



March 2021 Quarterly Report Presentation

Karl Simich, Managing Director & CEO

28 April 2021

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All figures are expressed in Australian dollars unless otherwise stated.

This presentation should be read in conjunction with the Company's Quarterly Report released today.

This presentation is authorised for market release by Sandfire's Managing Director and CEO, Mr Karl Simich.

Forward-Looking Statements

This presentation may include forward-looking statements. Forward-looking statements are only predictions and are subject to risks, uncertainties and assumptions which are outside the control of Sandfire. There is continuing uncertainty as to the full impact of COVID-19 on Sandfire's business, the Australian economy, share markets and the economies in which Sandfire conducts business. Given the high degree of uncertainty surrounding the extent and duration of the COVID-19 pandemic, it is not currently possible to assess the full impact of COVID-19 on Sandfire's business or the price of Sandfire securities. Actual values, results or events may be materially different to those expressed or implied in this presentation. Given these uncertainties, recipients are cautioned not to place reliance on forward-looking statements. Any forward-looking statements in this presentation speak only at the date of issue of this presentation. Subject to any continuing obligations under applicable law and the ASX Listing Rules, Sandfire does not undertake any obligation to update or revise any information or any of the forward-looking statements in this presentation or any changes in events, conditions or circumstances on which any such forward-looking statement is based.

The Expansion Case to 5.2Mtpa referred to in this presentation, where it relates to A4 and other prospects, is based on preliminary resource drilling, technical and economic assessments. Drilling and associated study work at A4 is currently insufficient to support estimation of Ore Reserves or to provide assurance of an economic Expansion Case for the Motheo Production Hub.

Strategy

Creating value
through
opportunity



Highlights

March 2021
Quarter

- **DeGrussa copper production:** 16,803t of contained copper (YTD: 52,593t) and 9,100oz of contained gold (YTD: 30,443oz) at C1 US\$0.87/lb (YTD US\$0.77/lb); pleasing safety performance:
 - **FY2021 guidance:** positioning for upper end of guidance 67-70kt of contained copper and 36-40koz of contained gold, C1 guidance reduced to US\$0.80-\$0.85/lb
 - **Resource drilling at Old Highway Gold Prospect well advanced** – studies continue on transition to gold production at DeGrussa leveraging existing infrastructure
- **5.2Mtpa Motheo Production Hub** concept:
 - Development of the initial **3.2Mtpa operation at T3** commenced with **12.5-year mine life** at **~30ktpa Cu and 1.2Mozpa Ag**
 - Growth potential of A4 deposit (Maiden **100kt Cu Inferred Mineral Resource**) highlighted by post-resource **high-grade intercepts of up to 16% Cu** – Mineral Resource update pending
 - **Exceptional exploration upside** within dominant 26,650km² ground-holding in Botswana and Namibia
- **Black Butte Copper Project, USA** – Feasibility Study enhancement underway; new near-resource exploration program completed, with assay results pending
- **Strong \$463.6M cash holding and no debt** at Quarter-end (excluding lease liabilities)

The health and well-being of our people is of paramount importance to us

Safety, health and well-being

- Total Recordable Injury Frequency Rate (TRIFR) of 4.7 at Quarter-end (3.1 at December 2020 Quarter-end)
- Continued focus on employee and contractor health and well-being during the COVID-19 global pandemic and response
- Our Botswana employees embarked on a project to assist the Ghanzi District Health Management Team to renovate an old house at the Ghanzi Hospital to provide additional COVID-19 isolation accommodation for the community



DeGrussa

Strong
foundations in
Western Australia



DeGrussa Operations, WA

- DeGrussa Copper-Gold Mine
- Monty Copper-Gold Mine

Exploration

- Greater Doolgunna Province, WA
- East Coast Portfolio (NSW, Qld)

