27/10/2022

September 2022 Quarterly Activities Report

Paterson North Copper-Gold Project, Paterson Province WA

- 22 hole drill program completed. Further assays awaited
- Airborne transient electro-magnetic (SkyTEM) survey completed
- Gradient array induced polarisation (GAIP) survey completed

Barbwire Terrace Base Metals Project, Canning Basin WA

- Diamond drill program completed
- Encouraging visual and spot pXRF results with base metal sulphides encountered in every hole. Assays awaited

Skeleton Rocks Project, Goldfields WA

- Lithium targets drilled at Skeleton Rocks. Assays awaited.

Warralong Project, Pilbara WA

- New drill targets identified
- Heritage survey and other approvals completed to support imminent drilling

Uganda Nickel-Copper Project

- Blencowe Resources withdraws from option agreement

Corporate

- Sipa is funded for its planned field activities with $2.3M in cash at quarter end
- Non-Executive Director, Rick Yeates joined the Sipa Board

Sipa Resources Limited (ASX: SRI) ("**Sipa**" or "the **Company**") is pleased to provide its quarterly report for the three-months ending 30th September 2022. During the period, the Company was particularly active, completing numerous exploration programs on its Western Australian assets (Figure 1).

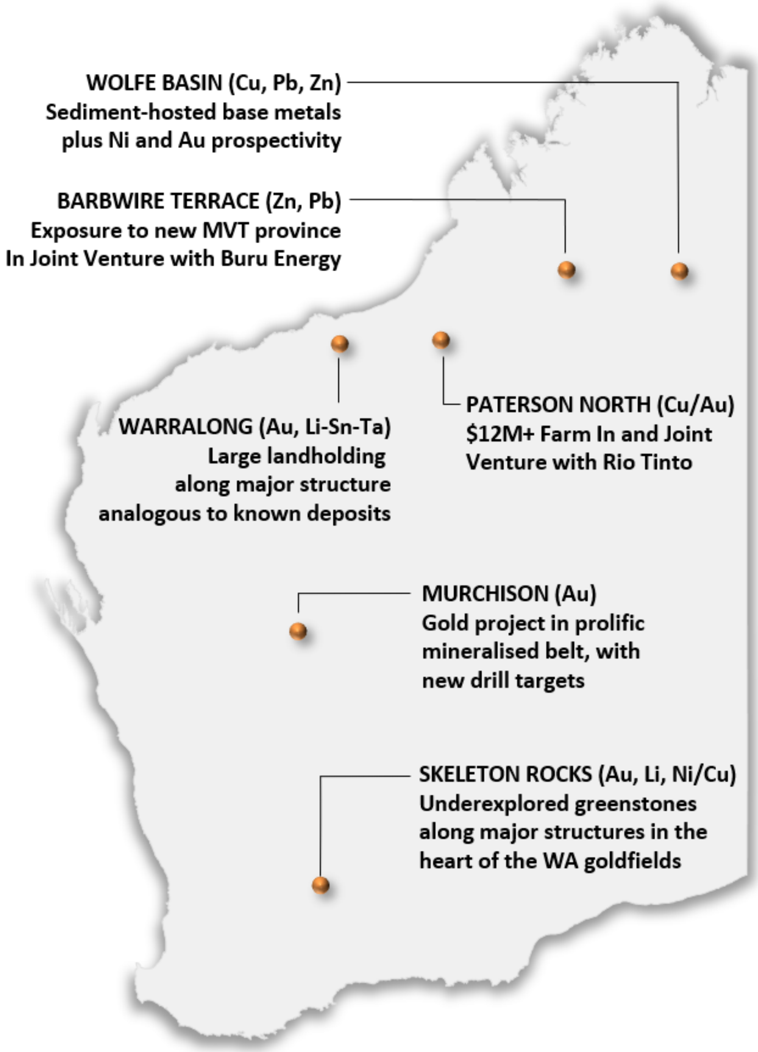

Figure 1: Sipa's Western Australian Project portfolio

Paterson North (Farm-In and JV Agreement with Rio Tinto Exploration)

Reverse Circulation (RC) drilling commenced late in June (refer ASX release 20/6/2022) and was completed in mid-August, with a total of 2,648m completed in 22 holes across four key target areas. Assay results were received from the first four holes (refer ASX release 30/9/2022), with the remainder currently outstanding.

