



Sipa Resources Limited

NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY MEMORANDUM TO SHAREHOLDERS

Date of Meeting

Thursday, 17 November 2016

Time of Meeting

10:00am

Place of Meeting

Celtic Club

48 Ord Street

West Perth, Western Australia

A Proxy Form is enclosed

Please read this Notice and Explanatory Memorandum carefully.

If you are unable to attend the Annual General Meeting please complete and return the enclosed Proxy Form in accordance with the specified directions.



NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of Shareholders of Sipa Resources Limited ABN 26 009 448 980 (Company) will be held at the Celtic Club, 48 Ord Street, West Perth, Western Australia on Thursday 17 November 2016 at 10:00am for the purpose of transacting the following business referred to in this Notice of Annual General Meeting.

AGENDA

Financial Reports

To receive and consider the financial report of the Company for the year ended 30 June 2016, together with the Directors' Report and the Auditor's Report as set out in the Annual Report.

1 Resolution 1 – Non Binding Resolution to adopt Remuneration Report

To consider and, if thought fit, pass the following resolution as a **non-binding resolution**:

"That the Remuneration Report for the year ended 30 June 2016 as set out in the 2016 Annual Report be adopted."

Note: The vote on this Resolution is advisory only and does not bind the Directors or the Company. Shareholders are encouraged to read the Explanatory Memorandum for further details on the consequences of voting on this Resolution.

Voting exclusion statement: The Company will disregard any votes cast on Resolution 1 by or on behalf of a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or their Closely Related Parties.

However, the Company need not disregard a vote if:

- (a) it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the proposed Resolution or the proxy is the Chair of the Meeting and the appointment of the Chair as proxy does not specify the way the proxy is to vote on the Resolution and expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel; and
- (b) it is not cast on behalf of a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or their Closely Related Parties.

Further, a Restricted Voter who is appointed as a proxy will not vote on Resolution 1 unless:

- (a) the appointment specifies the way the proxy is to vote on Resolution 1; or
- (b) the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. Shareholders should note that the Chair intends to vote any undirected proxies in favour of Resolution 1. In exceptional circumstances, the Chair of the Meeting may change his voting intention on Resolution 1, in which case an ASX announcement will be made.

Shareholders may also choose to direct the Chair to vote against Resolution 1 or to abstain from voting.

If you are a Restricted Voter and purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and you may be liable for breaching the voting restrictions that apply to you under the Corporations Act.

2 Resolution 2 – Re-election of Paul Kiley as a Director

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That, Paul Kiley, who retires in accordance with article 13.2 of the Constitution and, being eligible for re-election, be re-elected as a Director."

3 Resolution 3 – Ratification of issue of Shares

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That, for the purposes of Listing Rule 7.4 and for all other purposes, the Company ratify the allotment and issue of 14,200,000 Shares at an issue price of \$0.02 per Share to various exempt offerees on the terms and conditions set out in the Explanatory Memorandum."

Voting exclusion statement: The Company will disregard any votes cast on Resolution 3 by any person who participated in the issue the subject of Resolution 3 and any of their Associates.

However, the Company need not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) the vote is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

4 Resolution 4 – Grant of Incentive Options to Lynda Burnett

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That, for the purposes of section 208 of the Corporations Act and Listing Rule 10.14 and all other purposes the Directors are authorised to issue, subject to achievement of specified performance hurdles, up to 11,700,000 Incentive Options for no consideration, with each Incentive Option having an exercise price of A\$0.06 and an expiry date 5 years from the date of grant to Lynda Burnett or her nominee, on the terms and conditions set out in the Explanatory Memorandum."

Voting exclusion statement: The Company will disregard any votes cast on Resolution 4 by any Director (who is eligible to participate in the employee incentive scheme in respect of which the approval is sought) and any of their Associates.

However, the Company need not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; and
- (b) the vote is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

In accordance with section 224 of the Corporations Act, the Company will also disregard any votes cast on Resolution 4 by Lynda Burnett and an Associate of Lynda Burnett. However, the Company need not disregard a vote if it is cast by:

- (a) a person as a proxy appointed by writing that specifies how the proxy is to vote on Resolution 4; and
- (b) it is not cast on behalf of Lynda Burnett or any of her Associates.

Further, a Restricted Voter who is appointed as a proxy will not vote on Resolution 4 unless:

- (a) the appointment specifies the way the proxy is to vote on Resolution 4; or
- (b) the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. Shareholders should note that the Chair intends to vote any undirected proxies in favour of Resolution 4. In exceptional circumstances, the Chair of the Meeting may change his voting intention on Resolution 4, in which case an ASX announcement will be made.

Shareholders may also choose to direct the Chair to vote against Resolution 4 or to abstain from voting.

If you are a Restricted Voter and purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and you may be liable for breaching the voting restrictions that apply to you under the Corporations Act.

Please Note: If the Chair is a person referred to in the section 224 Corporations Act voting exclusion statement above, the Chair will only be able to cast a vote as proxy for a person who is entitled to vote if the Chair is appointed in writing and the Proxy Form specifies how the proxy is to vote on Resolution 4.

5 Resolution 5 – Approval of Additional 10% Placement Capacity

To consider and, if thought fit, to pass the following resolution as a **special resolution**:

"That, for the purpose of Listing Rule 7.1A and all other purposes, Shareholders approve the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with in Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Memorandum."

Voting exclusion statement: The Company will disregard any votes cast on Resolution 5 by any person who may participate in the proposed issue and any person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities if the Resolution is passed, and any person who is an Associate of those persons.

However, the Company need not disregard a vote if the vote is cast by:

- (a) a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

OTHER BUSINESS

To deal with any other business which may be brought forward in accordance with the Constitution and the Corporations Act.

Details of the definitions and abbreviations used in this Notice are set out in the Glossary to the Explanatory Memorandum.

