

ASX Announcement

Date 13 June 2007

First Results from May 2007 Kangaroo Caves Drilling within Panorama Exploration Project

Sipa is pleased to announce results from the first six Reverse Circulation drill holes at Kangaroo Caves within the Panorama Exploration Project, which is Managed by Sipa and funded by CBH Resources Limited who may earn a 60% interest.

Seventeen holes have been completed at the Kangaroo Caves Zinc-Copper Deposit and five of the first six holes returned significant intersections of zinc and copper mineralisation:

KCC 20	from	101 to 110 metres	9 metres @ 2.6% Zn, 0.1% Cu
		112 to 132 metres	20 metres @ 13.7% Zn, 0.2% Cu
		139 to 151 metres	12 metres @ 2.7% Zn, 0.1% Cu
KCC 18	from	58 to 73 metres	15 metres @ 11.6% Zn, 0.3% Cu
		108 to 115 metres	7 metres @ 0.3% Zn, 2.7% Cu
KCC 21	from	105 to 108 metres	3 metres @ 2.9% Zn, 0.1% Cu
		128 to 139 metres	11 metres @ 1.0% Zn, 0.2% Cu
		139 to 145 metres	6 metres @ 0.4% Zn, 2.7% Cu
KCC 19	from	47 to 55 metres	8 metres @ 1.7% Zn, 1.0% Cu
		60 to 68 metres	8 metres @ 3.4% Zn, 0.6% Cu
KCC 22	from	41 to 49 metres	8 metres @ 1.7% Zn, 0.1% Cu
		56 to 58 metres	2 metres @ 0.1% Zn, 1.5% Cu

The best results are bolded above and details of all holes are shown in Table of Drill Hole Data following and Drill Hole locations are shown on the Plan attached.

The drilling at Kangaroo Caves was designed to follow-up previous encouraging results obtained within open pit mining range (within about 250 metres of surface) on drill sections spaced 80 metres apart. Holes KCC 17 to 20 were drilled on 40 metre spaced 'in-fill' drill sections and holes KCC 20 and 21 were drilled on an existing section.

These results are considered encouraging as to the possibility of outlining additional ore to feed the proposed concentrate facility to be constructed by CBH at Sulphur Springs six kilometres north of Kangaroo Caves. Sipa will also get Quarterly production payments from the Sulphur Springs mine.

Results from the remaining 11 holes at Kangaroo Caves are expected over the next two to three weeks and it is anticipated that a resource estimate of mineralisation within open pit mining range will then be calculated.

For further information please contact Michael Doepel, Managing Director, mike@sipa.com.au

The rig has subsequently moved to the Jamesons Prospect 18 kilometres southeast of Kangaroo Caves where JMC 2 to 6 have been completed. The rig is currently drilling three holes at the Breakers Prospect, eight kilometres south of Kangaroo Caves, which will be the end of this drill programme. The next programme is scheduled for around September.

Table of Drill Hole Data

Hole N°	Co-Ordinates	Angle & Azimuth	From (m)	To (m)	Interval (m)	ETW (m)	Cu%	Zn%	Pb%	Agppm
KCC 17	73,2420E 765,3514N	-50° to 225°					NSI	NSI	NSI	NSI
KCC 18	73,2420E 765,3514N	-50° to 045°	58	73	15	8	0.33	11.6	0.40	27.64
			108	115	7	4	2.69	0.28	0.01	1.93
KCC 19	73,2476E 765,3459N	-50° to 225°	47	55	8	8	0.99	1.72	0.22	0.01
			60	68	8	8	0.63	3.44	0.45	0.01
KCC 20	73,2476E 765,3459N	-50° to 045°	101	110	9	5	0.09	2.63	0.15	12.66
			112	132	20	10	0.18	13.7	0.21	18.10
			139	151	12	6	0.06	2.65	0.39	15.29
KCC 21	73,2498E 765,3416N	-50° to 045°	105	108	3	2	0.05	2.89	0.10	5.67
			122	125	3	2	0.47	1.60	0.08	1.33
			128	139	11	6	0.16	1.04	0.03	1.32
			139	145	6	3	2.72	0.41	0.01	3.42
KCC 22	73,2498E 765,3416N	-50° to 225°	41	49	8	8	0.05	1.73	0.13	4.19
			56	58	2	2	1.49	0.03	0.01	1.50

