



QUARTERLY ACTIVITIES REPORT

Highlights:

- Initial work at the Warralong gold project in the Pilbara supports geological model. Additional tenement pegged.
- Wolfe Basin base metal targets south of Halls Creek expanded and refined with additional field work.
- Royalty sale delivers A\$1M cash and A\$1.25M of VOX Royalty shares.

Sipa Resources Limited (ASX: SRI, 'the Company' or 'Sipa') is pleased to provide a summary of its activities over the last quarter.

Warralong Gold Project

Sipa's 100% owned Warralong project was pegged for intrusion hosted gold deposits. This is a newly recognized gold mineralisation style in the north Pilbara region of Western Australia, as highlighted by De Grey's Hemi discovery. During the quarter an initial field visit undertaken to Sipa's tenement application areas identified a range of rock types and greater prospectivity in basement rocks than otherwise indicated in public-domain datasets. A number of reconnaissance rock chip samples were collected, together with orientation surface samples to determine the most effective technique(s) for testing basement through the shallow cover that blankets much of the project area.

Public domain geophysical data was acquired and reprocessed at nominal cost. The re-processed magnetics show numerous features interpreted as younger intrusions, and previously unrecognized greenstone units in basement rocks. An additional tenement has been pegged to cover some of these newly identified target areas (Figure 1).

Wolfe Basin Base Metals Project

The Wolfe Basin project is highly prospective for sediment hosted base metals. Strong support for the mineralization model has come from the identification of a lead-zinc rich gossanous unit >1km in length (refer ASX announcements 24 February 2020 and 24 June 2020). The entire prospective horizon has a strike length of over 80km (Figure 2), and prior to Sipa's work, had not been the focus of any previous documented exploration.

Geological mapping during the quarter resulted in the identification of a second gossan within the targeted horizon, outcropping over a strike length of ~500m (Figure 2). This second gossan highlights the prospectivity of the unit across the broader project area. Both gossans sit immediately above a thick sandstone unit adjacent to east-west trending, sub-vertical faults and are priority targets for drill testing in the coming months.

Future drill testing will be very cost effective for Sipa shareholders with 50% of the direct drilling costs to be covered by a successful Exploration Incentive Scheme 'EIS' application. Field reconnaissance, mapping and soil sampling were completed during the quarter with assay results pending. Approvals to support drilling in the coming months are being progressed.

Paterson North Copper-Gold Project

A reconnaissance trip was made to the project to complete necessary rehabilitation work, and ready the camp for the coming field season. A heritage survey has been planned along with associated works to support field activities.

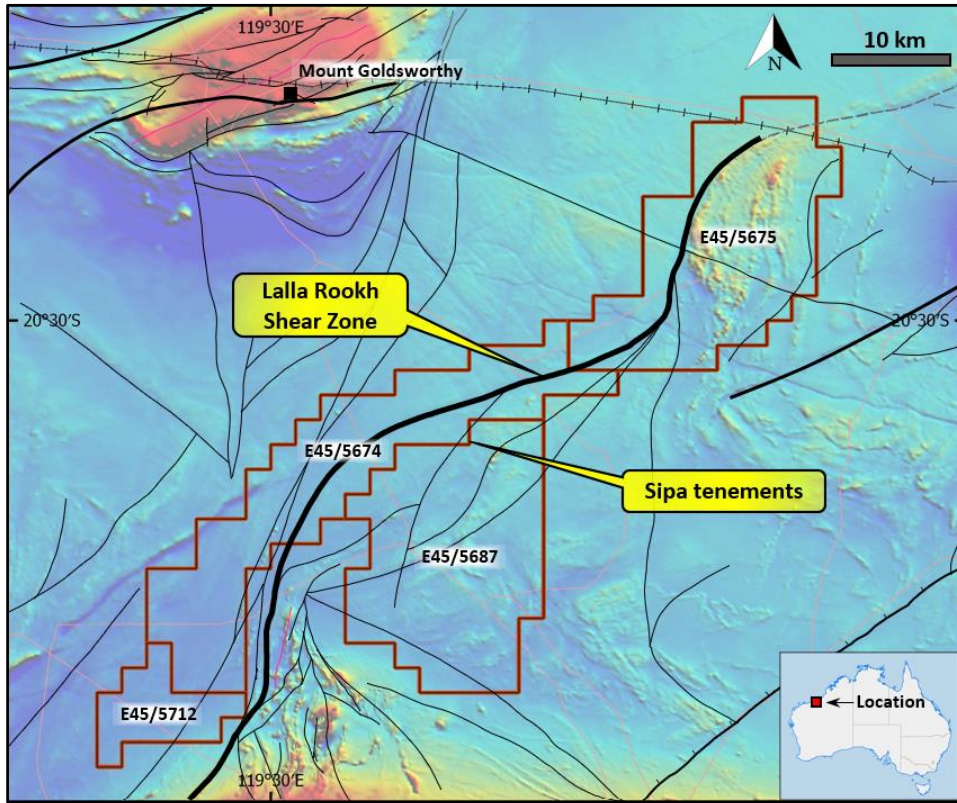


Figure 1: Warralong tenements over a magnetic image showing the recently pegged E45/5712.