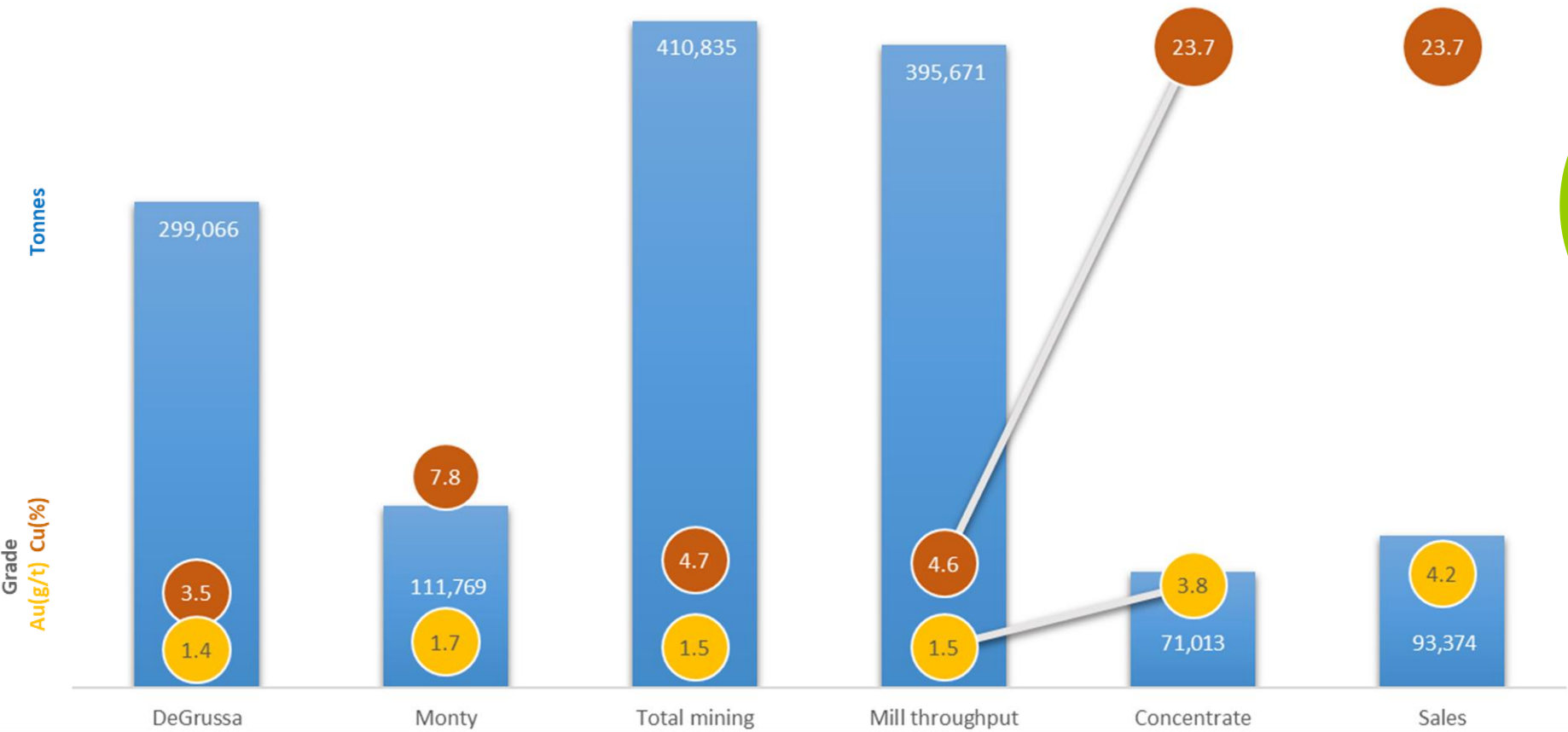
DeGrussa Operations | March 2021 Quarter Production



MINING

PROCESSING

SALES



Copper production:
16,803t Cu
9,100oz Au
contained

DeGrussa Operations | Operating costs and capital



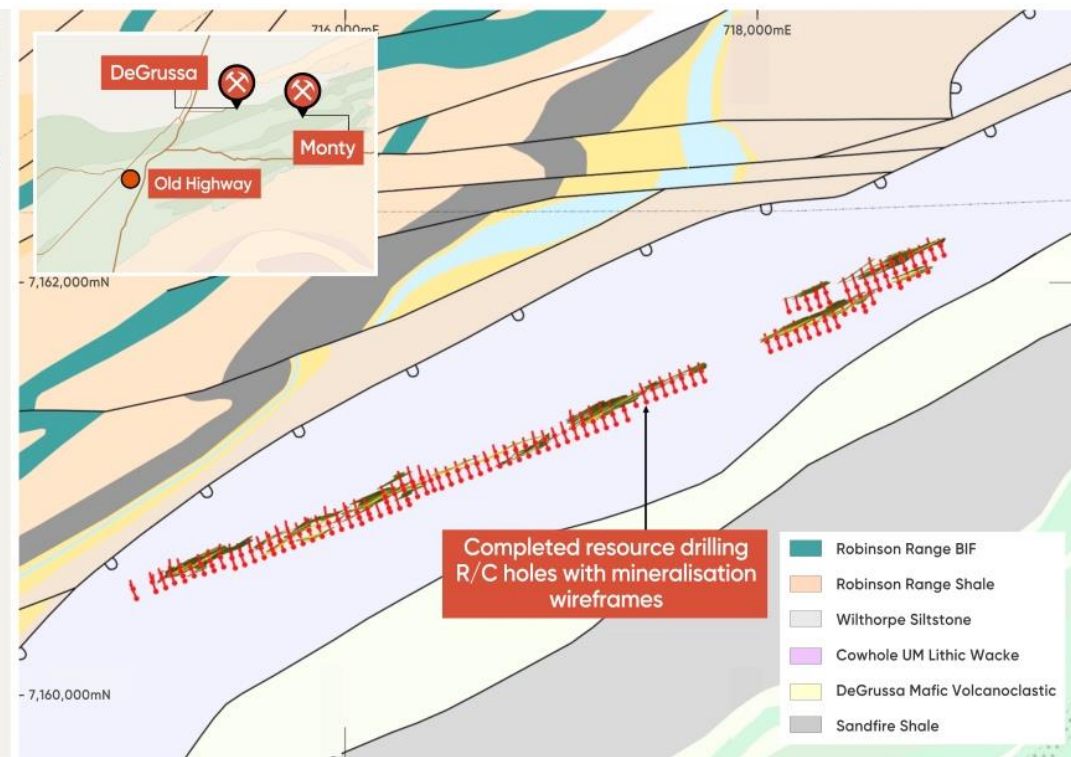
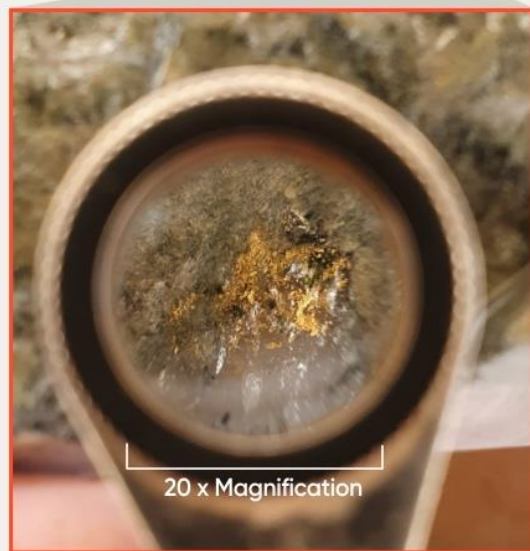
Unit operating costs	Q3 FY2021 (US\$/lb)	YTD FY2021 (US\$/lb)	Commentary
Mining	0.50	0.51	<ul style="list-style-type: none"> Upper end of copper and gold production guidance driving expected FY2021 C1 costs reduced to US\$0.80 - \$0.85/lb Q3 FY2021 DeGrussa mine development \$10M; FY2021 Guidance \$39M Q3 FY2021 Monty mine development \$2M; FY2021 Guidance \$9M 9,000t of copper concentrate holding at Quarter end
Processing	0.31	0.30	
Business services	0.11	0.11	
Transport	0.26	0.25	
Treatment and refining	0.17	0.15	
C1 cost (pre by-product credit)	1.35	1.33	
By-product credit	(0.48)	(0.56)	
C1 cost	0.87	0.77	
Royalties	0.24	0.20	
Production cost	1.11	0.97	
Depreciation and amortisation	0.97	0.85	
Total production cost	2.08	1.82	

