28 September 2022

Barbwire Terrace Drill Program Yields Strong Early Results

- Three diamond drillholes successfully completed at Barbwire Terrace
- Broad intervals of disseminated base metal sulphides encountered in two holes
- pXRF spot results up to 23.9% Zn+Pb with numerous readings of >1% Zn+Pb
- Formal assay results from the first two holes are expected in ~4 weeks, core from the third hole will shortly be transported to the laboratory

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). 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).

The diamond drill program – designed to provide an initial test of a portion of the extensive tenement holding – has been completed, with the third hole reaching the target depth of 500m (Figure 2). Base metal sulphides were observed in all three holes within large thicknesses of variably altered Pillara Limestone (Figure 3). The Pillara Limestone hosts numerous zinc-lead deposits (e.g., Cadjebut and Pillara) along the Lennard Shelf in an analogous geological setting (Figure 1), and its presence along the Barbwire Terrace highlights the project's prospectivity for zinc-lead mineralisation. The fourth planned hole has been postponed until assay results have been received.

Elevated levels of base metals were recorded in handheld XRF ("pXRF") spot readings* in all three holes. Spot pXRF readings from the first and second holes have already been reported (refer ASX releases 31/8/2022 and 5/9/2022), and in the third hole, numerous spot pXRF readings greater than 1% zinc and/or lead were recorded with the maximum result being 23.9% Zn + Pb (see Table 2)**.

Given the results were obtained from a handheld XRF device, these spot results are preliminary in nature and may not be representative of the whole rock concentrations. Further results will be communicated once laboratory assaying has been completed in approximately four weeks, however such elevated readings – plus visible disseminated zinc/lead sulphides over significant intervals of core – are extremely encouraging.

Drilling at Barbwire Terrace is being co-funded by the Western Australian government's Exploration Incentive Scheme, with up to $180,000 support to the JV towards drilling costs.

Sipa Resources Managing Director, Pip Darvall said: *'Base metal sulphides were encountered within the target limestone in every hole, clearly demonstrating the potential for the project to host a significant new mineralised province. The drill program has not only achieved 'proof of concept' but also delivered focus areas for future work around the second and third holes where significant thicknesses of disseminated sulphides were observed. In the coming weeks the laboratory assay results will be received, and we will plan our next steps to advance this exciting project.'*

