



27 July 2023

ASX Limited
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Sandfire Resources Ltd (**Sandfire** or **the Company**) is pleased to advise release of the following announcements to the ASX today, 27 July 2023.

1. June 2023 Quarterly Report; and
2. June 2023 Quarterly Report Presentation.

In addition, a teleconference and live webcast on the Company's June 2023 Quarterly Report will be held for the investment community at 10.00am (AWST) / 12.00pm (AEST) today.

The June 2023 Quarterly Report and accompanying slide presentation, and the Company's ASX announcements are available via the ASX Company Announcements Platform (ASX Code: SFR) and Sandfire's website at www.sandfire.com.au.

A live webcast of the teleconference and synchronised slide presentation will also be available by [clicking here](#).

Yours sincerely

Sophie Raven
Company Secretary

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June 2023 Quarterly Report

Production and costs	Sep 2022 Quarter	Dec 2022 Quarter	Mar 2023 Quarter	Jun 2023 Quarter	FY2023
Contained metal produced					
Total Copper (t)	28,056	20,031	18,509	17,460	84,056
Total Zinc (t)	19,535	19,755	21,294	25,345	85,929
Total Lead (t)	2,477	1,921	2,269	4,080	10,747
Total Gold (oz)	8,215	4,562	5,111	1,234	19,122
Total Silver (Moz)	0.7	0.6	0.7	0.8	2.8
Contained copper equivalent (kt)	40	31	30	31	132
C1 cost – MATSA (US\$/lb Cu)	2.19	1.85	2.00	1.93	1.99
C1 cost – DeGrussa (US\$/lb Cu)	1.34	1.41	2.23	4.06	1.61
C1 cost – Group (US\$/lb Cu)	1.73	1.77	2.01	2.01	1.87

Note: Errors may occur due to rounding.

Highlights

- A record low Total Recordable Injury Frequency Rate (TRIFR) of 1.6 at the end of the June 2023 Quarter underpinned our strong finish to the year and Group copper equivalent (CuEq) production of 132kt¹ across FY2023.
- A 13% increase in production at our MATSA Copper Operations (MATSA) in Spain in the June 2023 quarter and annual CuEq production of 99kt¹ marginally exceeded revised guidance, as we continued to establish the foundations for more predictable performance.
- The challenging economics of processing (increasingly) low-margin oxide stockpiles at DeGrussa supported our decision to transition the Operation to care and maintenance in late June 2023, and we are now considering all alternatives including closure and rehabilitation, and divestment.
- First copper concentrate was produced at our Motheo Copper Mine (Motheo) in Botswana, signalling the ramp-up of the operation toward its initial processing capacity of 3.2Mtpa, which is expected to be achieved on a sustainable basis during the September Quarter of FY2024.
- The latest 14-day² processing run-rate of approximately 3.0Mtpa at Motheo underpins our growing confidence in the potential of our newest mine, as nameplate capacity was achieved in a number of shifts and a maximum copper recovery of 89% was recorded.
- Approval of the A4 Project's Environmental and Social Impact Assessment (ESIA) was provided by the Botswanan Government's Department of Environmental Affairs in May 2023, paving the way for the extension of the Motheo mining license.
- Contained copper production at Motheo is set to increase to more than 50kt in FY2025 with development of the higher grade A4 Pit, and the rapid and low-cost expansion of the associated processing facilities to 5.2Mtpa, in parallel.
- Group copper equivalent production is expected to increase by 10% to 135kt³ in FY2024 with the ramp-up of Motheo to be partially offset by the loss of production from DeGrussa.
- An incremental 2kt increase in both copper and zinc production at MATSA in FY2024 to 58kt and 88kt, respectively, is expected to support a near 3%³ increase in annual CuEq production.

- Our prior expectations for Motheo remain largely unchanged with copper and silver production of 39kt and 1.2Moz contained, respectively, expected in the mine's first full year of operation, for CuEq production of 42kt³.
- High-grade polymetallic mineralisation was identified in May 2023 at the Sesmarias Prospect in Portugal, part of the Alvalade Project Joint Venture (Alvalade JV), when drillhole SES23-047 intersected 43m at 1.5% Cu, 4.8% Zn, 2.2% Pb and 64.1ppm Ag from a depth of 393m, including a higher-grade zone of 27m at 2.2% Cu, 5.6% Zn, 2.6% Pb and 88.2g/t Ag from 394m.
- Subsequent to the end of FY2023, we made the decision to focus our exploration efforts on the highly prospective Iberian Pyrite and Kalahari Copper Belts, as we seek to maximise the strategic value of our modern processing hubs and broader landholding.