Potential transition to gold production at DeGrussa

- Resource drilling continues at Old Highway Gold Prospect, 22km from DeGrussa
- Mineralisation hosted in quartz veining associated with shearing in sediments
- Scoping studies in progress
- Potential to open other gold exploration opportunities in the Doolgunna region

DeGrussa

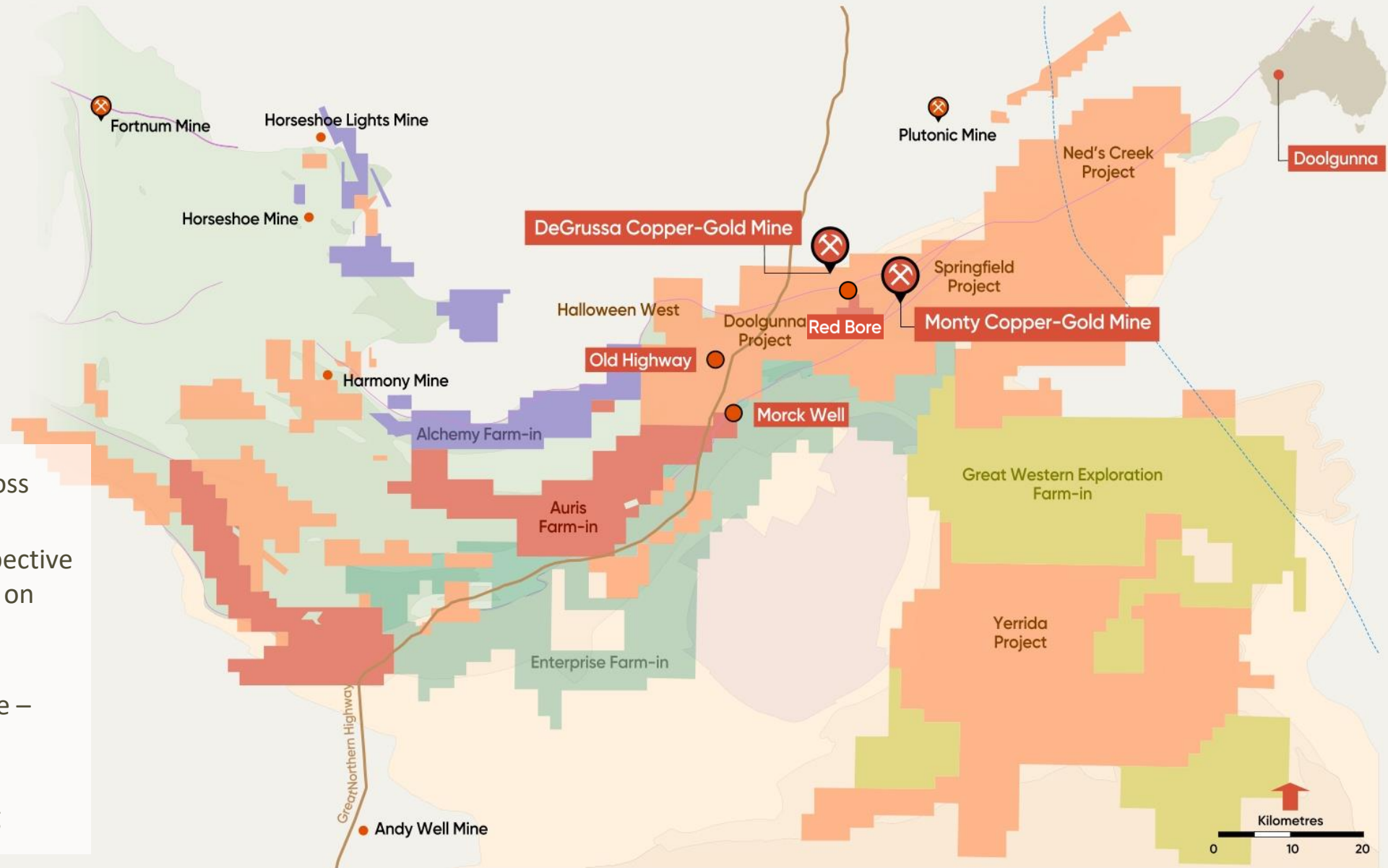
Gold Transition Strategy



Doolgunna | World-Class VMS Exploration Project



- Strategic 7,189km² footprint across the Bryah Basin
- Over 90km strike length of prospective VMS lithologies – strategic focus on southern limb of Bryah Basin
