

30 November 2022

## 2022 Annual General Meeting Chair's Address

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On behalf of the Board and management of Sandfire, I am delighted to welcome you to the Company's 2022 Annual General Meeting.

I wish to acknowledge the Traditional Custodians of the land on which we meet today, the Whadjuk Nyoongar People, and pay my respects to their Elders past, present and emerging. I extend that respect to Aboriginal and Torres Strait islander peoples here today. I wish to acknowledge and respect their continuing culture and the contribution they make to the life of this city and this region.

2022 has been a year of transformation for Sandfire as we have taken the next key step in our strategy to become a sustainability-focused, global copper mining company.

Underpinned by our cornerstone long-life MATSA Copper Operations in south-western Spain and our new Motheo Copper Mine in Botswana, our increasing copper production profile has us ideally positioned to deliver into markets and uses focussed on future-facing commodities and the global energy transition.

Our growth timeline in this period aligns strongly with what is widely forecast to be a near-doubling in global copper demand over the next decade as the "electrification megatrend" accelerates due to its vital role in electric vehicles, power infrastructure and renewable energy generation.

This is my first AGM as Sandfire's Chair since taking over the role from Derek La Ferla at the end of April. Derek's retirement was part of a planned Board succession process and we also saw the Company's long-term CEO and Managing Director, Karl Simich, step down at the end of September after 15 years at the helm.

Both Karl and Derek played pivotal roles in delivering Sandfire's growth ambitions over more than a decade, and I would like to thank them both for their immense contribution to the Company's success to date.

Particular thanks go to Karl whose name has been synonymous with Sandfire for fifteen years. He led Sandfire through the discovery, development and highly successful operation of DeGrussa, which launched us as a profitable, mid-tier Australian miner. More recently, he oversaw the implementation of Sandfire's international expansion strategy through the acquisition and development of the Motheo Copper Project, and the acquisition of the MATSA Copper Operations. These acquisitions would not have happened without Karl's energy and drive.

The establishment of the enlarged Sandfire business became an appropriate time to think about leadership transition.

Following a global executive search process, we were delighted earlier this month to announce the appointment of highly experienced mining executive Brendan Harris as the Company's new Managing Director and CEO to lead the business into its next chapter.

Brendan, who has been a key member of South32's executive management team since its demerger from BHP in 2015, brings a wide range of leadership, commercial and technical skills to Sandfire, particularly in the management and operation of a diversified international mining house.

We are fortunate to have secured someone of Brendan's calibre and experience, and I believe he is the ideal person to ensure that Sandfire can continue to capitalise on its strengths, execute its growth strategy and unlock the full potential of its people and assets.

We look forward to Brendan commencing in his new role in early April of 2023.

In addition to Brendan's appointment, Sandfire has also this year appointed highly experienced international business leaders Sally Martin and Robert Edwards as Independent Non-Executive Directors, both bringing valuable skillsets and making a strong contribution to Sandfire's governance.

With enhanced international natural resources experience, ESG credentials, and diversity, our refreshed Board collectively has the right balance of skills necessary to oversee the Group's expansion and create long-term shareholder value.

Looking to our operational performance, I am pleased to report that Sandfire has achieved strongly during the year against all of the objectives articulated in our Strategic Growth Plan.

We completed the landmark acquisition of the MATSA Copper Operations in February this year, which immediately transformed Sandfire into one of the largest copper-focused producers on the ASX.

MATSA represents a long-term cornerstone asset for Sandfire, with our integration team delivering a seamless ownership transition and the mining operation performing strongly since we assumed operational control. During the year, we delivered an updated Ore Reserve estimate for MATSA, providing a solid foundation for our ongoing work to optimise and implement a 5-year production plan and establish a base for multi-decade operations.

Collectively, our MATSA and DeGrussa mining operations delivered above-guidance production results, leading to record sales revenue, strong operating cash-flows and a robust net profit for the 2022 Financial Year.

As I mentioned at the outset, we are also firmly on-track to commence production at our new Motheo Mine in Botswana in 2023, with production expected to commence in the June 2023 Quarter and the overall project tracking on schedule.