Balance Sheet Update

- The MATSA Syndicated Debt Facility was successfully re-sculpted in May 2023, with the revised amortisation profile extending the loan tenor by two years to 31 December 2028 and lowering the repayment profile to 30 June 2025.
- The Group finished FY2023 with a cash holding of US\$142M and net debt of US\$430M⁴.

Management Overview

Sandfire's CEO and Managing Director, Brendan Harris, said: "Our record low TRIFR of 1.6 at the end of the June 2023 Quarter underpinned our strong finish to the year and Group CuEq production of 132kt¹ across FY2023.

"I've just returned from an extended visit to our MATSA mining complex in Spain and have continued to be impressed by the commitment of our team as we seek to increase the consistency and predictability of performance. A 13% increase in CuEq production at MATSA to 28kt¹ in the June Quarter saw full year production marginally exceed revised annual guidance.

"Processing operations at DeGrussa transitioned to care and maintenance during the Quarter as the economics of processing increasingly low-margin oxide ores could no longer be supported. We are in discussions with a number of parties and all alternatives for the Operation are being considered, including closure and rehabilitation, and divestment.

"At Motheo, we reported first copper concentrate production in May with the introduction of ore to the SAG mill. We anticipate a rapid ramp-up in throughput to the initial 3.2Mtpa rate, with nameplate capacity already achieved across a number of shifts and a maximum copper recovery of 89% recorded.

"Building on the growing confidence that we have in our newest mine, we were very pleased to see the Government of Botswana approve the ESIA for the A4 Project, paving the way for the extension of the Motheo mining license. Contained copper production at Motheo is set to increase to more than 50kt in FY2025 with development of the higher grade A4 pit, and the rapid and low-cost expansion of the associated processing facilities to 5.2Mtpa, in parallel.

"We continued to enhance our understanding of the geological setting at MATSA, with recent drilling extending the identified strike length of the San Pedro mineralised zone to ~550 metres and we are currently testing a further 650 metre extension. Pleasingly, we have also identified a new system to the West of Magdalena called the Olivo zone, where massive sulphides over an initial strike length of 300 metres have been intersected and drilling is underway to test its lateral extent to the west.

“We were also buoyed by the strong assay results from diamond drilling at Sesmarias, part of the Alvalade Project Joint Venture in Portugal. Follow up drilling of the original discovery hole in 2014 intersected massive sulphides, including 27 metres of 2.2% copper, 5.6% zinc, 2.6% lead and 88.2g/t silver from a depth of 394 metres. Further drilling is being undertaken to better define the structural setting and extent of mineralisation.

“With the continued evolution of Sandfire’s business and recent exploration success, we have decided to focus our exploration efforts on the highly prospective Iberian Pyrite and Kalahari Copper Belts, as we seek to maximise the strategic value of our modern processing hubs and broader landholding.

“Our strong finish to the year drove unaudited Sales Revenue and Group EBITDA to approximately US\$784 million⁵ and US\$246 million⁵, respectively, in FY2023. Pleasingly, we managed to contain inflationary pressure with controllable costs at MATSA of EUR301 million remaining aligned with prior guidance. C1 unit costs did, however, rise to US\$1.99/lb in FY2023 as a lower zinc price reduced the contribution of by-product credits and the Euro rallied against the US dollar.

“A relatively benign European winter and significant increase in gas storage took the immediate pressure off the Spanish energy market in late CY2022, and the longer dated, fixed price, carbon emissions free power agreements we have since negotiated ensure we enter FY2024 in a much better position. We remain acutely focused on mitigating cost inflation across our growing organisation and will provide comprehensive cost and capital expenditure guidance when we report our FY2023 financial results.”

“FY2024 will be another transformational year for Sandfire as incremental growth at MATSA and the ramp-up of our newest mine, Motheo, will only be partially offset by the loss of production from DeGrussa, with Group CuEq production set to rise by 10% to 135kt³. The platform that has been established, and the dedication of our teams in Spain, Botswana and Australia, leave us well placed to deliver more than 50% growth from our continuing operations in the two years to the end of FY2025.