- Three centres of sulphide mineralisation discovered to date – DeGrussa, Monty, Morck Well
- Extensive and multi-pronged exploration programs continuing



Sandfire managed exploration on the strategically located Red Bore tenement (85% interest)

- Commenced Moving Loop EM over the tenements and a review of historical data
- Deep drill hole has progressed and is expected to complete in the June 2021 Quarter



DeGrussa

Red Bore
Exploration

Tshukudu

Expanding
horizons in
Botswana

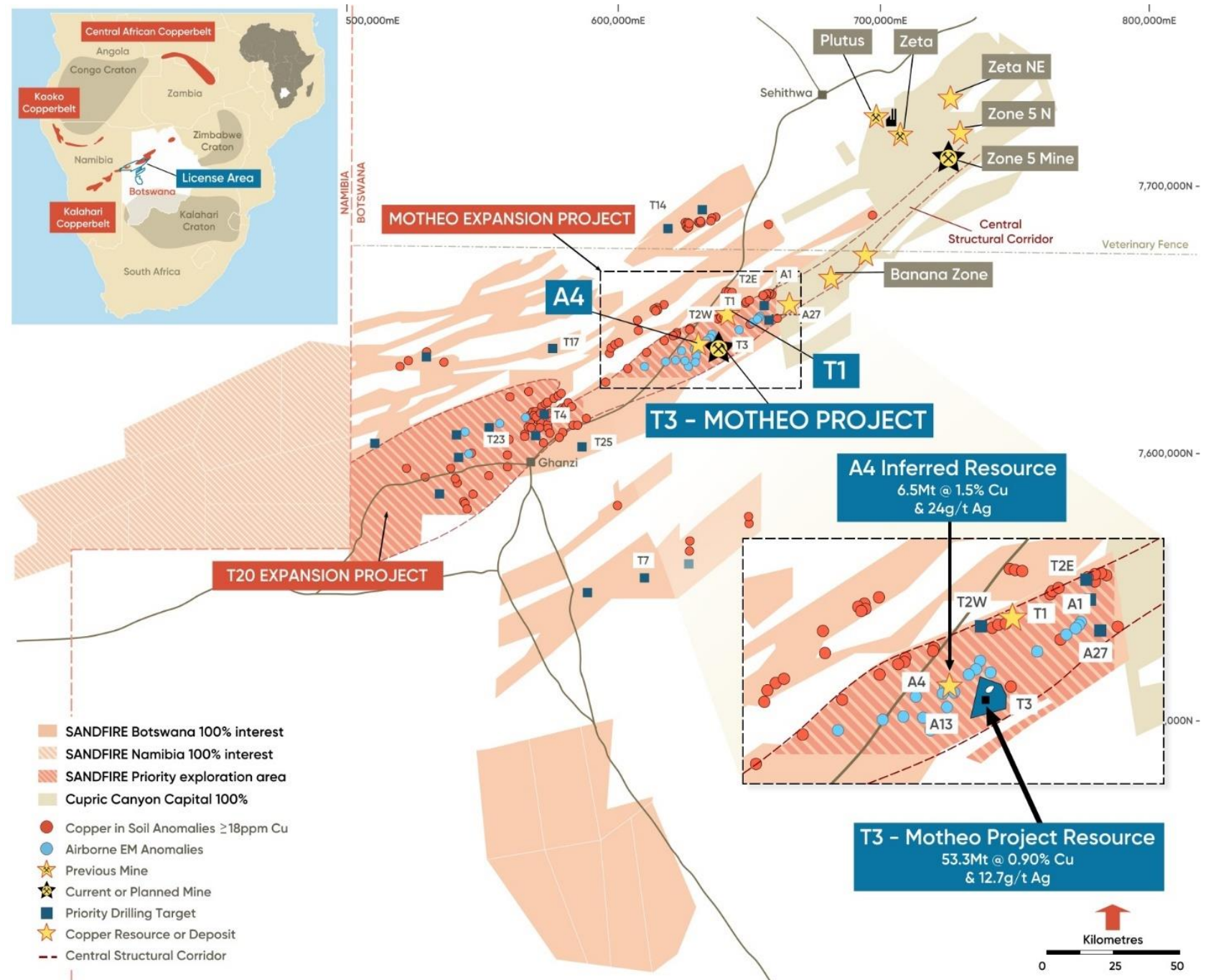


Tshukudu, Botswana

- T3-Motheo Copper-Silver Project
- A4, T1 Expansion Projects
- 26,650km² exploration portfolio (Botswana and Namibia)