Note: ETW(m) - Estimated True Width In Metres
NSI - No Significant Intersection

Dated
Signed on behalf of the Board of Sipa Resources Limited

Michael Doepel MSc, DIC, MAusIMM

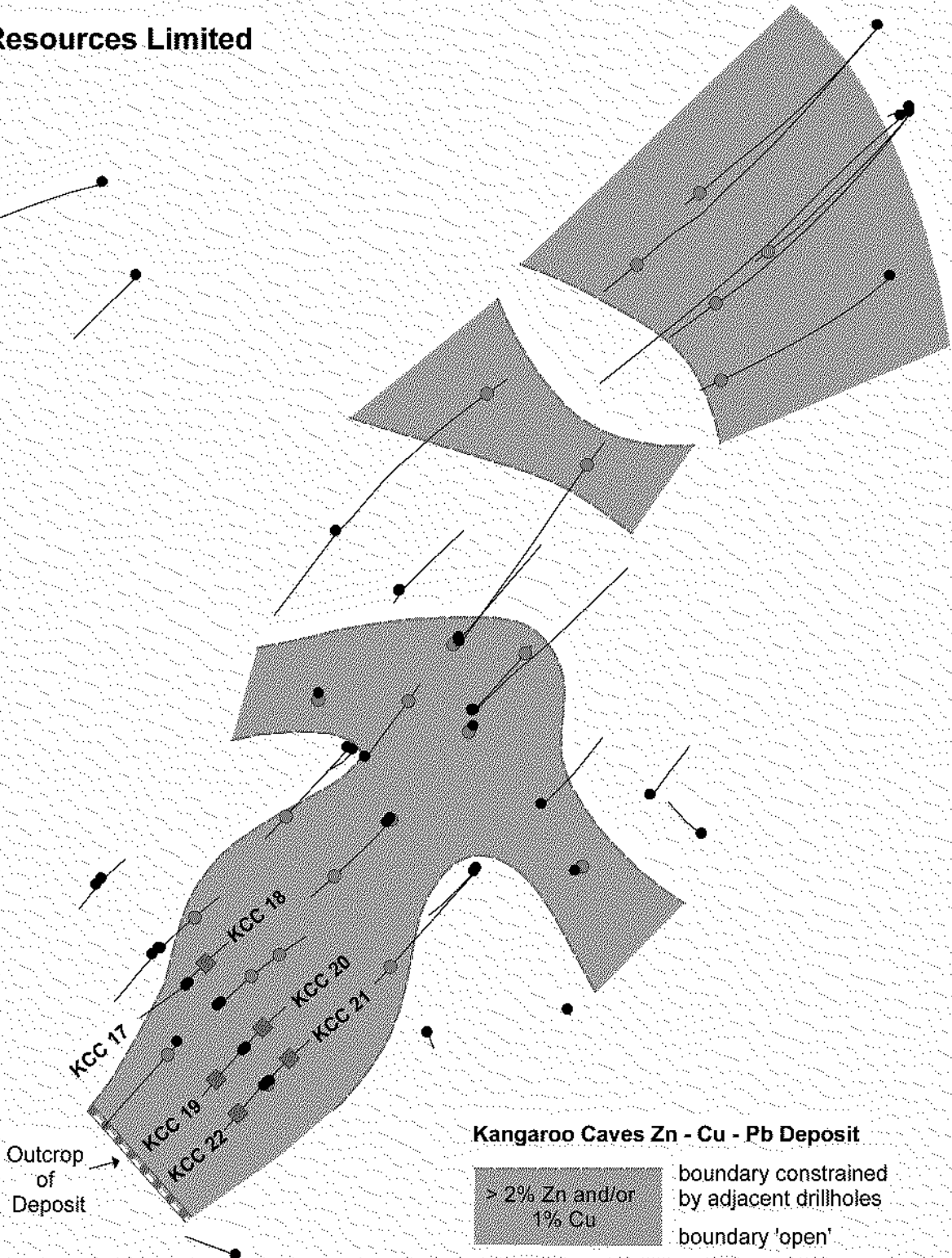
The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr M G Doepel who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Doepel is a full-time employee of Sipa Resources Limited. Mr Doepel has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Doepel consents to the inclusion in this report of the matters based on his information in the form and context in which they appear.

7654500 mN
7654000 mN
7653500 mN
7653000 mN

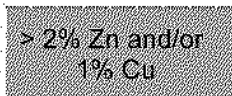
732500 mE

733000 mE

Sipa Resources Limited



Kangaroo Caves Zn - Cu - Pb Deposit

 > 2% Zn and/or 1% Cu
boundary constrained by adjacent drillholes
boundary 'open'

Drillholes with Intersections Projected Vertically to Surface

-  KCC 18 to 22 intersections
-  pre - 2007 intersections
-  barren

0 0.125 0.25 km

**Sipa - CBH Panorama Exploration Project
Plan of Drillholes & Deposit Outline**

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732500 mE

733000 mE

7654000 mN
7653500 mN
7653000 mN