, with exploration programs underway by major mining companies such as Rio Tinto, FMG, and Newcrest, as well as a number of junior exploration companies including Sipa, Antipa Minerals and Encounter Resources (under agreement with IGO).

This high level of activity, combined with Rio Tinto's Winu copper and gold discovery 10km west of Sipa's tenements, highlight its world-class discovery potential.



Kitgum Pader Nickel-Copper Project, Uganda

The nickel-copper exploration program funded by Rio Tinto is continuing at the Kitgum Pader Base Metal Project in Uganda. The program is being managed by Sipa on behalf of its joint venture partner, Rio Tinto, which is currently earning a 51% interest in the project.

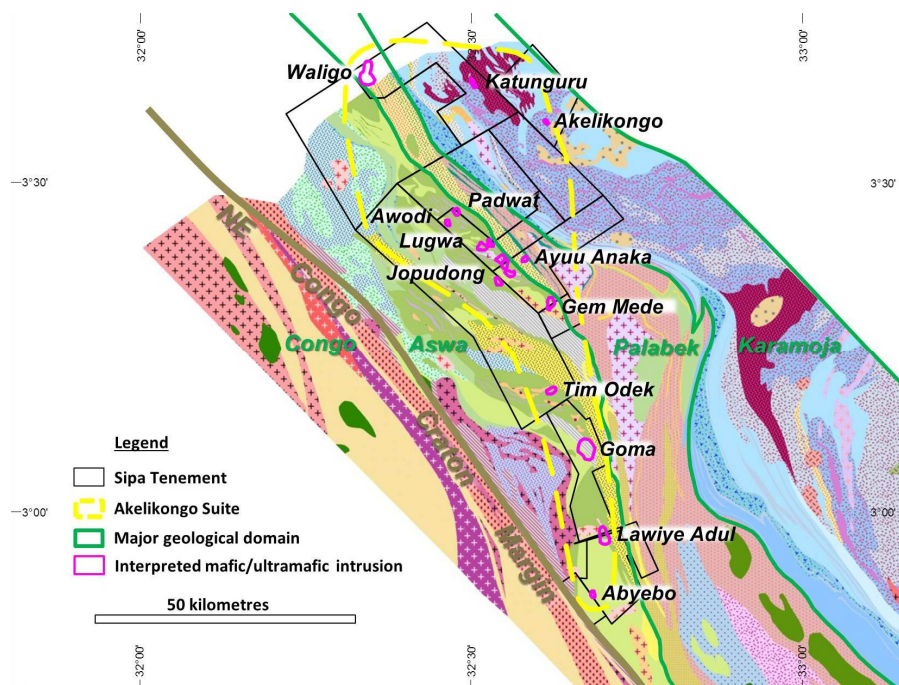


Figure 3: Kitgum-Pader tenement outlined with prospects.

The program included the following activities for the quarter:

- **Regional mapping and rock chip sampling:** A program of regional mapping and rock chip sampling commenced in mid-January and was ongoing at the end of the quarter. The mapping was focused on areas of gravity surveys where nickel anomalism from soils and previous rock chip sampling indicated possible Akelikongo suite ultramafic intrusions. The mapping and sampling is designed to further understand the setting and geochemistry of these outcrops to determine magma fertility for magmatic nickel and copper sulphides

Areas of focus included the Goma, Lawiyadul, Katunguru, Awodi Padwat and Lugwa Jopudung prospects (Figure 3).

- **Soil sampling:** Assessment of Sipa's extensive >70,000 pXRF soils database indicates that a number of anomalies remain open. On the basis of this data, additional tenements have been acquired with soil sampling underway over these areas and other tenements were rationalised.
- **Diamond Drilling:** Diamond drilling of a further two holes for 713.4m was completed during the quarter at Akelikongo.

