



## A Transformational Year

2021 Annual General Meeting Presentation

Karl Simich, MD & CEO

26 November 2021

# Sandfire Important Information and Disclaimer

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## Forward-looking statements and forecasts

This Presentation contains certain "forward-looking statements" and comments about future matters. Forward-looking statements can generally be identified by the use of forward-looking words such as, "expect", "anticipate", "likely", "intend", "should", "could", "may", "predict", "plan", "propose", "will", "believe", "forecast", "estimate", "target", "outlook", "guidance" and other similar expressions within the meaning of securities laws of applicable jurisdictions. Forward-looking statements include, but are not limited to, statements about the completion of the MATSA transaction, statements about the future performance of SFR and MATSA post completion of the MATSA transaction and statements about SFR's plans, future developments and strategy. Indications of, and guidance or outlook on, production estimates and targets, future earnings or financial position or performance are also forward-looking statements. You are cautioned not to place undue reliance on forward-looking statements. Any such statements, opinions and estimates in this Presentation speak only as of the date hereof and are based on assumptions and contingencies subject to change without notice, as are statements about market and industry trends, projections, guidance and estimates. Forward-looking statements are provided as a general guide only. The forward-looking statements contained in this Presentation are not indications, guarantees or predictions of future performance and involve known and unknown risks and uncertainties and other factors, many of which are beyond the control of SFR, and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct.

There can be no assurance that actual outcomes will not differ materially from these forward-looking statements. A number of important factors could cause actual results or performance to differ materially from the forward-looking statements, including the risk factors set out in this Presentation. Investors should consider the forward-looking statements contained in this Presentation in light of those risks and disclosures. The forward-looking statements are based on information available to SFR as at the date of this Presentation. Except as required by law or regulation (including the ASX Listing Rules), SFR undertakes no obligation to supplement, revise or update forward-looking statements or to publish prospective financial information in the future, regardless of whether new information, future events or results or other factors affect the information contained in this Presentation.

## Limitation on information provided by Vendors

All information in this Presentation relating to MATSA, including in relation to historical production, historical costs, and other historic financial information has been sourced from the Vendors. SFR has conducted due diligence in relation to MATSA and the MATSA Mining Complex, but has not independently verified all such information and, to the maximum extent permitted by law, makes no representation or warranty, expressed or implied, as to the fairness, accuracy, correctness, completeness or adequacy of any information relating to those. Nothing in this Presentation can be relied on as implying that there has been no change to any information relating to MATSA or the MATSA Mining Complex since the date of this Presentation, or as a representation as to future matters in relation to the MATSA Mining Complex. The Vendors have not prepared this Presentation, do not make any statement contained in it and has not caused or authorised its release. The Vendors expressly disclaim any liability in connection with this presentation, and any statement contained in it, to the maximum extent permitted by law.

# Sandfire Important Information and Disclaimer (continued)

## JORC Code

It is a requirement of the ASX Listing Rules that the reporting of ore reserves and mineral resources in Australia comply with the Joint Ore Reserves Committee's Australasian Code for Reporting of Mineral Resources and Ore Reserves (JORC Code). Investors outside Australia should note that while ore reserve and mineral resource estimates of the Company in this document comply with the JORC Code (such JORC Code-compliant ore reserves and mineral resources being "Ore Reserves" and "Mineral Resources" respectively), they may not comply with the relevant guidelines in other countries and, in particular, do not comply with (i) National Instrument 43-101 (Standards of Disclosure for Mineral Projects) of the Canadian Securities Administrators ; or (ii) Subpart 1300 of Regulation S-K, which governs disclosures of mineral reserves in the United States for registration statements filed with the SEC.

On October 31, 2018, the U.S. Securities and Exchange Commission (SEC) adopted amendments to its disclosure rules to modernise the mineral property disclosure requirements for issuers whose securities are registered with the SEC under the U.S. Securities and Exchange Act of 1934 (US Exchange Act). Under the new SEC amendments, the disclosure requirements for mining registrants included in Industry Guide 7 under the US Securities Act have been rescinded and replaced with disclosure requirements in subpart 1300 of Regulation S-K. As a result, the SEC's standards for mining property disclosures are now more closely aligned to JORC requirements. For example, the SEC now recognises estimates of "measured mineral resources", "indicated mineral resources" and "inferred mineral resources." In addition, the SEC has amended its definitions of "proven mineral reserves" and "probable mineral reserves" to be "substantially similar" to the corresponding standards under the JORC Code. However, despite these similarities, SEC standards are still not identical to the JORC Code. Accordingly, investors are cautioned that there can be no assurance that the reserves and resources reported by the Issuer under the JORC Code would be the same had it prepared its reserve or resource estimates under the new SEC standards.

Information contained in this document describing mineral deposits may not be comparable to similar information made public by companies subject to the reporting and disclosure requirements of Canadian or US securities laws.

## SFR ore reserve and mineral resource estimates

The information in this presentation that relates to SFR's Mineral Resources or Ore Reserves is extracted from SFR's ASX releases and is available at <https://www.sandfire.com.au/site/Business/group-mineral-resources-ore-reserves> or [www.asx.com.au](http://www.asx.com.au). SFR confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and that all material assumptions and technical parameters underpinning the estimates in those.

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

## Key assumptions

The following assumptions apply to information in this presentation unless otherwise stated.

