



Sipa Resources International NL

ABN 26 009 448 980

29 October 2003

The Manager
ASX Company Announcements Platform
PO Box H224
Australia Square
SYDNEY NSW 2001

Re: Coolgardie Nickel Project Drilling Results

We are pleased to announce that our first drilling programme at Coolgardie has encountered massive nickel-bearing sulphides and both massive and disseminated gossan after oxidized nickel sulphides.

At Deano's Prospect:

- CNC012 intersected **2.4% Ni**, **0.2% Cu** and **0.11g/t Pt+Pd** in massive sulphides over **1m** from 52.5m depth,
- CNC005 intersected **1.3% Ni**, **0.3% Cu** and **0.22g/t Pt+Pd** in massive iron-rich gossan over **1.5m** from 20m depth.,
- CNC010 intersected **1.1% Ni**, **0.2% Cu** and **0.11g/t Pt+Pd** in stringer and disseminated iron-rich gossan over **4.0m** from 20m depth.

The CNC005 and 010 oxidized intersections are about 55m down plunge of Deano's gossan outcrop and the CNC012 sulphide intersection is 85m further down plunge from CNC005, as shown in Figures 1 and 3. The intersections are hosted by very high magnesium-content rocks (i.e. 32% to 38% MgO) known as 'cumulate' or 'channel facies' ultramafic rocks in a body at least 60m wide on section 9800N in Figure 2. Longitudinal Section A-B', Figure 3, shows that the host rocks and the nickel mineralization appear to have continuity over at least 130m down plunge and are 'open' down plunge at depth.

Holes CNC005 and 010 intersections both have 6m thick oxidized mineralisation with anomalous nickel and copper whilst the CNC012 massive sulphide intersection is

over- and under-lain by disseminated iron sulphide. Holes CNC013 and 014, 20m northeast and 20m southwest respectively of CNC012, both have 2m thick zones of iron sulphide mineralisation.

The recent drilling shows that the cumulate rocks form a south plunging 'channel' with nickel-copper-iron sulphides near the bottom – or "basal contact". It is not clear however how these results relate to the poorly documented 1972 intersection of Anaconda/Union Miniere reported on in Sipa's ASX Announcement of October 2003.

We are presently conducting a Down Hole Electromagnetic Survey at Deano's aimed at defining the sulphide body down plunge, along with a very detailed ground magnetic survey aimed at tracing the channel facies ultramafics hosting the mineralization, as well as hopefully defining other 'channels' indicated by nearby outcrop and drillhole intersections.

Two holes were drilled at Bill's Prospect about one kilometre north of Deano's. The first, which was aimed at a newly discovered nickel gossan, intersected cumulate channel facies rocks but failed to detect mineralisation. The second, 200m to the east and aimed to test coincident soil geochemistry and a subtle geophysical conductor, did not intersect ultramafic rocks. More work is nonetheless required at Bill's Prospect.

The drilling programme comprised 14 holes for 874m at Deano's Prospect and two holes for 151m at Bill's.

Deano's and Bill's Prospects are situated within the Sipa-Austminex NL Farmin and Joint Venture Agreement where Sipa may earn 70% of the Nickel-Copper-PGM-Basemetals rights. There is about 18 kilometres of strike of ultramafic basal contact in the Sipa-Austminex ground and another 7 kilometres within the adjacent ground of the Fleetdale Option to Purchase. As well as the detailed work at Deano's and Bill's, Project-scale exploration continues.

This result of Sipa's first drilling campaign at the Coolgardie Nickel Project is considered very encouraging. We have quickly achieved the detection of ore grade nickel sulphides from our systematic geological and geochemical exploration, which

has to date only covered 50% and 5% respectively of the 25 kilometres of strike of the prospective ultramafic basal contact contained in the Coolgardie Nickel Project.

Michael Doepel
Managing Director

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.