Hole_ID	East	North	RL m	UTM Grid azimuth	dip	Total Depth	Prospect
AKD019	457135	396917	953	045	-60	356.7	Akelikongo
AKD020	457038	397029	956	045	-65	356.7	Akelikongo



The drilling at Akelikongo has aimed to further investigate both the geometry of the down-plunge position of the mineralisation and the eastern margin of the intrusive complex.

Logging is ongoing with assay results for these two holes and the holes drilled in late 2018 expected in the coming weeks.

Bohemia Zinc-Lead Project, Lennard Shelf, Western Australia

During the quarter, Sipa secured a new highly prospective MVT-type zinc-lead exploration project in the Lennard Shelf Province of north western WA. The newly-acquired Bohemia tenement, located 40km south-east of the previously mined high-grade Cadjebut Zinc-Lead Mine, represents another strategic addition to the Company's generative Australian exploration portfolio.

Compilation of historical data from previous drilling campaigns conducted by former owners indicates that the area is highly prospective for MVT-type zinc-lead with historical results of up to 6.8% in upper Devonian Mississippi Valley-Type mineralisation. The Bohemia Project complements the Barbwire Terrace Project, secured last year, which is also prospective for MVT-type zinc-lead-silver deposits. (Figure 4).

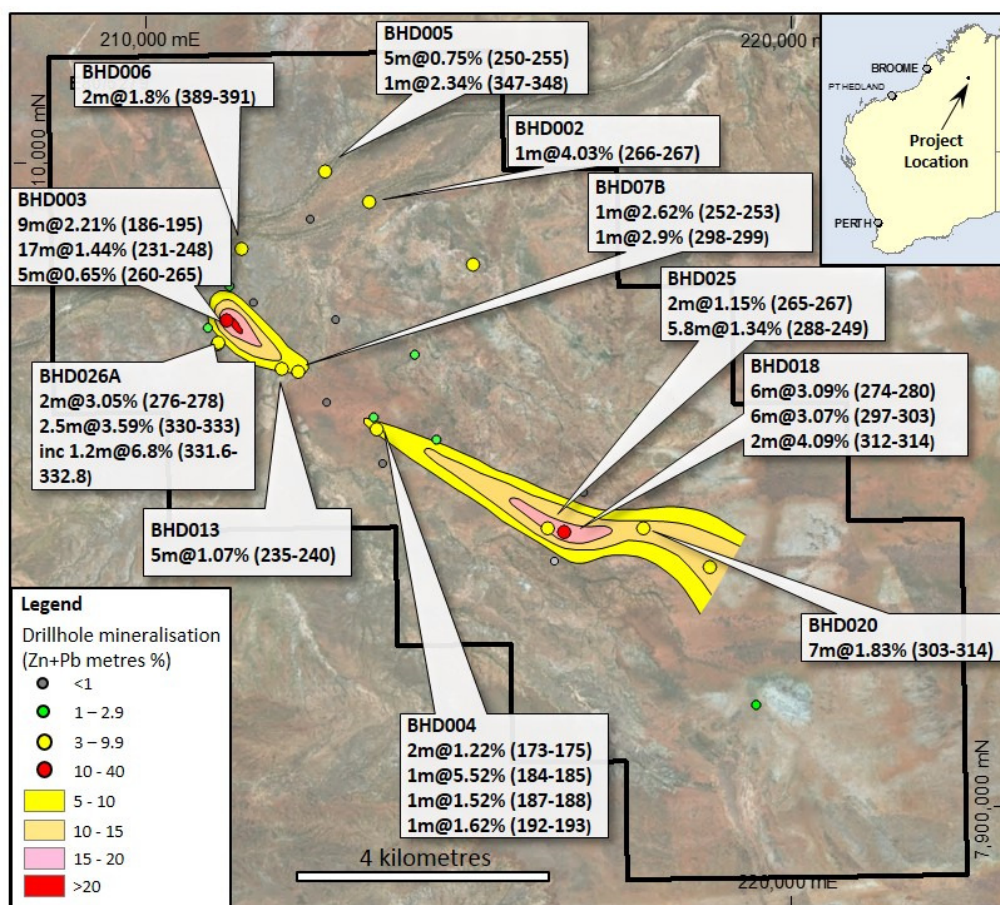


Figure 4: Previous Zn + Pb drilling results at Bohemia Project.

