14 December 2022

Skeleton Rocks Assay Results

Key highlights:

- Initial assay results from September RC drilling at Skeleton Rocks have been received
- Lithium, caesium and rubidium anomalism at comparable levels to previous drilling
- Additional samples have been submitted for assay

Sipa Resources Limited (**ASX: SRI**) ("**Sipa**" or "the **Company**") advises that assay results have been received from its follow-up drill program at its 100%-owned Skeleton Rocks project (Figure 1), providing further definition of the target areas that were the focus of the program.

Coherent halos of elevated lithium and other pegmatite-associated elements (caesium and rubidium) on the margins of greenstone units were identified in Sipa's March 2022 drilling (Figure 2, ASX Announcement 27 May 2022). In September these locations were further tested by deeper reverse circulation (RC) drilling, which intersected predominantly mafic units with several garnet-bearing quartz veins (Figure 2).

Assay results across the veined intervals were prioritised and show comparable levels of lithium, caesium and rubidium to results from the March 2022 drilling (Table 1, Table 2). A further review of the drill chips and logging has been completed and additional samples have subsequently been submitted for assay, the results of which are pending.

Skeleton Rocks is strategically located between the Great Eastern Highway and the Mt Holland lithium project, currently being developed as part of a joint venture between Wesfarmers and Chilean mining major Sociedad Quimica y Minera de Chile S.A. (SQM).

Sipa Resources Managing Director, Pip Darvall said*: "First prize would definitely have been the intersection of lithium bearing pegmatites, but the association of lithium, caesium and rubidium anomalism in specific veins is new information which we will use to vector toward the source of these metals, as the presence of these veins may indicate a nearby fertile granitic source*. Review of the lithological logs has identified additional intervals of interest and relevant samples have been submitted for assay."*

