



Sipa Resources Limited

ASX Code

SRI

# Sipa's Exploration Activities

1/10/2015

Northern Uganda



# Corporate



**Sipa Resources is a Perth-based ASX listed base metal and gold exploration company with a proven track record.**

| Capital Structure             |                 | Top Shareholders           |              |
|-------------------------------|-----------------|----------------------------|--------------|
| ASX Code                      | <b>SRI</b>      | Terry & Suzanne Kahler     | <b>5.5%</b>  |
| Shares (ordinary)             | <b>705m</b>     | Acorn Capital Limited      | <b>5.25%</b> |
| Options (Listed) 7.5c Nov '15 | <b>134m</b>     | Rodiv NSW P/L Pension Fund | <b>4.1%</b>  |
|                               |                 | Geocrust P/L               | <b>1.8%</b>  |
| Share Price (31/08/15)        | <b>5.3c</b>     | Mike and Deirdre Doepel    | <b>1.5%</b>  |
| Market Cap                    | <b>A\$37.4m</b> | Directors & Management     | <b>1.0%</b>  |
| Cash (at 30/06/15)            | <b>A\$6.17m</b> | Total in Top 20            | <b>26.0%</b> |



# Highlights – 2014/2015



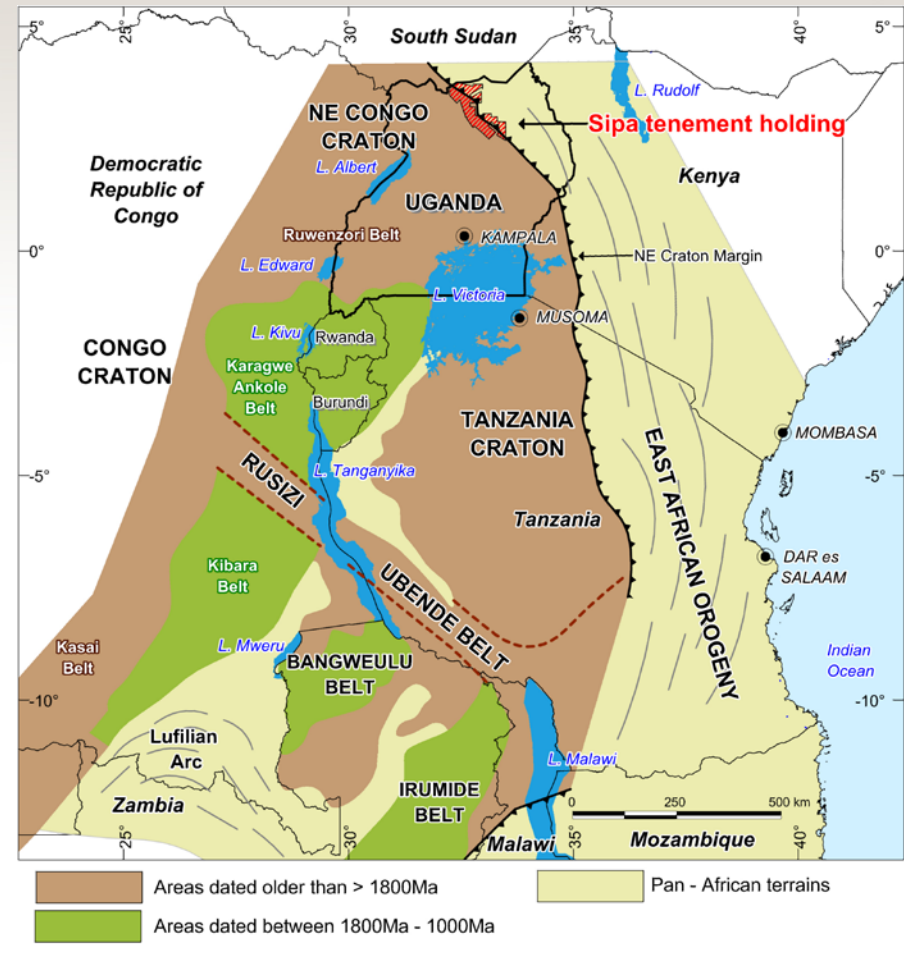
- › Discovered two nickel sulphide mineralised intrusive systems at **Akelikongo**, over 500m strike and **Akelikongo West** containing wide zones up to 100m of disseminated sulphides 0.24-0.5% Nickel and 1-4m zones of massive sulphides 1-2% Nickel.
- › Raised \$AUD6.1 million in June through Placement and SPP **oversubscribed**
- › Drilled Zinc (Lead Silver Cadmium) mineralisation at **Pamwa**
- › Commenced gold exploration program





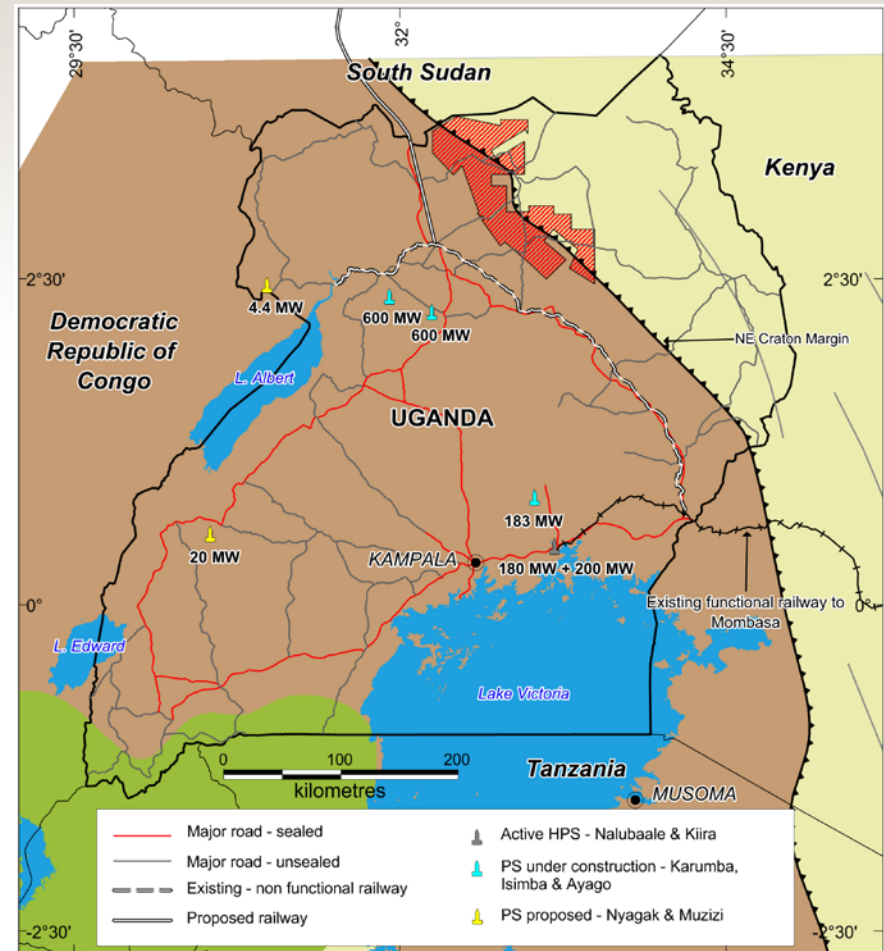
# Location and East African Geology

- › Sipa's investment was as a result of World Bank, Nordic Bank, African Development Bank and DGSM funded consortium which generated new geological and geophysical data sets and mineral potential information
- › Highly prospective geology on margin of Congo super-craton.



