



26 April 2022

Paterson North Drill Planning

Key highlights:

- Program of Works approval received allowing drilling to proceed
- Onsite field camp being re-established to support commencement of drill program
- Drilling contractors confirmed with drilling anticipated to commence June / July 2022
- Drill targets further refined ahead of drilling program
- Drilling to be followed by acquisition of additional geophysical data

Sipa Resources Limited (**ASX: SRI**) (“**Sipa**” or “the **Company**”) is pleased to provide an update on activities at its Paterson North Project which are being progressed as part of a Farm In and Joint Venture Agreement (‘**Agreement**’) with Rio Tinto Exploration Pty Limited (“**RTX**”). Under the Terms of the Agreement, RTX can earn a 70% interest in the Project by sole funding expenditure of \$12M (being \$6M to earn 55% and a further \$6M to earn to 70%) and increase its interest to 80% by sole funding to the earlier of a JORC resource of A\$1B of in ground value or the completion of an ‘Order of Magnitude Study’ (see ASX: SRI 3/8/2020). Sipa is the current manager of the Paterson North Project.

As part of the Agreement, RTX committed to funding 4,000m of drilling. The budget for this was previously approved for the 2022 calendar year and current field season (e.g., ASX: SRI 16 December 2021). Planning for this drilling has been progressing well, with refinements to the existing drill targets having recently been completed. The Program of Works approval was recently received and as such, the field camp is being re-established in preparation for the mobilisation of equipment and personnel to site. The drilling contractors have been booked and aircore and RC drilling is anticipated to commence in June or July. The Paterson drilling will be followed by the acquisition of additional geophysical data including airborne electromagnetics and gradient array IP.

Sipa’s Managing Director, Pip Darvall said,

“As well as progressing our 100% owned projects, Sipa has been preparing for an exciting drilling season at Paterson North. I know many shareholders have been keenly awaiting the return of a drill rig to this exciting project and I am pleased that our preparations have been moving ahead well. With the Program of Works approval secured, we are targeting commencing drilling in June or July. We look forward to further progressing the Paterson North Project alongside our partners RTX.”

