

DATED 28 APRIL 2005



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HIGHLIGHTS

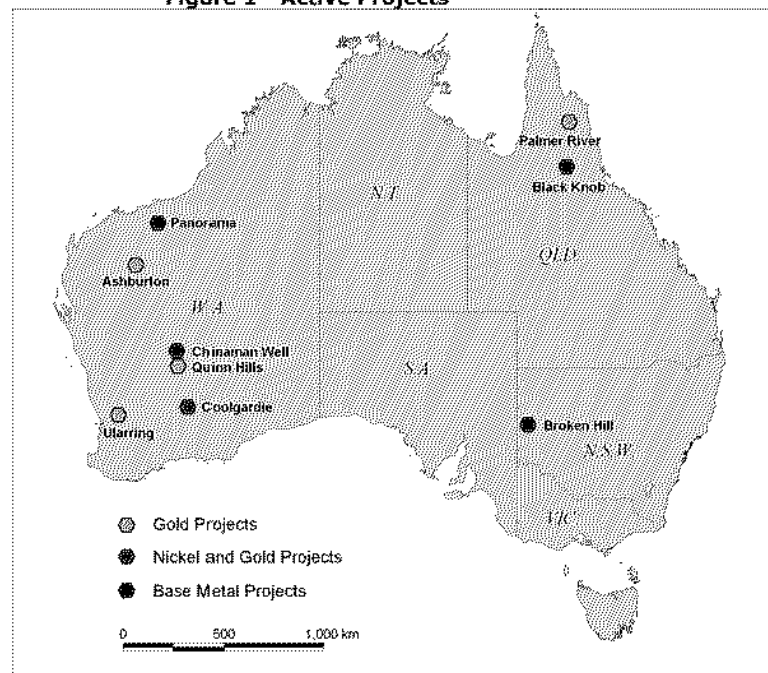
- Quinn Hills in the Eastern Goldfields of W.A. straddles 40 kilometres of the Zuleika Shear, which controls some 15 million ounces of past gold production and present reserves. Recent first-pass RAB drilling of a newly discovered 5 kilometre long strong and coherent gold-in-soil anomaly named Botticelli has:
 - partly defined two encouraging 'gold mineralised corridors', which are both 'open to the north for at least 600 metres and are traceable south for at least 600 metres through three lines of 200 metre-spaced RAB traverses
 - both corridors have a strong gold-copper association, which is similar to the high grade Timoni goldmine seven kilometres to the southwest.
 - the best result from the eastern corridor was :

17 metres @ 1.2g/t gold & 0.2% copper from 25 metres to 42 metres (end-of-hole) in the eastern corridor.
 - Follow-up drilling is being planned.
- At Coolgardie, a new Option-to-Purchase 100% of the Devil's Playground – a promising gold prospect located on the Burbanks Shear about 3.5 kilometres south of the Burbanks Mining Centre – has been concluded, and drilling will commence at four prospects in early May:
 - 5 holes for some 1,700 metres at Bouchers Nickel Prospect where significant nickel sulphide intersections (ranging from 9.7% over 0.4 metres to 1% Ni over 5.5 metres) were reported between 1972 and 2002 over 500 metres of strike and to a maximum depth of about 250 metres. A number of significant intersections are unconstrained down dip and their depth projections are to be tested in the coming programme.

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- one hole for 350 metres at the Miriam Nickel Deposit to test an off-hole electromagnetic conductor discovered in 2002 that was not drilled at that time.
 - four holes for some 1,000 metres at Deano's Prospect where Sipa intersected up to 2.4% Ni and 0.2% Cu over one metre in late 2003.
 - 10 holes for 1,000 metres at the Devil's Playground Gold Prospect, where there are three parallel lodes within 40 metres across a strike length of 500 metres in the tenement.
- Plans for drilling by Sipa and Joint Venture partners are advanced for:
- Chinaman Well Base Metals Project by Sipa in the next Quarter
 - Ashburton Gold Project by Newcrest commencing in June
 - Black Knob and Palmer River Gold in North Queensland by Sipa in the next Quarter
 - Panorama Base Metals Project by Sipa (funded by CBH Resources Limited) in the next Quarter
 - Ularring Rock Gold-Copper Project by Placer-Dome next Quarter