# Infrastructure - improving

- › New Hydro stations under construction
- › Railway project (Chinese funded)
- › Road upgrade current from Gulu to Sudan (Chinese funded)
- › Road north of Lira, dirt



# Benefits to the local communities



Vocational training



Local employment



Micro-business making soap



Days For Girls - lesson



Days For Girls – receiving kits



Days For Girls – local tailors sewing kits



# Akelikongo Background



- › XRF soil anomaly  
>1000ppm Ni,  
>500ppm Cu
- › Nickel expert Jon Hronsky predicts  
“chonolith” or pipe  
hosted Nickel Sulphide  
intrusive system
- › RAB drill to bedrock  
discovers magmatic Ni  
and Cu sulphide  
LMR022 returns 20m  
at 1% Ni and 0.25% Cu  
from 1m
- › Ground EM conductors

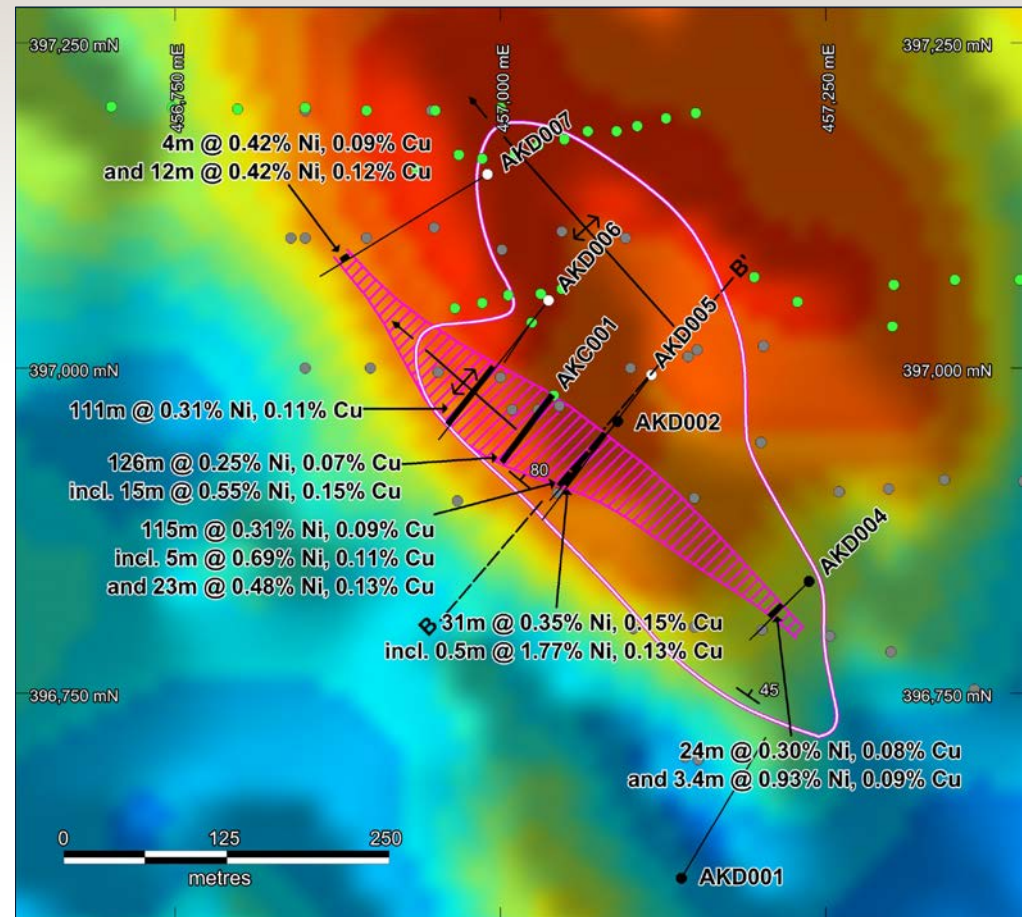


In March 2015. Diamond hole AKD002 confirms disseminated Ni Sulphide zone of 33m @0.36% Ni and 0.21% Cu and breccia zone containing assays up to **1.7% Ni and 3.4% Cu**



