



## EXPLORATION UPDATE

### **20km long base metal soil anomaly defined at 100% held Wolfe Basin:**

- Results from recent soil sampling at Wolfe Basin have extended the known surface anomaly by over 10km to a total of more than 20km.
- Sampling along the two gossans at Wolfe Basin show a metal zonation consistent with the proposed mineralisation model whereby metal rich fluids are transported through porous sandstone units and deposited into chemical and structural traps.

### **Wolfe Basin drilling to commence late September-early October**

- Preparations for drilling at Wolfe Basin remain on track with approval of the proposed Program of Work received, and imminent commencement of a heritage survey and surface geophysics.

### **Additional ground pegged at 100% held Warralong Gold**

- Coverage of new target zones identified in aeromagnetics. Stream sediment sampling commenced.

### **100% owned Barbwire Terrace base metal project expanded:**

- BWT project area has been augmented with an additional tenement application to cover prospective features interpreted from recently released airborne EM data.

Sipa Resources Limited (ASX: SRI, 'Sipa') is pleased to provide an update on our recent project activities within Western Australia.

### **Wolfe Basin**

Exploration activities at our Wolfe Basin project are currently targeting sediment hosted base metals, with previous field programs identifying an extensive base metal soil anomaly and two gossans in the targeted stratigraphic and structural positions (refer ASX announcements 26/2/2020 and 24/6/2020). Additional soil sampling results just received have extended the zinc-copper (+/- barium and thallium) anomaly a further 10 km north along the target horizon (Figure 1), and thus significantly expanding the area of interest for future drill targeting.

Also of note in the soil sampling results is lead anomalism in association with east-west trending faults, consistent with patterns observed in gossan sampling previously reported (refer ASX announcement 26/2/2020). Gossan sample results at the 'Romulus' gossan show a peak in lead values adjacent to faults, with zinc anomalism forming a broader halo (Figure 2). This pattern of metal anomalism supports the mineralisation model used in the initial targeting and portrayed in Figure 3. The model is based on the movement of metal bearing fluids, driven against basement highs by east-west tectonic compression. Transported metals are subsequently deposited into suitable chemical (e.g. carbonaceous shales, carbonate units) and structural (fault and fold dilatancy) traps and is broadly similar to that underpinning copper mineralization found in the African Copper Belt. The Wolfe Basin project contains all the expected



elements for this model (Table 1), and it was on the basis of these elements that the project area was originally targeted. Some elements such as evaporitic sequences as a precursor to saline fluid development have not been identified specifically within the project area but are present regionally or immediately adjacent to the project.

Planned drilling of the existing targets is on track to commence late September-early October, with the recent approval of the Program of Works and the imminent commencement of a heritage survey over the initial target areas. Immediately following the completion of the heritage survey, a ground geophysics survey (gradient array IP) will be undertaken to assist in refining drill hole locations. The drill program will be very cost effective with up to 50% of the direct drilling costs to be covered by the Western Australian Government Exploration Incentive Scheme.

