

4 June 2024

EXTERNAL INVESTIGATION INTO DISTURBANCE OF ARTEFACT SCATTERS AT DEGRUSSA

On 30 November 2023, Sandfire Resources Limited (**Sandfire**) released an announcement advising of the historic disturbance of artefact scatters at its DeGrussa operations, which primarily occurred in 2017 and 2018, and the commencement of an external investigation into those disturbances, their root causes and the time taken to notify the traditional owners, the Yugunga-Nya.

Sandfire advises that this investigation is complete. A copy of the investigation report is attached.

The investigation was undertaken at the request of Sandfire by leading law firm, Gilbert + Tobin, and a draft has been shared with the Yugunga-Nya, as promised. Sandfire accepts the findings of this report and expresses its sincere apologies for the impact this entirely avoidable situation has had on the Yugunga-Nya. Sandfire also acknowledges that the time taken to inform the Yugunga-Nya was unacceptable.

In summary, the investigation found that the historical disturbances occurred ‘in error due to ignorance and process failings within Sandfire’ that included a failure to appreciate the potential importance of the scatters. The investigation also determined that Sandfire was not historically organised in a way that would ensure such disturbances could not occur. Collectively, these findings confirm a failing of Sandfire’s then executive management, leading up to and at the time of the disturbances, to clearly define line accountability for heritage, ensure appropriately experienced, senior personnel were in place to manage heritage deeper within the organisation, and that the necessary systems and processes were operating effectively. The external investigation supports this conclusion, having found that ‘persons who might reasonably be considered as holding that responsibility had stated that they were not responsible’.

The investigation also considered the time taken to escalate the matter within the organisation once it was identified and determined there was a broad failure to understand Sandfire’s ESG obligations exceeded ‘legislative compliance’, although it acknowledges that this changed once the current Chief Executive Officer of Sandfire was first informed of the disturbances.

Sandfire recognises the magnitude of these findings and has committed to an extensive program of work designed to ensure the protection of cultural heritage across all of its operations. Based on the conclusions and recommendations of the investigation, we are confident that the creation of Sandfire’s new Purpose and Strategy, and establishment of the ‘Sandfire Way’ of working, will create the necessary systems and processes required to effectively manage a growing global company. The scope of this work is being tested to ensure it addresses all the corrective actions recommended by Gilbert + Tobin. Activity planned or being led by Sandfire’s Executive Leadership Team includes:

- The adoption of a simple organisational design that defines clear accountabilities, including for Aboriginal Heritage where Sandfire’s Chief Sustainability Officer will set minimum standards and provide assurance that these standards are being met wherever Sandfire has a presence.
- A fundamental review of Sandfire’s GIS database and document management systems.
- A review of Sandfire’s Heritage Management Plan, which will focus on compliance with recommendations contained within heritage survey reports, and the management of heritage data and disturbance.
- A review of the Company’s land disturbance processes and procedures, to ensure heritage risks are comprehensively assessed and appropriately managed before approvals are sought or any ground disturbance activities takes place.

Sandfire is also working with the Yugunga-Nya to ensure the Company delivers on the commitments embedded within their new framework agreement. This includes the importance of cultural awareness training for Sandfire's Board, Executive Leadership Team and Australian employees, particularly those working at DeGrussa as a priority. The extent of cultural heritage training will also be reviewed across our global operating footprint.

A review of the broader Monty and DeGrussa mining leases, using available geospatial imagery, is also being finalised by Sandfire to support the pending independent archaeological assessment of other previously identified scatter sites or heritage locations.

Sandfire Chair, John Richards, said: "We are deeply sorry for the disturbance of artefact scatters at DeGrussa and for the distress this has caused the Yugunga-Nya. The investigation highlights systemic failures in Sandfire's management systems and a lack of appreciation of Aboriginal heritage at the time this unacceptable damage occurred.

"Since the appointment of Brendan Harris as Sandfire's CEO in April 2023, significant progress has been made to develop the strategy, systems and structures necessary to manage the newly expanded business and execute the next phase of our growth strategy. Mr Harris has built a new Executive Leadership Team, adding important skills and experience to Sandfire, including the appointment of Sandfire's first Chief Sustainability Officer, elevating sustainability to the executive team.