**Currency:** unless otherwise stated, all figures are in AUD.

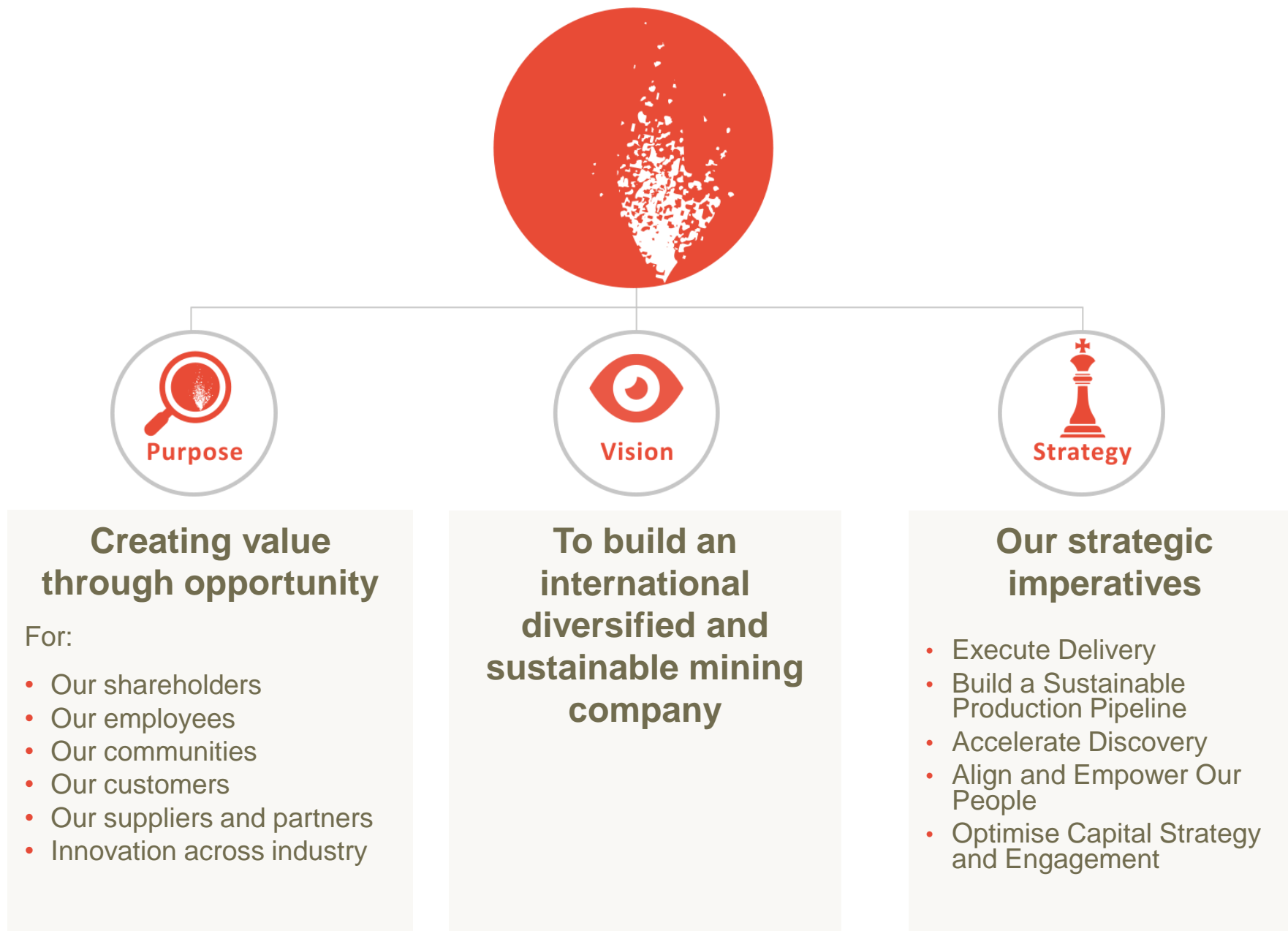
**Copper equivalent data:** Copper equivalent values are calculated by Sandfire on realised pricing for historical actual data and consensus for forecasts. Consensus pricing assumes long-term real prices of US\$3.43/lb Cu, US\$1.05/lb Zn, US\$0.86/lb Pb, US\$7.00/lb Ni, US\$20.6/lb Co, US\$9.0/lb Mo, US\$1,402/oz Au, US\$20.3/oz Ag.

**Foreign exchange assumption:** AUDUSD of 0.725.

Figures, amounts, percentages, estimates, calculations of value and other factors used in this presentation are subject to the effect of rounding.