By order of the Board



Tara Robson
Company Secretary

Dated: 15 September 2016



How to vote

Shareholders can vote by either:

- attending the Meeting and voting in person or by attorney or, in the case of corporate Shareholders, by appointing a corporate representative to attend and vote; or
- appointing a proxy to attend and vote on their behalf using the Proxy Form accompanying this Notice of Meeting and by submitting their proxy appointment and voting instructions in person, by post, electronically via the internet or by facsimile.

Voting in person (or by attorney)

Shareholders, or their attorneys, who plan to attend the Meeting are asked to arrive at the venue 15 minutes prior to the time designated for the Meeting, if possible, so that their holding may be checked against the Company's share register and their attendance recorded. To be effective a certified copy of the Power of Attorney, or the original Power of Attorney, must be received by the Company in the same manner, and by the same time as outlined for proxy forms below.

Voting by a Corporation

A Shareholder that is a corporation may appoint an individual to act as its representative and vote in person at the Meeting. The appointment must comply with the requirements of section 250D of the Corporations Act. The representative should bring to the Meeting evidence of his or her appointment, including any authority under which it is signed.

Voting by proxy

- A Shareholder entitled to attend and cast two or more votes is entitled to appoint not more than two proxies. Each proxy will have the right to vote on a poll and also to speak at the Meeting.
- The appointment of the proxy may specify the proportion or the number of votes that the proxy may exercise. Where more than one proxy is appointed and the appointment does not specify the proportion or number of the Shareholder's votes each proxy may exercise, the votes will be divided equally among the proxies (i.e. where there are two proxies, each proxy may exercise half of the votes).
- A proxy need not be a Shareholder.
- The proxy can be either an individual or a body corporate.
- If a proxy is not directed how to vote on an item of business, the proxy may generally vote, or abstain from voting, as they think fit. However, where a Restricted Voter is appointed as a proxy, the proxy may only vote on Resolutions 1 and 4, in accordance with a direction on how the proxy is to vote or, if the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.
- Should any resolution, other than those specified in this Notice, be proposed at the Meeting, a proxy may vote on that resolution as they think fit.

- If a proxy is instructed to abstain from voting on an item of business, they are directed not to vote on the Shareholder's behalf on the poll and the Shares that are the subject of the proxy appointment will not be counted in calculating the required majority.
 - Shareholders who return their Proxy Forms with a direction how to vote, but who do not nominate the identity of their proxy, will be taken to have appointed the Chair of the Meeting as their proxy to vote on their behalf. If a Proxy Form is returned but the nominated proxy does not attend the Meeting, the Chair of the Meeting will act in place of the nominated proxy and vote in accordance with any instructions. Proxy appointments in favour of the Chair of the Meeting, the secretary or any Director that do not contain a direction how to vote will be used, where possible, to support each of the Resolutions proposed in this Notice, provided they are entitled to cast votes as a proxy under the voting exclusion rules which apply to some of the proposed Resolutions. However, in exceptional circumstances, the Chair of the Meeting may change his voting intention, in which case an ASX announcement will be made. These rules are explained in this Notice.
 - To be effective, proxies must be received by 10am AWST time) on Tuesday, 15 November 2016. Proxies received after this time will be invalid.
 - Proxies may be lodged using any of the following methods:
 - by returning a completed Proxy Form by post using the pre-addressed envelope provided with this Notice to:

*Computershare Investor Services Pty Ltd
GPO Box 242 Melbourne Vic 3001*
 - by faxing a completed Proxy Form to 1800 783 447 (if inside Australia) +61 3 9473 2555 (outside Australia)
- or
- by recording the proxy appointment and voting instructions via the internet at:

www.investorvote.com.au
- Only registered Shareholders may access this facility and will need their Holder Identification Number (**HIN**) or Security holder Reference Number (**SRN**).

The Proxy Form must be signed by the Shareholder or the Shareholder's attorney. Proxies given by corporations must be executed in accordance with the Corporations Act. Where the appointment of a proxy is signed by the appointer's attorney, a certified copy of the Power of Attorney, or the power itself, must be received by the Company at the above address, or by facsimile or the internet, and by 10am (AWST time) on Tuesday, 15 November 2016. Proxies received after this time will be invalid. If facsimile transmission or the internet is used, the Power of Attorney must be certified.

Shareholders who are entitled to vote

In accordance with paragraphs 7.11.37 and 7.11.38 of the Corporations Regulations, the Board has determined that a person's entitlement to vote at the Annual General Meeting will be the entitlement of that person set out in the Register of Shareholders as at 4:00pm (AWST time) on Tuesday, 15 November 2016.

EXPLANATORY MEMORANDUM

This Explanatory Memorandum is intended to provide Shareholders with sufficient information to assess the merits of the Resolutions contained in the accompanying Notice of Annual General Meeting of the Company.

Certain abbreviations and other defined terms are used throughout this Explanatory Memorandum. Defined terms are generally identifiable by the use of an upper case first letter. Details of the definitions and abbreviations are set out in the Glossary to the Explanatory Memorandum.

FINANCIAL REPORTS

The first item of the Notice deals with the presentation of the consolidated annual financial report of the Company for the financial year ended 30 June 2016, together with the Directors' declaration and report in relation to that financial year and the Auditor's Report on the financial report. Shareholders should consider these documents and raise any matters of interest with the Directors when this item is being considered.

No resolution is required to be moved in respect of this item.

Shareholders will be given a reasonable opportunity at the Annual General Meeting to ask questions and make comments on the accounts and on the management of the Company.

The Chair will also give Shareholders a reasonable opportunity to ask the Auditor or the Auditor's representative questions relevant to:

- (a) the conduct of the audit;
- (b) the preparation and content of the independent audit report;
- (c) the accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- (d) the independence of the Auditor in relation to the conduct of the audit.