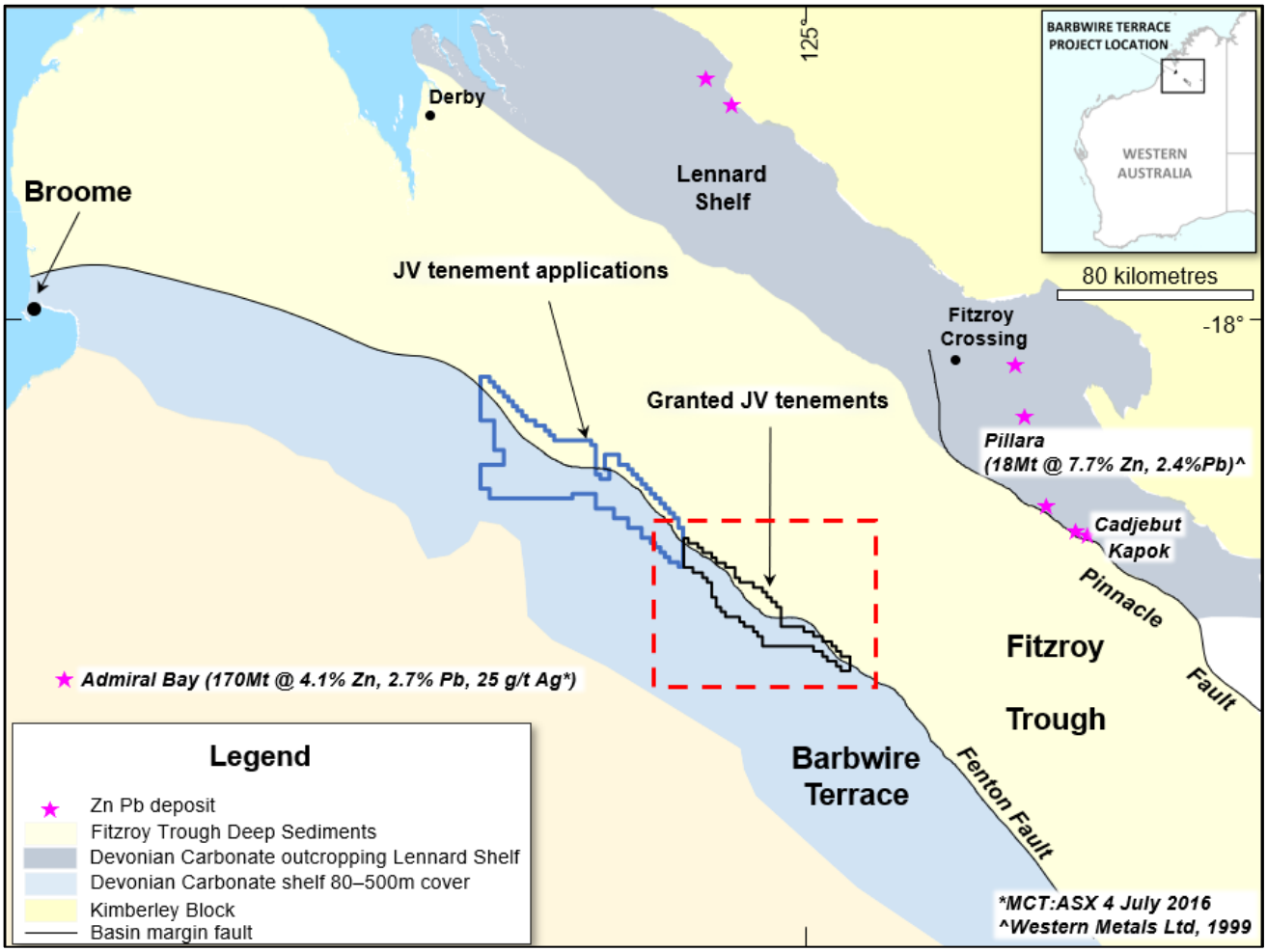


Figure 1: Geological setting of the Barbwire Terrace project, highlighting the area shown in Figure 2.