Tshukudu

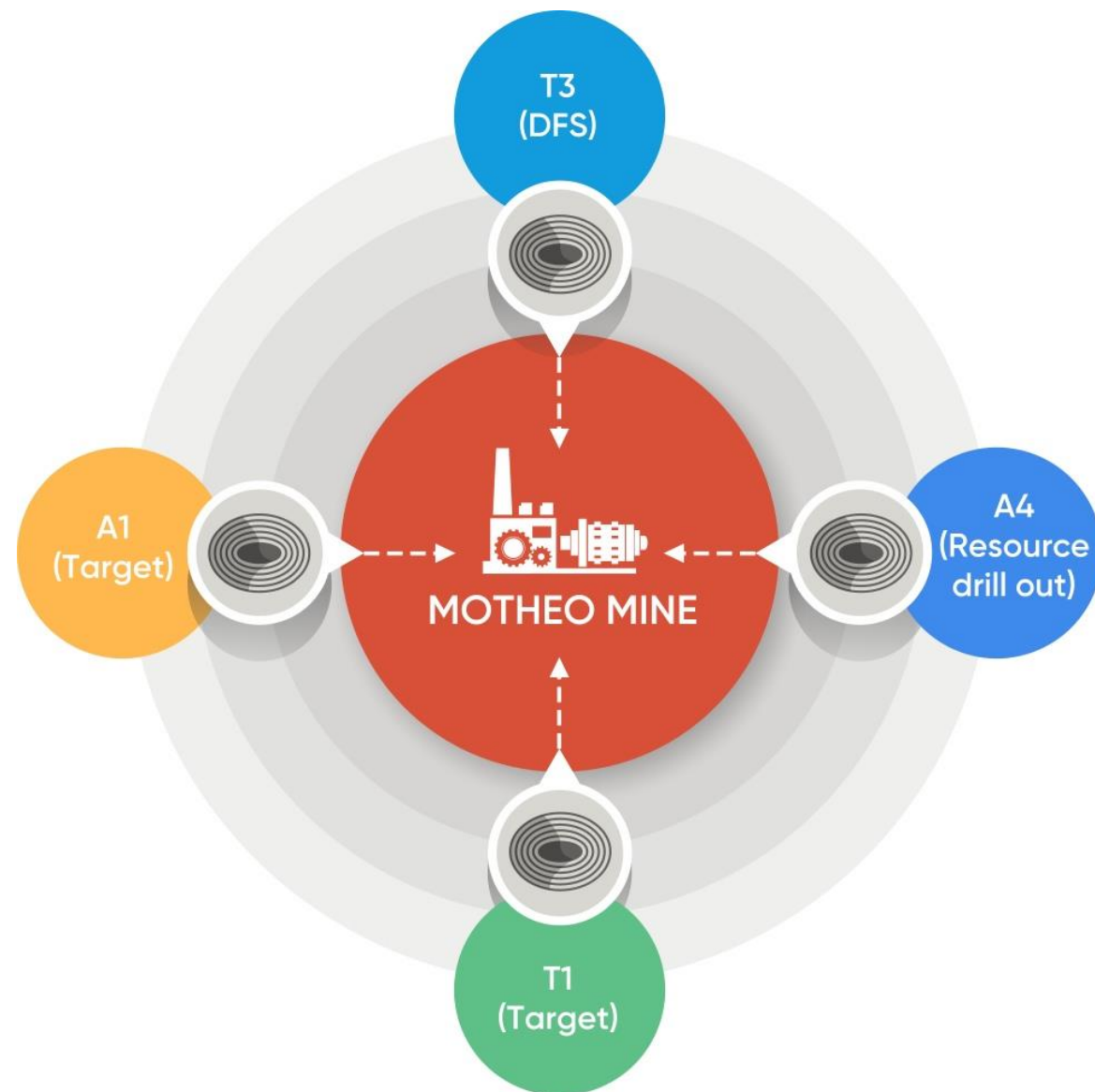
Dominant position
in the Kalahari
Copper Belt –
26,650km²



