

June 2024 Quarterly Activities Report

Paterson North Copper-Gold Project, Paterson Province WA

- Site visit completed to plan drilling for Q4 this year

Skeleton Rocks Project, Goldfields WA

- Aircore drilling planned for Q4 this year on completion of harvesting, following a review of historical data and site visit

Barbwire Terrace, Canning Basin WA

- Planning for ground gravity survey in Q3, following receipt of Exploration Incentive Scheme (EIS) approval which will fund 50% of the survey costs
- Site visit to meet Traditional Owners completed

Warralong WA

- Site visit completed involving reconnaissance and broad spaced mapping

Corporate

- \$1.9M in cash at quarter-end plus OAU shares valued at \$0.4m.

Sipa Resources Limited (ASX: SRI) ("Sipa" or "the Company") is pleased to present its Quarterly Report for the three months ending 30 June 2024.

Paterson North (100% Sipa)

The Paterson North Project covers over 1,000km² in the Paterson Province, which hosts the 25Moz Telfer mine and major Winu and Havieron discoveries.

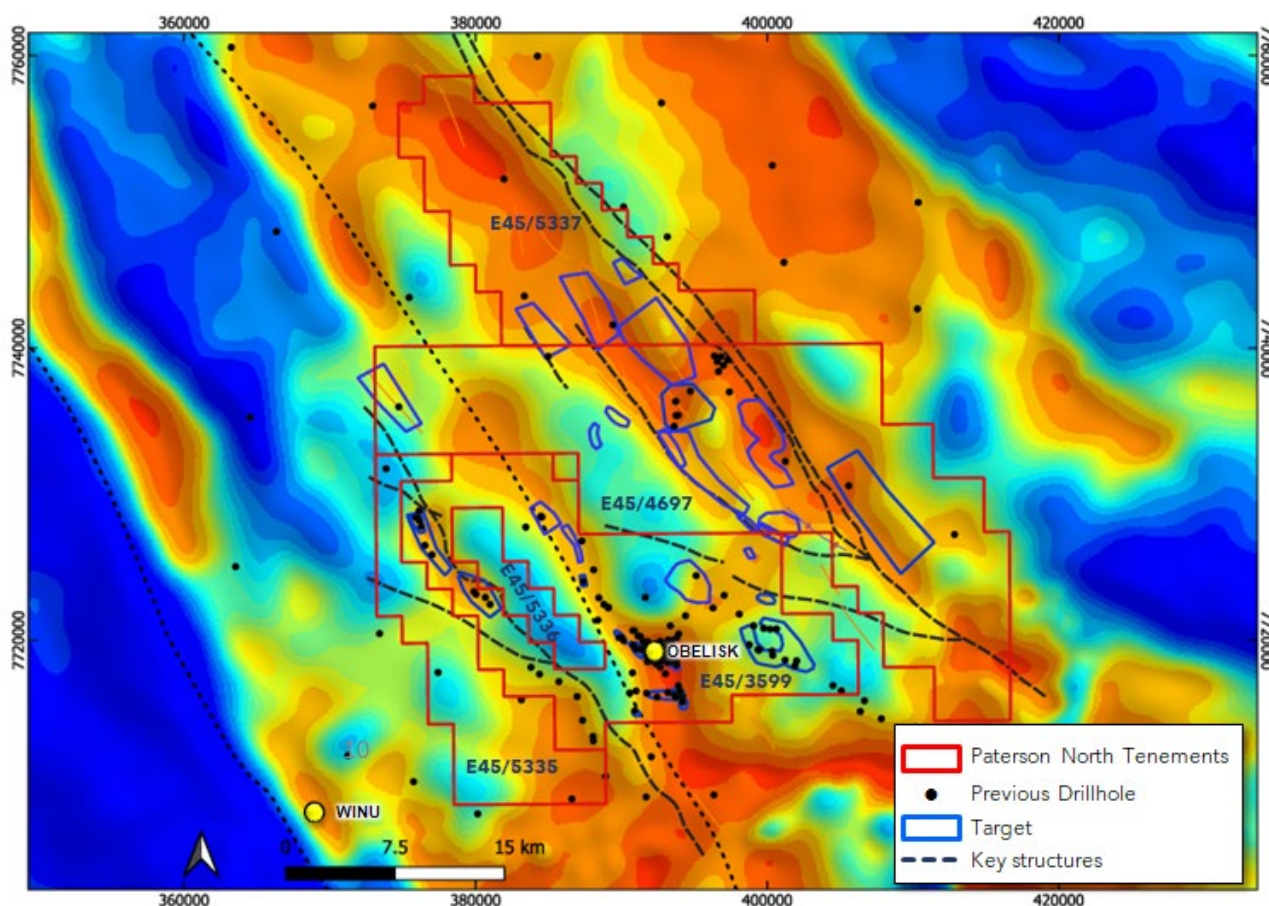
The Company is taking a regional and vector-style exploration approach, with multiple highly prospective targets yet to be drilled.