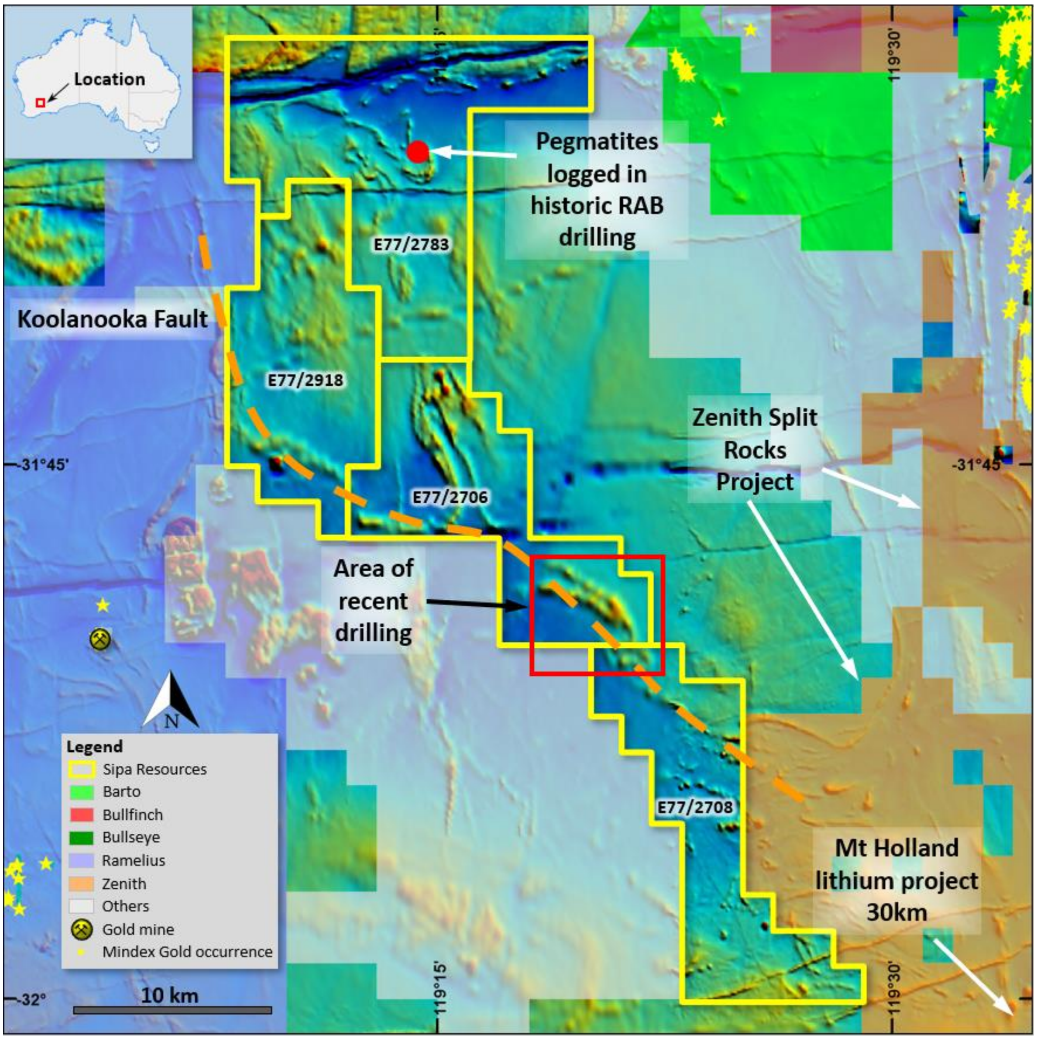

Figure 1: Sipa's Skeleton Rocks project showing the location of the area detailed in Figure 2.

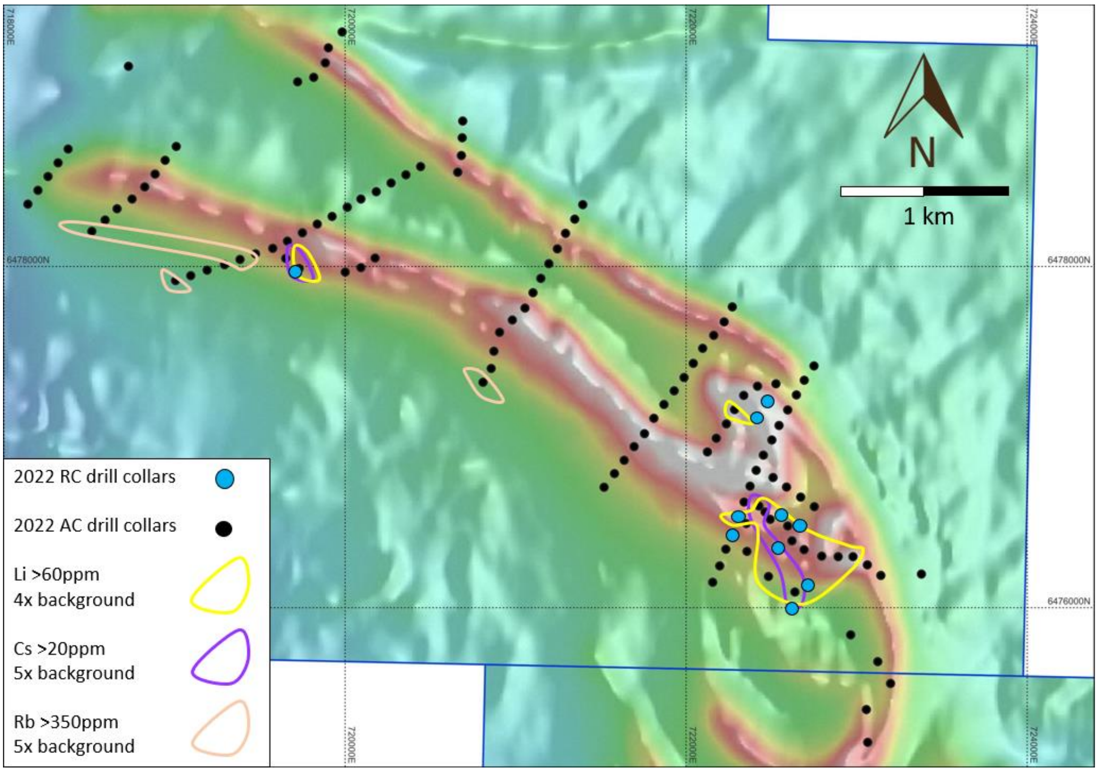

Figure 2: September RC drill collars over lithium, caesium and rubidium halos identified in aircore drilling.

