

2 August 2022

Diamond Drilling Underway at Barbwire Terrace

Key highlights:

- Diamond drilling to test base metal targets has commenced at Barbwire Terrace
- Exploration program conducted in JV with Buru Energy
- Up to four ~500m drillholes are planned, co-funded via the WA Government's EIS

Sipa Resources Limited (**ASX: SRI**) ("**Sipa**" or "the **Company**") is pleased to advise that drill testing of major base-metal targets has commenced at the Barbwire Terrace Project, located along the margin of the Fitzroy Trough in Western Australia (Figure 2). The project is being undertaken by a 50/50 joint venture (JV) with energy company Buru Energy Limited (Buru), with Sipa as the operator. The JV holds extensive tenure along the most prospective parts of the Barbwire Terrace (Figure 2).



Figure 1: Diamond drill rig commencing drilling at the Barbwire Terrace project.

Up to four holes to a nominal depth of 500m each are planned, testing base-metal targets along the southwestern margin of the Fitzroy Trough (Figure 2 and Figure 3). These targets are located in an analogous geological position to the Lennard Shelf deposits along the north eastern margin of the Trough; where mineralising fluids have been channelled along major faults into contact with reactive carbonate host rocks. Historic oil and gas, and base metals exploration drilling along the Barbwire Terrace intersected carbonate host rocks containing broad lead-zinc halos (refer ASX Release 25/10/2018), but these results were never followed up.

Two potential carbonate host units for base-metal mineralisation are being targeted:

1. Devonian age equivalents of the Pillara Formation, which hosts the highly sought-after base metal deposits of the Lennard Shelf (Figure 2),
2. Ordovician age equivalents of the Nita Formation, which hosts the massive Admiral Bay base-metal deposit to the west (Figure 2).

These potential host units have been identified in regional drill programs by previous explorers, including numerous oil and gas wells. The goal of the current drill program is to test for these units in favourable settings for mineralisation, where the prospective stratigraphy is intersected by the regional, basin-bounding, Fenton Fault and its splays. In preparation for the drill program, the JV partners have undertaken a comprehensive review of the available geological, geophysical and seismic data, and completed detailed gravity surveys over specific target areas to finesse drillhole locations (refer ASX Release 11/10/2021). Site preparations were recently completed with assistance from local cultural monitors and the drill program is being supported by the Western Australian Governments' Exploration Incentive Scheme (EIS). Support is also being provided by the JV for a PhD student, based at the University of Queensland, whose research will contribute to the overall hunt for new, high value, base-metal deposits in this little-explored region.

Sipa Resources Managing Director, Pip Darvall said: "It is great to get the drilling underway at Barbwire, where we are testing some big base-metal targets. While a mineralised intercept is obviously first prize, success will also include intersection of the prospective stratigraphy in a structurally favourable location, which will help us vector in to a deposit."

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.