The Bohemia Project was previously explored by Cadjebut Mine holders BHP (1984-1994), Western Metals (1994-2003), and also Mincor (2010 to 2016).

Sipa believes that the project area has strong potential to host further high-grade mineralisation in structural positions such as ramp faults and antiformal flexures. Further along strike at the Cadjebut Mine, which is now privately held, high-grade mineralisation was discovered by Meridian Minerals. Results returned by Meridian Minerals from the New Kubra prospect in a linking structure between



Kapok West and Cadjebut Splay included 12m @ 17.3% Pb +Zn and 15m @ 12% Pb + Zn, indicating that there is much more to be discovered in the area (Meridian Minerals ASX 10 August 2011).

The Lennard Shelf mineral field is ripe for a renaissance of exploration against the backdrop of improving metal prices. Historically, the region produced very high-grade zinc and lead (+silver) concentrates which were recognized as being some of the best in the world at the time Cadjebut was mined in the 1980/90s. The Bohemia Project complements the Barbwire Terrace Project, where Sipa already has a large ground-holding prospective for MVT-type zinc-lead-silver deposits.

Barbwire Terrace Zinc-Lead Project, Canning Basin, Western Australia

Barbwire Terrace is a structurally high platform within the Canning Basin containing known MVT-style zinc and lead mineralisation within prospective carbonate stratigraphy. The project represents a district-scale exploration opportunity for large-scale discoveries in a commodity with favourable market fundamentals. It contains similar carbonate sequences to those of the highly mineralised Lennard Shelf, a premier global MVT zinc-lead province, with both areas forming opposing and parallel margins of the Fitzroy Trough (Figure 5).

Recent 3D modelling of publicly released exploration data, including gravity and seismic surveys, has assisted with depth-to-target modelling and highlighted the leading edge of the basin where a strike length of more than 100km remains untested (as shown in Figure 5). The tenure has recently been optimized following a 3D modelling and targeting exercise to identify the most prospective tenure.