"Mr Harris acted quickly and decisively when he heard of the disturbance of the artefact scatters and the Board commends the work he and his team are doing to rebuild our relationship with the Yugunga-Nya and ensure we deliver on our broader obligations and commitments to them. The Board is focused on the ongoing protection of cultural heritage at our DeGrussa operation, and everywhere we operate, recognising that our responsibilities extend well beyond mere legal compliance. Our decision to retain DeGrussa and rehabilitate the operation means we will maintain an important presence in the region for many years to come and we look forward to working with the Yugunga-Nya, the State Government and our other stakeholders to deliver meaningful, sustainable outcomes for the local community.

"Nonetheless, Sandfire's failure to protect the artefact scatters and to quickly escalate the issue once identified is unacceptable. The development of the Sandfire Way, a new way of working through a robust framework of policies, standards, and procedures, founded on our 'Don't Walk Past' philosophy, is evidence of our determination in this regard. It is noted that Sandfire is being led by a completely new executive team than at the time of the heritage survey in 2016 and when the artefacts were disturbed.

"While the Board will continue to receive regular updates and is actively engaged in the Company's response, it is also awaiting the findings of the Western Australian Department of Planning, Lands and Heritage's own investigation and will consider all available information before finalising its position, which is consistent with best practice."

- ENDS -

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

Investigation into Aboriginal heritage disturbance at the Monty Mine

Report and recommendations

4 June 2024

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1 Executive Summary

Gilbert + Tobin was engaged by Sandfire to conduct an investigation to identify and critically analyse the relevant facts, circumstances and organisational context in which:

- the historical disturbances of Aboriginal artefact scatter sites Doolgunna 16-03 and Doolgunna 16-04 (together, the **Scatters**) at Sandfire's Monty copper mine (**Disturbances**); and
- Sandfire's response to discovering that disturbance,

occurred, and to set out:

- our conclusions as to how and why the key causal events occurred; and
- our recommendations for ensuring that such an incident does not occur in future.

This Report comprises (on a de-identified and non-attributed basis) our synthesised observations from our investigation, which included review of approximately 250 documents and many more emails (which Sandfire provided at our request) and interviews with 17 current or former Sandfire personnel employed between 2016 – 2024.

Key findings

In our view, the Disturbances occurred in error due to ignorance and process failings within Sandfire. There is no evidence of any malicious conduct or intent to disturb any Aboriginal site that ought to have been protected. There was also no cultural bias adversely affecting the protection of Aboriginal heritage per se. To the contrary, there were other Aboriginal heritage sites in the area which were protected by Sandfire. The evidence suggests that there was nothing to be gained by disturbing the Scatters and that if the potential significance of these Scatters had been appreciated by Sandfire personnel, they would have been fenced and protected.

There was, however, a failure by Sandfire to appreciate the potential importance of the Scatters. Further:

- prior to September 2023, there was no senior person with the appropriate experience who expressly was, and considered themselves to be, responsible and accountable for oversight, management and custodianship of Aboriginal heritage at Sandfire, and so there was no clear line of command and responsibility for Aboriginal heritage compliance. This was a systemic failure which was a root cause of the Disturbances; and
- no-one in the Company who was qualified to opine on whether the Scatters were 'sites' under the *Aboriginal Heritage Act 1972 (WA)* (**AHA**) considered that question until March 2023 when the issue was elevated to the in-house legal team at Sandfire.

There was a lack of systems within Sandfire to ensure that such disturbances did not occur in error. Significant contributing factors were that:

- important information could be held by individuals at Sandfire, rather than being entered into a centralised authoritative database;
- there was no central, authoritative GIS database that recorded all relevant information (including the Scatter locations); and
- the high turnover of Sandfire personnel exacerbated a lack of documented policies and procedures.

Also, prior to 1 September 2023 when Sandfire's current CEO learned of the Disturbances, there was a clear failure to understand that Sandfire's ESG obligations (including the obligation to inform relevant stakeholders of the disturbances) exceeded mere 'legislative compliance'.