An extensive SkyTEM survey was completed across ~60% of the project area (refer ASX release 28/7/2022). Combined with additional gradient array IP surveys recently completed, the results of the SkyTEM survey will be incorporated into future targeting studies to underpin additional drill programs (Figure 2).

Unit 5, 12-20 Railway Rd Subiaco 6008 Western Australia
ABN 26 009 448 980 Phone: +61 (0) 8 9388 1551 Email: reception@sipa.com.au
www.sipa.com.au
Sipa Resources Limited

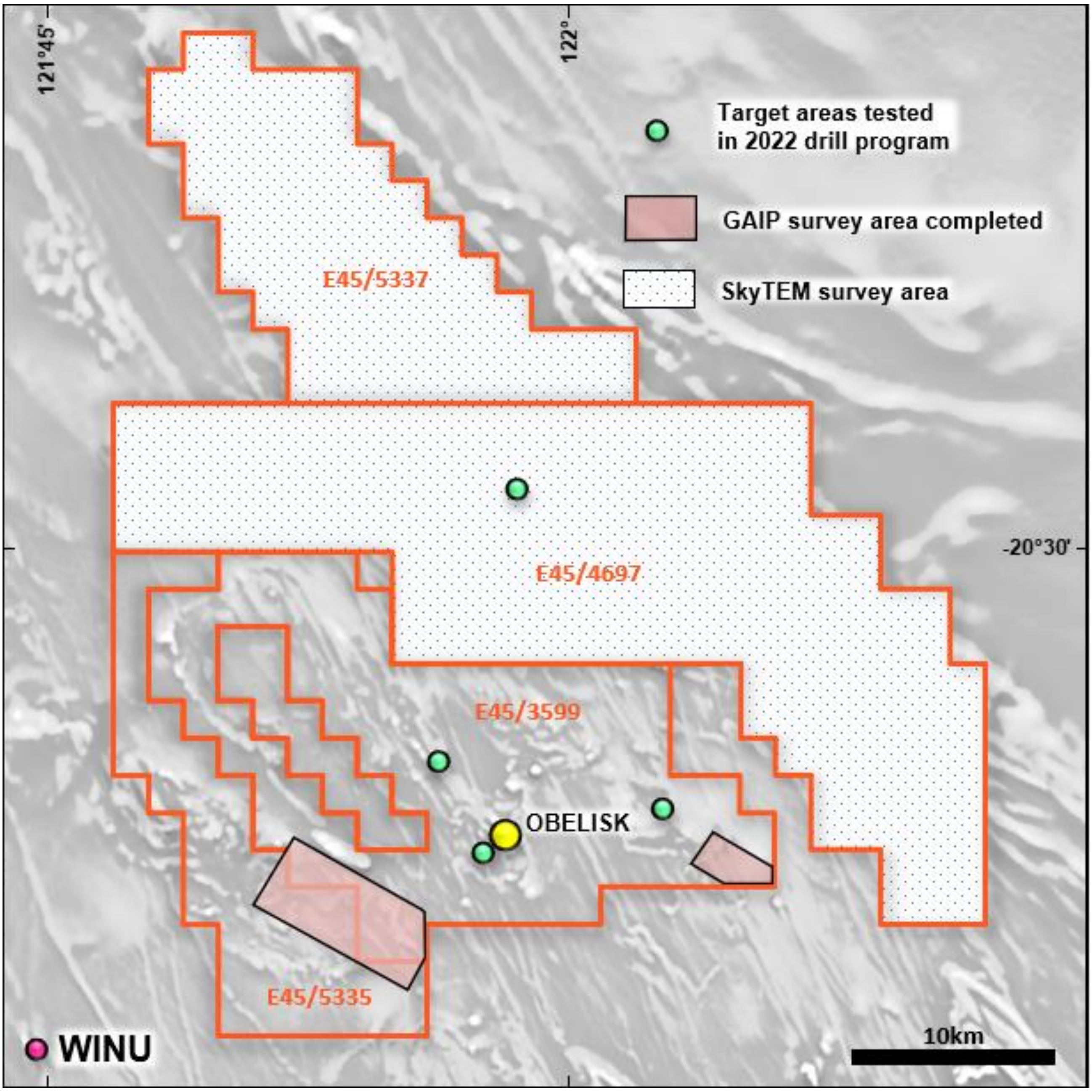

Figure 2: Paterson North Project showing the recent programs completed

Barbwire Terrace (50/50 Sipa-Buru)

The Barbwire Terrace project is being progressed under a 50/50 joint venture agreement with ASX-listed energy company Buru Energy Limited (Buru). During the quarter diamond drilling of base metals targets was undertaken at the Barbwire Terrace project with three diamond holes completed. Core retrieved during the drilling displayed base metal sulphides in the prospective, dolomitised Pillara Limestone (Figure 3), with spot pXRF results of up to 23.9% Pb+Zn, highlighting the potential for economic mineralisation (refer ASX release 28/9/2022 which includes cautionary language regarding pXRF results).