“At the close of the financial year we also announced the appointment of Megan Jansen as CFO, with long serving CFO, Matthew Fitzgerald, stepping down from his role on 30 September 2023. Megan will commence her employment with Sandfire in October 2023, and brings extensive financial and commercial experience to the role.”

1 Operations overview

1.1 Safety

The Total Recordable Injury Frequency Rate (TRIFR) for the Group at the end of the June Quarter was a record low 1.6 (March 2023 Quarter: 1.8). Recordable injuries include those that result in any days away from work (Lost Time Injuries), those where an employee or contractor cannot perform all or any part of their normal shift activities (Restricted Duty Injuries), as well as any injury that requires services that only a medical practitioner can provide (Medical Treatment Injuries).

Our management of safety systems continues to focus on the prevention of incidents, and the management of risks for both employees and contractors, including principal hazards. Our targeted work program is designed to deliver continual improvement in our safety culture, wherever we have a presence.

1.2 Our People

The Company completed its latest employee survey in the Quarter, achieving an engagement score of 84% from a participation rate of 73%. This pleasing result is a strong reflection of the level of commitment made by our global team, and the connection they have with each other and our local communities.

We have a number of programs underway to further connect our people with the Company's Purpose and Values, including a dedicated workstream that has been designed to better clarify our way of working to help improve broader productivity and efficiency.

1.3 MATSA Operations, Spain

1.3.1 Operations overview

MATSA Operations			Sep 2022	Dec 2022	Mar 2023	Jun 2023	FY2023
Production Statistics ^{(a), (b)}		Units	Quarter	Quarter	Quarter	Quarter	
Mining	Total Ore	Tonnes	1,125,250	1,052,960	1,106,393	1,101,797	4,386,400
Concentrator	Total Milled	Tonnes	1,077,749	1,052,853	1,104,644	1,160,079	4,395,325
Concentrate Produced	Concentrate	Tonnes	122,442	111,775	122,828	147,857	504,903
	Contained Copper	Tonnes	13,747	12,688	14,113	15,189	55,737
	Contained Zinc	Tonnes	19,535	19,755	21,294	25,345	85,929
	Contained Lead	Tonnes	2,477	1,921	2,269	4,080	10,747
	Contained Silver	MOunces	0.6	0.6	0.7	0.8	2.6
Copper equivalent ^(c)	Contained metal	kTonnes	24	22	25	28	99
	Payable metal	kTonnes	21	20	22	25	87
Operating cost	C1 unit cost	US\$/lb	2.19	1.85	2.00	1.93	1.99

Notes:

- (a) Refer to Sandfire's June 2023 Quarterly Report Presentation for further details relating to mining, processing, sales, costs and capital expenditure, released today, 27 July 2023.
- (b) Mining and production statistics are rounded to the nearest 0.1% Cu and Zn grade. Errors may occur due to rounding. Production statistics are subject to change following reconciliation and finalisation subsequent to the end of the Quarter.
- (c) FY2023 Copper Equivalent (CuEq) is calculated based on JUN22 average market price in USD. Source: WM/Reuters; Assumptions: Cu US\$8,245/t, Zn US\$3,252/t, Pb US\$1,907/t, Au US\$1,815/oz, Ag US\$20/oz. Guidance Payable Metal based on current commercial terms.

1.3.2 Mining

We continued to benefit from the breadth of our mining complex in Spain, as the Aguas Teñidas and Sotiel mines delivered production rates for the June 2023 Quarter that either met or slightly exceeded expectations. Performance at our Magdalena mine also showed a greater level of predictability and consistency delivering ore production within 5% of plan across the month of June 2023.

As previously indicated, higher grade Cupriferous and Polymetallic ore from the Masa 2 East section of the Magdalena mine was scheduled in the mine plan for the June 2023 Quarter. This material was mined according to plan and resulted in a significant uplift in both copper and zinc grades during the period.

A number of programs designed to further improve the Net Smelter Return (NSR) from our various ore types, including a focus on dilution and recoveries, and an increase in Run of Mine (RoM) stocks, remain a priority before we ultimately seek to increase the throughput rate of our centralised processing facility toward 4.7Mtpa, sustainably. We also plan to incrementally increase underground development expenditure again in FY2024, and invest in ventilation at Aguas Teñidas, to progressively open additional mining fronts and increase flexibility in our underground mines.