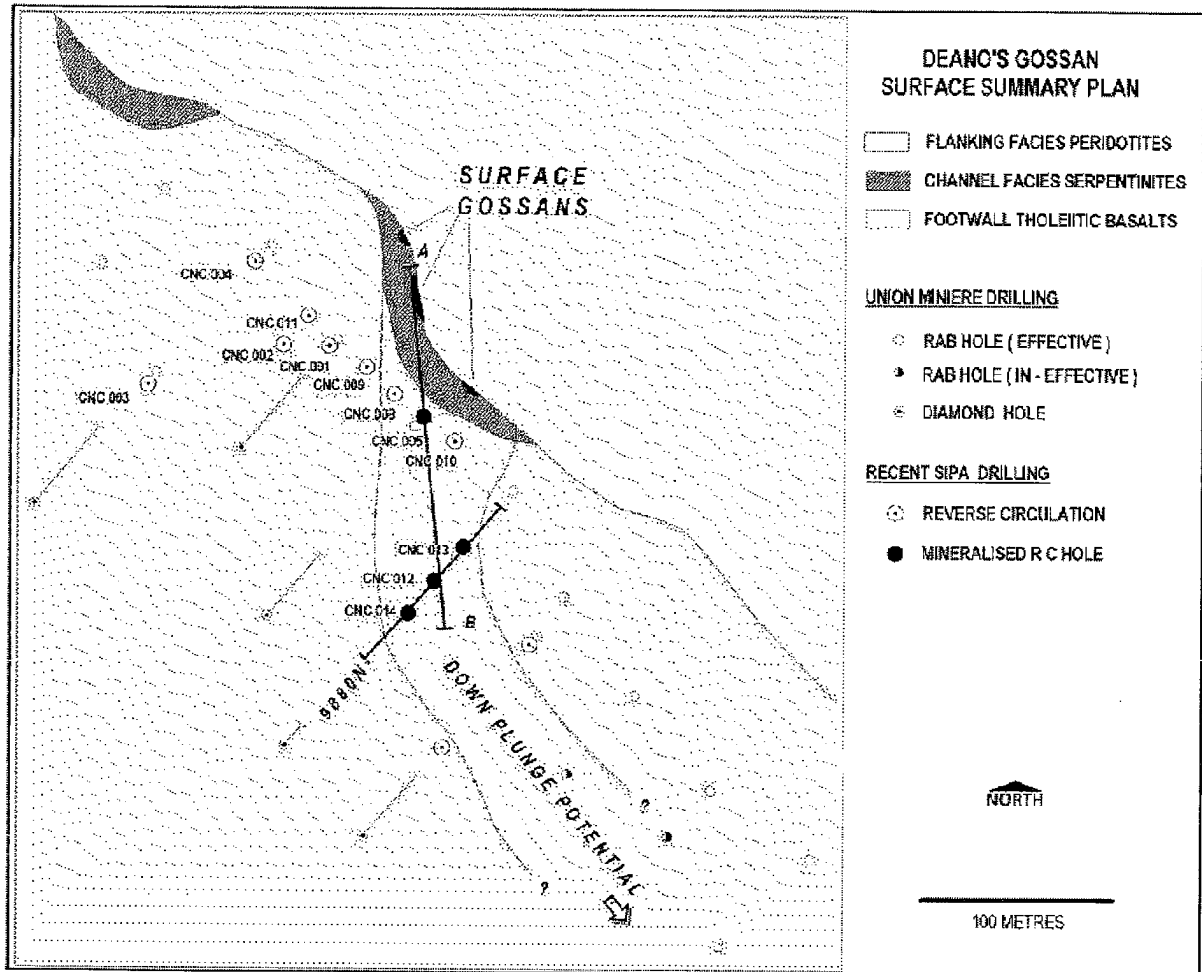


Fig. 1 Deano's Prospect Summary Plan.

