



8 March 2022

Further drilling planned following successful AC Drill Program at Skeleton Rocks

Key highlights:

- 138 drillholes for 3,425m completed
- Priority sample results now expected within weeks
- Excellent correlation between drilling and earlier auger sampling
- Second auger program to commence in approximately 1 week ahead of more drilling

First Aircore Drill Program Completed

Sipa Resources Limited (**ASX: SRI**) ("**Sipa**" or "the **Company**") has completed its first aircore drill program at its 100% owned Skeleton Rocks Project, located in the Western Australian Goldfields region, approximately 40km southwest of the gold mining centre of Marvel Loch (Figure 1). The aircore program followed up on first pass auger soil sampling in selected areas.

138 holes for 3,425m of aircore drilling were completed, testing greenstone units prospective for gold, Ni-Cu and lithium mineralisation. Of note was the observation of quartz-sulphide veins and disseminated sulphides in some holes, coincident with copper and nickel anomalism seen in pXRF analysis of auger soils samples (e.g., Figure 2, and ASX: SRI 14 February 2022 and 1 March 2022). The copper anomalism is most likely due to the presence of chalcopyrite – a copper sulphide, occasionally seen in drill chips and in surface float samples nearby.

Immediate Additional Auger Follow-up

The close correlation of metal anomalism in auger soil samples to veining in a similar style to gold deposits found in the Southern Cross greenstone belt immediately to the east has led Sipa to plan additional auger programs in other prospective areas, commencing in approximately 1 week (Figure 1). Any further anomalism identified in this second auger program will assist in targeting future drill programs.

Based on the positive results received to date Sipa has also scheduled additional drilling at Skeleton Rocks in April. Commencement of this drilling will be dependent upon positive results being received from the aircore program assays, and the upcoming auger program. Samples from the recently completed aircore program are already at the laboratory and those from specific areas of interest,

including the holes with visible sulphides, have been prioritised. It is now anticipated these results could be returned within 2 weeks.

Sipa Managing Director, Pip Darvall said,

“Our first program at Skeleton Rocks was successfully completed and the identification of quartz-sulphide veins in several holes is an exciting development. These results increase our confidence in the project and have led us to immediately plan further auger surveys given their ability to efficiently discriminate priority target areas. First assay results from the drilling are expected in the coming weeks and if positive will immediately result in additional follow up field programs.”

