



21 June 2022

Drill program commences at Paterson North

Key highlights:

- Drilling has commenced at Paterson North
- Next step in agreed exploration program with farm-in partner Rio Tinto Exploration (RTX)
- Funding committed by RTX for ~3-4,000m of reverse circulation (RC) drilling
- Exciting copper/gold exploration project in proximity to Rio's Winu discovery

Sipa Resources Limited (**ASX: SRI**) ("**Sipa**" or "the **Company**") is pleased to confirm that a comprehensive reverse circulation (RC) drill program has now commenced at its Paterson North project, part of a Farm In and Joint Venture Agreement ('Agreement') with Rio Tinto Exploration Pty Limited ('RTX') which Sipa currently manages.

The program is expected to run for approximately six weeks, comprising 3-4,000m of RC drilling testing primarily regional targets. It follows an extensive target generation, review and prioritisation program that leveraged the combined expertise of Sipa and RTX.

Drilling has commenced slightly ahead of the schedule from the previously announced timeline of late June / early July (see: ASX Announcement April 26 2022).

Funding for the drill program has been provided by RTX as part of its farm-in commitment to earn, in stages, up to 80% of the project.

As part of the 2022 exploration program, Sipa and RTX will also be implementing airborne electromagnetics and gradient array IP to obtain additional geophysical data over the project area.

Drilling at Paterson North marks the commencement of a busy field season for Sipa, with additional drill programs set to commence in July / August at two other sites within the Company's northern WA project suite;

- Barbwire Terrace, a 50/50 joint venture between Sipa and Buru Energy Limited (with Sipa as the operator), prospective for Pb/Zn mineralisation; and
- Wolfe Basin, a 100%-owned project with drilling planned in close proximity to base-metals anomalism observed in Sipa's 2020 RC drilling program.

Drill timeline:

Project	Drill program	Timeline						
		Q2	Q3			Q4		
		Jun	Jul	Aug	Sep	Oct	Nov	Dec
Paterson North	RC Drilling	[Orange bar spanning Jun, Jul, Aug]						
Barbwire Terrace	Diamond Drilling		[Blue bar spanning Jul, Aug, Sep]					
Wolfe Basin	Diamond Drilling			[Blue bar spanning Aug, Sep, Oct]				
Warralong	Aircore Drilling				[Blue bar spanning Sep, Oct, Nov]			
Murchison	Aircore Drilling				[Blue bar spanning Sep, Oct, Nov]			

Table 1: Sipa’s WA drilling schedule, highlighting the current drilling campaign at Paterson North

Sipa Resources Managing Director, Pip Darvall said: *“The commencement of drilling at Paterson North marks an exciting step forward for the Company and its farm-in partner, Rio Tinto Exploration. It follows an extensive period of technical collaboration between the two companies, and commencing the program ahead of schedule is a great result. We look forward to updating investors as the campaign progresses.”*

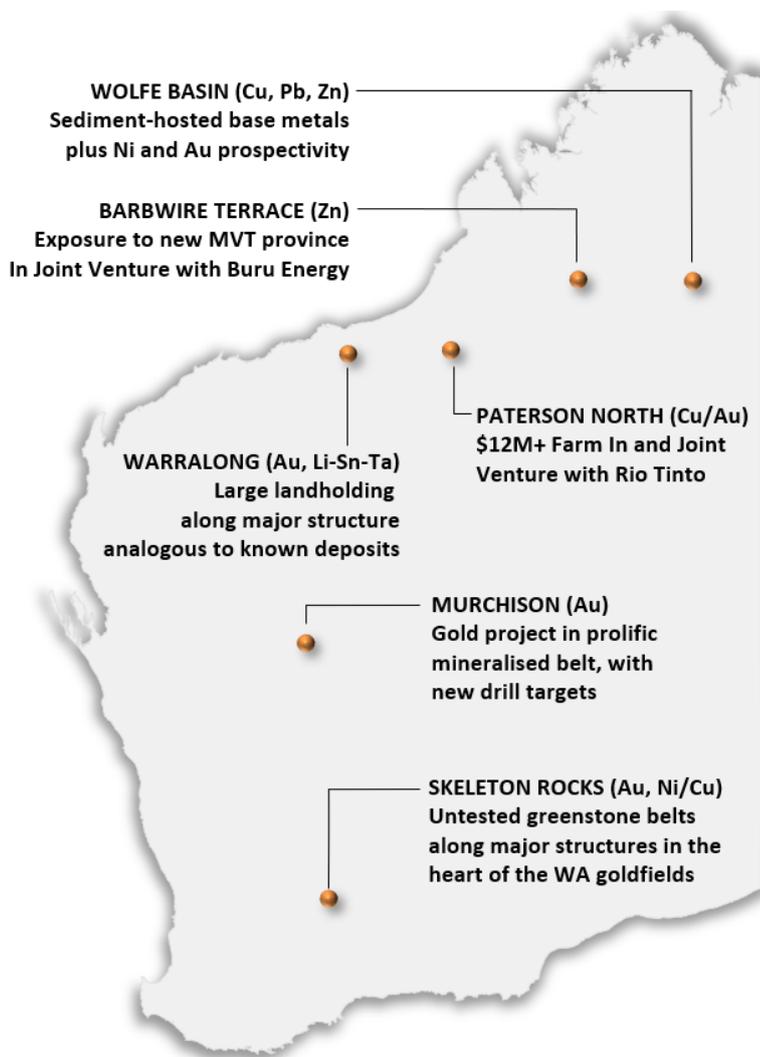
RTX Agreement:

Under the Terms of the Agreement, RTX can earn a 70% interest in the Paterson North project by sole funding expenditure of \$12M (being \$6M to earn 55% and a further \$6M to earn to 70%) and increase its interest to 80% by sole funding to the earlier of a JORC resource with A\$1B of in-ground value or the completion of an ‘Order of Magnitude Study’ (see ASX: SRI 3/8/2020). Sipa is the current manager of the Paterson North Project

Competent Person’s Statement

The information in this report that relates to Exploration Results is based on, and fairly represents, information and supporting documentation compiled by Mr Pip Darvall, a Member of the Australian Institute of Geoscientists. Mr Darvall is a full-time employee of Sipa Resources Limited, and has sufficient experience relevant to the styles of mineralisation and types of deposit under consideration and to the activities being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves’. Mr Darvall consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

About Sipa



Sipa Resources Limited (ASX: SRI) is an Australian-based exploration company focused on the discovery of gold and base metal deposits in Western Australia.

The Paterson North Copper-Gold Project is being progressed in partnership with Rio Tinto Exploration, and the Barbwire Terrace Base Metals Project in joint venture with petroleum explorer and operator Buru Energy Limited.

At Wolfe Basin, extensive base metal anomalism and gossans have provided several targets for drill testing along a prospective horizon over 40km long. The Warralong Project is prospective for intrusion hosted gold, lithium-tin-tantalum and nickel-copper in the north Pilbara region in a 'look-alike' structural setting to recent discoveries in the district. Sipa's Murchison Project covers major structures and prospective geology in prolific greenstone belts within WA's northern goldfields.

The Skeleton Rocks project covers outcropping and interpreted greenstone units prospective for gold, lithium and nickel-copper-platinum group element (Ni-Cu-PGE) deposits with limited to no previous drilling ever

completed in these areas. In Uganda, Blencowe Resources Plc is progressively earning an interest in Sipa's intrusive-hosted Ni-Cu sulphide discovery with significant scale potential.

This announcement has been authorised for release by the Board of Sipa Resources Limited.

More Information:

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