To this end, planning is underway for drilling later in 2024, targeting key regional structures for gold mineralisation. The targets are located in the north-eastern part of the project, and importantly already have heritage approval.



Sipa Project locations

A recent visit to site was completed to assess accessibility for this upcoming program. The program will comprise either Reverse Circulation (RC) or aircore drilling, with multiple holes to be completed as part of the more regional exploration strategy utilising drilling firms with significant experience in the Paterson region.



Paterson North Project, regional shears, drilling and key targets over gravity

Skeleton Rocks (100% Sipa)

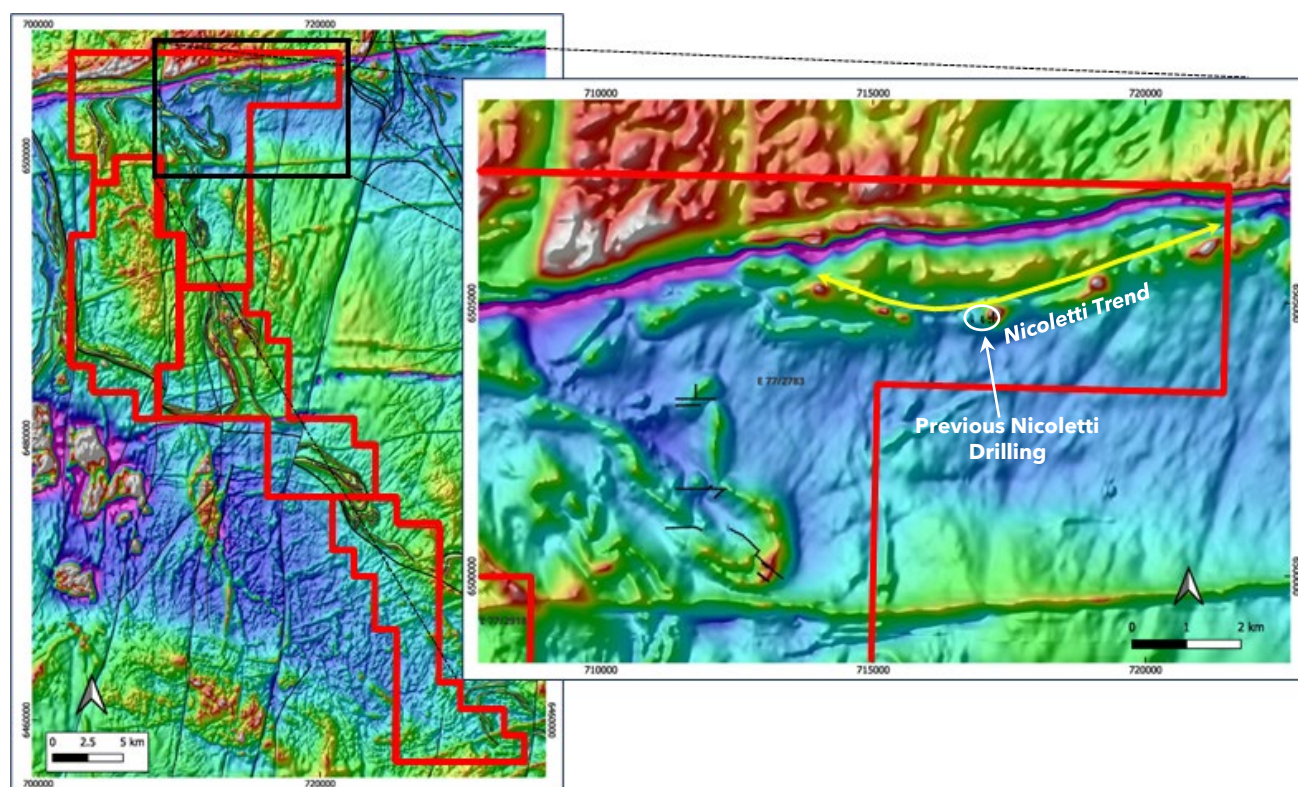
A detailed review of historical data derived from previous explorers was undertaken during the quarter. As a result, the Company is planning to undertake aircore drilling once the cropping season has been completed, likely to be late November/early December.

