

DATED: 23 OCTOBER 2003



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HIGHLIGHTS

PARABURDOO GOLD PROJECT

- *A significant upgrade of the Companies Identified Mineral Resource Statement was recently released to the Australian Stock Exchange. The total resource base now stands at approximately 750,000 ounces, an increase of about 570,000 ounces.*
- *Preliminary open pit optimisations of the Mount Olympus oxide resource at current gold prices, demonstrates the viability of converting a large portion to a reserve category, thus extending Paraburdoo's mine life beyond the currently scheduled mid-2004 timeframe.*
- *Production of 13,650 ounces of gold at a cash cost of A\$348/ounce for the Quarter.*
- *Encouraging near mine exploration results were returned from the Atlas, Fuzz Box, Dinosaur and Zeus South Prospect's.*
- *Significant results have been returned from follow-up Reverse Circulation drilling at the Romulus Prospect from within the Limerick Hill Joint Venture.*

EXPLORATION

- *Drilling has commenced at the Coolgardie Nickel Project and is focussed on two targets, both of which are defined by nickel gossan outcrops and extensive surface geochemical anomalies. Sipa's ground position has been further strengthened through an Option to Purchase a further 7 kilometres of strike of ultramafic rocks. Sipa now controls about 25 kilometres of the very prospective ultramafic "basal contact".*
- *At Broken Hill, Gravity Capital have completed detailed confirmatory ground magnetic and gravity surveys over three nominated FALCONTM Gravity Targets. Several of these are scheduled for drilling in the next Quarter.*
- *The first phase of reconnaissance geological mapping and wide-spaced electromagnetic geophysical surveying targeting Nickel, Copper and Platinum Group Metals has been completed at the Table Hill Project.*

SUMMARY

PARABURDOO & ASHBURTON GOLD PROJECTS

- A significant upgrade of the Company's Identified Mineral Resource Statement was released to the Australian Stock Exchange in September 2003. The total resource base now stands at approximately 750,000 ounces - an increase of about 570,000 ounces. The majority of these resources relate to oxide mineralisation in the walls and base of the previously mined Mount Olympus Open Pit and the inclusion of the Mount Olympus Refractory Resource.
- Preliminary open pit optimisations of the Mount Olympus resource at current gold prices demonstrate the viability of converting a large portion of this resource into a reserve category. The outcome of this will be an extension of mine life well beyond the currently scheduled mid-2004 timeframe.
- Exploration results at the Atlas and Ambrose Prospects on the north slope of Mount Olympus are expected to add to the new resources and should positively impact on pit optimisations due to their position in the immediate pit wall.
- Production of 13,650 ounces of gold at a cash cost of A\$348/ounce. Production was impacted on by a delay in treating the high grade Waugh Ore due to a temporary failure of part of the gold stripping circuit. High grade ore has been stockpiled during this period.
- Significant results have been returned from follow-up Reverse Circulation drilling at the Romulus Project within the Limerick Hill Joint Venture with Newcrest Mining Operations. These results included 12 metres @ 3.2g/t Au from 96 metres and 17 metres @ 3.2g/t Au from 74 metres.

EXPLORATION

- Drilling has commenced on two prospects within the Sipa-Austminex NL Coolgardie Nickel Project;
 - At Bill's Prospect, Sipa recently discovered a new nickel gossan supported by strong soil geochemical anomalism and a subtle geophysical anomaly.
 - Deano's Prospect is focussed on historical drilling of a nickel gossan that reportedly intersected 'Kambalda-Grade' nickel sulphides.
- An Option to Purchase Agreement was concluded with Fleetdale Pty Ltd taking our Coolgardie Nickel Project to over 65 square kilometres with more than 20 kilometres of strike of very prospective ultramafic rocks.
- Gravity Capital Limited have completed detailed confirmatory ground magnetic and gravity surveys over three nominated FALCON™ Gravity Targets near Broken Hill. Several of these are scheduled for drilling in the next Quarter along with two Gold-Copper targets to be drilled by Sipa in the Copper-King Joint Venture with Platsearch.

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- At the Table Hill Nickel Project the first phase of reconnaissance geological mapping and wide-spaced electromagnetic geophysical surveying has been completed. Strong conductivity contrasts have mapped the base of the gabbro sills with confidence. This is the location at which sulphide mineralisation is being sought, at depths ranging from 250 to 550 metres below surface. Local depressions in the basal contacts near faults are evident. Such features would provide ideal sites for deposition of Platinum Group Metals-bearing Nickel-Copper sulphides. Several will be chosen for drill testing in the New Year.

CORPORATE

- The second instalment of three (3) cents per share relating to the Return of Capital had a record date of 30 September 2003. Payment will be forwarded to all shareholders by 30 October.
- The Australian Tax Office (ATO) has ruled that the entire five (5) cent payment will be treated as an unfranked dividend for tax purposes.
- A letter has been written to the ATO and has been lodged with the ASX expressing Sipa's dissatisfaction with some of the processes of assessment by the ATO.

