



ACQUISITION OF MURCHISON GOLD PROJECT

- Sipa executes Farm In and Joint Venture Agreements over several tenements in the Murchison region prospective for gold.
- Combined area covered by Farm in and Sipa's 100% tenement applications of ~260 km²

Sipa Resources Limited (ASX: SRI, 'Sipa' or 'the Company') is pleased to announce the execution of a package of Farm-in and Joint Venture agreements over a number of tenements prospective for gold mineralisation in the Murchison area of Western Australia (Figure 1). The combined area of the Farm In tenements and recently acquired Sipa 100% owned tenements is ~260 km². The agreements give Sipa immediate access to granted tenure in a highly prospective part of the Western Australian Goldfields, with recent discoveries and adjacent consolidation activity underway.

All the project areas are adjacent to, and along strike from known gold occurrences, and overlie prospective geology and fertile structures in the Murchison and Abbots Greenstone Belts, where there has been limited to no drill testing of basement rocks. The southeastern tenement group lies adjacent to Monument Mining's Burnakura Mine with existing resources of ~380koz (Monument Mining TSXV release 15/08/2019); while the northwestern tenements lie along major shear zones that continue to the northeast where the Garden Gully project is being progressed by Ora Gold Limited (Figure 1).

Key Deal Terms

Sipa has executed three binding Farm In and Joint Venture Agreements on identical terms across the tenement package. Key terms are as follows with the dollar amounts and drill meters representing the totals across all of the Farm-In tenements:

- Sipa to spend \$300,000 to earn 51% and form a joint venture,
- A minimum of 2,250m drilling must be undertaken by Sipa prior to withdrawal,
- Sipa to subsequently spend a further \$500,000 to earn 90%,
- The vendor's 10% is free carried to a decision to mine at which point the vendor may contribute or convert its interest to a 1% nett smelter royalty.
- The vendor retains the right to recover alluvial gold (from a depth of less than 2m), and the right to acquire deposits which Sipa determines are likely to host less than 10,000 oz.

Sipa's focus will be to finalise the necessary approvals for drilling as soon as possible in this prospective region of the WA Goldfields. One tenement has an approved Programme of Work, and once heritage requirements have been achieved will be available for drill testing. The new Murchison project represents a low risk opportunity for Sipa to explore for gold in a prolific district with excellent infrastructure, access, and high levels of nearby activity.

