



Drilling to Commence at Murchison Gold Project

Highlights:

- Successful completion of heritage survey and drilling contractor secured
- 5,000m aircore drilling program to commence this coming week, designed to test a range of targets across three of the Murchison tenements

Sipa Resources Limited (ASX: SRI) (“Sipa” or “the Company”) is pleased to announce that drilling is scheduled to commence shortly at the Company’s recently acquired Murchison Gold Project (Figure 1).

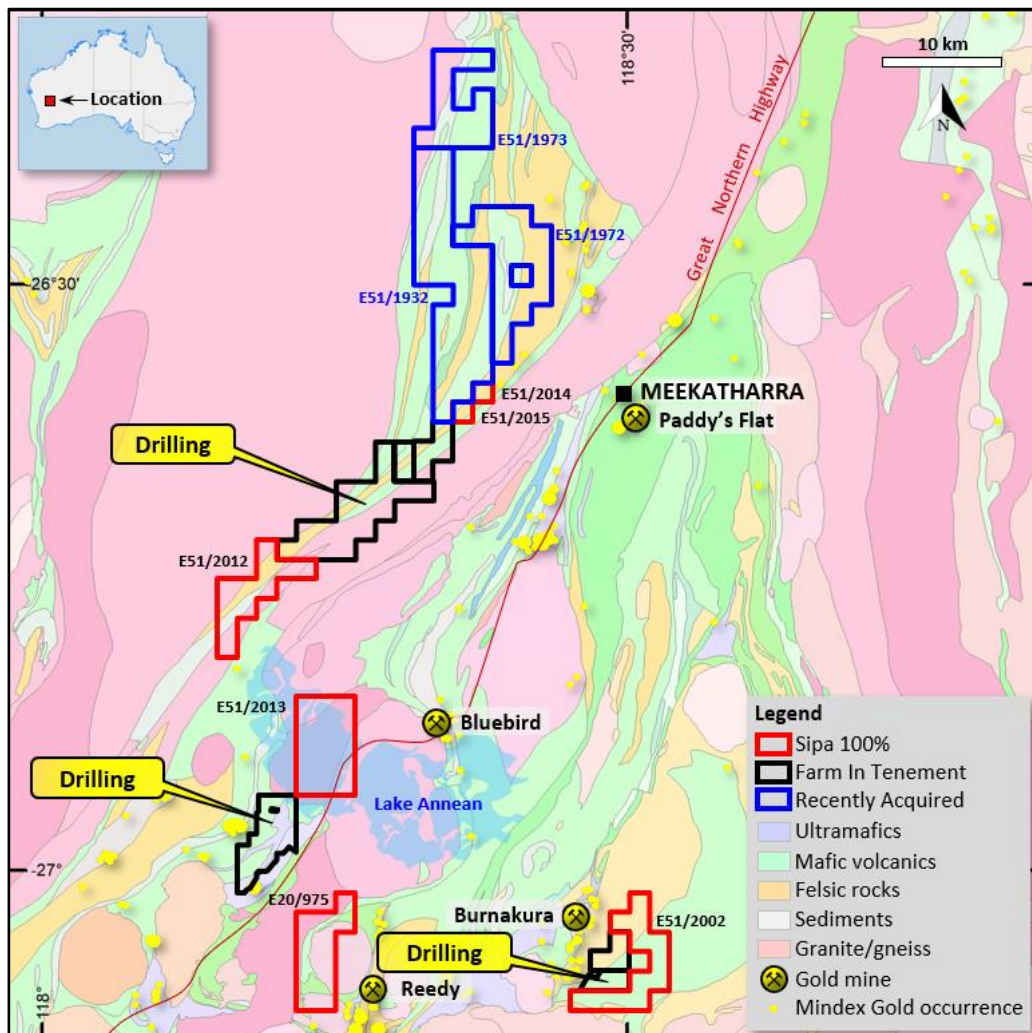


Figure 1: Location of planned drilling on Sipa’s Murchison Project tenements over regional geology.

The imminent commencement of drilling follows completion of a heritage survey over the Company's gold targets which enables clearing to be completed for drilling access. The ~5,000m aircore (AC) drilling program is designed to test a range of targets across three of the Farm In tenements located within the Murchison Gold Project (Figures 1-4). Exact timing of commencement is subject to weather impacts due to current rainfall in the district.