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PARABURDOO GOLD PROJECT

MOUNT OLYMPUS GOLD TREATMENT OPERATIONS (100% SIPA)

Production

Production for the first Quarter of 2003 / 2004 was:

Ounces;	13,650
Tonnes;	164,031
Grade;	2.72g/t
Cash costs;	A\$348 per ounce
Recovery ;	94.68%

Production for the Quarter was lower than scheduled due largely to a delay in treating high grade Waugh ore for 8 days as a result of a failure of part of the gold stripping circuit. This failure resulted in the ore feed reverting to low grade only, with obvious impacts on grade and a reduction in the throughput due to its milling characteristics. During this period a large amount of high grade ore was stockpiled (about 80,000 tonnes @ 8.4g/t for 21,000 contained ounces) and is ready for immediate treatment.

Mining commenced on the Waugh Stage (3) Pit during the month with the conclusion of mining schedule for late in October 2003. Stocks delivered to the ROM stockpile at the Mount Olympus Plant Site will be progressively treated as a blend with stockpiled low grade ore through to mid-2004.

Grade control drilling for the Waugh Stage (3) Pit indicates that, as experienced in the top part of the deposit, a slight reduction in tonnages is likely. However, if the Stage (3) reconciles in the same manner in terms of grade, then the expectation is that scheduled ounces will be achieved.

Resource Development (100% Sipa)

As reported in an announcement to the Australian Stock Exchange ("ASX") dated 29th October 2003, the considerable programs of exploration and resource development drilling and evaluation over the past 10 months has resulted in a significant upgrade to the Companies gold resources (Table 1). The new resource base now stands at a total of about 750,000 ounces and includes both oxide and sulphide mineralisation. This is an increase of about 570,000 ounces from the previously reported figure of 180,000 ounces.

Table (1) – Identified Mineral Resource Summary

MEASURED			INDICATED			INFERRED			TOTAL		
Tonnes	g/t	Ounces	Tonnes	g/t	Ounces	Tonnes	g/t	Ounces	Tonnes	g/t	Ounces

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Oxide	1,395,000	3.4	152,000	428,000	3.4	47,000	762,000	2.6	63,650	2,585,000	3.2	262,650
Sulphide	840,000	3.4	92,500	1,043,000	3.1	103,600	2,715,000	3.4	294,000	4,598,000	3.3	490,100
Total	2,235,000	3.2	244,500	1,471,000	3.2	150,600	3,477,000	3.2	357,650	7,183,000	3.3	752,750

(A detailed tabulation and accompanying notes are provided as Attachment 1).

The greatest additions have come from oxide mineralisation associated with the previously mined Mount Olympus deposit, and the inclusion of the Mount Olympus refractory sulphide mineralisation. The addition of the sulphide resource is based on recent work that indicates that firstly, even at low recoveries through the existing mill, some of this mineralisation could be mined and treated economically by a modest deepening of the existing open pit, and secondly, that fine grinding treatment options may improve recoveries to the point that would justify a much larger open pit.

Preliminary open pit optimisations of the Mount Olympus oxide resource at current gold prices demonstrates the viability of converting a large portion of this resource into a reserve category. The outcome of this would be an extension of mine life well beyond the currently scheduled mid-2004 timeframe.

Access into the base of the Mount Olympus Open Pit has recently been re-established and it is planned to undertake a program of detailed drilling that will consolidate the existing resource and allow final pit optimisations to be undertaken. The drilling will also target a component of the sulphide resource to continue to provide detailed information in regard gold recovery and grade distribution as part of investigations into how to economically exploit the refractory sulphide resources at Paraburdo.

On completion of the final open pit optimisations on the reported resources an updated Ore Reserve Statement will be released.

Near Mine Exploration (100% Sipa)

Strong results continued to be returned from the northern margin of the Mount Olympus Open Pit at the Atlas and Ambrose Prospects. Continued drilling of the area following up previous results confirm the presence of oxide mineralisation in the immediate north wall of the existing Mount Olympus Open Pit. These results include:

AMC 015	4 metres @ 3.1g/t Au	from 49 metres.
AMC 016	6 metres @ 1.8g/t Au	from 12 metres.
	2 metres @ 11g/t Au	from 38 metres.
	9 metres @ 1.7g/t Au	from 51 metres.
AMC 017	5 metres @ 3.0g/t Au	from 59 metres.
AMC 018	5 metres @ 2.7g/t Au	from 56 metres.
AMC 019	7 metres @ 2.4g/t Au	from 63 metres.
AMC 021	6 metres @ 3.6g/t Au	from 20 metres.
AMC 025	15 metres @ 7.1g/t Au	from 2 metres.
AMC 028	2 metres @ 38g/t Au	from 13 metres.
AMC 029	2 metres @ 3.7g/t Au	from 12 metres.
AMC 030	7 metres @ 2.7g/t Au	from 2 metres.
ATC 020	4 metres @ 6.1g/t Au	from 34 metres.