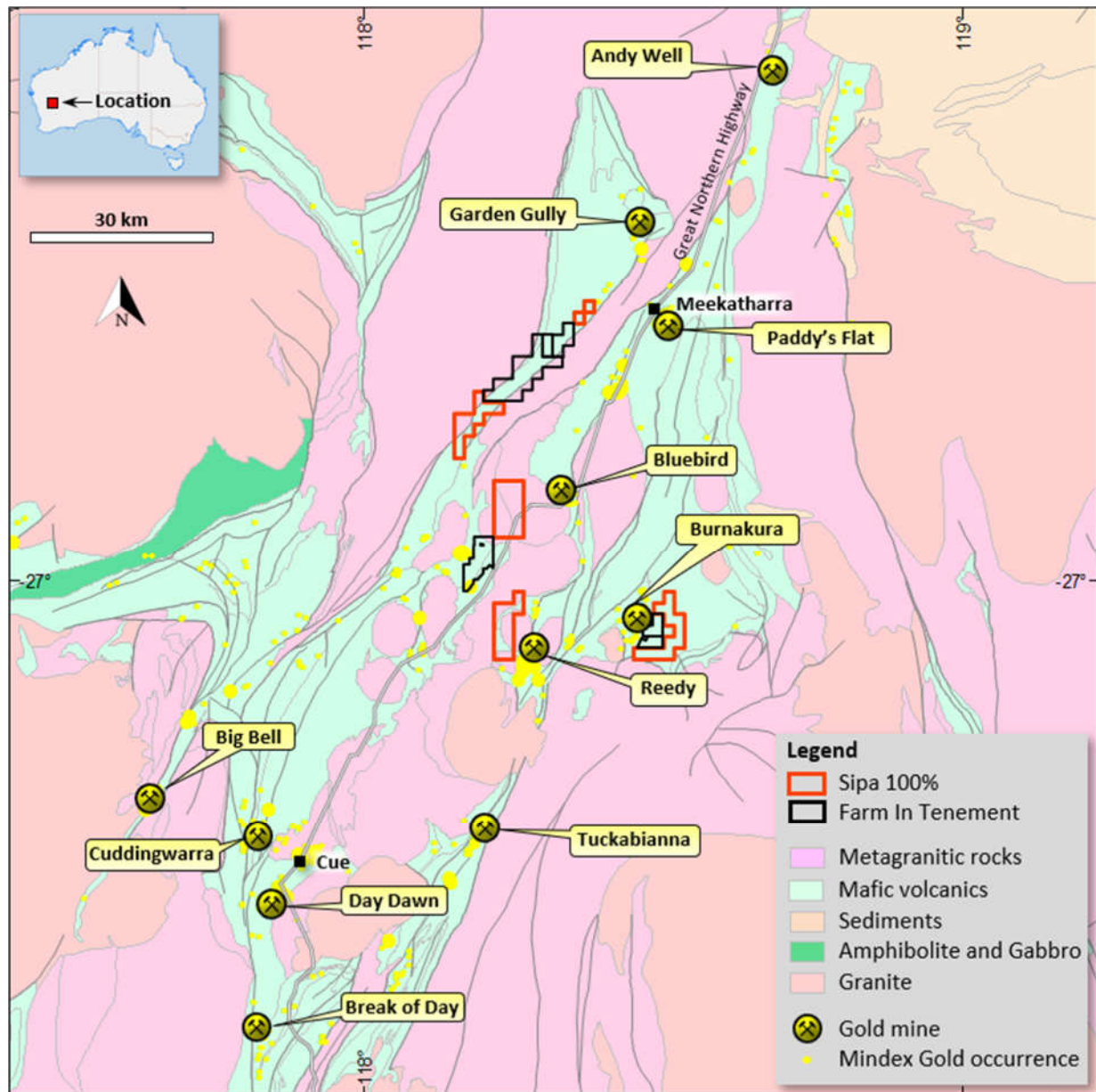


Figure 1: Location of the Farm In tenements and Sipa's 100% owned tenements in the Murchison region in relation to nearby gold mines and deposits overlain on regional 1:2.5M geology.

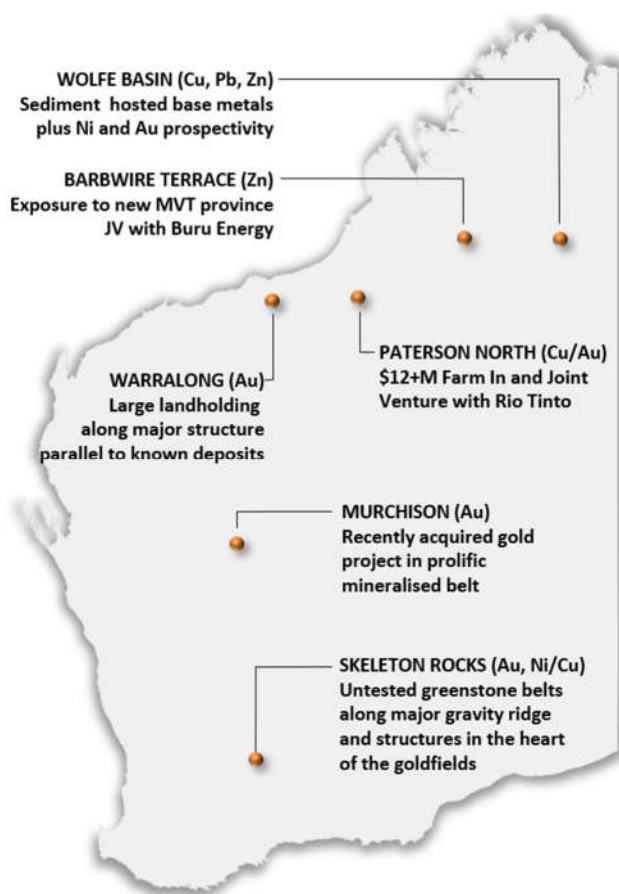


About Sipa

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. At Wolfe Basin, extensive base metal anomalism and gossans have provided several targets for drill testing along a 40km prospective horizon.

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 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.

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.



Sipa's Project Locations in Australia

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