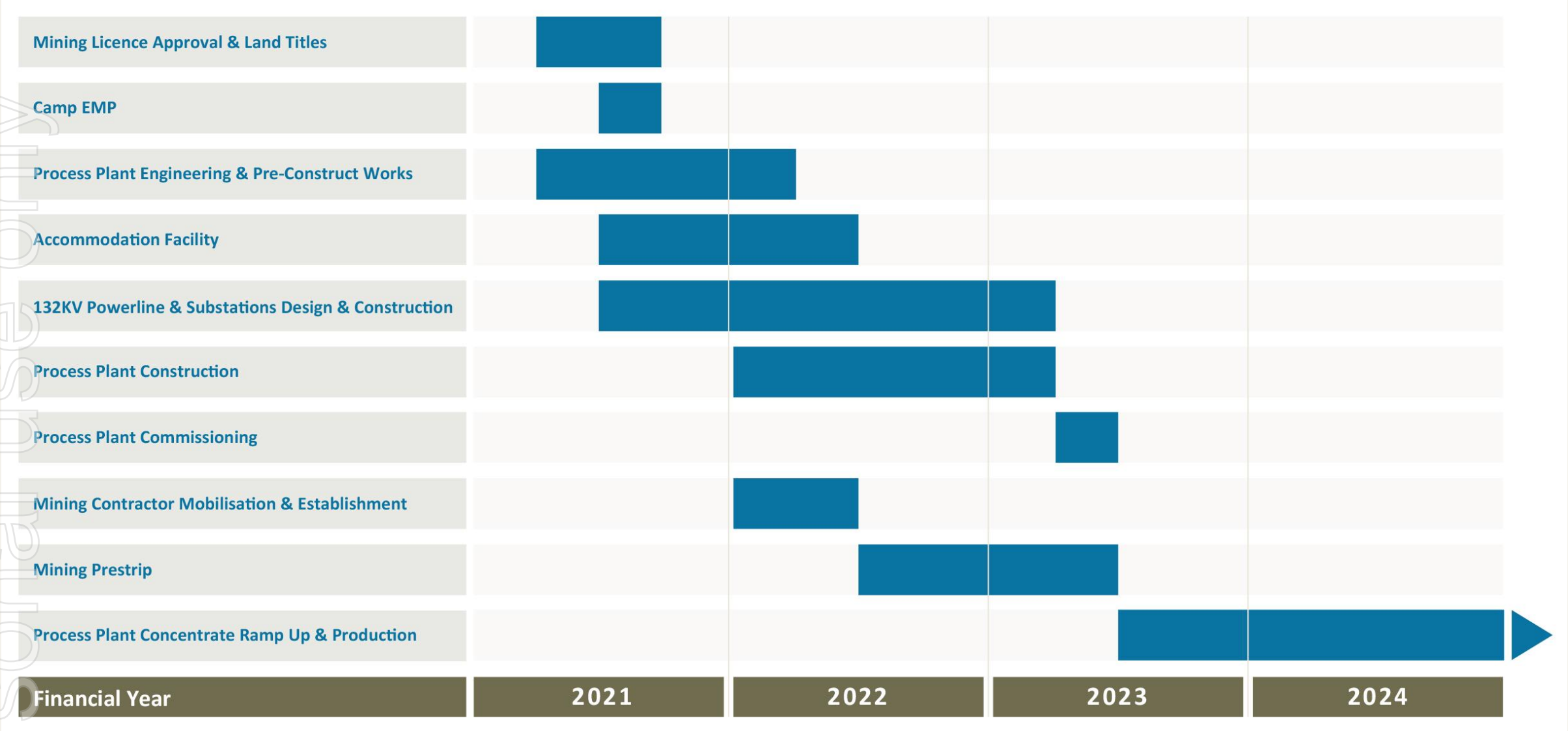
Motheo Production Hub

5.2Mtpa
expansion case

- Definitive Feasibility Study (DFS) for T3 3.2Mtpa Project completed
- Clear visibility to rapidly expand production to 5.2Mtpa through the addition of the A4 deposit
- T3-Motheo construction includes US\$20M upfront investment to facilitate cost effective expansion to 5.2Mtpa
- Significant potential to extend mine life through drilling at further targets including A1, T1, T2W & T2E, A27 and A13 – all located within ~30km radius of processing plant



T3-Motheo Development Timeline



Motheo Production Hub

Key progress

- Submitted the T3 Definitive Feasibility Study to the Government of Botswana
- Commenced recruitment of in-country team
- Secured land access
- Project debt funding term sheet submission by nine Banks
- Completed in-fill drilling at the A4 deposit as the basis for Feasibility and Engineering Studies
- Detailed engineering design of the process plant by Lycopodium 50% complete
- Detailed engineering design of the TSF by Knight Piesold 75% complete
- Ordering of long lead items and negotiation of key supply and operational contracts ahead of award



Motheo Production Hub

Next steps

- Complete final permitting and secure grant of the Mining Licence for the T3 Project
- Finalise recruitment of in-country team
- Finalise land access
- Project debt funding evaluation and shortlisting for credit approvals and funding agreement negotiation
- Ordering of remaining long lead items and award of key contracts
- Completion of A4 recovery and comminution metallurgical testwork
- Reporting of an updated A4 Mineral Resource for use in Reserve estimation
- Advance exploration within the Motheo Expansion Project targeting potential new deposits



Motheo Production Hub

A4 Maiden Inferred Mineral Resource

- Maiden A4 Inferred Mineral Resource was based on 79 holes and is approximately 70% higher Cu grade than T3, and 1.75% Cu equivalent grade
- Valuable additional feed potential, forming the initial basis of the proposed expansion to 5.2Mtpa processing rate
- Additional in-fill and extensional diamond drill holes have been completed and are to be included in the pending Mineral Resource estimate update

Maiden Inferred A4 Mineral Resource

Mineral Resource Category	Cu % cut-off	Tonnes (Mt)	Copper (%)	Contained Copper (kt)	Silver (g/t)	Contained Silver (Moz)
Inferred	0.5%	6.5	1.5	100	24	4.9
Total	0.5%	6.5	1.5	100	24	4.9

Calculations have been rounded to the nearest: 100kt; 0.1% Cu grade; 1kt Cu metal; 1g/t Ag grade; and 100koz Ag metal. Differences may occur due to rounding. Equivalent grades are calculated using DFS copper and silver consensus pricing.