The data review confirmed the prospectivity of the project for nickel mineralisation, particularly within the Nicoletti Trend. Nicoletti is a +7.5km long east-west trend of magnetic stratigraphy, interpreted to be ultramafic rocks. Previous drilling by Sipa at Nicoletti was completed over a 400m strike, within the overall 7.5km trend, returning anomalous nickel in several holes. Better results included (refer ASX release 4/10/2023):

- 16m @ 0.4% Ni, 287ppm Co and 1.7% Cr; and
- 12m @ 0.3% Ni, 200ppm Co and 0.5% Cr.

The planned aircore drilling will test to the east and west of the previous Sipa drilling, with a series of north-south traverses.

Access agreements are already completed for key areas, with discussions progressing on others.



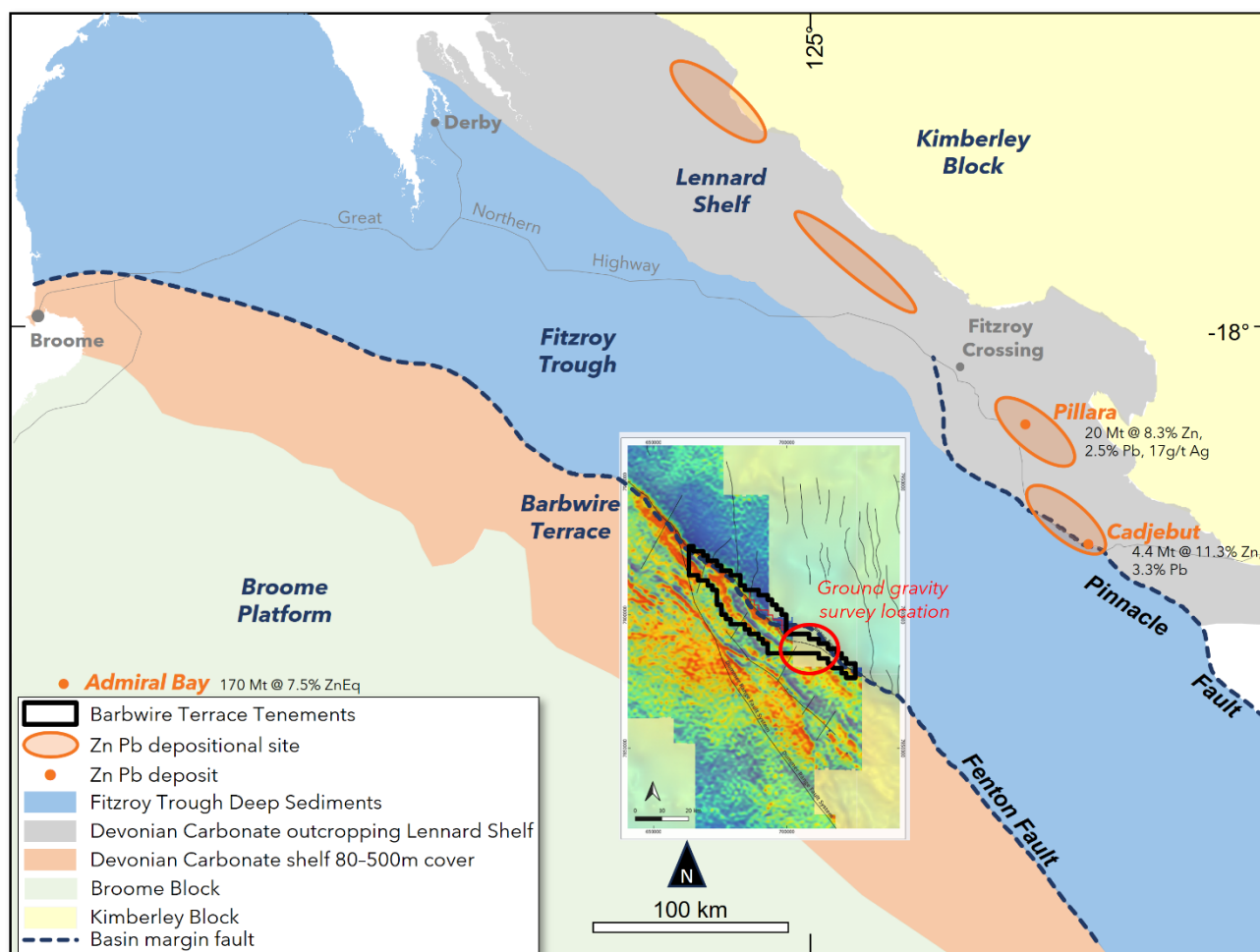
Skeleton Rocks Project with focus on the Nicoletti Trend and previous drilling (black dots)