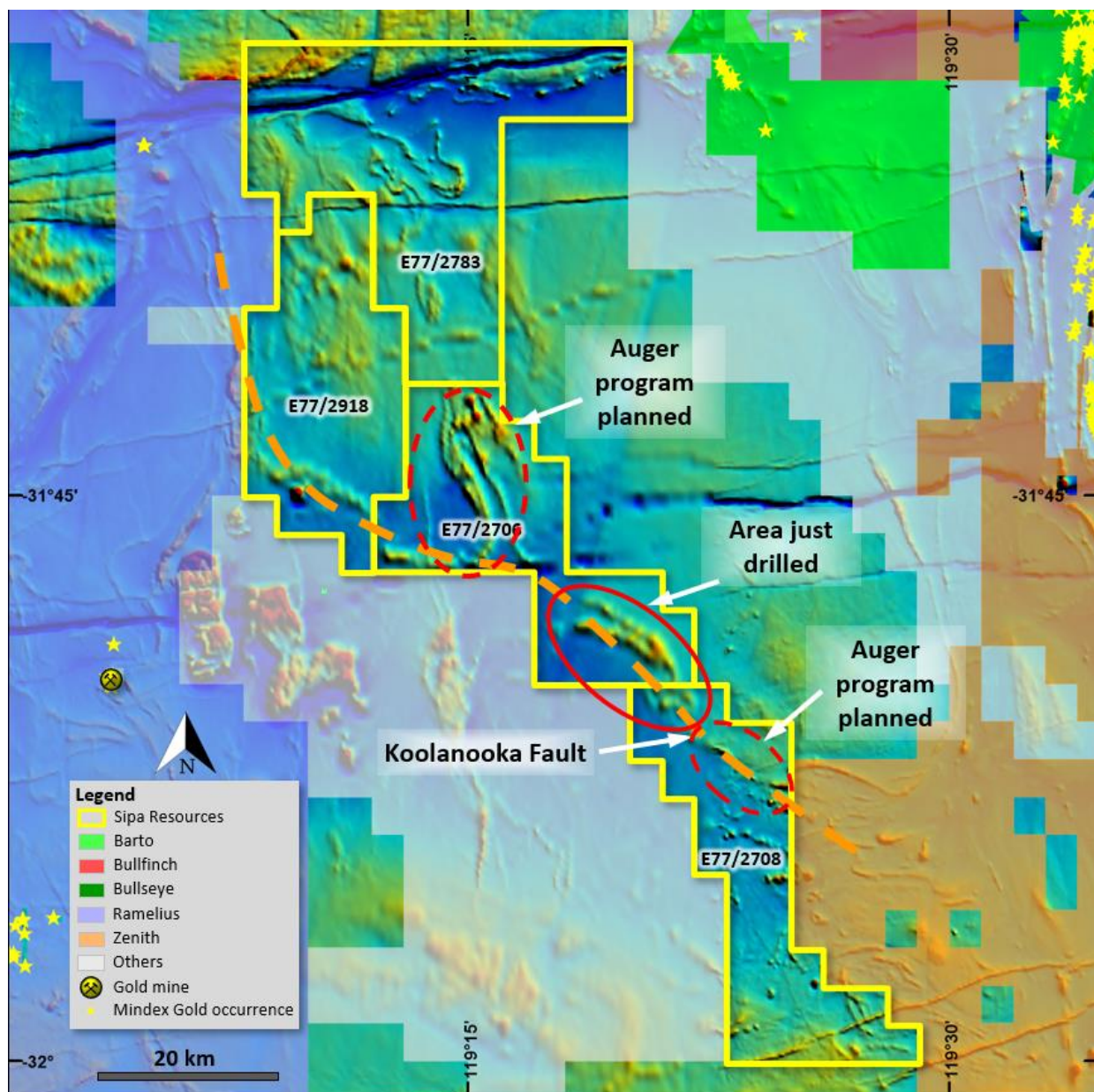


Figure 1: Sipas's Skeleton Rocks Project and nearby tenement holders in the heart of WA's Goldfields region. Note the location of the recently completed drilling and where auger programs will shortly commence.