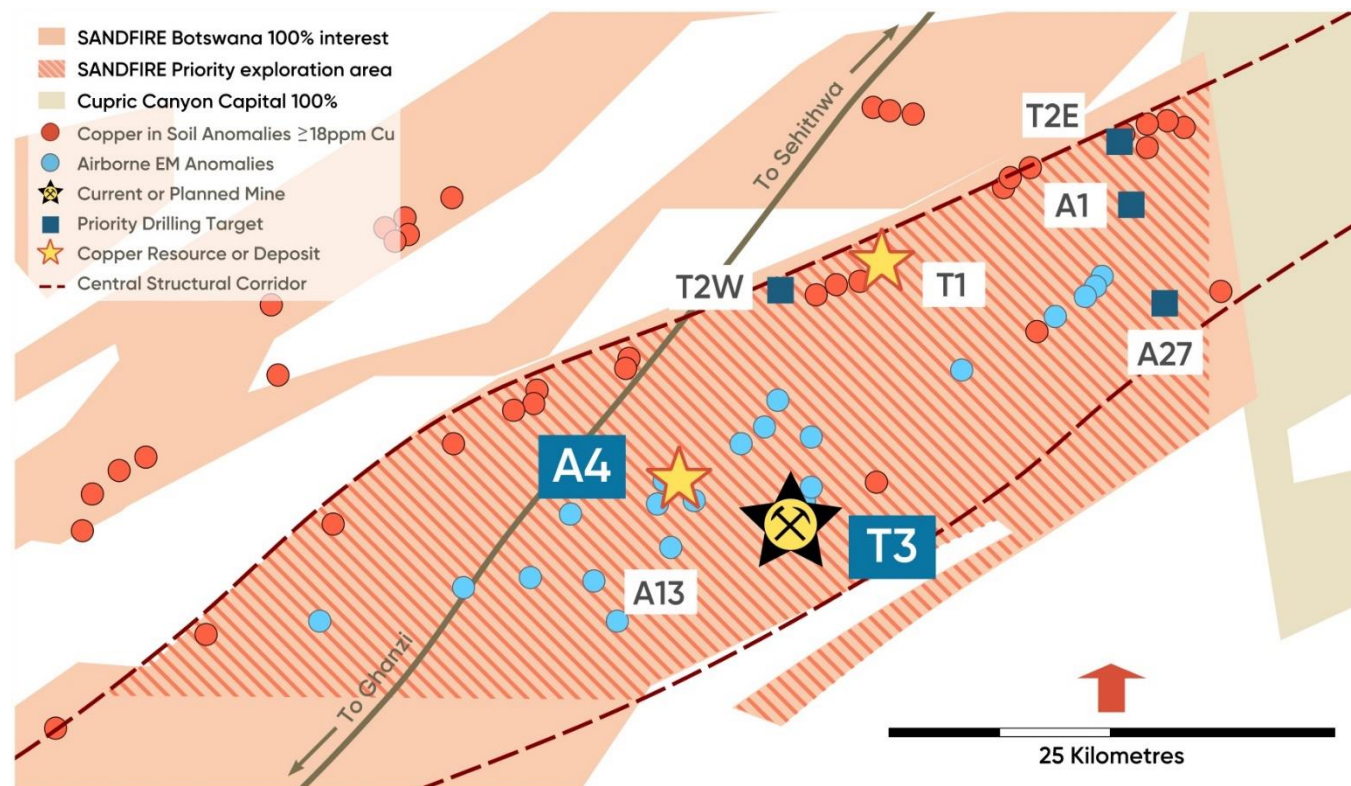
High grade vein hosted bornite/chalcocite mineralisation including an interval of 61.16% Cu from 138.70m to 139.60m downhole depth intersected in hole MO-A4-138D at A4 (refer ASX Announcement, dated 1 December 2020).

Motheo Production Hub

Expansion Area

- Expanded exploration underway to:
 - Target high-grade satellite discoveries within the Motheo Expansion Project area with the potential to increase the scale of the Motheo Production Hub
 - Delineate additional resources with the potential to extend mine life
 - Target major new regional discoveries to unlock the belt's broader potential
- Initial focus within the ~1,000km² Motheo Expansion Area

