

25 November 2022

Acting Chief Executive Officer Remuneration Arrangements

Sandfire Resources Limited (**Sandfire** or the **Company**) announced on 30 September 2022 that the Board had appointed Mr Jason Grace, Sandfire's Chief Operating Officer, as the Company's Acting Chief Executive Officer.

As flagged in the investor presentation dated 18 November 2022, the Board has been considering appropriate remuneration arrangements for Mr Jason Grace in his role as Acting Chief Executive Officer. In accordance with ASX Listing Rule 3.16.4, Sandfire advises the material terms of Mr Jason Grace's remuneration for his role as Acting Chief Executive Officer below.

Role	Acting Chief Executive Officer
Commencement Date	30 September 2022
Term	No fixed term. It is intended that Mr Grace's role as Acting Chief Executive Officer will end when Mr Brendan Harris commences as Chief Executive Officer on 3 April 2023, at which point Mr Grace will continue his role as Chief Operating Officer.
Total Fixed Remuneration (TFR)	Current total fixed remuneration is increased by a Higher Duties Allowance (HDA) at an annual rate of A\$330,000 per annum. Total fixed remuneration for the Acting CEO is at an annual rate of A\$980,000 inclusive of superannuation and the HDA.
Short Term Incentive (STI)	Current STI opportunity for FY2023 as a percentage of TFR is unchanged and will be 75% of the increased TFR.
Equity-based Incentive	<p>Long Term Incentive (LTI)</p> <p>ZEPOs</p> <p>As disclosed in the Appendix 3G dated 14 October 2022, the Company has granted 66,838 zero exercise price options with an expiry date of 7 October 2027 (ZEPOs) to Mr Grace under the Company's Equity Incentive Plan (Plan).</p> <p>Given the increase in Mr Grace's TFR as a result of the HDA noted above, the number of ZEPOs to which Mr Grace is entitled under the Company's LTI plan has increased to a total of 87,146 ZEPOs under the Plan (an increase of 20,308 ZEPOs).</p> <p>The total number of ZEPOs issued to Mr Grace as a percentage of his TFR is unchanged. An Appendix 3G for the additional ZEPOs will be lodged on the date of this announcement.</p> <p>The material terms of the ZEPOs are as set out in the announcement dated 14 October 2022.</p>

Equity-based Incentive (continued)	<p>Rights</p> <p>The Company has granted to Mr Grace 171,806 rights with a nil exercise price and expiry date of two years from grant (Rights) as a one-off retention award under the Plan.</p> <p>The Rights have been allocated to Mr Grace, whom the Board of Sandfire considers critical to the ongoing success of the long-term performance of the Company, as a retention mechanism. The Rights provide Mr Grace with an opportunity to be rewarded if he remains employed by the Company for a period of two years from the grant date, and further aligns his interests with those of the Company and its shareholders.</p> <p>The material terms of the Rights are set out in the Annexure to this announcement. Further details regarding the Rights are contained in an Appendix 3G released on the date of this announcement.</p>
Notice period	<p>Notice period from the Company is 6 months.</p> <p>Notice period from Mr Grace is 3 months.</p>
Termination provisions and entitlements	<p>The Company may make payment in lieu of notice and must pay statutory entitlements together with superannuation benefits.</p> <p>Refer to the 30 June 2022 Remuneration Report, included in the Company's Annual Report, for the treatment of STIs on cessation of employment.</p> <p>Refer to the Company's announcements relating to the offer of ZEPOs and Rights for the treatment of LTIs on cessation of employment.</p> <p>Any termination benefits payable to Mr Grace will be subject to any required shareholder approvals.</p>

- ENDS -

For further information, please contact:

Sandfire Resources Ltd

John Richards – Non-Executive Chair

Matthew Fitzgerald – Company Secretary and Chief Financial Officer

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This announcement is authorised for release by Sandfire's Board of Directors.

Annexure – Summary of Material Terms of Rights

Term	Detail
Number of Rights	171,806
Entitlement	Each vested Right entitles the holder to one fully paid ordinary share in the Company (Share). At the Board's absolute discretion, a cash payment may be made in lieu of an allocation of Shares on exercise of a vested Right.
Exercise price	Nil.
Transferability	The Rights are not transferable (and consequently, will not be quoted on ASX or any other exchange).
Testing Date	The 2 nd anniversary of the grant date.
Vesting Conditions	The vesting of each Right is subject to the Board determining that the service condition has been met.
Service Condition	The participant must be continuously employed by the Group until the testing date.
Ceasing employment	<p>Unless the Board determines otherwise, if the participant ceases employment with the Group:</p> <ul style="list-style-type: none"> • due to resignation, fraudulent or dishonest conduct or termination for cause, all unvested Rights will lapse; and • for any reason not noted above, all unvested Rights will remain on foot and vest in the ordinary course as though Mr Jason Grace had not ceased employment.
Rights	<p>The Rights do not:</p> <ul style="list-style-type: none"> (a) carry any voting rights in the Company, except as required by law; (b) entitle the holder to any dividends, whether fixed or at the discretion of the Directors; (c) confer any right to a return of capital, whether in a winding up, upon a reduction of capital or otherwise; (d) confer any right to participate in the surplus profits or assets of the Company upon a winding up of the Company; and (e) confer the right to participate in new issues of securities such as bonus issues or entitlement issues, <p>unless and until the Rights vest and are converted into Shares.</p>
Plan	The terms of the Plan apply to the Rights.