Sipa Resources Limited
ABN 26 009 448 980

AKD005 Confirms Continuity and High Grade Zones at Akelikongo

- Results returned from AKD005 from **Akelikongo** confirm the continuity of the mineralised system. AKD005 returned results such as

  115m averaging 0.31% Ni and 0.09% Cu from 116m to end of hole at 231m including

  34m at 0.30% Ni and 0.08% Cu from 116m.

  40m at 0.25% Ni and 0.07% Cu from 155m

  5m at 0.69% Ni and 0.11% Cu from 202m including

  1m at 1.15% Ni and 0.3% Cu from 202m

  23m at 0.48% Ni and 0.13% Cu from 208m including

  1m at 1.86% Ni and 0.11% Cu from 214m

  - The results confirm the down dip continuity of both the disseminated mineralisation and also the massive sulphide intercepts as shown in the section B- B'
  - All results have now been received from a successful drilling campaign with modelling work being undertaken to understand the 3D geometry and architecture of the system
  - Follow up diamond drilling is planned to commence in early September at both Akelikongo West and at Akelikongo with more RAB drilling planned late in the year.

Sipa Resources Limited (ASX: SRI) (the "Company" or "Sipa") is pleased to announce the final assay result from the recently completed program at **Akelikongo.**

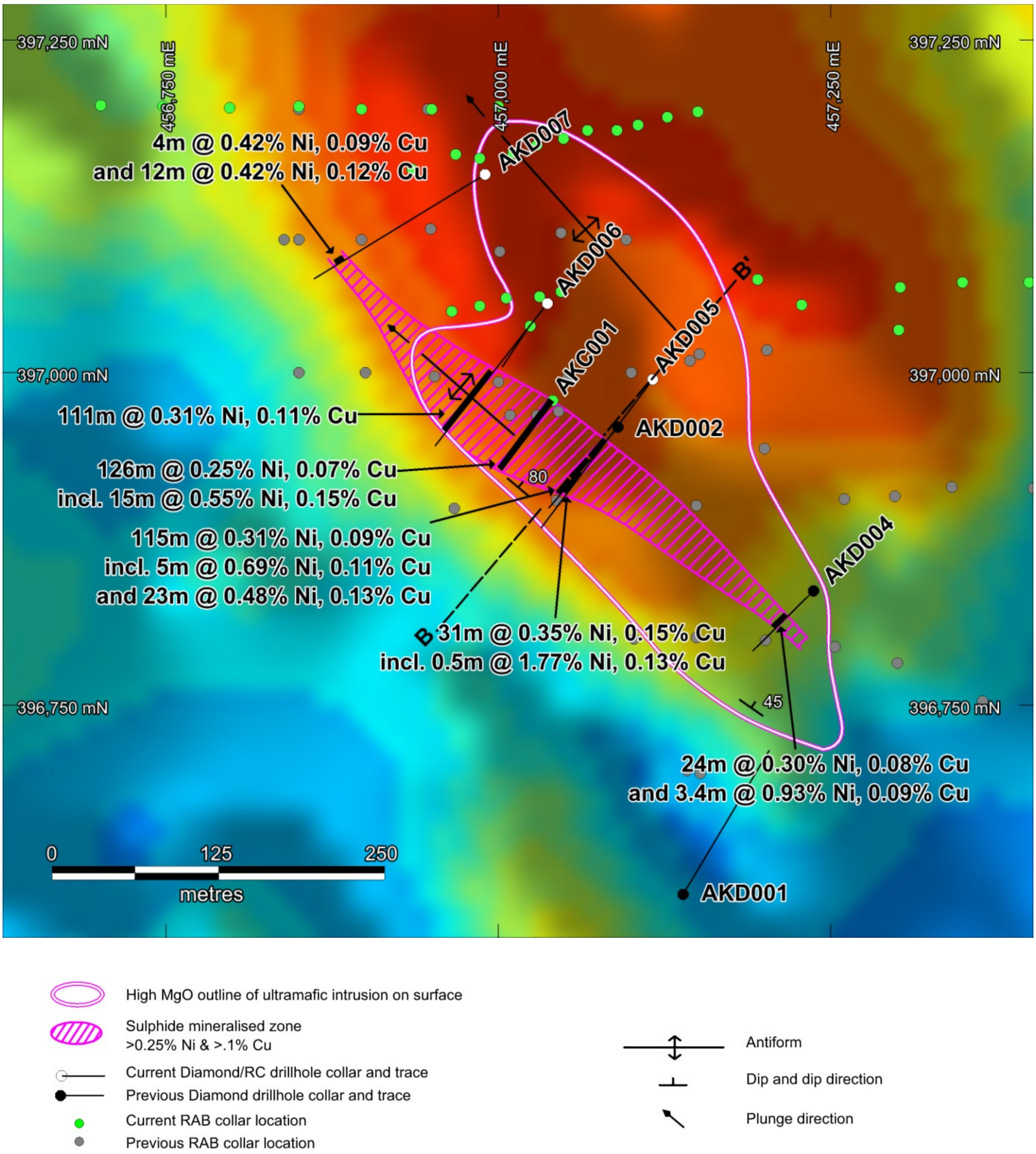

Figure 1 Drill hole intersections and residual gravity image inset at Akelikongo

The assay results from AKD005 were the final results to be returned from the total of five diamond drill holes and two RC holes were drilled during the last program at **Akelikongo** and **Akelikongo West.**

Hole	Easting	Northing	RL	Total Depth	Azimuth	Dip
AKC001	457041	396979	945	126.0	220	-60
AKC002	457024	397035	945	44.0	220	-60
AKD005	457117	397995	946	269.2	220	-60
AKD006	457037	397052	943.5	276.03	220	-60
AKD007	456993	397149	942	341.7	238	-60
AKD008	456598	396213	942	184.3	000	-60
AKD009	456593	396272	942	141.0	350	-60

Table 1 Drill Hole Locations for RC and Diamond Holes

Akelikongo

The results indicate that a very continuous mineralised intrusive complex runs along the western gravity margin (Figure 1) for at least 500m open in all directions with mineralised nickel copper sulphides from 25m to 141m wide ranging from 0.25% to 0.45%. The footwall contact is interpreted to be folded with shallowly north to north west plunging fold hinges.

RC holes AKC001 and 002 and Diamond holes AKD005, 006 and 007 were targeted to intersect the mineralised footwall position to the **Akelikongo** intrusive complex. The gravity highs shown in figure 1 are interpreted to represent ultramafic intrusions. The holes hit the mineralised position and have intersected disseminated and zones of massive pyrrhotite, chalcopyrite, and pentlandite mineralisation. The massive sulphide zones in the footwall (marked in red on section B-B') can be correlated between AKD002 and AKD005 and also north to AKD006 and south to AKD004.

Appendix 1 is a tabulation of diamond assay results from AKD005.

