Drilling Commences at Murchison

- A second aircore program has commenced at Sipa's Murchison Gold Project, WA
- ~3,500 m program will focus on a gold mineralised trend on the eastern margin of the Abbots Greenstone Belt
- Drilling to follow up historic results and recent Sipa drill hole MUAC0128 which returned 16m @ 0.5 g/t Au

Sipa Resources Limited (ASX: SRI) ("**Sipa**" or "the **Company**") is pleased to provide shareholders with an update on its current activities at the Company's Murchison Gold Project, located in the highly prospective Murchison Region of the WA Goldfields.

Sipa's Murchison Project covers approximately 470km^2 of prospective greenstone lithologies, in close proximity to the mining centre of Meekatharra. Sipa is currently farming in to several tenements and is the 100% owner of other tenements in the project (Figure 1). Drilling commenced earlier this week on one of the farm-in tenements, E51/1888 (Figure 1) where Sipa has already earned a 51% interest and is currently funding further exploration to earn up to 90%.

Additional results recently received from Sipa's first drill program at the Murchison project completed in March 2021 (ASX: SRI 18 May 2021) combined with historic results from the project define a gold (+/- arsenic) mineralised trend along the eastern margin of the Abbots Greenstone Belt. This trend lies along the interpreted position of the Abernethy Shear which extends northeast to multiple historic prospects to the north of Sipa's tenement position (Figures 1, 2). A review of the results from samples submitted from the March program resulted in additional samples being submitted and further encouraging results were received, with a combined intercept of 16m @ 0.5 g/t Au in MUAC0128 (Figure 2, Table 1) in 4m composite samples. This result will be followed up in the current program with infill holes to be drilled east and west of MUAC0128, and along strike to the north and south (Figure 2).

This second drilling program is anticipated to comprise 3,500m and take 10 days to complete.

