Sipa Resources Limited
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High Grade Nickel and Copper Intercepts at Akelikongo
Kitgum-Pader Project, Uganda
Highlights

Akelikongo

- Assays from AKD002 confirm the presence of a nickel copper sulphide bearing mafic/ultramafic sequence at Sipa's **Akelikongo** project. The high MgO* mafic-ultramafic sequence is up to 78.6m thick (58m to 136.67m) with the lower 33m (from 103m) containing nickel-copper-sulphides. This high MgO mafic-ultramafic is overlain by a pyroxenite with a footwall of felsic granulite gneiss.

- The nickel copper sulphide sequence (103 to 136.67m) includes breccia and footwall fragments (typically <0.5m) containing high grade massive nickel and copper sulphides including:

  0.5m @ 1.77% Ni and 0.06% Cu from **123.8m to 124.3m**

  0.3m @ 0.23% Ni and 3.43% Cu from **127.3m to 127.64m**

  0.24m @ 1.15% Ni and 0.02% Cu from **133.68m to 133.92m**

- These breccia fragments have been remobilised suggesting a larger more massive source zone close to or along the footwall contact, which may represent the base of the intrusion as well as the tectonic contact with the footwall gneiss. For this reason down hole EM** is being employed to determine the potential location of the massive sulphide source and the nature of the footwall contact position.

- The broader nickel and copper sulphide interval within the high MgO mafic ultramafic intrusion up hole returned

  33m @ 0.36% Ni and 0.21% Cu from **103m to 136.67m**

- The mineralisation is open in all directions.

- The stringer and disseminated mineralisation extends for around 4m into the felsic granulite gneiss indicating remobilisation and enrichment has occurred not just in the fault zone but into the footwall gneiss with the contact zone returning

  6.3m @ 0.33% Ni and 0.11% Cu from 136.67m

  The presence of massive nickel and copper rich sulphides in the breccia is evidence of high grade nickel and copper sulphide concentrating processes and will be the focus of further drilling following the EM survey.

Pamwa

- Drilling at **Pamwa** is now complete with all three holes drilled intersecting thin zones of base metal sulphides (sphalerite and galena) confirming the presence of a base-metal sulphide system. Assay results are pending.
- The drilling has a limited footprint with significant geochemical and geophysical anomalies to be tested.
- Geological logging, field mapping, recent high density surface geochemistry and surface geophysics are currently being integrated to target the next phase of drilling into this emerging project.

Regional

- Two new tenement applications give Sipa a dominant land position in the wider area prospective for intrusive nickel sulphides around Akelikongo bringing the total land position to 7296 sq km
- Recent infill nickel XRF soil sampling has indicated a number of priority targets for RAB follow up in the Akelikongo region.

*MgO refers to the amount of Magnesium Oxide or state of fractionation in the magma at the time of crystallisation. The higher the MgO value, the higher the weight % Ni can be present in the sulphide liquid in the magma.
**EM Electromagnetics

Sipa Resources Limited is pleased to announce assay results and drilling progress at its 100% owned Kitgum Pader base and precious metals project. The diamond drilling was a deeper test of both the Akelikongo Ni-Cu target and the Pamwa Zn-Pb target which were first tested to the top of the fresh rock interface by RAB drilling in June and July 2014.

Drilling commenced on the 1st February 2015 and was completed on 12 March 2015. In addition to the four diamond holes completed at Akelikongo a further three holes were drilled at Pamwa for a total of 1317.5m.

Hole	Easting	Northing	RL	Total Depth	Azimuth	Dip
AKD001	457139	396608	967	235.3	022	-60
AKD002	457090	396959	952	177.1	220	-60
AKD003	456281	397677	960	180.9	022	-60
AKD004	457237	396837	972	142.5	220	-60
PAD001	457570	381430	961	188	240	-60
PAD002	457593	381149	960	218	230	-60
PAD003	457639	381369	962	175.7	240	-60

Akelikongo

A total of four holes were drilled at Akelikongo for a total of 735.8m. Two holes, being AKD002 and AKD004, were drilled underneath the main mineralised zone, whereas

AKD001 and AKD003 were drilled to test EM conductors in the locality. Geological summaries of these holes were made in the ASX announcements dated 20 and 27 February 2015.

