



10 August 2022

Sipa Exploration Programs Update

Key highlights:

- Exploration programs ongoing at multiple projects
- Currently drilling at Paterson North and Barbwire Terrace, with initial assay results expected from late August
- Additional soil sampling underway at Wolfe Basin
- Planned drilling at Skeleton Rocks, Warralong and Murchison
- Will result in a strong run of news flow throughout the second half of the year

Sipa Resources Limited (**ASX: SRI**) ("**Sipa**" or "the **Company**") is pleased to provide a progress update on its multiple exploration programs in various parts of Western Australia.

Paterson North (Subject to Farm-In and JV Agreement with RTX)

Sipa's major operational focus over the last month has been on its exploration program at the Paterson North project, which includes extensive drilling and geophysical surveys. The program is being conducted as part of a Farm-In and Joint Venture Agreement ('FIJV Agreement') with Rio Tinto Exploration Pty Limited ('RTX'). Exploration on the project is being funded by RTX, pursuant to the FIJV Agreement, with a \$3.2m funding commitment allocated to the 2022 exploration program (refer ASX Release 16/12/2021).

Drillholes have now been completed at one of the northern target areas, and further targets have been tested in the east and south of the project area. Current drilling is at targets located southeast of the Obelisk prospect (Figure 1). The first batch of samples is at the laboratory, with initial assay results expected late in August.

A heritage survey is scheduled to commence in mid-September, to enable future drilling and other ground-based activities to proceed. In addition, the previously announced SkyTEM airborne geophysical survey (refer ASX Release 28/7/2022) has been completed. Data from the survey will now be processed and interpreted to assist in the generation of future drill targets.

The Company looks forward to providing investors with assay results post the completion of drilling at Paterson North, which sits within 10km of RTX's Winu copper-gold discovery in northern WA.

