Sipa Resources Limited
ABN 26 009 448 980

13 November 2015

EM and Drill Results - Akelikongo

HIGHLIGHTS

- The newly conducted ground moving loop EM surveys (MLEM), have identified a number of strong late time conductors inside the modelled Akelikongo and Akelikongo West ultramafic chonoliths
- Results for the most recent drilling program of five diamond holes (AKD010-014) at Akelikongo and Akelikongo West have been received. Assays show the nickel and copper sulphide content increases towards the chonolith base as predicted by the new model with a disseminated and blebby sulphide mineralised zone of 15m @ 0.3% Ni and 0.13% Cu from 238m including a minor semi-massive sulphide zone assaying 1.35% Ni in AKD014
- In addition, downhole EM has detected a number of off hole conductors in addition to characterising known sulphide mineralisation.
- Diamond drilling will commence early next week in order to test the down plunge position of the Akelikongo chonolith where it coincides with a late time EM conductor in the vicinity of AKD007.

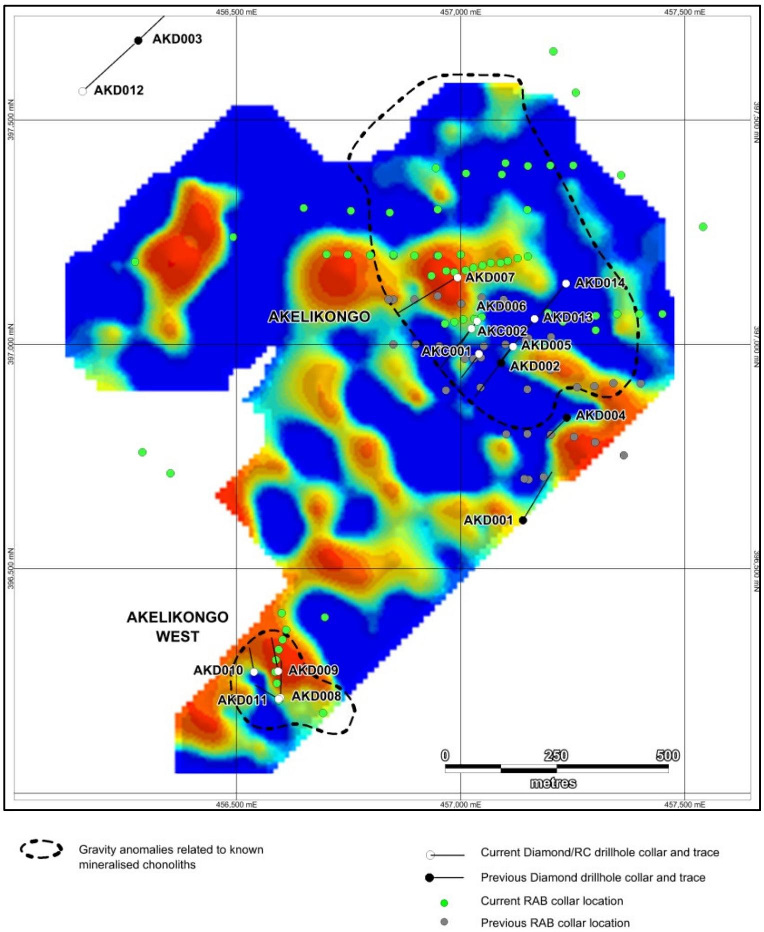

Figure 1: Drill hole locations on late channel EM image – Akelikongo area

Sipa Resources Limited (ASX: SRI) (the "Company" or "Sipa") is pleased to announce results from the down hole and moving loop EM surveys and assays from the recently completed program at **Akelikongo** and **Akelikongo West.**

As reported in the ASX release of 8 October 2015, 5 holes were completed for 1089.6m (Table 1).

Hole	UTME	UTMN	RL	Total Depth	Dip	Azimuth
AKD010	456539	396270	942	104.96	-60	350
AKD011	456594	396210	942	96.71	-60	294
AKD012	456157	397564	935	292.13	-60	47
AKD013	457165	397057	944	301	-62	220
AKD014	457235	397136	944	294.79	-65	220