The Chair will also allow a reasonable opportunity for the Auditor or their representative to answer any written questions submitted to the Auditor under section 250PA of the Corporations Act.

RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

Section 250R(2) of the Corporations Act requires the Company to put to its Shareholders a resolution that the Remuneration Report as disclosed in the Company's 2016 Annual Report be adopted. The Remuneration Report is set out in the Company's 2016 Annual Report and is also available on the Company's website (www.sipa.com.au).

The vote on Resolution 1 is advisory only and does not bind the Directors or the Company.

However, if at least 25% of the votes cast are against adoption of the Remuneration Report at two consecutive annual general meetings, the Company will be required to put a resolution to the second Annual General Meeting (**Spill Resolution**), to approve calling a general meeting (**Spill Meeting**). If more than 50% of Shareholders vote in favour of the Spill Resolution, the Company must then convene a Spill Meeting within 90 days of the second Annual General Meeting. All of the Directors who were in office when the applicable Directors' Report was approved, other than the Managing Director, will need to stand for re-election at the Spill Meeting if they wish to continue as Directors.

It is noted that at the Company's 2015 Annual General Meeting, the votes cast against the adoption of the Remuneration Report were less than 25% and accordingly, a spill resolution is not required for this Annual General Meeting.

The Remuneration Report explains the Board policies in relation to the nature and level of remuneration paid to Directors, sets out remuneration details for each Director and any service agreements and sets out the details of any equity based compensation.

The Chair will give Shareholders a reasonable opportunity to ask questions about, or make comments on, the Remuneration Report.

Voting

Note that a voting exclusion applies to Resolution 1 in the terms set out in the Notice of Meeting. In particular, the Directors and other Restricted Voters may not vote on this Resolution and may not cast a vote as proxy, unless the appointment gives a direction on how to vote or the proxy is given to the Chair and expressly authorises the Chair to exercise your proxy, even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. The Chair intends to use any such proxies to vote in favour of Resolution 1. In exceptional circumstances, the Chair of the Meeting may change his voting intention on Resolution 1, in which case an ASX announcement will be made.

Shareholders are urged to carefully read the Proxy Form and provide a direction to the proxy on how to vote on this Resolution.

RESOLUTION 2 – RE-ELECTION OF PAUL KILEY AS A DIRECTOR

Pursuant to article 13.2 of the Company's Constitution, Paul Kiley, being a Director, retires by way of rotation and, being eligible, offers himself for re-election as a Director.

Mr Kiley, B Ec. CPA (Independent Non-Executive Director appointed 23 September 2014) has over three decades of experience in the mining and oil and gas industries, including seventeen years with Normandy Mining Limited / Newmont Mining Corporation (**Newmont**), the last six years of which was as the Director for Corporate Development for Newmont's Asia Pacific region. Upon leaving Newmont, Mr Kiley established a consulting business which has principally been involved in providing commercial and business development advice and also managing the commercial infrastructure aspects of projects through the prefeasibility and feasibility phases.

In December 2015 he was appointed the Chief Financial Officer of **Hillgrove Resources Limited**. During the past three years Mr Kiley has not been a director of any other listed companies.

As Mr Kiley is standing for re-election, the Company advises the following:

- the Board (absent Mr Kiley) considers that Mr Kiley, if elected, will continue to qualify as an independent director;
- the Board (absent Mr Kiley) supports the nomination of Mr Kiley to be re-elected; and
- the term of Mr Kiley will, in accordance with article 13.2 of the Company's Constitution, not exceed 3 years.

RESOLUTION 3 – RATIFICATION OF ISSUE OF SHARES

On 26 July 2016, the Company announced that it had completed a placement of 14,200,000 Shares to various exempt offerees at an issue price of \$0.02 per Share raising \$284,000 before costs.

Listing Rule 7.1 broadly provides that a company may issue Equity Securities up to 15% of its issued capital in a 12 month period without shareholder approval. Shareholder approval is required if a proposed issue (when aggregated with other issues of Equity Securities without shareholder approval in the previous 12 months) would breach the 15% limit.

Listing Rule 7.4 permits the ratification of previous issues of Equity Securities made without prior shareholder approval, provided the issue did not breach the 15% threshold in Listing Rule 7.1. The effect of the ratification is to restore the Company's discretionary power to issue further Equity Securities under the 15% limit without requiring shareholder approval.

Accordingly, Resolution 3 seeks ratification of the issue of 14,200,000 Shares that was made on 26 July 2016 pursuant to Listing Rule 7.4.

The following information is provided for the purposes of Listing Rule 7.5:

- (a) 14,200,000 Shares were issued;
- (b) the Shares were issued at an issue price of \$0.02 per Share;
- (c) the Shares issued were fully paid ordinary Shares in the capital of the Company and rank equally in all respects with the existing Shares on issue;
- (d) the Shares were issued to various exempt offerees, all of whom are unrelated parties of the Company;
- (e) funds raised from the issue will be used to undertake an aircore drilling program at the recently acquired Paterson North Project and to continue to delineate wider disseminated and higher grade massive sulphide zones within the Akelikongo magmatic nickel sulphide system in Uganda.

RESOLUTION 4 – GRANT OF INCENTIVE OPTIONS TO LYNDA BURNETT

The Company proposes to grant a total of 11,700,000 Incentive Options (each with an exercise price of A\$0.06, vesting (subject to specified performance hurdles being satisfied) on the date 3 years from the date of grant, and an expiry date 5 years from the date of grant) to Lynda Burnett, or her nominee.

Related Party Transactions Generally

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a *related party* of the public company *unless* either:

- (a) the giving of the financial benefits falls within one of the nominated exceptions to the provision; or
- (b) Shareholder approval is obtained prior to the giving of the financial benefit and the benefit is given within 15 months after obtaining such approval.

For the purposes of Chapter 2E of the Corporations Act, Lynda Burnett is a related party of the Company.