# What is Akelikongo ?

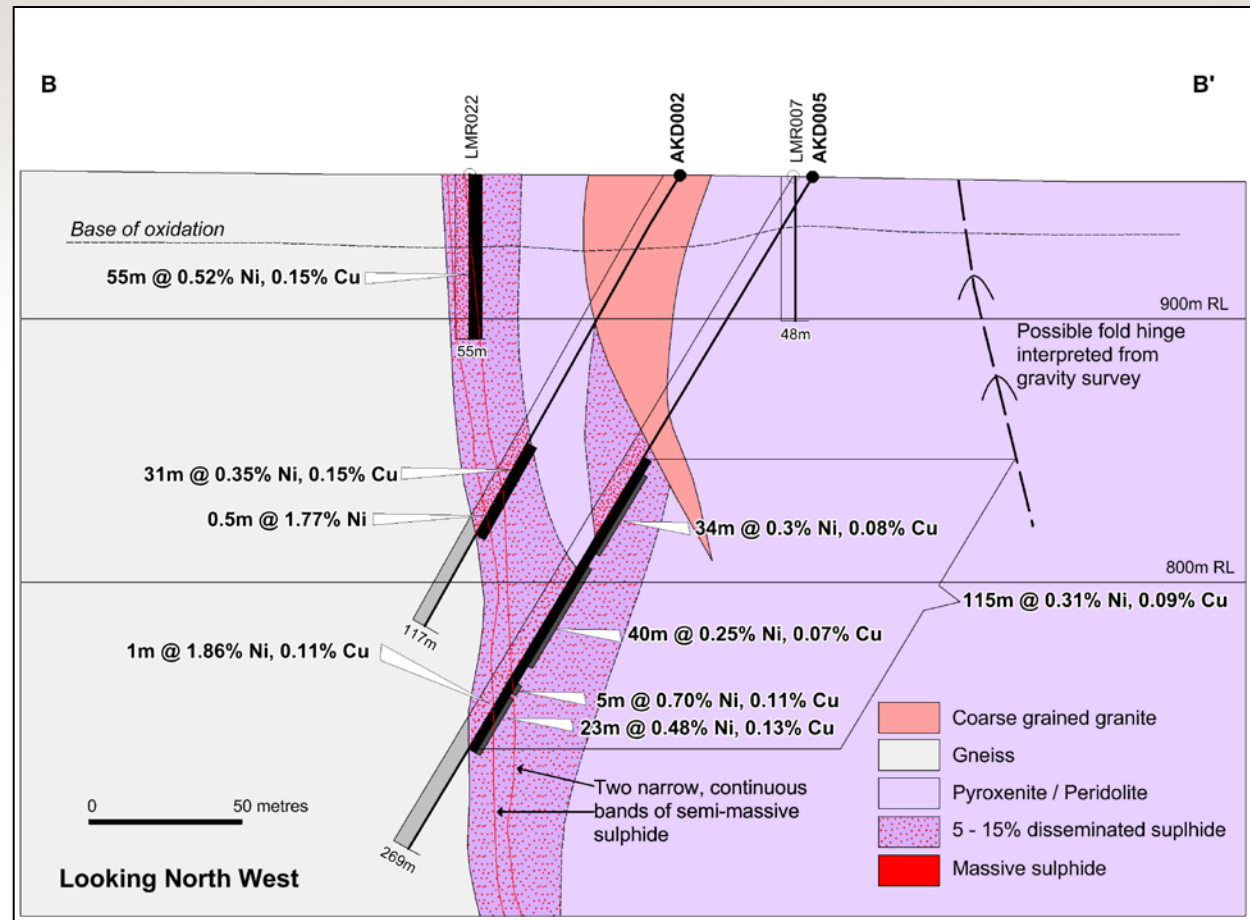
- › Wide zones of disseminated Ni Cu sulphides >100m down hole over 500m of strike (pink striped zone)
- › Footwall breccia contains zones of massive sulphides probably sources from deeper in the system





# Akelikongo Discovery - Section B – B'

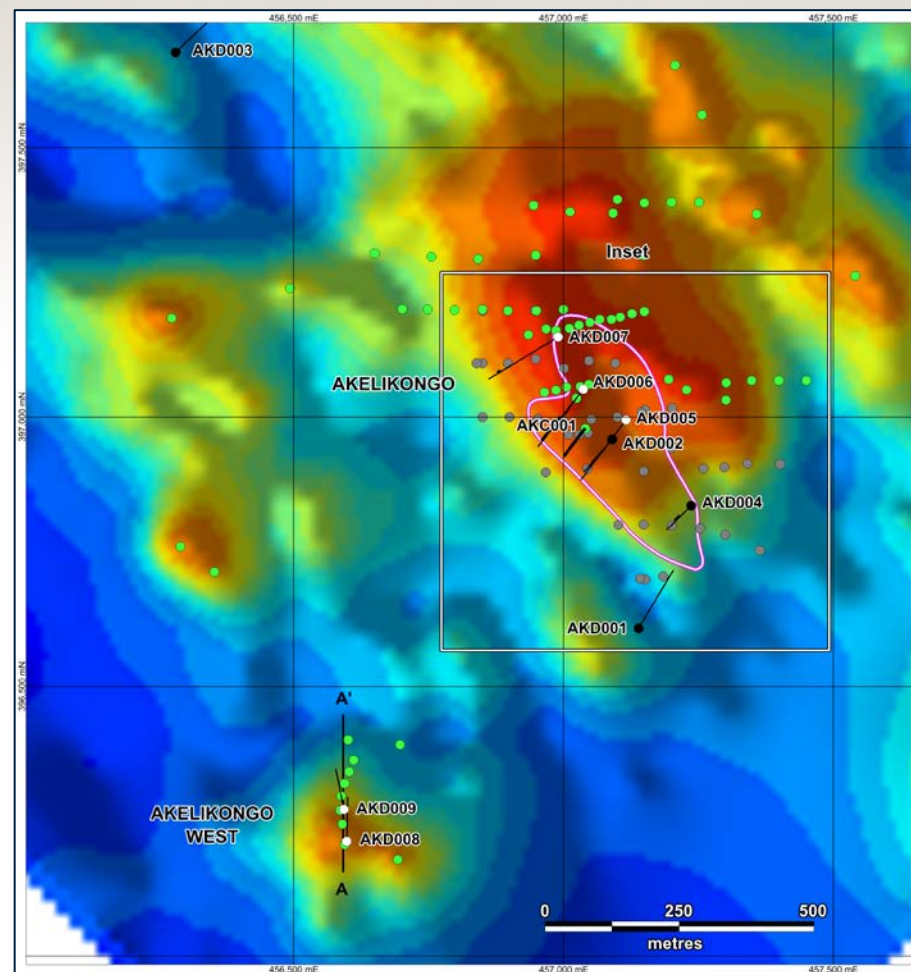
- › Continuous zone of disseminated Ni and Cu sulphides
- › Strong continuity of massive sulphide zones.