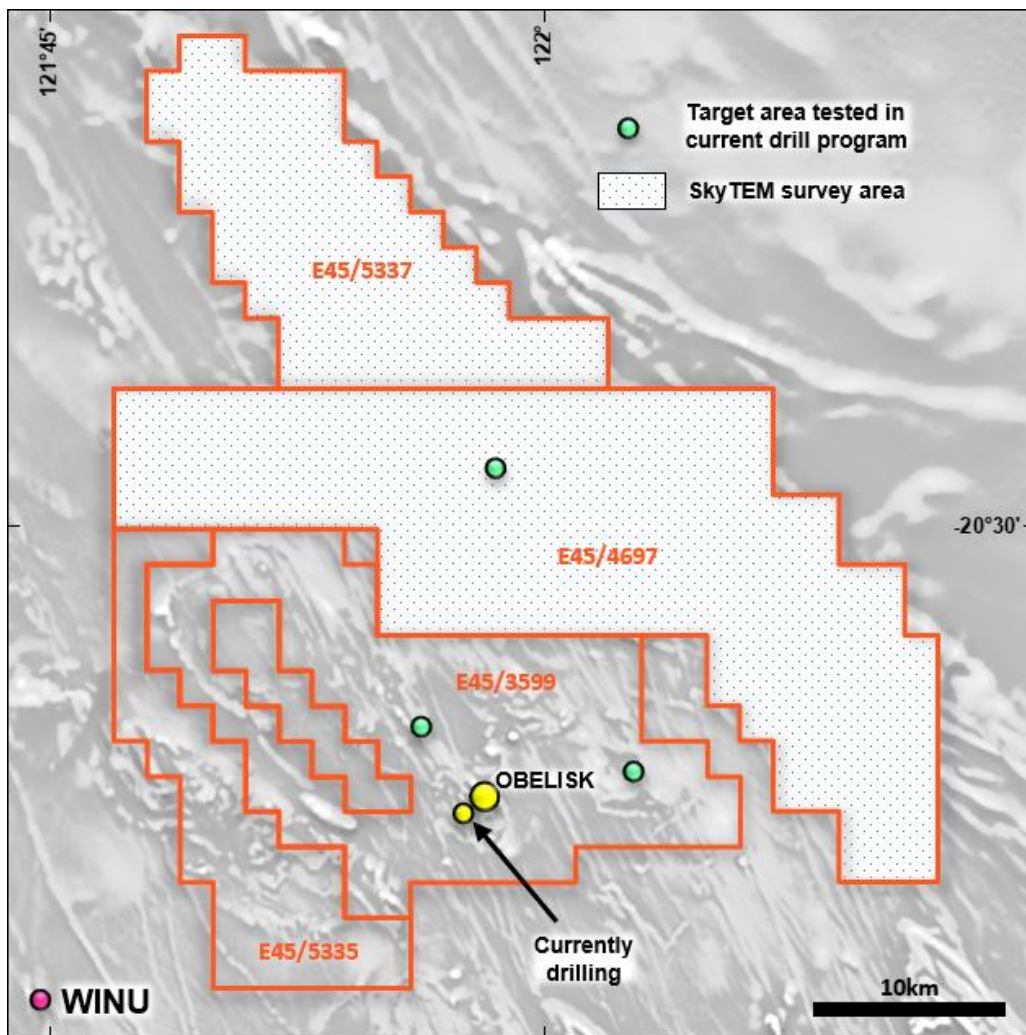


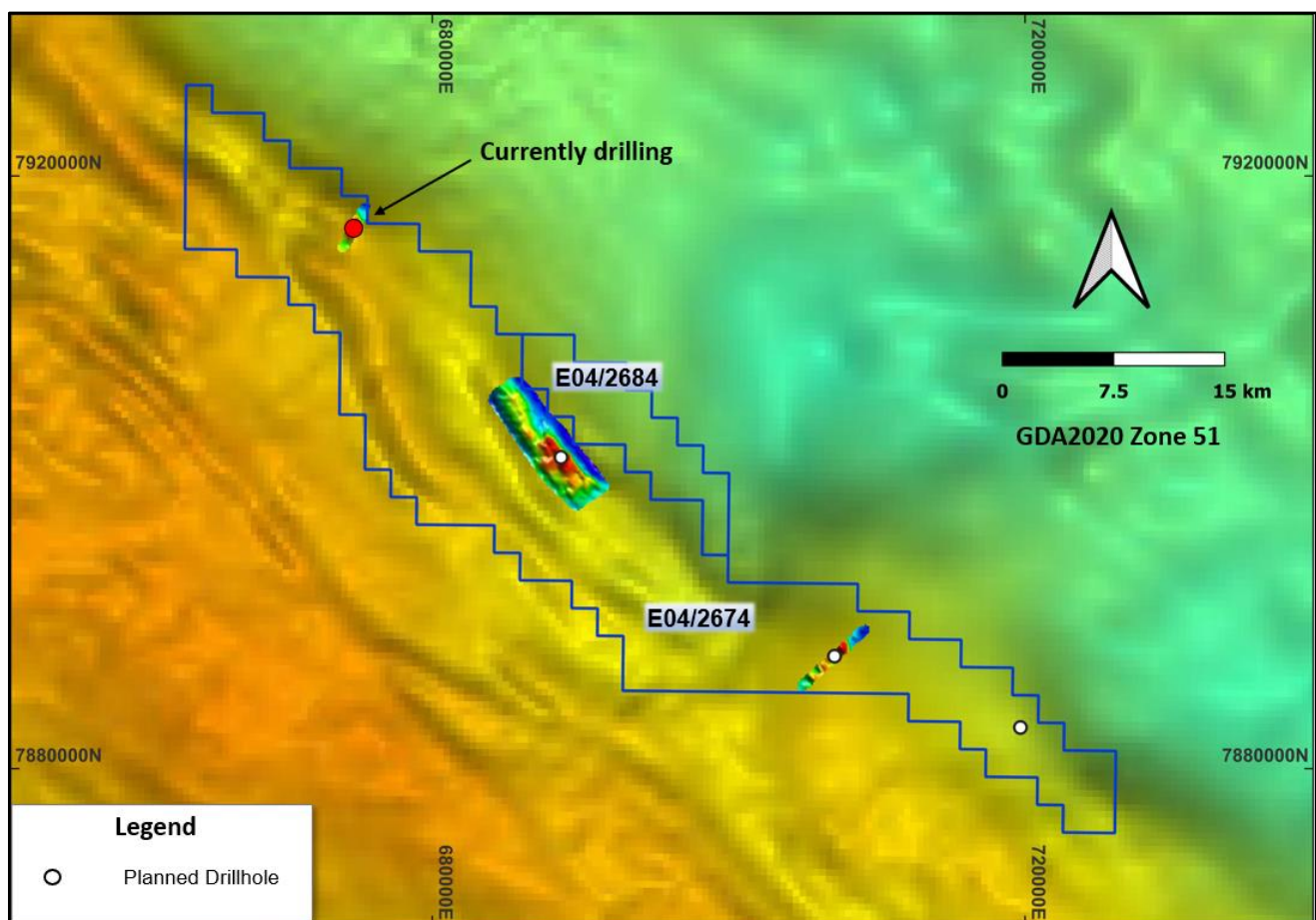
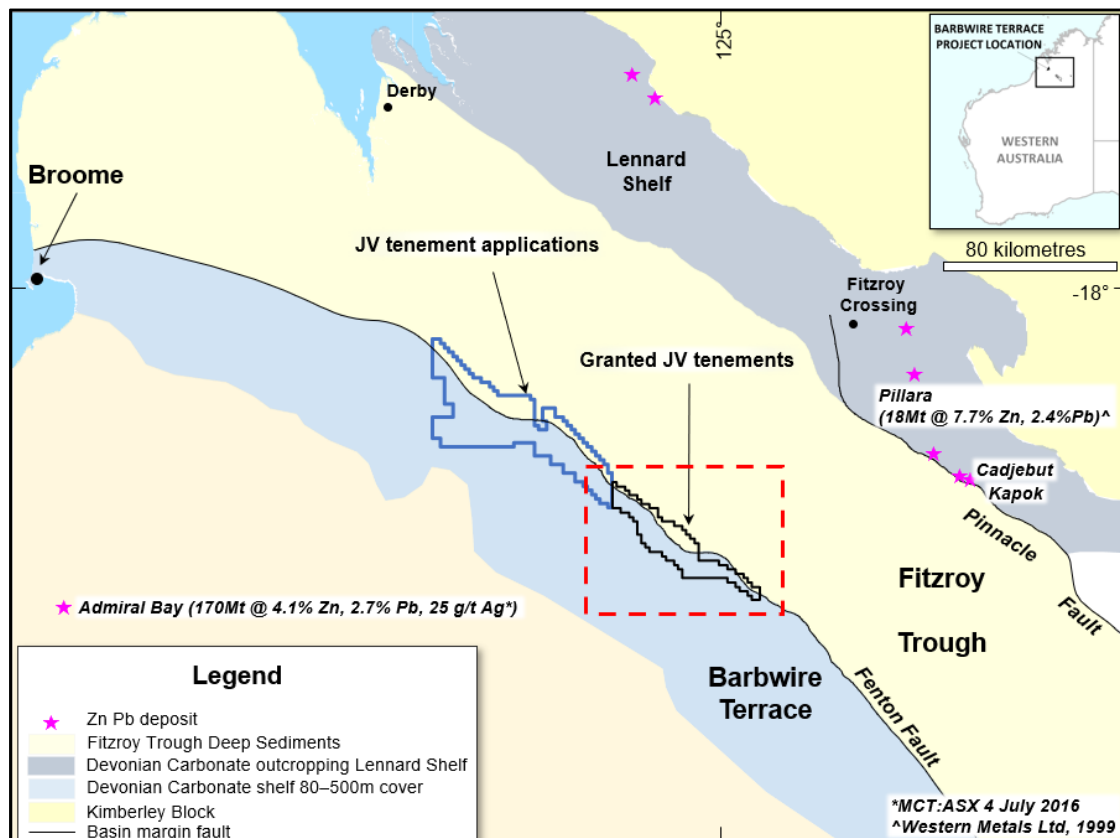
Figure 1: Sipa's Paterson North project showing the location of drilling and airborne EM activities

Barbwire Terrace (50/50 JV with Buru Energy Limited)

Drilling is now underway at the Barbwire Terrace Project. Exploration is being undertaken under a 50/50 joint venture (JV) with energy company, Buru Energy Limited (Buru), with Sipa as the operator (refer ASX release 10/9/2020). The JV is currently testing only one portion of its extensive tenure, which is highly prospective for zinc-lead mineralisation and sits in an analogous geological setting to zinc-lead deposits along the Lennard Shelf.

The initial hole is at approximately 300m (of a nominal 500m) depth. Upon completion of this hole, the rig will move approximately 20km along strike to the southeast to commence the next hole. Drilling is being co-funded by the Western Australian government's Exploration Incentive Scheme which will provide up to \$180,000 support to the JV for drilling costs.