The fact of the Disturbances should have been escalated to the Sandfire Board by no later than March 2023, and the Disturbances should have been disclosed to the Yugunga-Nya People at that time.

We did not, however, identify any evidence suggesting hesitancy or elusiveness by Sandfire designed to intentionally withhold information from the Yugunga-Nya People or the Department of Planning, Lands and Heritage. The process which escalated the Disturbances to the Board was slow between March and September 2023, but it was thorough. Following September 2023, the timing of the response was in line with contemporary norms.

Gilbert + Tobin

Gilbert + Tobin
4 June 2024

2 Context in which Sandfire was operating

The history of the development of Sandfire's activities at the DeGrussa Deposit which became the DeGrussa Copper Mine (together, **DeGrussa**) and the nearby Monty Prospect which became the Monty Underground Copper-Gold Mine (together, **Monty**) is relevant to the matters discussed in this Report, and it is worth briefly summarising those events as follows.

- In 2009, Sandfire discovered DeGrussa.
- By 2012, DeGrussa was being developed into an operational copper-gold mine.
- In December 2013, Sandfire and Talisman Mining Limited (**Talisman**) entered into a farm-in joint venture (**JV**), pursuant to which Sandfire could earn in up to 70% of Talisman's Doolgunna Project tenements, including the Springfield Project, which in turn included Monty.
- In 2014, Sandfire commenced exploration at Monty.
- Monty is located approximately 900km north of Perth and 10km east of DeGrussa. Monty was managed and operated as a satellite project. The proximity of the deposit to DeGrussa provided an expedited pathway to production.
- By April 2017, a feasibility study to proceed with Monty was complete. At that stage, Sandfire held 70% of Monty under the JV, and had entered into an Ore Sale and Purchase Agreement with Talisman to purchase its 30% of ore mined by the JV.
- In July 2017, regulatory approval was granted for mining to commence at Monty.
- Between August 2017 and 2018, the Monty underground mine and supporting infrastructure was constructed (**Monty Mine**). We now know that Doolgunna 16.03 was disturbed in mid-late 2017(as discussed below).
- In June 2018, Sandfire purchased Talisman's 30% interest in the Monty Mine with a view to feeding the DeGrussa copper-gold processing plant with ore. At around this time, the Monty Mine waste dump was extended in a north-east direction and we now know this extension encroached on the edge of Doolgunna 16-04 (as discussed further below).
- By late 2022, underground mining was completed at DeGrussa and Monty and rehabilitation planning and works had recommenced at Monty. We now know that further disturbance occurred to Doolgunna 16-04 at around this time, in the form of vehicle movement evidenced by tyre tracks on the side of the site.

During this period of development at DeGrussa and Monty in which the Disturbances occurred, there was a high turnover of staff (including directors and senior managers) at Sandfire. None of the current Board members, nor the current Managing Director and CEO, were at Sandfire during the period 2016 – 2018 when the Disturbances occurred. Likewise, several key personnel from that period are no longer with the company, and a number declined (actively and passively) to participate in the investigation.

Brendan Harris, Sandfire's current Managing Director and CEO, started with the Company on 3 April 2023. Mr Harris became aware of the Disturbances on 1 September 2023 and immediately informed the Board, and then took steps to inform the Yugunga-Nya People.

Under the leadership of Mr Harris, Sandfire is undergoing a period of transformation to bring its corporate governance structures from those of a junior mining company to those befitting a global copper producer. Sandfire's Executive Leadership Team now includes a Chief Sustainability Officer responsible for Aboriginal heritage amongst other responsibilities.

3 Review of Disturbances and Sandfire's internal response

3.1 Pre-disturbance

In 2016, Sandfire commissioned a heritage survey for the Monty deposit and haul road in which the Scatters were identified in a heritage survey report (**Survey Report**). The mapping data for the locations of the Scatters were distributed internally within Sandfire at the time, but there was no central data management system upon which they were recorded. The detail of the Scatters was not circulated internally due to a perception that there were confidentiality concerns with doing so.

At the date of the Survey Report, the Scatters were outside the initial Monty Mine infrastructure footprint. The Monty Mining Proposal (**MMP**) that was approved by the Department of Mines and Petroleum (**DMP**) (as it then was) in 2017 did not include data on the locations of the Scatters because:

- the sites were not registered; and
- there were concerns that the information in the Survey Report could not be published outside Sandfire due to confidentiality restrictions.