1.3.3 Processing

Processed tonnes for the June 2023 Quarter were within 3% of plan, with metallurgical recoveries marginally below expectations as we processed a higher proportion of ore from the Sotiel mine. The increase in contained copper and zinc production achieved during the June 2023 Quarter can be primarily attributed to the higher grades that were accessed in the Masa 2 East section of the Magdalena mine. Aguas Teñidas and Sotiel ore grades remained largely unchanged from the prior quarter.

In combination, this led to contained copper and zinc production for the June 2023 Quarter being largely in line with expectations, while lead and silver production marginally exceeded our plans.

1.3.4 Operating Costs

Despite the challenging external environment, MATSA continued to generate a robust Operations EBITDA margin of 39% in the June 2023 Quarter, with controllable costs in the local European currency remaining aligned with (implied C1 unit cost) guidance. While an increase in by-product output yielded lower C1 unit costs quarter on quarter (-5%), the benefit was largely offset by a lower zinc price and higher market rates for treatment charges during the period.

MATSA energy costs continued to moderate in the June Quarter as a benign European winter and an increase in gas storage took immediate pressure off the market in late CY2022. New long-term power contracts entered into with Endesa Energia (Endesa) provide MATSA with multi-year access to reliable, carbon emissions free, energy supply and a substantial reduction in exposure to spot energy prices, particularly from the commencement of CY2024.

In the June 2023 Quarter, MATSA entered into a Memorandum of Understanding with Endesa to commence the permitting process for the construction of a dedicated solar energy farm that will further improve MATSA's energy supply mix and pricing from CY2025.

1.4 DeGrussa Operations, Western Australia

1.4.1 Processing

With the completion of underground mining activities, our DeGrussa mine transitioned to process oxide copper stockpiles in mid-February of CY2023. In order to maximise value and economic returns, our teams intentionally prioritised higher grade and higher recovery oxide stockpiles, before moving to the remnant lower grade and lower recovery oxide stockpiles, while closely monitoring the technical and economic results.

While the processing of these higher grade and higher recovery stockpiles delivered strong financial outcomes, the transition to lower grade and lower recovery stockpiles proved to be more challenging in the June 2023 Quarter. The high clay content of this material significantly impacted metallurgical recovery and throughput rates, and as the economics became marginal, we decided to cease oxide processing operations in late May 2023.

Production for the June 2023 Quarter was 1,453t Cu and 1,234oz Au contained, for full year production of 27,502t Cu; 19,122oz Au; and 0.1Moz Ag contained. While full year production fell marginally short of prior guidance (of 28kt of copper), the innovative and relentless efforts of our team produced an additional ~9kt and ~7koz of contained copper and gold, respectively, when compared with the upper end of the production guidance range that was set in mid-CY2022.

Following the completion of oxide processing in May, the DeGrussa site has transitioned to care and maintenance while all alternatives are considered for the operation, including closure and rehabilitation, and divestment.

1.4.2 Operating costs

In alignment with the strategy established for DeGrussa, low grade surface ores and oxide stockpiles were processed until the economics reached break even. Accordingly, unit costs increased significantly through the year as processing activities transitioned from high grade sulphide ore to remnant lower grade and oxidised stockpiles, with C1 unit costs steadily rising from US\$1.34/lb Cu in the September 2022 Quarter through to US\$4.06/lb in the final June 2023 Quarter.

1.5 Motheo Operations, Botswana

1.5.1 Motheo Copper Mine 3.2Mtpa Construction and Development

Construction and commissioning of the initial 3.2Mtpa Motheo Copper Mine was largely complete at the end of the June 2023 Quarter, with the Company announcing that it had successfully produced first copper concentrate from the Motheo Process Plant in late May 2023. To the end of June 2023, production from the commissioning and ramp-up phase for Motheo was ~0.8kt Cu and ~16koz Ag contained.

First concentrate production signalled the start of the production ramp-up to the initial 3.2Mtpa rate, which the Company expects to achieve on a sustainable basis during the September Quarter of FY2024.

Other key highlights for the June 2023 Quarter included:

- A recordable injury free period for the project during the critical commissioning and ramp-up phase.
- Total Material Mined (TMM) of 8.6Mt, including 555kt of ore, as the open pit mine continued to perform to expectations.
- The commencement of construction for Stage 2 of the tailings storage facility (TSF).