Table 1 Drillhole location and depth

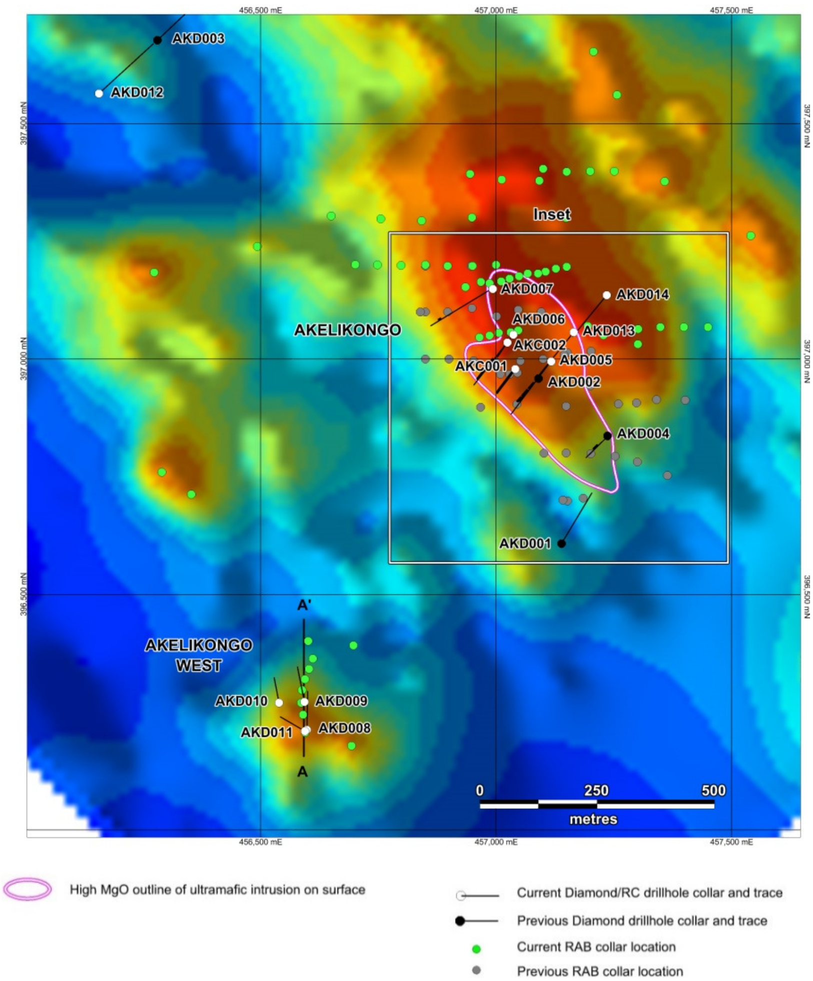

Figure 2 Drill hole locations on residual gravity image – Akelikongo area

Akelikongo

Assay results from AKD014 show that the nickel and copper magmatic sulphide system now extends across the intrusive complex as defined by gravity and generally increases in sulphide content towards the base as predicted. The zone of disseminated nickel and copper sulphide has increasing zones of magma mixing from around 140m with the strongest zone towards the base of the intrusion assaying 15m at 0.3% Ni and 0.13% Cu from 238m with a small massive sulphide zone from 249.7 to 249.92 assaying 1.35% Ni and 0.26% Cu (Figure 3). All assay results are tabled in Appendix 1.

The mineralised sequence drilled in AKD014 is like that encountered in holes AKD002 and AKD005, confirming the base and sides of the pipe are the prospective zones to explore. Results from AKD013 show nickel values generally less than 0.1% Ni with low sulphur values of 0.1% to 0.2% with nickel located in the silicate phases of the peridotite. Figure 4 shows section B- B' through the Akelikongo Ultramafic complex showing the recent drilling and updated geological interpretation.

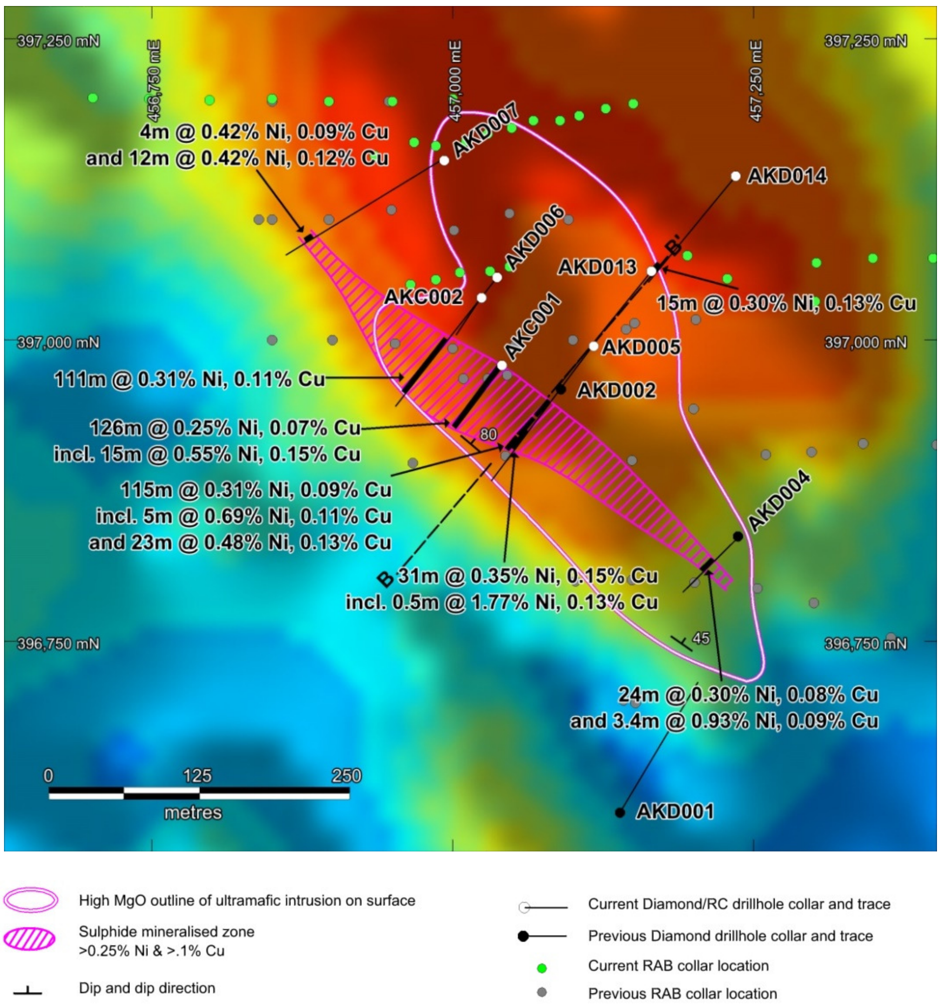

Figure 3: Drill hole results at Akelikongo on residual gravity image.