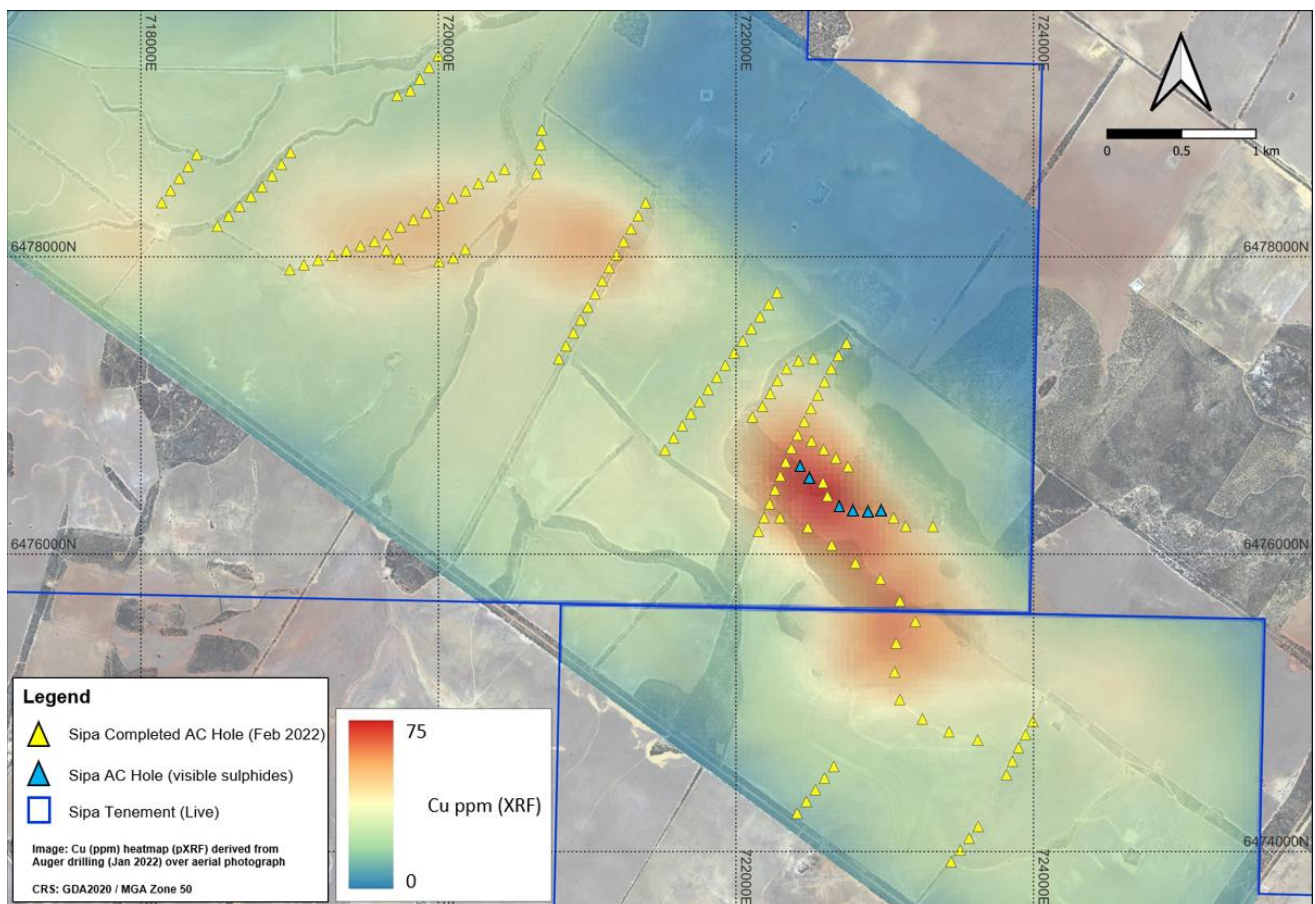
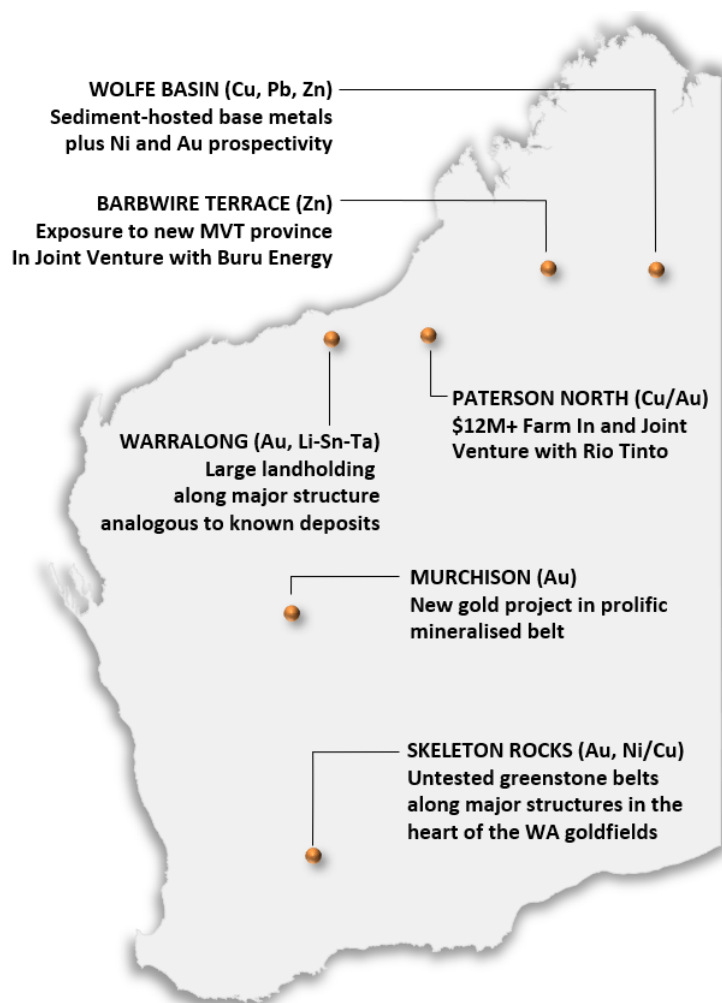


Figure 2: The location of recently completed drillholes at Skeleton Rocks Project over a ‘heat’ map of copper results from Sipra’s earlier auger soils program (See ASX: SRI 14 February 2022). Note the location of aircore holes containing visible sulphides (blue triangles) in the area of peak copper anomalism.

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 Sipra 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.