## Sandfire

Strong alignment  
of Purpose, Vision  
and Strategy



## Highlights

Delivering on  
strategy

### DeGrussa Operations, Australia

- Produced 70,845t Cu and 39,459oz Au at C1 US\$0.82/lb in FY2021
- Strong safety performance – TRIFR of 4.0 at 30 June 2021
- Record financial results in FY2021

### MATSA Acquisition, Spain

- Transformational acquisition of the MATSA Mining Complex for US\$1,865m

### Kalahari Copper Belt, Botswana

- Motheo Copper Mine construction underway
- 5.2Mtpa Motheo Copper Hub concept supported by A4 Deposit Maiden Ore Reserve
- Significantly expanded exploration program underway

### Black Butte, USA

- Enhancements to Black Butte Copper Project Feasibility Study





Delivering on our  
six ESG priorities

1. **Thriving communities** – Champion local participation and prioritise local spend to deliver a lasting, positive contribution to the communities where we operate
2. **Promote workforce well-being** – pursue continual improvement in health and safety performance
3. **Water stewardship** – adopt water stewardship practices to manage water as an asset and build stakeholder trust
4. **Embracing a low emission future** – support the global transition to a low emission future and continue to adopt renewable energy at our operations
5. **Responsible business practices** – proactive approach to meeting regulatory obligations and maintain our social licence to operate
6. **Strong systems** – fit for purpose management systems



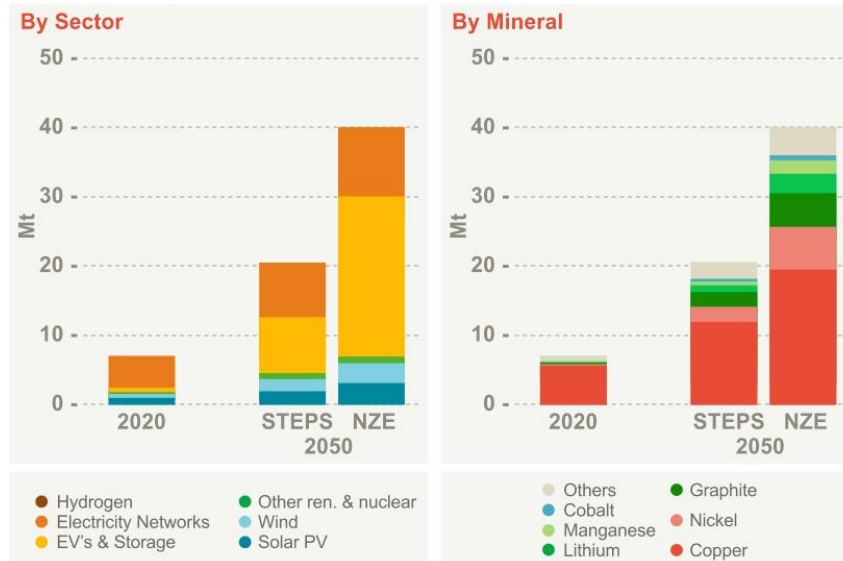
## Copper

A cornerstone  
“future-facing”  
metal for the  
global energy  
transition

- Strong year for the **US\$220 billion** copper market
- Copper price **up ~25%** since start of 2021 and **~50%** year-on-year
- Reflects **strong underlying demand** from construction and industrial sectors
- Growing recognition of copper’s status as a critical metal for **global energy transition**
- Demand from adoption of **new green technologies** projected to surge in the next decade
- **Global mine supply** remains structurally challenged due to declining discoveries and grades

Source: IEA, World Energy Outlook 2021

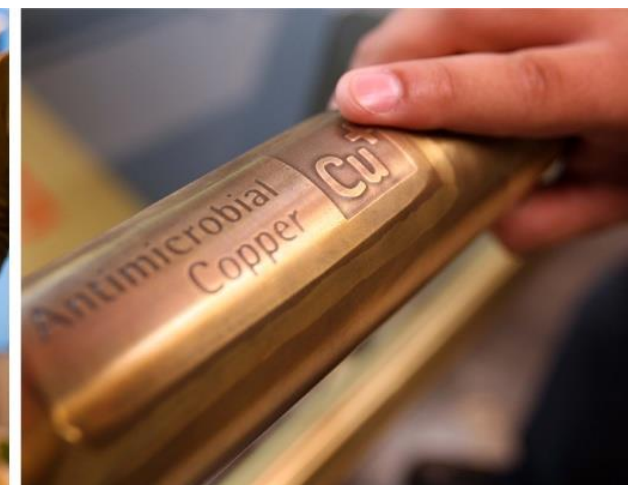
### Mineral Requirements for Clean Energy Technologies by Scenario