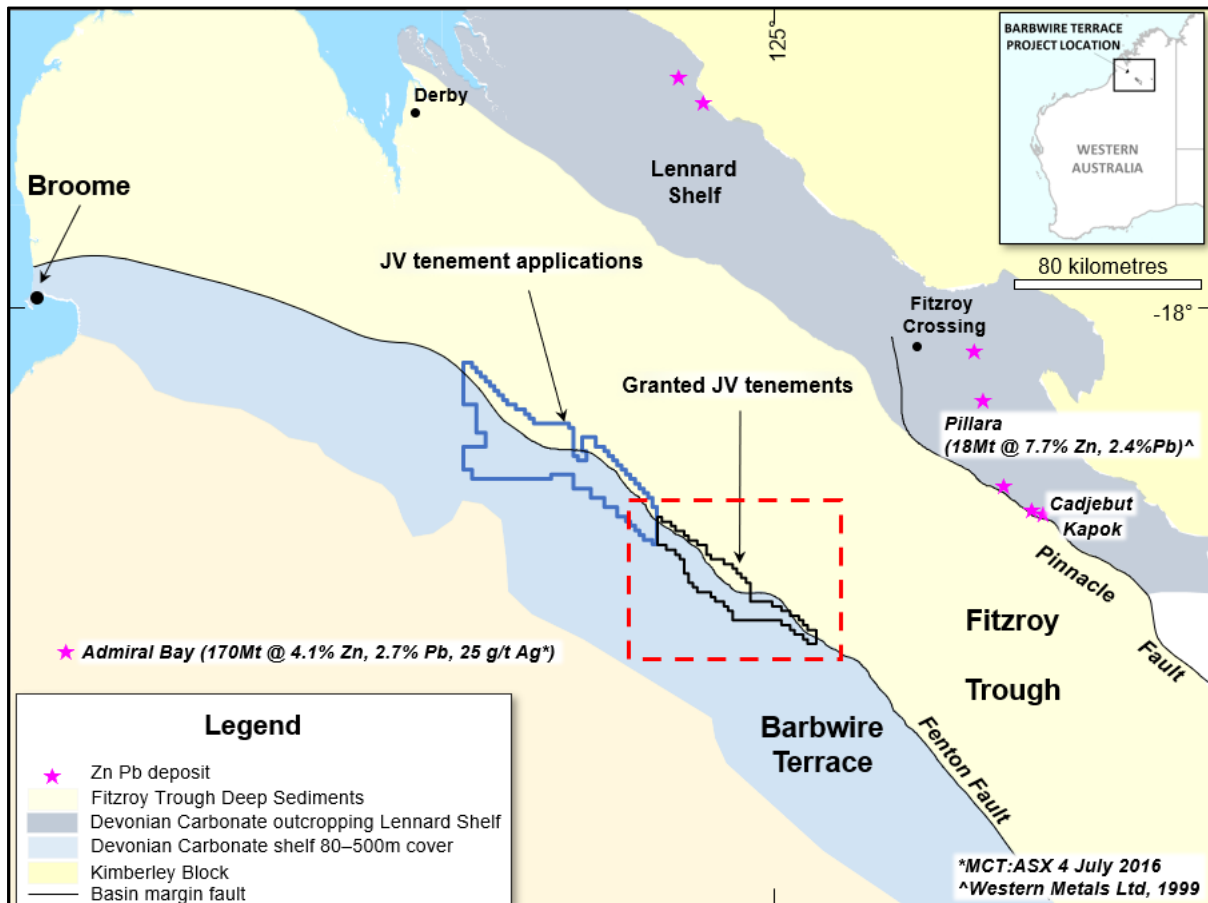


Figure 2: Geological setting of the Barbwire Terrace project, highlighting the area shown in Figure 3.

