



ASX ANNOUNCEMENT 12 January 2005

OROPA CONFIRMS NEW SIHAYO DEPOSIT MODEL, DISCOVERS BROAD ZONES OF MINERALISATION OUTSIDE THE CURRENT RESERVE ENVELOPE

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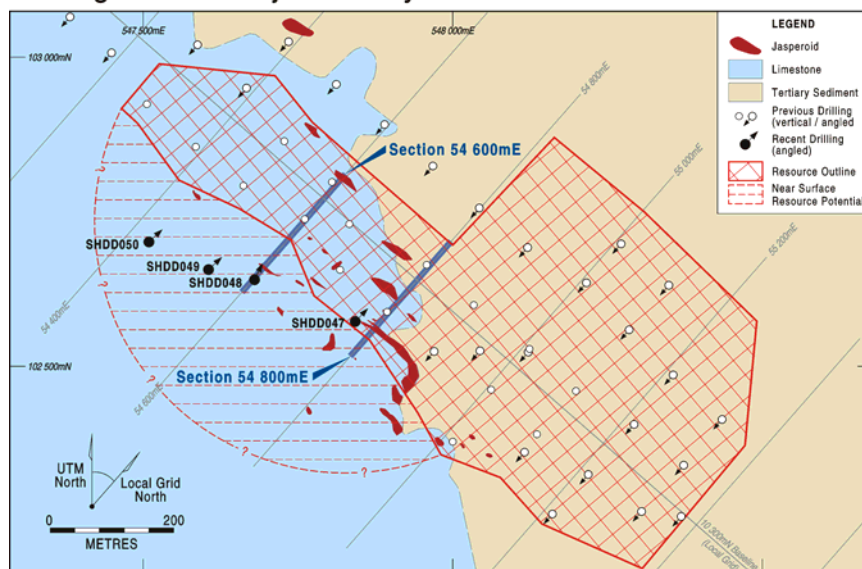
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Oropa Limited (“Oropa”) is pleased to announce results from the first two of four diamond drill holes recently completed at its Sihayo 1 North Resource, in its Pungkut Project, North Sumatra, Indonesia.

Pungkut Gold Project - Sihayo 1 North Drillhole Location Plan



Background

The Pungkut project is a 7th generation Contract of Work (“CoW”) held 75% by Oropa in joint venture with Indonesian miner Aneka Tambang. The Pungkut CoW is located immediately to the south of Newmont Mining’s massive Martabe gold project and hosts the 615,000oz Sihayo 1 North gold deposit.

The Sihayo 1 North Inferred Resource (7.1 million tonnes at 2.7g/t Au), defined by several campaigns of wide-spaced diamond drilling, was originally interpreted as a sediment-hosted series of relatively flat-lying mineralized zone, with an unknown gold source.

New Model

In October 2004, re-logging of old drill holes, revisiting trenches and outcrop, reviewing geophysical and geochemical data revealed that previously interpreted sediment-hosted mineralised features were in fact primary hydrothermal breccia zones related to an intrusive event.

It is now believed that breccia zones intruded a Permian limestone sequence, were subsequently uplifted, eroded, and then buried by Tertiary sediments. Surface water descending down the porous breccia zones created karst features in the limestone, that were subsequently in-filled with slumped breccia material and sediment. Ascending gold-rich fluids preferentially migrated up breccia and karst features, mineralising both. Tertiary sediments are thought to have trapped the rising mineralising fluids, forcing them to migrate laterally along the Tertiary unconformity to form "Outflow Zone" jasperoid mineralisation.

Punkut Gold Project - Sihayo Deposit Model

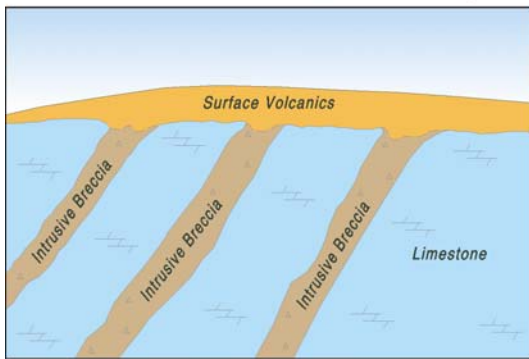


Figure 1: Breccia systems intrude Permian limestone

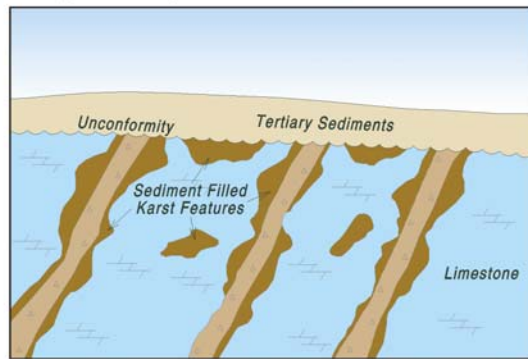


Figure 2: Upper limestone eroded and buried by Tertiary sediments. Weathering creates karst features adjacent to breccia zones