Figure 1 - Active Projects



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PROJECT DESCRIPTIONS

QUINN HILLS GOLD & NICKEL PROJECT

(Sipa may earn 75% of Barra Resources Limited's interest and 70% of Barra's entitlement to earn interests on various tenements from Western Areas NL (Sipa earning up to 63.75%) and Kanowna Consolidated Gold Mines Ltd (Sipa earning up to 63.75%))

The Project covers 40 kilometres of strike of previously untested greenstones, mostly covered by shallow sand, through which the Zuleika Shear passes. This Shear controls some 15 million ounces (MOZ) of gold – 4.5 MOZ to the north at Agnew-Lawlers and more than 11 MOZ to the south from Davyhurst through Kundana to Ghost Crab.

Work completed in the March Quarter and up to the time of writing, included soil and auger geochemical sampling and follow-up RAB drilling, which has provided encouragement for further drilling.

Results of the geochemical sampling, which have been incorporated into our Quinn Hills regional database now totalling 7,687 samples covering 140 square kilometres, has outlined a very strong and coherent north-south trending gold-in-soil anomaly some five kilometres long, named Boticelli, as outlined by the 20ppb contour and which peaks at 2,290ppb in M29/065. The small Forrest Belle and Boudie Rat open pits, which produced about 15,000 ounces of gold in the mid 1990's, lie at the eastern margin of the anomaly. There has been some RAB drilling in the past, which was concentrated in the northern half of the anomaly, however there has been very little drilling in the southern and most intense part of the anomaly, which is centred about 800 metres south of Boudie Rat.

A recently completed RAB drill programme of 189 holes for 5,094 metres was a first-pass reconnaissance test of the anomaly. 70 of the holes were drilled on five lines 200 metres apart (with hole spacings of 60 metres or 30 metres) within the southern portion of the anomaly, as shown on Figure 2.

The most encouraging hole (QHR 340) returned 17 metres @ 1.2g/t Au from 25 metres to 42 metres (end-of-hole). The same hole had 37 metres averaging 0.2% Cu from 5 metres to the end-of-hole. (Note – all sampling was 5 metre composites, except at the end of some holes.)

The mineralised structure, or 'corridor', which trends north-south, can be traced to the south through the next three lines of drilling by 5 metre to 22 metre intervals with gold results ranging from 0.5g/t (with 0.13% Cu) to 0.1g/t Au (with 618ppm Cu).

Another mineralised structure lies about 250 metres to the west with holes returning from 0.5g/t Au to 0.1g/t Au with anomalous Cu (from 370ppm to 750ppm).

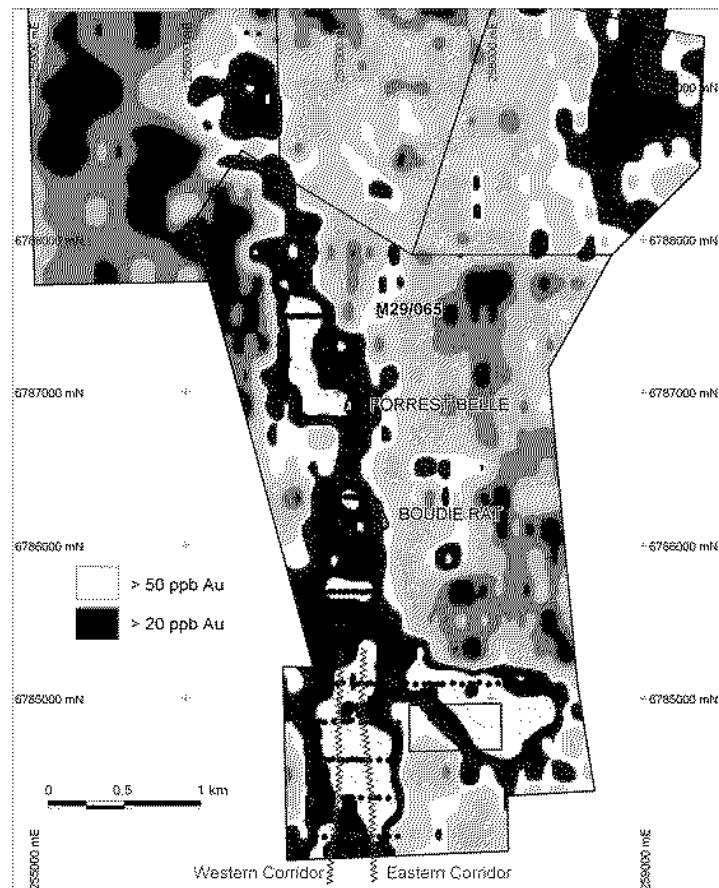
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Both mineralised structures are hosted by coarse grained gabbroic rocks which also host the historical high grade Timoni mine seven kilometres to the southwest. Timoni and its surrounds produced about 250,000 ounces of gold from ore grading 16g/t, from underground mining between 1950 and 1969. International Goldfields Ltd have announced new resources of some 100,000 ounces grading 24g/t with associated copper grades around 0.3% at Timoni.