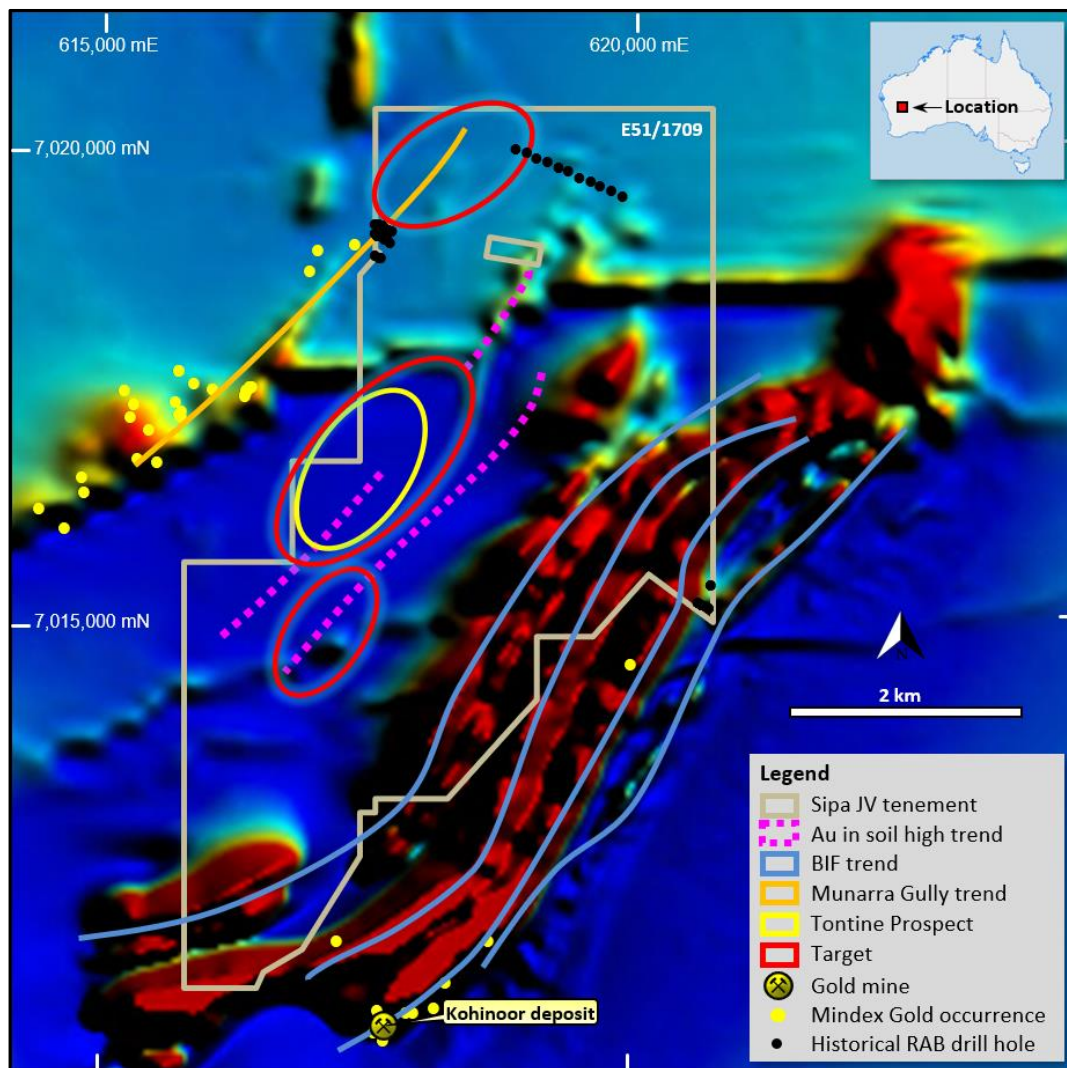


Figure 2: Target zones at E51/1709, over regional magnetic image, to shortly be tested by aircore drilling

On E51/1709 known historic drilling is limited to only 30 RAB holes in the entire tenement area and large areas remain completely untested. Planned drilling in the northwest and west of the tenement is designed to test along strike from the Tontine Prospect and the extensions of the Munarra Gully trend of gold occurrences that trend north-northeast into the tenement (Figure 2). These prospects and trends are marked by anomalous gold and arsenic in soil samples (WAMEX reference A116410) and in costeans where the greenstone units outcrop to the south. The prospects have been the subject of a single line of RAB drilling where the outcrop disappears under cover to the north, and historic soil sampling is believed to have been largely ineffective in this area due to transported cover.