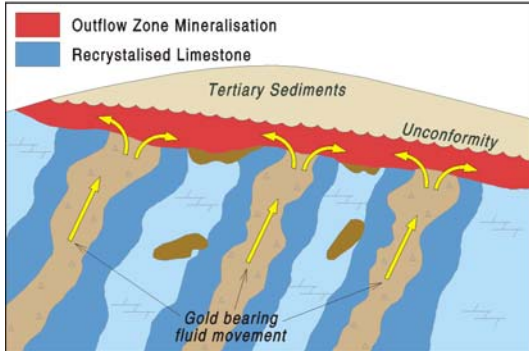


Figure 3: Mineralising fluids migrate up through breccia zones and karst features, recrystallising limestone. Fluids migrate laterally along the Tertiary unconformity forming "Outflow Zone" mineralisation

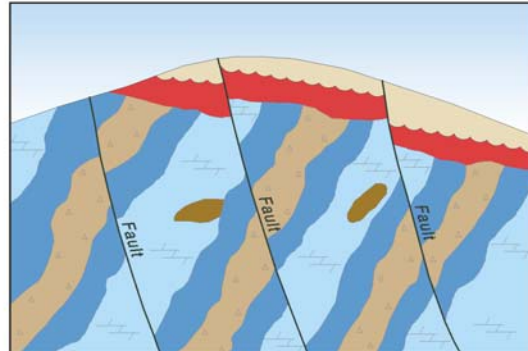


Figure 4: Late stage faulting offsets stratigraphy and mineralisation

At least 6 main breccia zones are now recognised, with each zone being up to 40 metres thick and persisting over a 1km known strike length.

The four recently completed drill holes (SHDD047-50) were designed to test interpreted breccia positions outside the current Resource envelope, within a coincidental geophysical and geochemical anomaly (soil values to 11g/t Au plus rock chip values to 31.g/t Au).

Hole SHDD047

SHDD047 was designed to test interpreted Outflow Zone mineralisation and the postulated down-dip position of an interpreted breccia zone. The hole intersected a thick zone of broken limestone and jasperoid from surface, typical of Outflow Zone mineralisation, grading **29m @ 1.89g/t Au from surface**, including **9.8m @ 2.68g/t Au from 1m down hole**, before encountering a 10m wide oxidised fault zone. Such faults are late-stage, relatively common and typically offset lithology by up to 20m.

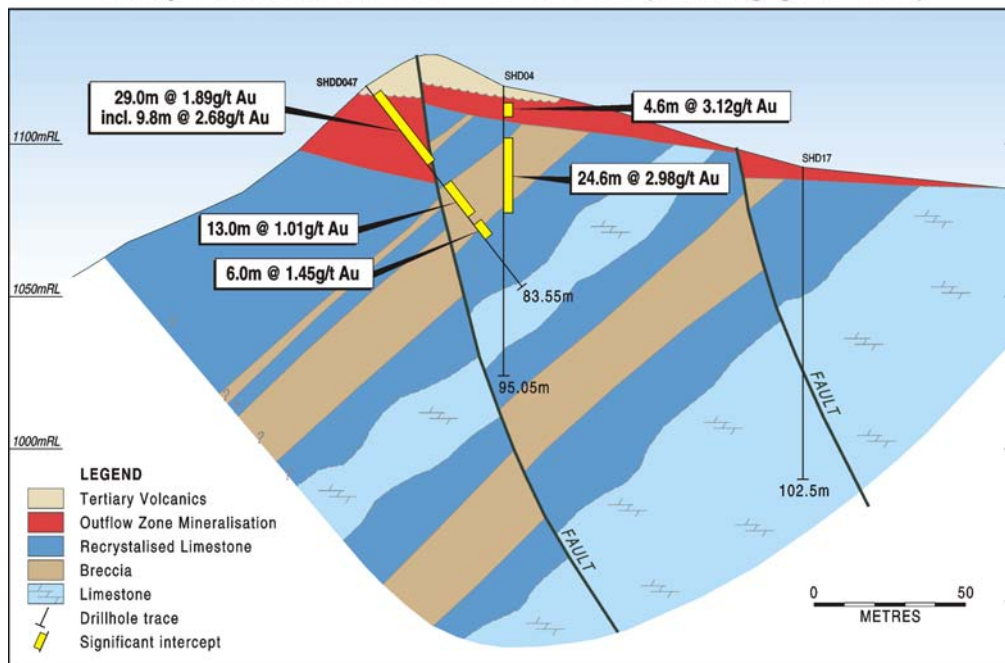
Below this oxidised fault, a 37m wide, highly oxidised breccia zone was encountered, **confirming both the presence of a breccia zone and its dip direction**. The high degree of oxidation in the breccia zone is believed to reflect the effects of surface water channelling down the adjacent fault zone.