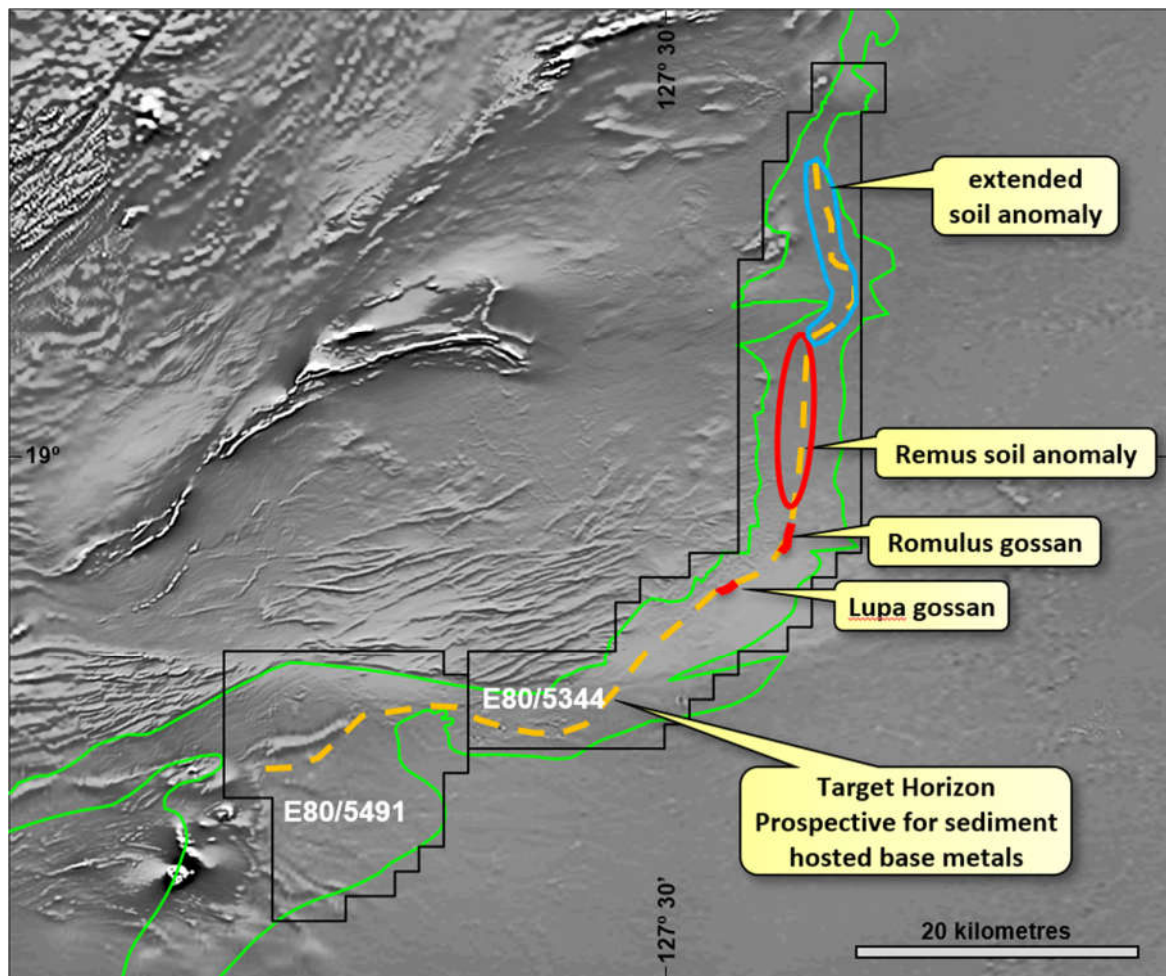


Figure 1: Wolfe Basin project showing the previous and recently extended soil anomaly shown in blue.