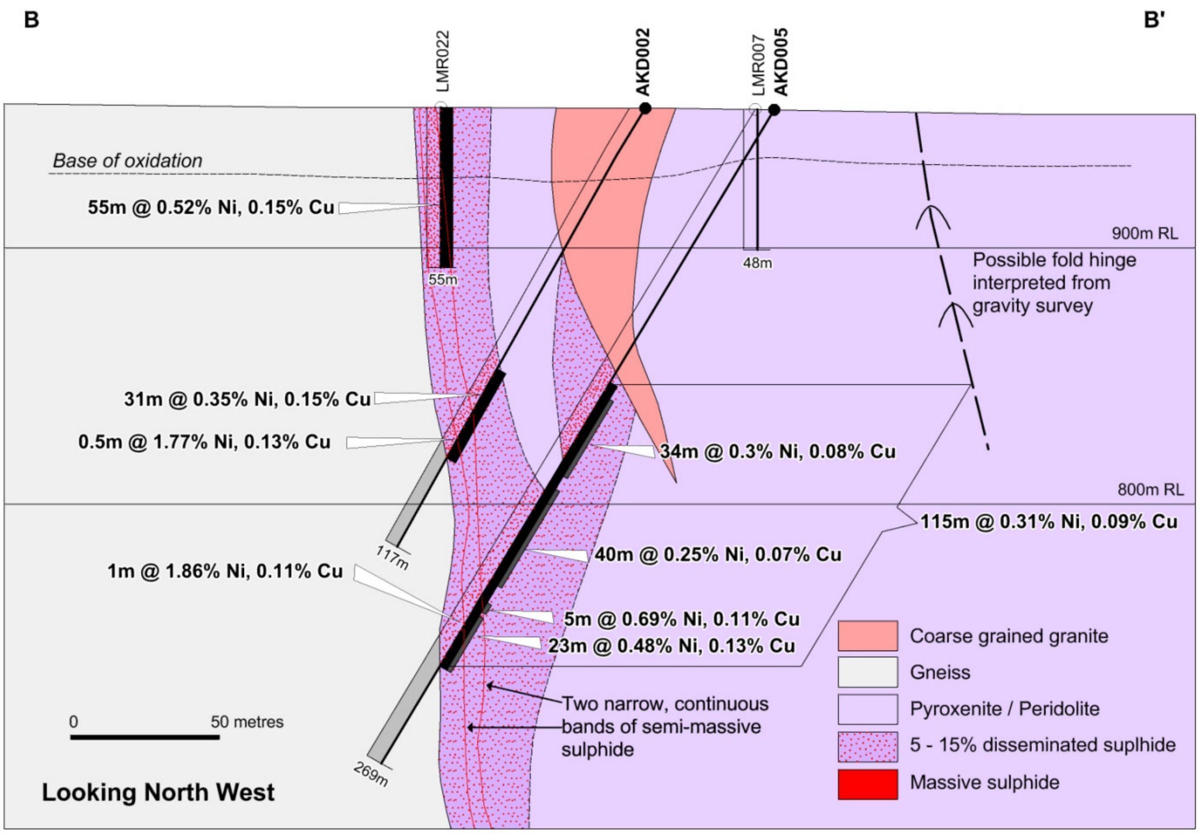

Figure 2 is a Geological Section B-B' of **Akelikongo** through AKD002 and AKD005.

Plan forward

The current program is now complete and follow up diamond drilling is planned for early September. The program will commence at Akelikongo West where drilling will determine the third dimension of the mineralised ultramafic.

Environmental approvals are underway for drilling at Mt Goma. The drilling program at the Mt Goma nickel in soil anomaly is now planned for later in the fourth quarter of the year. Follow up RAB drilling at Akelikongo West, Katanguru, Akek North, Oguk, Pamwa and Western nickel anomalies will commence once the weather gets drier towards the end of the year.

Down hole EM surveying of all diamond holes and further ground EM will commence immediately following the planned drilling.

