5 September 2022

Zinc and Lead Mineralisation intersected in Barbwire Terrace diamond drilling

- Several zinc and lead pXRF readings > 1% observed on Barbwire Terrace core
- Maximum pXRF reading of 19.8% lead + zinc at 413.5m in hole BWTDD003
- Visible disseminated galena over a continuous 38m interval, containing two zones with up to 5% sulphides (galena, sphalerite and pyrite)
- Second hole now complete and the rig is relocating to commence the third hole

Sipa Resources Limited (**ASX: SRI**) ("**Sipa**" or "the **Company**") is pleased to provide a progress update on its exploration program at the Barbwire Terrace Project (Figure 1). At Barbwire Terrace exploration is being managed and operated by Sipa under a 50/50 joint venture (JV) with Buru Energy Limited (Buru, refer ASX release 10/9/2020). Drilling is being co-funded by the Western Australian government's Exploration Incentive Scheme, with up to $180,000 support to the JV for drilling costs.

The JV is currently testing one portion of its extensive tenement holding, which is highly prospective for lead-zinc mineralisation, sitting in an analogous geological setting to existing lead-zinc deposits along the Lennard Shelf on the north-eastern margin of the Fitzroy Trough (Figure 1). These deposits are hosted in a unit known as the Pillara Limestone.

Drilling to date has intersected significant thicknesses of the target dolomitised limestone unit in both completed holes, along with extensive hydrothermal alteration and elevated levels of base metals (refer ASX release 31/8/2022) in handheld XRF ("pXRF") readings*. The Pillara Limestone was intersected from 290m to the end of hole in BWTDD001 at 410.3m and from 190m to the end of hole at 501.6m in BWTDD003.

Further detailed examination of the drill core from the second hole (BWTDD003) has now identified even higher base metal values in pXRF readings* over significant lengths. Note that BWTDD003 is a redrill of BWTDD002 which encountered difficult conditions and had to be abandoned at 156m. BWTDD003 is immediately adjacent to BWTDD002, and successfully continued to the target depth of 500m (Figure 2).

In core retrieved from both the completed holes, the limestone is dolomitised, hydrothermally altered, vuggy, brecciated and fractured, with numerous late-stage carbonate-pyrite veins cross-cutting the

dolomite (Figure 3). In BWTDD003, several additional features were observed, including semi-massive to massive pyrite infilling cavities up to several centimetres wide, brecciated carbonate veins and a 38.6m thick zone from 398.6m to 437.2m with pervasive, fine grained, disseminated galena (lead sulphide). and lesser sphalerite (zinc sulphide). Within this 38.6m thick zone there is an 8.4m zone from 405.1m to 413.5m down hole containing 3% galena, sphalerite and pyrite and a 2.7m thick zone from 430.8m to 433.5m down hole containing 5% galena, sphalerite and pyrite.** (Figures 3, 4 and 5).

Spot readings taken within the intervals of interest returned several results greater than 1% zinc and/or lead, including one result with a combined lead and zinc result of 19.8% (see Table 2)* this result should be treated with some caution given it is from a handheld device only and not representative of the whole rock result. Further results will be communicated once laboratory assaying has been completed. The presence of visible lead and zinc sulphides over significant thicknesses of core is extremely encouraging.