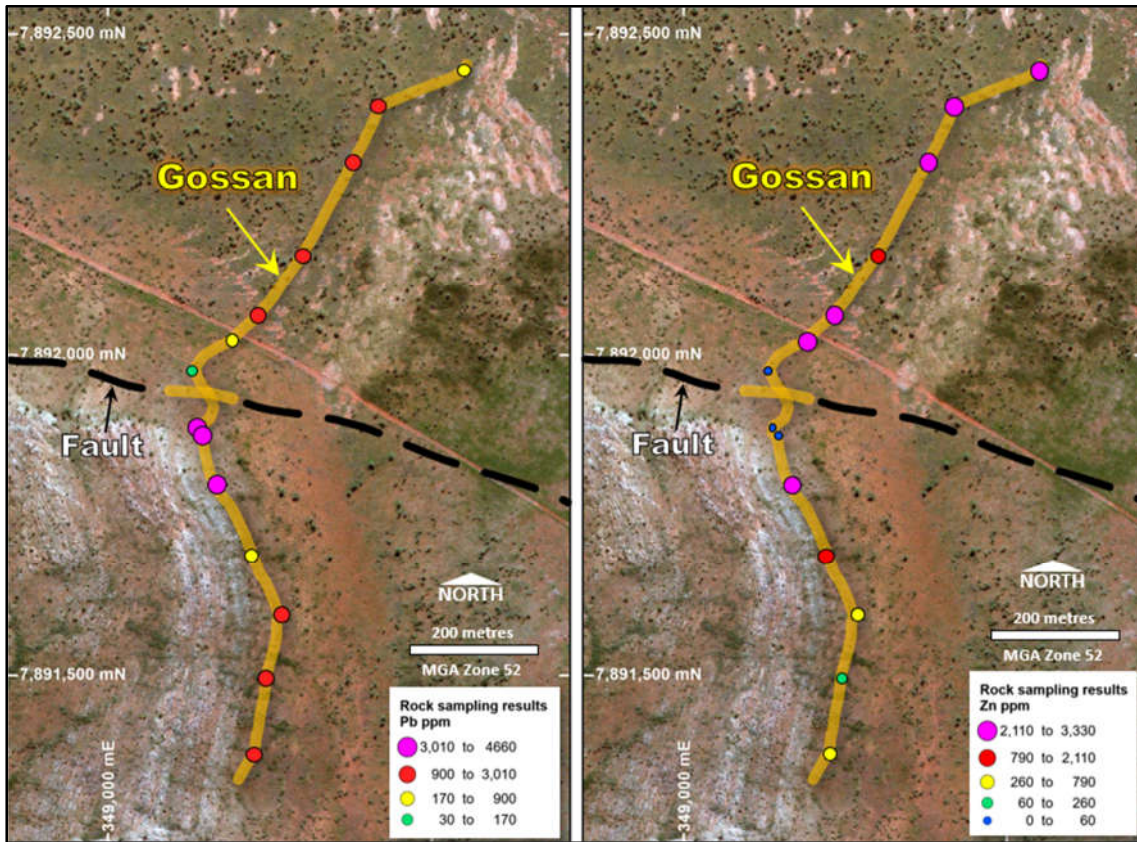


Figure 2: Lead and zinc anomalism in gossan sampling at Romulus.

Geological Feature	African Copper Belt	Wolfe Basin
Basement high against which fluids are forced upward	✓	✓
External compression driving fluid movement	✓	✓
Porous units through which fluids flow and scavenge metals	✓	✓
Chemical and structural traps	✓	✓
Overlying seal to trap fluids	✓	✓
Evaporite units as source of saline fluid within the basin	✓	✓
Base metal mineralisation	✓	<b>TBC!</b>

Table 1: Simplified comparison between the Wolfe Basin project and key elements in the mineralization model for the deposits found within the African Copper Belt.