The ramp-up of the mine continued to accelerate following the completion of FY2023, with the latest 14-day² period average processing run-rate of approximately 3.0Mtpa and maximum recorded copper recovery of 89% underpinning our growing confidence in the outlook.

1.5.2 Motheo Copper Mine 5.2Mtpa Expansion

The Botswana Government's Department of Environmental Affairs approved the ESIA for the A4 Open Pit during the Quarter, as announced to the Australian Securities Exchange (ASX) on 25 May 2023. This approval followed an extensive public consultation process that included multiple stakeholders, including related communities. Approval of the ESIA paves the way for the extension of the Motheo mining license as the last critical path item for development and mining of the A4 Deposit to commence.

The expansion project's design and procurement activities have continued in parallel with the approvals process. The status of the expansion works to the end of the June 2023 Quarter are detailed below.

- Design and procurement for the Motheo Process Plant expansion to 5.2Mtpa is complete.
- The construction of the Ball Mill foundations for the expanded plant is complete.
- Steelwork and platework deliveries are nearing completion.
- The Structural, Mechanical & Piping (SMP) Contract has been awarded, and site erection has commenced.
- Dewatering bore drilling and sterilisation drilling has been completed.
- Dewatering system design and procurement is well advanced.
- The A4 Mining Contract has been finalised.

- The delivery of Mining Equipment for the planned A4 Pit is on track for a commencement of mining activities in the September 2023 Quarter, subject to the receipt of the mining licence extension.

1.6 FY2024 Operations Guidance Summary

FY2024 Guidance (FY2023 comparative) ^{(a), (b)}	MATSA	Motheo ^(c)	Continuing Operations	DeGrussa	Group
Copper Equivalent (~kt)	93 (90)	42 (1)	135 (91)	- (32)	135 (123)
Contained Metal					
Copper (~kt)	58 (56)	39 (1)	97 (57)	- (28)	97 (85)
Zinc (~kt)	88 (86)	- (-)	88 (86)	- (-)	88 (86)
Lead (~kt)	10 (11)	- (-)	10 (11)	- (-)	10 (11)
Gold (~kz)	- (-)	- (-)	- (-)	- (19)	- (19)
Silver (~Moz)	2.6 (2.6)	1.2 (-)	3.8 (2.6)	- (0.1)	3.8 (2.7)

Notes:

- (a) Refer to Sandfire's June 2023 Quarterly Report Presentation for further details relating to FY2024 operations guidance, released today, 27 July 2023.
- (b) FY2024 Copper Equivalent (CuEq) is calculated based on JUN23 average market price in USD. Source: WM/Reuters; Assumptions: Cu US\$8,386/t, Zn US\$2,368/t, Pb US\$1,943/t, Au US\$1,943/oz, Ag US\$23/oz. Guidance Payable Metal based on current commercial terms.
- (c) FY2023 metal produced represents contained metal during the commissioning and ramp up phase. FY2024 metal production guidance is expected to include both ramp up and production phases, with the achievement of commercial production to be determined during FY2024.

Group copper equivalent production is expected to increase by 10%³ in FY2024 with the ramp-up of Motheo to be partially offset by the loss of production from DeGrussa.

Production at MATSA is planned to increase by 2.8% in FY2024 with an incremental improvement in copper and zinc output anticipated. Processing rates at MATSA are expected to increase marginally to 4.5Mtpa, as we seek to minimise dilution and increase recoveries, particularly for copper in our Poly line. The increase in recoveries will be partially supported by a circa 100kt build in ROM stocks that will provide greater predictability and control in our processing blends.

Contained production guidance of ~39kt Cu and ~1.2Moz Ag for Motheo's first full year of operation remains aligned with our Definitive Feasibility Study (DFS) projections as the operation ramps-up to its initial design capacity of 3.2Mtpa. The rapid and low-cost expansion in capacity to 5.2Mtpa is expected to be completed toward the end of CY2023, with the facility to ramp-up across the remainder of FY2024.

2 Projects overview

2.1 Black Butte Copper Project, Montana, USA

Sandfire America continued to advance its studies of the Lowry Deposit during the June 2023 Quarter, while preparing to defend the legal challenge of the permits.

Refer to Sandfire America's website at www.sandfireamerica.com for more details.