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Additionally to a new zone of mineralisation has been identified approximately 50 metres west at the Fuzz Box Prospect. Initial drilling has identified mineralisation associated with the contact zone between the basalt and siltstone, similar to the setting of the previously mined West Olympus Deposit. Results include:

FBC 001	3 metres @ 2.6g/t Au	from 43 metres.
FBC 002	3 metres @ 2.9g/t Au	from 22 metres.
	6 metres @ 2.3g/t Au	from 29 metres.
FBC 003	2 metres @ 2.8g/t Au	from 18 metres.
FBC 006	2 metres @ 5.0g/t Au	from 9 metres.

These results are currently being incorporated into an expanded resource model for Mount Olympus oxide and the expectations are that this will result in an improved resource model. The location of this mineralisation in the immediate pit wall of the existing Mount Olympus Open Pit also has the potential to improve the economics of pit optimisations currently underway.

In other areas, some interesting results have been returned from Dinosaur including 9 metres @ 3.7g/t Au from 9 metres (DRC023), and from the South Zeus Prospect where wide spaced reconnaissance RAB drilling intersected 9 metres @ 1.0g/t Au from 9 metres (ZSC 026).

At the Astroboy Prospect follow-up drilling to the very encouraging initial results intersected broad zones of low grade gold mineralisation associated with intense alteration in the interpreted structural fold nose. These results will be fully evaluated, however drilling at this prospect is not planned for the near future.

Refractory Sulphide Resource Project

Drilling in the base of the existing Mount Olympus Open Pit to determine the exact position of the base of oxidation will also be used to obtain systematic grade and recovery data across the top portion of the sulphide mineralisation. This will provide critical data to determine recoveries in detail across all geological domains within the current resource model.

In other work programs, concentrate samples are being prepared for biological leaching test work trials.

Sipa Forward Sales Position

As at the date of this report, the Company has 11,000 ounces forward sold at an average price of A\$554.58 per ounce.

The Company has taken these hedging contracts to cover the remaining ounces in the low grade stockpiles to ensure they continue to be economic to treat at all times.

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Return of Capital

The second instalment of three (3) cents per share relating to the Return of Capital had a record date of 30 September 2003. Payment will be forwarded to all shareholders by 30 October.

Notification was given to shareholders during the Quarter that the Australian Tax Office had unfortunately ruled that the payments would be treated as an unfranked dividend for tax purposes, this is despite Sipa spending considerable time and money in the preparation of the application for a Class Ruling.

LIMERICK HILL JOINT VENTURE (SIPA 100% / NEWCREST EARNING 70%)

The main focus of exploration during the Quarter was on the Romulus Prospect as follow-up to the highly encouraging results reported in the June Quarter.

26 Reverse Circulation (RC) drillholes for 3,735 metres were completed to test a sequence of rocks consisting of dolomite, siltstone, sandstone and clay-chert breccia. Much of the dolomite is altered by silica and pyrite, and the chert breccia is, at least in part, jasperoidal. A number of significant zones of mineralisation were intersected and these are tabulated below;

Significant Drilling Results – Romulus Prospect

Hole No	Easting	Northing	Azimuth	Dip	From	To	Width	Grade (g/t Au)
LRC029	76290	413263	028	-60	70 73	71 74	1 1	1.1 1.4
LRC031	76202	413085	028	-60	43	46	3	2.4
LRC032	76158	412996	028	-60	119	124	5	1.0
LRC039	75989	413190	028	-60	76	115	39	1.3
Includes 12 metres @ 3.2 g/t from 94 metres								
LRC040	75945	413101	028	-60	80	84	4	1.4
LRC044	75876	413500	028	-60	43	46	3	1.3
LRC047	75756	413526	028	-60	80	98	18	0.7
LRC051	75916	413590	028	-60	74	91	17	3.2
Includes 6 metres @ 8.3 g/t from 82 metres								

This mineralisation is in the weathered saprolite clay zone and full interpretation of these results is currently being completed. To assist in this interpretation a diamond hole has been drilled to twin the intersection in LRC039. Observation of the core has noted a number of silicified zones containing stringer and disseminated pyrite, with associated patchy hematite alteration. Assays are awaited.

Follow-up RC drilling is planned for early in the next Quarter.

ASHBURTON JOINT VENTURE (NEWCREST 70% / SIPA 30%)

Exploration on the Ashburton Joint Venture consisted of RC drilling at the Electric Dingo and Cheela West Prospects, Rotary Air Blast (RAB) drilling at Cheela, Calgra North and Charcoal

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Well . In addition to this a ground magnetic survey was completed at Cheela and stream sediment samples were collected across the Charcoal Well area.

