



## UGANDA PROJECT JOINT VENTURE UPDATE

### Uganda Nickel-Copper Project (100% Sipa)

- Rio Tinto have advised Sipa of their intention to withdraw from the current Earn-in and JV Agreement (the Agreement) covering Sipa's land package in Uganda (Figure 1).
- Sipa to retain 100% ownership of the whole package including the large magmatic Ni-Cu sulphide discovery at Akelikongo and commence new partnership discussions immediately.
- Sipa will commence new partnership discussions immediately.

Sipa Resources (ASX: SRI, 'Company') advises that it has just received the required notification from Rio Tinto Mining & Exploration Limited (Rio Tinto) that it will forgo its right to continue funding exploration under the Farm-in and JV Agreement announced in May 2018 (refer ASX announcement: 14 May 2018). Rio Tinto had the right to earn up to a 75% interest in the project in stages by funding up to US\$57 million in exploration. Project expenditure during the 3-month notice period will continue to be funded by Rio Tinto.

Since the inception of the joint venture, Rio Tinto has spent a total of US\$4.2 million on exploration activities, including over 7,000m of diamond drilling, extensive programs of ground gravity and ground magnetics, geological mapping, soil and rock chip sampling. Much of this expenditure has been focused at Akelikongo, one of the most extensive discoveries of nickel sulphide mineralisation in recent years.

Sipa's Managing Director, Mr Pip Darvall, said: "While it is disappointing that Rio Tinto have elected to withdraw from the Joint Venture, the numerous mineralised sulphide intersections encountered in recent drilling highlight the remaining opportunity. The down-plunge potential of the nickel-copper sulphide system at Akelikongo remains largely untested, and is a logical next step for the project. We have immediately commenced a process to secure a suitable new strategic partner to assist Sipa in moving the project forward."



**Figure 1:** Location of Sipa's Uganda landholding.



## 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.

The 100%-owned Uganda Base Metals Project contains an intrusive-hosted nickel-copper sulphide discovery at Akelikongo, one of the most significant recent nickel sulphide discoveries globally. With abundant nickel-copper bearing sulphides intercepted in drilling open along strike and down plunge.

In Australia, Sipa has an 87% 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.

## AUSTRALIAN PROJECT LOCATIONS



Sipa's project locations in Australia

This release has been approved for issuance by Pip Darvall

### **For more information:**

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