Figure 3: Disseminated galena in dolomitised Pillara Limestone at 404.07m in hole BWTDD0003, with up to 1.34% lead recorded in spot pXRF readings. Core diameter is 47mm.

Skeleton Rocks (100% Sipa)

RC drilling commenced on lithium targets at Skeleton Rocks (Figure 3, refer ASX release 26/9/2022). Drilling was designed to test targets identified from the previous 138-hole aircore program (refer ASX release 15/9/2022). The target areas exhibited elevated lithium and other pegmatite-associated elements (caesium and rubidium) forming coherent, coincident halos on the margins of the greenstone units, often in association with quartz veining. The anomalous lithium, rubidium and caesium values are 4-5 times background levels, and may indicate the presence of nearby lithium-bearing pegmatites.

The RC program (Figure 4) was completed post quarter end with a total of 12 holes for 1,900m drilled. Numerous quartz-garnet veins were intersected and samples are currently at the laboratory awaiting assay. Skeleton Rocks is strategically located between the Great Eastern Highway and the Mt Holland lithium project currently being developed as part of a joint venture between Wesfarmers and major Chilean lithium producer Sociedad Quimica y Minera de Chile S.A. (SQM).

Warralong (100% Sipa)

During the quarter, assay results were received from infill soil, rock chip and lag sampling over a portion of the Warralong Project (refer ASX release 6/9/2022). The infill sampling and previous aircore drilling results have defined two new gold targets (Figure 5), with drilling on Target 2 imminent.

Unit 5, 12-20 Railway Rd Subiaco 6008 Western Australia
ABN 26 009 448 980 Phone: +61 (0) 8 9388 1551 Email: reception@sipa.com.au
www.sipa.com.au
Sipa Resources Limited