To the east on E51/1936, drilling will target the northeast trending margin of, and potential structure along, a prominent magnetic high associated with a komatiitic basalt (Figure 3). Previous drilling identified anomalous gold results to the south (WAMEX reference A062603) and there are several historic workings of unknown origin visible along the margin of the sub-cropping basalt.

The bulk of the planned drilling will be undertaken on E51/1888, on the southern extension of the Abbotts Greenstone Belt. The area was explored in the late 1990's by Western Mining Corporation ("WMC") who drilled the central parts of the belt on a very broad spacing: 800m-spaced lines with holes 200 to 400m apart (e.g., WAMEX reference A049577 and A084504). The western and eastern margins of the belt were not drilled and the upcoming drill program will cover a selection of these areas as well as follow up four WMC holes which returned assays between 0.1 and 1.0 g/t Au (WAMEX reference A084504). Closer spaced holes will be drilled along this trend.

The drill program is anticipated to take 2 weeks to complete and further updates will be provided as it progresses. Successful completion of the program will also will satisfy the minimum joint venture commitment.

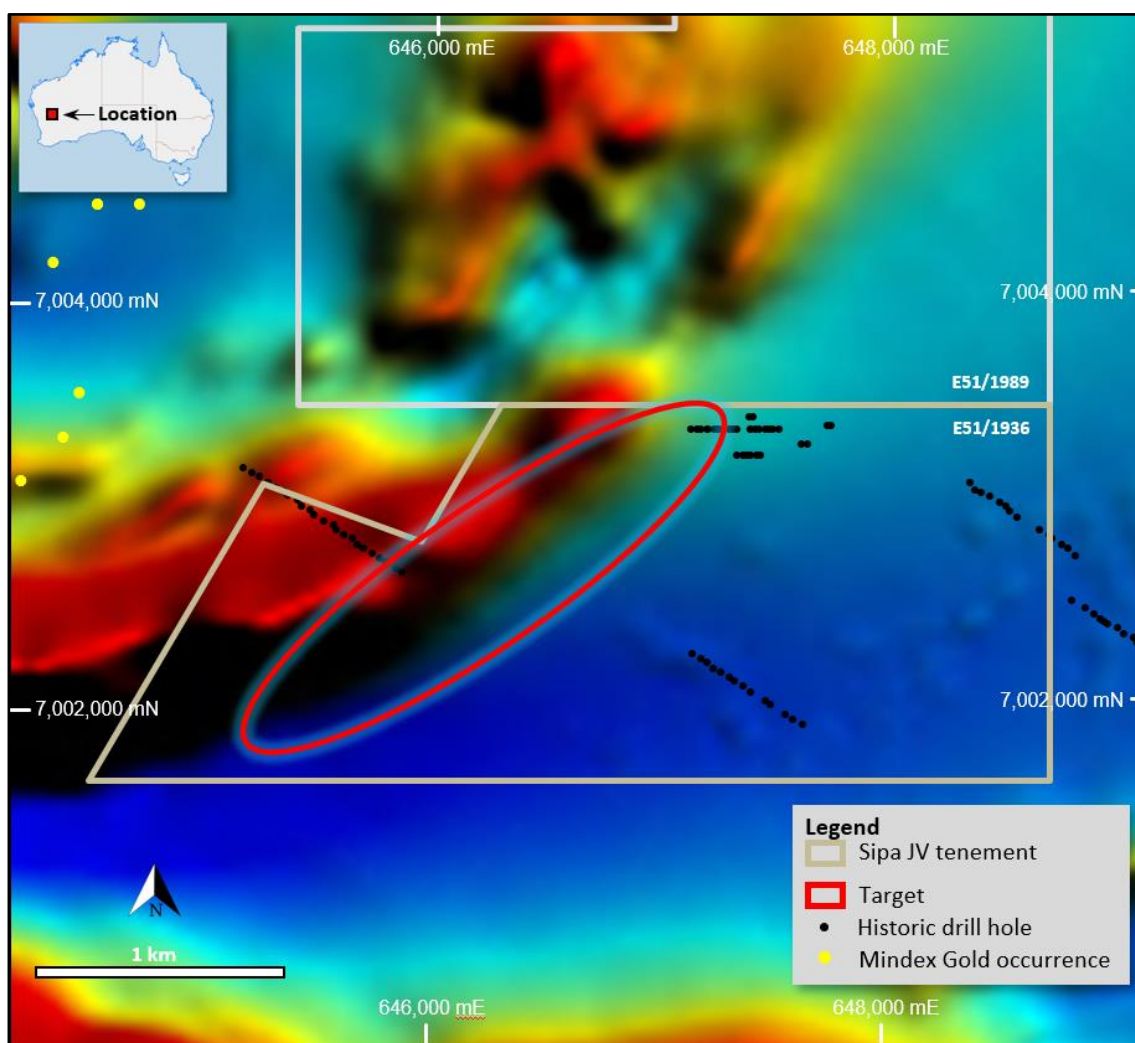


Figure 3: Target zone at E51/1936 over regional magnetics, to shortly be tested by aircore drilling