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:

Pip Darvall, Managing Director

Sipa Resources Limited

+61 (0) 8 9388 1551

reception@sipa.com.au

Victoria Humphries, Investor and Media Inquiries

NWR Communications

+61 (0) 431 151 676

victoria@nwrcommunications.com.au





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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	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Aircore drilling was used to collect 1m samples, a scoop was used to collect a representative portion of each metre into a uniquely numbered calico bag. No laboratory assays have been undertaken. For auger results auger drilling was used to obtain 1-1.5kg bottom of hole samples sieved to -2mm. Bottom of hole samples were analysed with a portable X-Ray Fluorescence analyser (pXRF) to indicate the abundance of key elements known to be related to the targeted mineralisation.
Drilling techniques	<ul style="list-style-type: none"> Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) 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). 	<ul style="list-style-type: none"> Aircore drilling utilising a 100mm blade or hammer drill bit. Drill holes were oriented vertically to varying depths. Auger drilling utilised a 100mm drill bit. Drill holes were oriented vertically to depths of 0.2-0.8m.
Drill sample recovery	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> 99% of the aircore and auger samples were dry. No sample recovery issues were encountered
Logging	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> The entirety of aircore holes was qualitatively logged by the rig geologist directly into a logging program for incorporation into the company database. Auger samples were logged for grainsize, colour, and reactivity to hydrochloric acid
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> No aircore assays reported. For auger results approximately 200g subsamples were pressed into 32mm XRF sample cups.

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> 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. 	
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> 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 (i.e. lack of bias) and precision have been established. 	<ul style="list-style-type: none"> No assays reported for aircore samples. For auger all results were obtained utilising a pXRF analyser, with samples analyzed for 60 seconds using a Bruker S1 Titan Portable XRF Unit utilizing the 'Geo-Exploration', 3 Beam Oxide Calibration, 20 sec per beam. Key elements of interest were Co, Cu, Ni OREAS45D as a Standard & SiO₂ as blank were incorporated into the sample stream with no accuracy or contamination issues noted.
Verification of sampling and assaying	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> For aircore quartz-pyrite veining was verified by several Sipa geologists. The entirety of holes was qualitatively logged by the rig geologist directly into a logging program for incorporation into the company database, and no assays are reported. For auger no significant intersections were observed, no twinned holes were drilled, data entry was checked by the Field Supervisor and Exploration Manager. Assay results have not been adjusted.
Location of data points	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Auger and aircore drill hole locations were designed to test targets generated from a detailed aeromagnetic survey.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> 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 	<ul style="list-style-type: none"> All holes were drilled vertically. The rock unit orientations are unknown but are anticipated to be steeply dipping, and intercepts are therefore not true width

Criteria	JORC Code explanation	Commentary
	should be assessed and reported if material.	
Sample security	<ul style="list-style-type: none"> The measures taken to ensure sample security. 	<ul style="list-style-type: none"> Samples were transported by Sipa field crew in sealed, uniquely numbered bags for later delivery to the assay laboratory.
Audits or reviews	<ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data. 	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> The results reported in this Announcement are from granted Exploration Licences E77/2706 and E77/2708, held 100% by Sipa Exploration NL The tenements are believed to be in good standing, with all necessary licences to conduct mineral exploration having been obtained.
Exploration by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> Limited relevant mineral exploration activity has previously been completed, and restricted to soil sampling and shallow RAB drilling of 79 holes along roadsides within E77/2706
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<ul style="list-style-type: none"> Sipa is targeting orogenic gold, Ni-Cu-PGE's and Li-Sn-Ta bearing pegmatites
Drillhole Information	<ul style="list-style-type: none"> 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: <ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> The location of the aircore drill holes is shown in Figure 2.
Data aggregation methods	<ul style="list-style-type: none"> 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 	<ul style="list-style-type: none"> No significant results are reported or tabulated.

Criteria	JORC Code explanation	Commentary
	<p>should be stated and some typical examples of such aggregations should be shown in detail.</p> <ul style="list-style-type: none"> The assumptions used for any reporting of metal equivalent values. 	
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> 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'). 	<ul style="list-style-type: none"> No significant results are reported.
Diagrams	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> See main body text.
Balanced reporting	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> No significant results are reported or tabulated.
Other substantive exploration data	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> The auger program is an early-stage soil sampling program designed to detect geochemical halos associated with bedrock mineralisation. Its primary purpose is to assist in identifying areas of focus for subsequent aircore drilling. Once aircore assay results are received, they will be reported.
Further work	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Follow up work currently planned includes additional auger surveys across areas of interest in the detailed magnetics and subsequently aircore drilling if additional areas of geochemical anomalism are identified.