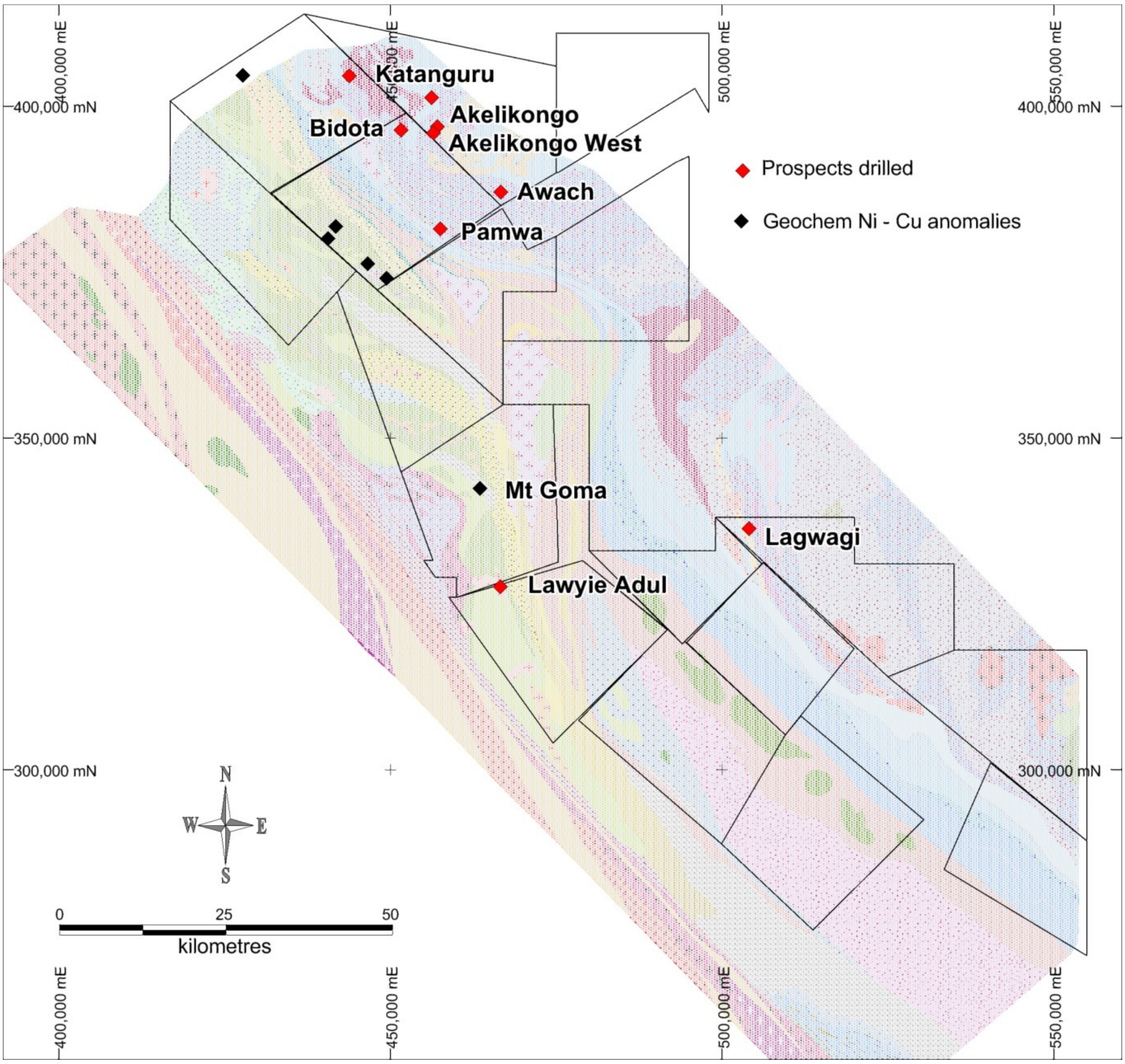

Figure 3 Location of Key Drilling Targets Named In Text

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, a 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.

For more information:
Lynda Burnett
Managing Director
Sipa Resources Limited
+61 (0) 8 9481 6259
info@sipa.com.au

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.