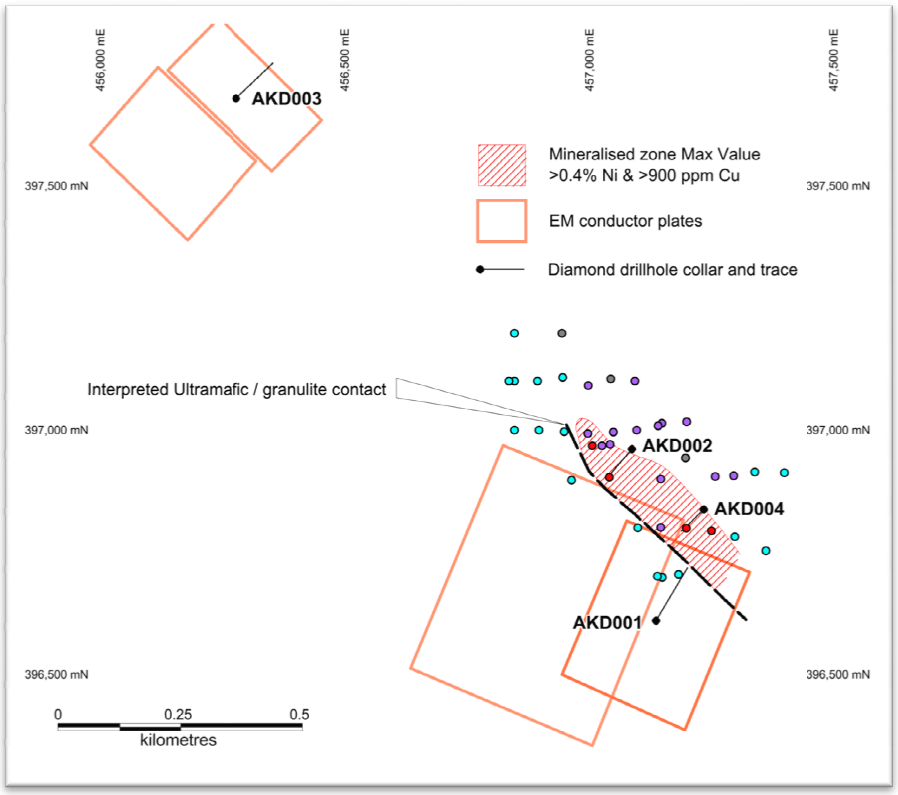

Figure 1 Akelikongo drillhole location plan and modelled EM conductor plates (refer Figure 2 for drillhole legend)

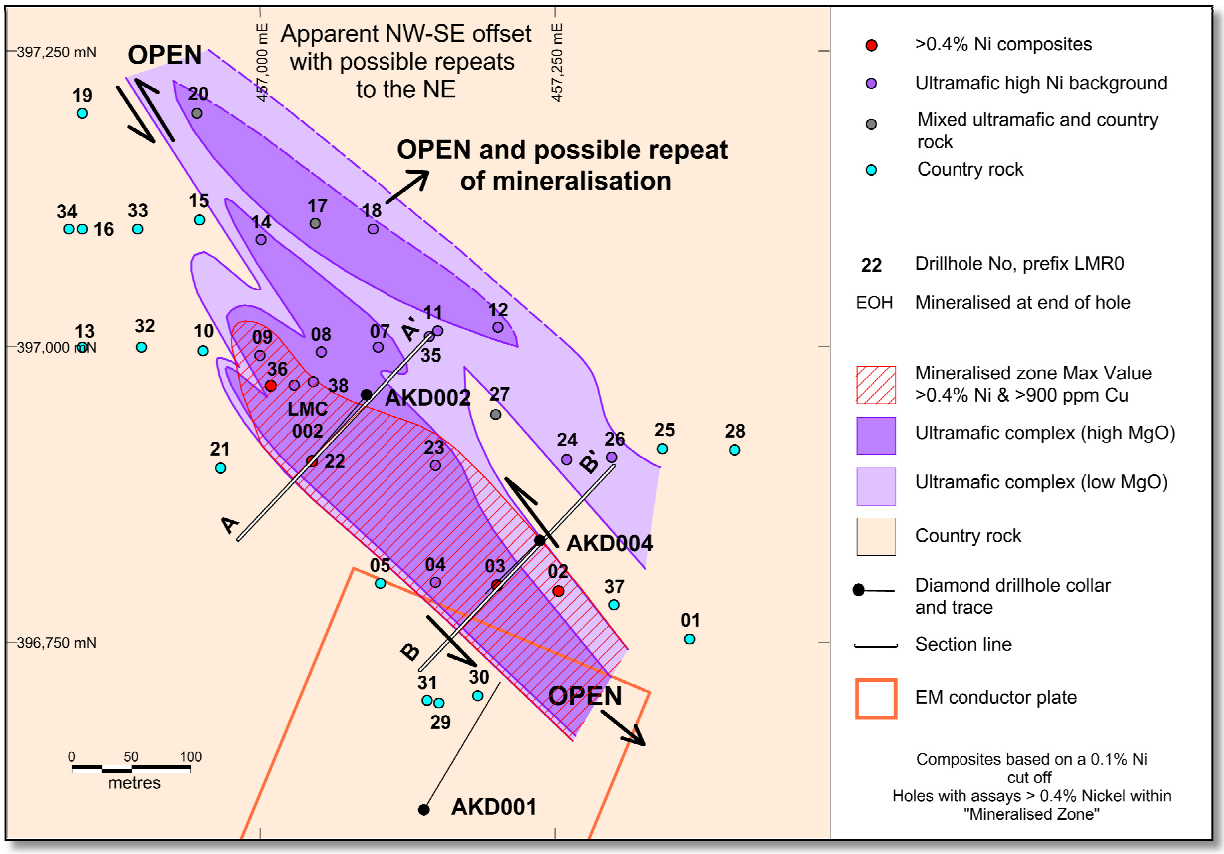

Figure 2 Plan showing drillholes AKD001, AKD002 and AKD004 in relation to known mineralised zone and EM targets.

AKD002 was drilled underneath RAB hole LMR022 which previously intersected 55m at 0.52% Ni and 0.15% Cu. (refer ASX 18 August 2014) The hole collared in granite and pegmatite and at 58m intersecte pyroxenite with 1-5% sulphides. At 103m a more MgO rich ultramafic sequence hosts a stronger zone of disseminated nickel and copper sulphides until the hole intersected the breccia zone at 123.8.m. A breccia is a zone of broken rock which can occur via tectonic or magmatic processes. The presence of breccia implies physical movement or transportation of such material.

