



Major airborne EM survey underway for Sipa as Paterson exploration field season ramps-up

Adds strong momentum to exploration near the Winu copper-gold-silver discovery

- Sipa commences 1,100 line kilometre regional SkyTEM airborne EM survey.
- Covers key existing prospects and previously untested magnetic features.
- Follow-up surface soil sampling program underway.
- Drilling planned for July-August once EM data has been processed and interpreted.

Sipa Resources Limited (ASX: SRI) is pleased to announce that it has commenced an extensive SkyTEM Airborne Electro-magnetic (EM) survey over its 100%-owned **Paterson North Copper-Gold Project** in the Paterson Province of WA.

Airborne EM is a geophysical targeting technique designed to detect metals via their conductive properties. The technique is believed to have played a key role in the identification of the anomaly that led to the drilling and subsequent discovery of Rio Tinto's recent Winu copper-gold-silver deposit, located 10km from Sipa's western boundary. Sipa's SkyTEM survey which covers key prospect areas and previously untested magnetic features will enhance the Company's understanding of existing prospects and is expected to assist in the identification of new targets.

Since the completion of Sipa's 2018 field season, a number of developments have enhanced the significance of Sipa's Obelisk discovery and surrounding tenement package. Most notable is confirmation of a significant copper-gold-silver discovery by Rio Tinto at Winu, approximately 10km west of Sipa's tenement-holding (Figure 1).

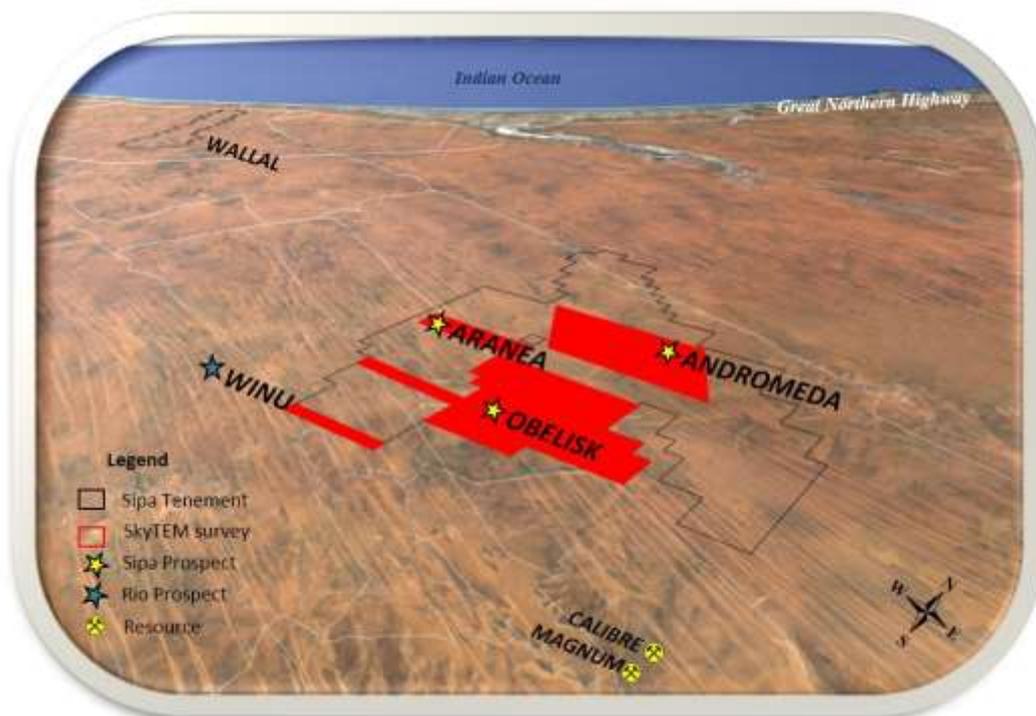


Figure 1: Oblique Perspective Tenement and Prospect Location Plan with the SkyTEM survey area in red. Note distorted scale.



Other important information Sipa has drawn from Rio's announcement of the 27th February 2019 is that Sipa's Obelisk discovery bears the following similarities to Winu:

- Both Winu and Obelisk have a distinct polymetallic copper, gold, silver, molybdenum, bismuth tungsten association. Peak assay values from Sipa's drilling are 22g/t Au, 2% Cu, 16g/t Ag, 323ppm Mo, 0.3% Bi and 0.3% W (see Sipa's ASX Releases, 19 June 2017 and 12 Oct 2017);
- Both prospects are associated with quartz sulphide veins with dominant sulphides, chalcopyrite, pyrite and pyrrhotite; and
- Vein-hosted mineralisation with multiple mineralising events has been identified at both locations associated with biotite alteration of metasilstones and, in the case of Obelisk, also with dolerite.

The Airborne EM survey is being flown concurrently with an extended surface soil program which will aim to better define the previously identified surface copper and polymetallic anomaly extending immediately south of Obelisk, which is untested by drilling.