Tshukudu Exploration: Motheo Expansion Project – Priority Targets



Black Butte

Montana, USA



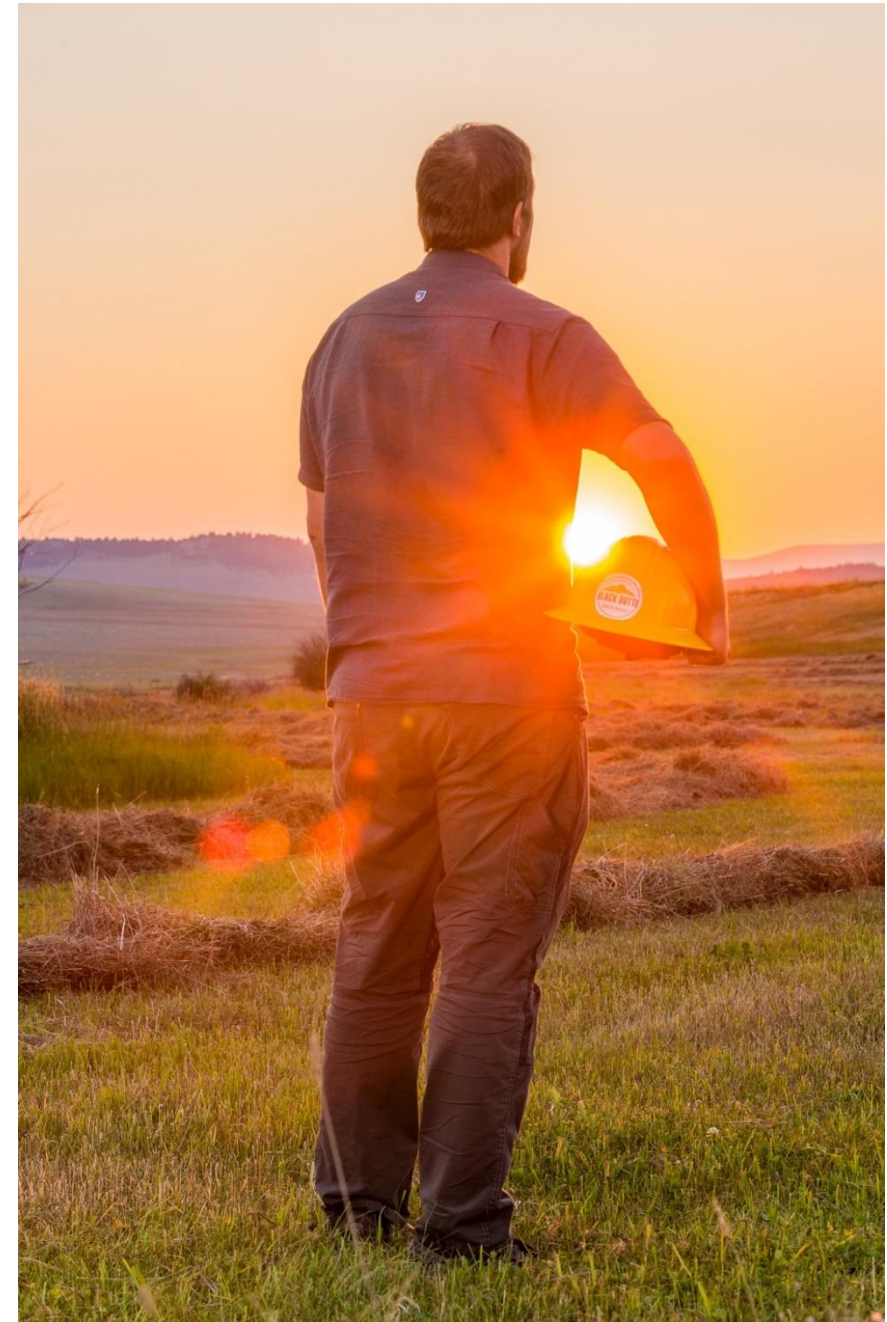
Black Butte Copper Project, Montana, USA (87%)



Black Butte Copper Project

Current activities
and outlook

- Early project works complete
- Enhancement of Feasibility Study being progressed
- Exploration program within the Mining Lease targeting potential extensions and other near-mine opportunities
- Continuing to respond to and deal with legal challenges to permitting



Key highlights

March 2021
Quarter

- ✔ **Strong foundations** – high-margin production and cash-flow, strong and building debt-free balance sheet
- ✔ **New long-life production hub** being developed in Botswana with development of T3 commenced in Q3 FY2021
- ✔ **Highly prospective global exploration portfolio** to drive organic growth
- ✔ **A capable and focused** international exploration, development and mining operations team
- ✔ **A strong platform** for long-term value-creation in a rising copper market

Sandfire has begun its transformation from a single-mine company operating in Australia into a diversified and sustainable mining company



T3 Ore Reserve

The information in this report that relates to Open Pit Ore Reserves, is based on information compiled by Mr Jake Fitzsimons who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Fitzsimons is employed by Oreology Consulting Pty Ltd and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Fitzsimons consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

T3 and A4 Mineral Resource

The information in this report that relates to Mineral Resources is based on information compiled by Mr Callum Browne who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Browne was a permanent employee of Sandfire and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Browne consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Exploration Results – Tshukudu

The information in this report that relates to Exploration Results at the Tshukudu Exploration Project, Botswana is based on information compiled by Mr Julian Hanna who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Hanna is a permanent employee of Sandfire and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Hanna consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Exploration Results – Doolgunna

The information in this report that relates to Exploration Results at Doolgunna is based on information compiled by Mr Ian O'Grady who is a Member of the Australian Institute of Geoscientists. Mr O'Grady is a permanent employee of Sandfire and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr O'Grady consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Exploration and Resource Targets

Any discussion in relation to the potential quantity and grade of Exploration and Resource Targets is only conceptual in nature. While Sandfire is continuing exploration programs aimed at reporting additional JORC compliant Mineral Resources, there has been insufficient exploration to define mineral resources in addition to the current JORC compliant Mineral Resource inventory and it is uncertain if further exploration will result in the determination of additional JORC compliant Mineral Resources.








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