At Electric Dingo, 10 deep RC holes were drilled to follow-up a zone of primary mineralisation within the dolomite rock units that are believed to indicate likely proximity to a primary feeder structure. This wide spaced drilling intersected the anticipated structure, however the results returned indicate only broad low grade mineralisation in these holes. A diamond drillhole to provide more detailed information in this position was recently completed. Assays are pending.

OTHER SIPA-NEWCREST JOINT VENTURES

The are four joint ventures on land owned by others where Sipa and Newcrest (as Manager) jointly participate (30% and 70% respectively). These cover the Mt Wall Joint Venture, the Rocklea Joint Venture and both the Anthiby Well Option and the Ausicaribian Option.

The majority of work on these projects was focussed on the Anthiby Well Option where recent exploration has included diamond drilling, RC drilling and RAB drilling.

One diamond drillhole (AWD001) was completed to test in fresh bedrock mineralised zones intersected in a previous program of RC drilling (including 5 metres @ 2.5g/t Au and 1 metre @ 8.7g/t Au). The drillcore intersected zones of disseminated trace pyrite associated with minor vein quartz and silicification. Assay results are encouraging with two intersections returning notable grades – 1.85 metres @ 11g/t Au and 1 metre @ 2.6g/t Au. The significance of these intersections is that they confirm the presence of strong, high grade mineralisation in unweathered rock.

The programs of RC and RAB drilling are part of the ongoing infill and follow-up to original programs of wide spaced regional RAB drilling coverage. Assays are awaited for this work.

A program of 16 RAB holes was completed on the Mt Wall Joint Venture to infill a wide gold-arsenic-antimony anomaly generated by the original regional drilling. Assays are awaited.

Work on the Rocklea Joint Venture was limited to the processing and interpretation of recently completed ground magnetic surveys.

No exploration was completed on the Ausicaribian Option during the Quarter, however, a payment was made to extend the Option to Purchase for an additional 12 months.

During the Quarter Sipa and Newcrest jointly withdrew from the House Creek Joint Venture with Ashburton Gold Mines NL.

PANORAMA PROJECT

Sipa is currently negotiating formal documentation with the aim of consolidating our 100% interest in the Panorama Base Metals Project, following negotiation of terms with Outokumpu Zinc Australia Pty Ltd. Within the previous agreement Outokumpu had the right to earn a 60% interest in the Project and had spent some \$16 million on exploration between 1993 and 2000, and a further \$4 million on a Feasibility Study.

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Sipa maintains the view that excellent potential remains to extend the resources at both Sulphur Springs and Kangaroo Caves Zinc-Copper Deposits and for the discovery of new deposits.

EXPLORATION PROJECTS

COOLGARDIE NICKEL PROJECT

As reported in an announcement to the Australian Stock Exchange dated 13th October 2003, drilling has commenced at the Coolgardie Nickel Project in the Eastern Goldfields of Western Australia. Initially two targets are being tested, both of which are located in the Sipa-Austminex Coolgardie Joint Venture (Sipa earning a 70% interest in the Nickel-Copper-Platinum Group Metals-Base metal rights).

To further consolidate Sipa's presence in the area an Option to Purchase Agreement with Fleetdale Pty Ltd on their adjacent tenements has been concluded. This adjacent tenement package covers a further 25 square kilometres and hosts about 7 kilometres of strike of the prospective ultramafic 'basal contact'. No exploration has yet been undertaken on this property.

The project now contains about 25 kilometres of strike of the very prospective ultramafic "basal contact"; that is, the geological position at which the old 1 million tonne, 3% Nickel Nepean deposit is located about 15 kilometres to the southeast.

The identified drilling targets at the Deano's Prospect and Bill's Prospect were the result of exploration programs commenced by Sipa in mid-2003. This work included geological mapping and systematic prospecting of about half of the property, a restricted geochemical soil survey and compilation of past work including airborne magnetic data, limited ground electromagnetic (EM) data and all available drilling information.

This work resulted in the location of a previously known gossan (now named Deano's Prospect) and the identification of a new gossan nearby (Bill's Prospect). Both gossans have geochemistry diagnostic of oxidized nickel sulphides. The results are tabulated below:

Prospect	Nickel (%)	Copper (%)	Platinum (ppb)	Paladium (ppb)
Deano's	1.4	0.4	29	114
Bill's	2.0	0.2	42	114

Drilling in 1972 to test beneath and along strike of the gossan at Deano's Prospect was undertaken, however a large proportion of this drilling failed to penetrate through to the prospective basal contact. It did however, identify favourable high magnesian ultramafic rocks and more importantly intersected what was reported at the time to be widths of "Kambalda-type" sulphides. Despite extensive data searches no assay data has been located for these holes. Discussions with three geologists who were involved in the drilling have independently reported that one hole intersected 'Kambalda-grade' sulphides (Hole GPH4 - 1.7 metres of sulphides from about 30 metres). These results clearly demonstrate the presence of nickel sulphides.