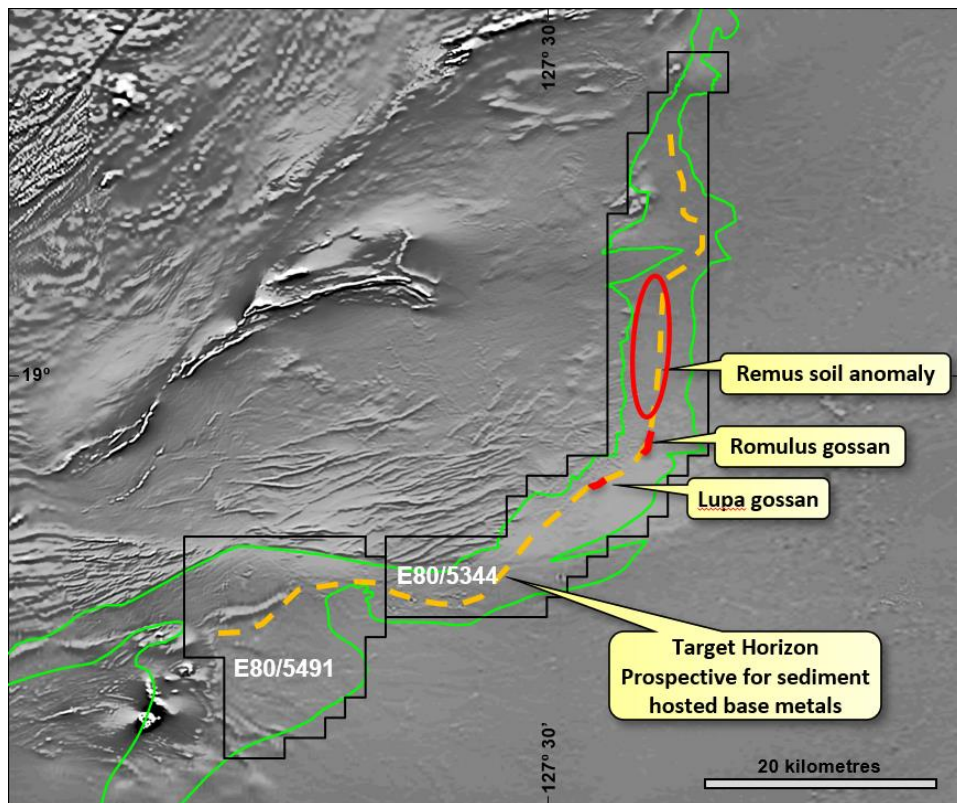


Figure 2: Sipa's Wolfe Basin project showing the locations of the outcropping gossans.



Billiluna

The Billiluna project is located above several prominent gravity and magnetic features in the western Tanami area of Western Australia. Historic drilling targeting other commodities intersected ultramafic rocks in a craton margin setting prospective for nickel-copper sulphide mineralization. During a recent field trip Sipa located remnants of the historic core and samples were recovered for analysis. A soil sampling program was also undertaken over a portion of the tenement area. A combination of geochemical assays and petrographic work currently underway will define the best way to progress the project.

Royalty Sale

On 18 May 2020 Sipa advised that it had completed the sale of a portfolio of royalties to SilverStream SEZC (SilverStream) for a total consideration of \$2,250,000, including \$1,000,000 in cash and \$1,250,000 in shares upon the public listing of SilverStream. During the quarter SilverStream (now known as VOX Royalties) successfully listed and Sipa received both the cash and the share consideration which can be realised at an appropriate time to support future field activities.

Corporate

With the receipt of the funds from the SilverStream listing, Board and staff remuneration has been reinstated at its contracted levels. Further cost-cutting and rationalisation of the Company's operational framework have been undertaken and the Company is now strongly positioned, and funded for its planned activities over the coming months.

Post quarter end, John Forwood joined the Sipa Board of Directors. John's unique blend of technical, legal and investment experience in the junior resources sector and extensive domestic and international networks will be a valuable asset to the Company.

At the end of the quarter Sipa had a cash balance of \$2.4M, and equities of \$1.25M (mark to market).