Barbwire Terrace (50:50 JV with Buru Energy (ASX - BRU))

Plans for the ground gravity program at Barbwire Terrace are well advanced. Sipa recently undertook a site visit to meet with the Traditional Owners to introduce the new team and explain the survey.

The survey will be undertaken on the south-eastern portion of the project, where there is a gap in the gravity data over one of the more prospective areas. This gravity program will significantly assist in refining the next round of diamond drilling, which is scheduled for 2025.

The survey has been granted EIS co-funding with 50% of the survey costs reimbursed to the Joint Venture. The reimbursement is estimated to be between \$25,000 and 30,000.



Barbwire Terrace Project, regional geology and local gravity

Warralong (100% Sipa)

The Sipa geology team undertook a site visit to Warralong to complete mapping and sampling of areas considered prospective for copper mineralisation at the southern end of the project. Data reviews and targeting studies are ongoing to plan the work program for the year ahead.



Exploration Manager Anna Price on site at Warralong

Wolfe Basin

The next steps for Wolfe Basin are likely to involve a geophysical survey to refine targets for drilling. The geophysics and drilling are both planned for 2025, however, a site visit is planned for the current half to undertake mapping, sampling, and determine accessibility for the geophysics and drill programs.

Project Generation

The Company is continuing to review the current portfolio, and is actively reviewing opportunities for acquisitions, divestments or joint ventures.

Looking Forward

Following the appointment of new management in Q4 of 2023 and a new technical team in Q1 of 2024, Sipa has put in place plans to step up its field activities. Consequently, 2H CY24 is anticipated to be a busy period for the Company with planned work to include:

- Drilling at Paterson North,
- Drilling at Skeleton Rocks,
- Ground gravity at Barbwire Terrace, and
- A site visit to Wolfe Basin.

Corporate

Finance

At quarter-end the Company's cash balance was \$1.9M, with no debt.

As at the end of June, Sipa held 66.7m OAU shares valued at \$400k.

During the quarter, a total of \$113,313 was paid to related parties and their associates in salaries, directors' fees, superannuation and accrued entitlements.

