

3 February 2023

Motheo Copper Mine – Pictorial Update

Construction of initial 3.2Mtpa project nearing completion, with services commissioning underway, commissioning ore on the ROM Pad, and production expected to ramp-up from the June 2023 Quarter.

Sandfire Resources Limited (**Sandfire or the Company**) is pleased to provide a development and construction pictorial update for its 100%-owned Motheo Copper Mine in Botswana.

Motheo is a substantial, new long-life copper mine and is expected to become the cornerstone of the Company's copper mining hub in the world-class Kalahari Copper Belt.

As outlined in the attached pictorial update, construction at Motheo is nearing completion with wet commissioning expected to commence in the coming weeks and production expected to ramp-up from the June 2023 Quarter.

Some of the key recent developments include:

- Construction activities nearing completion with over 1,700 personnel currently on site.
- Process Plant Structural, Mechanical and Piping (SMP) Contractor approximately 95% complete.
- Process Plant Electrical and Instrumentation (E&I) Contractor approximately 85% complete.
- Tailings Storage Facility (TSF) lining works more than 95% complete and tailings pipeline installation underway.
- HV switching station commissioned and connected to the Botswana Power Corporation Grid in late December 2022, with the HV 132/11 kV sub-station commissioned in January 2023, completing the power supply for the project.
- Primary crusher structure complete and all crusher mechanicals nearing completion.
- SAG Mill fully assembled, alignments completed and mill lining to be completed during February 2023.
- Open pit mining operations continuing on a 24-hour basis, with pre-strip advancing on schedule with 10.0 million bank cubic metres (BCM) mined to date (to end of January 2023), and initial commissioning ore stockpiled on the ROM Pad.
- Commissioning team mobilised and commenced commissioning activities in early January 2023.
- Work well advanced on the 5.2Mtpa expansion with the ESIA for the A4 Open Pit development submitted to the Botswana Department of Environmental Affairs and engineering design for the expansion now 85% complete.

Sandfire is funding the development of the Motheo Copper Mine through a combination of cash and project debt. A US\$140 million Project Finance Facility has been executed with Société Générale and Nedbank. The Facility is based on the initial 3.2Mtpa development, with the integration of the 5.2Mtpa Motheo Expansion Case DFS scheduled following the grant of the A4 Deposit Mining Licence. The first two tranches totalling US\$110 million have been received, with the balance to be drawn in the March Quarter of FY2023.

Management Comment

Sandfire Acting CEO, Jason Grace, said: *'The recent progress made by our team in Botswana in safely and professionally executing and delivering the Motheo Copper Project has been nothing short of exceptional.'*

‘Despite the many challenges involved building a brand-new copper mine over the past two years – including global supply chain disruptions, skills and materials shortages, the impacts of the COVID-19 pandemic – the team has been able to advance the project to the start of commissioning ahead of schedule.

‘This is a tremendous outcome, and I would like to warmly congratulate the entire team in Botswana for their hard work, focus and commitment to achieving this result.

‘As you can see in the attached images, Motheo has been constructed to the highest standards utilising state-of-the-art equipment. It has been built to stand the test of time as the cornerstone of our new mining hub in Botswana, and we are confident that it will be operating for many decades to come.

‘With that in mind, the team has already made substantial progress with early works for the 5.2Mtpa expansion, with the Ball Mill already delivered to site and engineering design more than 85 per cent complete. The critical-path timeline for the expansion is approval of the ESIA and grant of the Mining Licence for the A4 Open Pit, with the ESIA now submitted to the Botswana Government.

‘The successful execution and delivery of the 3.2Mtpa project, followed by the expansion to 5.2Mtpa will see copper production in Botswana quickly ramp up to a peak of 55ktpa, complementing our operation at MATSA in south-western Spain.

‘Motheo is coming into production at an opportune time given the positive outlook for copper as a future-facing metal. New demand for copper is being driven by the strong investment being made globally in the electrification of the global economy and the growth being seen in renewable energy and the EV sector.

‘Sandfire’s asset portfolio – comprising high-quality copper producing assets in Tier-1 jurisdictions and growing production profile – means Sandfire is well placed as a key beneficiary of this compelling global thematic.’