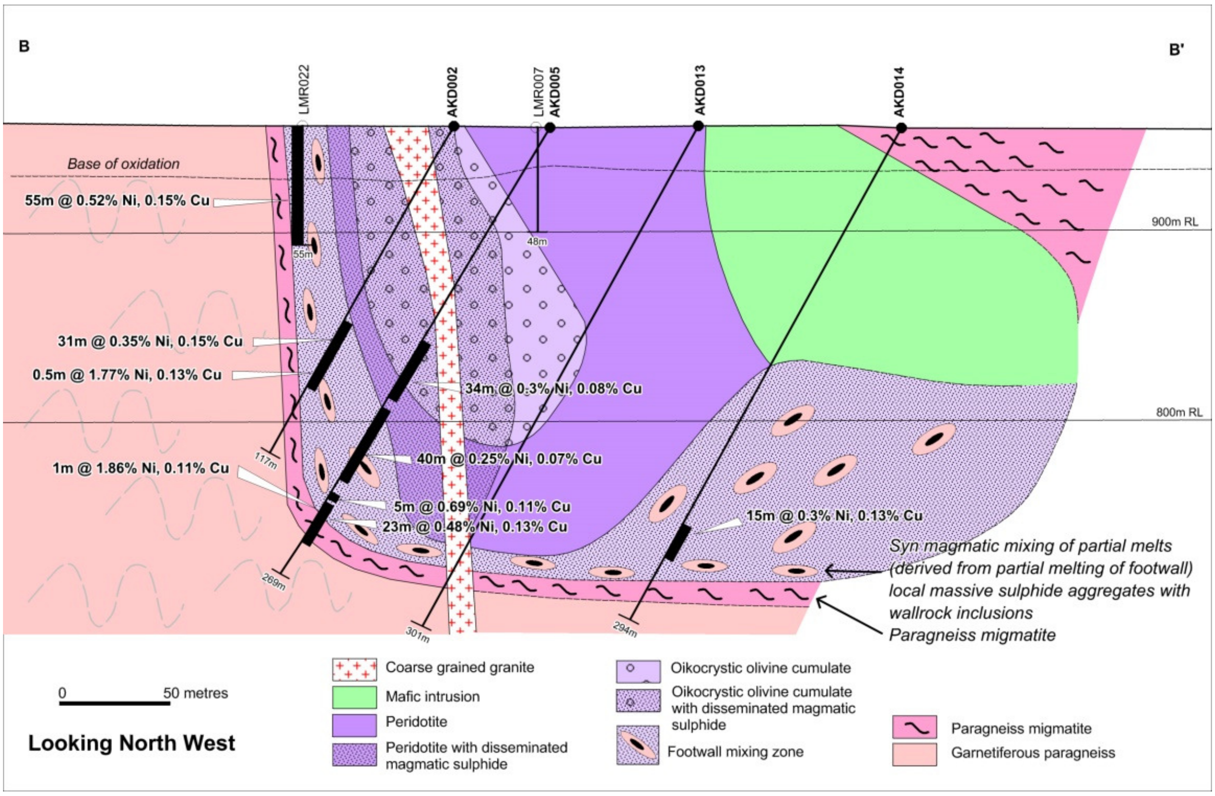

Figure 4: Section B-B' showing drill section across Akelikongo Intrusive Complex with new holes AKD013 and AKD014.

Akelikongo West

Results from AKD010 and 11 (drilled to the west of mineralised hole AKD009 which returned 41m at 0.5% Ni and 0.1% Cu, Figure 2) show some minor zones up to 0.2% Ni and 849ppm Cu in the gneisses. The results indicate close proximity to the system drilled in AKD009. This information combined with the new down hole and moving loop EM data shows the Akelikongo West chonolith plunges to the south east.

Akelikongo North

AKD012 was drilled one kilometre to the northwest of Akelikongo under AKD003. AKD003 was drilled previously (ASX 27 February 2015) to test a fixed loop EM target to the north west of Akelikongo. The recent data integration exercise concluded that AKD003 is close to an ultramafic intrusion based on the very anomalous Nickel, Copper and Platinum Group Element analyses (ASX 25 March 2015) and also some spot pXRF analysis on sulphide veins in the core that were very anomalous in Nickel and Copper. Based on this integration, AKD012 was targeted to intersect the deeper of the modelled EM plates and a co-incident gravity anomaly.

Elevated conductivity measurements on the core indicate that these EM anomalies may be due to elevated pyrrhotite and graphite in the paragneiss. However, visual observations are that the hole is also close to an ultramafic intrusion as shown by the melting and magma mixing textures which are similar to those observed in the footwall at Akelikongo and also the presence of very thin serpentinite (altered ultramafic) veins. It is possible these holes were drilled over the top of the main Akelikongo ultramafic complex interpreted to plunge to the north. Assays for AKD012 have not yet been received.

EM surveys

Moving loop time domain EM surveys were conducted over Akelikongo and Akelikongo West during October and early November. The survey used 100m high power transmitting loops pulsing at a frequency of 0.5 Hz.

Three component B Field measurements were made using a fluxgate sensor at 50m along lines that were spaced 100m apart.

The surveys have highlighted a number of conductors detectable from mid to late time. Importantly, the survey has detected conductors within the known modelled ultramafic chonolith both at Akelikongo and Akelikongo West which are possibly due to accumulations of semi-massive to massive sulphides.

Down hole EM has detected a number of off hole conductors in addition to the known mineralisation in holes AKD008, 009, 006 and 14. AKD005 and 007 were blocked.

Integrated modelling of these data with known geology and petro physical measurements of the core such as specific gravity, magnetic susceptibility and conductivity will determine further priority drill targets.

Goma

The Environmental Impact Study report is now complete and has been submitted to the regional government for approval and recommendation. Drilling is planned for early 2016.

Next Steps to discovery

Drilling is on schedule to recommence on Tuesday at Akelikongo. The program of around 1000m of core will first target the strong EM conductor in the vicinity of AKD007 (Figure 1).

Following the finalisation of the EM survey and data modelling, further follow up drilling targets will be determined. It is considered that other gravity anomalies in the area may also be due to mineralised ultramafic intrusions but lie beneath shallow cover and were not intersected by the shallow RAB program earlier in the year. Some of these also have associated conductors that require drill testing.

This work is planned to be completed and samples sent for assay before mid December.

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.

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Appendix 1 Table of Results

HOLE	FROM	TO	Width	Cu	Ni	Mg	S
				%	%	%	%
AKD010	39	40	1	0.011	0.010	3.89	1.13
AKD010	44	45	1	0.016	0.011	3.46	1.87
AKD010	49	50	1	0.001	0.006	6.17	0.17
AKD010	54	55	1	0.006	0.022	2.57	0.70
AKD010	59	60	1	0.007	0.009	2.62	0.86
AKD010	66	67	1	0.009	0.008	2.60	1.37
AKD010	67	68	1	0.008	0.007	2.61	1.13
AKD010	69	70	1	0.011	0.008	2.66	1.90
AKD010	70	71	1	0.006	0.008	4.15	0.69
AKD010	71	72	1	0.016	0.011	2.79	1.57
AKD010	72	73	1	0.006	0.006	2.51	0.82
AKD010	73	74	1	0.009	0.010	2.42	1.76
AKD010	74	75	1	0.007	0.007	1.95	1.09
AKD010	75	76	1	0.013	0.008	2.85	1.43
AKD010	76	77	1	0.030	0.012	2.76	4.04
AKD010	77	78	1	0.013	0.007	2.91	1.74
AKD010	81	82	1	0.021	0.009	2.76	2.38
AKD010	82	83	1	0.034	0.012	2.67	4.24
AKD010	83	84	1	0.019	0.008	2.55	2.58
AKD010	89	90	1	0.006	0.009	4.09	0.90
AKD010	94	95	1	0.002	0.003	4.99	0.19
AKD010	99	100	1	0.009	0.009	3.09	0.90
AKD010	104	104.96	0.96	0.007	0.007	2.69	0.86
AKD011	39	40	1	0.006	0.009	2.94	0.27
AKD011	44	45	1	0.011	0.005	1.82	0.93
AKD011	49	50	1	0.007	0.009	2.84	0.56
AKD011	54	55	1	0.085	0.202	2.86	3.82
AKD011	59	60	1	0.006	0.006	2.06	0.46
AKD011	64	65	1	0.006	0.011	2.00	0.66
AKD011	69	70	1	0.012	0.011	3.31	1.67
AKD011	74	75	1	0.006	0.007	2.58	0.78
AKD011	79	80	1	0.009	0.008	2.94	1.42
AKD011	84	85	1	0.025	0.028	1.95	2.69
AKD011	89	90	1	0.012	0.011	2.48	1.58
AKD011	94	95	1	0.012	0.009	3.22	1.31