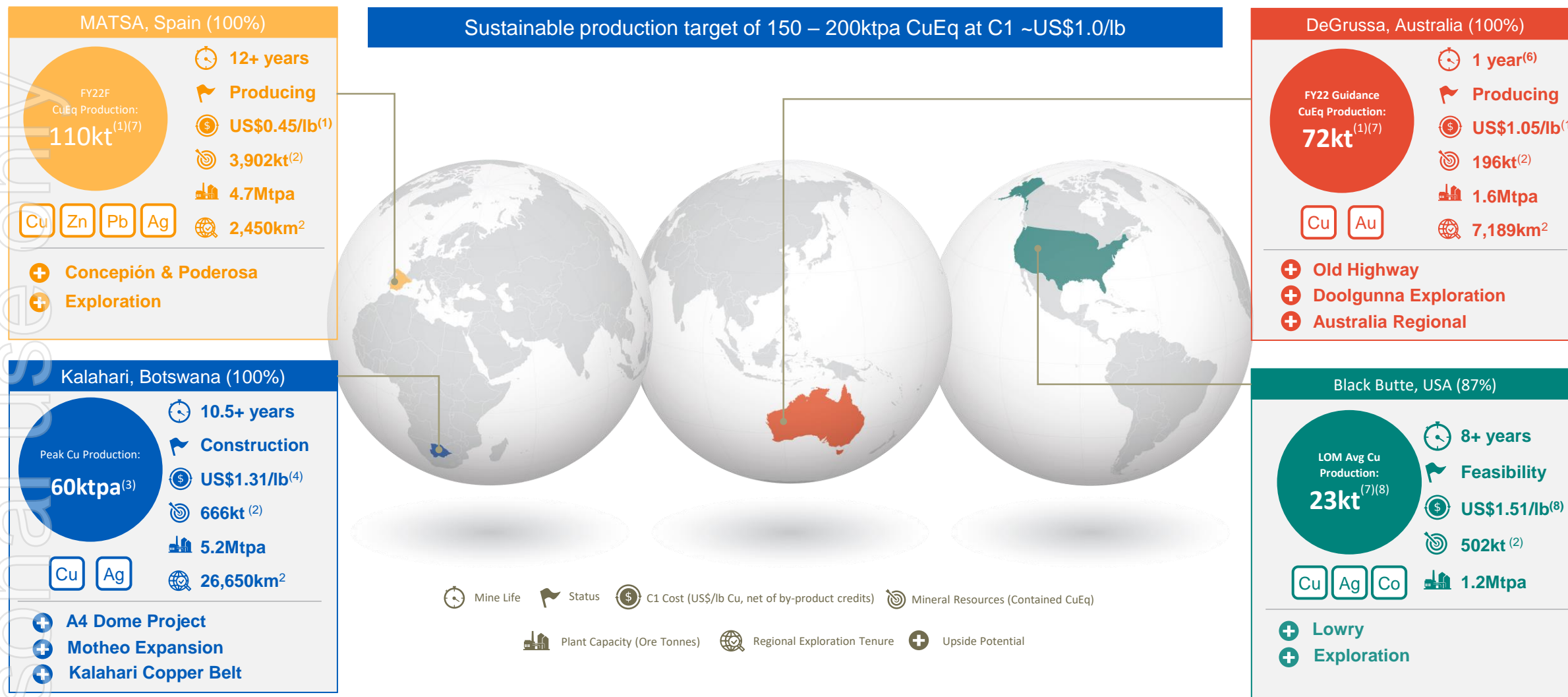
IAE, All rights reserved

**In the NZE, mineral requirements for clean energy technologies increase by up to six-times by 2050, with particularly high growth for EV-related materials**

Mt = million tonnes; ren = renewables. Includes most of the materials used in various clean energy technologies, but does not include steel and aluminum. (See IAE, 2021g for a full list of materials assessed)



# Sandfire Building A Global and Diversified Copper Miner



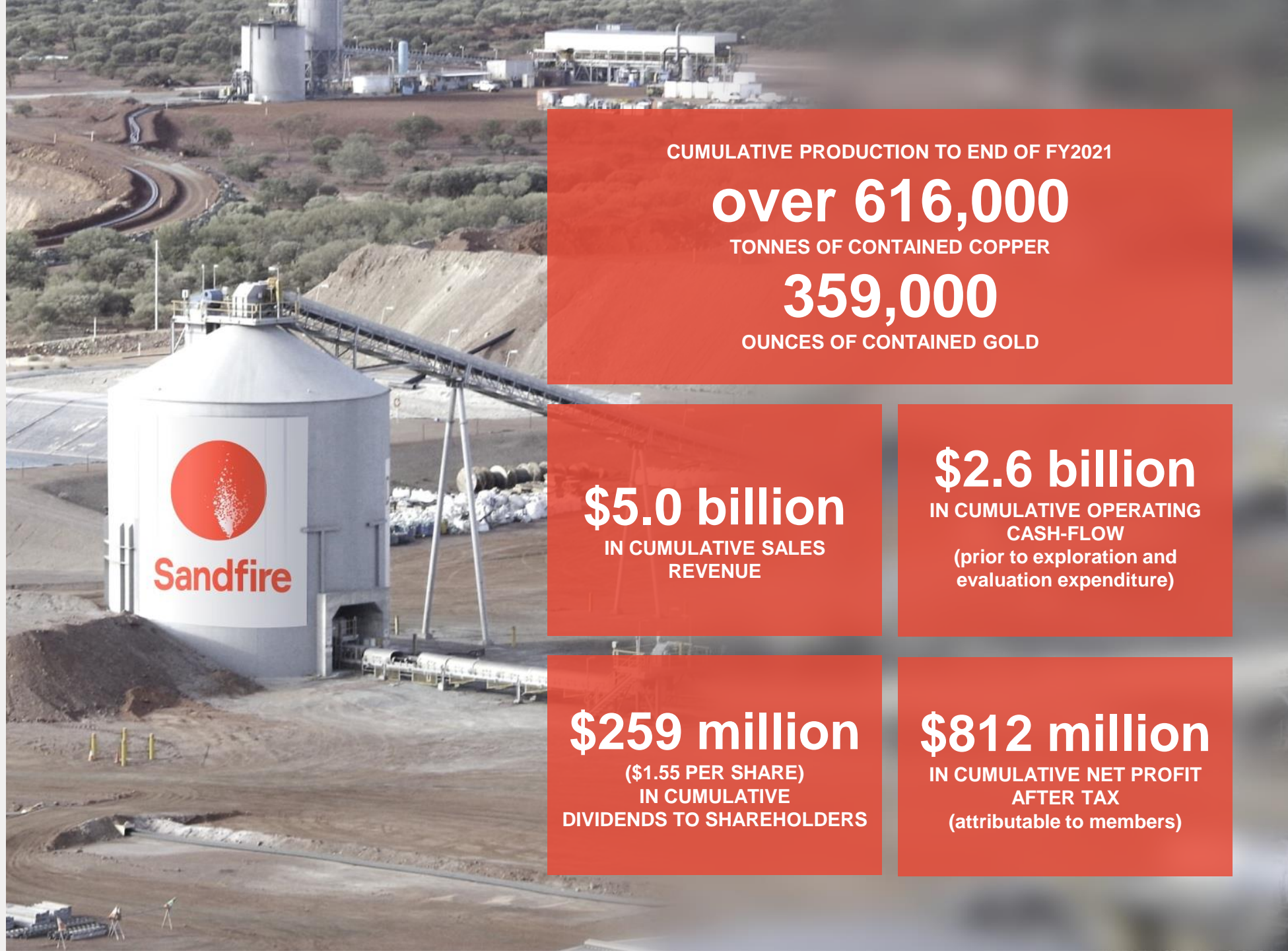
Notes: (1) Based on DeGrussa guidance and MATSA guidance assuming full year of production for illustration purposes – Sandfire is expected to complete the acquisition in the March 2022 quarter; (2) Shown on an attributable basis; (3) LOM average of 55ktpa. Production includes T3 and A4; (4) C1 cash costs in the first 10 years of operations; (5) 5.2Mtpa supported by A4 Ore Reserve Estimate (Refer to ASX Release 22 September 2021); (6) Excludes potential mine life extensions from Golden Highway development or exploration success; (7) CuEq based on realised pricing for actuals and broker consensus forecast pricing, consisting of long-term real prices detailed on page 3; (8) USA and Botswana Development Projects Update (ASX Release 28 October 2020).