The disseminated nickel copper sulphide zone within high MgO ultramafic from 103m to 136.7m and averages 0.36% Ni and 0.21% Cu. The zone of brecciation with large clasts up to 10cm and veins of massive and semi massive sulphide contains intercepts such as

from **123.8m to 124.3m 0.5m @ 1.77% Ni and 0.13% Cu**

from **127.3m to 127.64m 0.3m @ 0.23% Ni and 3.43% Cu**

from **133.68m to 133.92m 0.24m @ 1.15% Ni and 0.08% Cu**

These fragments of massive nickel and copper sulphide have been transported from a probably more massive source zone close to or along the footwall contact, which may represent the base of the intrusion as well as the tectonic contact with the footwall gneiss.

Below this and to the footwall contact at 136.5m, stringer veins of copper and nickel sulphide were intersected. The footwall felsic biotite granulite gneiss is mineralised as well with the stringer veins and disseminated mineralisation extending to 142.7m

This indicates mobilisation and enrichment out of the Ultramafic host and into the country rock. Table 2 shows the assay results for AKD002 and rock types for each. All other assays are awaited.

Table 2: Table of Results for AKD002

FROM	TO	Width	Cu	Ni	Mg	S	Au	Pt	Pd	Comment
m	m	m	%	%	%	%	ppm	ppm	ppm	
45	46	1	0.019	0.12	10.3	0.37	-0.001	0.01	0.001	Xenoliths within Granite dyke
46	46.7	0.7	0.013	0.11	9.5	0.26	-0.001	0.008	-0.001	Xenoliths within Granite dyke
53.7	54.3	0.6	0.028	0.22	11.3	0.51	-0.001	0.008	-0.001	Xenoliths within Granite dyke
58	59	1	0.039	0.18	17.1	0.58	0.005	0.007	0.002	Ultramafic disseminated sulphide
59	60	1	0.048	0.23	20.3	0.65	-0.001	0.009	0.002	Continues……..
60	61	1	0.053	0.29	19.2	1.07	-0.001	0.008	0.002	
61	62	1	0.064	0.28	19.7	0.89	-0.001	0.008	0.002	
62	63	1	0.057	0.23	19.7	0.98	0.001	0.008	0.001	
63	64	1	0.043	0.20	18.3	0.92	-0.001	0.01	0.001	
64	65	1	0.029	0.14	15.1	0.77	-0.001	0.007	-0.001	
65	66	1	0.053	0.21	17.2	1.27	0.001	0.008	0.001	
66	67	1	0.087	0.21	17.4	1.47	0.007	0.007	0.001	
67	68	1	0.048	0.20	18.5	1.54	0.001	0.009	0.001	
68	69	1	0.043	0.17	16.0	0.84	-0.001	0.008	0.001	
69	70	1	0.035	0.17	20.0	0.52	0.003	0.009	0.001	
70	71	1	0.048	0.23	17.9	0.97	0.001	0.008	0.001	
71	72	1	0.055	0.24	17.8	1.07	0.003	0.009	0.002	
72	73	1	0.041	0.21	17.3	0.87	0.005	0.007	0.001	Continues……..
73	74	1	0.047	0.23	18.7	0.91	0.157	0.007	0.002	
74	75	1	0.041	0.21	17.8	0.86	0.002	0.008	0.001	
75	76	1	0.029	0.18	18.9	0.61	0.007	0.009	0.001	
76	77	1	0.055	0.28	18.9	1.11	0.003	0.008	0.001	
77	78	1	0.033	0.19	18.0	0.77	0.003	0.007	0.001	
78	79	1	0.040	0.21	17.4	0.87	-0.001	0.007	0.002	
79	80	1	0.052	0.20	17.1	1.59	0.002	0.008	0.002	
80	81	1	0.036	0.17	16.5	0.92	0.001	0.008	0.002	
81	82	1	0.027	0.13	13.0	0.58	0.002	0.006	0.001	
82	83	1	0.010	0.09	12.3	0.22	0.01	0.006	0.001	
83	84	1	0.019	0.14	17.5	0.41	0.173	0.008	-0.001	
84	85	1	0.018	0.13	17.3	0.43	0.001	0.008	0.001	
85	86	1	0.025	0.13	17.4	0.59	0.199	0.009	-0.001	
86	87	1	0.027	0.14	19.0	0.64	0.001	0.007	0.001	
87	88	1	0.033	0.16	17.8	0.82	0.001	0.006	0.001	
88	89	1	0.027	0.17	18.9	0.53	-0.001	0.008	0.001	
89	90	1	0.024	0.13	14.2	0.4	-0.001	0.009	-0.001	
90	91	1	0.048	0.21	17.0	0.7	0.002	0.006	0.002	
91	92	1	0.036	0.16	17.8	0.48	0.002	0.009	0.001	
92	93	1	0.036	0.17	16.1	0.74	0.001	0.01	0.001	
93	94	1	0.047	0.22	16.4	1.05	0.001	0.006	0.001	
94	95	1	0.030	0.20	18.0	0.84	-0.001	0.005	-0.001	
95	96	1	0.050	0.22	16.7	1.07	0.002	0.008	0.001	
96	97	1	0.042	0.20	17.0	1.18	-0.001	0.009	0.001	
97	98	1	0.048	0.19	15.3	0.98	0.001	0.01	0.002	
98	99	1	0.045	0.19	15.7	1.06	0.002	0.008	0.001	
99	100	1	0.039	0.20	16.4	1.2	0.001	0.005	0.002	