Appendix 1 – Table of Results

HOLE	FROM	TO	Width	Cu	Ni	Mg	S	Zn	Pb
				%	%	%	%	ppm	ppm
AKD005	64	65	1	0.069	0.25	21.40	0.88	81	10
AKD005	65	66	1	0.025	0.14	18.65	0.35	79	3
AKD005	66	67	1	0.033	0.17	20.10	0.48	75	5
AKD005	67	68	1	0.030	0.16	19.75	0.45	66	5
AKD005	68	69	1	0.033	0.18	20.30	0.51	73	2
AKD005	69	70	1	0.029	0.16	20.70	0.40	85	BLD
AKD005	70	71	1	0.015	0.11	19.15	0.21	58	3
AKD005	71	72	1	0.022	0.11	13.55	0.35	116	12
AKD005	72	73	1	0.020	0.11	17.05	0.30	106	4
AKD005	73	74	1	0.027	0.13	18.15	0.40	126	6
AKD005	74	75	1	0.033	0.16	18.35	0.48	132	4
AKD005	75	76	1	0.028	0.14	19.65	0.45	122	5
AKD005	76	77	1	0.025	0.13	18.25	0.41	157	BLD
AKD005	77	78	1	0.066	0.26	20.30	1.08	134	BLD
AKD005	78	79	1	0.067	0.26	20.40	1.09	121	BLD
AKD005	79	80	1	0.031	0.16	19.15	0.53	114	12
AKD005	80	81	1	0.043	0.17	19.45	0.62	118	5
AKD005	81	82	1	0.029	0.13	14.85	0.44	164	6
AKD005	82	83	1	0.034	0.16	18.85	0.53	124	4
AKD005	83	84	1	0.039	0.19	19.95	0.66	125	4
AKD005	84	85	1	0.049	0.22	18.95	0.80	123	BLD
AKD005	85	86	1	0.060	0.24	17.70	1.03	165	BLD
AKD005	86	87	1	0.027	0.14	14.65	0.53	197	6
AKD005	87	88	1	0.030	0.15	16.05	0.50	171	5
AKD005	88	89	1	0.041	0.20	19.90	0.60	102	7
AKD005	89	90	1	0.023	0.13	16.30	0.39	143	4
AKD005	90	91	1	0.024	0.13	18.25	0.47	154	BLD
AKD005	91	92	1	0.034	0.17	18.70	0.60	141	BLD
AKD005	97	98	1	0.019	0.10	10.80	0.34	145	10
AKD005	98	99	1	0.127	0.52	19.00	2.18	115	BLD
AKD005	99	100	1	0.067	0.29	12.40	1.28	157	13
AKD005	108	109	1	0.052	0.23	16.30	0.97	140	2
AKD005	109	110	1	0.035	0.16	17.45	0.55	97	7
AKD005	110	111	1	0.072	0.28	18.00	1.20	120	5
AKD005	116	117	1	0.104	0.42	15.95	1.73	159	7
AKD005	117	118	1	0.134	0.41	15.45	1.72	164	5
AKD005	118	119	1	0.116	0.29	9.31	1.23	119	3
AKD005	119	120	1	0.171	0.34	11.80	1.52	113	13
AKD005	120	121	1	0.080	0.34	16.15	1.23	71	BLD
AKD005	121	122	1	0.092	0.38	18.40	1.45	84	BLD
AKD005	122	123	1	0.081	0.31	17.40	1.16	82	4
AKD005	123	124	1	0.069	0.30	16.85	1.20	107	BLD