Resolution 4 relates to the proposed grant of Incentive Options to Lynda Burnett or her nominee, which is a financial benefit that requires Shareholder approval for the purposes of section 208 of the Corporations Act.

Information Requirements – Chapter 2E of the Corporations Act

For the purposes of Chapter 2E of the Corporations Act, the following information is provided.

The related parties to whom the proposed Resolution would permit the financial benefit to be given and the nature of the financial benefit

The proposed financial benefit to be given is the grant of Incentive Options for no consideration to Lynda Burnett or her nominee.

Subject to Shareholder approval, the Company proposes to issue 11,700,000 Incentive Options to Lynda Burnett or her nominee. No issue price will be payable for the issue of the Incentive Options. If Lynda Burnett exercises all of the Incentive Options, she will pay \$702,000 to the Company.

The details of the financial benefit including reasons for giving, the type and quantity of the benefit

The proposed grant of Incentive Options to Lynda Burnett or her nominee will be subject to the terms of the Company's Employee Share Option Plan (**Plan**) last approved by Shareholders on 19 November 2015. If, however, there is any inconsistency between the terms of the Incentive Options as set out in Annexure A and the Plan, the terms as set out in Annexure A prevail to the extent of the inconsistency.

The grant of Incentive Options encourages Lynda Burnett to have a greater involvement in the achievement of the Company's objectives and to provide an incentive to strive to that end by participating in the future growth and prosperity of the Company through Share ownership. Under the Company's current circumstances, the Directors consider (in the absence of Lynda Burnett) that the incentives intended for Lynda Burnett represented by the grant of these Incentive Options are a cost effective and efficient means for the Company to provide a reward and an incentive, as opposed to alternative forms of incentive, such as the payment of additional cash compensation.

Under the Company's current remuneration policy, Incentive Options will be offered to executives on an annual basis to align with typical market practice, and to align executives' interests with those of shareholders and the generation of long-term sustainable value. Consistent with previous policy, there is no short term incentive component within Sipa's remuneration policy.

The value of the Incentive Options proposed to be granted under the Plan will be made with reference to a set percentage of base salary with Mrs Burnett's performance assessed against pre-determined performance hurdles. The performance hurdles are a combination of market (share price based) and non-market (internal) hurdles to optimise share performance against exploration targets, the annual operating budget, successful communication with stakeholders, improved access to capital markets, stock liquidity and register profile. The threshold levels are suitably stretched to be consistent with the objectives of the Plan.

The value of the Incentive Options as a percentage of base salary is 75% for Mrs Burnett. The Incentive Options are subject to the performance hurdles set out below, with the number of Incentive Options which vest dependent on which and to what extent the performance hurdles are met. The performance hurdles relate to the 2016/17 financial year, and will be tested following the financial year. Where the Board determines that performance hurdles have been met, the relevant Incentive Options will vest on the date 3 years after they have been granted. The Incentive Options will expire at the end of 5 years from the date of grant. The theoretical deemed price of an Incentive Option is \$0.0192 (see below), and to reflect the value of the Incentive Options as a percentage of base salary of 75% for Mrs Burnett, 11,700,000 Options will be granted to Mrs Burnett.

The Plan rules do not provide for automatic vesting in the event of a change of control. The Board may in its discretion determine the manner in which the unvested incentives will be dealt with in the event of a change of control.

The performance hurdles are outlined below.

2016/17 Financial year strategic objectives	Performance measure	Weight
Performance hurdle – Total Shareholder Return (TSR)	Comparison of TSR with a group of peer companies: Below 50 th percentile – 0% vest Between 50 th - 70% percentile – 15% vest Above 70 th percentile – entire 35% vest	30%
Performance hurdle – exploration discovery	Substantially advance one or more company exploration projects via ore grade intersections of mineable width in a geologically compelling environment thus leading towards an initial mineral resource	35%
Performance hurdle – Capital management and financial strength	Company adequately funded to achieve exploration objectives including successful management of public relations to achieve targeted outcomes with respect to liquidity and register profile	25%
Performance hurdle – Corporate and social responsibility, incorporating metrics under environmental, safety, and community	Successful management of all stakeholders including government, community, and shareholders to achieve targeted outcomes whilst maintaining a safe working environment	10%

Lynda Burnett's current holdings

Set out below are details of Lynda Burnett's relevant interest in Shares and Options of the Company as at the date of this Notice:

Director	Number of Shares	Number of Options
Lynda Burnett	2,592,500 fully paid ordinary shares	1,575,000 Options, vesting 31 August 2019, expiry 31 August 2021, exercise price of A\$0.11

Dilution effect of grant of Incentive Options on existing members' interests

If passed, Resolution 4 will give the Directors power to grant a total of 11,700,000 Incentive Options under the Plan and on the terms and conditions set out in Annexure A to this Explanatory Memorandum and otherwise mentioned above.

The Company currently has 929,954,296 Shares and 4,659,000 Options on issue.

If all Incentive Options granted as proposed above are exercised, and assuming all existing Options on issue at the date of this Notice have also been exercised, the effect of exercise of the Incentive Options would be to dilute the shareholding of the then existing Shareholders by 1.25%. The market price of the Company's Shares during the period of the Incentive Options will normally determine whether or not the holder will exercise the Incentive Options. At the time any Incentive Options are exercised and Shares are issued pursuant to the exercise of the Incentive Options, the Company's Shares may be trading at a price which is higher than the exercise price of the Incentive Options.

Lynda Burnett's total remuneration package

Lynda Burnett's fees per annum (including superannuation) and the total financial benefit to be received by her in this current period, as a result of the grant of the Incentive Options the subject of Resolution 4, are as follows:

Director	Fees p.a. (A\$)	Value of Incentive Options (A\$)	Total Financial Benefit (A\$)
Lynda Burnett	328,500	224,640	553,140

The indicative option valuation of A\$224,640 is based on a theoretical valuation of each Incentive Option using the Black – Scholes Model as described below.