FROM	TO	Width	Cu	Ni	Mg	S	Au	Pt	Pd	Comment
m	m	m	%	%	%	%	ppm	ppm	ppm	
100	101	1	0.032	0.17	18.6	0.6	-0.001	0.008	-0.001	
101	102	1	0.024	0.15	19.6	0.35	-0.001	0.006	-0.001	
102	103	1	0.032	0.16	18.4	0.53	0.001	0.008	0.001	
103	104	1	0.070	0.40	17.2	2.22	0.005	0.006	0.002	
104	105	1	0.090	0.33	15.5	2.05	0.001	0.01	0.004	
105	106	1	0.117	0.42	17.8	2.78	0.005	0.01	0.004	
106	107	1	0.088	0.35	17.2	2.31	0.003	0.013	0.004	
107	108	1	0.169	0.30	18.3	2.06	0.003	0.008	0.003	
108	109	1	0.105	0.36	20.2	2.41	0.005	0.008	0.004	
109	110	1	0.107	0.35	19.0	2.48	0.005	0.009	0.004	
110	111	1	0.099	0.31	19.0	1.99	0.004	0.008	0.004	
111	112	1	0.111	0.34	19.4	2.42	0.003	0.009	0.002	
112	113	1	0.081	0.27	17.8	1.74	0.002	0.01	0.002	
113	114	1	0.077	0.26	17.9	1.78	0.003	0.011	0.003	
114	115	1	0.086	0.31	16.4	2.26	0.017	0.011	0.003	
115	116	1	0.077	0.26	13.6	1.89	0.003	0.012	0.003	
116	117	1	0.089	0.27	15.3	2.02	0.006	0.009	0.003	
117	118	1	0.089	0.31	16.6	2.23	0.003	0.01	0.003	
118	119	1	0.091	0.21	11.0	1.51	0.005	0.01	0.003	
119	120	1	0.057	0.21	5.9	1.61	-0.001	0.007	0.002	
120	121	1	0.085	0.26	14.1	1.83	0.002	0.008	0.003	
121	122	1	0.072	0.26	14.3	1.78	0.008	0.008	0.002	
122	123	1	0.087	0.29	15.2	1.99	0.004	0.008	0.003	
123	123.8	0.8	0.045	0.18	11.7	1.05	0.005	0.007	0.002	
123.8	124.3	0.5	0.131	1.77	4.8	>10.0	0.01	0.007	0.009	Massive Sulphide
124.3	125	0.7	0.236	0.41	13.8	3.52	0.068	0.01	0.003	Breccia
125	126	1	0.074	0.17	5.8	1.35	0.016	0.009	0.009	Breccia
126	127	1	0.174	0.10	5.1	0.85	0.024	0.008	0.003	Breccia
127	127.3	0.3	0.432	0.08	4.6	0.81	0.012	0.007	0.001	Breccia
127.3	127.64	0.34	3.430	0.23	5.0	5.11	0.047	0.01	0.052	Massive Sulphide
127.64	128	0.36	0.682	0.59	10.4	5.28	0.012	0.008	0.002	Breccia
128	129	1	0.191	0.53	14.4	4.03	0.011	0.007	0.007	Breccia
129	130	1	0.065	0.37	10.7	2.85	0.017	0.005	0.005	Breccia
130	131	1	0.130	0.53	14.9	4.48	0.007	-0.005	0.009	Breccia
131	132	1	0.093	0.42	9.7	3.28	0.001	-0.005	0.006	Breccia
132	133.68	1.68	0.077	0.39	11.9	3.19	0.003	-0.005	0.004	Breccia
133.68	133.92	0.24	0.083	1.15	3.0	6.92	0.001	0.007	0.011	Massive Sulphide
133.92	135	1.08	0.018	0.11	11.1	0.63	-0.001	-0.005	0.001	Breccia
135	136	1	0.008	0.06	13.9	0.21	-0.001	-0.005	-0.001	Breccia
136	136.67	0.67	0.076	0.16	12.8	1.23	-0.001	-0.005	0.002	Breccia
136.67	137	0.33	0.147	0.58	2.3	3.79	0.001	-0.005	0.005	Stringers in footwall gneiss
137	138	1	0.107	0.42	2.5	3.04	0.005	-0.005	0.006	Continues……..
138	139	1	0.105	0.21	2.7	2.3	0.002	-0.005	0.003	
141	142	1	0.097	0.26	2.3	3.42	0.002	-0.005	0.005	
142	142.7	0.7	0.079	0.17	2.5	2.34	0.001	0.006	0.003	
146	147	1	0.059	0.07	1.8	2.6	0.002	-0.005	0.003	Felsic gniess
147	148	1	0.057	0.05	2.6	2.39	0.005	-0.005	0.004	Continues……
149	150	1	0.066	0.09	2.1	2.99	0.003	-0.005	0.003	
153	154	1	0.003	0.02	2.3	0.21	0.001	-0.005	0.006	
166	167	1	0.022	0.02	2.2	1.52	0.002	-0.005	0.003	
174	175	1	0.029	0.02	2.6	1.58	-0.001	-0.005	0.003	

Pamwa

Three diamond drill holes were drilled at Pamwa for a total of 581 m. Figure 3 is a location plan of the drilling.