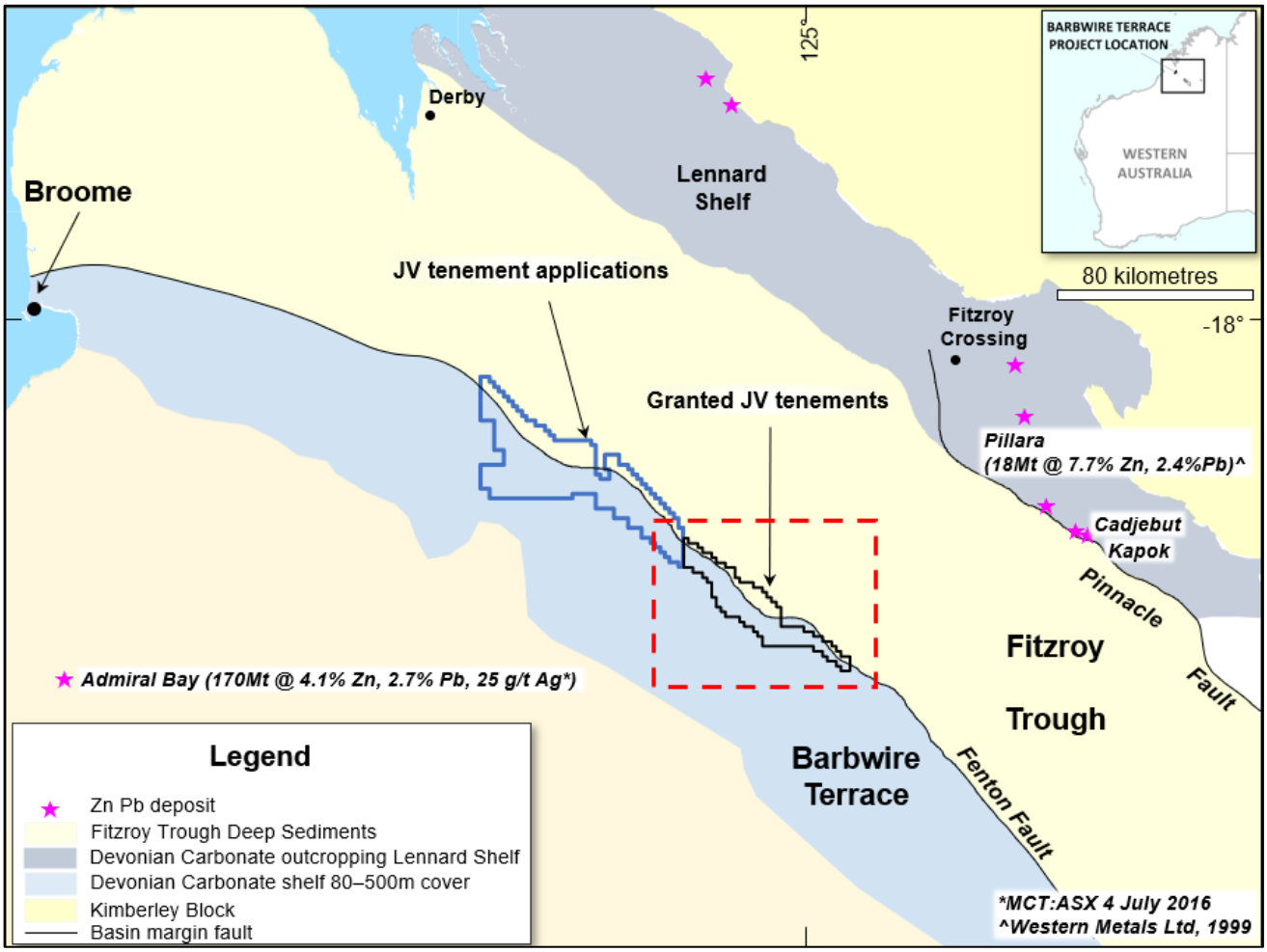


Figure 1: Geological setting of the Barbwire Terrace project, highlighting the area shown in Figure 2.

Sipa Resources Managing Director, Pip Darvall said: *"Things are definitely heating up at Barbwire Terrace with the identification of significant lead and zinc mineralisation in our second completed hole. Intersection of the target horizon and evidence for mineralisation in both holes suggests we may be on the cusp of identifying a new mineralised province with extensive scale potential. This is very exciting for Buru and Sipa, the JV partners.'*