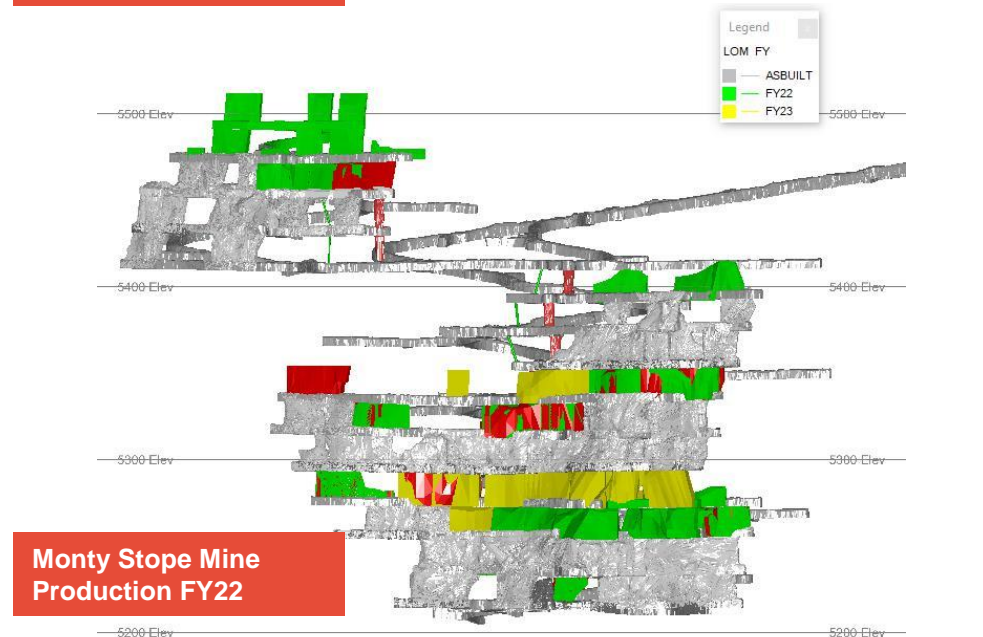
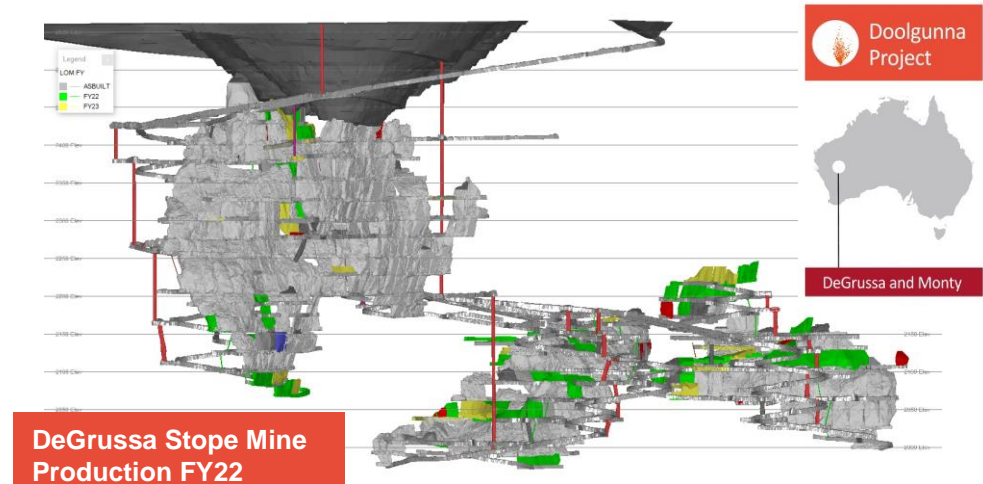
## DeGrussa Operations