# Akelikongo West Discovery

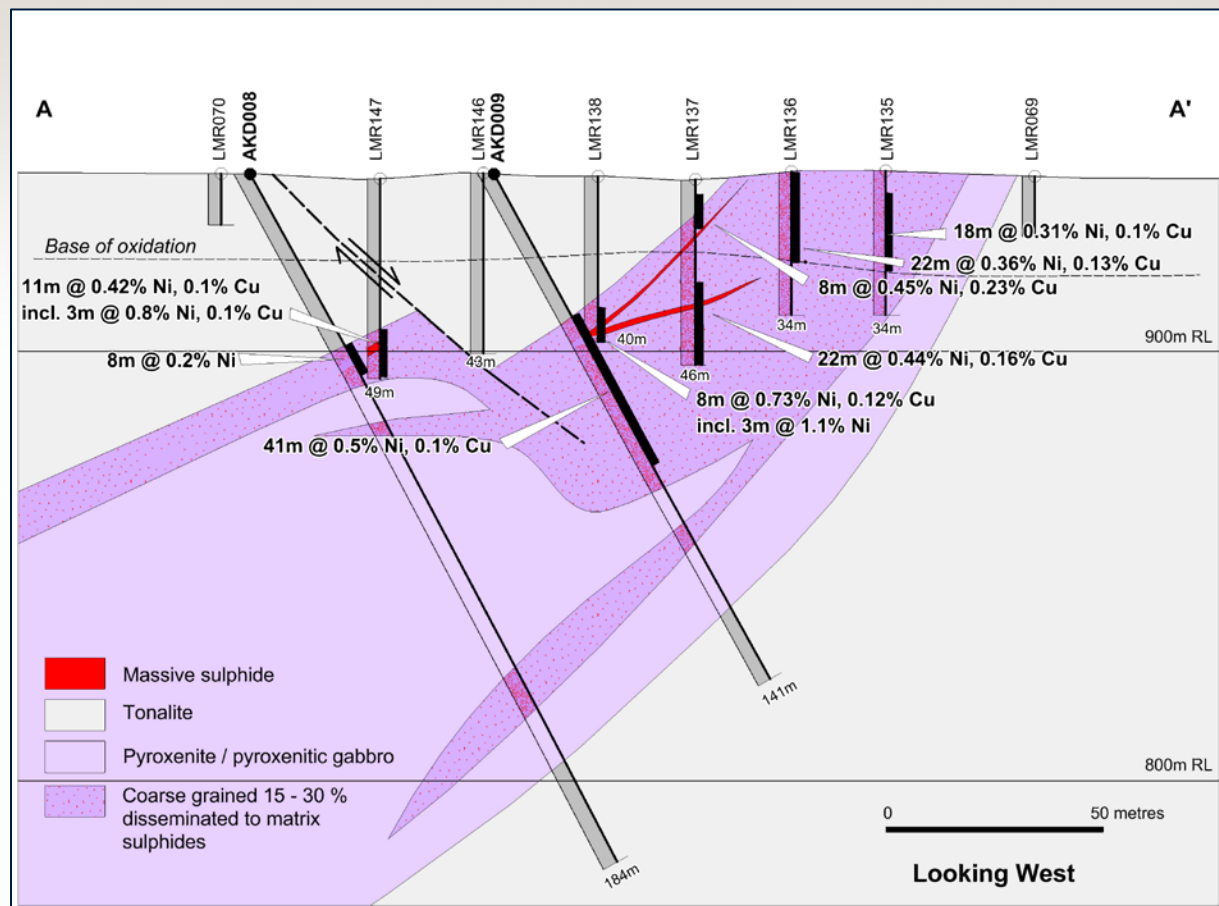


- › Ni and Cu in soil anomaly
- › Followed up 25 by 25m peak 1780ppm Ni and 542ppm Cu
- › Co-incident gravity high anomaly



# Akelikongo West Discovery – Section A-A'

- › RAB drilling LMR137  
8m at 0.73% Ni  
including 3m at 1.1% Ni
- › Diamond hole AKD009  
returned  
41m at 0.5% Ni and  
0.1%Cu