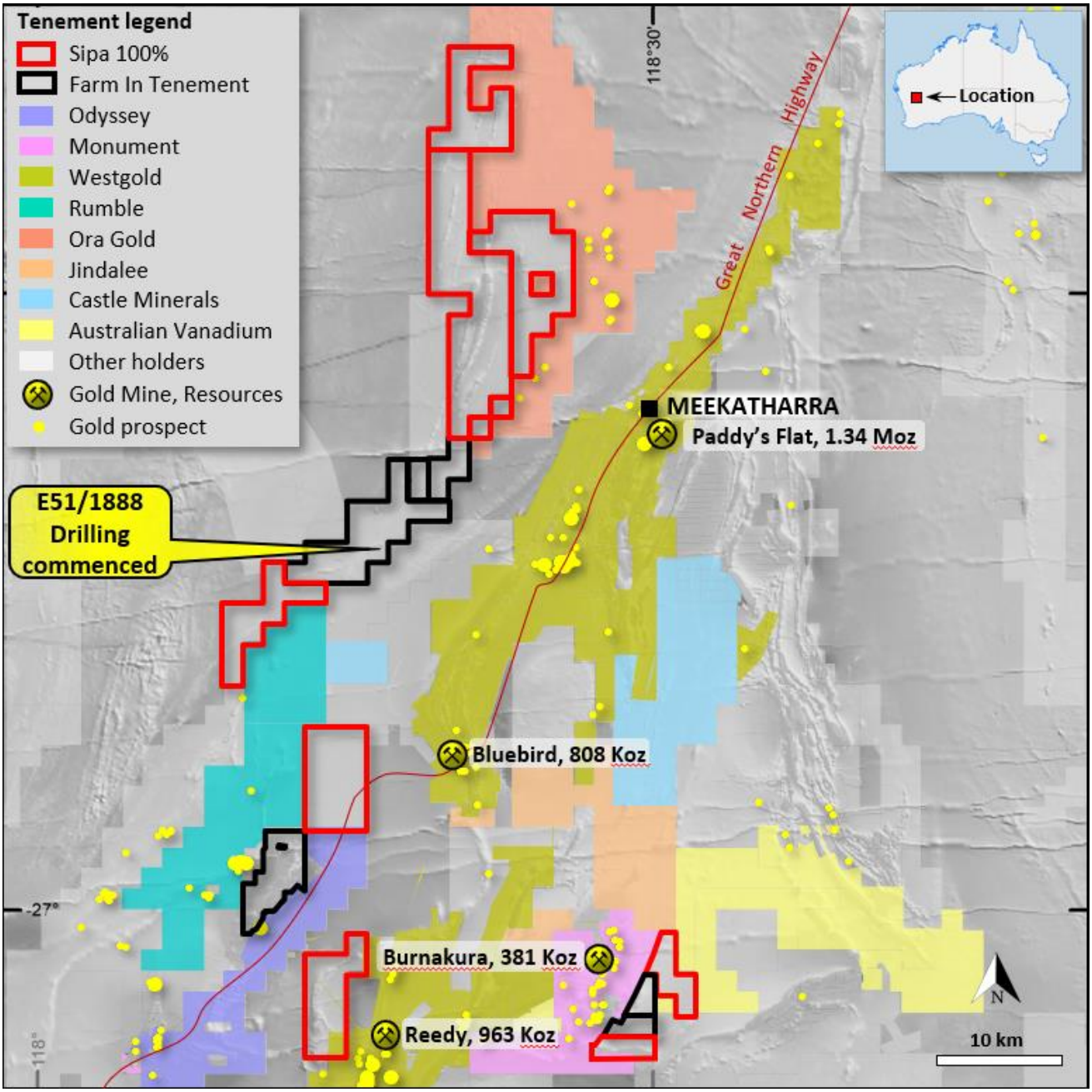


Figure 1: Location of current drilling on Sipa's Murchison Project tenements showing tenement holders and current resources at nearby mines (refer ASX: WGX 13 August 2020 and www.monumentmining.com).

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.

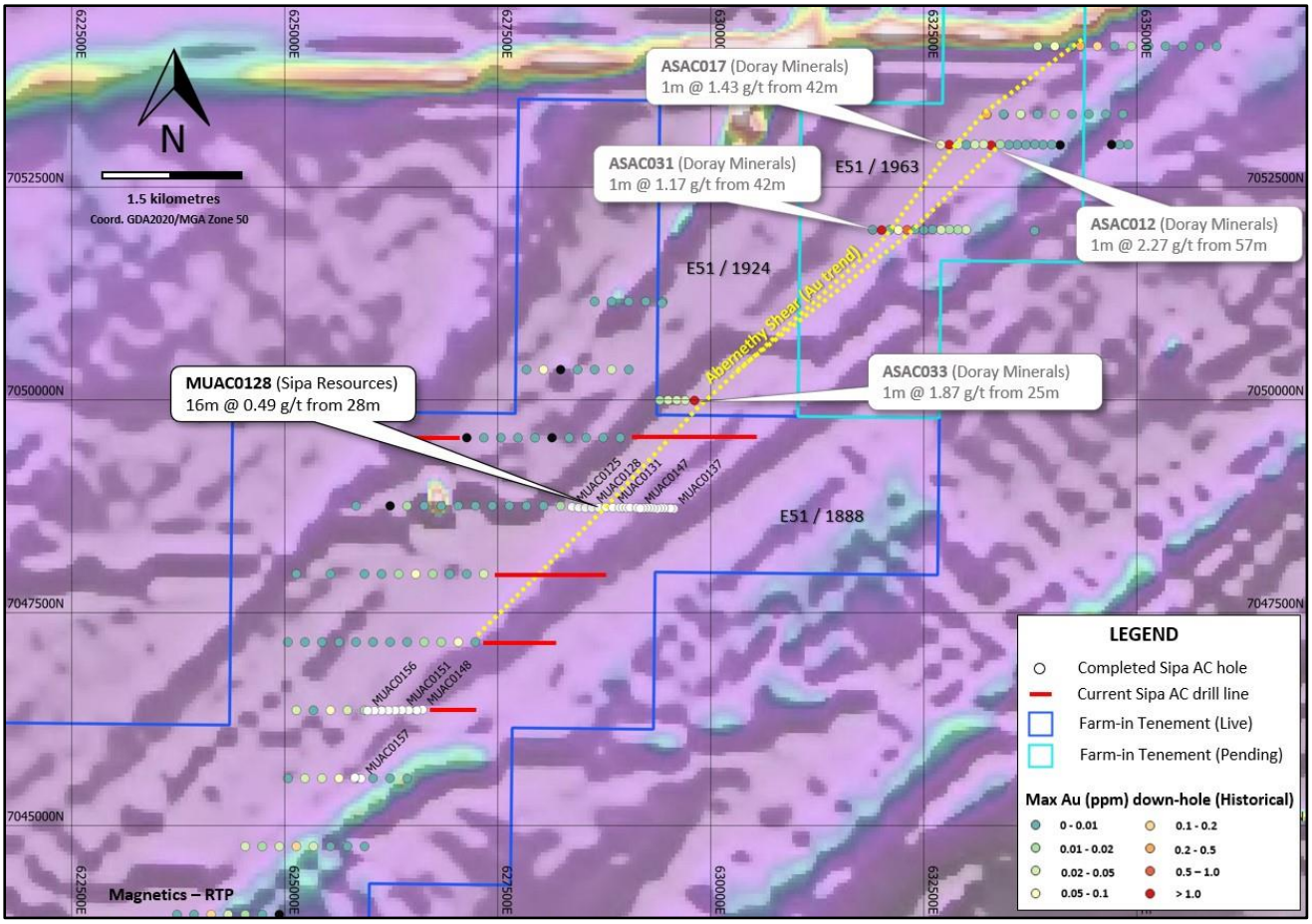


Figure 2: Plan of E51/1888 showing the collar locations of historic, and Sipa's recently completed drill holes and drill lines to be completed in the current program.