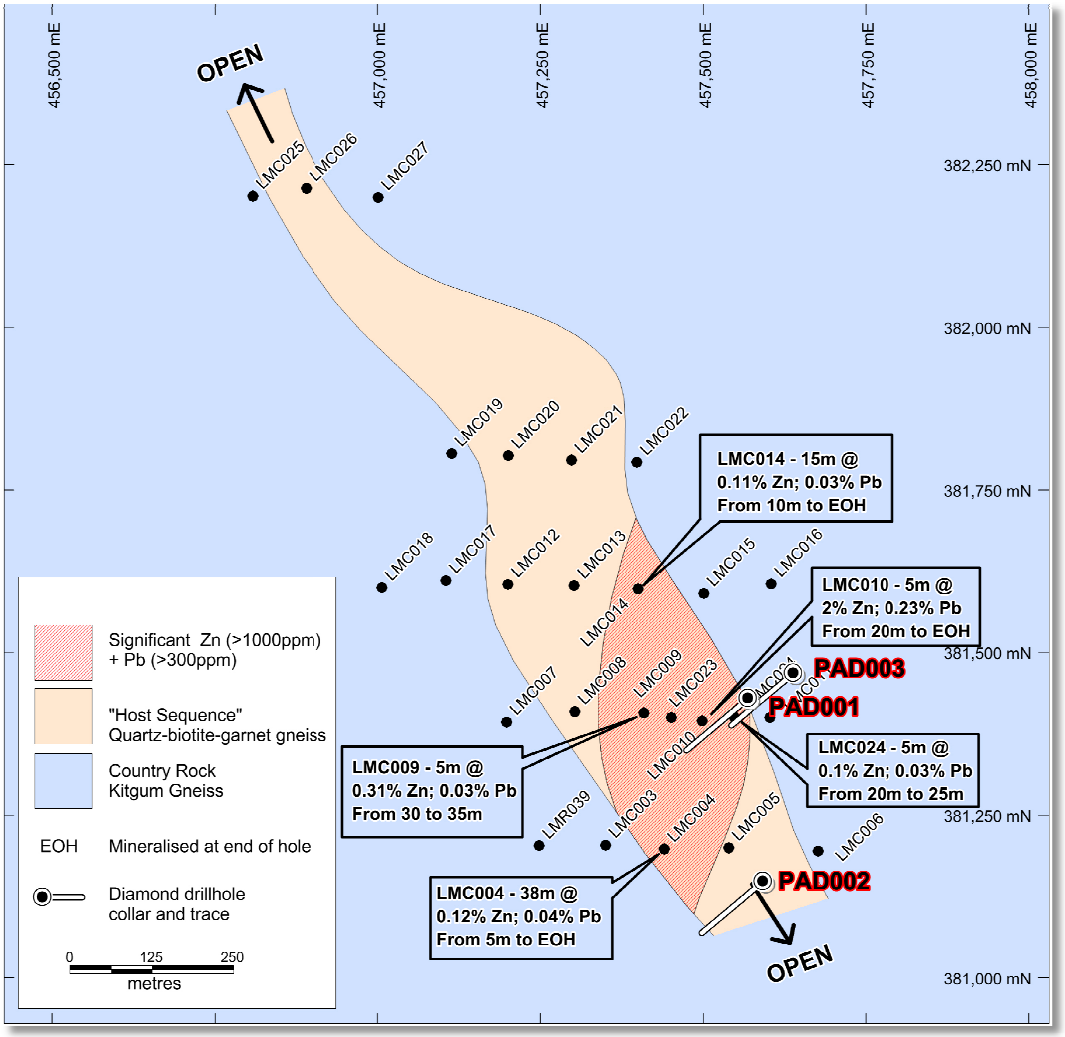

Figure 3 Pamwa drillhole location plan with RAB geology and significant Zn Pb intercepts.

PAD001 was drilled beneath LMC010 to test the 5m @2% Zn intersection in a fresh rock position and at the same time to test an IP anomaly. The hole intersected sphalerite mineralisation in two places: a one metre zone at 80m containing a number of 5cm bands of massive sphalerite and minor galena within a quartz biotite garnet schist, and a 30cm shear zone at 165.5m containing several small (<1mm) sphalerite veins. The mineralised zones are generally parallel to the foliation but complex folding and deformation is also present at a number of scales elsewhere in the hole.

PAD002 was drilled 200m to the south of PAD001 and was designed to test the 60 millisecond Pole Dipole IP anomaly. The hole intersected a similar quartz biotite garnet schist and which also contained a one metre zone at 110m containing shear bands with visible sphalerite and fine grained galena. This region of the IP survey remains a focus as PAD002 does not contain enough sulphide to explain the strong IP anomaly.

PAD003 was drilled 75m behind PAD001 to determine a possible dip for the drilled mineralised intersections. The hole intersected two zones containing sphalerite at 104m and 137m. The intersection at 104m is very similar in texture and mineralogy to the sphalerite intersection at 80m in PAD001, giving an apparent dip of roughly 20 degrees to the north east - if projected to the surface, this corresponds with the southern of the two distinct geochemical anomalies in soil sampling. The second sphalerite intersection at 137m is hosted within a small (30 cm) shear zone associated with a pegmatite dyke. The apparent dip of this shear zone does not line up with the mineralised shear zone present in PAD001, suggesting either a series of similar shears or complex folding and deformation in the area.