Re-modelling of the limited EM data collected over this prospect has identified a subtle, shallowly west dipping conductor of about 200 metres in strike length centred near and down dip of the

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gossan. The current drilling program is aimed at verifying the 1972 result and to test for any down-plunge extension to the zone.

The gossan at Bill's Prospect is located approximately 1 kilometre north of Deano's Prospect within a separate ultramafic rock unit. The gossan appears to represent a narrow (about 1 metre) interval of oxidized massive and matrix/disseminated sulphides at an interflow position about 10 metres above the basal contact. It has a soil geochemical anomaly covering some 250 metres of strike straddling the basal contact position. Interpretation of the EM data shows a subtle, moderately west dipping conductor about 400 metres long centred near and down dip of the gossan. Drilling will test this position.

Results will be reported in full when the drill programme is complete and all assays have been received and evaluated.

BROKEN HILL PROJECTS

In the areas immediately surrounding Broken Hill in NSW, Sipa has earn-in rights to nearly 1,000 square kilometres of highly prospective ground through three separate Farm-In Joint Ventures (discussed individually below). These projects encompass more than 25% of the area within 35 kilometres of the world-famous "Line-of-Lode". Sipa is exploring for ultramafic-hosted deposits of Nickel-Copper-PGM as well as ironstone-related Copper-Gold and classical "Broken Hill Style" silver-zinc-lead deposits.

Sipa-Golden Cross Joint Venture

Interpretation of FALCONTM airborne gravity and detailed low-level airborne magnetic data has greatly assisted in geological interpretation and target selection. This has resulted in the identification of several new areas believed to be prospective for significant Ni-Cu-PGM-bearing sulphides associated with ultramafic intrusive rocks. In particular, this geophysical data indicates that much larger ultramafic intrusive bodies are present in the southern part of the tenement than previously thought. Field work is now planned to include this area for detailed evaluation. On the completion of this assessment, drilling programs will be planned for both this area and the previously identified targets in the northern position of the Project.

Stephens-Centennial Project (Sipa-Triako-PlatSearch-Eaglehawk JV)

No field work has been undertaken in this Quarter. A new Exploration Licence combining all three previous tenements has recently been granted. Priority drill targets are being selected along the 35 kilometre long, complexly folded sequence of Broken Hill Style "Lode" occurrences. It is anticipated that these will be drilled early in 2004.

Copper King Project (Sipa-PlatSearch-Eaglehawk JV)

Detailed geological mapping and interpretation of the detailed airborne magnetic data has identified a number of targets that are considered ideal sites for hosting significant Copper-Gold

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mineralisation. The identified positions are complex fold structures containing magnetite-bearing units that have then been intersected by shear zones.

Gravity Capital (GCAP) have now completed ground magnetic follow-up of one of the two stand-out FALCON™ gravity target areas on this tenement. This airborne gravity anomaly has been strongly confirmed and it is likely that it will be drilled in early 2004.

TABLE HILL PROJECT

Sipa has entered into an agreement with AusQuest Limited whereby we may earn a 70% interest in their 2,800 square kilometre Nickel-Copper-PGM Project in the Officer Basin in Western Australia by providing a Bankable Standard Feasibility Study after first completing a minimum exploration commitment of \$350,000 in the first 12 months.

We believe the Project represents a stand-out greenfields exploration opportunity for the discovery of a major new province of Nickel-Copper-PGM-enriched sulphides, perhaps analogous to the giant Noril'sk deposits in Russia.

The Project is based on what is considered leading-edge research and conceptual thinking by Sipa's joint venture partners. Their work has identified poorly exposed mafic intrusive rocks (gabbro sills) that appear to have the key signatures of those associated with large Nickel-Copper-PGM deposits elsewhere around the world.

Following ground Heritage Clearances, the first phase of reconnaissance mapping and wide-spaced EM surveying was completed over targets defined from the interpretation of airborne magnetic data. The aim of this work was to determine whether the base of the gabbro sills could be mapped by the EM geophysics (it is the base of the gabbro sills where sulphides are typically found in these types of deposits) and also to identify the direct expression of any sulphide mineralisation. This initial work has covered less than 2% of the interpreted extent of the gabbro sills.

Interpretation of the EM data shows a strong conductivity contrast that enables the base of the gabbro sills to be mapped with confidence at depths ranging from 250 to 550 meters below surface. The increased conductivity at the interpreted base of sills is considered compatible with the presence of minor sulphides, however, no conductive features indicative of massive sulphides are evident. Modelled local depressions in the interpreted basal contacts near to bounding faults are evident, and some of these faults seem to coincide with mafic 'feeder' dykes. Such features would provide ideal sites for deposition of PGM-bearing Nickel-Copper sulphides and several will be chosen for drill testing in the New Year.