3.2 Site Disturbances

(i) Doolgunna 16-03

A last-minute infrastructure design change (due to safety concerns) occurred in 2017 which brought Doolgunna 16-03 within the Monty Mine infrastructure footprint. Within 1-2 months of this design change, clearing works commenced and substantially damaged Doolgunna 16-03.

There was no realisation at the time of this change that the works would impact Doolgunna 16-03.

(ii) Doolgunna 16-04

In 2018, the Monty Mine waste dump was extended in a north-east direction encroaching on the edge of Doolgunna 16-04, with no damage to the balance of the site.

In 2022, rehabilitation works were conducted at the Monty Mine, including on the waste dump, in the vicinity of Doolgunna 16-04. This resulted in tyre tracks on the side of the site that might be characterised as a disturbance.

There was no realisation at the time of the 2018 extension or the 2022 rehabilitation works that such works would impact Doolgunna 16-04.

3.3 Sandfire's internal response

(i) Disturbances not raised when they occurred

At the time of those Disturbances, or at some time before the Disturbances, we consider there was, or ought to have been, knowledge within Sandfire at an operational level that the Scatters were at risk of disturbance or would be disturbed by these proposed works.

However, not all Sandfire personnel were aware and, at the time of the Disturbances, those with knowledge of the Scatters did not appreciate the significance of the Scatters. For anyone who did appreciate the significance prior to the Disturbances, there was a lack of clear reporting lines and processes for elevating any concerns they may have had.

There is, however, no evidence that there was actual knowledge of the disturbance to the Scatters at or about the time that they occurred. Certainly, there were no checks undertaken in that regard.

(ii) Disturbances first raised in 2022 upon rediscovery of mapping data

During the rehabilitation of the Monty Mine in 2022, Sandfire personnel discovered mapping and plans which suggested that the Scatters had been disturbed.

We have found as follows:

- Sandfire's internal procedures in June 2022 were such that GIS data that had previously been reviewed was not required to be reviewed again in responding to an internal application to proceed with works. Nonetheless, a full review of all GIS data was conducted before providing approval for rehabilitation works. In late June 2022, the likely disturbance of the Scatters was identified after a staff member combined the GIS data containing the Scatters with the existing and current Monty Mine infrastructure footprint. This discovery occurred because of individual diligence and responsibility rather than systemic accountability or procedures. That is, the discovery was serendipitous not systemic.
- The matter was not escalated to the legal team or executive management level at that time; rather, a decision was made at an operational level to proceed with rehabilitation works. Prior to that work occurring, flags were put around Doolgunna 16-04 and the works were redesigned to avoid further interference with the Scatters.
- The rehabilitation works eventually commenced in August 2022 and during that process further disturbance to Doolgunna 16-04 occurred or was only narrowly missed as set out in section 3.2(ii). As noted above, it is not clear how or why this disturbance occurred. By that point, flags had been put around Doolgunna 16-04 and there was a common understanding among those at the Monty Mine site that it was to be avoided. The inference is open that the significance of the presence of flags was not appreciated or that possibly, as the area appeared to have been already disturbed, it was assumed by Sandfire personnel that such further disturbance was acceptable. In either case, it is clear that the 'control' mechanism of placing flags was ineffective.
- There is no evidence of any further disturbance to Doolgunna 16-04 after August 2022.
- In December 2022, a direction was given as part of the rehabilitation works to commence reclaiming the waste dump. As the presence of Doolgunna 16-04 had been raised and was known and flagged, it was assumed by recipients of that direction that there was no issue in proceeding with that work. Those works were conducted in January 2023 and there is no evidence that any further disturbance occurred in that period.
- No escalation of the Disturbances occurred beyond a site operations management level until March 2023.

(iii) Escalation - March 2023

During an internal due diligence process in March 2023, the Disturbances were raised by Sandfire operational personnel with the in-house legal team, and subsequently the legal team raised it with the Acting CEO. An internal investigation was commenced to determine what had occurred.