Selected core samples are enroute to the laboratory for analysis.

Some interesting alteration minerals have been observed during the Pamwa drilling program such as spessartine garnet (manganiferous) and plumbian feldspar (lead rich), both of which are present at Broken Hill.

The drilling has confirmed the presence of a base metal sulphide system at Pamwa with different styles of primary mineralisation, suggesting a complex, multi-episodic mineralisation history. The complexity is not unexpected. Assay results are pending.

Regional Potential for further nickel sulphide mineralisation around Akelikongo.

Infill soil sampling over the last three months has confirmed the prospectivity of the Akelikongo region, as suggested in ASX announcement dated 4 December 2014 (Refer Figure 4). The sampling has resulted in a number of new targets being defined for follow up RAB drilling in 2015. In response, Sipa has increased its tenement holding in the area by the application for two additional tenements. Figure 5 shows the new applications and their proximity to the Akelikongo area.

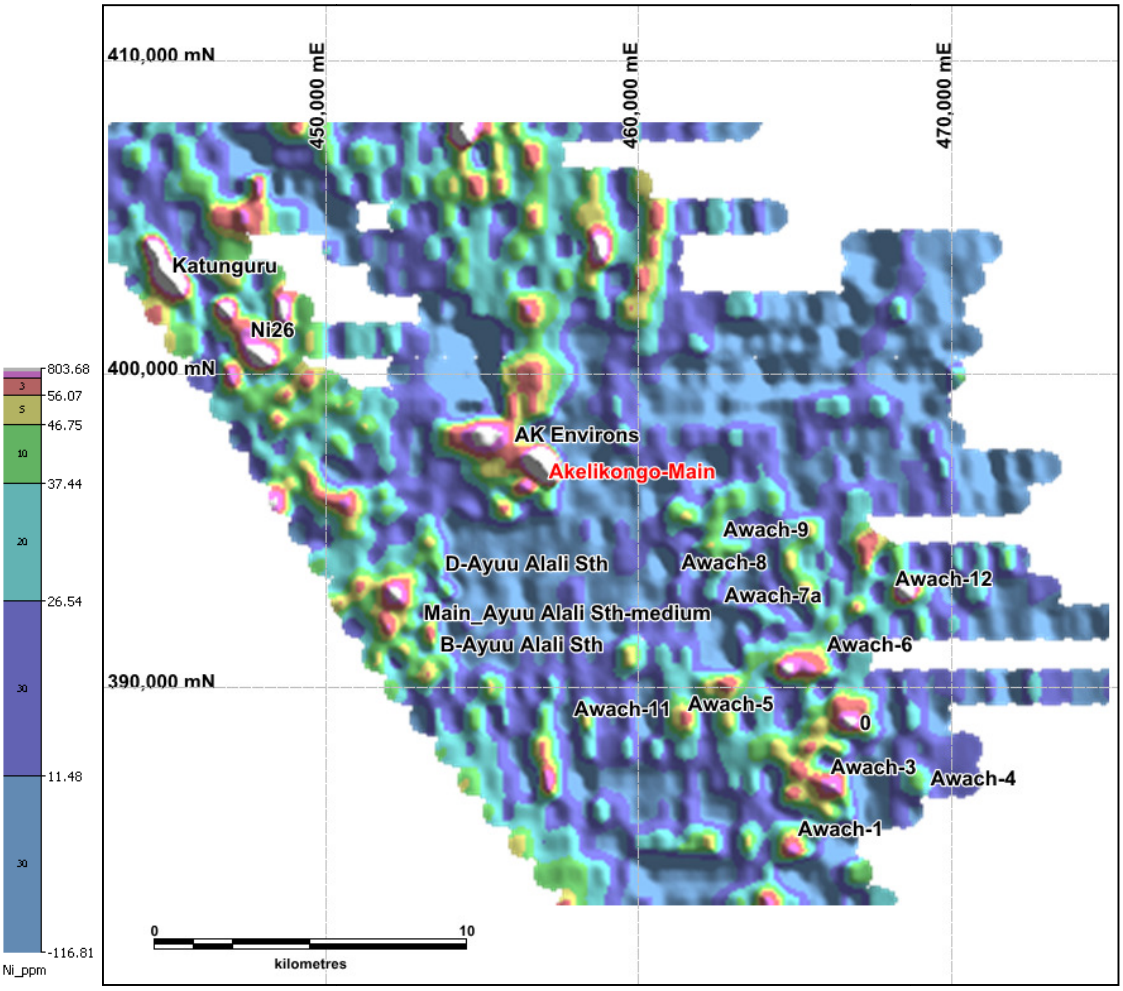

Figure 4 Plan of Akelikongo Regional Nickel Targets

A comparison of Sipa's dominant ground position in Northern Uganda to the Fraser Range of Western Australia, where numerous junior companies are actively exploring in the attempt to emulate Sirius' success with the Nova Bollinger nickel sulphide discovery, is included as Figure 5. A number of companies including Sirius have identified other magmatic Nickel Sulphide mineralisation showing that a larger mineral district exists with potential for multiple deposits. The Fraser Range has a similar tectonic position to Kitgum Pader on an Archean cratonic margin.