Valuation of Incentive Options using Black – Scholes Model

The value of an Incentive Option calculated by the Black – Scholes Model is a function of a number of variables.

The Company's advisers have calculated the value of the Incentive Options based on the following assumptions:

- (a) they have based the underlying value of each Share in the Company on the ASX closing price of A\$0.02 on 12 September 2016;
- (b) risk free rate of return – 1.94% (estimated, based on 12 September 2016); and
- (c) they used a volatility of the Share price of 200% as determined from the daily movements in Share price over the last 12 months, adjusted for abnormal trading and any dilution effect from the issue of the Incentive Options noting that they will not likely have a material impact on the share price.

Based on the assumptions, it is considered that the value of the Incentive Options to be granted to Lynda Burnett is \$0.0192 per Incentive Option.

Any change in the variables applied in the Black – Scholes calculation between the date of the valuation and the date the Incentive Options are granted would have an impact on their value.

Company's historical Share price

The following table gives details of the highest, lowest and latest closing prices of the Company's Shares trading on ASX over the past 12 months ending on 12 September 2016:

Highest Price (A\$)/Date	Lowest Price (A\$)/Date	Latest Price (A\$)/Date
0.047 / 4 December 2015 and 7 December 2015	0.014 / 22 March 2016, 23 March 2016, 29 March 2016 and 30 March 2016	0.02 / 12 September 2016

Other Information

Under the Australian Equivalent of the International Financial Reporting Standards, the Company is required to expense the value of the Incentive Options in its statement of financial performance for the current financial year.

Other than as disclosed in this Explanatory Memorandum, the Directors (in the absence of Lynda Burnett) do not consider that from an economic and commercial point of view, there are any costs or detriments including opportunity costs or taxation consequences for the Company or benefits foregone by the Company in granting the Incentive Options pursuant to Resolution 4.

Neither the Directors nor the Company are aware of other information that would be reasonably required by Shareholders to make a decision in relation to the financial benefits contemplated by Resolution 4.

Information Requirements - Listing Rules 10.14 and 10.15

Listing Rule 10.14 requires Shareholder approval by ordinary resolution for any issue of securities by a listed company to a related party under an employee incentive scheme. Accordingly, Listing Rule 10.14 requires Shareholders to approve the issue of Incentive Options under the Plan to Lynda Burnett or her nominee.

The following information is provided to Shareholders in relation to Resolution 4 for the purposes of Listing Rule 10.15:

- (a) the Incentive Options will be granted to Lynda Burnett, or her nominee as noted above;
- (b) the maximum number of Incentive Options to be granted is 11,700,000;
- (c) the Incentive Options will be granted for no consideration;
- (d) no funds will be raised by the grant of the Incentive Options;
- (e) of the persons referred to in Listing Rule 10.14, only executive Directors, or their permitted nominees, are entitled to participate in the Plan. Lynda Burnett is the only executive Director at this time and accordingly, the only person referred to in Listing Rule 10.14 who is entitled to participate in the Plan is Lynda Burnett;
- (f) as noted above, the only person referred to in Listing Rule 10.14 who is entitled to participate in the Plan is Lynda Burnett. Since the Plan was last approved by Shareholders on 19 November 2015, Lynda Burnett has received 1,575,000 incentive Options under the Plan. No issue price was payable for these incentive Options;
- (g) no loan is provided in connection with the acquisition or conversion of the Incentive Options; and
- (h) the Incentive Options will be granted on one date, being no later than 12 months after the date Shareholder approval is obtained for Resolution 4.

If approval is given for the grant of the Incentive Options under Listing Rule 10.14, approval is not required under Listing Rule 7.1.

Interests of Directors and Directors' recommendation

The Directors, other than Lynda Burnett (who is interested in the outcome of the resolution), are independent Directors for the purposes of Resolution 4 as they do not have a material personal interest in the outcome of that Resolution and they recommend that Shareholders vote in favour of Resolution 4. Each of them approved the proposal to put Resolution 4 to Shareholders and recommend that Shareholders vote in favour of Resolution 4 because the Board (in the absence of Lynda Burnett) has formed the view that the circumstances in which the grant of Incentive Options is to be made and the value of the Incentive Options is appropriate for the reasons outlined on page 3. The Board (in the absence of Lynda Burnett) is also of the opinion that the grant is not excessive or unusual for an executive of the calibre of Lynda Burnett.

Lynda Burnett has a material personal interest in the outcome of Resolution 4 and has abstained from any deliberation and voting or making a recommendation in relation to the Resolution 4.

Voting

Note that a voting exclusion applies to Resolution 4 in the terms set out in the Notice of Meeting. In particular, Lynda Burnett and an Associate of Lynda Burnett may not vote on this Resolution and other Restricted Voters may not vote on this Resolution if they have been appointed as proxy, unless the appointment gives a direction on how to vote or the proxy is given to the Chair and expressly authorises the Chair to exercise your proxy, even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. The Chair intends to use any such proxies to vote in favour of the Resolution. In exceptional circumstances, the Chair of the Meeting may change his voting intention on Resolution 4, in which case an ASX announcement will be made.

Shareholders are urged to carefully read the Proxy Form and provide a direction to the proxy on how to vote on these Resolutions.

RESOLUTION 5 – Approval of Additional 10% Placement Capacity

Background

Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued share capital over a 12 month period after the Annual General Meeting at which a resolution for the purposes of Listing Rule 7.1A is passed by special resolution (**Additional 10% Placement Capacity**). The Additional 10% Placement Capacity is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An entity will be eligible to seek approval under Listing Rule 7.1A if:

- (a) the entity has a market capitalisation of \$300 million or less; and
- (b) the entity that is not included in the S&P ASX 300 Index.

The Company is an eligible entity for the purposes of Listing Rule 7.1A.