Figure 4: RC drilling in progress at Skeleton Rocks

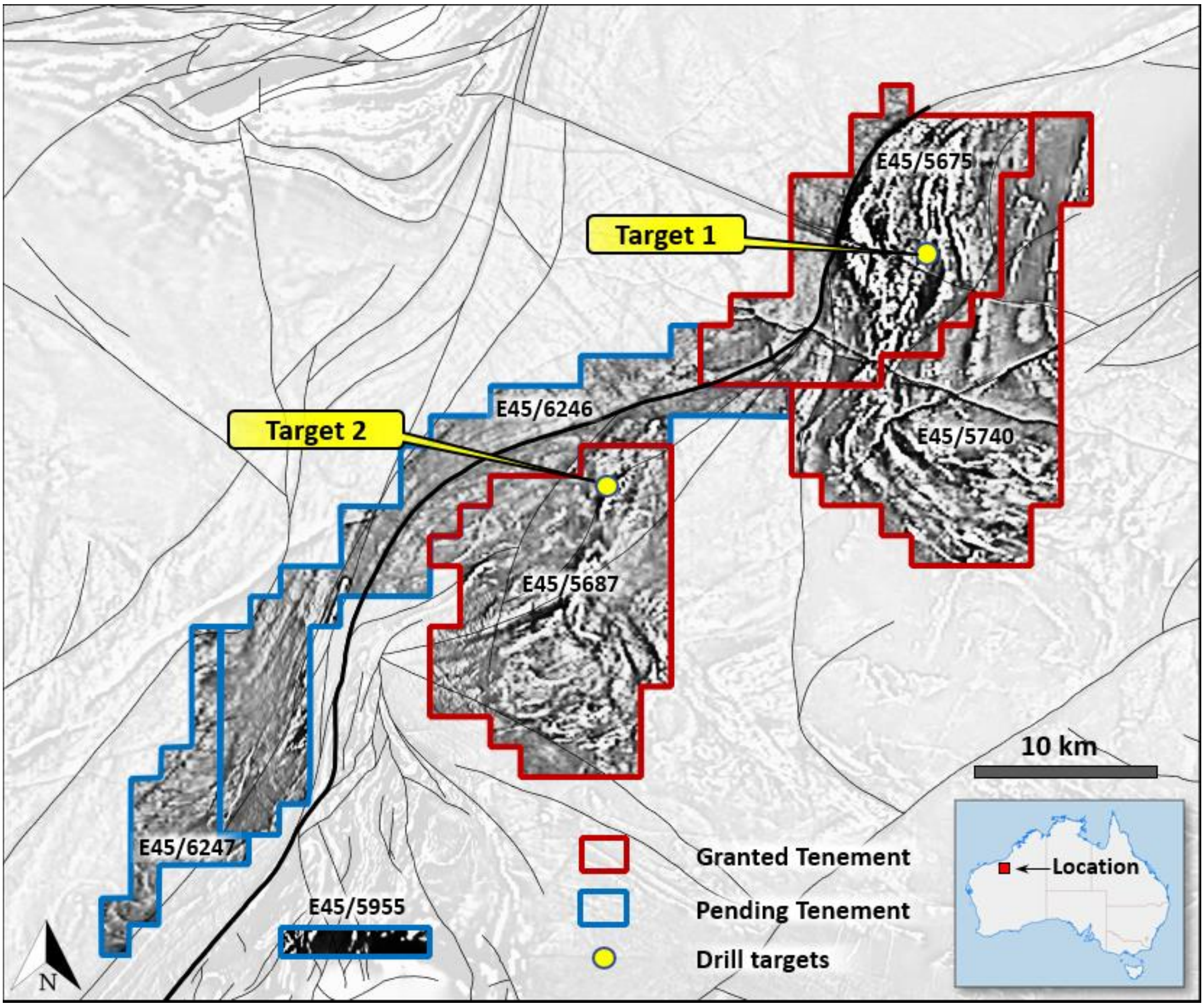

Figure 5: Warralong Project showing the new gold targets, with Target 2 to be tested in early Q4.

Wolfe Basin (100% Sipa)

An extensive soil sampling program was completed over a portion of the Wolfe Basin project during the quarter, with 399 samples collected on an approximate 1km x 1km spacing. The program added to the geochemical coverage obtained from earlier surveys, and results will be used to prioritise future target areas.

Uganda (100% Sipa)

Sipa had announced the sale of its Akelikongo Nickel-Copper Project in Uganda to London Stock Exchange listed Blencowe Resources Plc (“Blencowe”) (LSE: BRES) on 23 February 2022 via a staged option deal. During the quarter Blencowe withdrew from the option agreement and Sipa is in the process of reviewing the new geophysical data obtained and re-commencing discussions with parties who previously expressed interest in moving the project forward.

Unit 5, 12-20 Railway Rd Subiaco 6008 Western Australia
ABN 26 009 448 980 Phone: +61 (0) 8 9388 1551 Email: reception@sipa.com.au
www.sipa.com.au
Sipa Resources Limited

Corporate

The Company's cash balance was $2.3M at quarter end. During the quarter $119,000 was paid to related parties and their associates in salaries, directors' fees, superannuation and accrued entitlements.

On 1 August experienced resources company director Rick Yeates joined the Sipa board. Rick has an impressive history as both a consultant to, and Chief Executive/Non-Executive Director of, junior and mid-cap mining and exploration companies. His most recent role was as a Non-Executive Director of Western Areas Limited prior to its merger with IGO Limited.

Planned Activities December Quarter

- Paterson North – complete a heritage survey and review assay results from the drill program and geophysical surveys to identify new drill targets for 2023
- Barbwire Terrace – review results from the diamond drill program to identify new targets for 2023
- Warralong – complete a drill program testing one of the two new gold targets and review the lithium potential of the project area
- Skeleton Rocks – review the results from the recently completed drill program and the rare earth element potential, which nearby explorers such as Moho Resources Ltd (ASX: MOH) have identified
- Murchison – complete remaining site preparation ahead of drill testing of new gold targets
- Wolfe Basin – review results from soil sampling

Unit 5, 12-20 Railway Rd Subiaco 6008 Western Australia
ABN 26 009 448 980 Phone: +61 (0) 8 9388 1551 Email: reception@sipa.com.au
www.sipa.com.au