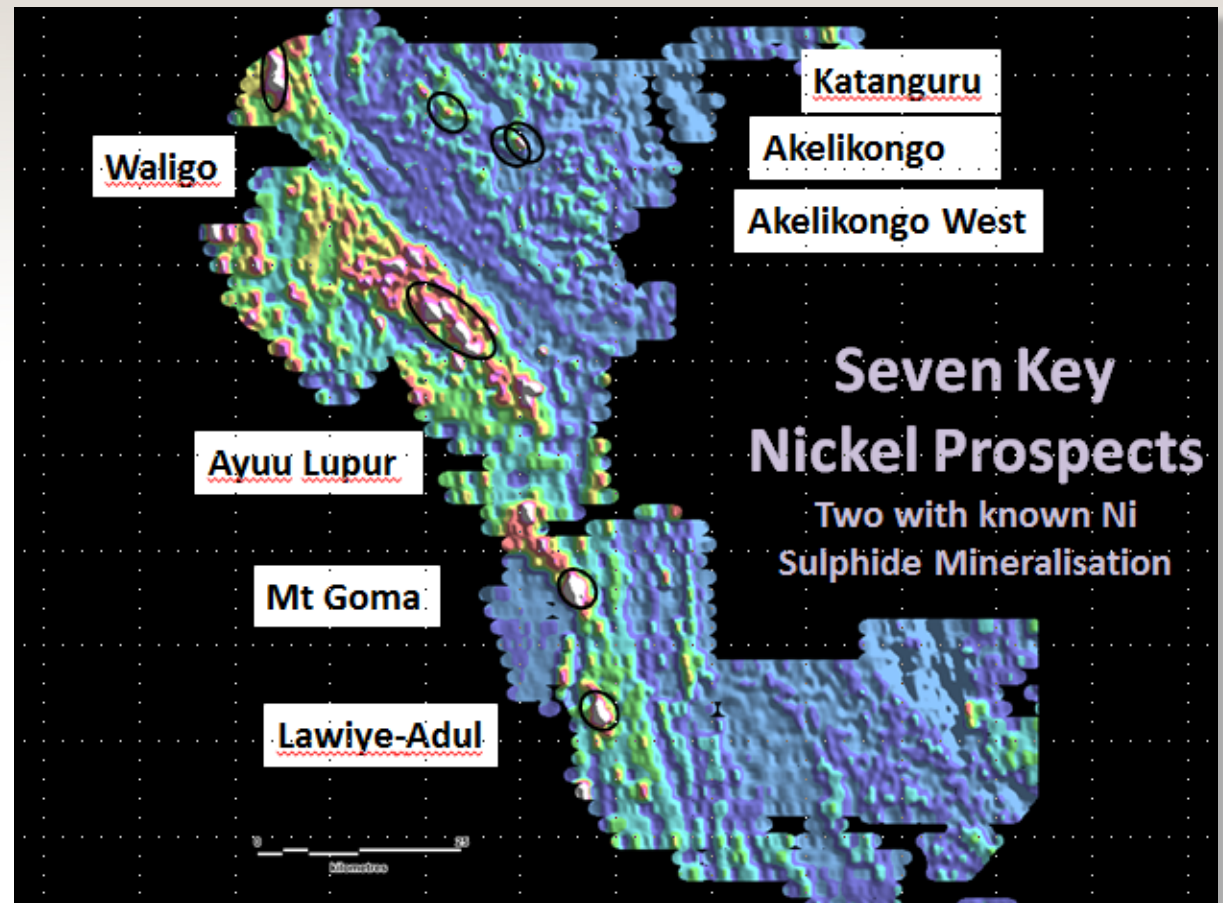




# Regional Nickel Prospects



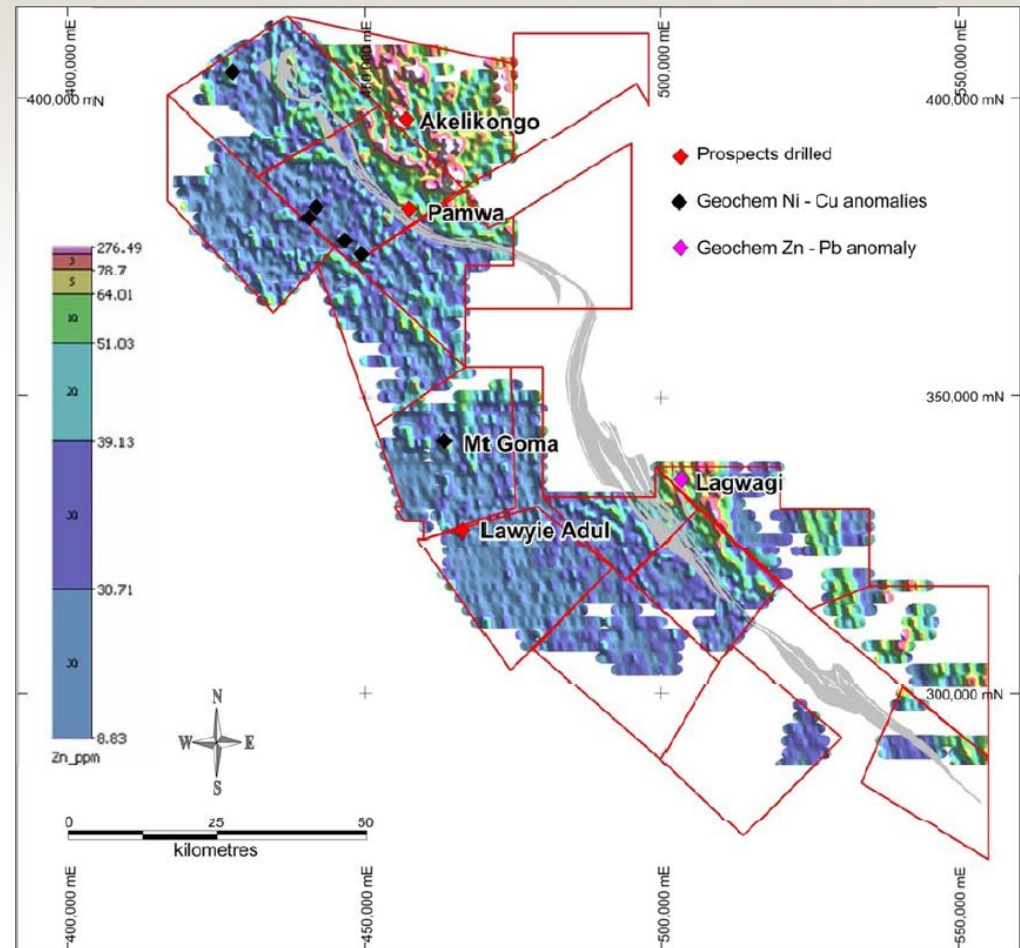
- › Image shows pXRF Ni values
- › Prospects in the east are associated with ultramafic intrusions 2 out of 3 (Akelikongo and Akelikongo West) are known to host Nickel sulphides
- › Prospects in the west are associated with the Aswa Archean greenstone and Nickel sulphide potential unknown



# Regional Zinc Prospects



- › Image of Regional Zn from XRF soils
- › Grey zone shows the interpreted lithostratigraphic boundary east of which lie all the known Zinc targets
- › Further defined and diamond drilled Pamwa
- › RAB test at Lagwagi



# Regional Zinc Prospects - Pamwa Background

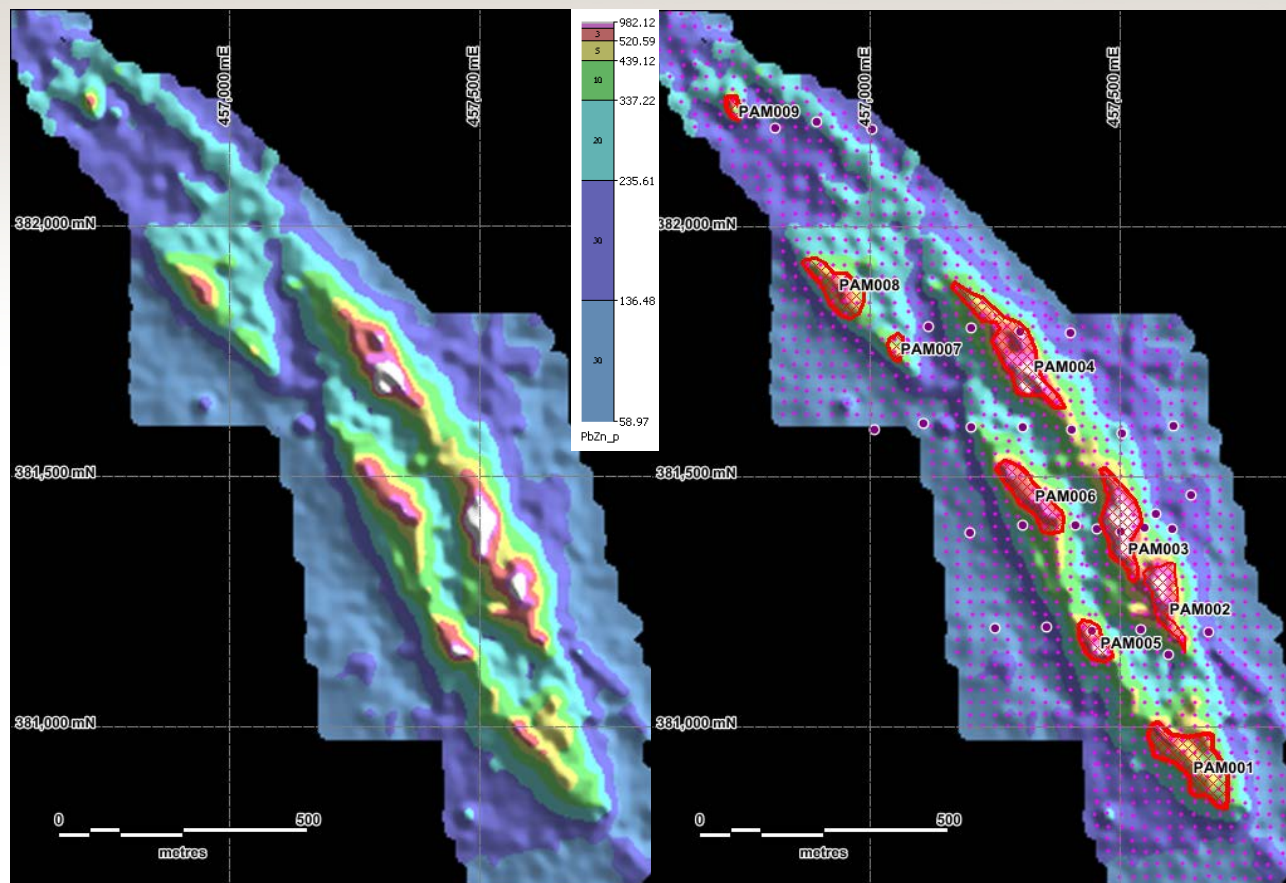
- › Rock pile at Palabek Kal that looked like Broken Hill Mine Series gneisses and led to the initial pegging of tenements in 2012
- › pXRF soil sampling defined Zn, Pb, Mn (Cd,Ag) anomaly
- › RAB drilling best result 5m@2% Zn