Sipa's dominant interest in the newly identified Kitgum Pader mineral district is shown below and compared at the same scale to the Fraser Range mineral district.

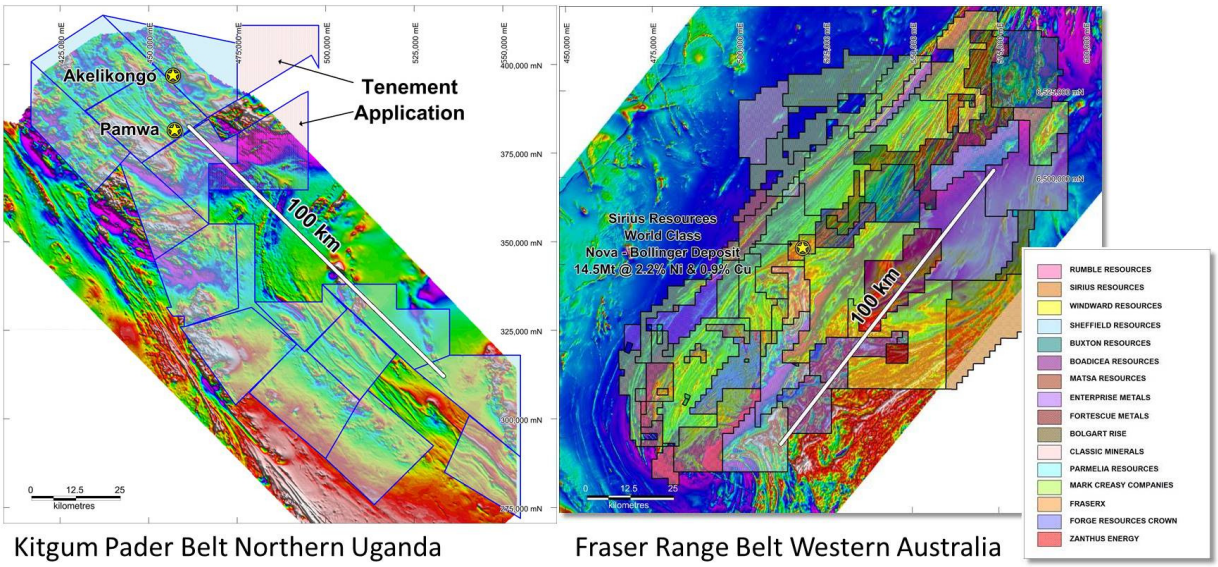

Figure 5 Comparison of Scale Kitgum Pader to Fraser Range Belt

Forward Program

During February proceeds were received from the sale of the Sandfire shares received from the sale of Thaduna. These funds will continue to be applied to the programs in Uganda.

Down Hole EM will commence during the week and will survey all diamond drillholes at both Pamwa and Akelikongo. The downhole EM data will be used to identify additional diamond drilling targets.

Planning is also underway for a RAB drilling program over the newly identified regional nickel copper sulphide soils targets at Akelikongo.

Background

The Kitgum-Pader Base and Precious Metals Project comprises 18 exploration licences, covering 7296 square kilometres in central northern Uganda, East Africa. The Project was generated following the acquisition in 2011 of relatively new airborne magnetic/radiometric data sets over East Africa, and the subsequent geological/metallogenic interpretation of the data sets.

During field reconnaissance in December 2011, rocks were recognised as being strikingly similar to the host 'Mine Series' sequence at the giant Broken Hill Lead-Zinc-Silver Deposit in NSW, Australia, to the northwest of Kitgum, Uganda. Since that time, Sipa has taken over 50,000 soil samples had been collected, along with geological mapping by Nick Archibald. The results of the field work and subsequent drilling of soil targets have led to the discovery of 2 potentially economic mineral systems.

- The Broken Hill-style Lead-Zinc-Silver, at **Pamwa**; and
- the Intrusive hosted Nickel-Copper sulphide mineralisation at **Akelikongo**.

Akelikongo is one of the standout Ni-Cu-PGE soil anomalies identified to date. The element association and shape of the anomaly led Dr Jon Hronsky to interpret this as a possible "chonolith" being a fertile host for nickel sulphides within a mafic-ultramafic intrusive complex.

At **Akelikongo,** the first pass RAB drilling results confirmed a mineralized Nickel Copper sulphide system, related to an ultramafic intrusive complex. Almost all the RAB intersections are open to the depth of drilling.

The most significant intercepts from composite sampling returned results such as

- **LMR002 38m at 0.27% Ni** from 0 to EOH including 8m at 0.43% Ni from 30m to EOH
- **LMR003 46m at 0.45% Ni and 0.15% Cu** from 0 to EOH
- **LMR022 55m at 0.52% Ni and 0.15% Cu** from 0 to EOH

A petrological report by Dick England describes and confirms the ultramafic intrusive host rocks to the mineralisation with the fresh sulphides being confirmed as pyrrhotite and pentlandite which host the nickel and minor chalcopyrite hosting the copper, typical of many intrusive hosted nickel sulphide systems.

All of the above results were previously reported in ASX reports dated 23 June and 18 August 2014.

The **Pamwa** Zn, Pb, Ag & Cd soil anomaly was first pass drilled using RAB during July and resulted in the discovery of a Broken Hill Type Zn Pb, Cd, Ag mineralised system.