HOLE	FROM	TO	Width	Cu	Ni	Mg	S
				%	%	%	%
AKD013	41	43	2	0.005	0.064	14.75	0.09
AKD013	43	45	2	0.006	0.074	15.70	0.12
AKD013	45	47	2	0.006	0.074	16.15	0.12
AKD013	47	49	2	0.004	0.069	16.25	0.10
AKD013	49	51	2	0.005	0.068	15.55	0.11
AKD013	51	53	2	0.005	0.060	14.55	0.10
AKD013	53	55	2	0.003	0.050	12.30	0.08
AKD013	55	57	2	0.004	0.061	14.75	0.10
AKD013	57	59	2	0.005	0.063	14.25	0.11
AKD013	59	61	2	0.004	0.058	14.00	0.11
AKD013	61	63	2	0.005	0.065	14.75	0.11
AKD013	63	65	2	0.005	0.066	15.15	0.10
AKD013	65	67	2	0.003	0.048	11.90	0.08
AKD013	67	69	2	0.003	0.048	11.55	0.09
AKD013	69	71	2	0.005	0.037	10.85	0.12
AKD013	71	73	2	0.007	0.049	10.70	0.18
AKD013	73	75	2	0.003	0.053	12.95	0.09
AKD013	75	77	2	0.004	0.055	13.75	0.10
AKD013	77	79	2	0.004	0.054	12.85	0.09
AKD013	79	81	2	0.003	0.040	10.60	0.08
AKD013	81	83	2	0.010	0.068	11.45	0.27
AKD013	83	85	2	0.006	0.034	10.20	0.27
AKD013	85	87	2	0.010	0.035	10.05	0.35
AKD013	87	89	2	0.004	0.065	15.35	0.11
AKD013	89	91	2	0.004	0.066	15.20	0.11
AKD013	91	93	2	0.005	0.065	15.20	0.11
AKD013	93	95	2	0.004	0.062	14.30	0.11
AKD013	95	97	2	0.005	0.068	15.55	0.10
AKD013	97	99	2	0.004	0.051	12.90	0.09
AKD013	99	101	2	0.003	0.047	11.90	0.09
AKD013	101	103	2	0.004	0.057	14.10	0.10
AKD013	103	105	2	0.005	0.060	14.40	0.12
AKD013	105	107	2	0.004	0.044	11.45	0.09
AKD013	107	109	2	0.004	0.057	13.25	0.11
AKD013	109	111	2	0.004	0.063	14.55	0.10
AKD013	111	113	2	0.005	0.066	14.05	0.12
AKD013	113	115	2	0.006	0.060	13.70	0.31
AKD013	115	117	2	0.007	0.067	14.15	0.33
AKD013	117	119	2	0.003	0.058	14.05	0.12
AKD013	119	121	2	0.004	0.065	15.45	0.12
AKD013	121	123	2	0.004	0.060	14.15	0.13
AKD013	123	125	2	0.005	0.063	15.10	0.11
AKD013	125	127	2	0.006	0.067	15.40	0.11
AKD013	127	129	2	0.005	0.068	15.70	0.12
AKD013	129	131	2	0.006	0.066	15.55	0.11
AKD013	134.3	136	1.7	0.006	0.073	15.55	0.13
AKD013	136	137.7	1.7	0.007	0.081	17.15	0.14
AKD013	139	140	1	0.002	0.026	5.59	0.07
AKD013	146	148	2	0.008	0.079	16.65	0.13
AKD013	148	150	2	0.009	0.083	16.85	0.15
AKD013	150	152	2	0.007	0.065	13.65	0.12
AKD013	152	154	2	0.005	0.060	14.00	0.10
AKD013	154	156	2	0.006	0.071	16.20	0.12
AKD013	156	158	2	0.006	0.075	16.95	0.12
AKD013	158	160	2	0.006	0.058	12.90	0.11