We have found as follows:

- In March 2023, Sandfire distributed an internal questionnaire asking key personnel to identify any potential risks affecting the business as part of an internal due diligence process. On 10 March 2023, Sandfire reviewed the responses to that questionnaire which included the discovery of the Scatters and the potential Disturbances in June 2022 (that had not previously been escalated to executive or management level).
- By 14 March 2023, Sandfire's in-house legal team had considered the questionnaire response which was received raising the Disturbances. A stop work order was immediately issued and an internal investigation commissioned to better understand what had occurred.
- On 15 March 2023, the Acting CEO was advised of the potential issue by in-house legal. The matter was not reported to the Board at that stage, but in-house legal were directed to investigate and report upon what had occurred.
- Neither the issue nor the fact of the investigation were raised in the handover to the new CEO who commenced with Sandfire on 3 April 2023, reflecting that it was not considered to be a priority issue.
- Between 15 March – 25 August 2023, the following occurred:
 - (i) Sandfire personnel sought clarification of the facts before (further) escalating the Disturbances;
 - (ii) external legal advice was sought and obtained after sufficient material had been gathered; but
 - (iii) the fact-gathering exercise was hampered because key personnel with material information relating to the investigation were unavailable for large periods of time due to planned absences, supervening medical events and other commitments. As noted above, a number of persons who had historically filled key roles were no longer with Sandfire.
- On 25 August 2023, the Chief Operating Officer (who was the Acting CEO in March 2023) was provided further details of the Scatters and the Disturbances. The internal investigation was still underway.

In our view, whilst the appropriate level of diligence was applied to the investigation of matters in response to discovery of the Disturbances, the level of urgency and priority afforded to the Disturbances was, at least, questionable, as the process which escalated the Disturbances to the Board, via its Chair, was too slow in this period. Given the ESG obligations on companies and the more contemporary approach following the Juukan Gorge enquiry, it is surprising that the existence of a potential Aboriginal heritage issue was not raised, particularly given that the *Aboriginal Cultural Heritage Act 2021 (WA)* was introduced on 1 July 2023 (albeit that its repeal was foreshadowed shortly after commencement and effected on 15 November 2023).

That said, the further investigation between March and August 2023, whilst slow, was thorough.

(iv) Escalation – September 2023

On 1 September 2023, the Disturbances were escalated to the new CEO and MD, who immediately notified the Chair of the Board and the Chair of the Risk Committee. Until that time,

further investigations had been continuing to ascertain the extent of the Disturbances. The full Board was formally updated on 12 October 2023, and the Yugunga-Nya People were notified on 13 October 2023.

We have found as follows:

- On 1 September 2023, the Disturbances were escalated to Mr Brendan Harris, MD and CEO of Sandfire, who informed the Chairs of the Board and of the Risk Committee that day, having formed the view that the importance of the sites disturbed was a matter for the Yugunga-Nya People. The matter was afforded greater priority and resourcing and further clarification was sought internally before finalising with the Board and informing Yugunga-Nya.
- On 13 October 2023, Sandfire notified the Yugunga-Nya People of the disturbances.
- By 29 November 2023, Sandfire self-reported to the Department of Planning, Lands and Heritage (**DPLH**) after consulting with the Yugunga-Nya People, and disclosed to the Australian Securities Exchange on 30 November 2023.

Prior to 1 September 2023 when Sandfire's current CEO learned of the Disturbances, there was a clear failure to understand that Sandfire's obligations from an ESG perspective (including the obligation to inform relevant stakeholders of the disturbances) exceeded mere 'legislative compliance'.

It was obviously important to understand what had occurred with some precision from an internal perspective and to ensure Sandfire could inform Yugunga-Nya appropriately. However, internal Sandfire response to the Disturbances in March 2023 should also have escalated the issue to the Board. That is, from a relationship perspective, Sandfire should have been in a position to inform the Yugunga-Nya People of the disturbance at an earlier stage.

The process which escalated the Disturbances to the Board, via its Chair, was too slow between March and September 2023 – but it was thorough.