Foundation of our  
success over the  
past decade



# Sandfire DeGrussa Operations – High-Grade Production

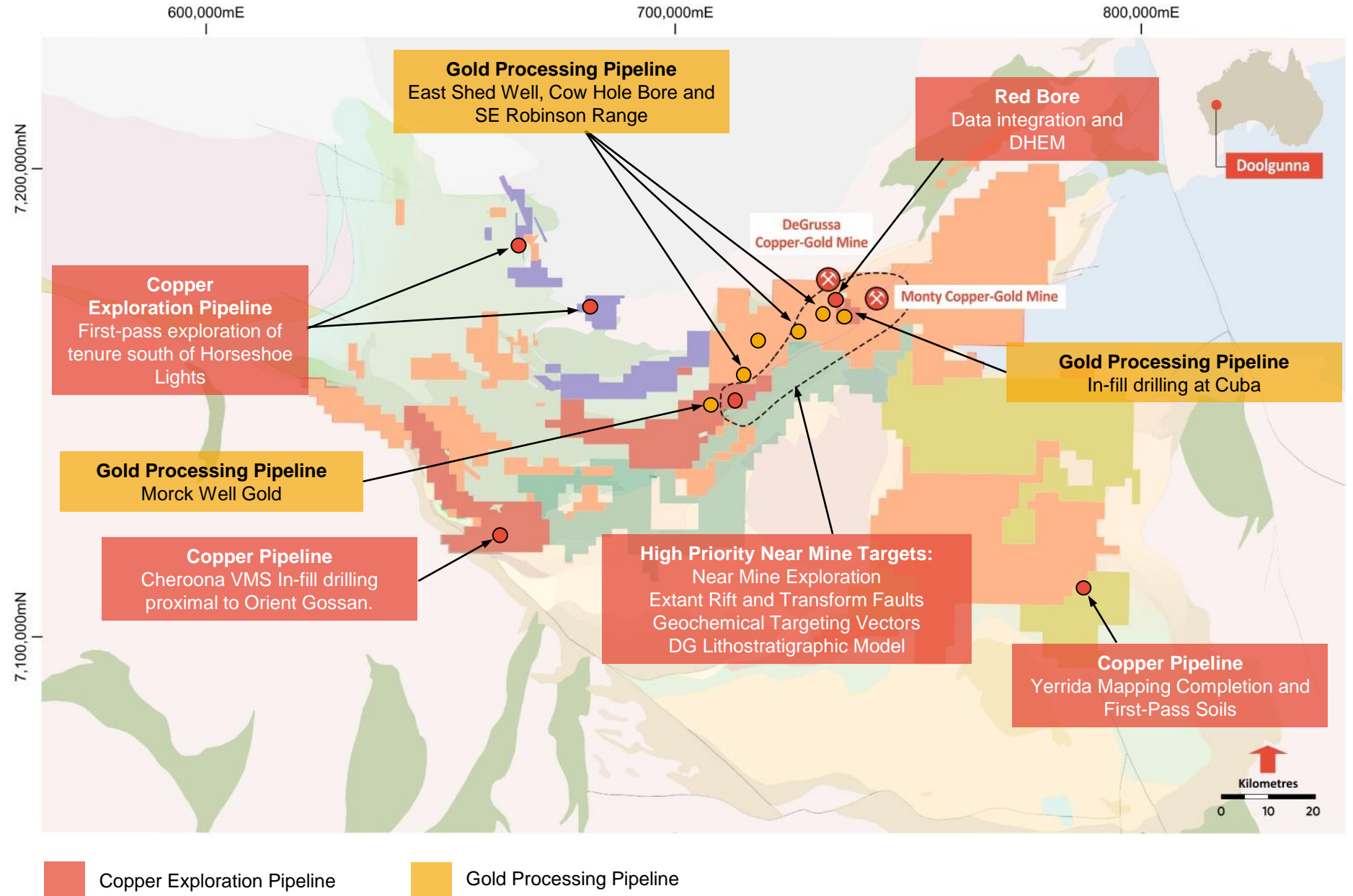
- 10 years of profitable and safe operations
- High-margin mine, capitalising on strong copper price
- FY2021 production beat guidance – 70,845t Cu and 39,459oz Au at C1 US\$0.82/lb
- Record sales revenue of \$813M in FY2021
- FY2022 guidance of 64-68kt Cu and 30-34koz Au
- Mining will be completed in early FY2023
- Dual-track exploration strategy for copper and gold





# Doolgunna

Dual-track exploration strategy





## Kalahari

Motheo Copper Mine opens an exciting new growth horizon



## Expansion PFS

ESTIMATES (SEPTEMBER 2021)