Wolfe Basin (100% Sipa)

An extensive soil sampling program has just commenced at Wolfe Basin across the entirety of tenement E80/5491 (Figure 4). Once analysed, the survey results will provide an excellent dataset to identify future focus areas over this portion of the Wolfe Basin project, which is prospective for gold, base metals and rare earth elements.

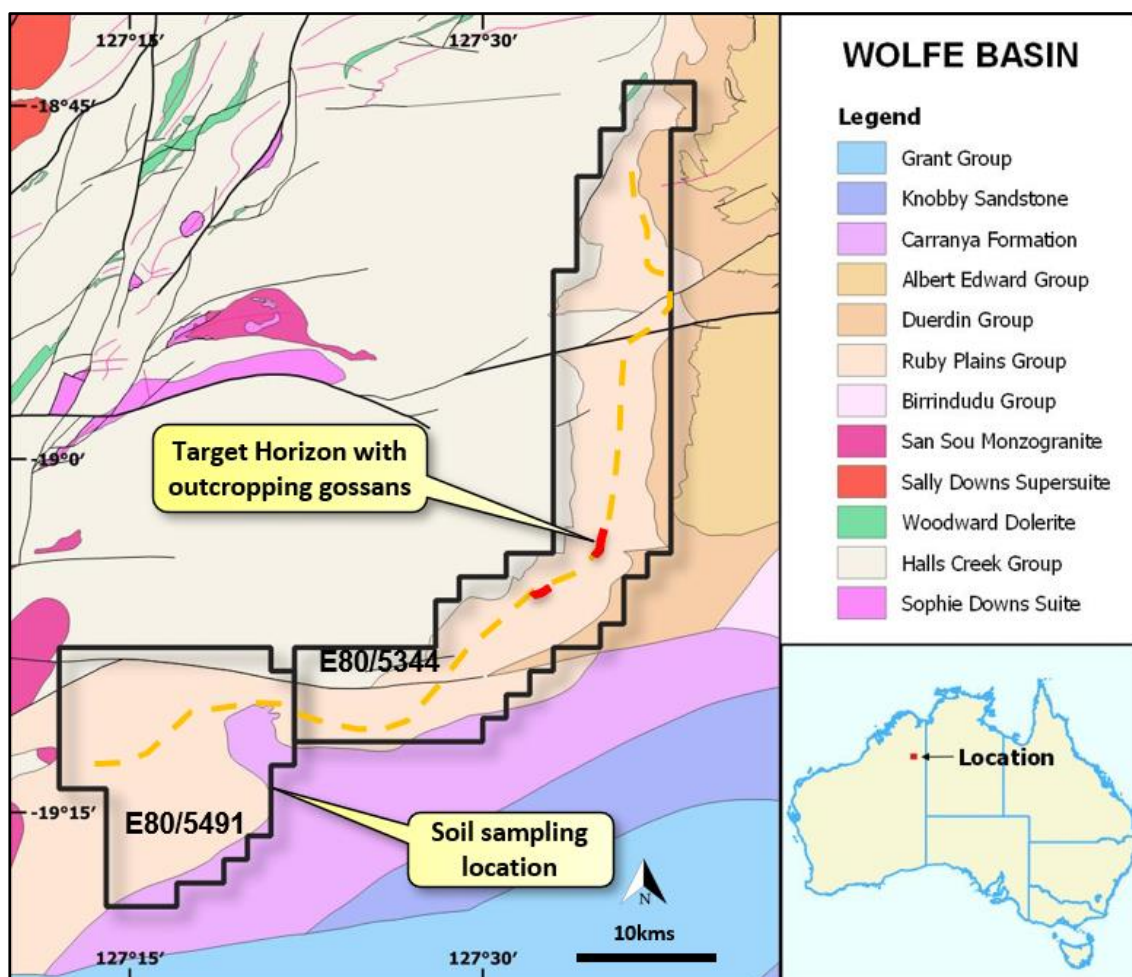


Figure 4: Sipa's Wolfe Basin Project showing the area to be soil sampled.

Soil sampling further to the north on tenement E80/5491 highlighted a significant base metal anomaly that is ready to drill (refer ASX Release 31/8/2021). The project area also lies adjacent to RareX Limited's Cummins Range project, which contains a current resource estimate of 18.8Mt grading 1.15% TREO +0.14% niobium (RareX ASX release 19/7/2021).