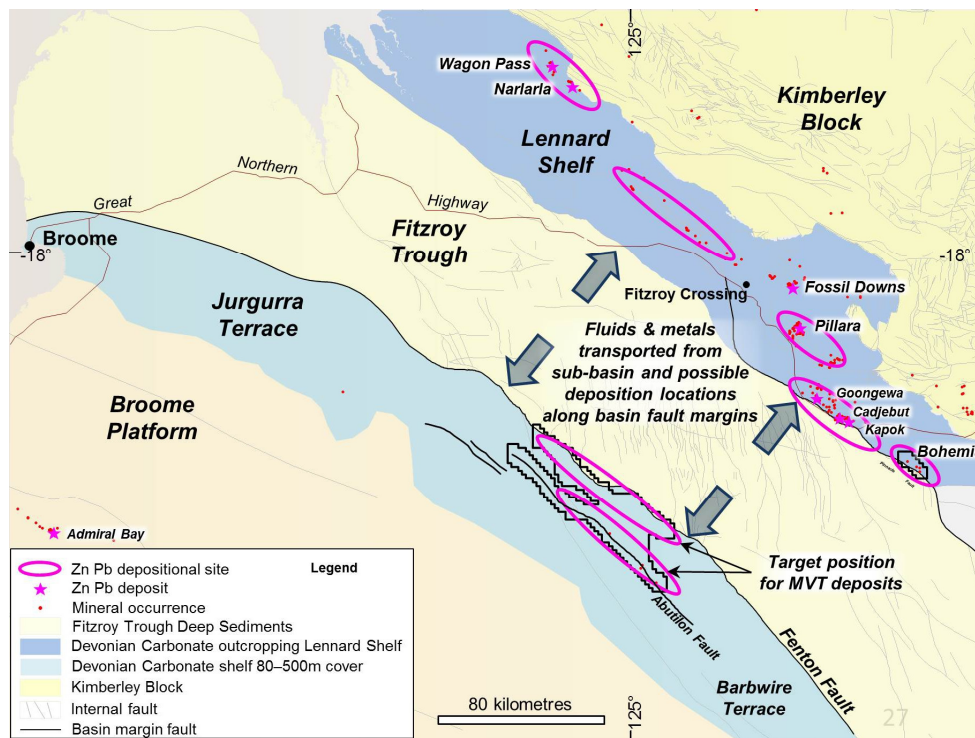


Figure 5: Location and Geology of Devonian Carbonate hosted zinc-lead mineralisation, Lennard Shelf deposits with prospective Barbwire Terrace tenements.

High-resolution gravity surveys and 2D seismic reflection surveys carried out for petroleum exploration over Barbwire Terrace have markedly improved the understanding of the basin architecture, and hence possible controls on mineralisation since the last mineral exploration was undertaken in 1998.

Together with improved tools for integrating the new information, advances in other exploration technologies also provide encouragement to Sipa that the project potential can be tested with improved efficiency, resulting in improved probability of discovering deposits at Barbwire Terrace.



Previous work including geophysics and drilling has been compiled with core assays highlighting some broad areas of anomalous zinc. A review of some of these cores at the GSWA core library indicates that zinc-rich fluids did move south and accumulate in Devonian carbonate-rich rocks in a similar process to the mineralisation on the Lennard Shelf. Spot XRF assays of this core show up to 2% Zn associated with marcasite in breccias (Figure 6), proving that the concept is valid.



Figure 6: Close-up of WRD01 at 495.3m showing carbonate breccia hosted mineralisation with 2% Zn spot XRF with marcasite.

Clara Gold Project, North-West Queensland

Towards the end of the quarter, Sipa 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 (Figure 7). 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 60km 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 north of Sipa's tenements.

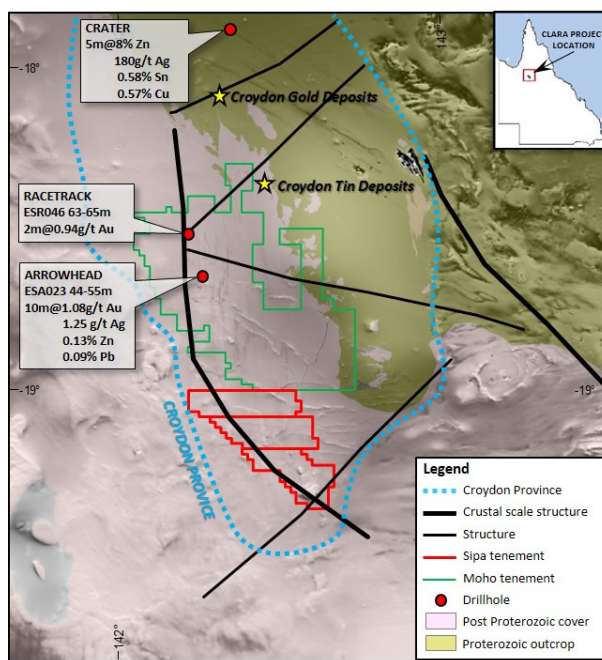


Figure 7: Clara tenement location showing RTP magnetics, location of outcropping and covered Croydon Province geology and interpreted deep crustal structures controlling mineralisation interpreted from gravity and seismic data.



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

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 Hiltaba 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.

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.

The Clara Project, together with the Bohemia and Barbwire Terrace MVT Zinc Projects form part of Sipa's ongoing project generation strategy, whereby it aims to identify and secure first-mover positions in under-explored mineral provinces with high potential for significant discoveries.