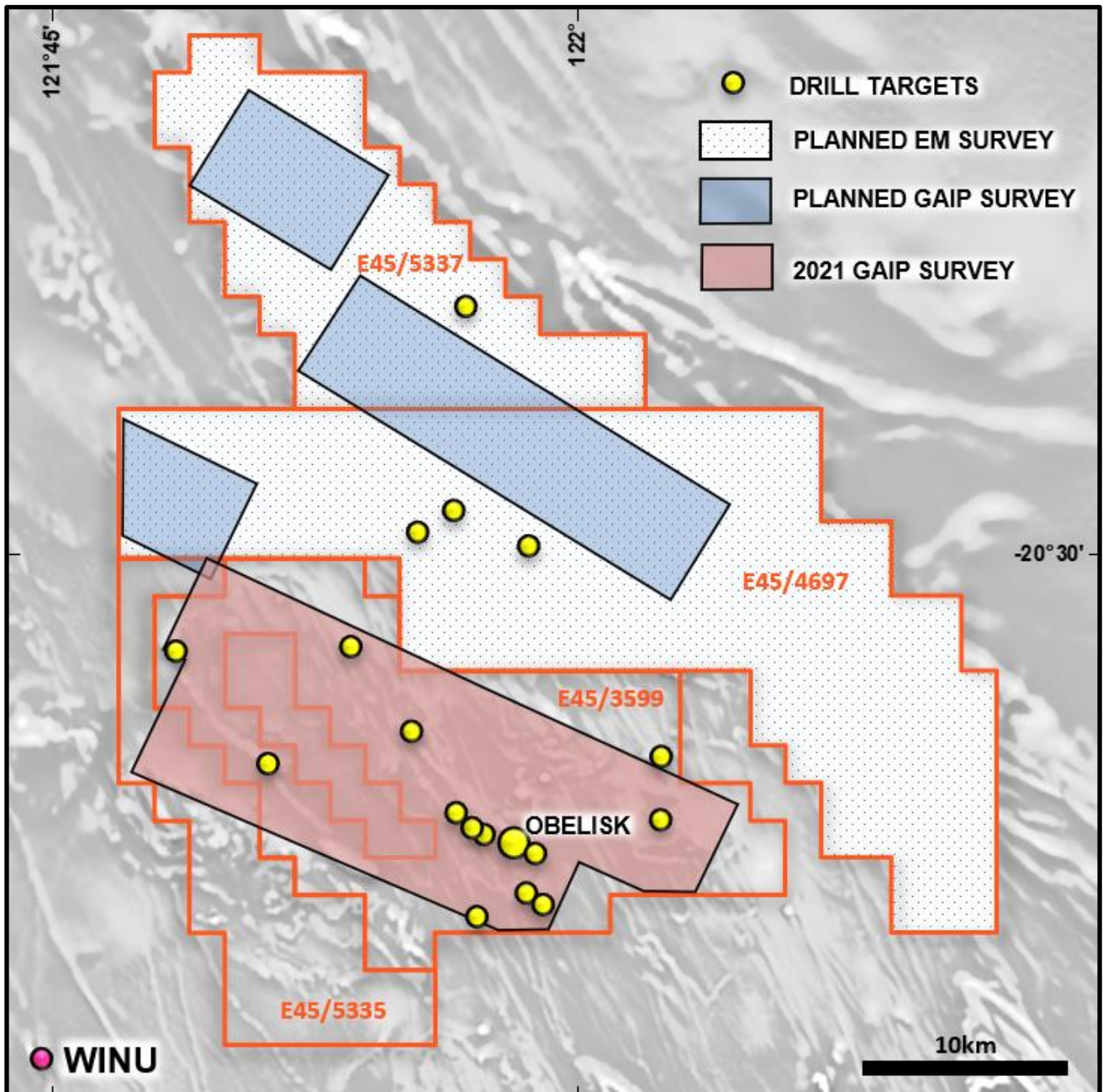
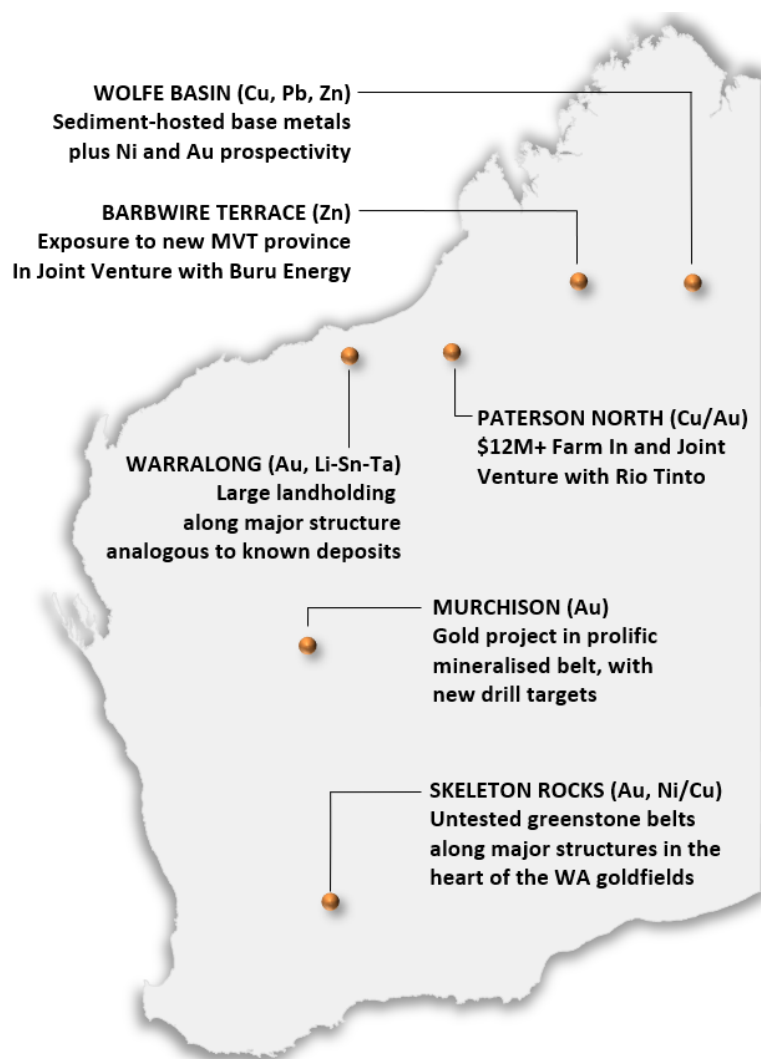


Figure 1: Paterson North tenure showing the priority drill targets and general locations of planned activities for 2022, as well as the area covered in the 2021 GAIP survey.

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.

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, lithium-tin-tantalum and nickel-copper in the north Pilbara region in a 'look-alike' structural setting to recent discoveries in the

district. Sipa's Murchison Project covers major structures and prospective geology in prolific greenstone belts within WA's northern goldfields. The Skeleton Rocks project covers outcropping and interpreted greenstone units prospective for gold, lithium and nickel-copper-platinum group element (Ni-Cu-PGE) deposits with limited to no previous drilling ever completed in these areas. In Uganda, Blencowe Resources Plc is progressively earning an interest in Sipa's 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:

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