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This announcement is authorised for release by Sandfire’s Acting CEO, Jason Grace.

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Motheo Copper Mine

Dawn of a new long-life copper operation

Pictorial Update Presentation - 3 February 2023



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This presentation is authorised for market release by Sandfire's Acting CEO, Mr Jason Grace.

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Our Strategy



**Execute
Delivery**



**Sustain and Grow
Our Production
Pipeline**



**Accelerate
Discovery**



**Align and Empower
Our People**



**Optimise Capital
Strategy and
Engagement**

Our Values



Honesty



Respect



Collaboration



Accountability



Performance

Motheo Copper Mine

Safely delivering a new world-class copper mine in Botswana

Development of the Motheo Copper Mine is proceeding ahead of schedule, with first production expected from early in the June 2023 Quarter

- Construction activities nearing completion with over 1,700 personnel currently on site
- Commissioning ore on ROM pad
- SAG Mill liner handler commissioned
- Primary crusher liners installed and final mechanical alignments underway
- Commissioning activities on site commenced

Development of the 5.2Mtpa Motheo Expansion underway

- ESIA submitted to the Botswana Department of Environmental Affairs
- Ball Mill delivered to site in late December 2022
- Engineering Design for the 5.2Mtpa expansion works 85% complete
- Balance of minor additional equipment orders placed during the December Quarter of FY2023
- Ball Mill Civil Contract awarded, with work commenced in January 2023



Motheo

Supporting our communities

Our Motheo community framework pillars



Community Health

Improved outcomes for the physical and mental **well-being** of the broader community



Education

Encourage attendance at schools, improve learning **outcomes among young children** and provide capacity building



Female Empowerment

Support equality, inclusiveness and empowering women



Youth Development

Promote training and **employment opportunities** to young people within our local communities

Motheo

Supporting our communities

Recent initiatives



Kuke Solar Street Lights Project



Health

Our Motheo team commemorated World AIDS Day with the Ghanzi community in support of Botswana's approach to ending inequalities in combating AIDS. Activities and information focused on health advice, counselling sessions and free voluntary confidential screening.



Communities

Sandfire, in conjunction with the Ghanzi District Council, commissioned a **Solar Street Light Project at the Kuke village in Botswana**. The solar streetlights will improve safety for the village community located beside a main highway. Handover ceremony held 30 Jan 2023.

Motheo Copper Mine

Development and Construction

Pictorial Update

Motheo Copper Mine Development and Construction Pictorial Update



T3 Stage 1 Open Pit Mining and Development

- Stage 1 Pit advancing on schedule.
- Final two CAT 785 haul trucks being commissioned bringing site total to 20.
- 10.0M BCM total material movement to date (to end of January 2023).
- Pit Stage has advanced to 1060 RL on Eastern side of the pit, ~57m deep.

Motheo Copper Mine Development and Construction Pictorial Update



ROM Pad

- ROM Pad with 258,000 tonnes of commissioning ore stockpiled.
- Crusher build nears completion.



Stockpile Base and CV2

- Stockpile base ready for first ore.
- Stockpile Feed Conveyor (CV2) ready for commissioning.