Sipa's recent RAB drilling results are considered encouraging because in hole QHR340 significant mineralisation (17 metres @ 1.2g/t Au with 0.2% Cu) has been returned to 'end-of-hole' within a mineralised corridor traceable for at least 600 metres to the south, and which is 'open' for 600 metres to the north to the next RAB line of wide-spaced (60 metres) holes.

Both corridors have elevated copper values, similar to the high grade Timoni deposits to the south. Follow up RAB drilling is being planned.

Figure 2 - Gold-in-Soil Geochemical Image with Sipa RAB holes (black dots)



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Results from soil and auger geochemical sampling from first Quarter, on lines 400 metres apart covering a 750 metre wide corridor along 12 kilometres of quartz veins marking the position of the Zuleika Shear were disappointing, but it is stressed that the gold deposits north and south are often localised within one or two kilometres of the trace of the shear.

COOLGARDIE NICKEL & GOLD PROJECTS

(see Figure 3 for locations of Joint Ventures, Options and Prospects)

Option to Purchase Devils Playground Gold Prospect

Sipa has acquired a new Option to Purchase 100% of a one square kilometre Prospecting Licence (and overlying Mining Lease Application) from A & A Hoppmann of Kalgoorlie. The licence covers 500 metres of strike of two lines of old workings and a third poorly prospected lode, each about 15 metres apart, with several shafts deeper than 50 metres. Production records have not been found. There has been very little systematic drilling on the property and records of that, whilst very scanty, do show some significant gold intersections.

The workings lie on the projected trace of the Burbanks Shear which localised the high grade Burbanks Goldmining Centre some 2.5 kilometres to the north. Burbanks historically produced some 360,000 ounces of gold at an average grade of 22g/t and Barra Resources have recently announced high-grade intersections of up to 11 metres @ 11 g/t adjacent to the historic workings.

About 1,000 metres of first-pass Reverse Circulating drilling in some 10 holes is planned for early May.

Miriam-Bouchers Project

(Sipa may earn 70% from Berkeley Resources)

The Project comprises 18 mining tenements and applications covering about 70 square kilometres south and southeast of Coolgardie, which contain the Miriam Nickel Deposit and the Bouchers Nickel Prospect, as well as at least 5 kilometres of the southern extension of the Burbanks Shear Zone, which localises high grade gold mineralisation at Burbanks.

Miriam was discovered by "percussion drilling of the ultramafic-metabasalt contact in mid-1969 which resulted in the discovery of supergene, partly massive sulphides, which over 9.6 metres averaged 5.57% Ni and 0.21% Cu (drill hole PH 92). Subsequently 18 diamond drill holes tested the steeply dipping contact at varying depths over a strike length of 580 metres, and seven of these drill holes encountered mineralisation in a strike length of about 150 metres. An inferred resource of about 227,000 tonnes averaging 1.7% Ni (3,859 tonnes contained nickel) to a vertical depth of 150 metres was estimated by Anaconda following

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resurveying of the diamond drill holes in 1977" (Quoted in Marsden, GSWA Mineral Resources Bulletin 14, Nickel Mineralisation in Western Australia, 1984).