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Hole ID	East MGAZ50	North MGAZ50	Azimuth	Dip	Depth
SRRC0001	722,648	6,476,104	40	-60	150
SRRC0002	722,699	6,476,162	40	-60	132
SRRC0003	722,522	6,476,386	40	-60	200
SRRC0004	722,749	6,476,215	40	-60	200
SRRC0005	722,632	6,476,503	220	-60	150
SRRC0006	722,541	6,476,552	40	-60	204
SRRC0007	722,296	6,476,486	40	-60	156
SRRC0008	722,259	6,476,426	40	-60	150
SRRC0009	722,795	6,476,270	40	-60	174
SRRC0010	722,446	6,477,140	220	-60	150
SRRC0011	722,507	6,477,213	220	-60	150
SRRC0012	719,755	6,478,016	40	-60	84

Table 1: Skeleton Rocks RC drillhole details

Hole ID	Depth From (m)	Depth To (m)	Thickness (m)	Li (ppm)	Cs (ppm)	Rb (ppm)
SRRC0001	68	70	2	160	NSR	233
SRRC0001	83	84	1	130	131	283
SRRC0002				NSR	NSR	NSR
SRRC0003	107	108	1	160	NSR	231
SRRC0004	78	80	2	120	NSR	294
SRRC0005				NSR	NSR	NSR
SRRC0006				NSR	NSR	NSR
SRRC0007	93	94	1	160	NSR	NSR
SRRC0008	127	128	1	160	NSR	NSR
SRRC0009				NSR	NSR	NSR
SRRC0010	8	9	1	NSR	NSR	226
SRRC0011				NSR	NSR	NSR
SRRC0012	67	68	1	160	NSR	NSR

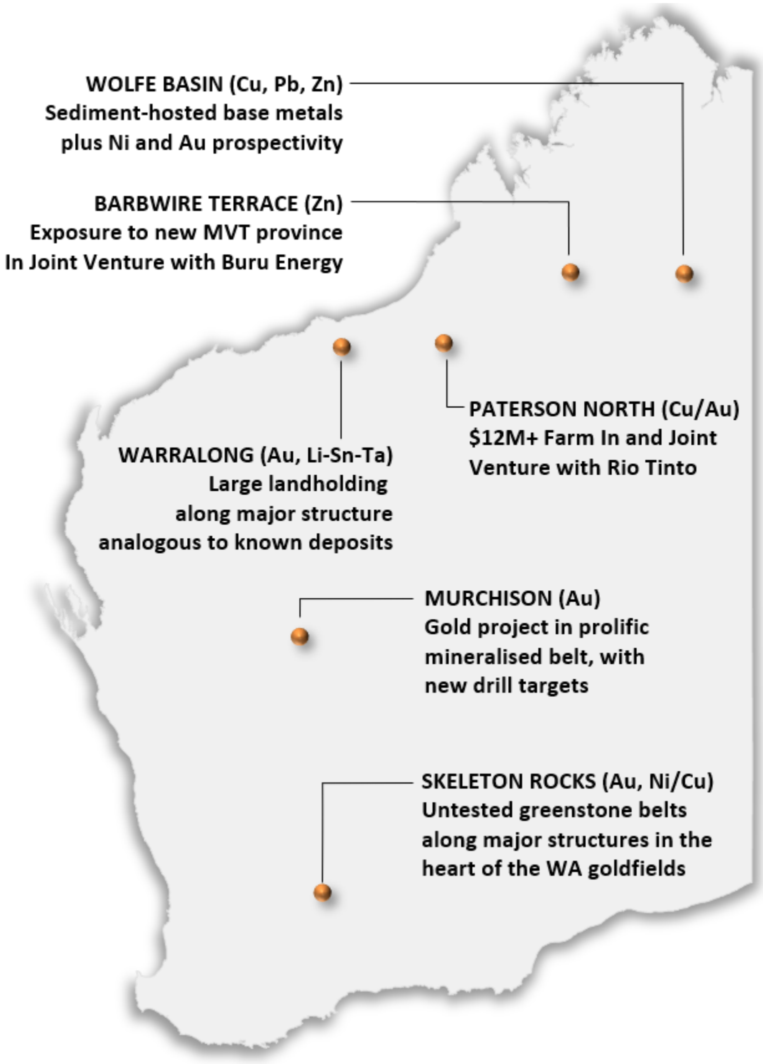
Table 2: Skeleton Rocks RC results, note downhole widths only, true thicknesses not known