PEAK PRODUCTION OF

**60,000**

TONNES OF CONTAINED COPPER  
AND

**2.7 million**

OUNCES OF SILVER PER ANNUM

**US\$3.6  
billion\***

IN LIFE-OF-MINE REVENUE

**US\$1.24  
billion\***

IN PRE-TAX FREE CASH-FLOW

**\$1.32/lb**

C1 CASH COST IN FIRST 10  
YEARS OF OPERATIONS

**US\$366 million**

CAPITAL COST INCLUDING  
CONTINGENCY

**Q4 FY2023**

FIRST CONCENTRATE  
PRODUCTION (Base Case)

**Q1 FY2025**

FIRST CONCENTRATE  
PRODUCTION (Expansion)

\*Consensus pricing of US\$3.49/lb Cu



## Motheo Copper Mine

### Key Progress

- DFS completed and FID approval in December 2020
- Motheo Mining Licence granted in July 2021
- Motheo construction commenced immediately
- A4 Deposit Mineral Resource Estimate completed in July 2021
- 5.2Mtpa Expansion Case PFS and Maiden Ore Reserve estimate for the A4 Deposit completed in September 2021
- A4 Deposit ESIA commenced in September 2021
- A4 Feasibility Study on track for completion in March 2022 Quarter
- Project debt funding discussions progressing to plan









## MATSA

World-class VMS  
mine with  
exceptional growth  
potential and upside

ANNUAL PRODUCTION OF  
**~100-120,000**

TONNES OF COPPER EQUIVALENT

(~55,000t Cu and ~55,000t CuEq Zn, Pb, Ag  
FY2022 PRO FORMA GUIDANCE)

**4.7Mtpa**

PROCESSING PLANT

**US\$1.7 billion**

CAPITAL INVESTED SINCE 2005

**1<sup>st</sup> quartile**

C1 CASH COSTS

**12 years**

MINE LIFE BASED ON RESOURCES

**36Mt**

GRADING 3.1% CuEq IN  
RESERVES

**122Mt**

GRADING 3.2% CuEq IN  
RESOURCES



# Sandfire MATSA - A Transformational Acquisition

- Sandfire to acquire the **Minas de Aguas Teñidas S.A. (MATSA) Mining Complex** from Mubadala Investment Company and Trafigura for US\$1,865M (A\$2,572M)<sup>(1)</sup>
- A **rare cornerstone asset** which immediately transforms Sandfire into a **leading diversified global base metals producer**:
  - **World-class polymetallic mine** located in the highly regarded Iberian Pyrite Belt, Spain
  - Positions Sandfire as one of the **ASX's largest copper focused producers** <sup>(2)(3)</sup>
- **MATSA is a long-life asset** with outstanding organic growth potential:
  - **Tier-1 asset** with three underground mines and a modern 4.7Mtpa processing plant, 6-year reserve and ~12-year resource life (large 122Mt Resource base)
  - **Operational improvements plan** targeting 5Mtpa processing capacity through debottlenecking
  - **Significant exploration potential** to unlock in the ~2,450km<sup>2</sup> portfolio of mineral rights in exploration (in Spain and Portugal)
- Highly-skilled and experienced **in-country MATSA management team**:
  - On strategy “**plug-and-play acquisition**” – all permits in place for operating mines
- **Acquisition fully-funded** through a combination of cash, debt and equity with balance sheet flexibility maintained for Sandfire's Motheo development in Botswana



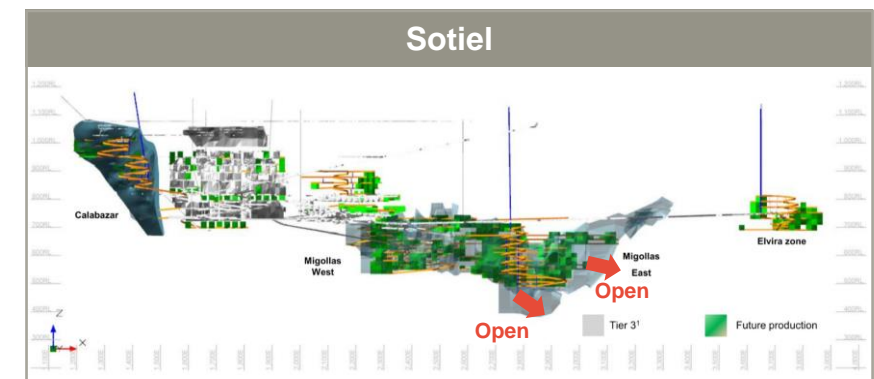
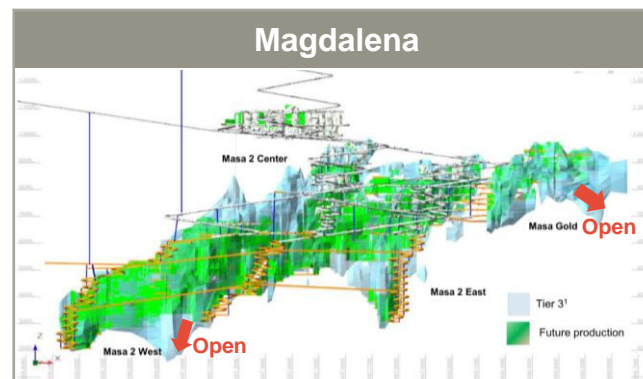
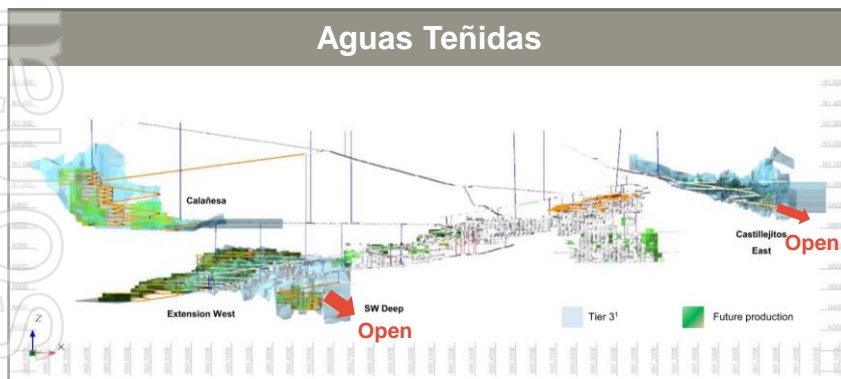
Notes: (1) Based on an AUD/USD exchange rate of 0.725; (2) Based on DeGrussa guidance and MATSA guidance assuming full year of production for illustration purposes – Sandfire is expected to complete the acquisition in the March 2022 quarter; (3) Based on realised pricing for actuals and broker consensus forecast pricing detailed on page 3.