We did not identify any evidence suggesting hesitancy or elusiveness by any Sandfire personnel intended to withhold information from the Yugunga-Nya People or the DPLH. It appears that the primary intention of the internal response to the Disturbances was at all material times to prioritise having a clear and thorough understanding of the issues (and perhaps to have a 'solution') before bringing them forward.

4 Investigation team observations

4.1 Disturbances occurred in error due to ignorance and process failings

We have not found any evidence suggesting intentional or malicious interference with the Scatters. Nor was there any active concealment of knowledge and likely disturbance of the Scatters by Sandfire personnel at the time of the Disturbances. On the contrary, there was no concealment by Sandfire, as Sandfire personnel considered that the Scatters were not significant so, by extension, nor were the Disturbances. That is, the Disturbances occurred in error, out of ignorance and due to process failings within Sandfire.

The Survey Report identified other Aboriginal heritage sites within the initial Monty Mine footprint, which were fenced or relocated and therefore protected.

The information provided suggests there was nothing to be gained by disturbing the Scatters. The works that caused the Disturbances could have been relocated at no or very low cost, leading to the conclusion that the Disturbances were not 'calculated' or as a direct result of any time or other pressure.

It is unclear why Doolgunna 16-04 was the subject of further disturbance or a 'near miss' in 2022 given the presence of Doolgunna 16-04 was known at the time and flags had been put around it. Objective documentary evidence suggests, however, that the disturbance was

unintentional. It is, however, unclear whether the disturbance was unnoticed, or whether the disturbance was considered unimportant.

4.2 Key failings which allowed the Disturbances to occur

Based on our investigation, the key failings were as follows.

- Failure to allocate responsibility to a senior person with appropriate experience for implementation of the heritage survey report recommendations. There was no clear organisational responsibility and persons who might reasonably be considered as holding that responsibility stated that they were not responsible. Had this responsibility been appropriately allocated, it is likely that:
 - (i) the Scatters would have been fenced before construction and operation of the Monty Mine and related infrastructure, and avoided thereafter;
 - (ii) decisions relating to heritage would have been better informed (legally and culturally) and there would have been clear accountability for those decisions;
 - (iii) escalation of key decisions to Sandfire's in-house legal team and to executive management would have occurred more promptly (ie given the Disturbances were only escalated during an internal due diligence process, and may not have been escalated otherwise); and
 - (iv) there would likely have been better communication with the Yugunga-Nya People such that they were informed of relevant matters in a more timely way.
- Failure to allocate senior organisational responsibility and single point accountability for Aboriginal heritage, which led to a further organisational failure, being the lack of appreciation of the significance / potential significance of the Scatters.

All internal approvals and the draft Heritage Management Plan (which was drafted but was not implemented at the relevant time) centre on whether there is a 'Site' for the purposes of the AHA with no reference to existing Aboriginal heritage surveys, which reflects a binary perception of Aboriginal heritage as either important / significant (and requiring protecting) or not. This, in conjunction with a lack of any responsibility or accountability at any senior level (ie General Manager or above), resulted in a failure to appreciate that mere legal compliance does not accord with modern environmental, social and governance standards and expectations and, in this case, did not accord with the recommendations of the Yugunga-Nya People (as per the Survey Report recommendations).

- There were also other organisational or personal failings, none of which alone appear to have caused (including by errors or omission) the Disturbances, but which ought to be addressed in any event, such as:
 - (i) lack of clear reporting and escalation procedures;
 - (ii) siloing of information and lack of integration of data and departments; and
 - (iii) perceived time pressures which may have adversely affected decision-making.
- Unsurprisingly, noting our finding that the lack of centralised information and systematised data storage was a root cause, we observe that we have at times had difficulty obtaining documents or communications (for example, there seems to have been some inconsistent retention / storage of documents / emails by individuals historically rather than documents being stored within a central document management system). In addition, a number of key personnel are no longer with the business, and interviews were voluntary so there was no way to compel interviewees to be truthful or fulsome. Consequently, despite every effort and assistance being

given to us by Sandfire, we cannot be confident that we have seen every relevant document or communication. This is not to say that there has been any reluctance on the part of the organisation to provide documents, but that there is a practical barrier to doing so in some respects.

