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30 September 2021

[Shareholder]

Dear Sir/Madam

## **ACCELERATED NON-RENOUCEABLE PRO-RATA ENTITLEMENT OFFER - NOTIFICATION TO INELIGIBLE SECURITYHOLDERS**

On Thursday 23 September 2021, Sandfire Resources Limited (ABN 55 105 154 185) ("**Company**" or "**Sandfire**") announced that it was conducting a fully underwritten institutional placement ("**Placement**") to raise approximately A\$285 million and a fully underwritten 1 for 1 pro rata accelerated non-renounceable entitlement offer ("**Entitlement Offer**") of new fully paid ordinary shares in the Company ("**New Securities**") (together, the "**Offer**"), to raise up to approximately A\$1,248 billion, in each case at a price of A\$5.40 per New Security ("**Offer Price**").

The proceeds of the Entitlement Offer and Placement will be used as part consideration to fund the acquisition of a 100% interest in Minas de Aguas Teñidas ("**MATSA**"). More detail is provided in Sandfire's Investor Presentation lodged with the Australian Securities Exchange ("**ASX**") on Thursday 23 September 2021.

Citigroup Global Markets Australia Pty Limited (ABN 64 003 114 832) and Macquarie Capital (Australia) Limited (ABN 79 123 199 548) (together, the "**Lead Managers**") are the joint lead managers, underwriters and bookrunners for the Offer.

This notice is to inform you about the Entitlement Offer and to explain why you will not be able to subscribe for New Securities under the Entitlement Offer. This letter is not an offer to issue entitlements or New Securities to you, nor an invitation for you to apply for entitlements or New Securities. **You are not required to do anything in response to this letter but there may be financial implications for you as a result of the Entitlement Offer that you should be aware of.**

### **Details of the Entitlement Offer**

The Entitlement Offer comprises an institutional entitlement offer ("**Institutional Entitlement Offer**") and an offer to Eligible Retail Securityholders (as defined below) to participate on the same terms ("**Retail Entitlement Offer**"). The Institutional Entitlement Offer and Placement have already closed and the results were announced to the ASX on Monday 27 September 2021. Sandfire has today lodged a retail offer booklet with the ASX, which sets out further details in respect of the Retail Entitlement Offer ("**Retail Entitlement Offer Booklet**").

### **Eligibility Criteria**

Sandfire has determined, pursuant to section 9A(3) of the Corporations Act 2001 (Cth) ("**Corporations Act**") and Listing Rule 7.7.1(a) of the ASX Listing Rules, that it would be unreasonable to make offers to Sandfire securityholders in certain countries in connection with the

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#### **Sandfire Resources Limited**

Level 2, 10 Kings Park Road  
West Perth WA 6005

PO Box 1495  
West Perth WA 6872

T: +61 8 6430 3800  
F: +61 8 6430 3849

ABN 55 105 154 185  
[www.sandfire.com.au](http://www.sandfire.com.au)

Retail Entitlement Offer. This is because of the small number of Sandfire securityholders in each of those countries, the number and value of fully paid ordinary shares in Sandfire (“**Securities**”) those Sandfire securityholders hold and the cost of complying with the applicable laws and regulations and the requirements of any regulatory authority in jurisdictions outside Australia and New Zealand.

Accordingly, in compliance with section 9A(3) of the Corporations Act and ASX Listing Rule 7.7.1(b), Sandfire wishes to inform you that it will not be extending the Retail Entitlement Offer to you, Sandfire will not be sending a copy of the Retail Entitlement Offer Booklet to you and you will not be able to subscribe for New Securities under the Retail Entitlement Offer.

**Eligible Retail Securityholders** are those persons who:

- are registered as holders of existing Securities as at 5.00pm (AWST) on 27 September 2021 (“**Record Date**”);
- as at the Record Date, have a registered address in Australia or New Zealand on the Sandfire security register on the Record Date or are persons that Sandfire has otherwise determined are eligible to participate in the Retail Entitlement Offer;
- are not in the United States and are not acting for the account or benefit of a person in the United States (to the extent that such securityholders hold securities for the account or benefit of such person);
- were not invited to participate in the Institutional Entitlement Offer and were not treated as ineligible institutional securityholders under the Institutional Entitlement Offer (other than as nominee, trustee or custodian, in each case in respect of other underlying holdings); and
- are eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer without any requirement for a prospectus or offer document to be lodged or registered.