Whilst there has been more modern exploration at Miriams (including 3 diamond drill holes for 1,150 metres followed by down hole electromagnetic (DHEM) surveying by Berkeley Resources in 2003/2004, reinterpretation by Sipa has disclosed an untested off-hole DHEM conductor in a short gap in the earlier drill pattern. One RC hole to at least 350 metres, to be followed by DHEM, is planned for early May.

Bouchers Nickel Prospect was discovered in 1966 and subsequently was extensively percussion and diamond drilled through to 1971. Later drilling took place in 1996/7 and 2000/01. Both high grades over narrow widths (like 9.7% Ni & 0.1% Cu over 0.4 metres) and broader lower grade zones (like 1% Ni & 0.4% Cu over 5.5 metres)) of nickel-copper sulphides were intersected, but a number are unconstrained beneath about 200 metres depth. In addition, a cross-cutting zone of pyrite-pyrrhotite-chalcopyrite & sphalerite mineralisation up to 25 metres thick was encountered in several holes. This is similar mineralogy to the Burbanks gold lodes to the north, but was never assayed for gold.

Five RC holes for about 1,700 metres of drilling is planned for early May and will be followed by DHEM.

A moving loop electromagnetic survey is also planned over two kilometres of previously unsurveyed 'cumulate facies' ultramafic rocks, which are the usual host for nickel sulphide deposits in the Eastern goldfields, about five kilometres northeast of Bouchers and one kilometre northeast of Miriam in a separate ultramafic unit that has been largely untested in previous nickel exploration.

Sipa-Austminex Coolgardie Nickel Project

(Sipa may earn 70% of the Ni-Cu-PGM-Basemetals rights from Austminex NL)

Drilling of three or four RC holes for up to 1,000 metres is planned for Deano's Prospect in early May. Sipa intersected nickel-copper sulphides in late 2003 about 150 metres and 200 metres down plunge of the outcropping Deano's nickel gossan. The intersections were 2.4% Ni & 0.2% Cu and 1.3% Ni & 0.7% Cu respectively and remain 'open' down plunge below about 70 metres vertical depth.

Drilling had been postponed pending securing an Option-to-Purchase over adjacent ground, which was accomplished earlier this year and announced in Sipa's last Quarterly ASX Report. Drilling will be followed by down-hole-electromagnetics.