- We undertook interviews on the basis that information provided to us would be confidential and not attributed to any individual in order to minimise any reluctance to be full and frank.
- Our findings on the primary and secondary causes of the Disturbances are set out in Section 5 below.
- Our recommendations to Sandfire are set out in Section 6 below.

4.3 Additional information

- DPLH defines an artefact site as a place where human activity is identifiable by the presence of a portable object or objects (for example - stone, glass, bone, shell) utilised or modified by Aboriginal people in relation to traditional cultural life past or present.¹
- The Survey Report is confidential as between the Yugunga-Nya People and Sandfire and so cannot be published, although it is public knowledge that the Scatters were unregistered and low-density, and that the Survey Report recommended the Scatters be fenced. It appears that Sandfire personnel interpreted the conclusions and recommendations of the Survey Report such that these particular sites were not fenced.
- The description of the Scatters is not public information and is the subject of confidentiality restrictions, and thus is not set out here. The Scatters are of obvious importance to the Yugunga-Nya people regardless of the formal criteria of a 'site'. In any event, whether or not the Scatters constitute 'sites' for the purpose of s 5 of the AHA is not relevant to our findings, as there is no evidence that they would have been treated differently had they met the criteria of a 'site' unless they were registered.
- Legislative framework:
 - (i) As at the date of this Report, the Disturbances have been referred to the ACHC to determine whether the Scatters are 'Aboriginal sites' for the purposes of s 5 of the AHA. At the time of the disturbances (and as at the date of this report) the Scatters have not been registered.
 - (ii) Our instructions are that Sandfire accepts (regardless of the characterisation for the purposes of the AHA) that the significance of the Scatters to the Yugunga-Nya people was, or should have been, obvious from the conclusions and recommendations of the Survey Report. Moreover, Sandfire accepts the recommendations of the Survey Report (that the Scatters be fenced and not disturbed) should have been implemented.
 - (iii) On the basis of the information we have been provided, some Sandfire personnel were aware, or had the means to be aware, of the existence and location of the Scatters. However, the prevailing internal view was that only 'registered sites' were relevantly protected, though, so even if consideration had been given to whether the Scatters were or were not relevantly 'sites' for the purposes of the AHA, that is unlikely to have impacted the outcomes to the Scatters.

¹ Department of Planning, Lands and Heritage guidance: 'About Aboriginal Heritage', updated 15 November 2023: <https://www.wa.gov.au/organisation/department-of-planning-lands-and-heritage/about-aboriginal-heritage>

5 Key findings

5.1 Primary causes

Based on the evidence we have reviewed, we believe the following were the primary causes of the Disturbances.

- Failure to implement recommendations of the Survey Report
 - (i) The Survey Report recommended that the Scatters be fenced, however this was never done.
 - (ii) The shapefiles and GIS data recording the Scatters were not translated to a readily accessible database.
 - (iii) The MMP approved by DMP in 2017 did not include the locations of the Scatters due to confidentiality concerns over the survey report and because the sites were not registered.
 - (iv) The MMP was used to undertake subsequent works and activities at the Monty Mine.
 - (v) The consensus at Sandfire was that there would be no further heritage requirements to be attended to at the Monty Mine.
- Lack of responsibility and accountability for Aboriginal heritage:
 - (i) The responsibility for Aboriginal heritage was not clearly defined and allocated within Sandfire.
 - (ii) The different departments at Sandfire did not appreciate the requirements of heritage management and the broader sentiment at Sandfire was that Aboriginal heritage could be delegated and dealt with independently.
 - (iii) The responsibility for implementing and assessing compliance with the AHA and related heritage legislation was not held by a senior person with accountability and experience.

5.2 Contributing factors

Based on the evidence we have reviewed, we believe the following factors contributed to the Disturbances occurring.