The entire breccia zone returned anomalous gold values, with two mineralised intercepts of **13m @ 1.01g/t Au from 39m and 6m @ 1.45g/t Au from 60m**, with assays up to 2.60g/t Au. This same breccia returned and intercept of 24.6m at 2.98g/t Au from 17.7m from nearby drill hole SHDD004.

Several very important observations can be made from SHDD047:

1. Outflow Zone mineralisation in this region is thick, well-mineralised (up to 5.5g/t Au in SHDD047 and 31g/t Au in outcrop) and persistent from surface.
2. The hypothesised breccia zones are confirmed, thick, mineralised and dipping to the south.
3. Unoxidised breccia zones intersected in earlier holes elsewhere in the Resource returned significantly higher gold grades (e.g SHDD019 17.6m @ 3.57g/t Au from 108.6m), suggesting substantial exploration upside in targeting breccia zones down-dip in their unoxidised state.
4. Earlier drilling was either vertical or angled to the south and therefore sub-parallel to breccia zones. Significant scope remains to discover additional breccia zones between existing wide-spaced drilling.
5. Breccia zones dip sub-parallel to topography, making them relatively accessible downslope at shallow depths.
6. Breccia zones dip to the south, **away from** the existing Resource envelope, making the current Resource completely open in this direction.

Sihayo 1 North Section - 54 800mE (looking grid west)



Hole SHDD048

SHDD048 encountered a highly weathered breccia zone from surface to 43 metres down-hole, with interfingered zones of highly altered, recrystallised limestone. A massive recrystallised limestone unit in a faulted contact with the breccia was intersected from 43 metres to the bottom of the hole at 100m.

Three zones of mineralisation were encountered in SHDD048:

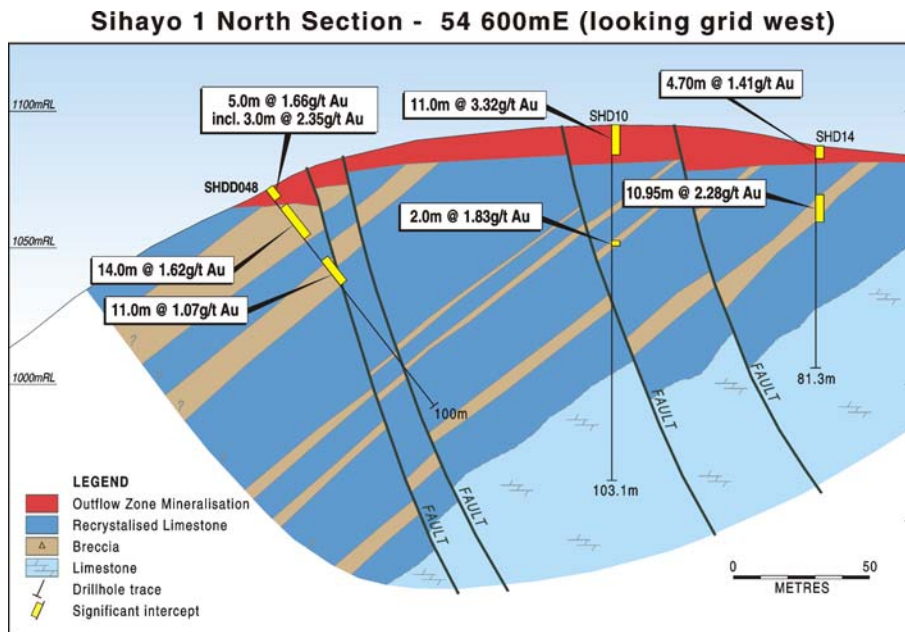
- **5m @ 1.66g/t Au from surface (including 3m @ 2.35g/t Au from surface),**
- **14m @ 1.62 g/t Au from 9m (including 4m @ 3.01 from 19m); and**
- **11m @ 1.07g/t Au from 32m.**