HOLE	FROM	TO	Width	Cu	Ni	Mg	S	Zn	Pb
				%	%	%	%	ppm	ppm
AKD005	124	125	1	0.068	0.30	18.75	1.20	129	5
AKD005	125	126	1	0.060	0.25	17.35	1.12	141	BLD
AKD005	126	127	1	0.058	0.24	11.30	1.22	112	BLD
AKD005	127	128	1	0.188	0.18	9.82	1.18	163	3
AKD005	128	129	1	0.077	0.29	17.45	1.27	133	11
AKD005	129	130	1	0.059	0.23	16.65	0.93	136	8
AKD005	130	131	1	0.062	0.31	16.60	1.27	98	9
AKD005	131	132	1	0.066	0.27	16.40	1.05	115	BLD
AKD005	132	133	1	0.054	0.22	18.15	0.80	69	3
AKD005	133	134	1	0.056	0.20	15.95	1.06	166	12
AKD005	134	135	1	0.052	0.17	16.00	1.09	178	5
AKD005	135	136	1	0.054	0.21	18.15	0.93	162	4
AKD005	136	137	1	0.078	0.29	17.80	1.30	162	BLD
AKD005	137	138	1	0.096	0.36	17.30	1.63	151	4
AKD005	138	139	1	0.110	0.42	19.20	1.95	151	2
AKD005	139	140	1	0.086	0.30	14.15	1.56	152	8
AKD005	140	141	1	0.092	0.33	17.75	1.69	164	3
AKD005	141	142	1	0.079	0.31	19.15	1.42	156	BLD
AKD005	142	143	1	0.059	0.23	19.00	1.01	125	4
AKD005	143	144	1	0.053	0.21	18.80	0.84	102	6
AKD005	144	145	1	0.068	0.28	19.75	0.94	72	BLD
AKD005	145	146	1	0.056	0.24	18.95	0.86	98	2
AKD005	146	147	1	0.049	0.21	19.30	0.79	91	4
AKD005	147	148	1	0.045	0.21	20.10	0.80	97	4
AKD005	148	149	1	0.058	0.24	18.85	1.03	100	BLD
AKD005	149	150	1	0.058	0.22	14.20	0.88	183	4
AKD005	150	151	1	0.010	0.04	5.84	0.15	221	7
AKD005	151	152	1	0.012	0.07	9.78	0.18	150	10
AKD005	152	153	1	0.011	0.05	9.72	0.16	132	3
AKD005	153	154	1	0.016	0.08	8.54	0.25	175	5
AKD005	154	155	1	0.019	0.07	9.00	0.30	156	3
AKD005	155	156	1	0.082	0.31	15.95	1.45	243	3
AKD005	156	157	1	0.064	0.31	9.62	1.44	206	8
AKD005	157	158	1	0.042	0.18	12.55	0.83	189	20
AKD005	158	159	1	0.095	0.33	16.00	1.81	186	9
AKD005	159	160	1	0.040	0.17	12.55	0.68	205	BLD
AKD005	160	161	1	0.037	0.16	14.25	0.72	192	BLD
AKD005	161	162	1	0.033	0.15	14.85	0.53	172	6
AKD005	162	163	1	0.046	0.18	16.85	0.87	181	BLD
AKD005	163	164	1	0.042	0.19	18.05	0.68	159	7
AKD005	164	165	1	0.052	0.22	16.95	0.87	182	5
AKD005	165	166	1	0.069	0.26	14.45	1.28	154	2
AKD005	166	167	1	0.045	0.19	13.10	0.87	171	10