3 Exploration update

Exploration remains a key component of our Strategy and is expected to be increasingly focused on the highly prospective Iberian Pyrite and Kalahari Copper Belts, as we seek to maximise the strategic value of our modern processing hubs and broader landholding.

3.1 Iberian Pyrite Belt Exploration, Spain and Portugal

3.1.1 Spain

Surface exploration continued at MATSA with 12 drill holes completed during the Quarter as we focused on the San Miguel, Confesionarios, Castillo Buitron and El Escorial prospects. All prospects contain known mineralisation, with exploration seeking to extend known deposits and identify faulted offsets.

Interpretation of the large-scale Airborne Gravity Gradiometry survey is underway and integration of this data set into the belt scale 3-d structural model will significantly improve target generation.

3.1.2 Portugal

As announced to the ASX on 13 June 2023⁶, Sandfire's joint venture partner, TSX-listed Avrupa Minerals Limited (Avrupa), released new assay results from diamond drilling at the Sesmarias Prospect, which forms part of the Alvalade JV.

Avrupa is the current operator of the Alvalade JV. Sandfire holds an indirect 51% interest in PorMining Lda. (the Alvalade JV company) and can increase its interest to 85% under Phase II. The interest in the Alvalade JV was acquired by Sandfire through the acquisition of the MATSA Copper Operations in 2022.

The Sesmarias discovery hole, SES002, was drilled in 2014 and intersected 8.0 metres grading 2.2% copper, 3.1% lead, 4.8% zinc, and 89.8g/t silver from approximately 150 metres depth. The deeper follow-up hole completed during the June 2023 Quarter, SES23-047, has now intersected:

- 27 metres at 2.2% copper; 2.6% lead; 5.6% zinc; and 88.2g/t silver from 394 metres depth, within a wider interval of 43 metres of 1.5% copper; 2.2% lead; 4.8% zinc; and 64.1g/t silver from 393 metres depth.

Further drilling by Avrupa is planned to test the extent of the mineralised horizon and these results will continue to inform next steps.

Full details of the exploration results are contained in the Avrupa TSX announcement which is available on the Avrupa website.

3.2 Kalahari Copper Belt Exploration, Botswana and Namibia

We continued to prioritise early stage exploration and targeted drilling within the economic trucking distance of the Motheo Copper Mine's processing infrastructure during the June 2023 Quarter. This included drilling of the Kuke, Herero and Bora Prospects, where 11 holes were completed with no significant results received to date.

A circa 54,000 line km Airborne Gravity Gradiometry (AGG) survey commenced during the June 2023 Quarter. The survey has progressed well, with 67% of the program completed to 30 June 2023 and flying expected to be concluded early in the March 2024 Quarter.

No work was undertaken during the Quarter on the Company's Namibian exploration tenure.

3.3 Doolgunna Province Exploration, Western Australia

Field mapping and geochemical sampling was completed during the June 2023 Quarter to test the priority targets that were generated by the recent Falcon AGG geophysical survey over the Yerrida North Project.

3.4 Eastern Australia Exploration, New South Wales

Four diamond drillholes were completed across the Broads Breccia and Balgoo Prospect during the June 2023 Quarter. No significant mineralisation was returned and the prospects warrant no further work.

4 Treasury and Corporate Development Update

4.1 DeGrussa Copper Operations Sale Process

As previously announced, the Company has initiated a formal sale process to divest the DeGrussa Project, inclusive of the Old Highway Gold Project and associated Bryah Basin gold exploration tenements, the DeGrussa and Monty underground mines and associated near-mine tenements, oxide stockpiles and tailings dam mineral inventory and other property, plant and equipment.

This process may or may not result in the divestment of the project. The Company will assess potential offers and determine whether any sale would realise an acceptable commercial outcome for Sandfire and its shareholders.

4.2 Cash position

The Group's cash holding at the end of the Quarter was US\$142M for net debt of US\$430M⁴, following US\$20M of debt repayments at MATSA during the Quarter.

4.3 Debt facilities

4.3.1 MATSA Financing Facility

During the Quarter Sandfire announced that, following unanimous approval by the international banking syndicate, the loan tenor of the MATSA Financing Facility (MATSA Facility) had been extended by a further two years, to 31 December 2028, with a revised amortisation profile.