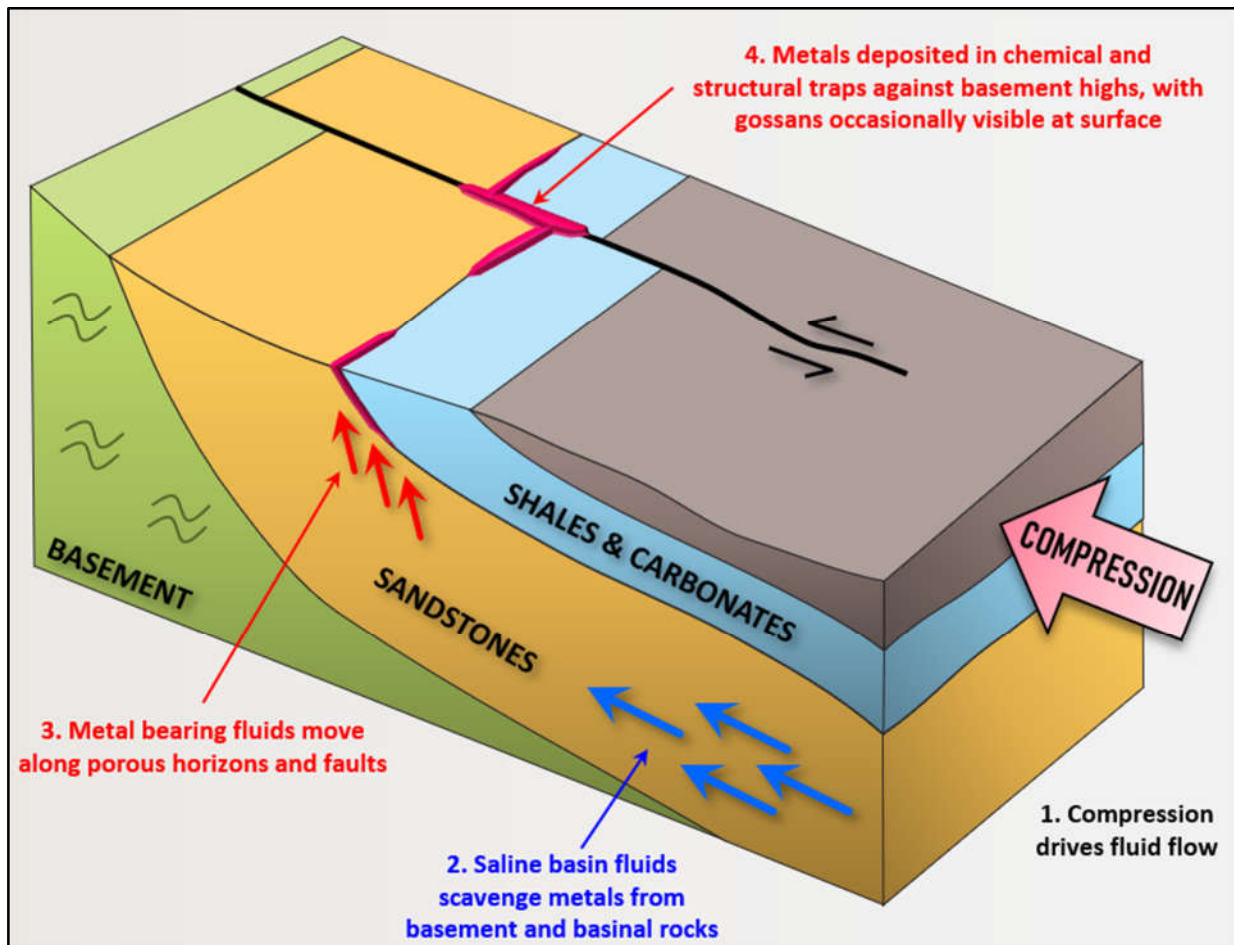


Figure 3: Schematic mineralization model for Wolfe Basin, with gossans as the surface expression of underlying mineralisation along stratigraphic and structural contacts.

## Warralong

Sipa's Warralong project is prospective for intrusion-hosted gold deposits, a newly recognized gold mineralisation style in the north Pilbara region of Western Australia. An initial field visit 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, backed up by numerous features visible on reprocessed historical geophysical data.

An additional tenement has been pegged to cover some of these newly identified target areas (Figure 1), and a stream sediment sampling program will shortly commence over portions of the tenement package, including this new tenement area. A detailed aeromagnetic survey which will assist in refining targets for follow-up is planned for the entire tenement package and is on track to commence in early October.