# Sandfire's Vision for Realising MATSA upside

MATSA is a high quality operation with significant optimisation and life extension potential – the combination of the highly capable MATSA and Sandfire teams is well positioned to realise these opportunities and continue to grow MATSA as Sandfire's cornerstone asset

Stage	Phase 1 (Day 1 – 1 Year)	Phase 2 (2 - 5 Years)	Phase 3 (5+ Years)
Objectives	<ul style="list-style-type: none"> <li>✓ Finalise the Transaction</li> <li>✓ Operational integration</li> <li>✓ Optimise &amp; implement 5-year plan</li> </ul>	<ul style="list-style-type: none"> <li>✓ Maximise existing processing hub</li> <li>✓ Evaluate expansion beyond 5Mtpa</li> <li>✓ Continued regional exploration</li> </ul>	<ul style="list-style-type: none"> <li>✓ Iberian Pyrite Belt opportunities</li> <li>✓ Portugal hub</li> </ul>
Outcomes	Integration and sustain annual production of 100-120ktpa CuEq	Pathway to >120ktpa CuEq	Additional regional hubs



## Key takeaways

Transformation  
underway

- **Global vision** – transformational acquisition of the MATSA Mining Complex
- **Strong growth platform** – DeGrussa cash-flows from a strong final year of production
- **New production hub** – construction of expanded 5.2Mtpa Motheo Copper Mine in Botswana underway
- **Strong pipeline** – high-quality development opportunities and a global exploration portfolio in Tier-1 jurisdictions
- **Refreshed and focused** – an international exploration, development and mining team strongly aligned with our growth objectives



# Sandfire Competent Person's Statements

## **MATSA Mineral Resources**

The Competent Person who has reviewed the Mineral Resources is Mr Guy Dishaw, P.Geo, who is a full-time employee of and Principal Consultant (Resource Geology) at SRK. Mr Dishaw is a Professional Geoscientist (P. Geo.) registered with the Association of Professional Engineers and Geologists of Saskatchewan, a 'Recognised Overseas Professional Organisation' ("ROPO") included in a list promulgated by the Australian Stock Exchange ("ASX") from time to time. Mr Dishaw has over 20 years' experience in the mining and metals industry 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 JORC Code.

## **MATSA Mineral Reserves**

The Competent Person who has reviewed the Mineral Reserves and the LoMP is Mr Chris Bray, BEng, MAusIMM (CP), who is a full time employee of and Principal Consultant (Mining) at SRK. He is a Member of and Chartered Professional in the Australasian Institute of Mining and Metallurgy, a ROPO. Mr Bray is a Mining Engineer with 20 years' experience in the mining and metals industry, including operational experience in underground base metal and polymetallic mines, and as such qualifies as a Competent Person as defined in the JORC Code. He has also been involved in the reporting of Mineral Reserves on various properties internationally for over 10 years.

## **A4 Ore Reserve**

The information in this release 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 Orelogy 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. Refer to ASX Announcement, dated 22 September 2021, titled 'A4 Ore Reserve and Motheo Expansion PFS'.

## **T3 Ore Reserve**

The information in this release 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 Orelogy 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. Refer to ASX Announcement, dated 1 December 2020, titled 'T3 (Motheo) Copper-Silver Project, Ore Reserve and Mineral Resource Estimate'.






## **T3 and A4 Mineral Resource**

The information in this release that relates to T3 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 this release of the matters based on his information in the form and context in which it appears.

The information in this release that relates to the A4 Mineral Resource is based on and fairly represents information and supporting documentation prepared by Mr Mark Zammit who is a Member of the Australian Institute of Geoscientists. Mr Zammit is a full time employee of Cube Consulting Pty Ltd. Mr Zammit has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves'. Mr Zammit consents to the inclusion in this release of the matters based on the information in the form and context in which it appears.



## Contact Details

-  Level 2, 10 Kings Park Road, West Perth WA 6005 Australia
-  PO BOX 1495, WEST PERTH WA 6872 AUSTRALIA
-  +61 8 6430 3800
-  +61 8 6430 3849
-  [www.sandfire.com.au](http://www.sandfire.com.au)