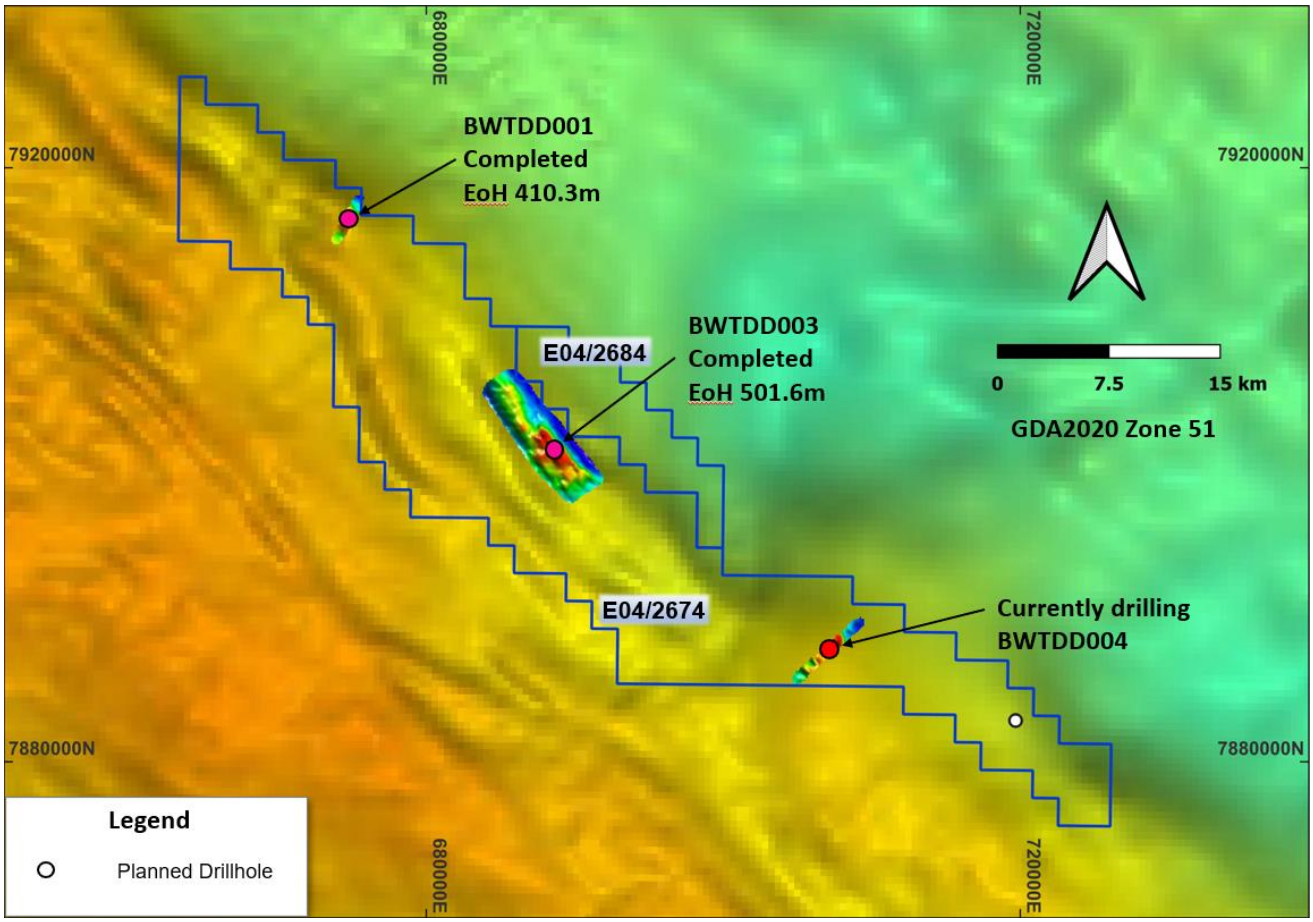


Figure 2: Locations of the drillholes at Barbwire Terrace over Bouguer gravity. Note the prominent gravity ridge (warmer colours) extending from the northwest to southeast, identifying the boundary between the Fitzroy Trough to the northeast, and the Barbwire Terrace to the southwest.

***CAUTIONARY STATEMENT ON pXRF RESULTS**

Handheld XRF (pXRF) results that are the subject of this report are preliminary only. The use of the pXRF is an indication only of the order of magnitude of final assay analysis. The samples that are the subject of this report will be submitted for laboratory assay and some variation from the results presented herein should be expected.

****CAUTIONARY STATEMENT ON VISUAL ESTIMATIONS**

Visual estimates of the amount of sulphides present in the core are subjective and based on the geologist's interpretation. Caution should be exercised until the official assay laboratory results have been received.

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.

Hole ID	Z51_mE	Z51_mN	RL
BWTDD001	674791	7916743	129.3
BWTDD003	688869	7900800	155.7

Table 1: Collar locations of the drillholes discussed above (GDA 2020 Zone 51)

