

25 May 2023

First Concentrate Produced at Motheo

Highlights

- First copper concentrate produced at the Motheo Copper Mine in Botswana with the introduction of ore to the SAG Mill.
- Construction of the Motheo Copper Mine is nearing completion, with equipment commissioning activities over 92% complete to support the initial 3.2Mtpa processing capacity.
- Sandfire's Environmental and Social Impact Assessment (**ESIA**) for the Motheo A4 Project approved by the Government of Botswana.
- ESIA approval paves the way for the grant of the Mining Licence for the Motheo A4 Pit and commencement of mining activities.
- Our focus now turns to delivery of the rapid, low-cost expansion from 3.2Mtpa to 5.2Mtpa by early CY2024.

Sandfire Resources Limited (**Sandfire**, or **the Company**) is pleased to announce that it has successfully produced first copper concentrate at its Motheo Copper Mine (**Motheo**) in Botswana. Construction of the Motheo Copper Mine is nearing completion, with equipment commissioning activities over 92% complete for the initial 3.2Mtpa processing capacity. T3 Open Pit mining is proceeding on schedule with more than 270kt of ore at ~1.1% Cu (mill feed) and 130kt at ~0.7% Cu (lower grade commissioning ore) on the ROM Pad at the end of April 2023.



Figure 1: Motheo Copper Mine Process Plant.

With an inaugural shipment scheduled for the middle of this calendar year, the Motheo team will now focus on completing commissioning activities and ramping-up the processing plant to its initial 3.2Mtpa processing capacity, which is expected to be achieved during the September Quarter of FY2024.

The Company is also pleased to advise that the ESIA for the A4 Project has been approved by the Botswana Government's Department of Environmental Affairs. The approval of the ESIA is the result of an extensive public consultation process that included multiple stakeholders, including related communities.

The ESIA paves the way for the grant of the mining license for the A4 Pit as the last critical path item for the Motheo 5.2Mtpa Expansion, which will see contained copper production rates at Motheo increase to around 50ktpa during FY2025.

Management Comment

Sandfire's Managing Director and CEO, Brendan Harris, said: 'Achieving these important milestones is an outstanding result for Sandfire and is a tribute to the excellent team that we have at Motheo.

'First concentrate production at our newest mine signals the start of our ramp-up towards the initial 3.2Mtpa capacity, which we expect to achieve on a sustainable basis during the September Quarter of FY2024. With the approval of the A4 Project ESIA paving the way for the grant of the A4 Pit mining license, our attention now turns to the delivery of the rapid, low-cost expansion in capacity from 3.2Mtpa to 5.2Mtpa by early CY2024.

'The approval of the ESIA is the result of an extensive public consultation process that included multiple stakeholders, including related communities, and is another demonstration of the momentum that Sandfire is building through our positive interaction with stakeholders in the Ghanzi region.'

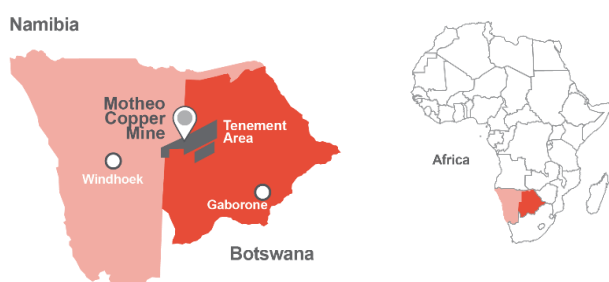
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This announcement is authorised for release by Sandfire's Managing Director and CEO, Brendan Harris.

Figure 2 - Motheo Copper Mine Location



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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