- Organisation of data
 - (i) Sandfire's document management system (or lack thereof) was not consistent across the Company.
 - (ii) There was no guide or best practice that had been developed at Sandfire to govern how personnel were to organise and manage data.
- Failure to prioritise heritage concerns
 - (i) Sandfire first uncovered the Disturbances in June 2022 and did not disclose to the Yugunga-Nya People until 16 months later in October 2023. During this intervening period, Sandfire failed to adequately appreciate the urgency of the Disturbances and did not prioritise the escalation of matters concerning ACH.
 - (ii) The internal investigation undertaken by Sandfire in 2023 took approximately seven months from when the 'stop work' order was issued in response to the Disturbances until the investigation was presented to the Board. Prior to

September 2023, insufficient resources were available to be deployed to undertake this investigation more promptly, and the lack of centrally stored data, together with the high turnover of personnel, compounded the difficulty with finalising Sandfire’s assessment. Once the CEO became aware on 1 September 2023, greater priority and resourcing was afforded.

- Systemic and organisational factors
 - (i) Sandfire’s departments were siloed and inter-department communication was limited. Each department relied heavily on the other’s expertise without question as there was no system (at least with respect to ACH) providing checks and balances on the robustness of a department’s instruction.
 - (ii) An overreliance by operational personnel on a circular assumption that if an area was important or significant then it would be flagged or fenced.
 - (iii) A lack of understanding that although a potentially culturally important site might not fulfil the criteria of a s 5 ‘Site’ under the AHA it may still be important to Aboriginal stakeholders and should not be disturbed without a deliberate and conscious decision-making process and compliance with any applicable regulatory requirements and all internal standards and processes relating to consultation with such stakeholders.

6 Recommendations

We recommend that the following corrective actions be considered by Sandfire (in addition to complying with the law and Sandfire’s existing agreements and policies) to avoid a similar event to the Disturbances occurring in the future.

We understand implementation of a number of the recommendations contained in this Report is already underway as part of the changes in corporate governance and culture being led by Mr Brendan Harris.

6.1 Recommendation 1 – Consolidation of data

Overhaul of Sandfire’s GIS data and document management systems to:

- consolidate data on-site and in Perth in an improved database by standardising filing processes and document version control;
- review of all existing heritage survey reports, recommendations, and agreements to capture all available data in a centralised filing system; and
- delete or appropriate label unprovenanced data and reorganise provenanced data from across the different servers at Sandfire, with the assistance of a data management specialist.

Work should be done to ensure that information and data does not ‘slip through the gaps’ and actions taken by the Company that rely on the veracity of data such as a mining proposal are based on the correct information.

6.2 Recommendation 2 – Responsibility for Aboriginal heritage

The responsibility for Aboriginal heritage should be clearly demarcated and effective reporting lines be established. There should be a group of employees tasked with the heritage function, including an accountable person specifically tasked with carriage of all heritage functions, including arranging for heritage surveys and overseeing the implementation of heritage survey reports and recommendations.

It should also be clear that the interpretation of heritage legislation be referred to the legal department or legal advisors.

6.3 Recommendation 3 – Cultural awareness

All workers, and particularly those conducting ground-disturbing works on Country, should gain an understanding of:

- the meaning and scope of Aboriginal heritage;
- the requirements of the AHA with respect to s 5 ‘Sites’;
- separately, the potential importance to Traditional Owners of Aboriginal heritage sites whether or not they fall within the criteria of a s 5 ‘Site’ under the AHA; and
- ways to show respect for, and nurture the relationship between, Sandfire and the Traditional Owners of the land on which it operates.

6.4 Recommendation 4 – Heritage Management Plan

Reassess and finalise a revised Heritage Management Plan which attributes responsibility for heritage and provides a process for:

- dealing with and implementing heritage survey reports and recommendations;
- management of all Aboriginal heritage data (whether related to a s 5 ‘Site’ or not); and
- dealing with disturbed heritage sites.

The Heritage Management Plan should also include information about what is an ‘Aboriginal site’ for the purposes of s 5 of the AHA and importantly, direct Sandfire personnel to an appropriately qualified individual or group authorised to provide advice on the AHA.

6.5 Recommendation 5 – Procedure for Land Disturbance Permit

Consultation with Sandfire personnel responsible for Aboriginal heritage should form part of Sandfire’s internal Land Disturbance Permit process.

6.6 Recommendation 6 – Further disturbances

Sandfire should undertake a rigorous on-site process in consultation with all historic heritage data to confirm whether there have been any other disturbances on other identified heritage sites or locations.