HOLE	FROM	TO	Width	Cu %	Ni %	Mg %	S %	Zn ppm	Pb ppm
AKD005	167	168	1	0.100	0.33	13.40	1.78	192	8
AKD005	168	169	1	0.060	0.28	15.85	1.15	245	BLD
AKD005	169	170	1	0.067	0.28	14.95	1.07	143	15
AKD005	170	171	1	0.032	0.17	17.65	0.46	132	5
AKD005	171	172	1	0.062	0.23	15.15	0.85	141	BLD
AKD005	172	173	1	0.078	0.29	18.45	1.07	88	BLD
AKD005	173	174	1	0.111	0.41	17.90	1.55	135	2
AKD005	174	175	1	0.100	0.36	17.05	1.43	168	4
AKD005	175	176	1	0.085	0.31	17.50	1.22	139	2
AKD005	176	177	1	0.076	0.29	17.85	1.08	91	8
AKD005	177	178	1	0.064	0.23	15.55	0.86	77	12
AKD005	178	179	1	0.095	0.36	17.70	1.37	100	11
AKD005	179	180	1	0.146	0.48	19.35	2.08	94	2
AKD005	180	181	1	0.122	0.38	16.95	1.55	96	2
AKD005	181	182	1	0.054	0.20	15.65	0.76	107	7
AKD005	182	183	1	0.034	0.12	10.05	0.38	94	21
AKD005	183	184	1	0.038	0.15	13.15	0.48	114	9
AKD005	184	185	1	0.063	0.23	18.05	0.76	77	6
AKD005	185	186	1	0.038	0.15	14.95	0.46	88	2
AKD005	186	187	1	0.042	0.17	16.60	0.55	106	4
AKD005	187	188	1	0.036	0.14	13.35	0.45	87	BLD
AKD005	188	189	1	0.053	0.21	17.95	0.67	82	BLD
AKD005	189	190	1	0.064	0.24	17.70	0.81	77	6
AKD005	190	191	1	0.053	0.21	16.30	0.69	77	BLD
AKD005	191	192	1	0.061	0.18	11.80	0.75	143	6
AKD005	192	193	1	0.091	0.34	16.45	1.29	177	5
AKD005	193	194	1	0.082	0.30	18.80	1.14	80	BLD
AKD005	194	195	1	0.080	0.31	19.70	1.10	80	8
AKD005	195	196	1	0.023	0.06	8.14	0.31	136	13
AKD005	196	197	1	0.044	0.14	11.60	0.54	174	2
AKD005	197	198	1	0.094	0.13	9.74	0.39	176	21
AKD005	198	199	1	0.028	0.11	9.09	0.42	126	5
AKD005	199	200	1	0.056	0.20	12.25	0.95	135	6
AKD005	200	201	1	0.069	0.28	16.65	1.17	150	BLD
AKD005	201	202	1	0.052	0.25	7.09	0.94	73	9
AKD005	202	203	1	0.613	1.15	1.70	6.02	166	17
AKD005	203	204	1	0.241	0.81	3.53	3.99	85	3
AKD005	204	205	1	0.169	0.44	11.15	2.21	194	7
AKD005	205	206	1	0.299	0.58	15.85	3.12	143	BLD
AKD005	206	207	1	0.293	0.47	15.45	2.60	103	2
AKD005	207	208	1	0.026	0.09	4.03	0.51	25	3
AKD005	208	209	1	0.106	0.44	17.40	2.26	146	BLD
AKD005	209	210	1	0.110	0.46	16.75	2.51	167	2