DIXON RANGE PROJECT (Sipa-Gaia 100%)

A full review was undertaken at the completion of the recent exploration field season to determine the future direction of the Dixon Range Project. The review confirmed that the extensive geochemical anomalism associated with gossan zones developed at the contacts of the Elliot Range Dolomite in the Wolfe Basin over more than 70 kilometres are at least in part related to base metal mineralisation. This strong geochemical anomalism associated with cross-structures with clear

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growth-fault characteristics (a key ingredient in most sediment-hosted base metal environments) suggests there remains significant potential for a major base metal deposit discovery.

Sipa's belief is that despite no economic mineralisation being defined to date, the area has a signature consistent with it being a new Mineralised Province and that longer term perseverance will be required to unlock the potential.

As a result of this review a decision has been taken to seek the involvement of a joint venture partner.

NORTH QUEENSLAND GOLD AND BASE METALS (Sipa – Gaia 100%)

The majority of Sipa's tenements have now been granted and land access agreements are currently being negotiated. This has now consolidated Sipa's position in the highly prospective Georgetown region which hosts, amongst others, the significant gold deposits of Kidston and Red Dome.

It is now intended to quickly assess the wider project area (1,300 square kilometres) so that key areas can be defined and the ground holding reduced to a more manageable level.

TORQUATA (100% Sipa)

Re-assaying of original 4 metre composite aircore samples has confirmed the presence of anomalous bedrock gold in gneisses and granulites of the Albany-Fraser Province beneath a major gold-in-calcrete anomaly. The intersections are distributed along a north-south zone extending over more than 1,500 metres and corresponding with a sudden increase in depth to basement that may indicate the presence of a significant structure.

No further work is planned in this field season.

ULARRING ROCK (100% Sipa)

No significant field work has been undertaken during the Quarter due to heavy rain and cropping activities.

KILLALOE NICKEL PROJECT

Sipa has recently given notice that it intends to withdraw from the Farm-In agreement with Cullen Resources NL on this Project.

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Signed on behalf of the Board of Sipa Resources International NL

Michael Doepel MSc, DIC M AusIMM

The information in this report is based on information by a person who is a Corporate Member of the Australasian Institute of Mining and Metallurgy and who has more than five year's experience in the field of activity being reported on. This report accurately reflects the information compiled by that member.

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ATTACHMENT (1)

IDENTIFIED MINERAL RESOURCES AND ORE RESERVES as of JUNE 2003

IDENTIFIED MINERAL RESOURCE (GOLD)

Deposit	COE	MEASURED			INDICATED			INFERRED		
		Tonnes	g/t	Ounces	Tonnes	g/t	Ounces	Tonnes	g/t	Ounces
Waugh	0.9	253,000	8.3	67,500	136,000	4.8	21,000	100,000	2.9	9,300
Low Grade S/P	0.9	491,000	1.2	18,900	-	-	-	-	-	-
Mt Olympus Oxide	0.9	361,000	3.4	39,500	203,000	2.5	16,500	173,000	2.1	11,600
West Olympus Oxide	0.9	290,000	2.8	26,100	64,000	2.9	6,000	23,000	2.1	1,500
Peake Oxide	0.9	-	-	-	25,000	4.3	3,500	-	-	-
Zeus Oxide	0.9	-	-	-	-	-	-	20,000	1.5	950
Zoe Oxide	0.9	-	-	-	-	-	-	46,000	2.9	4,300
Paradise Bore	1.0	-	-	-	-	-	-	400,000	2.8	36,000
TOTAL OXIDE RESOURCES		1,395,000	3.4	152,000	428,000	3.4	47,000	761,900	2.6	63,650
Mount Olympus Sulphide	0.9	651,000	3.5	73,000	848,000	3.1	85,000	2,306,000	3.2	236,500
West Olympus Sulphide	0.9	189,000	3.2	19,500	195,000	3.0	18,600	409,000	4.4	57,500
TOTAL SULPHIDE RESOURCES		840,000	3.4	92,500	1,043,000	3.1	103,600	2,715,000	3.4	294,000
TOTAL RESOURCES		2,235,000	3.2	244,500	1,471,000	3.2	150,600	3,476,900	3.2	357,650

IDENTIFIED MINERAL RESOURCES AND ORE RESERVES as of JUNE 2003

ORE RESERVES (GOLD)