HOLE	FROM	TO	Width	Cu	Ni	Mg	S
				%	%	%	%
AKD013	160	162	2	0.007	0.071	15.30	0.12
AKD013	162	164	2	0.017	0.101	16.40	0.26
AKD013	164	166	2	0.011	0.081	16.55	0.16
AKD013	166	168	2	0.007	0.072	15.65	0.12
AKD013	168	170	2	0.007	0.069	15.40	0.10
AKD013	170	172	2	0.006	0.074	16.40	0.12
AKD013	172	174	2	0.008	0.079	17.15	0.13
AKD013	174	176	2	0.008	0.074	16.30	0.16
AKD013	176	178	2	0.008	0.064	15.20	0.16
AKD013	178	180	2	0.009	0.079	17.00	0.14
AKD013	180	182	2	0.010	0.080	16.05	0.15
AKD013	182	184	2	0.008	0.068	14.80	0.12
AKD013	184	186	2	0.007	0.065	14.05	0.12
AKD013	186	188	2	0.009	0.076	15.55	0.19
AKD013	188	190	2	0.008	0.042	9.97	0.17
AKD013	190	192	2	0.007	0.073	15.25	0.15
AKD013	192	193.9	1.9	0.009	0.075	14.25	0.18
AKD013	195	197	2	0.009	0.072	12.75	0.17
AKD013	197	199	2	0.015	0.093	16.10	0.26
AKD013	199	200	1	0.011	0.076	13.35	0.19
AKD013	200	201	1	0.015	0.096	15.70	0.24
AKD013	201	202	1	0.014	0.095	16.25	0.23
AKD013	202	203	1	0.015	0.097	16.50	0.26
AKD013	203	204	1	0.013	0.086	15.65	0.22
AKD013	204	205	1	0.011	0.071	13.35	0.18
AKD013	205	206	1	0.013	0.085	15.10	0.21
AKD013	206	207	1	0.023	0.118	16.35	0.36
AKD013	207	208	1	0.013	0.086	15.45	0.24
AKD013	208	209	1	0.008	0.070	15.10	0.14
AKD013	209	210	1	0.012	0.068	14.10	0.18
AKD013	210	211	1	0.016	0.092	16.80	0.23
AKD013	211	212	1	0.011	0.075	15.05	0.18
AKD013	212	213	1	0.011	0.063	11.15	0.18
AKD013	213	214	1	0.010	0.068	13.00	0.18
AKD013	214	215	1	0.011	0.071	15.40	0.15
AKD013	215	216	1	0.011	0.078	15.95	0.19
AKD013	216	217	1	0.013	0.091	17.00	0.23
AKD013	217	218	1	0.011	0.074	15.45	0.18
AKD013	218	219	1	0.008	0.065	13.30	0.14
AKD013	219	220	1	0.009	0.079	14.75	0.15
AKD013	220	221	1	0.011	0.089	15.50	0.21
AKD013	221	222	1	0.010	0.086	16.45	0.19
AKD013	222	223	1	0.011	0.077	15.10	0.15
AKD013	223	224	1	0.008	0.073	15.00	0.13
AKD013	224	225	1	0.013	0.098	14.75	0.21
AKD013	225	226	1	0.012	0.089	16.20	0.20
AKD013	226	227	1	0.011	0.089	16.75	0.16
AKD013	227	228	1	0.012	0.092	16.55	0.19
AKD013	228	229	1	0.012	0.086	14.65	0.21
AKD013	229	230	1	0.021	0.109	12.80	0.35
AKD013	230	230.9	0.9	0.018	0.110	14.25	0.33
AKD013	234	235	1	0.000	0.000	0.28	0.02
AKD013	253	254	1	0.000	0.001	0.40	0.05
AKD013	254.3	255	0.7	0.004	0.004	0.54	1.25
AKD013	255	256	1	0.007	0.008	1.41	2.15

HOLE	FROM	TO	Width	Cu	Ni	Mg	S
				%	%	%	%
AKD013	256	257	1	0.006	0.006	1.46	1.65
AKD013	257	258	1	0.004	0.004	1.21	0.98
AKD013	258	259	1	0.002	0.002	0.79	0.64
AKD013	264	265	1	0.006	0.007	1.33	1.92
AKD014	30	32	2	0.001	0.006	5.55	0.22
AKD014	32	34	2	0.002	0.007	5.05	0.49
AKD014	34	36	2	0.003	0.007	5.09	0.65
AKD014	36	38	2	0.007	0.013	4.93	1.89
AKD014	38	40	2	0.003	0.004	4.45	0.53
AKD014	40	42	2	0.003	0.006	5.14	0.59
AKD014	42	44	2	0.002	0.005	5.38	0.38
AKD014	44	46	2	0.001	0.003	4.93	0.23
AKD014	46	48	2	0.001	0.002	4.97	0.16
AKD014	48	50	2	0.002	0.006	5.04	0.35
AKD014	50	52	2	0.002	0.005	4.92	0.26
AKD014	52	53.32	1.32	0.004	0.009	5.35	0.59
AKD014	53.32	54.4	1.08	0.000	0.001	1.06	0.04
AKD014	54.4	56	1.6	0.001	0.002	5.08	0.12
AKD014	56	57	1	0.001	0.009	4.82	1.23
AKD014	57	59	2	0.001	0.005	4.79	0.14
AKD014	59	61	2	0.003	0.007	4.77	0.40
AKD014	61	63	2	0.003	0.009	5.27	0.49
AKD014	63	65	2	0.002	0.006	5.54	0.40
AKD014	65	67	2	0.002	0.005	6.18	0.24
AKD014	67	69	2	0.010	0.016	4.77	1.47
AKD014	69	71	2	0.001	0.004	5.25	0.14
AKD014	71	73	2	0.001	0.005	5.16	0.14
AKD014	73	74	1	0.001	0.004	4.73	0.14
AKD014	74	75	1	0.004	0.007	5.03	0.59
AKD014	75	76	1	0.014	0.019	5.54	2.46
AKD014	76	77	1	0.001	0.005	6.01	0.18
AKD014	77	79	2	0.001	0.004	5.01	0.10
AKD014	79	81	2	0.002	0.005	5.42	0.17
AKD014	81	83	2	0.002	0.006	5.57	0.21
AKD014	83	85	2	0.001	0.004	5.58	0.10
AKD014	85	87	2	0.001	0.003	5.19	0.10
AKD014	87	89	2	0.001	0.004	4.74	0.10
AKD014	89	91	2	0.002	0.006	5.57	0.13
AKD014	91	93	2	0.002	0.007	5.08	0.18
AKD014	93	95	2	0.003	0.008	5.36	0.23
AKD014	95	97	2	0.001	0.006	6.03	0.11
AKD014	97	99	2	0.001	0.005	4.27	0.14
AKD014	99	101	2	0.001	0.007	6.51	0.09
AKD014	101	103	2	0.002	0.006	5.18	0.10
AKD014	103	105	2	0.002	0.002	6.81	0.17
AKD014	105	107	2	0.002	0.001	6.23	0.12
AKD014	107	109	2	0.003	0.006	5.02	0.26
AKD014	109	110	1	0.003	0.006	5.02	0.23
AKD014	110	111	1	0.007	0.011	6.69	0.52
AKD014	111	112	1	0.004	0.009	5.60	0.26
AKD014	112	113	1	0.003	0.006	6.06	0.18
AKD014	113	114	1	0.003	0.010	6.35	0.16
AKD014	114	115	1	0.016	0.008	2.24	1.11
AKD014	115	116	1	0.003	0.003	2.31	0.22
AKD014	116	117	1	0.006	0.023	5.32	0.74