Resolution 5 seeks Shareholders' approval to issue additional Equity Securities under the Additional 10% Placement Capacity. It is anticipated that funds raised by the issue of Equity Securities under the Additional 10% Placement Capacity would be applied towards the Company's exploration activities, the acquisition of new assets (should suitable assets be found), administration costs and general working capital. The number of Equity Securities to be issued under the Additional 10% Placement Capacity will be determined in accordance with the formula set out in Listing Rule 7.1A.2.

Listing Rule 7.1A

The effect of Resolution 5 will be to permit the Company to issue the Equity Securities under Listing Rule 7.1A during the Additional Placement Period (as defined below) without using the Company's 15% placement capacity under Listing Rule 7.1.

Equity Securities issued under the Additional 10% Placement Capacity must be in the same class as an existing quoted class of Equity Securities of the Company. As at the date of this Notice, the Company has quoted Shares and unquoted Options on issue.

Based on the number of Shares on issue at the date of this Notice, the Company has 929,954,296 Shares on issue and therefore, subject to Shareholder approval being obtained under Resolution 5, approximately 92,995,429 Equity Securities will be permitted to be issued in accordance with Listing Rule 7.1A. Shareholders should note that the calculation of the number of Equity Securities permitted to be issued under the Additional 10% Placement Capacity is a moving calculation and will be based the formula set out in Listing Rule 7.1A.2 at the time of issue of the Equity Securities, that formula is:

$$(A \times D) - E$$

- A is the number of Shares on issue 12 months before the date of issue or agreement:
 - (a) plus the number of fully paid Shares issued in the 12 months under an exception in Listing Rule 7.2;
 - (b) plus the number of partly paid Shares that became fully paid in the 12 months;
 - (c) plus the number of fully paid Shares issued in the 12 months with approval of holders of Shares under Listing Rules 7.1 and 7.4. This does not include an issue of fully paid Shares under the entity's 15% placement capacity without Shareholder approval;
 - (d) less the number of fully paid Shares cancelled in the 12 months.

Note that 'A' has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

- D is 10%

- E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue, that are not issued with the approval of Shareholders under Listing Rules 7.1 or 7.4.

The table below demonstrates various examples as to the number of Equity Securities that may be issued under the Additional 10% Placement Capacity

Variable 'A'	Number of Shares issued and funds raised under the Additional 10% Placement Capacity and dilution effect	Dilution		
		\$0.01 Issue Price at half the current market price	\$0.02 Issue Price at current market price	\$0.04 Issue Price at double the current market price
Current Variable 'A' 929,954,296 Shares	Shares issued	92,995,430	92,995,430	92,995,430
	Funds raised	929,954	1,859,909	3,719,817
	Dilution	10%	10%	10%
50% increase in current Variable 'A' 1,394,931,444 Shares	Shares issued	139,493,144	139,493,144	139,493,144
	Funds raised	1,394,931	2,789,863	5,579,726
	Dilution	10%	10%	10%
100% increase in current variable 'A' 1,859,908,592 Shares	Shares issued	185,990,859	185,990,859	185,990,859
	Funds raised	1,859,909	3,719,817	7,439,634
	Dilution	10%	10%	10%

Note: This table assumes:

- No Options are exercised before the date of the issue of the Equity Securities.
- The issue of Equity Securities under the Additional 10% Placement Capacity consists only of Shares. If the issue of Equity Securities includes quoted Options, for the purposes of the above table, it is assumed that those quoted Options are exercised into Shares for the purposes of calculating the voting dilution effect on existing Shareholders.
- The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the Additional 10% Placement Capacity, based on that Shareholder's holding at the date of the Meeting.
- The "current market price" of \$0.02 used in the table is based on the closing price of Shares on 12 September 2015.

The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.

Resolution 5 is a special resolution, requiring approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative) in order to be passed.

Specific information required by Listing Rule 7.3A

The following information in relation to the Shares proposed to be issued is provided to Shareholders for the purposes of Listing Rule 7.3A:

- The Equity Securities will be issued at an issue price of not less than 75% of the volume weighted average price for the Company's Equity Securities over the 15 Trading Days immediately before:
 - the date on which the price at which the Equity Securities are to be issued is agreed; or
 - if the Equity Securities are not issued within five Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- If Resolution 5 is approved by Shareholders and the Company issues Equity Securities under the Additional 10% Placement Capacity, the existing Shareholders' economic and voting interests in the Company will be diluted. There is also a risk that:
 - the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Annual General Meeting; and
 - the Equity Securities may be issued:
 - at a price that is at a discount to the market price for the Company's Equity Securities on the issue date or the Equity Securities; or

- (B) as consideration (or part thereof) for the acquisition of a new asset, both of which may have an effect on the amount of funds raised by the issue of Equity Securities under the Additional 10% Placement Capacity.
- (c) The table above on page 8 shows the dilution of existing Shareholders upon the issue of the maximum number of Equity Securities under the Additional 10% Placement Capacity, using different variables for the number of ordinary securities for variable 'A' (as defined in Listing Rule 7.1A) and the market price of Shares. It is noted that variable 'A' is based on the number of ordinary securities the Company has on issue at the time of the proposed issue of Equity Securities.
- The table shows:
- (i) examples of where variable 'A' is at its current level, and where variable 'A' has increased by 50% and by 100%;
 - (ii) examples of where the issue price of ordinary securities is the current market price as at close of trade on 12 September, being \$0.02, (current market price), where the issue price is halved, and where it is doubled; and
 - (iii) the dilutionary effect will always be 10% if the maximum number of Equity Securities that may be issued under the Additional 10% Placement Capacity are issued.
- (d) Approval of the Additional 10% Placement Capacity will be valid during the period (**Additional Placement Period**) from the date of the Annual General Meeting and will expire on the earlier of:
- (i) the date that is 12 months after the date of the Annual General Meeting; and
 - (ii) the date of the approval by Shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking).
- (e) The Company may seek to issue the Equity Securities for the following purposes:
- (i) If Equity Securities are issued for cash consideration, the Company intends to use the funds for exploration activities, the acquisition of new assets (should suitable assets be found), administration costs and general working capital; and
 - (ii) If Equity Securities are issued for non-cash consideration for the acquisition of new assets (should suitable assets be found) or exploration activities. If Equity Securities are issued for non-cash consideration, the Company will comply with the minimum issue price limitation under Listing Rule 7.1A.3 in relation to such issue and will release the valuation of the non-cash consideration to the market.