Deposit	Ownership	PROVED			PROBABLE			TOTAL		
		Tonnes	g/t	Ounces	Tonnes	g/t	Ounces	Tonnes	g/t	Ounces
Waugh	Sipa 100%	-	-	-	181,000	10.8	62,800	181,000	10.8	62,800
Waugh JV	Limerick Hill JV	-	-	-	16,000	6.3	3,250	16,000	6.3	3,250
Low Grade S/P	Sipa 100%	491,000	1.2	18,950	-	-	-	491,000	1.2	18,950
TOTAL		491,000	1.2	18,950	197,000	10.4	66,050	688,000	3.8	85,000

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**NOTES TO ACCOMPANY IDENTIFIED MINERAL RESOURCE
and ORE RESERVE STATEMENT for June 30 2003**

PARABURDOO GOLD PROJECT

1. WAUGH DEPOSIT

- *The mineralisation that makes up the Waugh Deposit consists entirely of oxide material and is hosted within siltstones of the Mount McGrath Formation, the rock unit that also hosts the previously mined nearby Mount Olympus, Zeus and Peake gold deposits.*
- *Programs of metallurgical test work and recent production from Waugh demonstrate that recoveries will be between 90 and 95%. Reported ounces are contained ounces.*
- *Below the 400m RL the Waugh mineralisation is subject to the Limerick Hill Joint Venture agreement.*
- *The Waugh resources have been estimated using the method of Multiple Indicator Kriging (MIK) with block support adjustment reported as a recoverable resource above the given cut-off grade. This modelling technique estimates resources into panels with dimensions of 10m by 10m by 5m. The estimates are constrained by the present pit surface) and extend to approximately 120m below the surface.*
- *Optimisation studies were based on A\$560 per ounce gold price.*

2. LOW GRADE STOCKPILES

- *Tonnages for the low-grade stockpile are based on surveyed volumes. The basis for the grade is from a series of extended batch treatment trials and production over the past 9 months.*

3. MOUNT OLYMPUS and WEST OLYMPUS OXIDE

- *These oxide resources are based on information taken from historical mining data, new geological mapping and from a recently completed program of reverse circulation drilling. The defined mineralisation is largely present in the base and floor of the existing open pits.*
- *The resources have been estimated using the method of Multiple Indicator Kriging (MIK) with block support adjustment reported as a recoverable resource above the given cut-off grade. This modelling technique estimates resources into panels with dimensions of 20m by 20m by 5m. The estimates are constrained by the present surveyed base of the pit surface down to the base of oxidation.*
- *The base of oxidation is based on an interpreted surface based upon Leachwell assay data where recoveries drop below 70%. The position of this surface is based on drilling data and will vary in detail.*
- *Based on Leachwell assay data the recoveries are expected to be similar to those previously mined and should average in the range of 85 to 90%.*
- *Preliminary optimisations of the Mount Olympus resource at current gold prices demonstrate the viability of converting a large part of this resource into a reserve category. Similar optimisations on the West Olympus resource indicates that a higher gold price will be required for conversion of resources into reserves.*

4. PEAKE OXIDE

- *The defined Peake Oxide resource relates to the eastern extension of the previously mined open pit. Geological mapping identified outcropping mineralisation which was subsequently defined by close space reverse circulation drilling down to the base of oxidation. The mineralisation remains open to the east where it extends onto the Limerick Hill Joint Venture. The resource is currently limited to the 100% owned Sipa ground.*

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- *The resource was estimated using the IDW3 function in the MICROMINE SOFTWARE within a >0.3g/t grade shell. Estimation was into blocks of 10m by 1m by 2.5m to fit the model into the drill spacing and the ore thickness to minimise block variance.*
- *Based on Leachwell assay data and on previous mining of the Peake open pit, recoveries are expected to be approximately 90%.*
- *Preliminary optimisations of the resource at A\$530 per ounce demonstrate the viability of converting a large part of this resource into a reserve category.*

5. ZEUS OXIDE

- *The Zeus Oxide resource was defined from a review of existing data, geological mapping and a small program of reverse circulation drilling. It encompasses largely remnant positions in the base and ends of the existing open pits and reflects that the previous open pits were optimised on a significantly lower gold price.*
- *The resource was estimated using the Ordinary Kriging (OK) function in the MICROMINE SOFTWARE and encompassed a distinct geological domain. Estimation was into blocks of 2.5m by 2.5m by 2m to reflect the drill spacing and represent the geometry of the ore lodes.*
- *Based on Leachwell assay data and on previous mining of the Zeus open pits, recoveries are expected to be approximately 90%.*

6. ZOE OXIDE

- *The Zoe resource was delineated originally by geological mapping and sampling of outcropping high grade mineralisation. Subsequent reverse circulation drilling has identified a narrow, steeply dipping zone of shear-zone hosted mineralisation above the base of oxidation.*
- *A simple estimation was undertaken using the IDW2 function in the SURPAC SOFTWARE into a >0.9g/t grade shell. Block size is 2.5m by 2.5m by 2.5m.*
- *Preliminary optimisations at current gold prices indicate only a modest potential to convert the resource into a reserve category.*