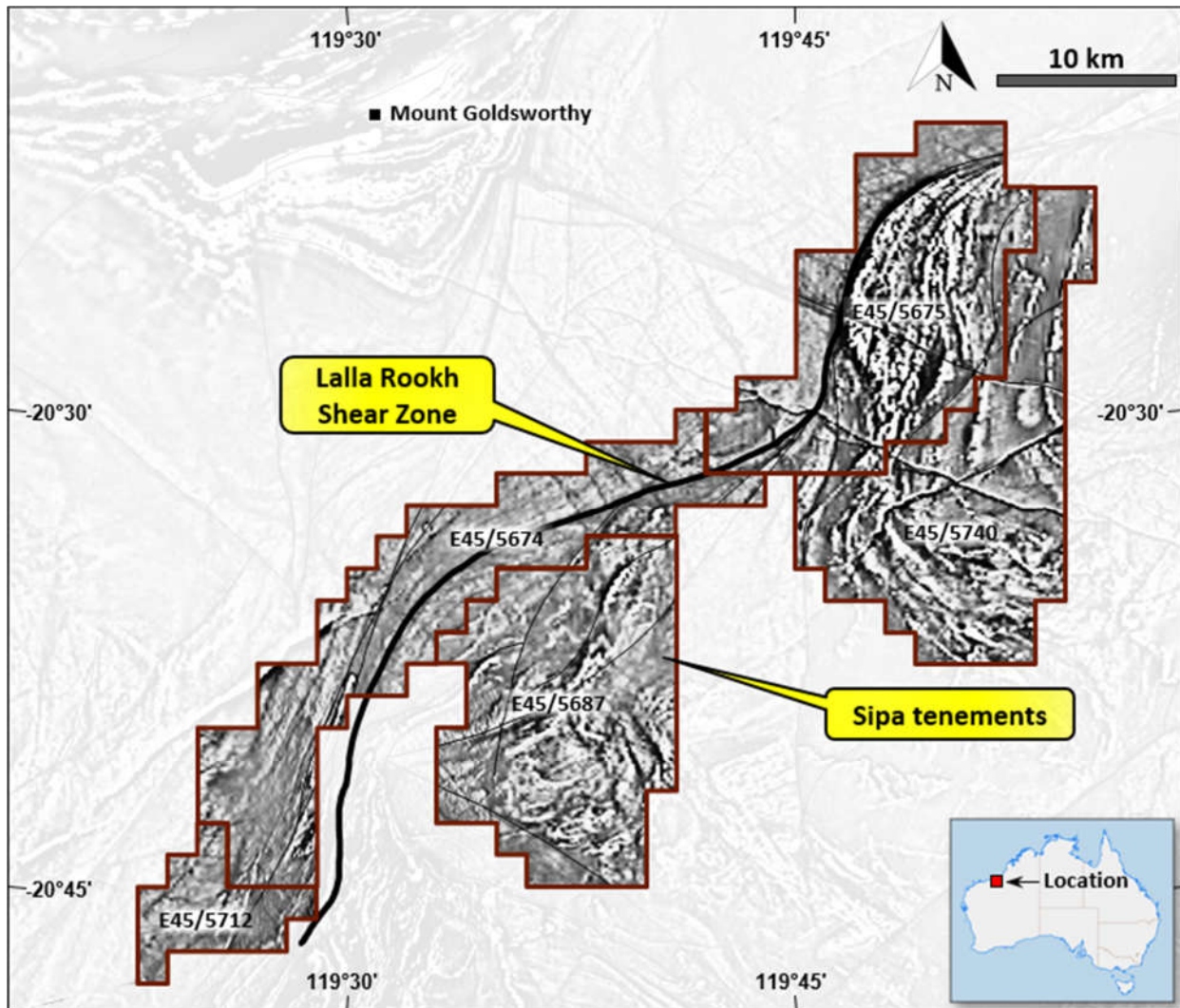


Figure 4: Warralong project tenure over a magnetic image showing the recently pegged E45/5740.

## Barbwire Terrace

The Barbwire Terrace project covers the southern margin of the Fitzroy trough where historic drilling proved the potential for mineralisation of an identical style to the well-known Lennard Shelf deposits to the north. Recently released airborne electromagnetic data showed a prominent late time conductor adjacent to one of the existing fault related target areas and may be an indicator of the presence of sulphides. The project land position was expanded to cover this area (Figure 5).