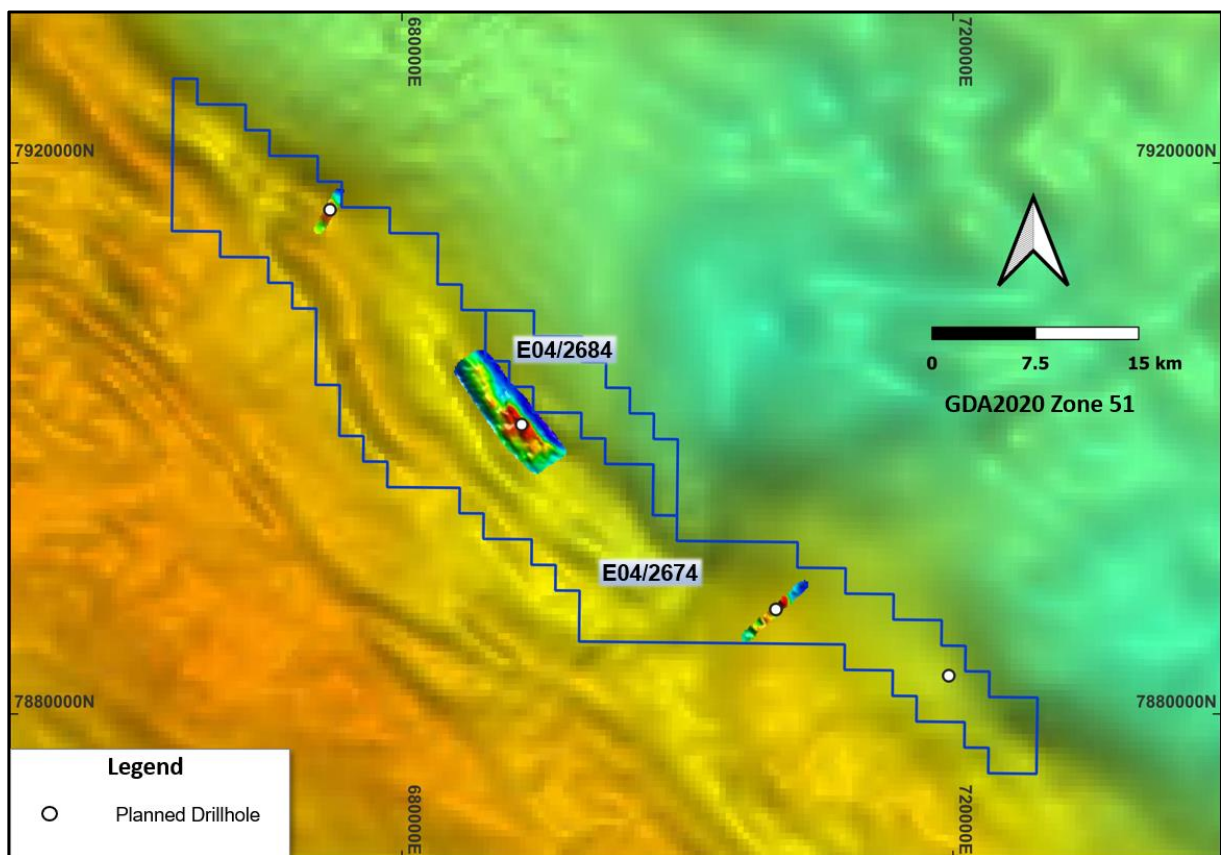
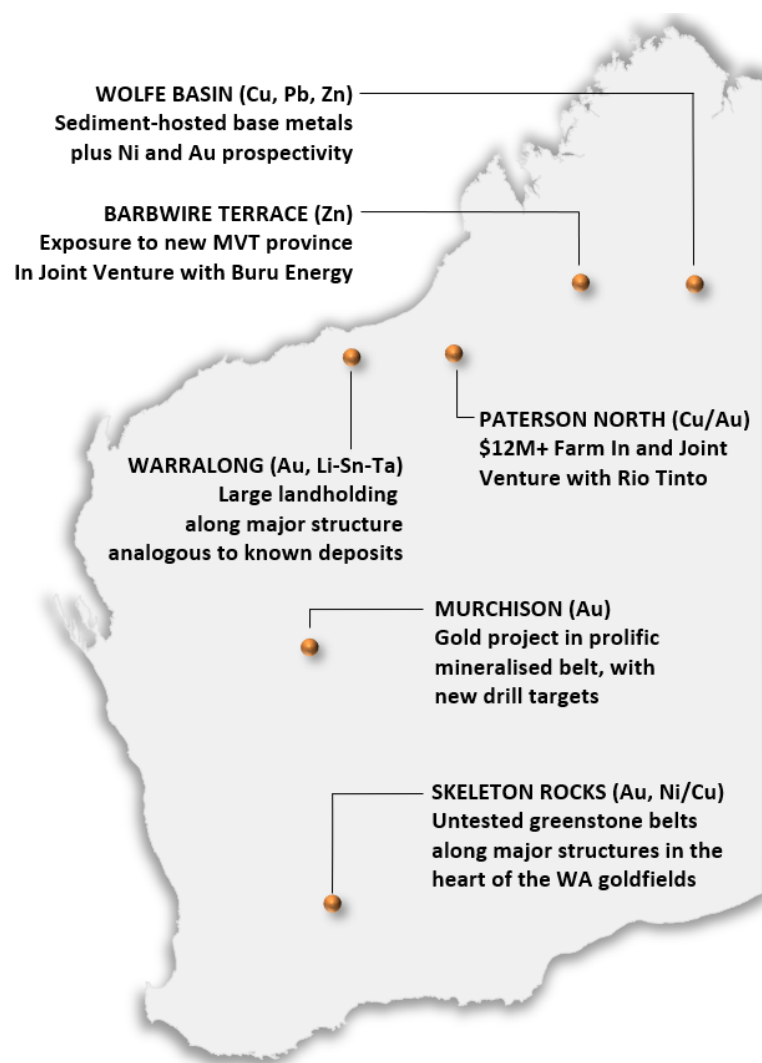


Figure 3: Locations of the planned drillholes at Barbwire over a regional Bouguer gravity image with the Sipa-Buru detailed gravity overlain.



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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