Hole ID	Depth	Zn ppm	Zn %	Pb ppm	Pb %	Zn+Pb %
BWTDD003	211.5	961	0.10	793	0.08	0.18
BWTDD003	227.85	2359	0.24	32	0.00	0.24
BWTDD003	254.92	2183	0.22	168	0.02	0.24
BWTDD003	255.3	734	0.07	173	0.02	0.09
BWTDD003	255.3	380	0.04	791	0.08	0.12
BWTDD003	396.6	1403	0.14	243	0.02	0.16
BWTDD003	398.3	414	0.04	3400	0.34	0.38
BWTDD003	398.63	347	0.03	7987	0.80	0.83
BWTDD003	402.66	1041	0.10	61	0.01	0.11
BWTDD003	403.36	464	0.05	5161	0.52	0.56
BWTDD003	403.51	3594	0.36	1287	0.13	0.49
BWTDD003	404.07	784	0.08	13357	1.34	1.41
BWTDD003	404.1	623	0.06	5419	0.54	0.60
BWTDD003	405.1	415	0.04	1633	0.16	0.20
BWTDD003	405.6	992	0.10	1208	0.12	0.22
BWTDD003	407.06	2371	0.24	3490	0.35	0.59
BWTDD003	408.5	1885	0.19	3192	0.32	0.51
BWTDD003	410.12	114	0.01	3800	0.38	0.39
BWTDD003	411	979	0.10	115	0.01	0.11
BWTDD003	411.56	1314	0.13	10942	1.09	1.23
BWTDD003	411.72	9987	1.00	31238	3.12	4.12
BWTDD003	412.6	117	0.01	9613	0.96	0.97
BWTDD003	413.49	2827	0.28	121	0.01	0.29
BWTDD003	413.5	137695	13.77	60258	6.03	19.80
BWTDD003	413.52	2644	0.26	6417	0.64	0.91
BWTDD003	423.85	11494	1.15	436	0.04	1.19
BWTDD003	430.56	2557	0.26	249	0.02	0.28
BWTDD003	430.83	1717	0.17	4190	0.42	0.59
BWTDD003	431.22	560	0.06	1635	0.16	0.22
BWTDD003	431.82	705	0.07	2867	0.29	0.36
BWTDD003	432.15	596	0.06	1734	0.17	0.23
BWTDD003	437.2	747	0.07	1803	0.18	0.26
BWTDD003	474.68	1441	0.14	277	0.03	0.17
BWTDD003	477.84	3456	0.35	907	0.09	0.44
BWTDD003	478.58	1497	0.15	148	0.01	0.16
BWTDD003	481.74	3945	0.39	232	0.02	0.42
BWTDD003	481.74	10519	1.0519	378	0.0378	1.09
BWTDD003	481.74	8612	0.8612	323	0.0323	0.89

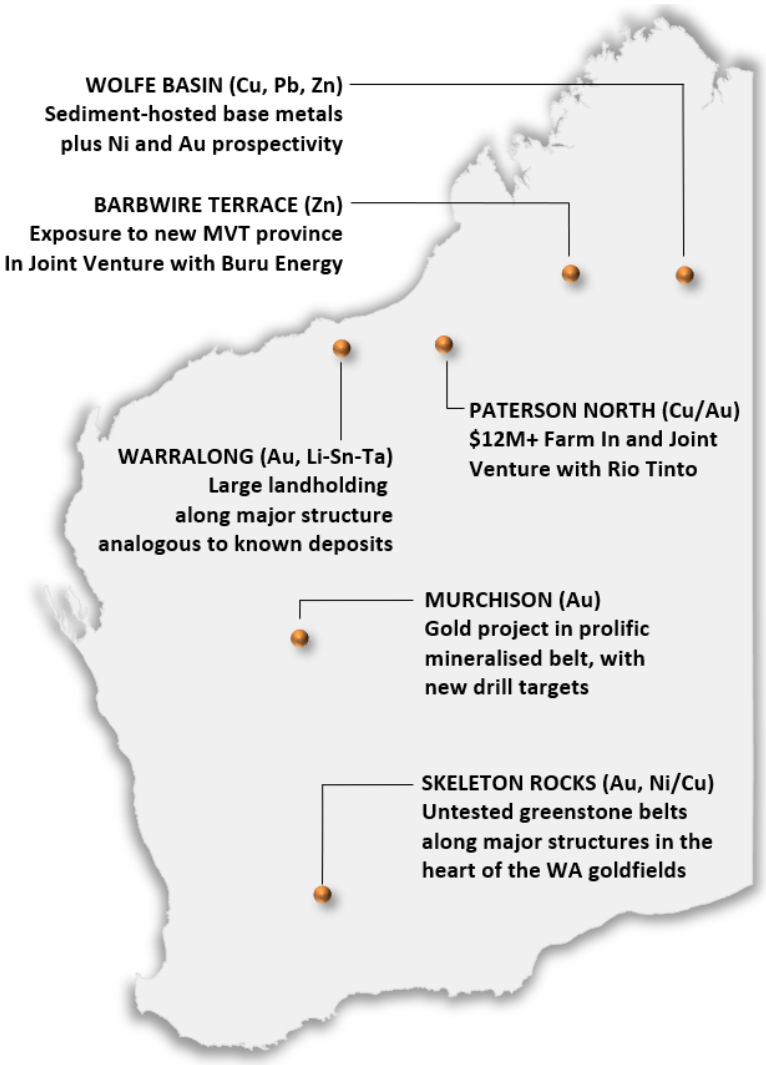
Table 2: Handheld XRF (spot) results at selected locations on core from BWTDD003

Figure 3: Disseminated galena in dolomitised Pillara Limestone at 404.07m in hole BWTDD0003, with 1.34% lead in spot pXRF reading. Core diameter is 47mm.