Skeleton Rocks (100% Sipa)

Drilling of lithium targets at Skeleton Rocks is planned to commence in H2 2022, following the recent receipt of Program of Works approval. Key targets identified from Sipa's detailed aeromagnetic survey have been further refined by assay results from aircore drilling conducted earlier in 2022 (refer ASX release 28/6/2022).



Sipa Resources Managing Director, Pip Darvall said: *“The winter months have marked a particularly busy period of activity for Sipa, with the operations team efficiently advancing multiple projects concurrently. That hard work will result in a steady flow of news and drill results, with activity continuing at our suite of projects in the months ahead. The Company is well placed to realise the discovery potential across our highly prospective and strategically located exploration assets.*

Drill timeline:

Project	Drill program	Timeline						
		Q2	Q3			Q4		
		Jun	Jul	Aug	Sep	Oct	Nov	Dec
Paterson North	RC Drilling	■						
Barbwire Terrace	Diamond Drilling		■					
Warralong	Aircore Drilling				■			
Skeleton Rocks	Aircore Drilling				■			
Murchison	Aircore Drilling					■		

Table 1: Sipa’s WA projects drilling schedule, highlighting the current programs (in brown) at Paterson North and Barbwire Terrace and planned programs in blue

RTX Farm-in and Joint Venture Agreement: Paterson Project

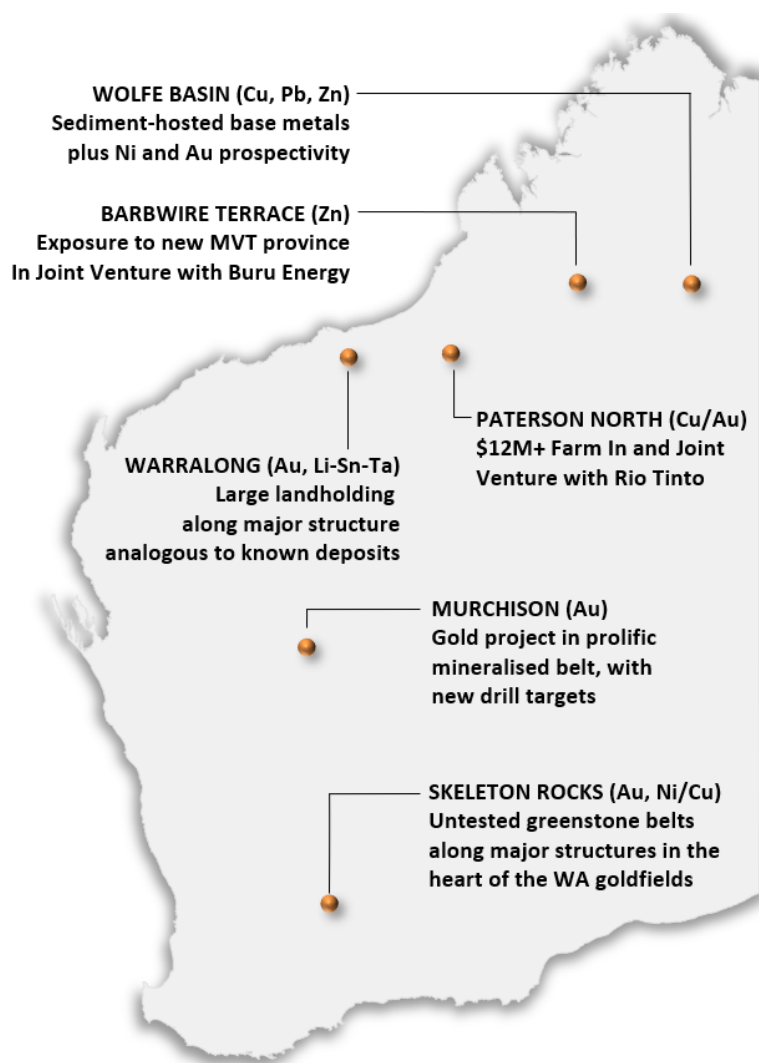
Under the Terms of the FIJV Agreement, RTX can earn a 70% interest in the Project by sole funding expenditure of \$12M (being \$6M to earn 55% and a further \$6M to earn to 70%) and increase its interest to 80% by sole funding to the earlier of a JORC resource of A\$1B of in ground value or the completion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

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