The Company will comply with the disclosure obligations under Listing Rules 7.1A.3 and 3.10.5A upon issue of any Equity Securities.

- (f) The identity of the persons to whom Shares will be issued is not yet known and will be determined on a case by case basis having regard to market conditions at the time of the proposed issue of Equity Securities and the Company's allocation policy, which involves consideration of matters including, but not limited to:
- (i) the ability of the Company to raise funds at the time of the proposed issue of Equity Securities and whether the raising of any funds under such placement could be carried out by means of an entitlements offer, or a placement and an entitlements offer;
 - (ii) the dilutionary effect of the proposed issue of the Equity Securities on existing Shareholders at the time of proposed issued of Equity Securities;
 - (iii) the financial situation and solvency of the Company; and
 - (iv) advice from its professional advisers, including corporate, financial and broking advisers (if applicable).

The persons to whom Shares will be issued under the Additional 10% Placement Capacity have not been determined as at the date of this Notice, but will not include related parties (or their Associates) of the Company.

- (g) The Company previously obtained Shareholder approval under Listing Rule 7.1A on 19 November 2015. In the 12 months preceding the date of the Meeting, the Company has issued 225,139,564 Equity Securities which represents 32.0% of the total number of Equity Securities on issue at the commencement of that 12 month period. The following information is provided in relation to each issue of Equity Securities in the 12 months preceding the date of the Meeting:

Number & Type of Equity Securities	Issue Price	Persons to whom Equity Securities were issued	% Premium/ (discount) to market price at time of issue	Details
48,274 Fully paid ordinary shares issued on exercise of listed Options	Exercise price of Options was \$0.075	Holders of listed options	Exercise price of Options of \$0.075 was a 132% premium to the closing price of \$0.032 on 9 November 2015, being the date the Shares were issued	Issued pursuant to the conversion of listed Options.
14,200,000* Fully paid ordinary shares	\$0.02	Exempt offerees, all of whom were unrelated parties of the Company.	9.40% discount to the 5 day volume weighted share price of the Company for the period ending on 25 July 2016 and a 13.0% discount to the closing price on 26 July 2016, being the date the Shares were issued	Issued via a private placement to raise funds to undertake an Aircore drilling program at the recently acquired Paterson North Project and to continue to delineate wider disseminated and higher grade massive sulphide zones within the Akelikongo magmatic nickel sulphide system as announced 20 July 2016
210,891,290* Fully paid ordinary shares	\$0.02	Shareholders who participated in the Share Purchase Plan	8.1% discount to the 5 day volume weighted share price of the Company for the period ending on 23 August 2016 and a nil% discount to the closing price on 23 August 2016, being the date the Shares were issued	Pursuant to the Share Purchase Plan to undertake an Aircore drilling program at the recently acquired Paterson North Project and to continue to delineate wider disseminated and higher grade massive sulphide zones within the Akelikongo magmatic nickel sulphide system as announced 20 July 2016.
4,659,000 unlisted employee options	Nil	Employees	Not applicable	Issued pursuant to the Employee Share Option Plan. All Options have an exercise price of \$0.11 and expire 31 August 2021. The current value of these Options is \$0.0113 based on a Black Scholes valuation.

* 14,200,000 and 210,891,290 Shares were issued respectively to raise funds to undertake an Aircore drilling program at the recently acquired Paterson North Project and to continue to delineate wider disseminated and higher grade massive sulphide zones within the Akelikongo magmatic nickel sulphide system as announced 20 July 2016. The Shares rank equally in all respects with the existing fully paid ordinary Shares on issue. The total cash consideration raised was \$4,501,825 before expenses. As at the date of this Notice, none of the cash raised has been spent as the Company has continued to draw on existing cash reserves. The cash is intended to be used on exploration activities, the acquisition of new assets (should suitable assets be found), administration costs and general working capital.

- (h) A voting exclusion statement is included in the Notice. At the date of the Notice, the Company has not determined who the Company will issue Equity Securities to under the Additional 10% Placement Capacity, other than noting that the persons to whom Shares will be issued will be determined on a case by case basis having regard to the factors outlined in paragraph (f) above. The Company has not approached, and has not yet determined to approach, any particular existing security holders or an identifiable class of existing security holders to participate in an offer under the Additional 10% Placement Capacity, therefore no existing security holders' votes would be excluded under the voting exclusion statement included in this Notice.

GLOSSARY

\$ means Australian dollars.

Accounting Standards has the meaning given to that term in the Corporations Act.

Additional 10% Placement Capacity has the meaning set out on page 10 of the Explanatory Memorandum.

Additional Placement Period has the meaning set out on page 12 of the Explanatory Memorandum.

Annexure A means the annexure A to this Notice of Meeting.

Annual General Meeting means the annual general meeting held by the Company.

Annual Report means the annual report of the Company for the year ended 30 June 2016.

Associate has the meaning given in sections 12 and 16 of the Corporations Act. Section 12 is to be applied as if paragraph 12(1)(a) included a reference to the Listing Rules and on the basis that the Company is the "designated body" for the purposes of that section. A related party of a director or officer of the Company or of a Child Entity of the Company is to be taken to be an associate of the director or officer unless the contrary is established.

ASX means ASX Limited ABN 98 008 624 691 and, where the context permits, the Australian Securities Exchange operated by ASX Limited.