The MATSA Facility, initially US\$650M, formed an integral part of Sandfire's funding package for the acquisition of MATSA. Since Sandfire took ownership of MATSA in early CY2022, MATSA has completed scheduled repayments totalling US\$218M (to 30 June 2023) including repayments of US\$20M in the June 2023 Quarter. The revised amortisation profile is detailed in the following table.

Period ending	Revised repayment profile (US\$M)	Previous repayment profile (US\$M)	Amendment (US\$M)
June 2024	46	170	(124)
June 2025	73	119	(46)
June 2026	117	96	21
June 2027	84	67	17
June 2028	90	-	90
December 2028	22	-	22
Total	432	452	(20)

The Group has also commenced a copper forward hedging program to extend coverage at MATSA by one year into mid-FY2026, targeting around 30% of scheduled payable production. The MATSA hedge book was originally set with a three-year horizon covering 30-40% of copper and zinc production. This additional forward hedging position will restore that horizon for copper to over 2.5 years⁷.

Sandfire's June 2023 Quarterly Presentation released to the ASX on 27 July 2023 provides the status of the Group's hedge book at the end of the June Quarter.

Other commercial amendments have been completed in line with the usual terms for a facility of this nature. The facility is supported by the cash-flow and security of MATSA with no recourse to Sandfire. Facility documentation to amend and extend the MATSA Facility was endorsed by the Sandfire Board for execution following authorisation by the Group's wholly owned subsidiaries.

For further details, refer to the ASX announcement dated 11 May 2023 titled, 'Sandfire amends and extends MATSA Debt Facility'.

4.3.2 Motheo Project Finance Facility

Sandfire is funding the development of the Motheo Copper Project through a combination of cash and project debt. A US\$140 million Project Finance Facility is in place with Société Générale and Nedbank, which is fully drawn.

The facility is based on the construction and development of the initial 3.2Mtpa of processing capacity. A targeted uplift of the facility to US\$200M is being completed in line with the integration of the 5.2Mtpa Motheo Expansion.

5 Board & Management Update

5.1 Commencement of CEO and Managing Director

Highly experienced mining executive Mr Brendan Harris commenced as the Company's Chief Executive Officer (CEO) and Managing Director on 3 April 2023.

Mr Harris brings a broad range of leadership, commercial and technical skills to Sandfire, particularly in the management and operation of a diversified international mining business, and has a deep understanding of the future-facing metals required to sustainably decarbonise the global economy.

5.2 Appointment of Chief Financial Officer

The Company announced the appointment of Ms Megan Jansen as Chief Financial Officer (CFO), with long serving CFO, Mr Matthew Fitzgerald, stepping down from the role on 30 September 2023.

Ms Jansen has more than 20 years of experience across finance, commercial, business integration, M&A, shared services, and transformation projects, having most recently served as Global Head of Finance at Imdex Limited. Prior to this, Ms Jansen held various leadership roles at global mining company MMG Limited over a 10-year period.

Earlier in her career, Ms Jansen worked in the UK across various industries and organisations and brings a diverse range of experience to the CFO role. Ms Jansen commenced her career at Ernst and Young, is a Chartered Accountant and holds a Bachelor of Commerce from Curtin University.

Ms Jansen will commence with Sandfire on 2 October 2023.

Mr Fitzgerald joined the Company as CFO in 2010 and has been a key member of the Executive team through the Company's successful discovery, A\$380M financing, development and operation of the DeGrussa Copper Operations in Western Australia, the acquisition, financing and construction of the Motheo Copper Mine in Botswana and, more recently, the strategic acquisition of the MATSA Copper Operations in southern Spain. Matthew's contributions have played a significant role in supporting the Company's growth from a junior explorer into an emerging international ASX200 copper miner.

Mr Fitzgerald held, to November 2022, the position of Company Secretary and from September 2016 Chair of the Board of the Company's 87% held subsidiary Sandfire Resources America Inc. (TSX-V: SFR), which is advancing the Black Butte Copper Project in Montana, United States. Mr Fitzgerald will continue with Sandfire in his current roles until 30 September 2023 to support an effective transition and, following that, plans to pursue other opportunities.