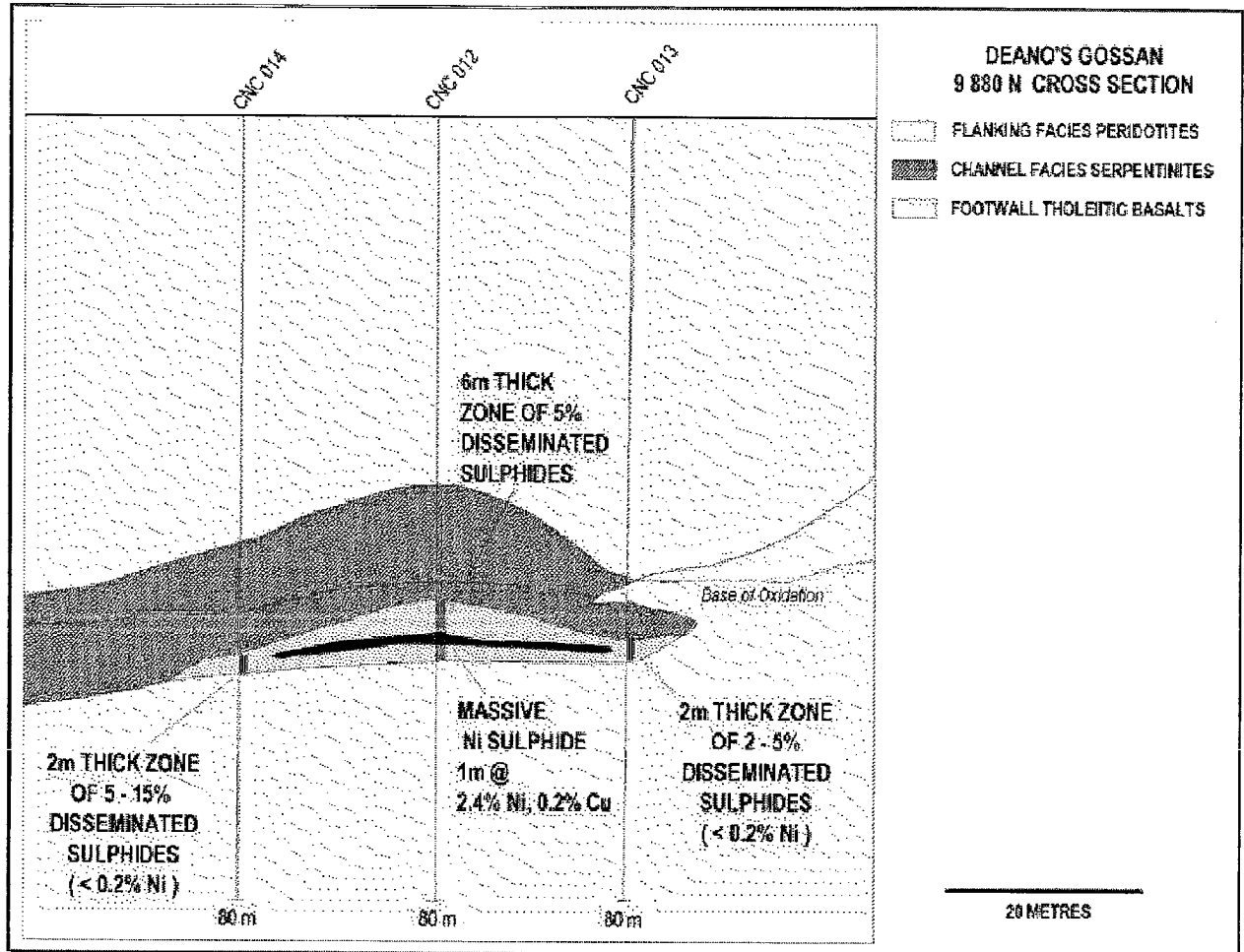


Fig. 2 Deano's Prospect 9880N Cross Section.