Hole ID	Z51_mE	Z51_mN	RL
BWTDD001	674791	7916743	129.3
BWTDD003	688869	7900800	155.7
BWTDD004	707140	7887585	197

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

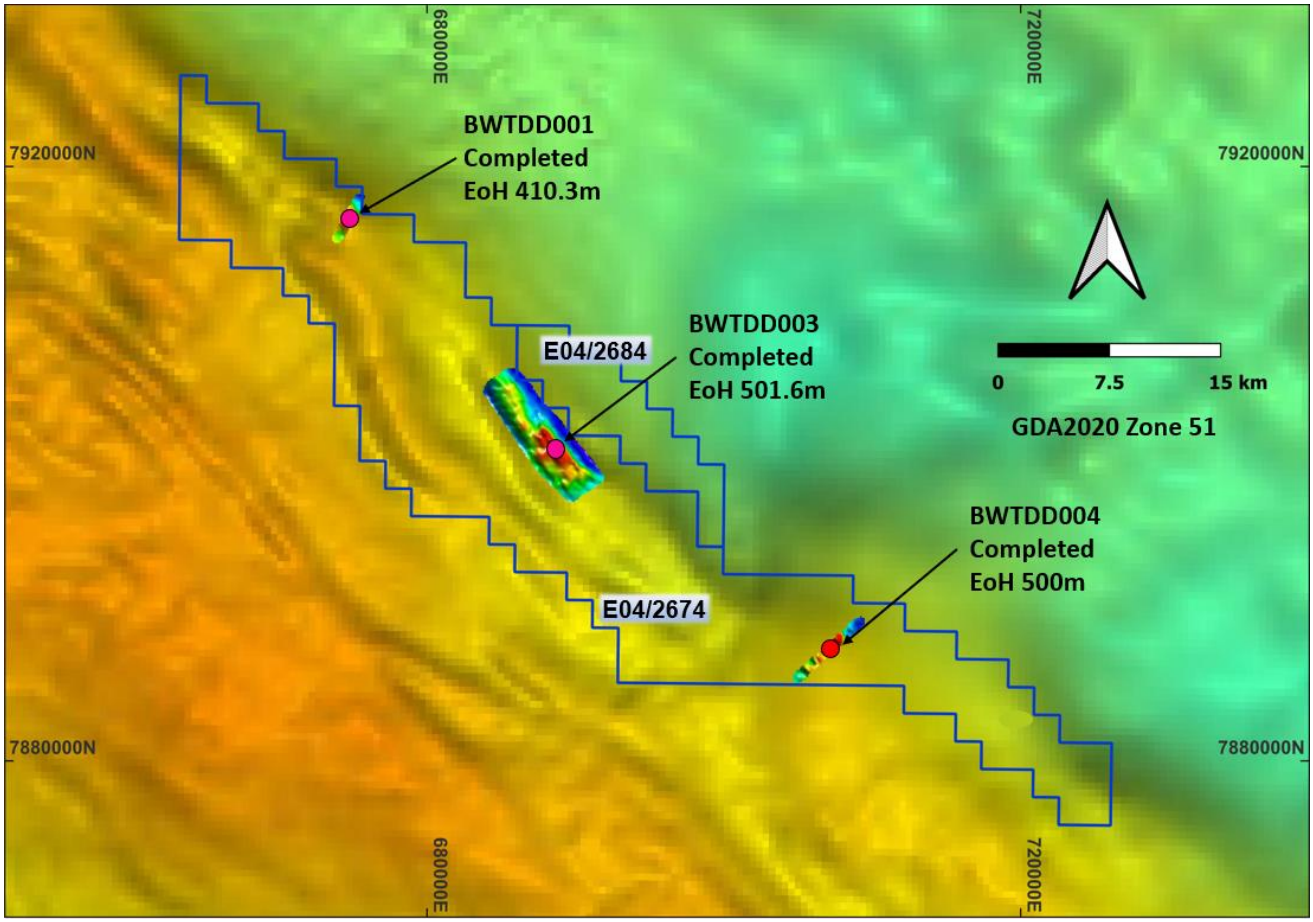


Figure 2: Locations of the drillholes at Barbwire Terrace over a Bouguer gravity image. Note the prominent gravity ridge (warmer colours) extending from the northwest to southeast, identifying the fault boundary (Fenton Fault) between the Fitzroy Trough to the northeast, and the Barbwire Terrace to the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

Figure 3: 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.

***CAUTIONARY STATEMENT ON pXRF RESULTS**

Handheld XRF (pXRF) results included in this report are preliminary only. The use of spot pXRF readings only provides an indication of the order of magnitude of formal assay results. 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.

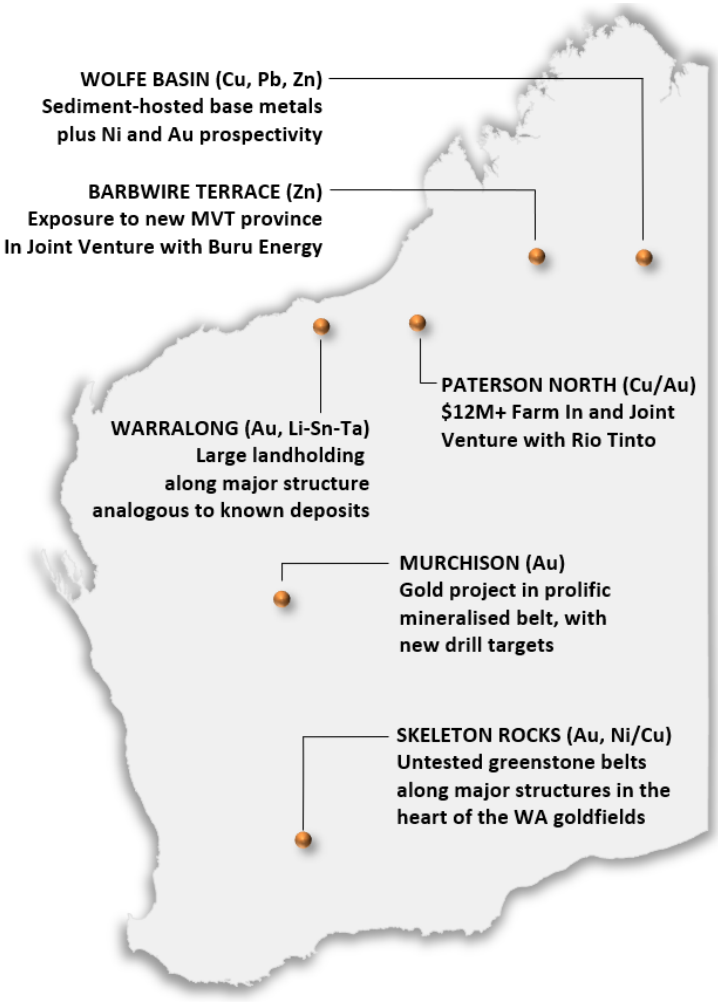
****CAUTIONARY STATEMENT ON VISUAL ESTIMATIONS**