HOLE	FROM	TO	Width	Cu %	Ni %	Mg %	S %	Zn ppm	Pb ppm
AKD005	210	211	1	0.101	0.50	17.90	2.76	164	BLD
AKD005	211	212	1	0.082	0.36	16.85	1.94	118	11
AKD005	212	213	1	0.138	0.40	17.80	2.30	107	8
AKD005	213	214	1	0.158	0.49	15.90	2.77	105	BLD
AKD005	214	215	1	0.113	1.86	10.75	9.98	63	BLD
AKD005	215	216	1	0.102	0.37	13.80	2.19	80	6
AKD005	216	217	1	0.105	0.43	17.20	2.84	98	BLD
AKD005	217	218	1	0.110	0.39	18.00	2.49	67	3
AKD005	218	219	1	0.110	0.35	17.45	2.45	72	5
AKD005	219	220	1	0.120	0.40	16.20	2.62	71	5
AKD005	220	221	1	0.123	0.37	16.85	2.38	65	10
AKD005	221	222	1	0.124	0.37	16.25	2.53	66	4
AKD005	222	223	1	0.082	0.29	14.75	1.87	73	8
AKD005	223	224	1	0.119	0.41	15.50	2.69	74	BLD
AKD005	224	225	1	0.126	0.36	14.80	2.66	88	BLD
AKD005	225	226	1	0.089	0.34	14.75	2.44	91	11
AKD005	226	227	1	0.171	0.42	14.10	3.61	153	6
AKD005	227	228	1	0.190	0.37	15.00	3.30	176	10
AKD005	228	229	1	0.304	0.66	12.50	5.20	256	15
AKD005	229	230	1	0.085	0.39	9.28	3.35	115	BLD
AKD005	230	231	1	0.222	0.55	4.74	4.28	254	BLD
AKD005	231	232	1	0.004	0.01	0.16	0.07	13	2
AKD005	232	233	1	0.061	0.14	2.46	1.82	177	BLD
AKD005	233	234	1	0.087	0.13	2.28	2.85	147	BLD
AKD005	234	235	1	0.023	0.04	4.62	1.03	131	8

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 mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• It is interpreted that these widths approximate true width.

Criteria	JORC Code explanation	Commentary
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• Reported in Text.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• All 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.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• As reported in the text