Forward Plan Summary

Paterson North

- Preparations underway for the Skytem airborne EM survey to commence in May.
- Follow-up ionic leach surface soil program which will aim to better define the previously identified surface copper and polymetallic anomaly immediately south of Obelisk.
- Further pole-dipole IP lines to resolve the Obelisk anomalism in three dimensions in preparation for drill testing.
- Drilling program to test both Obelisk South and the newly-identified Aranea copper zone. The drilling program is supported by a WA Government EIS co-funding grant,

Uganda

- Diamond drilling continuing in addition to geological mapping and rock chip sampling.

Barbwire Terrace

- Integrated 3D geological and geophysical model and information memorandum completed and sent to a number of groups with base metal interests. The data is available on request to parties interested in partnering with Sipa to explore this large, belt-scale tenement package which, if successful, will represent a commanding position a large new MVT-style zinc mineralised belt.

Bohemia

- Geophysical data acquired by previous explorers currently being sourced and will be analysed in order to complete a targeting exercise.

Clara

- First-pass exploration evaluation



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.

In the Canning Basin 150km south west of Fitzroy Crossing Sipa has a large tenement holding known as the Barbwire Terrace project, prospective for Mississippi Valley Type (MVT) Zinc and Lead mineralisation. The style and extent of mineralisation identified by previous explorers provides strong evidence that similar mineralisation processes that formed the Lennard Shelf deposits were also active on the Barbwire Terrace.

Further tenements applications have made for Bohemia 40km south east of Cadjebut Mine on the Lennard Shelf, prospective for MVT lead and zinc and also at Clara in the Croydon Gold Province where gold has been discovered adjacent to a crustal scale feature detected in seismic surveys.

The acquisition of these projects are entirely consistent with Sipa's strategy of being a first mover project generator and mineral discoverer in highly prospective mineral belts.

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Competent Persons Statement

The information in this report that relates to Exploration Results is based on, and fairly represents, information and supporting documentation compiled by Ms Lynda Burnett, who is a Member of The Australasian Institute of Mining and Metallurgy. Ms Burnett is a full-time employee of Sipa Resources Limited. Ms Burnett has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which she is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Ms Burnett consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Various information in this report which relates to Exploration Results reported within is extracted from the following previously released reports:

- 4 April 2019 Sipa Adds 2nd Zinc Project in Lennard Shelf
- 27 March 2019 Sipa Acquires New Gold Project
- 5 December 2018 Paterson North Exploration Results
- 25 October 2018 Sipa Secures New Belt Scale Zinc Project
- 14 September 2018 Paterson North Update Assay Results
- 28 March 2018 New drill targets highlighted in recently completed geophysical modelling
- 21 February 2018 Potential for Large scale Ni sulphide province confirmed at Akelikongo
- 30 November 2017 Gravity identifies compelling new targets – Paterson North
- 20 October 2017 Further High-Grade Vein Hosted Gold-Copper at Obelisk
- 12 October 2017 Initial Assays Confirm Large Bedrock Mineral System
- 22 September 2017 Progress Report – Update on 2nd Diamond Hole
- 18 September 2017 Paterson North Drilling Update
- 19 June 2017 Paterson North Assays Confirm Large Copper System
- 24 May 2017 Initial Results Expand Potential of Paterson North
- 22 February 2017 Progress Report – Akelikongo Geophysics Results
- 1 December 2016 Akelikongo Final Assays Discovery Continues to Grow
- 17 November 2016 Strong Nickel and Copper hits up to 2.4% Nickel and 2% Copper
- 22 April 2015 Progress Report - Akelikongo

All of the above reports are available to view of www.sipa.com.au and www.asx.com.au. The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement.