# Regional Zinc Prospects- Pamwa

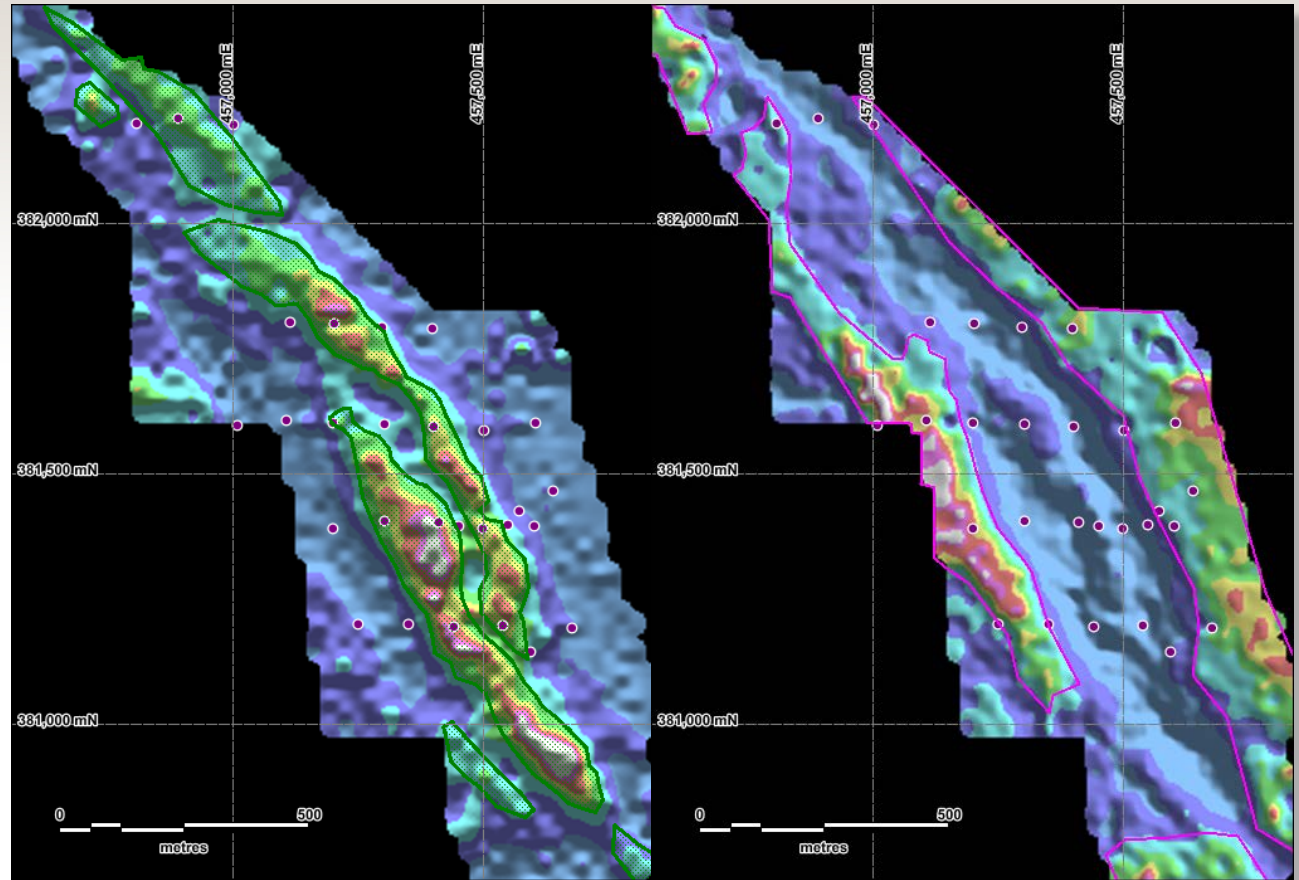
- › Additional 25m by 25m soils have extended anomaly to over 1800m.
- › Nine Pb+Zn anomalies defined.
- › Only 3 of these anomalies (3, 4 and 5) have been effectively tested by drilling and all three intersected Pb-Zn mineralisation.