Visual estimates of the quantity 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.

Hole ID	Depth m	Zn ppm	Zn %	Pb ppm	Pb %	Zn+Pb %
BWTD004	332.52	19231	1.92	11339	1.13	3.06
BWTD004	346.87	9780	0.98	8284	0.83	1.81
BWTD004	346.91	7671	0.77	5869	0.59	1.35
BWTD004	346.98	12899	1.29	11374	1.14	2.43
BWTD004	354.9	5660	0.57	4658	0.47	1.03
BWTD004	355	8353	0.84	6471	0.65	1.48
BWTD004	355.15	8310	0.83	21458	2.15	2.98
BWTD004	355.8	6261	0.63	5531	0.55	1.18
BWTD004	356	3505	0.35	12044	1.20	1.55
BWTD004	358.6	5434	0.54	4713	0.47	1.01
BWTD004	358.93	1800	0.18	7552	0.76	0.94
BWTD004	359.09	5150	0.52	234093	23.41	23.92
BWTD004	359.14	5078	0.51	198531	19.85	20.36
BWTD004	360.7	6487	0.65	7002	0.70	1.35
BWTD004	375.4	4808	0.48	21736	2.17	2.65
BWTD004	377.29	6610	0.66	13591	1.36	2.02
BWTD004	395.33	3725	0.37	132653	13.27	13.64
BWTD004	395.92	3296	0.33	8389	0.84	1.17
BWTD004	399.3	563	0.06	37117	3.71	3.77
BWTD004	400.35	488	0.05	19632	1.96	2.01
BWTD004	400.7	610	0.06	43946	4.39	4.46
BWTD004	415.79	1089	0.11	32363	3.24	3.35
BWTD004	419.06	1881	0.19	12232	1.22	1.41
BWTD004	419.13	1197	0.12	14399	1.44	1.56
BWTD004	419.57	1367	0.14	30772	3.08	3.21
BWTD004	422.52	2754	0.28	15929	1.59	1.87
BWTD004	422.89	426	0.04	15978	1.60	1.64
BWTD004	427.9	602	0.06	29461	2.95	3.01
BWTD004	434.19	5149	0.51	10614	1.06	1.58
BWTD004	440.12	2032	0.20	30013	3.00	3.20
BWTD004	440.26	691	0.07	19931	1.99	2.06
BWTD004	440.6	1148	0.11	8632	0.86	0.98
BWTD004	446.89	365	0.04	10575	1.06	1.09
BWTD004	449.06	271	0.03	9995	1.00	1.03
BWTD004	455.38	5080	0.51	7102	0.71	1.22
BWTD004	487.04	54	0.01	27710	2.77	2.78

Table 2: <u>Selected</u> handheld XRF (spot) results from BWTDD004 core

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 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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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.

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 (e.g., 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 a variably altered dolomitised limestone unit where carbonate-pyrite veins 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 a detailed review of the drill core, and whole rock assaying of the core retrieved to date. Future work may include detailed gravity surveys and additional drilling.