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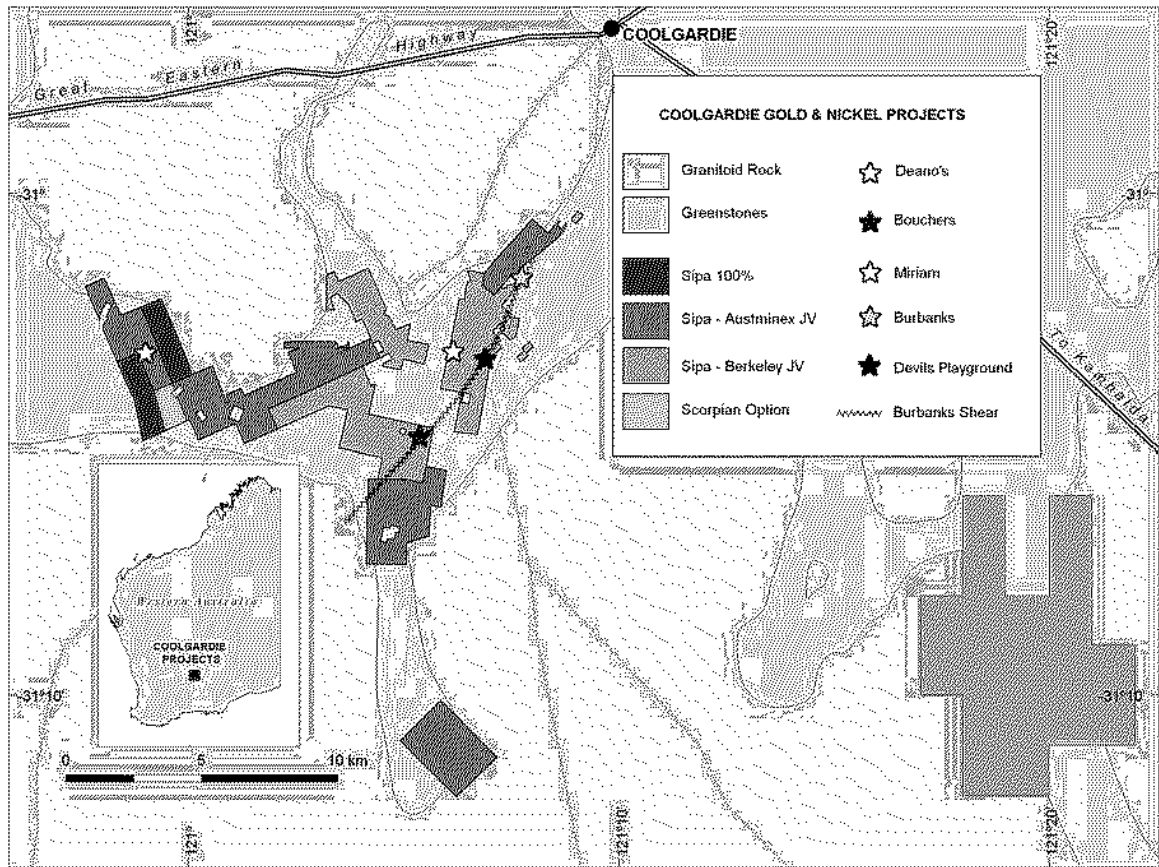


Figure 3 - Coolgardie Project, Joint Ventures and Drill Targets

ULARRING ROCK GOLD-COPPER PROJECT*(Sipa 100% - Placer-Dome Asia Pacific Ltd may earn 70%).*

A regional groundwater hydrogeochemistry survey has outlined a coincidental gold, tungsten, chromium and silver anomaly at the southwestern boundary of a granitic intrusion to the northwest of the Centre Forest and Southern Brook Prospects.

Two diamond drillholes were completed at Centre Forest and Southern Brook in December and January, respectively. The holes were designed to provide detailed lithological information and an indication of the size potential of the known areas of gold-copper mineralisation. The programme comprised two holes for 102 metres of precollar and 297 metres of NQ core.

The Centre Forest drillhole confirmed the continuation of the mineralised garnet-amphibole-biotite granulite 130 metres down-dip of the previous RC drilling. The 25 metre wide (interpreted to be close to true width) intercept contained

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chalcopryite-pyrrhotite veins and disseminations producing an intersection of 25 metres @ 0.5g/t Au and 0.2%Cu from 194 metres.

The Southern Brook hole intersected narrow discontinuous zones of chalcopryite-pyrrhotite±magnetite mineralisation only weakly developed. The peak result was 2 metres @ 0.05ppm Au and 0.3%Cu from 110 metres.

An Aircore drilling programme was completed in mid-April. The programme comprised 45 holes for 1,829 metres and was designed to:

- Provide complete lithogeochemical and assay data on the Southern Brook Prospect;
- Test a northeastern extension to the Centre Forest mineralisation recently defined by regional auger drilling which identified a zone of anomalous Au-As-Bi-Cu-Mo-Sb
- Test a northern extension to the Southern Brook mineralisation (as defined by regional auger drilling).

Compilation of the Aircore drilling is being completed and analytical results should be available by mid-May.

Work planned includes the completion of mapping and geological, geochemical and geophysical compilation and interpretation which is hoped will lead to early testing by further Aircore drilling.

ASHBURTON GOLD PROJECTS

Ashburton Regional Joint Venture

(Sipa 20% - Newcrest Operations Limited as Manager, 80%).