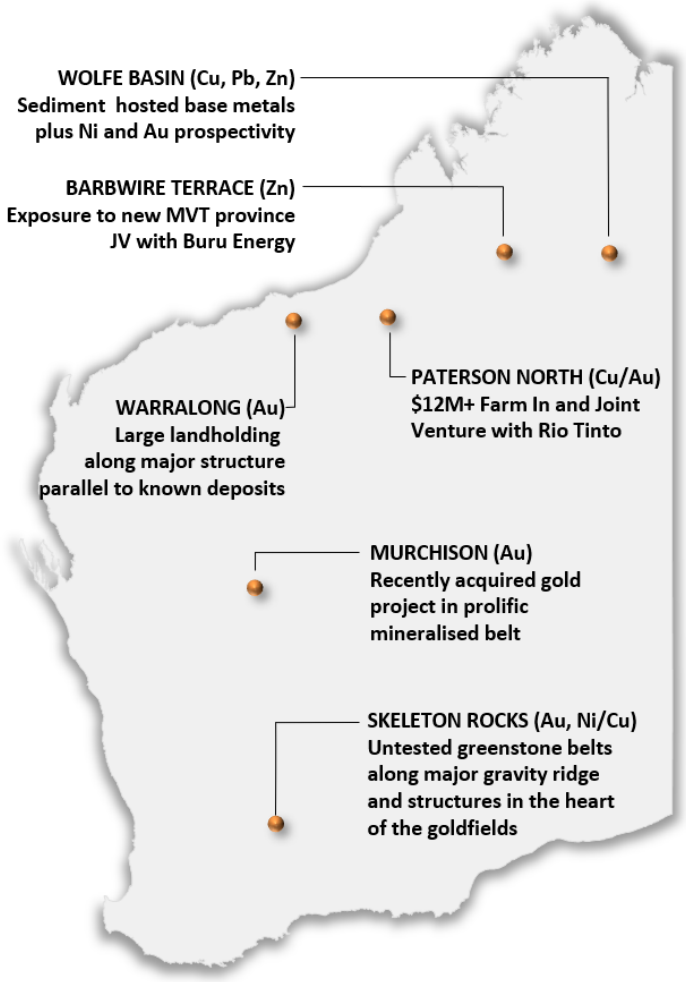
Hole ID	GDA_E (m)	GDA_N (m)	Depth (m)	Dip (°)	Azimuth (°)
MUAC0128	628,604	7,048,734	86	-60	270

Table 1: Murchison Project AC drill collar location and orientation for MUAC0128.

Hole ID	Depth From (m)	Depth To (m)	Thickness (m)	Au (ppm)
MUAC0128	28	44	16	0.5
incl.	*32*	*36*	*4*	*0.924*

Table 2: MUAC0128 updated significant intercept (note: 4m composite samples, interval 32-36m was previously reported, and depths are down hole, with true widths not known).

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, the first drill program intersected base metals up to 2.9% Pb, and 0.5% Cu, with extensive areas remaining to be tested along a >40km long 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 element (Ni-Cu-PGE) deposits with limited to no drilling ever completed in these areas. Sipa's Murchison Project covers major structures and prospective geology in prolific greenstone belts within WA's northern goldfields.

The 100%-owned Uganda Base Metals Project contains an intrusive-hosted Ni-Cu sulphide discovery with significant scale potential, and Sipa is continuing to hold discussions with potential partners 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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JORC Code, 2012 Edition – Table 1 report template