HOLE	FROM	TO	Width	Cu	Ni	Mg	S
				%	%	%	%
AKD014	117	118	1	0.004	0.011	6.35	0.30
AKD014	118	119	1	0.006	0.008	4.84	0.45
AKD014	119	120	1	0.001	0.002	3.28	0.08
AKD014	120	121	1	0.003	0.006	4.43	0.20
AKD014	121	122	1	0.006	0.008	3.98	0.39
AKD014	122	123	1	0.006	0.011	3.74	0.55
AKD014	123	124	1	0.005	0.011	3.61	0.54
AKD014	124	125	1	0.002	0.006	6.28	0.15
AKD014	125	126	1	0.005	0.012	4.94	0.29
AKD014	126	127	1	0.008	0.022	5.91	0.48
AKD014	127	128	1	0.002	0.010	5.56	0.13
AKD014	128	129	1	0.001	0.010	5.69	0.08
AKD014	129	130	1	0.002	0.013	5.84	0.12
AKD014	130	131	1	0.002	0.011	5.43	0.11
AKD014	131	132	1	0.001	0.008	3.90	0.05
AKD014	132	133	1	0.002	0.015	6.32	0.09
AKD014	133	134	1	0.002	0.015	6.62	0.12
AKD014	134	135	1	0.002	0.021	7.67	0.12
AKD014	135	136	1	0.007	0.045	9.26	0.32
AKD014	136	137	1	0.014	0.072	9.06	0.58
AKD014	137	138	1	0.018	0.063	8.62	0.89
AKD014	138	139	1	0.024	0.065	6.83	1.09
AKD014	139	140	1	0.023	0.099	12.90	0.96
AKD014	140	141	1	0.033	0.143	15.10	0.93
AKD014	141	142	1	0.044	0.185	13.35	1.35
AKD014	142	143	1	0.036	0.085	11.85	1.68
AKD014	143	144	1	0.028	0.072	12.05	1.06
AKD014	144	145	1	0.041	0.131	12.45	1.71
AKD014	145	146	1	0.029	0.161	14.80	1.02
AKD014	146	147	1	0.034	0.178	15.95	0.63
AKD014	147	148	1	0.009	0.058	8.68	0.42
AKD014	148	149	1	0.002	0.043	10.75	0.16
AKD014	149	150	1	0.002	0.023	6.26	0.12
AKD014	150	151	1	0.003	0.020	5.34	0.17
AKD014	151	152	1	0.009	0.072	8.78	0.38
AKD014	152	153	1	0.008	0.087	12.80	0.32
AKD014	153	154	1	0.003	0.049	11.75	0.12
AKD014	154	155	1	0.009	0.074	11.30	0.33
AKD014	155	156	1	0.013	0.093	12.15	0.47
AKD014	156	157	1	0.011	0.087	13.25	0.37
AKD014	157	158	1	0.019	0.115	10.75	0.60
AKD014	158	159	1	0.008	0.036	5.87	0.33
AKD014	159	160	1	0.008	0.036	6.13	0.28
AKD014	160	161	1	0.043	0.195	11.65	1.23
AKD014	161	162	1	0.033	0.152	12.50	0.74
AKD014	162	163	1	0.036	0.157	14.50	0.70
AKD014	163	164	1	0.014	0.072	10.50	0.30
AKD014	164	165	1	0.056	0.179	14.60	0.94
AKD014	165	166	1	0.076	0.296	15.00	1.47
AKD014	166	167	1	0.007	0.034	7.95	0.16
AKD014	167	168	1	0.007	0.019	5.39	0.16
AKD014	168	169	1	0.011	0.035	6.10	0.22
AKD014	169	170	1	0.013	0.047	6.38	0.29
AKD014	170	171	1	0.021	0.087	7.82	0.52
AKD014	171	172	1	0.019	0.056	5.65	0.38

HOLE	FROM	TO	Width	Cu	Ni	Mg	S
				%	%	%	%
AKD014	172	173	1	0.050	0.169	10.70	1.01
AKD014	173	174	1	0.009	0.044	6.48	0.23
AKD014	174	175	1	0.011	0.085	2.33	1.02
AKD014	175	176	1	0.005	0.020	5.18	0.25
AKD014	176	177	1	0.010	0.030	5.89	0.21
AKD014	177	178	1	0.006	0.014	5.86	0.12
AKD014	178	179	1	0.006	0.020	4.63	0.20
AKD014	179	180	1	0.012	0.052	8.19	0.25
AKD014	180	181	1	0.007	0.061	13.55	0.15
AKD014	181	182	1	0.012	0.081	13.15	0.27
AKD014	182	183	1	0.007	0.052	11.95	0.14
AKD014	183	184	1	0.010	0.069	12.10	0.24
AKD014	184	185	1	0.015	0.046	5.38	0.31
AKD014	185	186	1	0.016	0.038	5.05	0.22
AKD014	186	187	1	0.065	0.348	14.20	1.71
AKD014	187	188	1	0.047	0.197	15.00	1.54
AKD014	188	189.2	1.2	0.043	0.127	8.99	2.25
AKD014	190	191	1	0.001	0.003	0.45	0.03
AKD014	194.8	196	1.2	0.064	0.132	4.07	2.56
AKD014	196	197	1	0.029	0.070	4.22	1.30
AKD014	197	198	1	0.015	0.041	4.35	0.66
AKD014	198	199	1	0.008	0.020	3.97	0.29
AKD014	199	200	1	0.017	0.052	4.20	0.90
AKD014	200	201	1	0.088	0.134	10.85	2.27
AKD014	201	202	1	0.049	0.137	13.00	2.26
AKD014	202	203	1	0.043	0.137	12.20	2.24
AKD014	203	204	1	0.052	0.141	13.50	2.43
AKD014	204	205	1	0.022	0.063	8.75	0.86
AKD014	205	206	1	0.009	0.057	13.55	0.41
AKD014	206	207	1	0.013	0.066	13.70	0.62
AKD014	207	208	1	0.012	0.058	8.48	0.57
AKD014	208	209	1	0.089	0.165	8.63	2.82
AKD014	209	210	1	0.050	0.133	12.65	2.01
AKD014	210	211	1	0.085	0.185	8.70	3.04
AKD014	211	212	1	0.008	0.021	3.81	0.46
AKD014	212	213	1	0.051	0.180	9.97	1.80
AKD014	213	214	1	0.069	0.297	14.95	1.95
AKD014	214	215	1	0.045	0.219	13.95	1.12
AKD014	215	216	1	0.037	0.212	14.70	1.09
AKD014	216	217	1	0.017	0.090	14.65	0.32
AKD014	217	218	1	0.019	0.115	12.20	0.45
AKD014	218	219	1	0.011	0.090	13.50	0.28
AKD014	219	220	1	0.039	0.203	13.55	1.06
AKD014	220	221	1	0.009	0.084	14.60	0.21
AKD014	221	222	1	0.017	0.116	13.45	0.45
AKD014	222	223	1	0.039	0.223	14.65	1.10
AKD014	223	224	1	0.060	0.303	13.45	1.69
AKD014	224	225.46	1.46	0.029	0.099	5.20	0.83
AKD014	226	227	1	0.000	0.002	0.34	0.02
AKD014	227.05	227.25	0.2	0.030	0.196	3.71	1.48
AKD014	227.45	228	0.55	0.152	0.104	2.93	0.97
AKD014	228	229	1	0.028	0.204	7.75	1.33
AKD014	229	230	1	0.056	0.256	15.15	1.29
AKD014	230	231	1	0.028	0.116	6.20	0.69
AKD014	231	232	1	0.007	0.026	4.88	0.18

