

28 July 2022

Major Geophysical Survey Commences at Paterson North

Key highlights:

- Heli-borne SkyTEM survey commences over significant proportion of project area.
- Next step in extensive exploration program with JV partner Rio Tinto Exploration
- Drill program ongoing

Sipa Resources Limited (**ASX: SRI**) ("**Sipa**" or "**the Company**") is pleased to provide an update on progress at its Paterson North project, currently subject to a Farm In and Joint Venture Agreement ('Agreement') with Rio Tinto Exploration Limited ('RTX'). Current activities are being operated by Sipa and funded by RTX as part of the \$3.2m of funding it has allocated to exploration of the project in 2022 (ASX: SRI 16 December 2021).



Figure 1: Helicopter-borne SkyTEM system operating at Paterson North

Today an extensive helicopter-borne electromagnetic (EM) survey commenced, with approximately 60% of the entire project area ultimately to be covered (Figure 2), complementing the previous EM surveys over the rest of the project area (e.g., ASX: SRI 9/11/2020). Results from the survey will be integrated into existing geophysical and other datasets to support future drill targeting.

The survey has been timed to coincide with the relocation of the drill rig currently on site well away from the planned flight lines. Four drillholes were completed at one of the northern target areas and drilling is currently testing further targets in the southeast of the project area (Figure 2). Further regional targets as well as extensions to the existing Obelisk prospect are planned to be tested next.