Results included

- **LMC010 5m* @ 2.00% Zn, 0.23% Pb, 97 ppm Cd and 2.4 ppm Ag** from 20m
- **LMC004 38m* @ 0.12% Zn, 0.04% Pb, 1.9 ppm Cd** from 5m
- **LMC014 15m* @ 0.11% Zn, 0.03% Pb, 2.6 ppm Cd** from 10m

* These shallow holes all ended in Zn mineralisation (refer ASX 26 August 2014)

These intercepts are located within a wider Zn, Pb, Ag, Cd anomalous zone defined by a 1000ppm Zn contour and an even larger 1000ppm Manganese (Mn) anomalous zone defined as the “geological host sequence”.

The host sequence to the mineralisation has a north-northwesterly trend and extends for over a kilometre. The mineralisation occurs in both weathered and fresh quartz-biotite schist extending over 600m with garnet characterised in both footwall and hanging wall sediments. The regional tectonostratigraphy dips moderately to the north east (striking northwest) oblique to the mineralisation indicating the mineralisation is structurally controlled. The recently completed IP data confirms this interpretation.

The laboratory data shows a strong association between Zn-Pb-Cd-Mn a characteristic element suite of Broken Hill style of mineralisation. The sulphides present in LMC010 also show the association with Ag. The drilling conducted so far is very shallow and hence there are limitations with our understanding of the complex geology and element interaction. However, the drilling has clearly indicated that **Pamwa** is a Broken Hill Type Zn-Pb mineralised system.

Major mining houses have scoured the world for decades in an attempt to discover the next Broken Hill Type Deposit. Sipa has demonstrated that such world class deposits could be discovered at **Pamwa** and within the extensive Zn rich **Ayuu Alali** soil horizons defined by soil sampling during 2013. These horizons contain many of the characteristics described as being typically associated with Broken Hill type SEDEX deposits, via local geochemical associations, geological observations, and the broader interpreted tectonostratigraphic setting of a rifted reactivated mobile belt of probable lower to mid Proterozoic age.

The information in this report that relates to Exploration Results is based on, and fairly represents, information and supporting documentation compiled by Ms Lynda Daley, a who is a Member of The Australasian Institute of Mining and Metallurgy. Ms Daley is a full-time employee of Sipa Resources Limited. Ms Daley 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 Daley consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

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JORC Code, 2012 Edition – Table 1 report template

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	See Drill sampling techniques
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• Drill type is diamond. HQ coring from surface then reduced to NQ from fresh rock. • Core oriented using Spear for AKD001 and AKD002 and Reflex ActII RD Rapid Descent Orientation from AKD003 onwards
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• Sample recoveries measured using tap measure. • Occasional core loss. mostly 100% recovery. Core loss marked on Core blocks

Criteria	JORC Code explanation	Commentary
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• Logging has not yet been completed.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• NQ core has been sawn in half and geological intervals generally at one metre, but appropriate to specific visual mineralisation have been taken • Sample preparation is using commercial Laboratory Method which includes drying, sieving and pulverizing.Core samples are crushed to 70% -2mm prior to pulverizing. • Pulverising then split to 85% <75um
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• Multielement assaying was done via a commercial laboratory using a four Acid digest as a total technique with and ICP-AES finish and 30g Fire Assay for Au Pt Pd with ICP finish • Lab Standards were analysed every 30 samples
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• This is an initial drill test into a newly identified prospect. No verification has been completed yet. • Twinned holes are not considered necessary at this stage • Data entry is checked by Perth Based Data Management Geologist

Criteria	JORC Code explanation	Commentary
		• Assays have not been adjusted
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Drill holes have been located via hand held GPS.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• No Mineral Resource or Ore Reserve Estimation has been calculated
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• To early to comment on. This is an initial drilling program
Sample security	• *The measures taken to ensure sample security.*	• Samples are accompanied to Entebbe by a Sipa employee. Until they are consigned by air to Johannesburg.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• no reviews have been undertaken as yet.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.*	• The results reported in this Announcement are on granted Exploration Licences held by Sipa Exploration Uganda Limited, a 100% beneficially owned subsidiary of Sipa Resources Limited. • .At this time the tenements are believed to be in good standing. There

Criteria	JORC Code explanation	Commentary
tenure status	• *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	are no known impediments to obtain a license to operate, other than those set out by statutory requirements which have not yet been applied for.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Extensive searches for previous exploration have not identified any previous mineral exploration activity.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The Kitgum-Pader Project covers reworked, high grade metamorphic, Archaean and Proterozoic supracrustal rocks heavily overprinted by the Panafrican Neoproterozoic event of between 600 and 700Ma. The tectonostratigraphy includes felsic ortho- and para-gneisses and mafic and ultramafic amphibolites and granulites and is situated on the northeastern margin of the Congo Craton. The geology and tectonic setting is prospective for magmatic Ni, Broken Hill type base metal and orogenic Au deposits
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* ○ *easting and northing of the drill hole collar* ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* ○ *dip and azimuth of the hole* ○ *down hole length and interception depth* ○ *hole length.* • *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	• Reported in Text
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.*	• All assay results have been reported. Where data has been aggregated a weighted average technique has been used.

Criteria	JORC Code explanation	Commentary
	• *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• It is interpreted that these widths approximate true width.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• Reported in Text.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• All assay results are reported.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• As Reported within the text of the announcement
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• As reported in the text