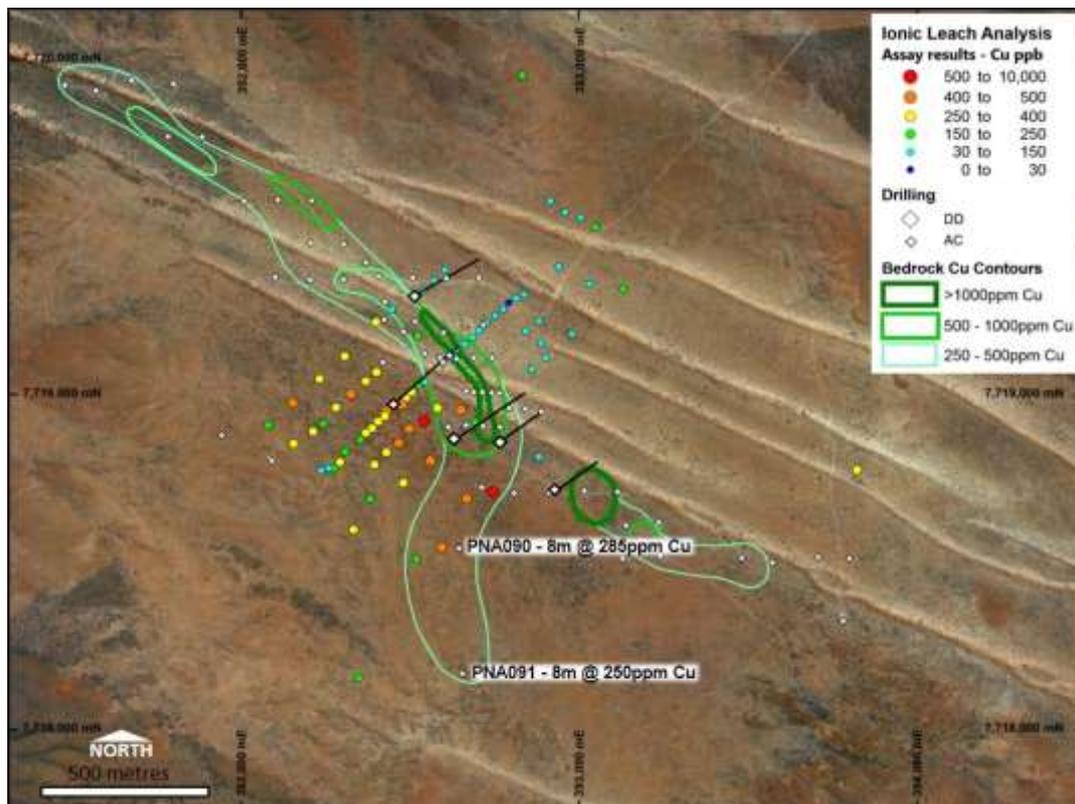


Figure 2: Surface ionic leach copper results from Obelisk, open to the north, south and west, located south-west of highly anomalous >1,000ppm copper anomaly in bedrock from aircore drilling.

Drill testing of targets is planned for July-August once the EM data has been processed and interpreted. The drilling will be supported by a WA Government Co-funded EIS drilling grant for up to \$150,000, as announced late last year.

The North Paterson Province is now one of the most active and prospective new exploration frontiers in Australia, with exploration programs underway by major mining companies such as Rio Tinto, FMG, Oz Minerals and Newcrest, as well as a number of junior exploration companies including Sipa, Antipa Minerals, Greatland Gold, Red Metal and Encounter Resources (under agreement with IGO).



Background

Since entering a Farm-In and Joint Venture with Ming Gold Ltd in June 2016, Sipa has successfully progressed exploration on its large ground-holding, resulting in the discovery of a significant copper-rich polymetallic mineral system at Obelisk.

The Obelisk prospect is a co-incident magnetic, IP and gravity high feature. Aircore/Reverse Circulation and diamond drill testing of the prospect by Sipa in 2016, 2017 and 2018 defined a large >4km copper-plus-polymetallic system in Proterozoic bedrock.

Deeper drilling has returned broad bedrock copper results including 102m @ 0.09% Cu in PNA070 and 64.8m @ 0.1% Cu in PND001 (ASX 19 June 2017 and 12 Oct 2017).

In addition, high-grade vein-hosted mineralisation returned narrow intersections of gold grading up to 22g/t Au and copper grading up to 2% Cu in PND002. (ASX 12 Oct 2017).

Sipa has also identified a second copper anomaly co-incident with modelled magnetic alteration called Aranea with bedrock grades averaging in excess of 250ppm copper over an area of over 2km of strike. (ASX 14 Sept 2018)

Sipa now has 80% equity in the project with Ming Gold electing not to contribute further funds. Ming's interest will dilute until Sipa holds 92.5%. From then on, Ming's interest may convert to a royalty using the dilution provisions within the Farm-In and Joint Venture agreement.

About Sipa

Sipa Resources Limited (ASX: SRI) is an Australian-based exploration company aiming to discover significant new gold-copper and base metal deposits in established and emerging mineral provinces with world-class potential.

In Northern Uganda, the 100%-owned Kitgum-Pader Base Metals Project contains an intrusive-hosted nickel-copper sulphide discovery at Akelikongo, one of the most significant recent nickel sulphide discoveries globally.

In May 2018 Sipa announced a Landmark Farm-in and JV Agreement with Rio Tinto to underpin accelerated nickel-copper exploration at the Kitgum Pader Base Metals Project in Northern Uganda in which Rio Tinto can fund up to US\$57M of exploration expenditure and make US\$2M in cash payments to earn up to a 75% interest the project.

In Australia, Sipa has an 80% interest in Joint Venture with Ming Gold at the Paterson North Copper Gold Project in the Paterson Province of North West Western Australia, where polymetallic intrusive related mineralisation was intersected at the Obelisk prospect.

The Paterson Province is a globally recognized, strongly endowed and highly prospective mineral belt hosting the plus 25Moz world-class Telfer gold and copper deposits, Magnum and Calibre gold and copper deposits, Nifty copper and Kintyre uranium deposits and the O'Callaghans tungsten deposit.

The information in this report that relates to Exploration Results was previously reported in the ASX announcement dated 14 September 2018, 20 October 2017, 12 October 2017, and 19 June 2017. The Company is not aware of any new information or data that materially affects the information included in that relevant market announcement.

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