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. • Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. • Aspects of the determination of mineralisation Material to the Public Report.	• Aircore drilling was used to obtain 4 metre composite samples. • Selected four metre composite samples were submitted to the laboratory for assay depending on the supervising geologist's assessment of the prospectivity.
Drilling techniques	• Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).	• Aircore drilling utilised a 88mm aircore blade and where needed a 108mm face-sampling hammer bit., • Drill holes were oriented at -60° to surface as shown in the collar table within the main text.
Drill sample recovery	• Method of recording and assessing sample recoveries and results. • Measures taken to maximise sample recovery and ensure representative nature of the samples. • Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	• The quality of drill samples (wet, damp, dry) was recorded by the supervising geologist with a visual estimate of the quantity of sample. The vast majority of the samples were dry. • No relationship was identified between sample recovery and grade.
Logging	• Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. • Whether logging is qualitative or quantitative in nature. • The total length and percentage of the relevant intersections logged.	• The entirety of all drill holes were geologically logged by the supervising geologist electronically, with chip trays preserved for future review.
Sub-sampling techniques and sample preparation	• If core, whether cut or sawn and whether quarter, half or all core taken. • If non-core, split type, and whether sampled wet or dry. • For all sample types, the nature, quality and appropriateness of the sample preparation technique. • Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. • Measures to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling. • Whether sample sizes are appropriate to the grain size of the material sampled.	• 4 metre composite samples were obtained via a ~10% split from a fixed cone splitter with individual metres sampled in zones of geological interest. The sample size is appropriate to the grain size.

Criteria	JORC Code explanation	Commentary
Quality of assay data and laboratory tests	• The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. • For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. • Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.	• 11 element assay (As, Au, Cr, Cu, Fe, Mo, Pb, Sb, Ti, W, Zn) was completed by ALS Laboratories, Perth using an aqua-regia digest from a 50g sub-sample. Au via ICP-MS and the other elements via ICP-AES. • Lab internal blanks and standards are also within accepted norms.
Verification of sampling and assaying	• The verification of significant intersections by either independent or alternative company personnel. • The use of twinned holes. • Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. • Discuss any adjustment to assay data.	• Significant intersections were verified by 2 Sipa geologists. • No twinned holes were drilled. • Data entry is checked by the geologist and by the supervising geologist. A second geologist verified the lithological assessments of the supervising geologist. • Assay results have not been adjusted.
Location of data points	• Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. • Specification of the grid system used. • Quality and adequacy of topographic control.	• Drill hole collar locations were located via a hand-held GPS with approximate accuracy of +/- 3m in eastings and northings, and +/- 5m in RL. • Downhole surveys were not completed • Grid system used is GDA2020 Zone 50.
Data spacing and distribution	• Data spacing for reporting of Exploration Results. • Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. • Whether sample compositing has been applied.	• Drill hole locations and orientations were designed to test a target along the margin of a komatiitic basalt unit • Samples across intervals of interest were submitted in 4m increments.
Orientation of data in relation to geological structure	• Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. • If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	• The holes were angled to intersect the visible and/or interpreted lithological succession at a high angle.
Sample security	• The measures taken to ensure sample security.	• Samples were sent via 3rd party contractor in sealed, uniquely numbered bags direct to the laboratory.
Audits or reviews	• The results of any audits or reviews of sampling techniques and data.	• No audits completed

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. • The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	• The new results reported in this Announcement are from drilling undertaken on granted Exploration Licence, E51/1888, held by Mark Selga, Sipa Resources Limited is farming in to the tenement as per the Farm In and Joint Venture Agreement previously announced (ASX: SRI 20 November 2020) • At this time the tenement is believed to be in good standing, with all necessary licences to conduct mineral exploration having been obtained.
Exploration by other parties	• Acknowledgment and appraisal of exploration by other parties.	• On E51/1888 previous mineral exploration activity included drilling by Western Mining and Doray Minerals.
Geology	• Deposit type, geological setting and style of mineralisation.	• Sipa is targeting Archaean, mesothermal, structurally controlled gold mineralisation associated with shear zones and lithological contacts.
Drillhole Information	• A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: ○ easting and northing of the drill hole collar ○ elevation or RL of the drill hole collar ○ dip and azimuth of the hole ○ down hole length and interception depth ○ hole length. • If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	• Contained within Table 1 in the main body of the text.
Data aggregation methods	• In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated. • Where aggregate intercepts incorporate short lengths of high-grade results and longer lengths of low-grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. • The assumptions used for any reporting of metal equivalent values.	• Assay results referred to in the text are tabled with no weighting.

Criteria	JORC Code explanation	Commentary
Relationship between mineralisation widths and intercept lengths	• These relationships are important in the reporting of Exploration Results. • If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. • If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').	• Drillholes were angled at -60° and designed to intersect an east dipping contact/shear zone at a high angle. While typically undercover, the intersected lithologies are believed to be steeply dipping and the intercepts are therefore most likely wider than true width.
Diagrams	• Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.	• See main body text.
Balanced reporting	• Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	• Assay results in the text are tabled with no weighting. • New assay results above a nominal cut off of Au > 0.1ppm
Other substantive exploration data	• Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	• The drill program is an early-stage exploration drill program designed to detect bedrock mineralisation and associated geochemical alteration halos.
Further work	• The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). • Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	• Follow up work includes the drill program currently in progress.