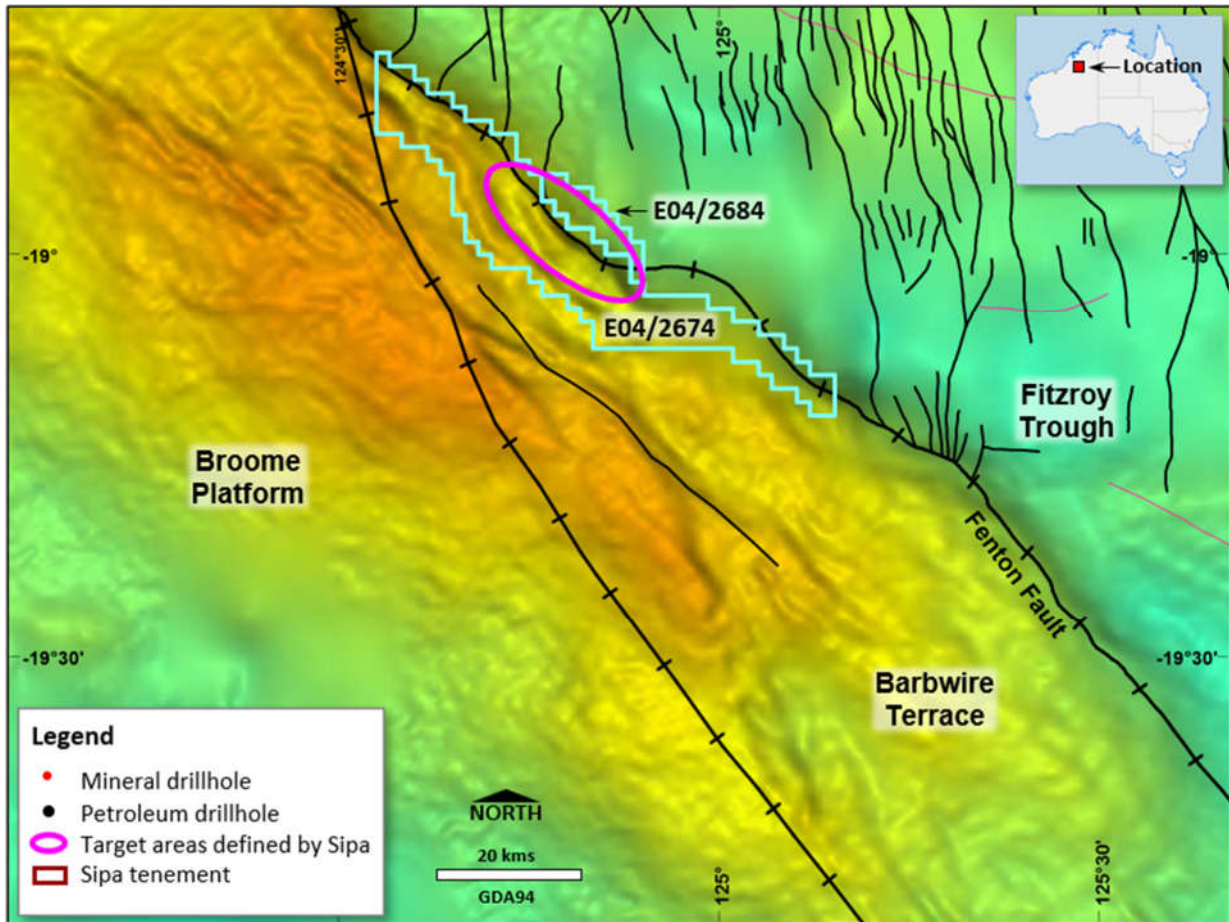


Figure 5: Sipa's Barbwire Terrace Project showing the recent tenement application E04/2684

### 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, who is a Member of The Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Mr Darvall is a full time employee of Sipa Resources Limited, and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking 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.



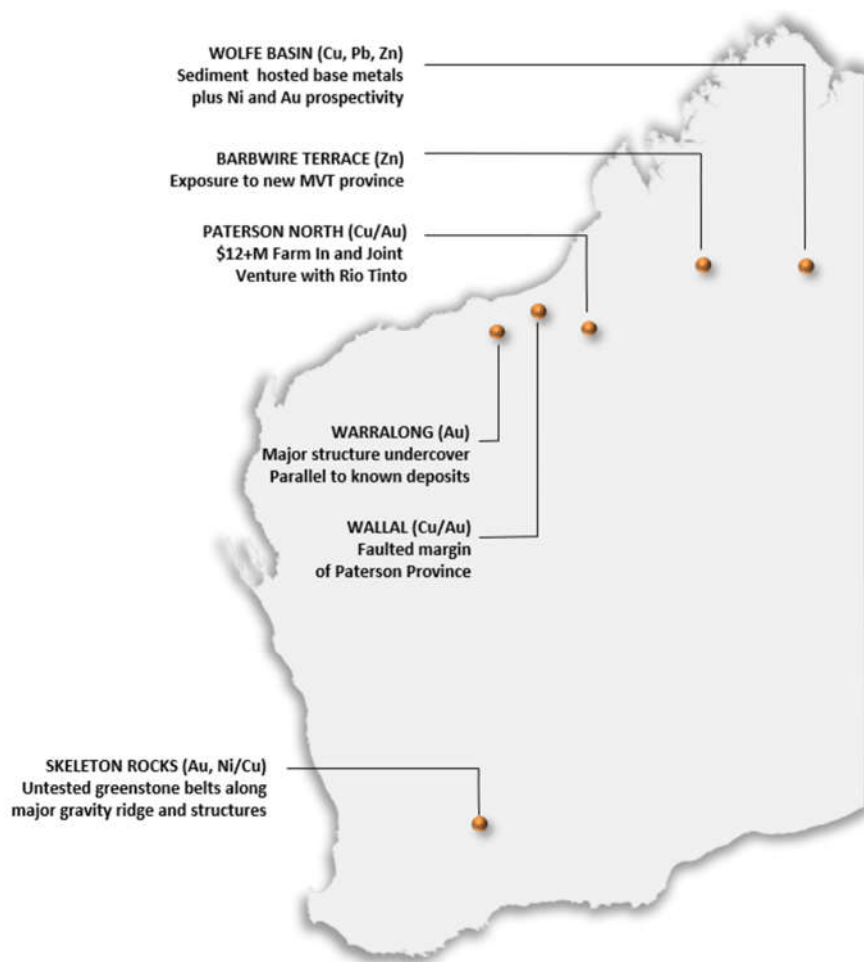


## About Sipa

Sipa Resources Limited (ASX: SRI) is an Australian-based exploration company focused on the discovery of gold and base metal deposits. In addition to the Paterson North Copper-Gold Project the Company has generated 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.