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.

*Selway, J.B, Breaks, F.W., and Tindle, A.G. 2005. A Review of Rare-Element (Li-Cs-Ta) Pegmatite Exploration Techniques for the Superior Province, Canada, and Large Worldwide Tantalum Deposits. Exploration and Mining Geology 14, pp1-30.

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.	• Reverse circulation drilling was used to collect 1m samples. • Representative 1m samples were attained from the rig cone splitter and deposited directly into pre-numbered calico bag.
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).	• Reverse Circulation drilling utilised an 143mm (5 5/8 inch) face-sampling hammer bit. • Drill holes were angled at 60° 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.	• The quality of drill samples (wet, damp, dry) was recorded by the supervising geologist with a visual estimate of the quantity of sample. • No relationship was identified between sample recovery and grade. • No sample recovery issues were encountered.
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 holes was qualitatively logged by the rig geologist directly into a logging program for incorporation into the company database, 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 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.	• 1m samples were collected at the rig

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.	• 49 element assays were completed on selective intervals by ALS Laboratories, Perth. Gold via fire assay and ICP-AES with other elements using a four-acid digest from a 25g sub-sample, and ICP-MS. • 10% Standards, blanks and field duplicates were inserted by Sipa, with no issues observed with sample precision or accuracy • Lab internal blanks and standards were 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.	• The entirety of holes was qualitatively logged by the rig geologist directly into a logging program for incorporation into the company database. • 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 completed on all drill holes. • 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.	• Reverse Circulation drill hole locations were designed to test targets generated from a detailed aeromagnetic survey as well as the results from previous drilling. • Drill holes collars were positioned on 100m-spaced centres along the selected drill traverses. • Sampling was completed at 1m intervals.
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 rock unit orientations are unknown but are anticipated to be steeply dipping, and intercepts are therefore not true width.
Sample security	• The measures taken to ensure sample security.	• 1m samples were transported by a third-party contractor in sealed, uniquely numbered bags to the assay laboratory.
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 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	• The results reported in this Announcement are from granted Exploration Licence E77/2706, held 100% by Sipa Exploration NL • The tenement is in good standing, with all

Criteria	JORC Code explanation	Commentary
	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.	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 soil sampling and shallow RAB drilling of 79 holes along roadsides in E77/2706
Geology	• Deposit type, geological setting and style of mineralisation.	• Sipa is targeting orogenic gold, Ni-Cu-PGE's and Li-Sn-Ta bearing pegmatites in greenstone units
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 Table 1 in the main body of the release • Lithium, Caesium and Rubidium halos of are generated by reference to background levels, and portrayed in Figure 2.
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.	• See Table 2 in the main body of the release. • Lithium, Caesium and Rubidium halos are generated by reference to background levels, and portrayed in Figure 2.
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').	• Downhole length only, true widths are not currently known.
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.	• See Table 2 in the main body of the release.

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. Reverse Circulation drilling discussed herein is following up geochemical anomalies derived from previous aircore drilling conducted by Sipa Resources.
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 assaying of additional samples and may include additional geophysical surveys or further Reverse Circulation drilling over the areas of interest.