5.3 Retirement of Dr Roric Smith as Non-Executive Director

Dr Roric Smith retired as Non-Executive Director of Sandfire on 30 June 2023 to pursue other personal interests. As a highly experienced geologist with extensive Australian and international experience, Dr Roric Smith served on the Board for over seven years (appointed 31 December 2016), seeing the Company through the highly successful operation of the DeGrussa Copper Operations, as well as the acquisition of Sandfire's interests in the Motheo Copper Project in Botswana, and the MATSA Copper Operations in Spain.

Dr Roric Smith will continue to support the Company in an advisory role, working directly with the senior management team to progress Sandfire's global exploration program, which includes a significant landholding in two strategically important copper provinces, being the Iberian Pyrite Belt and the Kalahari Coper Belt.

The Company has commenced a formal recruitment process to appoint a suitable replacement for Dr Roric Smith.

6 Investor call and webcast

A Teleconference on the Quarterly results will be held for the investment community on Thursday, 27 July 2023 commencing at 10.00am (AWST) / 12.00pm (AEST).

To participate in the live Teleconference, investors and media are invited to click on the link below to register:

<https://s1.c-conf.com/diamondpass/10030600-ejkqz7.html>

A live webcast of the Teleconference will be available via the Loghic Connect service, via the link below:

<https://kapara.rdbk.com.au/landers/0174f2.html>

Please note that it is recommended that you log on at least five minutes before the scheduled commencement time.

The June 2023 Quarterly Report and accompanying Presentation will be available via the ASX Company Announcements Platform (ASX code: SFR) and at Sandfire's website www.sandfire.com.au.

- ENDS -

For further information, please contact:

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

NOTES

1. FY2023 px: CuEq is calculated based on JUN22 average market price in USD. Source: WM/Reuters; Assumptions: Cu US\$8,245/t, Zn US\$3,252/t, Pb US\$1,907/t, Au US\$1,815/oz, Ag US\$20/oz. Guidance Payable Metal based on current commercial terms.

2. Average annualised copper concentrator processing throughput rate to 22 July 2023.

3. FY2024 px: CuEq is calculated based on JUN23 average market price in USD. Source: WM/Reuters; Assumptions: Cu US\$8,386/t, Zn US\$2,368/t, Pb US\$2,118/t, Au US\$1,943/oz, Ag US\$23/oz. Guidance Payable Metal based on current commercial terms.

4. Net debt presented excludes capitalised transaction costs, leases and revolving short-term working capital facilities.

5. Unaudited.

6. Refer to Sandfire's ASX announcement dated 14 June 2023 titled, 'Sandfire Portugal Exploration Update'. In accordance with ASX Listing Rule 5.23.2, Sandfire is not aware of any new information or data that materially affects the information included in the aforementioned ASX announcement.

7. Refer to Sandfire's ASX announcement dated 1 February 2022 titled, 'Sandfire completes acquisition of MATSA'.

Important information and disclaimers**Exploration Results**

The information in this report that relates to Exploration Results, is based on, and fairly represents, information and supporting documentation prepared by Mr Richard Holmes who is a Fellow of The Australasian Institute of Mining and Metallurgy. Mr Holmes is a permanent employee of Sandfire and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Holmes consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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.

Except for statutory liability which cannot be excluded, each of Sandfire, its officers, employees and advisors expressly disclaim any responsibility for the accuracy or completeness of the material contained in these forward-looking statements and excludes all liability whatsoever (including in negligence) for any loss or damage which may be suffered by any person as a consequence of any information in forward-looking statements or any error or omission. Sandfire undertakes no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after today's date or to reflect the occurrence of unanticipated events other than required by the Corporations Act and ASX Listing Rules. Accordingly, you should not place undue reliance on any forward-looking statement.

ASX releases referred to in this announcement:

'Sandfire Portugal Exploration Update', released to the ASX on 13 June 2023.

'Sandfire amends and extends MATSA Debt Facility' released to the ASX on 11 May 2023.

'Sandfire completes acquisition of MATSA', released to the ASX on 1 February 2022.

SFR Mineral Resources and Ore Reserves estimates

The information in this announcement that relates to SFR's Mineral Resources or Ore Reserves is extracted from SFR's ASX releases and is available at <https://www.sandfire.com.au/where-we-operate/mineral-resources-and-ore-reserves/> OR www.asx.com.au.

SFR confirms that it is not aware of any new information or data that materially affects the information included in the respective relevant market announcements and that all material assumptions and technical parameters underpinning the estimates in the respective relevant market announcement continue to apply and have not materially changed.