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 along a major structure in the north Pilbara region in a 'look-alike' structural setting to recent discoveries in the district.

The 100%-owned Uganda Base Metals Project contains an intrusive-hosted Ni-Cu sulphide discovery with significant scale potential. Sipa is currently in discussions with several parties to fund further exploration at this project.



### Sipa's Project Locations in Australia

Authorised for release by the Board of Sipa Resources Limited. For more information please contact:

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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
<b>Sampling techniques</b>	<ul style="list-style-type: none"> <li>Nature and quality of sampling (eg 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). These examples should not be taken as limiting the broad meaning of sampling.</li> <li>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</li> <li>Aspects of the determination of mineralisation that are Material to the Public Report.</li> <li>In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</li> </ul>	<ul style="list-style-type: none"> <li>Regional samples collected were a +2mm fraction.</li> <li>The rock chip samples reported were taken to test the strike extent of the gossan zone as observed in the field. Samples were chipped at approximately 100m intervals along the zone or where there was outcrop at about this interval.</li> <li>Regional samples were pulverized (entire sample), and 0.25g was dissolved by a 4-acid digest, with 48 elements analysed by ICP-MS. Rock chip samples were crushed and pulverized, with a 0.25g portion dissolved by a 4-acid digest, with 48 elements analysed by ICP-MS.</li> </ul>
<b>Drilling techniques</b>	<ul style="list-style-type: none"> <li>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg 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).</li> </ul>	<ul style="list-style-type: none"> <li>Not applicable.</li> </ul>
<b>Drill sample recovery</b>	<ul style="list-style-type: none"> <li>Method of recording and assessing core and chip sample recoveries and results assessed.</li> <li>Measures taken to maximise sample recovery and ensure representative nature of the samples.</li> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>Not Applicable.</li> </ul>



Criteria	JORC Code explanation	Commentary
<b>Logging</b>	<ul style="list-style-type: none"> <li>• 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.</li> <li>• Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</li> <li>• The total length and percentage of the relevant intersections logged.</li> </ul>	<ul style="list-style-type: none"> <li>• Not applicable.</li> </ul>
<b>Sub-sampling techniques and sample preparation</b>	<ul style="list-style-type: none"> <li>• If core, whether cut or sawn and whether quarter, half or all core taken.</li> <li>• If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</li> <li>• For all sample types, the nature, quality and appropriateness of the sample preparation technique.</li> <li>• Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</li> <li>• Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling.</li> <li>• Whether sample sizes are appropriate to the grain size of the material being sampled.</li> </ul>	<ul style="list-style-type: none"> <li>• The entire samples were crushed and split at the laboratory.</li> <li>• Not applicable</li> <li>• No field duplicates were collected, though duplicate samples of different fractions were collected from sites to level the results from different size fractions (see above).</li> </ul>
<b>Quality of assay data and laboratory tests</b>	<ul style="list-style-type: none"> <li>• The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</li> <li>• 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.</li> <li>• Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</li> </ul>	<ul style="list-style-type: none"> <li>• 48 element whole-rock analysis was completed by ALS Laboratories, Wangara using a four acid digest which approaches a total digest.</li> <li>• Lab Standards: ALS inserted either a duplicate, a standard, or a blank at least every 10th sample.</li> </ul>