HOLE	FROM	TO	Width	Cu	Ni	Mg	S
				%	%	%	%
AKD014	232	233	1	0.032	0.152	9.71	0.76
AKD014	233	234	1	0.009	0.026	4.12	0.21
AKD014	234	235	1	0.016	0.085	6.78	0.43
AKD014	235	236	1	0.008	0.025	4.32	0.22
AKD014	236	237	1	0.012	0.042	3.84	0.30
AKD014	237	238	1	0.035	0.139	4.29	1.37
AKD014	238	239	1	0.057	0.244	10.30	1.96
AKD014	239	240	1	0.062	0.269	13.35	1.98
AKD014	240	241	1	0.063	0.276	13.75	2.22
AKD014	241	242	1	0.055	0.232	13.75	2.22
AKD014	242	243	1	0.057	0.274	13.60	2.45
AKD014	243	244	1	0.067	0.299	16.70	2.20
AKD014	244	245	1	0.088	0.305	16.50	2.38
AKD014	245	246	1	0.097	0.323	13.80	3.61
AKD014	246	247	1	0.361	0.286	9.78	4.09
AKD014	247	248	1	0.144	0.407	10.70	4.16
AKD014	248	249	1	0.196	0.347	11.20	4.94
AKD014	249	249.7	0.7	0.392	0.526	10.00	7.80
AKD014	249.7	249.92	0.22	0.259	1.365	3.85	17.60
AKD014	249.92	251	1.08	0.254	0.531	2.25	6.25
AKD014	251	252	1	0.070	0.270	2.61	3.70
AKD014	252	253	1	0.090	0.311	2.76	3.87
AKD014	253	254	1	0.032	0.092	3.92	1.42
AKD014	254	255	1	0.064	0.099	1.45	2.61
AKD014	255	256	1	0.061	0.196	0.79	3.27
AKD014	256	257	1	0.008	0.008	1.48	0.45
AKD014	257	258	1	0.004	0.008	2.28	0.37
AKD014	258	259	1	0.007	0.004	0.74	0.73
AKD014	259	260	1	0.003	0.002	0.30	0.32

Glossary

Chalcopyrite

Chalcopyrite is a copper iron sulphide mineral

Cumulate

Cumulate rocks are the typical product of precipitation of solid crystals from a fractionating magma chamber. These accumulations typically occur on the floor of the magma chamber. Cumulates are typically found in ultramafic intrusions, in the base of large ultramafic lava tubes in komatiite and magnesium rich basalt flows and also in some granitic intrusions.

Gneiss

Gneiss is a high grade metamorphic rock, meaning that it has been subjected to higher temperatures and pressures than schist. It is formed by the metamorphosis of granite, or sedimentary rock. **Gneiss** displays distinct foliation, representing alternating layers composed of different minerals

MgO content

Method of mafic and ultramafic rock classification, with high MgO ultramafic rocks generally comprising greater than 25% MgO. The higher the MgO content the more Ni the rock can contain in silicate form with modifying factors up to 3000ppm.

Migmatite

Migmatite is a rock that is a mixture of metamorphic rock and igneous rock. It is created when a metamorphic rock such as gneiss partially melts, and then that melt recrystallizes into an igneous rock, creating a mixture of the unmelted metamorphic part with the recrystallized igneous part.

Nickel tenor

How much nickel in percentage terms within the sulphides as a percentage of the sulphide. If you have nickel tenor of 6% and you have 50% sulphide then the grade is 3% nickel

Oikocrysts

Part of the definition of poikilitic texture. Poikilitic texture is a texture in which small, randomly orientated, crystals are enclosed within larger crystals of another mineral. The term is most commonly applied to igneous rock textures. The smaller enclosed crystals are known as chadacrysts, whilst the larger crystals are known as oikocrysts.

Paragneiss

A metamorphic rock formed in the earth's crust from sedimentary rocks (sandstones and argillaceous schists) that recrystallized in the deep zones of the earth's crust

Pentlandite

Pentlandite is an iron-nickel sulphide mineral with the formula, $(Fe,Ni)_9S_8$.

Peridotite

Peridotite is a dense, coarse-grained igneous rock, consisting mostly of the minerals olivine and pyroxene. Peridotite is ultramafic, as the rock contains less than 45% silica.

Pyroxenite

Pyroxenite is an ultramafic igneous rock consisting essentially of minerals of the pyroxene group, such as augite and diopside, hypersthene, bronzite or enstatite. They are classified into clinopyroxenites, orthopyroxenites, and websterites which contain both clino and orthopyroxene.

Pyrrhotite

Pyrrhotite is an iron sulphide mineral with the formula Fe(1-x)S (x = 0 to 0.2).

Xenomelt

Melt of a foreign rock typically the country rock, through which the hot ultramafic magma intrudes, interacts and partially melts and absorbs. – See Footwall Mixing Zone.

Background

The Kitgum-Pader Base and Precious Metals Project covers 7,296 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, the company has collected over 50,000 soil samples, along with geological mapping by the late Nick Archibald, Brett Davies and Russell Mason. The results of the field work and subsequent drilling of soil targets has led to the discovery of 2 potentially economic mineral systems.