Auditor means the Company's auditor from time to time (if any).

Auditor's Report means the report of the Auditor contained in the Annual Report for the year ended 30 June 2016.

AWST means western standard time as recognised in Perth, Western Australia.

Board means the Directors.

Chair or Chair means the individual elected to chair any meeting of the Company from time to time.

Child Entity has the meaning given to that term in the Listing Rules.

Closely Related Party has the meaning given to that term in the Corporations Act.

Company means Sipa Resources Limited ABN 26 009 448 980.

Constitution means the Company's constitution, as amended from time to time.

Corporations Act means *Corporations Act 2001* (Cth).

Directors means the directors of the Company.

Directors' Report means the directors' report set out in the Annual Report for the year ended 30 June 2016.

Equity Securities has the meaning given in the Listing Rules.

Expiry Date has the meaning set out on page 3 of Annexure A.

Explanatory Memorandum means the explanatory memorandum accompanying this Notice.

Key Management Personnel has the meaning given to that term in the Accounting Standards.

Incentive Option means an Option under the Plan the terms of which are summarised in Annexure A.

Listing Rules means the ASX Listing Rules.

Meeting means the Annual General Meeting convened by the Notice.

Notice and Notice of Meeting means this Notice of Annual General Meeting.

Option means an option to acquire a Share.

Option Expiry Date has the meaning set out on page 1 of Annexure A.

Plan has the meaning set out on page 3 of the Explanatory Memorandum.

Power of Attorney means a power of attorney provided by a Member.

Proxy Form means the proxy form accompanying the Notice.

Remuneration Report means the remuneration report set out in the Annual Report for the year ended 30 June 2016.

Resolution means a resolution contained in the Notice.

Restricted Voter means Key Management Personnel and their Closely Related Parties as at the date of the Meeting.

Shareholder means a member of the Company from time to time.

Shares means fully paid ordinary shares in the capital of the Company.

Trading Day means a day determined by ASX to be a trading day in accordance with the Listing Rules.

ANNEXURE A – TERMS OF INCENTIVE OPTIONS

- (a) Each Option entitles the holder to subscribe for one ordinary share in the Company upon payment of \$0.06.
- (b) The Options will expire at 5pm AWST on 5 years from the date of grant (**Option Expiry Date**).
- (c) The Options will vest 3 years from the date of grant, subject to achievement of the performance hurdles set out on page 4 of the Explanatory Memorandum.
- (d) The Company will not apply to the ASX for official quotation of the Options.
- (e) There are no participating rights or entitlements inherent in the Options and holders of the Options will not be entitled to participate in new issues of capital that may be offered to shareholders during the currency of the Options except upon exercise of the Options.
- (f) If the Company makes a pro rata issue (except a bonus issue) the exercise price of the Options will be reduced in accordance with the Listing Rules.
- (g) If the Company makes a bonus issue the number of securities over which the Options are exercisable will be increased in accordance with the Listing Rules.
- (h) Optionholders have the right to exercise their Options prior to the date of determining entitlements to any capital issues to the then existing shareholders of the Company, made during the currency of the Options.
- (i) In the event of any re-organisation (including reconstruction, consolidation, subdivision, reduction or return of capital) of issued capital of the Company, the Options will be re-organised as required by the Listing Rules, but in all other respects the terms of exercise will remain unchanged.
- (j) The Options shall be exercisable at any time on or before the Option Expiry Date by the delivery to the registered office of the Company of a notice in writing stating the intention of the optionholder to exercise all or a specified number of Options held by them accompanied by an Option certificate and a cheque made payable to the Company for the subscription monies for the Shares. The notice and cheque must be received by the Company during the exercise period. An exercise of only some Options shall not affect the rights of the optionholders to the balance of Options held by him or her.
- (k) The Shares allotted shall rank, from date of allotment, equally with the existing ordinary Shares of the Company in all respects.
- (l) The Options will not give any right to participate in dividends until Shares are issued pursuant to the exercise of the relevant Options.
- (m) The Options are not transferable, unless:
 - (i) the prior consent of the Board is obtained, which consent may impose such terms and conditions on such assignment, transfer, novation, encumbrance or disposal as the Board sees fit in its sole and absolute discretion; or
 - (ii) such assignment or transfer occurs by force of law upon the death of a holder of an Option to the holder's legal personal representative.



Sipa Resources Limited

ABN - 26 009 448 980

Lodge your vote:



Online:

www.investorvote.com.au



By Mail:

Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:

(within Australia) 1300 279 701
(outside Australia) +61 3 9938 4330

SRI

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Proxy Form

XX



Vote and view the annual report online

- Go to www.investorvote.com.au or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.

Your access information that you will need to vote:

Control Number: 9999999

SRN/HIN: I9999999999

PIN: 99999

PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.



For your vote to be effective it must be received by 10:00am (AWST) Tuesday, 15 November 2016

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions for Postal Forms

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,
or turn over to complete the form** ➔

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030



Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

Proxy Form

Please mark ☒ to indicate your directions

STEP 1

Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Sipa Resources Limited hereby appoint

☐ the Chairman
of the Meeting OR

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Sipa Resources Limited to be held at the Celtic Club, 48 Ord Street, West Perth, Western Australia on Thursday, 17 November 2016 at 10:00am (AWST) and at any adjournment or postponement of that Meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolutions 1 and 4 (except where I/we have indicated a different voting intention below) even though Resolutions 1 and 4 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolutions 1 and 4 by marking the appropriate box in step 2 below.

STEP 2

Items of Business



PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

		For	Against	Abstain
Resolution 1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Paul Kiley as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Ratification of issue of Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Grant of Incentive Options to Lynda Burnett	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Approval of Additional 10% Placement Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

SIGN

Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact
Name

Contact
Daytime
Telephone

_____ / /
Date

S R I

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Computershare +