Figure 4: Disseminated galena in dolomitised Pillara Limestone at 411.72m in hole BWTDD0003, with 1% Zn and 3.1% lead in spot pXRF reading. Core diameter is 47mm.

Figure 5: Brecciated carbonate and sulphides vein in dolomitised Pillara Limestone at 481.74m in hole BWTDD0003, with up to 1% Zn in spot pXRF readings. Core diameter is 47mm.

About Sipa



Sipa Resources Limited (ASX: SRI) is an Australian-based exploration company focused on the discovery of gold and base metal deposits 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 in joint venture with energy company 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, Sipa holds a Retention License over an intrusive-hosted Ni-Cu sulphide discovery with significant scale potential.

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

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JORC Code, 2012 Edition – Table 1

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 (e.g., 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). • 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.	• Diamond drilling was used to retrieve HQ and NQ sized whole core. • A handheld Olympus Vanta XRF instrument was used to determine the concentration of the elements of interest (Pb, Zn).
Drilling techniques	• Drill type and details (e.g. 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).	• Diamond drilling to retrieve HQ or NQ diameter core • Drill holes were oriented vertically to varying depths.
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.	• Whole core was returned with some core loss experienced at specific depths. • 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.	• All core was geologically and geotechnically logged by the geologist for incorporation into the company database, with wet and dry photographs 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 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.	• Core has not yet been submitted to the laboratory and no assay results have been received apart from the handheld XRF (pXRF) readings

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 (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy and precision have been established.	• Handheld XRF readings only from an Olympus Vanta instrument. • All readings were 45 second 3 beam spot readings at specific locations along whole core. • Handheld XRF readings are not representative of the average concentrations of the elements of interest in a certain volume of core. • OEM supplied standard reference materials were used to calibrate the handheld XRF instrument.
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 pXRF results were verified by 2 geologists. • All core was geologically and geotechnically logged for incorporation into the company database. • Results are preliminary pXRF results only and 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. • Grid system used is GDA2020 Zone 51.
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.	• Diamond drill hole locations were designed to test targets generated from a combination of aeromagnetics, regional and ground gravity surveys. • Drill hole collars were positioned on ~20km-spaced centres along the margin of the Barbwire Terrace. • Sampling has not been completed, handheld XRF techniques are non-destructive.
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.	• All holes were drilled vertically. • The rock unit orientations are unknown but are anticipated to be shallowly dipping, and intercepts would therefore be close to true width.
Sample security	• The measures taken to ensure sample security.	• No samples have been submitted. Handheld XRF readings on whole core only.
Audits or reviews	• The results of any audits or reviews of sampling techniques and data.	• No audits were 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	• Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures,	• The results reported in this Announcement are from granted Exploration Licence E04/2674, held

Criteria	JORC Code explanation	Commentary
land tenure status	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.	50/50 by Sipa Exploration NL and Battmin P/L, a subsidiary of Buru Energy Limited • The tenement is in good standing, with all necessary licences to conduct mineral exploration obtained.
Exploration by other parties	• Acknowledgment and appraisal of exploration by other parties.	• Limited relevant mineral exploration activity has previously been completed, and restricted to broad spaced geophysical surveys with the nearest drilling 10's km away.
Geology	• Deposit type, geological setting and style of mineralisation.	• Sipa/Buru are targeting MVT style base metal (Pb-Zn) deposits.
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.	• See main body 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.	• No aggregated data is reported only individual spot pXRF results. • No metal equivalent results are reported.
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').	• Significant pXRF results are located in veins and vughs within the dolomite unit where carbonate-pyrite and lead and zinc sulphides have been observed.
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.	• Selected pXRF results are reported. No whole rock assays have been completed at this point.

Criteria	JORC Code explanation	Commentary
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.	• Please see main body of text.
Further work	• The nature and scale of planned further work (e.g. 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 currently planned includes further diamond drilling over the areas of interest, and detailed review and whole rock assaying of the core retrieved to date. Future work may include detailed gravity surveys and additional drilling in proximity to holes that return positive assay results.