Criteria	JORC Code explanation	Commentary
<b>Verification of sampling and assaying</b>	<ul style="list-style-type: none"> <li>The verification of significant intersections by either independent or alternative company personnel.</li> <li>The use of twinned holes.</li> <li>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</li> <li>Discuss any adjustment to assay data.</li> </ul>	<ul style="list-style-type: none"> <li>Not applicable.</li> <li>Not Applicable.</li> <li>Data entry is checked by a Perth-based Data Management Geologist and by the geologist who supervised the program.</li> <li>Assays have not been adjusted</li> </ul>
<b>Location of data points</b>	<ul style="list-style-type: none"> <li>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.</li> <li>Specification of the grid system used.</li> <li>Quality and adequacy of topographic control.</li> </ul>	<ul style="list-style-type: none"> <li>Soil and rock sample points have been located via hand-held GPS with approximate accuracy of +/- 3m.</li> <li>Grid system used is MGA94 Zone 52.</li> <li>RL assigned from SRTM DEM grid.</li> </ul>
<b>Data spacing and distribution</b>	<ul style="list-style-type: none"> <li>Data spacing for reporting of Exploration Results.</li> <li>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.</li> <li>Whether sample compositing has been applied.</li> </ul>	<ul style="list-style-type: none"> <li>Regional soil samples were collected on a 1x1km triangular grid and locally closer spaced to 200X200m, with site locations adjusted for local access and regolith conditions. Rock chip samples reported were where outcrop was available and at about 100m intervals along strike.</li> <li>No sample compositing was applied.</li> </ul>
<b>Orientation of data in relation to geological structure</b>	<ul style="list-style-type: none"> <li>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</li> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>Rock chip samples were collected where possible across interpreted strike of the horizon of interest.</li> </ul>
<b>Sample security</b>	<ul style="list-style-type: none"> <li>The measures taken to ensure sample security.</li> </ul>	<ul style="list-style-type: none"> <li>Samples were sent by truck from the field in sealed, uniquely numbered bags direct to the laboratory in Perth.</li> </ul>
<b>Audits or reviews</b>	<ul style="list-style-type: none"> <li>The results of any audits or reviews of sampling techniques and data.</li> </ul>	<ul style="list-style-type: none"> <li>No audits done.</li> </ul>

## Section 2 Reporting of Exploration Results (Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
<b>Mineral tenement and land tenure status</b>	<ul style="list-style-type: none"> <li>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.</li> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>The results reported in this Announcement are on a granted Exploration Licence, E80/5344, held by Sipa Exploration NL, a 100% beneficially owned subsidiary of Sipa Resources Limited.</li> <li>At this time the tenement is believed to be in good standing, with all necessary licences to conduct mineral exploration having been obtained.</li> </ul>
<b>Exploration done by other parties</b>	Acknowledgment and appraisal of exploration by other parties.	<ul style="list-style-type: none"> <li>No known previous mineral exploration activity has been conducted prior to Sipa.</li> </ul>
<b>Geology</b>	Deposit type, geological setting and style of mineralisation.	<ul style="list-style-type: none"> <li>The Wolfe Basin Project covers the Neoproterozoic stratigraphy of the Wolfe Basin. Sipa is targeting base metal deposits derived from basinal fluids of the Neoproterozoic Wolfe Basin, equivalent in age and supersequence to the units that underly and host the Nifty Cu deposit, driven by orogenies against the margin of the Kimberley Block in a similar manner to those that led to the formation of Nifty. The primary target host is mineralisation localised in the lower reductant unit in the basin adjacent to structures that may channel fluid flow.</li> </ul>
<b>Drillhole Information</b>	<p>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:</p> <ul style="list-style-type: none"> <li>easting and northing of the drill hole collar</li> <li>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</li> <li>dip and azimuth of the hole</li> <li>down hole length and interception depth</li> <li>hole length.</li> </ul> <p>If the exclusion of this information is justified on the basis that</p>	<ul style="list-style-type: none"> <li>Not Applicable</li> </ul>



Criteria	JORC Code explanation	Commentary
	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.	
<b>Data aggregation methods</b>	<p>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.</p> <p>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.</p> <p>The assumptions used for any reporting of metal equivalent values should be clearly stated.</p>	Assay results referred to in the text and figures were previously reported on 26/2/2020.
<b>Relationship between mineralisation widths and intercept lengths</b>	<p>These relationships are particularly important in the reporting of Exploration Results.</p> <p>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</p> <p>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</p>	Not applicable.
<b>Diagrams</b>	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.	Reported in Text.
<b>Balanced reporting</b>	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.	Assay results referred to in the text are tabled with no weighting. All assay results available for the gossan sampling are included.

Criteria	JORC Code explanation	Commentary
<b>Other substantive exploration data</b>	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.	
<b>Further work</b>	The nature and scale of planned further work (eg 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.	As reported in the text