



Chairman's Address 2020

Sipa Resources, Annual General Meeting – Thursday, 19 November 2020

Hello to my fellow shareholders. Thank you for attending the Sipa Resources Annual General Meeting for 2020.

Everyone is well aware of what a tumultuous year 2020 has been. Sipa has purposefully used this time of disruption to set itself up to take advantage of opportunities that inevitably arise in times such as these. To ensure ongoing financial stability and the ability to complete our exploration programs, we made the decision to convert our royalty portfolio to a combination of cash and shares through a deal with Vox Royalty, a TSX listed royalty company, and more recently we completed a capital raising. Our team also worked very hard to pare back our overheads through a number of initiatives including contract reviews and downsizing our office space. Most importantly, through this period we have refined our project portfolio and now have a strong platform from which to move forward.

During our annual strategic review we recognized the need to diversify the nature of our exploration portfolio and put more weighting towards gold projects. In recent years the company has been almost entirely focused on big-picture Tier 1 base metal dominant opportunities in under-explored terrains such as in Paterson Province and in Northern Uganda. These types of projects are exciting, potentially company making projects, however they come with a high technical risk, high expenditure requirements and long timeframes. While we will always seek to have quality frontier-type projects in our portfolio, our strategy for these projects will be to cost effectively add value through targeting and first pass exploration programs and if they pass this phase then make decision on whether to continue funding them internally or seek to farm them out to companies with the economic backing to rapidly advance exploration. The Paterson Project and Barbwire Terrace Projects clearly fall into this category and we have made a strategic decision to bring in Joint Venture partners. Similarly, the Akelikongo Nickel project in Uganda falls into this category and that is why we entered into a Joint Venture with Rio Tinto. Rio have since withdrawn and the project is on care and maintenance while we seek an alternative partner. Warralong in the Northern Pilbara is a frontier-type project seeking to take advantage of newly identified gold-mineralisation styles in the region. In alignment with our strategy, we are currently conducting the first phases of targeting and exploration at Warralong.

To compliment these frontier projects, the company has secured projects within established mineral belts with strong exploration potential that can be cost effectively advanced within favourable timeframes. The current focus is on Western Australian gold projects that can be explored year-round. As a starting point we have secured a ground position in the highly endowed Southern Cross region and will commence systematic exploration as access to the ground becomes available.

With our ability to fund these projects bolstered through the strongly supported capital raising in September this year we anticipate a busy year of exploration ahead with regular news flow.

I would like to take this opportunity to commend our small but highly motivated team, led by our Managing Director Pip Darvall. Pip, hit the ground running when he commenced with Sipa early this year, recognizing the need to reset the exploration portfolio. He has been single minded in pursuing this aim, with the results of this effort now coming to fruition with two significant farm-outs/joint ventures and a suite of new projects.

In response to impending departure of Karen Field, who signaled her intention to retire at this AGM, we were very fortunate to secure the service of John Forward to your board of directors. John, who is based in Melbourne brings a strong background and networks in resource sector financial and investment markets.



In closing I would like to thank Karen for her service to Sipa over the past 16 years. Sipa has been fortunate to have someone of Karen's calibre on the board over this period. Anyone who has dealt with Karen will attest to her dedication, integrity and no-nonsense approach to business. In taking on the Chairman's role at Sipa I have certainly appreciated her wisdom and insight. Karen, once again thank you. We wish you all the very best for the future.

Authorised on behalf of Sipa by Tara Robson, Company Secretary

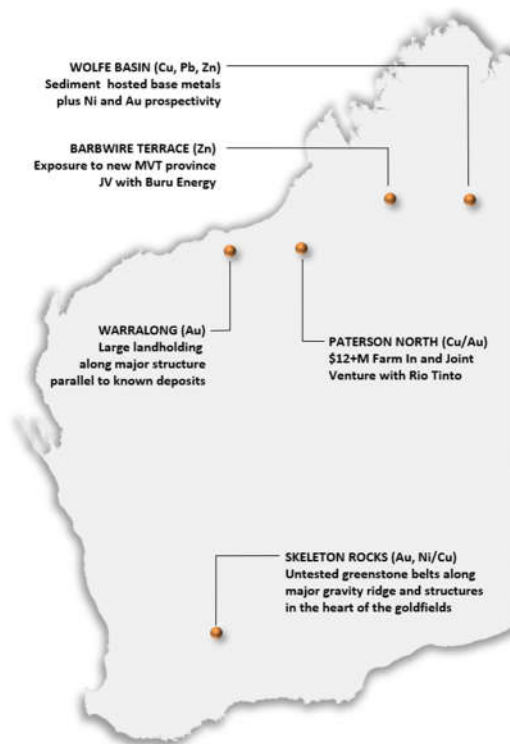


About Sipa

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 being progressed in partnership with Rio Tinto Exploration, and the Barbwire Terrace Base Metals Project involves an innovative 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 in the north Pilbara region in a 'look-alike' structural setting to recent discoveries in the district.

The Skeleton Rocks project covers outcropping and interpreted greenstone units prospective for gold and nickel-copper-platinum group elements (Ni-Cu-PGE) with limited to no drilling ever completed. The 100%-owned Uganda Base Metals Project contains an intrusive-hosted Ni-Cu sulphide discovery with significant scale potential, and Sipa is currently seeking a new partner to fund further exploration at this location.



Sipa's Project Locations in Australia

For further information, please contact:

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