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

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About Sipa

Sipa Resources Limited (ASX: SRI) is an Australian-based exploration company focused on the discovery of precious, base and specialty metal deposits, primarily in Western Australia.

- The Paterson Project is targeting intrusion-related copper-gold mineralisation concealed by more recent cover sediments and is located to the northeast of Rio Tinto's Winu copper-gold discovery.
- The Skeleton Rocks Project covers outcropping and buried greenstone units, prospective for gold, lithium and nickel-copper-platinum group element (Ni-Cu-PGE) deposits, with limited previous drilling completed.
- The Barbwire Terrace base metal (lead-zinc) project, where exploration to date has achieved 'proof of concept' status, involves an innovative joint venture with energy company, Buru Energy Limited.
- At Wolfe Basin, extensive sedex-style base metal (copper-lead-zinc) anomalism and gossans provide targets for drill testing along a >80km long prospective horizon.
- The Warralong Project is prospective for intrusion-related gold and lithium-tin-tantalum mineralisation in the north Pilbara region, in an analogous, parallel structural setting to recent discoveries such as Hemi.

APPENDIX - ASX LISTING RULE 5.3.3

Mining Tenements Held at End of Quarter:

Tenement ID	Project	Location	Status	SRI Interest
E04/2674	Barbwire Terrace	WA	Granted	50%
E04/2684	Barbwire Terrace	WA	Granted	50%
E04/2849	Barbwire Terrace	WA	Application	50%
E45/3599	Paterson North	WA	Granted	100%
E45/4697	Paterson North	WA	Granted	100%
E45/5335	Paterson North	WA	Granted	100%
E45/5336	Paterson North	WA	Granted	100%
E45/5337	Paterson North	WA	Granted	100%
E45/5675	Warralong	WA	Granted	100%
E45/5687	Warralong	WA	Granted	100%
E45/5740	Warralong	WA	Granted	100%
E45/5955	Warralong	WA	Granted	100%
E45/6887	Warralong	WA	Application	100%
E45/6888	Warralong	WA	Application	100%
E45/6889	Warralong	WA	Application	100%
E46/1526	Balfour	WA	Application	100%
E63/2248	Lake Cowan	WA	Granted	100%
E77/2706	Skeleton Rocks	WA	Granted	100%
E77/2708	Skeleton Rocks	WA	Granted	100%
E77/2783	Skeleton Rocks	WA	Granted	100%
E77/2918	Skeleton Rocks	WA	Granted	100%
E80/5344	Wolfe Basin	WA	Granted	100%
E80/5491	Wolfe Basin	WA	Granted	100%

The information in this report that relates to Exploration Results was previously reported in the ASX announcements dated 8 January 2024, 18 January, 13 February, 27 March, 27 June, 4 and 17 July, 11, 16 and 17 August, 22 September and 5 October 2023. The Company is not aware of any new information or data that materially affects the information included in the relevant market announcements.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Sipa Resources Limited

ABN

26 009 448 980

Quarter ended ("current quarter")

30 JUNE 2024

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	2	2
1.2	Payments for		
	(a) exploration & evaluation	(303)	(2,102)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(51)	(421)
	(e) administration and corporate costs	(101)	(448)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	4	33
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Receipts for JV costs	-	1,925
1.9	Net cash from / (used in) operating activities	(449)	(1,011)
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	(7)
	(d) exploration & evaluation	-	-
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	600
	(c) property, plant and equipment	-	5
	(d) investments	172	426
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	172	1,024

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	-

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	2,147	1,857
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(449)	(1,011)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	172	1,024
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	1,870	1,870

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	1,750	1,587
5.2 Call deposits	120	560
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,870	2,147

6. Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1 Aggregate amount of payments to related parties and their associates included in item 1	113
6.2 Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>	
Payments of Directors fees and salaries	

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(449)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(449)
8.4 Cash and cash equivalents at quarter end (item 4.6)	1,870
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	1,870
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	4.2
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer:	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer:	

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer:

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date:23 July 2024.....

Authorised by:The Board of Directors.....
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.