Newcrest has commenced exploration in the Ashburton with an Induced Polarisation geophysical survey covering some 5.8 kilometres of strike of the 'mineralised structural corridor' containing the Peake, Mount Olympus and Zeus gold deposits and the Styx Prospect. The survey, which commenced in April, covers some 1.3 kilometres across strike and extends from Mount Olympus to Styx, about 4 kilometres to the southeast.

Drilling is scheduled to commence at a number of prospects including southeast of Zeus, Anthiby Well and Merlin in July.

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Sulphide Prospect Joint Venture

(Sipa 20%, Newcrest Operations Limited as Manager 80%).

No fieldwork was undertaken in the Quarter.

Rocklea Joint Venture

(Sipa 20% and Newcrest 80% as Manager have earned 77% from Barcome Pty Ltd)

No fieldwork was conducted during the Quarter, but preparations are complete for RC drilling to commence in June.

Mt Wall Joint Venture

(Sipa 20% and Newcrest 80% as Manager may earn 72% from Giralda Resources NL)

No field work was conducted during the Quarter, but preparations are complete for drilling to commence in June.

CHINAMAN WELL BASEMETALS PROJECT

As reported last Quarter, we have negotiated an Option to Purchase 100% of an Exploration Licence containing a 600 metre long, and up to 35 metre wide, gossan zone with geochemistry strongly suggestive of basemetal sulphide mineralisation near Chinaman Well, about 30 kilometres west of Agnew, Western Australia.

The gossan zone presents a direct target for drilling, which will occur upon grant of the tenement, which is expected in June.

BROKEN HILL PROJECTS

Sipa- Golden Cross

(Sipa may earn 70% from Golden Cross Operations Pty Ltd)

As announced to the ASX in March this year, drilling was completed at the 'Tip Gravity Anomaly'. Two holes were drilled about 200 metres apart along a gravity high defined by both ground and Falcon™ airborne gravity surveys. The gravity high had been interpreted as possibly being caused by a repetition of the rock sequence that contains the nearby 'Line of Lode' Silver-Lead-Zinc orebodies:

- TPD1 was Reverse Circulation (RC) precollared to 221 metres and NQ diamond-cored to 402 metres,
- TCP 2, 200 metres to the northeast, was RC drilled to 360 metres.

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The holes did not detect significant sulphide mineralisation, and no anomalous base metals were detected by assaying.

Detailed infill ground gravity and shallow RAB drilling were also undertaken to better understand the gravity anomaly.

A thorough review of all data that has been generated from all of Sipa's recent work near the Tip has been completed and our geophysical consultants have concluded that the gravity anomaly can be explained by relatively subtle variations in the density of rock types intersected in the drilling.

Sipa is presently evaluating the results of all our exploration at Broken Hill over the last four years.

Copper King Project

(Sipa may earn 70% from PlatSearch NL and Eaglehawk Geological Consulting Pty Ltd)

A detailed ground gravity survey was conducted at the Native Dog alteration zone, but no response likely to represent massive sulphides was detected.

Stephens-Centennial Project

(Sipa may earn 70% from PlatSearch NL, Triako resources Ltd and Eaglehawk Geological Consulting Pty Ltd)

No fieldwork was conducted in the Quarter.

NORTH QUEENSLAND PROJECTS

Black Knob Gold & Basemetals Project

(100% Sipa)

An Induced Polarisation geophysical survey has just been completed at Black Knob. Preliminary interpretation suggests no obvious anomalies and evaluation will now concentrate on the most effective way of drill testing this large and intense geochemical anomaly associated with mineralised breccias.

Palmer River Gold Project

(Sipa may purchase 100% of two EPM's and two Mining Leases)

Preparations are underway for drilling in the next Quarter.

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PANORAMA BASEMETALS PROJECT

(Sipa 100%)

Documentation is near complete for CBH Resources purchase of the Sulphur Springs Development Area and Farm-in to the Panorama Exploration Project.

Dated 28th of April 2005

Signed on behalf of the Board of Sipa Resources Limited

Michael Doepel MSc, DIC, MAusIMM

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 years experience in the field of activity being reported on. This report accurately reflects the information compiled by that person.