# Regional Zinc Prospects- Pamwa

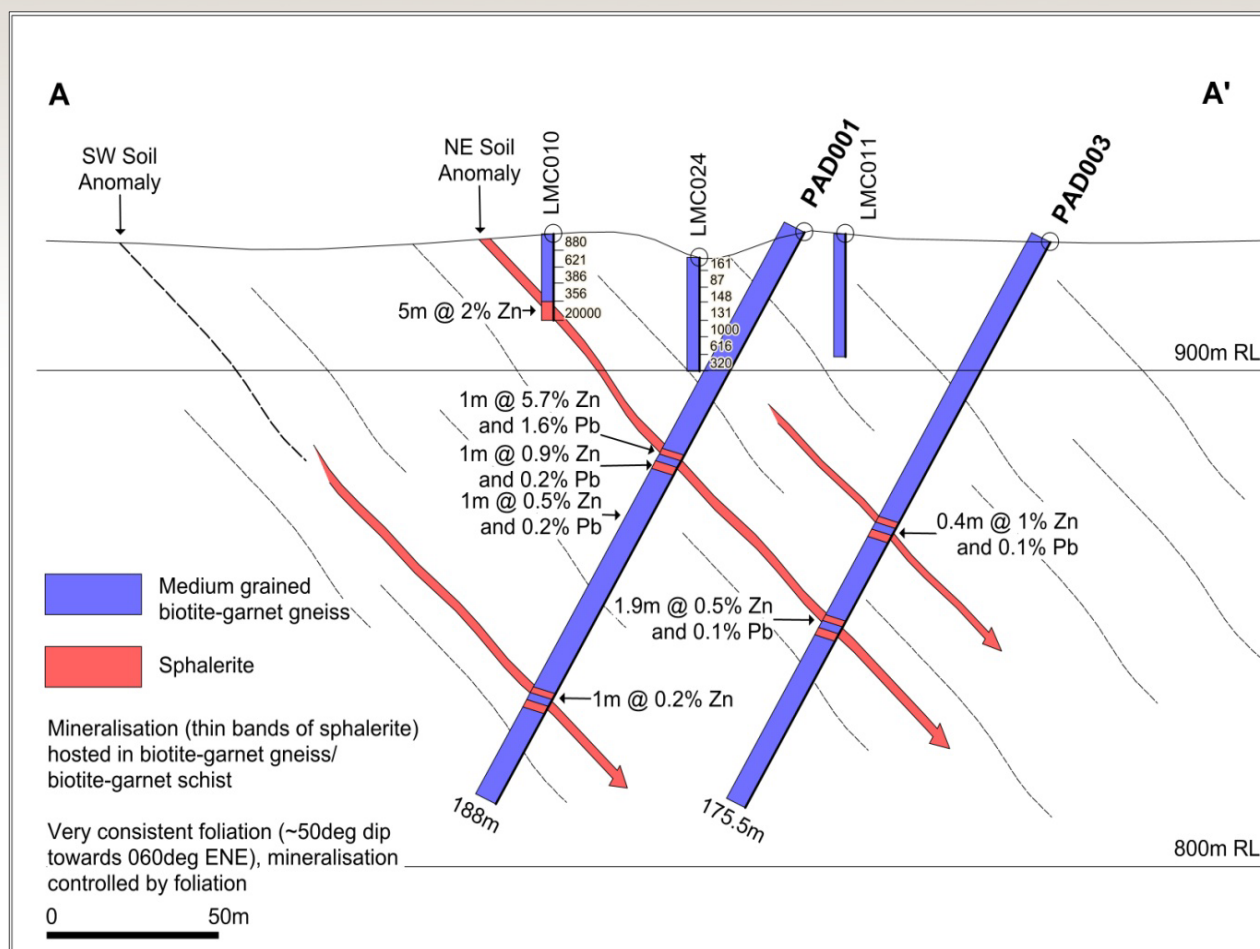


- › Anomalies show lithostratigraphic control
- › The Pb – Zn anomalies are typically hosted by a lithology characterised by mafic derived elements Fe-Cu-Zn-Ca-Cr-Ti
- › Granitic/felsic derived lithology on the footwall and hanging wall characterised by Rb-K-Zr-Y



# Regional Zinc Prospects- Pamwa Section

- › PAD001 and 3 tested soil anomaly PAM003
- › Best results 1m @ 5.7% Zn, 1.6% Pb, 14.7ppm Ag and 256ppm Cd
- › Further drill testing of other anomalies required