About Sipa

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

- The Paterson North Copper-Gold Project is located in close proximity to Rio Tinto's Winu discovery, and is being progressed in partnership with Rio Tinto Exploration.
- The Barbwire Terrace base metals project involves an innovative joint venture with energy company, Buru Energy Limited.
- The Warralong Project is prospective for intrusion hosted gold, and lithium-tin-tantalum in the north Pilbara region in an analogous structural setting to recent discoveries such as Hemi.
- The Skeleton Rocks project covers outcropping and buried greenstone units prospective for gold, lithium and nickel-copper-platinum group element (Ni-Cu-PGE) deposits with limited to no previous drilling completed.
- Sipa's Murchison Project covers major structures and prospective geology in prolific greenstone belts within WA's northern goldfields, with new drill targets identified.
- At Wolfe Basin, extensive sediment-hosted base metal anomalism and gossans provide targets for drill testing along a >40km long prospective horizon.
- In Uganda, Sipa holds a Retention License over an 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:

Pip Darvall, Managing Director
Sipa Resources Limited
+61 (0) 8 9388 1551
reception@sipa.com.au

Sam Jacobs, Investor and Media Inquiries
Six Degrees IR
+61 (0) 423 755 909
sam.jacobs@sdir.com.au

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.

APPENDIX – ASX LISTING RULE 5.3.3

Mining Tenements Held at End of Quarter:

Tenement ID	Project	Location	Tenement Status	Interest at beginning of quarter	Interest at end of quarter
E04/2674	Barbwire Terrace	Western Australia	Granted	50%	50%
E04/2684	Barbwire Terrace	Western Australia	Granted	50%	50%
E04/2721-3	Barbwire Terrace	Western Australia	Application	50%	50%
E04/2840-2	Barbwire Terrace	Western Australia	Application	0%	50%
E04/2849	Barbwire Terrace	Western Australia	Application	0%	50%
E20/1025	Murchison	Western Australia	Application	100%	100%
E45/3599	Paterson North	Western Australia	Granted	92%	92%*
E45/4697	Paterson North	Western Australia	Granted	92%	92%*
E45/5335	Paterson North	Western Australia	Granted	92%	92%*
E45/5336	Paterson North	Western Australia	Granted	92%	92%*
E45/5337	Paterson North	Western Australia	Granted	100%	100%*
E45/5675	Warralong	Western Australia	Granted	100%	100%
E45/5687	Warralong	Western Australia	Granted	100%	100%
E45/5740	Warralong	Western Australia	Granted	100%	100%
E45/5955	Warralong	Western Australia	Application	100%	100%
E45/6246-7	Warralong	Western Australia	Application	100%	100%
E51/1709	Murchison	Western Australia	Granted	51%	51%^
E51/1888	Murchison	Western Australia	Granted	51%	51%^
E51/1924	Murchison	Western Australia	Granted	51%	51%^
E51/1932	Murchison	Western Australia	Granted	100%	100%
E51/1936	Murchison	Western Australia	Granted	51%	51%^
E51/1963	Murchison	Western Australia	Granted	51%	51%^
E51/1972-3	Murchison	Western Australia	Granted	100%	100%
E51/1989	Murchison	Western Australia	Granted	51%	51%^
E51/2002	Murchison	Western Australia	Granted	100%	100%
E51/2012-15	Murchison	Western Australia	Granted	100%	100%
E51/2101	Murchison	Western Australia	Application	100%	100%
E51/2103	Murchison	Western Australia	Application	100%	100%
E63/2248	Lake Cowan	Western Australia	Application	100%	100%
E77/2706	Skeleton Rocks	Western Australia	Granted	100%	100%
E77/2708	Skeleton Rocks	Western Australia	Granted	100%	100%
E77/2783	Skeleton Rocks	Western Australia	Granted	100%	100%
E77/2918	Skeleton Rocks	Western Australia	Application	100%	100%
E80/5344	Wolfe Basin	Western Australia	Granted	100%	100%
E80/5491	Wolfe Basin	Western Australia	Granted	100%	100%
RL1271	Kitgum-Pader	Uganda	Granted	100%	100%

* Paterson North tenements are subject to the Rio Tinto Exploration Farm In and Joint Venture Agreement.

^ Murchison tenements subject to Farm In and Joint Venture Agreements.

The information in this report that relates to Exploration Results was previously reported in the ASX announcements dated 26, 27 and 28 July, 2, 8, 10, 23 and 31 August, and 5, 6, 15, 26, 28 and 30 September 2022. The Company is not aware of any new information or data that materially affects the information included in the relevant market announcements.

Unit 5, 12-20 Railway Rd Subiaco 6008 Western Australia
ABN 26 009 448 980 Phone: +61 (0) 8 9388 1551 Email: reception@sipa.com.au
www.sipa.com.au
Sipa Resources Limited