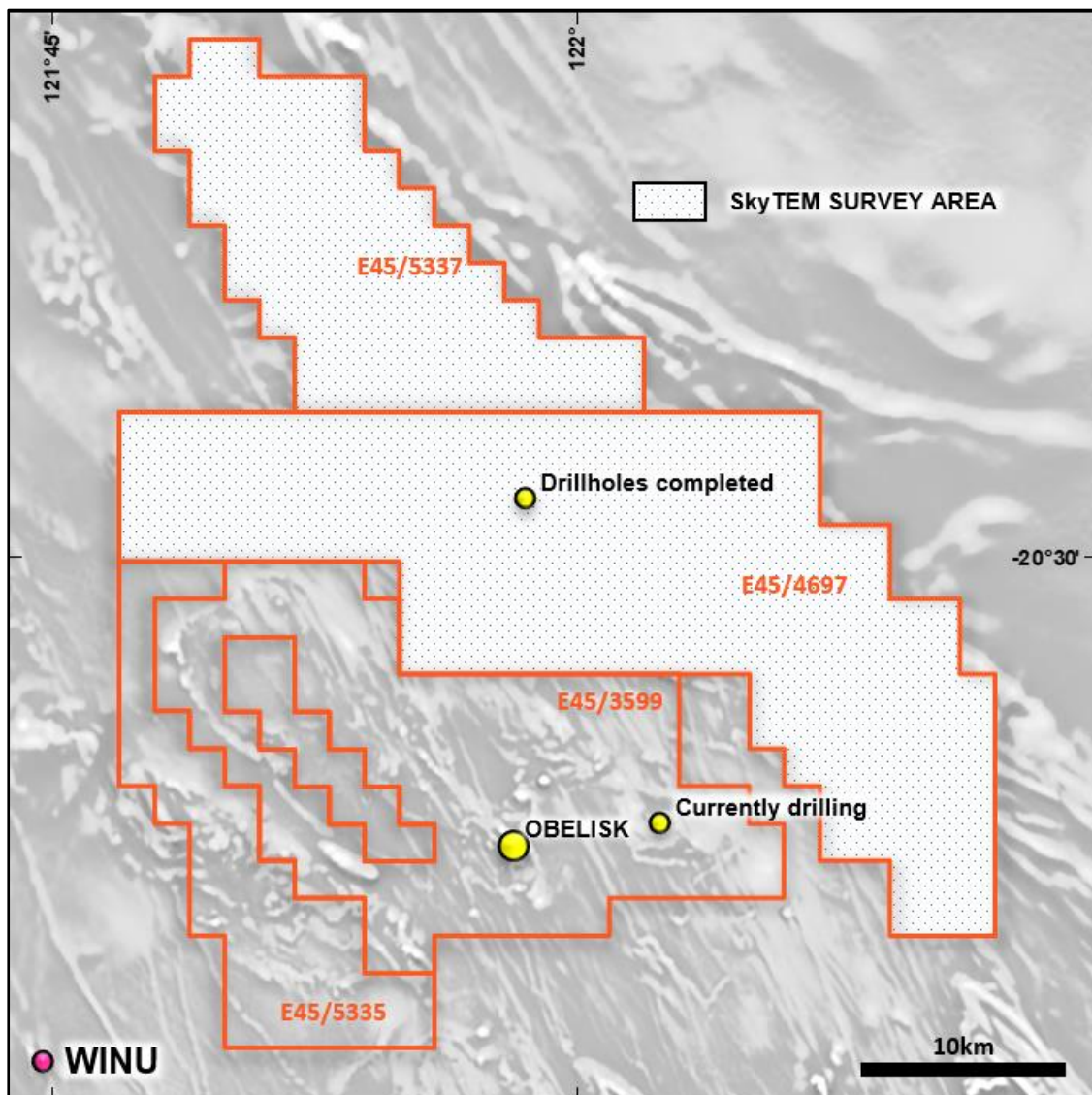


Figure 2: Sipa's Paterson North project showing the location of the current drilling and airborne EM survey



Sipa Resources Managing Director, Pip Darvall said:

“It’s full steam ahead at Paterson North, with the SkyTEM survey running in parallel to the ongoing drilling. The concealed geological formations at Paterson North have seen very limited previous exploration and are prospective for large-scale gold and base metal deposits, as evidenced by nearby discoveries. Sipa is excited by the potential for a new discovery from the current exploration program.”

RTX Agreement:

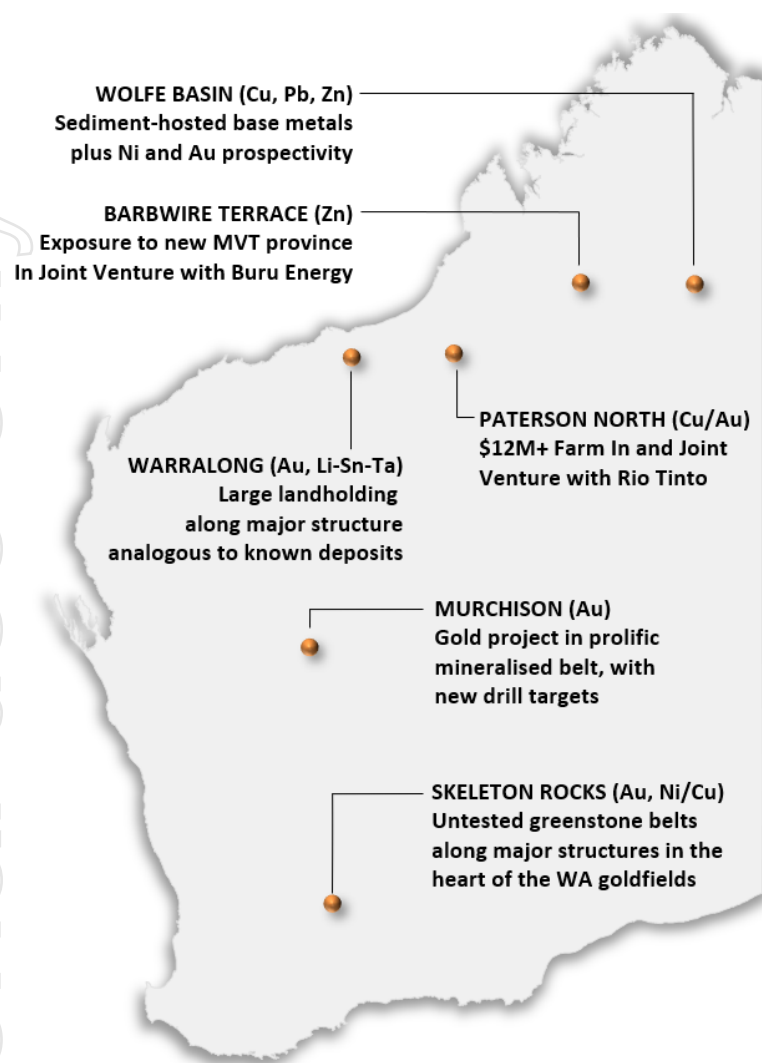
Under the Terms of the Agreement, RTX can earn a 70% interest in the Project by sole funding expenditure of \$12M (being \$6M to earn 55% and a further \$6M to earn to 70%) and increase its interest to 80% by sole funding to the earlier of a JORC resource of A\$1B of in ground value or the completion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