Securityholders who are not Eligible Retail Securityholders are ineligible retail securityholders and are consequently unable to participate in the Retail Entitlement Offer.

Notwithstanding the above, Sandfire may (in its absolute discretion) agree to extend the Retail Entitlement Offer to certain institutional securityholders in foreign jurisdictions who did not participate in the Institutional Entitlement Offer, subject to compliance with applicable laws.

### **Non-renounceable offer**

As with the Institutional Entitlement Offer, the Retail Entitlement Offer is non-renounceable. Entitlements in respect of New Securities you would have been entitled to if you were an Eligible Retail Securityholder will lapse. No amount will be payable by you and you will not otherwise receive any payment or value for entitlements in respect of any New Securities that would have been offered to you if you were an Eligible Retail Securityholder.

Further details in respect of the Entitlement Offer (including details of eligibility) can be found on the announcements platform of ASX ([www.asx.com.au](http://www.asx.com.au)).

### **Further information**

If you have any queries regarding the Retail Entitlement Offer, please contact your professional adviser or please call the Automatic information line on 1300 288 664 (within Australia) or +61 2 9698 5414 (outside Australia) between 9.00am and 5.00pm (Perth time) on Monday to during the Retail Entitlement Offer period. For other questions, you should consult your broker, solicitor, accountant, financial adviser or other professional adviser.

Thank you for your continued support of Sandfire and I trust you understand Sandfire's position on this matter.

Yours sincerely



**Karl Simich**

Managing Director and Chief Executive Officer

#### **IMPORTANT NOTICE AND DISCLAIMER**

The Entitlement Offer is being made by Sandfire in accordance with section 708AA of the Corporations Act as modified by the *Australian Securities and Investments Commission Corporations (Non-Traditional Rights Issues) Instrument 2016/84* and *ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73*, meaning that no prospectus or other disclosure document needs to be prepared.

Determination of eligibility of investors for the purposes of the institutional or retail components of the Entitlement Offer is determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of Sandfire and the Lead Managers. Each of Sandfire and the Lead Managers and each of their respective related bodies corporate (as defined in the Corporations Act) and affiliates and each of their respective directors, officers, employees, partners, consultants, contractors, agents and advisers disclaim any duty or liability (including, without limitation, any liability arising from fault, negligence or negligent misstatement) in respect of that determination and the exercise or otherwise of that discretion, to the maximum extent permitted by law.

This letter is not a prospectus or offering document under Australian law or under any other law. No action has been or will be taken to register, qualify or otherwise permit a public offering of the New Shares in any jurisdiction outside Australia and New Zealand. This letter is for information purposes only and does not constitute or form part of an offer, invitation, solicitation, advice or recommendation with respect to the issue, purchase or sale of any New Shares in Sandfire.

The provision of this letter is not, and should not be considered as, financial product advice. The information in this document is general information only and does not take into account your individual objectives, taxation position, financial situation or needs. If you are unsure of your position, please contact your accountant, tax advisor, stockbroker or other professional adviser.

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**IMPORTANT NOTICE TO NOMINEES:** Because of legal restrictions, you must not send copies of this letter nor any material relating to the Entitlement Offer to any of your clients (or any other person) in the United States or any other person acting for the account or benefit of persons in the United States or to any person in any other jurisdiction outside of Australia and New Zealand. Failure to comply with these restrictions may result in violations of applicable securities laws. The provision of this document is not, and should not be considered as, financial product advice. The information in this document is general information only, and does not take into account your individual objectives, taxation position, financial situation or needs. If you are unsure of your position, please contact your accountant, tax advisor, stockbroker or other professional advisor.