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

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** a high MgO intrusion hosts a zone of disseminated nickel and copper sulphide mineralisation above a zone of brecciated more massive nickel and copper sulphides. The mineralisation extends into the country rock felsic gneiss indicating further remobilisation.

At **Mt Goma** in the western Archean greenstone belt a linear zone of strongly oxidised ultramafic has returned nickel in soil XRF values ranging from 0.5% to 1.9% Nickel. A strong copper in soil anomaly is located adjacent to the nickel anomaly.

The **Pamwa** Zn, Pb, Ag and 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. Diamond drilling confirmed thin zones of base metal sulphides (sphalerite and galena) in all three holes.

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".

Diamond drilling indicates mineralisation is broadly foliation parallel and can be correlated to the detailed soil data.

The geochemistry shows a strong association between Zn-Pb-Cd-Mn a characteristic element suite of Broken Hill style of mineralisation.

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.

At **Lagwagi** 70km to the south east in a similar stratigraphic position to **Pamwa** a zinc and lead in soil anomaly has been identified which requires follow up drilling.

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 (for drilling) • Soil samples are taken initially at 1km line and 100m sample spacing. Infill soil sampling to 200m line and 50m sample spacing and where appropriate down to 25m by 25m.. The samples are taken from about 30cm depth and sieved with a 250# sieve. Soil Sample size is around 150g. If samples are wet or unsieved, the samples are brought back to camp, dried, then crushed and sieved to -250um. • The sample is then placed in a small cup with a mylar film on the bottom and analysed by XRF • One in eight soils were sent for laboratory analysis as a check.
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).*	• If Drill type is diamond then HQ coring from surface then reduced to NQ2 from fresh rock. • Reverse Circulation drilling was trialled with face sampling hammer bit. • Core was oriented using Reflex ActII RD Rapid Descent Orientation • Rotary Airblast Drilling (RAB) was conducted using 114mm down hole hammer to fresh rock or refusal

Criteria	JORC Code explanation	Commentary
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 tape measure • Occasional core loss. mostly 100% recovery. Core loss marked on Core blocks • RC sample recovery was not deemed to be of sufficient quality for JORC reporting and results are qualitative only. • RAB sample recovery is good but has potential contamination issues due to the open hole nature of the technique.
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 was conducted on all holes using a digital quantitative and qualitative logging system to a level of detail which would support a mineral resource estimation. • Diamond holes have been geotechnically logged.
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.*	• Core has been sawn in half and geological intervals generally at one metre, but appropriate to specific visual mineralisation have been taken. • RC and RAB sampling undertaken by grab sampling with a trowel through the spoil pile. • Sample preparation is using commercial Laboratory Method which includes drying, sieving and pulverizing. Core samples are crushed to 70% -2mm prior to pulverizing. • Pulverise then split to 85% <75um • The soil samples were taken from a residual soil profile and are considered representative of the substrate rock. No field duplicates were taken. • Infill samples confirmed and substantiated the initial anomaly. • Soil samples are the homogenized product of weathered rock.

Criteria	JORC Code explanation	Commentary
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 • For soils An Olympus Innov-X Delta Premium portable XRF analyzer was used with a Rhenium anode in soil and mines mode at a tube voltage of 40kV and a tube power of 200µA. The resolution is around 156eV @ 40000cps. The detector area is 30mm2 SDD2. A power source of Lithium ion batteries is used. The element range is from P (Z15 to U (Z92). A cycle time of 180 seconds Soil Mode was used and beam times were 60 seconds. • Selected high samples were analysed in Mineplus Mode. A propylene3 window was used. Standards are used regularly to calibrate the instrument. • Rock chips were spot analysed by XRF with some selected samples sent with drill samples for Laboratory analysis • Preliminary 1m samples are taken from RAB and RC programs and assayed using XRF by sieving a grab sample through the pile and assaying the fines • Duplicate samples are taken from RAB and RC drillholes and sent to a commercial laboratory for check assaying
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 early drill test into a newly identified prospect. No verification has been completed yet. • Twinned holes have not been undertaken • Data entry is checked by Perth Based Data Management Geologist • Assays have not been adjusted • The soil data is reviewed by the independent consultant Nigel Brand, Geochemical Services, West Perth The data is audited and verified and then stored in a SQL relational data base.

Criteria	JORC Code explanation	Commentary
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 and soil and rock points 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.*	• This is an early drilling program • To the extent that is possible the holes have been designed to cut the mineralisation and structures to the highest angle.
Sample security	• *The measures taken to ensure sample security.*	• Drill 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 tenure status	• *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 security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• 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 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.*	• No previous mineral exploration activity has been conducted.
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

Criteria	JORC Code explanation	Commentary
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.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• All assay results generally greater than 1000ppm Ni have been reported. Where data has been aggregated a weighted average technique has been used. • All diamond and RC results are reported. Not all core has been sampled.
Relationship between mineralisatio n 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.

<table>
<tr><th>Criteria</th><th>JORC Code explanation</th><th>Commentary</th></tr>
<tr><td>Diagrams</td><td>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.</td><td>Reported in Text.</td></tr>
<tr><td>Balanced reporting</td><td>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.</td><td>All drill assay results are reported.
Soil data that a statistically important are shown (the database comprises more than 60000 samples with up to 600 samples collected every week.</td></tr>
<tr><td>Other substantive exploration data</td><td>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.</td><td><table>
<tr><td>Moving Loop EM Survey Specifications</td><td></td></tr>
<tr><td>Configuration</td><td>In-loop</td></tr>
<tr><td>Loop Size</td><td>100m</td></tr>
<tr><td>Station Interval</td><td>50m</td></tr>
<tr><td>Line Spacing</td><td>100m</td></tr>
<tr><td>Transmitter/Current/Frequency</td><td>TerraTx 50 /40Amps./0.5 Hz.</td></tr>
<tr><td>Receiver/ Sensor</td><td>TerraTem / Smart Fluxgate</td></tr>
<tr><td>Stacks /Repeats</td><td>64 / Typically 3 to 4.</td></tr>
</table></td></tr>
<tr><td>Further work</td><td>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.</td><td>As reported in the text</td></tr>
</table>