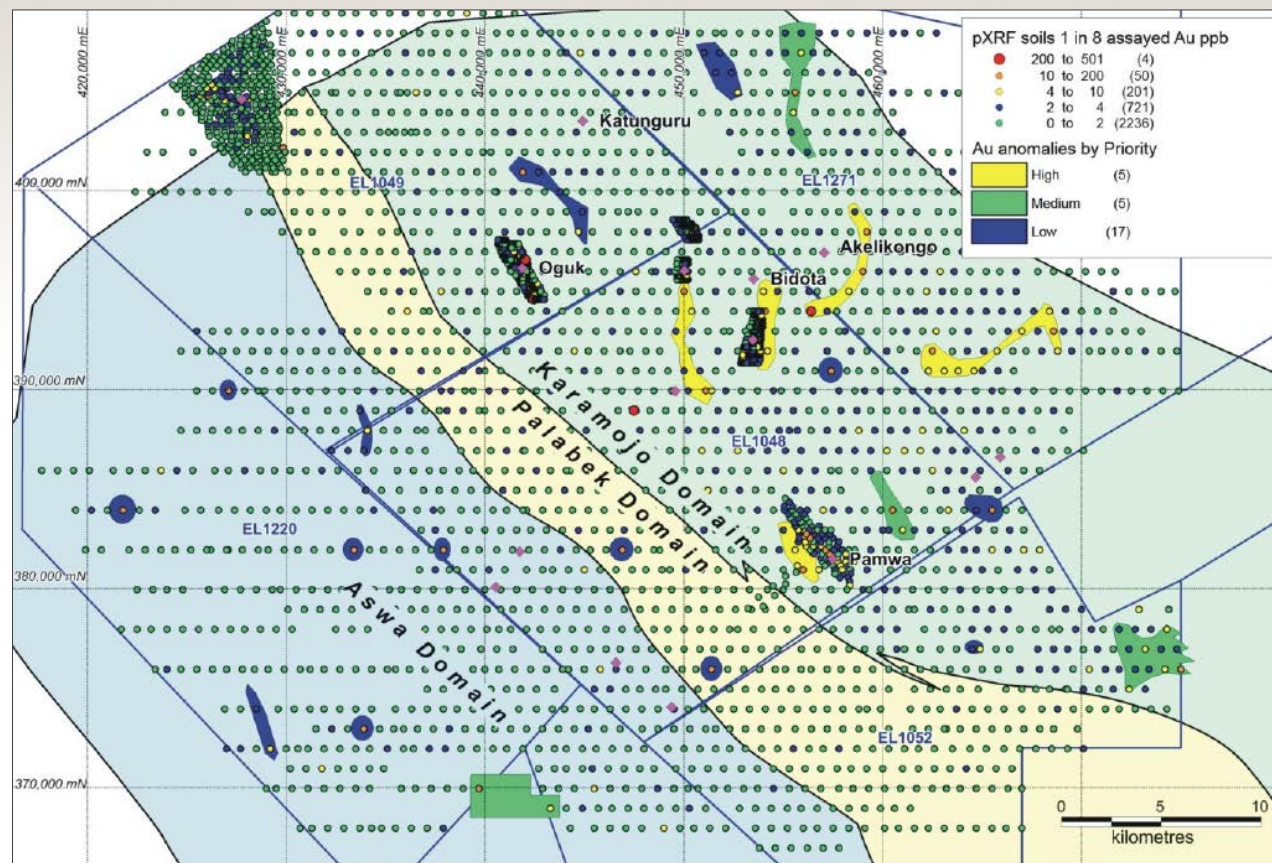




# Regional Gold Prospects



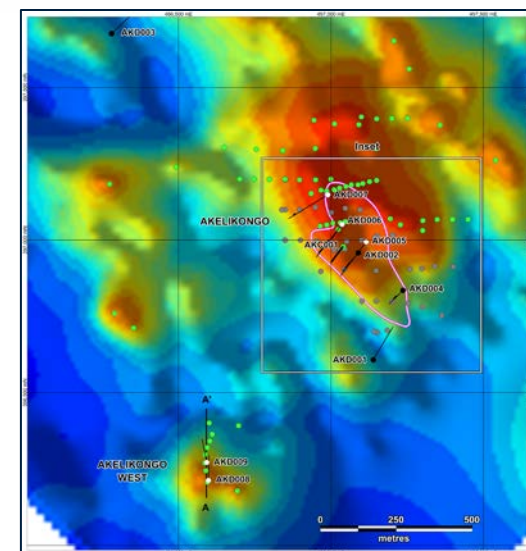
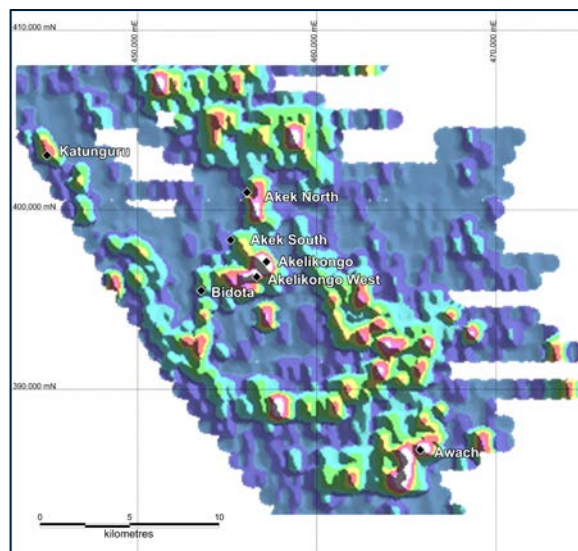
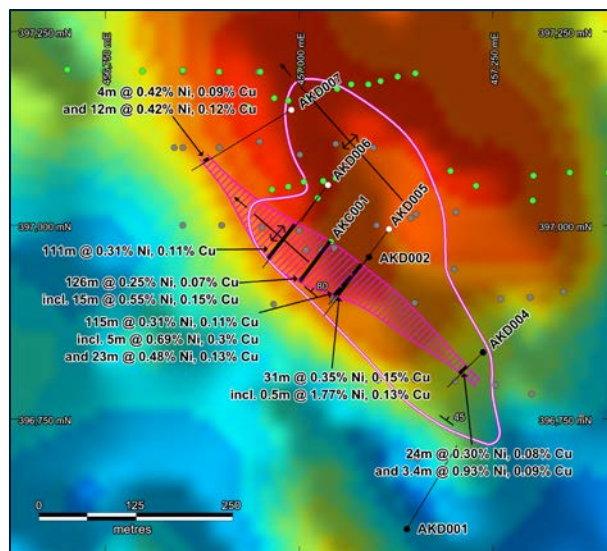
- › Program involves lab assaying of 1 in 8 of the original pXRF soils
- › High priority anomalies with multiple samples marked in yellow.
- › Currently infilling these anomalies using further existing pXRF soil packets inside the anomaly shape



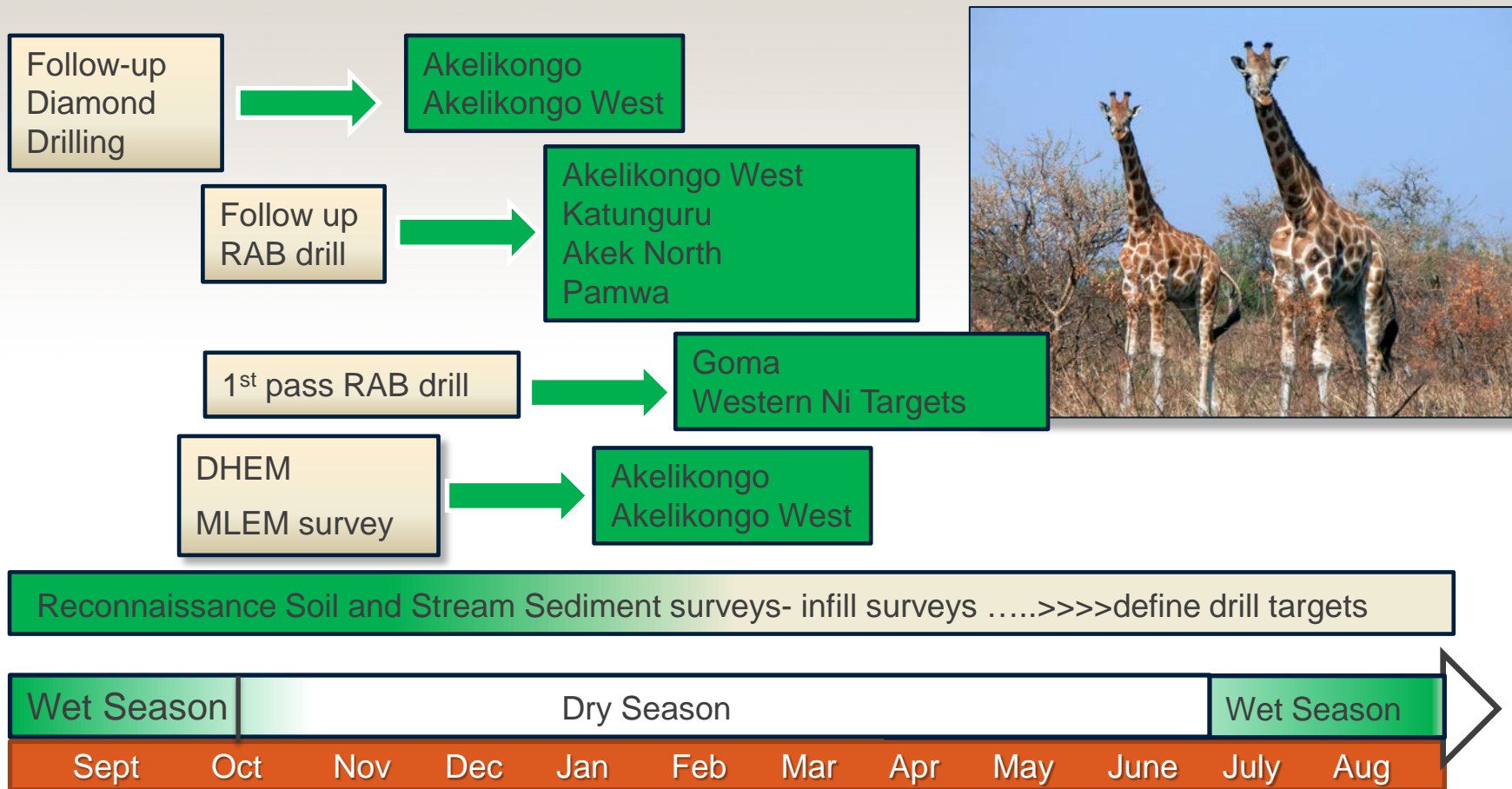
# Future Direction



- › Drill Akelikongo and Akelikongo West looking for high grade massive sulphide zones
- › Continue RAB drilling of new priority Nickel Sulphide, Lead-Zinc and Gold soil targets
- › Diamond drill new targets discovered during RAB drilling to discover further mineralised systems



# Timeline 2015/16





# Sipa's experience doing business in Uganda

- ✓ Removal of VAT for exploration companies
- ✓ Removal Mineral Export Ban is a big step in the right direction
- ✗ Shortage of efficient and experienced exploration drilling companies in Uganda
- ✗ Import duties on exploration drilling rigs sourced from outside the country
- ✗ No in country assay laboratories
- ✗ Bureaucratic delays in exporting samples out of the country to assay laboratories

**Exploration is high risk and expensive and needs to be encouraged and supported by investment friendly policies**  
**– otherwise these investment \$ will go elsewhere**



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The information in this report that relates to the exploration results previously reported in the ASX Announcements dated 30 June 2015, 27 July 2015, 24 August 2015 and 27 August 2015. The Company is not aware of any new information or data that materially affects the information included in those relevant market announcements.







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