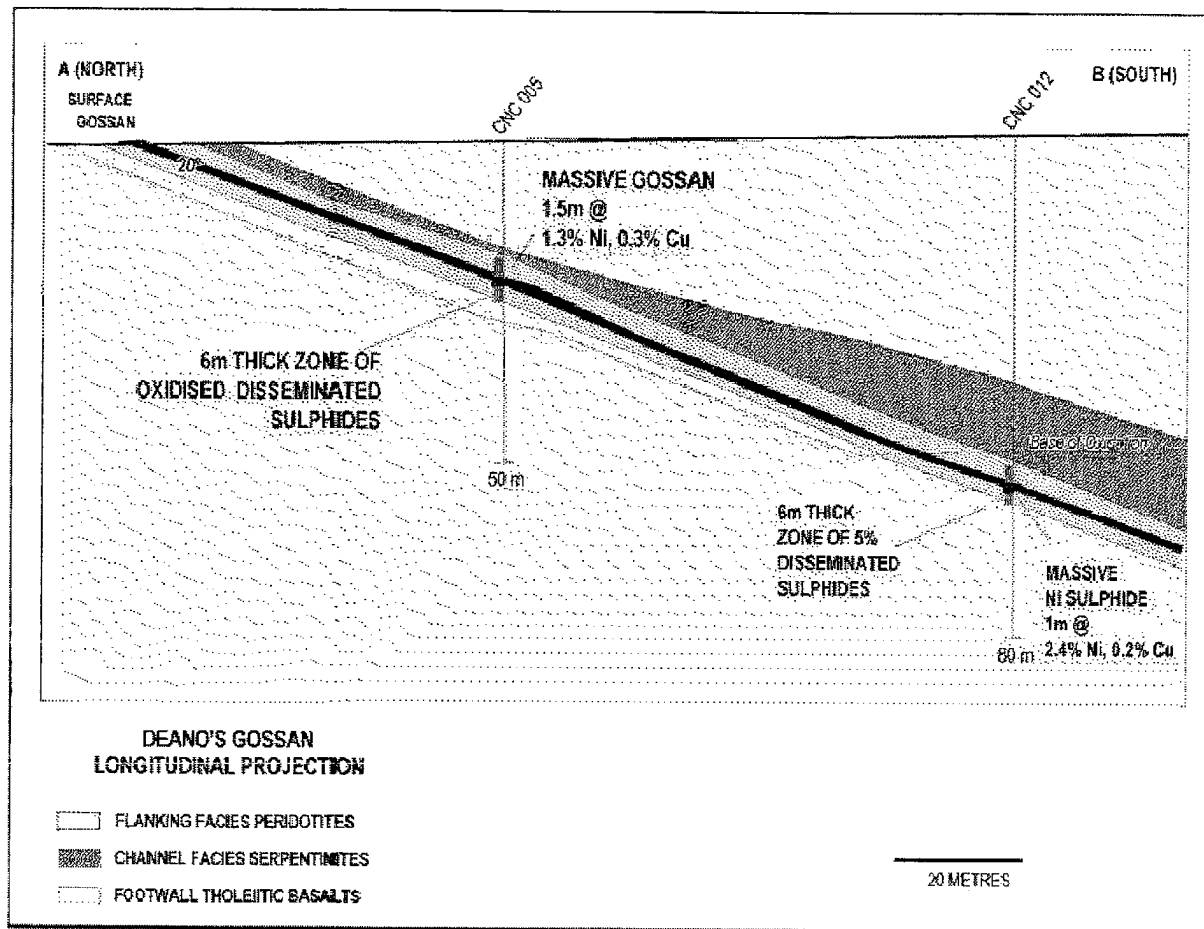


Fig. 3 Deano's Prospect Longitudinal Projection.

SIGNIFICANT NICKEL INTERSECTIONS - DEANO'S PROSPECT								
Hole No	Northing	Easting	From (m)	To (m)	Ni%	Cu%	Pt g/t	Pd g/t
CNC 005	6562777	307559	20.00	20.50	1.42	0.24	0.01	0.07
			20.50	21.00	1.23	0.32	0.05	0.13
			21.00	21.50	1.17	0.21	0.02	0.35
CNC 010	6562764	307574	20.00	20.50	1.29	0.13	0.01	0.04
			20.50	21.00	0.99	0.17	0.03	0.06
			21.00	21.50	1.69	0.31	0.02	0.04
			21.50	22.00	1.38	0.22	0.01	0.05
			22.00	22.50	1.51	0.22	0.01	0.11
			22.50	23.00	0.50	0.50	0.26	0.18
			23.00	23.50	0.73	0.24	0.02	0.05
			23.50	24.00	0.92	0.24	0.02	0.04
CNC 012	6562691	307566	52.50	53.00	3.66	0.23	0.01	0.15
			53.00	53.50	1.15	0.07	0.01	0.05

- * Vertical Reverse Circulation drilling with 0.5m sample intervals.
- * Drillhole co-ordinates, GDA94 Grid.