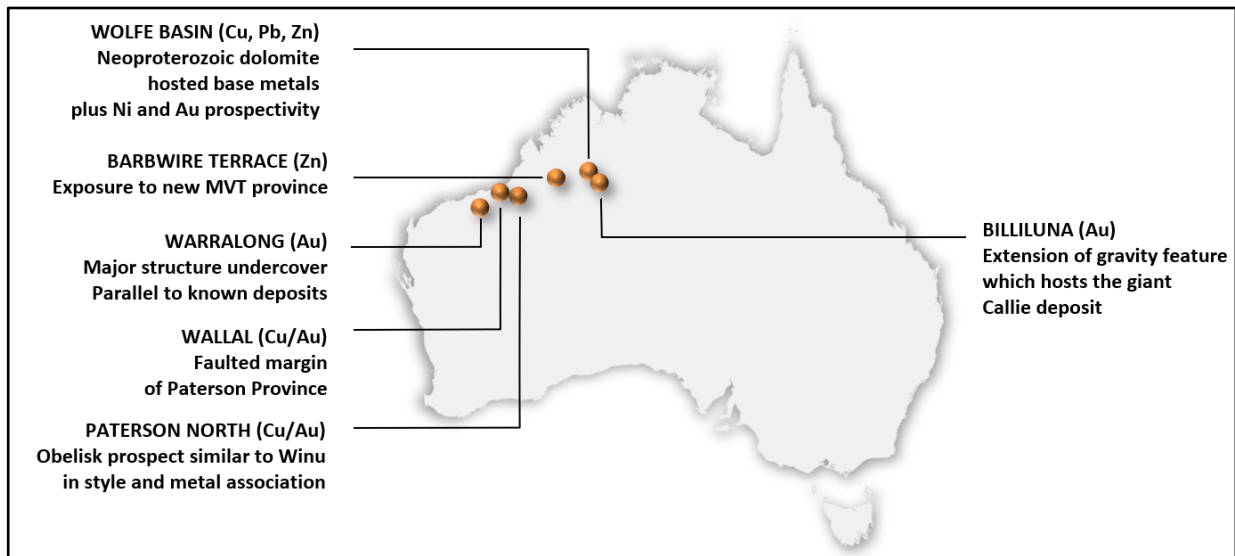


About Sipa

Sipa Resources Limited (ASX: SRI) is an Australian-based exploration company focused on the discovery of gold and base metal deposits. The company is generating a number of early stage projects in Western Australia prospective for gold and base metals which are currently being systematically advanced through the initial stages of exploration.

Sipa also has an 89% interest in the Paterson North Copper Gold Project in the Paterson Province of Western Australia, a strongly endowed and highly prospective mineral belt hosting the world-class Telfer gold and copper deposits, Magnum and Calibre gold and copper deposits, Nifty copper and Kintyre uranium deposits and the O'Callaghans tungsten deposit. Most recently the Paterson Province has been the focus of intense exploration by Rio Tinto at its Winu discovery.

The 100%-owned Uganda Base Metals Project contains an intrusive-hosted Ni-Cu sulphide discovery, with significant scale potential. Sipa is currently reviewing opportunities to progress the project further.



Sipa's Project Locations in Australia

**APPENDIX – ASX LISTING RULE 5.3.3****Mining Tenements Held at End of Quarter:**

Tenement reference	Project	Location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
EL 1229	Kitgum-Pader	Uganda	Granted	100%	100%
EL 1270	Kitgum-Pader	Uganda	Granted	100%	100%
EL 1271	Kitgum-Pader	Uganda	Granted	100%	100%
EL 1590	Kitgum-Pader	Uganda	Granted	100%	100%
EL 1800	Kitgum-Pader	Uganda	Granted	100%	100%
EL 1801	Kitgum-Pader	Uganda	Granted	100%	100%
EL 1803	Kitgum-Pader	Uganda	Granted	100%	0%
EL 1804	Kitgum-Pader	Uganda	Granted	100%	0%
EL 1805	Kitgum-Pader	Uganda	Granted	100%	0%
EL 1829	Kitgum-Pader	Uganda	Granted	100%	100%
EL 1862	Kitgum-Pader	Uganda	Granted	100%	100%
E45/3599	Paterson North	Western Australia	Granted	89%	89%
E45/4697	Paterson North	Western Australia	Granted	89%	89%
E45/5335	Paterson North	Western Australia	Granted	89%	89%
E45/5336	Paterson North	Western Australia	Granted	89%	89%
E45/5337	Paterson North	Western Australia	Granted	100%	100%
E45/5390	Wallal	Western Australia	Granted	100%	100%
E04/2674	Barbwire Terrace	Western Australia	Application	100%	100%
E80/5344	Wolfe Basin	Western Australia	Granted	100%	100%
E80/5425	Wolfe Basin	Western Australia	Application	100%	0%
E80/5491	Wolfe Basin	Western Australia	Application	0%	100%
E80/5428	Billiluna	Western Australia	Application	100%	0%
E80/5492	Billiluna	Western Australia	Application	0%	100%
E45/5674	Warralong	Western Australia	Application	100%	100%
E45/5675	Warralong	Western Australia	Application	100%	100%
E45/5687	Warralong	Western Australia	Application	100%	100%
E45/5712	Warralong	Western Australia	Application	0%	100%
E70/5518	Lake Goorly	Western Australia	Application	0%	100%
E70/5519	Lake Goorly	Western Australia	Application	0%	100%

The information in this report that relates to Exploration Results was previously reported in the ASX announcement 24 June 2020. The Company is not aware of any new information or data that materially affects the information included in this announcement.

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

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