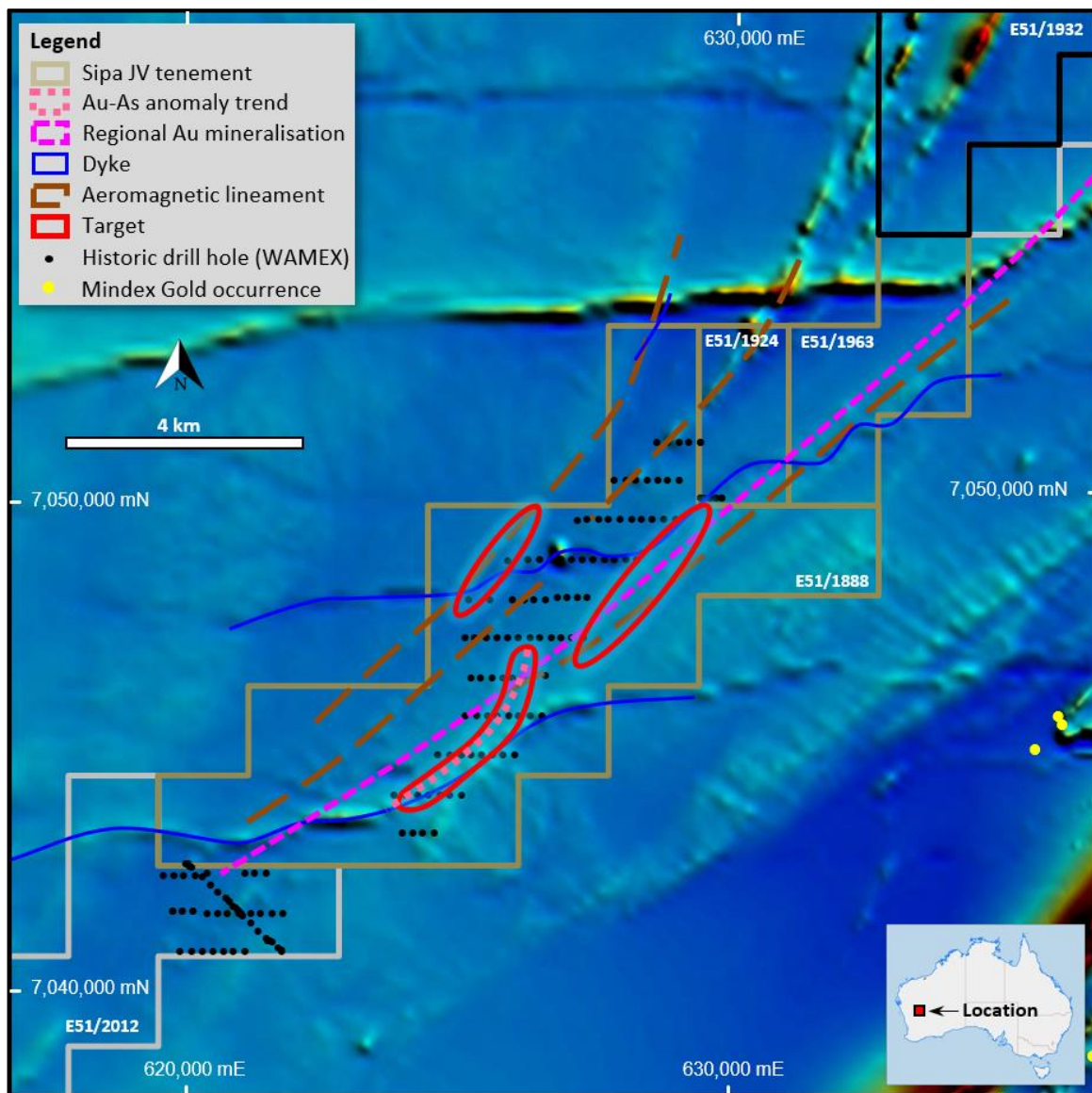


Figure 4: Target zones at E51/1888 over regional magnetics, to shortly be tested by aircore drilling

Competent Person's Statement

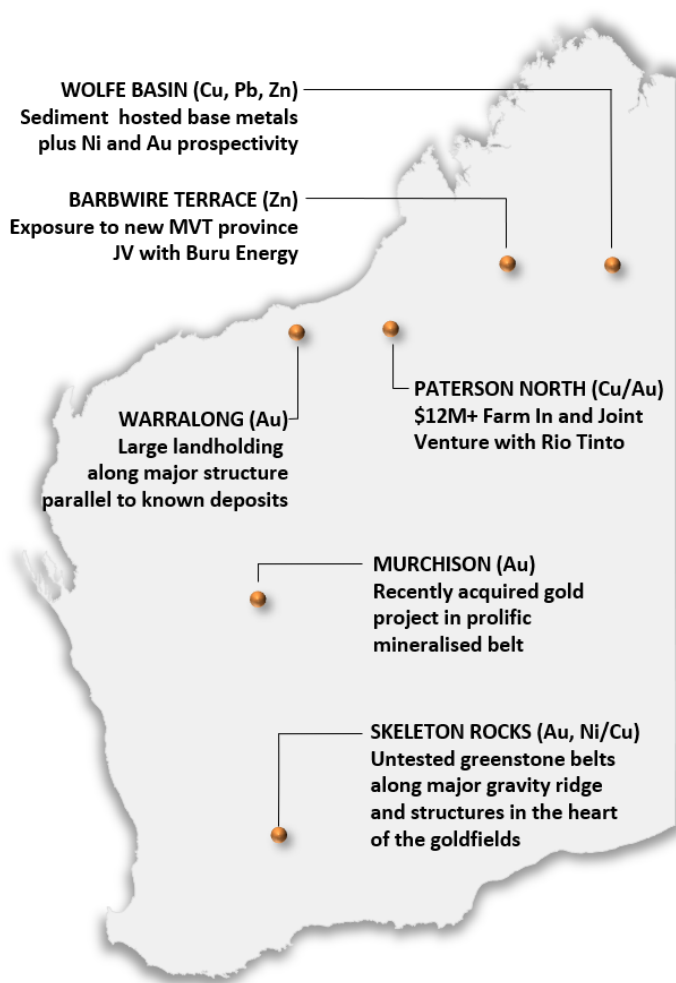
The information in this report that relates to Exploration Results is based on, and fairly represents, information and supporting documentation compiled by Mr Pip Darvall, a Member of The Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Mr Darvall is a full-time employee of Sipa Resources Limited, and has sufficient experience relevant to the style of mineralisation and type 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.

WAMEX References:

- A049577: WMC Resources Ltd Arcadia Project Annual Report for the period 1/9/1995 to 1/9/1996
- A062603: St Barbara Mines Limited Annual Report March 1, 2000 to February 28, 2001 Quinns Project
- A084504: Accent Resources NL Annual Report for Exploration Licence E 51/1209
- A116410: Zenith Minerals Limited Annean Project Annual Report E51/1709 1 July 2017 to 30 June 2018.



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 the current 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 element (Ni-Cu-PGE) deposits with limited to no drilling ever completed in these areas. Drilling is to commence imminently at the Company's recently acquired Murchison Gold Project. 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.

This announcement has been authorised for release by the Board of Sipa Resources Limited.

More Information:

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