Motheo Copper Mine Development and Construction Pictorial Update



Process Plant

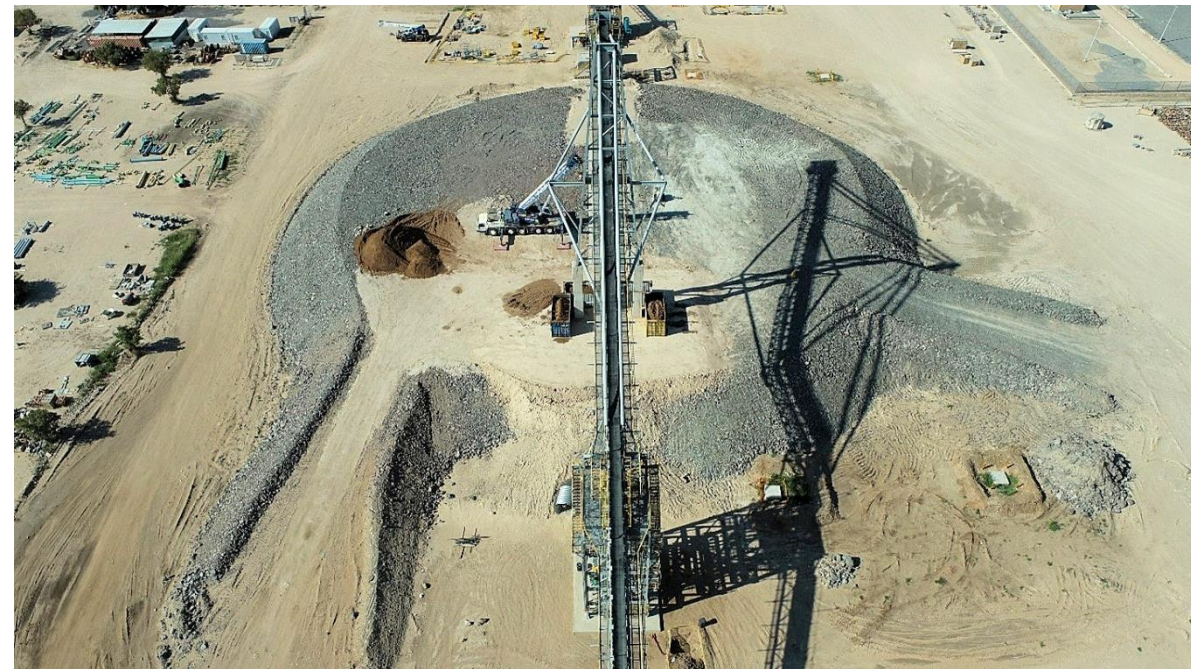
- Dry Plant (Primary Crushing, Stockpile and Reclaim) at 95%+ complete with commissioning activities commenced.
- Wet Plant progressing well, services commissioning underway.
- SAG Mill liner handler commissioned, SAG Mill lining about to commence. SAG Mill mechanicals nearing completion.
- Balance of plant completion in line with commissioning schedule.

Motheo Copper Mine Development and Construction Pictorial Update



Primary Crusher

- Crusher build nearing completion.
- Commissioning to commence during February 2023.



Reclaim Area

- Stockpile base complete.
- Stockpile Feed Conveyor (CV2) ready for commissioning.

Motheo Copper Mine Development and Construction Pictorial Update



Process Plant Wet area

- View looking along mill feed conveyor to stockpile.
- All plant conveyor belts installed.



Mill and Flotation Area

- SAG Mill right of photo.
- Flotation plant left of photo.
- Ball Mill foundation excavation for expanded plant completed.

Motheo Copper Mine Development and Construction Pictorial Update



Tails Thickening and Reagents

- Thickener installed and adjacent reagents area well advanced.



Tails Thickening / Hydrotesting

- Thickener hydrotest underway.
- Thickener mechanically complete.

Motheo Copper Mine Development and Construction Pictorial Update



Process water tank

- Completed and final surface treatment underway.
- Piping installation well advanced.



Bore Water Tank

- Tank now complete and under hydrotest.

Motheo Copper Mine Development and Construction Pictorial Update



Grinding Cyclone Cluster installed

- Primary Cyclone Cluster in position.



Primary Crusher Assembly

- Crusher concave liners installed and grouted.
- Crusher drive installation underway.



Motheo Copper Mine Development and Construction Pictorial Update



Tailings Storage Facility (TSF) under construction

- Tailings Dam basin and wall lining nears completion (+95%).
- Stage 2 TSF Cell vegetation stripping commenced (top left).
- Tailings pipeline and decant return line well advanced.

Motheo Copper Mine Development and Construction Pictorial Update



TSF Access

- Lined tailings pipeline channel installed, tie in at TSF to complete.
- Surface water channels 95% complete, breach bund 100% complete.



Dewatering Facility

- Commissioning underway.
- Bore water transfer system commissioning commenced.
- Mine contact water system commissioning imminent.

Motheo Copper Mine Development and Construction Pictorial Update



Motheo Copper Mine – Our people

- The Operations Team in place ahead of Process Plant commissioning.
- 100% of positions for the Process Plant Operations and Maintenance Teams are now filled.
- On-boarding and training processes in full swing.

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