Gold grades are thought to be lower within this breccia due to the intensity of weathering. This could be attributable to the absence of silicified Outflow Zone jasperoid and Tertiary cover, which may reduce weathering effects elsewhere within the deposit.

The fact that the breccia encountered in SHDD048 is both thick and mineralised is very encouraging and augurs well for future exploration success.

This is a significant development for Oropa as the Sihayo 1 North Resource is now open at depth and along strike. Breccia zones dip sub-parallel to topography, making their down-dip positions still relatively shallow from surface. Given the thickness of breccia zones encountered to date, considerable scope lies in significantly increasing Resource tonnes through further drilling.

Oropa plans to follow up these results with additional drilling, testing the down-dip position of identified breccias outside the current Resource envelope and in-filling some of the many gaps in earlier drilling.



Drill Intercept Table

Hole	Easting (local grid)	Northing (local grid)	Depth (m)	Dip	Azimuth (magnetic)	Downhole Interval (m)	Grade g/t Au	From (m)
SHDD047	54,769	10,175	83.55	-52	047	29m	1.89	0m
						including 9.8m	2.68	1m
						13m	1.01	39m
						6m	1.45	60m
SHDD048	54,611	10,120	100	-52	025	5m	1.66	0m
						including 3m	2.35	0m
						14m	1.62	9m
						11m	1.07	32m

Notes on Reported Drill Intercepts:

1. All assays were determined by 50gm fire assay
2. A 0.5ppm Au lower cut was used
3. A maximum of 2m of consecutive internal waste (material less than 0.5ppm Au) per reported intersection
4. All interval grades were calculated as a weighted average

Sambung

The Sambung prospect is located 1.5km southeast of the Sihayo1 North Resource. A broad soil gold anomaly, rock chip samples to 101.5g/t Au and drill intercepts of up to 443g/t Au (SAMDD003 20cm @443g/t from 25.55m) make Sambung a high priority target area.

High gold values in colluvial material in earlier drilling (SAMDD004 13.8m at 2.69g/t Au from surface) were recently followed up by a series of vertical test pits, designed to ascertain the upslope edge of mineralised material.

3 test pits were completed; with 8 samples returning assays over 1g/t Au. Test pit 3 effectively found the edge of the mineralised system, with colluvial clay samples returning values of up to **3.41g/t Au** and embedded float rock chip samples returning assays of **11.7g/t Au** and **13.7g/t Au** respectively.

Although identified in two drill holes 350m apart, the dimensions of the mineralised colluvial material remain completely open along strike and down slope.

Additional test pits are planned along strike to better define the underlying mineralised system edge for future drill targeting.

Corporate

Oropa plans to complete a capital raising exercise in the near future to facilitate extensive drill testing of the new Sihayo model. Drilling will focus on increasing the Resource size by targeting known breccia zones along strike and at lower RL positions.

OROPA LIMITED



PHILIP C CHRISTIE
Chief Executive Officer

Note 1: *It is advised that in accordance with the Australian Stock Exchange Limited Listing Rules (5 10, 5 12 and 5 13) the technical information (unless otherwise indicated) contained in this report is based on information compiled by Mr. Jim Kerr. He fulfils the requirements of a “qualified person” and is a member of the Australasian Institute of Mining and Metallurgy. He is also an employee of the company.*

Note 2: *All statements in this report, other than statements of historical facts that address future timings, activities, events and developments that the Company expects, are forward looking statements. Although Oropa Limited, its subsidiaries, officers and consultants believe the expectations expressed in such forward looking statements are based on reasonable expectations, investors are cautioned that such statements are not guarantees of future performance, and actual results or developments may differ materially from those in the forward looking statements. Factors that could cause actual results to differ materially from forward looking statements include, amongst other things, commodity prices, continued availability of capital and financing, timing and receipt of environmental and other regulatory approvals, and general economic, market or business conditions.*