APPENDIX – ASX LISTING RULE 5.3.3

Mining Tenements Acquired during Quarter:

Tenement reference	Project	Nature of interest	Beneficial Interest at beginning of quarter	Beneficial Interest at end of quarter
EL04/2626	Barbwire Terrace	Application	0%	100%
EL04/2627	Barbwire Terrace	Application	0%	100%
EL04/2628	Barbwire Terrace	Application	0%	100%
EL80/5344	Wolfe Basin	Application	0%	100%
EPM27214	Clara	Application	0%	100%
EPM27215	Clara	Application	0%	100%
EPM27216	Clara	Application	0%	100%

Mining Tenements Disposed during this Period:

Tenement reference	Project	Nature of interest	Beneficial Interest at beginning of quarter	Beneficial Interest at end of quarter
EL04/2555	Barbwire Terrace	Application	100%	0%
EL04/2556	Barbwire Terrace	Application	100%	0%
EL04/2558	Barbwire Terrace	Application	100%	0%
EL04/2559	Barbwire Terrace	Application	100%	0%
EL04/2576	Barbwire Terrace	Application	100%	0%
EL04/2577	Barbwire Terrace	Application	100%	0%
EL45/5330	Barbwire Terrace	Application	100%	0%

Mining Tenements Held at End of Quarter:

Tenement reference	Project	Nature of interest	Beneficial Interest at beginning of quarter	Beneficial Interest at end of quarter
EL 1048	Kitgum-Pader	Granted	100%	100%
EL 1049	Kitgum-Pader	Granted	100%	100%
EL 1229	Kitgum-Pader	Granted	100%	100%
EL 1270	Kitgum-Pader	Granted	100%	100%
EL 1271	Kitgum-Pader	Granted	100%	100%
EL 1590	Kitgum-Pader	Granted	100%	100%
EL 1800	Kitgum-Pader	Granted	100%	100%
EL 1801	Kitgum-Pader	Granted	100%	100%
EL 1803	Kitgum-Pader	Granted	100%	100%
EL 1804	Kitgum-Pader	Granted	100%	100%
EL 1805	Kitgum-Pader	Granted	100%	100%
EL 1829	Kitgum-Pader	Granted	100%	100%
EL 1862	Kitgum-Pader	Granted	100%	100%
E45/3599	Paterson North	Granted(Farm In)	80%	80%
E45/4697	Paterson North	Granted	100%	100%
EL45/5335	Paterson North	Application	100%	100%
EL45/5336	Paterson North	Application	100%	100%
EL45/5337	Paterson North	Application	100%	100%
EL45/5390	Wallal	Application	100%	100%
EL80/5279	Bohemia	Application	100%	100%
EL04/2626	Barbwire Terrace	Application	0%	100%
EL04/2627	Barbwire Terrace	Application	0%	100%
EL04/2628	Barbwire Terrace	Application	0%	100%
EL80/5344	Wolfe Basin	Application	0%	100%
EPM27214	Clara	Application	0%	100%
EPM27215	Clara	Application	0%	100%
EPM27216	Clara	Application	0%	100%



Summary of Royalties

Project	Party	Summary Terms
Sulphur Springs (Currently under Scoping Study)	Venturex Resources	\$2 each tonne of ore from the Sulphur Springs Tenements processed to produce zinc concentrate up to \$3.7M; Strongly positive DFS completed with decision to mine expected early in 2019. Eighteen months construction period noted in DFS.
Panorama (Kangaroo Caves Deposit)	Venturex Resources	40% holder of uncapped royalty equivalent to \$2 per dry metric tonne of all ore mined and processed. Exploration underway by Venturex at Breakers
Enigma Copper (Thaduna)	Sandfire Resources NL	1.0% of the Net Smelter Return
Ashburton	Northern Star Resources Limited	1.75% Gross Royalty on all gold production from the Tenements, excluding the first 250,000 ounces of gold produced, and the Merlin Tenements; 0.75% Gross Royalty on all gold production from the Merlin tenements, excluding the first 250,000 ounces of gold produced