7. MOUNT OLYMPUS and WEST OLYMPUS SULPHIDE

- *The sulphide resources are defined as all refractory mineralisation beneath the interpreted base of oxidation. Based on Leachwell assay data and some metallurgical testwork gold recoveries range anywhere from 10% to 70%.*
- *The resources have been estimated using the method of Multiple Indicator Kriging (MIK) with block support adjustment reported as a recoverable resource above the given cut-off grade. This modelling technique estimates resources into panels with dimensions of 20m by 20m by 5m.*
- *Current programs of metallurgical testwork are providing sufficient encouragement to indicate that a commercial treatment option for these resources is achievable.*

OTHER RESOURCES

1. PARADISE BORE - BULGA DOWNS PROJECT

- *The mineralisation at Paradise Bore is typically supergene in nature hosted by clays and strongly weathered rock. Narrow high-grade primary mineralisation associated with a shear zone through a predominantly mafic rock and interflow sediment package has been intersected in drilling beneath the oxide mineralisation.*

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- *Reverse circulation drilling is wide spaced on a 50m by 25m grid over a strike length of 300 metres.*
- *A recoverable resource model was developed using the Multiple Indicator Kriging (MIK) technique with a block support adjustment. The resource was then estimated into panels of 25m by 25m by 5m.*
- *The resource is reported as contained gold. No metallurgical testwork has been undertaken, but recoveries are expected to be in the mid to high 90% range.*

COMPETENT PERSONS STATEMENT

The estimates of the mineral resources and ore reserves were prepared in accordance with the standards set out in the Australasian Code for Reporting of Identified Mineral Resources and Ore Reserves (September 1999) as published by the Australasian Institute of Mining and Metallurgy, the Australasian Institute of Geoscientists and the Minerals Council of Australia, and accepted by the Australian Stock Exchange Ltd.

Mineral resource and ore reserve data is based on information compiled by persons who are members of the Australasian Institute of Mining and Metallurgy and who have the relevant experience as "competent persons" as defined in the Australasian Code for Reporting of Identified Mineral Resources and Ore Reserves in relation to the mineralisation being reported upon.

The Competent Person involved in the preparation of the June 2003 Resource and Reserve Statement and who consents to the inclusion of this information in the form and context in which it appears is Mr Peter Langworthy (B.Sc (Hons), MAusIMM). Mr Langworthy is a full time employee of Sipa Resources International NL.

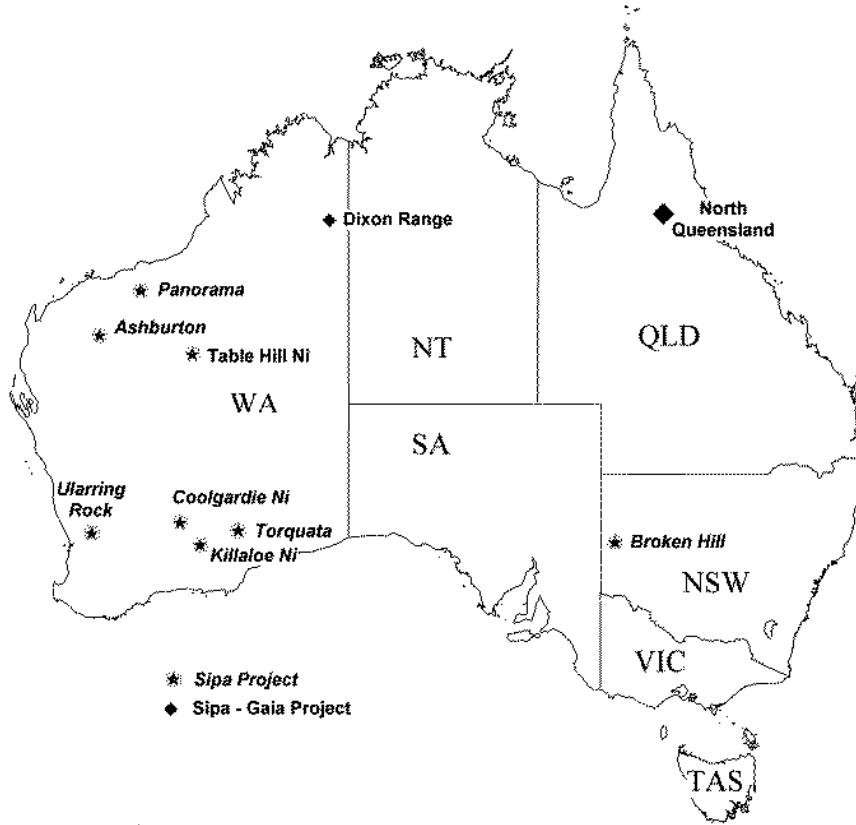


Fig1. Sipa Projects