Pleasingly, the Company's operations were all undertaken with strong safety performance, with a welcome reduction in the Group's total recordable injury frequency rate to 3.8 at 30 June 2022. Safety remains at the heart of our business, and we will continue to strive that every person across our business goes home safe and well every day.

We continuously consider the broader economic, environmental and social impacts to which our activities contribute as this has implications for how we pursue our long-term strategy and goals.

In FY2022 we refined our ESG framework to reflect our global footprint, with a particular emphasis on climate change and reducing carbon emissions in line with international targets.

As part of this commitment, we have recently articulated a target to achieve company-wide net zero carbon emissions by 2050, covering Scope 1 and 2 emissions across all sites under Sandfire's operational control. In addition, we have set an interim target to deliver 50% of our total energy requirements across our operations from renewable electricity by 2030.

These are ambitious goals that reflect our objective to supply high-quality, low carbon "green" metals to support global decarbonisation. Sandfire has a comprehensive commitment to sustainability, and I encourage all shareholders to read our Sustainability Report for further detail of our ESG initiatives.

Turning briefly to our corporate and financial matters, Sandfire recently launched a \$200 million equity raising in the form of a 1 for 8.8 pro-rata accelerated non-renounceable entitlement offer. The equity raising allows us to continue to fund our growth strategy and strengthen the Company's balance sheet. The institutional component of the raising was strongly supported and the structure of the raising ensures an opportunity for all existing shareholders to participate.

On the capital front, Sandfire had US\$162 million in cash holdings at the end of October 2022 and net debt stood at US\$458 million (excluding capitalised transaction costs), following repayments against both the MATSA and corporate debt facilities and our first drawdown under our Motheo project finance facility. Net debt reduces to US\$324 million on a pro-forma basis on completion of the issue.

The Board considers the issue, which addresses an increase in financial leverage over the past 12 months – which facilitated the completion of the MATSA acquisition and the development of the Motheo Copper Mine – to be an appropriate and prudent approach to capital management to facilitate our growth objectives.

Looking to the future, Sandfire remains in an exceptional position to deliver long-term growth as a key participant in the global supply chain for future-facing metals. The copper that we produce is a critical input for a low-carbon future, and Sandfire offers a rising production profile as we optimise MATSA and bring Motheo on-stream and onto further expansion of capacity.

While we face challenging market conditions in the short-term, characterised by high inflation, rising interest rates and volatile commodity pricing – all factors that have impacted volatility in the Company's share price, the underlying quality of the business is strong.

In this environment, the Company's Board and management team remains focused on managing the factors within our control – the quality of our assets, operational optimisation, cost management and the strength and alignment of our team. I am confident that with these factors in place, Sandfire is in the best possible position to deliver strong returns for shareholders into the future.

I would like to acknowledge the exceptional efforts of the Sandfire team, who have delivered an impressive array of milestones over the past 12 months against the backdrop of a challenging macroeconomic environment.

I would particularly like to acknowledge our Acting CEO and Chief Operating Officer, Jason Grace, and our recently strengthened Executive Team, who have ensured the Company's operations have continued seamlessly.

I would also like to thank our shareholders for your continued support.

**- ENDS -**

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**This announcement is authorised for release by Sandfire's Chair, Mr John Richards.**

**Forward-Looking Statements**

Certain statements made during or in connection with this release contain or comprise certain forward-looking statements regarding Sandfire's Mineral Resources and Reserves, exploration and project development operations, production rates, life of mine, projected cash flow, capital expenditure, operating costs and other economic performance and financial condition as well as general market outlook. Although Sandfire believes that the

expectations reflected in such forward-looking statements are reasonable, such expectations are only predictions and are subject to inherent risks and uncertainties which could cause actual values, results, performance or achievements to differ materially from those expressed, implied or projected in any forward looking statements and no assurance can be given that such expectations will prove to have been correct.

Accordingly, results could differ materially from those set out in the forward-looking statements as a result of, among other factors, changes in economic and market conditions, delays or changes in project development, success of business and operating initiatives, changes in the regulatory environment and other government actions, fluctuations in metals prices and exchange rates and business and operational risk management.

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